

IP\_AC001/2567

March 1, 2024

Subject Management Discussion and Analysis of the year 2023

To Directors & Managers  
The Stock Exchange of Thailand

Inter Pharma Public Co., Ltd. (“the Company”) hereby submitting management discussion and analysis for the year ended December 31 , 2023 as per here below:

	FY2023		FY2022		Change	
	MB	%Revenue	MB	%Revenue	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 Sales and Services</b>	<b>1,781.2</b>	<b>100.0</b>	<b>1,523.3</b>	<b>100.0</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 THB 1,781 million, increased by THB 258 million or 16.9% compared to previous year. The growth was from human healthcare segment THB 1,191 million, animal healthcare segment THB 366 million and also Hospital segment THB 225 million .

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 THB 1,121.79 million and THB 905.42 million 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 December31, 2023, amounted to THB 376.78 million and THB 279.33 million, 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 December31,2023 amounted to THB 190.8 million and THB 178.9 million 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 December31, 2023 amount of THB 58.90 million and THB 127.29 million, 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 THB 2,952 million, a decrease of THB 138 million or 4.5% compared to as at December 31, 2022 which was mainly from higher current assets THB 312 million from cash and cash equivalent. And non-current assets increased by THB 174 million, 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 THB 835 million, a decrease of THB 139 million or 14% compared to as at December 31, 2022. This was due to decrease in current liability THB 19 million from short-term loans from bank and accrue income tax. And non-current liability decreased by THB 120 million from long-term loans.

### Shareholders' Equity

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

**Yours sincerely,**

Chatkaew Krudkosol  
Chief Finance Officer