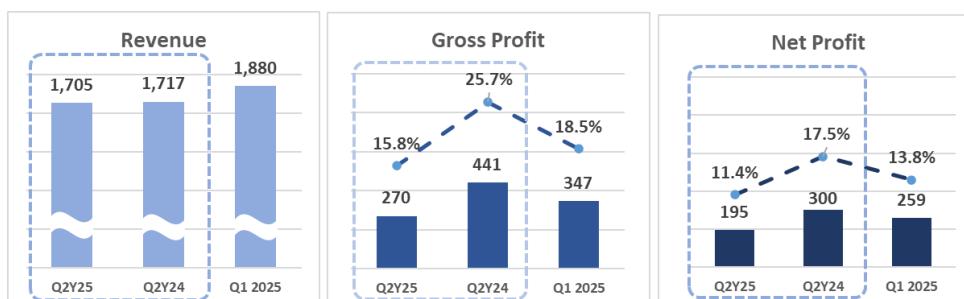


Management Discussion and Analysis
For Q2Y2025 and 1st Half of the year 2025
Executive Summary

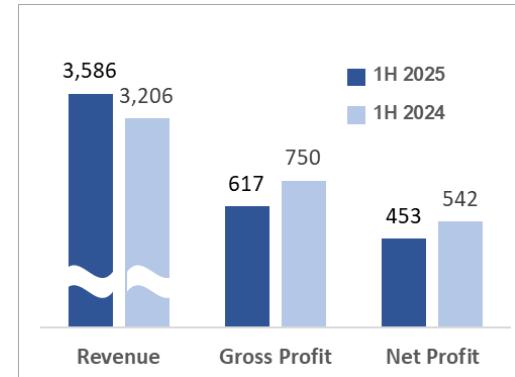
- The company's total revenue for Q2 2025 was 1,705 million Baht, a slight decrease compared to 1,717 million Baht in Q2 2024, mainly due to a decline in sales from the human shelf-stable food business segment, while the pet food segment remained stable. Compared to the previous quarter, total revenue decreased by 9.4%, with declines in both the pet food and the human shelf-stable food business. This was primarily the result of the depreciation of the US dollar against the Thai Baht.
- The company's gross profit for Q2 2025 was 270 million Baht, a decrease of 38.8% compared to the same quarter of the previous year and a decrease of 22.3% compared to the previous quarter (Q2 2024: 441 million Baht, Q1 2025: 347 million Baht). The gross profit margin for the quarter was 15.8% (Q2 2024: 25.7%, Q1 2025: 18.5%). The gross profit margin declined compared to both the same quarter last year and the previous quarter, even though the proportion of pet food increased, mainly due to the impact of the depreciation of the US dollar against the Thai Baht.
- The company's net profit for Q2 2025 was 195 million Baht, a decrease of 35.1% compared to the same quarter of the previous year and a decrease of 24.8% compared to the previous quarter as the operating profit margin declined in line with the lower gross profit margin, even though selling and administrative expenses decreased. The company also recorded a foreign exchange loss and lower the net financial income compared to the same quarter last year, resulting in the net profit margin dropping to 11.4%. When compared to the previous quarter, Q1 2025 had a foreign exchange gain of about 12 million Baht, while net financial income remained at a similar level (net profit for Q1 2025 was 259 million Baht, representing a net profit margin of 13.8%).
- Earnings per share in Q2 2025 were 0.09 Baht/share (Q2 2024: 0.14 Baht/share, Q1 2025: 0.12 Baht/share).



- The company's total revenue for the first half of 2025 was 3,586 million Baht, an increase of 11.9% compared to 3,206 million Baht in the same period last year, mainly driven by growth in pet food sales, while the human shelf-stable food sales decreased slightly.
- The company's gross profit for the first half of 2025 was 617 million Baht, a decrease of 17.8% compared to 750 million Baht in the same period last year. The gross profit margin was 17.2%, lower than 23.4% in the

same period last year, despite a higher proportion of pet food sales. This was mainly due to the impact of the depreciation of the US dollar against the Thai Baht.

- The company's net profit for the first half of 2025 was 453 million Baht, representing a net profit margin of 12.6%, a decrease of 16.3% compared to 542 million Baht or a margin of 16.9% in the same period last year. The operating profit margin declined in line with the lower gross profit margin, even though selling and administrative expenses decreased. Meanwhile, foreign exchange gains declined slightly, and net financial income decreased significantly in line with interest rate trends.
- Earnings per share for the first half of 2025 were 0.21 Baht/share (first half of 2024: 0.25 Baht/share).
- The Board of Directors' meeting No. 3/2025 resolved to pay an interim dividend for the January 1 to June 30, 2025, performance, totaling 431 million Baht, at a rate of 0.2031 Baht per share, representing a dividend payout ratio of 95% of net profit, in line with the company's dividend policy. The record date for shareholders entitled to receive the dividend is set for August 27, 2025, and will be paid at September 10, 2025.



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.

Currently, the company has production capacity in Samut Sakhon province, comprising a total wet pet food production capacity of 59,000 tons per year, 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.

Moreover, the group also produces and sells pet food and snacks under the group's brands, including "monchou", "monchou Balanced", "Hajiko", "Pro", and "Maria".

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 9,180 million baht as of June 30, 2025. Asian Sea Corporation Public Company Limited ("ASIAN") is the major shareholder, holding 70% of the shares.

Economic and General Industry Conditions Affecting Operations

Overall, the global pet food market continues to expand, in line with the rising population of dogs and cats in many regions. It is also supported by the pet humanization trend, where pets are increasingly treated as family members. Pet owners are paying more attention to their pets' health and have a growing demand for products suited to their pets' specific needs. During the second quarter of the year, brand-owner customers continued to place orders, despite several market pressures, including a weaker economy and reduced purchasing power among pet owners, uncertainties over reciprocal tariffs, geopolitical unrest in various regions, and significant volatility and depreciation of the US dollar.

For the US market, the reciprocal tariff rate from Thailand is 19%, which allows Thai wet pet food products to remain competitive. Although product prices in the US market have started to rise, which is expected to temporarily affect purchasing power, it is anticipated that demand will rebound once consumers adjust to the new prices. The company is preparing to adjust plans with customers to maintain their competitiveness.

In the human shelf-stable food segment, demand for tuna has decreased due to the impact of reciprocal tariffs, leading to lower tuna prices compared to the previous quarter. However, the market is still under pressure from the depreciation of the US dollar, which affects profit margins. Although demand remains in the Middle East, which is the company's main market, sales and profit margins are still significantly pressured by the US dollar's weakness.

Significant Events and Major Developments

- In the second quarter of 2025, the company developed and launched a total of 43 new pet food products for customers, comprising 31 cat food and 12 dog food, which include complete and complementary food products. The launch of new products was delayed as most customers prepared to adjust their marketing plans after the reciprocal tariff rate was finalized.
- The second automated warehouse investment project progressed according to plan, and the company decided to proceed with the new production building project as originally planned since the reciprocal tariff rate remained competitive. Construction is expected to begin within 2025, which is slightly later than the original schedule.
- The company was selected for the third consecutive year as one of the ESG100 companies, recognized for outstanding Environmental, Social, and Governance (ESG) performance in the 2025 evaluation of listed companies by the Thaipat Institute.
- As of June 30, 2025, the company had a loan to Asian Sea Corporation Public Company Limited of 732 million baht, an increase of 228 million baht compared to around 504 million baht at the end of 2024, with the conditions and credit limit remaining as approved by the shareholders' meeting.
- As of July 31, 2025, the Group had repurchased a total of 4,372,600 shares under the share repurchase program, amounting to 18,449,632 baht, which is 0.21% of the total outstanding shares. The repurchase was conducted through automatic matching via the Stock Exchange trading system. This remains within the

maximum budget for repurchase of no more than 312 million baht and a maximum of 65 million shares at a par value of 1 baht per share, accounting for 3.06% of total outstanding shares, as approved by the 2nd Board of Directors Meeting of 2025. The repurchase period is set from May 28, 2025, to November 28, 2025.

Performance and Profitability Analysis for Q2 2025

STATEMENT OF INCOME	Q2Y25		Q2Y24		Change	Q1 2025		Change
	Mil. THB	% to sales	Mil. THB	% to sales		Mil. THB	% to sales	
Revenue from Sales & Services	1,705	100.0	1,717	100.0	(0.7)	1,880	100.0	(9.3)
Cost of sales & services	(1,436)	(84.2)	(1,276)	(74.3)	12.5	(1,533)	(81.5)	(6.4)
Gross Profit	270	15.8	441	25.7	(38.8)	347	18.5	(22.3)
Operating Expenses	(87)	(5.1)	(126)	(7.4)	(30.9)	(100)	(5.3)	(12.9)
Operating Profit	183	10.7	314	18.3	(42.0)	247	13.1	(26.1)
Other incomes	23	1.3	16	1.0	38.1	26	1.4	(12.1)
Gain/(Loss) on FX	(1)	(0.0)	(6)	(0.4)	(90.3)	12	0.7	(104.9)
Other expenses	1	0.1	(1)	(0.1)	227.5	(1)	(0.0)	(256.7)
Financial cost	6	0.3	10	0.6	(43.0)	6	0.3	(4.2)
Profit before tax	212	12.4	334	19.4	(36.6)	290	15.4	(27.2)
Tax expenses	(17)	(1.0)	(34)	(2.0)	(50.1)	(32)	(1.7)	(46.6)
Net Profit	195	11.4	300	17.5	(35.1)	259	13.8	(24.8)
EPS.	0.09		0.14			0.12		

Revenue from Sales and Services

In Q2 2025, the company had total sales and service revenues of 1,705 million baht, a slight decrease compared to the same quarter last year. Total sales volume for Q2 2025 (including intercompany transactions) was 11,691 tons, an increase of 10.8% compared to 10,548 tons in the same quarter last year. Sales volume of human shelf-stable food decreased approximately 5.6%, while sales revenue dropped as much as 11.6%. In contrast, pet food sales remained stable, even though sales volume in pet food grew by 12.0%. Sales revenues were significantly impacted by exchange rates.

Compared to the previous quarter, total sales and service revenues decreased by 9.3%, while total sales volume (including intercompany transactions) decreased by 6.4%. In the pet food segment, both sales and sales volume declined by 7.4% and 3.2%, respectively. Meanwhile, sales and sales volume of human shelf-stable food fell by 24.3% and 23.8%, respectively.

Sales By Business Segment	Q2Y25		Q2Y24		Growth	Q1Y25		Growth
	tons	portion (%)	tons	portion (%)	% YoY	tons	portion (%)	% QoQ
Sales Volume	11,691	100.0	10,548	100.0	10.8	12,493	100.0	(6.4)
Pet Food	9,779	83.6	8,733	82.8	12.0	10,100	80.8	(3.2)
Human Food	1,166	10.0	1,235	11.7	(5.6)	1,530	12.2	(23.8)
By-product	746	6.4	580	5.5	28.8	863	6.9	(13.5)
Revenues	1,709	100.0	1,733	100.0	(1.4)	1,887	100.0	(9.4)
Pet Food	1,523	89.1	1,523	87.9	(0.0)	1,646	87.2	(7.4)
Human Food	169	9.9	192	11.1	(11.6)	224	11.9	(24.3)
By-product	17	1.0	18	1.0	(6.0)	18	1.0	(6.5)

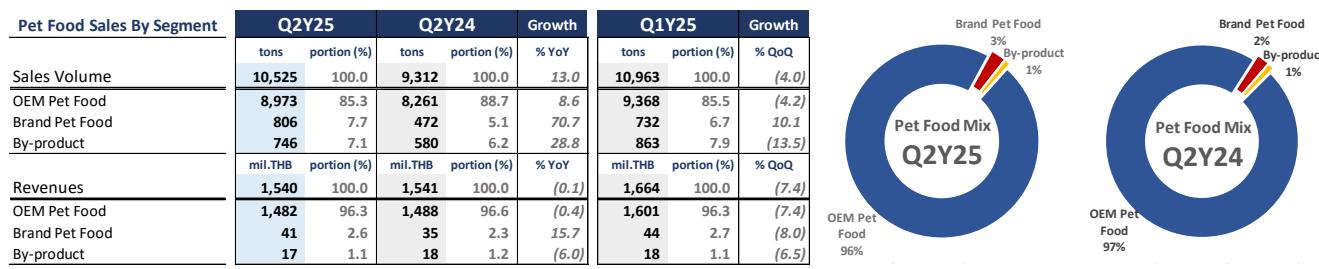
*Sales Volume and Revenue include inter-company transactions



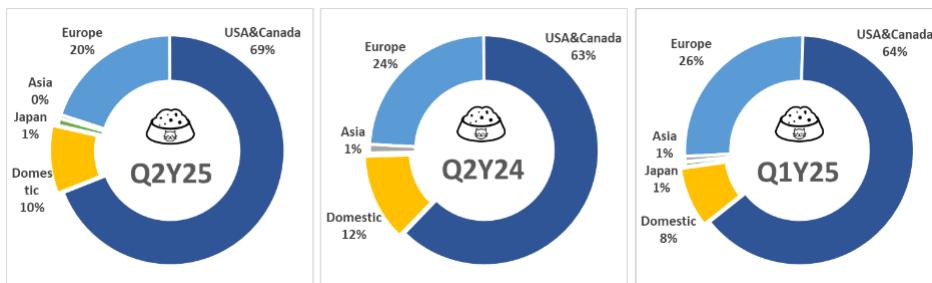
• Pet Food Sales

The sales volume of pet food and by-products for Q2 2025 (including inter-company transactions) was 10,525 tons, an increase of 13.0% compared to 9,312 tons in the same quarter last year. However, sales revenue was

1,540 million baht, which did not increase due to the depreciation of the US dollar throughout the quarter. Meanwhile, both sales volume and revenue decreased compared to the previous quarter, with revenue declining slightly more than volume.



The main markets for the contract manufacturing (OEM) pet food business remain the United States and Europe. Revenue from OEM pet food sales in Q2 2025 was 1,482 million baht, a slight decrease compared to the same quarter of the previous year, despite sales volume rising by about 8.6%. Both revenue and volume declined compared to the previous quarter, primarily due to exchange rate effects. Although the company's customers in the US were concerned about reciprocal tariffs, orders remained steady and even increased compared to the same quarter last year. Meanwhile, sales in Europe slowed slightly due to exchange rate impacts. Overall, the demand for new product launches in this quarter slowed, as most customers wanted to adjust their plans to align with the finalized reciprocal tariff rates as of August 1, 2025.



The company and its customers in the United States have had close discussions to collaborate in minimizing the impact of reciprocal tariffs on all parties, focusing on enabling the company's customers to maintain their competitive edge in their own markets, thereby preserving sales and market share for long-term mutual growth. Most customers have a positive view of the 19% reciprocal tariff rate, considering it still competitive compared to other producing countries, and have already adjusted some selling prices in the market, which may affect short-term sales.

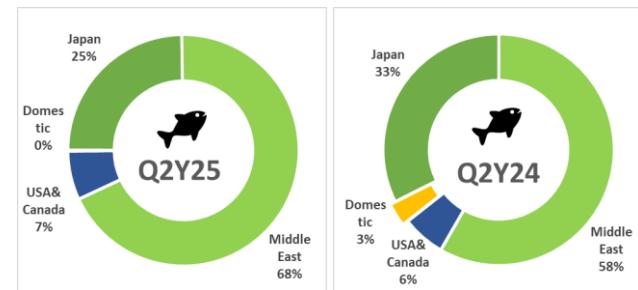
Revenue and sales volume of pet food under the company's own brands for Q2 2025 increased significantly compared to the same quarter last year, with sales rising to approximately 41 million baht and sales volume reaching 806 tons. The increase was mainly driven by domestic branded sales in the low-end segment ("Pro") as pet owners had limited purchasing power. Sales in China remained minimal, mostly through contract manufacturing. Compared to the previous quarter, sales volume grew slightly, while revenue decreased, inversely, due to growth being primarily from the "Pro" as well.

By-product sales still accounted for about 1% of total sales, all of which were domestic sales.

- Human Shelf-stable Food

The sales volume of human shelf-stable food for Q2 2025 was 1,166 tons, a decrease of 5.6%, and sales revenue dropped by 11.6% to 169 million baht compared to a sales volume of 1,235 tons and sales revenue of 192 million baht in the same quarter last year. The decline in sales revenue was greater than the decrease in sales volume due to the significant depreciation of the US dollar against the Thai baht during Q2 2025. Meanwhile, sales volume and sales revenue decreased by 23.8% and 24.3%, respectively, compared to the previous quarter.

The main market for the company's human shelf-stable food remains the Middle Eastern countries. Compared to the same quarter last year, exports to Japan and domestic sales declined, while sales in other markets remained similar. Compared to the previous quarter, exports to the Middle East dropped significantly, while exports to other regions declined slightly.



Gross Profit

In Q2 2025, the company recorded a gross profit of 270 million baht, a decrease of 38.8% compared to the same quarter last year, with a gross profit margin of 15.8% of sales and service revenue, down from 25.7% in the same period last year. Although the share of pet food sales increased, the profit margin was affected by the depreciation of the US dollar against the Thai baht throughout the quarter.

Compared to the previous quarter, the company's gross profit decreased by 22.3% from 347 million baht in the previous quarter. The gross profit margin decreased due to the impact of currency exchange, even though the proportion of pet food improved and tuna prices declined slightly compared to the previous quarter.

Operating expenses

In Q2 2025, the company operating expenses, which included selling and distribution expenses as well as administrative expenses, totaled 87 million baht, representing 5.1% of sales revenue. This was a significant decrease from 126 million baht as in Q2 2024, the company had unusually high administrative expenses due to 30 million baht provision for impairment of investments in a joint venture in China. In addition, selling and marketing expenses decreased in line with the decline in sales. Compared to the previous quarter, selling and administrative expenses also decreased, mainly due to a reduction in commission expenses in line with lower sales, although the proportion relative to sales revenue remained similar (Q2 2025: 5.1%, Q2 2024: 5.3%).

In this quarter, the company reported a net foreign exchange loss of approximately 1 million baht, consisting of a realized loss of about 24 million baht, partially offset by an unrealized gain of about 23 million baht. The net loss was lower compared to the net loss of 6 million baht in the same quarter last year, whereas in the previous quarter, there was a foreign exchange gain of approximately 12 million baht, mostly unrealized gains.

Financial cost

Financial costs for Q2 2025 resulted in net financial income of approximately 6 million baht. The company incurred interest expenses of around 3 million baht from long term leases (exceeding 3 years), while earning interest income of about 9 million baht from loans to Asian Sea Corporation Public Company Limited and bank deposits. This amount decreased compared to the same quarter last year due to lower interest rates and the loan interest rate to Asian Sea Corporation Public Company Limited, which is calculated in line with the 1-month bond interest rate for BBB-rated bonds from ThaiBMA. Nonetheless, the company was still able to record net financial income at a level close to the previous quarter.

Tax expenses

In Q2 2025, the Group recorded tax expenses of 17 million baht, representing an effective tax rate of 8.0%. The effective tax rate decreased compared to 10.2% in the same quarter last year and 10.9% in the previous quarter, due to tax benefits received from BOI privilege for certain products.

Net Profit and Earning per Share

In Q2 2025, the company reported a net profit of 195 million baht, a decrease of 35.1% compared to the same quarter last year and a decrease of 24.8% compared to the previous quarter. The net profit margin was 11.4% (Q2 2024: 17.5%, Q1 2025: 13.8%). Earnings per share amounted to 0.09 baht per share (Q2 2024: 0.14 baht per share, Q1 2025: 0.12 baht per share).

Performance and Profitability Analysis for 1 half of 2025

STATEMENT OF INCOME	1H 2025		1H 2024		Change
	Mil. THB	% to sales	Mil. THB	% to sales	
Revenue from Sales & Services	3,586	100.0	3,206	100.0	11.9
Cost of sales & services	(2,969)	(82.8)	(2,456)	(76.6)	20.9
Gross Profit	617	17.2	750	23.4	(17.8)
Operating Expenses	(187)	(5.2)	(214)	(6.7)	(12.3)
Operating Profit	429	12.0	536	16.7	(19.9)
Other incomes	49	1.4	29	0.9	67.7
Gain/(Loss) on FX	12	0.3	15	0.5	19.9
Other expenses	0	0.0	1	0.0	55.5
Financial cost	12	0.3	21	0.6	(43.7)
Profit before tax	502	14.0	602	18.8	(16.6)
Tax expenses	(49)	(1.4)	(60)	(1.9)	(19.1)
Net Profit	453	12.6	542	16.9	(16.3)
EPS.	0.21		0.25		

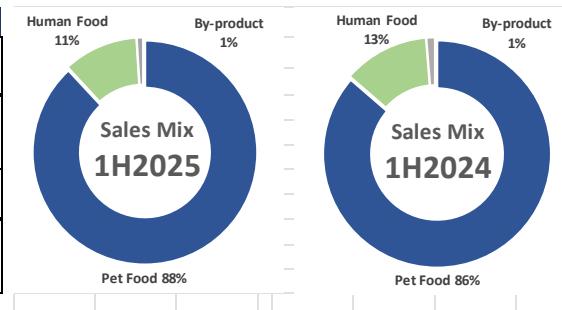
Revenue from Sales and Services

For the first half of 2025, the company reported total sales and service revenue of 3,586 million baht, an increase of 11.9% compared to the same period last year. Meanwhile, total sales volume for the first half of 2025 (including intercompany transactions) reached 24,184 tons, rising by 21.1% compared to 19,977 tons in the same period last year. The proportionate increase in sales revenue was lower mainly due to the impact of exchange rates.

In the pet food segment, both sales revenue and sales volume increased by 13.5% and 23.1%, respectively. For the human shelf-stable food segment, sales volume grew by approximately 8.0%, while sales revenue declined by 1.6%, also mainly affected by exchange rate fluctuations.

Sales By Business Segment

	1H 2025		1H 2024		Growth
	tons	portion (%)	tons	portion (%)	
Volume (Mt)	24,184	100.0	19,977	100.0	21.1
Pet Food	19,879	82.2	16,149	80.8	23.1
Human Food	2,696	11.1	2,495	12.5	8.0
By-product	1,609	6.7	1,332	6.7	20.8
Revenues (Millions Baht)	3,597	100.0	3,231	100.0	11.3
Pet Food	3,169	88.1	2,791	86.4	13.5
Human Food	393	10.9	400	12.4	(1.6)
By-product	35	1.0	41	1.3	(15.2)

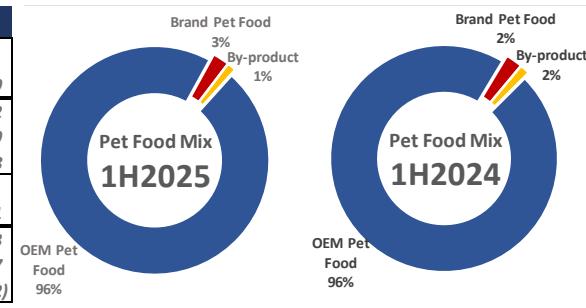


*Sales Volume and Revenue include inter-company transactions

- Pet Food Sales**

Sales By Business Segment

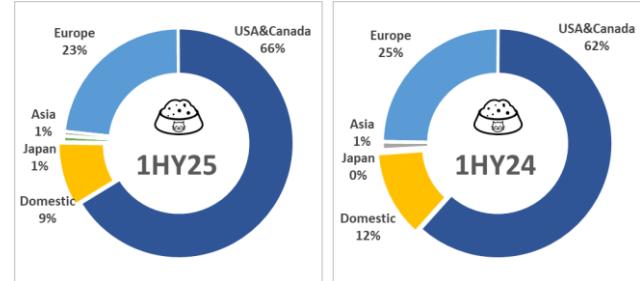
	1H 2025		1H 2024		Growth
	tons	portion (%)	tons	portion (%)	
Volume (Mt)	21,488	100.0	17,481	100.0	22.9
OEM Pet Food	18,341	85.4	15,130	86.6	21.2
Brand Pet Food	1,537	7.2	1,019	5.8	50.9
By-product	1,609	7.5	1,332	7.6	20.8
Revenues (Millions Baht)	3,204	100.0	2,832	100.0	13.1
OEM Pet Food	3,084	96.3	2,722	96.1	13.3
Brand Pet Food	85	2.7	69	2.4	22.7
By-product	35	1.1	41	1.5	(15.2)



*Sales Volume and Revenue include inter-company transactions

For the first half of 2025, pet food sales volume increased significantly across the OEM segment, the company's own branded pet food products, and by-products. The growth in sales volume outpaced the increase in sales revenue for both the OEM and the company's own branded segments, primarily due to the impact of exchange rates. Meanwhile, sales revenue from by-products declined, contrary to the increase in sales volume.

The key markets for the OEM pet food business remain the United States and Europe. Export sales to the United States continued to grow compared to the same period last year, despite concerns over reciprocal tariffs, while sales growth in Europe was more modest due to exchange rate effects.

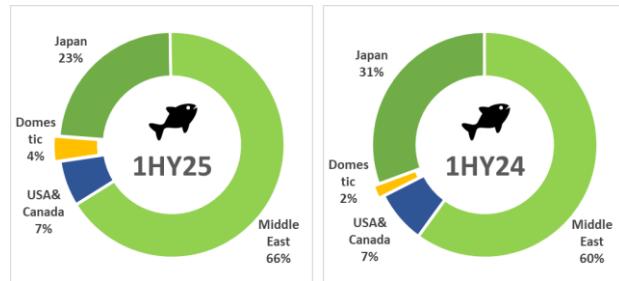


For the first half of 2025, revenue and sales volume of pet food under the company's own brands rose by 22.7% and 50.9%, respectively, compared to the same period last year. This growth was mainly driven by domestic sales in the low-end segment ("Pro" brand), as pet owners had limited purchasing power.

By-products continued to account for approximately 1% of total sales, all of which were domestic sales.

- Human Shelf-stable Food

Sales volume of human shelf-stable food for the first half of 2025 was 2,696 tons, representing an increase of 8.0% compared to 2,495 tons in the same period last year. However, sales revenue decreased slightly, moving in the opposite direction of sales volume, mainly due to the impact of the depreciation of the US dollar against the Thai baht. The main market remains the Middle Eastern countries, with sales increasing compared to the same period last year, while sales in other countries declined.



Gross Profit

For the first half of 2025, the company reported gross profit of 617 million baht, a decrease of 17.8% compared to the same period last year. The gross profit margin was 17.2% of total sales and service revenue, down from 23.4% in the same period last year even the proportion of pet food sales increased as the profit margin was significantly affected by the depreciation of the US dollar against the Thai baht, as well as a rise in tuna raw material prices compared to the same period last year.

Operating expenses

In the first half of 2025, operating expenses—which consist of selling and distribution expenses as well as administrative expenses—totaled 187 million baht, accounting for 5.2% of sales revenue. This represents a decrease from 214 million baht in the same period last year, mainly due to the recognition of an impairment loss on investments in China of approximately 30 million baht in the Q2 2024.

During this period, the company recorded a foreign exchange gain of approximately 12 million baht, mostly unrealized gains from U.S. dollars selling forward to manage exchange rate volatility risk during periods.

Financial cost

Financial costs for the first half of 2025 resulted in net financial income of approximately 12 million baht. The company incurred interest expenses of around 6 million baht from long term leases (exceeding 3 years), while earning interest income of about 18 million baht from loans to Asian Sea Corporation Public Company Limited and bank deposits. This amount decreased compared to the same quarter of the previous year due to lower interest rates and the loan interest rate to Asian Sea Corporation Public Company Limited, which is calculated in line with the 1-month bond interest rate for BBB-rated bonds from ThaiBMA.

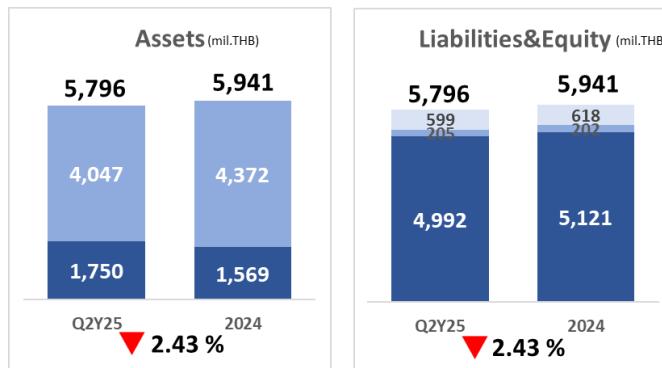
Tax expenses

In the first half of 2025, the company recorded tax expenses of 49 million baht, representing an effective tax rate of 9.7% which was similar to 10.0% in the same period of the previous year due to tax benefits received from BOI privilege for certain products.

Net Profit and Earning per Share

In the first half of 2025, the company reported a net profit of 453 million baht, a decrease of 16.3% compared to the same period last year. The net profit margin was 12.6% with an earnings per share amounted to 0.21 baht per share (first half of 2024: 0.25 baht per share).

Financial Position as of 30 June 2025 versus 31 December 2024



Total Assets

As of June 30, 2025, the company had total assets of 5,796 million baht, a decrease of approximately 145 million baht or 2.4% from 5,941 million baht as of December 31, 2024. This was mainly due to a decrease in cash and cash equivalents of about 430 million baht, and a reduction in trade and other receivables of around 115 million baht, which corresponded with a slightly drop in sales during the second quarter of the year. Inventories also decreased by 75 million baht. Meanwhile, short-term loans to related parties and other current assets increased by 228 million baht and 67 million baht, respectively.

Property, plant, and equipment as of June 30, 2025, amounted to 1,515 million baht, an increase of approximately 155 million baht compared to December 31, 2024.

Total Liabilities

As of June 30, 2025, the company had total liabilities of 804 million baht, a slight decrease compared to 820 million baht as of December 31, 2024. This was mainly due to a reduction in trade payables and other payables. At the end of the period, the company have no interest-bearing liabilities with financial institutions still.

Total Shareholders' equity

As of 30 June 2025, shareholders' equity of the company dropped to 4,992 million baht, 129 million baht decrease from the end of last year as dividend payout during the period were exceed the company profit during the period.

Statement of Financial Position (mil.THB)	Q2Y25	%	FY24	%	% Chg
Cash and cash equivalent	418	7.2	849	14.3	-50.72
Trade and other receivables	1,065	18.4	1,180	19.9	-9.7
Short-term Loan to Related party	732	12.6	504	8.5	45.2
Inventories	1,375	23.7	1,450	24.4	-5.2
Other current assets	456	7.9	389	6.5	17.3
Total current assets	4,047	69.82	4,372	73.6	-7.43
Investments	3	0.1	7	0.1	-49.6
Long term Loan to JV & Association	2	0.0	1	0.0	13.5
Fixed assets	1,515	26.1	1,360	22.9	11.4
Other non current assets	230	4.0	202	3.4	13.9
Total non current assets	1,750	30.18	1,569	26.4	11.5
Total Assets	5,796	100.0	5,941	100.0	-2.4
Bank overdraft and short-term loans	0	0.0	0	0.0	0.0
Trade and other payables	522	9.0	534	9.0	-2.2
Current portion of long-term loans & Leases	13	0.2	8	0.1	73.9
Other current liabilities	64	1.1	76	1.3	-16.6
Total current liabilities	599	10.3	618	10.4	-3.0
Long term Loan	0	0.0	0	0.0	n/a
Other non current liabilities	205	3.5	202	3.4	1.7
Total non current liabilities	205	3.5	202	3.4	1.7
Total Liabilities	804	13.9	820	13.8	-1.9
Total shareholders' equity	4,992	86.1	5,121	86.2	-2.5
Total Liabilities and Equity	5,796	100.0	5,941	100.0	-2.4

Cash Flow

Cash Flow Statement (Mil.THB)	Q2Y25	Q2Y24	Change	Cash Flow Statement (Mil.THB)	Q2Y25	Q2Y24	Change				
Cash flow from operating activities											
Profit before tax	502	602	(100)	Dividend received	6	2					
Adjustments for:				Purchases of property, plant and equipment	(305)	(91)	(214)				
Depreciation & Amortisation	125	109	16	Proceed of sales equipments and investment property	1	0	1				
Loss from impairment on investment	-	30	(30)	Decrease in short term loan to Head Quarter (Increase)	(228)	268	(496)				
Other adjustments	13	(14)	26	Net cash flows from (used in) investing activities	(526)	179	(705)				
Unrealize loss (gain) on exchange rate	(23)	24	(48)	Cash flow from financing activities							
Financial cost, net	(12)	(21)	9	Repayment of bank borrowings	-	-	-				
Operating profit before working capital changes	604	730	(126)	Repayment of lease liabilities	(15)	(15)	0				
Decrease (increase) in operating assets	120	(477)	597	Dividend paid	(574)	(382)	(191)				
Increase (decrease) in operating liabilities	1	18	(17)	Treasury Stock paid	(8)	-	(8)				
Cash from operating activities	726	272	454	Net cash flows used in financing activities	(597)	(397)	(199)				
Interest net paid	11	21	(10)	Effect of foreign exchange rate changes	(0)	2	(2)				
Income tax net paid	(45)	(14)	(31)	Net increase (decrease) in cash and cash equivalents	(430)	63	(493)				
Net cash flows from operating activities	693	279	413	Cash and cash equivalents at beginning of period	849	931	(82)				
				Cash and cash equivalents at end of period	418	994	(576)				

Operating activities

Working Capital	Q2Y25	Q2 Y24	Change
	mil.THB	mil.THB	YoY
Inventories	1,375	1,503	(128)
Trade receivables	1,003	1,069	(66)
Other receivables	795	625	170
Cash & Other current assets	874	1,114	(240)
Trade & Other payables	(599)	(591)	(8)
Net Working Capital	3,447	3,720	(272)
INV Days	84	113	(28)
AR Days	51	64	(14)
AP Days	23	25	(2)

The company had cash flow from operating activities before changes in operating assets and liabilities for the first half of 2024 and 2025 amounting to 730 million baht and 604 million baht, respectively. The changes in cash flow were mainly driven by changes in operating profit during the period. Meanwhile, cash flow from changes in operating assets and liabilities for the first half of 2025 was due to a decrease in cash and other current assets, a reduction in trade receivables and inventories, and an increase in loans to the parent company.

At the same time, trade payables and other payables slightly increased. As a result, the company recorded net cash inflow from operating activities for the first half of 2025, ending June 30, 2025, of approximately 693 million baht, compared to 279 million baht for the first half of 2024.

As of June 30, 2025, the number of days of accounts receivable and inventory holding period were 51 days and 84 days, respectively, a significant improvement compared to the same period last year. This improvement was due to the impact of delayed orders in 2023 from an inventory overflow in the destination market.

Investing activities

The company had net cash outflows from investing activities for the first half of the year ended June 30, 2025, totaling 526 million baht. This comprised investments in buildings and equipment according to the company's investment plan amounting to 305 million baht, an increase in loans to its parent company, Asian Sea Corporation Public Company Limited, by 228 million baht, and dividend income received of about 6 million baht. In contrast, during the same period of the previous year, the company had net cash inflows from investing activities of approximately 179 million baht, mainly due to a decrease in loans to the parent company by 268 million baht, which offset investments in machinery for efficiency improvements of about 91 million baht.

Financing activities

The company had cash outflows for financing activities in the first half of the year, ended June 30, 2024 and 2025 amounting to 597 million baht and 397 million baht, respectively, mainly due to the dividend payout.

Key Financial Ratios

	Q2Y25	Q2Y24	Q2Y23	Q1Y25		Q2Y25	Q2Y24	Q2Y23	Q1Y25
Growth Rates	Profitability Ratios								
Sales Growth	-0.7%	43.5%	-34.1%	26.3% Return on equity*		18.3%	16.4%	12.6%	19.0%
Net Profit Growth	-35.1%	1041.9%	-85.6%	6.9% Return on assets**		15.8%	14.2%	10.9%	16.2%
Leverage and Liquidity Ratios					Total Assets Turnover***	124.7%	104.0%	115.1%	115.1%
Current ratio	6.8	7.3	7.2	6.5 Gross profit margin	Net Profit margin	11.4%	17.5%	2.2%	13.8%
Quick or acid test ratio	3.7	4.5	4.2	3.9 * Using last 4 consecutive quarters net profit divided by end quarter equity	Gross profit margin	15.8%	25.7%	12.7%	18.5%
Debt to equity ratio	0.2	0.2	0.2	0.2 ** Using last 4 consecutive quarters net profit divided by end quarter total assets	Net Profit margin	11.4%	17.5%	2.2%	13.8%
Net Debt to equity ratio	(0.1)	(0.2)	(0.1)	(0.2) *** Using last 4 consecutive quarters sales divided by end quarter total assets	Gross profit margin	15.8%	25.7%	12.7%	18.5%

1 Half 2025 Performance VS. Targets and Y2025 Outlook

Due to the United States' announcement of reciprocal tariff, there has been an impact on exchange rates and market demand, resulting in the company's second quarter sales falling short of targets. Although the final reciprocal tariff rate for Thailand was set at 19%, which is more favorable than the initial 36% announced, and allows Thailand and the company to remain comparatively competitive, the company assesses that annual sales will still be affected by the depreciation of the US dollar against the baht. Additionally, the tariffs have raised product prices in destination markets, which may impact consumer purchasing power but only in the short term. As a result, the company has revised its sales forecast for 2025 down to 7.1 billion baht from the previous 7.4 billion baht, with pet food sales estimated at around 6.3 billion baht and human shelf-stable food sales at

approximately 0.7 billion baht. Meanwhile, the gross profit margin is expected to decrease from the original target to 16.0%–18.0%.

The company has already invested about 305 million baht from the planned investment budget of approximately 1,015 million baht for 2025. The construction of the second automated warehouse is progressing as scheduled, while the new production building project is still awaiting construction permit approval, causing a delay in project commencement. Consequently, part of the 2025 investment budget will be carried forward to next year.

The company continues to maintain sufficient excess cash flow for planned investments and can also use excess cash for the share repurchase program approved by the board of directors. It is believed that there will be no need to seek additional funding through loans, keeping the company's cost of financing low in 2025. However, income from bank deposits and loans to the parent company may decrease.