IP_AC004/2026

November 13, 2026

Subject: Management Discussion and Analysis of the Quarter 3of year 2026

To: President
The Stock Exchange of Thailand

Summary of Key Events and Developments

In the quarter 3 of year 2026, Inter Pharma Public Company Limited ("the Company") continued to advance its "Integrated Healthcare Innovation" strategy through 6 core business segments as follow;

1. Hospital Market Healthcare: Distribution of pharmaceutical and healthcare products through the hospital channel
2. Consumer Market Healthcare: Distribution of dietary supplements and healthcare products to consumers through retail and online channels.
3. Animal Healthcare: Development and distribution of animal healthcare products.
4. Medical Device Innovation Business: Provision of medical devices and technologies for hospitals and healthcare facilities.
5. Pharmacy Business: Operation of pharmacies under the LAB Pharmacy brand, offering pharmaceuticals, medical supplies, and healthcare products, together with medication advice from pharmacists.
6. Hospital Business: Provision of examination, diagnostic, and treatment services for outpatients and inpatients through Nakornpatana Inter Hospital.

Management continued to prioritize the growth of core businesses and products with strong potential, alongside improvements in operational efficiency across the pharmacy, hospital, and medical device businesses. Cost and working capital management remained key priorities in supporting the Group's profitability and cash flow generation.

In addition, the Company developed a corporate value enhancement plan under the JUMP+ program for 2026–2028. The plan was approved by the Board of Directors on March 2, 2026, and disclosed through the Stock Exchange of Thailand on March 26, 2026. It covers three areas: the Business Plan, the Corporate Governance Plan, and the Climate Action Plan. During the third quarter of 2026, the Company disclosed a progress report on the implementation of its JUMP+ plan for the six-month period ended June 30, 2026, through the Stock Exchange of Thailand on August 14, 2026.

Management Direction and Priorities for the Second Half of 2026

- Business growth: Focus on developing core businesses and products with strong profit potential, and discontinue sales of unprofitable or low-margin products to support profit growth.
- Profitability: Prioritize improvements in operational efficiency across the pharmacy, hospital, and medical device businesses, together with disciplined cost management.
- Cash flow: Manage business growth while maintaining cash flow generation capabilities to support business stability.

- Medical innovation: Evaluate opportunities arising from medical innovation development projects, including gene therapy for Parkinson's disease and an integrated eye drop development and production project.

Management Outlook for the Third Quarter of 2026

Management sees opportunities to build on the Group's existing business base and develop innovations to strengthen its long-term growth potential and competitiveness. Operations remain aligned with management's priorities for the second half of 2026, with a balanced focus on business growth, profitability, and cash flow. Improvements in operational efficiency and cost management are intended to support business stability and lay the foundation for long-term growth. The Company remains committed to pursuing these priorities and plans while taking into account economic conditions, the competitive landscape, and other relevant factors.

Summary of operating results for the quarter 3 of year 2026

Unit : Million Baht	Q3 2026	Q3 2025	Change	%	9M 2026	9M 2025	Change	%
	MB	MB	MB		MB	MB	MB	
Revenue from Sales & Services	**586**	**556**	**30**	**5%**	**1,701**	**1,622**	**79**	**5%**
Total revenue	**587**	**563**	**24**	**4%**	**1,707**	**1,638**	**69**	**4%**
Cost of goods sold and services	335	321	**13**	**4%**	967	956	**10**	**1%**
Gross profit	**251**	**235**	**17**	**7%**	**734**	**666**	**69**	**10%**
% Gross profit	**43%**	**42%**			**43%**	**41%**		
Selling and administrative expenses	**181**	**177**	**4**	**2%**	**561**	**534**	**27**	**5%**
Net profit	**53**	**48**	**5**	**11%**	**132**	**107**	**25**	**23%**
% Net profit	**9%**	**9%**			**8%**	**7%**		

Overview

For the three-month and nine-month periods ended September 30, 2026, the Company continued to deliver growth in operating performance amid a highly competitive business environment and rapidly changing consumer behavior. The Company remained focused on its "Integrated Healthcare Innovation" strategy through the balanced development and management of its six healthcare business segments, alongside improvements in operational efficiency, cost management, and sustainable profitability.

Total revenue for the three-month and nine-month periods amounted to THB 587 million and THB 1,707 million, respectively, representing year-on-year growth of 4% for both periods. The Company achieved this growth despite discontinuing sales of unprofitable or low-margin products. On a like-for-like basis, excluding sales of the discontinued products from the prior-year comparison, revenue grew by more than 10% year on year.

The Group maintained solid profitability, recording gross profit of THB 251 million for the quarter, an increase of 7% year-on-year. Gross profit margin improved to 43% from 42% in the same period of the previous year, reflecting more effective management of the revenue mix and costs. As a result, net profit for the quarter reached THB 53 million, an increase of 11% year-on-year, substantially outpacing revenue growth.

For the nine-month period of 2026, the Group recorded total revenue of THB 1,707 million, an increase of THB 69 million, or 5%, from the same period of the previous year. Total revenue amounted to THB 1,707 million, an increase of 4% year-on-year. Gross profit reached THB 734 million, an increase of 10%, while gross profit margin improved from 41% to 43%.

The improvement in gross profit margin contributed to net profit of THB 132 million, an increase of THB 25 million, or 23%, compared with the same period of the previous year. Net profit margin also increased from 7% to 8%.

This performance reflects progress in implementing the Group's "Growth with Quality" strategy, which emphasizes revenue growth alongside profitability, effective cost management, and long-term business resilience. These priorities position the Group to capture growth opportunities in the healthcare industry, supported by increasing demand for healthcare and improved quality of life.

Revenue from sales and services by Segment

The Group operates across six integrated healthcare business segments, encompassing human and animal healthcare products, medical device innovation, pharmacy operations, and medical services through its hospital business. This structure diversifies revenue sources and strengthens the Group's ability to adapt to changing market conditions.

Revenue Segment	Q3 2026	Q3 2025	Change	%	9M 2026	9M 2025	Change	%
	MB	MB	MB		MB	MB	MB	
1. Hospital Market Healthcare	80	68	11	17%	228	250	-22	-9%
2. Consumer Market Healthcare	121	127	-6	-5%	334	344	-10	-3%
3. Animal Healthcare	99	91	8	9%	301	269	32	12%
4. Medical equipment of rehabilitation medicine	38	49	-11	-23%	115	101	14	14%
5. Pharmacy Business	185	168	17	10%	550	501	49	10%
6. Hospital business	63	53	10	19%	172	157	16	10%
Total	**586**	**556**	**30**	**5%**	**1,701**	**1,622**	**79**	**5%**

Revenue from the Hospital Market Healthcare

For the third quarter of 2026, the segment recorded revenue of THB 80 million, an increase of 17% from THB 68 million in the same period of the previous year. This reflects an improvement in operating performance and a return to revenue growth in the hospital channel, indicating a positive outlook for further business expansion.

For the nine-month period ended 30 September 2026, the segment recorded revenue of THB 228 million, down 9% from THB 250 million in the corresponding period of the previous year. The decline reflected the Company's decision to discontinue sales of unprofitable or low-margin products and focus on higher-margin products.

The Group continues to focus on strengthening its product portfolio and improving the efficiency of its hospital distribution channel to sustain the recovery in growth, pursue further business opportunities, and support recurring revenue generation over the long term.

Revenue from the Consumer Market Healthcare

For the third quarter of 2026, the segment recorded revenue of THB 121 million, down 5% from THB 127 million in the same period of the previous year. For the nine-month period ended 30 September 2026, revenue amounted to THB 334 million, down 3% from THB 344 million in the corresponding period of the previous year. The declines reflected the Company's focus on selling higher-margin products and its reduced marketing efforts for lower-margin products.

The Group therefore focuses on aligning its product portfolio with market demand, improving distribution channel efficiency, and differentiating its products to strengthen competitiveness and support long-term growth with quality.

Revenue from the Animal Healthcare

The Animal Healthcare segment remained a consistent contributor to revenue growth. In the third quarter of 2026, revenue amounted to THB 99 million, an increase of 9% from THB 91 million in the same period of the previous year. For the nine-month period, revenue reached THB 301 million, an increase of 12% from THB 269 million in the same period of the previous year. Revenue growth across both periods reflects the segment's ability to sustain its growth momentum.

This continued growth demonstrates the strength of the Animal Healthcare business, which encompasses pet care and animal health products. The segment plays an increasingly significant role in supporting the Group's total revenue growth while enhancing the diversity and balance of its business portfolio.

The Group remains committed to developing the segment's potential through product portfolio development, stronger distribution channels, and the pursuit of new business opportunities to address the growing emphasis on animal health and quality of life. These efforts aim to strengthen Animal Healthcare as a key driver of the Group's "Growth with Quality" strategy, supporting continued revenue generation and sustainable long-term value creation.

Revenue from the Medical Device Innovation Business

For the third quarter of 2026, the segment recorded revenue of THB 38 million, compared with THB 49 million in the same period of the previous year, representing a decline of 23%. However, revenue for the nine-month period amounted to THB 115 million, an increase of 14% from THB 101 million in the same period of the previous year. The growth in nine-month revenue reflects the segment's business progress and growth potential, demonstrating its ability to build a larger revenue base compared with the previous year.

The Group continues to strengthen the capabilities of its Medical Device Innovation Business by offering advanced medical products and technologies, developing market opportunities, and enhancing its ability to meet the needs of healthcare facilities and medical professionals. These efforts aim to strengthen competitiveness and establish a stronger foundation for future business growth. The segment also serves as an important driver of revenue diversification and supports the Group's long-term "Growth with Quality" strategy.

Revenue from the Pharmacy Business

For the three-month and nine-month periods ended 30 September 2026, the Pharmacy Business, operating under the Lab Pharmacy brand, recorded revenue of THB 185 million and THB 550 million, respectively, representing year-on-year growth of 10% in both periods. The segment sustained its revenue growth in the third quarter, reflecting the pharmacy network's ability to meet consumers' healthcare needs.

The Group continues to prioritize the quality of growth in its Pharmacy Business by balancing revenue expansion with profitability. Its management approach emphasizes operational efficiency and returns, with key initiatives including increasing same-store sales, optimizing the product mix to achieve appropriate margins, improving inventory management, and developing online sales channels alongside the physical store network. These initiatives aim to broaden customer reach and maximize revenue opportunities from existing resources.

At the same time, the Group continues to restructure and improve the efficiency of its pharmacy network through regular monitoring and assessment of individual branch performance. Rental costs, personnel expenses, and other operating expenses are managed in line with each branch's revenue potential. The Group also considers adjusting store formats or closing branches that do not meet targeted returns, allowing resources to be allocated to branches and locations with greater potential. These measures aim to reduce fixed costs, improve working capital efficiency, and establish a stronger foundation for future profitability.

The Group believes that its "Growth with Quality" approach, which emphasizes revenue growth alongside earnings quality, will enable LAB Pharmacy to build on its substantial revenue base and generate returns more efficiently. LAB Pharmacy is expected to remain a key contributor to the strength of the Group's integrated healthcare business and to sustainable long-term value creation for the Group and its shareholders.

Revenue from the Hospital Business

The Hospital Business delivered strong growth in the third quarter of 2026, recording revenue of THB 63 million, an increase of 19% from THB 53 million in the same period of the previous year. This represented the highest revenue growth rate among the Group's six business segments for the quarter. For the nine-month period, revenue amounted to THB 172 million, an increase of 10% from THB 157 million in the same period of the previous year, reflecting continued growth in revenue from medical services.

This growth marks a positive development for the Hospital Business, which plays an integral role in advancing the Group's integrated healthcare strategy. The Group continues to focus on enhancing service quality, improving resource utilization, and expanding its medical service capabilities to strengthen patient confidence and support sustainable growth.

Overall, revenue growth for the nine-month period of 2026 was primarily supported by the Pharmacy Business, Animal Healthcare, Hospital Business, and Medical Device Innovation Business. Meanwhile, the recovery of the Hospital Market Healthcare segment in the third quarter provided a further positive indication of a more balanced revenue mix.

The diversity of these business segments helps reduce reliance on any single business and supports the Group's ability to sustain growth amid changing market conditions.

Cost of Goods sold & Services and Gross Profit

Unit : Million Baht	Q3 2026	Q3 2025	Change	%	9M 2026	9M 2025	Change	%
	MB	MB	MB		MB	MB	MB	
Cost of sales and services	335	321	13	4%	967	956	10	1%
Selling expenses	127	122	5	4%	383	370	13	3%
Administrative expenses	54	55	-1	-2%	179	164	14	9%
Total expenses	**516**	**498**	**18**	**4%**	**1,528**	**1,490**	**38**	**3%**

For the third quarter of 2026, the Group recorded cost of sales and services of THB 335 million, an increase of approximately 4% from THB 321 million in the same period of the previous year. This increase was below the 5% growth in revenue from sales and services. As a result, gross profit amounted to THB 251 million, an increase of 7% from THB 235 million, while gross profit margin improved from 42% to 43%.

For the nine-month period of 2026, cost of sales and services amounted to THB 967 million, an increase of approximately 1% from THB 956 million in the same period of the previous year, while revenue from sales and services grew by 5%. Consequently, gross profit increased by 10% to THB 734 million from THB 666 million, and gross profit margin improved from 41% to 43%.

Gross profit growth outpaced revenue growth in both periods, reflecting an improvement in the profitability of the Group's core businesses, particularly its ability to control cost of sales and services relative to revenue growth. The Group continues to prioritize effective cost management, an appropriate product and service mix, and improvements in operational efficiency across its business segments to maintain profitability and strengthen long-term financial performance.

The improvement in gross profit margin was a key contributor to net profit growth and reflects progress in implementing the Group's "Growth with Quality" strategy, which emphasizes generating appropriate returns from revenue growth alongside sales expansion..

Selling Expenses

For the three-month and nine-month periods ended September 30, 2026, the Group recorded selling expenses of THB 127 million and THB 383 million, respectively, representing year-on-year increases of THB 5 million, or 4%, and THB 13 million, or 3%, respectively. These increases were partly attributable to variable expenses associated with revenue growth, including transportation and distribution costs, as well as marketing and online sales activities aimed at broadening customer reach and supporting market expansion.

Selling expenses increased at a slower rate than revenue from sales and services, which grew by 5% in both periods, reflecting effective management of selling and marketing expenses. For the nine-month period, the ratio of selling expenses to revenue from sales and services decreased from approximately 22.8% in the previous year to 22.5% in the current year. This improvement demonstrates progress in managing selling expenses and utilizing resources efficiently to support business growth.

The Group continues to focus on improving distribution channel efficiency, developing marketing activities that generate appropriate returns, and utilizing its integrated healthcare business network to expand its customer base and increase sales. These initiatives, together with disciplined expense control, support revenue growth and sustainable improvements in profitability.

Administrative Expenses

For the three-month and nine-month periods ended September 30, 2026, the Group recorded administrative expenses of THB 54 million and THB 179 million, respectively. Administrative expenses for the third quarter decreased by 2% from THB 55 million in the same period of the previous year, while expenses for the nine-month period increased by approximately 9% from THB 164 million.

The increase in administrative expenses for the nine-month period included THB 14 million associated with the implementation of LAB Pharmacy's branch network restructuring and efficiency improvement plan. The Group reviewed individual branch performance and scaled down or discontinued operations at branches that did not meet targeted returns, recognizing related closure losses and expenses. These actions aimed to improve the cost structure and reallocate resources to branches and locations with greater potential to generate returns.

The year-on-year decline in administrative expenses in the third quarter represents a positive development, reflecting prudent expense management and the Group's focus on improving operational efficiency following earlier restructuring measures. The Group continues to prioritize fixed cost control, more efficient sharing of resources across business segments, and expense management aligned with revenue-generating potential.

These measures are expected to enhance management flexibility, reduce the long-term operating cost burden, and support continued improvements in profitability. This approach is consistent with the Group's "Growth with Quality" strategy, which emphasizes efficient and sustainable returns from business operations.

Net Profit

For the three-month and nine-month periods ended September 30, 2026, the Group recorded net profit of THB 53 million and THB 132 million, respectively, representing year-on-year increases of THB 5 million, or 11%, and THB 25 million, or 23%, respectively. Net profit margin for the third quarter was approximately 9%, while the margin for the first nine months increased to approximately 8% from 7% in the same period of the previous year.

Net profit growth substantially outpaced revenue growth, reflecting progress in improving the Group's operational efficiency and ability to generate returns. Key contributing factors included revenue growth in core business segments, an improvement in gross profit margin, and effective management of selling and administrative expenses. This was particularly evident in the third quarter, when administrative expenses declined while revenue and gross profit continued to grow.

In addition, the implementation of business restructuring and resource efficiency initiatives, particularly the optimization of the pharmacy branch network to focus on branches with stronger return potential, forms part of the Group's efforts to strengthen its cost structure and improve long-term earnings quality.

For the nine-month period of 2026, net profit growth of 23%, compared with 5% growth in revenue from sales and services, demonstrates the successful implementation of the Group's "Growth with Quality" strategy, which emphasizes growth alongside improvements in efficiency and profitability. The Group remains committed to strengthening its integrated healthcare capabilities, maintaining disciplined cost management, and generating additional value from existing businesses to enhance competitiveness and support stable and sustainable long-term growth.

Financial Position

	As at September 30, 2026	As at December 31, 2025	Change	%
	MB	MB	MB	
Total Assets	3,267	3,239	28	1%
Total Liabilities	880	940	- 60	-6%
Total Shareholders' Equity	2,387	2,299	88	4%

Total Assets

As of September 30, 2026, the Company reported total assets of THB 3,267 million, an increase of THB 28 million from December 31, 2025. Current assets increased by THB 25 million, mainly reflecting increases of THB 82 million in inventories and THB 27 million in trade and other current receivables, partly offset by a decrease of THB 87 million in cash and cash equivalents. Non-current assets increased by THB 3 million, primarily due to an increase in installment contract receivables.

Total Liabilities

As of September 30, 2026, the Company reported total liabilities of THB 880 million, a decrease of THB 60 million from December 31, 2025. The decrease was primarily attributable to a THB 19 million reduction in lease liabilities and repayments of borrowings from financial institutions totaling THB 33 million during the period..

Shareholders' Equity

As of September 30, 2026, the Company reported total shareholders' equity of THB 2,387 million, an increase of THB 88 million from December 31, 2025. The increase was primarily attributable to net profit attributable to owners of the Company of THB 117 million and a THB 15 million increase in non-controlling interests in subsidiaries, partially offset by dividend payments of THB 44 million during the period.

Sustainability Development

The Company remains committed to advancing sustainable business practices by systematically integrating Environmental, Social and Governance (ESG) principles into its corporate strategy and operations. This commitment encompasses improving management efficiency, optimizing resource utilization, conducting business responsibly, and creating shared value with all stakeholders to strengthen the Company's long-term resilience and competitiveness.

In the third quarter of 2026, the Company continued to pursue its short-, medium-, and long-term sustainability goals and action plans, focusing on strengthening corporate governance, managing environmental impacts, and promoting socially responsible business practices. Progress against these plans was monitored on an ongoing basis. These efforts are aligned with the JUMP+ program, which emphasizes business value creation alongside improvements in corporate governance and responses to climate change.

The Company believes that responsible and transparent business practices, together with balanced consideration of stakeholder interests, provide an essential foundation for strengthening investor confidence, enhancing the Company's growth potential, and creating sustainable long-term value for the Company, society, and the environment.

Yours sincerely,

Chatkaew Krudkosol

Chief Finance Officer