

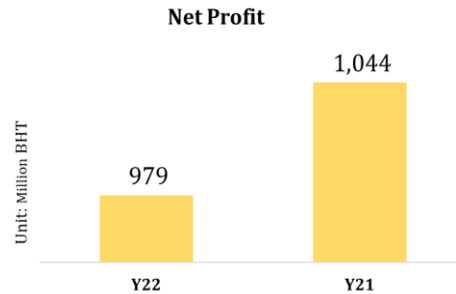
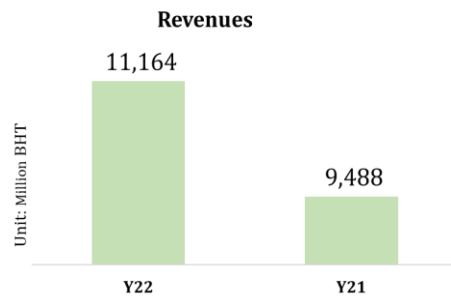
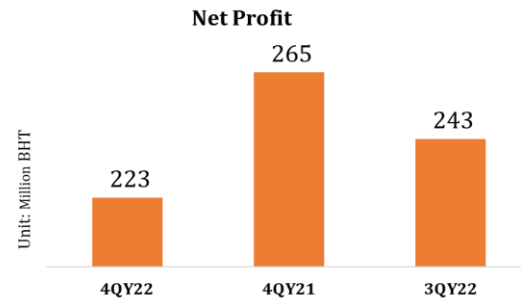
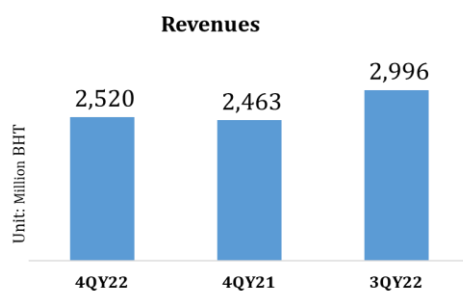


Management Discussion and Analysis

For Q4Y22 and Y22

Executive Summary

- ASIAN reported THB 2,520 million in core sales and revenue in Q4Y22, up 2.3% year on year, and THB 11,164 million in Y22, up 18% year on year. YoY growth was driven mostly by the petfood and tuna segments.
- ASIAN reported a net profit to the company of THB 223 million in Q4Y22, a 15.8% decrease year on year due to a low gross profit margin. The earnings per share was THB 0.27. (Q4Y21: THB 0.33 per share).
- In Y22, net profit fell 6% year on year to THB 979 million. THB 1.20 was earned per share. THB 1.28 per share in 2021.



Major Developments

Business situation

Total sales volumes fell 7% year on year to 19,432 tons from 20,866 tons in Q4Y22, owing mostly to a significant reduction in frozen seafood and a decline in tuna, which was somewhat offset by an increase in petfood sales volume.

In Q4Y22, total revenues (including intercompany transactions) fell 2% to THB 2,516 million. This gain was mostly driven by petfood, which climbed by 32% from THB 1,105 million to THB 1,461 million, but was countered in part by a 42% reduction in frozen seafood sales, which fell to THB 551 million.



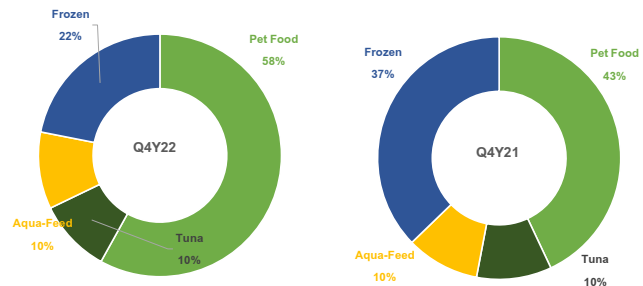
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Sales By Business Segment				
	Q4Y22	Q4Y21	%Growth	Q3Y22
Volume (Mt)	19,432	20,866	-7%	21,205
Pet Food & Fishmeal Business	8,452	7,562	12%	9,738
Tuna Business	1,402	1,823	-23%	1,754
Aquaculture Feed Business	7,459	7,872	-5%	6,571
Frozen business	2,118	3,609	-41%	3,142
Revenues (Millions Baht)	2,516	2,570	-2%	3,128
Pet Food & Fishmeal Business	1,461	1,105	32%	1,656
Tuna Business	247	257	-4%	309
Aquaculture Feed Business	258	251	3%	211
Frozen business	551	957	-42%	952

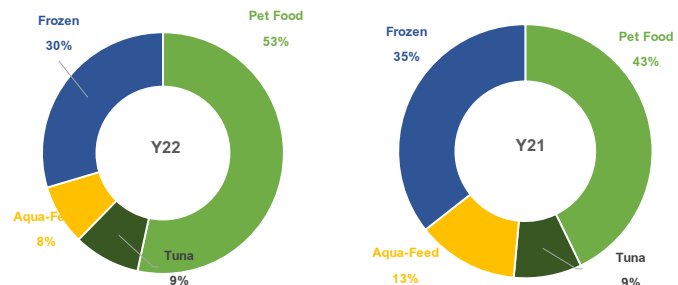


Remark: Revenues in the table is included intercompany sales.

Total sales volume decreased 8% year on year to 84,597 tons from 91,665 tons, attributable mostly to a 32% decrease in aquafeed sales volume. This was somewhat offset by a 20% increase in petfood and fishmeal sales.

Total revenues (including intercompany transactions) increased by 17% in Y22, from THB 9,825 million to THB 11,516 million, owing primarily to higher pet food and fishmeal revenue, which increased by 46%, and tuna revenue, which increased by 21%, but were offset in part by disappointing aquafeed revenue, which fell by 27%, and frozen seafood revenue, which decreased by 3%.

Sales By Business Segment			
	Y22	Y21	%Growth
Volume (Mt)	84,597	91,665	-8%
Pet Food & Fishmeal Business	37,860	31,435	20%
Tuna Business	6,350	6,169	3%
Aquaculture Feed Business	27,718	40,916	-32%
Frozen business	12,670	13,145	-4%
Revenues (Millions Baht)	11,516	9,825	17%
Pet Food & Fishmeal Business	6,149	4,206	46%
Tuna Business	1,025	849	21%
Aquaculture Feed Business	933	1,271	-27%
Frozen business	3,409	3,498	-3%



Remark: Revenues in the table is included intercompany sales.

Pet Food & Fishmeal

This year has been another good year for our petfood business, as ASIAN has successfully spun off a subsidiary that produces petfood and tuna, "ASIAN ALLIANCE INTERNATIONAL PLC. (AAI)," to the stock market on November 1. It also demonstrates that petfood is a megatrend, and we are prepared to expand capacity to meet future growth in the next 3-4 years. Furthermore, we have aggressively created our own brand both "monchou" and "hajiko" we introduced brand presenters which gain positive perception from all pet owners which will enable us to expand the market outside of Thailand. This year, we intend to target the ASIA market.

With great momentum across all businesses, the petfood business is the largest driver to growth. Due to increased export to the US market, sales volume climbed by 20% to 37,860 tons in Y22 from 31,435 tons in Y21, and the US market component increased from 59% to 63% of total sales volume.

A new pouch line is already operational, and capacity expansion begin in late this year to satisfy Y23 demand.

In terms of our own petfood brands, "monchou," "hajiko," and "pro" have grown in tandem with the market. When we introduced presenters to boost brand recognition, it was a success in terms of brand exposure. Sales climbed by 60% year on year in Y22 as a result of channel growth and strong brand perception.



Tuna

Tuna export sales volume fell by 23% in 4QY22, from 1,823 tons to 1,402 tons, owing to lower shipments to Saudi Arabia and Yemen. The Middle East was the greatest market for Y22 sales volume, increasing 3% from 6,169 tons to 6,350 tons.

Aquafeed

Sales volume in 4QY22 fell from 7,872 tons to 7,459 tons, or 5% year on year, owing mostly to a 23% decrease in fish feed sales, which was slightly offset by a 2% gain in shrimp feed sales in the same quarter last year.

Sales volume fell 32% in Y22, from 40,916 tons to 27,718 tons. The primary causes were a 43% shortfall in fish feed owing to quality that did not satisfy farmer expectations, and a 28% drop in shrimp feed volume due to a reclassification of farmer portfolio.

Frozen

In 4QY22, sales volume fell by 41% from 3,609 tons to 2,118 tons, owing primarily to lower VAP demand, which fell by 37% YoY, and squid dropped by 40% due to soften demand in the European market caused by the ongoing international conflict between Russia and Ukraine, which continues to cause higher inflation under the pressure of energy, food, and other commodity prices, which is weighing on the EU economy.

Total sales volume fell by 4% from 13,145 tons to 12,670 tons as a consequence of 29% and 13% decreases in frozen shrimp and squid, respectively, but were largely offset by 36% growth in Silago frozen exports to Japan.

The US market is the greatest contributor, accounting for 37% of total sales volume, while Italy is the second largest contributor, accounting for 29% for the Y22.



Financial Review

Profitability Analysis

STATEMENT OF INCOME

Unit: Million Baht

	4QY22	%	4QY21	%	Inc/(Dec) %	3QY22	%	Inc/(Dec) %
Revenue from Sales & Services	2,520	100.0	2,463	100.0	2.3	2,996	100.0	(15.9)
Cost of sales & services	(2,105)	(83.5)	(2,006)	(81.4)	4.9	(2,406)	(80.3)	(12.5)
Gross Profit	416	16.5	457	18.6	(9.1)	590	19.7	(29.5)
Operating Expenses	(208)	(8.3)	(200)	(8.1)	4.0	(215)	(7.2)	(3.0)
Operating Profit	207	8.2	257	10.4	(19.2)	375	12.5	(44.7)
Other incomes	22	0.9	23	0.9	(5.6)	27	0.9	(20.8)
Gain/(Loss) on FX	106	4.2	36	1.5	192.7	(69)	(2.3)	(253.9)
Other expenses	1	0.0	1	0.0	(49.8)	0	0.0	
Financial cost	(11)	(0.4)	(15)	(0.6)	(29.8)	(21)	(0.7)	(47.9)
Profit before tax	325	12.9	302	12.2	7.8	313	10.4	4.0
Tax expenses (income)	47	1.9	37	1.5	28.4	70	2.3	(32.7)
Net Profit	278	11.0	265	10.8	4.9	243	8.1	14.6
Profit attributable to:								
Owners of the parent	223	8.9	265	10.8	(15.8)	243	8.1	(8.1)
Non-controlling interests	55	2.2	0	0.0		0	0.0	
Total	278	11.0	265	10.8	4.9	243	8.1	14.6
Earning Per Share	0.27		0.33			0.30		

Revenue from Sales & Services

In Q4Y22, ASIAN recorded THB 2,520 million in sales and services revenue, a 2.3% increase year on year. Pet food revenue significantly increased year on year, but frozen sales revenue declined greatly owing to softer demand and excess inventory in the US market, and tuna sales revenue decreased due to lower sales in the Middle East market.

Gross Profit

Gross profit for the fourth quarter of 2022 was THB 416 million, a decrease of THB 41 million or 9.1% from the previous year's same quarter, and represented 16.5% of revenues, a decrease of 2.1% from the previous year due to significantly lower VAP business and higher raw material costs in the aquafeed business.

Operating expenses

Operating expenses for Q4Y22 totaled THB 208 million, up 4 % YoY, and consisted of selling and distribution charges and administrative expenses.

1. Selling and distribution expenses was THB 87 million, decrease of THB 4 million.
2. Administrative expenses excluding exchange rate losses totaled THB 121 million, a THB 13 million increase mostly due to IPO costs.

Financial cost

The financial cost for Q4Y22 was THB 11 million, decrease of THB 4 million due to lower short-term and long-term borrowing.

Net Profit and Earning per Share

ASIAN recorded a net profit for parent company shareholders of THB 223 million in Q4Y22, a fall of THB 42 million or 15.8% from the previous year's same quarter profit of THB 265 million. ASIAN's earnings per share in Q4Y22 were THB 0.27. (Q4Y21: THB 0.33).

STATEMENT OF INCOME					Unit: Million Baht	
	Y22	%	Y21	%	Inc/(Dec) %	
Revenue from Sales & Services	11,164	100.0	9,488	100.0	17.7	
Cost of sales & services	(9,136)	(81.8)	(7,620)	(80.3)	19.9	
Gross Profit	2,028	18.2	1,869	19.7	8.5	
Operating Expenses	(788)	(7.1)	(699)	(7.4)	12.8	
Operating Profit	1,240	11.1	1,170	12.3	6.0	
Other incomes	110	1.0	99	1.0	11.7	
Gain/(Loss) on FX	(34)	(0.3)	(53)	(0.6)	(35.7)	
Other expenses	1	0.0	(2)	(0.0)	(128.3)	
Financial cost	(64)	(0.6)	(62)	(0.7)	3.1	
Profit before tax	1,253	11.2	1,153	12.1	8.7	
Tax expenses (income)	219	2.0	108	1.1	102.6	
Net Profit	1,034	9.3	1,044	11.0	(1.0)	
Profit attributable to:						
Owners of the parent	979	8.8	1,044	11.0	(6.3)	
Non-controlling interests	55	2.2	0	0.0		
Total	1,034	41.0	1,044	42.4	(1.0)	
Earning Per Share	1.20		1.28			

Revenue from Sales & Services

In Y22, sales of pet food increased due to continued robust growth and an increase in tuna sales, resulting in a 17.7% rise in total revenue from sales and services from THB 9,488 million to 11,164 million. Low fish feed sales owing to unsatisfactory quality and low shrimp feed due to poor local shrimp output both had a substantial impact on aquaculture feed sales.

Gross Profit

Y22 gross profit was THB 2,028 million, an increase of THB 159 million or 8.5% over the previous year. As a result of higher raw material costs and lower aquaculture feed sales volume this year, the gross profit margin fell from 19.7% to 18.2%.

Operating expenses

Operating expenditures totaled THB 788 million, a 12.8% increase year on year, and were mostly made up of selling and distribution costs as well as administrative costs, which included the following:

1. Selling and distribution expenditures increased by THB 51 million to THB 372 million, mostly due to higher own-petfood brand marketing and sales distribution costs.
2. Administrative expenditures, excluding currency rate losses, totaled THB 378 million, an increase of THB 38 million primarily due to IPO expenses.

Financial cost

Financial cost for Y22 was slightly increase from previous year was THB 2 million.



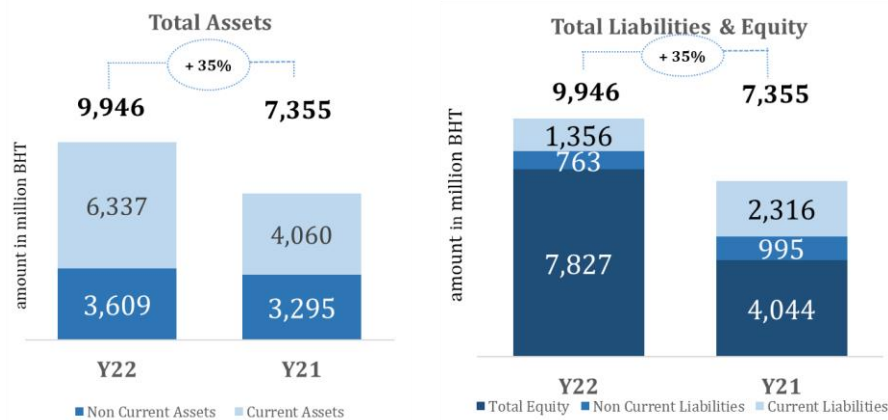
Tax expense (income)

In Y22, the effective tax rate was 17.5% higher than the previous year by 8.1%, attributable mostly to the impact of reversal of deferred tax asset from aquaculture business due to inability to use cumulative tax loss that would expire next year and use up most BOI privileges.

Net Profit and Earning per Share

ASIAN's net profit for parent shareholders in Y22 was THB 979 million, a decrease of THB 65 million or 6.3% from the previous year's profit of THB 1,044 million. ASIAN's earnings per share in Y22 were THB 1.20. (Y21: THB 1.28).

Financial Position



Total Assets

ASIAN increased its total assets by THB 2,591 million, or 35%, from THB 7,355 million in 2021 to THB 9,946 million in 2022. The significant contributors are as follows:

1. Cash on hand was THB 1,876 million, an increase of THB 1,787 million attributable principally to funds acquired through the IPO program to enable wet pet food capacity development over the next 2-3 years.
2. Total trade and other receivables increased by 224 million to THB 1,391 million, attributable mostly to a rise in petfood sales.
3. Stockpiles of pet food raw materials and finished goods rose stocks by THB 120 million to THB 2,811 million, largely offset by low frozen and aquafeed inventories.
4. Property, plant, and equipment totaled THB 3,351 million at the end of 2022, up THB 356 million or 11.9% from the end of 2021, due mostly to investments in innovative wet petfood (pouch) and improved building and operational processes.

Total Liabilities

The total liabilities of ASIAN were THB 2,119 million at the end of Y22, decrease of THB 1,192 million or 36.0% from THB 3,311 million at the end of 2021. The followings are the key contributors:

1. A THB 1,302 million decrease in short-term borrowing and long-term loan by using fund raised from IPO.
2. A THB 88 million decrease in account payable
3. Partially offset with a rise in corporate income tax payable of THB 202 million



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Total Shareholders' equity

ASIAN had shareholders' equity of THB 7,827 million as of 31 December 2022, an increase of THB 3,783 million from THB 4,044 million at the end of 2021, owing to ASIAN profit for the year and share premium from IPO, but offset by dividend paid of THB 529 million.

Cash Flow

	Unit: Million Baht		
	Y22	Y21	Change
Cash flow from operating activities			
Profit before tax	1,253	1,153	101
Adjustments for:			
Depreciation & Amortisation	296	259	37
Other adjustments	18	(34)	52
Loss (gain) on exchange rate	(107)	38	(144)
Financial cost, net	64	62	2
Operating profit before working capital changes	1,525	1,477	48
Decrease (increase) in operating assets	(412)	(980)	568
Increase (decrease) in operating liabilities	(68)	117	(185)
Cash from operating activities	1,045	614	431
Interest net paid	(68)	(62)	(6)
Income tax net paid	(140)	(58)	(83)
Net cash from operating activities	837	495	342

Operating activities

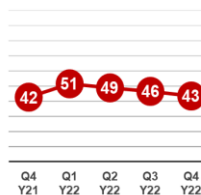
Cash flow from operating activities in Y22 was THB 837 million, up THB 342 million from last year, which was THB 495 million. This rise was primarily driven by reduced changes in operating assets, which decreased by THB 568 million due to changes in accounts receivables and inventory.

As of 31 December 2022, the accounts receivable day and inventory day were 43 days and 112 days respectively compared to 42 days and 129 days previous year.

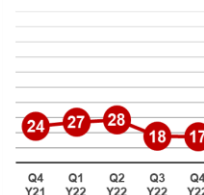
Working Capital

Unit: million Baht	4QY22	4QY21	3QY22
Inventories	2,811	2,691	2,912
Account Receivable	1,391	1,167	1,479
Cash & Other current assets	2,136	202	376
Account Payable	(696)	(784)	(687)
Other Payable	(285)	(71)	(113)
Net Working Capital	5,356	3,205	3,966
Inventory days	112	129	118
AR Days	43	42	46
AP Days	17	24	18

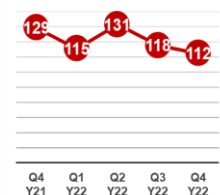
AR Days



AP Days



INV Days





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	Unit: Million Baht		
	Y22	Y21	Change
Cash flow from investing activities			
Received restrict bank deposit	19	-	19
Purchases of property, plant and equipment	(650)	(490)	(161)
Proceed of sales equipments and investment property	9	9	(1)
Received from IPO	3,451	(0)	3,451
Received long term loan from JV	6	-	6
Net cash from (used in) investing activities	2,833	(481)	3,314
Cash flow from financing activities			
Bank borrowings raised	620	700	(80)
Repayment of bank borrowings	(1,952)	(316)	(1,636)
Repayment of lease liabilities	(19)	(18)	(1)
Dividend paid	(529)	(502)	(27)
Net cash used in financing activities	(1,880)	(136)	(1,744)
Effect of foreign exchange rate changes	(3)	3	(6)
Net increase (decrease) in cash and cash equivalents	1,787	(119)	1,906
Cash and cash equivalents at beginning of period	89	207	(119)
Cash and cash equivalents at end of period	1,876	89	1,787

Investing activities

Cash flow from investment operations grew by THB 3,314 million, or THB 2,833 million, over the previous year, mostly due to an IPO of THB 3,451million an investment in improving building, increased petfood production capacity, and improved operational processes.

Financing activities

Net cash flow utilized in financing activities was THB 1,880 million, down 1,744 million from the previous year, due to increased repayment of bank borrowings.

Key Financial Ratios

	4QY22	4QY21	3QY22		4QY22	4QY21	3QY22
Growth Rates				Profitability Ratios			
Sales Growth	2.3%	7.9%	23.4%	Return on equity*	15.5%	25.8%	23.9%
Net Profit Growth	-15.8%	25.8%	-10.4%	Return on assets**	9.8%	14.2%	12.3%
				Total Assets Turnover***	112.2%	129.0%	133.8%
Leverage and Liquidity Ratios				Net Profit margin	8.9%	10.8%	8.1%
Current ratio	4.7	1.8	1.6	Gross profit margin	16.5%	18.6%	19.7%
Quick or acid test ratio	2.4	0.5	0.6				
Debt to equity ratio	0.3	0.8	0.9				
Net Debt to equity ratio	(0.2)	0.5	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



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Statement of Financial Position						Unit: Million Baht
	FY22	%	FY21	%	% Chg	
Cash and cash equivalent	1,876	18.9	89	1.2	2015.7	
Trade and other receivables	1,391	14.0	1,167	15.9	19.2	
Inventories	2,811	28.3	2,691	36.6	4.4	
Other current assets	260	2.6	113	1.5	129.0	
Total current assets	6,337	63.7	4,060	55.2	56.1	
Restricted bank deposit	0	0.0	19	0.3	-100.0	
Investments	101	1.0	109	1.5	-6.9	
Fixed assets	3,351	33.7	2,995	40.7	11.9	
Other non current assets	157	1.6	173	2.4	-9.6	
Total non current assets	3,609	36.3	3,295	44.8	9.5	
Total Assets	9,946	100.0	7,355	100.0	35.2	
Bank overdraft and short-term loans	68	0.7	916	12.5	-92.5	
Trade and other payables	696	7.0	784	10.7	-11.2	
Current portion of long-term loans	307	3.1	520	7.1	-41.0	
Other current liabilities	285	2.9	95	1.3	197.9	
Total current liabilities	1,356	13.6	2,316	31.5	-41.5	
Long-term loans	536	5.4	776	10.6	-31.0	
Other non current liabilities	227	2.3	218	3.0	4.1	
Total non current liabilities	763	7.7	995	13.5	-23.3	
Total Liabilities	2,119	21.3	3,311	45.0	-36.0	
Total shareholders' equity	7,827	78.7	4,044	55.0	93.5	
Total Liabilities and Equity	9,946	100.0	7,355	100.0	35.2	

Y2023 Outlook:

We believe that the impact of high global inflation, increasing interest rates, and continued geopolitical uncertainty will continue to impair private spending in many areas of the world, particularly our market, which includes the US and European markets. We predict the slowest economic recovery will occur in the second half of this year.

1. Petfood business is expected to rise not less than 15% from Y22, as worldwide demand continues to grow.
2. Due to rising tuna costs and increased demand in the Middle East market, Tuna business is predicted to rise by 12% from Y22.
3. Frozen business is anticipated softening fall growth; we predict sales to be 10% lower than last year since the US market is not expected to return in Y23.
4. The aquafeed industry is likely to rebound as feed quality improves and shrimp productivity increases. Revenue from the aquafeed business is projected to recover to the same level as in Y21 in Y23

Capital Expenditures: -

1. THB 1,173 million for expansion capacity for petfood business and second auto warehouse.
2. THB 54 million for dry pet food production and new boiler replacement.
3. THB 144 million for solar roof projects and improving operation efficiency.