JSP Pharmaceutical Manufacturing (Thailand) PCL.

Management Discussion and Analysis

For the Nine-Month Period Ended 30 September 2026

Executive Summary

Consolidated financial statements *Unit: Thousand Baht*	Quarter 3 Year 2026 ("3Q26")	Quarter 2 Year 2026 ("2Q26")	Quarter 3 Year 2025 ("3Q25")	*Change* *%QoQ*	 *%YoY*	Nine-month Period Year 2026 ("9m26")	 Year 2025 ("9m25")	*Change* *%YoY*
Revenue from sales and services	235,395	236,598	261,332	*(0.5%)*	*(9.9%)*	673,289	752,424	*(10.5%)*
Gross profit	79,613	86,073	103,882	*(7.5%)*	*(23.4%)*	241,362	303,876	*(20.6%)*
Operating profit	8,684	15,750	21,721	*(44.9%)*	*(60.0%)*	36,195	76,555	*(52.7%)*
EBITDA	26,035	32,692	39,232	*(20.4%)*	*(33.6%)*	86,937	128,877	*(32.5%)*
Net profit	**342**	**10,030**	**11,700**	***(96.6%)***	***(97.1%)***	**11,212**	**42,999**	***(73.9%)***
Net profit to the parent company	**647**	**10,221**	**14,163**	***(93.7%)***	***(95.4%)***	**11,321**	**49,782**	***(77.3%)***
Gross profit margin	*33.8%*	*36.4%*	*39.8%*	*(2.6%)*	*(6.0%)*	*35.8%*	*40.4%*	*(4.6%)*
EBITDA margin	*11.0%*	*13.6%*	*14.9%*	*(2.6%)*	*(3.9%)*	*12.7%*	*16.9%*	*(4.2%)*
Net profit margin	***0.1%***	***4.2%***	***4.4%***	***(4.1%)***	***(4.3%)***	***1.6%***	***5.6%***	***(4.0%)***

Source: Interim financial information 9m26 (Reviewed), 6m26 (Reviewed) and management information

Significant events during the third quarter of 2026

- During the third quarter of 2026, the world had a conflict in Middle East area and had interruption to worldwide supply chain. Oil price increased so that related products and transportation costs soared, especially plastic which the Group uses as core packaging.
- The Group had measures and responds to the exposure by monitoring situations that might have impact to the Group's supply chain closely. In addition, the Group has considered operations plan in relation to create buffer stock over raw materials and packaging, as necessary, to ensure that the Group will have sufficient quantity of materials for production. Moreover, the Group has considered demand planning from sales teams and then determined material purchase plan in advance along with changing of situations.
- In addition, the Group set aside plans to increase production efficiency and cost controls, which are essential parts to create the Group's sustainable profit. For instance, employing machinery in production process or automation in work administration.

The Third Quarter QoQ (3Q26 vs 2Q26)

- Consolidated gross profit for the third quarter QoQ decreased by 2.6% since production costs increased from the regional conflict which had impact thorough 3Q26.
- In 3Q26, the Group reported consolidated EBITDA margin and net profit margin at the rates of 11.0% and 0.1%, respectively. Consolidated net profit for the third quarter QoQ decreased since the Group reported additional expected credit loss of financial assets amounting to Baht 4.0 million.

The Third Quarter YoY (3Q26 vs 3Q25)

- The Group had lower consolidated revenues from sales and services for the third quarter QoQ by 9.92%. This was principally because revenue from OEM and Own Brand products decreased totalling Baht 51.8 million.
- The Group's consolidated gross profit decreased by 6.0% mainly derived from upward trend of production cost.
- In 3Q26, the Group had consolidated net profit lower than 3Q25 due to lower operating profit.

Nine-month Period YoY (9m26 vs 9m25)

- Consolidated revenue from sales and services for nine-month period YoY declined by 10.5%. This was principally because revenue from Own Brand products decreased by Baht 65.9 million. While, the Group had more revenue from hemodialysis and medical supplies increased by Baht 6.2 million.
- The Group had lower consolidated gross profit margin by 4.6% for nine-month period YoY since revenue from sales and services declined.
- The Group reported net profit for the nine-month period amounting to Baht 11.2 million.

Nine-month Period financial ratios YoY (9m26 vs FY25)

- The Group had returns on assets and equity for 9m26 at 1.0% and 1.7%, respectively.
- D/E ratio tended to increase and reported at 0.61 times.

Significant events during 3Q26 and after the reporting date

Interim dividend payment for the operating results of six-month period 2026

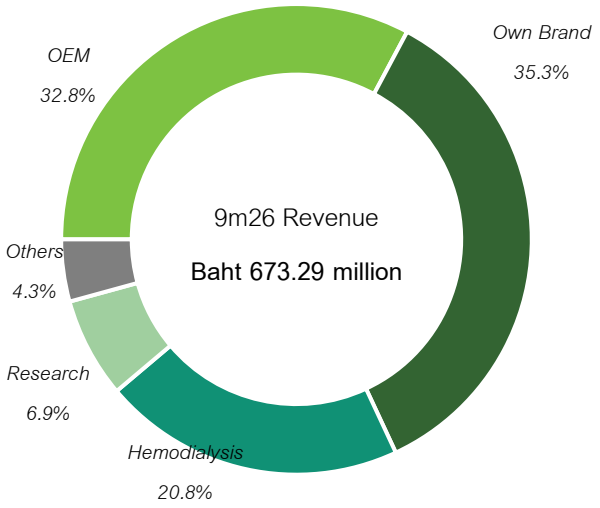
At the Board of Directors' Meeting No. 4/2026 on 11 August 2026, the Board of Directors approved an interim dividend payment from operating results for the six-month period ended 30 June 2026 at the rate of Baht 0.0212 per share, totalling Baht 10.06 million, and the Company will pay such interim dividend to shareholders on 4 September 2026.

Results of corporate governance evaluation by Thai Institute of Director Association

The Company has got "Very Good" rating from Corporate Governance Report of Thai Listed Companies (CGR) project for the year 2026. The project is organised by Thai Institute of Director Association (Thai IOD).

Operating results

1. Revenue from sales and services structure



Products under customer's brand (OEM)

- The Group had variety of product to support customer's demand. This includes dietary supplements, syrup conventional medicine and hormones.

Products under the Group's brand (Own Brand)

- The Group's brand consisted of JSP™, Suphap Osot™, which covered many channels of distribution
- The Group's had product development and marketing plans to expand revenue from Own Brand segment.

Dialysis solution (Hemodialysis)

- The Group distributes dialysis solution for domestic dialysis clinic

Research and development, training and seminar services (Research)

- The Group provides product research and development of products, training and seminar and consultancy for research fund application

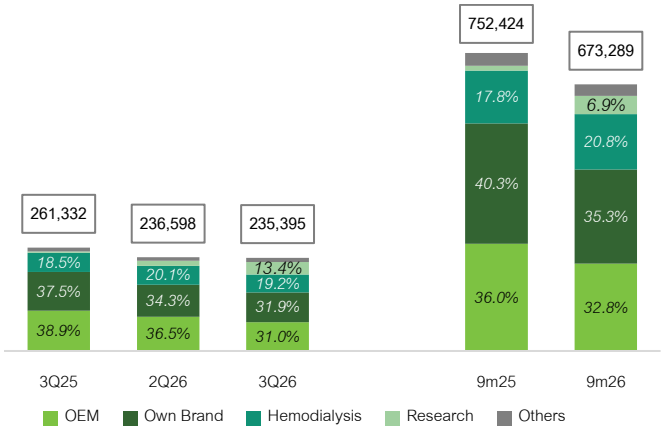
Other products (Others)

- The Group trades certain products such as vaccines and distribution of goods via vending machines.
- The Group provides purified water system installation for industrial purposes.

Revenue by product type

Consolidated financial statements *Unit: Thousand Baht*	Quarter 3 Year 2026 ("3Q26")	Quarter 2 Year 2026 ("2Q26")	Quarter 3 Year 2025 ("3Q25")	*Change* *%QoQ*	*Change* *%YoY*	Nine-month Period Year 2026 ("9m26")	Nine-month Period Year 2025 ("9m25")	*Change* *%YoY*
OEM	72,994	86,472	101,785	*(15.6%)*	*(28.3%)*	220,827	271,151	*(18.6%)*
Own Brand	75,015	81,138	97,990	*(7.5%)*	*(23.4%)*	237,415	303,310	*(21.7%)*
Hemodialysis	45,198	47,457	48,218	*(4.8%)*	*(6.3%)*	139,947	133,716	*4.7%*
Research	31,537	12,631	3,687	*149.7%*	*755.4%*	46,417	11,979	*287.5%*
Others	10,651	8,900	9,652	*19.7%*	*10.4%*	28,683	32,268	*(11.1%)*
Total	**235,395**	**236,598**	**261,332**	***(0.5%)***	***(9.9%)***	**673,289**	**752,424**	***(10.5%)***

Source: Interim financial information 9m26 (Reviewed), 6m26 (Reviewed) and management information



The Third Quarter QoQ (3Q26 vs 2Q26) Consolidated revenues from sales and services decreased by 0.5%, which mainly because

- OEM products: Revenue from OEM products for the third quarter QoQ dropped amounting to Baht 13.5 million since the Group had more orders for conventional medicines.
- Own Brand products: The Group had revenues mainly derived from Suphap Osot™ dietary supplements "Balack Sesame Oil + Rice Bran Oil" and "4 Mix Oil".

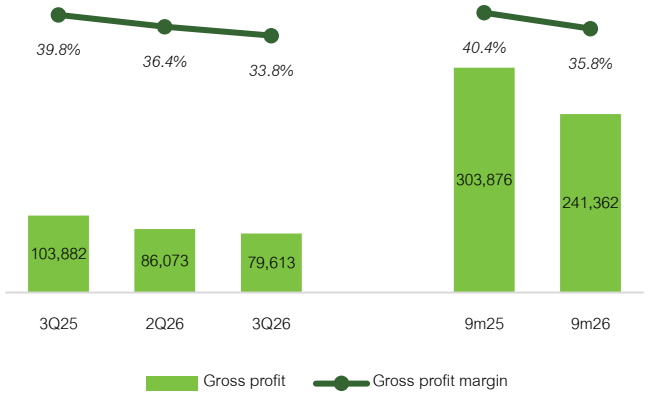
The Third Quarter YoY (3Q26 vs 3Q25) Consolidated revenues from sales and services decreased by 9.9% since

- OEM products: The Group had lower revenue for the third quarter YoY amounting to Baht 28.8 million. This was resulted from the Group had less orders for dietary supplements and conventional medicines.
- Own Brand products: Due to local economy slow down, this type of product had Baht 23.0 million decline in the third quarter YoY.
- Hemodialysis products: The Group's revenues in this segment for 3Q26 accounted for 19.2% of consolidated revenue from sales and services.

Nine-month Period YoY (9m26 vs 9m25) Consolidated revenues from sales and services decreased by 10.5% since

- OEM products: Revenue from this type of product for nine-month period YoY decreased amounting to Baht 50.3 million.
- Own Brand products: This type of product had 21.7% revenue dropped since local economy slow down
- Hemodialysis products: This product contributed 20.8% of consolidated revenues from sales and services for 9m26. The Group had higher revenue from trading of medical supplies for dialysis.

2. Gross profit and gross profit margin



The Third Quarter QoQ (3Q26 vs 2Q26)

- Consolidated gross profit in the third quarter QoQ decreased by 7.5% and that consolidated gross profit margin dropped by 2.6% due to the increase of price of certain raw materials and packaging.

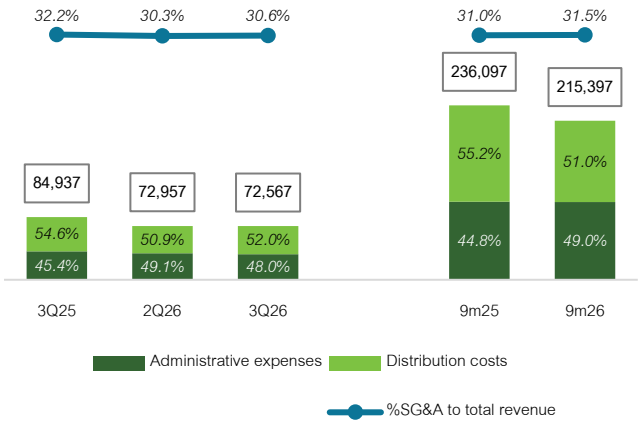
The Third Quarter YoY (3Q26 vs 3Q25)

- The Group's consolidated gross profit margin decreased by 6.1% because consolidated gross profit dropped by Baht 24.3 million. This was mainly because consolidated revenue from sales and services decreased.

Nine-month Period YoY (9m26 vs 9m25)

- Due to the decrease in revenue from sales of OEM and Own Brand products, the Group had consolidated gross profit declined by 3.8% for nine-month period YoY.

3. Distribution costs and administrative expenses



The Third Quarter QoQ (3Q26 vs 2Q26)

- Distribution costs: The Group's consolidated distribution costs for 2Q26 and 3Q26 were Baht 37.2 million and Baht 37.8 million, respectively. Consolidated distribution costs slightly increased mainly from advertising expenses.
- Administrative expenses: The Group had consolidated administrative expenses for 2Q26 and 3Q26 totalled Baht 35.8 million and Baht 34.8 million, respectively. The consolidated administrative expenses decreased due to staff costs and professional fees.

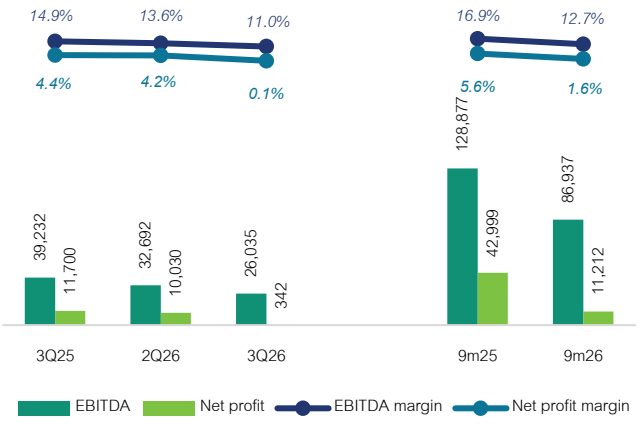
The Third Quarter YoY (3Q26 vs 3Q25)

- Distribution costs: The decrease of adverting expenses resulted to consolidated distribution costs for the third quarter YoY decreased by Baht 8.7 million.
- Administrative expenses: Consolidated administrative expenses rose up by Baht 3.7 million due to professional fees.

Nine-month Period YoY (9m26 vs 9m25)

- Distribution costs: During 9m26, the Group changed proportion of advertising media from television to online. This resulted to lower operating expenses and that consolidated distribution costs for nine-month period YoY decreased totalled Baht 20.5 million.
- Administrative expenses: Consolidated administrative expenses were lower by Baht 0.2 million for nine-month period YoY.
- Consolidated distribution costs and administrative expenses as a percentage of consolidated revenues: The Group had 15.7% decreased in consolidated distribution costs and administrative expenses for nine-month period YoY. This was because less spending over advertising expenses. However, the Group's ratio for 9m26 increased to 31.5% since revenues decreased in higher proportion than expenses.

4. EBITDA and net profit



The Third Quarter QoQ (3Q26 vs 2Q26)

- The Group's consolidated EBITDA decreased by 20.4% for the third quarter QoQ since operating profit increased by Baht 7.1 million.
- In 3Q26, the Group's consolidated net profit margin was at 0.1%. The decrease of consolidated net profit derived from the Group recorded additional expected credit loss of financial assets amounting to Baht 4.0 million.

The Third Quarter YoY (3Q26 vs 3Q25)

- Consolidated net profit decreased due to the shrinkage of consolidated gross profit and the increase of expected credit loss of financial assets.

Nine-month Period YoY (9m26 vs 9m25)

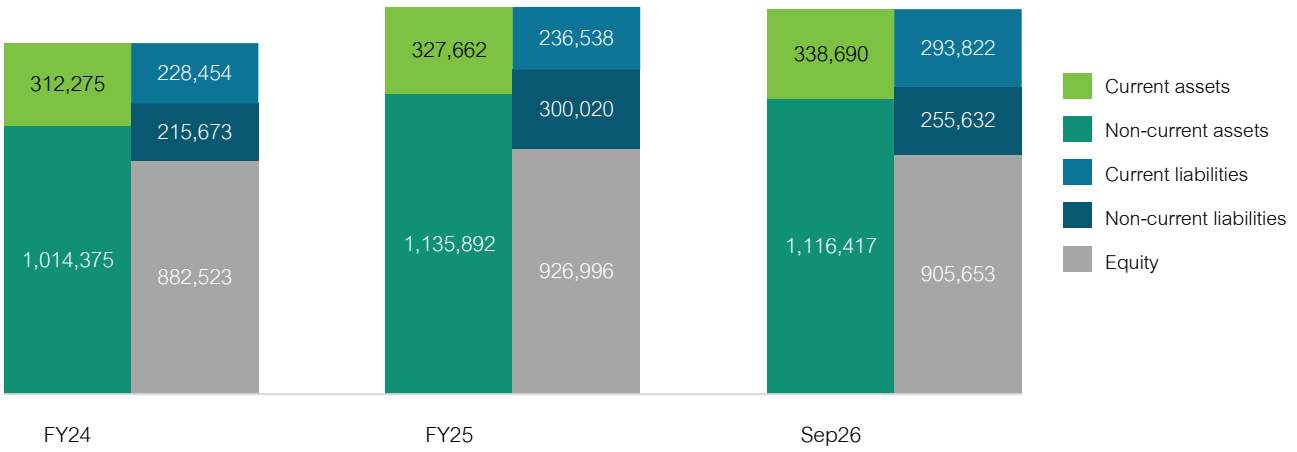
- Since operating profit for nine-month period YoY decreased, the Group had less consolidated EBITDA and net profit accordingly.

Consolidated income statement

Consolidated financial statements *Unit: Thousand Baht*	Quarter 3 Year 2026 ("3Q26")	Quarter 2 Year 2026 ("2Q26")	Quarter 3 Year 2025 ("3Q25")	*Change* *%QoQ*	*Change* *%YoY*	Nine-month Period Year 2026 ("9m26")	Nine-month Period Year 2025 ("9m25")	*Change* *%YoY*
Revenue from sales	199,391	219,140	253,706	*(9.0%)*	*(21.4%)*	613,129	727,912	*(15.8%)*
Revenue from services	36,004	17,458	7,626	*106.2%*	*372.1%*	60,160	24,512	*145.4%*
Cost of sales	(125,852)	(138,679)	(150,623)	*(9.2%)*	*(16.4%)*	(385,084)	(428,172)	*(10.1%)*
Cost of services	(29,930)	(11,846)	(6,827)	*152.7%*	*338.4%*	(46,843)	(20,376)	*129.9%*
Gross profit	**79,613**	**86,073**	**103,882**	***(7.5%)***	***(23.4%)***	**241,362**	**303,876**	***(20.6%)***
Other income	1,638	2,634	2,776	*(37.8%)*	*(41.0%)*	10,230	8,776	*16.6%*
Distribution costs	(37,750)	(37,157)	(46,401)	*1.6%*	*(18.6%)*	(109,896)	(130,367)	*(15.7%)*
Administrative expenses	(34,817)	(35,800)	(38,536)	*(2.7%)*	*(9.7%)*	(105,501)	(105,730)	*(0.2%)*
Operating profit	**8,684**	**15,750**	**21,721**	***(44.9%)***	***(60.0%)***	**36,195**	**76,555**	***(52.7%)***
Finance costs	(4,855)	(4,885)	(3,352)	*(0.6%)*	*44.8%*	(14,563)	(10,722)	*35.8%*
Reversal of expected credit losses (expected credit loss) of financial assets	(4,016)	1,778	(1,221)	*(325.9%)*	*(228.9%)*	(7,584)	(3,193)	*(137.5%)*
Impairment loss of non-financial assets	-	(423)	-	*100.0%*	-	(423)	-	*(100.0%)*
Share of loss from investment in an associate	-	-	(287)	-	*100.0%*	-	(3,378)	*100.0%*
Profit before taxes	**(187)**	**12,220**	**16,861**	***(101.5%)***	***(101.1%)***	**13,625**	**59,262**	***(77.0%)***
Income taxes expense	529	(2,190)	(5,161)	*124.2%*	*110.2%*	(2,413)	(16,263)	*85.2%*
Net profit	**342**	**10,030**	**11,700**	***(96.6%)***	***(97.1%)***	**11,212**	**42,999**	***(73.9%)***
Net profit to parent company	**647**	**10,221**	**14,163**	***(93.7%)***	***(95.4%)***	**11,321**	**49,782**	***(77.3%)***
Earnings per share (Baht)								
Basic	0.001	0.02	0.03			0.02	0.10	
Diluted	0.001	0.02	0.03			0.02	0.10	

Source: Interim financial information 9m26 (Reviewed), 6m26 (Reviewed) and management information

Financial position



Assets

- Current assets: As of 30 September 2026 ("Sep26"), consolidated current assets mainly comprised trade receivables and inventories, accounted for 81.2% of consolidated current assets. As of Sep26, consolidated current assets increased from 31 December 2025 ("FY25") because inventories increased.
- Non-current assets: As of Sep26, the Group had property, plant and equipment accounted for 71.5% of consolidated total assets. The lower value of property, plant and equipment as of Sep26 from FY25 was due to depreciation charged for 9m26.

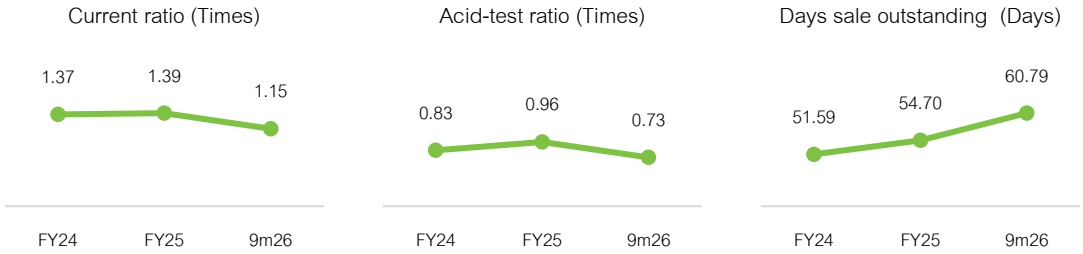
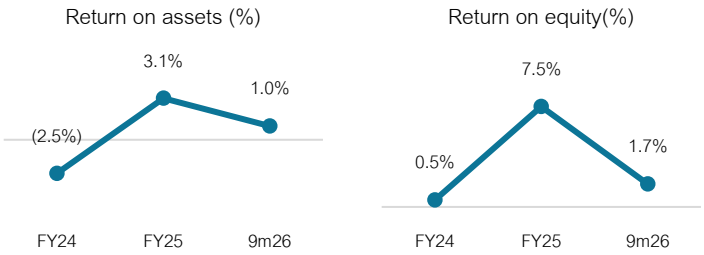
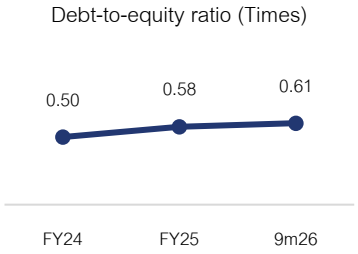
Liabilities

- Current liabilities: The Group had consolidated current liabilities as of Sep26 was higher than FY25 by Baht 57.3 million since interest-bearing liabilities increased amounting to Baht 51.6 million.
- Non-current liabilities: Consolidated non-current liabilities as of Sep26 decreased from FY25 by 14.8% because the Group had continually repaid long-term loans from financial institutions.

Equity

- During 9m26, the Company paid dividend to shareholders amounting to Baht 32.6 million.

Significant financial ratios

Liquidity ratios	
Profitability ratios	
Financial leverage ratio	

- In 9m26, the Group's had lesser liquidity due to higher of current liabilities.
- Returns on equity for 9m26 increased from FY25 because consolidated net profit margin increased.
- D/E ratio for 9m26 was in line with FY25 at 0.61 times.