

# Annual Report 2023

---

(Form 56-1 One Report)

Inter Pharma Public Company Limited

**Interpharma**  
VALUE YOUR LIFE.



## Contents

	Page
<b>Message from the Chairman and Chief of Executive Officer</b>	1
<b>Part 1: Business Operation and Operating Results</b>	
1. Organizational structure and operation of the group of companies	3
2. Risk management	74
3. Business sustainability development	80
4. Management discussion and analysis (MD&A)	99
5. General information and other material facts	112
<b>Part 2: Corporate Governance</b>	
6. Corporate governance policy	114
7. Corporate governance structure and material facts related to the board, subcommittees, executives, employees and others	126
8. Report on key operating results related to corporate governance	147
9. Internal control and related party transactions	163
<b>Part 3: Financial Statements</b>	
Board of Directors' Responsibility for Financial Reporting	166
Financial Statements 2023	167
<b>Attachments:</b>	
Attachment 1:	Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision and the Company's secretary
Attachment 2:	Details of the directors of subsidiaries
Attachment 3:	Details of the Heads of the Internal Audit
Attachment 4:	Assets for business undertaking and details of asset appraisal
Attachment 5:	Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company
Attachment 6:	Report of the Audit Committee

## Message from Chairman and Chief Executive Officer

Inter Pharma Public Company Limited ("the Company") is aware of sustainable business development. By continuously giving importance to the environment, society and good corporate governance. In parallel with the company's business operations, we develop integrated health products for people and animals. The company has therefore clearly defined the concept of sustainable development by focusing on 3 components: (1) Innovation Driven Organization (2) Good Corporate Governance, Risk Management and Compliance (3) Stakeholder Long Term Value Creation. The Company believes that when the Company has good operations based on a strong foundation, and taking into account stakeholders. The Company will be able to create growth in the business and ultimately create sustainability for society as a whole. The Company is still committed to developing and delivering quality products that meet customer standards.


In 2023, the Company is aware of environmental problems and greenhouse gas emissions problems. The Company has therefore installed a solar rooftop at its factory in Ayutthaya Province to reduce greenhouse gas emissions and reduce the company's expenses, at the same time, the Company has continuously expanded its investment by investing in the Gene Therapy business with GTRI in Japan. GTRI is engaged in the research and development of Gene therapy to treat Parkinson's disease, which increases business growth and enables the Company to be a leader in the integrated health business as planned.

The Company would like to thank employees, shareholders, customers, partners, and all stakeholders that provides support and good cooperation that allows the Company's business to develop, progress, and grow sustainably. The Company will continue to adhere to and follow the principles of good corporate governance.



  
(Clinical Prof. Emeritus Udom Kanchintom, MD.)  
Chairman



  
(Dr. Trinnawat Thanitnithiphan)  
Chief Executive Officer

# Part **1**

---

## **Business Operation and Operating Results**



## 1. Organizational structure and operation of the group of companies

### 1.1 Policy and Business Overview

Inter Pharma Public Company Limited and its subsidiaries are engaged in the development, creation, and distribution of innovative health and beauty products for people and health products for pets and livestock. The distributed products are divided into the following groups:

**Health products and beauty innovations for people** are operated by the Company. The products are divided into 3 groups as follows:

1) **Pharmaceutical Products** are the pharmaceutical product group that focuses on drugs for treating diseases related to the gastrointestinal system, respiratory system, diabetes, muscle and bone structure, painkillers, and infection-fighting general medicines. The Company focuses on its products to make the most of the patient's treatment and, at the same time, meet the growing demand from both physicians and health insurers. This product group includes various products under the Company's brand: Zensil, Bella Para, Zimmex, Virogon, Aller-Tab, Ingesic, Merforin, P-Fen, Omezole, Supenac, Bubble-X, Itrazole, Zyritine, and Pyrana. The Company has its own 2 pharmaceutical factories in Thailand, Phra Nakhon Si Ayutthaya Province and Samut Prakan Province.



2) **Wellness and Anti-Aging Products** are the products that help maintain healthy and anti-aging health and are not drugs that focus on balancing internal organs. They are called "Nutraceuticals". The products are developed from nutrients that have been proven effective in treating disease prevention and promoting health without side effects. This product group includes various products under the Company's brand: Probac 7, Probac 10 Plus, Probac BL, Beta Glucan Plus, Pure Krill Oil, PreBO, Astacurmin, ProLivo, Bravo Fit, Wonder Fit, Probac Fit, Fibo Fit, Protein Fit x2, Probac Ultra Collagen, Multivitamin, Magnesium plus B complex, Probac mood, D choless, and Prohare, as well as the products that the Company is a distributor for other product owners, including TS6 - Synbiotic.



3) **Aesthetic Innovation Products** are innovative products about various aspects of beauty that help increase the dimension and clarity of the face, and cleansing. This product group includes the products that the Company is a distributor for other product owners under the Company's brand: TS6 - Lady Health, and the products under the Company's brand, namely YUUU toothpaste.



**Animal health products** are operated by a subsidiary, divided into 2 groups:

1) **Companion Animal Health Products** are as follows:



- *Nutraceuticals for pets* are food supplements for the health care of dogs and cats. Each product contains various nutrients that helps nourish and reduce the symptoms of various diseases, such as calcium deficiency, helping reduce inflammation, itching, and hair loss, maintaining the health of the skin and coat to be soft and beautiful, and nourishing the nervous system and metabolic system,

helping reduce arthritis problems and osteoarthritis, slowing down the symptoms of cancer, etc. This product group consists of the products that the subsidiary is a distributor for other product owners, such as Dr. Choice Pet Select Petinol and SYN BIO-B, and the products owned by the subsidiary itself, such as Katimun Qcer, SAME, QrillMega IIa, Ocluvita Soft Chew.

- *Medicated Shampoo for pets* is a shampoo to treat skin infections in dogs and cats. This product group includes the products that the Company is a distributor for other owners, namely Dermcare MALASEB and Dermcare PYOHEX.
- *Cosmeceuticals for pets* are a type of shampoo and conditioner that do not need to be rinsed for dogs and cats with dry, itchy, or sensitive skin. They keep skin and coat soft and beautiful, reduce tangles, and prevent skin irritation, including products for cleaning the ear canals of pets and multi-purpose spray for pets. This product group consists of the products that the Company is a distributor for other owners, such as Dermcare Aloveen and Dermcare Natural, and the products that are owned by the subsidiary itself, such as EARKleen, EARKleen PLUS, Dentakare GEL, Qbac and Qcer Gel.
- *Pharmaceuticals for pets* include drugs for dogs and cats such as antibiotics, pain relievers, anti-inflammatory drugs, ear drops, anthelmintics, etc. This product group consists of the products that the subsidiary is a distributor for other product owners, namely MOXCLAVET, ENROPHAR, MARBOFLOX, FENAMAX TABLET, OTO PET OINTMENT, and PRABENGUARD.
- *Vaccines for pets* include vaccines for dogs. They are the combined vaccine to protect against major infectious viral diseases in dogs, including rabies. This product group consists of the products that the subsidiary is a distributor for other product owners, namely Biocan NOVEL DHPPI, Biocan NOVEL DHPPI/L4, and Biocan NOVEL DHPPI/L4R, CANGLOB P and CANGLOB D FORTE.
- *Pet food* is a food product for dogs and cats. This product group consists of the products under the subsidiary's brand namely, MARIA, which is a premium-quality human-grade food product under the concept of "Authentic Pet Food," which is made from real chicken and fish meat, not meat scraps or processed meat, or By Product. There are also products for which the subsidiary is a distributor for other product owners, namely Choo Choo, which consists of Choo Choo concentrated soup for health care consisting of 20 natural protein amino peptides, Choo Choo jelly supplementary food for cats, Choo Choo smoothie for cat health, and Choo Choo baby cat soup for kitten health.
- *Pet Pee Pad* is a product for absorbing urine or excretion for dogs, cats, and general pets under the brand Raku Pad, which is a subsidiary's brand.

## 2) *Livestock Products*



include the followings:

- *Premix* products, which consist of extracts, minerals, and enzymes used in animal feed, have properties to help promote health and treat symptoms of various diseases that promote the animal husbandry for consumption to reduce the use of antibiotics, which is based on the concept of food safety. This product group of the Company mainly consists of the products sold under the brand names of its subsidiaries, namely MaxiGut Powder, MaxiMune Solution, MaxiDigest Solution, MaxiLyte

Tab, and MaxiGut Paste Tube. The rest are the products of other product owners that the subsidiary bought for reselling to customers, such as MFeed, PRORELEASE, BUTYRICA, EDG-SP, etc.

- *Hygiene* products are products that help maintain health and prevent the spread of disease, such as hygiene powder to absorb moisture on the floor, waste water treatment microorganisms, and products that reduce ammonia in livestock houses, etc. This product group consists of the products under the subsidiary's brand, namely OCLAY, and the products of other product owners purchased by the subsidiary for resale to customers, namely ECOTRU EXTRA.
- *Antibiotic* products are used to treat diseases caused by bacterial infections in livestock and anticoccidiosis for broilers. The subsidiary purchases a variety of antibiotics from veterinary drug manufacturers in order to provide a wide range of products and a complete range of these drugs.

All products sold by the Company and its subsidiaries have been licensed or registered by relevant authorities. They are the products that are manufactured in a standardized factory and that have been correctly and completely registered by that manufacturer. For products ordered or manufactured from abroad and imported by the Company or its subsidiaries before being imported for sale, the Company or its subsidiaries have to apply for permission or registration from relevant agencies, including the Food and Drug Administration (FDA)<sup>1</sup> or the Department of Livestock Development (as the case may be)<sup>2</sup> to certify that the products have passed quality, efficacy, and safety considerations in accordance with the criteria of such a regulatory body.

The Company and its subsidiaries sell all products in the country. It is distributed through various channels, including hospitals, clinics, pharmacies, hospitals and pet clinics, pet shops, and modern retailers (modern trade), to sell or provide services to end users in another way. This includes the distribution to end users directly by using the sales team of the Company and its subsidiaries, as well as online distribution channels. In the years 2019–2023, the Company and its subsidiaries have no revenue from sales of products to any single customer with a proportion of more than 30% of total sales revenue.

In 2022, the Company's subsidiaries invested by acquiring shares in pharmacy and hospital businesses. The details appear in Item 1.2.2: Product Information (1) Characteristics of Products or Services.

---

<sup>1</sup> Persons who are authorized to produce food/drugs/animal drugs or who intend to import or order such products into Thailand, must apply for registration with the Food and Drug Administration (FDA) before manufacturing, importing, or ordering the aforementioned products. Once they have obtained the registration certificate, they are then permitted to produce, import, or order such products into the country.

<sup>2</sup> Persons who are authorized to produce animal feed or who intend to import or order animal feed into Thailand, must apply for registration with the Department of Livestock Development before manufacturing, importing, or ordering animal feed. Once they have obtained the registration certificate for animal feed, they are then permitted to produce or order such products into the country.

### 1.1.1 Vision, Mission, and Business Goal

#### Vision

*"Be a leader in inventing and presenting our various range of health products with efficiency and safety for prevention and treatment of diseases, longer life, and anti-aging."*

#### Mission

To achieve the Company's vision, the Company's mission has been defined as 6 items as follows:

1. Outstanding and diverse range of services and products
2. Continuous research and product development
3. International level of access to products and services
4. Highly qualified and efficient personnel
5. Social and environmental responsibilities
6. Organization of good governance

#### Business Operational Goal

The Company operates the business in the development, invention, and distribution of health and innovative beauty products for people and health products for pets and livestock consisting of pharmaceuticals, nutraceuticals, cosmeceuticals, healthy foods, and medical devices for both human health and animal health under the concept of "VALUE YOUR LIFE" with the belief that the value of life is the good health and longevity with quality. This concept has been reflected in the Company's products to provide consumers with a healthy body and a balance in the body's system. The Company pays attention to every detail in the selection process to ensure that the Company's products are of excellent quality. The invention and presentation of biotechnology-based health products are for prevention of the diseases to have a longer life and for anti-aging.

Under the trademark "INTERPHARMA," the Company has set a goal within 5 years to grow into a leading Company in offering health products and shall expand distribution channels and market in the country and overseas to allow the target customers easy access to the products, be able to recognize the Company's trademark and to provide consumers with good health. In addition, the Company shall improve its internal system to increase efficiency and speed of work. It shall maintain a good relationship with partners and participate in helping, developing society, and taking environmental responsibility for long-term sustainability.

### 1.1.2 Material changes and developments

The Company was established on April 20, 2006, under the name "Inter Pharma Company Limited" with a registered capital of 1 million Baht. The initial objective was to operate the business of importing and distributing general health products. Later in 2013, the Company restructured its shareholding to be held by Dr. Trinnawat Thanitnithiphan at 94.90% of the Company's paid-up capital. Dr. Trinnawat Thanitnithiphan had the vision to present innovations that are new alternatives in the prevention and treatment of diseases in people; therefore, he came to manage the Company, which was the beginning of the business expansion of nutraceuticals and health products under the trademark "INTERPHARMA". It began with health and anti-aging products sold to hospitals and clinics, which had become more popular and known, especially the Probac 7

and Probac 10 Plus products, which were synbiotic products helping balance a good excretory system and building the immune system, the beginning of good health from the inside out. After that, the Company expanded into a group of innovative beauty products (Aesthetic Innovation). Then, catching the growing trends of dogs and cats, it expanded to pet products that offered pharmaceuticals, cosmeceuticals, nutraceuticals, and pet health food.

In this regard, with the current trend of food safety awareness, the Company expanded its business to include livestock products and introduced new products. The Company's operating results have steadily improved due to its focus on food safety. In addition, the Company does not stop developing new products and innovations regularly so that the products sold are unique and different from other products in the market.

**Developments of the Company over the past 5 years can be summarized as follows:**

- 2018**
- The Company launched 2 branded products, namely YUUU Probiotic Premium Cleansing Mousse, a probiotic facial product to reduce inflammation, moisturize the skin, help eliminate and reduce the growth of bacteria causing disease, and YUUU Advance Probiotic & Pine Needle Toothpaste, an integrated oral care toothpaste to help balance overall oral health for strong gums and teeth, reduce the accumulation of pathogenic bacteria, and help suppress bad breath to give you a fresher breath.
  - On March 19, 2018, the establishment of Inter Petrina Co., Ltd. ("Inter Petrina") was registered with a registered capital of 4 million Baht. It is a joint venture between the Company and Asian Group Service Co., Ltd., a subsidiary of the Asian Seafoods Coldstorage Public Company Limited<sup>3</sup>, in which the Company holds 60% of the shares, and Asian Group Service Co., Ltd., holds 40% of Inter Petrina's registered capital to operate a business selling pet food products by focusing on the pet food market in the country through distribution channels that the Company has expertise in, including hospitals and pet clinics, pet shops, modern retail or modern trade, and various online channels. It has been positioned in the premium pet food market to meet the lifestyle of pet lovers requiring special health and safety attention.
  - In this regard, on May 18, 2018, there was a joint venture agreement between the Company and Asian Group Services Co., Ltd. to determine the conditions and agreements for conducting business in Inter Petrina. The details of the essence of the said contract can be considered under the topic of assets used in business operations, in the joint venture agreement subsection.
  - On April 30, 2018, the 2018 Annual General Meeting of Shareholders of the Company resolved to approve the capital increase from 40 million Baht to 65 million Baht by issuing 250,000 additional ordinary shares at a par value of 100 Baht per share, offered for sale to the existing shareholders of the Company at the price of 100 Baht per share. The Company registered a new paid-up capital with the Department of Business Development, Ministry of Commerce, on May 15, 2018. The Company used the proceeds from the capital increase

---

<sup>3</sup> Asian Group Services Co., Ltd., is held by Asian Seafood Coldstorage PCL. at a 100% shareholding of the registered capital of Asian Group Services Co., Ltd.

as working capital for the Company's business operations.

- In such a capital increase, Dr. Songwuth Sakchalathorn (the name later changed to Dr. Trinnawat Thanitnithiphan) bought the newly issued shares lower than the rights granted to the shares allocated. As a result, Dr. Trinnawat Thanitnithiphan had the Company's shareholding proportion decreased to 65.81% of the Company's paid-up capital after the capital increase. Currently, Dr. Trinnawat Thanitnithiphan is the only shareholder holding the position of director of the Company. None of the other shareholders holds shares equal to or greater than 10% and involves in the management of the Company.
- In addition, the aforementioned shareholders meeting resolved to pay dividends from the net profit for the year 2017, after deducting legal reserves from retained earnings, to shareholders at the rate of 70 Baht per share, totaling 28 million Baht, and allocate profit as a legal reserve in the amount of 1.5 million Baht, with the dividend payment scheduled for May 7, 2018.
- In May 2018, Inter Petrina launched dog and cat food products under the brand "MARIA," developed by veterinarians and nutritionists on the concept of "Authentic Pet Food." The products are made from real meat of the same grade as human food production with preservative-free, contain prebiotics that help take care of the digestive system by providing nutrients, enhance the function of the immune system, and free from flour, corn, wheat, and soy (grain-free) suitable for dogs and cats who are allergic to grain foods.

## 2019

- On April 18, 2019, the Annual General Meeting of Shareholders of the Company for the year 2019 resolved to approve dividend payment from retained earnings after deducting legal reserves to shareholders at the rate of 17.80 Baht per share, totaling 11.57 million Baht, and allocate profits as legal reserves in the amount of 0.67 million Baht. The dividend payment is scheduled for April 19, 2019. It also passed a resolution approving the capital increase from 65 million Baht to 80 million Baht by issuing 150,000 additional ordinary shares with a par value of 100 Baht per share offered to the existing shareholders of the Company in proportion to their shareholding at the price of 100 Baht per share. The Company registered a new paid-up capital with the Department of Business Development, Ministry of Commerce, on April 24, 2019. The Company used the proceeds from the capital increase as working capital for the Company's business operations.
- On May 7, 2019, the Extraordinary General Meeting of Shareholders No. 1/2019 resolved to approve the conversion of the Company from a Limited Company to a Public Limited Company under the name "Inter Pharma Public Company Limited." The change in the par value of the Company's shares from 100 Baht per share to 0.50 Baht per share and an increase in the registered capital of the Company by 23 million Baht from the registered capital of 80 million Baht to the registered capital of 103 million Baht were achieved by issuing 46 million new ordinary shares with a par value of 0.50 Baht per share. The offering was divided into: (1) 39.1 million newly issued ordinary shares offered to the public; and (2) 6.9 million newly issued ordinary shares offered to directors, executives, and/or employees



of the Company and its subsidiaries at the same price as the price offered to the public. This included bringing the ordinary shares of the Company to be listed on the Market for Alternative Investment (MAI), where the Company had registered the conversion, changing the par value, and new registered capital to the Department of Business Development Ministry of Commerce on May 15, 2019.

- On September 19, 2019, the Securities and Exchange Commission allowed the Company to offer newly issued shares to the public.
- On October 28 – 30, 2019, the Company offered the Company's newly issued ordinary shares to the Initial Public Offering (IPO) in the amount of 46,000,000 shares. The offering price was 7 Baht per share, amounting to 322,000,000 Baht. After deducting the cost of the offering, the remaining amount was 304,482,430 million Baht. The Company used the proceeds from the capital increase to repay short-term loans and as working capital.
- On November 1, 2019, the Company registered the capital increase with the Department of Business Development, Ministry of Commerce, at 103,000,000 Baht, divided into 206,000,000 shares at a par price of 0.50 Baht.
- On November 5, 2019, the Company's ordinary shares became listed securities and began trading for the first time on the Market for Alternative Investment (MAI) in the industrial sector and consumer products with the symbol "IP."

## 2020

- At the beginning of the year 2020, there was an epidemic of the novel coronavirus 2019 (COVID-19) in Thailand and around the world. The spread of COVID-19 resulted in a slowdown in the economy and had an impact on businesses and industries as a whole. In the aforementioned situation, the Company launched new products, namely face masks made from nanofibers and natural bamboo fibers and hand sanitizer in the form of tubes and sachets for sale to customers.
- On April 1, 2020, the Annual General Meeting of Shareholders for the year 2020 resolved to approve the dividend payment from the net profit for the year 2019 after deducting legal reserves to shareholders at the rate of 0.185 Baht per share, totaling 38.11 million Baht, and allocate profit as a legal reserve in the amount of 2.10 million Baht. The Company determined the names of shareholders who were entitled to receive dividends according to the names appearing in the shareholder register book as of April 9, 2020. The dividend payment was scheduled within 30 days from the resolution of the Annual General Meeting of Shareholders. The Company paid dividends on April 27, 2020.
- On August 6, 2020, the Extraordinary General Meeting of Shareholders No. 1/2020 resolved to approve the issuance of debentures in an amount not exceeding 300 million Baht. However, the total debt burden at any time must not exceed 460 million Baht for the purpose of repaying the existing loan debt and/or used for operations, business expansion, working capital, or other purposes as the Board of Directors deemed appropriate.

- Probac products and YUUU toothpaste products were the No. 1 best-selling products from LAB Pharmacy.
- On July 17, 2020, the Board of Directors Meeting No. 5/2020 resolved to approve the sale of investments in the Company's ordinary shares for 6.25 million Baht to the existing shareholders of the Company from Inter Stemma Co., Ltd.
- Dr. Songwuth Sakchalathorn changed his name and surname to Dr. Trinnawat Thanitnithiphan on September 23, 2020.
- New products included PROBIOTA BL, PROIMMO, VITAMUNE, MOUTH SPRAY, and YUUU HONEY BEE PROPOLIS NATURAL MOUTH SPRAY.
- The Company acquired Modern Pharma Co., Ltd. in November 2020 for 295 million Baht.

## 2021

- On January 7, 2021, the Company established a joint venture company named "Interpharma-Zeavita Co., Ltd." with the objective of research and development, production, and distribution of health products. The Company's registered capital was 20 million Baht, of which the Company held 60 % and Thai Union Ingredients Co., Ltd. held 40 %.
- On February 8, 2021, the Board of Directors approved the acquisition of assets by purchasing 20 rai of land, a pharmaceutical and machinery factory, and 4 drug registrations worth 160 million Baht from Teva Farma (Thailand) Co., Ltd..
- On April 26, 2021, the Annual General Meeting of Shareholders for the year 2021 resolved to approve the allocation of profit as a legal reserve in the amount of 2.56 million Baht and the dividend payment for the year 2020 performance to shareholders in the amount of 46.02 million Baht at the rate of 0.2234 Baht per share. The dividends were paid in the form of ordinary shares and cash as follows:
  - 1) Cash dividend were paid at the rate of 0.0234 Baht per share, totaling 4,820,400 Baht.
  - 2) Dividend were paid in the form of ordinary shares of the Company in the amount of 82,400,000 shares with a par value of 0.50 Baht per share to shareholders at the rate of 2.5 existing shares per 1 stock dividend, totaling 41,200,000 Baht, representing a dividend payment of ordinary shares at the rate of 0.20 Baht per share. In the event that there is a fraction, the Company would pay cash dividends instead of stock dividends at the rate of 0.20 Baht per share.

The Company determined the names of shareholders who were entitled to receive dividends according to the names appearing in the shareholder register book on March 12, 2021. The dividend payment date was set for May 18, 2021.

- On May 19, 2021, the Company signed an academic cooperation agreement between Prince of Songkla University (PSU) and the Company to further develop research and study related to kratom and kratom extracts to standardize production and use for use as food supplements,



nutritional therapy, medicine, and various health products. This memorandum of agreement is effective for a period of 5 years, until May 2026.

- On July 14, 2021, the Extraordinary General Meeting of Shareholders No. 1/2021 resolved to approve important matters as follows:
  - Approved the amendment to Article 31 of the Articles of Association regarding the meeting of the Board of Directors via electronic media to comply with the current changing laws.
  - Approved the issuance and offering of the Company's newly issued ordinary shares to existing shareholders in proportion to the number of shares held by each shareholder (Rights Offering) in the amount of not more than 9,613,320 shares at an allocation ratio of 30 existing ordinary shares per 1 share of capital increase ordinary shares with an offering price of 20 Baht per share. The date for determining the names of shareholders who are entitled to the allocation and offering of the newly issued ordinary shares with warrants IP-W1 (Record Date) was set on July 21, 2021. The subscription and payment dates for newly issued ordinary shares were scheduled for August 9, 2021, and August 13, 2021.
  - Approved the issuance and allocation of warrants to purchase ordinary shares of Company No. 1 ("IP-W1") to be allocated to the existing shareholders of the Company who subscribed for and paid for the newly issued ordinary shares in proportion to their shareholding but not more than 19,226,640 units, free of charge.
  - Approved the increase of the Company's registered capital under a general mandate in the amount of not more than 38,839,959 shares at the par value of 0.50 Baht per share, with the details of the allocation as follows:
    - ( 1 ) Allocate newly issued ordinary shares in the amount of not more than 10,000,000 shares at a par value of 0.50 Baht per share, representing not more than 3.47 % of the paid-up capital to be offered to the existing shareholders of the Company in proportion to their shareholding (Right Offering); or
    - ( 2 ) Allocate newly issued ordinary shares in the amount of not more than 28,839,959 shares at the par value of 0.50 Baht per share, representing not more than 10 % of the paid-up capital for offering to private placement.
  - Approved the increase of the Company's registered capital in the amount of 33,839,959.50 Baht from the original registered capital of 144,199,795.50 Baht to the new registered capital of 178,039,755 Baht by issuing up to 67,679,919 newly issued ordinary shares with a par value of 0.50 Baht per share.
- From August 9 - 16, 2021, the Company issued and offered new ordinary shares to the existing shareholders of the Company in proportion to their shareholding (Right Offering) in the amount of 9,610,933 shares, amounting to 192,218,660 Baht.

- On August 26, 2021, the Company registered an increase in paid-up capital from the original 144,199,795.50 Baht to 149,005,262 Baht with the Department of Business Development, Ministry of Commerce.
  - On September 7, 2021, the Company signed a memorandum of understanding with R&B Food Supply Plc. regarding research, development, and production extension related to hemp and cannabis products as permitted by applicable laws. This memorandum of agreement was effective for a period of 1 year from the date of its signing.
  - On October 1, 2021, the Company issued warrants to purchase ordinary shares of the Company No. 1 ("IP-W1") to existing shareholders of the Company who subscribed for and paid for newly issued ordinary shares in proportion to their holdings of 19,221,866 shares.
  - The Board of Directors Meeting No. 7/2021, held on November 9, 2021, resolved to approve Inter Pharmacy Co., Ltd. (a subsidiary that is in the process of registering) to invest by purchasing shares of Drug Care Co., Ltd. ("Drug Care") in the proportion of 88.67 % of the issued and paid-up capital of Drugcare. It aimed to expand the business operations of the Company so that it can operate more comprehensively. The Company expected to be able to pay and transfer shares of drug care (closing date) within the first quarter of 2022.
  - On December 7, 2021, the Company entered into a preliminary memorandum of agreement with Inno Hub Co., Ltd., a subsidiary of One To One Contacts Public Company Limited, which operates in software research and development and provides digital innovation development services ("Joint Venture"). The objective of establishing a joint venture company was to jointly invest in the business of distributing health products, including online pharmacist consulting ("Telepharmacy Business"). The Company would hold 50 % of the shares in the joint venture company. ("Joint Venture Company")
  - In 2021, the Company launched a total of 6 new products, as follows:
    - Probac FIT 2 sku : Synbiotics for weight control
    - Bravo FIT 10 capsules : Holistic health for men
    - Wonder FIT 30 capsules : Holistic health for women, reducing menstrual pain and menopausal symptoms
    - TS6 10 sachets (For skin) : Synbiotics for skin
    - Probac Ultra Collagen 30 sachets : Collagen mixed with synbiotics for skin and reducing wrinkles.
    - Protein Fit x2 10 sachets : Plant-based protein for weight control and building muscle mass
- 2022**
- On April 1, 2022, the Company registered the establishment of a new subsidiary, Inter Pharmacy Co., Ltd., with a registered capital of 315,000,000 Baht. The objective was to operate and/or invest in new businesses within the Company Group.

- On April 8, 2022, Inter Pharmacy Co., Ltd. completed the payment of shares to the existing shareholders of Drug Care Co., Ltd.
- On July 1, 2022, the chief finance officer (CFO) was changed from Ms. Supaporn Rekitakpanich to Mrs. Nattarin Polpuech.
- On July 20, 2022, the Extraordinary General Meeting of Shareholders No. 1/2022 resolved to approve important matters as follows:
  - Approved the reduction of the registered capital of the Company by 19,423,560 Baht from the registered capital of 178,039,755 Baht to 158,616,195 Baht by canceling 38,847,120 unsold ordinary shares at a par value of 0.50 Baht per share, which was the remaining ordinary shares from the allocation to the existing shareholders of the Company in proportion to their shareholding (Rights Offering), amounting to 2,387 shares and the remaining from the reserve for the exercise of the warrants to purchase ordinary shares of Company No. 1 (IP-W1) in the amount of 4,774 shares and the reserve shares for the exercise of the capital increase under a general mandate in the amount of 38,839,959 shares.
  - Approved the issuance and offering of not more than 74,510,000 newly issued ordinary shares for private placement to Innobic LL Holding Co., Ltd. ("INNOBIC LL") (which is an indirect subsidiary of PTT Public Company Limited ("PTT"), in which PTT indirectly held 100% of shares through a subsidiary), in which INNOBIC LL would hold shares in the Company in the proportion of 20% of the registered capital after the capital increase.
  - Approved the increase of the registered capital of the Company under its general mandate in the amount of not more than 38,839,959 shares at a par value of 0.50 Baht per share.
  - Approved the increase of the Company's registered capital in the amount of 57,602,430.50 Baht from the original registered capital of 158,616,195 Baht to the registered capital of 216,218,625.50 Baht by issuing 115,204,861 new ordinary shares at a par value of 0.50 Baht per share to be allocated to specific persons (private placement) in the amount of 74,510,000 shares with additional reserve for the right adjustment of warrants to purchase ordinary shares of Company No. 1 (IP-W1) in the amount of 1,854,902 shares and the reserve for the capital increase under the general mandate in the amount of 38,839,959 shares.
  - Approved to increase the number of directors from 7 to 10 in line with the Company's business expansion. Approved the appointment of 3 new directors which were Mrs. Apimon Posri, Mrs. Nattarin Polpuech, and Ms. Chompunuch Meevang.
- On August 9, 2022, the Board of Directors Meeting No. 8/2022 resolved to approve important matters as follows:
  - The date of issuance and offering of shares to specific persons (private placement) was determined, namely Innobic LL Holding Co., Ltd., in the amount of 74,510,000 shares. The

period for subscription and payment of newly issued ordinary shares was August 10, 2022, at a price of 14 Baht per share, totaling 1,043.14 million Baht.

- Adjusted the rights of IP-W1 as a result of the Company's offering of newly issued ordinary shares to a private placement at a price lower than 90% of the market price as follows:
    - The right exercise price (Baht: share) was adjusted from 25 Baht per share to 23.915 Baht.
    - The right exercise ratio was adjusted from 1:1 to 1:1.045.
  - Mr. Terdkiat Prommool and Dr. Nat Atitavass were appointed as directors in place of Ms. Supaporn Rerkpitakpanich and Ms. Chompunuch Meevang, respectively.
  - The change in the director's authority was as follows:  
Originally, "Mr. Trinnawat Thanitnithiphan shall sign with Ms. Napaporn Dechakarat or Ms. Supaporn Rerkpitakpanich, a total of two persons, and affix the Company's seal,"  
Amended to "Mr. Trinnawat Thanitnithiphan shall sign with Ms. Napaporn Dechakarat or Mrs. Apimon Posri or Mrs. Nattharin Pholpuech, a total of two persons, and affix the Company's seal."
  - On August 10, 2022, the Company registered an additional paid-up capital of 37,255,000 Baht, resulting in a paid-up capital of 186,260,262 Baht.
  - On October 1, 2022, the Company registered for the establishment of a new subsidiary, Inter Wellness Co., Ltd., with a registered capital of 1,000,000 Baht, with the objective of operating and/or investing in new businesses of the Company Group.
  - On November 2, 2022, the Board of Directors Meeting No. 8/2022 resolved to approve important matters as follows:
    - It approved Inter Wellness Co., Ltd., a subsidiary of the Company, to invest by acquiring shares of Nakhon Patana Co., Ltd. ("Nakhon Patana") in the proportion of 50% of the issued and paid-up capital of Nakhon Patana. Nakhon Patana which operates a 59-bed hospital business located in Nakhon Si Thammarat Province.
    - It approved an increase in the registered capital of Inter Wellness Co., Ltd. (Inter Wellness), a wholly-owned subsidiary of the Company, in the amount of 429 million Baht from the original registered capital of 1 million Baht to 430 million Baht, divided into 4,300,000 ordinary shares with a par value of 100 Baht per share. The objective is to increase capital to invest by buying shares of Nakhon Patana Co., Ltd. in the amount of 400 million Baht and working capital of Inter Wellness Co., Ltd. in the amount of 30 million Baht.
  - On November 16, 2022, Inter Wellness Co., Ltd. completed the payment of shares to the existing shareholders of Nakhon Patana Co., Ltd.
- 2023**
- On February 27, 2023, the Board of Directors Meeting No. 1/2023 Approved the appointment of Dr. Yuttana Suwannachot as the position of Director of the Company in replacement of Mr. Terdkiat Prommool.

- On April 27, 2023, the 2023 Annual General Meeting of Shareholders resolved to approve important matters as follows:
  - Approved the Company pay a dividend to shareholders at a rate of 0.18 Baht per share.
  - Approved the issuance and offering of warrants to purchase ordinary shares of Company No. 2 ("IP-W2") be offered free of charge and will be allocated proportionately to existing shareholders 93,130,131 units.
  - Approved the capital decrease 19,419,979.50 Baht by canceling 38,839,959 shares unpaid-up ordinary shares.
  - Approved the capital increase of the Company 46,565,065.50 Baht by issuing 93,130,131 to allocate reserve for exercise the rights of the warrants to purchase ordinary shares of the Company No. 2.
  - Approved the allocation of not more than 93,130,131 to allocate reserve for exercise the rights of the warrants to purchase ordinary shares of the Company No. 2
  - Approved the amending a total of 6 clauses in the Company's Articles of Association, namely Article 29, Article 35, Article 38, Article 39, Article 51, and Article 57. These amendments are necessary to comply with the Public Limited Companies Act B.E. 2535.
  - Approved the amendment of the Company's Memorandum of Association, specifically Clause 3 (Objectives), in order to encompass the current and future business operations of the Company.
- On May 1, 2023, the Company has the registration of the reduction from the registered capital of 216,218,625.50 Baht to 196,798,646 Baht by canceling 38,839,959 shares unpaid-up ordinary shares with the Department of Business Development
- On May 2, 2023, the Company has the capital Increase from the former registered capital of 196,798,646 Baht to 243,363,711.50 Baht to allocate reserve for exercise the rights of the warrants to purchase ordinary shares of the Company No. 2 with the Department of Business Development
- On May 15, 2023, Changing of Chief Accountant from Ms. Nattaya Nounklay to Ms. Supaporn Chanwongngam
- On June 21, 2023, the Company has issuance and offering of warrants to purchase ordinary shares of Company No. 2 ("IP-W2") to existing shareholders in proportion to their shareholding 93,129,691 units.
- On June 23, 2023, Mrs. Nattarin Polpuech has resigned as Director and Chief Financial Officer due to her other business engagement and the Company has appointed Mrs. Chatkaew Krudkosol Acting Chief Financial Officer.
- On September 30, 2023, the warrants to purchase ordinary shares of Company No. 1 ("IP-W1") delisting date.

### 1.1.3 Utilization of Proceeds From the Offering of Ordinary Shares

- Inter Pharma Public Company Limited has offered newly issued ordinary shares to the Initial Public Offering (IPO) in the amount of 46,000,000 shares, a par value of 0.50 Baht per share, at an offering price of 7 Baht per share, totaling 322,000,000 Baht. After deducting the cost of the offering of securities, the balance is 304,482,430 Baht. As of June 30, 2022, the Company has already used the capital increase according to the purpose of using the proceeds.
- On August 9 - 16, 2021, the Company offered to sell newly issued ordinary shares to existing shareholders of the Company in proportion to their shareholding (RO) in the amount of 9,610,933 shares at a par value of 0.50 Baht per share at the offering price of 20 Baht per person, totaling 192,218.660 Baht. After deducting the cost of offering, the remaining amount was 192,145,660 Baht. As of December 31, 2021, the Company has already used the increased capital according to the utilization of capital increase.
- On August 10, 2022, the Company issued and offered shares to Private Placement, namely Innobic LL Holding Co., Ltd., in the amount of 74,510,000 shares at a price of 14 Baht per share, totaling 1,043.14 million Baht. The remaining capital increase on December 31, 2023, was 107,527,370 Baht. The details are as follows:

Unit : Baht

Purpose of Funds Utilization	Fund Utilization Plan	Actual Spending during July 1 – December 31, 2023	Remaining as at December 31, 2023
1. Use for expansion a new business related to the current business	500,000,000	475,300,000	24,700,000
2. Use for investment on EU standard technology transfer for Eye Drop products of Inter Pharma's Ayutthaya Site Factory.	100,000,000	38,172,630	61,827,370
3. Use for investment in new business of cosmeceutical and effervescent tablets of Modern Pharma factory	50,000,000	50,000,000	-
4. Use for LAB Pharmacy branches expansion	100,000,000	79,000,000	21,000,000
5. Loan repayment	150,000,000	150,000,000	-
6. Use as working capital	143,140,000	143,140,000	-
<b>Total</b>	<b>1,043,140,000</b>	<b>935,612,630</b>	<b>107,527,370</b>

#### 1.1.4 Name, location of the head office, type of business, company registration number

Name	:	Inter Pharma Public Company Limited
Location of the head office	:	140/9 ITF Tower 9 Floor, Silom Road, Suriyawong, Bangrak, Bangkok
Location of branches	:	(1) 160/ 74- 75 ITF-Silom Palace Tower 10 Floor, Silom Road, Suriyawong, Bangrak, Bangkok (2) 140/ 10 ITF Tower 9 Floor, Silom Road, Suriyawong, Bangrak, Bangkok (3) 99/19 Moo 3 Bangna-Trad KM. 23, Bang Sao Thong Subdistrict, Bang Sao Thong District Samut Prakan Province (4) 99/20 Moo 3 Bangna-Trad KM. 23, Bang Sao Thong Subdistrict, Bang Sao Thong District Samut Prakan Province (5) 99/2 Moo 3 Bangna-Trad KM. 23, Bang Sao Thong Subdistrict, Bang Sao Thong District Samut Prakan Province (6) 89 Moo 1 Ban Chang Subdistrict, Uthai District, Phra Nakhon Si Ayutthaya Province (7) 197/1 Moo 1, Pak Khlong Bang Pla Kod Subdistrict, Phra Samut Chedi District, Samut Prakan Province (8) 33/2 Moo 7 Bang Pla Subdistrict, Bang Phli District, Samut Prakan Province
Type of Business	:	Research & development and distribution of healthcare products and aesthetic innovation products for human including health products for pets and livestock animals
Company Registration No.	:	0107562000203
Telephone No.	:	02-634-0225
Facsimile No.	:	02-634-0135
Website	:	www.interpharma.co.th
Registered Capital	:	243,363,711.50 Baht, divided into 486,727,423 ordinary shares
Paid-up Capital	:	186,260,262 Baht, divided into 372,520,524 ordinary shares
Par value	:	0.50 Baht per share

## 1.2 Nature of Business Operations

### 1.2.1 Revenue Structure

The revenue structure of the Company and its subsidiaries for 2021-2023 by product groups is as follows:

Type of revenue	Operated by	% shareholding of the Company	2021		2022		2023	
			MB	%	MB	%	MB	%
<b>Revenue from sales</b>								
1. Pharmaceutical, Wellness and Aesthetic Innovation products for Human	The Company Modern Pharma Interpharma-zeavita Drug Care Inter Wellness Nakhon Patana	- 100.00 51.00 88.67 100.00 50.00	572.42	62.15	1,165.34	75.95	1,429.18	79.45
2. Animal health products	Inter Vetta Inter Petrina	55.00 60.00	336.21	36.51	357.99	23.32	352.06	19.57
<b>Total revenue from sales</b>			<b>908.63</b>	<b>98.66</b>	<b>1,523.33</b>	<b>99.27</b>	<b>1,781.24</b>	<b>99.02</b>
Other revenue	The Company and its subsidiaries	-	12.35	1.34	11.12	0.73	17.54	0.98
<b>Total revenue</b>			<b>920.98</b>	<b>100.00</b>	<b>1,534.45</b>	<b>100.00</b>	<b>1,798.78</b>	<b>100.00</b>

### 1.2.2 Product Information

#### (1) Characteristics of Products or Services

The Company is engaged in the development, creation, and distribution of innovative human health and beauty products as well as pet and livestock health products. The product groups are divided into 5 groups as follows:

- 1) Health products and beauty innovations for human include:
  - 1.1) Pharmaceutical Products
  - 1.2) Wellness and Anti-Aging Products
  - 1.3) Aesthetic Innovation Products, and
- 2) Animal health products include:
  - 2.1) Companion Animal Health Products
  - 2.2) Livestock Products

In addition, in 2022, the Company expanded its business into pharmacy and hospital businesses by investing through the subsidiaries of the Company.



The details of each product are as follows:

- 1) **Pharmaceutical, health, and Aesthetic innovation products for human** are operated by the Company. The products are divided into 3 groups as follows:

#### 1.1) Pharmaceutical Products

This is a pharmaceutical product line where the Company focuses on medications for the diseases related to the gastrointestinal tract, respiratory tract, diabetes, analgesics, and general infection medications. Our focus is on our products to maximize the benefits of treating patients and, at the same time, meet the growing demand from both physicians and health insurers. Currently, the Company sells products in the group of medicines as follows:

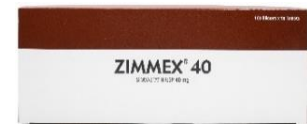
##### 1) Dyslipidemia Agent



ZIMMEX



ZIMMEX 20



ZIMMEX 40

##### 2) Anti-Viral



Virogon 200 mg.



Virogon 400 mg.



Virogon 800 mg.

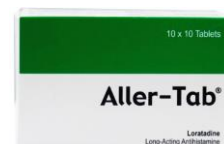
##### 3) Anti-Allergic



Zensil



Zyratine



Aller – Tab

##### 4) Antibiotic



ZYFOPRO – 250



ZYFOPRO – 500



M-Flox 400



ITRAZOLE

## 5) Respiratory Tract



SUPENAC

## 6) Gastrointestinal Tract



Bubble – X



OMEZOLE

## 7) Musculoskeletal system



P-FEN



P-FEN 400



P-FEN 600



P-FEN PLUS



MENOPANE

## 8) Analgesic Antipyretics



Bella Para



PYRANA / PYRANAR



INGESIC

## 9) Diuretic



ROSEMIDE



HY Drill - F

## 10) Anti-Diabetic



Metforin



Metforin-850

## 11) Topical



DRAGON Muscle Rub



CALAMINE 888



ยาใส่แผลโพวโดน – ไอโอดีน ตราพระเจดีย์

## 12) Vitamin & Mineral



Interpharma Vitamin C

## 1.2) Wellness and Anti-Aging Products

This is a product that helps maintain healthy health and anti-aging and is not a drug, focusing on balancing various internal organs called "Nutraceuticals." It is a product developed from nutrients that have

research evidence that they are effective to treat disease and promote health without side effects. Currently, the Company sells 6 types of products in this group, consisting of:

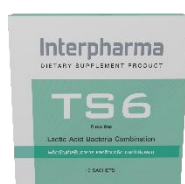
- *Products under the company's brand<sup>4</sup>:* Probac 7, Probac 10 Plus, ProBac BL, Beta Glucan Plus, Proimmo, Vitamune, Pure Krill Oil, PreCOG, PreBS, PreBO, Astacurmin and Multivitamin
- *Products that the company distributes to other product owners:* TS6 – Synbiotic

Details for each product are as follows:

1) *Total Synbiotics*



Probac 7



TS6



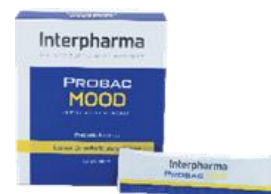
Probac 10 Plus



Probac BL



Probac Ultra Collagen



Probac Mood

2) *Immune Booster*



Beta Glucan Plus

3) *New Generation Omega 3*



Pure Krill Oil

4) *The Holistic Nutrients for Vital Organ*



PreBo



D-Choless

5) *High Efficacy Antioxidant*



Astacurmin

6) *Family Vitamins*



Multivitamin



Magnesium plus B complex

7) *Dietary supplements for weight control*



Probac Fit



Protein Fit Plus



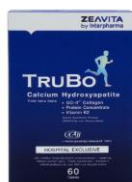
Fibo Fit

8) *dietary supplements Especially for maintaining the health of men.*



BRAVO FIT

9) *Interpharma-Zeavita*



Tuna Bone



LISA DHA SHOT

1.3) **Aesthetic Innovation Products**

It is a cosmetic product group. That helps take care of the mouth, facial skin and body skin.  
Details of each product are as follows.

1) *oral cleaning products*



YUUU Advance Probiotic & Pine Needle  
Toothpaste



YUUU Honey Bee Propolis Nature Mouth spray

2) *Probiotic Cosmetic for Facial Care*



YUUU Probiotic Premium Cleansing mousse

3) *Intimate Care*



TS6 - Lady Health

2) **Animal health products** are operated by the subsidiaries, Inter Vetta and Inter Petrina. Products are divided into 2 groups:

### 2.1 Companion Animal Health Products

This is a health care product for dogs and cats that has been selected from raw materials that are most suitable for dogs and cats with the same production standards as human health care products under the supervision of a team of veterinarians and expert pharmacists. Currently, the subsidiary sells 7 types of products in this group, consisting of:

- Products under the subsidiaries' brands : Nutraceutical products for pets under the Katimun Qcer, SAME QrillMega and Ocluvita Soft Chew , pet food products under the MARIA brand, pee pads for pets under the Raku Pad brand, and cosmetic products for pets under the brand EARKLEEN, EARKleen PLUS, DENTAkare GEL Qbac and Qcer Gel.
- Products distributed by the Company to other product owners : Dermcare MALASEB and Dermcare PYOHEX shampoos for dermatitis, cosmetic products for pets under the name Dermcare Aloveen, Dermcare Natural, and nutraceutical products for pets under the brands Dr. Choice, Pet Select Petinol, and SYN BIO-B, pet food products under the Choo Choo brand, pharmaceutical products for pets under the MOXCLAVET, ENROPHAR, MARBOFLOX, FENAMAX TABLET, OTOPET OINTMENT and PRABENGUARD brand, and dog vaccine products under the Biocan NOVEL and CANGLOB brand.

The details of each product are as follows:

1) Nutraceuticals for pets are food supplements for health care for dogs and cats that contain ingredients suitable for dogs and cats with the same production standards as human health care products. Currently, the subsidiary (Inter Vetta) is a distributor of such products under 9 brands, including Dr.Choice, Pet Select, Petinol, Katimun, Qcer, SAME SYN BIO-B, Ocluvita Soft Chew.



Dr.Choice Cal-B



Dr.Choice Cardi-B



Dr.Choice Livo-B



Dr.Choice Ferro-B



Dr.Choice Derma-B



Dr.Choice B-Young





Pet Select



Pet Select Osteoflex



Pet Select DCM



Pet Select Oderm



Pet Select Ferro-Boost



Pet Select Cal-mag



Petinol



KATimun



Qcer



SAMe



SYNBIO-B



QrillMega



Ocluvita

2) *Medicated Shampoo for pets is a shampoo to treat skin infections in dogs and cats. Currently, the subsidiary (Inter Vetta) is a distributor of this product group, comprising: Dermcare MALASEB Shampoo and Dermcare PYOHEX Shampoo*





Dermcare MALASEB Shampoo



Dermcare PYOHEX Shampoo

3) Cosmeceuticals for pets consisting of shampoo and conditioner products for dogs and cats with dry, itchy, and sensitive skin. It contains ingredients from natural extracts that do not destroy fat on the skin with a pH value suitable for the skin of dogs and cats of all ages, and is safe even in young animals. Currently, the subsidiary (Inter Vetta) is a distributor of this product group, consisting of Dermcare Aloveen Shampoo, Dermcare Aloveen Conditioner, and Dermcare Natural Shampoo, the ear cleaning products for dogs and cats which are EARKleen and EARKleen PLUS, the multi-purposed spray for pets which is Qbac; and the dental care product for dogs and cats which is DENTAkare GEL, Pet wound care products include Qcer Gel products.



Dermcare Aloveen Shampoo



Dermcare Aloveen Conditioner



Dermcare Natural Shampoo



EARKleen



EARKleen PLUS



Qbac



DENTAkare GEL



Qcer Gel

4) Pharmaceuticals for pets is a drug product for pets. Currently, the subsidiary (Inter Vetta) is a distributor of this product group under brand MOXCLAVET, ENROPHAR, MARBOFLOX, FENAMAX TABLET, OTOPET OINTMENT and PRABENGUARD



MOXCLAVET



ENROPHAR



MARBOFLOX



FENAMAX TABLET



OTOPET



PRABENGUARD

5) Vaccines for pets, which are vaccines for dogs, is a combined vaccine to protect against major infectious viral diseases in dogs, including rabies. This products group consists of products that the subsidiary is a distributor for other product owners, i.e. Biocan NOVEL DHPPi, Biocan NOVEL DHPPi/L4, Biocan NOVEL DHPPi/L4R, CANGLOB P and CANGLOB D FORTE



Biocan NOVEL DHPPi



Biocan NOVEL DHPPi/L4



Biocan NOVEL DHPPi/L4R



CANGLOB P



CANGLOB D FORTE

6) As for Pet Food, the subsidiary (Inter Petrina) currently sells the pet food products under the brand "MARIA," which is premium dog and cat food. There are a variety of flavors and formulas, including 20 ingredients, using the same grade raw materials used to produce human food, to meet the lifestyles of pet lovers who want to pay special attention to the health and safety of their pets. In addition, the subsidiary (Intervetta) is also a distributor of pet food products under the brand "Choo Choo", consisting of Choo Choo concentrated soup for health care with 20 types of natural protein amino peptides, Choo Choo jelly supplementary food for cats, and Choo Choo smoothie for cat health.

#### MARIA for Dogs



Tuna with Salmon, Shirasu in Gravy



Chicken with Vegetable in Gravy



Chicken and Tuna in Gravy



Tuna and Liver in Gravy



Chicken and Liver in Jelly

#### MARIA for Cats



Chicken and Katsuobushi in Gravy



Tuna and Shirasu in Gravy



Chicken and Salmon in Gravy



Tuna and Salmon in Gravy

#### Choo Choo



Choo Choo Hydrolyzed Fish Protein Soup



Choo Choo Hydrolyzed Chicken Protein Soup



Choo Choo Super Protein Booster



Choo Choo Smoothie  
White Egg Flavor



Choo Choo Smoothie  
Katsubushi Flavor



Choo Choo Baby Cat  
Booster Soup



Choo Choo Hydrolized  
Salmon Protein Soup



Choo Choo Smoothie  
Hydrolized Salmom Protein

7) Pet Pee Pad is a product for absorbing urine or excretion for dogs, cats, and general pets. Currently, the subsidiary (Inter Vetta) is a distributor of this product group under the brand Raku Pad.



Raku Pad

## 2.2 Livestock Products

This is a product used in raising livestock for consumption, such as pigs, cattle, chickens, etc. by focusing on premixed products, types of minerals, and enzymes that promote the raising of animals for human consumption by reducing the use of antibiotics based on the concept of food safety. The industry that produces animal feed or integrated livestock farms that are raised from upstream to downstream prefers to use premixtures as ingredients in animal feed. In addition, a range of hygiene and antibiotic products are also available for use in livestock farms to help keep livestock farming efficient and productive. The subsidiary (Inter Vetta) sells 3 types of products in this group, consisting of:

- *Products under the subsidiaries' brands*: Premixes for animals under the brands MaxiGut Powder, MaxiMune Solution, MaxiDigest Solution, MaxiLyte Tab, and MaxiGut Paste Tube, and hygiene products under the OCLAY brand
- *Products of other product owners that the subsidiaries bought for resale to customers*: Premixes such as MFeed, PRORELEASE, BUTYRICA, EDG-SP, etc., hygiene products ECOTRU EXTRA, and antibiotics used to treat animals such as Natidox-50, Tilmiguard Solution, Moxyguard 50% S, Tarlosin, Ceftiofur Crystalline Free Acid Sterile Suspension, Colicure 40%, etc.

In this regard, none of the premix products and hygiene products purchased by the subsidiaries for resale to customers are similar in type and properties to the subsidiaries' branded products. The details of each product are as follows:

1) Premix



MaxiGut Powder



MaxiMune Solution



MaxiDigest Solution



MaxiLyte Tab



MaxiGut Paste Tube



MFeed



PRORELEASE 3X



PRORELEASE Pro 3



PRORELEASE P5000



BUTYRICA

2) Hygiene



Sanitary Clay



Waste Treatment

3) Antibiotic

This is an antibiotic products for livestock available in injectable, dissolved, or ingested forms for use in the treatment of bacterial infections such as Natidox - 50, Tilmiguard Solution, Moxygard 50% S, Tarlosin, Ceftiofur Crystalline Free Acid Sterile Suspension, Colicure 40% as well as Salinox 12% products which are an anti-anticoccidial used to mix in broiler feed, etc. The subsidiaries order antibiotics from manufacturers and distributors for veterinary medicines in the country to provide a wide range of products in order to meet the customer needs and solve customer problems more entirely.

## Warehouse and Delivery to Customers

At present, the Company and its subsidiaries have not managed warehouses and deliver products to customers by themselves but hired an external service provider, Zuellig Pharma Co., Ltd. ("Zuellig Pharma"), a Company that is not related to the Company, to be the operator instead since September 2018. The scope of the services covers storing products, managing inventory, proceeding by customer orders, shipping and returning products, following-up products, opening new customer accounts, controlling credits, billing and receiving payment, and preparing reports for domestic distributions for the Company and its subsidiaries in all distribution channels, including online channels using the Company's social networks.

The products that the Company procures for sale both from within the country and imported from abroad will be sent from the suppliers or manufacturers to be stored at Zuellig Pharma's warehouse. The warehouse is located at 99/2, 99/19-20 Moo 3, Bangna-Trad Road, Km. 23, Bang Sao Thong District, Samut Prakan Province. The procurement department of the Company will coordinate with suppliers or manufacturers to notify the warehouse of delivery schedules, product details, and related documents before the delivery date. When a product arrives at the warehouse, Zuellig Pharma staff will proceed in accordance with Zuellig Pharma's standard operational procedures for controlling the receipt of goods such as checking relevant documents, taking product photography, unloading goods from trucks, counting products, checking product condition, storing products, and receiving products into the warehouse. These steps are to wait for an order to release or distribute a product to the customers of the Company and its subsidiaries.

In terms of product distribution or delivery to the customers of the Company and its subsidiaries through distribution channels, when the Company has received orders from customers, the Company's Sales Administration will check the list of customers, product details, product prices, and promotions to fill out the order form and new customer account registration form (for a case of new customers) with relevant evidence; then, send to Zuellig Pharma in order to deliver products according to an order. Zuellig Pharma works every day except Sunday. In case customers place orders within 4:00 p.m. for delivery in Bangkok and its vicinity, Zuellig Pharma will arrange delivery of the products approximately within one business day from the order date (T+1); and for delivery to other provinces, the customers will receive a product within three working days from the order date (T+3). In the case that customers place an order after 4:00 P.M., they will receive the product one working day after the date mentioned above (T +2 or T+4). A delivery process of Zuellig Pharma includes a return or replacement of products in any case such as damaged, received an unmatched product with an order, etc.

Zuellig Pharma shall approve customer accounts and provide credit terms to the Company and its subsidiaries' customers in accordance with Zuellig Pharma's policies and procedures. Zuellig Pharma will be billing and collecting money from the customers. The Company will assign Zuellig Pharma as a debtor and bill only to Zuellig Pharma according to the credit term. In addition, Zuellig Pharma has a standard data reporting system that is fast, consistent, and up-to-date. This is for the Company to be informed of important movements such as sales reports, stock information, customer delivery and returns, debt reports, etc. These provide benefits for the Company in their management and planning for operations accurately and rapidly.

Zuellig Pharma is a leading distributor of pharmaceuticals and health products in Thailand and Asia. The Zuellig Pharma Group has been operating in Thailand for about 70 years and registered as the Company



Limited in 1996 with a capital of 2 million Baht. Currently, it has a registered capital and paid-up capital of 428 million Baht, held by Zuellig Pharma Holding Limited (a Malaysian company) 99.9994 %. In 2019, Zuellig Pharma has a total income of 58,702 million Baht with total assets of 21,781 million Baht and a total liabilities of 20,191 million Baht and has shareholders' equity of 1,590 million Baht.<sup>4</sup> Zuellig Pharma offers a wide range of services covering logistics of products such as pharmaceuticals, medical devices, and clinical trial supplies as well as sales and marketing services to provide a full range of services to retailers. It has a network and facilities in 13 countries in Asia. It provides services to doctors, hospitals, pharmacies, and clinics in an amount of 290,000 centers<sup>5</sup>. Zuellig Pharma has the expertise and has modern innovations in logistics management, entire stock system, order management system, delivery system, and billing system. This employment of Zuellig Pharma can help the Company to have a good standard of storage systems, be able to check the products in the warehouse correctly, be able to deliver goods conveniently and fast in a good condition on time, and help reduce the risk of debt collections.

### **Important Licenses for Business Operations**

The business operations of the Company and its subsidiaries involve the distributions and imports of food and pharmaceutical products. Therefore, the important licenses for business are required as follows:

<u>Licensee</u>	<u>Licenses</u>
Company	<ol style="list-style-type: none"> <li>1. License to import or order food into the Kingdom (A. 7) No. 10-3-21349 from the Thai Food and Drug Administration (FDA)</li> <li>2. License to import or order medicine into the Kingdom (NY. 2) No. KT. 26/2006 from the FDA. A first-class pharmacist is required to work full time in the Company in order to control drugs imported or ordered into the Kingdom in accordance with the registered drug formulation, control drug labeling, control certificate of manufacturer's details, control drug analysis and its leaflet, control drug accounting and drug sample storage, control drug importation and orders into the Kingdom, control storage of drugs ordered or imported into the Kingdom at the drug storage location, etc.</li> <li>3. License of modern medicine wholesale (KY. 8) No. KT. 15/2017 from the FDA. A first-class pharmacist is required to work full time in the Company in order to control the separation of medicines, drug labeling, drug accounting, wholesale of modern medicines, etc.</li> <li>4. License to manufacture modern medicines (PY. 2) No. KT. 1/2021 from the FDA</li> <li>5. License to import animal feed (BNS. 1), Volume 34, No. 26/2016 from the Department of Livestock Development</li> <li>6. License of animal feed sale (BKS.1) No. 61260000307646 from the Department of Livestock Development</li> </ol>

<sup>4</sup> Source : [http:// www.corpus.bol.co.th](http://www.corpus.bol.co.th)

<sup>5</sup> Source : <http://www.zuelligfirst.com>

7. Registration certificate for an establishment importing medical equipment  
KT. SN. 178/2020

- Inter Vetta : 1. License to import animal feed (BNS. 1), Volume 34, No. 29/2016 from the Department of Livestock Development
2. License of animal feed sale (BKS.1) No. 62260000300388 from the Department of Livestock Development
3. License of modern medicine wholesale (KY. 8) No. KT. 11/2018 from the FDA. A first-class pharmacist is required to work full time in the Company in order to control the separation of medicines, drug labeling, drug accounting, wholesale of modern medicines, etc.
- Inter Petrina : 1. License to sell animal feed (BKS.1) No. 65260000300018 from the Department of Livestock Development
- Modern Pharma : 1. License to import modern medicines (NY. 2) No. SP. 4/2012 from the FDA
2. License to manufacture modern medicines (PY. 2) No. 1/2011 from the FDA
3. License of modern medicine wholesale (KY. 8) No. SP. 20/2019 from the FDA

In addition, every product sold by the Company and its subsidiaries must be approved or registered by the relevant regulatory authorities. The products must be manufactured from a standard factory registered properly. For the products ordered or manufactured from abroad, before being distributed for sale, the Company or its subsidiaries must request permission or registration from relevant regulatory authorities. For example, dietary supplements must get permission for imports from the FDA; cosmetic products must be registered with the FDA; dietary supplements, pets food, premix, and animal hygiene products must get permission from the Animal Feed and Drug Control Division, Department of Livestock Development; and veterinary medicinal products must get permission for imports from the FDA, etc.

For Modern Pharma Co., Ltd., it is a subsidiary of Interpharma Public Company Limited. The Company acquired Modern Pharma Co., Ltd. on November 27, 2020. Modern Pharma is located at 197/1 Moo 1, Suksawat Road, Pak Khlong Bang Pla Kot Sub-District, Phra Samut Chedi District, Samut Prakan Province 10290. Modern Pharma Co., Ltd. operates the main business of producing medicines for humans and for animals. Modern Pharma's factory has received the GMP PIC/S standard certification from the FDA and has been certified as ISO 9001 : 2015, which is the standard of quality management system that consistently meet the needs of customers. The products manufactured by the factory are divided into 5 categories: tablets, liquids, ointments or creams, capsules, and powders. Each type of medicine is very popular among consumers. For example:



1) Tablets Category



METFORIN



METFORIN 850



INGESIC



ZYRITINE



ZYFOPRO-500

2) Liquid Drug Category



Calamine 888 Lotion



SALDA SYRUP



BISOZIN SYRUP



PYRANAR SYRUP

3) Ointments or Creams Category



DRAGON MUSCLE RUB

4) Capsule Category



OMEZOLE



ITRAZOLE

5) Powder Medicine Category



SUPENAC



VICHLOTEP

**Production capacity of pharmaceutical products / year:**

Items	Quantity	Counting Unit
1. Liquid Drug	90,000	Ltr.
2. Powder Medicine	60,000	Kg.
3. Tablets	600,000,000	Tabs.
4. Cream	10,000	Kg.
5. Capsule	50,000,000	Cabs.

The distribution of products of Modern Pharma has been distributed through many channels both in the country consisting of public and private hospitals, clinics, and sales outlets, and abroad such as Myanmar, Cambodia, Laos, and Hong Kong. Modern Pharma also opens a channel for the manufacture of a drug for customers. Pharmaceutical products of Modern Pharma Co., Ltd. have received the GMP standard certification from the FDA and the ISO 9001 : 2015. The Company has a policy in quality aspects as “Production of Quality Medicines, Meet the Standards, Strive to Development, and for Service Satisfaction” which the Company always adheres to. This is including the quality control system of raw materials, production, packing, and delivery to customers along with taking care of the working environment and waste management, etc. The Company has received many awards for its factories such as the potential development project for waste utilization (3Rs) from the Department of Industrial Works and the level 2 environmental management certification awards from the Department of Industrial Works.

**Waste Utilization Potential Development Project**

In addition to environmental projects in 2021, Modern Pharma jointly develops knowledge in pharmacy for students to practice and gain experience (on-site) in the field of pharmacy (production line) by allowing those students to have an opportunity to exchange knowledge in the production line, quality control, quality

assurance of a pharmaceutical factory, and the production of nutritional supplements. In addition, the Company encourages employees to volunteer to help society by participating in many activities.

In 2021, Modern Pharma Co., Ltd. made additional investments by setting up a production building for dietary supplements and obtained licenses to produce and distribute dietary supplements in the forms of tablets, powder, and capsules on October 11, 2021, to support the production and gain trust from partner companies. There was joint research and development of dietary supplements and production to deliver to business partners. In addition, it also built confidence among business partners by applying for a quality system certification according to the requirements of the GHP and HACCP quality system standards, which were certified on November 25, 2021. In addition, in order to increase trade opportunities for manufacturers, the Company requested certification of Halal products, for the production of dietary supplements. It was certified by Halal on November 22, 2021.

Present, Modern Pharma Co., Ltd. was committed to continuous development to build confidence in the products for consumers with consideration of safety. Therefore, management systems were developed in accordance with the quality systems relevant to dietary supplements. It is also a good ally with employers in searching and selecting good quality raw materials and delivering good products to meet the needs of its employers.

In 2022, a subsidiaries of the Company invested by acquiring shares in pharmacy and hospital businesses as follows:

#### **Pharmacy Business**

Inter Pharmacy Co., Ltd., a subsidiary of the Company, has invested by acquiring shares of Drug Care Co., Ltd. ("Drug Care") in the proportion of 88.67% in which Drug Care operates a retail business of pharmaceuticals, cosmeceuticals, and medical products for sale to customers in the country. There are more than 7,000 pharmaceutical products, medical supplies, and health products for customers to choose from. Inter Pharmacy operates the business under the **LAB Pharmacy** trademark with sales and service channels as follows:

1. LAB Pharmacy currently has 32 branches, increase of 11 branches from Year 2022.

No.	Branchs
1	Silom Complex
2	Emporium
3	The Mall, Thapra
4	K Village
5	Terminal 21
6	The Walk, Ratchaphruek
7	The Promenade
8	The Mall, Bangkhae
9	The Crystal, Ratchapruek
10	Emquartier
11	Siam Paragon Floor G

No.	Branchs
12	Central World
13	The Mall, Nakornratsrima (Korat)
14	Bluport Huahin
15	MRT Ladprao Station
16	Nanglinchi
17	ICONSIAM
18	Design Village, Phutthamonthon
19	LAB Online Store
20	The Mall, Ngamwongwan
21	ITF Floor 10
22	Velaa Sindhorn Village
23	Siam Paragon
24	Future Park Rangsit
25	Marche' Thonglor
26	Donmuang airport
27	Chic republic
28	Design Village Bangna
29	The Mall Bangkapi
30	Little Walk Bangna
31	PTT Station Vibhavadi Rangsit 62
32	Emsphere

2. Platform online channels (Shopee, LAZADA, JD Central and Thisshop)

**Hospital Business**

Inter Wellness Co., Ltd., a subsidiary of the Company, has invested by acquiring shares of Nakhon Patana Co., Ltd. ("Nakhon Patana ") in the proportion of 50%. Nakhon Patana operates a private hospital business and nursing home. Its status is of a medium-sized general hospital with 59 beds, namely, Nakhon Patana Hospital. The license to operate the business number is 10201001661, dated April 30, 2018, and the license to operate as a medical facility number is 10201001851, dated April 30, 2018, which is the current version. Nakhon Patana Hospital is located on land title deeds No. 62887 and 62889, Nai Mueang Sub-District, Mueang Nakhon Si Thammarat District, Nakhon Si Thammarat Province. The areas have 6 rai 84.6 square wa and 1 rai 3 square wa. Dr. Pornchai Leelanonpon operates the hospital, which consists of in-patients, out-patient (OPD), ICU, obstetrics and gynecology, surgical, cardiology medicine, cardiothoracic, kidney, MRI, X-RAY, dental, physiotherapy, rehabilitation, and emergency departments.

## (2) Marketing and Competition

### 1) Competitive strategy

#### 1.1) Offering High Quality Products

The Company believes that the quality of products will affect the success and sustainability of business growth and helps in customer satisfaction and repeat purchase rates. Includes developing products and offering new quality products and innovations to the market continuously. The Company places importance on the invention, development, and presentation of good quality and high-efficiency products to meet consumer standards and safety. These are to build credibility, provide differences from the same type of products in the market, and meet the needs of consumers entirely.

The Company has the policy to select and employ both domestic and foreign manufacturers with standardized production and can produce and procure high-quality and efficient raw materials to meet the components that the Company and its unique formula require. All products must be tested before being marketed to ensure that the products are good, quality, and reliable, strengthening the Company's product brand and the potential to compete in the long run. Regarding supplying other products from the outside for sales, the Company has a selection process of reliable products under standardized production and has a license to compete in the markets.

In addition, the Company continuously monitors and analyzes market situations for product development and new product acquisition to suit the market's competitive conditions, popular trends, and changing needs, as well as to get more benefits from the products.

#### 1.2) Promoting Products and Brands to be Widely Known

The Company focuses on marketing to create knowledge and understanding about the features and strengths of the products for consumers. It creates awareness, trust, and recognition of the Company's brand, affecting consumers' buying decisions. The Company believes that marketing encourages consumers to be more interested in health, which will positively affect the Company's products. The Company's health-related products contain nutrients and minerals with various properties. It is generally accepted through scientific literature about the properties and efficiency of the components of a particular product. The Company regularly presents product knowledge to create interest among consumers through marketing, advertising, providing academic information, and disseminating knowledge, understanding, and benefits of each product in easy-to-understand formats through media such as magazines, leaflets, brochures, television programs, websites, etc., including providing product samples to encourage product trials. It needs a product that will assist the Company in gaining more revenues and market shares.

The Company has promoted products and sales through many online channels. This makes communicating with customers convenient and fast. The Company has provided online media such as Facebook: Interpharma Thailand, Instagram : interpharmaofficial, Line@ ID : @interpharma etc. An online shopping channel is provided at [www.interpharmastore.com](http://www.interpharmastore.com). The Company set up a Call Center via telephone number 0-2634-0225 or 08-2422-5999 to facilitate customers to contact the Company directly. Customers can ask for product details, express their opinions, recommend, criticize, or report problems with products or

services. Therefore, the needs and problems of each customer are acknowledged for further improvement as well as for creating a good relationship between the Company and customers in the long run.

### 1.3) Expanding Distribution Channels to Overseas Markets

The Company aims to be a leader in offering health products. The Company will expand distribution and marketing channels domestically and internationally so that target customers can easily access the products. Currently, the Company and its subsidiaries sell products only in the country through distribution channels, including hospitals, shops, pharmacies, modern trade, traditional trade and online channels. According to the plan, the Company aims to expand distribution channels for its branded products to new markets in foreign countries as an opportunity to increase sales by planning to market and sell all of the Company's products in Southeast Asia, including CLMV countries and other Asian countries such as South Korea and China, etc., as well as seeking business partners to open markets in Europe and America.

The Company is in the beginning stage of overseas marketing. The Company has provided the basis for business, especially regarding investments in personnel, knowledge, product registration, and regulations related to trade in those countries. The Company focuses on building good relationships with overseas business partners and networks by attending the seminar, exhibitions, and trade shows, including cooperation with agencies involved in selling products abroad, such as the Department of International Trade Promotion, the Department of Export Promotion, etc., to explore the markets and create opportunities to enter into the market of those countries.

### 1.4) Adding More Variety of Products

The Company places importance on developing, inventing, and presenting new products with more variety to meet the needs of each group of customers individually. The Company will benefit from existing customers who already prefer those products. This results in increased interest in purchasing new products. It can also increase a new customer base for new products. Each year, the Company has launched new products with different properties which can cover more health and beauty care.

In 2021, the Company launched 6 new products including *Probac FIT2 sku*, synbiotics for weight control, *Bravo FIT10 capsules* for men's holistic health, *Wonder FIT30 capsules* for women's holistic health to reduce menstrual pain and menopausal symptoms; *TS6 10 sachets (For skin)*, synbiotics for skin, *Probac Ultra Collagen 30 sachets*, collagen mixed with synbiotics for skin and reducing wrinkles, and *Protein Fit x2 10 sachets*, a plant-based protein for weight control and building muscle mass.

In 2022, the Company launched 3 new products including *Probac Mood*, synbiotics to help reduce stress, *Magnesium*, a magnesium effervescent tablets mixed with vitamin B complex to help reduce inflammation of the muscles and migraine symptoms, and *D cholest* to reduce cholesterol and stimulate blood circulation.

In 2023, the Company launched 1 new product, namely *Prohare*, reducing issues of hair loss and thin hair as well as creating new hair.

#### 1.5) Researching and Developing Products for Strong Branding

The Company focuses on building a strong brand with continuous research and development in products to be improved to achieve the goals of being a leading Company in providing health products with an emphasis on excellent products so that consumers have good health. In the past, the Company has been successful in researching and developing products with outstanding features, variety, and differentiation from other products in the market, such as an introduction of biotechnology by using probiotics and prebiotics as an ingredient invented to create a balance in the body's system, prevent disease, and help the body to be stronger. This meets the needs of consumers who care about their health, anti-aging, and have a longer life. In addition, the Company has cooperated with partners who are contracted manufacturers both domestically and internationally in developing production formulas and technology to get products that are effective with more benefits to build credibility and acceptance in the market. It also creates a reputation and strength for the brand INTERPHARMA by having high-quality products comparable to other leading brands' products. The Company believes that good and continuous product research and development will provide the Company with a competitive advantage over competitors in the same industry in the long run.

In addition, the Company has also conducted research with the company's partners. which are as follows:

1. Joint research with Asian Seafoods Coldstorage Public Company Limited for the development of dog and cat food under the brand "MARIA" by inventing dog and cat food recipes, which are the Company's recipes. and exported to foreign countries.



2. Research work with Thai Union Group Public Company Limited to develop products made from fish bone. Fish oils under the "ZEAVITA by Interpharma" brand, namely ZEAVITA LISA DHA SHOT, TUNA BONE and FISH PRO, are formulated by the Company. which the company plans to export to sell in foreign markets and is an operation from upstream to downstream



In 2021, the company signed a Memorandum of Understanding (MOU) with Prince of Songkla University (PSU) to research and develop kratom and extract it jointly. It is a comprehensive health product of international standards, such as pharmaceuticals, nutritional therapy, food supplements, health drinks, etc.



The joint project is partly funded by research and innovation from Program Management Unit Competitiveness (PMUC). This is another essential step in becoming a leading company in research, development and offering world-class comprehensive health products. At present, the construction of the factory has been completed.



In 2022, the Company has researched and developed ophthalmic products. to produce eye drops and cataract drugs according to EU standards at the Company's factory in Ayutthaya which the Company expects to complete within the year 2026



And on October 28, 2022, the Company received the Best Innovative Company Awards from the SET AWARDS 2022 organized by the Stock Exchange of Thailand. In which the Company submitted an innovation topic titled "Specialized Probiotic Nutraceuticals" to enter the contest.



## 2) Industry Condition and Competition

Health and anti-aging products distributed by the Company are classified as dietary supplements, which are highly competitive. There are many entrepreneurs in this business, both factories that produce products and sell themselves and contracted factories that produce products for various entrepreneurs. Many entrepreneurs import products from abroad or a subsidiary of a foreign Company with a branch in Thailand.



The direction of competition is in line with the behavior of consumers, who are more health-conscious and give importance to taking care of and enhancing the image of their body and face, as well as the direction of the population of Thailand, which is about to become a completely aging society in 2021 and the fact that consumers want to avoid side effects from drug treatment. These are essential factors for choosing more health products, especially the innovative health care and anti-aging products that provide nutritional value and have research evidence that certain nutrients are effective in preventing disease and promoting health without side effects, such as helping with memory, digestive system, absorption, blood circulation, sleep, eye care, bones, muscles, help excretion, etc. In addition, the competition of various entrepreneurs also comes from searching for products that consumers can easily gain from recognizing and quickly accessing relevant information through multiple channels, especially social media. Health products can be purchased more conveniently from many channels such as pharmacies and modern retailers, online channels, direct sales agents, etc., resulting in the increased presentation of various products for consumers' choice.

The pet health product demands are highly competitive. There are many entrepreneurs in this business. Nowadays, pets are considered a part that plays a role in the lifestyle with more people who are single, childless married couples, stepping into an aging society, people living longer, and having fewer children; these factors drive pets more like companions or replacements. The number of pets appeared to be increased in Thailand. This has a positive effect on pet-related businesses so that those businesses have grown accordingly.

For the market for livestock products, it is highly competitive. There are many entrepreneurs in the business, both agro-industrial and food, distributing products for pets and livestock, etc. The direction of this competition is in line with an expansion of the use of health products in the livestock production sector and feed mills, which is continuously increasing. In addition, the Department of Livestock Development, Ministry of Agriculture and Cooperatives, as an essential agency in regulating livestock production to be safe for consumers and in accordance with standards, has supported raising animals without antibiotics in integrated productions. This is an implementation of the Thailand Antimicrobial Resistance Management Strategic Plan in 2017-2021 to reduce the use of antimicrobials in animals by 30% by 2021. This support makes the demand for products that promote animal husbandry for consumption by reducing the use of antibiotics tend to increase. This has a positive effect and gives businesses related to livestock products more opportunities to grow.

In the term of the economic direction of livestock farming in Thailand, according to a survey of food consumption behavior of the Thai population by the Statistical Office, it is found that the Thai population consumed meat and animal products as high as 59,066,157 persons, accounting for 95.78% of the total population (National Statistical Office, 2014). A group with consumption of meat every day is 31.98%. Most of this group is female, up to 16.21%. This reflects that the Thai population notably consumes meat. Presently, Thailand has the 21st largest population in the world, based on statistics in July 2016, at 68,200,824 persons (Central Intelligence Agency, 2016), and the population of Thailand in 2015 was 67,959,359 persons. On average, the population growth rate of Thailand in the past 20 years is about 0.71%.

In addition, with the changing world's dynamics, consumers think about having a long life and paying more attention to their health according to 4 Good, namely Good Food, Good Mood, Good Health, and Good

Life. In terms of longevity with food or Good Food, it can be expected that the food group responding to the needs of consumers in the present and the future are as follows (Matichon Online, 2016):

- (1) Healthy food and natural food such as Sugar Free, Fat Free, Dairy Free, Organic, Probiotic, and Vegan
- (2) Food for the elderly because Thailand will step into an aging society in the 5 years
- (3) Modern fusion cuisine such as dishes combining traditional with new developments and more modern
- (4) Instant food or semi-instant food to meet the needs of city people
- (5) Halal food due to the increasing expansion of the Muslim population
- (6) Dietary supplements and beverages
- (7) Food verified as safe by trusted organizations
- (8) Attention-grabbing and easy accessible food
- (9) Food influenced by digital world and adapted into consumption behavior
- (10) Food that meets the needs of Generation Z people

Therefore, additives or premixes are used as upstream raw materials for animal feed production to be safe, different, and healthy food. Then, it will be needed by livestock producers in the future. Therefore, the Company envisions responding to livestock producers by bringing products that can help livestock producers produce food that can satisfy consumers under possible production costs.

Regarding an overview of the competition in health products for humans and animals, most entrepreneurs focus on product quality and formulation, brand image, and attitude towards a brand and their products. The other supporting factors related to consumer product purchasing are a manufacturer's reputation, price, marketing and promotion activities, innovation and production technology, packaging appearance, distribution channels, etc. If any product has high credibility and a good brand image, there is a distinctive difference over other competing products. If the products are diverse and meet consumers' needs, including having a channel that is easy and convenient, that product has a higher chance of being bought or used by consumers. Market competition in each product group that the Company and its subsidiaries sell can be divided into 4 groups as follows:

- **Pharmaceutical Products**

The Company places importance on medicines for treatment. The Company focuses on product quality, which consumers value the most and places importance on the production process and quality control. There is also a product analysis in every production line before selling out to our consumers, as we realize that the safety of consumers is essential. The Company's pharmaceutical factory meets internationally recognized standards (GMP-PIC/S). We are committed to developing and innovating our products to support the growth of the country's drug markets and the export market. The Company has experienced sales staff and teams proficient in sales through drug distribution at the hospital channel, over-the-counter (OTC), Traditional Trade and clinics at a reasonable price. This makes medicines more accessible. When combined with the selling point of quality in drugs and a standard in delivery services with lower costs compared to an original product, the above factors will attract patients to have access to the Company's medicines and healthcare services, contributing to increased demands.

- **Anti-Aging Product Group**

Synbiotic products include Probac 7, and Probac 10 Plus, pioneered by the Company and differentiated from other nutritional supplements. There are only a few competitors in the market. Most companies import pharmaceutical products and medical supplies in various product categories from abroad, such as Abbott Laboratories Co., Ltd. (BioGaia dietary supplements), which has a business size different from the Company, making it not comparable to which Company is a significant competitor. The competition will be on product quality that consumers can perceive from communications through various channels to make consumers aware and recognize the benefits of the products, resulting in new purchases and repeat purchases.

For other groups of dietary supplements the Company sells, for example, immune system boosting, Omega 3, combined nutrients for vital organs, antioxidant-rich, and multivitamin products, the competitors are manufacturers or distributors of dietary supplements both domestically and internationally which have general food supplements, such as Mega Lifesciences Public Company Limited (dietary supplements under the MEGA We Care brand), NBD Healthcare Co., Ltd. (dietary supplements under the Vistra brand), Blackmores Co., Ltd. (dietary supplements under the Blackmores brand), etc., The aforementioned competitors have different business sizes, revenues, and assets from the Company, making it impossible to compare if only considering the business size and which Company is a major competitor at the same level as the Company.

- **Beauty Innovation Product**

The Company's main beauty innovation product group products are *YUUU Advance Probiotic & Pine Needle Toothpaste*. The critical competitors are such as Siam Health Co., Ltd. (Dentiste toothpaste)

- **Animal Healthcare Product Group**

- Healthcare products for pets can be divided into 2 groups by characteristics as follows:

1) Healthcare products for pets other than pet food : Major competitors are as follows:

- Pet nutrition product business : Most competitors in this category are manufacturers and distributors of pet food supplement products in Thailand such as O Square Distribution Co., Ltd. (Mega O.F.A. Plus), Unovate Network Co., Ltd. (Ferric Plus-K, Caredio-Balance, etc.), T.J. Animal Health Co., Ltd. (AKTIVAIT, COATEX, SAMYLIN, SYNOQUIN, etc).

- Dermatology shampoo, skin, cosmeceutical, and pet medicines business : Competitors in this category are the companies that import products for sales and companies that manufacture and distribute their own products, namely Anitech Total Solution Co., Ltd. (Hartz shampoo), Virbac (Thailand) Co., Ltd. (Allermyl shampoo), T.J. Animal Health Co., Ltd. (Vet Novel shampoo), Bessie Aaron Co., Ltd. (Products Canine Care shampoo), and Veterina (Thailand) Co., Ltd. (Dermasebb shampoo), etc.

However, competitors with business size (measured by revenue size) and product lines same as our subsidiaries (Inter Vetta) are, for example, Unovate Network Co., Ltd., T.J. Animal Health Co., Ltd., and Bessie Aaron Co., Ltd., etc.

2) Pet food products: Direct competitors in this pet food product category are manufacturers and distributors of processed pet food in Thailand which are made products from high quality chicken and fish raw materials as same as used in food production for human such as Food Innova Trading and Service Co., Ltd. (Nekko cat food), Hi-Q Food Products Co., Ltd. (Felina Canino pet food), etc. For indirect competitors, most are multinationals who are a leading in pet food manufacturers and have a branch in Thailand such as Royal Canin (Thailand) Co., Ltd. (Royal Canin pet food), Hill's Pet Nutrition (Thailand) Co., Ltd. (Hill's Science Diet), etc. The rest are importers of pet food manufacturers and accessories for pets such as Yiam Panich Pet Food Co., Ltd. (Orijen pet food), etc. However, since the subsidiary (Inter Petrina) has just begun operating and selling its products in 2018, therefore, the scale of Inter Petrina's pet food segment is not comparable to other competitors in the industry both income and asset size.

- **Livestock Product Group**

The main products in the livestock product group are mainly premixes and hygiene products. The major competitors in this sector are all producers and distributors of livestock products both domestically and internationally, namely Elanco (Thailand) Co., Ltd. (an American manufacturer and distributor of veterinary products), Anite Co., Ltd., Total Solution Co., Ltd. (an animal health business of Betagro Public Company Limited), Alltech Biotechnology Corporation Co., Ltd., Vet Products and Consultants Co., Ltd., etc. However, due to the subsidiary (Inter Vetta) has just started operating and selling livestock products in the 4<sup>th</sup> quarter of 2017, its scale of livestock product group cannot be compared with its competitors in the industry both income and asset size.

### **3) Characteristics of Customers and Target Groups**

Most of customers who order products of the Company and its subsidiaries are entrepreneurs such as hospitals, pet shops, livestock farms, traditional independent pharmacies, modern pharmacies, and modern retails (modern trade), etc. They purchase the products of the Company and its subsidiaries for distributions or selling to end users. In addition, there is another group of customers who are end users such as people, patients, pet owner, livestock entrepreneurs, farmers, etc. They ordered the products directly from the Company and its subsidiaries through the sales team and through online channels using social networks such as the website [www.interpharmastore.com](http://www.interpharmastore.com), Facebook, Line@, Instagram, etc. including through the Company's sales team in a case of independent pharmacies.

The Company and its subsidiaries has appointed Zuellig Pharma Co., Ltd. as a distributor. The Company and its subsidiaries record Zuellig Pharma as an account receivable and bill only to Zuellig Pharma. However, if considering the sales revenue in 2021 - 2023 from customers either directly buying products from the Company and its subsidiaries or buying through Zuellig Pharma, the Company and its subsidiaries have no sales revenue from any single customer with a proportion of more than 30 % of total sales revenue.

In addition, if considering the target customers who are consumers or product end users tending to demand different groups of products of the Company and its subsidiaries, it can be divided by characteristics as follows:

- **Healthcare and Beauty Innovation Products for Human**

*Healthcare and Anti-aging Products:* The target customer group is workers and elderly who have medium to high income and care about their health by choosing consume alternative nutrients without medications.

*Innovative Beauty Products:* The target customer group is teenagers, workers who have medium to high income and care about their health and a beauty face and skin.

- **Healthcare Products for Animals:** The target customer group is farmers, animal husbandry, livestock operators, feed manufacturers, and pet owners who care about the health, hygiene, and safety of their animals.

#### **4) Pricing Policy**

The products the Company and its subsidiaries sell are both under the Company's brand and of other product owners that the Company is a distributor or purchaser to resell. In the case of products under the brand of the Company and its subsidiaries, the Company determines the selling price by cost plus margin method with the consideration of the cost of goods and related expenses, including other factors such as the market positioning, customer acceptance, purchase demand, packaging size, etc. The standard price list of each product is set in each distribution channel as appropriate. The selling price must be able to compete with other competitors in the market. However, the selling price may be reduced from the standard price to support promotional activities or promotions in various forms, such as price discounts, free gifts, etc. At the same time, the gross profit margin must be maintained and sufficient to cover selling, managing, and operating expenses.

In the case of products that the Company and its subsidiaries are distributors or purchasers for reselling, most product prices are set by the product's owner or distributor. The price must be reasonable so the Company can profit after deducting the cost of sales and other expenses. Nonetheless, changes in product prices by product owners or distributors will be notified to the Company and its subsidiaries in advance so that the Company can prepare a proper sales plan.

#### **5) Sale and Distribution Channels**

The Company and its subsidiaries distribute all products in the country through 2 distribution channels as follows:

##### *1) Sales Team of the Company and Its Subsidiaries*

The Company and its subsidiaries have a sales team who act as a searcher, contacts, build relationships, and take care of selling products to various groups of customers, including hospital operators for both human and animals, beauty salons, pet shops, general companies, modern drugstores, and modern retailers (modern trade). This group of customers will bring the products to sell or provide services to their customers who are end-users. Therefore, this group of customers is as our distributor channel. In addition, the Company and its subsidiaries also sell products directly to end users by using the sales team of the Company and its subsidiaries through online channels via social networks such as the website [www.interpharmastore.com](http://www.interpharmastore.com), Facebook, Line@, Instagram, etc.

The Company and its subsidiaries have a sales team who act as a searcher, contacts, build relationships, and take care of selling products to various groups of customers, including hospital operators for both human and animals, beauty salons, pet shops, general companies, modern drugstores, and modern retailers (modern trade). This group of customers will bring the products to sell or provide services to their customers who are end-users. Therefore, this group of customers is as our distributor channel. In addition, the Company and its subsidiaries also sell products directly to end users by using the Company's sales team and its subsidiaries through online channels via social networks such as the website [www.interpharmastore.com](http://www.interpharmastore.com), Facebook, Line@, Instagram, etc.

## *2) Sales Team of Zuellig Pharma*

The Company has made the Sales Organization Promotion Agreement with Zuellig Pharma to have Zuellig Pharma be responsible for selling the Company's products in independent drug stores nationwide. Zuellig Pharma provides and hires their sales teams for the products, including Probac 7, PreBS, PreBO, Astacurmin, Multivitamin, YUUU Cleansing Mousse, YUUU Toothpaste and TS6 - Lady Health, etc., to sell for independent drug stores in Thailand only. The Company will be responsible for marketing and promotion, advertising, and other related expenses.

In addition, the Company and its subsidiaries have public relations channels to provide knowledge about health products through various media such as magazines, brochures, the Company's website, etc. Also, the news of the Company and its subsidiaries can be followed up through online channels, including the websites [www.interpharma.co.th](http://www.interpharma.co.th) and [www.mariapetfood.com](http://www.mariapetfood.com), Facebook: Interpharma Thailand and Intervetta: Line ID: @interpharma and @intervetta. In addition, the customers can contact for more information at the call center by Tel. no. 0-2634-0225, 08-2422-5999 during 8:30 - 17:00 and via e-mail at [cs@interpharma.co.th](mailto:cs@interpharma.co.th).

## **(3) Procurement of Products and Services**

The Company and its subsidiaries supply products to distribute to customers, divided into 3 categories by the origin of the product as follows:

### *1) Products Under the Company's Brand*

The Company and its subsidiaries employ external manufacturers who are not affiliated with the Company, both domestically and abroad, such as Taiwan, South Korea, Japan, China, Germany, France, etc., to be a manufacturer of each type of product according to the product formula and its production. The Company concentrates on developing, inventing, and collaborating with foreign experts to produce many products. The Company has a team of experts in nutraceuticals, pharmacists, medical technicians, veterinarians, and food experts who are ready to develop innovations and invent a product formula in production. The Company has selected factories qualified and standardized in production (Quality and Manufacturing Standard) certified with GMP and/or ISO or other standards equivalent to or higher than these standards. It must be a factory specializing in producing and procuring good quality raw materials with a standardized production that is clean and safe for consumers. These are to obtain products that meet the standards and qualifications required by the Company. In addition, the Company has tested the products before production for further distribution to customers or consumers.

## 2) Products Distributed by the Company for Other Product Owners

The Company and its subsidiaries have been appointed as distributors for various products from 5 product owners include (1) Tensall Bio-Tech Co., Ltd. (Taiwan) for TS6, (2) Daewoong Pharmaceutical (Thailand) Co., Ltd. for Perfectha manufactured in France and NABOTA manufactured in South Korea, (3) Dermcare-Vet Pty Ltd. (Australia) for Dermcare products include Dermcare MALASEB, Dermcare PYOHEX, Dermcare Aloveen, and Dermcare Natural, (4) Vet Superior Consultant Co., Ltd. for Dr.Choice, Pet Select, and Petinol, and (5) Bic Chemical Co., Ltd. for pet pharmaceutical products. In 2021, the Company and its subsidiaries have the selling representing 29.80 % of the total purchases.

## 3) Products of Other Owners That the Company Purchases From for Resale

The Company and its subsidiaries purchase products for reselling by ordering various products from many owners or distributors such as Bic Chemical Co., Ltd. for antibiotic for livestock, Charoen Pokphand Enterprise Co., Ltd., and Sanimals Co., Ltd. for premix products for livestock, etc. In 2021, the Company and its subsidiaries have the selling value of 37.22 % of the total purchase value.

For the procurement of products to resell, the Company plan to order products in advance appropriately by considering the quantity of inventory, the period of ordering until delivery, market situation, and product demand trend in order to provide adequate products for distributions and reduce loss of sales opportunities due to shortage of inventory. At the same time, the amount of inventory shall be controlled appropriately to reduce the loss from having inventories in the warehouse for too long.

The Company has launched new products every year. It studies the innovation of new products that are beneficial to health and body, help balance the body, and reduce the risk of various diseases. To meet the needs of consumers who are more health-conscious, the Company also increases the opportunity to access new products by building good relationships with partners, business network, and health and beauty experts in order to exchange and develop new knowledge regularly including participating in seminars, exhibition, or events related to health products and beauty innovations both domestically and internationally. These are to increase the chances of finding partners, or potential business partners, and alternatives for new products that can meet the needs of customers as well as current and future market trends.

## (4) Assets Used in the Business Operations

The Company and its subsidiaries possess assets in the category of lands, buildings, and equipment. The net book value on December 31, 2023, is 822.38 million Baht. The details are as follows:

type/property characteristics	Ownership	Net book value (million Baht)	Obligation
Land	Inter Pharma Plc., Modern Pharma Co., Ltd., Nakhon Patana Co., Ltd.	327.63	Guarantee credit lines with Financial Institutions



type/property characteristics	Ownership	Net book value (million Baht)	Obligation
Buildings and Land and Building improvements	Inter Pharma Plc., Modern Pharma Co., Ltd., Drug Care Co., Ltd., Inter Wellness Co., Ltd., Nakhon Patana Co., Ltd.	279.57	Guarantee credit lines with Financial Institutions
Condominium	Company Owned	5.43	-
Machinery and Equipment	Inter Pharma Plc., Modern Pharma Co., Ltd., Nakhon Patana Co., Ltd.	90.38	Guarantee credit lines with Financial Institutions
Tools and office equipment	Inter Pharma Plc., Inter Vetta Co., Ltd., Inter Petrina Co., Ltd., Modern Pharma Co., Ltd., Drug Care Co., Ltd., Inter Wellness Co., Ltd., Nakhon Patana Co., Ltd.	39.29	None
Office Furnishings	Inter Pharma Plc., Inter Vetta Co., Ltd., Drug Care Co., Ltd., Inter Wellness Co., Ltd., Nakhon Patana Co., Ltd.	1.04	None
Vehicle	Inter Pharma Plc., Nakhon Patana Co., Ltd.	20.91	None
Water System	Modern Pharma Co., Ltd.	0.97	None
Assets under installation	Modern Pharma Co., Ltd., Drug Care Co., Ltd., Nakhon Patana Co., Ltd.	57.16	None
<b>Total</b>		<b>822.38</b>	








#### 4.1 Intangible Asset

On December 31, 2023, the Company and its subsidiaries were the copyrights owners of music, computer programs, drug registrations pending transfer, and trade names with a net book value of 233.29 million Baht. A policy to amortize on a straight – line method over a lifetime of these assets is 3-10 years.



## 4.2 Important Trademark

The Company received the permission to use 7 trademarks for the Company's products from Dr. Trinnawat Thanitnithiphan, the director and major shareholders of the Company, who is the owner of such trademarks registered with the Trademark Office Department of Intellectual Property, Ministry of Commerce, in the types of dietary supplements for medical uses. Such trademarks have a registration period of 10 years from the date of registration on June 20, 2017, or from June 20, 2017 to June 19, 2027, and may be renewed every 10 years as follows:

Trademark Image	Registration Number Trademark	Trademark use with the Company's Products
	191104183	Synbiotic products
	191104184	Synbiotic products
	181125311	Nutrient-rich products for vital organs (helps control fat levels)
	181125312	Nutrient-rich products for vital organs (help nourish the brain)
	181125313	Nutrient-rich products for vital organs (Help control blood sugar level)
	181125314	Antioxidant and anti-inflammatory products
	181125310	Toothpaste products and probiotic products for facial skin care.

Currently, a subsidiary (Inter Petrina) uses the MARIA trademark for dog and cat food products. with a trademark image, 

## 4.3 Important Agreement Related to the Business of the Company and Its Subsidiaries

### 4.3.1 Building Area Lease Agreement

The Company and its subsidiaries have a building area lease agreement with third parties who are not related to the Company and its subsidiaries for use as an office location. The summary is as follows:

Company's counterparty and its subsidiaries	Rental place	Rental period			Rental area (Square metre)
		Rental term	Commence ment date	Expiry date	
<u>Company</u>					
1. Nantana Property Co., Ltd.	140/9 ITF Tower 9th Floor, Silom Road, Suriyawong Bangrak, Bangkok	3 years	October 18, 2022	October 18, 2025	214.02
2. Grand Knitwear Co., Ltd.	140/10 ITF Tower 9th Floor, Silom Road, Suriyawong Bangrak, Bangkok	2 years	September 1, 2021	August 31, 2023	146.00

Company's counterparty and its subsidiaries	Rental place	Rental period			Rental area (Square metre)
		Rental term	Commence ment date	Expiry date	
Drug Care Co., Ltd.					
1. The Silom Building & Service Co., Ltd.	Silom Complex Building, Room No. 1, 21st Floor, No. 191 Silom Road, Silom, Bang Rak, Bangkok	3 years	March 1, 2023	February 28, 2026	249.23
2. The Silom Building & Service Co., Ltd.	Silom Complex Building, Room No. 201-202, 2nd Floor, No. 191 Silom Road, Silom, Bang Rak, Bangkok	3 years	October 24, 2021	October 23, 2024	107.95
3. City Mall Group Co., Ltd. (Head Office)	No. 622, Sukhumvit Road, Klong Tan, Klong Toei, Bangkok	3 years	January 1, 2022	December 31, 2024	62.23
4. The Mall Group Co., Ltd.	The Mall Shopping Complex Building, B Floor, No. 99, Ratchadaphisek Road (Taksin- Tha Phra), Bukkhalo, Thon Buri, Bangkok	3 years	January 1, 2022	December 31, 2024	61.20
5. Kananun Co., Ltd.	No. 93,95 Soi Sukhumvit 26, Sukhumvit Road, Klong Tan, Klong Toei, Bangkok	3 years	September 19, 2022	September 18, 2025	39.30
6. Emporium Food Gallery Co., Ltd. (Head Office)	Terminal 21 Tower, LG Floor, No. 2, 88 Soi Sukhumvit 19 (Wattana), Sukhumvit Road, North Klong Toey, Wattana, Bangkok	3 years	January 1, 2022	December 31, 2024	50.00
7. The Walk Co., Ltd.	THE WALK Shopping Center Building, Ratchaphruek Branch, Room No. 118 A, 1st Floor, No. 189 Moo 2, Ratchaphruek Road, Bang Khun Kong Subdistrict, Bang Kruai District, Nonthaburi	3 years	February 23, 2021	February 22, 2024	47.67
8. Promenade Home Fresh Mart	THE PROMENADE Shopping Center, 1 Floor, No. 587,589,589/7-9, Ramintra Road, Khanna Yao, Bangkok	3 years	January 1, 2022	December 31, 2024	36.00

Company's counterparty and its subsidiaries	Rental place	Rental period			Rental area (Square metre)
		Rental term	Commence ment date	Expiry date	
9. The Mall Group Co., Ltd.	The Mall Shopping Center, Bang Khae, G Floor, Soi Bang Khae, Petchkasem Road, North Bang Khae, Bang Khae, Bangkok	3 years	August 15, 2023	August 14, 2025	47.00
10. The Mall Group Co., Ltd.	D Tower, The Crytal Shopping Center, Ratchaphruek, 1st Floor, No. 555/9, Moo 1, Ratchaphruek Road, Bangkunkon sub-district, Bangkruai District, Nontaburi	3 years	January 1, 2022	December 31, 2024	36.00
11. City Mall Group Co., Ltd.	Em Quartier Shopping Center, Floor G No 8, Soi Sukhumvit 35 (Charoen Niwet), Sukhumvit Road, Khlong Tan Nuea Subdistrict, Watthana District, Bangkok	3 years	January 1, 2022	December 31, 2024	35.00
12. Siam Paragon Retail Co., Ltd.	Siam Shopping Center Paragon, Floor G, No. 991 Rama 1 Road, Pathumwan Subdistrict, Pathumwan District, Bangkok	3 years	January 1, 2022	December 31, 2024	90.62
13. Central Pattana Plc.	Central World Shopping Center Room no. B 210, 2nd floor, No. 4,4/1-2,4/4 Ratchadamri Road, Pathumwan Subdistrict, Pathumwan District, Bangkok	1 years	November 1, 2022	October 31, 2023	151.91
14. The Mall Ratchasima Co., Ltd.,	The Mall Nakhon Ratchasima Shopping Center, 1st Floor, No. 1242/2 Mittraphap Road, Nai Mueang Subdistrict, Mueang Nakhon Ratchasima District, Nakhon Ratchasima	3 years	January 1, 2022	December 31, 2024	58.00
15. Huahin Retail Co., Ltd., (Head Office)	Bluport Hua Hin Resort Mall Building, Floor G, No. 8/89 Trok/Soi Nong Kae Village, Nong Kae Subdistrict, Hua Hin District, Prachuap Khiri Khan	3 years	January 1, 2022	December 31, 2024	88.00

Company's counterparty and its subsidiaries	Rental place	Rental period			Rental area (Square metre)
		Rental term	Commence ment date	Expiry date	
16. The Mall Group Co., Ltd.,	MRTA Lat Phrao Station No. 471 Ratchadaphisek Road, Chomphon, Chatuchak, Bangkok	3 years	January 1, 2022	December 31, 2024	152
17. Siam Future Development Co., Ltd.,	Room no. 119, 1st floor, 27/1 Nang Linchi Road Chong Nonsi, Yannawa, Bangkok	3 years	August 9, 2020	August 8, 2023	72.85
18. SIAM Takashimaya (Thailand) Co., Ltd.,	ICONSIAM Shopping Center Floor G, No. 299 Charoen Nakhon Road, Khlong Ton Sai , Khlong San, Bangkok		There is no new contract yet.		21
19. The Mall Group Co., Ltd.,	Design Ville Project Phutthamonthon 1st Floor, No. 469 Borommaratchachonnani Road Dhammasalasop Dormitory Thawi Watthana, Bangkok	3 years	January 1, 2022	December 31, 2024	53
20. Online	2/26 Village No. 1, Bang Chalong Subdistrict Bang Phli District, Samut Prakan				
21. Inter Pharma Plc.	140/9 ITF Tower 10 Floor, 160/74-75 Silom Road, Suriyawong, Bangrak, Bangkok	1 years	January 3, 2024	December 31, 2024	
22. Villa Market JP Co., Ltd.	Project Vela at Sindhorn Village Floor B1, No. 87, Soi Lang Suan, Lumpini, Pathumwan, Bangkok	3 years	-	-	
23. Siam Paragon Retail Co., Ltd (Head office)	Siam Paragon Shopping Center Floor G, No. 991 Rama 1 Road, Pathumwan, Pathumwan, Bangkok	3 years	February 21, 2023	February 20, 2026	42
24. Rangsit Plaza Co., Ltd (Head Office)	Future Park Rangsit Shopping Center Room no. PLZ.2. SHP054, 2nd floor, No. 94 Phahonyothin Road, Prachathipat Subdistrict Thanyaburi District, Pathum Thani	2 years 11 Month 16 Day	January 16, 2023	December 31, 2025	153.64

Company's counterparty and its subsidiaries	Rental place	Rental period			Rental area (Square metre)
		Rental term	Commence ment date	Expiry date	
25. Siam Future Development Plc.	Marche Thonglor Shopping Center Room No. 302, No. 150 Soi Sukhumvit 55 (Thonglor) Khlong Tan Nuea, Watthana, Bangkok	3 years	March 26, 2023	March 25, 2026	151.91
26. Airports of Thailand Plc.	Building 2 Domestic Don Mueang Airport Room no. LDD-301-10, 3rd floor, No. 222 Village No. 10, Vibhavadi Rangsit Road, Sanambin , Don Mueang, Bangkok	5 years	March 15, 2023	March 14, 2028	30
27. Chic Republic Plc.	Chic Republic, Ratchaphruek Branch 6/15 Village No. 2, Om Kret Subdistrict Pak Kret District, Nonthaburi	3 years	April 1, 2023	March 31, 2026	50.40
28. The Mall Group Co., Ltd.,	Design Village Bangna Project Building C, 1st Floor, No. 15/2 Village No. 14 Bang Phli Yai Subdistrict, Bang Phli District, Samut Prakan	3 years	April 1, 2023	March 31, 2026	24.28
29. The Mall Group Co., Ltd.,	The Mall Bangkapi Shopping Center Floor G, No. 3522 Lat Phrao Road, Khlong Chan, Bang Kapi, Bangkok	3 years	August 15, 2023	August 14, 2025	47
30. The walk Co., Ltd.,	Little Walk Shopping Center, Bangna Branch Room no. LBNAF1A-13_14, 1st floor No. 769 Debaratana Road, Bangna Nuea, Bangna, Bangkok	3 years	October 1, 2023	September 30, 2026	26
31. PTT Oil and Retail Business Plc. (Head Office)	PTT Station Vibhavadi Rangsit 62 Branch No. 599 Vibhavadi Rangsit Road, Talat Bang Khen, Lak Si, Bangkok	3 years	October 27, 2023	October 26, 2026	60
32. City Mall Co., Ltd.,	Emsphere Shopping Center, Floor G No. 628 Sukhumvit Road, Khlong Tan, Khlong Toei, Bangkok	3 years	December 1, 2023	November 31, 2026	42

Company's counterparty and its subsidiaries	Rental place	Rental period			Rental area (Square metre)
		Rental term	Commence ment date	Expiry date	
Inter Wellness Co., Ltd.					
1. Primboonluck Co., Ltd.	193/27, 6th Floor, Lake Ratchada Building, office complex Ratchadapisek Road, Khlong Toei, Khlong Toei, Bangkok	3 years	November 17, 2022	June 16, 2025	217.00

#### 4.3.2 Property Insurance Policy

The Company and its subsidiaries have property risk insurance and third-party liability insurance with a total of 468.45 million Baht, in which the sum insured of assets covers the book value of such assets. The material of the insurance policy is summarized as follows:

Policy Type	Insurance Company	Insured Person	Insured Property	Sum Insured (million Baht)	Insurance Period
1. Property Insurance	Thai Sri Insurance Plc.	Inter Pharma Plc.	<ul style="list-style-type: none"> <li>All Risks insurance for office equipment, furniture, decoration and installation, computers, laptops, and related equipment that belong to the policyholder within the company's office, as follows:</li> <li>140/9, 140/10 ITF Tower, 9th floor, Silom Road, Suriyawongse sub-district, Bangrak district, Bangkok.</li> <li>160/74-75 ITF Silom Palace, 10th floor, Silom Road, Suriyawongse sub-district, Bangrak district, Bangkok.</li> </ul>	2.98	April 9, 2021 - April 9, 2022
			<ul style="list-style-type: none"> <li>Cover for damage (all risks) to the stock of the Company under the supervision of Zuellig Pharma Co., Ltd. within the warehouse No. 99/9 Moo 3, Bangna-Trad Road, KM. 23, Bang Sao Thong Sub-District, Bang Sao Thong District, Samut Prakan Province.</li> </ul>	25.00	April 9, 2021 - April 9, 2022
		Inter Vetta Co., Ltd.	<ul style="list-style-type: none"> <li>Cover for damage (all risks) to the stock of Inter Vetta products under the supervision of Zuellig Pharma Co., Ltd. within the warehouse No. 99/9 Moo 3, Bangna-Trad Road, KM. 23, Bang Sao Thong Sub-District, Bang Sao Thong District, Samut Prakan Province</li> </ul>	30.00	April 9, 2021 - April 9, 2022
2. Insurance Policy of Legal Liability From Products	Chubb Samaggi Insurance Plc.	Modern Pharma Co., Ltd.	<ul style="list-style-type: none"> <li>ZEAVITA Activ70X Collagen and ZEAVITA Tuna Bone Calcium and ZEAVITA IMM 8PLUS</li> </ul>	20.00	March 14, 2022- March 9, 2023



Policy Type	Insurance Company	Insured Person	Insured Property	Sum Insured (million Baht)	Insurance Period
3. Property Risk Insurance Policy	Thai Paiboon Insurance Plc.	Modern Pharma Co., Ltd.	Cover for buildings (excluding the foundation), including improvements, protections, all kinds of machinery as well as controlling equipment used in the production process, systems, machinery, transformers, forklifts, vehicles, tools, and appliances in business.	160.00	June 12, 2022 – June 12, 2023
4. Property Insurance Policy	Thai Paiboon Insurance Plc.	Drug Care Co., Ltd.	Cover for damage (all risks) to stock and furniture, decorations, and fixing installations.	94.5	August 31, 2023 – August 31, 2024
5. Property Insurance Policy	Thai Paiboon Insurance Plc.	Nakhon Patana Co., Ltd.	Covers loss or damage to office equipment office decorations Kitchen appliances and equipment Stock products (drugs and medical supplies) and medical equipment	135.97	November 17, 2023– November 17, 2024

#### 4.3.3 Reseller Agreement

(1) **Distributorship Agreement – TS6 Products (TS6 Series)** has the agreement materiality summarized as follows:

Agreement Name	Sole Distribution Rights Agreement
Counterparty	1. Tensall Bio-Tech Co., Ltd. (“Tensall”) 2. Inter Pharma Public Company Limited
Materiality of the Agreement	<ul style="list-style-type: none"> <li>Tensall grants exclusive rights to the Company to distribute TS6 series products in Thailand.</li> </ul>
Agreement Term	<ul style="list-style-type: none"> <li>5 years, starting from January 1, 2019, to December 31, 2023</li> <li>At the expiration of the agreement, if the Company's purchase volume of Tensall products meets the purchase target specified in the agreement, the agreement shall automatically be renewed for another 1 year unless the Company does not wish to renew the agreement. Tensall has no right to refuse the continuation, extension, or renewal of the agreement if the Company meets the annual purchase target for Tensall products as stipulated in the agreement.</li> </ul>

Remark : \*The current agreement supersedes the original agreement that came into effect on May 1, 2016. The agreement term is 5 years from May 1, 2016, until April 30, 2021, which has been terminated and replaced with this current agreement.

**(2) Distributor Appointment Agreement – Dermcare** Product Group has the agreement materiality summarized as follows:

Agreement Name	Exclusive Distribution Agreement / Variation Agreement
Counterparty	1. DERM CARE-VET PTY LTD ("Dermcare") 2. Inter Pharma Public Company Limited
Materiality of the Agreement	<ul style="list-style-type: none"> <li>Dermcare appoints the Company as the sole distributor (exclusive distributor) for the distribution of products as specified in the agreement. ("Products") include Malaseb Shampoo, Pyohex Shampoo, Aloveen Shampoo, Aloveen Conditioner, Natural Shampoo, etc. in the territory of Thailand and the CLMV countries (Cambodia, Laos, Myanmar, and Vietnam).</li> <li>This designation is exclusive, as neither Dermcare nor its associated companies shall sell products and/or appoint other distributors for the sale of products in Thailand and CLMV countries.</li> </ul>
Agreement Term	<ul style="list-style-type: none"> <li>5 years from January 21, 2019, to January 20, 2024.* When the agreement expires, the agreement can be automatically renewed for 1 year each time.</li> </ul>

Remark : \*The current agreement is an extension of the original agreement with a 3-year agreement term starting from January 21, 2016, to January 20, 2019.

In addition, the Company has entered into a agreement to appoint a sub-distributor by assigning Inter Vetta as a range dealer. It has the exclusive rights to sell, market, and provide after-sales service for the products to companies, animal hospitals, animal clinics, and pet shops. The agreement is for a term of 5 years, from January 1, 2018, to December 31, 2022, and can be automatically renewed for 1 year unless either party terminates the agreement. The appointment of such sub-distributors has been authorized in writing by Dermcare.

#### **4.3.4 Distributor Appointment Agreement and Sales Promotion Agreement**

**(1) Distributor Agreement** has the agreement materiality summarized as follows:

Agreement Name	Distribution Agreement (Consignment)
Counterparty	1. Inter Pharma Public Company Limited 2. Zuellig Pharma Co., Ltd. ("Zuellig Pharma")
Materiality of the Agreement	<ul style="list-style-type: none"> <li>The Company appointed Zuellig Pharma as the sole distributor (exclusive distributor) for distributing products that the Company sells in Thailand.</li> </ul>

- The Company shall not appoint any other persons as an agent or distributor in Thailand, covering the importation, sale, supply, or delivery of any products to other persons in Thailand, either directly or indirectly.
- Zuellig Pharma must not distribute or sell its products to foreign countries unless the Company appoints Zuellig as a distributor to distribute products to foreign countries in writing.
- All products supplied by the Company are stored in Zuellig Pharma's warehouse on a consignment basis. The Company acknowledges and agrees that Zuellig Pharma has no obligation to purchase any products to become part of its own inventories. Zuellig Pharma is only obligated to purchase the products according to the number of products for which Zuellig Pharma has received orders from customers.
- The Company acknowledges and agrees that Zuellig Pharma is not obligated to arrange stock insurance. The Company must provide appropriate insurance to cover for the risks of loss or damage to the products.
- In the event of loss or damage to any products under Zuellig Pharma's responsibility, Zuellig Pharma shall compensate the damages back to the Company according to the conditions specified in the agreement.
- Zuellig Pharma has the sole right to manage the credit risk of its customers and determines the credit limits for each of them<sup>6</sup>. Including the use of credit tools such as discounts and faster payments. However, in the event that the Company wishes to allow Zuellig Pharma to sell products by giving credit to a customer for whom Zuellig Pharma has suspended the credit limit due to the remaining credit limit not being sufficient for the order amount (credit limit) and/or overdue payment of that customer, the Company shall be liable for any credit risk that may arise from the sale of products to such customers by providing written notice to Zuellig Pharma.

---

<sup>6</sup> When customers place an order with Zuellig Pharma, the Company will be responsible for delivering the products and providing trade credit to the customers, as well as issuing invoices and tax invoices (in the name of Zuellig Pharma) and collecting payment for the products from the customers. The Company will provide trade credit to Zuellig Pharma and issue invoices and tax invoices on behalf of the Company, in order to collect payment for the aforementioned products from Zuellig Pharma, which will be equal to the selling price of the products to the customers, minus the discount as the fee for hiring Zuellig Pharma to perform according to this agreement.

Agreement Term

- The agreement's initial term is 5 years, starting from September 1, 2018, to August 31, 2023. When this agreement expires, the agreement can be automatically renewed for 2 years at a time.

In addition, Inter Vetta has entered into an agreement to appoint Zuellig Pharma to act as the sole distributor (exclusive distributor) for distributing products at Inter Vetta that are sold in Thailand. Most of the details of the terms and conditions of the agreement are the same as the distribution agreement that Zuellig Pharma made with the Company. Except, Inter Vetta shall be liable to Zuellig Pharma for all credit risks that may arise from the sale of products to Inter Vetta customers, and compensate for any loss or damage incurred. This includes legal costs and/or other costs and expenses as a result of the sale of such products and/or the default of payment for all goods.

**4.3.5 Joint Venture Agreement** has the agreement materiality summarized as follows:

Agreement Name	Joint Venture Agreement / Joint Venture Agreement Amendment No. 1
Counterparty	<ol style="list-style-type: none"> <li>1. Asian Group Service Co., Ltd. (the "1<sup>st</sup> Partner")</li> <li>2. Inter Pharma Public Company Limited (the "2<sup>nd</sup> Partner")</li> </ol>
Materiality of the Agreement	<ul style="list-style-type: none"> <li>• The parties agreed to become partners and set up a business under the name "Inter Petrina Co., Ltd." ("Inter Petrina") with a registered capital of 4 million Baht. The purpose is to operate a pet food trading business, create products, and distribute them to groups of breeders and trading partners in Thailand, Cambodia, Laos, Myanmar, and Vietnam (CLMVT Group) only.</li> <li>• The parties agree that companies in the business group of the 1<sup>st</sup> Partner shall be contractors for all production unless mutually agreed otherwise.</li> <li>• The parties agree to create products, feed, and supplementary food for pets under the pet food product name (the "Brand"), in English "MARIA" and in Thai "มาเรีย".</li> <li>• Each party agrees not to undertake any business, whether by itself or by its associated companies and whether directly or indirectly, in competition with Inter Petrina's business; except the followings: <ol style="list-style-type: none"> <li>(1) Such a business is an existing business on the date of the joint venture agreement. However, the 1<sup>st</sup> Partner agrees not to produce and/or sell, directly or indirectly, pet food products in the same formula as pet food products of Inter Petrina.</li> <li>(2) The other party has given written consent to that party to be able to proceed.</li> </ol> </li> </ul>

- In case business expands outside the commercial area other than the CLMVT group, the parties agree to set up another company together. In this new company, the parties agree to change the investment ratio by allowing the first partner and the second partner to have the right to hold 60% and 40%, respectively, of the total business of the new company.

#### 4.3.6 Management Agreement

- a) **Management Agreement (management and accounting)** has the agreement materiality summarized as follows:

Agreement Name	Management Agreement
Counterparty	1. Inter Pharma Public Company Limited 2. Inter Petrina Co., Ltd. ("Inter Petrina")
Materiality of the Agreement	<ul style="list-style-type: none"> <li>• The Company is obligated to provide management and accounting services in accordance with relevant laws for Inter Petrina.</li> </ul>
Agreement Term	<ul style="list-style-type: none"> <li>• The agreement term is 1 year from January 1, 2023, to December 31, 2023.</li> </ul>

- b) **Management Agreement (sales of products)** has the agreement materiality summarized as follows:

<b>Agreement Name</b>	<b>Management Agreement</b>
Counterparty	1. Inter Vetta Co., Ltd. ("Inter Vetta") 2. Inter Petrina Co., Ltd. ("Inter Petrina") June 1, 2022
Materiality of the Agreement	<ul style="list-style-type: none"> <li>• Inter Vetta is responsible for the management of the sale of Inter Petrina products.</li> </ul>
Agreement Term	<ul style="list-style-type: none"> <li>• The agreement term is 1 year from June 1, 2023, to May 31, 2023.</li> </ul>

<b>Agreement Name</b>	<b>Management Agreement (Product Sales)</b>
Counterparty	1. Inter Pharma Public Company Limited ("Inter Pharma") 2. Modern Pharma Co., Ltd. ("Modern Pharma")
Materiality of the Agreement	<ul style="list-style-type: none"> <li>• Inter Pharma is responsible for managing the sales of Modern Pharma products.</li> </ul>
Agreement Term	<ul style="list-style-type: none"> <li>• The agreement term is 1 year from October 1, 2023, to December 30, 2024.</li> </ul>

- c) **Management Agreement** has the agreement materiality summarized as follows:

<b>Agreement Name</b>	<b>Management Agreement</b>
Counterparty	1. Inter Pharma Public Company Limited 2. Inter Vetta Co., Ltd. ("Inter Vetta")

Materiality of the Agreement	<ul style="list-style-type: none"> <li>The Company is responsible for providing human resources for management and support staff, as well as the tools, equipment, and facilities needed to run Inter Vetta's business.</li> </ul>
Agreement Term	<ul style="list-style-type: none"> <li>The agreement term is 1 year from January 1, 2024, to December 31, 2024.</li> </ul>
<b>Agreement Name</b>	<b>Management Agreement</b>
Counterparty	1. Inter Pharma Public Company Limited 2. Drug Care Co., Ltd. ("Drug Care")
Materiality of the Agreement	<ul style="list-style-type: none"> <li>The Company is responsible for providing human resource services in terms of management and support staff, as well as tools, appliances, and facilities needed to run Drug Care's business.</li> </ul>
Agreement Term	<ul style="list-style-type: none"> <li>The agreement term is 1 year from January 1, 2024, to December 31, 2024.</li> </ul>

**Distribution Agreement** has the agreement materiality summarized as follows:

<b>Agreement Name</b>	<b>Distribution Agreement</b>
Counterparty	1. Inter Vetta Co., Ltd. ("Inter Vetta") 2. Inter Petrina Co., Ltd. ("Inter Petrina")
Materiality of the Agreement	<ul style="list-style-type: none"> <li>Inter Vetta is responsible for the distribution of Inter Petrina products. The service fee includes delivery of goods to the consumer.</li> </ul>
Agreement Term	<ul style="list-style-type: none"> <li>The agreement term is 1 year from January 1, 2024, to December 31, 2024.</li> </ul>

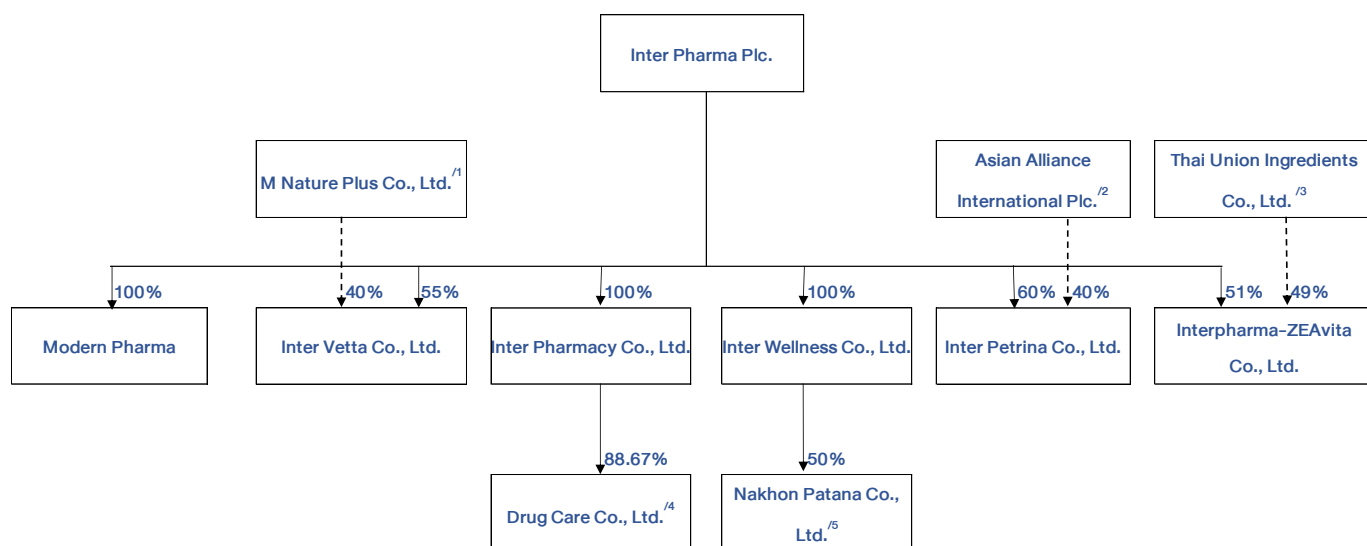
#### 4.4 Policy on Investments in Subsidiaries and Joint Ventures

The Company has the policy to invest in businesses related to the core business of the Company that has the potential to generate profits and has growth opportunities to increase the profitability of the Company or is a business that benefits (Synergy) the Company. It takes into account the return that will be received from the investment through controlling and supervising the management of the subsidiaries as if they are departments of the Company as well as monitoring the management to maintain the benefits of the Company's investments continuously and sustainably, including creating added value and confidence for the Company's stakeholders. Therefore, the Company has established a policy to control and supervise the subsidiaries and associated companies that the Company has invested in. The Company will set up the management structure of its subsidiaries and associated companies to oversee the management and be responsible for the operations of its subsidiaries and associated companies by nominating persons to be directors and executives of the subsidiaries and associated companies in proportion to the Company's shareholding or by mutual agreement. For investments in the associated companies, the Company needs the policy to control more. The representatives sent to join as directors of the associated companies will be considered appropriate, depending on the mutual agreement. Such persons must have proper qualifications and experience in managing the business of such subsidiaries and associated companies.

(5) Under-construction projects.

- None-

**1.3 Shareholding Structure of the Group of Companies**



- Remarks:
1. M Nature Plus Co., Ltd. is held by a person who is not related to the executive director.
  2. Asian Alliance International Plc. is held 70 % by Asian Sea Corporation Public Company Limited, which is a SET listed company.
  3. Thai Union Ingredients Co., Ltd. is held 100 % by Thai Union Group Public Company Limited, which is a SET listed company.
  4. Drug Care Co., Ltd. – The existing shareholders of Drug Care Co., Ltd. who are not related to the executive directors and major shareholders of the Company hold 11.33 % of the shares.
  5. Nakhon Patana Co., Ltd. – The existing shareholders of Nakhon Patana Co., Ltd. who are not related to the executive directors and major shareholders of the Company hold 50 % of the shares.

**The summary of subsidiary details is as follows:**

**1. Modern Pharma Co., Ltd. (the subsidiary) ("Modern Pharma")**

**Business:** Manufacture and distribute healthcare products for humans and animals.

**Office Location:** 197/1 Moo 1, Suksawat Road, Tambon Pak Khlong Bang Pla Kot Phra Samut Chedi District Samut Prakan Province

**Date of establishment:** November 18, 2010

**Registered Capital:** As of December 31, 2023, it had a registered and paid-up capital of 295 million Baht, divided into 2,950,000 ordinary shares with a par value of 100 Baht per share.

**Shareholders:** As of December 31, 2023 the list of shareholders is as follows:

No.	Names	No. of Shares	%
1.	Inter Pharma Plc.	2,949,998	99.990
2.	Mr. Trinnawat Thanitnithiphan	1	0.005
3.	Ms. Supaporn Rerkpitakpanich	1	0.005
<b>Total</b>		<b>2,950,000</b>	<b>100.00</b>



Board of Directors: There are 3 directors as follows:

1. Mr. Trinnawat Thanitnithiphan (Authorized Director)
2. Ms. Supaporn Rerkpitakpanich
3. Mrs. Apimon Posri

The number or names of directors who can sign to bind the Company are

1. Mr. Trinnawat Thanitnithiphan to sign and affix the Company's seal and
2. Mrs. Apimon Posri to sign the offering document, make a bid, or sign a agreement related to the auction with hospitals, nursing homes, dentistry, the Pharmaceutical Organization, the Thai Red Cross Society, the public sector, state enterprises, the private sector, or other government agencies.

## 2. Inter Vetta Co., Ltd. (the subsidiary) ("Intervetta")

Business: Import and distribute healthcare products for pets and livestock. The products for pets include nutraceuticals, which are food supplements to help maintain health, shampoo for skin disease, cosmeceuticals, pharmaceuticals, vaccines, pet food, and pet pads under various well-known brands such as Dr. Choice, Pet Select, Petinol, Katimun, Dermcare (including MALASEB, PYOHEX, Aloveen, and Natural), Biocan NOVEL, Monchou, EARKleen, Raku Pad, etc., Livestock products include pre-mixtures, hygiene products, and various antibiotics used in raising and caring for livestock for consumption, such as pigs, cattle, chickens, etc.

Office Location: 140/9 ITF Tower 9 Floor, Silom Road, Suriyawong, Bangrak, Bangkok

Date of establishment: February 3, 2006

Registered Capital: As of December 31, 2023, it had a registered and paid-up capital of 5 million Baht, divided into 50,000 ordinary shares with a par value of 100 Baht per share.

Shareholders: As of December 31, 2023 the list of shareholders is as follows:

No.	Names	No. of Shares	%
1.	Inter Pharma Plc.	27,500	55.00
2.	M Nature Plus Co., Ltd.*	20,000	40.00
3.	Other Shareholders*	2,500	5.00
<b>Total</b>		<b>50,000</b>	<b>100.00</b>

\* The 2<sup>nd</sup> and 3<sup>rd</sup> shareholders are not related to directors, executives and major shareholders of the Company. M Nature Plus Co., Ltd. invests in other companies as of December 31, 2023 with a registered capital of 1 million Baht.

Board of Directors: There are 3 directors as follows:

1. Mr. Trinnawat Thanitnithiphan (Authorized Director)
2. Mr. Adthaphon Nimrotham
3. Ms. Hathaigan Chiraphitakkun

The number or names of directors who can sign to bind the Company are Mr. Trinnawat Thanitnithiphan to sign and affix the Company's seal

### 3. Inter Petrina Co., Ltd. (the subsidiary) ("Inter Petrina")

**Business:** Inter Petrina is the subsidiary formed from a joint venture between the Company and Asian Group Service Co., Ltd. to operate a business related to pet food products. It is the owner of the "MARIA" brand and has released MARIA dog and cat food products which are wet food made from various raw materials that are real meat, such as chicken, tuna, salmon, rice fish, katsuobushi, liver, etc., which is the same grade of raw material that produces human food. The production is subcontracted by an affiliated factory of Asian Group Service Co., Ltd., which is another joint venture that specializes in producing premium pet food with an innovative production quality standard that has been accepted by the world's leading markets and is a manufacturing subcontractor (OEM) for leading brands in the pet food group.

Inter Petrina products are distributed and marketed by its subsidiary, Inter Vetta, with a focus on the domestic market through distribution channels in which Inter Vetta has expertise: pet hospitals and clinics, pet shops, modern retail, and various online channels. Inter Vetta is positioning the premium pet food market to meet the lifestyle of pet lovers who require special attention to health and safety.

**Office Location:** 140/9 ITF Tower 9 Floor, Silom Road, Suriyawong, Bangrak, Bangkok

**Date of establishment:** March 19, 2018

**Registered Capital:** On December 31, 2023, it had a registered and paid-up capital of 4 million Baht, divided into 40,000 ordinary shares with a par value of 100 Baht per share.

**Shareholders** As of December 31, 2023 the list of shareholders is as follows:

No.	Name	No. of Shares	%
1.	Inter Pharma Plc.	23,997	59.9925
2.	Asian Alliance International Plc.*	16,000	40.0000
3.	Minor shareholders 3 person**	3	0.0075
<b>Total</b>		<b>40,000</b>	<b>100.00</b>

\* Asian Alliance International Public Company Limited (AAI) engages in the business of manufacturing and distributing pet food, ready-to-eat food packed in sealed containers (human food), and by-products from tuna processing. On December 31, 2023, it had a registered capital of 2,125 million Baht. It is a SET listed company with major shareholders (holding shares of 10 % or more) on August 25, 2023 (XM), namely Asian Corporation Public Company Limited (ASIAN), holding 70 % of the total number of shares sold of AAI, respectively.

\*\* 3 minor shareholders consisting of Mr. Trinnawat Thanitnithiphan Ms. Supaporn Rerkpitakpanich and Ms. Hathaigan Chiraphitakkun

Board of Directors: There are 5 directors as follows:

1. Mr. Trinnawat Thanitnithiphan (Authorize Directors)
2. Ms. Supaporn Rekitakpanich
3. Ms. Hathaigan Chiraphitakkun
4. Ms. Waranrat Assanupong
5. Mr. Bundit Pichetpongsa

The number or names of directors who can sign to bind the Company are Mr. Trinnawat Thanitnithiphan to sign and affix the Company's seal

#### 4. Interphamar-ZEAvita Co., Ltd. (Jion Venture) ("Interpharma-ZEAvita")

Business: Production and distribution of health products for humans

Office Location: 140/9 ITF Tower 9 Floor, Silom Road, Suriyawong, Bangrak, Bangkok

Date of establishment: January 7, 2021

Registered Capital: On December 31, 2023, it had a registered and paid-up capital of 20 million Baht, divided into 2,00,000 ordinary shares with a par value of 10 Baht per share.

Shareholders

As of December 31, 2023 the list of shareholders is as follows:

No.	Name	No. of Shares	%
1.	Inter Pharma Plc.	1,019,999	51.00
2.	Thai Union Ingredients Co., Ltd.*	980,000	49.00
3.	Mr. Trinnawat Thanitnithiphan	1	0.00
<b>Total</b>		<b>2,000,000</b>	<b>100.00000</b>

\*Thai Union Ingredients Co., Ltd. operates the business of distributing food ingredients. On December 31, 2023, it had a registered capital of 450 million Baht and was held 100 % of the shares by Thai Union Group Public Co., Ltd. ("TU"), a SET listed company. TU has a major shareholder (holding shares of at least 10 %) as of the latest shareholder register book closing date (XD) on August 22, 2023, namely Thai NVDR Co., Ltd., which holds 10 % of the total number of shares sold of TU.

Board of Directors: There are 5 directors as follows:

1. Mr. Trinnawat Thanitnithiphan
2. Ms. Hathaigan Chiraphitakkun
3. Ms. Chutima Assavapayukkul
4. Mr. Thiraphong Chansiri
5. Mr. Tunyawat Kasemsuwan

The number or names of directors who can sign to bind the Company are Mr. Trinnawat Thanitnithiphan or Ms. Hathaigan Chiraphitakkun or Ms. Chutima Assavapayukkul either sign together with Mr. Thiraphong Chansiri or Mr. Tunyawat Kasemsuwan, totaling two persons and affixed with the Company's seal.

## 5. Inter Pharmacy Company Limiter (the subsidiary) ("Interpharmacy")

Business Holding Company

Office Location: 140/9 ITF Tower 9 Floor, Silom Road, Suriyawong, Bangrak, Bangkok

Date of establishment: April 1, 2022

Registered Capital: On December 31, 2023, it had a registered and paid-up capital of 363,515,000 Baht, divided into 3,635,150 ordinary shares with a par value of 100 Baht per share.

Shareholders As of December 31, 2023 the list of shareholders is as follows:

No.	Name	No. of Shares	%
1.	Inter Pharma Plc.	3,635,147	100.00
2.	Mr. Trinnawat Thanitnithiphan	1	0.00
3.	Mrs. Apimon Posri	1	0.00
4.	Ms. Hathaigan Chiraphitakkun	1	0.00
<b>Total</b>		<b>3,635,150</b>	<b>100.00</b>

Board of Directors: There are 3 directors as follows:

1. Mr. Trinnawat Thanitnithiphan
2. Mrs. Apimon Posri
3. Ms. Hathaigan Chiraphitakkun

The number or names of directors who can sign to bind the Company are Ms. Hathaigan Chiraphitakkun or Mrs. Apimon Posri either sign together with Mr. Trinnawat Thanitnithiphan, totaling two persons and affixed with the Company's seal.

## 6. Inter Wellness Company Limiter (the subsidiary) ("Inter Wellness")

Business Holding Company

Office Location: 160/74 ITF Silom Palace 10 Floor, Silom Road, Suriyawong, Bangrak, Bangkok

Date of establishment: October 11, 2022

Registered Capital: On December 31, 2023, it had a registered and paid-up capital of 430 million Baht, divided into 4,300,000 ordinary shares with a par value of 100 Baht per share.

Shareholders As of December 31, 2023 the list of shareholders is as follows:

No.	Name	No. of Shares	%
1.	Inter Pharma Plc.	4,299,997	100.00
2.	Mr. Trinnawat Thanitnithiphan	1	0.00
3.	Ms. Supaporn Rekitakpanich	1	0.00
4.	Ms. Hathaigan Chiraphitakkun	1	0.00
<b>Total</b>		<b>4,300,000</b>	<b>100.00</b>

Board of Directors: There are 3 directors as follows:

1. Mr. Trinnawat Thanitnithiphan
2. Ms. Supaporn Rekitakpanich
3. Ms. Hathaigan Chiraphitakkun

The number or names of directors who can sign to bind the Company are Ms. Supaporn Rekitakpanich or Ms. Hathaigan Chiraphitakkun either sign together with Mr. Trinnawat Thanitnithiphan, totaling two persons and affixed with the Company's seal.

**7. Drug Care Co., Ltd.** (indirect subsidiary) ("Drug Care")

Business Pharmacy

Office Location 191 Silom Complex Building, Unit 1, 21 Floor, Silom Road, Silom, Bangrak, Bangkok

Date of establishment July 25, 1991

Registered capital As of December 31, 2023, it had a registered and paid-up capital of 72,365,000 Baht, divided into 723,650 ordinary shares with a par value of 100 Baht per share.

Shareholders As of December 31, 2023, the list of shareholders is as follows:

No.	Name	No. of Shares	%
1.	Inter Pharmacy Co., Ltd.	641,650	88.67
2.	Mr. Vinai Santiwongkarn	41,000	5.67
3.	Mrs. Prapaisri Santiwongkarn	41,000	5.67
<b>Total</b>		<b>723,650</b>	<b>100.00</b>

Board of Directors There are 3 directors as follows:

1. Mr. Trinnawat Thanitnithiphan
2. Ms. Hathaigan Chiraphitakkun
3. Ms. Supaporn Rekitakpanich
4. Ms. Weerada Santiwongkarn

The number or names of directors who can sign to bind the Company are (1) Mr. Trinnawat Thanitnithiphan to sign and affix the Company's seal or (2) Ms. Hathaigan Chiraphitakkun or Ms. Supaporn Rekitakpanich or Ms. Weerada Santiwongkarn, totaling two persons and affixed with the Company's seal.

**8. Nakhon Patana Co., Ltd.** (indirect subsidiary) ("Nakhon Patana")

Business Hospital

Office Location 2/99 Pattanakarn Khu Khwang Road, Nai Mueang Subdistrict, Mueang Nakhon Si Thammarat District Nakhon Si Thammarat Province

Date of establishment June 20, 2006

**Registered capital** As of December 31, 2023, it had a registered and paid-up capital of 50 million Baht, divided into 5,000,000 ordinary shares with a par value of 10 Baht per share.

**Shareholders** As of December 31, 2023, the list of shareholders is as follows:

No.	Name	No. of Shares	%
1.	Inter Wellness Co., Ltd.	2,500,000	50.00
2.	Mr. Pornchai Leelanipon	2,470,000	49.40
3.	Mrs. Wanrachada Leelanipon	30,000	0.60
<b>Total</b>		<b>5,000,000</b>	<b>100.00</b>

**Board of Directors** There are 3 directors as follows:

1. Mr. Pornchai Leelanipon
2. Mr. Trinawat Thanitnithiphan
3. Ms. Supaporn Rerkpitakpanich

The number or names of directors who can sign to bind the company are two out of three directors jointly signing. and affixed with the Company's seal

### List of major shareholders

List of names and shareholding percentages of the first 10 shareholders of the company, information as of the closing date of the register on March 14, 2023.

No.	Names	No. of Shares	%
1	Mr. Trinawat Thanitnithiphan	112,485,670	30.20
2	Innobic LL Holding Co., Ltd.	74,510,000	20.00
3	Mr. Piliyarutch Phatrakitkasem	20,000,000	5.37
4	Mr. Wittaya Thepnimitr	8,097,536	2.17
5	Mr. Thamrongchai Eakamornwong	6,104,899	1.64
6	Mr. Somsak Jeanjaruspong	6,020,000	1.62
7	Mr. Pawawit Klinpratoom	4,800,000	1.29
8	K Mid Small Cap Equity RMF	4,640,649	1.25
9	Mr. Monchai Leesirikul	4,470,000	1.20
10	Ms. Pornpen Dechvilaisri	2,999,978	0.81
11	Other Minority Shareholders	148,391,792	34.43
<b>Total</b>		<b>372,520,524</b>	<b>100.00</b>

### 1.4 Amounts of registered capital and paid-up capital

As of December 31, 2023, the Company has a registered capital of 243,363,711.50 Baht, divided into 486,727,423 ordinary shares and paid-up capital of 186,260,262 Baht, divided into 372,520,524 ordinary shares with a par value of 0.50 Baht, which the company was listed on the Market for Alternative Investment ("MAI").

## 1.5 Issuance of other securities

1) The Extraordinary General Meeting of Shareholders No. 1/2021 held on July 14, 2021 resolved to approve the issuance and allocation of warrants to purchase ordinary shares of the Company No. 1 ("IP-W1") in the amount not exceeding 19,226,640 units, by allocating to existing shareholders who subscribe to the Company's newly issued ordinary shares whose names appear in the shareholder register on July 21, 2021 (Record Date) free of charge, at the ratio of 1 new ordinary share to 2 warrants. The Company has issued and allocated IP-W1 to shareholders on October 1, 2021. Details of IP-W1 warrants are as follows:

Type of Securities	: Warrants to purchase ordinary shares of Inter Pharma Public Company Limited No. 1 ("Warrant No. 1" or "IP-W1")
Type of Warrant	: Registered and transferable
Issue Date	: October 1, 2021
Term of the Warrant	: 2 Year since the Warrant issuance and offering date of October 1, 2021.
Number of Warrants	: 19,221,866 units
Number of ordinary shares allocated to accommodate the exercise of rights	: 21,076,768 shares
Price per unit	: 0.00 Baht per unit (Zero Baht)
Exercise Ratio*	: 1 unit of Warrant for 1.045 ordinary share
Exercise Price*	: 23.915 Baht per share with par value of 0.50 Baht
Exercise Period	: The warrant holders shall exercise their rights to purchase the Company's ordinary shares on the last business day of every quarter throughout the term of the warrants by specifying December 30, 2021 to be the date for the first exercise of rights and September 30, 2023, which will be the date for the last exercise of rights. If the exercise date does not fall on a business day of the company, the exercise date shall be shifted to the preceding business day prior to such intended exercise date.
Period of Notification of Intention to exercise the warrant	: 5 business days prior to the exercise date. In the case of the last exercise date, IP-W1 warrant holders who wish to exercise the right to purchase the Company's ordinary shares must notify the intention to exercise the rights to purchase ordinary shares within 15 days prior to the last exercise date If the exercise date falls on the Company's holiday, the exercise date shall be shifted to the preceding business day prior to such intended exercise date.
Date of termination of status as listed securities	: September 30, 2023



**Remark:** \* On August 10, 2022, the company has adjusted the exercise price from 25 Baht per share to 23.915 Baht per share and adjusted the exercise ratio from 1 unit per 1 share to 1 unit per 1.045 shares because the company has issued and Offering newly issued shares to private placement at a low price, therefore, the Company has to proceed with rights adjustments in accordance with Clause 2.2.2.

2) The 2023 Annual General Meeting of Shareholders held on April 27, 2023 resolved to approve the issuance and allocation of warrants to purchase ordinary shares of the Company No. 2 ("IP-W2") in the amount not exceeding 93,130,131 units, by allocating to existing shareholders who subscribe to the Company's newly issued ordinary shares whose names appear in the shareholder register on May 9, 2023 (Record Date) free of charge, at the ratio of 4 new ordinary share to 1 warrants. The Company has issued and allocated IP-W2 to shareholders on June 21, 2023. Details of IP-W2 warrants are as follows:

Type of Securities	: Warrants to purchase ordinary shares of Inter Pharma Public Company Limited No. 2 ("Warrant No. 2" or "IP-W2")
Type of Warrant	: Registered and transferable
Issue Date	: June 21, 2023
Term of the Warrant	: 2 Year since the Warrant issuance and offering date of June 21, 2023.
Number of Warrants	: 93,129,691 units
Number of ordinary shares allocated	: 93,129,691 shares
accommodate the exercise of rights	
Price per unit	: 0.00 Baht per unit (Zero Baht)
Exercise Ratio*	: 1 unit of Warrant for 1 ordinary share
Exercise Price*	: 20 Baht per share with par value of 0.50 Baht
Exercise Period	: The Warrants can be exercised on the last business day of December of each year, except for the final exercise, which can be exercised on the day that Warrant No. 2 turns 2 years old, if that day falls on a holiday of the Stock Exchange of Thailand. The Warrants will be exercised on the last business day prior to the expiration of Warrant No. 2 exercise period of 2 years.
Period of Notification of Intention to exercise the warrant	: 5 business days prior to the exercise date.  In the case of the last exercise date, IP-W2 warrant holders who wish to exercise the right to purchase the Company's ordinary shares must notify the intention to exercise the rights to purchase ordinary shares within 15 days prior to the last exercise date  If the exercise date falls on the Company's holiday, the exercise date shall be shifted to the preceding business day prior to such intended exercise date.

## 1.6 Dividend Policy

### Dividend Policy of the Company

The Company has the policy to pay dividends of not less than 50% of its net profit after income tax and to maintain all types of reserves as required by laws, considering the separate financial statements of the Company. The consideration of a dividend payment depends on cash flow, sufficiency of working capital in business operations, an investment plan, loan repayment, and the terms and conditions of various agreements to which the Company is bound, including legal limitations and other necessities and suitability in the future.

However, the Board of Directors' resolution approving the dividend payment must be presented for approval at the shareholders' meeting, except for the interim dividend payment. The Board of Directors has the authority to approve the dividend payment from time to time when the Company has sufficient profits to do so. This must be reported to the next shareholders' meeting.

### Dividend Policy of the Subsidiaries

The subsidiaries has the policy to pay dividends of not less than 50% of its net profit after income tax and to maintain all types of reserves as required by laws, considering the separate financial statements of the Company. The consideration of a dividend payment depends on cash flow, sufficiency of working capital in business operations, an investment plan, loan repayment, and the terms and conditions of various agreements to which the Company is bound, including legal limitations and other necessities and suitability in the future.

However, in considering the dividend payment of subsidiaries, the authority to approve the payment must be granted by the Board of Directors of the subsidiaries and/or the shareholders' meeting of each subsidiary. The Board of Directors of the subsidiaries may consider paying annual dividends of subsidiaries subject to approval from the shareholders' meeting of the subsidiaries. Except for interim dividends, the Board of Directors of the subsidiaries has the authority to approve from time to time, and the Board of Directors of the subsidiaries shall report to the shareholders' meeting at the next meeting.

Detail	2022	2021	2020
Dividend Payment (Million Baht)	67.05	-	46.02
● Dividend for year (Baht : share)	0.18	-	0.2234
○ Stock Dividend Payout Ratio (Existing Share : Stock Dividend)	-	-	2.50 : 1
○ Stock Dividend Payout Ratio (Baht : Share)	-	-	0.20
○ Cash Dividend Payout Ratio (Baht : Share)	-	-	0.0234
Dividend Payment to Net Profit Ratio (%)	69.44	-	89.99

<sup>1/</sup> Adjusted the calculation to reflect the effect of changing the par value from 100 Baht per share to 0.50 Baht per share equally every period.

## **2. Risk Management**

### **2.1 Risk Management Policy and Plan**

The Company recognizes and foresees the importance of good corporate risk management in order to drive the organization to grow and expand the business steadily, have a stable financial position, and be able to create sustainable returns to shareholders at an appropriate level, as well as in order to comply with the principles of good corporate governance and conduct checks and balances. The business competition that the Company has to face today, which is constantly changing whether caused by external factors or internal factors, may affect the ability to achieve the goals and main missions of the Company so it assigns the risk management committee to be responsible for formulating the risk management policy covering the entire organization and supervising the risk management system or process to appropriately reduce the impact on the Company's business.

### **2.2 Risk Factors on business operation**

#### **(1) Risks of Compliance with Laws, Regulations, and Rules related to the Business**

All products the company and its subsidiaries sell must be approved by the relevant authorities or registered. The products must be manufactured from a standard factory and properly and completely registered by that manufacturer. For products ordered or manufactured from abroad and imported by the company or its subsidiaries before being distributed for sale, the company or its subsidiaries must request permission or registration from relevant regulatory authorities; for example, dietary supplements must get permission for imports from the Food and Drug Administration (FDA), cosmetic products must be registered with the FDA, dietary supplements and pets food, additives and animal hygiene products must get permission from the FDA, the Department of Livestock Development, and veterinary medicinal products must get permission for imports from the FDA, etc. including the company and its subsidiaries shall strictly comply with the conditions of licenses receiving in the business operations.

Therefore, compliance with applicable laws, regulations, guidelines, and control standards applying currently, including changes that may occur, is essential to the business operations and its subsidiaries. The Company must follow up to ensure that the process aligns with the relevant regulations; occasionally, rule changes may cause the Company to incur additional costs or expenses. However, if it is found that the Company does not comply with relevant regulatory regulations or the products sold by the Company and its subsidiaries have not been registered or permitted by laws, or unable to renew any licenses affecting the business operations of the Company and its subsidiaries, these may significantly affect a negative impact on the products, reputation, business operations, or business opportunities for the Company and its subsidiaries. The Company, therefore, places importance on complying with applicable laws, regulations, guidelines, and control standards strictly, including following the trend of changes in laws, rules, regulations, guidelines, and control standards and shall report to the executives to know those changes. The changing trends may occur rapidly and regularly so that the Company can be prepared to cope efficiently and promptly. This will not be an obstacle to the Company's business in the future.

## **(2) Risks of Health and Beauty Product Markets Competition**

From the behaviour of consumers who turn to pay more attention to taking care of themselves in health and beauty, more emphasis on alternative dietary supplements to boost their immunity or maintain a healthy body, avoid medication use and side effects from medication treatment, including paying more attention to beauty and the appearance upon the power of consumers' purchasing, these making health and beauty products tendency to grow. More entrepreneurs are entering the health/beauty products business for humans and animals. Both entrepreneurs who have their own production factories and entrepreneurs who hire contractors to produce products from outside or import products from abroad for sales, including subsidiaries of multinational companies that have their brands in Thailand, etc., resulting in a large number of products in the market or substitute products with the same characteristics, having similar properties in the market for a large number of brands together with the recognition of information about the properties of various products extensively. These are giving consumers more choices. Manufacturers and distributors need to develop their products to keep up with the market situation, trends and behaviors of consumers that change according to the popularity and attitude towards the consumption of each type of product. If the Company and its subsidiaries cannot create advantages over competitors, both existing and new entrepreneurs, these may affect revenue and the Company's overall performance in the long run.

The Company is aware of such risks. Therefore, we established competitive strategies in many forms, such as offering good quality products and having a variety of products to be able to meet the needs of target customers more comprehensively, promoting products and brands to be widely known in terms of image and credibility and good quality of products, focusing on research and development for creating a strong brand, market positioning to differentiate and distinguish the product, and increasing distribution channels to increase access to more customers, etc. The Company believes that implementing such strategies will increase our potential and enable us to compete with competitors in the markets sustainably.

## **(3) Risks of Exchange Rate of Foreign Currency Fluctuations;**

The Company has transactions related to foreign currencies in importing and ordering quality products from foreign countries such as Australia, Taiwan and South Korea, etc., where payments are mainly made in Australian and US dollars. The Company has revenue from sales of all products in the Thai Baht.

The Company may be exposed to risks from fluctuations in foreign currency. In the event that the exchange rate between the Thai Baht and foreign currencies fluctuates or the Thai Baht depreciates, these will cause the Company to have more production costs. If the Company cannot adjust the product price according to the change in the value of the Baht compared to foreign currencies, it will affect the profitability of the Company. In addition, there may be a loss from the exchange rate if the Baht on the payment date tends to be weaker than the date on which the purchase was recorded.

However, to mitigate the risk from such exchange rate fluctuations, the Company closely monitors the exchange rate changes to evaluate the situations and trends of the relevant currency exchange rates to determine guidelines for purchasing products suitable for situations with fluctuations in exchange rates. In this connection, The Company purchases products from trade partners or distributors in the country and sells products in Baht currency, which helps reduce the risks from exchange rate fluctuations. In addition, the

Company may consider entering into a Forward Contract if the exchange rate fluctuates at the discretion of the management and in accordance with the policy approved by the Board of Directors. In this regard, the Company will review the adequacy of the foreign exchange hedging policy annually. Notwithstanding, The Company does not have a policy to speculate on exchange rates.

#### **(4) Risks of having Major Shareholders who has the Authorization of Setting Management Policies**

As of December 31, 2023, Dr. Trinnawat Thanitnithiphan is a major shareholder of the Company, holds 30.20% of the shares sold in which the shareholding proportion. It is the proportion that can control most of the resolutions of the shareholders' meeting, including being able to control policies and management in the Company. Whether it is the appointment of a director or requesting a resolution on other matters that require the majority of the shareholders' meeting, except for matters required by laws or the Company's Articles of Association to receive a vote of three-fourths of the shareholders' meeting. Therefore, other shareholders of the Company may be at risk of being unable to collect votes to counterbalance the matters proposed by major shareholders to the shareholders' meeting for consideration.

However, for the Company's business operations to be transparent and have such checks and balances, the Company has organized a management structure by appointing personnel with knowledge and competence and has determined the scope of the operations. The delegation of authority to directors and executives is clear. There are 4 independent directors from external appointed to join the Board of Directors out of a total of 9 directors, with 3 independent directors serving as members of the Company's Audit Committee to perform the inspection check and balance decisions and consider approving various transactions before presenting to the shareholders' meeting. Including the Company has set measures for conducting transactions with persons who may have conflicts of interest by limiting the voting of those involved.

In addition, the Company also has an internal audit unit by hiring an external expert to work independently and report directly to the audit committee. Its primary duty is supervising the internal control system to ensure it aligns with the established system. This is to ensure the transparency and balance of power in the management of the Company to the shareholders. In addition, once the Company has been listed on the Market for Alternative Investment (MAI), the Company must disclose information and comply with relevant rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, such as connected transactions and the acquisition and disposition of the Company's assets, etc., for the utmost benefits of the Company and all shareholders.

#### **(5) Risk of Relying on Talented Personnel**

Business Operations of the company and its subsidiaries shall rely on knowledgeable personnel, ability to work, experiences, expertise in marketing and distribution in all distribution channels, having an understanding of products and continually innovate new products into the market. This is an important factor for business success and growth for the company. However, in the future, if the company is unable to retain talented personnel or unable to find replacement personnel within a reasonable time, this may affect business operations and the performance of the company significantly.

The Company is well aware of the importance of such personnel. We place importance on personnel development, motivation to continue working with the Company in the long term, supporting career growth,

and allocating returns appropriate to their knowledge. In addition, the Company has recruited new personnel to support work expansion or to rapidly replace lost personnel continuously to have sufficient personnel for the operations of the Company.

#### **(6) Risk of Relying on a Major Distributor**

At present, the Company and its subsidiaries need to manage warehouses and deliver products to customers by ourselves. At the same time, the Company hired Zuellig Pharma Co., Ltd. ("Zuellig Pharma") to be the sole distributor and manage all logistics systems for the Company and its subsidiaries, covering the receipt of product storage warehouse management, delivering of products to customers, and collecting and receiving payments for products in all distribution channels. The objective is to achieve flexibility, speed and efficiency in customer service, including reducing costs, especially the fixed costs of personnel and fixed assets related to logistics and adjusting to variable costs with more income to increase the efficiency of overall cost management.

Nevertheless, the Company may be at risk in the case that Zuellig Pharma cannot provide services according to the agreement to the Company, the contract is terminated, or the contract is not renewed when the service contract expires, which may cause a significant impact on the Company's operations and revenue in the event that the Company is unable to procure personnel and related assets to operate continuously immediately, including the risk of changes in the conditions of the contract renewal, such as a significant increase in the service fee that affects operating costs and the overall performance of the Company.

The Company is aware of such potential risks; therefore, it is essential to determine reliable external service providers with a stable financial position, experience, and expertise. Such service providers should have standardized and efficient processes and procedures and be a leader in the country's largest distributor of pharmaceuticals and health products and Asia for a long time. On the part of the Company, it emphasizes that the relevant operators must strictly comply with various conditions, maintain a good relationship with such service providers, and coordinate to create mutual benefits as much as possible. In this regard, the service contract that the Company and its subsidiaries made with Zuellig Pharma has a contract period of 5 years, commencing from September 1, 2018, to August 31, 2023, and when the maturity of such contract, the parties can automatically renew the contract for two years each time. The Company believes that the joint operation with Zuellig Pharma will go well in the future, with the expertise in this business and a good work system. Zuellig Pharma can assist in managing the products and distribution company channels and its subsidiaries to be more efficient. The Company can operate by itself and outsource the delivery services to the customers.

The Company has reduced the risks that may arise by using storage services and deliver the goods of Kerry Express (Thailand) PCL in terms of selling online channels, start from August 2021.

#### **(7) Risks of Investment in Business Expanding**

Business investment risks, the Company plans to expand the business and continuously exposes the Company to risks associated with new investments, such as changes in investment value, project initiation success, contractual obligations applying for a license, and related laws. In addition to general risks in each country, however, the Company has measures to closely supervise the development of new projects through detailed due diligence, preparation of plans and standard procedures, laying out prudent investment criteria,

etc. The Company will employ experts with knowledge and expertise, such as legal advisors and account consultants, who will work with a team of professionals to ensure that the Company will be a successful acquisition, have satisfactory profits, and comply with relevant regulations. In addition, the Company has measures to reduce investment risks by co-investing with knowledgeable business partners and expertise in running businesses.

#### **(8) Risk of the of COVID-19**

The epidemic situation of COVID-19 has significantly affected businesses and the economy, including legislation and regulations to prevent the spread; many measures have been implemented, such as ordering to close stores and mall prohibition of leaving the dwelling place within the specified time affecting business operations and health risks to employees. As a result, the Company's business operations cannot use traditional strategies or practices. Moreover, it must be prepared in all aspects, including liquidity management and risk management, to achieve business operations continuity. The Company can also produce and deliver products to customers on time and does not affect the health and safety of employees.

The Company has guidelines to reduce the impact and risks of such situations and comply with government policies by allowing employees to work from home. In this regard, technology is used in conducting meetings and work. In addition, equipment is provided to maintain cleanliness and safety, such as providing alcohol gel and spray for employees to clean and encouraging employees to wear masks. There is a screening point for people entering and exiting the factory areas. Moreover, there are measures to maintain the cleanliness and safety of the production line to deliver quality and safe products.

#### **(9) Risks of Compliance with Personal Data Protection (PDPA)**

Nowadays, many invasions of personal data privacy create trouble or damage to the data owner. In addition, the advancement of technology makes the collection, use or disclosure of information easy and fast. Thailand, therefore, announced Personal Data Protection Act 2019, with an effective date of June 2022. The company has a policy which manages to protect the personal data of shareholders, customers, employees and stakeholders of the company in accordance with the Personal Data Protection Laws, which applies to all executives, employees and third parties, including customers and the executives of all departments are responsible for supporting, pushing and inspecting operations to comply with the personal data protection policy and law strictly.

#### **(10) Risks of Liquidity**

The Group monitors the risk of lack of liquidity by using overdrafts, bank loans and leases agreement. The Group has an ability in sufficient access to a variety of funding sources. This risk is therefore low.

#### **(11) Risks of Interest Rates**

The Group is exposed to significant interest rate risks regarding loans to subsidiaries: short-term loans and long-term loans from banks. Most of the financial assets and liabilities bear floating or fixed interest rates close to the current market rates. However, the Group believes that future fluctuations in interest rates will not materially affect the Company's operating results and cash flows. The Group does not use other financial derivatives to hedge such risks.



**(12) Risk from counterfeit products**

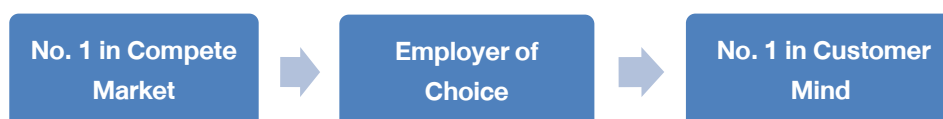
Some health supplement products, it may have been produced illegally by someone else and without legal authorization and the name of the manufacturer may be falsely claimed, which is considered a counterfeit. It will be sold at a lower price than the genuine product, because of low production costs and counterfeit products may or may not have the same chemical composition as the genuine product. Therefore, the continued increase in counterfeit products may affect its image and reliability of the Company. This may cause customers to lose trust and can reduce the value of the brand.

The Company is aware of such risks. Therefore, we proceed with tracking and updating information at all times, and if it is found that counterfeit products are being sold to the Company's products or received a clue, the Company will notify the relevant agencies to proceed according to legal procedures. At the same time, the company will warn consumers to be careful of such products and it is recommended to purchase products from the company's direct sales channels only. In order to receive genuine products and are safe for consumption.

### 3. Business Sustainability Development

#### 3.1 Policy and objectives of sustainable management

The Company is committed to business operations and sustainable development. The Company has set a sustainable business development policy covering three dimensions: the environmental, social and corporate governance dimensions by adhering to good corporate governance principles, business ethics and respecting human rights to create sustainable growth, add value for all stakeholders, and to conduct business in accordance with the vision, mission and business goals. The Company has a long-term plan for 5 years as follows:



#### 3.2 Management of impacts on stakeholders in the business value chain

##### 3.2.1 Business Value Chain

The Company operates its business by placing importance on and considering all stakeholder groups. We committed to sustainably managing all activities throughout the business value chain from upstream to downstream. The primary and secondary activities of the value chain are as follows:

##### Main activities

- 1) Procurement of Raw Materials
  - The Company has procured good quality raw materials, which is a standard production, clean, and safe for all consumers in order to get products that meet the standards and qualifications required by the Company. The Company has researched various products before being produced for further distribution to customers or consumers.
  - The Company will maintain a good relationship with business partners and take part in helping and developing society and take responsibility for the environment for long-term sustainability.
- 2) Operations
  - The Company will conduct a research and experiment until the results are satisfactory before proceeding with productions.
  - The Company will always check the quality of the products to ensure that the Company's products are standard, safe and beneficial to consumers.
- 3) Logistics and Distribution
  - The Company has hired an external service provider, Zuellig Pharma Co., Ltd. ("Zuellig Pharma"), to manage warehouses and deliver products to customers. Zuellig Pharma has the expertise and modern innovation in logistics management, the entire stock system, an ordering management system, a delivery system, and a billing system

which help the Company to have a good and standard products storage system, able to check the products in the warehouse correctly, and delivery of goods convenient and fast. Products are delivered to customers in perfect condition and on time, reducing the risk of debt collection.

#### 4) Marketing and Sales

- The Company has regularly introduced new products and innovations so that the products sold are unique and different from other market products.
- The Company continuously monitors and analyzes market conditions for product development and new product acquisition to suit the competitive conditions in the markets, popular trends and changing needs of consumers as well as to get more use out of any products.
- The Company has several distribution channels, such as medical centers, pharmacies, modern retail stores, online channels, direct sales agents, etc., which results in the presentation of various products and increased consumer choices.

#### 5) After-sales services

- The Company places importance on customer relationship management by conducting a customer satisfaction survey and establishing channels for complaints about product quality to develop and improve the Company's products and services.

### Supporting Business

#### 1. Procurement

- Has a transparent procurement system.
- Comply with trade conditions and treat partners fairly .

#### 2. Technology development for products and services

- Study and develop innovation of new products that are beneficial to the health and body to meet the needs of consumers who are more health consciousness.
- Develop machinery and technology in production to be up to date and meet international standards to increase the efficiency of the product to be able to be sold around the world.

#### 3. Human Resource Management

- Promote knowledge and always enhancing skills for employees.
- Provide appropriate compensation and benefits.
- Treating All Employees Equally.

#### 4. Infrastructure

- Implement the NetSuite Enterprise Resource Planning (ERP) in the company in order to connect the work between departments together.

### 3.2.2 Analysis of stakeholders in the business value chain

Stakeholders	Channels	Anticipation	Methods
<b>Internal Stakeholders</b>			
Shareholders	<ul style="list-style-type: none"> <li>- Shareholders' Meeting</li> <li>- Annual report</li> <li>- Financial statement</li> <li>- Information disclosed through the Stock Exchange of Thailand System</li> <li>- Company's website (in the section "Investor Relations")</li> <li>- Telephone &amp; E-mail</li> </ul>	<ul style="list-style-type: none"> <li>- Operations that take into account the principles of good governance, business ethics, and responsibilities for social and environment</li> <li>- Creating good returns</li> <li>- Transparent and reliable disclosure of information</li> <li>- Treatment all shareholders equally</li> </ul>	<ul style="list-style-type: none"> <li>- Has good performance</li> <li>- Operates business according to the Corporate Governance Policy</li> <li>- Protect the interests of the company and its shareholders.</li> <li>- Transparent and timely disclosure of information</li> <li>- Treatment all shareholders equally</li> <li>- Keeping shareholders information confidential according to the PDPA policy</li> </ul>
Employee	<ul style="list-style-type: none"> <li>- Company internal meeting</li> <li>- Communications between senior executives and supervisors to convey to employees</li> <li>- Training for knowledge and skills development</li> <li>- Company Website</li> <li>- Application (line)</li> <li>- Annual performance appraisal</li> </ul>	<ul style="list-style-type: none"> <li>- Treating All Employees Equally</li> <li>- Fair compensation and welfare arrangements</li> <li>- Good operational practices</li> <li>- Work safety</li> <li>- Opportunities for career growth</li> <li>- Competence development</li> <li>- Non-violation of human Rights</li> </ul>	<ul style="list-style-type: none"> <li>- Reasonable compensation and benefits</li> <li>- Safety, occupational health, and working environment arrangement</li> <li>- Organize training and promote potential development for employees at all levels</li> <li>- Treating All Employees Equally</li> <li>- Respecting human rights</li> <li>- Keeping shareholder information confidential according to the PDPA policy</li> </ul>

Stakeholders	Channels	Anticipation	Methods
<b>External Stakeholders</b>			
Customer	<ul style="list-style-type: none"> <li>- Company Website</li> <li>- Distributions of quality products</li> <li>- Staff are ready to give advices and provide consultation about products sufficiently for decision making.</li> <li>- Telephone &amp; Email</li> <li>- Complaint channel</li> </ul>	<ul style="list-style-type: none"> <li>- Deliver safe and quality for all products and services</li> <li>- Fair trade</li> <li>- After-sales services</li> <li>- Treating all customers equally</li> <li>- Confidentiality</li> </ul>	<ul style="list-style-type: none"> <li>- Procurement of Products and Services</li> <li>- Give advices and provide consultation about products sufficiently for decision making</li> <li>- After-sales services</li> <li>- Keeping shareholder information confidential according to the PDPA policy</li> </ul>
Vendor	<ul style="list-style-type: none"> <li>- Company Website</li> <li>- Meeting</li> <li>- Memorandum of Agreement</li> <li>- Telephone &amp; Email</li> <li>- Complaint channels</li> </ul>	<ul style="list-style-type: none"> <li>- Comply with the trade conditions and treat partners fairly</li> <li>- Respecting an intellectual property and copyright</li> <li>- Anti-Fraud and Anti-Corruption Policy</li> <li>- Confidentiality</li> </ul>	<ul style="list-style-type: none"> <li>- Strict compliance with the terms and mutual trade agreements</li> <li>- Treatment all Shareholders equally</li> <li>- Operates businesses according to the Corporate Governance Policy</li> <li>- Confidentiality according to the PDPA policy</li> </ul>
Creditors	<ul style="list-style-type: none"> <li>- Company Website</li> <li>- Financial Reports</li> <li>- Telephone &amp; Email</li> </ul>	<ul style="list-style-type: none"> <li>- Strict compliance with the terms and mutual trade agreements</li> <li>- Treat customers equally</li> <li>- Dept payment in specified time</li> </ul>	<ul style="list-style-type: none"> <li>- Transparent and reliable disclosure of information</li> <li>- Strict compliance with the terms and mutual trade agreements</li> <li>- Dept payment in specified time</li> <li>- Confidentiality according to the PDPA policy</li> </ul>
Competitors	<ul style="list-style-type: none"> <li>- Company Website</li> <li>- Financial Reports</li> </ul>	<ul style="list-style-type: none"> <li>- Compliance with the good competition rules</li> <li>- Intellectual Property or Copyright</li> </ul>	<ul style="list-style-type: none"> <li>- Not jeopardize competitors' reputations.</li> <li>- Compliance with good competition rules</li> </ul>

Stakeholders	Channels	Anticipation	Methods
		- Compliance with applicable the laws	- Not violate Intellectual Property or Copyright
Community	<ul style="list-style-type: none"> <li>- Company Website</li> <li>- Public engagement</li> <li>- Telephone &amp; Email</li> <li>- Complaint channels</li> </ul>	<ul style="list-style-type: none"> <li>- Run business responsibly for social</li> <li>- Encourage and support communities and social activities that benefits the society</li> <li>- Compliance with applicable the laws</li> <li>- Non-violation of human rights</li> </ul>	<ul style="list-style-type: none"> <li>- Encourage and support activities that benefit society, the communities, and environment</li> <li>- Selection of environmentally friendly products.</li> <li>- Promote activities related to energy and environmental conservation</li> <li>- Strict compliance with applicable laws</li> <li>- Respecting human rights</li> </ul>

The Company has provided opportunities for all groups of stakeholders. There is a way to contact the company. In case of complaints or any suggestions, the stakeholders can file complaints, give opinions, and report clues through the following channels:

1. By mailing:  
Chairman of the Board of Directors, or Chairman of Audit Committee  
Inter Pharma Public Company Limited  
140/9, 9<sup>th</sup> Floor, ITF Tower  
Silom Road, Suriyawong, Bang Rak, Bangkok 10500
2. By e-mail: [comsec@interpharma.co.th](mailto:comsec@interpharma.co.th)
3. Company website: [www.interpharma.co.th](http://www.interpharma.co.th)

### 3.3 Management of environmental sustainability

The Company is committed to business operations and sustainable development, the Company adheres to the principles of good corporate governance, code of conduct and respect for human rights To create sustainable growth and create added value for all stakeholders by conducting business in accordance with the vision, mission and business goals of the Company. In addition, the Company places importance on taking care of and being responsible for society and the environment, Therefore, environmental policy has been established, environmental goals as well as various projects and operations to reduce the impact on the environment in terms of resource use, hazardous waste disposal and treatment including climate change management.

The Company places importance on taking care of and preserving the environment by instilling awareness in all employees in the Company to realize the importance and participation in environmental responsibility; the Company provide knowledge through training communications and public relations within the Company, including encouraging all employees to participate in environmental conservation and use natural resources efficiently, for example, turning off electrical apparatus after using every time, choose products with water saving labels, and save electricity, reduce paper consumptions, and support the use of cloth bags instead of plastic bags, including action on climate change.

- **Setting environmental policy**

The Company has established an environmental policy for the factory to be used as a guideline for operating as follows:

1. Comply with environmental laws and regulations. related to the company's activities
  - The Company monitors environmental laws and regulations on a monthly basis, Including evaluating compliance with laws and regulations to ensure that activities Products and services follow correct and appropriate guidelines.
2. Controlling and preventing pollution in terms of wastewater management, air quality, waste, and nuisances to the community and the environment.
  - The Company provides management and monitoring of pollutant emissions from various activities, such as treating pollution before releasing it to the public, disposing of waste generated from the factory, including the measurement of various pollution values before releasing to the public.
3. Using resources or energy for maximum efficiency and promote reuse.
  - The Company provides for the most beneficial use of resources, such as using re-use paper (in the case that it is not a document in the pharmaceutical system), waste is sorted to reduce the use of new resources.
4. Continuously and efficiently improve and develop environmental management.
  - The Company has arranged for an assessment of the nature of environmental problems, divided into assessments of activities, processes, and services, in order to take the significant nature of the problem to resolve or control it within acceptable limits. Including regular reviews.
5. Publicize information and promote participation in environmental management. along with communicating to those involved.
  - The Company provides communication to employees and outsiders such as contractors, visitors, etc., as well as having promotional activities for employees according to the current situation.

- **Pollution control and prevention**

Before good and quality products are released onto the market until they reach the consumer, the Company has activities, machines, tools and equipment that cause pollution such as wastewater, air, etc. The Company has control and prevention processes as follows:



### Water pollution

Wastewater is managed through a primary treatment system before being released into the central treatment system of Rojana Industrial Park. There is also monitoring through monthly water quality monitoring.

### Air pollution

There is a process for treating air quality before releasing it outside using appropriate methods, including:

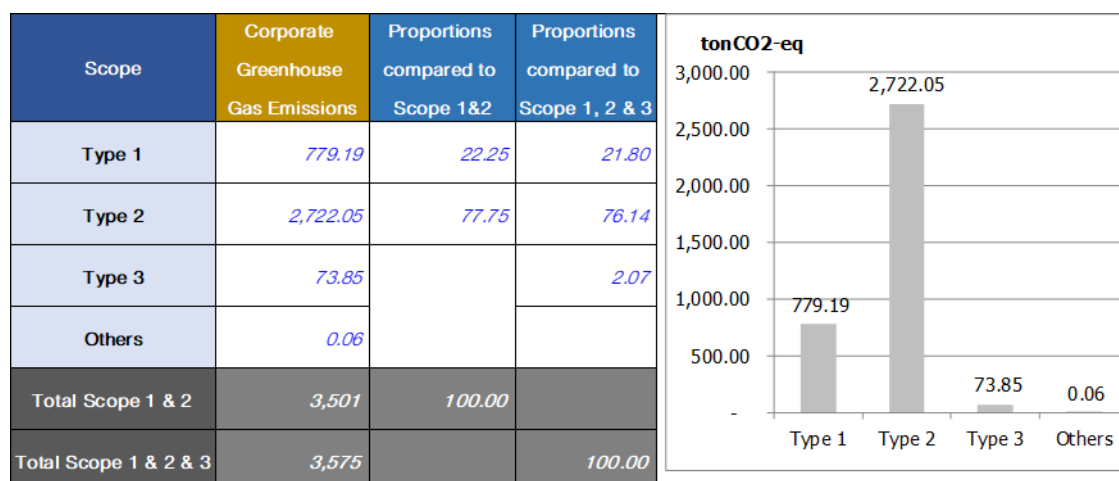
- Dust particles are treated through filter bags or filters according to each system.
- Chemical vapors Through a wet air treatment system (Wet scrubber).

There is also monitoring through air quality measurement every 6 months.

### ● **Corporate Carbon Footprint evaluation**

The Company has collected data for the base year of 2023 regarding direct and indirect sources of greenhouse gas emissions such as diesel fuel use, gas use, electricity use, fire extinguishing agent use, refrigerant use, Using the bathroom, managing waste or unused materials, and using water, etc., to evaluate greenhouse gases and find appropriate management measures. The results of assessment are as follows:

**GHG Emission Proportion Graph (Divided into Scope 1-3)**



### ● **Climate change**

The Company has given importance to the issue of climate change, the Company's management has a policy to reduce energy use and reduce greenhouse gas emissions. The Board of Directors' Meeting No. 5/2023, held on October 31, 2023, resolved to approve the installation of a solar energy production system (Solar Rooftop) with a total size of 851.20 kWp and it is estimated that carbon dioxide emissions can be reduced by up to 630 tons/year. This is in the process of applying for permission to construct a building, modifying buildings or demolishing buildings According to the plan, it will be completed during May 2024 and will be installed on the roof of the production building. As shown in the picture below.



- **Green Industry, Ministry of Industry**

The Company has applied for Green Industry Certification Level 1, Green Commitment, and has been considered and approved for certification according to document number. GI(E)1-23995/2565. Currently in the process of requesting to upgrade to level 2, Green Activity, which will be completed by 2024.



- **Activities to reduce other greenhouse gas emissions**

- Change the turning on and off of a light bulb controlled by a single light switch.
- Make a map of electrical usage zones in the work area.
- Time limit for turning the air conditioner on and off in the work area.
- Campaign for economical use of tissue paper.
- Changed the use of drinking glasses instead of paper cones in some areas.
- Put up signs to publicize water use.
- Reusing document envelopes.



- **Environmental projects and goals.**

The Company has established environmental projects and goals “Air quality control” to control air quality to meet legal standards, measure the quality of the air exhausted from the factory twice a year. The results of every analysis index must be within standard values.

**Measurement No. 1/2023**

No.	Measuring area	Analytical Index	Analysis Results	Standard Value	Unit	Calibration
1	Stack Boiler No.1	Amount of dust (TSP)	6.8	320	mg/Nm <sup>3</sup>	Pass
		Sulfur Dioxide (SO <sub>2</sub> )	<1	60	ppm	Pass
		Nitrogen Oxide (NO <sub>x</sub> as NO <sub>2</sub> )	73	200	ppm	Pass
		Carbon Monoxide (CO)	169	690	ppm	Pass
2	Stack Boiler No.2	Amount of dust (TSP)	7.2	320	mg/Nm <sup>3</sup>	Pass
		Sulfur Dioxide (SO <sub>2</sub> )	<1	60	ppm	Pass
		Nitrogen Oxide (NO <sub>x</sub> as NO <sub>2</sub> )	63	200	ppm	Pass
		Carbon Monoxide (CO)	176	690	ppm	Pass
3	Stack Boiler No.3	Amount of dust (TSP)	7.0	320	mg/Nm <sup>3</sup>	Pass
		Sulfur Dioxide (SO <sub>2</sub> )	<1	60	ppm	Pass
		Nitrogen Oxide (NO <sub>x</sub> as NO <sub>2</sub> )	80	200	ppm	Pass
		Carbon Monoxide (CO)	172	690	ppm	Pass
4	Stack Dust Collector No.1	Amount of dust (TSP)	10.6	400	mg/Nm <sup>3</sup>	Pass

No.	Measuring area	Analytical Index	Analysis Results	Standard Value	Unit	Calibration
5	Stack Dust Collector No.2	Amount of dust (TSP)	13.4	400	mg/Nm <sup>3</sup>	Pass
6	Stack Dust Collector No.3	Amount of dust (TSP)	12.5	400	mg/Nm <sup>3</sup>	Pass
7	Stack (Lab Room 508)	Amount of dust (TSP)	11.4	400	mg/Nm <sup>3</sup>	Pass
8	Stack No.1 (Lab Room 505)	Sulfuric Acid (H <sub>2</sub> SO <sub>4</sub> )	0.01	25	ppm	Pass
		Hydrogen Chloride (HCl)	<0.010 <sup>(2)</sup>	200	mg/Nm <sup>3</sup>	Pass
9	Stack No.2 (Lab Room 505)	Sulfuric Acid (H <sub>2</sub> SO <sub>4</sub> )	0.02	25	ppm	Pass
		Hydrogen Chloride (HCl)	<0.010 <sup>(2)</sup>	200	mg/Nm <sup>3</sup>	Pass

#### Measurement No. 2/2023

No.	Measuring area	Analytical Index	Analysis Results	Standard Value	Unit	Calibration
1	Stack Boiler No.1	Amount of dust (TSP)	6.2	320	mg/Nm <sup>3</sup>	Pass
		Sulfur Dioxide (SO <sub>2</sub> )	<1	60	ppm	Pass
		Nitrogen Oxide (NO <sub>x</sub> as NO <sub>2</sub> )	24	200	ppm	Pass
		Carbon Monoxide (CO)	172	690	ppm	Pass
2	Stack Boiler No.3	Amount of dust (TSP)	6.8	320	mg/Nm <sup>3</sup>	Pass
		Sulfur Dioxide (SO <sub>2</sub> )	<1	60	ppm	Pass
		Nitrogen Oxide (NO <sub>x</sub> as NO <sub>2</sub> )	29	200	ppm	Pass
		Carbon Monoxide (CO)	166	690	ppm	Pass
3	Stack Dust Collector No.1	Amount of dust (TSP)	11.5	400	mg/Nm <sup>3</sup>	Pass
4	Stack Dust Collector No.2	Amount of dust (TSP)	12.1	400	mg/Nm <sup>3</sup>	Pass
5	Stack Dust Collector No.3	Amount of dust (TSP)	11.3	400	mg/Nm <sup>3</sup>	Pass
6	Stack (Lab Room 508)	Amount of dust (TSP)	7.9	400	mg/Nm <sup>3</sup>	Pass
7	Stack No.1 (Lab Room 505)	Sulfuric Acid (H <sub>2</sub> SO <sub>4</sub> )	0.02	25	ppm	Pass
		Hydrogen Chloride (HCl)	<0.010	200	mg/Nm <sup>3</sup>	Pass
8	Stack No.2 (Lab Room 505)	Sulfuric Acid (H <sub>2</sub> SO <sub>4</sub> )	0.01	25	ppm	Pass
		Hydrogen Chloride (HCl)	<0.010	200	mg/Nm <sup>3</sup>	Pass

### 3.4 Social sustainability management

#### 3.4.1 Social Policy and guidelines

The Company is aware of its responsibility towards the community and society, including respect for human rights throughout the value chains. The Company is committed to business development for sustainable growth along with social and environmental responsibilities and obeys the law, rules and regulations related to

social management in the business. The details of the human rights policy are demonstrated on the Company's website: [website: https://investor.interpharma.co.th/th/corporate-governance/corporate-governance-policy](https://investor.interpharma.co.th/th/corporate-governance/corporate-governance-policy)

### **3.4.2 Social operating results**

#### **(1) Employees and labors**

The Company places importance on all employees, considered the primary force in the business operations. The Company treats employees equally and without discrimination, considers human rights, fair employment, and setting remuneration fairly and appropriately, and provides appropriate welfare such as provident fund, life insurance, health insurance and dental fees. Provide regular training for employees to develop knowledge and create opportunities for career growth, including providing a good working environment and considering their safety and good hygiene.

##### **Employment**

In 2023, the Company has hired permanent employees of the Company dividing into 55 male employees and 100 female employees.

##### **Employee Training**

In 2023, the Company organized 18 employee training courses to increase their work skills and potential, with an average number of training hours or knowledge development activities for employees of 1 hours per person per year from the target of one hour per person per year.

##### **Safety, Occupational Health and Working Environment**

In 2023, the Company organized a workplace with a good environment and occupational health, including providing appropriate care for the safety of life and property of employees to reduce the risk of illness, injuries, or death and taking care of their quality of life appropriately.

##### **Safety Management, Occupational Health and Working Environment**

The Company is committed to taking care of the quality of life of its employees, who are an important force in driving the organization. In addition to complying with safety regulations and laws, which are considered minimum practices, The Company also has other activities to support and promote safety Occupational health and working environment.

#### **● Setting security policy, Occupational health and working environment**

The Company's factory in Ayutthaya Province is a producer of modern medicines, we are committed to promoting safety for our employees and those involved to prevent accidents, injuries, and illnesses in the workplace, emphasis is placed on eliminating or controlling insecurities related to the company's business operations. The 5 P. policy has been established as follows:

1. Improve: The Company will continue to improve the working environment and work procedures to ensure safety, Including regular reviews.
2. Protect: The Company will take steps to protect employees, contractors, and outsiders who enter the Company to ensure safety in work.
3. Practice: The Company will comply with the regulations occupational safety laws promote and support various safety activities that will help stimulate employees'



awareness. In addition, the Company considers that safety at work is the duty of employees at all levels to work together to ensure safety for themselves and others, as well as the Company's assets are important.

4. Safety: Employees, contractors and outsiders must always leave the company safely.
5. Public relations: This policy must be publicized to employees at all levels and related parties for their acknowledgment, encourage employees to work with safety until it becomes an organizational culture. The Company therefore defines a safety culture as follows:

"Start safety, Practice safety, Finished safely"

- **Compliance with regulations and laws**

The Company has arranged for compliance with regulations and laws which are basic practices:

- Annual safety inspection of electrical systems and buildings.
- Annual inspection of material transport elevators and passenger elevators.
- Training for safe forklift driving.
- Annual firefighting training and fire evacuation drills



- Basic firefighting training





- Annual boiler safety inspection



- Inspect locations that use liquefied petroleum gas to renew their licenses annually.





- **Activities to support and promote safety.**

The company has organized activities to support and promote safety, through relaxing projects and activities for employees:

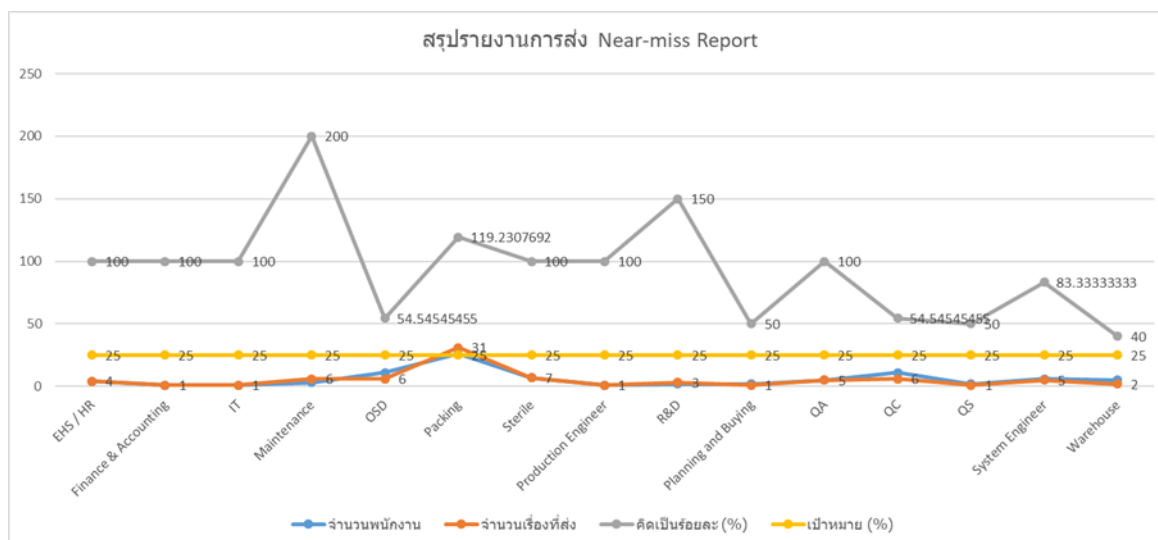
- Standards for preventing and solving drug problems in business establishments



- EHS Days 2023 activities include EHS Board, Short clip contest and recreational activities.



- Near miss notification activities for at least 25% of each agency It was found that each department was able to report more than 25% of near miss incidents, a total of 80 cases, accounting for 91.95% of all employees.



## 2) Customers

The Company has continually focused on the development of its products and services in order to meet customer satisfaction with responsibility, honesty and ethics. In 2023, the Company received good customer satisfaction and there are no complaints from customers on important issues.

## (3) Community and Society

The Company operates its business with responsibility for the community and society and places importance on reducing environmental impacts and avoiding operations that may harm the quality of life of communities surrounding the establishment. In 2023, no community complaints were found on social or environmental issues.

The Company has participated in the forest planting activity under the Care the Wild project "Pluk Pong" Plant & Protect on a total planting area of 91 rai at Ban Aoi community forest and at Ban Boonrueng, Rong Kwang District, Phrae Province, organized by the Association of Companies listed in the Market for Alternative Investment (MAI) and members of the Association together with the Stock Exchange of Thailand with a joint planting activity on June 11, 2022.



In addition, the Company is aware of the important missions beyond doing business, namely sharing happiness from person to person; therefore, donating blood to sick people will make both blood donors and blood recipients pleased. The Company, therefore, has a project called "DONATE BLOOD DONATE LOVE" to donate blood to the Thai Red Cross Society to benefit fellow human beings.



In 2023, the Company, together with the National Blood Service Center and Thai Red Cross Society invited the Company's employees, customers and the public to donate blood in the "DONATE BLOOD DONATE LOVE" project four times, receiving a total of 329,310 cc of blood to be reserved in the blood bank. Even if it's a small amount, everyone has joined to give to fellow human beings. The Company gave products to people who donated blood to the Thai Red Cross Society, and the Company will continue this project for Thai society.





And the company has carried out activities in the field of CSR, giving out 59 boxes of rice to people in the community per day for 90 days, starting from October 5, 2023, January 7, 2024 onwards, people will receive rice. The box is The total number considered is 5,310 people donating. 43 communities received lunch boxes, including the following names:

- |  |  |
|--|--|
| 1. On Nut Community 73, Prawet District (1 Day)                                    | 23. Wat Krathum Suea Pla, Prawet District (2 Day)  |
| 2. Choeng Saphan Community, Prawet Police Station, Prawet District (2 Day)         | 24. Phra Khanong Police Station, Phra Khanong District (1 Day)                           |
| 3. Food distribution point under Phra Pinklao Bridge, Phra Nakhon District (2 Day) | 25. Community behind Prawet Police Station, Prawet District (2 วัน)                      |
| 4. Thap Raksa Community Soi. On Nut 86, Prawet District (14 Day)                   | 26. Ko Klang Community, Khlong Toei District (1 Day)                                     |
| 5. Wat Lan Bun Community, Lat Krabang District (3 Day)                             | 27. Pre-school child development center Behind Wat Lan Bun, Lat Krabang District (1 Day) |
| 6. Prawet Police Station, Prawet District (2 Day)                                  | 28. Wat Lan Bun, Lat Krabang District (1 Day)  |
| 7. Phanthai Norasingh Foundation Office, Samut Sakhon (1 Day)                      | 29. Home for Disabled Children, Lat Krabang District (1 Day)                             |
| 8. Samakkhitham Community, Soi On Nut 84, Prawet District (14 Day)                 | 30. Child training center in Wat Sansuk, Minburi District (1 Day)                        |

- |   |  |
|---|--|
| 9. Lat Phrao Disabled Children Foundation, Chokchai 4, Lat Phrao District (1 Day) | 31. Lat Phrao ku Community, Bang Phlat District (1 Day)                          |
| 10. Phahonyothin Community 32, Chatuchak District (2 Day)                         | 32. Rung Rueang Phatthana Community, Lat Krabang District (3 Day)                |
| 11. Wang Hin Community, Chatuchak District (1 Day)                                | 33. Rong Than Community, Sukhaphiban District 2 (2 Day)                          |
| 12. Phra Nakhon District Office, Soi Sake Alley (8 Day)                           | 34. Thaweepanyarak Community, Lat Krabang District (2 Day)                       |
| 13. Maharaj Foundation, Khlong 5, Thanyaburi District (1 Day)                     | 35. Rattatummanoon Community, Lat Krabang District (1 Day)                       |
| 14. Lat Krabang Police Station, Lat Krabang District (1 Day)                      | 36. Rim Khlong Community Prawet, Prawet District (1 Day)                         |
| 15. Ruamkatanyu Foundation, Bang Phli, Bang Phli District (1 Day)                 | 37. Wat Saensuk Community, Minburi District (1 Day)                              |
| 16. Romklao Police Station, Romklao Housing Authority, Romklao District (1 Day)   | 38. Minburi Police Station, Minburi District (1 Day)                             |
| 17. Community along the Tha Ruea Railway, Khlong Toei District (2 Day)            | 39. Wang Hin Community, Bang Khen District (1 Day)                               |
| 18. Udomsuk Police Station, Udomsuk District (1 Day)                              | 40. Bang Bua Housing Community, Lak Si District (1 Day)                          |
| 19. Khlong Tan Police Station, Khlong Tan (1 Day)                                 | 41. Pracha Ruam Jai Community, Lat Krabang District (Lat Krabang Temple) (1 Day) |
| 20. Romklao Samakkhi Community, Romklao Rd., Romklao District (1 Day)             | 42. Wat Sangkharacha Community, Lat Krabang District (1 Day)                     |
| 21. Suea Yai Uthit Community, Chatuchak District (2 Day)                          | 43. Wat Pak Bueng Community, Rom Klao District (1 Day)                           |
| 22. Chawala Community, Khlong Tan District (1 Day)                                |  |





## 4. Management Discussion and Analysis (MD&A)

### 4.1 Discussion and analysis of the Company's performance and financial position

Discussion and analysis of the Company's performance and financial position in this section, refer to the consolidated financial statements of the Company and its subsidiaries.

	FY2023	%Revenue	FY2022	%Revenue	Change	
	MB		MB		MB	%
<b>Revenue from Sales &amp; Services</b>	<b>1,781.23</b>		<b>1,523.33</b>		<b>257.91</b>	<b>16.9</b>
Other Revenue	17.54		11.12		6.42	57.8
<b>Total Revenue</b>	<b>1,798.78</b>	<b>100.0%</b>	<b>1,534.45</b>	<b>100.0%</b>	<b>264.33</b>	<b>17.2</b>
Cost of goods sold	1,121.79	63.0%	905.42	59.4%	216.37	23.9
<b>Gross Profit</b>	<b>659.44</b>	<b>37.0%</b>	<b>617.91</b>	<b>40.6%</b>	<b>41.53</b>	<b>6.7</b>
<b>%Gross Profit</b>	<b>37.0%</b>		<b>40.6%</b>			
Selling & Distribution Expenses	376.78	20.9%	279.33	18.2%	97.45	34.9
Administrative expenses	190.80	10.6%	178.90	11.7%	11.90	6.7
<b>Selling, Distribution &amp; Administrative Exp.</b>	<b>567.58</b>	<b>31.6%</b>	<b>458.22</b>	<b>29.9%</b>	<b>109.35</b>	<b>23.9</b>
<b>Net profit</b>	<b>58.90</b>	<b>3.3%</b>	<b>127.29</b>	<b>8.3%</b>	<b>-68.38</b>	<b>-53.72</b>

Revenue by Segment	FY2023		FY2022		Change	
	MB	%	MB	%	MB	%
1. Human Healthcare	1,190.5	66.8	1,136.4	74.6	54.1	4.8
2. Animal Healthcare	365.9	20.5	358.0	23.5	7.9	2.2
3. Hospital	224.9	12.6	28.9	1.9	196.0	678.1
<b>Total Revenue from and</b>	<b>1,781.2</b>	<b>100</b>	<b>1,523.3</b>	<b>100</b>	<b>257.9</b>	<b>16.9</b>

#### Overview

Operating results for the year ended December 31, 2023, the Company had revenue from sales and service of 1,781 million Baht, increased by 258 million Baht or 16.9% compared to previous year. The growth was from human healthcare segment 1,204 million Baht, animal healthcare segment 352 million Baht and also Hospital segment 225 million Baht.

Revenue had increase compared to the previous year due to the consolidation of pharmacy store business in quarter 2 of year 2022. Currently, the pharmacy store business are 30 stores and online platform and hospital business in quarter 4 of year 2022.

	FY2023		FY2022		Change	
	MB	%	MB	%	MB	%
Cost of goods sold	1,121.79	62.98	905.42	59.44	216.37	23.9
Selling & Distribution Expenses	376.78	20.95	279.33	18.20	97.45	34.9
Administrative expenses	190.80	10.61	178.90	11.66	11.90	6.6
<b>Total Expenses</b>	<b>1,689.37</b>	<b>93.92</b>	<b>1,363.65</b>	<b>88.87</b>	<b>325.72</b>	<b>23.9</b>

### Cost of Goods sold and Gross Profit

For the year ended December 31, 2023, cost of goods sold amounted to 1,121.79 million Baht and 905.42 million Baht respectively, increased from the previous year as a proportion to revenue of 62.98% and 59.44 %, respectively. Gross profit margin decreased from the previous year due to the consolidation of pharmacy store business in quarter 2 of year 2022 and hospital business in quarter 4 of year 2022, both businesses have lower gross profit margins.

### Selling Expenses

Selling expenses for the year ended December 31, 2023, amounted to 376.78 million Baht and 279.33 million Baht, respectively, increased from the previous year as a proportion to revenue of 20.95 % and 18.20 %, respectively. Major selling expenses are advertising expenses of Pharmaceutical Products, Wellness & Anti-Aging Nutraceuticals/Cosmeceuticals Aesthetic and Companion Animal Healthcare , commission, distribution fee included employee expenses, pharmacist, store rental expense, and related store expansion expense.

### Administrative Expenses

Administrative Expenses for the year ended December 31, 2023 amounted to 190.8 million Baht and 178.9 million Baht respectively as a proportion to revenue of 10.61 % and 11.66 %, respectively. The main expenses arise from the consolidation of pharmacy store and hospital business and increasing of the staff expenses of the subsidiaries.

### Net Profit

Net Profit for year ended December 31, 2023 amount of 58.90 million Baht and 127.29 million Baht, as a proportion to revenue of 3.3% and 8.3%, respectively. The ratio to income decreased compared to the previous year. The Main reason is marketing expenses both television media, billboard and online channel. However, the net profit of pharmacy store and hospital business were increased.

### Financial Position

	As at Dec 31, 2023	As at Dec 31, 2022	Change	
	MB	MB	MB	%
Total Asset	2,952.37	3,090.31	-137.95	-4.5
Total Liabilities	834.65	973.86	-139.22	-14.3
Total Shareholders' Equity	2,117.72	2,116.45	1.27	0.1

### Total Assets

Total assets of the Company and its subsidiaries as of December 31, 2023 reported 2,952 million Baht, a decrease of 138 million Baht or 4.5% compared to as at December 31, 2022 which was mainly from higher current assets 312 million Baht from cash and cash equivalent. And non-current assets increased by 174 million Baht, mainly from restricted bank deposits, property plant and equipment and intangible assets.



**Total Liabilities**

Total liabilities of the Company and its subsidiaries as of December 31, 2023, amounted to 835 million Baht, a decrease of 139 million Baht or 14% compared to as at December 31, 2022. This was due to decrease in current liability 19 million Baht from short-term loans from bank and accrue income tax. And non-current liability decreased by 120 million Baht from long-term loans.

**Shareholders' Equity**

The shareholders' equity of the Company and its subsidiaries as of December 31, 2023, amounted to 2,118 million Baht, a decrease of 1 million Baht compared to as at December 31, 2022, which mainly contributed by net profit for the year 2023 of 59 million Baht, paid of dividend of 67 million Baht and non-controlling interests of the subsidiaries from the increase in share capital of the subsidiary of 6 million Baht.

**4.2 Factors or incidents that may materially affect the financial condition or the operating results (forward looking)**

The situation of epidemic Coronavirus (Covid-19) is causing a trend of health consciousness, which is a trend that consumers around the world have accepted, including Thailand, both in the group of new generation and the elderly. There is an awakening of protection and the promotion of good health. As a result, the growth in the dietary supplement market in health products, including pharmaceuticals, is very high. Consumers continue to spend more money on products in that category. In the opposite direction with other products such as food that pays less because eating out less, etc. Nevertheless, the Company and its subsidiaries have regularly adjusted their sales and marketing strategies. As well as developing new products to meet the changing consumer trends. There is also planning for purchasing, production and inventory management in order to be able to deliver products to customers continuously and achieve maximum satisfaction.

### Summary of the Auditor's Report

A summary of the auditor's report from consolidated financial statements and interim consolidated financial information can be summarized as follows:

Financial Statement / Financial Data	Summary of Auditor's report
Consolidate Financial Statement for the year ended December 31, 2023 (Audited)	Audited by <b>Ms. Siriwan Nitdamrong</b> , CPA Registration No. 5906, EY Office Co., Ltd., an auditor approved by the SEC Office, expressed her opinions unconditionally on the audited financial statements and opined that the consolidated financial statements of the Company and its subsidiaries (Group of companies) presents the financial position as of December 31, 2023, operating results and cash flows for the year then ended of Inter Pharma Public Company Limited and its subsidiaries, and only of Inter Pharma Public Company Limited, which are materially correct as it should be in accordance with financial reporting standards.
Consolidate Financial Statement for the year ended December 31, 2022 (Audited)	Audited by <b>Ms. Siriwan Nitdamrong</b> , CPA Registration No. 5906, EY Office Co., Ltd., an auditor approved by the SEC Office, expressed her opinions unconditionally on the audited financial statements and opined that the consolidated financial statements of the Company and its subsidiaries (Group of companies) presents the financial position as of December 31, 2022, operating results and cash flows for the year then ended of Inter Pharma Public Company Limited and its subsidiaries, and only of Inter Pharma Public Company Limited, which are materially correct as it should be in accordance with financial reporting standards.
Consolidate Financial Statement for the year ended December 31, 2021 (Audited)	Audited by <b>Ms. Siriwan Nitdamrong</b> , CPA Registration No. 5906, EY Office Co., Ltd., an auditor approved by the SEC Office, expressed her opinions unconditionally on the audited financial statements as of December 31, 2021, operating results and cash flows for the year then ended of Inter Pharma Public Company Limited and its subsidiaries, and only of Inter Pharma Public Company Limited, which are materially correct as it should be in accordance with financial reporting standards.

**a) Financial Statement Summary Table**

Statement of financial position of the Company and its subsidiaries as at December 31, 2021-2023

Statement of financial position	Separate Financial Statement						Consolidated Financial Statements					
	As at December 31						As at December 31					
	2021		2022		2023		2021		2022		2023	
	(Audited)		(Audited)		(Audited)		(Audited)		(Audited)		(Audited)	
	MB	%	MB	%	MB	%	MB	%	MB	%	MB	%
<b>Assets</b>												
<b>Current assets</b>												
Cash and cash equivalents	124.83	10.96	599.12	25.16	252.17	11.26	173.87	13.10	776.42	25.12	412.39	13.97
Trade and other receivable	214.13	18.79	254.69	10.70	253.48	11.32	292.19	22.02	392.19	12.96	425.06	14.40
Current portion of long-term loans to employees	0.06	0.01	0.01	0.00	0.00	0.00	0.06	0.00	0.01	0.00	0.00	0.00
Short-term loans to subsidiaries	90.20	7.92	-	-	-	-	-	-	-	-	-	-
Advanced payments for purchase of goods	4.87	0.43	5.76	0.24	6.55	0.29	4.87	0.37	5.92	0.19	6.55	0.22
Inventories	81.39	7.14	97.90	4.11	100.35	4.48	187.13	14.10	327.07	10.58	345.27	11.69
Other current financial assets	0.31	0.03	0.32	0.01	0.32	0.01	0.80	0.06	0.83	0.03	0.86	0.03
Other current assets	0.37	0.03	2.59	0.11	3.65	0.16	7.71	0.58	12.78	0.41	12.72	0.43
<b>Total current assets</b>	<b>516.16</b>	<b>45.31</b>	<b>960.38</b>	<b>40.34</b>	<b>616.52</b>	<b>27.53</b>	<b>666.61</b>	<b>50.23</b>	<b>1,515.21</b>	<b>49.03</b>	<b>1,202.85</b>	<b>40.74</b>
<b>Non-current assets</b>												
Restricted bank deposits	0.80	0.07	0.80	0.03	50.80	2.27	7.96	0.60	7.96	0.26	61.55	2.08
Long-term loans to subsidiaries	-	-	150.20	6.31	141.20	6.31	-	-	-	-	-	-
Advance payment for business study	96.57	8.48	-	-	-	-	96.57	7.28	-	-	-	-
Other non-current financial assets	-	-	-	-	36.29	1.62	-	-	-	-	36.29	1.23
Investments in subsidiaries	308.71	27.10	1,053.71	44.26	1,102.23	49.22	-	-	-	-	-	-
Investment in joint venture	10.20	0.90	10.20	0.43	10.20	0.46	10.12	0.76	9.35	0.30	7.08	0.24
Investment properties	-	-	-	-	-	-	-	-	-	-	0.81	0.03
Property, plant and equipment	185.05	6.24	179.50	7.54	211.62	9.45	455.04	34.29	760.65	24.61	822.37	27.85
Right-of-use assets	2.28	0.20	1.68	0.07	2.88	0.13	2.28	0.17	120.11	3.89	106.90	3.62
Goodwill	-	-	-	-	-	-	22.16	1.67	477.85	15.46	477.85	16.19
Intangible assets	13.92	1.22	14.72	0.62	58.27	2.60	55.10	4.15	167.79	5.43	197.36	6.68
Deferred tax assets	3.44	0.30	5.20	0.22	5.37	0.24	8.98	0.68	9.81	0.32	15.91	0.54
Deposits	-	-	1.92	0.08	2.09	0.09	-	-	18.94	0.61	21.22	0.72
Other non-current assets	2.16	0.19	2.51	0.11	1.77	0.08	2.23	0.17	2.63	0.09	2.17	0.07
<b>Total non-current assets</b>	<b>623.13</b>	<b>54.69</b>	<b>1,420</b>	<b>59.66</b>	<b>1,622.73</b>	<b>72.47</b>	<b>660.43</b>	<b>49.77</b>	<b>1,575.10</b>	<b>50.97</b>	<b>1,749.52</b>	<b>59.26</b>
<b>Total assets</b>	<b>1,139.29</b>	<b>100.00</b>	<b>2,380.83</b>	<b>100.00</b>	<b>2,239.25</b>	<b>100.00</b>	<b>1,327.04</b>	<b>100.00</b>	<b>3,090.31</b>	<b>100.00</b>	<b>2,952.37</b>	<b>100.00</b>

Statement of financial position	Separate Financial Statement						Consolidated Financial Statements					
	As at December 31						As at December 31					
	2021		2022		2023		2021		2022		2023	
	(Audited)		(Audited)		(Audited)		(Audited)		(Audited)		(Audited)	
	MB	%	MB	%	MB	%	MB	%	MB	%	MB	%
<b>Liabilities and shareholders' equity</b>												
<b>Current liabilities</b>												
Short-term loans from bank	80.00	7.02	-	-	-	-	120.00	9.04	40.00	1.29	40.00	1.35
Trade and other payables	46.45	4.08	68.24	2.87	64.35	2.87	149.36	11.26	311.01	10.06	321.51	10.89
Short-term loans from other person	-	-	-	-	-	-	6.00	0.45	8.50	0.28	6.10	0.21
Short-term loans from related parties	-	-	-	-	-	-	4.80	0.36	0.20	0.01	-	-
Current portion of long-term loans from bank	32.86	2.88	61.57	2.59	46.05	2.06	35.62	2.68	72.51	2.35	54.43	1.84
Current portion of lease liabilities	0.57	0.05	0.62	0.03	0.61	0.03	0.57	0.04	30.46	0.99	38.89	1.32
Income tax payable	13.85	1.22	13.50	0.57	0.87	0.04	14.80	1.12	25.18	0.81	4.11	0.14
Current portion of provision for long-term employee benefits	-	-	0.24	0.01	1.18	0.05	-	-	0.24	0.01	2.79	0.09
Other current liabilities	3.17	0.28	7.62	0.32	8.33	0.37	4.49	0.34	9.85	0.32	10.91	0.37
<b>Total current liabilities</b>	<b>176.91</b>	<b>15.53</b>	<b>151.79</b>	<b>6.38</b>	<b>121.39</b>	<b>5.42</b>	<b>335.63</b>	<b>25.29</b>	<b>497.95</b>	<b>16.11</b>	<b>478.75</b>	<b>16.22</b>
<b>Non-current liabilities</b>												
Long-term loans from bank - net of current portion	171.97	15.09	290.79	12.21	184.79	8.25	187.06	14.10	314.81	10.19	200.66	6.80
Long-term loans from related parties	-	-	-	-	-	-	-	-	4.80	0.16	4.80	0.16
Lease liabilities - net of current portion	1.90	0.17	1.28	0.05	2.35	0.10	1.90	0.14	67.69	2.19	54.83	1.86
Provision for long-term employee benefits - net of current portion	10.70	0.94	15.02	0.63	15.05	0.67	15.41	1.16	31.14	1.01	32.75	1.11
Deferred tax liabilities	-	-	-	-	-	-	3.53	0.27	55.33	1.79	59.21	2.01
Provision for decommissioning costs	-	-	-	-	-	-	-	-	2.14	0.07	3.19	0.11
Other non-current liabilities	-	-	-	-	-	-	-	-	-	-	0.46	0.02
<b>Total non-current liabilities</b>	<b>184.58</b>	<b>16.20</b>	<b>307.09</b>	<b>12.90</b>	<b>202.19</b>	<b>9.03</b>	<b>207.91</b>	<b>15.67</b>	<b>475.91</b>	<b>15.40</b>	<b>355.90</b>	<b>12.05</b>
<b>Total liabilities</b>	<b>361.48</b>	<b>31.73</b>	<b>458.88</b>	<b>19.27</b>	<b>323.59</b>	<b>14.45</b>	<b>543.54</b>	<b>40.96</b>	<b>973.86</b>	<b>31.51</b>	<b>834.65</b>	<b>28.27</b>
<b>Shareholders' equity</b>												
Share capital	178.04		216.22		243.36		178.04		216.22		243.36	
Issued and fully paid up	149.01	13.08	186.26	7.82	186.26	8.32	149.01	11.23	186.26	6.03	186.26	6.31
Ordinary share premium	473.81	41.59	1,479.70	62.15	1,479.70	66.08	473.81	35.70	1,479.70	47.88	1,479.70	50.12
Surplus on share-based payment transactions	18.27	1.60	18.27	0.77	18.27	0.82	18.27	1.38	18.27	0.59	18.27	0.62
Surplus from business combination under common control	0.00	-	-	-	-	-	3.70	0.28	3.70	0.12	3.70	0.13
Retained earnings												
Appropriated - statutory reserve	15.15	1.33	20.24	0.85	23.15	1.03	15.15	1.14	20.24	0.66	23.15	0.78

Statement of financial position	Separate Financial Statement						Consolidated Financial Statements					
	As at December 31						As at December 31					
	2021		2022		2023		2021		2022		2023	
	(Audited)		(Audited)		(Audited)		(Audited)		(Audited)		(Audited)	
	MB	%	MB	%	MB	%	MB	%	MB	%	MB	%
Unappropriated	121.57	10.67	217.48	9.13	208.28	9.30	101.70	7.66	218.02	7.05	202.10	6.85
<b>Equity attributable to owners of the Company</b>	<b>777.81</b>	<b>68.27</b>	<b>1,921.96</b>	<b>80.73</b>	<b>1,915.66</b>	<b>85.55</b>	<b>761.64</b>	<b>57.39</b>	<b>1,926.20</b>	<b>62.33</b>	<b>1,913.19</b>	<b>64.80</b>
Non-controlling interests of the subsidiaries	-	-	-	-	-	-	21.86	1.65	190.25	6.16	204.53	6.93
<b>Total shareholders' equity</b>	<b>777.81</b>	<b>68.27</b>	<b>1,921.96</b>	<b>80.73</b>	<b>1,915.66</b>	<b>85.55</b>	<b>783.50</b>	<b>59.04</b>	<b>2,116.45</b>	<b>68.49</b>	<b>2,117.72</b>	<b>71.73</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,139.29</b>	<b>100.00</b>	<b>2,380.83</b>	<b>100.00</b>	<b>2,239.25</b>	<b>100.00</b>	<b>1,327.04</b>	<b>100.00</b>	<b>3,090.31</b>	<b>100.00</b>	<b>2,952.37</b>	<b>100.00</b>

Statements of comprehensive income of the Company and its subsidiaries as at December 31, 2021-2023

Statements of comprehensive income	Separate Financial Statement						Consolidated Financial Statements					
	As at December 31						As at December 31					
	2021		2022		2023		2021		2022		2023	
	(Audited)		(Audited)		(Audited)		(Audited)		(Audited)		(Audited)	
	MB	%	MB	%	MB	%	MB	%	MB	%	MB	%
<b>Revenues</b>												
Revenue	593.56	95.86	586.55	94.11	563.02	90.82	908.63	98.66	1,523.33	99.28	1,781.23	99.02
Other income	25.62	4.14	36.69	5.89	56.90	9.18	12.35	1.34	11.12	0.72	17.54	0.98
<b>Total revenues</b>	<b>619.18</b>	<b>100</b>	<b>623.24</b>	<b>100</b>	<b>619.91</b>	<b>100</b>	<b>920.98</b>	<b>100</b>	<b>1,534.45</b>	<b>100</b>	<b>1,798.78</b>	<b>100</b>
<b>Expenses</b>												
Cost of sales and services	281.28	45.43	277.92	44.59	322.14	51.97	507.85	55.14	905.42	59.01	1,121.79	62.36
Selling and distribution expenses	103.91	16.78	102.96	16.52	125.68	20.27	165.20	17.94	279.33	18.20	376.78	20.95
Administrative expenses	68.90	11.13	99.02	15.89	82.90	13.37	102.16	11.09	178.90	11.66	190.80	10.61
Finance cost	6.41	1.04	15.82	2.54	15.14	2.44	8.01	0.87	23.34	1.52	25.76	1.43
<b>Total expenses</b>	<b>460.51</b>	<b>74.37</b>	<b>495.71</b>	<b>79.54</b>	<b>545.86</b>	<b>88.05</b>	<b>783.22</b>	<b>85.04</b>	<b>1,386.99</b>	<b>90.33</b>	<b>1,715.13</b>	<b>95.35</b>
Share of loss from investments in joint venture							-0.08		-0.77		-2.27	
<b>Profit before income tax expenses</b>	<b>158.67</b>	<b>25.63</b>	<b>127.53</b>	<b>20.46</b>	<b>74.06</b>	<b>11.95</b>	<b>137.68</b>	<b>14.95</b>	<b>146.69</b>	<b>9.56</b>	<b>81.37</b>	<b>4.52</b>
Income tax expenses	33.21	5.36	25.87	4.15	15.86	2.56	27.20	2.95	19.41	1.26	22.47	1.25
<b>Profit for the year</b>	<b>125.46</b>	<b>20.26</b>	<b>101.66</b>	<b>16.31</b>	<b>58.20</b>	<b>9.39</b>	<b>110.48</b>	<b>12.00</b>	<b>127.29</b>	<b>8.30</b>	<b>58.90</b>	<b>3.27</b>
<b>Other comprehensive income:</b>												
Actuarial gain (loss)	-0.63		-0.81		3.20		-0.63		3.40		4.03	
Less: Income tax effect	0.13		0.16		-0.64		0.13		-0.68		-0.81	
<b>Other comprehensive income for the year</b>	<b>-0.51</b>		<b>-0.65</b>		<b>2.56</b>		<b>-0.51</b>		<b>2.72</b>		<b>3.22</b>	

Statements of comprehensive income	Separate Financial Statement						Consolidated Financial Statements					
	As at December 31						As at December 31					
	2021		2022		2023		2021		2022		2023	
	(Audited)		(Audited)		(Audited)		(Audited)		(Audited)		(Audited)	
	MB	%	MB	%	MB	%	MB	%	MB	%	MB	%
Total comprehensive income for the year	124.96		101.01		60.76		109.98		130.00		62.12	
Profit attributable to:												
Equity holders of the Company	125.46		101.66		58.20		105.22		118.88		50.79	
Non-controlling interests of the subsidiaries	-		-		-		5.27		8.40		8.11	
	125.46		101.66		58.20		110.48		127.29		58.90	
Total comprehensive income attributable to:												
Equity holders of the Company	124.96		101.01		60.76		104.71		121.41		54.05	
Non-controlling interests of the subsidiaries	-		-		-		5.27		8.59		8.08	
	124.96		101.01		60.76		109.98		130.00		62.12	
Earnings per share												
Basic earnings per share (Baht)												
Profit attributable to equity holders of the Company	0.43		0.31		0.16		0.36		0.36		0.14	
Weighted average number of ordinary shares (shares)	292.39		327.41		372.52		292.39		327.41		372.52	

Statements of cash flows of the Company and its subsidiaries as at December 31, 2021-2023

Statement of cash flows (Unit : Million Baht)	Separate financial statements			Consolidated financial statements		
	As at December 31			As at December 31		
	2021	2022	2023	2021	2022	2023
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Cash flows from operating activities						
Profit before tax	158.67	127.53	74.06	137.68	146.69	81.37
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:						
Depreciation and amortisation	6.11	12.29	10.55	26.61	65.74	98.25
Impairment loss on financial assets (reversal)	-0.66	-	0.17	1.80	5.17	3.89
Impairment losses on investment properties	-	-	-	-	-	3.05
Reduction of inventory to net realisable value	1.53	2.13	-0.92	1.66	3.57	0.34

Statement of cash flows (Unit : Million Baht)	Separate financial statements			Consolidated financial statements		
	As at December 31			As at December 31		
	2021	2022	2023	2021	2022	2023
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Loss from inventories destruction	-	1.18	5.86	-	1.18	5.86
Provision of goods return	1.88	2.38	0.76	1.55	2.34	0.97
Loss from sales/write-off of property, plant and equipment and intangible assets	3.24	0.68	0.005	3.60	0.83	0.47
Net difference of right-of-use assets and lease liabilities arising from termination of contracts	-	-	-	-	-	-0.70
Share of loss from investments in joint venture	-	-	-	0.08	0.77	2.27
Provision for long-term employee benefits	2.57	3.19	3.79	3.58	5.21	7.50
Unrealised loss (gain) on exchange	0.02	-0.24	0.32	0.03	-0.05	0.27
Finance income	-2.46	-5.14	-9.50	-0.12	-1.06	-2.78
Finance cost	6.41	15.82	15.14	8.01	23.34	25.76
Profit from operating activities before changes in operating assets and liabilities	177.30	159.83	100.22	184.49	253.74	226.52
Operating assets (increase) decrease						
Trade and other receivables	-100.29	-19.73	-6.01	-138.36	-43.02	-43.82
Advanced payments for purchase of goods	-1.26	-0.90	-0.79	-0.70	-1.05	-0.64
Inventories	-33.05	-19.83	-7.38	-85.31	-60.61	-24.40
Other current assets	0.07	-2.22	-1.06	-6.14	-2.39	0.23
Deposits	-1.0	-0.47	-0.17	-1.00	-0.42	-2.28
Other non-current assets	0.29	-1.79	0.74	0.31	-1.91	0.46
Operating liabilities increase (decrease)						
Trade and other payables	2.37	22.09	-13.70	35.21	26.32	10.15
Other current liabilities	0.23	2.34	-0.05	0.90	3.14	0.09
Other non-current liabilities	-	-	-	-	-	0.46
<b>Cash flows from (used in) operating activities</b>	<b>44.66</b>	<b>139.33</b>	<b>71.79</b>	<b>-10.60</b>	<b>173.80</b>	<b>166.77</b>
Interest received	0.05	0.79	1.03	0.11	1.05	1.53
Cash paid for employee benefits		-0.03	-		-0.19	-0.15
Cash paid for income tax	-26.22	-27.83	-29.30	-31.08	-31.56	-46.73
<b>Net cash from (used in) operating activities</b>	<b>18.49</b>	<b>112.26</b>	<b>43.52</b>	<b>-41.57</b>	<b>143.09</b>	<b>121.42</b>
Cash flows from investing activities						
Increase in restricted bank deposits	-	-	-50.00	-	-	-53.59

Statement of cash flows (Unit : Million Baht)	Separate financial statements			Consolidated financial statements		
	As at December 31			As at December 31		
	2021	2022	2023	2021	2022	2023
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Cash paid for investment payable	-10.00	-	-	-10.00	-	-
Cash paid for investment in joint venture	-10.20	-	-	-10.20	-	-
Cash paid for investment in associated company	-	-	-48.52	-	-	-
Cash payments for investment in subsidiary (net from cash purchase)	-	-745.00	-	-	-635.02	-
Increase in other non-current financial assets	-	-	-36.29	-	-	-36.29
Cash paid for advance payment for business study	-96.57	-	-	-96.57	-	-
Cash received from payment for advance payment for business study	-	96.57	-	-	96.57	-
Cash paid for loans to subsidiaries	-51.00	-60.00	-89.00	-	-	-
Cash received from repayment of long-term loans to subsidiaries	-	-	98.00	-	-	-
Cash received from repayment of long-term loans to employees	0.05	0.06	0.01	0.05	0.06	0.01
Increase in other current financial assets	-0.01	-	-	-0.03	-0.02	-0.03
Purchase of property, plant and equipment	-172.94	-5.65	-38.35	-224.15	-27.37	-106.46
Cash paid for leasehold right	-	-20.00	-	-	-20.00	-
Purchase of intangible assets	-13.69	-2.58	-30.98	-13.69	-2.60	-37.63
Cash received from sale of property, plant and equipment	2.80	0.23	0.02	2.80	0.25	0.05
Interest received	2.43	4.34	8.39	0.01	0.01	1.18
Net cash used in investing activities	-349.12	-732.04	-186.72	-351.79	-588.13	-232.77
Cash flows from financing activities						
Cash received from short-term loans from bank	80.00	20.00	-	120.00	20.00	45.00
Cash paid to settle short-term loans from bank	-	-100.00	-	-	-112.06	-45.00
Cash paid to settle short-term loans from person and related parties	-	-	-	-	-	-2.60
Cash received from long-term loans from bank	120.00	200.00	-	139.00	200.00	-
Payment of deferred financing fee of long-term loans from bank	-0.30	-0.50	-	-0.30	-0.50	-
Cash paid to settle long-term loans from bank	-21.40	-52.20	-121.83	-22.55	-56.61	-132.55
Cash received from long-term loans from related parties	-	-	-	-	-	6.00



Statement of cash flows (Unit : Million Baht)	Separate financial statements			Consolidated financial statements		
	As at December 31			As at December 31		
	2021	2022	2023	2021	2022	2023
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Cash paid to long-term loans from person and related parties	-	-	-	-	-	-6.00
Payment of principal portion of lease liabilities	-0.52	-1.03	-0.55	-0.64	-23.07	-32.88
Interest paid	-6.18	-15.29	-14.43	-7.67	-23.05	-24.03
Proceeds from increase in share capital	192.22	1,043.14	-	192.22	1,043.14	-
Transaction costs on issue of shares	-0.31	-	-	-0.31	-	-
Cash received from non-controlling interest from the increase in share capital of the subsidiary	-	-	-	-	-	6.20
Dividend paid	-4.83	-	-67.00	-4.83	-	-67.00
<b>Net cash from financing activities</b>	<b>358.68</b>	<b>1,094.12</b>	<b>-203.81</b>	<b>414.92</b>	<b>1,047.85</b>	<b>-252.86</b>
<b>Net increase in cash and cash equivalents</b>	<b>28.05</b>	<b>474.35</b>	<b>-347.00</b>	<b>21.55</b>	<b>602.81</b>	<b>-364.20</b>
Cash and cash equivalents at beginning of the year	96.78	124.83	599.12	152.33	173.87	776.42
Effect of change in foreign exchange rate on cash at banks	-	-0.06	0.06	-0.01	-0.26	0.17
<b>Cash and cash equivalents at end of the year</b>	<b>124.83</b>	<b>599.12</b>	<b>252.17</b>	<b>173.87</b>	<b>776.42</b>	<b>412.39</b>

Supplemental disclosures of cash flows information:

Non-cash related transactions

Increase (decrease) in other payable for purchases of property, plant and equipment and intangible assets	-	-	9.38	-	5.30	-0.71
Transferred short-term loans to subsidiaries to be long-term loans	-	90.20	-	-	-	-
Increase in dividend payable	-	-	0.05	-	-	0.05
Increase in share capital for stock dividend	41.20	-	-	41.20	-	-
Increase in other receivable for sales of property, plant and equipment, leasehold right and intangible assets	-	20.83	-	-	-	-
Acquisition of right-of-use assets under lease contracts	-	6.05	1.60	-	7.92	43.98
Decrease in right-of-use assets from lease termination	-	-	-	-	-	14.82
Decrease in lease liabilities from lease termination	-	-	-	-	-	15.52
Transfer prepaid expenses to intangible assets	-	-	7.14	-	-	7.14
Transfer right-of-use assets to investments properties	-	-	-	-	-	4.49

**Table showing of Important Financial Ratios**

		Separate financial statements			Consolidated financial statements		
		2021	2022	2023	2021	2022	2023
<u>Liquidity Ratio</u>							
Current ratio	(equal)	2.92	6.33	10.15	1.99	3.04	2.52
Quick ratio	(equal)	2.46	5.63	8.89	1.43	2.35	1.80
Cash ratio	(equal)	0.15	0.68	0.38	-0.17	0.34	0.34
Receivable turnover	(equal)	3.95	2.50	3.07	4.76	4.45	5.26
Collection period	(Day)	92	146	119	77	82	69
Inventory turnover	(equal)	5.27	2.56	5.56	4.93	5.21	4.69
Average Inventory Period	(Day)	69	143	66	74	70	78
Account Payable Turnover	(equal)	10.49	4.85	9.30	7.91	3.93	3.67
Average Payment Period	(Day)	35	75	40	46	93	99
Cash cycle	(Day)	127	213	145	105	59	48
<u>Profitability Ratio</u>							
Gross profit margin	(%)	52.61	52.62	42.78	44.11	40.60	37.02
Operating profit margin	(%)	27.81	24.44	13.15	16.04	11.27	6.14
other profit margin	(%)	4.14	6.26	9.18	1.34	0.73	0.98
Cash ratio	(%)	11.2	78.31	58.76	-28.52	83.34	153.49
Net profit margin	(%)	20.26	16.21	11.95	12.00	8.52	6.08
Return On Equity : ROE	(%)	20.18	7.48	3.87	17.38	9.15	5.21
<u>Efficiency Ratio</u>							
Return On Assets : ROA	(%)	14.1	5.74	3.21	10.64	6.01	3.72
Fixed Asset Turnover Ratio	(%)	117.89	59.68	35.69	33.04	28.96	24.45
Total Assets Turnover	(equal)	0.67	0.35	0.24	0.87	0.71	0.61
<u>Financial Policy Ratio</u>							
Debt to Equity ratio	(equal)	0.46	0.24	0.17	0.69	0.46	0.40
Interest coverage ratio	(equal)	7.97	9.73	5.44	-0.37	7.97	9.38
Cash basis	(equal)	0.05	0.62	0.13	-0.11	0.59	0.72
Dividend Payout	(%)	30.38	-	90.47	41.65	-	61.24
<u>Others Ratio</u>							
Book Value Per Share	(Baht)	2.66	5.16	5.11	2.68	5.57	5.60
Basic earnings per share	(Baht)	0.43	0.31	0.16	0.36	0.36	0.14
Weighted average number of ordinary shares	(Million Shares)	292.39	327.41	372.52	292.39	327.41	372.52

## 5. General information and other material facts

### 5.1 General information

#### Securities Registrar

Company Name	:	Thailand Securities Depository Co., Ltd.
Location	:	93 Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400
Telephone No.	:	02-009-9000
Facsimile No.	:	02-009-9991

#### Auditor

Company Name	:	EY Office Co., Ltd.
Auditor Name	:	Ms. Siriwan Nitdamrong Certified Public Accountant (Thailand) No. 5906
Location	:	193/136-137 Lake Ratchada Office Complex 33 Floor, Ratchadaphisek Road, Khlong Toei, Bangkok 10110
Telephone No.	:	02-264-9090
Facsimile No.	:	02-264-0789-90

#### Internal Audit

Company Name	:	A.M.T. Solution Co., Ltd.
Location	:	79/109 Moo 2 Soi, Lat Krabung 54, Sisa Chorakhe Noi, Bang Sao Thong, Samut Prakan 10570
Telephone No.	:	02-184-1846

### 5.2 Other material facts

-None-

### 5.3 Legal disputes

-None-

## Part 2

---

### Corporate Governance

## 6. Corporate Governance Policy

The Company realizes the importance of good corporate governance, which is an important issue that promotes the Company's operations to be efficient and grow sustainably. That will lead to the utmost benefit to all stakeholders, from employees, investors, shareholders and other stakeholders. Therefore, the Board of Directors agrees that a better corporate governance policy should be established covering key principles from structure, roles, duties and responsibilities of the Board of Directors to the management principles of the executives providing transparent, transparent and verifiable to be a guideline for managing the organization and to make the belief that any operation of the Company is appropriate to the best interests of shareholders and all stakeholders. The Board of Directors places importance on compliance with good corporate governance principles; therefore, it has established a policy of Good Corporate Governance Policy in writing, which is prepared in accordance with the principles of the Corporate Governance Code for listed companies 2017 of the Office of the Securities and Exchange Commission as a guideline. The policy comprises 8 practices, as follows;

**Principle 1:** Establish clear leadership role and responsibilities of the board

**Principle 2:** Define objectives that promote sustainable value creation

**Principle 3:** Strengthen board effectiveness

**Principle 4:** Ensure effective CEO and people management

**Principle 5:** Nurture innovation and responsible business

**Principle 6:** Strengthen effective risk management and internal control

**Principle 7:** Ensure disclosure and financial integrity

**Principle 8:** Ensure engagement and communication with shareholders

(Details appear on the Company's website at [www.interpharma.co.th](http://www.interpharma.co.th) under Investor Relations, Corporate Governance)

### 6.1 Overview of the Policy and Guidelines

#### 6.1.1 Policies and Guidelines Related to the Board of Directors

The Board of Directors consists of persons with knowledge, competence, expertise and experiences that can significantly benefit the Company and shall have sufficient time to perform their duties as a Company's director. The shareholders' meeting appoints the Board of Directors. In this connection, The Board of Directors has appointed sub-committees responsible for specific matters and appointed the Company Secretary responsible for meeting arrangements and legal compliance. The topics related to policies and guidelines associated with the Board of Directors are as follows:

#### Composition of the Board of Directors

1. The shareholders' meeting determines the number of the Board of Directors, consisting of at least 5 but at most 12 persons. Notwithstanding, not less than half of the directors shall reside in Thailand.

2. The Board of Directors shall consist of independent directors of at least one-third of the total number and at least three persons. The independent directors shall be independent from the control of management and independent from major shareholders as well as have all the qualifications as specified in the Notification of the Capital Market Supervisory Board and have a scope of duties and responsibilities as specified by the Stock of Exchange of Thailand.

3. There is a board diversity includes expertise, knowledge, abilities, gender, age, and experiences in many areas of business operations.

4. The Chairman of the Board should be independent and shall not be Chief Executive Officer to balance the authority in the operations.

#### **Qualifications of the Director of the Company**

1. Shall have knowledge, honesty, and ethics in conducting business with sufficient time to dedicate themselves to performing duties for the Company.

2. Shall have full qualifications and not have any prohibited characteristics under the Public Limited Companies Act, Securities and Exchange Act, and other relevant laws, including not having characteristics indicating a lack of suitability to be entrusted in managing a business that is held by public shareholders as specified in the notification of the Capital Market Supervisory Board.

3. Shall not be a person who operates a business of the same nature as and competes with the Company's business or becomes a partner or director in another juristic in the same nature and competition with the business of the Company, whether doing it for the benefit of themselves or others unless notified to the shareholders' meeting prior to the resolution of appointment.

4. The Board of Directors will consider and nominate a qualified person who should be elected as an independent director, as well as consider and propose to the shareholders' meeting to consider and elect independent directors. As announced by the Capital Market Supervisory Board and the Securities and Exchange Commission, the independent directors shall have qualifications related to their independence. They shall be capable of taking care of the interests of all shareholders equally and not causing conflicts of interest. They shall be independent of management and allowed to attend the Board of Directors' meetings to provide independent opinions. The qualifications of independent directors are as follows:

#### **Qualifications of Independent Director**

The Company has determined that the composition of the Board of Directors shall consist of independent directors at least one-third of the total number of directors of the Company, the Board of Directors, or the shareholders' meeting (in any case) to appoint independent directors to join the board. Currently, the Company has four independent directors.

Criteria for appointing independent directors are based on the criteria for appointing company directors. The qualifications of those who will act as an independent director are considered from the qualifications and prohibited characteristics according to the Public Company Limited Act, including the law on securities and exchange, applicable notifications, rules, and/or regulations. The independent directors shall have educational qualifications, specialization work experiences, and other appropriateness together to propose to the

shareholders' meeting for further consideration and appointment as a director of the Company. The Board of Directors may appoint an independent director with the abovementioned qualifications to take the position. The replacement of the independent director will be in the office only for the remaining term of the independent director. (Details of qualifications of independent directors shown in item 8.1.1)

### **Nomination of the Board of Directors**

The Nomination and Remuneration Committee is responsible for nominating qualified persons to be a director to replace those who retire by rotation or in other cases and to propose to the Board of Directors to consider the person who will be nominated for election at the next shareholders' meeting. The Nomination and Remuneration Committee is selected from experts with expertise from a diversity of professions, have leadership skills, have a vision and be ethical and moral, have a history of transparent works as well as can express opinions independently (Details on nomination of the Board of Directors shown in item 8.1.1).

### **Evaluation of the Performance of the Board of Directors**

The Board of Directors is obligated to prepare a performance appraisal every year to serve as a framework for evaluating the performance of the Board of Directors and take those results to develop and improve their works further. (Details on nomination of the Board of Directors shown in item 8.1.1)

## **6.1.2 Policy and guidelines related to shareholders and stakeholders**

### **1. Practices to the Shareholders**

The Company recognizes and places importance on the fundamental rights of shareholders By facilitating all shareholders to receive various fundamental rights both as an investor in securities and as a shareholder or owners of the Company with a standard method that is accepted and reliable by providing the right to purchase, sell, transfer the securities that they hold independently, right to receive profit sharing from the Company in various forms, obtaining sufficient information attending the shareholders' meeting and proposing an agenda in advance, nominate persons to be elected as directors of the Company, an opportunity to express their opinions in the meeting independently, including making decisions on important matters of the Company, such as the allocation of dividends, appointment or removal of directors or appointment of an auditor, approve important transactions that affect the direction of the Company's business, amendment to the Memorandum of Association Articles of Association of the Company. Moreover, all shareholders shall have the right to vote according to the number of shares held and each share is entitled to one vote, and no shares have special privileges over other shareholders.

In addition to the fundamental rights mentioned above, the Company has also taken many actions promoting and facilitating the shareholders' rights as follows:

- 1.1) The Company has scheduled an Annual General Meeting of Shareholders within 4 months from the end of the Company's fiscal year. In case of urgent necessity, a special agenda must be proposed in which this affects or relates to the interests of shareholders or relates to conditions or rules and applicable laws that require approval from shareholders. The Company will call an extraordinary general shareholders' meeting on a case-by-case basis. The meeting venue will provide the most suitable and convenient facilities for the shareholders and/or meeting via

electronic media (E-Meeting). In 2023, the Company held the Annual General Meeting of Shareholders on April 27, 2023, in electronic meetings (E-Meeting).

- 1.2) The Company gives minority shareholders the right to propose matters to be considered as the meeting agenda. The shareholders can propose qualified persons to be elected as directors at the Annual General Meeting of Shareholders. The Company will announce and disseminate clear rules and procedures through the channels of the Stock Exchange of Thailand and on the Company website ([www.interpharma.co.th](http://www.interpharma.co.th)). In this regard, the Board of Directors will inform the shareholders of the results of the consideration, together with reasons for acknowledgement.
- 1.3) The Company will send a meeting invitation letter together with supporting information for the meeting on various agendas with sufficient information to shareholders within 21 days prior to the meeting date, including published on the Company's website ([www.interpharma.co.th](http://www.interpharma.co.th)) not less than 30 days prior to the meeting date so that shareholders can consider the information before the meeting date.
- 1.4) The Company does not add any additional meeting agenda or change important information without notifying shareholders in advance, especially for significant issues that take time to consider before making a decision.
- 1.5) The Company provides an opportunity for shareholders to send questions for any information in each agenda, or other company information in advance of the meeting date.
- 1.6) Suppose shareholders cannot attend the meeting in person. In that case, the Company allows shareholders to authorize their representatives or an independent director as proposed to be a representative to attend the meeting on his/her behalf by utilizing the Company's proxy form as specified by the Ministry of Commerce. In addition, the shareholders can also download the proxy form through the Company's website.
- 1.7) The Company determines the meeting's date, time and venue, considering the convenience of attending the meeting. A barcode system is arranged for registration and vote processing for quick convenience and allows shareholders to register at least two hours before the meeting.
- 1.8) The Company encourages the Board of Directors, executives and relevant departments, including auditors to attend a shareholders' meeting.
- 1.9) The Company encourages the use of ballots for important agenda and encourages independent persons to count or verify votes in the shareholders' meeting. The results of the votes for approval, disapproval, and abstention for each agenda shall be disclosed to the meeting and recorded in the minutes of the meeting.
- 1.10) The meeting allows shareholders equal rights to express their opinions and make suggestions before voting on any agenda. In this regard, at the shareholders' meeting, there will be directors and executives who will answer questions. Essential questions and opinions shall be recorded in the meeting minutes for review.



- 1.11) The Company arranges for the recording of shareholders' meetings on tape. It prepares the minutes of the shareholders' meeting with accurate, complete information, including the recording of questions and answers at the meeting with the names and surnames of the questioners and respondents, as well as the voting results for each agenda, separated by the number of votes of shareholders who agree, disagree, abstain, and voided ballots. The names of the directors who participated in the meeting and those absent from the meeting are also recorded. A copy of the shareholders' meeting minutes shall be submitted to the Stock Exchange of Thailand and published on the Company's website ([www.interpharma.co.th](http://www.interpharma.co.th)) within 14 days from the date of the shareholders' meeting for shareholders to review.
- 1.12) The Company places importance on the disclosure of accurate and timely information to investors, related parties, and the general public through the Stock Exchange of Thailand website or the Company's website. In addition, if shareholders have any questions or concerns, they can contact the Investor Relations Department by telephone at 02-634-0225 or by e-mail at [ir@interpharma.co.th](mailto:ir@interpharma.co.th).

## **2. The Equitable Treatment of Shareholders**

The Company has the policy to treat all shareholders and groups equally, whether major or minor shareholders, executive shareholders, or non-executive shareholders. The Company provides an opportunity for minority shareholders to nominate persons to be elected as directors in advance at a reasonable time, allowing shareholders unable to attend the meeting in person to exercise their voting rights by authorizing others to attend the meeting and vote on their behalf. Minority shareholders are also allowed to propose additional agenda items in advance of the meeting date. The details are as follows:

### ***(1) Minority Shareholder Management***

- 1.1) The Company takes care of minority shareholders. Minority shareholders can make suggestions, express opinions, notify clues, or report complaints through the channels specified by the Company, such as postal mail, or deliver to the Chairman of the Board and/or the Chairman of the Audit Committee at the Company's address, by electronic mail (e-mail) at [comsec@interpharma.co.th](mailto:comsec@interpharma.co.th) or via the Company's website at [www.interpharma.co.th](http://www.interpharma.co.th). The complaint receiver will consider taking appropriate action in each case or submit the case to the whistleblower investigator, who will be the person, group of people, or organization that has been considered appropriate, to consider independence in taking actions according to the content or issues received in complaints to investigate complaints or gather facts along with progress monitoring to ensure that appropriate action is taken in response to received complaints or cases where suggestions are deemed to be important issues affecting stakeholders as a whole or the Company's business. The matter will be proposed to the Board of Directors Meeting for consideration and set as an agenda item in the shareholders' meeting.
- 1.2) the Company clearly sets the criteria for minority shareholders to propose additional meeting agendas in advance of the meeting date to show fairness and transparency in considering adding or not adding an agenda proposed by minority shareholders.

The qualifications of shareholders who will propose the above agenda are in accordance with Section 89/28 of the Securities and Exchange Act, which requires one or more shareholders who hold shares and have the right to vote in aggregate not less than 5% of the total number of voting rights of the Company and shall hold the Company's shares continuously from the date of holding until the date of proposing such an agenda for not less than 12 months and must hold the shares until the date of the Annual General Meeting of Shareholders. Such shareholders shall have the right to make a letter proposing the agenda to be included in the shareholders' meeting agenda, as mentioned above. In proposing an agenda for the Annual General Meeting of Shareholders, shareholders must specify the objectives and details of the proposed matter with useful information for consideration.

the Company reserves the right to refuse to include the matter in the meeting agenda in the following cases:

- 1) Matters related to the normal business operations of the Company where the facts do not show any reasonable doubt about the abnormalities in such matters
- 2) Matters beyond the Company's authority to proceed
- 3) Matters required by laws to be considered by the shareholders' meeting that the Company has included in the agenda for every meeting
- 4) Matters that are not beneficial to the Company's operations
- 5) Matters contrary to laws, notices, regulations, rules, and regulations of government agencies or agencies that supervise the Company
- 6) Matters that conflict with the objectives, regulations, resolutions of the shareholders' meeting, and good corporate governance principles of the Company
- 7) Matters where the information provided by the shareholder is incomplete or incorrect; or when the Company requires additional information but cannot contact the shareholder who proposed the matter
- 8) Matters previously proposed to the shareholders' meeting for consideration in the past 12 months and supported by votes of less than 10 % of the Company's total voting rights. The facts have mostly stayed the same from the facts at the time they were presented at the previous shareholders' meeting
- 9) Matters that the Company has already proceeded
- 10) Other matters such as duplicated matters that have been proposed before, etc.

In the event that the shareholders fail to comply with the prescribed rules, the Company will inform the shareholders of such matters at that meeting of shareholders. The reason for the refusal to include such matters will be stated.

Proposals to be included in the agenda of the Annual General Meeting of Shareholders will be reviewed by the Company Secretary and presented to the Board of Directors for consideration and eventual inclusion in the agenda. The opinion of the Board of Directors shall be deemed final.

- 1.3) The procedure for minority shareholders to nominate candidates for the position of director is to make the nomination through the Company secretary at least 3 months prior to the meeting date, along with information for considering the qualifications and consent of the nominee.

The qualifications of shareholders to nominate a person for consideration as mentioned above are in accordance with Section 89/28 of the Securities and Exchange Act, which requires one or more shareholders holding shares and having voting rights in aggregate of not less than 5 % of the total number of voting rights of the Company. The shares must be held continuously from the date of shareholding until the date of proposing such an agenda for not less than 12 months. In addition, shareholders who hold shares until the date of the general meeting of shareholders have the right to nominate a person to be considered for election as a director of the Company.

A person who will be nominated for a director position must have all qualifications in accordance with the Public Company Limited Act, the Securities and Exchange Act, as well as the regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board, the Stock Exchange of Thailand, and the Company's regulations, including other qualifications as specified by the Company. Qualifications of directors include knowledge, competence, expertise, and experience that can benefit and suit the nature of the business of the Company, have good work records, are independent, perform their duties with honesty, morality, and ethics, and be able to regularly attend the Board of Directors Meetings, etc.

Any person to be nominated as a director of the Company will be reviewed by the Nomination and Remuneration Committee and presented to the Board of Directors for consideration and submission to the Shareholders' Meeting or not. The opinion of the Board of Directors shall be deemed final.

1.4) Shareholders are given the opportunity to exercise their rights to appoint individual directors. The selection and appointment of directors are in accordance with the method specified in the Company's articles of association. One shareholder has a vote equal to one share per vote, and in the election of directors, the voting method shall be used to select directors individually, and shareholders have the right to elect nominated candidates as directors, not exceeding the number of directors elected at that time. The votes cannot be split, even in the case of the election of several people as directors. The person receiving the highest number of votes in descending order will be elected as a director in an amount equal to the number of directors to be elected at that time. In the event that the candidates in subsequent order have equal votes, which would otherwise exceed the number of directors required or to be elected at that time, the chairman of the meeting shall have a casting vote. The shareholders' meeting must approve the appointed directors. The resolution of the shareholders' meeting is based on the majority vote of the shareholders who attend the meeting and have the right to vote.

1.5) The Company has the policy to add an agenda to the shareholders' meeting only if absolutely necessary, especially an important agenda requiring shareholders to study the information before making a decision. Therefore, the shareholders shall have the opportunity to consider the information pertaining to the agenda before making a decision. In this regard, it does not limit the right to attend the shareholders' meeting for those who are late, etc.

### **3. Treatment to Stakeholders**

The Company has given importance to the rights of all stakeholders, whether internal stakeholders, such as shareholders, investors, or employees of the Company, and external stakeholders, such as customers, business partners, creditors, competitors, society, communities, etc. In operating the Company's business, it takes into account the rights of all stakeholders in accordance with the following guidelines:

### 1. Human Rights

- The Company adheres to the principle of human rights as a common practice, taking into account human dignity, liberty, and equality of individuals and not encouraging human rights violations. The Company will not be involved with any agency, organization, or person that violates human rights and does not support activities that violate human rights principles.

- The Company promotes respect for rights and freedoms through non-discrimination, equality for the underprivileged and persons with disabilities, equality of opportunity between men and women, no gender or class discrimination, and no child labor.

### 2. Respect for Intellectual Property

- All employees shall have a duty to maintain trade secrets, including business information and other information related to the Company. Employees must protect all information as confidential information of the Company or business partners of the Company. The obligation to protect this information continues until the employee leaves the Company by arranging for an interview before leaving work and signing a written acknowledgment.

- The Company will not disclose information without permission to the extent that it causes damage, and will be subject to legal liability for using copyrighted computer programs.

- The Company does not solicit, obtain, or use business information obtained through unlawful or immoral means, nor does it infringe on the copyrights, patents, or trademarks of others.

### 3. Stakeholders

Shareholder In addition to the fundamental rights specified in the law and the Company's articles of association, shareholders have the right to request an inspection of the number of shares, the right to receive share certificates, the right to attend Shareholders' Meetings and vote, and the right to express their opinions independently at the Shareholders' Meeting, including the right to receive fair returns. The Company also gives shareholders the right to suggest various opinions on the business operations of the Company as the owner of the Company through the channels specified by the Company, which every opinion will be compiled and presented to the Board of Directors for further consideration.

Employee The Company gives importance to employees as a valuable resource, strives to develop the abilities of all employees continuously, ensures the quality of their work lives is comparable to that of leading companies, and ensures employees are happy at work, feel pride, and create a bond with the organization. In the past, the Company has organized various projects to support and create a collaborative atmosphere, to create new things, to enhance the potential of employees to be ready for work, and to cope with situations in all aspects that may have a holistic impact. The Company also places great importance on maintaining health, safety, and the working environment, including appropriate compensation.

Customer The Company is committed to providing the customer of products and services the highest benefit in terms of quality and fair prices, as well as developing and maintaining

sustainable relationships that create customer satisfaction and engagement, including establishing a unit responsible for providing suggestions on products, consulting on how to solve problems, and accepting complaints for customers to receive the utmost satisfaction with international standard products and services.

<u>Business Partner</u>	The Company complies with the framework of honest trade competition and strictly adheres to the promises made to customers by adhering to fair contracts with partners, building trust, good relationships, and cooperation in order to develop potential and efficiency in long-term business cooperation, and having a policy of delivering products based on quality and on time.
<u>Business Competitor</u>	The Company adheres to the framework of honest trade competition by adhering to conducting business with fairness within the framework of the laws and code of business conducts. In the past, the Company did not have any disputes in regards to business competitors
<u>Creditor</u>	The Company keeps its commitments and strictly complies with its conditions and obligations to its creditors, including business creditors, financial institution creditors, etc. In addition, the Company participates in various activities and projects for its creditors to build good relationships with all creditors as well.
<u>Society and Public</u>	the Company will operate its business with ethics towards all stakeholders and is committed to improving the quality of life in every locality where it operates for social activities in various areas, including flood and disaster relief assistance. In addition, employees and related parties are encouraged to participate in being good citizens who benefit communities and society in order to grow together sustainably. Even during the economic crisis, the Company continues to carry out activities for the community and society by dedicating creativity, knowledge, and ability to enhance the effectiveness of social project management and cause maximum benefit to the community and society.
<u>Environment</u>	The Company takes care of the environment and conserves natural resources, uses resources consciously, and maintains the ecological balance in a sustainable manner, such as by reusing used paper for informal temporary work, promoting product development with regard to being environmentally friendly, etc. as well as encouraging employees and all relevant parties to participate in environmental conservation.

#### **Governance on the Use of Inside Information**

1. Directors, executives, executives in accounting or finance or equivalent positions, and employees in departments related to inside information that affects the change in the Company's securities price must not use inside information before disclosing it to the public. Such persons are prohibited to trade the Company's securities by oneself, spouse, or minor children, either directly or indirectly, within 1 month prior to disclosure of quarterly and annual financial statements and at least 24 hours after such disclosure.

2. Directors, executives, and employees in departments that receive inside information that has not yet been disclosed to the public which may affect the change in the price of the Company's securities or other listed companies related to inside information shall not trade the securities of such companies by themselves, their spouses, minor children, either directly or indirectly until the 24-hour period has elapsed after disclosing the information to the public.
3. Directors and executives are required to report their holding of securities issued by the Company, which are for themselves, their spouses, and their minor children, to the Securities and Exchange Commission according to relevant requirements, including informing the changes in the holding of such securities to the Board of Directors regularly.
4. Directors and executives who shall change their holding of securities issued by the Company are required to notify the Company secretary at least 1 day in advance.
5. Directors and executives shall disclose information about their interests and related persons for the Board of Directors to consider the Company's transactions that may have conflicts of interest and make decisions for the benefit of the Company as a whole. Directors and executives who have stakes in the transactions with the Company shall not participate in decision-making on such transactions. However, this shall be in accordance with the related party transaction approval procedures or measures of the Company.
6. The Company has informed and educated its Directors, Executives, and Employees about preventing the use of inside information and regular prevention of conflicts of interest and such a policy has been prepared for everyone to know and adhere to.

### **Anti-Corruption**

The Company has prepared a written anti-corruption policy requiring the Board of Directors, executives, and employees of the Company to strictly comply with the anti-corruption policy by not being involved in all forms of corruption, whether through direct or indirect means. In 2023, the Board of Directors reviewed the anti-corruption policy on December 22, 2023. (Details of the anti-corruption policy appeared on the Company's website at [www.interpharma.co.th](http://www.interpharma.co.th) in the topic of Investor Relations, submenu: Corporate Governance.)

### **Whistleblowing or Complaints**

The Company has a policy to receive complaints and give opportunities to those suspected or affected by illegal acts, unethical conduct, acts that imply corruption, or behavior that may cause damage to the Company. There are channels for making complaints or reporting clues to the Company. The whistleblowers are those who have seen, known clues, or suspected in good faith whether or not they will be damaged or affected by the Company's business operations or from the performance of duties by directors, executives, and employees who violate or fail to comply with the laws and regulations of the state or with good corporate governance principles, business ethics, policies, and regulations of the Company, including actions that may imply corruption. Those who see violations can report such sightings to the Board of Directors through the channels specified by the Company. In this regard, the reported matter will be considered for further investigation. The Company protects the reporters in the best possible way. However, in 2023, no clues or complaints were found.

### Measures to Protect Whistleblowers or Complainants

- The Company will keep the information and identity of the whistleblower or complainant confidential.
- The Company will disclose information as necessary, taking into account the safety and damage of the whistleblower, the source of the information, or related persons.
- Those who have been damaged will be compensated for damages through appropriate and fair procedures.
- The Company will not take any unfair action against whistleblowers or complainants, whether by changing job titles, job descriptions, workplaces, work suspensions, layoffs, or any other actions that are unfair treatment to whistleblowers or complainants or cooperating in the fact-finding investigation.

#### Channels for Whistleblowing or Complaints About Misconduct or Any Complaints

(1) Postal mail, or deliver to:

Chairman of the Board and/or Chairman of the Audit Committee

Inter Pharma Public Company Limited

No. 140/9 ITF Tower, 9<sup>th</sup> Floor, Silom Road, Suriyawong Sub-District, Bangrak District, Bangkok 10500

(2) Electronic mail or e-mail at [comsec@interpharma.co.th](mailto:comsec@interpharma.co.th)

(3) Company website

### Investigation Process and Punishment

The Company provides the opportunity for employees to have complaint channels and freely express their opinions as a guideline for development and sustainability for the organization as follows:

- (1) Upon receiving a whistleblower complaint, the Audit Committee will assign an internal auditor or appoint an investigation committee to screen and investigate the facts and periodically report the results of the investigation to the whistleblower or complainant.
- (2) Suppose the fact-finding investigation finds information or evidence that is reasonable to believe that the accused has committed an offense. In that case, the Company will give the accused the right to know the allegation and prove themselves by obtaining additional information or evidence showing that they are not involved in the alleged offense.
- (3) If the accused has committed an offense, the offender, whether a director, executive, or employee, is considered an offender and will be subject to disciplinary action according to the regulations set by the Company. In addition, if the offense is against the law, the offender may be subject to legal penalties. According to the Company's regulations and the Audit Committee's decision, the disciplinary action is final.
- (4) As for reporting results, the Chairman of the Audit Committee, an independent director, or the Company Secretary shall report to the Board of Directors for acknowledgment and report to the stakeholders if the complainant reveals themselves.

### 6.2 Business Code of Conduct

The Board of Directors has encouraged the preparation of a Business Code of Conduct for directors, executives, and employees to adhere to and perform with common responsibilities, including promoting the



practice and monitoring such practice for the utmost benefit of the Company's stakeholders as well as creating credibility in business operations that will lead the Company to grow sustainably. In 2023, the Board of Directors reviewed of the Code of Conduct on December 22, 2023. (Details appear on the Company's website at [www.interpharma.co.th](http://www.interpharma.co.th) under Investor Relations, Corporate Governance)

### **Significant Changes and Developments in Policies, Practices, and Corporate Governance Systems in 2023**

The Board of Directors has reviewed policies, practices, and corporate governance systems, including the Board of Directors Charter and sub-committees, according to the resolution of the Board of Directors Meeting No. 7/2023 held on December 22, 2023. The topics that have been updated in the past year can be summarized as follows:

1. The Board of Directors has reviewed the business code of conduct, good corporate governance policy, and anti-corruption policy, sustainable business development policy, a human rights policy, a whistleblowing or complaints policy, an investment policy and the supervision of subsidiaries and associated companies, risk management policy.
2. The Board of Directors has approved additional important policies such as a connected transaction policy, conflict of interest prevention policy and succession plan to enable the Company to conduct business in accordance with good corporate governance principles, and act in such matters correctly according to the law and related criteria.

### **Summary Results of Compliance with Corporate Governance Principles for 2023**

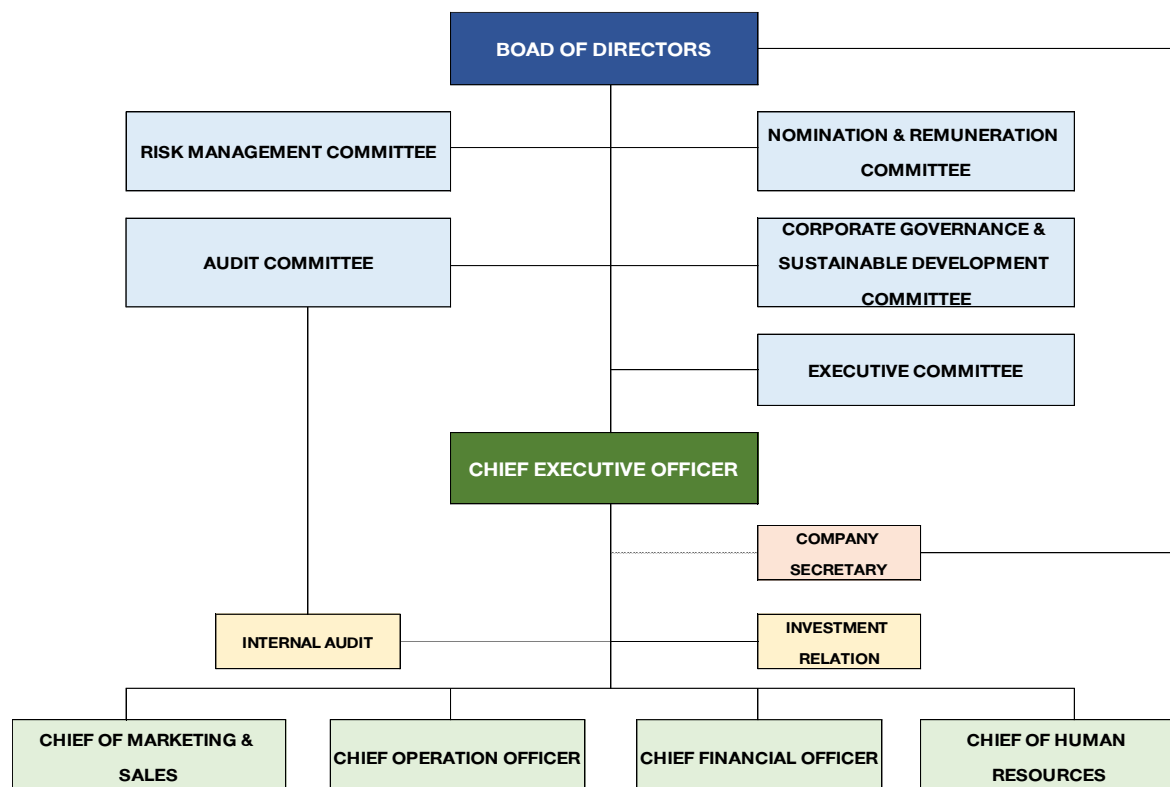
1. The Company received 96 scores from the quality assessment of the 2023 Annual General Meeting of Shareholders assessed by the Thai Investors Association.
2. The Company received an  "excellent" rating for compliance with the corporate governance principles of listed companies assessed by the Thai Institute of Directors with the support of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. The excellent level is a score in the range of 80–100 %.

## 7. Management Structure

### 7.1 Corporate Governance Structure

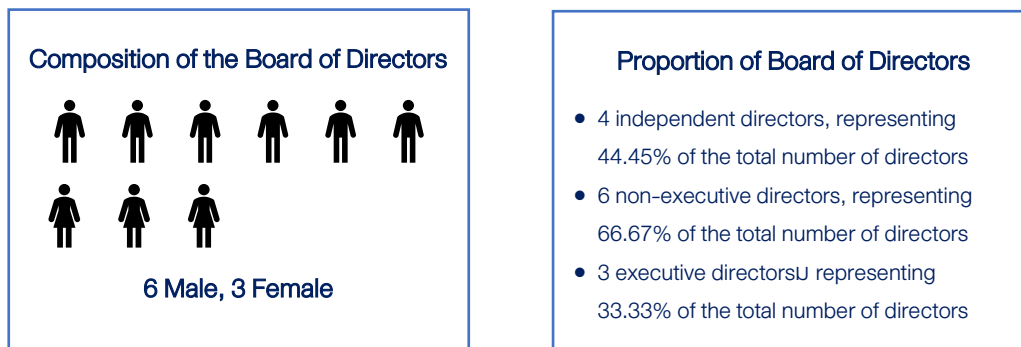
The management structure of the Company consists of the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, the Corporate Governance and Sustainable Development Committee, and the Executive Committee, comprising qualified persons who are fully qualified under Section 68 of the Public Limited Company Act B.E. 2535 and the relevant announcements of the Capital Market Supervisory Board.

#### Corporate Governance Structure as of December 31, 2023



## 7.2 The Board of Directors

### 7.2.1 Composition of the Board of Directors



<p>Doctor</p> <p>3 persons</p>	<p>Account/Finance</p> <p>2 persons</p>	<p>science</p> <p>3 persons</p>	<p>Information Technology/ Digital</p> <p>2 persons</p>	<p>innovation</p> <p>2 persons</p>
<p>Engineering</p> <p>2 persons</p>	<p>Human Resources</p> <p>2 persons</p>	<p>Marketing</p> <p>2 persons</p>	<p>Management/Corporate Governance</p> <p>9 persons</p>	<p>research and development</p> <p>5 persons</p>

## 7.2.2 Information on the Board of Directors

The Board of Directors, as of December 31, 2023 comprised ten directors:

Name	Position
1. Clinical Professor Emeritus Udom Kachintorn, MD.	Chairman /Independent Director/ Chairman of Corporate Governance and Sustainable Development Committee
2. Professor Dr. Sansanee Chaiyaroj	Independent Director/ Audit Committee/ Chairman of the Risk Management Committee/ Corporate Governance and Sustainable Development Committee
3. Mr. Kamtorn Sila-on	Independent Director/ Chairman of Audit Committee/ Chairman of the Nomination and Remuneration Committee and Corporate Governance and Sustainable Development Committee
4. Dr. Pao Sriprasertsuk	Independent Director /Audit Committee/ Nomination and Remuneration Committee and Corporate Governance and Sustainable Development Committee
5. Dr. Trinnawat Thanitnithiphan	Director/ Risk Management Committee/ Nomination and Remuneration Committee/ Chairman of Executive Committee and Chief Executive Officer (Authorize Directors)
6. Ms. Napaporn Dechakarat	Director/ Risk Management Committee/ Executive Committee and Chief Operation Officer (Authorize Directors)
7. Mrs. Apimon Posri	Director/ Executive Committee and Chief of Human Resources (Authorize Directors)
8. Dr. Nat Ativitavas	Director
9. Dr. Yuttana Suwannachot <sup>1</sup>	Director

Remark: 1. Dr. Yuttana Suwannachot appointed as a director in replace of Mr. Terdkiat Prommool according to the resolution of the Board of Directors' Meeting No. 1/2023 held on February 27, 2023.

Ms. Chompunuch Meevang as Secretary to the Board of Directors

The Company has a board structure with 4 independent directors, which is not less than one-third of the total number of directors, and there are at least 3 members on the Audit Committee. All independent directors and members of the Audit Committee have qualifications in accordance with the criteria set forth in the Notification of the Capital Market Supervisory Board No. TorJor 39/2016.

### Authorized Directors

Mr. Trinnawat Thanitnithiphan signs together with Ms. Napaporn Dechakarat or Mrs. Apimon Posri for a total of two signatures affixed with the Company's seal.

## Term of Board of Directors

At every annual general meeting, one-third of the number of directors shall vacate the office. If the number is not a multiple of three, the number nearest to one-third shall retire from the office. The retired directors may be re-elected. In this regard, the directors who will retire from office in the first and second years after lots shall draw the registration of the Company. As for the following years, the director who has been in office the longest will retire.

The Board of Directors has set a policy for independent directors to hold office continuously for no more than 9 years from the date of their first appointment as independent directors. If such an independent director wishes to continue in office, the Board of Directors will consider this a reasonable requirement.

In this regard, the Board of Directors has set the criteria for directors' positions in other companies by considering the performance of directors who hold positions in many companies. In addition, to ensure that directors are able to devote sufficient time to performing their duties in the Company, the number of listed companies that each director will hold positions in is appropriate to the nature or business conditions of the Company, but not more than 5 listed companies in total.

## Scope of Authorities, Duties, and Responsibilities of the Board of Directors

The Board of Directors plays an important role in overseeing the management of the Company, including determining the direction of the Company's policies and business strategies for the best interests of the Company and its shareholders and monitoring the operations of various subcommittees of the Company. The Board of Directors also has the powers, duties, and responsibilities specified in the laws, regulations, objectives, and resolutions of the Company's shareholders' meetings, including the following important powers, duties, and responsibilities:

1. Perform duties in accordance with the law, objectives, the Company's articles of association, Board of Directors' resolutions, and Shareholders' Meeting resolutions with responsibility, caution, and honesty.
2. Consider and approve the business policies, goals, operational plans, business strategies, and annual budgets of the Company.
3. Supervise the management and performance of the chief executive officer, management division, or any person assigned to perform such duties in order to comply with the policies set by the Board of Directors.
4. Establish a written corporate governance policy and ensure effective implementation of such a policy to ensure that the Company is responsible to all stakeholders with fairness.
5. Encourage employees at all levels to have a sense of ethics and comply with the principles of corporate governance, the code of conduct, and the Company's anti-fraud or anti-corruption policy, along with supervising the implementation of appropriate internal control and internal audit systems to reduce the risk of fraud, corruption, and abuse of power, as well as to prevent illegal acts.
6. Determine the authority to approve matters other than those assigned to the chief executive officer in the Company's regulations, including the approval of investment budgets, the implementation of

various projects of the Company and its subsidiaries, and the entering into important contracts, including the appointment of directors who retired during the year, the appointment of specific committees, the determination of the list of directors authorized to sign to bind the Company, the determination of the Annual General Meeting of Shareholders, and the interim dividend payment.

7. Appoint the Audit Committee or any other sub-committees and determine the authority and duties of such sub-committees to assist and support the Board's performance.
8. Consider important risk factors that may occur and determine guidelines for risk management completely and comprehensively. Supervise the management to have an efficient risk management system or process, including seeking business opportunities that may arise from such risks as well as providing adequate and effective internal control.
9. Oversee and resolve conflicts of interest that may arise, including connected transactions and giving importance to consideration of main transactions that are important according to the approval authority by focusing on maximizing the benefits of shareholders and stakeholders as a whole.
10. Assess performance and regularly review the performance of own duties and those of the chief executive officer.
11. Set up a system or mechanism for determining remuneration for top executives of the Company that is appropriate in line with their performance to create both short-term and long-term incentives.
12. Be a leader and role model in good performance and ethics, in line with the Company's good corporate governance policy.
13. Arrange for an assessment of compliance with the Company's good corporate governance policy and code of business conduct.
14. Provide a system for selecting personnel to take responsibility for important management positions at all levels appropriately and with a transparent and fair recruitment process. the Company's top executives, from the level of director up to the chief executive officer, will be appointed by a majority vote of the Board of Directors.
15. Report to the Company about their own interests and those of related persons. The interests involve the management of the Company and/or its subsidiaries.
16. All directors have a duty to attend all meetings of the Board of Directors and Shareholders' Meetings. If there is an important mission that cannot attend the meetings, the directors must inform the Chairman of the Board.
17. Consider approving the acquisition or disposition of assets unless such a transaction requires approval from the Shareholders' Meeting. In this regard, such approval will be in accordance with the announcement of the Capital Market Supervisory Board and/or any relevant announcements, rules, or regulations of the Stock Exchange of Thailand.
18. Consider and approve related party transactions, unless such transactions require approval from the Shareholders' Meeting. In this regard, such approval will be in accordance with the Capital Market

Supervisory Board's announcement and/or relevant announcements, rules, and/or regulations of the Thai Stock Exchange.

19. Organize a meeting among non-executive directors to discuss general management issues or areas for improvement in various areas at least once a year. In addition, the result must be communicated to the chief executive officer, who must take action on such issues and report back to the next meeting for acknowledgement.
20. Appoint the Company secretary to act as secretary to the Board of Directors and company secretary according to the Stock Exchange of Thailand Act.
21. The Board of Directors may assign one or more directors or any other person to act on behalf of the Board as it deems appropriate. It is under the control and supervision of the Board of Directors, which may assign such authority to a person as the Board of Directors deems appropriate and within the timeframe the Board of Directors deems appropriate. The Board may revoke, change, or modify such authorization as it deems appropriate.

In this regard, the delegation of authority and responsibility of the Board of Directors will not be in the form of a delegation of authority or sub-delegation that allows the Board of Directors or the person authorized by the Board of Directors to approve transactions in which they or other persons may have conflicts of interest (as defined in the notification of the Securities and Exchange Commission or the notification of the Capital Market Supervisory Board), may have an interest in or benefit in some way from the Company or its subsidiaries, or maybe other conflicts of interest, except for the approval of normal business transactions and in accordance with general trading conditions or in accordance with policies and criteria approved by the Shareholders' Meeting or the Board of Directors.

#### **Duties and Responsibilities of the Chairman**

In order to clearly separate the authority of policy setting and the management of the Company, the Company requires that the Chairman of the Board of Directors and the chief executive officer be different persons. The Chairman of the Board has the following roles and responsibilities:

1. Be a lead of the Board of Directors and the chairman of the Board of Directors Meetings.
  - 1.1 Sets the Board meeting agendas in consultation with the president. Determine the measures to ensure that important matters are included in the meeting agenda.
  - 1.2 Allocate sufficient time for the management to present matters and for the directors to discuss important issues carefully.
  - 1.3 Encourage directors to use their discretion and freely express their opinions.
2. Take the lead in Shareholders' Meetings in accordance with the agenda, the Company's articles of association, and the law by allocating time appropriately as well as allowing shareholders to express their opinions equally and ensuring that shareholders' inquiries are answered appropriately and transparently.
3. Supervise the Board of Directors to ensure that the Board of Directors operates effectively and achieves the objectives and main goals of the organization.
4. Encourage and support all directors to participate in creating an ethical corporate culture and conducting business in accordance with good corporate governance principles.



5. Encourage cooperation between the Board of Directors, the management division, and the Company secretary so that all parties can work together smoothly and efficiently.

6. Ensure information disclosure and transparent handling in the event of a conflict of interest.

7. Supervise the composition and structure of the Board of Directors to be appropriate and diversified.

8. Supervise the overall performance of the Board of Directors, sub-committees, and individual directors to be efficient.

9. Supervise the process of assessing the performance of the Board of Directors, sub-committees, individual directors, and the chief executive officer, as well as encourage all directors to seek ways to continually improve their performance.

10. Strengthen good relations between executive directors and non-executive directors, and between the Board and the management division.

#### Position in the Sub-Committees of the Company as of December 31, 2023

Board of Directors	AC	NRC	CG/SD	RMC	Excom
1. Clinical Professor Emeritus Udom Kachintorn, MD.	-	-	Chairman	-	-
2. Professor Dr. Sansanee Chaiyaroj	Director	-	Director	Chairman	-
3. Mr. Kamtorn Sila-on	Chairman	Chairman	Director	-	-
4. Dr. Pao Sriprasertsuk	Director	Director	Director	-	-
5. Dr. Trinnawat Thanitnithiphan	-	Director	-	Director	Chairman
6. Ms. Napaporn Dechakarat	-	-	-	Director	Director
7. Mrs. Apimon Posri	-	-	-	-	Director
8. Dr. Nat Ativitavas	-	-	-	-	-
9. Dr. Yuttana Suwannachot	-	-	-	-	-

#### Remarks :

AC = Audit Committee

NRC = Nomination and Remuneration Committee

CG/SD = Corporate Governance and Sustainable Development Committee

RMC = Risk Management Committee

Excom = Executive Committee

#### Shareholding Report of the Board of Directors in 2023, Information as of December 31, 2023

No.	Name-Surname	No. of Share (Shares)		
		As of January 1, 2023	As of December 31, 2023	Addition/(Reduction) During the year (Shares)
1	Clinical Professor Emeritus Udom Kachintorn, MD.	None	None	-None-
2	Professor Dr. Sansanee Chaiyaroj	None	None	-None-
3	Mr. Kamtorn Sila-on	None	None	-None-
4	Dr. Pao Sriprasertsuk	None	None	-None-

No.	Name-Surname	No. of Share (Shares)		
		As of January 1, 2023	As of December 31, 2023	Addition/(Reduction) During the year (Shares)
5	Dr. Trinnawat Thanitnithiphan	111,105,170	114,581,670	3,476,500
6	Ms. Napaporn Dechakarat	144	144	-None-
7	Mrs. Apimon Posri	144	144	-None-
8	Dr. Nat Ativitavas	None	None	-None-
9	Dr. Yuttana Suwannachot	None	None	-None-

### 7.3 Sub-Committees

The Company's sub-committees consist of the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, the Corporate Governance and Sustainable Development Committee, and the Executive Committee to perform specific duties and propose matters to the Board of Directors for consideration or acknowledgment. The aforementioned sub-committees have the rights and duties specified in the scope of powers, duties, and responsibilities of the sub-committees as follows:

#### 1) The Audit Committee

The Audit Committee, as of December 31, 2023, comprised 3 independent directors:

Name	Position
1. Mr. Kamtorn Sila-on	Chairman of the Audit Committee
2. Professor Dr. Sansanee Chaiyaroj	Member of the Audit Committee
3. Dr. Pao Sriprasertsuk	Member of the Audit Committee

Mr. Kamtorn Sila-on, with sufficient knowledge and experience in accounting for reviewing the credibility of financial statements, Mr. Kamtorn Sila-on graduated Master of Business Administration, Financial Engineering Track, MIT Sloan School, Massachusetts, USA.

Miss Chompunuch Meevang as Secretary to the Audit Committee

#### Term of the Audit Committee

The Audit Committee has a term of office of 3 years from the date of appointment. A member of the Audit Committee who retires by rotation may be re-appointed. Members of the Audit Committee whose terms expire shall remain in office to perform their duties until a replacement member of the Audit Committee is appointed. In the event that the position of the Audit Committee becomes vacant due to any reason other than retirement by rotation, the Board of Directors or the Shareholders' Meeting shall elect a qualified director without prohibited characteristics to be a replacement. The vacating member of the Audit Committee shall remain in office only for the remaining term of the member he or she replaces. However, members of the Audit Committee will have a continuous term of office not exceeding 9 years, unless the Board of Directors deems that such person is suitable to continue serving as a member of the Audit Committee of the Company in the best interest of the Company.

### **Scope of Authorities, Duties, and Responsibilities of the Audit Committee**

1. Review the Company's financial reporting to be accurate and sufficient.
2. Review the Company's internal control system and internal audit system to ensure that they are suitable and effective. Consider the independence of the internal audit unit as well as approve the appointment, transfer, or termination of the head of the internal audit unit or any other unit responsible for internal auditing.
3. Review the Company's compliance with the laws on securities and stock exchange, the regulations of the Stock Exchange of Thailand, and laws related to the Company's business.
4. Consider, select, and nominate an independent person to be the Company's auditor and propose such a person's remuneration. Attend a meeting with the auditor without the participation of the management division at least once a year.
5. Consider related party transactions or transactions that may have conflicts of interest in accordance with the laws and regulations of the Stock Exchange of Thailand to ensure that such transactions are reasonable and in the best interest of the Company.
6. Prepare a report of the Audit Committee to be disclosed in the Company's annual report. The report must be signed by the chairman of the Audit Committee and contain at least the following information:
  - (a) Opinions on the accuracy, completeness, and reliability of the Company's financial reports
  - (b) Opinions on the adequacy of the Company's internal control system
  - (c) Opinions on compliance with the Securities and Exchange Act, the SET requirements, or other laws related to the Company's business.
  - (d) Opinions on the suitability of an auditor
  - (e) Opinions on transactions that may have conflicts of interest
  - (f) The number of Audit Committee meetings and the attendance at such meetings by each member of the Audit Committee
  - (g) Opinions or overall observations received by the Audit Committee from performing their duties in accordance with the charter.
  - (h) Other items that shareholders and general investors should know under the scope of duties and responsibilities assigned by the Board of Directors
7. Consider, select, and appoint independent external companies to act as internal auditors of the Company and propose such external companies' remuneration. This includes attending a meeting with the internal auditors without the management division attending the meeting at least once a year.
8. Consider and approve the appointment, transfer, or termination of employment, including evaluating the performance of the external companies acting as internal auditors.
9. Approve the internal audit plan and the internal auditor's charter.
10. Review the charter of the Audit Committee once a year or as necessary and appropriate.
11. Perform any other act as assigned by the Board of Directors with the approval of the Audit Committee.

In performing the duties of the Audit Committee, if found or suspected of the following transactions or actions that may have a significant impact on the financial position and operating results of the Company, the Audit Committee shall report to the Board of Directors immediately so that the Board of Directors can make improvements within the period of time that the Audit Committee deems appropriate.

- (1) Transactions with conflicts of interest
- (2) Fraud, abnormality, or significant defect in the internal control system
- (3) Violation of securities and exchange laws, regulations, and announcements of the Stock Exchange of Thailand or other related laws applicable to the Company and/or its business

In case that the Board of Directors or executives fail to make improvements within the time frame above, any member of the Audit Committee may report any of the above transactions or actions to the Securities and Exchange Commission or the Stock Exchange of Thailand.

However, the Company does not have an internal audit department, therefore hired A.M.T. Solution Co., Ltd, a third party with no relation to the Company, as an internal auditor responsible for auditing the Company's internal control system to ensure that the Company has an adequate and appropriate internal control system.

## 2) The Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of at least 3 members, and at least half of them must be independent directors. The Chairman of the Nomination and Remuneration Committee must be an independent director.

The Nomination and Remuneration Committee, as of December 31, 2023 comprised 3 directors:

Name	Position
1. Mr. Kamtorn Sila-on	Chairman of the Nomination and Remuneration Committee
2. Dr. Pao Sriprasertsuk	Member of the Nomination and Remuneration Committee
3. Dr. Trinawat Thanitnithiphan	Member of the Nomination and Remuneration Committee

Mrs. Apimon Posri as Secretary to the Nomination and Remuneration Committee

### Term of the Nomination and Remuneration Committee

Members of the Nomination and Remuneration Committee who retire by rotation may be re-elected. It has been considered in accordance with the criteria and method of nomination of directors. Members of the Nomination and Remuneration Committee may vacate office upon death, resignation, or disqualification.

### Scope, Authorities, Duties, and Responsibilities of the Nomination and Remuneration Committee

#### ● Nomination

1. Consider setting criteria and methods for recruiting directors and top executives.
2. Consider the structure, size, and composition of the Board of Directors and subcommittees to be appropriate with the Company's strategy and the changing situation.
3. Consider recruiting, selecting, and nominating appropriate persons to serve as directors who have completed their terms and/or have vacancies and/or additional appointments, taking into account the diversity of knowledge, expertise, skills, and experiences that are beneficial to the Company's business operations and dedication.

4. Encourage the Company to provide opportunities for minority shareholders to nominate candidates for nomination as company directors.
5. Consider selecting qualified directors to serve as members of subcommittees to propose appointments to the Board of Directors as appropriate or when there is a vacancy.
6. Consider the qualifications of the highest executives suitable for the management of the Company's business, including recruiting, selecting, and nominating suitable persons for such positions upon vacancies by covering education, experience, knowledge, and expertise as well as taking environmental factors and business competition into consideration.
7. Review the succession plan for the Company's highest management positions regularly, along with the list of candidates to be considered for succession, and propose to the Board of Directors an appointment when the position becomes vacant.
8. Perform any other operations related to recruitment as assigned by the Board of Directors.

- **Remuneration**

1. Ensure that directors and high-ranking executives of the Company receive compensation that is appropriate for their duties and responsibilities towards the Company. Directors who are assigned more duties and responsibilities should receive remuneration appropriate to the duties and responsibilities assigned to them.
2. Determine necessary and appropriate remuneration, both monetary and non-monetary, of directors by linking remuneration with duties, responsibilities, and the overall performance of the Company, comparing with companies in similar businesses, and estimating the benefits expected from directors to be able to motivate and retain capable, qualified, and potential directors. This will be proposed to the Board of Directors for approval before being presented to the Shareholders' Meeting for approval.
3. Consider approving and reviewing the compensation structure for the top executives of the Company, as well as assessing the year's performance and considering adjusting the appropriate remuneration rate for the Company's top executives to propose to the Board of Directors for approval.
4. Acknowledge the criteria and guidelines for allocating performance bonuses, and adjusting annual salary for employees and executives upwards by considering various factors such as the Company's performance in the same industry or similar industries, etc. to be prepared under the annual budget framework and compensation management principles that the total compensation is as specified by the Company.
5. Perform any other tasks related to remuneration as assigned by the Board of Directors.

The management and other departments must report or present relevant information and documents to the Nomination and Remuneration Committee in order to support the Nomination and Remuneration Committee's performance and achieve its assigned duties.

In this regard, the Nomination and Remuneration Committee will review the charter once a year or as necessary and appropriate.

### 3) Corporate Governance and Sustainable Development Committee

The Corporate Governance and Sustainable Development Committee entirely consists of independent directors who are appointed by the Board of Directors.

The Corporate Governance and Sustainable Development Committee, as of December 31, 2023 comprised 4 directors:

Name	Position
1. Clinical Professor Emeritus Udom Kachintorn, MD.	Chairman of the Corporate Governance and Sustainable Development Committee
2. Professor Dr. Sansanee Chaiyaroj	Member of the Corporate Governance and Sustainable Development Committee
3. Mr. Kamtorn Sila-on	Member of the Corporate Governance and Sustainable Development Committee
4. Dr. Pao Sriprasertsuk	Member of the Corporate Governance and Sustainable Development Committee

Ms. Chompunuch Meevang as Secretary to the Corporate Governance and Sustainable Development Committee

#### Term of the Corporate Governance and Sustainable Development Committee

The Corporate Governance and Sustainable Development Committee has a term of office of 3 years from the date of its appointment. Members of the Corporate Governance and Sustainable Development Committee who retire by rotation may be reappointed.

#### Scope of Authority, Duties, and Responsibilities of the Corporate Governance and Sustainable Development Committee

1. Consider, review, and present to the Board of Directors for approval good corporate governance policy, business ethics, social responsibility policy, environment policy, company sustainable development policy, and any other policies and guidelines that will support the Company's operations in accordance with good governance to create transparency, fairness, and support sustainable growth of the Company.
2. Supervise the management to implement the policies and guidelines in Item 1 to continuously develop the Company. Such policies and guidelines must be in line with and suitable for the Company's business, be recommendations of regulatory agencies, or be relevant to and comparable to international standards.
3. Follow up and review various work systems within the organization in accordance with the code of conduct and best practices as defined.
4. Follow up and give orders in the event that the operations of the management and employees have issues that do not comply with the policies and guidelines that have been laid down.
5. Follow up and report the performance of the organization according to the good corporate governance policy and other related policies to the Board of Directors and external organizations as appropriate.

6. Supervise to create the anti-corruption policy that is appropriate and adequate for business operations.
7. Sustainable development in business operations is conducted by adhering to the responsibility to all stakeholders for sustainable mutual benefits which consisted of economic, social, and environmental aspects under good corporate governance principles.
8. Give advice and support to the chief executive officer in relation to the development of sustainability operations.
9. Have the authority to invite executives or any persons related to the Company to provide a comment, attend the meeting, or provide relevant information.
10. Perform other duties as assigned by the Board of Directors.

#### 4) Risk Management Committee

The Risk Management Committee consists of independent directors and executive directors who appointed by the Board of Directors.

The Risk Management Committee, as of December 31, 2023 comprised 3 directors:

Name	Position
1. Professor Dr. Sansanee Chaiyaroj	Chairman of Risk Management Committee
2. Dr. Trinnawat Thanitnithiphan	Member of Risk Management Committee
3. Ms. Napaporn Dechakarat	Member of Risk Management Committee

Ms. Napaporn Dechakarat as Secretary to the Risk Management Committee

#### Term of the Risk Management Committee

The tenure of the Risk Management Committee is not exceeding 3 years from the date of the appointment. In addition to retiring by rotation, the Risk Management Committee may be retired upon death, resignation, and disqualification.

#### Scope of Authorities, Duties, and Responsibilities of the Risk Management Committee

1. Assign the risk management policy, risk appetite, and risk tolerance to present the risk management policy to the Board of Directors for approval. It needs to cover various types of risks that are important from both inside and outside the corporate.
2. Plan the strategies and actions for the risk management to correspond with the risk management policy. It must be able to assess, monitor, and supervise the overall risk management system or process to be at the appropriate and acceptable level.
3. Control, follow up, inspect, evaluate the risk management, and supervise the Company to manage and operate under the risk management policy set by the Company together with complying with the set regulations.
4. Review the risk management report and execute to ensure that the corporate has the appropriate risk management with sufficient policy and system, including the system effectiveness and execution of the set policy.



5. Consider to improve, revise, and express opinions on the risk management policy, plan, and process to propose to the Board of Directors for consideration and approval.
6. Report the status of the Company's risks, the guidelines that need to be improved, and the operational results to the Board of Directors every quarter.
7. Supervise, support, encourage cooperation in the Company's risk management, and continuously review the adequacy of the risk management policy and system for the risk management to operate effectively.
8. Authorize to establish the working group to obligate the risk management and report to the Audit Committee.
9. Provide advice to the Board of Directors and the management division about the risk management.
10. Report to the Board of Directors Meeting about important risk records and the risk status assessment of the risk management and the impact that will occur in the operations, including how to prevent and what needs to be improved. In case of a significant impact on the Company, it must report to the Board of Directors as soon as possible.
11. Perform any other tasks assigned by the Board of Directors.
12. Review the charter of the Risk Management Committee once a year or as necessary and appropriate.

## 5) Executive Committee

The Executive Committee consists of executive directors and representatives from Innobio LL Holding Co., Ltd. (a major shareholder of the Company).

The Executive Committee, as of December 31, 2023 comprised 4 directors:

Name	Position
1. Dr. Trinawat Thanitnithiphan	Chairman of the Executive Committee
2. Ms. Napaporn Dechakarat	Member of the Executive Committee
3. Mrs. Apimon Posri	Member of the Executive Committee
4. Mr. Dranun Jamsai	Member of the Executive Committee

Ms. Chompunuch Meevang as Secretary to the Executive Committee

The Executive Committee holds a meeting at least one meeting per quarter. In 2023, a total of 6 meetings were held, which 100% of all members of the Executive Committee attended the meetings.

### Scope of Authorities, Duties, and Responsibilities of the Executive Committee

1. Present the goal, policy, business plan, including operations strategy, the Company's annual budget, business expansion, financial plan determination, and human resources administration together with considering and screening suggestions from the management division to propose to the Board of Directors for approval.

2. Control and supervise the operations, and monitor the Company's performance to be in accordance with the set policies, goals, strategies, business plans, and budgets approved by the Board of Directors to be effective, as well as providing management suggestions to top executives.
3. Consider to make several transactions according to the "Table of Authority", such as:
  - Consider and approve the expenditure of investment funds, financial transactions with financial institutions to open an account, loan, pledge, mortgage, guarantee, and any other transactions for the normal course of business of the Company under the limits set by the Board of Directors.
  - Determine the organization chart.
  - Consider and approve the employment/layoff. Determine the remuneration for top executives at the level of deputy managing director.
  - Perform other duties as assigned by the Board of Directors.
4. Consider and approve the operations with normal business transactions as well as the operations supporting the normal business of the Company with general trade conditions in the amount of each item not exceeding 100 million Baht but not exceeding the budget as approved by the Board of Directors or as approved by the Board of Directors in the principles. It must be conducted under the regulations of The Office of the Securities and Exchange Commission including the Stock Exchange of Thailand regarding the related transactions and the transactions of the disposition of assets.
5. Consider the proposed interim dividend payment or the annual dividend payment to propose to the Board of Directors for approval or agreement for proposing to the Shareholders' Meeting depending on the case.
6. Consider and approve the interim dividend payment of the subsidiaries.
7. Consider and approve any related party transactions that are not regarded as stakeholders, which are the transactions with trade agreements in the same manner that a person of ordinary prudence would do with general counterparties in the same situation with the trade bargaining power that is free from influence between the Company and its subsidiaries and directors, executives, or related persons as well as proceeding in any necessary steps related to doing such transactions. This includes considering to assign any individuals to perform such matters under the scope of authorization from time to time. The Executive Committee shall report such transactions with significant high value in the Board of Directors Meeting every quarter or as the wishes of the Board of Directors.
8. Appoint executive directors or managing directors or one or more other persons to handle the Company operations on behalf of the Executive Committee under the control and supervision of the Executive Committee within a period as the committee sees appropriate. The Executive Committee may also terminate, void, change, or modify the delegation when deemed appropriate.
9. Authorize to appoint the working group to consider any matters that the Executive Committee deems appropriate.
10. Authorize to appoint the consultants in various fields necessary for the operations of the Company within the budget approved by the Board of Directors each year.

Such appointment must be made in writing or recorded as a resolution of the Executive Committee, including clearly specifying the scope of duties and duration (if any) of the assignees. In addition, the delegation must not be the delegation that makes the person authorized to consider and approve the transactions with possible conflicts of interest, stakes, or any other conflicts of interest with the Company unless it is an approval of the transaction which is in accordance with the regulations and criteria that the Board of Directors considered and approved, or an ordinary business transaction with general trading conditions. Such transactions must be conducted under the regulations, conditions, and procedures regarding the related party transactions and the transactions on acquisition or disposition of assets of the Company according to the notifications of the Capital Market Supervisory Board and/or any other notifications of relevant agencies.

11. Consider and screen every type of work that needs to propose to the Board of Directors Meeting unless it is the work under the authority and responsibility and/or is the authority of the other sub-committees of the Company to consider and screen to directly propose with the Board of Directors.
12. Review and revise the charter of the Executive Committee every year.
13. Perform any other duties as assign by the Board of Directors.

In this regard, it is authorized to adjust the scope of the approval authority of the Board of Directors according to item (1) - (13) for appropriateness and in accordance with the laws enforced at the time.

## 7.4 Executives

Executive as of December 31, 2023 comprised 4 executives:

Name	Position
1. Dr. Trinnawat Thanitnithiphan	Chief Executive Officer and Acting Chief of Marketing and Sales
2. Ms. Chatkaew Krudkosol	Acting Chief Financial Officer
3. Ms. Napaporn Dechakarat	Chief Operation Officer
4. Mrs. Apimon Posri	Chief of Human Resources

### Scope of Authorities, Duties, and Responsibilities of the Chief Executive Officer

1. Manage, supervise, and approve operations related to the Company's daily work administration to comply with the Company's policies, strategies, and operational plans for the benefit of the Company and in accordance with the objectives, regulations, rules, orders, resolutions of the Board of Directors meetings, and resolutions of the Company's Shareholders' Meetings within the scope of the relevant laws and the scope of the duties and responsibilities specified by the Board of Directors.
2. Prepare the policies, strategies, goals, business plans, and annual budget, as well as the management structure and management authority of the Company to propose to the Board of Directors for approval.

3. Monitor, inspect, control, and report the overall performance of the Company to the Board of Directors on a regular basis.
4. Supervise top executives and personnel in various departments to perform duties and operate efficiently and effectively, including continuously encouraging the development of the organization and personnel together with taking care and maintaining a good image of the organization.
5. Authorize to determine and modify the management structure of the Company administration to conform to the Company operational policies and competitive conditions of the industry.
6. Have authority to employ, appoint, transfer, lay off, and determine remuneration for employees at a level lower than the chief executive officer which is within the scope that complies with the Company's regulations.
7. Authorize to issue, amend, add, and improve rules, regulations, and orders regarding the management of the Company to ensure that the management is in line with the Company's policies as well as helping protect the Company's interest and maintain work discipline within the organization.
8. Grant an authority and/or assign other individuals to operate the work and/or take any actions on their behalf within the scope in accordance with the approval authority or regulations or rules or orders set by the Board of Directors.
9. Authorize to act and represent on behalf of the Company to third parties in any business that is relevant and beneficial to the Company.
10. Authorize to approve the various operating expenses and/or other expenses which is the normal expense of the Company within the approved amount. Authorize to consider, negotiate, and approve the legal contacts and/or other processes that related to the operation of the Company according to the authority and/or the amount approved by the Board of Directors.
11. Authorize to approve investments or expenses for the business of the Company or other expenses related to the business operations of the Company within the amount set by the Board of Directors according to the approval authority table.
12. Perform any other tasks as assigned by the Board of Directors.
13. Chief Executive Officer's appointment as a director at another company who can serve as directors of companies other than subsidiaries or associated companies of not more than 3 companies.

However, the delegation must not make the individuals to be able to approve transactions of such persons or persons with possible conflicts of interest, stakes, or conflicts of interest in any other manner with the Company, except for the approval of ordinary business transactions in accordance to general trade conditions that comply with the notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies.

#### **Remuneration Determination Policy for Top Executives**

The Company has established a remuneration policy for top executives. The Nomination and Remuneration Committee shall consider the remuneration of the chief executive officer by considering the Company's duties, responsibilities, results, and performance. The Company shall determine the remuneration structure that is an incentive for the chief executive officer and top executives to work in line with the objectives

and main goals of the organization and be consistent with the long-term benefits of the business. This includes considering the appropriate remuneration proportion of salary, short-term performance such as bonuses, and long-term performance such as the Employee Stock Option Plan. In this regard, the remuneration rate of top executives is the rate that can be compared with other businesses in the same industry.

#### **(1) Monetary Remuneration for Executives**

In the year 2023, the Company paid the remuneration included salaries and bonuses in a total of 4 executives, totaling 20.48 million Baht.

#### **(2) Other Remuneration for Executives**

The Company has provided the provident fund for executives in which the Company has contributed at the rate of 5% of the salary. In 2023, the Company paid contributions to the provident fund for 4 executives, totaling 874,787 Baht.

### **7.5 Employee Information**

On December 31, 2023, the Company had a total of 155 employees (Male 55 and Female 100). The Company paid remuneration to employees in the total amount of 194.21 million Baht, included salary, overtime pay, cost of living allowance, commission allowance, professional allowance, attendance bonus, bonus, special allowance, social contribution allowance, and provident fund contribution, etc.

In addition, the Company's subsidiaries paid compensation to employees in the same manner as the Company, totaling 166.62 million Baht.

On December 31, 2023, the Company and its subsidiaries had employees in total of 634 people, divided according to the line of work as follows:

Company	No. of Employees
Inter Pharma Public Company Limited is divided into the following lines of business:	155
1. Executive	5
2. Sale and Marketing	48
3. Accounting and Finance	12
4. Production	8
5. Supply Chain & procurement	3
6. Store	3
7. Packing	25
8. Maintenance	9
9. Human Resource	6
10. QA, QC, QS	22
11. RD	2
12. Customer Service	3
13. IT	1
14. Regulatory Affairs	2
15. Product Development	4
16. Anti-Aging Clinic Business	2
Inter Vetta Co., Ltd.	23
Modern Pharma Co., Ltd.	106
Drug Care Co., Ltd.	159
Nakhon Patana Co., Ltd.	191
<b>Total All</b>	<b>634</b>

#### Provident Fund ("PVD")

The Company has established a provident fund under the management of TISCO Asset Management Co., Ltd. with the objective of building morale among employees and motivating employees to work with the Company in the long term. The Company has started to contribute to the provident fund for employees since July 2016. The number of employees participating in the provident fund in 2023 is as follows:

Company Name	PVD	No. of employees participating in PVD	The proportion of employees attending PVD/Total employees (%)
Inter Pharma Plc.	Yes	82	47%
Intervetta Co., Ltd.	Yes	19	86%
Modern Pharma Co., Ltd.	Yes	59	48%

## 7.6 Other Important Information

- **Company Secretary**

To comply with the requirements under Section 89/15 of the Securities and Exchange Act B.E 2535, the Board of Directors Meeting No. 7/2021 held on November 9, 2021, resolved to appoint Ms. Chompunuch Meevang as a Company Secretary (Detailed information of company secretary is in Attachment 1.) In this regard, the roles and responsibilities of Company Secretary are as follows:

- 1) Perform duties with responsibility, caution, and honesty in accordance with laws and other related rules.
- 2) Arrange Shareholders' Meeting and the Board of Directors Meetings in accordance with the articles of association.
- 3) Prepare and maintain the director registration, the Board of Directors Meeting invitation letters, the Board of Directors Meeting minutes, the Shareholders' Meeting invitation letters, the shareholders' meeting minutes, and the Company's annual reports.
- 4) Keep the report of the conflict of interest reported by directors or executives and submit the copies of the report of the conflict of interest to the Chairman of the Board and the Chairman of Audit Committee within 7 business days, starting from the day that the Company receives the report.
- 5) Liaise with regulatory agencies such as the Office of the SET and supervise the disclosure of information and report information to the regulatory authorities the be correct and complete according to the rules of the regulatory agency.

- **Accounting Supervisor**

The Company appointed Ms. Supaporn Chanwongngam, the accounting manager, as an accounting supervisor on May 15, 2023. (Detailed information of accounting supervisors is shown in Attachment 1)

- **Internal Auditor**

The Company appointed A.M.T. Solution Co., Ltd. which is an external audit office (an outsource) to audit the Company's internal control system and assess the adequacy of the internal control system. The internal auditor will present the internal audit report to the Audit Committee Meeting every quarter and the Company has continuously improved and developed the quality of internal control. A.M.T. Solution Co., Ltd. assigned Mr. Supoj Pannoi, the managing director, to be responsible for performing as the Company's internal auditor. (Detailed information of internal auditors is shown in Attachment 3) A.M.T. Solution Co., Ltd. has started auditing the internal control system of the Company since the first quarter of 2022.

- **The Company's Compliance Supervisor**

For the supervision of the operational level of work, the Company has not set up an agency to supervise the Company's operations. The operation supervisory work will be under the supervision of the Company secretary department. They will be responsible for supervising the business operations of the Company in accordance with laws, rules, regulations, policies, rules, and



notifications of the Securities and Exchange Commission, the Stock Exchange of Thailand, and related agencies.

#### ● **Investor Relations**

The Company has established an investor relations unit to communicate with institutional investors, shareholders, and securities analysts and/or other relevant agencies equally and up-to-date. If shareholders need additional information, please contact the Company secretary/the investor relations of the Company at 02-634-0225 ext. 30 or email at [ir@interpharma.co.th](mailto:ir@interpharma.co.th). In addition, the Company also provides opportunities for executives to meet with retail investors, institutional investors, and analysts regularly to acknowledge the operating results, financial statements, financial status, management discussion and analysis as well as future trends. In 2023, the Company organized various activities to present results and communicate through various channels to analysts and investors as follows:

- Opportunity Day:	3 times
- Analyst Meeting:	4 times
- Press Release:	8 times
- Special Interview:	4 times
- One on One: Executives Met with Funds:	4 times
- News Scoop:	2 times
- Site Visite:	1 times

#### ● **Auditors**

The 2023 Annual General Meeting of Shareholders held on April 27, 2023 resolved to approve the appointment of EY Office Limited as the Company's auditor. The list of auditors is as follows:

1. Ms. Siriwan Nitdamrong,	Certified Public Accountant No. 5906 and / or
2. Ms. Kamonthip Lertwitworatthep	Certified Public Accountant No. 4377 and / or
3. Ms. Satida Rattananurak	Certified Public Accountant No. 4753 and / or
4. Mrs. Sarinda Hirunprasertwut	Certified Public Accountant No. 4799

The auditor's fee of the Company and its subsidiaries paid in 2023 are as follows:

1. Audit fee in the amount of 6,940,000 Baht.
2. Other service fees in the amount of 1,204,144.50 Baht

Other service fees include:

1. Goodwill review fee in the amount of 900,000 Baht
2. Transfer Pricing of 265,709 Baht
3. Others Fee 38,435.50 Baht

## **8. Corporate Governance Key Performance Report**

### **8.1 Summary of the Board of Directors' Performance in the Past Year**

The Board of Directors has regularly reviewed the good corporate governance policy at least once a year. In 2023, the Board of Directors Meeting No. 7/2023 held on December 22, 2023, considered and approved the amendment of the good corporate governance policy to be under the principles of the corporate governance code for listed companies in the year 2017 of the Office of the Securities and Exchange Commission 2017 as a guideline for corporate governance of the Company. In this regard, the Company has applied most of the principles of good corporate governance as its guidelines.

#### **8.1.1 Nomination, Development, and Evaluation of the Performance of Directors**

##### **(1) Independent Director**

###### **● Qualifications of Independent Director**

Regulations for selecting independent directors are based on the regulations for nominating directors of the Board. The qualifications of those who will act as independent directors are considered from the qualifications and prohibited characteristics according to the Public Limited Companies Act, including the Securities and Exchange Act, relevant notifications, rules, and/or regulations. The independent directors shall have educational qualifications, specialization work experiences, and other appropriateness to propose to the Shareholders' Meeting for further consideration and appointment as a director of the Company. If any independent director vacates office before the end of the term, the Board of Directors may appoint an independent director with the abovementioned qualifications to take the position. The replacement of the independent director will be in the office only for the remaining term of the independent director.

The Board of Directors has set the qualifications of independent directors as follows:

1. Holding no more than 1% of the total eligible voting shares of the Company, parent companies, subsidiaries, associated companies, major shareholders or controlling person of the Company, by totally counting the shares held by related person to such independent director.
2. Not being a director participating in management role, an employee, staff, advisor who receives a regular salary or a controlling person or the Company, parent companies, subsidiaries, associated companies, same level subsidiaries, major shareholders, or controlling person of the Company during the past 2 years before his/her appointment as independent directors. Except excluding the case that he/she was a government official or advisor of the government who is a major shareholder or controlling person of the Company.
3. Having no relation by blood or by legal registration as the father, mother, spouse, brother or sister, and child including spouse of child of other directors, executives, major shareholders, control person or person(s) who is nominated to be the director, executives, or control person of the Company or subsidiaries.
4. Having no business relation with the Company, parent companies, subsidiaries, associated companies, major shareholder or controlling person of the Company that would impede his/her independent discretion. Not being or having been a significant shareholder or controlling person

of the Company of a business relationship with the Company, parent companies, subsidiaries, associated companies, major shareholder or controlling person of the Company, unless clear from the foregoing relationship for not less than two years.

The term 'business relationship' aforementioned under paragraph one includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services, grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action, which results in the Company or its counterparty being subject indebtedness payable to the other party in the amount of 3 percent or more of the net tangible assets of the company or 20 million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of Capital Market Supervisory Board concerning Rules on Connected Transactions mutatis mutandis. The combination of such indebtedness shall include indebtedness taking place during the course of 1 year prior to the date on which the business relationship with the person is commenced.

5. Not be or used to be an auditor of the Company, its parent company, subsidiaries, associated companies, or controlling persons. The person must not be a significant shareholder or controlling person or managing partner of an audit firm which employs auditors of the Company, its parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company, unless the foregoing relationship already ended for no less than 2 years prior to the date of appointment.
6. Not being or having been an auditor of the Company, parent companies, subsidiaries, associated companies, major shareholder, or controlling person of the Company. Not being or having been partners of an audit firm, where the auditor of the Company, parent companies, subsidiaries, associated companies, major shareholder, or controlling person of the Company, except for the case of being exempted from having such characteristics, unless clear from those characteristics for not less than 2 years.
7. Not being a director appointed for representation of Company's directors, major shareholders or shareholder who is a related person of the major shareholders of the Company.
8. Not undertaking any businesses, the nature of which is the same as the Company or its subsidiaries and, in any material respect, is competitive with the business of the Company or subsidiaries. Not being a substantial partner in the partnership, or a director who is involved in the Company management, an employee, a staff member, an advisor who receives regular salary or a shareholder holding more than one percent of shares with voting rights of a company the nature of whose business is the same as the Company. In any material respect, it is competitive with business of the Company or subsidiaries.
9. Not having any characteristics that could not give independent opinion on the operation of the Company.

The independent directors may be assigned by the Board of Directors to make decisions on the business operations of the Company, its parent company, subsidiaries, associated companies, same-level subsidiaries, major shareholders, or a person with authority from the Company whose decisions can be made in the form of a collective decision.

If the person appointed by the Company to be an independent director is an individual who has or was has a business relationship or provision of professional services over the prescribed value in article (4) or article (6), the Board of Directors may grant a respite if the said individual appointment does not affect the performance of duties and giving independent opinions and the Company has already disclosed the following information in the Shareholders' Meeting invitation letter on the agenda to consider the appointment of the aforementioned independent directors.

- A) Nature of business relationship or professional service which makes such person qualified not in accordance with the specified regulations
- B) Reasons and necessity for retaining or appointing the individual as an independent director
- C) Opinions from the Board of Directors in proposing the appointment of the individual as an independent director

In this regard, independent directors shall check and attest their independent qualifications at least once a year, which will be notified together with the director information report at the end of the year for the preparation of the annual registration statement (form 56-1) and the Company's annual report.

## **(2) Nomination and Appointment of Directors and the Highest Executives**

### **● Board of Directors**

The Nomination and Remuneration Committee is responsible for nominating qualified persons to be a director to replace those who are due to retire by rotation or in other cases and to propose to the Board of Directors to consider the person who will be nominated for election at the next Shareholders' Meeting. The Nomination and Remuneration Committee shall select from experts with expertise from a diversity of professions, leadership skills, vision, ethical and moral aspects, transparent works, and the ability to express opinions independently, as follow:

- 1) Personal characteristics of the person who will be selected for nomination as a director in various fields are as follows:
  - Integrity and accountability
  - Informed judgment
  - Be mature and stable, a good listener, and dare to express different and independent opinions.
  - Adhere to work with professional principles and standards.
  - Other features that the Audit Committee deems important
- 2) The specific expertises are needed to be on the Board so that the Board can formulate strategies and policies, and supervise the implementation of strategies effectively, for example:
  - Health sciences knowledge
  - Accounting and finance knowledge

- Organization and human resource management
  - Risk management
  - Crisis management
  - Industry knowledge
  - Strategic – domestic and international marketing knowledge
  - Strategic planning
  - Other specific knowledge and expertise that the Board of Directors deems necessary for the Company's business operations in the next 3 – 5 years, including knowledge related to the Company's business strategies, are health and safety regulations knowledge, research & development, e-commerce knowledge, merger & acquisition, etc.
- **Highest Executives**

The Company has the policy to recruit executives by nominating persons with knowledge, ability, and experience related to the business by conducting the selection according to the regulations on human resource management and must be approved by the Board of Directors or the person assigned by the Board of Directors.

In the nomination of individuals for the position of chief executive officer, the Nomination and Remuneration Committee shall consider and select people who are qualified, suitable, have knowledge, abilities, skills, and experience that are beneficial to the Company's operations. The individual must understand the Company's business very well and be available to manage the work to achieve the objectives according to the goals set by the Company to present to the Board of Directors for further approval.

In this regard, the chief executive officer has been assigned to recruit and appoint persons with knowledge, ability, and experience in the Company's business as employees at various levels. In addition, the appointment of heads or persons responsible for auditing and internal control must be approved by the Audit Committee first.

- **Succession Plan**

The Board of Directors recognizes the importance and supports the development of a succession plan for the chief executive officer and/or executives in important positions which is part of the human resource planning strategy. It shall consider the designation of personnel to support the succession plan by assigning executives at the second level and below as temporary substitutes. However, for the permanent case, the Board of Directors shall consider it as appropriate to ensure that the Company has executives who are professional and manageable.

### **(3) Performance Assessment and Knowledge Development**

To comply with the good corporate governance principles, the Company has assigned the Board of Directors to conduct a self-assessment to be used as a framework for regularly auditing the performance of directors. In 2023, the Company has prepared 4 assessment forms according to the guidelines of the Stock Exchange of Thailand, consisting of the self-assessment form of the Board as a whole / the self-assessment form of the Board as an individual / the self-assessment form of sub-committees (to assess performance of the sub-committees in which they hold positions) / the performance assessment form of chief executive officer

(which non-executive directors will assess the performance of the chief executive officer). All 4 assessment forms have evaluation criteria represented as a %age of the full scores in each of all items according to the criteria: more than 91-100 % = excellent, more than 81-90 % = very good, more than 71-80 % = good, more than 60-70 % = fair, and less than 59 % = need improvement. The assessment results can be summarized as follows:

1) The self-assessment form of the Board as a whole consists of 6 main topics which are (1) Structure and qualifications of the Board, (2) Roles, duties, and responsibilities of the Board, (3) the Board meetings, (4) Directors' performance of duties, (5) Relationship with the management division, and (6) Director self-development and executive development. The summary of the self-assessment of the Board as a whole from 6 main topics found that most of the operations performed excellently with an excellent average score equal to 93.86%.

2) The self-assessment form of committees as an individual consists of 3 topics which are (1) Structure and qualifications of the committee, (2) Committee meetings, and (3) Roles, duties and responsibilities of the individual committee. The summary of the self-assessment of committees as an individual from 3 main topics found that most directors regularly practiced this with an excellent average score equal to 94.52%.

3) The self-assessment form of sub-committees consisted of 3 topics which are (1) Structure and qualifications of the committee to make the committee's work effective, (2) Committee meetings so that the committee can perform their duties in meetings effectively, and (3) Roles, duties, and responsibilities of the committee so that the committee can review duties and responsibilities according to the charter of sub-committees. The summary of the individual assessment of 5 sub-committees said that the operation was carried out efficiently. The details are as follows:

3.1 Audit Committee received an average score of 96.88%, an excellent level.

3.2 Nomination and Remuneration Committee received an average score of 91.52%, an excellent level.

3.3 Risk Management Committee received an average score of 99.78%, an excellent level.

3.4 Corporate Governance Committee received an average score of 96.21%, an excellent level.

3.5 Executive Committee received an average score of 86.04%, a very good level.

4) The assessment form of the chief executive officer performance comprises 10 topics which are (1) Leadership, (2) Strategy Formulation, (3) Strategy Execution, (4) Financial Planning and Performance, (5) Board Relations, (6) External Relations, (7) Management and Personnel Relations, (8) Succession, (9) Products and Services Knowledge, and (10) Personal Characteristics Summary of performance evaluation of the chief executive officer. The summary of the assessment form of the chief executive officer performance showed that the chief executive officer performed their duties well and appropriately. The average score is excellent equal to 96.05%.

However, the Board of Directors has opinions to continuously develop the performance of the Board of Directors by providing relevant development and training to increase efficiency, effectiveness and elevate operations to comply with international standard guidelines and according to the Stock Exchange of Thailand and related agencies.

## Development of Directors and Executives

The Board of Directors supports and promotes knowledge development for the Board of Directors to attend various training courses which beneficial to the performance of the Board of Directors provide up-to-date knowledge, innovation, the new management style of business that is always competitive and able to apply knowledge appropriately. All directors of the Company attended the training course for directors from the Thai Institute of Directors (IOD) in 2023. The directors who attended the training course for directors from the Thai Institute of Directors (IOD) are as follows:

Name	Training Course
1. Dr. Yuttana Suwannachot	Director Accreditation Program (DAP) 212/2023

### 8.1.2 The Board of Directors Meeting and Remuneration

#### (1) The Board of Directors and Sub-Committees Meeting for 2023

Directors	2023						
	BOD <sup>1</sup>	AC <sup>2</sup>	NRC	CG/SD	RMC	Excom	AGM
1. Clinical Professor Emeritus Udom Kachintorn, MD.	7/7	-	-	2/2	-	-	1
2. Mr. Kamtorn Sila-on	7/7	4/4	2/2	2/2	-	-	1
3. Professor Dr. Sansanee Chaiyaroj	7/7	4/4	-	2/2	2/2	-	1
4. Dr. Pao Sriprasertsuk	6/7	4/4	2/2	2/2	-	-	1
5. Dr. Nat Ativitavas	7/7						1
6. Dr. Yuttana Suwannachot <sup>3</sup>	6/6						1
7. Dr. Trinawat Thanitnithiphan	7/7	-	2/2	-	2/2	6/6	1
8. Ms. Napaporn Dechakarat	7/7	-	-	-	2/2	6/6	1
9. Mrs. Apimon Posri	7/7	-	-	-	-	6/6	1
10. Mrs. Nattarin Polpuech <sup>4</sup>	3/3				1/1	3/3	1
11. Mr. Dranun Jamsai	-	-	-	-	-	6/6	1

BOD = Board of Directors

AC = Audit Committee

RMC = Risk Management Committee

NRC = Nomination and Remuneration Committee

Excom = Executive Committee

CG/SD = Corporate Governance and Sustainable Development Committee

AGM = Annual General Meeting of Shareholders

EGM = Extraordinary General Meeting of Shareholders

#### Remarks:

- The Company held a meeting of the non-executive committee and there were no executive directors attending the meeting 1 time on March 16, 2023.
- The Company held a meeting of the Audit Committee and auditors without the management attending in the meeting 1 time on December 22, 2023.
- Dr. Yuttana Suwannachot appointed as a director in place of Mr. Terdkiat Prommool on February 27, 2023.
- Mrs. Nattarin Polpuech has resigned from director sub committee and management on June 23, 2023.



## (2) Monthly Remuneration and Meeting Allowance

### Remuneration Determination Policy for Directors

The Company has the policy to set the remuneration for directors to be in accordance with the Company's strategy and long-term goals by considering experience, duties, the scope of roles and responsibilities (accountability and responsibility), including expected benefits directors who are assigned more duties and responsibilities. For example, being a member of a sub-committee will receive appropriate additional remuneration. The rate of remuneration of directors is comparable to other businesses in the same industry which the Board of Directors has assigned the Nomination and Remuneration Committee to consider the structure and rate of directors' remuneration, both monetary and non-monetary, to be appropriate both remuneration at a fixed rate (such as regular compensation meeting allowance) and remuneration according to the Company's performance (such as bonuses, gratuities) and propose to the Board of Directors meeting for consideration and present to the Shareholders' Meeting for approval annually.

In 2023, the 2023 Annual General Meeting of Shareholders held on April 27, 2023, approved the monthly remuneration and meeting allowance of the Board of Directors and sub-committees as follows:

Details	Year 2023
<b>Monthly Remuneration</b> (Person: Month) For non-executive directors <ul style="list-style-type: none"> <li>Chairman</li> <li>Director</li> </ul>	30,000 Baht 20,000 Baht
<b>Attendance Fee</b> for non-executive directors (Baht: Time) (Pay only for attendees) <u><b>Board of Director</b></u> <ul style="list-style-type: none"> <li>Chairman</li> <li>Director</li> </ul>	20,000 Baht 15,000 Baht
<u><b>Audit Committee</b></u> <ul style="list-style-type: none"> <li>Chairman of Audit Committee</li> <li>Audit Committee</li> </ul>	22,500 Baht 15,000 Baht
<u><b>Nomination and Remuneration Committee</b></u> <ul style="list-style-type: none"> <li>Chairman</li> <li>Director</li> </ul>	15,000 Baht 10,000 Baht
<u><b>Corporate Governance and Sustainable Development Committee</b></u> <ul style="list-style-type: none"> <li>Chairman</li> <li>Director</li> </ul>	15,000 Baht 10,000 Baht
<u><b>Risk Management Committee</b></u> <ul style="list-style-type: none"> <li>Chairman</li> <li>Director</li> </ul>	15,000 Baht 10,000 Baht

However, the directors who are executives and employees of the Company shall not receive monthly remuneration and meeting allowances for the positions of the Company's directors above because they already got the remuneration from the Company in the form of salary as an employee of the Company.

### **Bonus or Other Types of Benefits for Directors**

The Board of Directors has the authority to allocate such remuneration for 2023 to the Board of Directors as appropriate. In this regard, in considering the remuneration of the Company's directors, it must take into account the performance in the past year and the comparison and refers to companies in the same industry as the Company and average remuneration according to a business size similar to the Company. This includes considering the business expansion and profit growth of the Company or benefits in other forms of the Board of Directors. The total must not exceed 4,000,000 Baht per year.

The Company paid remuneration to each director for the year 2023 as follows:

Name	Position	Monthly Remuneration	Attendance Fee (Baht) (Pay only for attendees)					Bonus	Total (Baht)
			Board of Director	Audit Committee	Nomination and Remuneration Committee	Corporate Governance and Sustainable Development Committee	Risk Management Committee		
1. Clinical Professor Emeritus Udom Kachintorn, MD.	Chairman /Independent Director	360,000.00	140,000.00	-	-	30,000.00	-	78,823.56	608,823.56
2. Mr. Kamtorn Sila-on	Independent Director	240,000.00	105,000.00	90,000.00	30,000.00	20,000.00	-	78,823.56	563,823.56
3. Professor Dr. Sansanee Chaiyaroj	Independent Director	240,000.00	105,000.00	60,000.00	-	20,000.00	30,000.00	78,823.56	533,823.56
4. Dr. Pao Sriprasertsuk	Independent Director	240,000.00	90,000.00	60,000.00	20,000.00	20,000.00	-	78,823.56	508,823.56
5. Dr. Nat Ativitavas	Director	240,000.00	105,000.00	-	-	-	-	19,705.76	364,705.76
6. Dr. Yuttana Suwannachotl <sup>1</sup>	Director	200,000.00	90,000.00	-	-	-	-	-	290,000.00
7. Dr. Trinawat Thanitnithiphan	Executive Director *	-	-	-	-	-	-	-	-
8. Ms. Napaporn Dechakarat	Executive Director *	-	-	-	-	-	-	-	-
9. Mrs. Apimon Posri	Executive Director *	-	-	-	-	-	-	-	-
<b>Total all</b>		<b>1,520,000.00</b>	<b>635,000.00</b>	<b>210,000.00</b>	<b>50,000.00</b>	<b>90,000.00</b>	<b>30,000.00</b>	<b>335,000</b>	<b>2,870,000</b>

Remarks:

<sup>1</sup> Dr. Yuttana Suwannachot was appointed as a director in replace of Mr. Terdkiat Prommool effective date February 27, 2023.

\* Executive Directors will not receive monthly remuneration and meeting allowance because they received compensation as an employee of the Company.

### 8.1.3 Supervision of Subsidiaries and Associated Companies

#### A) Supervisory Mechanism of Subsidiaries and Associated Companies

1. The Company has the policy to invest in businesses that are related to the core business of the Company and that have the potential to generate profits and have growth opportunities to increase the Company's profitability or be beneficial businesses (synergy) to the Company by realizing the return that will be received from the investment through controlling and supervising the management of the subsidiary as if it were a unit of the Company. Also, it shall monitor the management to maintain the benefits of the Company's investments continuously and sustainably, create added value and build confidence among the Company's stakeholders. Therefore, the Company has established a policy to control and supervise subsidiaries and associated companies that it has invested in with the following details. The Company has established the management structure of its subsidiaries and associated companies to oversee the management and be responsible for the operations of the subsidiaries and associated companies as follows:

##### Nomination of Individuals to Be Directors and Executives of the Subsidiaries and Associated Companies

1.1 The Company will send individuals approved by the Board of Directors Meeting to be directors and executives in the subsidiaries and associated companies to supervise and establish the management policy as a part of the Company. The number of people who will join as directors in the subsidiaries are mainly based on the Company's shareholding in the subsidiaries or in accordance with an agreement. For investments in the associated companies, the Company needs the policy to control more. Submission of representatives to join as directors of the associated companies will be appropriately considered, depending on the agreement. Such individuals must have appropriate qualifications and experience in managing the business of such subsidiaries and associated companies.

##### 1.2 Scope of Duties and Responsibilities of Directors and Executives in Subsidiaries and Associated Companies

- Follow up the operations of the subsidiaries and associated companies closely to achieve the goals set by the Company.
- Perform duties as assigned by the Board of Directors of the subsidiaries and associated companies and/or the Shareholders' Meeting of the subsidiaries or associated companies.
- Consider and vote at the Board of Director Meeting of the subsidiaries and associated companies in general operations of the subsidiaries and associated companies as the directors and executives of the subsidiaries and associated companies seem appropriate for the utmost benefit of the subsidiaries, associated companies, and the Company, except for consideration and voting on the following, which must be approved by the Board of Directors and/or the Company's Shareholders' Meeting depending on the case before proceeding.

- (1) Transactions of the subsidiaries are in accordance with the notification of connected transactions and the notification of acquisition<sup>1</sup> and disposition<sup>2</sup>.
- (2) Transactions which may have a significant impact on the finance and the subsidiaries' operations are listed below:
  - Sell or transfer all or some significant portions of the subsidiaries to other people.
  - Purchase or accept the business transfer of other companies to be in the possession of the subsidiaries.
  - Dissolve the subsidiaries.
  - Transfer or waive significant benefits and claims that can cause damages to the subsidiaries.
  - Borrow money, lend, guarantee, encumber, or provide financial assistance to other companies that significantly affect the subsidiaries' finance.
  - Revise the articles of association of the subsidiaries.
  - Capital increase, share allocation, and the reduction of the registered capital of the subsidiaries, as well as other actions that directly and indirectly cause the Company's shareholding to decrease from 10 % of the paid-up capital of the subsidiary up to holding less than 50 % of the paid-up capital of that subsidiary.
2. Directors and executives of the subsidiaries, including the related individual of such directors and executives, are responsible for reporting to the Board of Directors of the subsidiaries about the relationship and transactions with subsidiaries in ways that may cause conflicts of interest and shall avoid entering into any transactions that may cause conflicts of interest with such subsidiaries. In this regard, the Board of Directors of the subsidiaries is responsible for reporting the such matter to the Company.  
Directors and executives of the subsidiaries must not participate in approving matters in which they have interests or conflicts of interest.
3. Subsidiaries are required to report business plans, investment projects, and joint ventures with other operators to the Company through the subsidiaries' monthly performance report including providing information or documents related to operations upon request. In the event that the Company detects any significant issues, it may notify the subsidiary to clarify and/or submit documents for consideration by the Company.
4. the Company has assigned financial control policies for subsidiaries and associated companies. The subsidiaries and associated companies have the duties as follows:

---

<sup>1</sup> "Related Listing Announcement" means the Securities and Exchange Commission's announcement No. 21/2008 regarding the criteria for related transactions and the Stock Exchange of Thailand's announcement regarding the disclosure of information and the operation of registered companies involved in related listings in 2003 and subsequent amendments.

<sup>2</sup> "The Listing Announcement and Distribution" means the Securities and Exchange Commission's announcement No. 20/2008 regarding significant criteria for acquired or disposed assets and the Stock Exchange of Thailand's announcement regarding the disclosure of information and the operation of registered companies involved in acquired or disposed assets in 2004 and subsequent amendments.

- Submit monthly results and quarterly reviewed financial statements reviewed by a certified public accountant as well as supporting information for the preparation of such financial statements of subsidiaries and associated companies for the Company to support the preparation of the consolidated financial statements or report the Company's quarterly or annual performance, depending on circumstances.
- Prepare overall operation estimates and summarize the comparison of the planned operation with the actual operation on a quarterly basis, including following up on the performance to be in accordance with the plan that has been set for reporting to the Company.
- Report significant financial issues to the Company when they are discovered or be requested by the Company to carry out an investigation and report.

#### **B) Agreements Between the Company and Other Shareholders in the Subsidiary Management**

The Company has done an agreement into a joint venture with other shareholders to manage a subsidiary (Inter Petrina). Details of the joint venture agreement are shown in Part 1, Clause 1.2.2 (4) Assets used in business operations, Subclause 4.3.5 Joint Venture Agreement in which Inter Petrina currently has operating income that is insignificant to the operations of the group.

#### **8.1.4 Monitoring Compliance with Corporate Governance Policy and Practices**

The Company gives importance to good corporate governance therefore, relevant policies and guidelines have been specified in the Company's Corporate Governance Policy and Business Code of Conduct as well as promoting actual practice to build confidence among all groups of stakeholders. In the past year, the Company has followed up to ensure compliance with good corporate governance covering matters which are 1) Employee care and non-discrimination, 2) Anti-unfair competition, 3) Caring for the environment, health, and safety in the organization, and 4) Information security. The follow-up results revealed that the Company had completely followed the guidelines of each issue. In addition, the Company was requested to follow up to achieve compliance with good corporate governance in four other matters as follows:

##### **(1) Conflict of Interest**

The Board of Directors has carefully considered conflicts of interest and considered measures to prevent conflicts of interest by assigning the Audit Committee to participate in the consideration and approval of related transactions. In addition, the Company has disclosed details of related party transactions that occurred in the financial statements under the specified accounting standards and has a policy prohibiting directors and executives from using the Company's information, whether directly or indirectly. In this regard, the Company must comply with the Stock Exchange of Thailand's announcements applicable to connected transactions of listed companies or the acquisition and disposition of assets of listed companies, as the case may be. In 2023, the Company had no transactions that may cause conflicts of interest.

##### **(2) Exploitation of Inside Information**

The Company has handled the inside information utilization under the laws and followed the Corporate Governance Code, which has been prescribed in writing in the Company's Business Code of Conduct to prevent the use of information for the trading of the Company's securities by requiring directors

and executives, including departments involved in important information, to refrain from trading in the Company's securities within 1 month in advance before the financial statements are published. Then, it can be traded at least 24 hours after publication. In 2023, it was not found that directors and executives traded securities during the prohibited trading period of the Company's securities.

### **(3) Anti-Corruption**

the Company has established policies and procedures to fight corruption. The Board of Directors has assigned the Audit Committee to supervise the internal control system and the executives are responsible for raising awareness and communicating honest performance to all employees. the Company has operated in accordance with the anti-fraud and anti-corruption policy as follows:

- (1) The Company has communicated to directors, executives, and employees by stating that all processes are strictly within the scope of the law.
- (2) The Company provides a channel to report if there is a violation of the policy or corruption, and has protection measures for those who report.

The Company has disclosed details of the policy and actions to prevent involvement in corruption on the Company's website at [www.interpharma.co.th](http://www.interpharma.co.th), under the heading "Investor Relations", subheading "Corporate Governance" and select "Corporate Governance Policy".

The Company has expressed its intention to join the Thai Private Sector Collective Action Coalition Against Corruption (CAC) on January 3, 2024.

### **(4) Whistleblowing**

the Company provides channels for the stakeholders to report complaints and whistleblowing through the channels provided as following:

- (1) Postal mail, or delivered to:  
Chairman of the Board and/or Chairman of the Audit Committee  
Inter Pharma Public Company Limited  
No. 140/9 ITF Tower, 9<sup>th</sup> Floor, Silom Road, Suriyawong Sub-District, Bangrak District, Bangkok 10500
- (2) Electronic mail at [comsec@interpharma.co.th](mailto:comsec@interpharma.co.th)
- (3) The Company's website at [www.interpharma.co.th](http://www.interpharma.co.th)

The Audit Committee, independent from the management division, will be a reviewer. The Investigation Committee will screen such clues and complaints.

In 2023, the Company did not find any clues and complaints related to corruption or violation of the Company's corporate governance policy.

## **8.2 Report of the Audit Committee**

Report of the Audit Committee Details appear in Attachment 6.



### 8.3 Report on Sub-Committees Performance

- **Report of the Nomination and Remuneration Committee**

The Board of Directors of Inter Pharma Public Company Limited has appointed the Nomination and Remuneration Committee to recruit qualified persons to be the Company's directors, sub-committee, and chief executive officer and determine the remuneration of the Board of Directors, sub-committee, and chief executive officer based on the performance and size of the business. It must be comparable to other listed companies in the same industry.

According to the charter of the Company's Nomination and Remuneration Committee, the Nomination and Remuneration Committee has been determined to consist of at least 3 members and at least half of them must be independent directors, with Mr. Kamtorn Sila-on, an independent director, acting as the Chairman of the Nomination and Remuneration Committee and 2 other directors, namely Dr. Pao Sriprasertsuk, independent director, and Dr. Trinnawat Thanitnithiphan, director, with Mrs. Apimon Posri acting as the secretary of the Nomination and Remuneration Committee.

In 2023, the Nomination and Remuneration Committee held 2 meetings, which can be summarized as follows:

1. Consider appointing directors to replace those retiring by rotation. The committee will consider selecting people from various professions who have knowledge, ability and experience that are beneficial to the Company, including having qualifications according to relevant rules and laws to propose to the Board of Directors for consideration and approval to nominate suitable persons to the Shareholders' Meeting for consideration and appointment.
2. Consider appointing a person to be a director to replace the one that resigned before the end of the term, taking into account diversity, knowledge, expertise, skills and experiences that are beneficial to the Company's business operations, including qualifications according to relevant regulations and laws. The Nomination and Remuneration Committee will consider with prudence, transparency, and fairness before proposing to the Board of Directors for consideration and appointment as a director.
3. Consider determining the remuneration criteria for the Board of Directors and sub-committees, and propose to the Board of Directors meeting and/or the Shareholders' Meeting for consideration. It will be considered based on the performance and size of the business. It must be comparable to other listed companies in the same industry.
4. Consider the self-assessment guideline of the Board of Directors, sub-committees, and chief executive officer in order to use the results of the self-assessment as information for determining the remuneration of the Board of Directors, sub-committees, and chief executive officer.
5. Consider the criteria for giving shareholders the opportunity to propose meeting agendas and nominate candidates to be elected as directors in advance for the 2023 Annual General Meeting of Shareholders.
6. Consider reviewing the charter of the Nomination and Remuneration Committee to be complete, appropriate, and consistent with the Company's good corporate governance policy.

The Nomination and Remuneration Committee has performed its duties with care, prudence, transparency, and independence in expressing opinions that are beneficial to the Board of Directors and all groups of stakeholders of the Company appropriately.

- **Report of the Risk Management Committee**

Inter Pharma Public Company Limited has realized the importance of corporate risk management supervision. Therefore, the Board of Directors has appointed the Risk Management Committee to be responsible for stipulating risk management policies to cover all aspects, as well as supervising the establishment of a risk management system or process to mitigate the impact on the business of the Company and supervising the overall risk management system or process to be at an acceptable level.

The Risk Management Committee, as of December 31, 2023 comprised four directors:

1. Professor Dr. Sansanee Chaiyaroj	Chairman of Risk Management Committee
2. Dr. Trinnawat Thanitnithiphan	Member of Risk Management Committee
3. Ms. Napaporn Dechakarat	Member of Risk Management Committee

In 2023, the Risk Management Committee held 2 meeting with all members attended. The essence is summarized as follows:

1. Consider and approve the personal data protection policy of the Company and its subsidiaries in order to maintain the security and privacy of all related parties and to prepare to comply with relevant laws and regulations. Inter Pharma Public Company Limited has started implementing the personal data protection policy of the Company and its subsidiaries since June 1, 2021.
2. Review the Company's risk management and risk governance to ensure that it is appropriate and effective in order to reduce the impact on the Company's business operations.
3. Evaluate the performance of the Risk Management Committee by self-assessment as a whole group according to the guidelines of the Stock Exchange of Thailand. The assessment results were at a very good level, indicating that the Risk Management Committee had performed its duties adequately and appropriately according to the scope of duties and responsibilities under the charter of the Risk Management Committee.

The Risk Management Committee is committed to overseeing the Company's risk management to be efficient, appropriate, and controlled at an acceptable level in order to create sustainable growth for the Company in the long term.

- **Report of the Corporate Governance and Sustainable Development Committee**

Inter Pharma Public Company Limited ("Company") realizes the importance of good corporate governance as an important factor in promoting the Company's operations to be efficient and grow sustainably, leading to the utmost benefit to all groups of stakeholders, including creating sustainable value for the business and society. The Company is committed to conducting business with transparency, honesty, integrity, morality, and against all forms of corruption. The Company adheres to the principles of good corporate governance and a business code of conduct. The Board of Directors, therefore, has appointed the Corporate Governance and Sustainable Development

Committee to supervise, oversee, monitor, and evaluate the Company's performance according to the good corporate governance principles and business code of conduct.

The Corporate Governance and Sustainability Development Committee consists of 4 members who are all independent directors, with Clinical Professor Emeritus Udom Kachintorn, MD., acting as the Chairman of The Corporate Governance and Sustainability Development Committee and Professor Dr. Sansanee Chaiyaroj, Mr. Kamtorn Sila-on and Dr. Pao Sriprasertsuk as Member of The Corporate Governance and Sustainability Development Committee.

In 2023, the Corporate Governance and Sustainable Development Committee held 2 meetings with all directors attended. The essences are as follows:

1. Supervise, oversee, and encourage directors, executives, and employees of the Company and its subsidiaries to strictly perform their duties in accordance with the Company's good corporate governance policy and code of business conduct.
2. Prepare the annual registration statement/annual report and disclose the Company's quarterly performance, as well as important information for shareholders and general investors with complete, adequate, reliable, and up-to-date information through various channels, such as the system of the Stock Exchange of Thailand, the Company's website, etc.
3. Approve additional important policies, namely the sustainable business development policy, human rights policy, whistle blowing or complaint policy, and investment policy and supervision of subsidiaries and associated companies.
4. Review the policy of good corporate governance, code of business conduct, and important policies of the Company in order to be appropriate, complete, and up-to-date to be in line with the good corporate governance policy and related regulations.
5. Review the Corporate Governance and Sustainability Development Committee charter to ensure that it is appropriate and adequate for the Company's business and in line with the good corporate governance policy and related regulations.
6. Evaluate the performance of the Corporate Governance and Sustainability Development Committee by the self-assessment as a whole group according to the guidelines of the Stock Exchange of Thailand. The assessment results were at a very good level, indicating that the Corporate Governance and Sustainability Development Committee had performed its duties adequately and appropriately according to the scope of duties and responsibilities under the Charter of the Corporate Governance and Sustainability Development Committee.

## 9. Internal Control and Related Party Transactions

### 9.1 Internal Control

#### 9.1.1 Sufficiency and Suitability of the Internal Control System

In the Board of Directors Meeting No. 1/2024 on February 29, 2024, with all 3 Audit Committee members attending the meeting, the Board of Directors considered the form of assessment of the adequacy of the internal control system at the organizational level for the year 2022 prepared by A.M.T. Solution Office Co., Ltd., the Company's internal auditor, according to the form of assessment of the adequacy of the internal control system of the Office of the Securities and Exchange Commission. It can be concluded that the Company has internal control systems in various aspects according to the guidelines of the Committee of Sponsoring Organizations of Treadway Commission ("COSO"), consisting of:

- (1) Control Environment
- (2) Risk Assessment
- (3) Control Activities
- (4) Information and Communication
- (5) Monitoring Activities

From the evaluation of the internal control of the Company and its subsidiaries in various aspects of all 5 elements, the Board of Directors found that the internal control system of the Company and its subsidiaries was adequate and appropriate. The Company has sufficient personnel to implement the system effectively. Also, it has an internal control system and the monitoring and supervision of operations that can protect the Company's assets from the misuse of directors or executives or insufficient authority, including transactions with persons who may have conflicts or connected persons, sufficiently.

#### 9.1.2 Appointment, Removal, and Transfer of Internal Audit Head

In the Audit Committee Meeting No. 1/2024 on February 29, 2024, A.M.T. Solution Co., Ltd. (an outsource) was appointed to perform the Company's internal auditor duties. A.M.T. Solution Office Co., Ltd. has assigned Mr. Supoj Pannoi, the managing director, to be the primary person responsible for performing the duties of the Company's internal auditor, having commenced auditing the Company's internal control system since the first quarter of 2022.

The Audit Committee has considered Mr. Supoj Pannoi's qualifications and believes that he is suitable and adequate for performing such duties since he is independent and has knowledge, ability, and experience in internal audit for 7 years. In addition, he attended training courses related to internal audit operations, such as the Internal Auditor Course, Certified Professional Internal Audit of Thailand (CPIAT), etc.

However, the consideration and approval of the appointment, removal of the Company's internal auditor must be approved or endorsed by the Audit Committee. The information of the person holding the position of internal audit head appears in Attachment 3 – Details of the Internal Audit Head.

## 9.2 Related Party Transactions

In the fiscal year ended on December 31, 2023, the Company and its subsidiaries have related party transactions with related persons. The said transaction is necessary and reasonable as it is a normal business operation or supports the normal business of the Company and its subsidiaries, which has general trading conditions in the same manner that a reasonable person should act with general contract parties in the same situation with commercial bargaining power without influence in the fact that the other party is a person who may have conflicts and does not cause the Company and its subsidiaries lose benefits from entering into transactions. In 2021-2023, the Company and its subsidiaries had no related transactions with persons and juristic persons that may have conflicts with the Company and its subsidiaries.

## Part 3

---

### Financial Statement

## Report on the Board of Directors' Responsibilities for Financial Reports

The Board of Directors is responsible for the financial statements of Inter Pharma Public Company Limited and its subsidiaries, which are prepared in accordance with financial reporting standards. In this regard, appropriate accounting policies have been considered and adhered to consistently and use careful discretion and principles of reasonable estimation in preparing financial statements. Important information is adequately disclosed in the notes to the financial statements. The auditor has reviewed and inspected financial statements and unconditionally expressed opinions in the auditor's report.

The Board of Directors has set good corporate governance, a business code of conduct, and anti-corruption. It maintains risk management and internal control systems to ensure that accounting records are accurate, complete, timely and sufficient to preserve assets and prevent significant fraud or irregular operations.

The Board of Directors has appointed an Audit Committee consisting of independent directors responsible for reviewing the credibility and accuracy of financial reports and the efficiency and effectiveness of internal control and internal audit systems. The opinion of the Audit Committee on this matter appears in the Audit Committee Report, which has already been shown in this annual report.

The Board of Directors believes that the Company's internal control and internal audit systems can be confident that the financial statements of Inter Pharma Public Company Limited and its subsidiaries for the year ended December 31, 2023, showing financial position performance and cash flow materially accurate as it should be in accordance with financial reporting standards.



(Clinical Professor Emeritus Udom Kachintorn, MD.)

Chairman



**Inter Pharma Public Company Limited and its subsidiaries**

**Report and consolidated financial statements**

**December 31, 2023**

## **Independent Auditor's Report**

To the Shareholders of Inter Pharma Public Company Limited

### **Opinion**

I have audited the accompanying consolidated financial statements of Inter Pharma Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Inter Pharma Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Inter Pharma Public Company Limited and its subsidiaries and of Inter Pharma Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

#### *Revenue recognition*

Sales of goods are material accounting transactions and directly affect profit or loss of the Group. In addition, the sales transactions of the Group are made through a distributor and the revenue will be recognised when the distributor sells the goods to end customers. In addition, the Group has a policy to grant the right to return the goods as specified by the Group. I therefore gave significant attention to the revenue recognition of the Group.

I evaluated the Group's revenue recognition by assessing and testing its internal controls with respect to the revenue and goods return cycle. I applied a sampling method to select sales transactions occurring during the year and near the end of the accounting period to examine the supporting documents and reviewed credit notes that the Group issued after the period-end, whether the recognition was consistent with the conditions of the relevant policy, and whether it was in compliance with the Group's policy. I tested the data being used in calculating and recording provision for goods return at the end of reporting period. I also performed analytical procedures of disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

#### *Business combination*

As discussed in Note 11 to the financial statements, during the year 2022, Inter Wellness Co., Ltd. ("the subsidiary") purchased ordinary shares of Nakhon Patana Co., Ltd., which is principally engaged in hospital. As at the date of acquisition, the Group recognised and measured the assets acquired and liabilities assumed at their fair value and recognised goodwill from the business combination by applying the acquisition method. I have focused on the business acquisition since it is material to the financial statements as a whole, and management was required to exercise substantial judgement when appraising the fair value of the assets acquired and liabilities assumed including recognised goodwill.



I reviewed the terms and conditions of the agreement and inquired with management as to the nature and objective of the acquisition in order to evaluate whether the acquisition meet the definition of a business combination under Thai Financial Reporting Standard 3 Business Combinations. In addition, I checked the value of the acquisition to the supporting documents and related payments to assess whether it reflected the fair value of the consideration transferred and did not include acquisition-related costs. I also assessed the fair value of assets acquired and liabilities assumed specified in the documentation of measurement under the acquisition method, by considering the methods and significant assumptions used in calculating the fair value of assets and liabilities, reviewing the components of the financial model, evaluating the significant assumptions such as discount rate and growth rate and evaluating the expertise, ability and integrity of the independent valuation specialists. I also assessed the rationale of goodwill recognised from the business combinations by analysing the pricing model, and reviewing the disclosures related to the business combinations in the notes to financial statements.

#### *Goodwill*

I have focused my audit on the consideration of the impairment of goodwill as discussed in Note 15 to the financial statements, because the assessment of impairment of goodwill is a significant accounting estimate requiring management to exercise a high degree of judgement in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate.

For the consideration of the impairment of goodwill, I assessed the identification of cash generating units and the financial models selected by management by gaining an understanding of management's decision-making process and assessing whether the decisions made were consistent with how assets are utilised. In addition, I tested the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgement in estimating the cash flow projections. I also evaluated the discount rate applied by management through analysis of the moving average finance costs of the Company and of the industry and tested the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rates. Moreover, I reviewed the disclosures made with respect to the impairment assessment for goodwill.

## **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Siriwan Nitdamrong

Certified Public Accountant (Thailand) No. 5906

EY Office Limited

Bangkok: 29 February 2024



Inter Pharma Public Company Limited and its subsidiaries  
Statements of financial position  
As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
			(Restated)		
Assets					
Current assets					
Cash and cash equivalents	7	412,390,348	776,421,809	252,170,454	599,116,620
Trade and other receivables	8	425,060,118	392,193,734	253,476,255	254,685,208
Current portion of long-term loans to employees		-	5,000	-	5,000
Advanced payments for purchase of goods		6,553,646	5,916,849	6,553,646	5,763,800
Inventories	9	345,269,608	327,067,159	100,347,226	97,899,237
Other current financial assets		855,452	828,190	322,843	318,690
Other current assets		12,719,832	12,780,721	3,650,444	2,589,657
Total current assets		1,202,849,004	1,515,213,462	616,520,868	960,378,212
Non-current assets					
Restricted bank deposits	17, 32.5	61,546,865	7,958,338	50,800,000	800,000
Long-term loans to subsidiaries	6	-	-	141,200,000	150,200,000
Other non-current financial assets	10	36,288,635	-	36,288,635	-
Investments in subsidiaries	11	-	-	1,102,229,590	1,053,714,590
Investment in joint venture	12	7,078,631	9,353,114	10,199,990	10,199,990
Investment properties	13	814,893	-	-	-
Property, plant and equipment	14	822,374,837	760,653,172	211,615,545	179,499,603
Right-of-use assets	21	106,896,853	120,114,087	2,884,542	1,684,549
Goodwill	15	477,850,864	477,850,864	-	-
Intangible assets	16	197,363,693	167,792,271	58,274,822	14,720,523
Deferred tax assets	27	15,910,540	9,811,445	5,373,091	5,204,780
Deposits		21,219,251	18,938,691	2,092,249	1,922,899
Other non-current assets		2,172,348	2,627,882	1,767,770	2,506,132
Total non-current assets		1,749,517,410	1,575,099,864	1,622,726,234	1,420,453,066
Total assets		2,952,366,414	3,090,313,326	2,239,247,102	2,380,831,278

The accompanying notes are an integral part of the financial statements.

Inter Pharma Public Company Limited and its subsidiaries  
Statements of financial position (continued)  
As at 31 December 2023

		(Unit: Baht)			
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2023</u>	<u>2022</u> (Restated)	<u>2023</u>	<u>2022</u>
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from bank	17	40,000,000	40,000,000	-	-
Trade and other payables	18	321,510,311	311,014,990	64,346,771	68,242,276
Short-term loans from other person	19	6,100,000	8,500,000	-	-
Short-term loans from related parties	6	-	200,000	-	-
Current portion of long-term loans from bank	20	54,427,310	72,511,881	46,052,367	61,569,442
Current portion of lease liabilities	21	38,892,140	30,457,918	610,589	618,965
Income tax payable		4,114,567	25,176,661	867,143	13,495,545
Current portion of provision for long-term employee benefits	22	2,787,358	239,600	1,182,502	239,600
Other current liabilities		<u>10,914,616</u>	<u>9,852,732</u>	<u>8,331,551</u>	<u>7,619,796</u>
<b>Total current liabilities</b>		<u>478,746,302</u>	<u>497,953,782</u>	<u>121,390,923</u>	<u>151,785,624</u>
<b>Non-current liabilities</b>					
Long-term loans from bank - net of current portion	20	200,657,025	314,808,111	184,791,874	290,789,406
Long-term loans from related parties	6	4,800,000	4,800,000	-	-
Lease liabilities - net of current portion	21	54,831,409	67,694,171	2,348,501	1,283,991
Provision for long-term employee benefits - net of current portion	22	32,747,513	31,135,611	15,054,311	15,016,088
Deferred tax liabilities	27	59,206,242	55,330,187	-	-
Provision for decommissioning costs		3,193,970	2,140,600	-	-
Other non-current liabilities		<u>462,753</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total non-current liabilities</b>		<u>355,898,912</u>	<u>475,908,680</u>	<u>202,194,686</u>	<u>307,089,485</u>
<b>Total liabilities</b>		<u>834,645,214</u>	<u>973,862,462</u>	<u>323,585,609</u>	<u>458,875,109</u>

The accompanying notes are an integral part of the financial statements.

Inter Pharma Public Company Limited and its subsidiaries  
Statements of financial position (continued)  
As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
			(Restated)		
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital	23				
Registered					
486,727,423 ordinary shares of Baht 0.50 each					
(2022: 432,437,251 ordinary shares of Baht 0.50 each)		243,363,712	216,218,626	243,363,712	216,218,626
Issued and fully paid up					
372,520,524 ordinary shares of Baht 0.50 each		186,260,262	186,260,262	186,260,262	186,260,262
Ordinary share premium		1,479,697,946	1,479,697,946	1,479,697,946	1,479,697,946
Surplus on share-based payment transactions		18,272,800	18,272,800	18,272,800	18,272,800
Surplus from business combination under common control		3,703,228	3,703,228	-	-
Retained earnings					
Appropriated - statutory reserve	24	23,152,901	20,243,000	23,152,901	20,243,000
Unappropriated		202,100,531	218,019,000	208,277,584	217,482,161
Equity attributable to owners of the Company		1,913,187,668	1,926,196,236	1,915,661,493	1,921,956,169
Non-controlling interests of the subsidiaries		204,533,532	190,254,628	-	-
Total shareholders' equity		2,117,721,200	2,116,450,864	1,915,661,493	1,921,956,169
Total liabilities and shareholders' equity		2,952,366,414	3,090,313,326	2,239,247,102	2,380,831,278

The accompanying notes are an integral part of the financial statements.

Directors

Inter Pharma Public Company Limited and its subsidiaries  
Statements of comprehensive income  
For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022 (Restated)	2023	2022
<b>Profit or loss:</b>					
<b>Revenues</b>					
Revenue		1,781,234,157	1,523,328,244	563,017,563	586,551,235
Other income		17,541,171	11,119,043	56,896,749	36,688,815
<b>Total revenues</b>		<u>1,798,775,328</u>	<u>1,534,447,287</u>	<u>619,914,312</u>	<u>623,240,050</u>
<b>Expenses</b>	26				
Cost of sales and services		1,121,794,309	905,420,877	322,143,895	277,915,943
Selling and distribution expenses		376,781,362	279,329,354	125,676,831	102,957,140
Administrative expenses		190,795,042	178,895,914	82,897,229	99,017,985
<b>Total expenses</b>		<u>1,689,370,713</u>	<u>1,363,646,145</u>	<u>530,717,955</u>	<u>479,891,068</u>
<b>Operating profit</b>		109,404,615	170,801,142	89,196,357	143,348,982
Share of loss from investments in joint venture	12.2	(2,274,483)	(768,250)	-	-
Finance cost		(25,758,638)	(23,338,115)	(15,137,982)	(15,818,289)
<b>Profit before income tax expenses</b>		81,371,494	146,694,777	74,058,375	127,530,693
Income tax expenses	27	(22,469,807)	(19,409,013)	(15,860,360)	(25,870,639)
<b>Profit for the year</b>		<u>58,901,687</u>	<u>127,285,764</u>	<u>58,198,015</u>	<u>101,660,054</u>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain (loss)	22	4,027,883	3,395,692	3,201,207	(814,570)
Less: Income tax effect	27	(805,577)	(679,138)	(640,241)	162,914
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>3,222,306</u>	<u>2,716,554</u>	<u>2,560,966</u>	<u>(651,656)</u>
<b>Other comprehensive income for the year</b>		<u>3,222,306</u>	<u>2,716,554</u>	<u>2,560,966</u>	<u>(651,656)</u>
<b>Total comprehensive income for the year</b>		<u>62,123,993</u>	<u>130,002,318</u>	<u>60,758,981</u>	<u>101,008,398</u>

The accompanying notes are an integral part of the financial statements.

Inter Pharma Public Company Limited and its subsidiaries  
Statements of comprehensive income (continued)  
For the year ended 31 December 2023

		(Unit: Baht)			
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2023</u>	<u>2022</u> (Restated)	<u>2023</u>	<u>2022</u>
<b>Profit attributable to:</b>					
Equity holders of the Company		50,788,295	118,881,647	<u>58,198,015</u>	<u>101,660,054</u>
Non-controlling interests of the subsidiaries		<u>8,113,392</u>	<u>8,404,117</u>		
		<u>58,901,687</u>	<u>127,285,764</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		54,045,089	121,412,222	<u>60,758,981</u>	<u>101,008,398</u>
Non-controlling interests of the subsidiaries		<u>8,078,904</u>	<u>8,590,096</u>		
		<u>62,123,993</u>	<u>130,002,318</u>		
<b>Earnings per share</b>					
	28				
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company		<u>0.136</u>	<u>0.363</u>	<u>0.156</u>	<u>0.311</u>
Weighted average number of ordinary shares (shares)		<u>372,520,524</u>	<u>327,406,250</u>	<u>372,520,524</u>	<u>327,406,250</u>

The accompanying notes are an integral part of the financial statements.



Inter Pharma Public Company Limited and its subsidiaries  
Statements of changes in shareholders' equity  
For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements						
	Equity attributable to owners of the Company						
	Issued and paid-up share capital		Surplus on share-based transactions		Surplus from business combination under common control		Total equity attributable to owners of the Company
	Share premium	Retained earnings - Appropriated - statutory reserve	Unappropriated	the Company	the subsidiaries	Total shareholders' equity	
<b>Balance as at 1 January 2022</b>	149,005,262	473,812,946	18,272,800	3,703,228	15,150,583	101,699,195	761,644,014
Non-controlling interests of the subsidiaries from acquisition of a subsidiary (Note 11)	-	-	-	-	-	-	-
Profit for the year (restated)	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-
Increase in share capital (Note 23)	37,255,000	1,005,885,000	-	-	-	-	-
Unappropriated retained earnings transferred to statutory reserve (Note 24)	-	-	-	-	-	-	-
<b>Balance as at 31 December 2022 - as restated</b>	186,260,262	1,479,697,946	18,272,800	3,703,228	20,243,000	218,019,000	1,926,196,236
<b>Balance as at 31 December 2022 - as previously reported</b>	186,260,262	1,479,697,946	18,272,800	3,703,228	20,243,000	218,380,325	1,926,557,561
Effect of adjustment of the provisional amounts recognised from the business acquisition (Note 11)	-	-	-	-	-	-	-
<b>Balance as at 31 December 2022 - as restated</b>	186,260,262	1,479,697,946	18,272,800	3,703,228	20,243,000	218,019,000	1,926,196,236
Profit for the year	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-
Non-controlling interests of the subsidiaries from the increase in share capital of the subsidiary	-	-	-	-	-	-	-
Dividend paid (Note 30)	-	-	-	-	-	-	-
Unappropriated retained earnings transferred to statutory reserve (Note 24)	-	-	-	-	-	-	-
<b>Balance as at 31 December 2023</b>	186,260,262	1,479,697,946	18,272,800	3,703,228	23,152,901	202,100,531	2,117,721,200

The accompanying notes are an integral part of the financial statements.

Inter Pharma Public Company Limited and its subsidiaries  
Statements of changes in shareholders' equity (continued)  
For the year ended 31 December 2023

(Unit: Baht)

	Separate financial statements				
	Issued and paid-up share capital	Share premium	Surplus on share-based payment transactions	Retained earnings - Appropriated - statutory reserve	Total shareholders' equity
Balance as at 1 January 2022	149,005,262	473,812,946	18,272,800	15,150,583	777,807,771
Profit for the year	-	-	-	-	101,660,054
Other comprehensive income for the year	-	-	-	-	(651,656)
Total comprehensive income for the year	-	-	-	-	101,008,398
Increase in share capital (Note 23)	37,255,000	1,005,885,000	-	-	1,043,140,000
Unappropriated retained earnings transferred to statutory reserve (Note 24)	-	-	-	5,092,417	-
Balance as at 31 December 2022	186,260,262	1,479,697,946	18,272,800	20,243,000	1,921,956,169
Balance as at 1 January 2023	186,260,262	1,479,697,946	18,272,800	20,243,000	1,921,956,169
Profit for the year	-	-	-	-	58,198,015
Other comprehensive income for the year	-	-	-	-	2,560,966
Total comprehensive income for the year	-	-	-	-	60,758,981
Dividend paid (Note 30)	-	-	-	-	(67,053,657)
Unappropriated retained earnings transferred to statutory reserve (Note 24)	-	-	-	2,909,901	-
Balance as at 31 December 2023	186,260,262	1,479,697,946	18,272,800	23,152,901	1,915,661,493

The accompanying notes are an integral part of the financial statements.



Inter Pharma Public Company Limited and its subsidiaries

Statements of cash flows

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		(Restated)		
<b>Cash flows from operating activities</b>				
Profit before tax	81,371,494	146,694,777	74,058,375	127,530,693
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	98,254,346	65,743,279	10,546,876	12,288,254
Impairment loss on financial assets	3,894,184	5,165,958	167,187	-
Impairment losses on investment properties	3,049,386	-	-	-
Reduction of inventory to net realisable value (reversal)	339,184	3,573,465	(923,691)	2,129,673
Loss from inventories destruction	5,857,400	1,184,810	5,857,400	1,184,810
Provision of goods return	967,817	2,339,324	760,794	2,382,947
Loss from sales/write-off of property, plant and equipment and intangible assets	471,135	833,970	4,852	681,237
Net difference of right-of-use assets and lease liabilities arising from termination of contracts	(699,668)	-	-	-
Share of loss from investments in joint venture	2,274,483	768,250	-	-
Provision for long-term employee benefits	7,497,767	5,209,605	3,787,220	3,189,920
Unrealised loss (gain) on exchange	269,969	(48,651)	322,017	(239,338)
Finance income	(2,782,505)	(1,060,432)	(9,501,964)	(5,139,891)
Finance cost	25,758,638	23,338,115	15,137,982	15,818,289
Profit from operating activities before changes in operating assets and liabilities	226,523,630	253,742,470	100,217,048	159,826,594
Operating assets (increase) decrease				
Trade and other receivables	(43,821,512)	(43,023,873)	(6,012,713)	(19,725,145)
Advanced payments for purchase of goods	(636,797)	(1,051,506)	(789,846)	(898,457)
Inventories	(24,399,033)	(60,611,245)	(7,381,698)	(19,828,483)
Other current assets	226,648	(2,387,002)	(1,060,787)	(2,217,467)
Deposits	(2,280,560)	(420,921)	(169,350)	(469,650)
Other non-current assets	455,534	(1,913,727)	738,362	(1,794,977)
Operating liabilities increase (decrease)				
Trade and other payables	10,145,721	26,323,085	(13,703,894)	22,093,471
Other current liabilities	94,067	3,138,457	(49,039)	2,344,270
Other non-current liabilities	462,753	-	-	-
Cash flows from operating activities	166,770,451	173,795,738	71,788,083	139,330,156
Interest received	1,527,701	1,050,233	1,026,952	790,629
Cash paid for employee benefits	(150,000)	(193,860)	-	(34,500)
Cash paid for income tax	(46,726,278)	(31,558,188)	(29,297,314)	(27,825,462)
<b>Net cash from operating activities</b>	<u>121,421,874</u>	<u>143,093,923</u>	<u>43,517,721</u>	<u>112,260,823</u>

The accompanying notes are an integral part of the financial statements.

Inter Pharma Public Company Limited and its subsidiaries  
Statements of cash flows (continued)  
For the year ended 31 December 2023

	Consolidated financial statements		Separate financial statements	
	2023	2022 (Restated)	2023	2022
<b>Cash flows from investing activities</b>				
Increase in restricted bank deposits	(53,588,527)	(1,522)	(50,000,000)	-
Cash paid for the increase in share capital in subsidiary	-	-	(48,515,000)	-
Cash payments for investment in subsidiary (net from cash purchase)	-	(635,016,683)	-	(744,999,700)
Increase in other non-current financial assets	(36,288,635)	-	(36,288,635)	-
Cash received from payment for advance payment for business study	-	96,571,500	-	96,571,500
Cash paid for loans to subsidiaries	-	-	(89,000,000)	(60,000,000)
Cash received from repayment of long-term loans to subsidiaries	-	-	98,000,000	-
Cash received from repayment of long-term loans to employees	5,000	55,000	5,000	55,000
Increase in other current financial assets	(27,262)	(24,613)	(4,153)	(4,138)
Purchase of property, plant and equipment	(106,463,100)	(27,371,729)	(38,350,913)	(5,652,718)
Cash paid for leasehold right	-	(20,000,000)	-	(20,000,000)
Purchase of intangible assets	(37,631,154)	(2,598,448)	(30,976,521)	(2,583,718)
Cash received from sale of property, plant and equipment	48,000	246,547	20,500	233,645
Interest received	1,180,482	9,649	8,394,225	4,344,497
<b>Net cash used in investing activities</b>	<b>(232,765,196)</b>	<b>(588,130,299)</b>	<b>(186,715,497)</b>	<b>(732,035,632)</b>
<b>Cash flows from financing activities</b>				
Cash received from short-term loans from bank	45,000,000	20,000,000	-	20,000,000
Cash paid to settle short-term loans from bank	(45,000,000)	(112,063,303)	-	(100,000,000)
Cash paid to settle short-term loans from person and related parties	(2,600,000)	-	-	-
Cash received from long-term loans from bank	-	200,000,000	-	200,000,000
Payment of deferred financing fee of long-term loans from bank	-	(500,000)	-	(500,000)
Cash paid to settle long-term loans from bank	(132,549,927)	(56,608,012)	(121,828,877)	(52,200,000)
Cash received from long-term loans from related parties	6,000,000	-	-	-
Cash paid to long-term loans from person and related parties	(6,000,000)	-	-	-
Payment of principal portion of lease liabilities	(32,883,295)	(23,072,356)	(548,428)	(1,026,490)
Interest paid	(24,025,157)	(23,048,971)	(14,428,600)	(15,290,415)
Proceeds from increase in share capital	-	1,043,140,000	-	1,043,140,000
Cash received from non-controlling interest from the increase in share capital of the subsidiary	6,200,000	-	-	-
Dividend paid	(67,000,593)	-	(67,000,593)	-
<b>Net cash from (used in) financing activities</b>	<b>(252,858,972)</b>	<b>1,047,847,358</b>	<b>(203,806,498)</b>	<b>1,094,123,095</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(364,202,294)</b>	<b>602,810,982</b>	<b>(347,004,274)</b>	<b>474,348,286</b>
Cash and cash equivalents at beginning of the year	776,421,809	173,866,179	599,116,620	124,832,999
Effect of change in foreign exchange rate on cash at banks	170,833	(255,352)	58,108	(64,665)
<b>Cash and cash equivalents at end of the year</b>	<b>412,390,348</b>	<b>776,421,809</b>	<b>252,170,454</b>	<b>599,116,620</b>

The accompanying notes are an integral part of the financial statements.

Inter Pharma Public Company Limited and its subsidiaries  
Statements of cash flows (continued)  
For the year ended 31 December 2023

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		(Restated)		
<b>Supplemental disclosures of cash flows information:</b>				
Non-cash related transactions				
Increase (decrease) in other payable for purchases of property, plant and equipment and intangible assets	(711,050)	5,030,730	9,375,200	-
Transferred short-term loans to subsidiaries to be long-term loans	-	-	-	90,200,000
Increase in dividend payable	53,064	-	53,064	-
Increase in other receivable for sales of property, plant and equipment, leasehold right and intangible assets	-	-	-	20,829,334
Acquisition of right-of-use assets under lease contracts	43,975,971	7,916,105	1,604,562	6,046,254
Decrease in right-of-use assets from lease termination	14,821,548	-	-	-
Decrease in lease liabilities from lease termination	15,521,216	-	-	-
Transfer prepaid expenses to intangible assets	7,135,266	-	7,135,266	-
Transfer right-of-use assets to investments properties	4,493,348	-	-	-

The accompanying notes are an integral part of the financial statements.



## **Inter Pharma Public Company Limited and its subsidiaries**

### **Notes to consolidated financial statements**

**For the year ended 31 December 2023**

#### **1. General information**

Inter Pharma Public Company Limited (“the Company”) was incorporated as a limited company under Thai laws and registered the change of the Company’s status to be the public company limited under the Public Limited Companies Act on 15 May 2019 and registered with the Market for Alternative Investment (MAI) on 5 November 2019. The Company is principally engaged in the import, manufacture and distribute of drug, dietary supplement product for humans and animals by appoint a distributor company to handle the distribution. It registered address is as follows:

Head office is located at No. 140/9, ITF Tower 9th Floor, Silom Road, Suriyawongse, Bangrak, Bangkok, Thailand.

Branch offices are located at

- (1) 160/74 - 75, ITF - Silom Palace, 10th Floor, Silom Road, Suriyawongse, Bangrak, Bangkok, Thailand.
- (2) 140/10, ITF Tower, 9th Floor, Silom Road, Suriyawongse, Bangrak, Bangkok, Thailand.
- (3) 99/19, Moo 3, Bangna-Trad Road, Km.23 Tumbol Bang Sao Thong, Amphoe Bang Sao Thong, Samut Prakan, Thailand.
- (4) 99/20, Moo 3, Bangna-Trad Road, Km.23, Tumbol Bang Sao Thong, Amphoe Bang Sao Thong, Samut Prakan, Thailand.
- (5) 99/2, Moo 3, Bangna-Trad Road, Km.23, Tumbol Bang Sao Thong, Amphoe Bang Sao Thong, Samut Prakan, Thailand.
- (6) 89, Moo 1, Tumbol Ban Chang, Amphoe Uthai, Phra Nakhon Si Ayutthaya, Thailand.
- (7) 197/1, Moo 1, Tumbol Pak Khlong Bang Pla Kot, Amphoe Phra Samut Chedi, Samut Prakan, Thailand.
- (8) 33/2, Moo 7, Tumbol Bang Pla, Amphoe Bang Phli, Samut Prakan, Thailand.

## 2 Basis of the preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

### 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Inter Pharma Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") (collectively as "the Group"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2023</u> Percent	<u>2022</u> Percent
<b><u>Held by the Company</u></b>				
Inter Vetta Co., Ltd.	Distribute pet food and dietary supplement for companion animal and livestock	Thailand	55	55
Inter Petrina Co., Ltd.	Selling pet food	Thailand	60	60
Modern Pharma Co., Ltd.	Manufacturing and selling of medicines	Thailand	100	100
Inter Pharmacy Co., Ltd.	Holding company	Thailand	100	100
Inter Wellness Co., Ltd.	Holding company and prevention care and rejuvenation clinic	Thailand	100	100
<b><u>Held by Inter Pharmacy Co., Ltd.</u></b>				
Drug Care Co., Ltd.	Retail of medical products and cosmetics under trademark LAB Pharmacy	Thailand	88.67	88.67
<b><u>Held by Inter Wellness Co., Ltd.</u></b>				
Nakhon Patana Co., Ltd.	Hospital	Thailand	50	50

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- g) The Group applies the acquisition method for all business combinations when control is transferred to the Group other than those with entities under common control.

The Group measures any non-controlling interests at its proportionate interest in the identifiable net assets of the acquirees.

Transaction costs that the Group incurs in connection with a business combination, such as consulting fees are expenses as incurred.

- 2.3 The separate financial statements present investments in subsidiaries and joint ventures under the cost method.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.



### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

## **4. Significant accounting policies**

### **4.1 Revenue and expense recognition**

#### *Sales of goods*

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

For sale with a right to return the goods, the Group recognises the refund amount expected to be returned to customers, by considering the consistent level of returns over historical experiences which is highly probable that a significant reversal in the cumulative revenue recognised will not occur, as a refund liability and recognises a return of goods from customers as an asset in the statement of financial position. The asset is measured by the previous carrying amount of the inventory, deducting expected costs of returned goods, including any potential of the diminution in value of the returned goods.

#### *Rendering of services*

Service revenue is recognised at a point in time upon completion of the service.

#### *Interest income*

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

#### *Finance cost*

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.



#### **4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restriction.

#### **4.3 Inventories**

Finished goods and work in process are valued at the lower of cost (under the first-in, first-out method) and net realisable value. The cost of inventories includes all production costs and attributable factory overheads.

Raw materials and packaging are valued at the lower of cost (under the first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

The net realisable value of inventory is estimated from the estimated selling price in the ordinary course of business, less the estimated cost of completion and estimated expenses necessary to make the sale.

Allowance for diminution in value of inventories is made up for obsolete, slow-moving and deteriorated inventories.

#### **4.4 Investments in subsidiaries and joint venture**

- a) Investments in joint venture are accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries and joint venture are accounted for in the separate financial statements using the cost method.

#### **4.5 Investment properties**

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over the estimated useful lives of 4 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

#### **4.6 Property, plant and equipment and depreciation**

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings and land and buildings improvements	-	5 - 50	years
Office building - condominium unit	-	20	years
Machinery and equipment	-	5 - 10	years
Tools and office equipment	-	3 - 5	years
Furniture and fixtures	-	5	years
Vehicles	-	5	years
Water system	-	10	years

Depreciation is included in determining income.

No depreciation is provided for land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### **4.7 Leases**

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### **The Group as a lessee**

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	3 - 9	years
Motor vehicles	4	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

### **Lease liabilities**

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### **Short-term leases and leases of low-value assets**

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

### **The Group as a lessor**

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.



#### 4.8 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

#### 4.9 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	3 - 10 years
Copyright	5 years
Trademark	10 years
drug registration	10 years
Brand name	30.75 years
Customer relationships	5.50 years

#### **4.10 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

#### **4.11 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

#### **4.12 Employee benefits**

##### **Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### **Post-employment benefits**

###### ***Defined contribution plans***

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group contributions are recognised as expenses when incurred.

###### ***Defined benefit plans***

The Group has obligations in respect of the severance payments, it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

#### **4.13 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### **4.14 Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.



#### **4.15 Share-based payment**

The Group recognises share-based payment transactions as at the grant date by the fair value of the rights to purchase the shares by recording it as an expense by the age of the share purchase rights in profit or loss and the increase of surplus on share-based payment transactions in shareholder's equity.

#### **4.16 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.17 Financial instruments**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

## **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### ***Financial assets at FVOCI (debt instruments)***

The Group measures financial assets at FVOCI if the financial asset is held to collect contractual cash flows to sell the financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

#### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value including interest income recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

#### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

#### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.



## **Impairment of financial assets**

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due, and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **4.18 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

#### **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

##### **Allowance for expected credit losses of trade receivables**

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

**Reduce cost of inventory value**

The determination of reduce cost of inventory value, requires management to make judgements and estimates. The reduce cost to net realisable value is estimated based on the selling price expected in the ordinary course of business; and reduce cost for obsolete, slow-moving and deteriorated inventories, that is estimated based on the approximate useful life of each type of inventory and the results of inspections conducted by the quality control department.

**Impairment of investments**

The Company treats investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement of the management.

**Property, plant and equipment and depreciation**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the Group's plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

**Goodwill**

The initial recognition and measurement of goodwill, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.



## **Leases**

### ***Determining the lease term with extension and termination options - The Group as a lessee***

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

### ***Estimating the incremental borrowing rate - The Group as a lessee***

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

### ***Lease classification - The Group as lessor***

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

## **Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

## **Post-employment benefits under defined benefit plans**

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## 6. Related party transactions

During the years, the Group had significant business transactions with its individual and related parties. Such transactions arose in the ordinary course of business, and were concluded on commercial terms and based agreed upon between the Group and those related parties. Significant transactions are summarised below.

					(Unit: Thousand Baht)
	Consolidated		Separate		
	financial statements		financial statements		Pricing policies
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<u>Transactions with subsidiaries</u>					
<i>(eliminated from the consolidated financial statements)</i>					
Sales of goods	-	-	149,089	83,626	Contractual agreed price
Other income	-	-	42,127	25,467	Contractual agreed rate
Interest income	-	-	7,225	4,341	4% and 5% per annum
Purchase of goods	-	-	158	-	Contractual agreed price
Purchase of assets	-	-	7,250	-	Contractual agreed price
Administrative expenses	-	-	-	2	Contractual agreed rate
<u>Transactions with joint venture</u>					
Sales of goods	-	1,054	-	-	Contractual agreed price
Other income	1,979	192	1,979	192	Contractual agreed rate
Purchase of goods	4,512	3,003	4,512	2,541	Contractual agreed price
<u>Transactions with related parties</u>					
Sales of goods	7,017	6,259	-	-	Contractual agreed price
Other income	-	25	-	-	Contractual agreed rate
Purchase of goods	49,959	49,803	-	-	Contractual agreed price
Interest expenses	192	192	-	-	4% and 5% per annum

The outstanding balances between the Company and those related parties as at 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Trade and other receivables - related parties</u></b>				
Subsidiary companies	-	-	101,875	97,288
Joint venture	1,619	237	1,619	233
Related companies (related by common shareholders and/or directors)	734	626	-	-
<b>Total trade and other receivables - related parties</b>	<u>2,353</u>	<u>863</u>	<u>103,494</u>	<u>97,521</u>
Less: Allowance for expected credit losses	<u>(9)</u>	<u>(3)</u>	<u>-</u>	<u>-</u>
<b>Total trade and other receivables - related parties - net (Note 8)</b>	<u>2,344</u>	<u>860</u>	<u>103,494</u>	<u>97,521</u>

**Long-term loans to related parties**

Subsidiary companies

Inter Wellness Co., Ltd.	-	-	1,000	-
Inter Vetta Co., Ltd.	-	-	7,000	7,000
Inter Petrina Co., Ltd.	-	-	7,200	7,200
Modern Pharma Co., Ltd.	-	-	126,000	106,000
Drug Care Co., Ltd.	-	-	-	30,000
<b>Total long-term loans to related parties</b>	<u>-</u>	<u>-</u>	<u>141,200</u>	<u>150,200</u>

As at 31 December 2023, the Company had long-term loans to related parties of Baht 141.2 million (2022: Baht 150.2 million), bearing interest at the rate of 5.0 percent per annum and due for repayment within 31 December 2025 to 31 December 2027 (2022: 4.0 percent per annum and due for repayment within 31 December 2025 to 31 December 2027).

During the year ended 31 December 2023, movements of long-term loans to related parties are as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2023	-	150,200
Increase during the year	-	89,000
Decrease during the year	-	(98,000)
Balance as at 31 December 2023	<u>-</u>	<u>141,200</u>

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Trade and other payables - related parties</u></b>				
Subsidiary companies	-	-	10,254	23
Joint venture	251	471	251	316
Related companies (related by common shareholders and/or directors)	3,364	48	-	-
Related person - directors	1,879	1,509	-	-
<b>Total trade and other payables - related parties (Note 18)</b>	<u>5,494</u>	<u>2,028</u>	<u>10,505</u>	<u>339</u>
<b><u>Short-term loans from related parties</u></b>				
Related person - directors	-	200	-	-
<b>Total short-term loans from related parties</b>	<u>-</u>	<u>200</u>	<u>-</u>	<u>-</u>

As at 31 December 2022, the Group had short-term loans from related parties of Baht 0.2 million, bearing interest at the rate of 2.0 percent per annum and due for repayment on call (2023: Nil).

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Long-term loans from related party</u></b>				
Related company (related by common shareholders and/or directors)	4,800	4,800	-	-
<b>Total long-term loans from related party</b>	<u>4,800</u>	<u>4,800</u>	<u>-</u>	<u>-</u>

As at 31 December 2023, the Group had long-term loans from related party of Baht 4.8 million (2022: Baht 4.8 million), bearing interest at the rate of 4 percent per annum and due for repayment after 31 December 2024 (2022: 4 percent per annum and due for payment after 31 December 2023).

During the year ended 31 December 2023, movements of long-term loans from related parties are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2023	4,800	-
Increase during the year	6,000	-
Decrease during the year	(6,000)	-
Balance as at 31 December 2023	<u>4,800</u>	<u>-</u>



### Directors and management's remuneration

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses of their directors and management as below.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2023	2022	2023	2022
Short-term employee benefits	41,496	19,062	21,350	19,062
Post-employment benefits	964	1,061	793	1,061
Total	42,460	20,123	22,143	20,123

### **7. Cash and cash equivalents**

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2023	2022	2023	2022
Cash	2,057	1,320	30	20
Bank deposits	410,333	775,102	252,140	599,097
Total cash and cash equivalents	412,390	776,422	252,170	599,117

As at 31 December 2023, bank deposits in saving accounts and fixed deposits carried interests between 0.30 and 1.00 percent per annum (2022: between 0.20 and 0.38 percent per annum).

## 8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	726	626	36,872	10,688
Overdue not over 30 days	6	-	5,512	3,403
Overdue 31 - 60 days	-	-	12,093	4,617
Overdue 61 - 90 days	2	-	4,896	21,412
Overdue 91 - 180 days	-	-	3,530	17,007
<b>Total trade receivables - related parties</b>	<b>734</b>	<b>626</b>	<b>62,903</b>	<b>57,127</b>
Less: Allowance for expected credit losses	(9)	(3)	-	-
<b>Total trade receivables - related parties - net (Note 6)</b>	<b>725</b>	<b>623</b>	<b>62,903</b>	<b>57,127</b>
<u>Trade receivables sold through the distributor</u>				
Aged on the basis of due dates				
Not yet due	173,184	181,309	66,379	91,509
Overdue not over 30 days	26,415	39,305	-	28,436
Overdue 31 - 60 days	7,294	4,277	-	-
Overdue 61 - 90 days	4,387	2,823	-	-
Overdue 91 - 180 days	1,793	1,979	-	-
Overdue 181 - 365 days	2,107	1,032	-	-
Overdue more than 365 days	4,108	3,341	167	513
<b>Total trade receivables sold through the distributor</b>	<b>219,288</b>	<b>234,066</b>	<b>66,546</b>	<b>120,458</b>
Less: Allowance for expected credit losses	(7,555)	(4,480)	(167)	(513)
<b>Total trade receivables sold through the distributor - net</b>	<b>211,733</b>	<b>229,586</b>	<b>66,379</b>	<b>119,945</b>



	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2023	2022	2023	2022
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	84,516	52,925	36,972	19,022
Overdue not over 30 days	18,270	28,456	581	662
Overdue 31 - 60 days	7,936	5,876	152	-
Overdue 61 - 90 days	3,459	1,527	725	-
Overdue 91 - 180 days	8,930	2,469	2,836	-
Overdue 181 - 365 days	5,166	11,648	-	-
Overdue more than 365 days	13,470	23,268	4,357	3,844
<b>Total trade receivables - unrelated parties</b>	<b>141,747</b>	<b>126,169</b>	<b>45,623</b>	<b>23,528</b>
Less: Allowance for expected credit losses	(16,889)	(16,075)	(4,357)	(3,844)
<b>Total trade receivables - unrelated parties</b>				
<b>- net</b>	<b>124,858</b>	<b>110,094</b>	<b>41,266</b>	<b>19,684</b>
<b>Total trade receivables - net</b>	<b>337,316</b>	<b>340,303</b>	<b>170,548</b>	<b>196,756</b>
<u>Other receivables</u>				
Other receivables - related parties (Note 6)	1,619	237	40,591	40,394
Other receivables - unrelated parties	86,125	51,654	42,337	17,535
<b>Total other receivables</b>	<b>87,744</b>	<b>51,891</b>	<b>82,928</b>	<b>57,929</b>
<b>Total trade and other receivables - net</b>	<b>425,060</b>	<b>392,194</b>	<b>253,476</b>	<b>254,685</b>

Trade accounts receivable sold through the distributor is presented with the balance before deducting service discount for distribution that the Group has to pay to the distributor when the goods are sold to retail customer via the distributor.

The aging of the end customer receivable sold through distributor has the following criteria:

- (1) In case the distributor is responsible for the risk in terms of the credit term of end customer receivable, the aging is held by the credit term granted by the Group to the distributor as specified in the distributor agreement by starting the aging count from the month-end that the Group sells to its end customer through the distributor.
- (2) In case the Group is responsible for the risk in terms of the credit term of end customer receivable, the aging is held by the credit term granted by the distributor to the end customer receivable as specified in the distributor agreement. But, the distributor will be responsible only for debt collection by starting the aging count from the day that the Group sells to its end customer through the distributor.

Set out below is the movements in the allowance for expected credit losses of trade receivables.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Beginning balance	20,558	7,825	4,357	4,357
Increase from business combinations	-	7,567	-	-
Provision for expected credit losses	3,895	5,166	167	-
Ending balance	<u>24,453</u>	<u>20,558</u>	<u>4,524</u>	<u>4,357</u>

## 9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Finished goods	268,797	232,207	(5,304)	(4,974)	263,493	227,233
Work in process	2,128	5,245	(790)	(44)	1,338	5,201
Raw materials	51,701	71,356	(987)	(1,543)	50,714	69,813
Packing materials	29,725	22,158	-	(180)	29,725	21,978
Goods in transit	-	2,842	-	-	-	2,842
Total	<u>352,351</u>	<u>333,808</u>	<u>(7,081)</u>	<u>(6,741)</u>	<u>345,270</u>	<u>327,067</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Finished goods	68,978	64,738	(2,871)	(3,794)	66,107	60,944
Raw materials	23,386	29,658	-	-	23,386	29,658
Packing materials	10,854	6,750	-	-	10,854	6,750
Goods in transit	-	547	-	-	-	547
Total	103,218	101,693	(2,871)	(3,794)	100,347	97,899

During the current year, the Group reduced cost of inventories by Baht 0.34 million to reflect the net realisable value, which was included in cost of sales (The Company only: reversed the write-down of cost of inventories by Baht 0.92 million and reduced the amount of inventories recognised as expenses during the year) (2022: reduced cost of inventories by Baht 3.57 million to reflect the net realisable value, which was included in cost of sales. (The Company only: Baht 2.13 million)).

## 10. Other non-current financial assets

		(Unit: Thousand Baht)	
		Consolidated and separate financial statements	
		2023	2022
<u>Equity instruments designated at FVOCI</u>			
Non-listed equity instruments			
Pharmaceutical sector		36,289	-
Total equity instruments designated at FVOCI		36,289	-

Equity instruments designated at FVOCI include non-listed equity investment which the Group considers this investment to be strategic in nature.

## 11. Investments in subsidiaries

### 11.1 Details of investments in subsidiaries as presented in separate financial statements

		(Unit: Thousand Baht)							
		Separate financial statements							
Company's name	Nature of business	Paid-up capital		Shareholding percentage (percent)		Cost		Dividend income for the years	
		2023	2022	2023	2022	2023	2022	2023	2022
Inter Vetta Co., Ltd.	Distribute pet food and dietary supplement for companion animal and livestock	5,000	5,000	55	55	2,750	2,750	-	-
Inter Petrina Co., Ltd.	Selling pet food	4,000	4,000	60	60	2,400	2,400	-	-
Modern Pharma Co., Ltd.	Manufacturing and selling of medicines	295,000	295,000	100	100	303,565	303,565	-	-
Inter Pharmacy Co., Ltd.	Holding company	363,515	315,000	100	100	363,515	315,000	-	-
Inter Wellness Co., Ltd.	Holding company and prevention care and rejuvenation clinic	430,000	430,000	100	100	430,000	430,000	-	-
Total						1,102,230	1,053,715	-	-

#### Inter Pharmacy Co., Ltd.

On 1 April 2022, the statutory meeting of Inter Pharmacy Co., Ltd. ("the subsidiary") passed a resolution for the establishment of the company with the registered share capital of Baht 315 million (3.15 million ordinary shares of Baht 100 each) in which the Company will hold 99.99 percent interest. The subsidiary company has registered for company establishment with the Ministry of Commerce on the same date. The subsidiary company called for share capital subscription and the Company has already paid for share subscription of Baht 315 million to subsidiary company in April 2022.



### **Drug Care Co., Ltd.**

On 5 April 2022, Inter Pharmacy Co., Ltd. (“the subsidiary”) purchased ordinary shares of Drug Care Co., Ltd., which is principally engaged in retail of medical products and cosmetics under trademark LAB Pharmacy, from the former shareholders of 156,500 shares which represents 88.67 percent of the total issued shares of such company totaling Baht 311 million. The acquisition of such shares was in accordance to the resolution of the Company’s Board of Directors Meeting No.7/2021 dated 9 November 2021. The objective is to expand the distribution channel of the Group. During the year 2021, the Company made payment of Baht 96.57 million as deposit for business study.

Acquisition of business resulted in the Group controlling Drug Care Co., Ltd., therefore, the status of Drug Care Co., Ltd. is a subsidiary and is included in the preparation of the consolidated financial statements of the Company’s group from 5 April 2022 onwards.

The consolidated statements of comprehensive income for the year ended 31 December 2022 included revenue and profit of Drug Care Co., Ltd. as from the acquisition date as follows:

	(Unit: Million Baht)
Revenue	402
Profit	26

If the business combination had taken place at the beginning of the period, revenue and profit of Drug Care Co., Ltd. would have been included in the consolidated statements of comprehensive income for the year ended 31 December 2022 as follows:

	(Unit: Million Baht)
Revenue	510
Profit	28

The Group assessed the fair values of identifiable assets acquired and liabilities assumed at the acquisition dates of Drug Care Co., Ltd. The assessments were completed in the year 2022 and within the measurement period of 12 months from the acquisition dates pursuant to the year allowed by Thai Financial Reporting Standard No. 3.

The fair value of identifiable assets acquired and liabilities assumed of Drug Care Co., Ltd. as at the acquisition date are as follows:

(Unit: Thousand Baht)

Assets

Cash and cash equivalents	19,753
Trade and other receivables	24,767
Inventories	76,455
Other current assets	1,561
Building improvement and equipment	15,711
Right-of-use assets	116,000
Intangible assets	101,747
Deposits	17,001

Liabilities

Bank overdrafts	12,063
Trade and other payables	97,281
Other current liabilities	93
Lease liabilities	110,563
Deferred tax liabilities	17,932
Provision for long-term employee benefits	9,436
Provision for decommissioning costs	2,141
Net assets at acquisition date	123,486
Non-controlling interests	(13,991)
Net assets in the portion held by the Company	109,495
Goodwill	201,505
Total purchase consideration - cash	311,000

Cash used in acquisition of investment	311,000
Less: Cash and cash equivalents of subsidiary company	(19,753)
Net cash outflow on acquisition of investment	291,247

Transaction costs incurred to business combination in the amount of Baht 1.74 million recorded as expenses in profit or loss in the consolidated statement of comprehensive income for the year ended 31 December 2022.

On 25 August 2023, the Extraordinary General Meeting of Shareholders of Drug Care Co., Ltd. (indirect subsidiary held by Inter Pharmacy Co., Ltd.) approved the increase in the registered share capital from Baht 17.65 million (176,500 ordinary shares of Baht 100 per share) to Baht 72.37 million (723,650 ordinary shares of Baht 100 per share) through the issuance of new ordinary shares of 547,150 shares of Baht 100 per share. On the same date, the Extraordinary General Meeting of Shareholders of Inter Pharmacy Co., Ltd. (“the subsidiary”) approved the increase in the registered share capital from Baht 315 million (3,150,000 ordinary shares of Baht 100 per share) to Baht 363.52 million (3,635,150 ordinary shares of Baht 100 per share) through the issuance of new ordinary shares of 485,150 shares of Baht 100 per share in order to additional invest in share capital of Drug Care Co., Ltd. at the same proportion at 88.67 percent of Baht 48.52 million (485,150 ordinary shares of Baht 100 per share).

Inter Pharmacy Co., Ltd. and Drug Care Co., Ltd. registered the increase in the share capital with the Ministry of Commerce on 28 August 2023 and 29 August 2023, respectively.

#### **Inter Wellness Co., Ltd.**

On 16 September 2022, the meeting of the Company’s Board of Directors approved to establish “Inter Wellness Co., Ltd.”, a new subsidiary. The subsidiary will register its establishment with registered share capital of Baht 1 million (10,000 ordinary shares of Baht 100 each) in which the Company will hold 100 percent interest. The subsidiary company has registered for company establishment with the Ministry of Commerce on 11 October 2022.

Subsequently on 2 November 2022, the meeting of the Company’s Board of Directors approved the increase in registered share capital of Inter Wellness Co., Ltd. (“the subsidiary”) from Baht 1 million (10,000 ordinary shares of Baht 100 per share) to Baht 430 million (4,300,000 ordinary shares of Baht 100 per share). The subsidiary company registered the increase in the share capital with the Ministry of Commerce on 3 November 2022 and the Company has already paid for share subscription to subsidiary company.



### **Nakhon Patana Co., Ltd.**

During the third quarter of 2022, the Company made payment of Baht 50.85 million as deposit for business study of Nakhon Patana Co., Ltd. Subsequently on 2 November 2022, the meeting of the Company's Board of Directors approved Inter Wellness Co., Ltd. ("the subsidiary") to purchase ordinary shares of Nakhon Patana Co., Ltd., which is principally engage in hospital from the former shareholders of 2.5 million shares which represents 50 percent of total issued shares of such company totaling Baht 400 million. The objective of investment in the hospital business is to align with the Company's business goals, which aim to operate a business related to health more comprehensively.

Acquisition of business resulted in the Group controlling Nakhon Patana Co., Ltd., therefore, the status of Nakhon Patana Co., Ltd. is a subsidiary and is included in the preparation of the consolidated financial statements of the Company's group from 16 November 2022 onwards.

The consolidated statements of comprehensive income for the year ended 31 December 2022 included revenue and profit of Nakhon Patana Co., Ltd. as from the acquisition date as follows:

	(Unit: Million Baht)
Revenue	30
Profit	3

If the business combination had taken place at the beginning of the year 2022, revenue and profit of Nakhon Patana Co., Ltd. would have been included in the consolidated statements of comprehensive income for the year ended 31 December 2022 as follows:

	(Unit: Million Baht)
Revenue	236
Profit	30

The Group assessed the fair values of identifiable assets acquired and liabilities assumed at the acquisition dates of Nakhon Patana Co., Ltd. The assessments were completed in the current year and within the measurement period of 12 months from the acquisition dates pursuant to the year allowed by Thai Financial Reporting Standard No. 3. During the measurement period, the Group obtained further information on the fair values of part of the assets and liabilities and had retrospectively adjusted the provisional amount recognised at the acquisition dates. The adjustments caused property, plant and equipment to increase by approximately Baht 93.8 million, intangible assets to increase by approximately Baht 15.2 million and deferred tax liabilities to increase by approximately Baht 21.8 million.

The fair value of identifiable assets acquired and liabilities assumed of Nakhon Patana Co., Ltd. as at the acquisition date are as follows:

(Unit: Thousand Baht)

Assets

Cash and cash equivalents	56,230
Trade and other receivables	37,382
Short-term investments	4
Inventories	7,629
Other current assets	266
Property, plant and equipment	290,919
Right-of-use assets	490
Intangible assets	15,183
Other non-current liabilities	2

Liabilities

Trade and other payables	33,831
Short-term loans from related parties	200
Short-term loans from other persons	2,500
Income tax payable	10,113
Other current liabilities	70
Long-term loans from banks	21,519
Lease liabilities	275
Provision for long-term employee benefits	4,056
Deferred tax liabilities	43,908
Other non-current liabilities	5
Net assets at acquisition date	291,628
Non-controlling interests	(145,814)
Net assets in the portion held by the Company	145,814
Total purchase consideration - cash	400,000
Goodwill	254,186

(Unit: Thousand Baht)

Cash used in acquisition of investment	400,000
Less: Cash and cash equivalents of subsidiary company	(56,230)
Net cash outflow on acquisition of investment in subsidiary in 2022	343,770

Transaction costs incurred to business combination in the amount of Baht 2.18 million recorded as expenses in profit or loss in the consolidated statement of comprehensive income for the year ended 31 December 2022.

As a result of the adjustments of the provisional amounts recognised as at the acquisition dates for business combinations in 2022, the Group restated the prior period's financial statements, presented as comparative information, whereby the amounts of adjustments affecting the consolidated statements of financial position and comprehensive income are summarised below.

	(Unit: Thousand Baht)
	As at
	<u>31 December 2022</u>
<b>Consolidated statement of financial position</b>	
Increase in property, plant and equipment	93,248
Decrease in goodwill	(43,595)
Increase in intangible assets	14,835
Increase in deferred tax liabilities	21,617
Decrease in unappropriated retained earnings	(362)
Increase in non-controlling interest of the subsidiaries	43,233

	(Unit: Thousand Baht)
	For the year ended
	<u>31 December 2022</u>
<b>Consolidated statement of comprehensive income</b>	
Increase in cost of sales	556
Increase in administrative expenses	348
Decrease in income tax expenses	(181)
Decrease in profit for the year	(723)
Decrease in total comprehensive income for the year	(723)
<b>Profit attributable to</b>	
Decrease in equity holders of the Company	(362)
<b>Total comprehensive income attributable to</b>	
Decrease in equity holders of the Company	(362)
<b>Earnings per share (Baht)</b>	
Decrease in basic earnings per share	(0.001)

## 11.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Thousand Baht)

Company's name	Proportion of equity		Accumulated balance of		Comprehensive income		Dividend paid to	
	interest held by		non-controlling interests		allocated to non-		non-controlling interests	
	non-controlling interests		non-controlling interests		controlling interests		non-controlling interests	
	2023	2022	2023	2022	2023	2022	2023	2022
	(%)	(%)		(Restated)		(Restated)		
<b><u>Held by the Company</u></b>								
Inter Vetta Co., Ltd.	45	45	22,911	26,689	(3,778)	2,462	-	-
Inter Petrina Co., Ltd.	40	40	(407)	(911)	504	1,456	-	-
<b><u>Held by the subsidiaries</u></b>								
Drug Care Co., Ltd.	11.33	11.33	25,622	17,168	2,254	3,177	-	-
Nakhon Patana Co., Ltd.	50	50	156,408	147,309	9,099	1,495	-	-
Total			204,534	190,255	8,079	8,590	-	-



### 11.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests

#### Summarised information about financial position

	(Unit: Thousand Baht)					
	Inter Vetta Co., Ltd.		Inter Petrina Co., Ltd.		Drug Care Co., Ltd.	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current assets	208,109	187,337	24,069	19,987	254,832	173,807
Non-current assets	8,868	2,162	1,118	1,441	244,617	229,301
Current liabilities	156,890	121,309	14,206	11,706	195,439	137,493
Non-current liabilities	9,174	8,880	12,000	12,000	77,866	114,083

#### Summarised information about comprehensive income

	(Unit: Thousand Baht)					
	For the year ended 31 December					
	Inter Vetta Co., Ltd.		Inter Petrina Co., Ltd.		Drug Care Co., Ltd.	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue	364,325	365,552	55,624	52,344	590,291	402,542
Profit (loss)	(8,645)	5,484	1,259	3,640	19,313	26,355
Other comprehensive income	249	(13)	-	-	585	1,691
Total comprehensive income	(8,396)	5,471	1,259	3,640	19,898	28,046

(Restated)

# Summarised information about cash flow

(Unit: Thousand Baht)

For the year ended 31 December

	Inter Vetta Co., Ltd.		Inter Petrina Co., Ltd.		Drug Care Co., Ltd.		Nakhon Patana Co., Ltd.	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash flow from operating activities.	7,654	2,940	2,832	164	33,886	9,257	31,958	3,309
Cash flow used in investing activities	(4,773)	(67)	-	-	(34,359)	(5,564)	(20,177)	(42)
Cash flow from (used in) financing activities	(1,110)	(975)	(480)	(480)	16,825	10,197	(12,633)	(1,821)
Net increase (decrease) in cash and cash equivalents	<u>1,771</u>	<u>1,898</u>	<u>2,352</u>	<u>(316)</u>	<u>16,352</u>	<u>13,890</u>	<u>(852)</u>	<u>1,446</u>



## 12. Investment in joint venture

### 12.1 Details of investment in joint venture

Investment in joint venture represents investment in entity which are jointly controlled by the Company and other company. Details of this investment are as follows:

Company name	Nature of business	Paid-up capital		Shareholding percentage (percent)		Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
						Carrying amount based on equity method		Carrying amount based on cost method	
		2023	2022	2023	2022	2023	2022	2023	2022
Interpharma-ZEAvita Co., Ltd.	Develop and distribute supplementary health food products	20,000	20,000	51	51	7,079	9,353	10,200	10,200
Total						7,079	9,353	10,200	10,200

### 12.2 Share of comprehensive income and dividend received

During the years, the Company recognised its share of comprehensive income from investment in the joint venture in the consolidated financial statements and dividend income in the separate financial statements as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	Share of loss from investment in joint venture during the year		Dividend received during the year	
	2023	2022	2023	2022
Interpharma-ZEAvita Co., Ltd.	(2,274)	(768)	-	-

### 12.3 Summarised financial information about material joint venture

#### Summarised information about financial position

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Cash and cash equivalent	11,693	12,050
Trade and other receivables	770	934
Inventories	842	3,982
Advanced payments for purchase of goods	1,543	1,523
Other current assets	119	22
Deferred tax assets	950	413
Other payables	(2,037)	(585)
<b>Net assets</b>	<b>13,880</b>	<b>18,339</b>
Shareholding percentage (%)	51	51
<b>Carrying amounts of joint ventures based on equity method</b>	<b>7,079</b>	<b>9,353</b>

#### Summarised information about comprehensive income

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Revenue	5,872	4,173
Other income	1	111
Cost of sales	(3,194)	(2,107)
Selling and distribution expenses	(6,844)	(3,519)
Administrative expenses	(832)	(577)
Income tax	537	413
Loss	(4,460)	(1,506)
Other comprehensive income	-	-
Total comprehensive income	(4,460)	(1,506)

### 13. Investment properties

The net book value of investment properties as at 31 December 2023 and 2022 is presented below.

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements -	
	Right-of-use assets for rent	
	<u>2023</u>	<u>2022</u>
Cost	16,176	-
Less: Accumulated depreciation	(12,312)	-
Less: Allowance for impairment	(3,049)	-
Net book value	<u>815</u>	<u>-</u>

A reconciliation of the net book value of investment properties for the years 2023 and 2022 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial	
	statements	
	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	-	-
Transfer in	4,493	-
Depreciation charged	(629)	-
Impairment losses recognised	(3,049)	-
Net book value at end of year	<u>815</u>	<u>-</u>

The additional information of the investment properties as at 31 December 2023 stated below.

	(Unit: Thousand Baht)
The fair value	815

The fair value has been determined using the income approach. Key assumptions used in the valuation include yield rate and long-term vacancy rate.

#### 14. Property, plant and equipment

Movements of the property, plant and equipment account for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

Consolidated financial statements										
	Buildings and land and buildings improvements	Land	Condominium unit	Machinery and equipment	Tools and office equipment	Furniture and fixtures	Vehicles	Water system	Assets under installation	Total
Cost										
1 January 2022	183,248	170,823	6,310	101,489	30,475	355	14,083	1,893	325	509,001
Increase from business combination	144,380	151,096	-	101,631	20,547	5,481	1,584	-	775	425,494
Additions	-	3,434	-	4,066	5,501	102	-	-	19,299	32,402
Transferred in/(out)	-	4,100	-	325	-	-	-	-	(4,425)	-
Disposals/write-off	-	-	-	(1,345)	(394)	(490)	(1,750)	-	-	(3,979)
31 December 2022 - as previously reported	327,628	329,453	6,310	206,166	56,129	5,448	13,917	1,893	15,974	962,918
Fair value adjustment of assets from business combination	-	68,786	-	-	25,018	-	1,942	-	-	95,746
31 December 2022 - as restated	327,628	398,239	6,310	206,166	81,147	5,448	15,859	1,893	15,974	1,058,664
Additions	-	10,778	-	15,045	6,260	753	13,244	-	59,672	105,752
Transferred in/(out)	-	15,756	-	2,610	56	58	-	-	(18,480)	-
Disposals/write-off	-	(1,000)	-	(1,479)	(347)	(53)	-	-	-	(2,879)
31 December 2023	327,628	423,773	6,310	222,342	87,116	6,206	29,103	1,893	57,166	1,161,537

(Unit: Thousand Baht)

## Consolidated financial statements

	Buildings and land and buildings improvements	Condominium unit	Machinery and equipment	Tools and office equipment	Furniture and fixtures	Vehicles	Water system	Assets under installation	Total	
<b>Accumulated depreciation:</b>										
1 January 2022	-	7,986	358	23,630	18,632	329	2,488	542	-	53,965
Increase from business combination	-	104,094	-	84,639	17,385	4,966	1,584	-	-	212,668
Depreciation for the year	-	13,910	261	13,444	2,594	133	1,244	192	-	31,778
Depreciation on disposals/write-off	-	-	-	(1,325)	(374)	(489)	(710)	-	-	(2,898)
31 December 2022 - as previously reported	-	125,990	619	120,388	38,237	4,939	4,606	734	-	295,513
Increase in depreciation and accumulated depreciation from fair value adjustment of assets from business combination	-	241	-	-	315	-	1,942	-	-	2,498
31 December 2022 - as restated	-	126,231	619	120,388	38,552	4,939	6,548	734	-	298,011
Depreciation for the year	-	18,497	260	13,050	9,585	283	1,644	192	-	43,511
Depreciation on disposals/write-off	-	(526)	-	(1,474)	(307)	(53)	-	-	-	(2,360)
31 December 2023	-	144,202	879	131,964	47,830	5,169	8,192	926	-	339,162
<b>Net book value</b>										
31 December 2022 - as restated	327,628	272,008	5,691	85,778	42,595	509	9,311	1,159	15,974	760,653
31 December 2023	327,628	279,571	5,431	90,378	39,286	1,037	20,911	967	57,166	822,375
<b>Depreciation for the year</b>										
2022 - restated (Baht 23.74 million included in cost of sales and services, and the balance in administrative expenses)										32,334
2023 (Baht 35.50 million included in cost of sales and services, and the balance in administrative expenses)										43,511



(Unit: Thousand Baht)

## Separate financial statements

	Buildings and Land and buildings improvements	Condominium unit	Machinery and equipment	Tools and office equipment	Furniture and fixtures	Vehicles	Assets under installation	Total	
<b>Cost:</b>									
1 January 2022	65,948	85,461	6,310	16,505	4,190	338	14,083	-	192,835
Additions	-	781	-	88	4,038	63	-	683	5,653
Transfer in (out)	-	-	-	-	28	-	-	(28)	-
Disposals/write-off	-	(667)	-	-	(1,838)	(19)	(1,750)	-	(4,274)
31 December 2022	65,948	85,575	6,310	16,593	6,418	382	12,333	655	194,214
Additions	-	690	-	2,268	1,361	403	9,880	25,875	40,477
Disposals/write-off	-	-	-	-	(75)	-	-	-	(75)
31 December 2023	65,948	86,265	6,310	18,861	7,704	785	22,213	26,530	234,616
<b>Accumulated depreciation:</b>									
1 January 2022	-	1,721	358	631	2,274	316	2,488	-	7,788
Depreciation for the year	-	3,557	261	1,628	1,060	23	1,244	-	7,773
Depreciation on disposals/write-off	-	(18)	-	-	(118)	(1)	(710)	-	(847)
31 December 2022	-	5,260	619	2,259	3,216	338	3,022	-	14,714
Depreciation for the year	-	3,505	260	1,789	1,171	56	1,554	-	8,335
Depreciation on disposals/write-off	-	-	-	-	(49)	-	-	-	(49)
31 December 2023	-	8,765	879	4,048	4,338	394	4,576	-	23,000
<b>Net book value</b>									
31 December 2022	65,948	80,315	5,691	14,334	3,202	44	9,311	655	179,500
31 December 2023	65,948	77,500	5,431	14,813	3,366	391	17,637	26,530	211,616
<b>Depreciation for the year</b>									
2022 (Baht 5.36 million included in manufacturing cost, and the balance in administrative expenses)									7,773
2023 (Baht 5.86 million included in manufacturing cost, and the balance in administrative expenses)									8,335



As at 31 December 2023 and 2022, certain plant and equipment items of the Group have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 160.34 million and Baht 139.38 million, respectively (the Company only: Baht 4.99 million and Baht 3.09 million, respectively).

The Group has mortgaged their land and structures and machineries amounting to approximately Baht 302.74 million (2022: Baht 309.59 million) as collateral against credit facilities received from financial institutions (the Company only: Baht 128.42 million, 2022: Baht 130.02 million).

## 15. Goodwill

Movements in the goodwill account during the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)
Book value as at 1 January 2022	22,160
Add: Increase from business combination	499,286
Book value as at 31 December 2022 - as previously reported	521,446
Fair value adjustment of assets from business combination	(43,595)
Book value as at 31 December 2022 - as restated	477,851
Book value as at 31 December 2023	477,851

The Group allocates goodwill acquired through business combination to an asset's cash-generating unit for annual impairment testing as follows:

	(Unit: Thousand Baht)			
	31 December 2023			
	Modern Pharma Co., Ltd.	Drug Care Co., Ltd.	Nakhon Patana Co., Ltd.	Total
Goodwill	22,160	201,505	254,186	477,851

The Group has determined the recoverable amount of the CGU based on value in use using cash flow projections from financial estimation approved by management covering five to seven years periods.

Key assumptions used in value in use are summarised below.

(Unit: Percent per annum)

	31 December 2023		
	Modern Pharma Co., Ltd.	Drug Care Co., Ltd.	Nakhon Patana Co., Ltd.
Long-term growth rates	2	2	2
Pre-tax discount rates	10	10	10

The management determined growth rates based on expected market growth and pre-tax discount rates that reflect the risks specific to CGU.

The management believes that there is no impairment loss for goodwill.

## 16. Intangible assets

Movements of the intangible assets account for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements							
	Computer software	Copyright	Trademark	Drug registration	Brand name	Customer relationships	Assets in progress	Total
<b>Cost</b>								
1 January 2022	2,547	850	219	53,711	-	-	5,579	62,906
Increase from business combination	5,984	-	-	-	101,718	-	-	107,702
Additions	394	-	-	-	-	-	2,553	2,947
Transfer in (out)	6,532	-	-	-	-	-	(6,532)	-
Write-off	(200)	-	-	-	-	-	-	(200)
31 December 2022 - as previously reported	15,257	850	219	53,711	101,718	-	1,600	173,355
Increase from fair value adjustment of assets from business combination	-	-	-	-	-	15,183	-	15,183
31 December 2022 - as restated	15,257	850	219	53,711	101,718	15,183	1,600	188,538
Additions	1,312	-	-	-	-	-	36,306	37,618
Transfer in (out)	5,191	-	-	-	-	-	1,944	7,135
31 December 2023	21,760	850	219	53,711	101,718	15,183	39,850	233,291

(Unit: Thousand Baht)

## Consolidated financial statements

	Computer software	Copyright	Trademark	Drug registration	Brand name	Customer relationships	Assets in progress	Total
<b>Accumulated amortisation</b>								
1 January 2022	1,922	497	29	5,356	-	-	-	7,804
Increase from business combination	5,955	-	-	-	-	-	-	5,955
Amortisation during the year	1,276	170	21	5,372	-	-	-	6,839
Write-off	(200)	-	-	-	-	-	-	(200)
31 December 2022 - as previously reported	8,953	667	50	10,728	-	-	-	20,398
Increase in amortisation from fair value adjustment of assets from business combination	-	-	-	-	-	348	-	348
31 December 2022 - as restated	8,953	667	50	10,728	-	348	-	20,746
Amortisation during the year	1,070	170	21	5,371	5,791	2,758	-	15,181
31 December 2023	10,023	837	71	16,099	5,791	3,106	-	35,927
<b>Net book value</b>								
31 December 2022 - as restated	6,304	183	169	42,983	101,718	14,835	1,600	167,792
31 December 2023	11,737	13	148	37,612	95,927	12,077	39,850	197,364

(Unit: Thousand Baht)

	Separate financial statements					
	Computer software	Copyright	Trademark	Drug registration	Assets in progress	Total
<b>Cost</b>						
1 January 2022	998	850	206	7,700	5,579	15,333
Additions	31	-	-	-	2,553	2,584
Transfer in (out)	6,532	-	-	-	(6,532)	-
Write-off	(31)	-	-	-	-	(31)
31 December 2022	7,530	850	206	7,700	1,600	17,886
Additions	1,251	-	-	-	36,975	38,226
Transfer in	-	-	-	-	7,135	7,135
31 December 2023	8,781	850	206	7,700	45,710	63,247
<b>Accumulated amortisation</b>						
1 January 2022	591	497	27	302	-	1,417
Amortisation during the year	790	170	20	770	-	1,750
Write-off	(2)	-	-	-	-	(2)
31 December 2022	1,379	667	47	1,072	-	3,165
Amortisation during the year	847	170	20	770	-	1,807
31 December 2023	2,226	837	67	1,842	-	4,972
<b>Net book value</b>						
31 December 2022	6,151	183	159	6,628	1,600	14,721
31 December 2023	6,555	13	139	5,858	45,710	58,275

As at 31 December 2023 and 2022, certain items of intangible assets were fully amortised but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 7.68 million and Baht 7.27 million, respectively (the Company only: Baht 0.62 million and Baht 0.62 million, respectively).

#### 17. Short-term loans from bank

	Interest rate		Consolidated		(Unit: Thousand Baht)	
	(percent per annum)		financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Promissory notes	MLR-1.0, MLR-1.5	MLR-1.0, MLR-1.5	40,000	40,000	-	-
Total			40,000	40,000	-	-



Movements in short-term loans from banks during the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Beginning balance	40,000	120,000	-	80,000
Add: Increase from business combination	-	12,063	-	-
Increase during the year	45,000	20,000	-	20,000
Less: Repayment during the year	(45,000)	(112,063)	-	(100,000)
Ending balance	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>-</u>

### The Group

The Group had short-term loans from bank which were in form of promissory notes. The loans are secured by mortgage of land with structures thereon and guaranteed of trade receivables of the subsidiaries.

### The Company

On 30 May 2023, the Company has entered into a credit facilities agreement with a bank, obtaining a loan facility of Baht 50 million to be used as working capital and business expansion. The term of the agreement is 20 years and secured by bank deposits of Baht 50 million and its interest.

## 18. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - related parties (Note 6)	3,567	471	251	316
Trade payables - unrelated parties	196,955	193,318	30,453	42,021
Other payables - related parties (Note 6)	-	-	10,254	21
Other payables - unrelated parties	20,632	22,933	12,346	10,981
Notes payable	240	26	121	14
Accrued expenses - related parties (Note 6)	1,927	1,557	-	2
Accrued expenses - unrelated parties	42,350	32,944	4,658	4,483
Other payable - distributor	27,664	22,492	4,935	7,542
Others	28,175	37,274	1,329	2,862
Total trade and other payables	<u>321,510</u>	<u>311,015</u>	<u>64,347</u>	<u>68,242</u>



## 19. Short-term loans from other person

As at 31 December 2023, the subsidiary company had short-term loans from other person which was in form of promissory note of Baht 6.1 million (31 December 2022: Baht 8.5 million), bearing interest at the rate of 2 - 4 percent per annum (31 December 2022: 2 - 4 percent per annum) and due for repayment on call. The loan is unsecured.

## 20. Long-term loans from banks

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Long-term loans from banks	255,511	388,061	231,271	353,100
Less: Deferred finance cost	(427)	(741)	(427)	(741)
Long-term loans from banks - net	255,084	387,320	230,844	352,359
Less: Portion due within one year	(54,427)	(72,512)	(46,052)	(61,570)
Long-term loans from banks- net of current portion	<u>200,657</u>	<u>314,808</u>	<u>184,792</u>	<u>290,789</u>

During the years ended 31 December 2023 and 2022, movements in long-term loans from banks are summarised below.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Beginning balance	387,320	222,686	352,359	204,836
Add: Increase from business combination	-	21,519	-	-
Cash receipt from loans during the year	-	200,000	-	200,000
Amortisation of finance cost	314	223	314	223
Less: Repayment during the year	(132,550)	(56,608)	(121,829)	(52,200)
Paid for finance cost	-	(500)	-	(500)
Ending balance	<u>255,084</u>	<u>387,320</u>	<u>230,844</u>	<u>352,359</u>

## The Company

1. On 25 November 2020, the Company has entered into a long-term loan agreement with a bank, obtaining a loan facility of Baht 108 million to be used as working capital and business expansion. The agreement term of such loans is 7 years and are repayable in 84 monthly installments of Baht 1.3 million. The loans carry interest as follows:

- The 1st - 24th month has interest rate at the rate of MLR - 1.50 % per annum.
- The 25th month onwards has interest at the rate of to MLR - 1.25 % per annum.

During the year, the Company had already repaid all loan.

2. On 25 August 2021, the Company has additionally entered into a long-term loan agreement with such bank, obtaining a loan facility of Baht 120 million to be used as working capital and business expansion. The agreement term of such loans is 7 years and are repayable in 84 monthly installments of Baht 1.45 million. The loans carry interest as follows:

- The 1st - 24th month has interest rate at the rate of MLR - 1.50 % per annum.
- The 25th month onwards has interest at the rate of to MLR - 1.25 % per annum.

On 23 November 2023, bank has revised interest rate to be MLR-2.5% per annum which has been effective from 28 October 2023 onwards.

3. On 28 March 2022, the Company has additionally entered into a long-term loan agreement with such bank, obtaining a loan facility of Baht 200 million to be used as working capital and business expansion. The agreement term of such loans is 7 years and are repayable in 84 monthly installments of Baht 2.4 million. The loans carry interest as follows:

- The 1st - 24th month has interest rate at the rate of MLR - 1.50 % per annum.
- The 25th month onwards has interest at the rate of to MLR - 1.25 % per annum.

On 23 November 2023, bank has revised interest rate to be MLR-2.5% per annum which has been effective from 8 October 2023 onwards.

#### **Modern Pharma Co., Ltd.**

On 9 July 2021, Modern Pharma Co., Ltd. (the subsidiary) has entered into long-term loan agreements with a bank, obtaining loan facilities of Baht 19 million to be used as business expansion. The agreement term of such loans is 7 years and are repayable in 84 monthly installments of Baht 0.23 million. The loans carry interest as follows:

- The 1st - 24th month has interest rate at the rate of MLR - 1.50 % per annum.
- The 25th month onwards has interest at the rate of to MLR - 1.25 % per annum.

On 23 November 2023, bank has revised interest rate to be MLR-2.5% per annum which has been effective from 22 October 2023 onwards.

#### **Nakhon Patana Co., Ltd.**

1. On 19 May 2016, Nakhon Patana Co., Ltd. (the subsidiary) has entered into a long-term loan agreement with a bank, obtaining a loan facility of Baht 50 million to be used as working capital and business expansion. The agreement term of such loans is 5 years and 7 months and are repayable in 67 monthly installments of Baht 0.39 million. The loans carry interest as follows:

- The 1st - 36th month has interest rate at the rate of MLR - 0.50 % per annum.
- The 37th - 60th month has interest rate at the rate of MLR - 0.25% per annum.
- The 61st month onwards has interest at the rate of MLR per annum.

2. On 9 September 2021, the subsidiary has additionally entered into a long-term loan agreement with such bank, obtaining a loan facility of Baht 18 million to be used as working capital and business expansion. The agreement term of such loans is 4 years and 2 months and are repayable in 50 monthly installments of Baht 0.36 million. The loans carry interest at the rate of MLR - 0.25% per annum.

As at 31 December 2023, the Group had outstanding balance long-term loans Baht 255.08 million (2022: Baht 387.32 million) and the Company had outstanding balance of such long-term loans of Baht 230.84 million (2022: Baht 352.36 million).

As at 31 December 2023 and 2022, the Group had no outstanding long-term loan credit facilities.

The loans are secured by mortgage of land and structures and machineries thereon, owned by the Group, subsidiary's shares and guaranteed by subsidiary companies and the director of the subsidiary.

The loan agreements contain covenants with which the Group has to comply, pertaining to matters such as maintaining of debt-to-equity ratio, maintaining of percentage of shares held by the major shareholder and main management of the Company.

## 21. Lease

### 21.1 The Group as a lessee

The Group has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 3 - 9 years.

#### a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Buildings	Motor vehicles	Total
1 January 2022	2,279	-	2,279
Increase from business combination	116,000	490	116,490
Additions	27,916	-	27,916
Depreciation for the year	(26,544)	(27)	(26,571)
31 December 2022	119,651	463	120,114
Additions	45,029	-	45,029
Decrease from lease termination	(14,821)	-	(14,821)
Transfer to investment properties	(4,493)	-	(4,493)
Depreciation for the year	(38,714)	(218)	(38,932)
31 December 2023	106,652	245	106,897



	(Unit: Thousand Baht)
	Separate financial statements
	- Buildings
1 January 2022	2,279
Additions	26,046
Disposals	(23,875)
Depreciation for the year	(2,765)
31 December 2022	1,685
Additions	1,605
Depreciation for the year	(405)
31 December 2023	2,885

**b) Lease liabilities**

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	<u>2023</u>	<u>2022</u>
Lease liabilities	105,114	110,674
Less: Deferred interest expenses	(11,391)	(12,522)
Total	93,723	98,152
Less: Portion due within one year	(38,892)	(30,458)
Lease liabilities - net of current portion	54,831	67,694

During the years ended 31 December 2023 and 2022, movements in lease liabilities are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	<u>2023</u>	<u>2022</u>
Beginning balance	98,152	2,470
Add: Increase from business combination	-	110,838
Increase during the year	43,975	7,916
Less: Disposals of right-of-use assets	-	-
Payments during the year	(32,883)	(23,072)
Termination of contracts due to branch closures during the year	(15,521)	-
Ending balance	93,723	98,152

A maturity analysis of lease payments is disclosed in Note 35.1 under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	38,932	26,571	405	2,765
Interest expense on lease liabilities	5,230	4,490	224	320
Variable lease payments that do not depend on an index or a rate	16,842	1,335	-	-

The Group has lease contracts for building space that contain variable payments based on sales.

**d) Others**

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 49.7 million (2022: Baht 24.4 million) (the Company only: Baht 0.5 million 2022: Baht 1.0 million), including the cash outflow related to variable lease payments that do not depend on an index or a rate.

**21.2 Group as a lessor**

The Group has entered into operating leases for its investment property portfolio consisting of building (see Note 13) of the lease terms are 3 years.

The Group has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2023 and 2022 as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Within 1 year	372	-	-	-
Over 1 and up to 5 years	523	-	-	-
Total	895	-	-	-

During 2023 the Group has sub-lease income amounting to Baht 0.2 million (2022: Nil).

## 22. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Provision for long-term employee benefits at beginning of year	31,376	15,691	15,256	10,981
Included in profit or loss:				
Current service cost	7,498	5,210	3,787	3,190
Interest cost	839	572	395	304
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	609	(807)	(203)	(414)
Financial assumptions changes	(945)	(771)	138	2,413
Experience adjustments	(3,692)	(1,817)	(3,136)	(1,184)
Increase from business combinations	-	13,492	-	-
Benefit paid during the year	(150)	(194)	-	(34)
Provision for long-term employee benefits at end of year	<u>35,535</u>	<u>31,376</u>	<u>16,237</u>	<u>15,256</u>
Provision for employee benefits				
Current	2,787	240	1,183	240
Non-current	<u>32,748</u>	<u>31,136</u>	<u>15,054</u>	<u>15,016</u>
	<u>35,535</u>	<u>31,376</u>	<u>16,237</u>	<u>15,256</u>

The Group expects to pay Baht 2.79 million of long-term employee benefits during the next year (the Company only: Baht 1.18 million) (2022: Baht 0.24 million, the Company only: Baht 0.24 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 12 - 22 years (the Company only: 12 years) (2022: 9 - 11 years, the Company only: 9 years).

Significant actuarial assumptions are summarised below.

	Consolidated financial statements		(Unit: percent per annum) Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Discount rate	2.76 - 3.59	2.16 - 3.48	2.76	2.59
Salary increase rate	3.0 - 5.0	3.0 - 5.0	5.0	4.5
Employee turnover rate	0.96 - 45.84	0 - 33	1.91 - 45.84	0 - 33



The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	As at 31 December 2023			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(3,440)	4,043	(1,207)	1,362
Salary increase rate	3,904	(3,395)	1,299	(1,176)
Employee turnover rate (20% of based assumption)	(2,466)	2,945	(887)	1,059

(Unit: Thousand Baht)

	As at 31 December 2022			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(3,452)	4,030	(1,285)	1,441
Salary increase rate	4,025	(3,509)	1,399	(1,273)
Employee turnover rate	(3,681)	1,429	(1,375)	223

## 23. Share capital

### Year 2023

On 27 April 2023, the Annual General Meeting of the Company's shareholders approved the following:

- (1) Approved the reduction in its registered share capital from Baht 216,218,625.50 (432,437,251 ordinary shares of Baht 0.50 per share) to Baht 196,798,646 (393,597,292 ordinary shares of Baht 0.50 per share) by cancelling the reserved 38,839,959 ordinary shares with a par value of Baht 0.50 each for general mandate. The Company registered the reduction in the share capital with the Ministry of Commerce on 1 May 2023.
- (2) Approved the increase in its registered share capital from Baht 196,798,646 (393,597,292 ordinary shares of Baht 0.50 per share) to Baht 243,363,711.50 (486,727,423 ordinary shares of Baht 0.50 per share) through the issuance of 93,130,131 additional ordinary shares of Baht 0.50 each share to reserve for the exercise of the warrants to purchase ordinary shares of the IP-W2. The Company registered the increase in the share capital with the Ministry of Commerce on 2 May 2023.

## Year 2022

On 20 July 2022, the Extraordinary General Meeting of shareholders of the Company passed the resolutions approving the following.

- (1) Approved the reduction in its registered share capital from Baht 178,039,755 (356,079,510 ordinary shares of Baht 0.50 per share) to Baht 158,616,195 (317,232,390 ordinary shares of Baht 0.50 per share) by cancelling the reserved 38,847,120 ordinary shares with a par value of Baht 0.50 each which is the remaining after the allocation to the existing shareholders proportionate to their respective shareholding and from the reserve for the exercise of the warrants and reserve for the capital increase under general mandate. The Company registered the reduction in the share capital with the Ministry of Commerce on 21 July 2022.
- (2) Approved the increase in its registered share capital from Baht 158,616,195 (317,232,390 ordinary shares of Baht 0.50 per share) to Baht 216,218,625.50 (432,437,251 ordinary shares of Baht 0.50 per share) through the issuance of 115,204,861 additional ordinary shares of Baht 0.50 each. The details are as follows:
  - (2.1) Approved the allocation of the additional ordinary shares of 74,510,000 shares at the offering price of Baht 14 per share, a total of Baht 1,043,140,000 for offering to Innobic LL Holding Company Limited (an indirect subsidiary of PTT Public Company Limited) which is a private placement.
  - (2.2) Approved the allocation of the additional ordinary shares of 1,854,902 shares with a par value of Baht 0.50 per share to reserve for the exercise of the warrants to purchase ordinary shares of the Company No. 1 (IP-W1) because the Company has to adjust the rights of the warrants.
  - (2.3) Approved the allocation of the additional ordinary shares under a general mandate in the amount of not exceeding 38,839,959 shares with a par value of Baht 0.50 per share. The additional ordinary shares in the amount of not exceeding 10,000,000 shares with a par value of Baht 0.50 per share offer to the existing shareholders proportionate to their respective shareholding and the additional ordinary shares in the amount of not exceeding 28,839,959 shares with a par value of Baht 0.50 per share offer to private placement.

The Company registered the increase in the share capital with the Ministry of Commerce on 22 July 2022.

On 10 August 2022, the Company received share subscription payment from Innobic LL Holding Company Limited of Baht 1,043.14 million. As a result, as at 31 December 2023, the Company had issued and paid share capital of Baht 186.26 million (372,520,524 ordinary shares of Baht 0.05 each).

## 24. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. During the year ended 31 December 2023, the Company appropriated the statutory reserve amounted to Baht 2.91 million (2022: Baht 5.09 million).

## 25. Warrants

### 25.1 IP-W1 WARRANT

On 14 July 2021, the Extraordinary General Meeting of shareholders of the Company passed the resolutions approving the issuance of 1st warrants ("IP-W1 WARRANT") not over 19,226,640 warrants to the existing shareholders who subscribe and make payment for additional ordinary shares in proportionate to their respective shareholding. Details of the warrants are summarised below.

Number of warrants issued	:	19,226,640 warrants
Number of warrants subscribed	:	19,221,866 warrants
Offering price	:	Baht 0 per unit
Offering method	:	1 new ordinary share to 2 units of IP-W1
Exercise ratio and price	:	1 warrant per 1 newly issued ordinary share at a price of Baht 25 per share
Date of issuance	:	1 October 2021
Term of the warrant	:	2 years from the issuance date of warrants
Expiry date	:	30 September 2023
Exercise dates	:	On the last business day of every quarter whereby the first and last exercise dates are 30 December 2021 and 30 September 2023

Subsequently on 20 July 2022, the Extraordinary General Meeting of shareholders of the Company passed the resolutions approving the right adjustment of warrant from 1 warrant per 1 newly issued ordinary share at a price of Baht 25 per share to 1 warrant per 1.045 newly issued ordinary share at a price of Baht 23.915 per share.



## 25.2 IP-W2 WARRANT

On 27 April 2023, the Annual General Meeting of shareholders of the Company passed the resolutions approving the issuance of 2nd warrants ("IP-W2 WARRANT"). Details of the warrants are summarised below.

Number of warrants issued	: 93,129,691 warrants
Offering price	: Baht 0 per unit
Offering method	: Offer to the existing shareholders in proportionate to their respective shareholding at the ratio of 4 ordinary share to 1 unit of IP-W2
Exercise ratio and price	: 1 warrant per 1 newly issued ordinary share at a price of Baht 20 per share
Date of issuance	: 21 June 2023
Term of the warrant	: 2 years from the issuance date of warrants
Expiry date	: 20 June 2025
Exercise dates	: On the last business day of December whereby the first and last exercise dates are 29 December 2023 and 20 June 2025

Movements of warrant during the year are summarised below.

	Number of units (units)
Warrants issued as at 1 January 2023	19,221,866
Add: Warrants issued during the year	93,129,691
Less: Warrants expired during the year	(19,221,866)
Warrants issued as at 31 December 2023	93,129,691

## 26. Expenses by nature

Significant expenses classified by nature are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Restated)			
Changes in inventories of finished goods and work in process	(33,473)	(32,988)	(4,240)	(8,718)
Raw materials and consumables used	203,139	220,216	99,149	67,324
Purchase of finished goods	672,848	608,319	139,699	169,093
Depreciation and amortisation	98,253	65,743	10,547	12,288
Salaries and wages and other employee benefits	322,623	233,014	122,793	124,069
Advertising	70,610	31,907	46,818	27,579
Distribution expenses	58,459	56,442	16,775	18,030
Management benefit expenses	42,460	20,123	22,143	20,123

## 27. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Restated)			
<b>Current income tax:</b>				
Current income tax charge	25,499	30,961	16,668	27,471
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(3,029)	(11,552)	(808)	(1,600)
<b>Income tax expenses reported in the profit of loss</b>	<u>22,470</u>	<u>19,409</u>	<u>15,860</u>	<u>25,871</u>



The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax relating to actuarial gain (loss)	<u>806</u>	<u>679</u>	<u>640</u>	<u>(163)</u>

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		(Restated)		
Accounting profit before tax	<u>81,371</u>	<u>146,695</u>	<u>74,058</u>	<u>127,531</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by				
income tax rate	16,274	29,339	14,812	25,506
Effects of:				
Add back expenses not deductible for tax purposes	1,830	1,069	1,048	365
Additional expense deductions allowed	(41)	(1)	-	-
Share of loss from investment in joint venture	455	154	-	-
Unrecognised tax loss on deferred tax assets	1,733	-	-	-
Reverse deferred tax assets and deferred tax liabilities	2,219	-	-	-
Recognised deferred tax assets on tax loss during the year	-	(11,152)	-	-
Total	<u>6,196</u>	<u>(9,930)</u>	<u>1,048</u>	<u>365</u>
Income tax expenses reported in the profit or loss	<u>22,470</u>	<u>19,409</u>	<u>15,860</u>	<u>25,871</u>

The components of deferred tax assets are as follows:

	Consolidated financial statements		(Unit: Thousand Baht)	
			Separate financial statements	
	<u>2023</u>	<u>2022</u> (Restated)	<u>2023</u>	<u>2022</u>
<b>Deferred tax assets</b>				
Building	862	-	-	-
Allowance for expected credit losses	4,891	4,112	905	872
Allowance for diminution in value of inventories	1,416	1,348	574	759
Allowance for impairment of assets	610	-	-	-
Margin in inventory	5,679	1,484	-	-
Provision for sales return	1,248	1,119	1,136	984
Leases	1,141	879	15	43
Provision for long-term employee benefits	6,603	5,771	2,743	2,547
Unused tax loss	5,435	12,300	-	-
<b>Total</b>	<b>27,885</b>	<b>27,013</b>	<b>5,373</b>	<b>5,205</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment	45,989	46,269	-	-
Intangible assets	25,191	26,263	-	-
<b>Total</b>	<b>71,180</b>	<b>72,532</b>	<b>-</b>	<b>-</b>
<b>Deferred tax assets (liabilities) - net</b>	<b>(43,295)</b>	<b>(45,519)</b>	<b>5,373</b>	<b>5,205</b>
<b>Statements of financial position:</b>				
Deferred tax assets	15,911	9,811	5,373	5,205
Deferred tax liabilities	(59,206)	(55,330)	-	-
<b>Deferred tax assets (liabilities) - net</b>	<b>(43,295)</b>	<b>(45,519)</b>	<b>5,373</b>	<b>5,205</b>

As at 31 December 2023, the subsidiaries have unused tax losses totaling Baht 9.08 million (2022: Baht 0.42 million), on which deferred tax assets have not been recognised as the subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

## 28. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares issued during the year, and adjusted the number of ordinary shares with the proportionate change in the number of ordinary shares as a result of the exercise of warrants.

Diluted earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the sum of the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

As at 31 December 2023 and 2022, the warrants are excluded from the potential ordinary shares since their exercise price is in excess of the fair value of the ordinary shares.

### Weighted average number of ordinary shares

	(Unit: Thousand Shares)	
	Consolidated and separate financial statements	
	<u>2023</u>	<u>2022</u>
Balance brought forward	372,521	298,010
Add: Weighted average number of ordinary shares issued during the year	-	29,396
Weighted average number of ordinary shares	<u>372,521</u>	<u>327,406</u>

## 29. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by TISCO Assets Management Co., Ltd. will be paid to employees upon termination in accordance with the fund rules. During the year 2023, the Group recognised the contributions of Baht 4.33 million (2022: Baht 3.60 million) and the Company recognised the contributions of Baht 3.49 million (2022: Baht 2.68 million) as expenses.

### **30. Dividend paid**

On 27 April 2023, the Annual General Meeting of the Company's shareholders approved the payment of a dividend of Baht 0.18 per share or a total of Baht 67.05 million from the Company's 2022 operating result. The Company has already paid the dividend on 26 May 2023.

### **31. Segment information**

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Executive Directors.

For management purposes, the Group is organised into business units based on its products and have three reportable segments as follows:

#### **1. Human healthcare**

Healthcare product, anti-aging and human beauty product such as medical supplies, nutrition therapy, cosmetics, supplementary food, probiotic and prebiotic product, health food product, general food product, medical equipment and medicines, etc.

#### **2. Animal healthcare**

Pet healthcare and livestock product such as medical supplies, nutrition therapy, vaccine, supplementary food, probiotic & prebiotic product, animal health food product, premium grade animal food, general formula animal food, and medical equipment related to pet and livestock care product, etc.

#### **3. Hospital**

Providing care and treatment for patients with general and specialised diseases by doctors who have specific expertise in various diseases such as cardiovascular disease, bone and joint disease, neuropathy, medical diseases, surgical diseases, kidney disease, obstetrics and gynecology, ear, eye, nose, and throat diseases, blood diseases, and pediatric clinics, etc.

No operating segments have been aggregated to form the above reportable operating segments.



The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following table presents revenue and profit information regarding the Group's operating segments for the years ended 31 December 2023 and 2022:

(Unit: Thousand Baht)

	Consolidated financial statements							
	For the years ended 31 December							
	Human healthcare		Animal healthcare		Hospital		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
								(Restated)
Revenue	1,204,342	1,136,110	352,055	357,995	224,837	29,223	1,781,234	1,523,328
Cost of sales and services	(742,273)	(659,526)	(200,926)	(225,325)	(178,595)	(20,570)	(1,121,794)	(905,421)
Gross profit	<u>462,069</u>	<u>476,584</u>	<u>151,129</u>	<u>132,670</u>	<u>46,242</u>	<u>8,653</u>	<u>659,440</u>	<u>617,907</u>
Selling and distribution expenses							(376,781)	(279,329)
Administrative expenses							(190,795)	(178,896)
Other income							17,541	11,119
Finance cost							(25,759)	(23,338)
Share of loss from investments in joint venture							(2,274)	(768)
Income tax expenses							(22,470)	(19,409)
Profit for the year							<u>58,902</u>	<u>127,286</u>

### Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

### Major customers

The Group has no retail customer through distributor with revenue of 10 percent or more of the Group's revenues.



## 32. Commitments and contingent liabilities

### 32.1 Commitment on services agreements

As at 31 December 2023 and 2022, the Group had commitments related to the services agreements. Future minimum payments required under the agreements were as follows:

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Payable				
Within 1 year	16.0	15.8	1.4	3.7
In over 1 year and up to				
5 years	12.7	11.6	1.8	1.2
Total	28.7	27.4	3.2	4.9

### 32.2 Commitment on purchase of goods and service agreements

As at 31 December 2023, the Group had commitments in respect of purchase of goods and service agreements of Baht 131.37 million (2022: Baht 153.40 million) and the Company only Baht 75.14 million (2022: Baht 81.62 million).

### 32.3 Capital commitments

As at 31 December 2023, the Group had outstanding capital commitments with respect to the construction of office buildings, purchase of machinery and installation of computer software totaling Baht 80.53 million (the Company: Baht 36.9 million) (2022: Baht 8.19 million (the Company: Nil)).

### 32.4 Commitment on distribution agreements

As at 31 December 2023, the Group has commitment under the distributor agreements with a local company. Such distributor agreements are effective from 1 September 2018 ending 31 August 2023 and extended until end at 31 August 2026. The Group has committed to pay service fees for distribution to such company at a percentage of sale as specified in the agreements.

### 32.5 Bank guarantees

As at 31 December 2023, the subsidiary has outstanding bank guarantees issued by banks on behalf of the subsidiary of Baht 6.7 million (2022: Baht 2.93 million) in respect of certain performance bonds as required in the normal course of business.

As at 31 December 2023, the Group had placed fixed deposits of Baht 11.85 million (2022: Baht 7.96 million) and the Company only of Baht 0.8 million (2022: Baht 0.8 million) with banks to secure bank guarantees and fleet card.

### 33. Litigation

On 26 February 2022, the Company and its subsidiary was filed by a company on the transfer of rights on debt collection. Currently, the case is under hearing of the Court of Appeal. The Company and its subsidiary considered that there will be no any additional liabilities to be recorded.

### 34. Fair value hierarchy

As at 31 December 2023, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)		
Consolidated financial statements		
As at 31 December 2023		
	Level 3	Total
<b>Assets measured at fair value</b>		
<i>Financial assets measured of FVOCI</i>		
Equity investments	36.3	<b>36.3</b>
<b>Assets for which fair value are disclosed</b>		
Investment property	0.8	<b>0.8</b>

(Unit: Million Baht)		
Separate financial statements		
As at 31 December 2023		
	Level 3	Total
<b>Assets measured at fair value</b>		
<i>Financial assets measured of FVOCI</i>		
Equity investments	36.3	<b>36.3</b>

As at 31 December 2022, the Group did not have the assets and liabilities that were measured at fair value or for which fair value was disclosed.

## **35. Financial instruments**

### **35.1 Financial risk management objectives and policies**

The Group's financial instruments principally comprise cash and cash equivalents, trade receivables, investments, and short-term and long-term borrowings. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Group is exposed to credit risk primarily with respect to trade receivables, loans and deposits with banks and financial institutions. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

#### ***Trade receivables***

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. The normal credit term is 15 days to 90 days.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

#### ***Cash deposits***

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.



## Market risk

There are two types of market risk comprising foreign currency risk and interest rate.

### Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. However, the Group believes that the fluctuating exchange rate in the future will not significantly affect the operating performance and cash flows of the Group. The Group did not use other derivative to hedge against such risk.

As at 31 December 2023 and 2022, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

As at 31 December 2023					
Currency	Consolidated		Separate		Average exchange rate as at 31 December 2023  (Baht per one foreign currency unit)
	financial statements		financial statements		
	Assets	Liabilities	Assets	Liabilities	
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	
USD	24	48	24	48	34.2233
EUR	229	-	48	-	38.0334
AUD	32	402	32	402	23.4595
CHF	1	-	1	-	40.7035

As at 31 December 2022					
Currency	Consolidated		Separate		Average exchange rate as at 31 December 2022  (Baht per one foreign currency unit)
	financial statements		financial statements		
	Assets	Liabilities	Assets	Liabilities	
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	
USD	334	612	24	612	34.5624
EUR	296	1	116	1	36.8274
AUD	32	23	32	23	23.3791
CHF	1	-	1	-	37.4333
YEN	-	20,747	-	20,747	0.2609

### Interest rate risk

The Group's exposure to interest rate risk relates primarily to its loans to subsidiaries and short-term and long-term loans from banks. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. However, the Group believes that the fluctuating interest rate in the future will not significantly affect the operating performance and cash flows of the Group. The Group did not use other derivative to hedge against such risk.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Thousand Baht)

	Consolidated financial statements						Separate financial statements					
	Fixed interest rates			Effective interest rate			Fixed interest rates			Effective interest rate		
	Within 1 year	1 - 5 years	Floating interest rate	Non-interest bearing	Total	(% per annum)	Within 1 year	1 - 5 years	Floating interest rate	Non-interest bearing	Total	(% per annum)
<b>Financial assets</b>												
Cash and cash equivalents	1,618	-	302,516	108,256	412,390	0.15 - 1.15	1,618	-	198,102	52,450	252,170	0.30 - 1.00
Trade and other receivables	-	-	-	425,060	425,060	-	-	-	-	253,476	253,476	-
Other current financial assets	855	-	-	-	855	0.375 - 1.125	323	-	-	-	323	0.375 - 1.125
Restricted bank deposits	61,547	-	-	-	61,547	0.3 - 1.15	50,800	-	-	-	50,800	0.375 - 1.125
Long-term loans to subsidiaries	-	-	-	-	-	-	141,200	-	-	-	141,200	4.00 - 5.00
Other non-current financial assets	-	-	-	36,289	36,289	-	-	-	-	36,289	36,289	-
	64,020	-	302,516	569,605	936,141		193,941	-	198,102	342,215	734,258	
<b>Financial liabilities</b>												
Short-term loans from banks	40,000	-	-	-	40,000	MLR - 1.00, MLR - 1.50	-	-	-	-	-	-
Trade and other payables	-	-	-	321,510	321,510	-	-	-	-	64,347	64,347	-
Short-term loans from other person	6,100	-	-	-	6,100	2.00 - 4.00	-	-	-	-	-	-
Long-term loans from related parties	-	4,800	-	-	4,800	4.00	-	-	-	-	-	-
Long-term loans from banks	-	-	255,084	-	255,084	MLR to MLR - 2.50	-	-	230,844	-	230,844	MLR - 2.50
Lease liabilities	38,892	54,831	-	-	93,723	4.60 - 8.70	610	2,349	-	-	2,959	4.60 - 8.70
	84,992	59,631	255,084	321,510	721,217		610	2,349	230,844	64,347	298,150	



As at 31 December 2022

	Consolidated financial statements						Separate financial statements							
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1 - 5 years				(% per annum)	Within 1 year	1 - 5 years				(% per annum)		
Financial assets														
Cash and cash equivalents	1,609	-	684,048	90,765	776,422	0.20 - 0.38	1,609	-	560,420	37,088	599,117	0.20 - 0.35		
Trade and other receivables	-	-	-	392,194	392,194	-	-	-	-	254,685	254,685	-		
Other current financial assets	828	-	-	-	828	0.375	319	-	-	-	319	0.375		
Restricted bank deposits	7,958	-	-	-	7,958	0.375	800	-	-	-	800	0.375		
Long-term loans to subsidiaries	-	-	-	-	-	-	150,200	-	-	-	150,200	4.00		
Long-term loans to employees	5	-	-	-	5	2.00	5	-	-	-	5	2.00		
	10,400	-	684,048	482,959	1,177,407		152,933	-	560,420	291,773	1,005,126			
Financial liabilities														
Short-term loans from banks	40,000	-	-	-	40,000	MLR - 1.00, MLR - 1.50	-	-	-	-	-	-		
Trade and other payables	-	-	-	311,015	311,015	-	-	-	-	68,242	68,242	-		
Short-term loans from other person	8,500	-	-	-	8,500	2.00 - 4.00	-	-	-	-	-	-		
Short-term loans from related parties	200	-	-	-	200	2.00	-	-	-	-	-	-		
Long-term loans from related parties	-	4,800	-	-	4,800	4.00	-	-	-	-	-	-		
Long-term loans from banks	-	-	387,320	-	387,320	MLR to MLR - 1.50	-	-	352,359	-	352,359	MLR - 1.50, MLR - 1.25		
Lease liabilities	30,458	67,694	-	-	98,152	5.25 - 8.70	619	1,284	-	-	1,903	8.70		
	79,158	72,494	387,320	311,015	849,987		619	1,284	352,359	68,242	422,504			

## Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, bank loans and lease contracts. The Group has access to a sufficient variety of sources of funding, then this risk is expected to be minimal.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2023 and 2022 based on contractual undiscounted cash flows:

As at 31 December 2023

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements			
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total	Less than 1 year	1 to 5 years	Over 5 years
<b>Non-derivatives</b>								
Short-term loans from bank	-	40,000	-	-	40,000	-	-	-
Trade and other payables	-	321,510	-	-	321,510	64,347	-	64,347
Short-term loans from other person	6,100	-	-	-	6,100	-	-	-
Long-term loans from related party	-	-	4,800	-	4,800	-	-	-
Long-term loans from bank	-	54,575	193,065	7,871	255,511	46,200	177,200	7,871
Lease liabilities	-	43,538	60,104	1,472	105,114	773	2,634	-
<b>Total non-derivatives</b>	<b>6,100</b>	<b>459,623</b>	<b>257,969</b>	<b>9,343</b>	<b>733,035</b>	<b>111,320</b>	<b>179,834</b>	<b>7,871</b>
								<b>299,025</b>

As at 31 December 2022

(Unit: Thousand Baht)

	Consolidated financial statements					Separate financial statements				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total	Less than 1 year	1 to 5 years	Over 5 years	Total	
<b>Non-derivatives</b>										
Short-term loans from bank	-	40,000	-	-	40,000	-	-	-	-	-
Trade and other payables	-	311,015	-	-	311,015	68,242	-	-	68,242	-
Short-term loans from other person	8,500	-	-	-	8,500	-	-	-	-	-
Short-term loans from related party	200	-	-	-	200	-	-	-	-	-
Long-term loans from related party	-	-	4,800	-	4,800	-	-	-	-	-
Long-term loans from bank	-	72,742	267,429	47,890	388,061	61,800	244,700	46,600	353,100	-
Lease liabilities	-	35,102	69,794	5,778	110,674	760	1,394	-	2,154	-
<b>Total non-derivatives</b>	<b>8,700</b>	<b>458,859</b>	<b>342,023</b>	<b>53,668</b>	<b>863,250</b>	<b>130,802</b>	<b>246,094</b>	<b>46,600</b>	<b>423,496</b>	

### **35.2 Fair values of financial instruments**

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

### **36. Capital management**

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2023, the Group's debt-to-equity ratio was 0.39:1 (2022: 0.46:1) and the Company's was 0.17:1 (2022: 0.24:1).

### **37. Events after the reporting period**

On 29 February 2024, the meeting of the Company's Board of Directors passed resolutions approved the following:

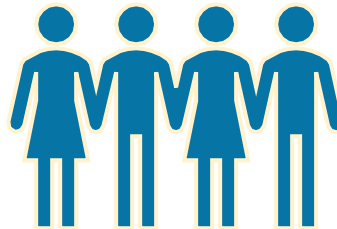
1. Invest in a company of Baht 131 million which represents 70% of the total issued shares of such company. The Company has already paid the deposit of Baht 10 million in January 2024.
2. Payment of a dividend for the operating results of the year 2023 of Baht 0.3473 per share, totaling Baht 129.38 million. The schedule for payment is as follows:
  - (1) Pay dividends in cash at Baht 0.0348 per share, totaling Baht 12.96 million.
  - (2) Pay dividends in ordinary shares of the Company at 8 former shares to 5 dividend share in total dividend shares of 232.83 million shares at the par value of Baht 0.50 per share, totaling Baht 116.41 million or dividend payout ratio at Baht 0.3125 per share. If any shareholder has any fraction of the existing shares after dividend shares appropriation, the dividends shall be paid in cash instead of dividend shares at Baht 0.3125 per share.
3. Approved the reduction in its registered share capital from Baht 243,363,711.50 (486,727,423 ordinary shares of Baht 0.50 per share) to Baht 232,825,107.50 (465,650,215 ordinary shares of Baht 0.50 per share) by cancelling the 21,077,208 ordinary shares with a par value of Baht 0.50 each which reserved for the exercise of the warrants to purchase ordinary shares of the IP-W1 and the remaining shares from the reserve for the exercise of the warrants to purchase ordinary shares of IP-W2.
4. Approved the increase in its registered share capital from Baht 232,825,107.50 (465,650,215 ordinary shares of Baht 0.50 per share) to Baht 378,387,365 (756,774,730 ordinary shares of Baht 0.50 per share) through the issuance of 291,124,515 additional ordinary shares of Baht 0.50 each share to reserve for the payment of dividend shares and the right adjustment of the warrants to purchase ordinary shares of IP-W2.

These will be proposed to the 2024 Annual General Meeting of the Company's shareholders for approval.

### **38. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 29 February 2024.

## Attachment 1



Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision and the Company's secretary



**Name – Surname:** Clinical Professor Emeritus Udom Kachintorn, MD.

**Age:** 69 years

**Position:** Chairman, Independent Director,  
Chairman of Corporate Governance and  
Sustainable Development Committee



**Date of appointment as Director:** December 17, 2019

**Education:**

- Doctor of Medicine, Faculty of Medicine Siriraj Hospital
- Certified board of internal medicine, Medical Council

**Training of Thai Institute of Directors (IOD):**

- Director Certification Program (DCP) 211/2015
- Director Accreditation Program (DAP) 124/2016

**Working Experience in the 5 Preceding Years**

Position in other listed Company			
Period	Position	Company Name	Type of Business
Dec.2019 - Present	Chairman, Independent Director, Chairman of Corporate Governance and Sustainable Development Committee	Inter Pharma Public Company Limited	Development and distribution of healthcare products for human and animals
Position in other company			
Period	Position	Company Name	Type of Business
Nov 2023 - Present	Chairman, and Chairman of Corporate Governance	PCL Holding Public Company Limited	Import and sell tools medical equipment and disease analysis reagents
May 2019 – Feb. 2020	Senator	Parliament	Government
Nov. 2017 – May 2019	Deputy Minister	Minister of Education	Government
Jan. 2015 – July 2017	President	Mahidol University	University

**No. of Listed Company as Directors:** (1)

**% of Shareholding:** None

**Family Relation with Other Directors and Management:** None

**Dispute in the 10 Preceding Years:** None

**Name – Surname:** Professor Dr. Sansanee Chaiyaroj

**Age:** 61 years

**Position:** Independent Director, Audit Committee  
Chairman of the Risk Management Committee  
Corporate Governance and Sustainable Development Committee



**Date of appointment as Director:** August 1, 2020

**Education:**

- Ph.D. (Immunobiology) Georgetown University, U.S.A.
- M.Sc. (Immunobiology) (Distinction) Georgetown University, U.S.A.
- B.Sc. (First Class Honors, Medical Technology), Mahidol University

**Training of Thai Institute of Directors (IOD):**

- Financial Statements for Directors (FSD) 11/2011
- Director Certification Program (DCP) 302/2021

**Other Trainings**

- Top Executive Program in Commerce and Trade (TEPCoT), Class 12
- Capital Market Academy Programs, Class 25
- Program for Senior Executives on Justice Administration, Class 27, by the Judicial Training Institute
- Symposium for Entrepreneurship Education by Babson College
- Strategy and Innovation for Businesses in Asia –SIBA Class 6 by CMMU with Sloan School of Management, Massachusetts Institute of Technology-MIT
- Preparatory courses for research and development work with Thai businesses and industries. Under the project TALENT MOBILITY by Mahidol University
- Science Technology and Innovation Policy Design : STI
- Licensing Executive Society (LES) and Certified Patent Valuation Analyst (CPVA)

**Working Experience in the 5 Preceding Years**

Position in other listed Company			
Period	Position	Company Name	Type of Business
August 2020 - Present	Independent Director, Audit Committee, Chairman of the Risk Management Committee, Corporate Governance and Sustainable Development Committee	Inter Pharma Public Company Limited	Development and distribution of healthcare products for human and animals

Position in other company			
Period	Position	Company Name	Type of Business
2009 - Present	Director and Executive Committee	Siam Bioscience Co., Ltd.	Research and development engineering and technology
2012 - 2022	Director	H.M. of the King Bhumibol Adulyadej Honorary Professor Fund	Investment Management
2014 - 2019	Journal Editorial Board Member.	"Infection, Genetics and Evolution" Elsevier; Impact factor	
2018 - Present	Biodiversity Law Sub-Committee	Ministry of Natural Resources and Environment	
2019 - Present	Patent Sub-Committee in Technology	Ministry of Commerce	
2019 - Present	Director	Thailand Center of Excellence for Life Sciences (TCELS)	

No. of Listed Company as Directors:

(1)

% of Shareholding:

None

Family Relation with Other Directors and Management:

None

Dispute in the 10 Preceding Years:

None

**Name - Surname:** Mr. Kamtorn Sila-on

**Age:** 53 years

**Position:** Independent Director,  
Chairman of Audit Committee  
Chairman of the Nomination and Remuneration  
Committee  
Corporate Governance and Sustainable Development  
Committee



**Date of appointment as Director:** February 8, 2021

**Education:**

- Master of Business Administration, Financial Engineering Track, MIT Sloan School, Massachusetts, USA
- Master of Engineering, Chemical Engineering, Associate of the City and Guilds Institute, Imperial College of Science Technology and Medicine, London, England

**Training of Thai Institute of Directors (IOD):**

- Director Certification Program (DCP) 148/2011
- Audit Committee and Continuing Development Program (ACP) 41/2012

**Working Experience in the 5 Preceding Years**

Position in other listed Company			
Period	Position	Company Name	Type of Business
2021 - Present	Independent Director, Chairman of Audit Committee Chairman of the Nomination and Remuneration Committee Corporate Governance and Sustainable Development Committee	Inter Pharma Public Company Limited	Development and distribution of healthcare products for human and animals
2014 - Present	President, Production & Finance	S&P Syndicate Public Company Limited	Operates a restaurant
2011 - Present	Chairman of the Audit & Governance Committee, Chairman of the Risk Committee, Chairman of the Remuneration Committee and member of Nomination Committee	Precious Shipping Public Company Limited	Transport and logistics

Position in other company			
Period	Position	Company Name	Type of Business
2015 - Present	Committee Member	Federation of Thai Industry, Food Group	Food
2014 - Present	Director	Chao Praya Express Boat Co., Ltd.	Water transport

No. of Listed Company as Directors: (3)

% of Shareholding: None

Family Relation with Other Directors and Management: None

Dispute in the 10 Preceding Years: None



**Name – Surname:** Dr. Pao Sriprasertsuk  
**Age:** 48 years  
**Position:** Independent Director, Audit Committee,  
 Nomination and Remuneration Committee,  
 Corporate Governance and Sustainable Development  
 Committee



**Date of appointment as Director:** November 10, 2021

**Education:**

- Doctor of Science (Sc.D.), Computer Science, Waseda University
- Master of Science (M.S.), Computer Science, Waseda University

**Training of Thai Institute of Directors (IOD):**

- Director Accreditation Program (DAP) 109/2022

**Working Experience in the 5 Preceding Years**

Position in other listed Company			
Period	Position	Company Name	Type of Business
2021 – Present	Independent Director, Audit Committee, Nomination and Remuneration Committee, Corporate Governance and Sustainable Development Committee	Inter Pharma Public Company Limited	Development and distribution of healthcare products for human and animals
2021 – Present	Senior Vice President, Innovation Department Manager	Bangkok Bank Public Company Limited	Commercial Bank
2019 – 2020	Vice President, Innovation Department Manager	Bangkok Bank Public Company Limited	Commercial Bank
Position in other company			
Period	Position	Company Name	Type of Business
2020 – Present	Director	Clinixir Co., Ltd.	Clinical and pharmaceutical research
2019 – Present	Director	Innospace (Thailand) Co., Ltd.	Technology and innovation
2016 – Present	Director	Mitr Technical Consultant Co., Ltd.	Engineering consultant

**No. of Listed Company as Directors:** (1)  
**% of Shareholding:** None  
**Family Relation with Other Directors and Management:** None  
**Dispute in the 10 Preceding Years:** None

**Name – Surname:** Dr. Nat Ativitavas

**Age:** 49 years

**Position:** Director

**Date of appointment as Director:** August 10, 2022

**Education:**

- Doctor of Philosophy (Ph.D.), Civil Engineering, The University of Texas at Austin
- Master of Science (M.S.), Civil Engineering, The University of Texas at Austin
- Bachelor of Engineering (B.Eng.), Civil Engineering, Chulalongkorn University, Thailand

**Training of Thai Institute of Directors (IOD):**

- Director Accreditation Program (DAP) 199/2022



**Working Experience in the 5 Preceding Years**

Position in other listed Company			
Period	Position	Company Name	Type of Business
Oct 2022 – Present	Executive Vice President	PTT Public Company Limited	Petrochemical industry
Aug 2022 – Present	Director	Inter Pharma Public Company Limited	Development and distribution of healthcare products for human and animals
2020 – 2021	Vice President, Petrochemical and Refining Business Development Department	PTT Public Company Limited	Petrochemical industry
Position in other company			
Period	Position	Company Name	Type of Business
2022 – Present	Managing Director	Innobic (Asia) Co., Ltd.	Life Sciences
2021 – 2022	Deputy Managing Director	Innobic (Asia) Co., Ltd.	Life Sciences
2017 – 2020	Project Director	PTT Tank Terminal Co., Ltd.	

**No. of Listed Company as Directors:** (1)

**% of Shareholding:** None

**Family Relation with Other Directors and Management:** None

**Dispute in the 10 Preceding Years:** None

**Name – Surname:** Dr. Yuttana Suwannachot

**Age:** 53 years

**Position:** Director

**Date of appointment as Director:** February 27, 2023

**Education:**

- Doctor of Philosophy in Chemistry, University of Innsbruck
- Master of Science in Chemical Technology, Chulalongkorn University,
- Bachelor of Science in Chemical Technology, Chulalongkorn University,



**Working Experience in the 5 Preceding Years**

Position in other listed Company			
Period	Position	Company Name	Type of Business
Feb 2023 – Present	Director	Inter Pharma Public Company Limited	Development and distribution of healthcare products for human and animals
2022 – Present	Executive Vice President, Innovation Institute	PTT Public Company Limited	Petrochemical
2020 – 2022	Vice President, Petroleum Products & Automotive Research	PTT Public Company Limited	Petrochemical
2019 – 2019	Vice President, Petroleum Products & Alternative Fuel Technology Research	PTT Public Company Limited	Petrochemical
2018 - 2019	Vice President, Innovation Strategic Planning and Management	PTT Public Company Limited	Petrochemical
Position in other company			
Period	Position	Company Name	Type of Business
Present	Board of Directors	NUOVO PLUS Co., Ltd.	

**No. of Listed Company as Directors:** (1)

**% of Shareholding:** None

**Family Relation with Other Directors and Management:** None

**Dispute in the 10 Preceding Years:** None

**Name - Surname:** Dr. Trinawat Thanitnithiphan

**Age:** 53 years

**Position:** Director, Risk Management Committee,  
Nomination and Remuneration Committee,  
Chairman of Executive Committee and Chief  
Executive Officer  
(Authorize Directors)



**Date of appointment as Director:** February 1, 2014

**Education:**

- PhD in Business Administration (Organization Development), Thammasat University
- MBA, International Finance & Banking, The University of Birmingham, England
- MBA, Marketing, Chulalongkorn University
- Bsc., Pharmacy Chulalongkorn University

**Training of Thai Institute of Directors (IOD):**

- Director Certification Program (DCP) 167/2013

**Other Trainings**

- National Defense College Program, Class 64
- Agriculture & Cooperatives Executive Program, Class 2
- Certificate Course in Good Governance for Medical Executives, Class 9
- Capital Market Academy Programs, Class 24
- Top Executive Program in Commerce and Trade (TEPCoT), Class 9
- The Executive Program in Energy Literacy for a Sustainable Future, TEA, Class 11
- Thailand Insurance Leadership Program, Class 7
- Thai-Chinese Leadership Science Program, Class 2
- Bhumipalung Phandin Course, Class 4, Chulalongkorn University
- Executive Development Program (EDP), Class 14
- Academy of Business Creativity Program (ABC), Class 8

**Working Experience in the 5 Preceding Years**

Position in other listed Company			
Period	Position	Company Name	Type of Business
Jan. 16, 2023 - Present	Independent Director and Audit Committee	P.S.P. Specialties Public Company Limited	One - stop service provider specialized in lubricant
2014 - Present	Director, Risk Management Committee, Nomination and Remuneration Committee, Chairman of Executive Committee and CEO	Inter Pharma Public Company Limited	Development and distribution of healthcare products for human and animals

Position in other company			
Period	Position	Company Name	Type of Business
November 2022-Present	Director	Nakhon Patana Co., Ltd.	Hospital
October 2022-Present	Director	Inter Wellness Co., Ltd.	Holding Company
April 2022-Present	Director	Drug Care Co., Ltd.	Pharmacy
April 2022-Present	Director	Inter Pharmacy Co., Ltd.	Holding Company
2021-Present	Director	Interpharma-ZEAvita Co., Ltd.	Manufacture and distribution of nutritional supplements and health care products
2020-Present	Director	Modern Pharma Co., Ltd.	Manufacture and distribution of healthcare products for human and animals
2018-Present	Director	Inter Petrina Co., Ltd.	Distributor of pet food
2014-Present	Director	Inter Vetta Co., Ltd.	Distributor of pharmaceutical products and health food for animals

No. of Listed Company as Directors: (2)

% of Shareholding: 30.76

Family Relation with Other Directors and Management: None

Dispute in the 10 Preceding Years: None



**Name – Surname:** Miss Napaporn Dechakarat

**Age:** 48 years

**Position:** Director, Risk Management Committee,  
Executive Committee, Chief Operation Officer  
(Authorize Directors)

**Date of appointment as Director:** June 14, 2017

**Education:**



- Bachelor of Business Administration, University of the Thai Chamber of Commerce

**Training of Thai Institute of Directors (IOD):**

- Director Accreditation Program (DAP) 152/2018

**Working Experience in the 5 Preceding Years**

Position in other listed Company			
Period	Position	Company Name	Type of Business
May 2019 – Present	Director, Risk Management Committee, Executive Committee, Chief Operation Officer	Inter Pharma Public Company Limited	Development and distribution of healthcare products for human and animals
Position in other company			
Period	Position	Company Name	Type of Business
2016 – May 2019	Secretary and Operation Manager	Inter Pharma Company Limited	Development and distribution of healthcare products for human and animals

**No. of Listed Company as Directors:** (1)

**% of Shareholding:** 0.00004

**Family Relation with Other Directors and Management:** None

**Dispute in the 10 Preceding Years:** None

**Name - Surname:** Mrs. Apimon Posri

**Age:** 53 years

**Position:** Director, Executive Committee, Chief of Human Resources (Authorize Directors)



**Date of appointment as Director:** July 20, 2022

**Education:**

- BBA in Computer Information Systems, Baruch College, The City University of New York

**Training of Thai Institute of Directors (IOD):**

- Director Accreditation Program (DAP) 199/2022

**Working Experience in the 5 Preceding Years**

Position in other listed Company			
Period	Position	Company Name	Type of Business
July 2022 - Present	Director, Executive Committee and Chief of Human Resources	Inter Pharma Public Company Limited	Development and distribution of healthcare products for human and animals
Jul. 2020 - Present	Executive Committee, Chief of Human Resources	Inter Pharma Public Company Limited	Research, Development and distribution of healthcare products for humans and pets
Position in other company			
Period	Position	Company Name	Type of Business
April 2022-Present	Director	Inter Pharmacy Co., Ltd.	Holding Company
2020-Present	Director	Modern Pharma Company Limited	Manufacture and distribution of healthcare products for human and animals
Present	Director	Digi Living Co., Ltd.	
Feb. 2015 - Present	Executive Assistant & Communication Manager	Boehringer Ingelheim Co., Ltd.	Distributor of pharmaceuticals for humans and animals

**No. of Listed Company as Directors:** (1)

**% of Shareholding:** 0.00004

**Family Relation with Other Directors and Management:** None

**Dispute in the 10 Preceding Years:** None

**Name – Surname:** Ms. Chatkaew Krudkosol

**Age:** 54 years

**Position:** Acting Chief Financial Officer

**Date of appointment as Director:** June 23, 2023

**Education:**

- Diploma in Accounting, Thammasat University
- Bachelor of Accounting, Ramkhamhaeng University

**Other Trainings**

- Orientation Course – CFO Focus on Financial Reporting
- Course: Learn techniques for valuing companies that are appropriate for today's businesses
- Strong Securities Issuer Project Course
- Course for Directors and Senior Executives on ESG Risk Management
- All TFRS courses, year 2023, batch 2/66 (sub course 502)
- Course on the impact of TFRS 16 on lease agreements on financial statements from the perspective of financial information users.

**Working Experience in the 5 Preceding Years**

Position in other listed Company			
Period	Position	Company Name	Type of Business
June 23, 2023- Present	Acting Chief Financial Officer	Inter Pharma Public Company Limited	Development and distribution of healthcare products for human and animals
Position in other company			
Period	Position	Company Name	Type of Business
Jan 16, 2023 – Mar 20, 2023	Accounting Director	M Concrete Co., Ltd.	Production of ready-mixed concrete
Apr 1, 2022 – Jan 15, 2023	Director	Phiyakorn Co., Ltd.	Accounting and Auditing Tax Consulting
Sep 1, 2021-Mar 31, 2022	Project Manager	ABB Automation (Thailand) Co., Ltd.	Wholesale machinery and equipment
Jun 15, 2020 – Aug 31, 2021	Senior Manager	Durbell Co., Ltd.	Wholesale non-alcoholic drinks
Sep 1, 2014-Apr 30, 2020	Management Accounting Manager	GFCA Co., Ltd.	Management consulting

**% of Shareholding:** None

**Family Relation with Other Directors and Management:** None

**Dispute in the 10 Preceding Years:** None

**Name – Surname:** Ms. Chompunuch Meevang

**Age:** 51 years

**Position:** Company Secretary

**Date of appointment as Director:** November 9, 2021

**Education:**

- Bachelor of Economics, (Financial Economics) Ramkhamhaeng University

**Training of Thai Institute of Directors (IOD):**

- Company Secretary Program (CSP) 101/2019
- Ethical Leadership Program (ELP) §u 33/2024
- Corruption Risk and Control Workshop (CRC) §u 20/2024

**Working Experience in the 5 Preceding Years**

Position in other listed Company			
Period	Position	Company Name	Type of Business
Nov. 2021 – Present	Company Secretary	Inter Pharma Public Company Limited	Development and distribution of healthcare products for human and animals
2019 – May 2021	Company Secretary	Siamese Asset Public Company Limited	Real estate development

**% of Shareholding:** 0.0008

**Family Relation with Other Directors and Management:** None

**Dispute in the 10 Preceding Years:** None

**Duties and Responsibilities of the Company Secretary**

- 1) Perform duties responsibly, cautiously, and honestly and comply with the laws and related rules and regulations.
- 2) Arranging meetings for the Board of Directors and Shareholder Meeting to be in line with the Company's Articles of Association.
- 3) Ensuring the compliance of the Company and the Board of Directors with the relevant laws, rules and regulations, resolutions of both the Board and Shareholder Meeting including corporate governance practices.
- 4) Providing support for Directors and Executives to attend training courses in their relevant areas.
- 5) Arranging Director's training/briefing for newly appointed Directors
- 6) Informing Directors and Executives of any changes in regulations related to them.
- 7) Preparing and keeping important documents of the Company such as directors' registration, meeting invitation letter, minutes of the Board of Director Meeting and Shareholder Meeting, annual report, and Reporting of Interests of directors and executives.
- 8) Liaise with regulatory agencies such as the Stock Exchange of Thailand and oversee the disclosure of information and report information to the regulatory authorities to be correct and complete according to the regulatory agency's rules.

### Persons assigned to be directly responsible for supervising the Company's accounting

The Company has assigned Ms. Chatkaew Krudkosol to be the highest responsible person in accounting and finance from June 23, 2023, who are fully qualified according to the qualification prescribed by The Securities and Exchange Commission. At present, Ms. Chatkaew Krudkosol take a position of Acting Chief Financial Officer.

Furthermore, the Company has assigned Miss Supaporn Chanwongngam, Accounting Manager to be the supervisor of the company's accounting (accountant) appointed on May 15, 2023, who is fully qualified according to the qualification prescribed by The Securities and Exchange Commission.

### Details about the person assigned to take direct responsibility for accounting supervision

**Name - Surname:** Ms. Supaporn Chanwongngam

**Age:** 44 years

**Position:** Accounting Manager

**Date of appointment as Director:** May 15, 2023

**Education:**

- Bachelor of Accounting

**Training:**

- Case of recording TAS 16, TAS 2 and TAS 23 accounts correctly according to accounting standards
- Problems with recording accounting transactions at the end of the year - beginning of the year for accountants

### Working Experience in the 5 Preceding Years

Position in other listed Company			
Period	Position	Company Name	Type of Business
May 15, 2023 - Present	Accounting manager	Inter Pharma Public Company Limited	Development and distribution of healthcare products for human and animals
Jul 17, 2017 – Jun 2, 2022	Accounting manager	Inter Pharma Public Company Limited	Development and distribution of healthcare products for human and animals
Position in other company			
Period	Position	Company Name	Type of Business
Sep 12, 2022 – Apr 7, 2023	Accounting manager	Yin Hai Property (Thailand) Co., Ltd.	Property
Nov 16, 2015 – Jul 15, 2017	Accountant	Cad Cast Co., Ltd.	Selling equipment and repair jewelry tools

**% of Shareholding:** None

**Family Relation with Other Directors and Management:** None

**Dispute in the 10 Preceding Years:** None



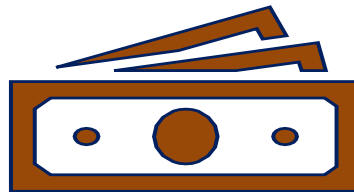
3. Information on holding positions of directors and executives in related companies

Company Name	Name of Director								
	1. Clinical Professor Emeritus Udom Kachintorn, MD.	2. Professor Dr. Sansanee Chaiyaroj	3. Mr. Kamtorn Sila-on	4. Dr. Pao Sriprasertsuk	5. Dr. Trinawat Thanitritthiphon	6. Ms. Napaporn Dechakarat	7. Mrs. Apimon Posri	8. Dr. Nat Atititavas	9. Dr. Yuttana Suwannachot
1. Inter Phama Plc.	X	/	/	/	/, //	/, //	/, //	/	/
<b>Subsidiaries</b>									
2. Inter Vetta Co., Ltd.					/				
3. Inter Petrina Co., Ltd.					/				
4. Modern Pharma Co., Ltd.					/		/		
5. Interpharma-ZEAvita Co., Ltd.					/				
6. Inter Pharmacy Co., Ltd.					/		/		
7. Drug Care Co., Ltd					/				
8. Inter Wellness Co., Ltd.					/				
9. Nakhon Patana Co., Ltd.					/				
<b>Related Companies</b>									
10. PCL Holding Plc.	X								
11. Siambioscience Co., Ltd.		/							
12. S&P Syndicate Plc.			//						
13. Precious Shipping Plc.			/						
14. Chao Praya Express Boat Co., Ltd.			/						
15. Mitr Technical Consultant Co., Ltd.				/					
16. Clinixir Co., Ltd.				/					
17. Innospace (Thailand) Co., Ltd.				/					

Company Name	Name of Director								
	1. Clinical Professor Emeritus Udom Kachintorn, MD.	2. Professor Dr. Sansanee Chaiyaroj	3. Mr. Kamtorn Sila-on	4. Dr. Pao Sriprasertsuk	5. Dr. Trinawat Thanitritthiphon	6. Ms. Napaporn Dechakarat	7. Mrs. Apimon Posri	8. Dr. Nat Atitavass	9. Dr. Yuttana Suwannachot
18. PTT Plc.									//
19. Innobac (Asia) Co., Ltd									//
20. NUOVO PLUS Co., Ltd.									
21. P.S.P. Specialties Plc.					/				
22. Digi Living Co., Ltd.								/	

Remarks: X = Chairman / = Director // = Executive

## Attachment 2



### Details of the Directors of Subsidiaries and Associated Companies

## Details of the Directors of Subsidiaries and Associated Companies

List of Directors	List of Subsidiaries and Associated Companies							
	Inter Vetta	Inter Petrina	Modern Pharma	Interpharma-ZEAvita	Inter Pharmacy	Inter Wellness	Drug Care	Nakhon Patana
1. Dr. Trinawat Thanitnithiphan	/	/	/	/	/	/	/	/
2. Mr. Adthaphon Nimrotham	/							
3. Ms. Hathaigan Chiraphitakkun	/	/		/	/	/	/	
4. Ms. Supaporn Rekitakpanich		/	/			/	/	/
5. Ms. Waranrat Assanupong		/						
6. Mr. Bundit Pichetpongsa		/						
7. Mrs. Apimon Posri			/		/			
8. Ms. Chutima Assavapayukkul				/				
9. Mr. Thiraphong Chansiri				/				
10. Mr. Tunyawat Kasemsuwan				/				
11. Ms. Weerada Santiwongkarn							/	
12. Mr. Pornchai Leelanipon								/

Remark / = Director

## Attachment **3**



### Details of the Heads of the Internal Audit



### Details of the Heads of the Internal Audit

The Company has appointed A.M.T. Solution Co., Ltd. (“AMT”) as an internal audit service provider and AMT has assigned Mr. Supoj Pannoi to be the internal audit supervisor for the year 2023. The details are as follows:

Name-Surname	Age (years)	Education / Training	Work Experience			
			Period	Position	Name of Companies	Type of Business
Mr. Supoj Pannoi	42	<ul style="list-style-type: none"> <li>Master of Business Administration (MBA), Ramkhamhaeng University</li> <li>Bachelor of Accountancy Program (Audit), Rajamagala University Of Technology Krungthep</li> <li>Mini Master of Business Economics(MBE), Chulalongkorn University</li> <li>Certified Public Accountant (CPA)</li> <li>Certified Professional Internal Audit of Thailand (CPIAT)</li> <li>Certified Public Tax Accountant (CPTA)</li> <li>Cooperative Auditor</li> <li>ASEAN Chartered Professional Accountant (ASEAN CPA)</li> <li>Security Enforcement License According to the Business Security Act (DBD)</li> </ul>	2015 – Present	Managing Director	A.M.T. Solution Co., Ltd. ບຸຈຸນ.	Internal Audit services
			2010 – Present	Director	A.M.T. Audit Co., Ltd.	Audit services
			2023 - Present	Ethics Committee	Federation of Accounting Professions	Professional accounting services
			2023 - Present	Audit Committee	Green Power 2 Co., Ltd.	Power plant business
			2019 - 2023	Audit Committee	Rajamangala University of Technology Rattanakosin	Education
			2017 - 2023	Audit Committee	Chai Watana Tannery Group Plc.	Leather production and power plant
			2009 – 2010	Audit Manager	A.A.C. Audit firm Co., Ltd.	Audit services
			2004 - 2009	Supervisor of Audit	Sam Nak-Ngan A.M.C. Co., Ltd.	Audit services

Name-Surname	Age (years)	Education / Training	Work Experience			
			Period	Position	Name of Companies	Type of Business
		<u>Training</u> <ul style="list-style-type: none"> <li>• Directors Accreditation Program (DAP) Class 119/2558</li> <li>• Advanced Audit Committee Program(AACP) Class 27/2560</li> <li>• Orientation Course - CFO focus on financial reporting Class 3 Understand Each TFRS Update</li> <li>• CAC SME Certification Smart Professional Entrepreneur (SPE) Class 2/2558</li> </ul>				

## Attachment 4



**Assets for business undertaking and details of asset appraisal**

## Assets for business undertaking and details of asset appraisal

-None-

## Attachment 5



### Policy and Guidelines on Corporate Governance and Business Code of Conduct

## **Policy and Guidelines on Corporate Governance and Business Code of Conduct**

Inter Pharma Public Company Limited ("the Company") has established a good corporate governance policy for the Board of Directors, executives and all employees to adhere to as a guideline for their operations to encourage the Company to conduct business in accordance with the principles of good corporate governance, morality, honesty, transparent and verifiable.

Moreover, the Company prepared the Company's Business Code of Conduct so all directors, executives and employees are aware of and regard as the operational principle.

Details of the Company's policy on good corporate governance and Business Code of Conduct appeared on the Company's website: [www.interpharma.co.th/ Investor Relations/Good Corporate Governance](http://www.interpharma.co.th/Investor%20Relations/Good%20Corporate%20Governance).

Charter of the Board of Directors (Reported under Part 2, Management Structure/Board of Directors Information).

The sub-committee charter comprises Audit Committee/ Nomination and Remuneration Committee/ Risk Management Committee/ Corporate Governance and Sustainable Development Committee (Reported under Part 2, Management Structure/Subcommittee Information).



## Attachment No. 6



### Report of the Audit Committee

## **Report of the Audit Committee**

The Company's Audit Committee consists of 3 independent directors, namely Mr. Kamtorn Sila-on as the Chairman of the Audit Committee, Prof. Dr. Sansanee Chaiyaroj and Dr. Pao Sriprasertsuk as a member of the Audit Committee. In 2023, the Audit Committee performed its duties independently as assigned and within the scope of duties specified in the Audit Committee charter, which are reviewed in accordance with the current situation and approved by the Board of Directors annually.

In 2023, the Company held 4 Audit Committee meetings, and all members attended every meeting. There are important matters in performing duties in 2023 as follows:

### **Review of Financial Statements**

The Audit Committee has reviewed the quarterly and annual financial statements for the year 2023, including related party transactions and transactions that may have conflicts of interest with the management division and the internal audit department. The Audit Committee invited auditors to attend each meeting when financial statements are discussed. They inquire and listen to clarifications from executives in accounting, finance and auditors on the correctness and completeness of the Company's financial statements, consolidated financial statements, the adequacy of information disclosure, the Company's remarks on financial statements, and the independence of the auditor. The Audit Committee concurs with the auditor that the aforementioned financial reports are accurate and trustworthy in accordance with generally accepted accounting principles presented through the Board of Directors for consideration and acknowledgement every time.

### **Review of Operational Information and Internal Control System**

The Audit Committee has reviewed the internal control system from the internal auditor's report every quarter. Moreover, it has considered the operation, use of resources, property custody, prevention or reduce mistakes, damage or fraud, reliability of financial reports, and compliance with laws, rules and regulations but has not found any significant flaws. The Audit Committee also followed up on the review results of the Company's auditors, who gave consistent opinions that no significant problems or shortcomings were found and ensured that the operations of all departments of the Company were in line with effectively. The internal auditors are responsible for auditing the accuracy independently and reporting directly to the Audit Committee according to an approved audit plan covering the Company's key systems.

### **Review of Compliance with Laws, Rules, and Regulations**

The Audit Committee had a meeting with the Internal Audit Department and related management departments and found that audited agencies had complied with the laws and regulations set forth, as well as considering changes in the law, accounting standards, and other matters relevant to the Company each quarter from external auditors

as well in order to have a study and understanding before being used in the business so that the information is accurate and in line with changing laws and regulations.

#### **Review of Related Party Transactions or Transactions with Possible Conflicts of Interest**

The Audit Committee has reviewed the suitability and adequacy of connected transactions, including related transactions that may cause conflicts of interest, and found that in the year 2023, the Company's related party transactions are normal business transactions, reasonable and most beneficial to the Company's business operations, transparent, and information is disclosed accurately and completely.

#### **Review of Good Corporate Governance**

The Audit Committee has reviewed the Company's operations to be in compliance with the Securities and Exchange Act, regulations of the Securities and Exchange Commission, requirements of the Stock Exchange of Thailand, and other laws related to the business operations of the Company. It was found that the Company has complied with laws and regulations, including promoting and supporting all executives and employees to comply with such policies in order to operate the business of the Company more efficiently.

#### **Consideration of Auditor Appointment and Audit Fee for 2023**

The Audit Committee considers the auditor's performance in the past year by considering credibility, independence of auditors, knowledge, ability to provide services and consultancy in accounting standards with timely audit and certification of financial statements. The Audit Committee proposed that the Board of Directors consider and seek approval from the 2023 Annual General Meeting of Shareholders to appoint to auditor from EY Office Company Limited as the Company's auditor for the year 2023.

It can be concluded that the Audit Committee performed its duties and responsibilities specified in the charter of the Audit Committee by using their knowledge, competence, caution, prudence, and sufficient independence, as well as giving opinions and suggestions for the benefit of stakeholders equally. The Audit Committee is of the opinion that the Company's financial statements are accurate, reliable, and in accordance with generally accepted accounting principles, including having a good corporate governance system, adequate risk management, and internal control system.



(Mr. Kamthorn Sila-on)  
Chairman of the Audit Committee

**INTER PHARMA PUBLIC COMPANY LIMITED**  
**FORM 56-1 ONE REPORT 2023**

INTER PHARMA PUBLIC COMPANY LIMITED 140/9 ITF Tower, 9th Floor, Silom Road  
Suriyawong, Bangrak, Bangkok 10500, Thailand  
Tel. 02-634-0225 Fax 02-634-0135 [www.interpharma.co.th](http://www.interpharma.co.th)