

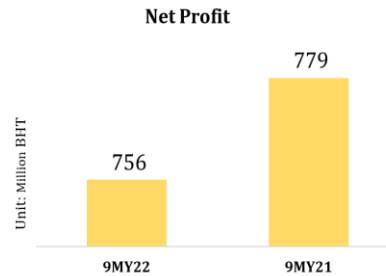
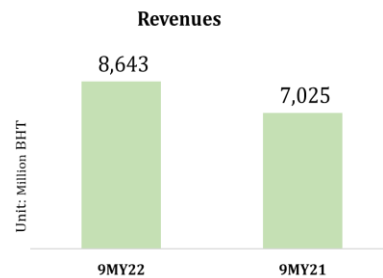
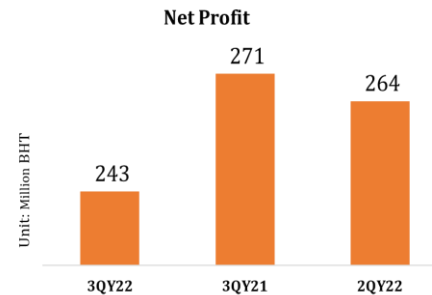
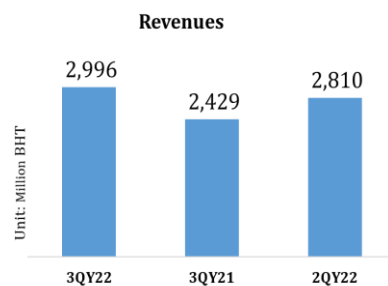


Management Discussion and Analysis

For Q3Y22 and 9MY22

Executive Summary

- ASIAN reported Q3Y22 core sales & revenue of THB 2,996 million, up 23.4% YoY, primarily due to petfood and tuna segments.
- In 9MY22, core sales & revenue was THB 8,643 million, increasing up 23.0% YoY due to stronger sales from petfood and tuna segments. However, low sales volumes of shrimp and fish feed contributed to a drop in aquaculture feed segment sales.
- In Q3Y22 ASIAN reported a net profit of THB 243 million, a fall of 10.4% YoY due to a low gross profit margin and greater corporate income tax expenses. The earnings per share was THB 0.30 per share (Q3Y21: THB 0.33 per share).
- THB 756 million in 9MY22, 3% YoY fall in net profit. Earnings per share was THB 0.93. (9MY2021: THB 0.96 per share).



Major Developments

Business situation

Total sales volumes declined by 4% YOY to 21,205 tons from 22,160 tons in Q3Y22, attributable mostly to a drop in shrimp feed due to poor shrimp production and a restructure of the sales staff, as well as a dip in fish feed quality. This drop was somewhat offset by an increase in petfood sales volume due to ongoing high demand, as well as greater tuna sales volume.

Total sales (including intercompany transactions) climbed 25% to THB 3,128 million in Q3Y22. This increase was primarily due to increased sales from the petfood and fishmeal business, which increased by 50% from THB 1,105 million to THB 1,656 million, and sales from the tuna business, which increased by 116% to THB 309 million from THB 143 million but was offset in part by a 30% decrease in sales from aquafeed, which decreased to THB 211 million. The frozen business remained unchanged from the previous year.



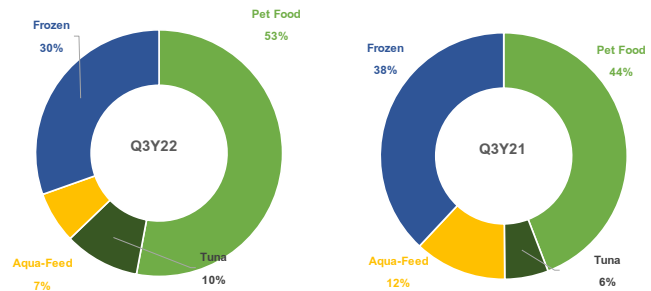
Asian Sea Corporation Public Company Limited.

Head office :

55/2 Moo 2, Rama II Rd., Bangkrajao, Muang, Samutsakorn 74000, Thailand.

Tel : (034) 822204-7, (034) 822700-6 Fax : (034) 822407, (034) 822698-9, (034) 822706

Sales By Business Segment				
	Q3Y22	Q3Y21	%Growth	Q2Y22
Volume (Mt)	21,205	22,160	-4%	22,445
Pet Food & Fishmeal Business	9,738	8,357	17%	10,010
Tuna Business	1,754	983	78%	1,346
Aquaculture Feed Business	6,571	9,384	-30%	7,487
Frozen business	3,142	3,435	-9%	3,603
Revenues (Millions Baht)	3,128	2,502	25%	2,911
Pet Food & Fishmeal Business	1,656	1,105	50%	1,614
Tuna Business	309	143	116%	212
Aquaculture Feed Business	211	302	-30%	246
Frozen business	952	952	0%	839

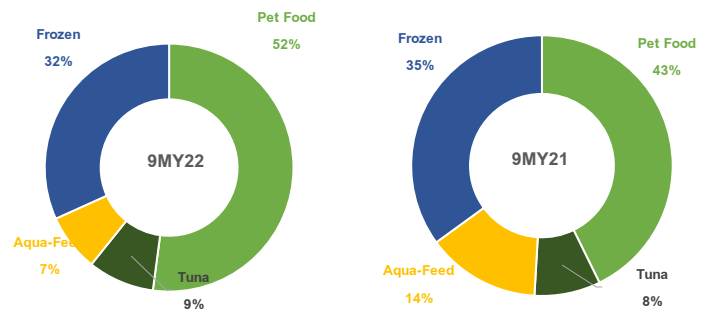


Remark: Revenues in the table is included intercompany sales.

Total sales volume declined 8% year on year to 65,156 tons from 70,799 tons, owing principally to a considerable drop in aquafeed sales volume, which was impacted by client portfolio modifications in both shrimp and fish feeds, as well as stagnant shrimp farm volumes. These were somewhat offset by a 23% rise in petfood and fishmeal sales, as well as 14% and 11% increases in frozen seafood and tuna sales, respectively.

Total revenues (including intercompany transactions) increased by 24% in 9MY22, from THB 7,254 million to THB 9,000 million, owing primarily to higher pet food & fishmeal revenue, which increased by 51%, tuna revenue, which increased by 31%, and frozen seafood revenue, which increased by 13%, but were partially offset by disappointing aquafeed revenue, which dropped by 34%.

Sales By Business Segment			
	9MY22	9MY21	%Growth
Volume (Mt)	65,156	70,799	-8%
Pet Food & Fishmeal Business	29,408	23,873	23%
Tuna Business	4,947	4,346	14%
Aquaculture Feed Business	20,250	33,044	-39%
Frozen business	10,551	9,536	11%
Revenues (Millions Baht)	9,000	7,254	24%
Pet Food & Fishmeal Business	4,688	3,101	51%
Tuna Business	779	593	31%
Aquaculture Feed Business	675	1,020	-34%
Frozen business	2,858	2,541	13%



Remark: Revenues in the table is included intercompany sales.

Pet Food & Fishmeal

The petfood business is the most important contributor to growth, with outstanding momentum across all businesses. Sales volume grew by 17% to 9,738 tons from 8,357 tons in 3QY22, owing to increasing export to the US market, and the US market component increased from 51% to 65% of total sales volume, a 67% increase over the previous year. For the first nine months, sales volume climbed dramatically from 23,873 tons to 29,408 tons, or 23% year on year, with the US market accounting for the lion's share of sales volume.

A new pouch line has become operational, and capacity expansion is currently proceeding in the fourth quarter of this year to meet Y23 demand.

In term of our own petfood brands "monchou", "hajiko", and "pro" followed the market growing trend. It was a success in terms of brand exposure when we introduced presenters to increase brand identification. In 3QY22, sales increased by 45% year on year and 9MY22 sales grew by 122% from previous due to channel expansion and positive brand impression.



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Tuna

Tuna export sales volume climbed dramatically in 3QY22, from 983 tons to 1,754 tons, or 78%, due to increased shipment to Saudi Arabia and Israel.

9MY22 sales volume climbed 14% from 4,346 tons to 4,947 tons, with the Middle East being the largest market.

Aquafeed

Sales volume in 3QY22 declined dramatically from 9,384 tons to 6,571 tons, or 30% year on year, due to the fact that we are still in the recovery period to demonstrate that our product quality is in place, as well as a shortage of farm volume in both the shrimp and fish segments.

Sales volume fell 39% in 9MY22, from 33,044 tons to 20,250 tons. The major causes include changes in farmer portfolios and a farm volume shortfall.

Frozen

In 3QY22, sales volume fell by 9% from 3,435 tons to 3,142 tons, owing mostly to lower VAP demand, which fell by 31% YoY but was largely offset by 116% higher Silago frozen export. The US market is the largest contributor, accounting for 43% of overall sales volume.

As a result of increasing Shishamo and Silago frozen shipments to Japan, sales volume increased by 11% from 9,536 tons to 10,551 tons for 9MY22. However, the US and Italian markets continue to be the biggest contributors in the frozen business, accounting for 65% of total export sales volume.

Financial Review

Profitability Analysis

STATEMENT OF INCOME

Unit: Million Baht

	3QY22	%	3QY21	%	Inc/(Dec) %	2QY22	%	Inc/(Dec) %
Revenue from Sales & Services	2,996	100.0	2,429	100.0	23.4	2,810	100.0	6.6
Cost of sales & services	(2,406)	(80.3)	(1,886)	(77.7)	27.6	(2,265)	(80.6)	6.3
Gross Profit	590	19.7	543	22.3	8.7	545	19.4	8.2
Operating Expenses	(215)	(7.2)	(167)	(6.9)	28.3	(165)	(5.9)	29.8
Operating Profit	375	12.5	375	15.5	(0.0)	380	13.5	(1.2)
Other incomes	27	0.9	15	0.6	78.7	35	1.3	(23.0)
Gain/(Loss) on FX	(69)	(2.3)	(80)	(3.3)	(13.4)	(84)	(3.0)	(17.4)
Other expenses	0	0.0	(1)	(0.0)	(100.0)	0	0.0	
Financial cost	(21)	(0.7)	(16)	(0.7)	25.4	(18)	(0.6)	14.0
Profit before tax	313	10.4	294	12.1	6.5	313	11.1	(0.1)
Tax expenses (income)	(70)	(2.3)	(22)	(0.9)	210.8	(49)	(1.7)	43.6
Net Profit	243	8.1	271	11.2	(10.4)	264	9.4	(8.2)
Earning dPer Share	0.30		0.33			0.31		

Revenue from Sales & Services

ASIAN reported THB 2,996 million in revenue from sales and services in Q3Y22, a 23.4 % increase YoY. Pet food and tuna sales revenue significantly increased YoY, however, aquafeed sales revenue declined owing to a fall in sales volume caused by low domestic shrimp production and restructuring sales staff.



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Gross Profit

Gross profit for the third quarter of 2022 was THB 590 million up THB 47 million or 8.7% from previous year's same quarter, and represented 19.7% of revenues, which down 2.6% from previous year. Because of increased raw material costs and low gross profit for aquafeed.

Operating expenses

Operating expenses for Q3Y22 were THB 215 million, up 28.3 % YoY, and consisted of selling and distribution charges and administrative expenses.

1. Selling and distribution expenses reached THB 117 million, an increase of THB 44 million mostly owing to greater advertising expenses for company's own petfood brands.
2. Administrative expenses excluding exchange rate losses reached THB 98 million, a THB 4 million decrease.

Financial cost

The financial cost for Q3Y22 was THB 21 million, an increase of THB 5 million due to increasing short-term and long-term borrowing for working capital and capital expenditure.

Tax expense (income)

In Q3Y22, the effective tax rate was 22.3% higher than the previous year by 14.6%, owing principally to the reversal of deferred tax assets in the aquaculture feed segment due to the inability to use tax loss carry forwards that will expire next year, which amounted to THB 19 million or 6.0% of net profit before tax.

Net Profit and Earning per Share

Q3Y22, ASIAN reported a net profit of THB 243 million, compared to previous year same quarter at a profit of THB 271 million a decrease of THB 28 million or 10.4%. Earnings per share of ASIAN for Q3Y22 was THB 0.30 (Q3Y21: THB 0.33).

STATEMENT OF INCOME					Unit: Million Baht	
	9MY22	%	9MY21	%	Inc/(Dec) %	
Revenue from Sales & Services	8,643	100.0	7,025	100.0	23.0	
Cost of sales & services	(7,031)	(81.4)	(5,613)	(79.9)	25.3	
Gross Profit	1,612	18.6	1,412	20.1	14.2	
Operating Expenses	(580)	(6.7)	(498)	(7.1)	16.3	
Operating Profit	1,032	11.9	913	13.0	13.0	
Other incomes	89	1.0	76	1.1	16.9	
Gain/(Loss) on FX	(140)	(1.6)	(89)	(1.3)	57.5	
Other expenses	0	0.0	(3)	(0.0)	(100.0)	
Financial cost	(53)	(0.6)	(46)	(0.7)	13.9	
Profit before tax	928	10.7	851	12.1	9.1	
Tax expenses (income)	(172)	(2.0)	(72)	(1.0)	140.5	
Net Profit	756	8.7	779	11.1	(3.0)	
Earnings Per Share	0.93		0.96			

Revenue from Sales & Services

In 9MY22, sales of pet food climbed due to continuing robust growth and an increase in sales of tuna and frozen seafood segments, resulting in a 23.0% increase in total income from sales and services. Aquaculture feed sales was impacted significantly by client portfolio modifications, high-quality fish feed products, and poor domestic shrimp output.



Gross Profit

Gross profit for the first nine months of this year was THB 1,612 million, up THB 200 million or 14.2% from the previous year. This year's gross profit margin declined from 20.1% to 18.6% as a result of higher raw material costs and reduced aquaculture feed sales volume.

Operating expenses

Operating expenses reached THB 580 million, a 16.3% increase YoY, and were mostly comprised of selling and distribution expenses and administrative expenses, which included the following:

1. Selling and distribution expenses increased by THB 56 million to THB 285 million, owing to mostly to greater own-petfood brand marketing costs and sales distribution activities.
2. Administrative expenses, excluding exchange rate losses, reached THB 294 million, a THB 25 million increase.

Financial cost

The rise in financial cost for the first nine months this year over the previous year was THB 7 million, mainly to higher short-term and long-term borrowing to support expanding working capital and capital expenditures.

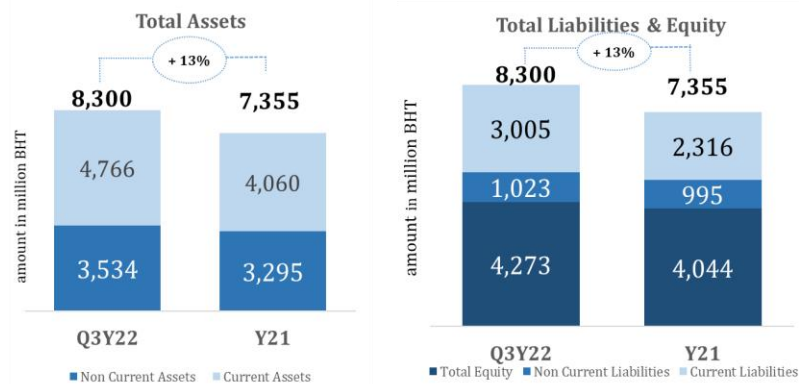
Tax expense (income)

In 9MY22, effective tax rate was 18.5% higher than previous year by 10.0% owing primarily to used up most BOI privileges as well as the impact of reversal of deferred tax asset from aquaculture feed segment due to inability to utilize tax loss carry forward that will expire next year, which amounted THB 19 million as recorded in Q3Y22.

Net Profit and Earning per Share

ASIAN recorded a net profit of THB 756 million in 9MY22, a decline of THB 23 million or 3.0% from the previous year's profit of THB 779 million. Earnings per share of ASIAN for 9MY22 was THB 0.93 (9MY21: THB 0.96).

Financial Position



Total Assets

ASIAN grew its total assets by THB 946 million, or 12.9%, from THB 7,355 million at the end of 2021 to THB 8,300 million on September 30, 2022. The following are the key contributors:



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1. The total amount of trade and other receivables was THB 1,479 million, an increase of 312 million, owing mostly to an increase in petfood sales.
2. Stockpiles of pet food raw ingredients and finished goods increased inventories by THB 221 million to THB 2,912 million.
3. Property, plant, and equipment totaled THB 3,287 million as of September 30, 2022, an increase of THB 293 million or 9.8% from December 31, 2021, primarily owing to investments in new wet petfood (pouch), improve building and operating procedures.

Total Liabilities

The total liabilities of ASIAN were THB 4,027 million as of September 30, 2022, an increase of THB 717 million or 21.7% from THB 3,311 million at the end of 2021. The followings are the key contributors:

1. A THB 809 million increase in short-term borrowing to strengthen ASIAN working capital.
2. A rise of THB 64 million increase in other current financial liabilities
3. A rise in corporate income tax payable of THB 25 million
4. Offset in part by a THB 130 million decrease in the long-term loan
5. A THB 97 million reduction in trade and other payables

Total Shareholders' equity

As of 30 September 2022, ASIAN had shareholders' equity of THB 4,273 million, an increase of THB 229 million from THB 4,044 million at the end of 2021 which was due to ASIAN profit for the year offset by dividend paid of THB 529 million.

Cash Flow

	Unit: Million Baht		
	9MY22	9MY21	Change
Cash flow from operating activities			
Profit before tax	928	851	77
Adjustments for:			
Depreciation & Amortisation	214	188	25
Other adjustments	(1)	(33)	32
Loss (gain) on exchange rate	33	92	(59)
Financial cost, net	53	46	6
Operating profit before working capital changes	1,227	1,145	81
Decrease (increase) in operating assets	(569)	(924)	355
Increase (decrease) in operating liabilities	(78)	93	(172)
Cash from operating activities	579	314	265
Interest net paid	(53)	(46)	(7)
Income tax net paid	(139)	(56)	(83)
Net cash from (used in) operating activities	387	212	175

Operating activities

Cash flow from operating activities in 9MY22 was THB 387 million, up THB 175 million from cash flow used in the first nine months of last year, which was THB 212 million. This increase was driven mostly by lower changes in operating assets, which fell by THB 355 million as a result of changes in accounts receivables and inventories.

As of 30 September 2022, the accounts receivable day and inventory day were 46 days and 118 days respectively compared to 43 days and 128 days previous year.



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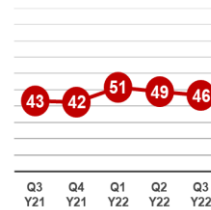
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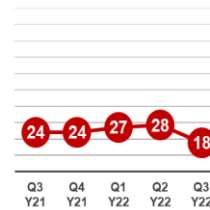
Working Capital

Unit: million Baht	3QY22	3QY21	2QY22
Inventories	2,912	2,650	3,062
Account Receivable	1,479	1,172	1,468
Cash & Other current assets	376	194	305
Account Payable	(687)	(756)	(912)
Other Payable	(113)	(87)	(145)
Net Working Capital	3,966	3,173	3,778
Inventory days	118	128	131
AR Days	46	43	49
AP Days	18	24	28

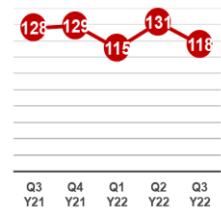
AR Days



AP Days



INV Days



Unit: Million Baht

	9MY22	9MY21	Change
Cash flow from investing activities			
Received restrict bank deposit	19	-	19
Purchases of property, plant and equipment	(493)	(365)	(129)
Proceed of sales equipments and investment property	8	1	7
Received long term loan from JV	5	(0)	6
Net cash used in investing activities	(462)	(364)	(98)
Cash flow from financing activities			
Bank borrowings raised	1,159	1,018	141
Repayment of bank borrowings	(459)	(489)	30
Repayment of lease liabilities	(10)	(13)	3
Dividend paid	(529)	(502)	(27)
Net cash from financing activities	160	13	147
Effect of foreign exchange rate changes	(0)	3	(3)
Net increase (decrease) in cash and cash equivalents	85	(136)	221
Cash and cash equivalents at beginning of period	89	207	(119)
Cash and cash equivalents at end of period	174	72	102

Investing activities

Cash flow used for investment operations increased by THB 98 million over the previous year, or THB 462 million, mostly as a result of investments in improving building, increased petfood production capacity, and improved operating procedures.

Financing activities

Because of lower bank borrowings, net cash flow from financing activities was THB 160 million, up 147 million from the prior year.



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Statement of Financial Position						Unit: Million Baht
	3QY22	%	FY21	%	% Chg	
Cash and cash equivalent	174	2.1	89	1.2	96.0	
Trade and other receivables	1,479	17.8	1,167	15.9	26.8	
Inventories	2,912	35.1	2,691	36.6	8.2	
Other current assets	202	2.4	113	1.5	77.8	
Total current assets	4,766	57.4	4,060	55.2	17.4	
Restricted bank deposit	0	0.0	19	0.3	-100.0	
Investments	104	1.3	109	1.5	-4.2	
Fixed assets	3,287	39.6	2,995	40.7	9.8	
Other non current assets	143	1.7	173	2.4	-17.5	
Total non current assets	3,534	42.6	3,295	44.8	7.3	
Total Assets	8,300	100.0	7,355	100.0	12.9	
Bank overdraft and short-term loans	1,725	20.8	916	12.5	88.3	
Trade and other payables	687	8.3	784	10.7	-12.4	
Current portion of long-term loans	392	4.7	520	7.1	-24.8	
Other current liabilities	201	2.4	95	1.3	110.5	
Total current liabilities	3,005	36.2	2,316	31.5	29.7	
Long-term loans	798	9.6	776	10.6	2.7	
Other non current liabilities	225	2.7	218	3.0	3.3	
Total non current liabilities	1,023	12.3	995	13.5	2.8	
Total Liabilities	4,027	48.5	3,311	45.0	21.6	
Total shareholders' equity	4,273	51.5	4,044	55.0	5.7	
Total Liabilities and Equity	8,300	100.0	7,355	100.0	12.9	

Key Financial Ratios

	3QY22	3QY21	2QY22		3QY22	3QY21	2QY22
Growth Rates				Profitability Ratios			
Sales Growth	23.4%	2.5%	12.4%	Return on equity*	23.9%	26.2%	24.8%
Net Profit Growth	-10.4%	34.0%	-9.8%	Return on assets**	12.3%	13.6%	12.6%
				Total Assets Turnover***	133.8%	128.1%	126.5%
Leverage and Liquidity Ratios				Net Profit margin	8.1%	11.2%	9.4%
Current ratio	1.6	1.4	1.5	Gross profit margin	19.7%	22.7%	19.4%
Quick or acid test ratio	0.6	0.4	0.5				
Debt to equity ratio	0.9	0.9	1.0				
Net Debt to equity ratio	0.6	0.6	0.6				

* Using last 4 consecutive quarters net profit divided by end quarter equity

** Using last 4 consecutive quarters net profit divided by end quarter total assets

*** Using last 4 consecutive quarters sales divided by end quarter total assets

Y2022 Outlook:

ASIAN has revised the assumption of the revenue from sales and services growth of 19% to 22-23% from previous year, which driven mainly by petfood segment and tuna segment. ASIAN also expects gross profit margin to be 18-19% of total revenue from sales and services. The business outlook in this year is as follows:

Petfood business:

This year will be another year of high sales growth due to robust worldwide demand, particularly for wet pet food. We anticipate that sales would increase by 47-48% over last year to THB 6.2 billion, with revenue coming from exports and our own brand sales in both Thailand and China. Capacity is 42,000 tons per year at the end of this year, with extra capacity added in July already.



Tuna business:

Tuna sales this year will increase by 22% to THB 1.0 billion which mainly come from high demand in Middle East despite high tuna cost.

Frozen business:

Frozen seafood sales will fall by 2% to THB 3.4 billion this year compared to previous year, owing to softening demand in VAP products as we ship to the US due to the economic crisis, and not only the US market but also the Euro market is softening due to increasing energy costs and inflation, resulting in low demand in HORECA (Hotel, Restaurant and Catering).

Aquaculture feed business:

As a consequence of changing client portfolios and low product quality both shrimp and fish feeds, aquaculture feed sales would reduce 27% from the previous year to THB 0.9 billion. We are currently in the recovery phase, demonstrating to farmers that our product quality is in place, and we have totally stabilized the management and sales teams.

Corporate:

ASIAN will sell certain shares of Asian Alliance International Plc., or AAI, a subsidiary that generated a profit on sales on investment in the fourth quarter of this year, necessitating the recording of corporation tax expense; as a consequence, the effective tax rate will rise due to the one-time recording.