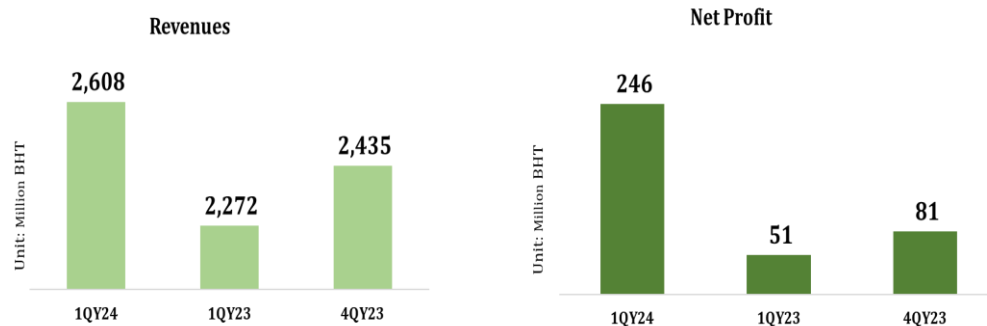




Management Discussion and Analysis

For Q1Y24

Executive Summary



- The revenue in the first quarter of 2024 was 2,608 million baht, which grew by 14.8 percent compared to the same quarter of the previous year. This growth was driven by increased revenue from the pet food and frozen seafood businesses.
- Net profit for the first quarter of 2024 was 246 million baht, an increase of 195 million baht from the same quarter of the previous year. This represents a significantly high growth rate, driven by increased revenue and higher profit margins. Net profit margin was at 9.4 percent, and the earnings per share (EPS) were 0.30 baht per share, up from 0.06 baht per share in the first quarter of 2023.

Major Developments

Business situation

Export volumes in the first quarter of this year grew by approximately 5% compared to the same quarter of the previous year, driven by increased exports of pet food and frozen seafood. However, tuna exports decreased both from the same quarter of the previous year and the previous quarter. Sales volumes for aquafeed decreased by 8% compared to the same quarter of the previous year and by 6% compared to the previous quarter.

Inventory situation is returning to normal, with an increase in orders in the pet food business, particularly in major markets such as the United States and the United Kingdom. In the frozen seafood business, sales have increased compared to the same quarter of the previous year, and tuna costs have been relatively low since the end of last year. Sales volumes for aquafeed have increased compared to the same quarter of the previous year, with an increase in shrimp feed but a decrease in fish feed due to temporary ceases in fish feed production in the previous quarter and a return to the market at the beginning of the year.



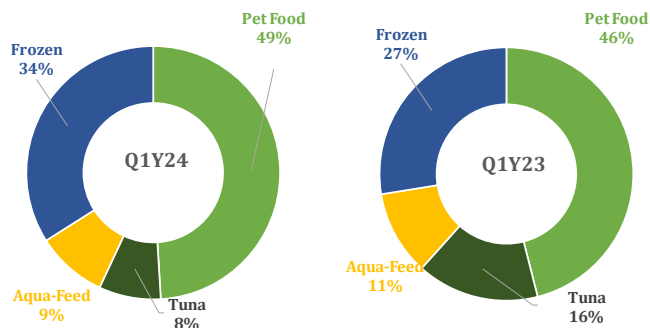
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Sales By Business Segment				
	Q1Y24	Q1Y23	% Growth	Q4Y24
Volume (Mt)	18,137	18,020	1%	18,544
Pet Food & Fishmeal Business	8,169	7,367	11%	7,504
Tuna Business	1,260	2,227	-43%	1,863
Aquaculture Feed Business	5,998	6,541	-8%	6,389
Frozen business	2,709	1,886	44%	2,789
Revenues (Millions Baht)	2,631	2,270	16%	2,549
Pet Food & Fishmeal Business	1,291	1,045	23%	1,186
Tuna Business	208	354	-41%	315
Aquaculture Feed Business	238	245	-3%	254
Frozen business	895	626	43%	794



Remark: Revenues in the table is included intercompany sales.

Pet Food & Fishmeal

Sales volume increased by 11% from the same quarter of the previous year, rising from 7,367 tons to 8,169 tons. Revenue from sales also increased by 23% from 1,045 million baht to 1,291 million baht compared to the same quarter of the previous year. This growth occurred in the United States and the United Kingdom markets, where customers placed increased orders in this quarter. This marks a positive trend towards recovery. Production capacity in the pet food group has increased to 56,000 tons since the beginning of the year, which should be able to accommodate the expected increase in order volume.

Tuna

In the first quarter of 2024, sales volume decreased significantly by 43% compared to the same quarter of the previous year, dropping from 2,227 tons to 1,260 tons. This led to a 41% decrease in revenue from 354 million baht to 208 million baht, despite adjustments in tuna prices since the previous quarter. However, due to increased orders in the pet food business and effective management strategies for maximum benefit, there was a delay in accepting orders from customers. The Middle East market continues to be the main market for this business.

Aquafeed

Sales of aquafeed decreased by 8% from the same quarter of the previous year, dropping from 6,541 tons to 5,998 tons. This decrease primarily came from fish feed sales, as the company delayed sales in the previous quarter and resumed marketing fish feed again. There were improvements in quality and production formulas, yet fish feed sales have not fully recovered to the levels of the same quarter of the previous year. Additionally, the company continues to have stringent credit measures and appropriate credit limits, which contribute to better debt collection capabilities.

Furthermore, key raw materials like wheat flour, soybean meal, and fish meal saw reduced prices compared to the same quarter of the previous year. This allowed the aquaculture business to achieve good returns in this quarter.



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Frozen

This quarter, the company experienced a significant increase in sales volume and revenue from frozen squid compared to the same quarter of the previous year. Similarly, sales of value-added seafood products (VAP) also increased from the same quarter of the previous year. The company views several factors that may impact this business, including geopolitical conflicts, weather conditions, shrimp farming, or squid harvesting issues that could lead to reduced quantities. The economic recovery in Eastern Europe and the country's competitiveness, as well as the impending ASC standards enforcement, are also considered potential influences.

Despite these challenges, the company remains focused on marketing strategies to achieve good profit margins. It maintains product inventory levels, whether raw materials or finished products, at appropriate levels. Additionally, cost reduction efforts have been made by using solar panel-generated electricity, which currently accounts for about 20% of total electricity consumption.

Financial Review

Profitability Analysis

Unit: Million Baht

STATEMENT OF INCOME	1QY24	%	1QY23	%	Inc/(Dec) %	4QY23	%	Inc/(Dec) %
Revenue from Sales & Services	2,608	100.0	2,272	100.0	14.8	2,435	100.0	7.1
Cost of sales & services	(2,152)	(82.5)	(2,063)	(90.8)	4.3	(2,104)	(86.4)	2.3
Gross Profit	456	17.5	209	9.2	117.7	331	13.6	37.7
Operating Expenses	(166)	(6.4)	(179)	(7.9)	(7.2)	(177)	(7.3)	(6.0)
Operating Profit	290	11.1	31	1.3	849.1	155	6.3	87.6
Other incomes	22	0.8	19	0.8	13.4	22	0.9	(2.6)
Gain/(Loss) on FX	33	1.3	33	1.4	2.7	4	0.2	805.3
Other expenses	(1)	(0.1)	0	0.0		(1)	(0.1)	20.7
Financial income (expense)	4	0.2	(7)	(0.3)	(160.2)	4	0.2	4.3
Profit before tax	348	13.3	75	3.3	365.0	183	7.5	89.7
Tax income (expenses)	(30)	(1.1)	(3)	(0.1)	1,031.3	(53)	(2.2)	(43.2)
Net Profit	318	12.2	72	3.2	340.6	131	5.4	143.3
Profit attributable to:								
Owners of the parent	246	9.4	51	2.2	386.0	81	3.3	203.4
Non-controlling interests	73	2.8	22	1.0	234.8	50	2.0	45.7
Total	318	12.2	72	3.2	340.6	131	5.4	143.3
Earning Per Share	0.30		0.06			0.10		

Revenue from Sales & Services

In the first quarter of 2024, the company generated revenue from sales and services totaling 2,608 million baht, marking a significant increase of 14.8% compared to the same quarter of the previous year. The primary reason for this increase in revenue was the growth in sales from the frozen seafood business. This growth was driven by increased exports of frozen squid to Europe and increased sales of value-added products (VAP) to the United States. Additionally, there was an increase in exports of pet food to the markets of the United States and the United Kingdom.



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Gross Profit

In the first quarter of 2024, the company achieved an initial profit of 456 million baht, representing a significant increase of 118% compared to the same quarter of the previous year. The gross profit margin also increased to 17.5%, up from 9.2% in the same quarter of the previous year. This increase in profitability was driven by increased sales revenue from the pet food business and value-added seafood products (VAP) with a better gross profit margin than other businesses.

Operating expenses

In the first quarter of 2024, operating expenses amounted to 166 million baht, representing a 7% decrease compared to the same quarter of the previous year. These expenses were comprised of sales and distribution expenses, as well as administrative expenses, as follows:

- a. Sales and distribution expenses totaled 73 million baht, decreasing from the same quarter of the previous year due to reduced sales expenses in the tuna business and decreased advertising expenses for the company's pet food brand.
- b. Administrative expenses, excluding foreign exchange losses, amounted to 94 million baht, which was nearly the same as in the same quarter of the previous year.

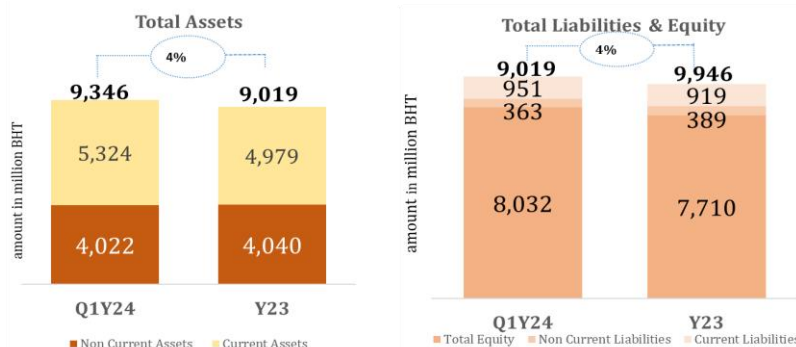
Financial cost

In the first quarter of 2024, the company's net financial income was 4 million baht, an improvement over the same quarter of the previous year when there was a financial expense of 7 million baht. This improvement was a result of reducing long-term loans as well as better cash on hand and cash equivalents.

Net Profit and Earning per Share

In the first quarter of 2024, the company's net profit was 246 million baht, which increased by 195 million baht or 386% compared to the same quarter of the previous year when the net profit was 51 million baht. This improvement also reflects in the earnings per share, which increased to 0.30 baht per share from 0.06 baht per share in the first quarter of the previous year.

Financial Position





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Total Assets

In the first quarter of 2024, total assets increased by 4% or 327 million baht, resulting in total assets of 9,346 million baht, compared to 9,019 million baht in 2566. The main reason for this increase was an increase in trade receivables from 1,377 million baht to 1,681 million baht due to the significant increase in revenue during that period.

Total Liabilities

In the first quarter of 2024, total liabilities amounted to 1,314 million baht, which increased slightly compared to the end of 2023. This increase was due to a decrease of 55 million baht in long-term loans but was offset by an increase of 33 million baht in accrued corporate income taxes payable.

Total Shareholders' equity

As of March 31, 2024, the company's total shareholders' equity increased by 321 million baht from 7,710 million baht at the end of 2023. This increase was attributed to the profit generated from operations during the year.

Cash Flow

Unit: Million Baht			
Cash Flows Statement	Q1Y24	Q1Y23	Change
Cash flow from operating activities			
Profit before tax	348	75	273
Adjustments for:			
Depreciation & Amortisation	88	80	9
Other adjustments	8	(2)	9
Loss (gain) on exchange rate	2	76	(74)
Financial cost, net	(4)	7	(12)
Operating profit before working capital changes	442	236	205
Decrease (increase) in operating assets	(208)	93	(301)
Increase (decrease) in operating liabilities	9	(32)	41
Cash from operating activities	242	297	(55)
Interest net paid	(3)	(6)	3
Income tax net paid	(1)	(2)	1
Net cash (used in) from operating activities	239	289	(50)

Operating activities

In the first quarter of 2024, there was a cash flow from operations of 239 million baht, which decreased by approximately 50 million baht compared to the same period last year when the cash flow from operations was 289 million baht. The primary reason for this decrease was an increase in operating assets of 301 million baht, mainly due to an increase in trade receivables.

As of March 31, 2024, the accounts receivable day and inventory day were 59 days and 106 days, respectively. This is compared to the previous year when the accounts receivable day was 49 days and inventory day was 108 days.



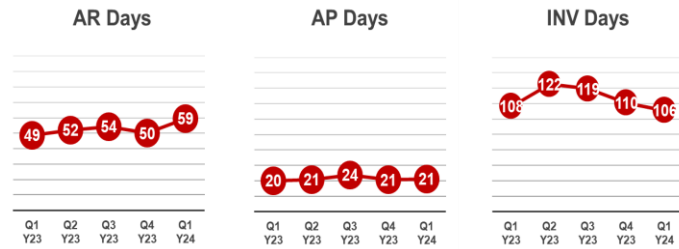
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Unit: million Baht	1QY24	1QY23	4QY23
Inventories	2,450	2,617	2,535
Account Receivable	1,681	1,467	1,377
Cash & Other current assets	1,193	1,898	1,066
Account Payable	(665)	(681)	(644)
Other Payable	(86)	(295)	(60)
Net Working Capital	4,573	5,007	4,274
Inventory days	106	108	110
AR Days	59	49	50
AP Days	21	20	21



Unit: Million Baht

Cash Flows Statement (cont'd)	Q1Y24	Q1Y23	Change
Cash flow from investing activities			
Purchases of property, plant and equipment	(63)	(95)	32
Proceed of sales equipments and investment property	1	1	0
Net cash from (used in) investing activities	(62)	(95)	33
Cash flow from financing activities			
Bank borrowings raised	-	(50)	50
Repayment of bank borrowings	(55)	(325)	270
Repayment of lease liabilities	(5)	(5)	(0)
Dividend paid	(0)	(0)	(0)
Net cash (used in) from financing activities	(60)	(380)	320
Effect of foreign exchange rate changes	2	0	2
Net increase (decrease) in cash and cash equivalents	119	(185)	304
Cash and cash equivalents at beginning of period	946	1,876	(929)
Cash and cash equivalents at end of period	1,065	1,690	(625)

Investing activities

The cash flow from investment activities decreased by 62 million baht compared to the same period last year. The primary reason for this decreased was the investment in improving the efficiency of operational processes in the pet food business and the aquaculture business.

Financing activities

In the first quarter of 2024, the group of companies repaid loans totaling 55 million baht according to the loan repayment schedule. This amount decreased compared to the same period in the previous year, where short-term and long-term loans of 380 million baht were repaid.

Key Financial Ratios							
Growth Rates	1QY24	1QY23	4QY23	Profitability Ratios	1QY24	1QY23	4QY23
Sales Growth	14.8%	-19.9%	-3.4%	Return on equity*	7.7%	12.3%	4.8%
Net Profit Growth	270.1%	-79.7%	-51.1%	Return on assets**	5.3%	8.1%	3.4%
				Total Assets Turnover***	106.1%	110.1%	106.2%
				Net Profit margin	9.4%	2.2%	3.3%
				Gross profit margin	17.5%	9.2%	13.6%
Leverage and Liquidity Ratios							
Current ratio	5.6	4.8	5.4	* Using last 4 consecutive quarters net profit divided by end quarter equity			
Quick or acid test ratio	2.9	2.6	2.5	** Using last 4 consecutive quarters net profit divided by end quarter total assets			
Debt to equity ratio	0.2	0.3	0.2	*** Using last 4 consecutive quarters sales divided by end quarter total assets			
Net Debt to equity ratio	(0.1)	(0.2)	(0.1)				



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Unit: Million Baht

Statement of Financial Position	Q1Y24	%	Y23	%	% Chg
Cash and cash equivalent	1,065	11.4	946	10.5	12.6
Trade and other receivables	1,681	18.0	1,377	15.3	22.0
Inventories	2,450	26.2	2,535	28.1	-3.3
Other current assets	128	1.4	120	1.3	6.6
Total current assets	5,324	57.0	4,979	55.2	6.9
Investments	504	5.4	504	5.6	0.0
Fixed assets	3,384	36.2	3,390	37.6	-0.2
Other non current assets	134	1.4	146	1.6	-7.9
Total non current assets	4,022	43.0	4,040	44.8	-0.5
Total Assets	9,346	100.0	9,019	100.0	3.6
Trade and other payables	665	7.1	644	7.1	3.1
Current portion of long-term loans	186	2.0	215	2.4	-13.3
Other current liabilities	101	1.1	60	0.7	67.5
Total current liabilities	951	10.2	919	10.2	3.5
Long-term loans	110	1.2	136	1.5	-19.6
Other non current liabilities	253	2.7	253	2.8	0.0
Total non current liabilities	363	3.9	389	4.3	-6.9
Total Liabilities	1,314	14.1	1,308	14.5	0.4
Total shareholders' equity	8,032	85.9	7,710	85.5	4.2
Total Liabilities and Equity	9,346	100.0	9,019	100.0	3.6

Y2024 Outlook:

In the first quarter of 2024, the group of companies experienced an increase in revenue, particularly revenue from the frozen seafood business, especially frozen squid exported to Europe, compared to the previous year. The same trend continued from the last quarter. The group of companies also anticipates that sales volume and revenue from this business will be similar to the previous year. However, geopolitical conflicts remain a risk factor. In terms of Value-Added Products (VAP), which is primarily marketed in the United States, there might also be potential impacts. The pet food business is expected to grow compared to the previous year, as in the first half of last year, sales and revenue from the pet food business decreased due to inventory adjustments in the US and European markets. As for the aquafeed business, changes in weather conditions and reduced shrimp production could lead to a downward trend in sales volume.

The company still estimates its revenue for 2024 as follows: revenue from the pet food business at 5.4 billion baht, revenue from frozen seafood business at 3.2 billion baht, revenue from aquafeed business at 1.6 billion baht, and revenue from tuna business at 1.1 billion baht. As for the gross profit margin for 2024, it is estimated to be around 14-15%.

The capital expenditure budget for the year 2024 remains unchanged, with the following planned investments:

1. Pet food business: 431 million baht.
2. Aquaculture business: 64 million baht
3. Frozen seafood business: 40 million baht.