ASIAN ALLIANCE INTERNATIONAL

Asian Alliance International Public Company Limited

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55/2 Moo 2 Rama 2 Road, Bangkrajao, Muang,
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Management Discussion and Analysis

for 2Q26 and 1st Half of the year 2026

Unit: Million THB	2Q26	2Q25	%YoY	1Q26	%QoQ	1H2026	1H2025	%YoY
Revenue	1,600	1,705	(6.2%)	1,558	2.7%	3,158	3,586	(11.9%)
Gross Profit	254	270	(5.9%)	175	45.4%	428	617	(30.5%)
Net Profit	178	195	(8.6%)	137	29.5%	315	453	(30.4%)
%GP	15.9%	15.8%	+0.1 ppt	11.2%	+4.7 ppt	13.6%	17.2%	(3.6) ppt
%NP	11.1%	11.4%	(0.3) ppt	8.8%	+2.3 ppt	10.0%	12.6%	(2.6) ppt

Executive Summary

- Revenue from sales and services: In 2Q26, the Group recorded total revenue of 1,600 million Baht, a decrease of 6.2% YoY but an increase of 2.7% QoQ. The QoQ recovery was primarily driven by higher sales in the pet food segment, in line with the recovery of orders from the United States and Canada, while the YoY decline was mainly attributable to lower sales in the human shelf-stable food segment. For the first half of 2026, the Group recorded total revenue of 3,158 million Baht, a decrease of 11.9% YoY, primarily due to the depreciation of the US dollar against the Thai Baht and the impact of the conflict in the Strait of Hormuz between the United States and Iran.
- Gross profit amounted to 254 million Baht, a decrease of 5.9% YoY but a significant increase of 45.4% QoQ, resulting in a gross profit margin of 15.9%, improving from 11.2% in the previous quarter and close to 15.8% in the same period last year. The recovery in gross profit margin was primarily driven by higher production and sales volume in the pet food segment, which improved capacity utilization. For the first half of 2026, gross profit stood at 428 million Baht, a decrease of 30.5%, representing a gross profit margin of 13.6%, down from 17.2% in the same period last year, impacted by exchange rate movements and geopolitical tensions in the Middle East.
- Net profit was 178 million Baht, a decrease of 8.6% YoY. However, net profit increased by 29.5% QoQ, in line with the recovery in gross profitability. As a result, the net profit margin improved to 11.1% from 8.8% in the previous quarter and was close to 11.4% in the same period last year. Earnings per share stood at 0.08 Baht, compared to 0.09 Baht in the previous year and 0.06 Baht in the previous quarter. For the first half of 2026, net profit was 315 million Baht, a decrease of 30.4%, with earnings per share of 0.15 Baht, compared to 0.21 Baht in the same period last year.
- Financial Position: As of June 30, 2026, the Group had total assets of 5,729 million Baht, an increase of 2.5% from 5,589 million Baht as of year-end 2025. The increase was mainly driven by higher cash and cash equivalents, which rose to 377 million Baht, an increase of 230 million Baht. The Group continued to maintain strong financial discipline and had no outstanding short-term or long-term borrowings from financial institutions, with shareholders' equity of 4,857 million Baht, representing a book value of 2.29 Baht per share.

Business Overview

Asian Alliance International Public Company Limited (the "Company" or "AAI") and its subsidiaries (the "AAI Group") is Thailand's major original equipment manufacturers of pet food and human shelf-stable food. The company's base factory located in Samut Sakhon. Currently, original equipment manufacturer (OEM) business under clients' international brands generates most revenue from pet food and human shelf-stable food sales. The key markets for the company's pet food are in the United States, the United Kingdom, and European countries, while the key markets for human shelf-stable food are in Middle Eastern countries and Japan. Moreover, the group also produces and sells pet food and snacks under the group's brands, including “Monchou”, “Monchou Balanced”, “Hajiko”, “Pro”, and “Maria”.

Currently, the company has production capacity in Samut Sakhon province, comprising a total wet pet food production capacity of 59,000 tons per year. The Company also has a total human shelf-stable food production capacity of 17,500 tons per year, and a total by-product (fish meal and fish soluble) production capacity of 6,000 tons per year. Additionally, the company can contract manufacture dry pet food using the production capacity of joint ventures in China and the factory of ASIAN’s subsidiary in Phetchaburi province, totaling 36,000 tons per year.

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The company is listed on the Stock Exchange of Thailand in the food and beverage sector under symbolic "AAI" with a registered and paid-up capital of 2,125 million baht (2,125 million shares) and a market capitalization of 8,627.50 million baht as of July 31, 2026, calculated based on the closing price of THB 4.06. Asian Sea Corporation Public Company Limited ("ASIAN") is the major shareholder, holding 70% of the shares.

Economic and General Industry Conditions Affecting Operations

The pet food industry continues to demonstrate long-term growth, supported by the Pet Humanization trend, which increasingly drives demand for high-quality, nutritious, and health-oriented pet products. However, during the first half of 2026, the industry continued to face economic uncertainty, exchange rate volatility, and geopolitical factors, which affected customers' purchasing power and short-term order planning.

For the United States and Canada, the Group's key markets, orders began to recover in the second quarter compared to the previous quarter, resulting in improved revenue from the pet food segment. Nevertheless, customers continued to manage their orders and inventory levels with caution amid economic uncertainty and international trade policies. In this regard, greater clarity on the tariff rates for imports from Thailand has enabled the Company and its customers to better plan their operations and jointly manage costs.

During the second quarter, the conflict between the United States and Iran, together with navigation constraints through the Strait of Hormuz, led to volatility in energy prices, freight costs, and shipping lead times. These factors prompted customers to exercise greater caution in placing orders and managing inventory, exerting pressure on operating performance during the first half of the year.

For the domestic pet food market in Thailand, the overall landscape remains highly competitive, with consumers placing greater emphasis on value for money and price. Accordingly, the Group focuses on offering a comprehensive product portfolio to the premium segment, health-oriented products, and products at accessible price points to serve the needs of each consumer group.

For the human shelf-stable food segment, the Group continues to focus primarily on the Middle East market. Revenue in the second quarter declined both YoY and QoQ, driven by order volatility and the impact of geopolitical and logistics situations. At the same time, tuna raw material prices remained elevated and volatile in line with global supply and demand conditions, continuing to be a key factor in the Group's cost management.

Amid of these challenges, the Group remains focused on expanding its customer base across the United States and Canada, Europe, the Middle East, and Asia, together with the development of new and value-added products, as well as cost management and improved capacity utilization, to strengthen its competitiveness and support the recovery of operating performance in the second half of the year.

Significant Events and Major Developments

- **R&D Performance:** In 2Q26, the company developed and launched a total of 77 new pet food products for customers, comprising 67 cat foods and 10 dog foods, which include complete and complementary food products.
- **Inter-company Loan:** As of June 30, 2026, the company had an outstanding loan to Asian Sea Corporation Public Company Limited of 490 million baht, a decrease of 217 million baht compared to 707 million baht at the end of 2025, with unchanged terms and conditions as approved by the shareholders' meeting.
- **Second Automated Warehouse Investment Project:** currently under testing and expected to be fully operational in the third quarter of 2026.

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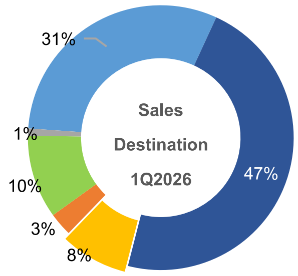
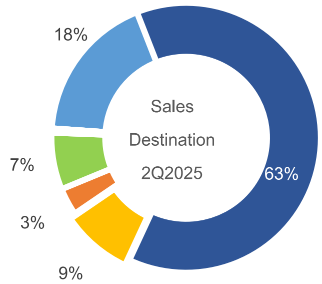
Performance and Profitability Analysis for 2Q26

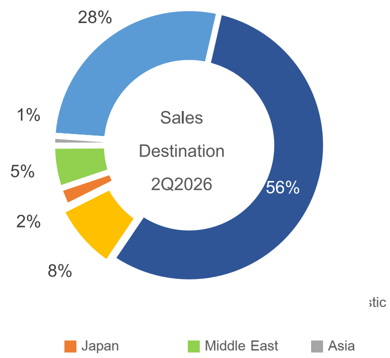
STATEMENT OF INCOME	2Q26		2Q25		Change	1Q26		Change
	Mil. THB	% to sales	Mil. THB	% to sales	%	Mil. THB	% to sales	%
Revenue from Sales & Services	1,600	100.0	1,705	100.0	(6.2)	1,558	100.0	2.7
Cost of sales & services	(1,346)	(84.1)	(1,436)	(84.2)	(6.3)	(1,384)	(88.8)	(2.7)
Gross Profit	254	15.9	270	15.8	(5.9)	175	11.2	45.4
Operating Expenses	(102)	(6.4)	(89)	(5.2)	14.7	(89)	(5.7)	15.3
Operating Profit	152	9.5	181	10.6	(16.1)	86	5.5	76.3
Other incomes	28	1.8	23	1.3	23.5	40	2.6	(30.1)
Gain/(Loss) on FX	6	0.4	(1)	(0.0)	n/a	23	1.5	(72.3)
Other expenses	2	0.1	1	0.1	66.0	2	0.1	10.2
Financial cost	2	0.1	6	0.3	(61.7)	3	0.2	(22.2)
Profit before tax	190	11.9	210	12.3	(9.3)	154	9.9	23.7
Tax expenses	(12)	(0.8)	(15)	(0.9)	(18.2)	(16)	(1.1)	(24.8)
Net Profit	178	11.1	195	11.4	(8.6)	137	8.8	29.5
EPS.	0.08		0.09			0.06		





Sales By Segment	2Q26		2Q25		Change	1Q26		Change
	tons	portion (%)	tons	portion (%)	% YoY	tons	portion (%)	% YoY
Sales Volume	11,576	100.0	11,691	100.0	(1.0)	11,514	100.0	0.5
Pet Food	9,973	86.2	9,779	83.6	2.0	9,182	79.7	8.6
Human Food	827	7.1	1,166	10.0	(29.1)	1,552	13.5	(46.7)
By-product	776	6.7	746	6.4	4.0	780	6.8	(0.5)
	tons	portion (%)	tons	portion (%)	% YoY	tons	portion (%)	% YoY
Revenues	1,609	100.0	1,710	100.0	(5.9)	1,575	100.0	2.1
Pet Food	1,464	91.0	1,524	89.1	(4.0)	1,337	84.8	9.4
Human Food	119	7.4	169	9.9	(29.8)	215	13.7	(44.5)
By-product	27	1.6	17	1.0	57.4	23	1.5	14.5

**Include intercompany transaction*



Revenue from Sales and Services

In 2Q26, the Group recorded total revenue from sales and services of 1,600 million Baht, a decrease of 6.2% YoY but an increase of 2.7% QoQ. Total sales volume stood at 11,576 tons, a decrease of 1.0% YoY and an increase of 0.5% QoQ. The QoQ recovery was primarily driven by the recovery of orders in the pet food segment from the United States and Canada, the Group's key markets, with revenue from these markets increasing by 21.1% QoQ. Meanwhile, the YoY decline was mainly attributable to lower sales in the human shelf-stable food segment, together with the impact of the depreciation of the US dollar against the Thai Baht, which lowered the average selling price of pet food for export, as well as the impact of the conflict in the Strait of Hormuz between the United States and Iran.

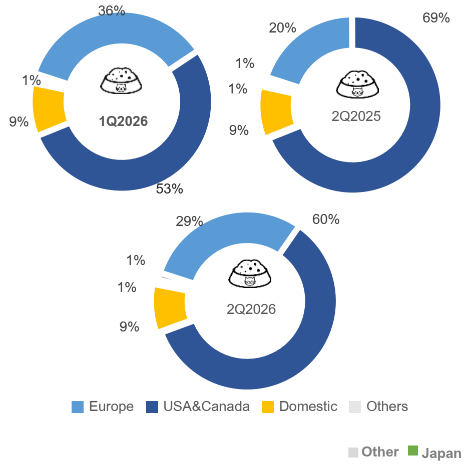
By product segment, revenue from the pet food segment (including intercompany transactions), the Group's core business, stood at 1,464 million Baht, a decrease of 4.0% YoY but an increase of 9.4% QoQ. Sales volume was 9,973 tons, an increase of 2.0% YoY and 8.6% QoQ, reflecting that the YoY revenue decline was primarily driven by exchange rate and the impact of the conflict in the Strait of Hormuz.

Revenue from the human shelf-stable food segment stood at 119 million Baht, a decrease of 29.8% YoY and 44.5% QoQ, in line with sales volume declines of 29.1% and 46.7%, respectively. This was mainly attributable to slower customer orders in the Middle Eastern countries, the key market for this product segment.

For the by-product segment, revenue stood at 27 million Baht, an increase of 57.4% YoY and 14.5% QoQ, primarily driven by a higher average selling price. However, as this segment remains limited in proportion (approximately 2% of total revenue), it is not yet material to the Group's overall performance.

- Pet Food

Pet Food Sales by Segment	2Q26		2Q25		Change	1Q26		Change
	tons	portion (%)	tons	portion (%)	% YoY	tons	portion (%)	% YoY
Sales Volume	10,749	100.0	10,525	100.0	2.1	9,962	100.0	7.9
OEM Pet Food	9,016	83.9	8,973	85.3	0.5	8,173	82.0	10.3
Brand Pet Food	956	8.9	806	7.7	18.7	1,008	10.1	(5.2)
By-product	776	7.2	746	7.1	4.0	780	7.8	(0.5)
	mil.THB	portion (%)	mil.THB	portion (%)	% YoY	mil.THB	portion (%)	% QoQ
Revenues	1,490	100.0	1,541	100.0	(3.3)	1,361	100.0	9.5
OEM Pet Food	1,414	94.9	1,482	96.2	(4.6)	1,289	94.7	9.7
Brand Pet Food	49	3.3	42	2.7	18.5	49	3.6	0.5
By-product	27	1.8	17	1.1	57.4	23	1.7	14.5



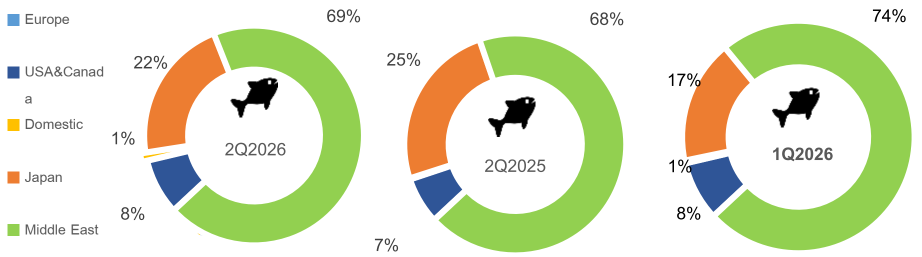
In 2Q26, the Group recorded revenue from the pet food and by-product segment (including intercompany transactions) of 1,490 million Baht, a decrease of 3.3% YoY but an increase of 9.5% QoQ. Sales volume stood at 10,749 tons, an increase of 2.1% YoY and 7.9% QoQ. Sales volume increased both YoY and QoQ, in contrast to the YoY revenue decline, reflecting that the decrease in revenue compared to the same period last year was primarily attributable to the impact of exchange rates, as the depreciation of the US dollar against the Thai Baht pressured export selling prices.

Revenue from OEM business, the Group's core operation, stood at 1,414 million Baht, a decrease of 4.6% YoY but an increase of 9.7% QoQ, in line with sales volume that was stable on the yearly basis and increased by 10.3% QoQ. The quarterly recovery was primarily driven by the rebound in orders for pet food products, reflecting the gradual recovery of orders from customers in the United States and Canada following the slowdown in orders to manage inventory levels and economic uncertainty arising from the conflict in the Strait of Hormuz in the previous quarter.

Revenue from products under the Group's own brands stood at 49 million Baht, an increase of 18.5% YoY and 0.5% QoQ, with sales volume of 956 tons, an increase of 18.7% YoY. This growth was driven by the expansion of domestic sales, particularly in the accessible price-point product group, which effectively responds to consumer purchasing power.

- Human Shelf-stable Food

Revenue from the human shelf-stable food segment in 2Q26 stood at 119 million Baht, a decrease of 29.8% YoY and 44.5% QoQ, in line with sales volume of 827 tons, a decrease of 29.1% and 46.7%, respectively. This was mainly attributable to slower customer orders in the Middle East countries, the key market for this product segment, amid persistent economic uncertainty and geopolitical factors, together with tuna raw material prices that remained elevated.



Other Income

The Group recorded other income of 28 million Baht, representing a 23.5% increase YoY but a 30.1% decrease QoQ. Additionally, the Group recorded a foreign exchange gain of 6 million Baht, reversing from a net loss of 0.6 million Baht in the same period last year and a gain of 23 million Baht in the previous quarter.

Gross Profit

The Group recorded gross profit of 254 million Baht, a decrease of 5.9% YoY. However, it increased significantly by 45.4% QoQ, resulting in a gross profit margin of 15.9%, a clear improvement from 11.2% in the previous quarter and close to 15.8% in the same period last year. The recovery in gross profit margin compared to the previous quarter was primarily driven by higher production and sales volume in the pet food segment, which enhanced capacity utilization and lowered fixed cost per unit.

Financial Costs

The Group recorded net financial income of approximately 2 million Baht, decreasing from 6 million Baht in the same period last year and 3 million Baht in the previous quarter. This was mainly attributable to a decrease in the loan principal provided to Asian Sea Corporation Public Company Limited, which lowered interest income. The interest rate on such loans is referenced to the 1-month bond yield for BBB-rated corporate bonds issued by ThaiBMA.

Tax Expenses

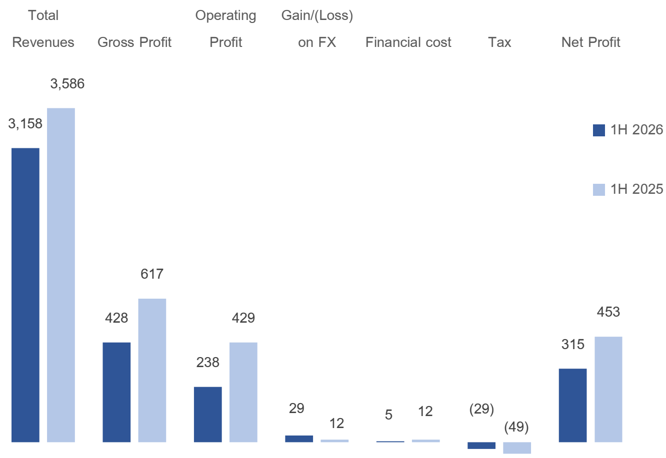
The Group recorded a tax expenses of 12 million Baht for the quarter, representing an effective tax rate of 6.5%, decreasing from 7.2% in the same period last year and 10.7% in the previous quarter. The Group continued to benefit from tax privileges under the Board of Investment (BOI) for certain products.

Net Profit and Earnings per Share

As a result of the recovery in sales volume and gross profit margin, net profit for 2Q26 reached 178 million Baht, representing a decrease of 8.6% YoY from 195 million Baht, but an increase of 29.5% QoQ from 137 million Baht. Consequently, the net profit margin stood at 11.1%, declining slightly from 11.4% in the previous year but improving from 8.8% in the previous quarter. Basic earnings per share (EPS) was 0.08 Baht per share, compared to 0.09 Baht in the previous year and 0.06 Baht in the previous quarter.

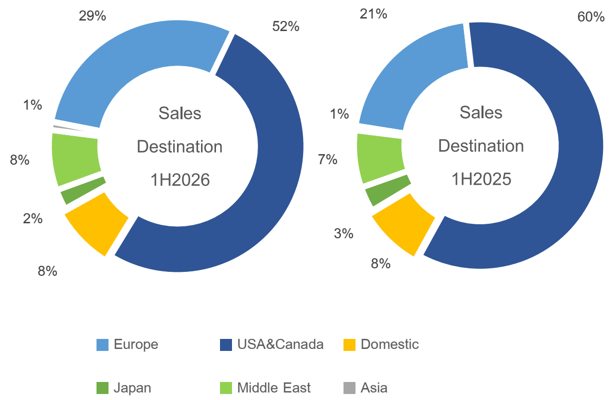
Performance and Profitability Analysis for 1st Half of the year 2026

STATEMENT OF INCOME	1H2026		1H2025		Change
	mil.THB	%	mil.THB	%	%
Revenue from Sales & Services	3,158	100.0	3,586	100.0	(11.9)
Cost of sales & services	(2,730)	(86.4)	(2,969)	(82.8)	(8.1)
Gross Profit	428	13.6	617	17.2	(30.5)
Operating Expenses	(191)	(6.0)	(187)	(5.2)	1.7
Operating Profit	238	7.5	429	12.0	(44.6)
Other incomes	68	2.2	49	1.4	40.5
Gain/(Loss) on FX	29	0.9	12	0.3	147.4
Other expenses	4	0.1	0	0.0	775.9
Financial cost	5	0.2	12	0.3	(57.1)
Profit before tax	344	10.9	502	14.0	(31.4)
Tax expenses	(29)	(0.9)	(49)	(1.4)	(40.9)
Net Profit	315	10.0	453	12.6	(30.4)
EPS.	0.15		0.21		



Sales By Segment	1H2026		1H2025		Change
	tons	portion (%)	tons	portion (%)	% YoY
Sales Volume	23,089	100.0	24,184	100.0	(4.5)
Pet Food	19,155	83.0	19,879	82.2	(3.6)
Human Food	2,379	10.3	2,696	11.1	(11.8)
By-product	1,556	6.7	1,609	6.7	(3.3)
	mil.THB	portion (%)	mil.THB	portion (%)	% YoY
Revenues	3,184	100.0	3,598	100.0	(11.5)
Pet Food	2,802	88.0	3,170	88.1	(11.6)
Human Food	333	10.5	393	10.9	(15.3)
By-product	50	1.6	35	1.0	42.5

Include intercompany transaction



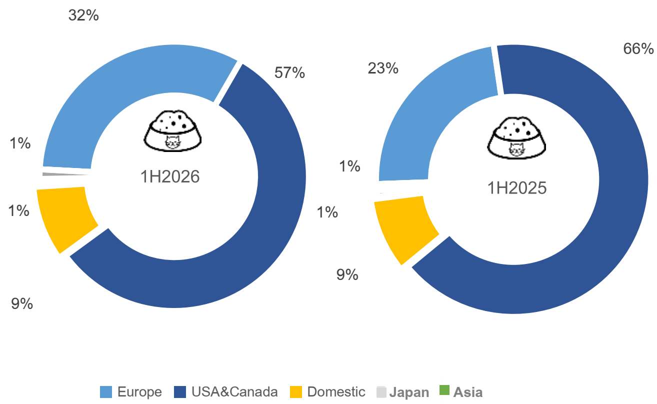
Revenue from Sales and Services

For the first half of 2026, the Group recorded total revenue from sales and services of 3,158 million Baht, a decrease of 11.9% YoY, with total sales volume of 23,089 tons, a decrease of 4.5%. The revenue declining at a faster rate than sales volume reflected the impact of the depreciation of the US dollar against the Thai Baht, which pressured average selling prices for export, together with the slowdown in market orders in the early part of the year and geopolitical tensions in the Middle East arising from the conflict between the United States and Iran.

By product segment, revenue from the pet food segment (including intercompany transactions) stood at 2,802 million Baht, a decrease of 11.6% YoY, in line with a sales volume decline of 3.6%. Revenue from the human shelf-stable food segment stood at 333 million Baht, a decrease of 15.3%, while the by-product segment recorded revenue of 50 million Baht, an increase of 42.5%, driven by a higher average selling price.

- Pet Food

Pet Food Sales by Segment	1H2026		1H2025		Change
	tons	portion (%)	tons	portion (%)	% YoY
Sales Volume	**20,711**	**100.0**	**21,488**	**100.0**	**(3.6)**
OEM Pet Food	**17,190**	**83.0**	**18,341**	**85.4**	**(6.3)**
Brand Pet Food	**1,965**	**9.5**	**1,537**	**7.2**	**27.8**
By-product	**1,556**	**7.5**	**1,609**	**7.5**	**(3.3)**
	mil.THB	portion (%)	mil.THB	portion (%)	% YoY
Revenues	**2,851**	**100.0**	**3,205**	**100.0**	**(11.0)**
OEM Pet Food	**2,703**	**94.8**	**3,084**	**96.2**	**(12.3)**
Brand Pet Food	**99**	**3.5**	**86**	**2.7**	**14.7**
By-product	**50**	**1.7**	**35**	**1.1**	**42.5**



For the first half of 2026, sales volume of the pet food and by-product segment (including intercompany transactions) stood at 20,711 tons, a decrease of 3.6% YoY, while revenue stood at 2,851 million Baht, a decrease of 11.0%. Revenue declined more than sales volume, primarily attributable to the impact of exchange rates, which lowered the average selling price.

Revenue from the OEM business stood at 2,703 million Baht, a decrease of 12.3%, in line with a sales volume decline of 6.3%, This contraction was mainly attributable to the slowdown in orders from the United States and Canada during the early part of the year and geopolitical tensions in the Middle East arising from the conflict between the United States and Iran. Meanwhile, revenue from products under the Group's own brands continued to grow strongly, with sales volume surging by 27.8% and revenue increasing by 14.7%, reflecting the success of the Group's domestic market expansion strategy.

- Human Shelf-Stable Food Segment

Revenue from the human shelf-stable food segment for the first half of 2026 stood at 333 million Baht, a decrease of 15.3% YoY, aligning with an 11.8% decline in sale volume. This was mainly attributable to slower customer orders in the Middle East amid persistent economic uncertainty and geopolitical factors.

Other Income

For the first half of 2026, the Group recorded other income of 68 million Baht, representing a 40.5% increase YoY, primarily driven by the recognition of dividend income from the Vayupak Fund. Additionally, the Group recorded a foreign exchange gain of 29 million Baht, increasing from 12 million Baht in the same period last year.

Gross Profit

For the first half of 2026, the Group recorded gross profit of 428 million Baht, a decrease of 30.5% YoY, representing a gross profit margin of 13.6%, down from 17.2% in the same period last year. This was primarily attributable to the impact of the depreciation of the US dollar against the Thai Baht, which affected the majority of revenue derived from export markets, together with the decline in sales volume during the first quarter, which affected capacity utilization.

Financial Costs

For the first half of 2026, financial costs represented net financial income of approximately 5 million Baht, a decrease of 57% from 12 million Baht in the same period last year.

Tax Expenses

The Group recorded tax expenses of 29 million Baht for the first half of 2026, a decrease of 41% YoY, representing an effective tax rate of 8.3%. The Group continued to benefit from tax privileges under the Board of Investment (BOI) for certain products.

Net Profit and Earnings per Share

For the first half of 2026, the Group recorded net profit of 315 million Baht, a decrease of 30.4% from 453 million Baht in the same period last year, representing a net profit margin of 10.0%, down from 12.6% in the same period last year. Basic earnings per share (EPS) was 0.15 Baht per share, compared to 0.21 Baht in the same period last year.

Financial Position as of 30 June 2026

Statement of Financial Position (mil.THB)	30 Jun 2026	%	31 Dec 2025	%	Change
Cash and cash equivalent	377	6.6	147	2.6	156.4
Trade and other receivables	888	15.5	1,027	18.4	(13.6)
Short-term Loan to Related party	490	8.6	707	12.7	(30.7)
Inventories	1,657	28.9	1,454	26.0	13.9
Other current assets	431	7.5	418	7.5	3.2
Total current assets	3,843	67.1	3,753	67.2	2.4
Investments	16	0.3	4	0.1	329.4
Long term Loan to JV & Association	1	0.0	1	0.0	(22.4)
Fixed assets	1,686	29.4	1,641	29.4	2.7
Other non-current assets	183	3.2	190	3.4	(3.4)
Total non-current assets	1,886	32.92	1,836	32.8	2.7
Total Assets	5,729	100.0	5,589	100.0	2.5

Statement of Financial Position (mil.THB)	30 Jun 2026	%	31 Dec 2025	%	Change
Bank overdraft and short-term loans	-	-	-	-	-
Trade and other payables	588	10.3	495	8.9	18.8
Current portion of long-term loans & Leases	13	0.2	14	0.3	(10.6)
Other current liabilities	62	1.1	43	0.8	44.5
Total current liabilities	663	11.6	552	9.9	20.1
Long term Loan	-	-	-	-	-
Other non-current liabilities	209	3.6	217	3.9	(3.8)
Total non-current liabilities	209	3.6	217	3.9	(3.8)
Total Liabilities	871	15.2	769	13.8	13.3
Total shareholders' equity	4,857	84.8	4,820	86.2	0.8
Total Liabilities and Equity	5,729	100.0	5,589	100.0	2.5

Total Assets

As of June 30, 2026, the Group had total assets of 5,729 million Baht, an increase of 2.5%, or 140 million Baht, from 5,589 million Baht as of December 31, 2025. The increase was primarily driven by higher cash and cash equivalents and inventories. The former increased significantly to 377 million Baht from 147 million Baht, an increase of 230 million Baht (156.4%), reflecting strong operating cash flow and the repayment of loans from related parties.Meanwhile, inventories increased by 13.9%, or 203 million Baht, to 1,657 million Baht, in preparation for the gradual recovery of orders in the second half of the year.

In addition, trade and other receivables decreased by 13.6% to 888 million Baht, in line with lower sales revenue in the first half of the year, while short-term loans to related parties decreased by 30.7% to 490 million Baht, following the partial repayment of loans from Asian Sea Corporation Public Company Limited.

Total Liabilities

The Group had total liabilities of 871 million Baht, an increase of 13.3%, or 103 million Baht, from 769 million Baht as of December 31, 2025. This was primarily driven by higher current liabilities, which stood at 663 million Baht, an increase of 20.1%, resulting from an 18.8% increase in trade and other payables to 588 million Baht.The Group had no short-term or long-term borrowings from financial institutions, reflecting a low financial risk capital structure.

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Total Shareholders' equity

Shareholders' equity stood at 4,857 million Baht, an increase of 0.8% from 4,820 million Baht as of December 31, 2025, supported by the net profit for the period and net of dividend payments. This represented a book value of 2.29 Baht per share.

Cash Flow

Cash Flow Statement (Mil.THB)	1H2026	1H2025	Change
Cash flow from operating activities			
Profit before tax	344	502	(158)
Adjustments for:			
Depreciation & Amortization	143	125	18
Loss from impairment on investment	0.6	0.2	0
Other adjustments	13	10	3
Unrealize loss (gain) on exchange rate	(10)	(17)	7
Decrease (Increase) in fair value of financial assets	(21)	(2)	(19)
Dividend received	(14)	(2)	(12)
Financial cost, net	(5)	(12)	7
Operating profit before working capital changes	451	604	(154)
Decrease (increase) in operating assets	(63)	120	(183)
Increase (decrease) in operating liabilities	119	1	117
Cash from operating activities	507	726	(219)
Interest net paid	6	11	(6)
Income tax net paid	(26)	(45)	18
Net cash flows from operating activities	486	693	(206)

Cash Flow Statement (Mil.THB)	1H2026	1H2025	Change
Cash flow from investing activities			
Purchases of other short-term financial assets	-	-	-
Purchases of property, plant and equipment	(186)	(305)	120
Proceed of sales equipments and investment property	0.2	1	(1)
Decrease in short term loan to Head Quarter (Increase)	217	(228)	445
Increase in Investment to AGE	(12)	-	(12)
Dividend received	18	6	11
Net cash flows from (used in) investing activities	37	(526)	563
Cash flow from financing activities			
Repayment of bank borrowings	-	-	-
Repayment of lease liabilities	(15)	(15)	0
Dividend paid	(279)	(574)	295
Treasury Stock paid	-	(8)	8
Net cash flows used in financing activities	(294)	(597)	302
Effect of foreign exchange rate changes	0.5	(0.2)	1
Net increase (decrease) in cash and cash equivalents	230	(430)	660
Cash and cash equivalents at beginning of period	147	849	(702)
Cash and cash equivalents at end of period	377	418	(42)

Operating activities

For the first half of 2026, the Group recorded net cash received from operating activities of 486 million Baht, decreasing from 693 million Baht in the same period last year. Operating profit before changes in working capital stood at 451 million Baht, decreasing from 604 million Baht, in line with the overall decline in profit before tax.

Working Capital	2Q26	2Q25	Change
Inventories	1,657	1,375	283
Trade receivables	831	1,003	(172)
Other receivables	547	795	(248)
Cash & Other current assets	808	874	(67)
Trade & Other payables	(663)	(599)	(64)
Net Working Capital	3,180	3,447	(268)
INV Days	106	84	22
AR Days	46	51	(4)
AP Days	26	23	4

As of June 30, 2026, the Group had net working capital of 3,180 million Baht, a decrease of 268 million Baht compared to the same period last year.

The average inventory turnover period increased to 106 days up from 84 days in the same period last year, in line with higher inventory levels to support the gradual recovery of orders. Meanwhile, the average collection period improved to 46 days from 51 days, reflecting efficient receivables management. The average payment period stood at 26 days, close to the same period last year.

Investing activities

The Group recorded net cash received from investing activities of 37 million Baht, primarily driven by a net loan repayment of 217 million Baht from Asian Sea Corporation Public Company Limited. Meanwhile, the Group continued its investment in property and equipment of approximately 185 million Baht, mainly from the investment in the second automated warehouse, which is expected to be fully operational within the third quarter of 2026. In addition, the Group made an investment in a joint venture, Asian Group SCS Europe GmbH (AGE), of 12 million Baht, and received dividend income of 18 million Baht.

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Financing activities

The Group recorded net cash used in financing activities of 294 million Baht, primarily due to dividend payments of 279 million Baht and the repayment of lease liability principal of 15 million Baht. The Group maintained strong financial discipline and had no outstanding short-term or long-term loans from financial institutions.

Key Financial Ratios

	2Q26	2Q25	2Q2024	1Q26
Growth Rates				
Sales Growth	(6.2%)	(0.7%)	43.5%	(17.1%)
Net Profit Growth	(8.5%)	(35.1%)	1041.9%	(46.9%)
Leverage and Liquidity Ratios				
Current ratio	5.8	6.8	7.3	6.0
Quick or acid test ratio	2.6	3.7	4.5	3.2
Debt to equity ratio	0.2	0.2	0.2	0.2
Net Debt to equity ratio	(0.1)	(0.1)	(0.2)	(0.2)

	2Q26	2Q25	2Q2024	1Q26
Profitability Ratios				
Return on equity*	12.4%	18.3%	16.4%	12.5%
Return on assets**	10.5%	15.8%	14.2%	10.6%
Total Assets Turnover***	114.7%	124.7%	104.0%	114.6%
Net Profit margin	11.1%	11.4%	17.5%	8.8%
Gross profit margin	15.9%	15.8%	25.7%	11.2%

** 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*

1H2026 Performance VS 2026 Outlook

The Group has set a total revenue target for 2026 of 7,600 million Baht, representing an 8.1% growth YoY. The target comprises 6,800 million Baht from pet food segment (growth of 8.4%) and 800 million Baht from human shelf-stable food segment (growth of 5.9%), with a target gross profit margin of 13% to 16%.

For the first half of 2026, the Group recorded total revenue of 3,200 million Baht, representing 41.9% of its full-year target. This comprises 2,900 million Baht from pet food (41.8% of segment target) and 300 million Baht from human shelf-stable food (42.6% of segment target). The gross profit margin for the first half stood at 13.6%, tracking within the target range of 13% to 16%.

Although first-half performance was pressured by external factors in the early part of the year, it showed clear signs of recovery in the second quarter, in both order volume and gross profit margin, particularly from the return of orders in the United States and Canada. The pet food industry continues to demonstrate long-term growth, supported by the Pet Humanization trend, which drives demand for high-quality and value-added products, particularly in the premium and health-oriented segments.

In the second half, the Group remains focused on expanding its customer base in key markets, particularly the United States and Canada, while recovering and maintaining sales volume across the European, Middle East, and Asian markets. Together with the development of value-added products, improved production efficiency and cost management, and the full operation of the second automated warehouse in the third quarter. These are intended to strengthen competitiveness, support the recovery of demand for the remainder of the year, and sustain long-term growth.