



บริษัท ลีฟีดมิลล์ จำกัด (มหาชน)
LEE FEED MILL PUBLIC COMPANY LIMITED

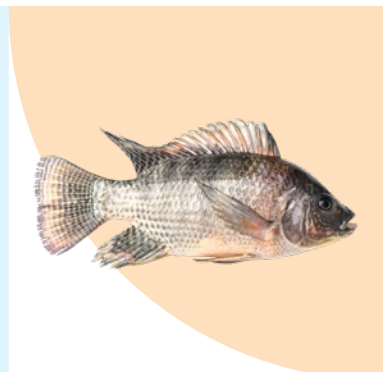


40TH
ANNIVERSARY



FORM 56-1 ONE REPORT

ANNUAL REPORT 2023



“Quality and standard
development to achieve
sustainability”



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The Board of Directors of Lee Feed Mill Public Company Limited



1

Mr. Visith Leelasithorn

Director and Chairman of
the Board of Directors



2

Mr. Nipon Leelasithorn

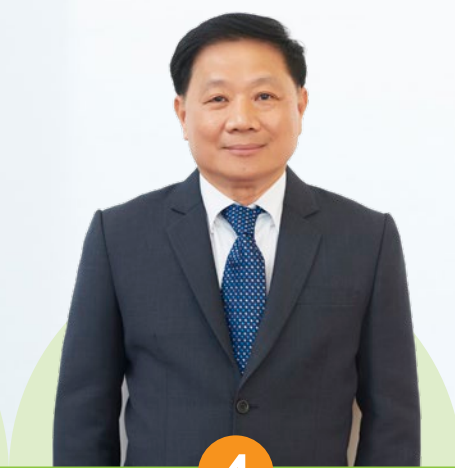
Director and Chairman of
the Executive Director and
Managing Director



3

Mrs. Supaporn Chongvilaiwan

Director and Asst. Managing
Director



4

Mr. Somsak Tiensriyuka

Director and Secretary of
the Board of Directors



5

Assoc. Prof. Dr. Somjai Phagaphasvivat

Independent Director and Chairman of
the Audit Committee



6

Pol. Lt. Gen. Adisorn Nonsee

Independent Director and
Chairman of the Nomination
and Remuneration Committee



7

Mrs. Sununta Subhapholsiri

Independent Director and
Member of the Audit Committee



8

Mr. Busarin Vanaswas

Independent Director and
Member of the Audit Committee

Message from the Chairman of the Board of Directors

Dear Shareholders,

Over the past 40 years, we have been dedicated to the production and distribution of animal feed, placing paramount importance on maintaining high standards and product quality. We continuously strive to enhance our offerings to meet the needs of our customers and provide valuable returns for livestock farmers.

Amidst the present geopolitical challenges, our economy has faced considerable repercussions, notably in the form of fluctuating raw material prices and constraints on specific items. Additionally, the continual upward trend in energy prices has significantly impacted the cost structure of our products. In response to these challenges, we are proactively addressing these issues by adopting modern production technologies. We remain unwavering in our commitment to upholding standards and ensuring the superior quality of our products, adhering to ISO, GMP, and HACCP certifications.

In 2023, the Company's performance resulted in 2,984 million Baht in total revenues and 87 million Baht in net profit, or 0.09 Baht in earnings per share. As of December 31, 2023, the Company has total assets of 3,092 million Baht, total liabilities of 342 million Baht, and total shareholders' equity of 2,750 million Baht. The Board of Directors has resolved to propose to the shareholders' meeting for approval to pay 2023's dividends at the rate of 0.09 Baht per share.

We extend our heartfelt appreciation to our shareholders, business partners, customers, and stakeholders for their steadfast support and confidence throughout the journey. Upholding principles of good governance, transparency, environmental stewardship, and social responsibility, we remain committed to conducting our operations ethically and responsibly.



(Mr. Visith Leelasithorn)
Chairman





Vision

“ We are a leading feed manufacturer with readiness to thrive alongside our trade partners. ”

Missions

- Conduct research and development to devise new quality products
- Enhance manufacturing process with deployment of innovation
- Create, consolidate, and expand customer bases
- Respond to customers' requirements and reach their maximum satisfaction



Value

“ Be passionate for knowledge, aim at achieving success, and amiably live together in the society. ”

Part 1 Business Operation and Operating Results

1. Organizational structure and operation of the group of companies

1.1 Policy and overall business operations

Lee Feed Mill Public Co., Ltd., (“the Company”) was established on 16 August 1983, with initial registered capital of 20 million baht. The Leelasithorn group is the Company’s major shareholder. The Company was listed on the Stock Exchange of Thailand on 26 January 1990 and became a limited public company on 7 March 1994. Current paid-up registered capital is 922.18 million baht. Its first feed mill was located in Muang District, Nakhon Pathom. Subsequently in 1988 and 1990, a second feed mill and silo were built, both in Muang District, Saraburi, under Lee Pattana Feed Mill Co., Ltd., and Lee Pattana Silo Co., Ltd. Both of these are subsidiaries with shares of 95 held by Lee Feed Mill Public Co., Ltd. And in the next four years, the Company expanded its parent stock-chicken farm and chick hatchery for the production of broiler chicks for the market. Investment promotion was also granted to the hatchery, located in Chon Dan District, Phetchabun.

Due to the limited area available for expansion of the first feed mill in Nakhon Pathom, as well as its leased status, the first feed mill was closed in 1996, and investment promotion requested for the new feed mill opened in the same year, in Kao Yoi District, Phetchaburi. In 2002, an aquaculture feed mill was opened on the same land as the feed mill in Kao Yoi, under the name of Lee Feed Mill Public Co., Ltd. And Lee Pattana Feed Mill Company limited Investment promotion was also received. In the past, all four feed mills have a combined production capacity of 396,000 tons of animal feed per annum, with actual production at approximately 45 percent of capacity, and has established the subsidiary company, namely Lee Pattana Agro Silo Co.,Ltd. with a registered and paid up capital of 37.50 million baht, while the silo’s capacity is 38,500 tons for storage of plant seed throughout the year. The company has invested in Bodhi Ngarm Sea Farms Co.,Ltd in 2012. The objective is the experimental farming for the aquaculture business to support the research and development of aquatic animal feed on the high quality and standards to be sustainable.

Lee Pattana Group (“the Group”) obtained from the Department of Livestock a Certificate of Good Manufacturing Practices (GMP) and Hazard Analysis and Critical Control Point (HACCP) in the category of animal-feed manufacturing, in order to ensure hygienic products. Our factories received ISO 9001: 2015 certification for the entire system. This reflects our effective selection of raw materials, production processes, quality inspections, and health management, as well as our international-standard product quality and our responsibility to society, since good animal feed means quality and safe food for consumers. The Group has its strong concerns and awareness of environmental protection and its impacts (such as wastewater, dust, and air pollution) on the communities and the society, ISO 50001: 2018 - Energy Management System, helping as well as energy conservation and effective use of resources; and has therefore determined its policy of environmental management system under ISO14001: 2015 for both of its manufacturing plants.



Lee Pattana Group operates its business principal activities are (1) the manufacturer of animal feed (2) crop drying, silo (3) experimental farming and (4) crop farming. Substantially all sales, operating profits and assets are related to the manufacture of animal feed business.

- Lee Feed Mill Public Co., Ltd., the parent company, involved in processing the production and distribution of animal feed for both livestock and aquaculture in concentrated pellet and powder forms, as well as concentrated feed for swine, chickens, ducks, cattle, fish, and shrimp, under the trade mark of "Lee" "Win" "Max" and "Pro-grade". The Company's factory is located in Phetchabun province. The Company also run business in animal farm in Kaengkoy district, Saraburi province, breeding broiler chicks which breeder farm and hatchery chicks are located in Phetchabun province. However, the Company temporary ceased operation since October 1, 2004 due to avian influenza crisis. Currently, In Phetchabun, the Company operates the wooden breeding.
- Lee Pattana Feed Mill Co., Ltd., a subsidiary, conducting a business along the lines of that of the parent company. However, this subsidiary concentrates on feed production for livestock and domestic animals, such as swine, chickens, ducks, cattle under the trademark of "Lee" "Win" "Max" and "Pro-grade", Moreover, the Company produces pet food, "Petto" and "Jato" for dogs and "Mao Mao" and "Mao Mao One" for cats. "Naksu" for fighting cocks. Its mill is located in Saraburi Province.
- Lee Pattana Agro Silo Co., Ltd., a subsidiary, with in silo grain storage and the purchase and sale of animal feed material to associated companies within the intercompany group.
- Bodhi Ngarm Sea Farm Co.,Ltd., a subsidiary, operates its business as a rental farming.
- P A F (2020) Co., Ltd., a subsidiary, operates its business as a distributing pet feed.

Lee Pattana Group structure as of December 31, 2023

Company Name	Nature of business	Paid-up capital (Million Baht)	% Shareholding	Investment Cost (Million Baht)	Investment Value (Million Baht) (Equity method)	Minor shareholders
Subsidiaries						
Lee Pattana Feed Mill Co., Ltd.	Producing and distributing animal feed	200.00	95.0%	190.00	466.94	Leelasithorn family (5%)
Lee Pattana Agro Silo Co., Ltd.	Crop drying	37.50	95.0%	37.50	39.06	Leelasithorn family (5%) (indirectly held by Lee Pattana Feed Mill)
Bodhi Ngarm Sea Farm Co., Ltd.	Rental farming	5.00	100.0%	5.00	9.28	-
P A F (2020) Co., Ltd.	Distributing pet food	25.00	99.5%	20.78	13.72	Leelasithorn family (0.5%)

1.2 Business Operations

Animal-feed mills of the Lee Pattana Group are divided into geographic regions for sales purposes, so as to attain maximum cost efficiency in regard to transportation and distribution costs. The mill in Phetchaburi is in charge of sales for Nakhon Pathom, Ratchaburi, and all provinces in the South from Phetchaburi on down; while the mill in Saraburi handles all sales in the Central, Northern, Northeastern, and Eastern Seaboard regions of Thailand.

Revenue Structure of the Lee Pattana Group (2021 - 2023)

Revenue from Sales	Producer	2021		2022		2023	
		Million Baht	%	Million Baht	%	Million Baht	%
Complete animal feed	Company and its subsidiaries	3,714	99.39	3,331	98.96	2,899	99.13
Livestock / crop farming	Company	23	0.61	35	1.04	26	0.87
Total		3,737	100.00	3,366	100.00	2,925	100.00

Remarks: Revenues from sales of complete animal feeds for the year 2023 came from land and aquatic animal feeds at the rate of 48 percent and 52 percent, respectively

1.2.1 Nature of Products and Production Process

Types of Products

The products domestically distributed under the Group's portfolio can be classified by types as follows:

- Ready-mixed animal feeds, both granules and powder, and animal feed concentrates:
 - Animal feeds for swine, poultry, ducks, quails, dairy cattle, etc., distributed under trademarks Lee, Win, Max, and Pro-Grade;
 - Aquaculture feeds for fish, shrimps, frogs, etc., distributed under trademarks Lee, Win, Max, and Pro-Grade.
 - Pet food for dogs, distributed under trademarks Petto and Jato; for cats, distributed under trademark Mao Mao and Mao Mao One; and for fighting cocks, distributed under trademark Naksu.
- Roasted corn and soybean crops distributed as feed ingredients.
- Animal breeds as by-products from the Company's animal farming business. Animal breeds are for the purpose of research on and improvement of quality of Company's animal feeds to ensure they are accepted by livestock farmers in general with no focus on commercial benefits.

Lee Feed Mill Public Company Limited and Lee Pattana Feed Mill Company Limited had a total animal feed production capacity of 396,000 tons per year in 2023 while the actual production (Utilization) was approximately 35% of the combined capacity of the two manufacturing plants.



Patents or Restrictions on Business Operations

Investment promotion certificate of Lee Feed Mill Public Company Limited and its subsidiaries

The Group has been promoted in terms of investment in the production of animal feeds or feed ingredients in a form of machine changeover to enhance production efficiency in accordance with the original investment promotion certificate that the Company had received.

Lee Feed Mill Public Company Limited

- Constructed a manufacturing plant in Phetchaburi Province at a feed production capacity of 216,000 tons/year.

Lee Pattana Feed Mill Company Limited (Subsidiary)

- Constructed a manufacturing plant in Saraburi Province at a feed production capacity of 180,000 tons/year.

Benefits received:-

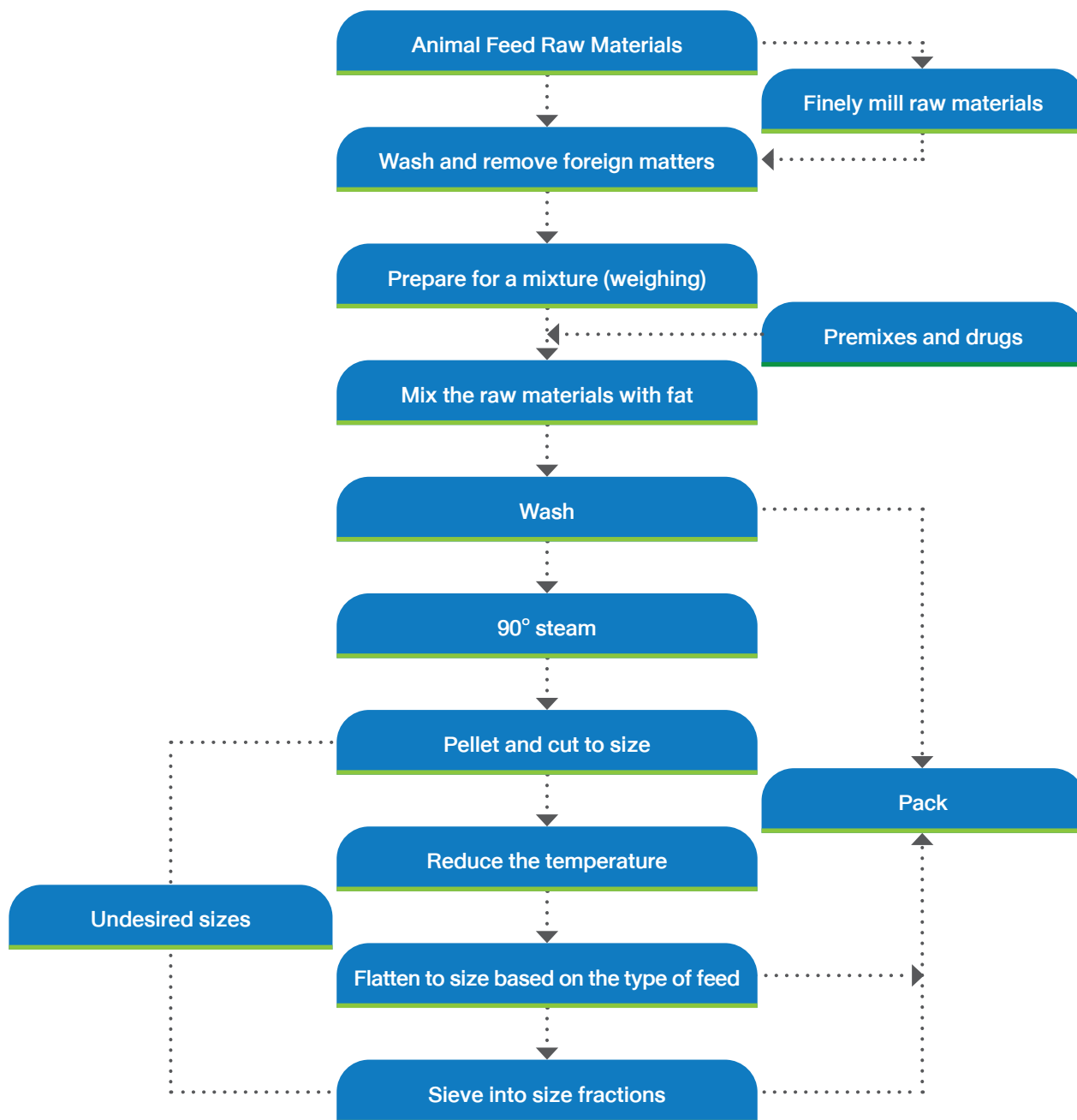
- 1) Exemption of import duty on machinery as approved by the Board of Investment.
- 2) Exemption of corporate income tax on net profits derived from BOI-promoted businesses in the proportion of 100% of investments in automation or robotics. This exemption has a period of 3 years from the date on which income is generated after receiving the certificate of promotion.

In this regard, the corporate income tax benefit of each project has been adjusted according to the actual investment in automation or robotics on the launch date of the project that has been promoted as follows:

- Lee Feed Mill Public Company Limited was entitled for a corporate income tax exemption of approximately not exceeding 147 million baht.
 - Lee Pattana Feed Mill Company Limited was entitled for a corporate income tax exemption of approximately not exceeding 149 million baht.
- 3) Deduct the annual loss incurred during the corporate income tax exemption period from the net profit incurred after the corporate income tax exemption period for not exceeding 5 years after the expiration of such period. It can be deducted from the net profit of any of the years or several years.
 - 4) Exempt from including dividends generated by BOI-promoted businesses exempt from corporate income tax in the calculation of income tax throughout the promotion period

In 2023, the Phetchaburi factory successfully completed the transition to automated machinery, enhancing production efficiency from the onset of the year. Meanwhile, the Saraburi factory is currently in the process of adopting automation and is expected to commence operations in early 2024.

Animal feed production process



Note: For all produced feeds and those getting through to the packing process, if it is found that the feeds do not meet the required standards, they shall be rejected and restart at the production process.



1.2.2 Market and Competition

Customers, Targeted Customers, and Distribution Channels

Our customers and targeted customers comprise animal-raising farmers and sale agents, at the rate of 55 percent and 45 percent, respectively. Our top product is animal feed to large-scale and standard farms with adequate and consistent purchasing power, and our sale agents cover specific sale areas and are able to establish and manage subagents in said areas or external sales teams. Sales agents have the financial strength and a sound understanding of our sales terms and conditions. Since our customers strongly to products quality utilization, we focus on the production and distribution of diverse feed formulas to keep up with customer. We have forged excellent ties with customers and sales agents; we have over 800 customers, both new and old, with the top ten accounting for 33 percent of total sales. Over 10 percent the total revenues were not attributed to any one customer.

Competition Strategy

More than 41 years in this business, the Group is well known and regarded. Our R&D for feed formulas and customized products have differentiated our stance. The Group also has the production capacity to meet increases in market demand. We have forged good relations with customers through academic seminars, sales rewards, and a stock-management system that can cushion against fluctuations in raw-materials prices. Moreover, the Group have researched substitute raw materials, in case of raw-materials shortages.

Pricing Strategy

Animal feed is subject to price controls by the Department of Internal Trade, Ministry of Commerce, whereby central-price ceilings have been prescribed. Producers may adjust actual selling prices in accordance with production costs and other competitive costs, such as sales promotions, but not to higher than the prescribed central price. The Group offers reasonable prices by means of effective cost management; e.g., acquisitions and stocks of raw materials at appropriate prices, particularly soybean refuse, Fish meal, maize, or, through our research, substitute raw materials of equivalent quality.

Competition

Competition in the animal-feed market is divided into 2 main markets, as follows:

1. Free market or the direct sale of animal feed to customers. Customers may use the feed themselves or resell it to farmers raising livestock.
2. Contract farming or the sale of animal feed to members participating in animal-breeding or animal culture projects. Members are guaranteed livestock prices and required to own their own farms. In addition to animal feed, animals like piglets and chicks are available to farmers, as well as information regarding modern farm-management techniques.

The overall animal-feed industry offers profits and average growth rates at moderate levels and faces demand fluctuations in certain years, hinging mostly on export. Nevertheless, the industry experiences less fluctuation compared with other processed agricultural products, since sales are limited only within the country and free from fierce international competition.

According to the Association of Thai Animal-Feed Producers, there are 54 member animal-feed factories, representing 90 percent of the market. Medium and large-scale factories focus on production of pig, chicken, and aquatic animal feeds, while small-scale factories are more specialized. The small market size results in fierce competition; large-scale producers benefit from economies of scale with supplies to their own farms and member farms.

Most sales of the Group are made in independent local markets in Thailand. The total animal-feed demand is approximately 19.99 million tons per year, with factories supplying 80 percent of the supply and farmers supplying the remaining 20 percent. Supplies from animal-feed factories goes to independent markets at the rate of 45 percent, and to integrated business lines at the rate of 55 percent. Our share in independent markets is likely in the top ten independent markets (projected by our management and only for land and aquatic animal feeds).

Competition in the form of integrated business lines poses both pros and cons. Adverse raising conditions and prices of specific animals may create a domino effect for business. On the other hand, a bright outlook for specific animals will directly benefit our field and related ones. If the Group was to focus only on animal feeds, the Group could be more flexible, such as by increasing production of certain animal feeds that show promise and are profitable, thereby lowering business risk; however, such a focus may have low growth prospects compared with integrated business lines.

Our executives anticipate that only a few players in the market can apply the integrated-business-line approach, which is suitable for large-scale companies with hefty investment capital. Note that players in the agricultural industry are mostly SMEs. As a result, SMEs are limited in their ability to expand into integrated business lines.



Animal Feed Demand in 2023 and 2024

Table: A Comparison of Animal Feed Consumption Volumes in Thailand (2023 and 2024)

Type of Animal Feed	Animal Feed Consumption					
	2023		2024		Increase (Decrease)	
	Volume (tons)	%	Volume (tons)	%	Volume (tons)	%
Broiler chicken feed	7,574,317	37.89	8,074,381	37.90	500,064	6.60
Parent chicken stock	922,320	4.61	957,600	4.49	35,280	3.83
Layer chicken (small)	605,284	3.03	605,284	2.84	-	-
Layer chicken (egg)	2,120,569	10.61	2,265,873	10.64	145,304	6.85
Parent layer-chicken stock	17,072	0.09	17,072	0.08	-	-
Swine	4,511,466	22.57	5,093,612	23.91	582,146	12.90
Swine breeder	846,300	4.23	1,000,000	4.69	153,700	18.16
Duck feed	298,771	1.49	279,742	1.31	(19,029)	(6.37)
Duck breeder	21,541	0.11	20,656	0.10	(885)	(4.11)
Layer duck	246,375	1.23	251,850	1.18	5,475	2.22
Dairy	1,246,313	6.23	1,145,372	5.38	(100,941)	(8.10)
Cattle	500,264	2.50	540,542	2.54	40,278	8.05
Shrimp	512,000	2.56	512,000	2.40	-	-
Fish	570,000	2.85	540,000	2.54	(30,000)	(5.26)
Total	19,992,592	100.00	21,303,984	100.00	1,311,392	6.56

(Source: The Thai Feed Mill Association)

In 2023, the agricultural sector achieved a modest growth of 0.3 percent compared to the previous year. However, this growth was accompanied by a contraction of 1.3 percent in the crop sector, while the livestock and fisheries sector saw a notable expansion of 4.7 percent. These fluctuations were primarily influenced by adverse weather conditions, including droughts and excessive rainfall, which adversely affected crop yields. Additionally, geopolitical tensions, such as the conflict between Ukraine and Russia, disrupted transportation networks, leading to increased production costs for animal feed ingredients.

It anticipates favorable conditions in 2024, particularly in terms of rainfall, which will directly impact the productivity of fisheries and livestock. Forecasts suggest that the second half of the year will see ample water availability for production, following predictions by the Meteorological Department indicating that the El Niño phenomenon will primarily affect the initial 5-6 months of the year. Subsequently, sufficient rainfall is expected, creating conducive conditions for livestock rearing and aquaculture, thereby fostering robust growth in both sectors. Consequently, overall efficiency in livestock and fisheries production is projected to rise. Moreover, 2024 is poised to witness significant growth in Thailand's tourism sector compared to 2023, resulting in heightened consumption levels. Additionally, the ongoing conflict between

Russia and Ukraine has disrupted global transportation, prompting many countries to prioritize food security by stockpiling goods, food, and ingredients for both human and animal consumption. This trend of increasing global food demand presents an opportunity for Thailand to ramp up production in crops, fisheries, and livestock to meet the needs of the global market as a key food-producing nation. Furthermore, the government sector has enhanced its capacity to produce and manage agricultural products by adopting market-led production principles. This involves aligning production with market demands and developing robust logistics systems. Comprehensive water management strategies have been implemented to address drought and flood situations, while leveraging Big Data for planning, monitoring, and early warning systems. Additionally, proactive measures have been taken to mitigate the risk of outbreaks such as African swine fever or Lumpy Skin Disease in cattle. Effective management through collaboration between the public and private sectors has kept the challenges of 2024 at manageable levels, ensuring damage can be mitigated.

Thailand's comprehensive efforts to curb the spread of the coronavirus disease (COVID-19) have proven effective, garnering international confidence in its public health and disease prevention capabilities. By adeptly managing outbreaks, the nation has positioned itself to reopen as planned, complemented by extensive tourism promotion initiatives across various destinations. Consequently, Thailand has witnessed a significant influx of tourists, stimulating consumption, particularly in the food sector. With COVID-19 now considered endemic, and a substantial portion of the Thai population having received vaccinations, achieving herd immunity has become feasible. This has led to a reduction in disease severity, diminishing the likelihood of widespread closures or lockdowns as seen in the past.

The prediction for 2024 includes geopolitical conflicts such as the ongoing war between Russia and Ukraine, as well as the uncertain situation between Israel and Hamas, which could escalate at any moment. These conflicts disrupt the transportation of raw materials and energy, leading to increased costs in food production and reduced competitiveness for Thai products. High inflation also impacts purchasing power domestically. Furthermore, there's a global economic slowdown, with reduced purchases from major trading partners like China, the United States, and Eurozone countries. Additionally, stricter regulations and trade protection measures may further affect the export and competition of Thai agricultural products.

Growth rate of gross agricultural product

Sector	Unit : Percentage	
	2023	2024 (Forecast)
Agriculture	0.3	0.7 - 1.7
Plant	-1.3	0.6 - 1.6
Livestock	4.7	1.7 - 2.7
Fishery	2.2	0.5 - 1.5
Agricultural service	0.6	0.3 - 1.3
Forest	2.5	2.4 - 3.4

Source: Division of Agricultural Development Policy and Planning, Office of Agricultural Economics



In 2024, the fisheries sector is anticipated to experience a modest expansion of approximately 0.5 - 1.5 percent, primarily driven by economic recovery, notably in tourism, leading to heightened consumption. Despite the increase in fish and shrimp prices compared to 2023, shrimp production is expected to remain stagnant due to recurring issues with shrimp epidemics. Moreover, following persistent losses in previous years, the production costs of essential factors such as feed, chemicals, and energy have considerably risen in 2024. Consequently, many farmers have opted to reduce stocking density to mitigate risks, resulting in a scenario where the total shrimp output in 2024 is unlikely to surpass that of 2023.

Shrimp: In 2023, Thailand's total shrimp production remained steady at 280,000 tons, comparable to 2022, primarily due to a decline in overall shrimp prices. Concurrently, the costs of production factors such as feed, chemicals, and energy surged, prompting farmers to adopt reduced stocking densities to mitigate risks. Consequently, many farmers either scaled back or ceased shrimp farming altogether during this period.

However, in 2024, consumption patterns are expected to rise, particularly in the domestic market, fueled by significant tourism recovery and an overall uptick in consumption. Nevertheless, challenges persist, with shrimp epidemics posing ongoing threats and likely to intensify intermittently. Moreover, escalating production costs, including those related to feed, chemicals, and energy, continue to deter farmers from ramping up production. Lingering apprehensions stemming from consecutive losses over the past two years further dampen prospects. Additionally, Thai exports face hurdles as production costs exceed those of competitors, complicating the ability to compete in the global market. Furthermore, the prevailing tendency in the world market to favor cheaper shrimp exacerbates Thailand's sales challenges. Given these factors, Thailand's overall shrimp production in 2024 is anticipated to remain unchanged at 280,000 tons. If any increase is achieved, it is unlikely to surpass 290,000 tons.

Nile Tilapia: In 2023, Nile tilapia production in Thailand totaled approximately 259,498 tons, inclusive of both using commercially prepared feed and locally sourced feed ingredients. This encompassed cultivation in cages within natural water bodies and enclosed ponds. However, this figure marked a decline from 2022, which recorded a production of around 269,394 tons, translating to a decrease of 3.7 percent. This downturn can be attributed to the sluggish economic recovery following the COVID-19 outbreak in 2023, where consumption levels had yet to return to pre-pandemic norms. Moreover, key production inputs, such as fish feed and energy, witnessed notable price increases during this period while the market value of fish meat remained relatively stagnant, failing to offset rising production costs. Consequently, many farmers incurred losses and subsequently scaled back or suspended their farming operations. Some farmers resorted to using lower-quality fish feed due to cost constraints, leading to decreased fish growth and further exacerbating the decline in total output for 2023.

Anticipations for 2024 suggest that tilapia production is unlikely to see an increase. The initial half of the year is expected to be influenced by the El Niño phenomenon, resulting in drought conditions and inadequate rainfall, leading to fish mortality and disease outbreaks. However, the latter half of the year should witness adequate water supply, coinciding with a probable rise in overall consumption driven by improved economic conditions and tourism recovery. While the prices of tilapia and ruby fish are projected to remain stable or experience slight increases, internal consumption may still lack sufficient purchasing power. Nonetheless, this situation may spur increased production as speculated by certain groups of farmers. Considering the entirety of the year, the total quantity of tilapia and ruby fish within the system in 2024 is anticipated to be similar to that of 2023.

Catfish: The total domestic catfish production in 2023 amounted to approximately 90,500 tons, marking a decline from 2022 when the output was approximately 94,000 tons, representing a decrease of 3.72 percent attributed to reduced consumption. The decline in purchasing power among the population led to farmers scaling back their farming efforts, with some resorting to lower-quality fish food, resulting in diminished fish growth rates and an overall decrease in fish quantity. However, favorable weather conditions prevailed, leading to increased water availability for aquaculture, with minimal flooding issues and damage. Despite challenges, the price of catfish fillet remained relatively favorable compared to other fishery products. Looking ahead to 2024, it is anticipated that catfish farming volume will increase due to the continued attractiveness and profitability of fish prices. Additionally, with other types of meat maintaining higher average unit prices than catfish, consumers are likely to continue opting for catfish amid ongoing economic recovery.

Livestock: 2024 is expected to see expansion by 1.7 - 2.7 percent compared to 2023, driven by heightened consumption demand stemming from the improved tourism situation. Effective disease control measures in various animals, such as swine, beef cattle, and dairy cattle, have been instrumental. Through robust cooperation between the public and private sectors, and government efforts to boost animal populations, particularly in the beef cattle group.

Swine: In 2023, Thailand witnessed a swine production of approximately 17.62 million, up from 15.51 million in 2022, representing a notable increase of 13.6 percent attributed to the successful containment of African Swine Fever (ASF) outbreaks. Effective collaboration between public and private sectors enabled many farms to manage the epidemic and resume production growth. However, challenges emerged, including corruption issues related to illegal pork imports, contributing to price drop in 2023. Despite this, the increase in swine population did not fully realize its potential.

Forecasting swine production for 2024, the production of fattening swine is expected to reach 20.29 million, up from 17.62 million in 2023, reflecting a growth rate of 15.15 percent. This growth is fueled by improved breeding practices and herd management, resulting in enhanced production efficiency. Large producers, who currently possess over 70 percent of all breeding swine, are poised to drive significant population growth, supported by established end markets and processing capabilities. Consequently, swine production in 2024 is anticipated to experience a notable increase.

Eggs: In 2024, the aim is to import 440,000 sets of parent stocks (PS) for egg-laying hens, matching the quantity recorded between 2021 and 2023. By the end of 2023, the current number of caged laying hens stood at approximately 52.437 million, with an estimated daily production of 43.523 million eggs. The average selling price of eggs in 2023 increased, attributed to higher production costs, including escalated expenses for feed and energy. Farming practices and farm management remain committed to biosafety protocols to effectively combat diseases, resulting in production levels nearing the targeted benchmarks. Weather conditions are favorable, with adequate water availability for farming purposes. The Egg Board convened and approved the draft resolution proposed by the Egg Policy Development and Product Committee. This resolution focuses on criteria, measures, and guidelines for the timely release of laying hens at appropriate ages to maintain market stability and prevent egg prices from surpassing market levels. Strategies were outlined for the development and management of laying hens, emphasizing fairness for both producers and consumers. These strategies include measures to regulate egg quantities in the market, such as ongoing collaboration with laying hen farmers to consistently release hens at appropriate ages. Additionally, cooperation with parent stock (PS) and major egg producers is prioritized to facilitate egg collection for export and timely release of laying hens from cages.



Broiler Chicken: In 2023, the Thai Animal Feed Producers Association projected a total production of 1,836.2 million broiler chickens, marking a 3.62 percent rise from the 1,772 million broilers recorded in 2022. Expectations for 2024 indicate a further increase in production, reaching 1,926.6 million units from 2022 levels, propelled by expanding operations to meet rising consumption demands. The improving economic landscape, coupled with a surge in tourism, is stimulating domestic consumption. Moreover, the relaxation of epidemic control measures is contributing to this growth. However, in 2023, there were lingering challenges. The war situation has led to increased energy prices, consequently driving up transportation costs. Additionally, the prices of animal feed ingredients have seen significant escalations compared to the previous year. These factors collectively diminish the competitive edge of Thai chicken meat.

Dairy Cattle: In 2024, dairy cattle production in Thailand is anticipated to remain steady at approximately 758,790 cows, according to data from the Thai Animal Feed Association, mirroring figures from 2022 and 2023. This continuity is attributed to various factors, including the lingering effects of the COVID-19 pandemic and the outbreak of Lumpy Skin Disease in cattle. Despite efforts to control the latter, the cattle population has been significantly reduced. Moreover, the dairy industry faced challenges such as low milk prices and increased animal feed costs in 2023, prompting many farmers, especially those without successors, to cease operations. While there was a slight increase in raw milk prices towards the end of 2023 and early 2024, this did not lead to an expansion in the number of dairy farmers. Instead, existing large-scale farms increased their cattle herds. Consequently, the overall dairy cattle population in the country remained stagnant.

Beef Cattle: The sector experienced significant setbacks due to the impact of Lumpy Skin Disease, resulting in substantial losses, particularly among fattening beef cattle. Export markets were disrupted due to pandemic-related concerns and economic downturns among buyers. However, the situation has since improved, with farmers gradually resuming beef cattle production. Government initiatives aimed at promoting beef cattle raising and facilitating exports have further encouraged farmers to ramp up production efforts.

Sources:

1. Documents of Agricultural Development Policy and Planning Division, Office of Agricultural Economics, Ministry of Agriculture and Cooperatives.
2. Documents of Bureau of Fisheries and Fisheries Development Strategy, Department of Fisheries.

1.2.3 Procurement of Products

Plant location

Locations of the Company's and its subsidiaries' manufacturing plants and farms are as follows:

- 1) Feed manufacturing plant in Saraburi Province

At 33/1 Moo 7 Phaholyothin Road, Dao Rueang Subdistrict, Mueang District, Saraburi Province on Company-owned land with a total area of approximately 136 rai, animal feed manufacturing plants of Lee Pattana Feed Mill Company Limited are located. The first plant has a livestock feed production capacity of about 120,000 tons per year, opened for operation in 1988; and the second plant has an aquaculture feed production capacity of about 60,000 tons per year at the construction and machinery investment of about 160 million baht, opened for operation on January 4, 2007; and silos of Lee Pattana Agro Silo Company Limited, which have a capacity to store 38,500 tons of corn, opened for operation on August 3, 2005. Back in 2019, a substantial investment of 149 million baht was allocated towards automated machinery systems. Presently, all necessary improvements and machinery installations have been finalized, paving the way for automated production to commence as of January 2024.

2) Feed manufacturing plant in Phetchaburi Province

At Huai Tha Chang Subdistrict, Khao Yoi District, Phetchaburi Province on Company-owned land with a total area of approximately 105 rai, the Company's new animal feed manufacturing plants are located. The first plant has a livestock feed production capacity of 144,000 tons per year, with a budget of approximately 231 million baht for the plant construction, opened for operation on September 2, 1996. The second plant produces aquaculture feed (first for aquaculture feed) with a production capacity of 48,000 tons per year and an investment of approximately 145 million baht for the construction, opened for operation on July 24, 2002; and the third factory produces aquaculture feed (second for aquaculture feed) with a production capacity of 24,000 tons per year and approximately 85 million-worth investment for construction, opened for operation on July 1, 2010. In 2019, the company invested 147 million baht in the promotion of investment in the automation system. The improvement and installation of the machines have been completed, and the production with the automation system has started since January 2023.

3) Chicken breeder farm project in Phetchabun Province

In Dong Kui Subdistrict, Chon Daen District, Phetchabun Province on a Company-owned land with a total area of approximately 833 rai, the production of broilers is conducted. The construction investment was approximately 80 million baht. Opened in 1994, the current operation is temporarily suspended due to the epidemic of avian influenza in 2004. At present, it was converted into a farm for plant breeding.

4) Lee Pattana Experimental Farm Project in Saraburi Province

In Huai Haeng Subdistrict, Kaeng Khoi District, Saraburi Province on Company-owned land with a total area of approximately 600 rai. It is operated for the purposes of experimenting with economic animals such as broilers, duck broilers, quails, breeding pigs and porkers, etc., with the Animal Feed Technology Department defining a guideline and experimental method to analyze and use information in the development of the Company's animal feed quality. In this regard, the plant was first operated in 1993.

Production Capacity and Utilization

The Group has a policy to customize products based on customer orders. This offers varieties in products and recipes. However, if there is a rising demand for animal feeds in the market, the Company shall still have the capacity to support mass production. The Company also has silos to store corn during the low season in order to ensure sufficient quantity of raw materials throughout the year as well as expanding warehouses for animal feed products to magnify storage space for goods and raw materials. During the past 3 years, the Group's total production capacity and actual production volume can be summarized as follows:

Feed Manufacturing Plant	2021	2022	2023
Full production capacity (Unit : tons)	396,000	396,000	396,000
Actual production volume (Unit : tons)	236,980	172,542	137,265
Capacity utilization (%)	60	45	35

for consideration and approval of the said investment. However, in terms of management, the Company shall delegate its directors as representatives of the Company to participate in the management team of the subsidiaries based on the proportion of investment held by the Company in order to participate in formulating important policies and monitoring business operations thereof.

1.2.5 Pending Delivery of Goods

There is no pending delivery of goods as the Company produces products for stocking and sales only.

1.3 Shareholding Structure

Ordinary Shares

Registered and paid-up capital as of 31 December 2023

Registered capital : 929,070,000 Baht, consisting of 929,070,000 ordinary shares
at a par value of 1 Baht.

Paid-up capital : 922,180,251 Baht, consisting of 922,180,251 ordinary shares
at a par value of 1 Baht.

Name of the first 10 major shareholders of the Company as of the share register closing date at December 31, 2023

Shareholders' Name	No. of Shares Held	%
1. Mr.Nipon Leelasithorn	226,000,000	24.51
2. Mr.Preecha Leelasithorn	156,112,000	16.93
3. Alliance Co., Ltd.	85,050,000	9.22
4. Wall Street Tower Co., Ltd.	39,050,000	4.23
5. UOB KAY HIAN PRIVATE LIMITED	23,538,329	2.55
6. Lee Kong Jin Holdings Co., Ltd.	19,040,090	2.06
7. Mr.Somsak Amornrattanachaikul	16,569,600	1.80
8. Mrs.Krongporn Turiyakorn	16,002,887	1.74
9. Lee Feed Mill Public Co., Ltd.	8,980,000	0.97
10. Ms.Nongnapat Leelasithorn	8,000,000	0.87
11. Others (3,764 persons)	323,837,345	35.12
Total 3,774 persons	922,180,251	100.00

Remark; The Leelasithorn family is the major shareholder of the Lee Feed Mill Public Company Limited with total holding of 55.76%, including of No.1 - 4 and No.10 The representative of the Leelasithorn family is Mr.Nipon Leelasithorn.



As of 31 December 2023, the latest date of Share Registration Book closure, the Company's NVDR represents 1.92 percent of paid-up capital, or Baht 922,180,251 (par value of 1 Baht). Investors may obtain information on NVDR from www.set.or.th.

1.4 Other securities of the Company:

None.

1.5 Dividend Payment Policy

Dividend Payment Policy of Lee Feed Mill Public Company Limited

The dividend payment policy of the Company will pay a dividend at the rate of not less than 50% of the net profit of the Company's separate financial statement after deduction of corporate income tax and subject to the Company's cash flow and future investment plans, including the economic situation.

According to resolutions of the Board of Directors' Meeting No.2/2024 held on 12th March 2024. Approval to pay dividends for the year 2023, at Baht 0.09 per share, which equivalent to 85 percent of net profit of the year 2022 according to the separate financial statement (representing a payout ratio 95 percent of the Consolidated financial statement) payment on 15th May 2024. Dividends payment for the year 2022 and 2021 were Baht 0.03 per share and Baht 0.13 per share, representing a payment ratio of 32 percent and 88 percent of net profit of the separated, (representing a payout ratio of 93 percent and 79 percent of the consolidated financial statement) respectively.

Dividend Payment Policy of subsidiaries

The dividend payment policy of subsidiaries will pay a dividend at the rate of not less than 50% of the net profit after deduction of corporate income tax and subject to the Company's cash flow and future investment plans, including the economic situation. In 2023, the Company did not receive dividend from its subsidiaries.

2. Risk management

2.1 Risk Management Plans and Policy

The Group has risk management to focus on the good corporate governance policy. By implementing risk management processes in accordance with the guidelines established by the Committee of Sponsoring Organization of the Tradeway Commission (COSO) throughout the company, all executives and employees are aware of their responsibility to comply to the risk management policy in order to control the risks to an acceptable level and the Group can operate according to its objectives

- 1) The managements are responsible for creating a risk assessment matrix in order to establish risk indices. This Includes preparing risk management reports in accordance with the risk management process practices.
- 2) To consider which risks are acceptable, for example, if the cost of managing risks is too high that it is neither worth the outcome nor worth for the cost of developing a system to manage or prevent risks, or if the risk is beyond the Group's control and is caused by uncontrollable external factors, the Board of Directors must approve it.
- 3) Risks affecting the objectives will be systematically controlled so that the risks are kept to an acceptable level by the Group.
- 4) Compliance for the risk management policy must be strictly and continually performed under the supervision of the managements.
- 5) If there is a risk that may affect the Group, it must be immediately reported to the appropriate person for further management.
- 6) Risk management is practiced throughout the Group, with participation from employees at all levels. It has been managed systematically and continuously in order to have the same standardized risk management process.
- 7) Establish a regular risk management evaluation and improvement process by incorporating risk management into the operation.



2.2 Risk Factors to the Group's business Operation

Risk considerations that may affect the business include:

Risk from Fluctuations in Raw Material Prices

The Group's main raw materials are maize, soybean meal, fish meal, rice bran, and broken rice, the prices of which fluctuate greatly, and they account for 80 percent of total raw materials. Raw-material prices change in accordance with demand and production volume in each period and season. The price is also determined by the demand and supply of the world markets and speculation in commodity futures market also affect the demand of these commodities. These factors may affect the price volatility of raw material. As for the supply side, natural disaster and climate change may contribute in lower crop production. These factors are uncontrollable and unexpected. Nevertheless, the Group manages to adjust sales prices for animal feeds in keeping with raw-material costs, by requesting approval for upward price adjustments from the Department of Internal Trade. Since animal feeds are subject to price controls, price adjustments may not keep pace with raw-material prices. The Group has effectively set up a plan for raw-materials purchases; i.e., making purchases during periods of excessive raw-material production at cheap prices. The Group can substitute more expensive raw materials with cheaper one. At the same time, the Group is seeking new foreign raw-materials producers who offer competitive price compared with local suppliers.

The Volatility on Foreign Exchange Rate Risk

Our major business involves local sales of animal feeds and (meat) chicks, while raw materials like soybean meal and milk powder are imported, representing 60 percent of raw-material costs for animal-feed production. Exchange-rate risk arises, as our revenues are in baht, while certain expenditures are in U.S. dollars. The Group cushions such risk by means of forward exchange rate contracts and continuous currency monitoring, allowing control over exchange rate risk to a certain extent that the Group shall be able to recognize accurate production cost and able to effectively set the selling price.

The Volatility on Interest Rate Risk

The Group exposures to interest rate risk relates primarily to its cash at banks, current investments and short-term loan with interest. Since most of the Group financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal. To reduce the risk of interest rate, the Group sets a team to closely monitor the trend of interest rates.

Credit Control Risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable and loans. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Group does not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivables and loans as stated in the statement of financial position.

Major Shareholder Risk

As of 31 December 2023, the major shareholder of the Leelasithorn family is the Company's major shareholder, holding 514,212,000 shares or 55.76 percent of the Company's paid-up registered capital. As such, Leelasithorn family also controls voting at each Shareholders' Meeting, whether in regard to the appointment or removal of directors or voting on shareholders' resolutions requiring a majority of shareholders' votes except the matters that need to be approved by 3 in 4 of the shareholders who attends the Meeting. Thus, the minority shareholders do not have the power to check and balance the vote of the majority shareholders. The minority of shareholders may therefore face a risk of not possessing sufficient votes to review and query the management of the Company. To be as the balance of power for management, the Company appointed 4 persons as independent directors of 8 directors. In addition, the Company has formulated and committed to following its corporate governance policy in compliance with the law, business ethics considerations. They are responsible for their duties and results of their actions to all stakeholders of the Company.



3. Business sustainability development

3.1 Sustainability Management Policies and Goals

The Lee Pattana Group is committed to conducting business with utmost integrity and adherence to the principles of good corporate governance. The Group upholds strong moral and ethical standards, ensuring compliance with all relevant regulations and laws. Transparency, honesty, integrity, and fairness are at the core of its operations, as the Group prioritizes the interests of all stakeholders and remain mindful of its impact on the environment, society, economy, and the Group's reputation, with an overarching goal towards sustained success and growth.

To achieve this, the Group has initiated the Carbon Footprint for Organization (CFO) project, aimed at reporting greenhouse gas emissions. Through the expertise of consultants and experts, Lee Pattana meticulously verifies and discloses greenhouse gas data in its annual report for 2024. This ensures reliability, transparency, and auditability in the reporting practices. Furthermore, recognizing the importance of tangible actions in preserving the environment, the Group's commitment extends to aligning with government policies and guidelines set forth by the Stock Exchange of Thailand.

3.2 Managing the impact on stakeholders in the value chain

3.2.1 Directors, executives, and employees' policies and guidelines

Details can be found at the Company's website:

<https://www.leepattana.com/web/download/file/a2090bdf.pdf>

3.2.2 Guidelines

Rights of stakeholders

The Group is dedicated to gaining approval from shareholders and stakeholders across all sectors. As a result, it conducts its operations with careful consideration of, and responsiveness to, the expectations of all stakeholders. Furthermore, the Group prioritizes the well-being and safety of its employees, ensuring a high quality of life. Additionally, it consistently enhances its production processes to reduce environmental impact and contribute positively to surrounding communities. These efforts enable the Group to evolve and thrive sustainably alongside the community.

The Group's practices towards each group of stakeholders are as follows:

1. Employee care

The Group upholds international human rights standards, striving to enhance the quality of life. It fosters fairness and impartiality towards employees, offering avenues for them to voice their opinions while supporting their well-being and professional growth accordingly. This commitment ensures that employees are equipped to fulfill their responsibilities effectively.

Fair Treatment

The Group places emphasis on fair management of compensation, establishment of employment conditions, and supervision of hiring practices, ensuring equal opportunities for all. This encompasses arranging suitable welfare benefits and others.

Employment Throughout the recruitment, selection, appointment, and transfer procedures, the Group upholds principles of fairness, transparency, and equal opportunities for individuals from various genders, educational backgrounds, religions, and ethnicities. Decisions are based on qualifications including knowledge, skills, abilities, experience, and physical fitness. This commitment extends to establishing fair wage structures commensurate with job roles, employee levels, and performance, as well as prioritizing the development of universally standardized performance assessment tools to guarantee equity across all employee tiers. Moreover, the Group places significant emphasis on strict adherence to labor regulations.

Employment

Employees by Gender (Unit : Persons)

	2021	2022	2023
Total number of employees	673	677	660
Total number of male employees	448	442	431
Total number of female employees	225	235	229

Male Employees by Age group (Unit : Persons)

	2021	2022	2023
Total number of male employees under 30 years old	78	79	66
Total number of male employees 30 - 50 years old	245	235	239
Total number of male employees over 50 years old	125	128	126

Female Employees by Age group (Unit : Persons)

	2021	2022	2023
Total number of female employees under 30 years old	41	47	37
Total number of female employees 30 - 50 years old	120	122	132
Total number of female employees over 50 years old	64	66	60



Male Employees by Employee Category (Unit : Persons)

	2021	2022	2023
Total number of male employees in operational level	424	420	409
Total number of male employees in management level	22	20	20
Total number of male employees in executive level	2	2	2

Female Employees by Employee Category (Unit : Persons)

	2021	2022	2023
Total number of female employees in operational level	217	227	221
Total number of female employees in management level	7	7	7
Total number of female employees in executive level	1	1	1

Employment of Workers with Disabilities

	2021	2022	2023
Total number of employees with disabilities	3	3	3

Employee Welfare The Group implements measures aimed at standardizing benefits to boost morale and motivation in fulfilling their roles, which include:

- Establishing a retirement fund to encourage disciplined savings and ensure future financial stability for employees. Staff members can opt to contribute 3-15% of their monthly salary, with the Company matching their contributions to the retirement fund based on years of service, at a rate of 3 - 5% of the employee's monthly salary.
- Establishment of long-term post-employee benefits and other long-term employee benefits. The Group reserves the compensation that must be paid to employees upon retirement in accordance with Thai labor legislation and the work period specified by the Group.
- Providing life insurance, accident insurance, and health insurance coverage for employees. Should employees fall ill or encounter accidents either during or outside working hours, they are entitled to receive medical treatment as part of their benefits. This initiative aims to support and alleviate the financial burden on employees' health.
- Conducting annual health check-ups for employees.
- Extending medical benefits to the families of employees who have served for 10 years or more.
- Offering financial aid to married employees and granting paid compassionate leave.
- Providing financial assistance benefits in the event of an employee's or their family members' demise.

Human Rights

The Group operates in strict accordance with human rights principles, ensuring equality and equal opportunities for individuals across all demographics. It staunchly opposes forced labor, including any involvement of child labor, while prioritizing the health and personal safety of its employees. The workplace environment is meticulously crafted to be secure and conducive to overall well-being. Furthermore, the Group maintains a vigilant stance against any violation of

individual freedoms, including safeguarding employees' personal data. It rigorously adheres to data protection policies to ensure the careful handling and prevention of unauthorized access or use of employees' personal information without their explicit consent."

Labor Relations

The Group prioritizes the promotion of motivation and morale among all employees, striving for them to feel secure and comfortable within their work environment, while also fostering a harmonious and enriching quality of life.

Moreover, the Group highly regards the establishment of a welfare committee as mandated by law, aiming to create a platform for employees to voice their opinions or suggestions that could benefit the Company. This committee serves as a channel for collecting information and addressing various issues or concerns to the management, ultimately driving enhancements and advancements for the collective betterment of everyone involved.

Employee Relation and Engagement

Employee turnover leaving the Company voluntarily by Gender (Unit : Persons)

	2021	2022	2023
Total number of employee turnover leaving the Company voluntarily	72	68	87
Total number of male employee turnover leaving the Company voluntarily	47	49	61
Total number of female employee turnover leaving the Company voluntarily	25	19	26

Employee Relation

	2021	2022	2023
Employee Voluntary Turnover Rate (%)	100.00	100.00	100.00

Significant labor dispute

	2564	2565	2566
Significant labor dispute*	None	None	None

Training

The Group recognizes that nurturing skills and fostering career advancement are essential for retaining employees who can evolve with the organization. As such, the Company designs annual training programs aimed at enhancing the knowledge and skills of its employees. These programs include both internal workshops and external courses customized to meet the specific requirements of different departments. Through this consistent and structured approach, the Company aims to improve employees' competencies, knowledge base, and productivity, thereby boosting their competitiveness and facilitating their sustained growth and development."



Human Capital Development

Average employee training hours (Unit : Hours / Person / Year)

	2021	2022	2023
Average employee training hours	6.00	6.00	6.00

Employee training and development expenses (Unit : Baht)

	2021	2022	2023
Total amount spent on employee training and development	113,905.72	332,653.00	382,279.20

Occupational Health and Safety Development

The Group places a high priority on safety and occupational health within the workplace. To oversee these critical aspects, a dedicated Safety, Health, and Environment Committee has been established. This committee holds direct responsibility for cultivating awareness and vigilance among employees concerning both personal and collective safety measures. Employees who handle tools or equipment undergo mandatory training to ensure workplace safety standards are met. Furthermore, routine inspections of the work environment are conducted to maintain a safe and conducive atmosphere for all employees.

Moreover, the Group conducts regular health assessments for employees working in roles associated with potential risk factors to mitigate health impacts and prevent occupational illnesses. Additionally, proactive measures are taken to address risky behaviors, which often contribute to accidents. These measures include various awareness campaigns such as the "Safe Driving Campaign," "Safety, Energy, and Environment Week," and initiatives aimed at preventing and addressing substance abuse issues in the workplace. Furthermore, the Company provides essential fire safety training to employees and conducts annual emergency fire drill rehearsals to ensure preparedness for any unforeseen emergencies, in accordance with legal standards.



Working hours (Unit : Hours)

	2021	2022	2023
Total number of hours worked by employees	1,646,800	1,566,900	1,437,900

Statistics of injuries or accidents from work

	2021	2022	2023
Total number of lost time injury incidents by employees (Cases)	2	1	2
Total number of employees that lost time injuries for 1 day or more (Persons)	2	1	2
Total number of employees that fatalities as a result of work-related injury (Persons)	-	-	-

2. Customer Care

The Group places a high priority on producing high-quality animal feed and upholds honest and fair business practices with its customers. It ensures that product and service information is accurately and comprehensively disclosed without any distortion of facts, while also maintaining strict confidentiality regarding customer personal data, ensuring it is not used or disclosed without proper authorization. These efforts are aimed at building maximum trust and satisfaction among customers.

Moreover, the Group highly values customer feedback and complaints, regularly conducting satisfaction surveys to gauge customer needs and expectations regarding products and services. The insights gathered from these surveys are then utilized to continuously improve and tailor offerings to better meet customer demands.

In addition, the Group is committed to ongoing research and development to maintain quality control at every stage of production, ensuring that its products consistently meet specified standards. By leveraging modern machinery, the Company enhances production efficiency, enabling it to deliver high-quality products that precisely fulfill customer requirements.

3. Partners

The Group conducts its operations with a strong commitment to ethical principles, placing utmost importance on transparency, fairness, and honesty in all business dealings. It meticulously adheres to agreements and trade terms, fostering trust and mutually beneficial relationships with partners. Moreover, it prioritizes safeguarding the personal data of partners, ensuring that such information is not used or disclosed without explicit consent. Furthermore, the Company sets forth transparent criteria for selecting partners, taking into account standardized quality, fair pricing, and robust post-sales service capabilities. It maintains integrity by abstaining from seeking or accepting any benefits that are not ethically obtained from partners.

4. Competitors

The Group upholds a steadfast commitment to conducting its operations in accordance with fair trade practices, abstaining from seeking competitors' confidential information through unethical or inappropriate methods. Furthermore, it avoids any actions that could tarnish the reputation of competitors, whether done directly or indirectly.



5. Government/Private Agencies

The Group rigorously adheres to applicable laws and collaborates with various entities, encompassing governmental bodies and private institutions. These include the Department of Livestock Development, the Department of Fisheries, the Thai Feed Mill Association, the Animal Husbandry Association, the Thai Chamber of Commerce, the Ministry of Commerce, the Federation of Thai Industries, and the Department of Labor Welfare and Protection. Moreover, it upholds the tenets of sound corporate governance set forth by the Securities and Exchange Commission of Thailand. Furthermore, the Company does not engage in nor accept any unethical advantages or actions that run counter to anti-corruption endeavors in any capacity. This steadfast commitment ensures the Company's operations are conducted in a lawful and sustainable manner.

6. Animal feed manufacturing plants

Animal feed manufacturing plants are the starting point of quality and safety. The Group features “Animal Feed Laboratories” at both animal feed factories to conduct quality tests and certification of raw materials, production process, and animal feed products to control product quality and ensure the standards are met, nutritional value check to verify that the contents are at an adequate and sufficient level. Moreover, the laboratories shall identify toxins or residues that affect animal quality in accordance with regulations of government agencies. The animal feed laboratories of the Group boast cutting-edge technology and offer accurate results. The Group has implemented the ISO 17025 laboratory standard system, starting with the Phetchaburi plant.

As the Group is a manufacturer and distributor of animal feed products, it is committed to the importance of laboratory management in order to obtain accurate and reliable test results.

Therefore, to achieve continuity of laboratory quality management, the Group hereby formulates a laboratory quality management system policy to be used as a guideline for operations as follows:

1. Be committed to professional work so as to obtain accurate and reliable test results and regular compliance.
2. Ensure independent management, free from pressure, and adhere to neutrality.
3. Develop and improve the operational system continuously and effectively.

3.3 Environmental Sustainability Management

Energy Conservation Policy and Energy Management System

Due to the current conditions, the country is experiencing energy problems, which is an important factor and has a great impact on the lives of personnel within the organization as well as the domestic economy.

Therefore, Lee Pattana Group has applied an energy management system within the Group. Energy management is essential, and it is the duty and responsibility of the personnel within the organization to work together in carrying out constant and sustainable energy management.

To achieve continuous energy management, the Group hereby formulates an energy management policy as a guideline for energy operations and to promote the most efficient use and optimization of resources and benefits as follows:

1. The Group shall operate and develop an appropriate energy management system, requiring energy conservation to be part of the Group's operations in accordance with relevant laws and regulations.

2. The Group shall constantly improve the efficiency of organizational resource utilization to suit the business, deployed technologies, and good practice guidelines.
3. The Group shall determine energy conservation plans and goals on an annual basis to reduce energy consumption and communication to ensure employees' understanding and compliance.
4. The Group considers energy conservation the responsibility of the owners, management team, and employees at all levels, who need to engage in implementing specified measures, following up on, reviewing, and reporting performance to the Energy Management Working Group.
5. The Group shall provide necessary support, including information, resources in terms of personnel, budget, working hours, training and participation in the presentation of ideas to improve energy performance.
6. Executives and the Energy Management Working Group shall review and make updates on policies, goals, and plans on energy performance on an annual basis.
7. The group shall regularly consider providing designs, procuring, producing, and providing equipment and services which are necessary to improve energy performance.
8. The Group shall monitor energy consumption and optimize the amount of energy use.

Policy document can be found at the Company's website :

<https://www.leepattana.com/web/download/file/837ce340.pdf>

Objectives

- Objectives of the environmental management system (ISO 14001) for 2023 are as follows:

Target Index	Target of 2023	Owner
Environmental complaints	0 Time	Phetchaburi Plant
Environmental complaints	0 Time	Saraburi Plant
Environmental communication with the community	≥ 140 Households/Time	Saraburi Plant

- Goals and objectives of the Energy Management System (ISO 50001) for 2023 are as follows:

Target Index	Target of 2023	Owner
Reduce factory energy consumption	≤ -2.00 %	Phetchaburi Plant
Reduce electricity consumption of air compressors	≤ 0.00 %	Phetchaburi Plant
Reduce energy consumption for steam generation of boilers	≤ -0.20 %	Phetchaburi Plant
Reduce energy consumption in shrimp feed production	≤ -2.66 %	Phetchaburi Plant
Reduce energy consumption in fish feed production	≤ -0.16 %	Phetchaburi Plant
Reduce energy consumption in animal feed production	≤ -0.01 %	Phetchaburi Plant
Reduce electricity consumption in the energy database	≥ 0.60 %	Saraburi Plant
Reduce heat energy in the energy database	≥ 0.80 %	Saraburi Plant



Carbon Footprint for Organization (CFO)

An organization's carbon footprint represents the total amount of greenhouse gases emitted from its various activities, primarily linked to the production process. These emissions stem from multiple sources, including combustion from the utilization of fuels like coal and palm shells in steam production activities (Boiler), as well as the combustion of gasoline and diesel fuel during raw material transportation using vehicles such as forklifts and loaders. Additionally, the organization's electricity consumption related to production activities and various supporting operations such as waste management and transportation contribute to its carbon footprint. This metric is typically measured in terms of tons of carbon dioxide equivalent (CO_2e) and is categorized into three main parts, delineated by SCOPE as follows:

- SCOPE I: Direct carbon footprints are calculated from activities directly conducted by the organization (Direct Emissions). This includes emissions from machinery combustion, utilization of organizational vehicles (owned by the organization), use of chemicals in wastewater treatment processes, and any leaks or emissions from operational activities.*
- SCOPE II: Indirect carbon footprints are calculated from energy usage (Energy Indirect Emissions). This encompasses the acquisition of energy sources for organizational use, such as electrical energy procurement.*
- SCOPE III: Other indirect carbon footprint calculations cover emissions from employee travel using non-organizational vehicles, attending off-site seminars, and the utilization of various materials and equipment.*

Greenhouse gases play a significant role in driving global warming and climate change, impacting both human life and the environment. Lee Pattana Group recognizes the urgency of addressing this issue and is committed to mitigating the adverse effects of global warming through proactive measures. One of the key strategies involves the effective management of greenhouse gas emissions generated by the organizational activities. To achieve this, the Company utilizes the Carbon Footprint for Organization (CFO) methodology, which allows it to comprehensively evaluate the greenhouse gas emissions stemming from all facets of the operations and quantify them in terms of carbon dioxide equivalents, leading to formulating management guidelines aimed at effectively reducing greenhouse gas emissions.

Hence, the Lee Pattana Group has implemented greenhouse gas management initiatives, striving to become a carbon emission-reducing organization. Over the past year, the Company has developed guidelines for reducing greenhouse gas emissions across various organizational activities. Its efforts have included engaging employees in participation activities and implementing measures to curtail energy consumption in alignment with the ISO 50001:2018 energy management system. These measures encompass both electrical and thermal energy usage within the production operations.

Guidelines for Mitigating Activities Causing Greenhouse Gas Emissions

1. Enhance production efficiency to reduce electrical energy and heat consumption.

Electricity In the past operating year, energy conservation measures were implemented in accordance with the ISO 50001:2018 energy management standard system. This initiative stemmed from machinery modifications undertaken as part of investment promotion efforts by the Board of Investment (BOI) to enhance production efficiency. Specifically, modifications included optimizing machinery to utilize low-energy consumption, improving production efficiency, and engaging in Total Productive Maintenance (TPM) practices. As a result, electrical energy consumption for the year totaled 15.81 million kilowatt-hours, with an average of 105.85 kWh/ton. This resulted in a decrease in greenhouse gas emissions from electricity usage to 7,905.97 tons of carbon dioxide equivalent (tCO_2e) compared to the base year of 2019. However, overall energy usage remained at 16.88 million kilowatt-hours, resulting in an average of 126.93 kWh/ton or 8,443.23 tCO_2e in greenhouse gas emissions attributed to electricity usage.

Thermal Energy (Production Fuels) Enhance steam production efficiency by controlling key variables affecting energy usage. This involves managing fuel humidity, ensuring regular cleaning of combustion chambers, adjusting oxygen input based on fuel type, optimizing boiler blowdown timing, and reusing condensate. Additionally, reduce steam usage in food production by implementing measures such as disabling steam during downtime and adjusting dryer pressure based on production speed. These efforts aim to decrease steam consumption per unit of production compared to the base year (2019, prior to machinery improvement), where Specific Energy Consumption (SEC) was 456.47 kgSteam/ton and coal was the main fuel, emitting 15,876.20 tCO₂e. In the past year, steam usage decreased to 341.53 kgSteam/ton due to fuel type changes, with increased utilization of palm kernel shell and biomass pellet fuels, resulting in 8,747.15 t tCO₂e emissions.

2. Implement paperless practices by transitioning data recording methods. Instead of manual paper-based production reports, utilize electronic recording forms integrated into a secure computer database system and electronic document storage (e-Document). Leveraging automated data recording technology supported by the current production system ensures accuracy and efficiency. This includes employing software and applications that facilitate easy information retrieval, supported by barcode systems for swift and precise data entry.

3. Minimize waste generation during production processes.

4. Decrease consumable usage by engaging in Total Productive Maintenance (TPM) activities, where all team members participate in maintenance efforts. Utilize insights gained from TPM of Arts activities, such as learning from drawing, to optimize the durability of consumables like mill blades and pellet dies through effective lifespan management.

Best Practices in Renewable Energy Management

The Lee Pattana Group has made a strategic shift towards renewable energy sources to mitigate the environmental impact of fossil fuels, particularly coal, which contributes significantly to carbon dioxide emissions and exacerbates global warming. By transitioning to biomass fuel derived from palm shells, the Group aims to substantially reduce greenhouse gas emissions compared to the base year of 2019, when coal accounted for 100% of energy usage. In 2022, the Group increased the proportion of energy sourced from biomass fuel to 91%, further reducing its reliance on coal. This trend continued in 2023, with the proportion of biomass fuel rising to 72%. Looking ahead, the Group plans to decrease coal usage even further. By the following year, the aim is to utilize 80% palm kernel shell fuel and 20% biomass pellet fuel (Wood Pellet) to reduce greenhouse gas emissions.



Palm Kernel Shell



Wood Pellet



Best Practices in Clean Energy Management

The Lee Pattana Group has initiated a solar energy project, harnessing the radiant heat and light emitted by the sun as a clean and sustainable energy source. This energy can be utilized directly or converted into electrical power through the use of solar cells, enabling its application in various production processes and organizational activities. With a maximum electrical output of 3.996 megawatts, the organization annually generates approximately 5.199 million kilowatt-hours of electrical energy from solar cells. This constitutes 32% of the total electricity consumed by the organization. Through this initiative, the Group expects to reduce greenhouse gas emissions by an estimated 2,600 tons of carbon dioxide equivalent (tCO₂e).



Fig. 1: Model of Solar Panel Installation



Fig. 2: Solar Panel Installation in Progress

Oil and Fuel Management

The control guidelines for fuel consumption of automobiles, loaders, and forklifts, have been conducted through activities (OMOM), learning experiences, components, automotive work process, and maintenance, as well as fuel-saving measures; for example, turning off the engine when parking, advance travel route planning, speed control to below 90 km/h, GPS-controlled drive, proper tire inflation, regular filter cleaning, no clutch raising while driving, regular automotive check.

Fuel Consumption

	2021	2022	2023
Diesel (Litres)	316,324.70	315,966.45	298,817.16
Gasoline (Litres)	107,570.77	95,562.97	87,035.71
Fuel oil (Litres)	53,189.00	10,754.00	4,904.00
LPG (Kilograms)	12,651.00	9,741.00	9,753.00
Steam (Metric tonnes)	68,157.00	70,257.07	51,151.86
Coal (Metric tonnes)	8,790.73	5,013.20	3,580.53
Palm Kernel Shell (Metric tonnes)	0.00	5,585.57	3,300.90
Wood Pellet (Metric tonnes)	0.00	108.48	551.37

Waste management

Guidelines for waste management, public communications, education on waste sorting within the organization, and determination of waste bin locations. Waste types can be classified as follows:

General solid waste, e.g., paper, wood, glass, leaves, sewage. The implementation has been conducted through activities in order to reduce the use of unnecessary resources, reuse equipment, e.g., using both sides of paper; recycle (recyclable waste), reprocess into new things, e.g., changing paper, boxes, paper bags, glass, plastic, or cans, into a container, etc.

General waste, sewage or discarded materials generated from industrial processes, e.g., paper bags, plastic bags, metal, steel drums, wood pallets that are not contaminated with hazardous substances and recyclable. For personal protective equipment, e.g., gloves, masks, etc., the amount of usage shall be controlled while some materials can be cleaned and reused, e.g., cloth gloves.

Hazardous waste to be disposed of, e.g., cloth with oil stains, oily sawdust, old paintbrushes, materials contaminated with hazardous substances which are not recyclable, with logs to monitor and optimize the usage.

Sellable hazardous waste, e.g., ball bearings, contaminated metal kits, used oil, ink cartridges, paint cans, tin cans, turpentine, and oil barrels, which can be reused.

In part of the controlling procedures, once a material is used and waste is generated as a result, a survey log must be done to identify waste amounts of each function on a monthly basis with weekly waste inspection and control.

Waste Generation (Unit : Kilograms)

	2021	2022	2023
Total waste generated	598,983.00	691,673.00	495,875.00
Non-hazardous waste	492,930.00	589,109.00	395,985.00
Hazardous waste	106,053.00	102,564.00	99,890.00

3.4 Sustainability Management in the Social Dimension

Social Responsibility for Lee Pattana Society and Nearby Communities

The Company recognizes that fostering positive relationships and creating opportunities for both employees and the local community are key factors in achieving sustainable growth. By nurturing a culture of mutual support and solidarity, we aim to create a thriving environment where everyone can enjoy a higher quality of life, residing in a welcoming and supportive society that promotes stability and long-term self-sufficiency. For instance:

- We support our employees in enhancing their financial literacy and skills through initiatives like the "Promotion of Savings and Personal Finance Management" program in collaboration with the Stock Exchange of Thailand. This program is designed to instill financial discipline among our employees, empowering them to effectively manage their income, and take independent steps towards savings and investments. It lays the groundwork for sustainable financial stability among our workforce.



- We prioritize recruitment from nearby communities, contributing to income generation and enhancing the quality of life for residents in the vicinity. By providing employment opportunities locally, we aim to strengthen community ties and support economic growth.
- We actively engage with the community by implementing ozone systems to mitigate odors from our production processes and employing microbial treatments for wastewater treatment to minimize environmental impact. Our on-site teams in factory locations are dedicated to listening to feedback, addressing complaints, and considering environmental suggestions from the community. This approach fosters a collaborative relationship between us and the communities where we operate.



- We encourage our employees to participate in various community service activities aimed at supporting and developing different areas. Through these efforts, we strive to enhance the convenience and safety of local residents.
- We collaborate with neighboring communities to organize events on significant religious and cultural holidays, such as the Robe Offering Ceremony, Children's Day, and local cultural festivals. These events serve to enrich the lives of community members, create a vibrant and cohesive society, and preserve our rich cultural heritage for future generations.



Social Responsibility Projects

The Company recognizes its social responsibility and actively participates in various initiatives aimed at community development and assistance. This commitment extends to supporting environmental conservation efforts and promoting the sustainable utilization of resources to enhance the quality of life and foster sustainable growth in local communities. Some examples of these initiatives include: Contributing old calendars to the "Our Old Calendars" project, which benefits the Technology Education Center for the Blind and the Thai Foundation for the Blind. These calendars are repurposed to create Braille cards, serving as educational tools for visually impaired individuals; Donating goods to the Mirror Foundation and providing beverages for road accident prevention projects of the Dao Ruang Subdistrict Administrative Organization, Mueang District, Saraburi Province, during the Songkran Festival, etc.



Providing donations of dog and cat food, products manufactured by the Company, to the "Angel House Stray Animal Shelter" in Muak Lek District, Saraburi Province, to support the care of stray animals.



- Additionally, the Company actively supports the Thai Red Cross Society by offering its facilities at both corporate headquarters and factories for blood donation drives held three times a year.





Educational Support

The Company fully understands the significance of education and is dedicated to fostering the holistic development of Thai youth by equipping them with knowledge, skills, and growth opportunities. The Company's commitment to education is evident through providing financial assistance to schools in need for the procurement of educational resources and extending scholarships to disadvantaged children in remote regions. Moreover, the Company actively recruits teachers in subjects facing shortages and consistently invests in the construction and refurbishment of educational infrastructure to cultivate an optimal learning environment for students, who will grow to be a crucial force in the development of Thai society and the nation in the future. Activities held in 2023 include:

- Engaging in the Robe Offering Ceremony to support the educational endeavors of Wat Kunchornwachiraram School (Pattana Witade Prachasan) in Khao Yoi District, Phetchaburi Province. This involvement includes providing assistance for educational equipment procurement, addressing teacher shortages in specific subject areas, and renovating infrastructure to create conducive learning environments for students.



- Facilitating educational visits and learning experiences for students from diverse institutions and professionals from various agencies. These visits encompass observing production processes, management systems, and diverse activities, complemented by knowledge-sharing sessions where our experts serve as guest speakers for external organizations.



- Partnering with the COERR Foundation to advance the well-being of Thai individuals with disabilities through practical vocational training in agriculture and animal husbandry. This initiative empowers disabled individuals in rural areas, who prefer not to commute to urban centers for employment, to pursue farming and animal husbandry activities from their homes, aligning with their lifestyle preferences.

Moreover, the Company partners with social innovation foundations to bolster the livelihoods of individuals with disabilities. Through this collaboration, visually impaired individuals who have received training in Thai massage are employed to offer massage services to company employees.

These initiatives not only foster self-sufficiency and economic empowerment for people with disabilities but also play a pivotal role in the enduring enhancement of societal resilience.



Knowledge Sharing

The Group caters opportunities to students from various institutions, enabling them to participate in training to develop their knowledge and skills. Moreover, it allows physical visits of different organizations to take a tour and study the production process and management system, as well as engaging in various activities. In addition, the Group also shares knowledge outside the organization, as a guest speaker, and disseminates it to other departments as well.

- Sharing corporate culture under the job promotion activities to duty soldiers who will be discharged as reserve soldiers at Royal Thai Army Officers Club.

Safety

The Group takes into account safety by ensuring that employees are conscious and aware of both personal and public safety. It has organized several projects, among which include "Safe Driving Project," "Environmental Energy Safety Week Project," "Emergency Response Preparedness and Fire Evacuation Drill Project" and "5S Workplace Project".

- Emergency Response Preparedness Project and Fire Evacuation Drill.
- The production department of the Saraburi Plant organized a training course "Forklift".



Environmental care

The Group has established a policy to protect the environment by developing an ozone system to treat odors arising from the production process, including the use of microorganisms in wastewater treatment to minimize the impacts that the production process may have on the environment.

The Group encourages employees to optimize resources and energy; for example, using both sides of paper; turning off air conditioning and electricity during lunch breaks or whenever a room is not in use; sharing vehicles when traveling on the same route, as well as using gasohol, which is a cleaner energy compared to regular gasoline. These approaches help reduce the use of resources, costs of energy use, and also mitigate the problems of dust and black smoke generated by exhaust pipes.

3.5 Sustainability Management in the Corporate Governance and Economy Dimension

Anti-corruption

The Lee Pattana Group is aware of importance anti-corruption policies. Our commitment is shown by our membership in the Thai Private Sector's Anti-Corruption Coalition under the Thai Institute of Directors Association, and committed to counter all forms of corruption directly and indirectly, and is committed to being a good corporate governance, transparency, and legal integrity. Coupled with social responsibility. All levels of the Group must perform their duties in compliance with practice as follows:

1. Strictly follow the anti-corruption policy, which must not involvement in any forms of corruption, neither direct nor indirect.
2. Do not give any bribe, neither giving money nor other benefits to individuals or groups who have dealings with the both Lee Pattana Group or the third parties, with the hope of personal advantage.
3. Do not take any bribe, neither money nor other benefits. To prevent any affect to the Group and inefficient performance.
4. The procurement process must follow to the Group's procedure in the step of bidding, price comparison, choosing supplier or contractor. The Group has strict internal control procedures in the process, which must be approved by the manager or the managing director, as the case may be.
5. Charitable donations, public donations and grants must be donated on behalf of the Company or the Group only. There must be clear and reliable evidence of donation. And it must follow the Group's procedures. The Group will not use the donation as an excuse or use it for any other purpose.
6. To give or receive gifts, souvenirs, receptions or funding, either money or other benefits, to any activity or project, must be performed under the Company's name or the Group and also must be operated with transparency, can be verified. And only for the purpose of greeting or congratulating without any hidden implications.
7. The Group has a policy of political neutrality. All personnel have legal rights and political liberties. However, they need to bear in mind that they are not perform or carry out any political activities that may cause the Group to lack of neutrality or to be damaged.

8. Do not ignore when encountering corrupt involving the Group. It is a duty to notify the supervisor or responsible person knows, and to cooperate in the investigation of various facts.
9. The case of exposed to the corruption which may involve to the Group. Complaints can be made through the Company's channels:
 - a. The Company website at www.leepattana.com
 - b. E-mail the Company at acct@leepattana.com

Operational of Anti-corruption

1. Notify all staff for acknowledgment.
 - 1.1. Published via E-mail within the Company.
 - 1.2. Publish rules and regulations on the bulletin board of each department.
 - 1.3. Publish both inside and outside the company website: www.leepattana.com
 - 1.4. Published in the Annual Report Form 56-1 One Report.
2. Encourage and support all members to counter all forms of corruption. Provide for the satisfied internal controls to prevent corruption or bribery in all form.
3. To be fair and protect the personnel of the company or any others who gives clues or evidence of fraud, corruption involving of the Group. Including denied employees.
4. The corrupt persons will be considered disciplinary action in accordance with the regulations governing the administration of personnel employment, and may be punished by law.
5. Review the guidelines and regularly to update to be complied with the changing law and current circumstances.



4. Management discussion and analysis (MD&A)

4.1 Summary of Consolidated Financial Statements

Statement of financial position as at 31 December 2021 – 2023

Assets	2021		2022		2023	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Assets						
Current assets						
Cash and cash equivalents	60,891	1.88	82,039	2.69	55,120	1.78
Trade and other receivables	268,924	8.31	191,003	6.26	195,510	6.32
Inventories	766,792	23.68	728,178	23.86	753,764	24.37
Current biological assets	11,171	0.35	15,120	0.50	15,644	0.51
Other current financial assets	1,041,250	32.16	950,472	31.15	984,493	31.84
Other current assets	5,093	0.16	4,720	0.15	5,198	0.17
Total current assets	2,154,121	66.54	1,971,532	64.61	2,009,729	64.99
Non-current assets						
Other non-current financial assets	33,980	1.05	36,819	1.21	55,000	1.78
Investment properties	14,840	0.46	14,840	0.49	14,840	0.48
Property, plant and equipment	980,239	30.28	981,972	32.18	977,451	31.61
Right-of-use assets	22,003	0.68	16,203	0.53	8,733	0.28
Intangible assets	6,513	0.20	5,620	0.18	4,857	0.16
Non-current biological assets	20,502	0.63	17,471	0.57	17,456	0.56
Deferred tax assets	495	0.02	504	0.02	496	0.02
Other non-current assets	4,830	0.15	6,484	0.21	3,868	0.13
Total non-current assets	1,083,402	33.46	1,079,913	35.39	1,082,703	35.01
Total assets	3,237,524	100.00	3,051,445	100.00	3,092,432	100.00

Statement of financial position (continued) as at 31 December 2021 – 2023

Liabilities and Shareholders' equity	2021		2022		2023	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Liabilities						
Current liabilities						
Trade and other payables	246,510	7.61	168,276	5.51	171,926	5.56
Current portion of lease liabilities	10,108	0.31	14,414	0.47	6,438	0.21
Income tax payable	4,953	0.15	9,255	0.31	11,670	0.38
Derivative liabilities – foreign currency forward contracts	–	–	–	–	554	0.02
Other current liabilities	2,131	0.07	1,457	0.05	1,080	0.03
Total current liabilities	263,703	8.15	193,402	6.34	191,668	6.20
Non-current liabilities						
Lease liabilities, net of current portion	13,249	0.41	3,047	0.10	2,753	0.09
Deferred tax liabilities	49,243	1.52	37,805	1.24	41,675	1.35
Provision for long-term employee benefits	117,030	3.61	101,315	3.32	102,312	3.31
Other non-current liabilities	3,750	0.12	3,654	0.12	3,666	0.12
Total non-current liabilities	183,272	5.66	145,821	4.78	150,406	4.86
Total liabilities	446,975	13.81	339,223	11.12	342,074	11.06
Shareholders' equity						
Share capital – Issued and fully paid	922,180	28.48	922,180	30.22	922,180	29.82
Share premium	681,345	21.05	681,345	22.33	681,345	22.03
Retained earnings						
Appropriated						
Statutory reserve	122,500	3.78	122,500	4.01	122,500	3.96
Treasury stock reserve	–	–	–	–	20,717	0.67
Unappropriated	718,845	22.20	641,602	21.03	680,242	22.00
Treasury stock	–	–	–	–	(20,717)	(0.67)
Other components of shareholders' equity	315,701	9.75	315,701	10.35	315,701	10.21
Equity attribute to owners of the Company	2,760,572	85.27	2,683,328	87.94	2,721,969	88.02
Non-controlling interests of the subsidiaries	29,976	0.92	28,894	0.94	28,389	0.92
Total shareholders' equity	2,790,548	86.19	2,712,222	88.88	2,750,357	88.94
Total liabilities and shareholders' equity	3,237,524	100.00	3,051,445	100.00	3,092,432	100.00



Statement of comprehensive income for the year ended 31 December 2021 – 2023

	2021		2022		2023	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Profit or loss:						
Revenue						
Sales	3,736,893	98.65	3,365,660	99.42	2,924,572	98.01
Other income						
Dividend income	41,658	1.10	4,456	0.13	23,577	0.79
Gain on equity instrument at fair value through profit or loss	956	0.03	2,839	0.08	18,181	0.61
Others	8,596	0.23	12,335	0.37	17,762	0.60
Total other income	51,210	1.35	19,630	0.58	59,520	1.99
Total revenues	3,788,103	100.00	3,385,290	100.00	2,984,092	100.00
Expenses						
Cost of sales	3,454,051	91.18	3,172,759	93.72	2,696,976	90.38
Selling expenses	55,682	1.47	55,313	1.63	51,727	1.73
Administrative expenses	139,132	3.67	133,434	3.94	129,674	4.35
Allowance for expected credit losses (reversal) – doubtful debts	6,279	0.17	(8,085)	(0.24)	10,000	0.34
Loss (gain) on financial assets at fair value to profit or loss	(22,043)	(0.58)	6,009	0.18	6,114	0.20
Loss (gain) arising from changes in fair value of biological assets	(615)	(0.02)	(3,510)	(0.10)	518	0.02
Total expenses	3,632,486	95.89	3,355,919	99.13	2,895,008	97.01
Operating Profit	155,617	4.11	29,371	0.87	89,084	2.99
Finance income	5,484	0.14	6,725	0.20	14,950	0.50
Finance cost	(1,761)	(0.05)	(1,376)	(0.04)	(870)	(0.03)
Profit before income tax expenses	159,340	4.21	34,719	1.03	103,163	3.46
Income tax expenses	(24,063)	(0.64)	(6,387)	(0.19)	(16,690)	(0.56)
Profit for the year	135,277	3.57	28,332	0.84	86,473	2.90

Statement of comprehensive income for the year ended 31 December 2021 – 2023

	2021		2022		2023	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Other comprehensive income:						
Other comprehensive income not be reclassified to profit or loss in subsequent periods						
Changes in revaluation of assets	112,068	2.96	-	-	-	-
Actuarial gain	-	-	16,518	0.49	-	-
Less: Income tax effect	(22,081)	(0.58)	(3,304)	(0.10)	-	-
Other comprehensive income	89,986	2.38	13,214	0.39	-	-
Total comprehensive income for the year	225,263	5.95	41,546	1.23	86,473	2.90
Profit attributable to:						
Equity holders of the Company	136,078	3.59	29,651	0.88	86,978	2.91
Non-controlling interests of the subsidiaries	(801)	(0.02)	(1,319)	(0.04)	(505)	(0.02)
Total Profit for the year	135,277	3.57	28,332	0.84	86,473	2.90
Total comprehensive income attributable to:						
Equity holders of the Company	225,996	5.97	42,628	1.26	86,978	2.91
Non-controlling interests of the subsidiaries	(733)	(0.02)	(1,082)	(0.03)	(505)	(0.02)
Total comprehensive income for the year	225,263	5.95	41,546	1.23	86,473	2.90
Basic earnings per share						
Profit attributable to equity holders of the Company	0.15		0.03		0.09	



4.2 Significant Financial Ratios

			2021	2022	2023
1. Liquidity Ratios					
Current Ratio	times		8.17	10.19	10.49
Quick Ratio	times		5.20	6.33	6.44
Cash Ratio	times		0.35	0.44	0.44
Account Receivable Turnover	times		14.99	14.65	15.16
Average Collection Period	days		24	25	24
Inventory Turnover	times		4.59	4.24	3.64
Holding Period	days		80	86	100
Account Payable Turnover	times		20.54	20.00	20.98
Payment Period	days		18	18	17
Cash Conversion Cycle	days		86	93	107
2. Profitability Ratios					
Gross Profit Margin Ratio	%		7.57	5.73	7.78
Operating Profit Margin Ratio	%		2.24	0.49	1.22
Other Income Ratio	%		2.00	0.53	2.25
Operating Cash Flow	%		109.29	645.41	236.66
Net Profit margin	%		3.57	0.84	2.88
Return on Equity (ROE)	%		4.98	1.09	3.22
3. Efficiency Ratios					
Return on Assets (ROA)	%		5.05	1.15	3.39
Return on Capital (ROC)	%		396.98	332.19	296.27
Asset Turnover	times		1.19	1.08	0.98

		2021	2022	2023
4. Financial Policy Ratios				
Debt to Equity Ratio	times	0.16	0.13	0.12
Interest Coverage Ratio	times	91.48	26.23	119.58
Debt Service Coverage Ratio (Cash Basis)	times	1.53	1.26	0.76
Dividend Payout Ratio	%	88	93	95
5. Financial Data Per Share				
Net Book Value per Share	Baht/Share	2.99	2.91	2.98
Earnings per Share	Baht/Share	0.15	0.03	0.09
Cash Dividend per Share	Baht/Share	0.13	0.03	0.09
6. Growth Rate				
Total Assets	%	3.01	(5.75)	1.34
Total Liabilities	%	8.61	(24.11)	0.84
Total Revenues	%	31.79	(9.93)	(13.11)
Total Operating Expenses	%	(1.61)	(10.16)	5.94
Net Profit	%	(27.25)	(78.21)	193.34



4.3 Overall Financial Performance

The operating results of the Group in 2023 and 2022 can be described and analyzed as follows:

Business Overview

The operating results of the consolidated financial statement for the year 2023 had a net profit of Baht 86.98 million, or 0.09 Baht per share. Compared to the same period of the previous year, the net profit was Baht 29.65 million, or 0.03 Baht per share. This represents a total profit growth of Baht 57.33 million, or 193% of the previous year, primarily due to the significant transactions listed below:

1. Sales declined by Baht 441 million compared to the same period last year. The gross profit margin for the fiscal year ending December 31, 2023 was 7.78%, higher than the previous year's margin of 5.73%. The main reason for this is the more appropriate and efficient management of production costs under the global geopolitical situation that has affected the cost of raw materials for animal feed, the volatility of exchange rates, as well as the cost of fuel and electricity, which have all increased.
2. The amount of dividend income for 2023 was Baht 23.58 million, a Baht 19.12 million increase over the same period in the previous year of Baht 4.46 million.
3. The gain on equity instrument at fair value through profit or loss was Baht 18.18 million, increased Baht 15.34 million from Baht 2.84 million in 2022. It is the transaction of unrealized gain on equity instrument which is stated of fair value or market price by the end of accounting period. (As of December 31, 2023 and 2022, respectively)
4. Other income totaled Baht 17.76 million in 2023, an increase of Baht 5.43 million from the same period of the previous year, which was Baht 12.33 million.
5. Allowance for doubtful debts was approximately Baht 10 million, whereas in 2022 it was reversed for Baht 8.08 million, an increase of Baht 18.08 million.
6. The loss from changes in the fair value of biological assets was Baht 0.52 million, compared to a gain of Baht 3.51 million in the same period of the previous year. The reason for this year was the revaluation of biological assets.
7. Interest income totaled Baht 14.95 million for the year 2023, an increase of Baht 8.22 million from the same period of the previous year, when it was Baht 6.73 million. This was due to higher average interest rates and investments in other current financial assets during this year.
8. Finance cost was Baht 0.87 million, down by Baht 0.51 million from the same time in the previous year, when it was Baht 1.38 million.
9. The corporate income tax expenses increased by Baht 10.30 million when compared to the same period of the previous year, mainly due to the net profit and deferred tax relating to origination and the reversal of temporary differences.

Operating Results

Revenues

The Group's sales for the year 2023 and 2022 were Baht 2,925 million and Baht 3,366 million, respectively. Animal feed sales accounted for 99.13 percent of the Group's revenue, with animal breeding and crop farming accounting for the remaining 0.87 percent.

For the year 2023, animal feed products' sales portion is composed of 35 percent for livestock feed sales and 65 percent for aquatic feed sales.

In 2023, the Group's sales decreased by 13% compared with last year. Dividend income for the year 2023 and 2022 were Baht 24 million and Baht 4 million, respectively. Moreover, other income from the sale of by-products, fixed assets and others approximately amounted to Baht 18 million and Baht 12 million, respectively. The gain on equity instrument at fair value through profit or loss was approximately Baht 18 million and Baht 3 million, respectively. There was also a loss on financial assets at fair value to profit or loss amounting to Baht 6 million in 2023 and 2022.

Cost of sales

The cost of sales for 2023 and 2022 was Baht 2,697 million and Baht 3,173 million, respectively. This amounts to 90.38 percent and 93.72 percent of sales. The 476 million Baht fall in cost of sales was consistent with the decline in sales. On the other hand, the cost of sales portion decreased as a result of better and more effective manufacturing cost management.

Selling and Administrative Expenses

Selling expenses amounted to Baht 52 million in 2023 and Baht 55 million in 2022, which accounted for 1.73 percent and 1.63 percent of total revenues, respectively. Selling expenses dropped by Baht 3 million. In 2023 and 2022, the administrative expenses amounted to Baht 130 million and 133 million, respectively. Administrative expenses decreased by Baht 3 million.

In 2023, the Group's allowance for expected credit losses - doubtful debts amounted to Baht 10 million, whereas the allowance for doubtful debts was reversed to Baht 8 million in 2022. The expense increased by Baht 18 million.

The Group recognized a of Baht 1 million in 2023 as a result of changes in fair value of biological assets while in 2022, it had gain of Baht 4 million. This was due to the revaluation of biological assets.



Finance Income and Cost

The Group's finance income was approximately Baht 15 million and Baht 7 million in 2023 and 2022, respectively. Finance costs totaled Baht 1 million in 2023 and 2022. However, the Group has credit facilities with financial institutions, which can be promptly used in cases where the Group needs to invest or lacks liquidity.

Income tax expenses

Income tax expenses increased by Baht 10 million to Baht 17 million as a result of the Group's increased earnings.

Net Profit

The net profit of the consolidated financial statement for the period ended 31 December 2023 was Baht 86 million and increased by Baht 57 million, or 193 percent, compared to the prior year's net profit of Baht 29 million. Net profit margins were 2.91 percent in 2023 and 0.88 percent in 2022, respectively. The Group's performance was higher mainly due to the fact that gross profit of its feed business rose by Baht 35 million. The automation system in some production lines has been in place since January 2023, which has enhanced production efficiency.

Other comprehensive income

The Group had no other comprehensive income during the year. However, the Group had other comprehensive income of Baht 13 million caused by actuarial gain after deducting deferred tax expenses.

Return on investment rate of shareholders

In 2023, the rate of return on equity rose by 2.13 percent, from 1.09 percent to 3.22 percent. The return on assets climbed from 1.15 percent in 2022 to 3.39 percent in 2023 as a result of the growth in net profit.

4.4 Financial Position

Assets

The Group's total assets were Baht 3,092 million and Baht 3,051 million as of December 31, 2023 and 2022, respectively. The ratio of current assets to non-current assets is around 65: 35 for the years 2023 and 2022.

Cash and cash equivalents, trade and other receivables, inventories, and other current financial assets were the primary current assets as of December 31, 2023 and 2022, accounting for about 64 percent of total assets for the year 2023 and 2022, respectively.

Trade and other receivables

As of December 31, 2023, and 2022, trade and other receivables totaled Baht 196 million and Baht 191 million, or 6 percent of total assets for both years. In 2023 and 2022, the collection periods also were around 24 and 25 days, respectively. The Group has always focused on cash sales policy. However, The Group gives credit for customers who have good historical payments and collaterals.

The policy of allowance for expected credit losses - doubtful debts, the Group calculated provision rates based on days past due for groupings of various customers with similar credit risks. The Group classifies customer segments by customer type and customer rating. Allowance for expected credit losses - doubtful debts will be set up provisions after deducting collateral value. Base on the Group's history, these customers still gradually pay back the Group. Therefore, the Group is confident that the Group has adequately reserved allowance for doubtful accounts.

Inventories

As of December 31, 2023, and 2022, inventories net of provision for diminution value were Baht 754 million and Baht 728 million, respectively, approximately 24 percent of total assets for both years. In 2023, the inventory turnover ratio was 100 days, whereas in 2022, it was 86 days. Most of the stocks were composed of raw commodities like corn, soybean meal, and fish meal. The Group keeps raw materials on hand to avoid price fluctuations and raw material shortages. There is no risk of degradation or rotting because these raw materials were dried and could be stored for a long period of time.

Other current financial assets

As of December 31, 2023, and 2022, the Group had current investments amounting of Baht 984 million and Baht 950 million, respectively. Other current financial assets composed of fixed deposits, mutual fund and investments in marketable securities. The investment in short-term aims to manage its financial liquidity. There is no maximum limit to invest in current investment. It is determined by the excess liquidity at each point of time. In addition, the Group will principally focus on risks and appropriated returns. All investments must be approved by the Board of Directors and / or the Executive Board.

Fixed Assets

The Group's fixed assets mainly consisted of land, buildings, and machinery. As of December 31, 2023 and 2022, fixed assets before deducting accumulated depreciation were Baht 2,577 million and Baht 2,546 million, respectively. A net increase amounting to Baht 31 million was caused by procurement of machinery, office equipment, and vehicles totaling Baht 56 million and disposal totaling Baht 24 million.



4.5 Sources of Fund

Liabilities

The Group's total liabilities were reported to be Baht 342 million and Baht 339 million as of December 31, 2023, and 2022, respectively. The ratio of total liabilities to total assets was 11.06 and 11.12 percent, respectively. Most liabilities were current liabilities, primarily consisting of account payables from raw material procurement under the normal credit term.

Provision for long-term employee benefits was reserved for employee compensation. As of December 31, 2023, and 2022, provision for long-term employee benefits was Baht 102 million and Baht 101 million, respectively, which increased by Baht 1 million.

The Group has no guarantee anyone else, or contingent liabilities, or any commitment to invest in the project, or have any other obligations that may affect the financial position or results of operations of the Group, except for the cross guarantee of the liabilities which the parent Company and its subsidiaries use the credit facility jointly. As of December 31, 2023, and 2022, the Group have been granted various types of credit facilities by several financial institutions of which Baht 1,010 million and Baht 985 million, respectively. These guarantees had no impact on the financial position and results of operations of the Group due to a contractual commitment to the loan which is the normal trading practices of the Group. Currently, most of credit facilities have not been exercised since the Group has good financial liquidity. Thus, the credit facilities have not been utilized the mortgage assets as collateral.

Shareholders' Equity

As of December 31, 2023, the shareholders' equity was stated to amount to Baht 2,750 million, with unappropriated retained earnings of approximately Baht 680 million. On February 24, 2023, the Company's Board of Directors' meeting No. 1/2023 passed a resolution approving a program for management purposes to repurchase up to 90 million shares (par value of Baht 1 each), or 9.76 percent of the total number of shares in issue. The maximum budget for the program was Baht 240 million. The shares were to be repurchased on the Stock Exchange of Thailand from 2 March 2023 to 1 September 2023. The share resale period was determined after 3 months from the completion date of the share repurchase but not later than 3 years.

As of December 31, 2023, the Company had a registered capital of Baht 929,070,000 million, a paid-up capital of Baht 922,180,251 million, and treasury stocks of 8,980,000 shares at a cost of Baht 20,717,460 million. The Company has also set aside retained earnings as a reserve for Treasury stock in the same amount, which is included in the statement of financial position under the heading "Appropriated Retained Earnings - Treasury Stock Reserve".

Moreover, the Board of Directors' meeting No. 2/2024 held on March 12, 2024, approved to pay a dividend for the year 2023 at Baht 0.09 per share, for a total of Baht 82,188,022.59 (after deducting 8,980,000 Treasury shares). The dividend will be paid on May 15, 2024, from the operating results for the period from January 1, 2023, to December 31, 2023. The dividend payout ratio is 85 percent of the net profit of the separated financial statement (or 95 percent of the net profit attributable to the Company's shareholders in the consolidated financial statement).

Appropriateness of the Capital Structure

As of December 31, 2023, the debt-to-equity ratio is 0.12 times, which is considered a low ratio compared to other companies in the same industry. It can be seen that the Group's business operations primarily rely on equity and internally generated funds. However, due to the Group's focus on cash sales and its healthy profit margin, the Group does not need to borrow significant amounts of money from financial institutions. The Company can pay dividends to its shareholders from its working capital. Therefore, the Group's current capital structure is considered appropriate and financially stable. In the future, if the Group needs additional working capital, the Group will still have sufficient credit lines with financial institutions.

However, the Board of Directors' meeting No. 2/2024 passed a resolution approving the second program for management purposes to repurchase up to 80 million shares (par value of Baht 1 each), or 8.68 percent of the total number of shares in issue. The maximum budget of the program is Baht 210 million. The shares are to be repurchased on the Stock Exchange of Thailand between March 18, 2024, and September 17, 2024. The share resale period begins 3 months after the share repurchase is completed and ends no later than 3 years.

4.6 Liquidity Conditions

Cash Flow from Operations Activities

The Group has cash inflow from operations activities of Baht 84 million and Baht 102 million in 2023 and 2022, respectively, which decreased by Baht 17 million. The Group continuously maintains the policy of giving credit to customers concisely, which has an average collection period of 24 days. The Group also stores a sufficient quantity of raw materials for production. In addition, the Group principally considered changes in raw material prices and product demands in the market. Even though the Cash Conversion Cycle was 107 days, the Group had no long outstanding payables.

Cash Flow from Investment Activities

The Group's net cash outflow for investing activities in 2023 was roughly Baht 48 million. The majority of this cash outflow was due to investments in machinery and intangible assets of Baht 57 million and investments in other current financial assets of Baht 40 million. On the other hand, the Group received interest income and dividends from other financial assets totaling Baht 38 million and collected from disposal assets totaling Baht 10 million.



Cash Flow from Financial Activities

The Group had a cash outflow from financial activities amounting to Baht 63 million, which decreased by Baht 72 million. This was mainly because the dividend paid in 2023 was lower than the prior year. In addition, the Group had cash paid for treasury stocks of Baht 21 million and cash paid under lease agreements of Baht 15 million.

Liquidity Ratio

In 2023 and 2022, the ratios of current assets to current liabilities were 10.49 and 10.19 times, respectively, which slightly increased from last year. This was mainly because other current financial assets climbed by Baht 34 million, or 4 percent.

4.7 Factors that may affect future operation or financial position.

Currently, the Group has no significant factor or event which may affect the Company's position or operation in the future.

5. General information and other material facts

5.1 Company Information

Lee Feed Mill Public Company Limited

Registration of the Company	: 0107537000718
Head Office Location	: 28 th Floor, Wall Street Tower, 33/137 Surawong Road, Bangrak, Bangkok 10500
Feed mill Plant Location	: 65 Moo 2, Huay Ta Chang Sub-district, Khoa Yoi District, Phetchaburi
Aquatic Feed mill Plant Location	: 62 Moo 2, Huay Ta Chang Sub-district, Khoa Yoi District, Phetchaburi
Dong Kui Farming Location	: 33 Moo 14 Dong Kui Sub-district, Chon Dan District, Phetchabun
Chon Dan Farming Location	: 246 Moo 5 Ban Kluay Sub-district, Chon Dan District, Phetchabun
Research and Development	: 40 Moo 11 Huay Hang Sub-district, Kang Koi District, Saraburi
Telephone	: 0-2632-7300 (Automatic)
Fax	: 0-2632-7245
Web Site	: www.leepattana.com
Type of Business	: Complete animal feed production and distribution, animal farming
Authorized Shares Capital	: Common shares 929,070,000 shares, Baht 1 par value
Paid-up Shares Capital	: Common shares 922,180,251 shares, Baht 1 par value
Paid-up Amount Capital	: 922,180,251 Baht

Shareholding Exceeding 10 Percent of Juristic Persons

Lee Pattana Feed Mill Company Limited

Head Office Location	: 33/137 Surawong Road, Bangrak, Bangkok 10500
Feedmill Plant Location	: 33/1 Moo 7, Phaholyothin Road, Dao Rueng Sub-district, Muang District, Saraburi
Type of Business	: Complete animal feed production and distribution.
Percents of Holding	: 95.00% of authorized share capital and paid-up Baht 200 million Common shares 20 million shares, Baht 10 par value



Lee Pattana Agro Silo Company Limited

Head Office Location	: 33/137 Surawong Road, Bangrak, Bangkok 10500
Silo Plant Location	: 33/1 Moo7, Phaholyothin Road, Dao Rueng Sub-district, Muang District, Saraburi
Type of Business	: Silo business and distributing of raw materials for animal feed
Percents of Holding	: 95.00% of authorized shares capital and paid-up Baht 37.50 million Common shares 3.75 million shares, Baht 10 par value (99.99% held by Lee Pattana Feed Mill Co., Ltd.)

Bodhi Ngarm Sea Fram Company Limited

Head Office Location	: 1/3 Moo 9 Nongbua Sub-district, Muang District, Chanthaburi
Type of Business	: Rental farming
Percents of Holding	: 100.00% of authorized shares capital and paid-up Baht 5 million Common shares 50,000 shares, Baht 100 par value

P A F (2020) Company Limited

Head Office Location	: 33/137 Surawong Road, Bangrak, Bangkok 10500
Type of Business	: Pet food distribution
Percents of Holding	: 99.50% of authorized shares capital and paid-up Baht 25 million Common shares 2.5 million shares, Baht 10 par value

5.2 Other Significant Information

Share registrar	: Thailand Security Depository Co.,Ltd. 93 Rajadapisek Road, Dindang, Bangkok 10400 Tel 0-2009-9000 Fax. 0-2009-9999
Auditors	: EY Office Limited 33 rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Bangkok 10110 Tel 0-2264-9090 Fax. 0-2264-0789-90 Name of Auditor, Mr.Preecha Arunnara Certified Public Accountant Registration (Thailand) Number 5800

Legal advisor	: Chamnong Chanprasit Attorney Office 26/7-8 Sukhumvit 65, Sukhumvit Road, Phrakanong, Bangkok 10110 Tel 0-2391-6488 Fax. 0-2391-1751
Financial advisor	: None
Management advisor	: None

5.3 Legal Dispute

The Group does not have any legal disputes with any person that could cause damage to the Group that amounted to more than 5 percent of the shareholders' equity at the end of the latest fiscal year. However, the Group has filed a lawsuit claiming damages from trade accounts receivable in the returned check case, which arises from the sale of goods in accordance with the normal business operations of the group.



Part 2 Corporate Governance

6. Corporate governance policy

6.1 Overview of Policies and Practices of Corporate Governance

Corporate Governance Policy

Recognizing the importance of corporate governance to Company operations and continued growth, the Board has formulated and is committed to following its corporate governance policy. Guidance is provided for the Company's direction, and the importance of internal-control and -audit procedures is emphasized. In addition, management performance is stressed, in order to ensure that shareholders' long-term interests are protected and in compliance with the law, business ethics considerations, and the Code of Best Practices for listed company directors, as issued by the Stock Exchange of Thailand.

Shareholders' Rights

The Company held its annual General Meeting at Company headquarters. Meeting notifications and supporting information in accordance with the Meeting's agenda was sent to all shareholders approximately 10 working days beforehand. Each item on the agenda included the Board of Directors' opinions, and a complete report of the Meeting was available for review by the shareholders, the Company has provided a further option for shareholders by enabling independent directors to serve as proxies for shareholders who are unable to attend the Meeting.

Shareholders' Meeting

At the annual Shareholders' Meeting for 2023, 7 directors attended. The Chairman of the Meeting gave shareholders equal opportunity in regard to reviewing Company performance, raising queries, and voicing their views. Queries raised and important views were noted in the minutes.

Leadership and Vision

The Board has played a role in determining the vision, mission, strategy, target, business plan, and budget of the Company. The Board has also mandated that management conduct business effectively in accordance with the Company's business plan and budget, so as to attain the highest value for the Company and maximize stability for shareholders.

Conflicts of Interest

The Board has been informed of both conflicts of interest and connected transactions. These have been carefully considered and are in accordance with the Stock Exchange of Thailand's guidelines. The prices and conditions involved have been transacted on an arm's-length basis, and details, value, partners, reasons, and necessity are disclosed in the Annual Report Form 56-1 One Report.

Corporate Governance for subsidiaries

- None -

Treatment of Insider Information

The Company has set rules and regulations enforcing directors, executives, employees and contract employees to keep the Company's secret and internal information confidential. They are prohibited from disclosing the Company's secret or internal information for their own or other persons' benefits, either directly or indirectly, and whether or not benefits will be given to them. The prevention of management, using inside information for their own benefit management, including spouses and offspring not yet of legal age, are not allowed to use inside information not yet disclosed to the public for the purchase, sale, transfer, or acceptance of transfer of any securities issued by the Company. Such practice is in accordance with the regulations of the securities industry and the Stock Exchange of Thailand. All transactions involving such purchases, sales, transfers, or acceptance of transfer must be reported to the Securities and Exchange Commission within three business days of the transaction date. In addition, a copy of the documentation must also be made available for review.

6.2 Business Ethics

The Company has informed the Board, management, and staff of its ethics policy in conducting business. Honesty and straightforwardness must be an integral part of all practices involving the Company, stakeholders, the public, and society. All relevant parties are aware of these practices, and communication staff and subsequent monitoring have been consistent.

Composition of the Board of Directors

The Board of Directors consists of 8 persons, as follows:

- | | |
|---------------------------|-----------|
| - Executive directors | 3 persons |
| - Non-Executive directors | 1 persons |
| - Independent directors | 4 persons |

Consolidation or Separation of Positions

The Chairman of the Board is not the same person as the CEO. However, both persons are representatives of the same major shareholder group. There are four independent directors, allowing for balance and the review of operational management.



Relations with Shareholders

The Board of Directors realizes that information pertaining to the Company, financial or otherwise, plays an important role in the decisions of both shareholders and stakeholders. The Board has therefore mandated that management ensures that the disclosure of information is complete, correct, consistent, and timely. Management has consistently ascribed importance in this regard, and information disclosure has been conducted accordingly. The Company has not yet established an Investor Relations unit, as there are still few activities in this area. However, the Head of Accounting has been assigned to communicate with institutional investors, shareholders, analysts, and related government entities. Investors may contact the Company for information by calling 02-632-7300 (extension 301 or 318), visiting the Company website at www.leepattana.com, or sending e-mail to acct@leepattana.com or ir@leepattana.com

6.3 Major Changes and Developments of Policy

Compliance Good Corporate Governance Guidelines

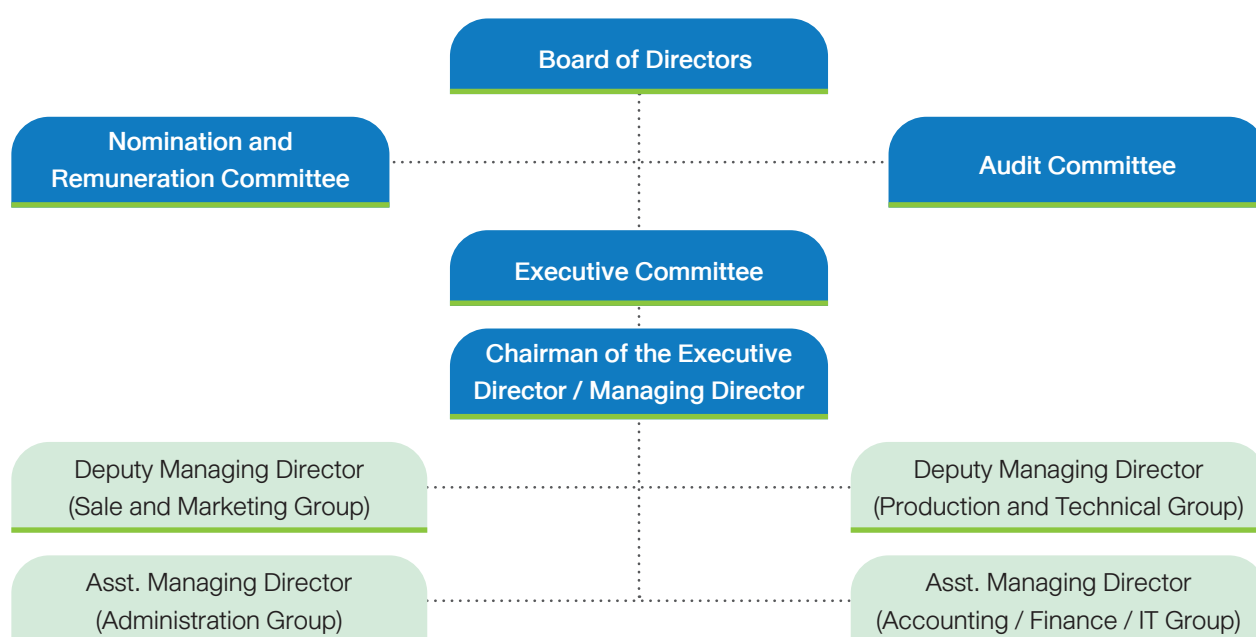
The Board of Directors considered and reviewed to apply the Corporate Governance Code for listed company, as issued by the Stock Exchange of Thailand, with its business operation. Besides, The Company annually reviewed at least once a year. According to the Board of Director's Meeting no. 1/2024 dated on 27th February 2024, the company considered certain matters that could not apply for or have not adopted principles and record in the minutes of the meeting.

The Company has complied with the Code of best practices by annually its self- assessment. The Company also revised and reviewed the business ethics, the corporate governance policy, the anti-bribery and corruption policy and guidelines for performing duties of directors, executives and employees in order to comply management with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission of Thailand and other related laws.

7. Corporate governance structure and material facts related to the board, subcommittees, executives, employees and others

7.1 Corporate Governance Structure

The Company's management structure, on a strategy and policy level, comprises of 4 committees namely the Board of Directors, the Executive Directors, the Audit Committee and the Nomination and Remuneration Committee.



Criteria of the Executive and Committee

The criteria of the executive and committee are set in accordance with the Securities and Exchange Commission (SEC) as follows;

- Of the total number of board members, at least one-third and no fewer than three persons must be independent directors.
- The Audit Committee shall have at least 3 persons









Definition of the Executive and Committee

- Executive means the authorized person who can manage and authorized director
- Non-executive means the director who is not sitting as the executive and unauthorized director
- Independent committee means the director who is not sitting as the Executive and qualified according to the SEC



7.2 Board of Directors

The Board of Directors of Lee Feed Mill Public Company Limited. Details are as follows:

 <p>1</p> <p>Mr.Visith Leelasithorn</p> <p>Chairman of the Board of Director</p>	 <p>5</p> <p>Mrs.Sununta Subhapholsiri</p> <p>Independent Director / Member of the Audit Committee</p>
 <p>2</p> <p>Mr.Nipon Leelasithorn</p> <p>Chairman of the Executive Director and Managing Director</p>	 <p>6</p> <p>Mr.Busarin Vanaswas</p> <p>Independent Director / Member of the Audit Committee</p>
 <p>3</p> <p>Mrs.Supaporn Chongvilaiwan</p> <p>Director / Asst. Managing Director</p>	 <p>7</p> <p>Pol.Lt.Gen.Adisorn Nonsee</p> <p>Independent Director and Chairman of the Nomination and Remuneration Committee</p>
 <p>4</p> <p>Assoc.Prof.Dr.Somjai Phagaphasvivat</p> <p>Independent Director / Chairman of the Audit Committee</p>	 <p>8</p> <p>Mr.Somsak Tiamsriyuka</p> <p>Director / Secretary of the Board</p>

Directors empowered to act as signatories with the authority to commit the Company consist of Mr.Visith Leelasithorn, Mr.Nipon Leelasithorn, Mrs.Supaporn Chongvilaiwan, and Mr.Somsak Tiamsriyuka, two directors of four directors as signatories, along with the Company's seal.

Roles and Responsibilities of Directors

1. Directors shall perform duties in accordance with specified laws, objectives, and Company regulations, as well as operate in accordance with shareholders' resolutions.
2. Directors shall establish business goals and management policies.
3. The Board of Directors has the authority to determine and change which directors are authorized to act as signatories empowered to commit the Company.
4. The Board of Directors has the authority to appoint any director or external person to act on behalf of the Board, as in the case of the Executive Director and Audit Committee. The delegation of such tasks must remain within the scope of the Board's powers, and the duties and responsibilities of the delegate must be clearly stipulated.
5. The Board of Directors is required to hold meetings should important matters arise that may affect Company operations. This includes requests for credit lines from financial institutions, loans, guarantees, business expansion, investments, or sales of investments in other businesses.
6. Directors shall review and approve quarterly financial reports prior to submitting same to the Stock Exchange of Thailand.
7. Directors shall ensure that financial and other information disclosed to shareholders is complete, correct, and transparent

Board of Directors' meeting

The Board of Directors meeting schedule is determined by the Company annually in advance. By holding at least one quarterly meeting, and all directors will be aware of the schedule in advance.

7.3 The Sub-Committees

Audit Committee

The Committee consists of three independent directors as follows:

- | | |
|--|---------------------------------|
| 1. Assoc.Prof.Dr.Somjai Phagaphasvivat | Chairman of the Audit Committee |
| 2. Mr.Busarin Vanaswas | Member of the Audit Committee |
| 3. Mrs.Sununta Subhapholsiri | Member of the Audit Committee |

The term of Audit Committee is 2 years, shall hold a committee meeting four times a year and report to the Board of Directors. Ms.Kewalee Ruangrotekade is the secretary of the committee.

Roles and Responsibilities of Audit Committee:

1. To review that the company's financial reporting process to ensure accuracy and adequacy.
2. To review that the company has risk management system and to provide recommendations to ensure that it is always up-to date.
3. To review and ensure that the company has adequate and effective internal control systems and internal audit systems.



4. To review and ensure that the company complies with all the securities and exchange law, regulations of the Stock Exchange, and laws relating to business the company.
5. To consider, select, nominate and recommend remuneration of the company's external auditor.
6. To review the disclosure of the company's information in case that there is a related transaction that may lead to conflict of interest so as to ensure reasonableness of such translations and maximum benefit of the company.
7. To prepare a report and monitoring activities of the Audit Committee, signed by the chairman of the Audit Committee and disclose it in the annual report of the company.
8. To perform any other activities assigned by the Board of Directors, in accordance with the consent of the Audit Committee.

Qualification of the Independent Director

The Independent director of the company shall meet the qualification and have independent authority according to the Securities and Exchange Commission and Stock Exchange of Thailand; namely,

1. It shall hold shares not exceeding 0.50 percent of the total number of voting rights of the company, its parent company, subsidiary, affiliate, or other juristic person who may have conflict, including the shares held by related persons of the independent director;
2. It shall neither being nor having been an Executive, employee, staff, or advisor who receives salary, or a controlling person of company, its parent company, subsidiary, affiliate, or other juristic person who may have conflict unless the foregoing status has ended not less than two years prior to the date of appointment;
3. It shall not be a person related by blood or registration under laws i.e. father, mother, spouse, sibling, and child, including spouse of the children; of executives, major shareholders, controlling persons, or person to be nominated as executive or controlling persons of the company or its subsidiary;
4. It shall not have a business relationship with the company, its parent company, subsidiary, affiliate, or other juristic person who may have conflict, in the manner which may interfere with his or her independent judgment, and It shall neither being nor having been a major shareholder, a non-independent director or an executive of any person having business relationship with the company, its parent company, subsidiary, affiliate, or other juristic person who may have conflict unless the foregoing relationship has ended not less than two years prior to the date of appointment;
5. It shall neither being nor having been an auditor of the company, its parent company, subsidiary, affiliate, or other juristic person who may have conflict, and not being a principal shareholder, or a non-independent director, or an executive, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, affiliate, or other juristic person who may have conflict unless the foregoing relationship has ended not less than two years from the date of appointment;
6. It shall neither being nor having been an professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from its parent company, subsidiary, affiliate, or other juristic person who may have conflict, and neither being nor having been a principal shareholder, or a non-independent director, or an Executive, or managing partner of the professional advisor unless the foregoing relationship has ended not less than two years from the date of appointment;

7. It shall not be a director who has been appointed as a representative of the company's director, major shareholder or shareholders who are related to the major shareholder;
8. It shall not have any characteristics which make him/her incapable of expressing independent opinions with regard to the company's business affairs. The independent director may be assigned by the Board of Directors to take part in the business decision of the company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholder of other juristic person who may have conflict on the condition that such decision must be a collective one.

Nomination and Remuneration Committee

The Company realizes and emphasizes on management systems with efficient, transparent and auditable to assure to all relevant organizations. This results in sustainable growth business under the implementation of guidelines for good corporate governance. Therefore, the Company has appointed the Nomination and Remuneration Committee as follows:

- | | |
|------------------------------|--|
| 1. Pol.Lt.Gen.Adisorn Nonsee | Chairman of the Nomination and Remuneration Committee |
| 2. Mrs.Sunanta Subhaphosiri | Member of the Nomination and Remuneration Committee |
| 3. Mr.Nipon Leelasithorn | Member of the Nomination and Remuneration Committee |
| 4. Mr.Somsak Tiensriyuka | Secretary of the Nomination and Remuneration Committee |

The Nomination and Remuneration Committee serves a two-year term and reports directly to the Board of Directors.

Roles and Responsibilities of the Nomination and Remuneration Committee

1. Figuring out a policy, criteria and procedures to recruit Directors for the Board and other committees with transparency.
2. Recruiting, selecting and proposing name of qualified candidates to take up the positions of Directors in the Board or other committees in place of outgoing directors in accordance with the Articles of Association.
3. Identifying proper compensation in cash and non-cash to each individual Director.
4. Preparing a policy and criteria for the yearly remuneration that is fair and reasonable and proposes to the Board of Directors and to get approval from the general assembly of shareholders.
5. The Nomination and Remuneration Committee shall hold a committee meeting at least once a year and report to the Board of Directors.
6. Handling other activities concerning the Nomination and Remuneration as assigned by the Board of Directors.

The Company has the Nomination and Remuneration Committee to nominate directors to the Board. In the selection of persons to be directors of the Company, a Nomination and Remuneration Committee is used, and the election of each director must be approved by more than half of the total votes cast by shareholders who attend the Shareholders' meeting and have the right to vote. Should the number of votes be equal, the Chairman of the Meeting shall cast the deciding vote.



The Company regulations stipulate that the Board must consist of at least five directors, of whom at least half of the total number must reside in the Kingdom.

At the Annual General Meeting, one third of the directors shall retire from office. If the number of directors is not a multiple of three, the number of retiring directors should be as close to one third as possible. Directors retiring under this clause may be reelected.

Should a directorship become vacant due to reasons other than rotation, a qualified person not possessing any of the prohibited characteristics stipulated in Clause 68 of the Public Limited Companies Act of B.E. 2535 may fill the vacancy at the next meeting, such a person may retain this office only for the remaining term of the director he/she is replacing. The Board of Directors' resolution in this regard must also consist of at least three fourths of the remaining directors' votes.

7.4 The Executives

The Executive Directors' Committee consists of 3 executives, as follows:

- | | |
|-------------------------------|--|
| 1. Mr.Nipon Leelasithorn | Chairman of the Executive Director Committee and Managing Director |
| 2. Mrs.Supaporn Chongwilaiwan | Executive Director |
| 3. Mr.Somsak Tiensriyuka | Secretary of the Executive Director |

Roles and Responsibilities of the Executive Directors' Committee

1. The Executive Directors' Committee shall be responsible for the Company's day-to-day management, in accordance with Board policy, and authorized not more than 100 million Baht per times
2. The Executive Directors' Committee shall set forth the Company's organizational structure and planning; and monitor and evaluate the Company's performance for presentation to the Board for approval.
3. The Executive Directors' Committee shall review, monitor, and report on Company performance, in accordance with set business plans for quarterly reporting to the Board.
4. The Executive Directors' Committee shall conduct other duties as mandated by the Board

For the purpose of approving transactions that may have any conflicts of interest or any conflicts of interest with its parent company, subsidiaries or affiliates, the Executive Directors' Committee must propose to the Board of Directors' meeting in order to consider and approve the transactions.

In addition, any transactions relating to business transactions with related parties or the acquisition or disposition of assets of the company or subsidiaries, depending on cases, must be approved by the Shareholders' meeting and / or any other practices as stipulated by the rules and procedures as specified in the announcement in order to according with the regulations of the Stock Exchange of Thailand, in such matters.

Managements

- | | |
|-------------------------------|--|
| 1. Mr.Nipon Leelasithorn | Managing Director (Production and Technical Groups) |
| 2. Mrs.Supaporn Chongvilaiwon | Asst. Managing Director (Accounting / Finance / IT Groups) |
| 3. Mr.Somsak Tiensriyuka | Director and Accounting Director |

Authority and Duties of the Managing Director

1. Prescribe policy, direction, strategy, and administrative structure in line with economic and competitive conditions, to be presented for approval by the Board of Directors.
2. Map out business plans, budgets, and investments of all types, as well as examine and monitor the implementation of policies and administrative guidelines in accordance with policies presented to and approved by the Board of Directors. Undertake other actions as assigned by the Board of Directors on a case-by-case basis. Present any transactions that may conflict with benefits or other types of interest of the Company or its subsidiaries for consideration and approval by the Board of Directors.

Any related transaction or any transaction related to the acquisition or disposal of assets of the Company or its subsidiaries, as the case may be, must receive approval from the Shareholders' Meeting and/or proceed as per governing criteria and procedures, in line with the SET's prescription for the same

Nomination and Appointment of Directors and Executives

Criteria and process to select and appoint new directors

The Company gives shareholders an opportunity to nominate persons who do not possess disqualifications prohibited under the Securities and Exchange Act and the requirements of the Securities and Exchange Commission. The persons must conform to the requirements of the Company while also consenting to the nomination. This year, the Company is open for nominations between October 30, 2023 and January 31, 2024 with details, rules, and procedures posted on the Company's website, www.leepattana.com, in the Investor Relations section under "Investor" and announced via the website of the Stock Exchange of Thailand, www.set.or.th.

The Nomination and Remuneration Committee shall consider the list of individuals nominated by shareholders (if any), lists of individuals obtained from the director registration database, as well as other persons who possess qualifications required by the Company, and retiring directors. In addition, the Committee shall screen qualifications of the nominated persons to ensure that they are compliant with applicable laws, Articles of Association, and related criteria. The nominees must possess professional skills, expertise related to the Company's business, and/or accounting, financial, and legal skills that the Board still lacks, all of which must resonate with the qualifications of directors the Company is looking for as well as being in line with corporate strategies regardless of gender, age, race, religion. The list shall be presented to the Board of Directors for consideration and approval, and further proposed to the shareholders' meeting for consideration and individual appointment.



At the shareholders' meeting, there must be at least 25 shareholders and/or proxies attending and holding shares in aggregate of not less than one-third of the registered and paid-up shares to form a quorum.

Each shareholder must use all available votes to elect a single person or several persons as directors; however, they cannot divide their votes in electing directors to any person.

The appointment of directors must be approved by the shareholders' meeting. Persons receiving the highest votes in descending order shall be elected as directors up to the number of directors required or to be elected at that time. In the event of equal vote counts, resulting in an excess in the number of directors required or to be elected at that time, the Chairman shall have a casting vote.

Succession Plan

The Company has implemented a development plan to find the best fit for each vacant position and to prepare manpower, both in terms of quality and quantity, creating continuity in proper management, in order to select and prepare suitable personnel to hold key positions of the Company. These positions include Chief Executive Officer and other important positions in the management structure, or Company's business operations, or any position that requires specific skills, in-depth expertise, or is difficult to replace. It has established criteria for the preparation of succession plans such as major positions, criteria for consideration and selection, as well as the process of preparing a succession plan, etc.

Nomination of Top Management

In nominating top management positions (in case of Executive Chairman and Managing Director), the Board of Directors shall primarily consider selecting persons with complete qualifications, adequate skills, knowledge, abilities, expertise and experiences that are beneficial to the Company's operations and those who understand the business, the list of which shall be proposed to the Nomination and Remuneration Committee. Afterwards, the Committee shall further propose the approved list to the Board of Directors for further consideration and approval.

Training and knowledge development

The Company has a policy to support directors and executives by providing training courses to prepare potential personnel for the positions of directors and executives in order to enhance knowledge, understanding of the roles and duties as well as to educate them about relevant rules, regulations, and laws.

7.5 Employee Information

As of December 31, 2023, the Company and its subsidiaries have the following numbers of employees:

(Unit : Persons)

Major Fields	Monthly	Daily	Total
Head office	150	-	150
Feed factory	284	193	477
Farm business	8	25	33
Total	442	218	660

The Group has never had any labor disputes since its inception over 41 years ago. Employee expenses for 2023 consist of salaries, bonuses, commissions, and provident fund contributions. Employee social security and other employee benefits amount to approximately 276 million baht.

In the past year, the Group has adopted the quality policy system ISO 9001:2015 for use in feed mills and farm operations, along with encouraging employees to receive training that benefits their careers to continually develop knowledge and abilities and be ready to develop business operations to be more efficient and effective.

For the hygiene and environment in the animal feed manufacturing plants, the Group has continued to improve and develop personnel, preparing to fulfill the requirements of GMP (Good Manufacturing Practice) and HACCP (Hazard Analysis Critical Control Point) and comply with international requirements as a guarantee for animal farmers in order to obtain good quality animal feed that meets international standards. In addition, the environmental management system ISO 14001:2015 and the energy management system ISO 50001:2018 have also been used to create awareness of environmental protection and energy conservation management for the community and society.

7.6 Other Important Information

Company's Secretary

Company's Board of Directors ruled to appoint Mr. Suparoj Buasri, current Director of Legal and Public Administration Department, Lee Feed Mill Public Company Limited. He is qualified both in terms of qualification and seniority. He has been performing his duty as the Company's Secretary since August 31, 2008 with duties and responsibilities as being specified in Section 89/15 and Section 89/16 of Securities and Exchange Act (Issue 4) B.E. 2551 (2008). He performed his job with responsibility, prudence and honesty as well as has had to perform the duty in accordance with laws, objectives, regulations of the Company, resolutions of the Board of Directors as well as resolutions of the Company's shareholders. Duties of the Company's Secretary as being stipulated by laws, are as follow:



1. Provide and maintain following documents:
 - A. Directors' registration
 - B. Letter of invitation for meeting of Board of Directors, Board of Directors' minutes of meeting and the Company's annual report.
 - C. Letter of invitation for meeting of shareholders and shareholders' minutes of meeting.
2. Keep stakeholders report that are provided by Directors or Executives and submit a copy of the stakeholder report required by Section 89/14 to Chairman and Audit Committee Chairman within seven working days of the report being received by the Company.
3. Undertake other performances as being stipulated by Capital Market Supervision Committee.
4. Make suggestion for laws and related regulations and practices on supervision operation of the Board of Directors to be in line with laws.
5. Other duties as being assigned by the Company.

Audit Fee

Audit fee of The Lee Feed Mill Public Company Limited and its subsidiaries for the year 2021 to 2023 to EY Office Limited as follows:

Detail	Company Payment	Name of Audit	Year 2021	Year 2022	Year 2023
1	Lee Feed Mill Public Company Limited	Mr.Supachai Phanyawattano	1,440,000	1,440,000	-
		Mr.Preecha Arunnara	-	-	1,440,000
2	Lee Pattana Feed Mill Company Limited	Mr.Supachai Phanyawattano	560,000	560,000	-
		Mr.Preecha Arunnara	-	-	560,000
3	Lee Pattana Agro Silo Company Limited	Mr.Supachai Phanyawattano	150,000	150,000	-
		Mr.Preecha Arunnara	-	-	150,000
4	Bodhi Ngarm Sea Farm Company Limited	Mr.Supachai Phanyawattano	80,000	80,000	-
		Mr.Preecha Arunnara	-	-	80,000
5	P A F (2020) Company Limited	Mr.Supachai Phanyawattano	120,000	120,000	-
		Mr.Preecha Arunnara	-	-	120,000
Total of Audit Fee			2,350,000	2,350,000	2,350,000

Other fee (non-audit fee) paid to the auditors for the year 2021 to 2023 as shown in the following details.

- The Company does not pay any fees other than the audit fees for the year 2021 - 2023
- The above nominated auditors and EY Office Limited do not have any relationship or interest with or in the company or any of its executives, major shareholders or their affiliates.

8. Report on key operating results related to corporate governance

8.1 Summary of the Board of Directors' performance in the past year

Meetings of the Board of Directors

The Board of Directors meets regularly every quarter, with additional meetings held as necessary. The meeting agenda is clearly specified in advance, and consideration of Company performance is regularly included. The corporate secretary's department sends a meeting invitation letter, the agenda, and related documents seven days prior to the meeting, in order to allow directors sufficient time to review all information. During 2023, the Board met four times for its regular meetings and an additional one time for special meetings, totaling five meetings in all, with the participation of each director as follows:

Name	Meeting of the Board of Directors					
	General		Extraordinary		Total	
	2022	2023	2022	2023	2022	2023
1. Mr. Visith Leelasithorn	4/4	4/4	1/1	1/1	5/5	5/5
2. Mr. Nipon Leelasithorn	4/4	4/4	1/1	1/1	5/5	5/5
3. Mrs. Supaporn Chongvilaiwan	3/4	4/4	1/1	1/1	4/5	5/5
4. Assoc. Prof. Dr. Somjai Phagaphasvivat	4/4	4/4	1/1	1/1	5/5	5/5
5. Mrs. Sununta Subhapholsiri	4/4	4/4	1/1	1/1	5/5	5/5
6. Mr. Busarin Vanaswas	4/4	4/4	1/1	1/1	5/5	5/5
7. Pol. Lt. Gen. Adisorn Nonsee	4/4	4/4	1/1	1/1	5/5	5/5
8. Mr. Somsak Tiensriyuka	4/4	4/4	1/1	1/1	5/5	5/5

Minutes of the meetings that have been endorsed by the directors and related parties may be examined. Directors' terms follow the Company guidelines, as noted in the section "Nomination of Directors and Executives." Each term is for a three-year period.

Reports of the Board of Directors

The Board of Directors shall be responsible for the consolidated Financial Statement and separate Financial Statements of Lee Feed Mill Public Company Limited including financial information as appearing in the Annual Report. The aforementioned Financial Statement was prepared according to generally accepted accounting standards by selecting suitable and regularly accepted accounting policies as suitable for use and regular practice. Furthermore, the best prudence and judgment were exercised in the preparation thereof and the relevant information was sufficiently disclosed in the remarks accompanying the Financial Statement for the transparent benefit of the shareholders and investors in general.



The Board of Directors has arranged for and maintained an efficient internal control system in order to reasonably believe that the accounting information was accurately recorded, complete and sufficient for maintaining the company's assets to prevent corruption and irregular performance.

The Board of Directors established an Audit Committee comprising independent directors and directors who are not executives in order to help supervise the quality of financial and internal control system reports by monitoring outcome evaluations, providing additional views and reporting to the board of directors about the findings of the company's audit. The opinions of the Audit Committee concerned with this issue appear in the list of names of Audit Committee directors as already shown in this Annual Report Form 56-1 One Report.

The consolidated financial statement and separate financial statement were audited by EY Office Limited an independent auditor. The aforementioned audit received the support of the company's board of directors in terms of supporting various documents, so the auditor could inspect and express opinions according to Thai Standards on Auditing. The auditor's opinion appears in this Annual Report Form 56-1 One Report.

The Board of Directors holds the joint opinion that company's internal control system is satisfactory and capable of instilling trust that the 2023 Financial Statement for Lee Feed Mill Public Company Limited is credible as generally-accepted and regularly practiced accounting standards in addition to related rules and regulations.

Remuneration of Directors and Executives

The Company's remuneration policy for directors is in accordance with the Board of Directors' policy and thus linked to Company performance. Appropriate remuneration is paid in accordance with business size and industry type and must be approved by a Shareholders' Meeting prior to payment.

The Company has the Nomination and Remuneration Committee for determining remuneration, remuneration-consideration procedures exist to determine appropriate remuneration. Such procedures take into account remuneration from other companies in the same industry and of similar size, as well as Company performance at the time of consideration. Such information is presented to the Shareholders' Meeting for final approval.

1) Monetary remuneration

- The Company directors earned compensation of 1,135,000 Baht for year 2021, 600,000 Baht for year 2022 and 685,000 Baht for year 2023, as detailed below:

Name	Position	Amount (Baht)		
		2021	2022	2023
1. Mr. Visith Leelasithorn	Chairman of the Board of Directors	345,000	195,000	210,000
2. Mr. Nipon Leelasithorn	Chairman of Executive Director / Managing Director	125,000	75,000	85,000
3. Mr. Karoon Chanmingporn	Director (Resigned as 9/3/22)	95,000	-	-
4. Mrs. Supaporn Chongvilaiwan	Asst. Managing Director	95,000	55,000	65,000
5. Assoc. Prof. Dr. Somjai Phagaphasvivat	Chairman of the Audit Committee / Independent Director	95,000	55,000	65,000
6. Mr. Busarin Vanaswas	Member of the Audit Committee / Independent Director	95,000	55,000	65,000
7. Mrs. Sununta Subhapholsiri	Member of the Audit Committee / Independent Director	95,000	55,000	65,000
8. Pol. Lt. Gen. Adisorn Nonsee	Independent Director	95,000	55,000	65,000
9. Mr. Somsak Tiensriyuka	Director / Secretary of the Board of Directors	95,000	55,000	65,000
Total		1,135,000	600,000	685,000

- The directors and four executive directors received compensation for their management of the Company in the form of salaries, bonuses, social security and provident fund. This amounted to 12.73 million baht, 11.62 million baht and 11.64 million baht for 2021 - 2023 respectively.

- For the fiscal years 2021 - 2023, the meeting allowance for the four members of the Audit Committee is Baht 260,000; the meeting allowance for the Chairman of the Audit Committee is Baht 30,000 per quarter; each of the Audit Committees receives Baht 12,000 per quarter; and the independent director receives Baht 11,000 per quarter.

Name	Position	Amount (Baht)		
		2021	2022	2023
1. Assoc. Prof. Dr. Somjai Phagaphasvivat	Chairman of the Audit Committee / Independent Director	120,000	120,000	120,000
2. Mr. Busarin Vanaswas	Member of the Audit Committee / Independent Director	48,000	48,000	48,000
3. Mrs. Sununta Subhapholsiri	Member of the Audit Committee / Independent Director	48,000	48,000	48,000
4. Pol. Lt. Gen. Adisorn Nonsee	Independent Director	44,000	44,000	44,000
Total		260,000	260,000	260,000

2) Other remuneration

- None -



8.2 Report on the results of the Audit Committee's performance in the past year

The Audit Committee has performed its duties and responsibilities as assigned by the Board of Directors of Lee Feed Mill Public Company Limited to monitoring the Company's operation to ensure that managements and directors have performed their duties to the Company's shareholder with honesty, responsibility and performed under the Company's policy. The Audit Committee consists of three independent directors as follows.

- | | |
|--|---------------------------------|
| 1. Assoc.Prof.Dr.Somjai Phagaphasvivat | Chairman of the Audit Committee |
| 2. Mrs.Sununta Subhapholsiri | Audit Committee Director |
| 3. Mr.Busarin Vanaswas | Audit Committee Director |

In 2023, the Audit Committee held a total of 4 meetings, having all members of the Audit Committee attending all the time with management, auditor, and internal auditors as appropriate. Also, operating results will be reported to the board of directors on a quarterly basis. In summary, the main points of the audit committee's performance are as follows :

1. Review on the financial reports

To consider financial statement accuracy, sufficiency, suitability, the Audit Committee reviewed the Company's quarterly and annual financial statements with the management and certified public accountants to acknowledge and discuss the opinions of the certified public accountant and issues found from reviews. The Audit Committee inquired with the certified public accountants regarding financial statement accuracy, sufficiency and suitability of the methods for recording accounts and the scope of information disclosure completely and sufficiently, including modifications to significant accounting transactions and estimates with effects on financial statements, in order to ensure that financial statement preparations are consistent with specifications of the law and ensure that accounting standards based on generally certified accounting principles are reliable and up-to-date. The Audit Committee's opinions are consistent with the certified public accountant in that the aforementioned financial statement was accurately prepared in terms of significant contents in compliance with financial report standards.

2. Review and evaluation of internal control system

To consider Internal Control System Sufficiency, the Audit Committee has considered the internal control system sufficiency by considering significant test results from internal auditor without any conflict or against law and government regulations, as well as giving opinion and suggestion in any issues to increase internal control system efficiency and pass to management team to consider and process accordingly.

3. Meeting with independent auditor

To consider selection, nominating and proposing remuneration for the certified public accountant for the year 2024, the Audit Committee consider to select Mr.Preecha Arunnara and / or Mr.Kittiphun Kiatsomphob and / or Mr.Vatcharin Pasaraongul from EY Office Limited to be certified public accountants of the Company and subsidiaries by considering qualifications and independence under SEC criteria, including past performance. In addition, the Audit Committee considered suitable remuneration for presentation to be Board of directors to propose the issue for approval from the annual general meeting of shareholders.

4. Review of regulatory compliance

To consider reviewing compliance with the law and government sector regulations, The Audit Committee reviewed the Company's compliance with the laws governing securities and exchanges, the Stock Exchange of Thailand specifications and laws related to the Company's business. The Audit Committee noticed no significant issues regarding non-compliance with the laws governing securities and exchange, the Stock Exchange of Thailand specifications and the related laws.

5. Review of connected transactions or transactions that may result in possible conflicts of interest

To consider approval on the transactions that may have conflicts of interest with the company basis based on the principles of reasonableness, transparency, and adequate information disclosure and it will be in line with the requirements of the Stock Exchange of Thailand. In this regard, the Audit Committee is of the opinion that the transaction is a normal business transaction and makes the utmost benefit to the company.

The Audit Committee has performed all its duties as assigned by the board of directors and is of the opinion that the company has reported accurate financial and operational information with an internal control system, internal audit, compliance with laws, requirements, and relevant regulations, disclosure of accurate related party transactions, and performance which be in line with the good corporate governance system that is adequate, transparent and reliable, including continuous development and improvement of the operational system to quality and suitability for the business transactions.

8.3 Summary of the results of the Sub-Committee's performance

Self-assessment

The Company arranges an evaluation of the Board of Directors' performance annually.

1. Self-Assessment Form

Criteria

The self-assessment form for the Board of Directors and subcommittees reflects the SET's self-assessment form and has been adapted to suit the nature and structure of the Company's Board of Directors. The results of the assessment shall be an important part in the development of the performance and the operation of the Board of Directors to ensure efficiency and effectiveness.

Assessment process

The Company's secretary sends an assessment form to all directors of the Company for self-assessment at the end of each year. Afterwards, she/he shall collect and report the results to the Corporate Governance Committee for further report to the Board of Directors' meeting on an annual basis.

2. Self-assessment form for individual directors

Criteria

Self-assessment form for individual directors is a tool to help directors review and develop their duties for efficiency and effectiveness. There are assessment topics that are consistent with the Board's key responsibilities according to the laws, charters, business ethics, corporate governance policy, anti-corruption policy, and handbooks for directors, executives, and employees on anti-corruption measures.

Assessment process

The Company's secretary delivers the evaluation form to all directors of the Company for self-assessment at the end of each year. Afterwards, she/he shall collect and report summarized results to the Nomination and Remuneration Committee for further report to the Board of Directors' meeting on an annual basis. The results of individual evaluation of directors shall be taken into consideration in support of the selection of directors to replace those who have retired.



9. Internal control and related party transactions

9.1 Internal Control

The Group currently does not have an internal audit department since it has established a simple operating and control system that meets international standards. To avoid any damage to the Group as a whole, the accounting department is in charge of coordinating with various departments within the Group in planning the development of the internal control system and reporting audit results to the Audit Committee. In addition, a written policy and practical guidelines have been laid out, and the staff are also trained to ensure that they understand and are able to perform their duties correctly. To ensure maximum efficiency and transparency, the staff are also provided with the Policy Manual for Approval and Signature Authority that has been approved by the Board of Directors and a code of conduct that outline punishments for conduct violations.

The Group monitors its performance against set targets on a monthly basis. In the event performance deviates significantly from set targets, measures are taken to address the problem immediately. Importance is placed upon development of the Group communications and information systems, in order to ensure that the Group data are accurate, timely, and sufficient to support decision making by management and the Board of Directors. In particular, the data-management system and documents supporting the preparation of financial statements are classified by category in accordance with accounting line items or accounting standards. The review of documents from various departments can be systemically carried out by the internal auditor for purposes of evaluating internal controls at any time.

The Audit Committee has mandated a review of effectiveness and efficiency, with an emphasis on review of internal-control procedures. Operations that do not comply with relevant laws and regulations must be reported to the responsible executive. Any material changes to or recommendations for procedures are proposed directly to the CEO for consideration. The Audit Committee may also propose recommendations or any weaknesses in internal-control procedures to the Board of Directors, so that further action can be taken.

The Board of Directors views that the Group's internal-control procedures are sufficient and suitable for its operations, protecting Company assets and those of subsidiaries from liability due to abuse by persons in authority or management for unlawful gain. The Group also ascribes importance to the recommendations and opinions of the auditor in regard to the development of internal-control procedures, the monitoring of performance to ensure maximum efficiency, and transparency in all operations conducted by management and staff at all levels throughout the organization.

9.2 Related Party Transactions

9.2.1 Value of Related Parties Transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Company and those companies. Below is a summary of those transactions.

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<u>Transactions with subsidiary companies</u>				
(eliminated from the consolidated financial statements)				
Sales of goods	-	-	35,589	79,248
Interest income	-	-	17,621	15,929
Purchase of goods	-	-	75,091	112,346
Rental expenses	-	-	1,140	1,140
<u>Transactions with related companies</u>				
Rental and service expenses	14,800	14,797	7,174	7,172

The pricing policies of the Group are as follows.

- 1) Sales/purchases of goods are made at market prices or reference to market prices.
- 2) Rental and service expenses are based on contract prices or rates.
- 3) Interest income are charged at rates with reference to financial institute

The balances of the accounts as at 31 December 2023 and 2022 between the Company and its subsidiary company are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<u>Trade and other receivables – related parties (Note 8)</u>				
Subsidiaries	-	-	831	1,299
<u>Trade and other payables – related parties (Note 16)</u>				
Subsidiaries	-	-	955	2,096
<u>Lease liabilities – related parties</u>				
Subsidiary	-	-	-	1,113
Related companies (related by common shareholders)	8,410	17,303	2,901	7,206
Total lease liabilities – related parties	8,410	17,303	2,901	8,319



Short-term loans to Lee related party

(Unit : Thousand Baht)

Loans	Related by	Separate financial statements			
		Balance as at 31 December 2022	Increase During the year	Decrease During the year	Balance as at 31 December 2023
Lee Pattana Feed Mill Co., Ltd.	Subsidiary	260,000	251,000	(212,000)	299,000
Total		260,000	251,000	(212,000)	299,000

As at 31 December 2023, short term loan carries interest at 7.55 per annum (2022: 6.35 per annum), due for repayment on call and unsecured collateral.

Short-term loans from Lee related parties

(Unit : Thousand Baht)

Loans	Related by	Separate financial statements			
		Balance as at 31 December 2022	Increase During the year	Decrease During the year	Balance as at 31 December 2023
Bodhi Ngarm Sea Farm Co., Ltd.	Subsidiary	-	4,500	(4,500)	-
P A F (2020) Co., Ltd.	Subsidiary	-	4,000	(4,000)	-
Total		-	8,500	(8,500)	-

Short-term loan carries interest at rate 7.30 per annum due for repayment on call and unsecured collateral.

9.2.2 Reasons for and necessity of related party transactions are as follows:

1) All related party transactions involve the purchase and sale of animal feed products and raw ingredients. The Group's policy stipulates that transaction prices are fixed in accordance with market prices, normal business practices, and as with sales to external parties. These related party transactions result from the fact that subsidiaries operations are similar to those of the Company (involving the production of animal feed). As such, a feed mill may urgently require a certain type of raw ingredient, due to insufficient production, or a feed mill may acquire raw ingredients at lower cost (for example, the Saraburi feed mill is located close to corn supplies, while the Phetchaburi feed mill is located near fishmeal sources). All connected transactions in this capacity are the result of strategic planning to maximize performance and attain the highest profits for the Company.

2) The Group's policy on interest rates for related loans is based on banks' MOR rate. Related loans are carried out only when working capital is urgently required on a temporary basis. The borrowing company must pay back the loan to the lending company as soon as an external lending source is found.

3) The Group has signed a lease with Alliance Co., Ltd. for the entire 28th floor of the Wall Street Tower Building, which has served as headquarters since January 1987. Due to business expansion and the rapid increase in the number of Company employees, additional floor space was rented from Wall Street Tower Co., Ltd., and Alliance Co., Ltd. The space includes all of the 1st floor and parts of the 20th and 29th floors from March 2002, February 1995, and July 1999, respectively. The lease terms are approximately 1 - 3 years. Upon expiration, the lease can be renewed. The rental rates are at the market rate like for other tenants. The audit committee considered that it was fair and reasonable.

Major shareholders conducting related transactions with persons having mutual interests with the Company are as follows:

Alliance Co., Ltd. Core business: Asset leasing.

(Paid-up registered capital of Baht 233 million as of 31 December 2023, with a par value of 1,000 Baht per share)

Major Shareholders' Name	Shareholding	
	No. of shares held	%
1. Mr.Visith Leelasithorn	57,200	24.55
2. Mr.Nipon Leelasithorn	57,200	24.55
3. Mr.Preecha Leelasithorn	57,200	24.55
4. Others (3 persons)	61,400	26.35
Total	233,000	100.00

Wall Street Tower Co., Ltd. Core business: Sales and leasing of property.

(Paid-up registered capital of Baht 60 million as of 31 December 2023, with a par value of 100 Baht per share)

Major Shareholders' Name	Shareholding	
	No. of shares held	%
1. Mr.Preecha Leelasithorn	205,500	34.25
2. Alliance Co., Ltd.	144,000	24.00
3. Mr.Nipon Leelasithorn	158,000	26.33
4. Others (7 persons)	92,500	15.42
Total	600,000	100.00



A review of related transactions between the Company and its subsidiaries with persons having mutual interests, as detailed above, has been conducted. As such, the independent directors and Audit Committee members regard product purchases and sales, loan interest rates, and existing property rental rates (including related amenities) as regular business transactions and in accordance with market prices.

As per Note 30 of the financial statements, as at 31 December 2023, the Group had outstanding bank guarantees of approximately Baht 9.7 million (2022: Baht 9.1 million) (the Company only: Baht 5.2 million (2022: Baht 4.6 million)) issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the ordinary course of their businesses.

The Group have been granted various types of credit facility, by several financial institutions of which Baht 1,010 million (2022: Baht 985 million) (The Company Only: Baht 771 million (2022: Baht 752 million)) has not been utilized. Most of the facilities have been cross-guaranteed by the Company and its subsidiaries.

Related party transactions are trading, lending and rental. These are normal transaction under commercial term which are not different to the third party's term. In the past, intercompany transactions, as the case maybe have been approved by the Board of Directors, the Audit Committee, and shareholders. The stakeholders have no right to vote on such transactions.

9.2.3 Policies for or the outlook of related party transactions.

Related party transactions involve product sales/purchases, credit extensions, and leasing of office space and facilities, which are not different from normal trading transactions at normal market rates. Conditions do not differ from transactions entered into with a third party. Normally, related party transactions are approved by an executive or authorized officer within his/her scope of authority and duties.

Related party transactions are likely to continue in the future, such as the leasing of office space of persons with conflicts of interest or with any interest under normal terms and conditions, and at fair, reasonable, and examinable prices, comparable with those offered to a third party. Terms and conditions shall be presented for consideration by the Audit Committee. The Company may appoint the Audit Committee or an independent expert to consider and comment on the appropriateness of the price of a transaction.

In the event of a transaction with a person with a conflict of interest or with any interest, the Company shall assign the Audit Committee to comment on the price, rate of return, necessity, and propriety of the transaction, provided that a director with a conflict of interest is not allowed to vote in that particular meeting.

9.2.4 Investor protection measures.

In the event of a transaction with a person with a conflict of interest or with any interest, the Company shall assign the Audit Committee to comment on the price, rate of return, necessity, and propriety of the transaction, in order to ensure fairness and a reasonable price. In the event that the Audit Committee does not possess expertise in a given issue, the Company shall assign an independent expert or auditor to provide comments for decision-making by the Board of Directors or shareholders, as the case may be. The Board of Directors shall comply with laws governing securities and the stock market and rules, notifications, instructions, or prescriptions of the Stock Exchange of Thailand, as well as regulations governing the disclosure of information of related party transactions and acquisitions or the disposal of assets of the Company or its subsidiaries. The Company shall also disclose related party transactions on notes to the audited financial statements.



Part 3 Financial Statements

Independent Auditor's Report

To the Shareholders of Lee Feed Mill Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Lee Feed Mill Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Lee Feed Mill Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lee Feed Mill Public Company Limited and its subsidiaries and of Lee Feed Mill Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significant in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond for each matter are described below.

Revenue recognition

The amount of revenue from sales of goods is highly significant. In addition, the Group has variety of sale conditions. Recording of revenue recognition and presentation in the financial statements in accordance with the Thai Financial Reporting Standards are important as they directly affect the operating results which are interested by the users of the financial statements.

I assessed and tested the effectiveness of the Group's internal controls relating to the revenue cycle, examined supporting documents on a sampling basis for actual sale transactions occurring during the year, expanded the scope of audit near the end of the reporting period and tested sale transactions with respect to the accuracy and timing of revenue recognition. I also examined credit notes issued by the Group after the period end and performed analytical procedures on disaggregated data, including reconciliation of sales to cash receipts, to detect possible irregularities in sale transactions throughout the period, particularly accounting entries made through journal vouchers.



Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Preecha Arunnara

Certified Public Accountant (Thailand) No. 5800

EY Office Limited

Bangkok: 27 February 2024

Lee Feed Mill Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2023

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Assets					
Current assets					
Cash and cash equivalents	7	55,119,677	82,039,276	28,772,232	57,988,293
Trade and other receivables	6, 8	195,509,825	191,003,121	141,661,640	142,280,348
Short-term loans to related party	6	-	-	299,000,000	260,000,000
Inventories	9	753,764,420	728,177,445	370,440,192	364,829,535
Current biological assets	10	15,643,798	15,119,510	15,643,798	15,119,510
Other current financial assets	11	984,493,362	950,472,167	974,493,362	940,472,167
Other current assets		<u>5,198,058</u>	<u>4,720,485</u>	<u>3,785,301</u>	<u>2,526,969</u>
Total current assets		<u>2,009,729,140</u>	<u>1,971,532,004</u>	<u>1,833,796,525</u>	<u>1,783,216,822</u>
Non-current assets					
Other non-current financial assets	12	54,999,953	36,819,375	54,999,953	36,819,375
Investments in subsidiaries	13	-	-	215,784,556	215,784,556
Investment properties	14	14,840,200	14,840,200	14,528,200	14,528,200
Property, plant and equipment	15	977,451,553	981,971,484	494,720,469	507,145,267
Right-of-use assets	17	8,733,051	16,202,720	3,592,194	7,959,419
Intangible assets - computer software		4,857,488	5,620,483	4,485,824	5,105,087
Non-current biological assets	10	17,455,892	17,470,407	17,455,892	17,470,407
Deferred tax assets	24	496,013	504,463	-	-
Other non-current assets		<u>3,868,517</u>	<u>6,483,565</u>	<u>1,893,724</u>	<u>3,179,591</u>
Total non-current assets		<u>1,082,702,667</u>	<u>1,079,912,697</u>	<u>807,460,812</u>	<u>807,991,902</u>
Total assets		<u>3,092,431,807</u>	<u>3,051,444,701</u>	<u>2,641,257,337</u>	<u>2,591,208,724</u>

The accompanying notes are an integral part of the financial statements.



Lee Feed Mill Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	6, 16	171,925,996	168,276,073	93,331,927	96,056,114
Current portion of lease liabilities	17	6,437,673	14,413,920	2,702,183	8,250,216
Income tax payable		11,669,627	9,254,964	11,658,401	9,247,318
Derivative liabilities - foreign currency					
forward contracts	32.1	554,299	-	197,317	-
Other current liabilities		<u>1,080,695</u>	<u>1,457,383</u>	<u>420,106</u>	<u>658,557</u>
Total current liabilities		<u>191,668,290</u>	<u>193,402,340</u>	<u>108,309,934</u>	<u>114,212,205</u>
Non-current liabilities					
Lease liabilities, net of current portion	17	2,752,798	3,046,778	978,997	226,423
Deferred tax liabilities	24	41,674,831	37,804,623	35,043,928	29,745,699
Provision for long-term employee benefits	18	102,312,336	101,314,975	50,734,217	49,658,724
Other non-current liabilities		<u>3,666,415</u>	<u>3,654,496</u>	<u>3,364,615</u>	<u>3,352,695</u>
Total non-current liabilities		<u>150,406,380</u>	<u>145,820,872</u>	<u>90,121,757</u>	<u>82,983,541</u>
Total liabilities		<u>342,074,670</u>	<u>339,223,212</u>	<u>198,431,691</u>	<u>197,195,746</u>

The accompanying notes are an integral part of the financial statements.

Lee Feed Mill Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2023

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Shareholders' equity					
Share capital					
Registered					
929,070,000 ordinary shares of Baht 1 each		<u>929,070,000</u>	<u>929,070,000</u>	<u>929,070,000</u>	<u>929,070,000</u>
Issued and fully paid					
922,180,251 ordinary shares of Baht 1 each		922,180,251	922,180,251	922,180,251	922,180,251
Share premium		681,345,392	681,345,392	681,345,392	681,345,392
Retained earnings					
Appropriated					
Statutory reserve	19	122,500,000	122,500,000	122,500,000	122,500,000
Treasury stock reserve	20	20,717,460	-	20,717,460	-
Unappropriated		680,241,863	641,601,163	551,063,469	502,250,801
Treasury stock	20	(20,717,460)	-	(20,717,460)	-
Other components of shareholders' equity	21	<u>315,701,029</u>	<u>315,701,029</u>	<u>165,736,534</u>	<u>165,736,534</u>
Equity attributable to owners of the Company		2,721,968,535	2,683,327,835	2,442,825,646	2,394,012,978
Non-controlling interests of the subsidiaries		<u>28,388,602</u>	<u>28,893,654</u>	-	-
Total shareholders' equity		<u>2,750,357,137</u>	<u>2,712,221,489</u>	<u>2,442,825,646</u>	<u>2,394,012,978</u>
Total liabilities and shareholders' equity		<u>3,092,431,807</u>	<u>3,051,444,701</u>	<u>2,641,257,337</u>	<u>2,591,208,724</u>
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Directors

Lee Feed Mill Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2023



(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenues					
Sales		2,924,571,959	3,365,659,796	1,670,156,827	1,781,648,869
Other income					
Dividend income		23,576,833	4,456,368	23,576,833	4,456,368
Gain on non-listed equity instrument at fair value					
through profit or loss	12	18,180,578	2,838,980	18,180,578	2,838,980
Others		17,762,280	12,334,885	9,902,904	6,113,546
Total revenues		<u>2,984,091,650</u>	<u>3,385,290,029</u>	<u>1,721,817,142</u>	<u>1,795,057,763</u>
Expenses					
Cost of sales		2,696,975,937	3,172,758,767	1,519,005,038	1,607,843,223
Selling expenses		51,727,400	55,313,235	34,428,971	35,513,235
Administrative expenses		129,673,819	133,434,275	71,730,498	73,272,384
Expected credit losses (reversal)	8	9,999,728	(8,085,181)	5,553,665	(9,097,091)
Loss on financial assets at fair value					
to profit or loss	11	6,113,965	6,009,164	6,113,965	6,009,164
Loss (gain) arising from changes in fair value					
of biological assets	10	517,584	(3,510,289)	517,584	(3,510,289)
Total expenses		<u>2,895,008,433</u>	<u>3,355,919,971</u>	<u>1,637,349,721</u>	<u>1,710,030,626</u>
Operating profit		89,083,217	29,370,058	84,467,421	85,027,137
Finance income	22	14,950,289	6,725,640	31,082,737	21,900,729
Finance cost		(870,475)	(1,376,480)	(392,537)	(684,002)
Profit before income tax expenses		103,163,031	34,719,218	115,157,621	106,243,864
Income tax expenses	24	(16,689,665)	(6,387,410)	(18,007,235)	(19,445,750)
Profit for the year		<u>86,473,366</u>	<u>28,331,808</u>	<u>97,150,386</u>	<u>86,798,114</u>

The accompanying notes are an integral part of the financial statements.

Lee Feed Mill Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2023

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain	18	-	16,518,006	-	10,848,281
Less: Income tax effect	24	-	(3,303,601)	-	(2,169,656)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
- net of income tax		-	13,214,405	-	8,678,625
Other comprehensive income for the year		-	13,214,405	-	8,678,625
Total comprehensive income for the year		<u>86,473,366</u>	<u>41,546,213</u>	<u>97,150,386</u>	<u>95,476,739</u>
Profit attributable to:					
Equity holders of the Company		86,978,418	29,650,555	<u>97,150,386</u>	<u>86,798,114</u>
Non-controlling interests of the subsidiaries		<u>(505,052)</u>	<u>(1,318,747)</u>		
		<u>86,473,366</u>	<u>28,331,808</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		86,978,418	42,628,627	<u>97,150,386</u>	<u>95,476,739</u>
Non-controlling interests of the subsidiaries		<u>(505,052)</u>	<u>(1,082,414)</u>		
		<u>86,473,366</u>	<u>41,546,213</u>		
Earnings per share					
26					
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.09</u>	<u>0.03</u>	<u>0.11</u>	<u>0.09</u>

The accompanying notes are an integral part of the financial statements.



Lee Feed Mill Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company									
							Other components			
							of equity			
	Issued and	Retained earnings					Other comprehensive	Total	Equity attributable	
	fully paid	Appropriated					income	equity attributable	to non-controlling	Total
	share capital	Share premium	Statutory reserve	Treasury stock reserve	Unappropriated	Treasury stock	Revaluation	to shareholders	interests of	shareholders'
							surplus on land	of the Company	the subsidiaries	equity
Balance as at 1 January 2022	922,180,251	681,345,392	122,500,000	-	718,845,452	-	315,701,029	2,760,572,124	29,976,196	2,790,548,320
Profit (loss) for the year	-	-	-	-	29,650,555	-	-	29,650,555	(1,318,747)	28,331,808
Other comprehensive income for the year	-	-	-	-	12,978,072	-	-	12,978,072	236,333	13,214,405
Total comprehensive income for the year	-	-	-	-	42,628,627	-	-	42,628,627	(1,082,414)	41,546,213
Dividend paid (Note 29)	-	-	-	-	(119,872,916)	-	-	(119,872,916)	-	(119,872,916)
Dividend paid by subsidiary to non-controlling interests of the subsidiary	-	-	-	-	-	-	-	-	(128)	(128)
Balance as at 31 December 2022	922,180,251	681,345,392	122,500,000	-	641,601,163	-	315,701,029	2,683,327,835	28,893,654	2,712,221,489
										-
Balance as at 1 January 2023	922,180,251	681,345,392	122,500,000	-	641,601,163	-	315,701,029	2,683,327,835	28,893,654	2,712,221,489
Profit (loss) for the year	-	-	-	-	86,978,418	-	-	86,978,418	(505,052)	86,473,366
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	86,978,418	-	-	86,978,418	(505,052)	86,473,366
Treasury stock (Note 20)	-	-	-	20,717,460	(20,717,460)	(20,717,460)	-	(20,717,460)	-	(20,717,460)
Dividend paid (Note 29)	-	-	-	-	(27,620,258)	-	-	(27,620,258)	-	(27,620,258)
Balance as at 31 December 2023	922,180,251	681,345,392	122,500,000	20,717,460	680,241,863	(20,717,460)	315,701,029	2,721,968,535	28,388,602	2,750,357,137

The accompanying notes are an integral part of the financial statements.



Lee Feed Mill Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Separate financial statements							
							Other components	
							of equity	
							Other comprehensive	
			Retained earnings				income	Total
	Issued and fully paid		Appropriated				Revaluation	shareholders'
	share capital	Share premium	Statutory reserve	Treasury stock reserve	Unappropriated	Treasury stock	surplus on land	equity
Balance as at 1 January 2022	922,180,251	681,345,392	122,500,000	-	526,646,978	-	165,736,534	2,418,409,155
Profit for the year	-	-	-	-	86,798,114	-	-	86,798,114
Other comprehensive income for the year	-	-	-	-	8,678,625	-	-	8,678,625
Total comprehensive income for the year	-	-	-	-	95,476,739	-	-	95,476,739
Dividend paid (Note 29)	-	-	-	-	(119,872,916)	-	-	(119,872,916)
Balance as at 31 December 2022	922,180,251	681,345,392	122,500,000	-	502,250,801	-	165,736,534	2,394,012,978
								-
Balance as at 1 January 2023	922,180,251	681,345,392	122,500,000	-	502,250,801	-	165,736,534	2,394,012,978
Profit for the year	-	-	-	-	97,150,386	-	-	97,150,386
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	97,150,386	-	-	97,150,386
Treasury stock (Note 20)	-	-	-	20,717,460	(20,717,460)	(20,717,460)	-	(20,717,460)
Dividend paid (Note 29)	-	-	-	-	(27,620,258)	-	-	(27,620,258)
Balance as at 31 December 2023	922,180,251	681,345,392	122,500,000	20,717,460	551,063,469	(20,717,460)	165,736,534	2,442,825,646

The accompanying notes are an integral part of the financial statements.

Lee Feed Mill Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2023



(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before tax	103,163,031	34,719,218	115,157,621	106,243,864
Adjustments to reconcile profit before tax to				
net cash provided by (paid from) operating activities:				
Unrealised loss (gain) on other current financial assets	(3,769,623)	10,325,466	(3,769,623)	10,325,466
Loss (gain) on sales of other current financial assets	9,883,588	(4,316,302)	9,883,588	(4,316,302)
Loss on fair value adjustments of derivatives	554,299	-	197,317	-
Unrealised gain on equity instrument at fair value				
through profit or loss	(18,180,578)	(2,838,980)	(18,180,578)	(2,838,980)
Reversal of expected credit losses	(1,438,933)	(8,085,183)	(5,884,996)	(9,097,092)
Write-off bad debt	11,438,661	-	11,438,661	-
Reduction of inventories to net realisable value (reversal)	1,440,736	(534,765)	(39,827)	38,613
Loss (gain) arising from change in fair value of biological assets	517,584	(3,510,289)	517,584	(3,510,289)
Depreciation and amortisation	74,319,342	63,174,161	43,079,936	30,583,071
Gain on lease modification	(388,908)	-	(195,363)	-
Gain on sales of equipments	(9,934,388)	(7,322,973)	(5,027,418)	(2,481,117)
Provision for long-term employee benefits	8,055,043	10,711,496	3,484,601	5,566,547
Dividend received from financial assets	(23,576,833)	(4,456,368)	(23,576,833)	(4,456,368)
Unrealised loss (gain) on exchange rate	(1,024,403)	673,955	(643,073)	562,154
Finance income	(14,950,289)	(6,725,641)	(31,082,737)	(21,900,729)
Finance cost	870,475	1,376,480	392,537	684,002
Profit from operating activities before changes in				
operating assets and liabilities	136,978,804	83,190,275	95,751,397	105,402,840
Operating assets (increase) decrease				
Trade and other receivables	(14,462,146)	85,730,475	(5,089,869)	9,388,450
Inventories	(27,027,711)	39,149,169	(5,570,830)	(46,407,132)
Current biological assets	(1,041,872)	(438,257)	(1,041,872)	(438,257)
Other current assets	(420,776)	113,398	(1,258,332)	14,330
Non-current biological assets	14,515	3,032,079	14,515	3,032,079
Other non-current assets	2,615,048	(1,654,043)	1,285,867	(679,878)
Operating liabilities increase (decrease)				
Trade and other payables	5,676,322	(80,954,527)	(642,946)	(26,906,824)
Other current liabilities	(395,791)	68,487	(257,555)	31,276
Cash paid for long-term employee benefits	(7,057,682)	(9,909,002)	(2,409,108)	(4,043,132)
Other non-current liabilities	11,919	(95,290)	11,920	7,922
Cash flows from operating activities	94,890,630	118,232,764	80,793,187	39,401,674
Cash paid for interest expenses	(3,177)	(2,119)	(5,206)	(620)
Cash paid for corporate income tax	(10,453,140)	(16,578,278)	(10,297,922)	(15,715,752)
Net cash flows from operating activities	84,434,313	101,652,367	70,490,059	23,685,302

The accompanying notes are an integral part of the financial statements.

Lee Feed Mill Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Decrease (increase) in other current financial assets	(40,135,159)	84,769,063	(40,135,159)	77,769,063
Increase in short-term loans to subsidiaries	-	-	(251,000,000)	(414,000,000)
Cash received from repayment of short-term loans to subsidiaries	-	-	212,000,000	464,000,000
Acquisition of equipment and intangible assets	(56,625,663)	(48,999,293)	(23,539,845)	(28,150,381)
Proceeds from sales of equipment	10,282,900	7,921,390	5,027,450	2,841,000
Dividend income from financial assets	23,576,833	4,456,368	23,576,833	4,456,368
Interest income	14,906,004	7,001,287	31,237,649	21,896,819
Net cash flows from (used in) investing activities	(47,995,085)	55,148,815	(42,833,072)	128,812,869
Cash flows from financing activities				
Increase in short-term loans from subsidiaries	-	-	8,500,000	-
Cash paid short-term loans from subsidiaries	-	-	(8,500,000)	-
Cash paid under lease agreements	(15,040,213)	(15,037,140)	(8,554,434)	(8,552,139)
Dividend paid	(27,601,154)	(120,615,477)	(27,601,154)	(120,615,477)
Dividend of the subsidiary paid to non-controlling interest	-	(128)	-	-
Cash paid for treasury stocks	(20,717,460)	-	(20,717,460)	-
Net cash flows used in financing activities	(63,358,827)	(135,652,745)	(56,873,048)	(129,167,616)
Net increase (decrease) in cash and cash equivalents	(26,919,599)	21,148,437	(29,216,061)	23,330,555
Cash and cash equivalents at beginning of year	82,039,276	60,890,839	57,988,293	34,657,738
Cash and cash equivalents at end of year	55,119,677	82,039,276	28,772,232	57,988,293
	-	-	-	-
Supplemental cash flows information:				
Non-cash transactions				
Acquisition of equipment for which no cash has been paid	1,044,885	2,046,880	121,327	1,559,495
Addition to right-of-use assets and lease liabilities	6,291,592	7,765,970	3,567,005	7,013,277
Dividend payable	79,919	60,815	79,919	60,815

The accompanying notes are an integral part of the financial statements.



Lee Feed Mill Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2023

1. General information

Lee Feed Mill Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The major shareholder is Leelasithorn family. The Group is principally engaged in (1) the manufacturer and distribution of animal feed (2) crop drying, silo business and the distribution of raw materials for animal feed manufacture (3) experimental farming and (4) plant breeding farming. The Company's registered address is 33/137 Surawong Road, Suriyawong, Bangrak, Bangkok.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Lee Feed Mill Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") which are incorporated in Thailand (Collectively as "the Group"):

Company's name	Nature of business	(Unit: Million Baht)			
		Paid-up capital		Percentage of shareholding	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
				(%)	(%)
Lee Pattana Feed Mill Co., Ltd.	Producing and distributing animal feed, and distribution of raw materials for animal feed manufacture	200	200	95	95

Company's name	Nature of business	(Unit: Million Baht)			
		Paid-up capital		Percentage of shareholding	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
				(%)	(%)
Lee Pattana Agro Silo Co., Ltd. (99.99% held by Lee Pattana Feed Mill Co., Ltd.)	Crop drying, Silo business and distribution of raw materials for animal feed manufacture	38	38	95	95
P A F (2020) Co., Ltd.	Distributing pet feed	25	25	100	100
Bodhi Ngarm Sea Farm Co., Ltd.	Rental farming	5	5	100	100

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards are aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.



3.2 Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for user of the standard.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

Revenue from sales of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received, excluding value added tax, of goods supplied after deducting discounts to customers.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset net of the allowance for expected credit loss (if any).

Dividends

Dividends are recognised when the right to receive the dividends is established.

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Finished goods and work in process are valued at the lower of average cost, and net realisable value. The cost of inventories includes all production costs and attributable factory overheads.

Raw materials, packing materials, spare parts and factory supplies and raw materials used in farming are valued at the lower of average cost or net realisable value and are charged to production costs whenever consumed.

4.4 Agriculture

The Group's biological assets are breeder pigs, piglets, laying ducks, aquatic animals and teak which are measured at their fair value less costs to sell. The Group classifies the biological assets that have farming cycle shorter than 1 year as current biological assets and classifies the biological assets that have farming cycle longer than 1 year as non-current biological assets.

The fair value of breeder pigs, piglets, laying ducks, aquatic animals and teak are determined based on reference to fair value less estimated selling costs. The fair value of eucalyptus is determined based on discounted cash flows. Gains or losses on changes in fair value of biological asset are recognised in profit or loss.

In case the fair value cannot be measured reliably, this biological asset shall be measured at its cost less any accumulated depreciation and any accumulated impairment losses. Once the fair value of such biological asset becomes reliably measurable, the Group shall measure it at its fair value less costs to sell.

4.5 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method. The Company performs impairment reviews in respect of the investment whenever there is an indication that it may be impaired.

4.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to the initial recognition, investment properties are stated at fair value. Any gain or loss arising from changes in the value of investment properties are recognised in profit or loss when incurred.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when asset is derecognised.



4.7 Property, plant and equipment/Depreciation

Land and land improvement are stated at revalued amount. Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land and land improvement are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair value. Revaluation is made with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When carrying amount of land and land improvement is increased as a result of a revaluation of the Group's land and land improvement, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus on land". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When carrying amount of land and land improvement is decreased as a result of a revaluation of the Group's land and land improvement, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus on land" in respect of the same asset.

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings and constructions	10 - 20 years
Machinery and equipment	5 - 15 years
Furniture and office equipment	5 years
Motor vehicles	5 years

Depreciation is included in profit or loss.

No depreciation is provided on land and land improvement and assets under installation and construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.8 Intangible assets - computer software

Computer software is initially recognised at cost. Following the initial recognition, computer software is carried at cost less any accumulated amortisation and accumulated impairment losses (if any).

Computer software with finite useful lives of 5 - 10 years is amortised on the straight-line basis over the economic useful lives and tested for impairment whenever there is an indication that the computer software may be impaired. The amortisation period and the amortisation method of such computer software are reviewed at least at each financial year end. Amortisation is recognised as expense in profit or loss.

No amortisation is provided on computer software under installation.

4.9 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land and buildings	2 - 6 years
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If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.



Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.10 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associated company, and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in profit or loss.

4.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of its property, plant and equipment, right-of-use assets and computer software whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss. However, in cases where land and land improvement were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Group and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and contributions of the Group are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Group have obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.



The obligation under the defined benefit plan and other long-term employee benefit plans are determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

4.14 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.15 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.16 Financial instruments

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") (however, the Group does not have FVOCI) and fair value through profit or loss ("FVTPL"). The classification of financial assets at the initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net change in fair value including interest income recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group does not irrevocably elect to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.



Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have been expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control over it.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group recognises an allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

4.17 Derivatives

The Group uses derivatives i.e. foreign currency forward contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as current assets or current liabilities if the remaining maturity of the instrument is less than 12 months and it is due to be realised or settled within 12 months. Other derivatives are presented as non-current assets or non-current liabilities.

4.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.19 Treasury shares

According to the Public Limited Companies Act (No.2) B.E. 2544, Treasury Stock Roles, the Company that repurchase its shares has to dispose all of the repurchased shares within a specified period. If the Company does not dispose all treasury shares within the specified period, it has to reduce its paid-up share capital for offsetting with the treasury shares.

The Company presents the value of treasury shares in the statement of financial position at cost and deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, and consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.



However, the acquisition of treasury shares, a public limited company may purchase back treasury shares in an amount not exceeding the amount of its retained earnings and is to appropriate an equal amount of retained earnings to a reserve for treasury shares, which must be maintained until the Company either sells the treasury shares or reduces its paid-up share capital by an amount equal to the value of the treasury shares which it could not sell.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures, and actual results could differ from these estimates. Significant judgments and estimates are as follows:

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Group measures land at revalued amounts. Such amounts are determined by the independent professional appraiser using the market approach for land. The valuation involves certain assumptions and estimates as described in Note 15 to the consolidated financial statements.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and to record impairment losses when it is determined that its recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Transactions with subsidiary companies</u>				
(eliminated from the consolidated financial statements)				
Sales of goods	-	-	35,589	79,248
Interest income	-	-	17,621	15,929
Purchase of goods	-	-	75,091	112,346
Rental expenses	-	-	1,140	1,140
<u>Transactions with related companies</u>				
Rental and service expenses	14,800	14,797	7,174	7,172

The pricing policies of the Group are as follows.

- 1) Sales/purchases of goods are made at market prices or reference to market prices.
- 2) Rental and service expenses are based on contract prices or rates.
- 3) Interest income are charged at rates with reference to financial institute.

As at 31 December 2023 and 2022, the balances of the accounts between the Group and those related companies were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade and other receivable - related party (Note 8)</u>				
Subsidiary	-	-	831	1,299
<u>Trade and other payables - related parties (Note 16)</u>				
Subsidiaries	-	-	955	2,096
<u>Lease liabilities - related parties</u>				
Subsidiary	-	-	-	1,113
Related companies (related by common shareholders)	8,410	17,303	2,901	7,206
Total lease liabilities - related parties	8,410	17,303	2,901	8,319



Short-term loans to related party

(Unit: Thousand Baht)

		Separate financial statements			
		Balance as at		Balance as at	
		31 December	Increase	Decrease	31 December
Loans	Related by	2022	during the year	during the year	2023
Lee Pattana Feed Mill Co., Ltd.	Subsidiary	260,000	251,000	(212,000)	299,000
Total		260,000	251,000	(212,000)	299,000

As at 31 December 2023, short-term loan carries interest at rate 7.55 per annum (31 December 2022: 6.35 per annum), due for repayment on call and unsecured collateral.

Short-term loans from related parties

(Unit: Thousand Baht)

		Separate financial statements			
		Balance as at			Balance as at
		31 December	Increase	Decrease	31 December
Loans	Related by	2022	during the year	during the year	2023
Bodhi Ngarm Sea Farm Co., Ltd.	Subsidiary	-	4,500	(4,500)	-
P A F (2020) Co., Ltd.	Subsidiary	-	4,000	(4,000)	-
Total		-	8,500	(8,500)	-

Short-term loan carries interest at rate 7.30 per annum due for repayment on call and unsecured collateral.

Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	10,859	10,539	5,575	5,302
Post-employment benefits	781	1,080	356	458
Total	11,640	11,619	5,931	5,760

Guarantee obligations with related parties

The Company has outstanding utility guarantee obligations with its subsidiary, as described in Note 30 to the consolidated financial statements.

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	665	1,129	424	605
Bank deposits	54,455	80,910	28,348	57,383
Total	55,120	82,039	28,772	57,988

As at 31 December 2023, bank deposits in saving accounts and fixed accounts carried interest rates between 0.25 to 0.75 percent per annum (2022: between 0.10 to 0.35 percent per annum).

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivable - related party (Note 6)</u>				
Age on the basis of due dates				
Not yet due	-	-	338	421
Past due up to 3 months	-	-	246	8
Total	-	-	584	429
<u>Trade receivables - unrelated parties</u>				
Age on the basis of due dates				
Not yet due	92,073	110,187	63,754	76,136
Past due				
Up to 3 months	49,808	52,371	37,811	38,268
3 - 6 months	3,842	7,491	2,830	6,363
6 - 12 months	39,783	1,745	23,958	1,263
Over 12 months	40,493	51,446	32,127	44,473
Total	225,999	223,240	160,480	166,503
Less: Allowance for expected credit losses	(30,978)	(32,417)	(19,786)	(25,671)
Total trade receivables - unrelated parties, net	195,021	190,823	140,694	140,832
Total trade receivables - net	195,021	190,823	141,278	141,261



	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Other receivables</u>				
Other receivable - unrelated parties	303	38	21	38
Other receivable - related party (Note 6)	-	-	-	463
Interest receivable - financial institutions	186	142	116	111
Interest receivable - related party (Note 6)	-	-	247	407
Total other receivables	489	180	384	1,019
Total trade and other receivables - net	195,510	191,003	141,662	142,280

The normal credit terms are 1 to 120 days.

Set out below is the movements in the allowance for expected credit losses of trade receivables.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Beginning balance	32,417	40,502	25,671	34,768
Allowance for expected credit losses				
(reversal)	10,000	(8,085)	5,554	(9,097)
Amount written off	(11,439)	-	(11,439)	-
Ending balance	30,978	32,417	19,786	25,671

9. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduction of cost to net realisable value		Inventories - net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Finished goods	102,978	116,414	(1,632)	(243)	101,346	116,171
Work in process	284	1,974	-	-	284	1,974
Raw materials	471,482	433,220	-	-	471,482	433,220
Packing materials	52,145	59,561	(1,887)	(1,835)	50,258	57,726
Spare parts and factory supplies	81,206	85,204	-	-	81,206	85,204
Spare parts and factory supplies in transit	1,581	678	-	-	1,581	678
Raw materials in transit	46,653	32,183	-	-	46,653	32,183
Raw materials used in farming	954	1,021	-	-	954	1,021
Total	<u>757,283</u>	<u>730,255</u>	<u>(3,519)</u>	<u>(2,078)</u>	<u>753,764</u>	<u>728,177</u>

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduction of cost to net realisable value		Inventories - net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Finished goods	54,123	62,195	(355)	(68)	53,768	62,127
Raw materials	222,995	203,303	-	-	222,995	203,303
Packing materials	20,317	25,832	(180)	(507)	20,137	25,325
Spare parts and factory supplies	44,184	45,365	-	-	44,184	45,365
Spare parts and factory supplies in transit	-	13	-	-	-	13
Raw materials in transit	28,402	27,676	-	-	28,402	27,676
Raw materials used in farming	954	1,021	-	-	954	1,021
Total	<u>370,975</u>	<u>365,405</u>	<u>(535)</u>	<u>(575)</u>	<u>370,440</u>	<u>364,830</u>



During the current year, the Group reduced cost of inventories by Baht 1.44 million (2022: Nil) (the Company only: Nil (2022: Baht 0.04 million)), to reflect the net realisable value. This was included in cost of sales. In addition, the Group has not reversed the write-down of cost of inventories (2022: has reversed the write-down of cost of inventories and reduced the amount of inventories recognised as expenses during the year by Baht 0.54 million) (the Company only: Baht 0.04 million (2022: Nil)),

10. Biological assets

	(Unit: Thousand Baht)	
	Consolidated financial statements/ Separate financial statements	
	<u>2023</u>	<u>2022</u>
Current biological assets	15,644	15,120
Non-current biological assets	17,456	17,470
Total biological assets	<u>33,100</u>	<u>32,590</u>

Movements in the biological assets account during the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements/ Separate financial statements	
	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	32,590	31,673
Increase due to purchase/raising	39,874	36,267
Decrease due to sales/harvest	(38,846)	(38,860)
Gain (loss) arising from changes in fair value of biological assets for the year	(518)	3,510
Net book value at end of year	<u>33,100</u>	<u>32,590</u>

11. Other current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Debt instruments at amortised cost</u>				
Fixed deposits and certificate of deposits	20,653	18,307	10,653	8,307
Government bonds	806,482	750,887	806,482	750,887
Total	827,135	769,194	817,135	759,194
<u>Financial assets at fair value through profit or loss</u>				
Equity instruments of listed companies	54,208	43,685	54,208	43,685
Unit trusts in mutual funds	103,150	137,593	103,150	137,593
Total	157,358	181,278	157,358	181,278
Total other current financial assets - net	984,493	950,472	974,493	940,472

During the year, the movements of financial assets at fair value through profit or loss are as follows:

	(Unit: Thousand Baht)		
	2023		
	Consolidated financial statements/ Separate financial statements		
	Equity instruments of listed companies	Unit trusts in mutual funds	Total
Net book value as at 1 January 2023	43,685	137,593	181,278
Purchases during the year	87,803	1,495,000	1,582,803
Disposals during the year	(69,109)	(1,531,500)	(1,600,609)
Gain (loss) on sales during the year	(11,638)	1,754	(9,884)
Gain on fair value adjustments	3,467	303	3,770
Net book value as at 31 December 2023	54,208	103,150	157,358



(Unit: Thousand Baht)

	2022		
	Consolidated financial statements/ Separate financial statements		
	Equity instruments of listed companies	Unit trusts in mutual funds	Total
Net book value as at 1 January 2023	54,462	239,162	293,624
Purchases during the year	143,335	1,128,000	1,271,335
Disposals during the year	(147,672)	(1,230,000)	(1,377,672)
Gain on sales during the year	3,826	490	4,316
Loss on fair value adjustments	(10,266)	(59)	(10,325)
Net book value as at 31 December 2023	43,685	137,593	181,278

12. Other non-current financial assets

	(Unit: Thousand Baht)	
	Consolidated financial statements/ Separate financial statements	
	2023	2022
<u>Debt instruments at amortised cost</u>		
Held-to-maturity private debt securities	10,000	10,000
<u>Equity instruments at fair value through profit or loss</u>		
Non-listed equity instruments		
M.N. Inter Holding Co., Ltd.	16,780	16,780
Wall Street Tullett Liberty Ltd.	945	945
Other	600	600
Gain on fair value adjustment	26,675	8,494
Total equity instrument at fair value through profit or loss	45,000	26,819
Total other non-current financial asset	55,000	36,819

13 Investments in subsidiaries

13.1 Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	(Unit: Million Baht)			
	Cost		Dividend received during the year	
	2023	2022	2023	2022
Lee Pattana Feed Mill Co., Ltd.	190	190	-	-
P A F (2021) Co., Ltd.	21	21	-	-
Bodhi Ngarm Sea Farm Co., Ltd.	5	5	-	-
Total	216	216	-	-

13.2 Lee Pattana Agro Silo Co., Ltd. ("LPAS")

On 29 September 2022, the Extraordinary General Meeting of LPAS's shareholders passed the following significant resolutions:

- Approval of an interim dividend payment of Baht 2 per share, or a total Baht 30 million, from the operating results for the eight-month period ended 31 August 2022. The interim dividend was already paid on 30 September 2022.
- Approval of the reduction of its registered share capital by Baht 112.5 million (11.25 million share, a par value of Baht 10 per share) from the registered share capital of Baht 150 million (15 million share, a par value of Baht 10 per share) to Baht 37.5 million (3.75 million share, a par value of Baht 10 per share) by decreasing its share capital in proportion of existing shareholding.

14. Investment properties

The investment properties are land and buildings improvements awaiting for sales. During 2021, the fair value of the investment properties has been determined based on the valuation performed by an independent professional appraiser, using the market approach with the same characteristic in market or same location respectively.

Key assumptions used in the valuation are summarised below:

	Consolidated financial statements/ Separate financial statements	Result to fair value whereas an increase in assumption value
Price per square wah (Baht)	2,000 - 150,000	Increase in fair value

The Group's management believes that the current valuation does not significantly different from the previous one.



15. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements							
	Revaluation basis	Cost basis					Total
	Land and land improvements	Buildings and buildings improvements	Machinery and equipment	Office equipment, furniture and fixtures	Motor vehicles	Assets under installations and constructions	
Cost / Revalued amount:							
As at 1 January 2022	508,444	526,096	913,396	186,470	141,129	266,827	2,542,362
Additions	-	675	5,750	2,328	11,559	30,202	50,514
Disposals	-	-	(26,149)	(2,283)	(18,429)	-	(46,861)
Transfers	-	3,480	2,212	-	-	(5,692)	-
As at 31 December 2022	508,444	530,251	895,209	186,515	134,259	291,337	2,546,015
Additions	-	866	6,028	1,967	23,044	23,656	55,561
Disposals	-	-	-	(421)	(23,649)	-	(24,070)
Transfers	-	17,600	134,551	4,567	-	(157,574)	(856)
As at 31 December 2023	508,444	548,717	1,035,788	192,628	133,654	157,419	2,576,650
Accumulated depreciation:							
As at 1 January 2022	-	443,218	831,204	175,636	112,065	-	1,562,123
Depreciation for the year	-	12,207	17,908	4,865	13,204	-	48,184
Depreciation on disposals	-	-	(26,149)	(2,283)	(17,831)	-	(46,263)
As at 31 December 2022	-	455,425	822,963	178,218	107,438	-	1,564,044
Depreciation for the year	-	11,865	31,320	4,528	11,163	-	58,876
Depreciation on disposals	-	-	-	(421)	(23,301)	-	(23,722)
As at 31 December 2023	-	467,290	854,283	182,325	95,300	-	1,599,198
Net book value:							
As at 31 December 2022	508,444	74,826	72,246	8,297	26,821	291,337	981,971
As at 31 December 2023	508,444	81,427	181,505	10,303	38,354	157,419	977,452
Depreciation for the year							
2022 (Baht 34 million included in manufacturing cost, and the balance in selling and administrative expenses)							48,184
2023 (Baht 47 million included in manufacturing cost, and the balance in selling and administrative expenses)							58,876

(Unit: Thousand Baht)

	Separate financial statements						
	Revaluation basis	Cost basis					
		Buildings	Machinery	Office		Assets under	
	Land and land	and buildings	and	equipment,	Motor	installations	
	improvements	improvements	equipment	furniture and	vehicles	and	Total
				fixtures		constructions	
Cost / Revalued amount:							
As at 1 January 2022	276,423	322,088	404,426	114,836	85,149	133,003	1,335,925
Additions	-	675	3,028	1,290	8,035	16,417	29,445
Disposals	-	-	-	(715)	(8,266)	-	(8,981)
Transfer	-	394	-	-	-	(394)	-
As at 31 December 2022	276,423	323,157	407,454	115,411	84,918	149,026	1,356,389
Additions	-	542	2,807	1,213	12,990	4,485	22,037
Disposals	-	-		(254)	(11,731)	-	(11,985)
Transfer	-	13,536	134,551	4,568	-	(153,511)	(856)
As at 31 December 2023	276,423	337,235	544,812	120,938	86,177	-	1,365,585
Accumulated depreciation:							
As at 1 January 2022	-	277,306	383,959	108,708	66,511	-	836,484
Depreciation for the year	-	5,670	4,670	2,546	8,495	-	21,381
Depreciation on disposals	-	-	-	(715)	(7,906)	-	(8,621)
As at 31 December 2022	-	282,976	388,629	110,539	67,100	-	849,244
Depreciation for the year	-	5,230	18,279	3,076	7,021	-	33,606
Depreciation on disposals	-	-	-	(254)	(11,731)	-	(11,985)
As at 31 December 2023	-	288,206	406,908	113,361	62,390	-	870,865
Net book value:							
As at 31 December 2022	276,423	40,181	18,825	4,872	17,818	149,026	507,145
As at 31 December 2023	276,423	49,029	137,904	7,577	23,787	-	494,720
Depreciation for the year							
2022 (Baht 12 million included in manufacturing cost, and the balance in selling and administrative expenses)							21,381
2023 (Baht 26 million included in manufacturing cost, and the balance in selling and administrative expenses)							33,606

In 2021, the Group arranged for an independent professional appraiser to appraise the value of their land using the market approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as spaces, location, environment, and highest best use. The most significant input into this valuation approach is price per square wah and size of land.



The asset revaluation surplus net of applicable deferred income tax is credited to other components of shareholder's equity.

Key assumptions used in the valuation are summarised below:

	Consolidated	Separate	Result to fair value whereas an increase in assumption value
	financial statements	financial statements	
Price per square wah (Baht)	125 - 6,000	125 - 2,000	Increase in fair value

The Group had the land and land improvements been carried in the financial statements on a historical cost basis, their net book values as of 31 December 2023 and 2022 would have been amounted to approximately Baht 105 million (the Company only: Baht 105 million).

As at 31 December 2023, certain plant and equipment had been fully depreciated but were still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 1,280 million (2022: Baht 1,260 million) (the Company only: Baht 754 million (2022: Baht 740 million)).

16. Trade and other payables

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - unrelated parties	130,327	126,757	71,606	73,681
Trade payables - related parties (Note 6)	-	-	935	2,096
Other accounts payable - unrelated parties	8,750	11,593	3,034	4,834
Other accounts payable - related parties (Note 6)	-	-	20	-
Accrued expenses	32,849	29,926	17,737	15,445
Total trade and other payables	171,926	168,276	93,332	96,056

17. Leases

The Group has lease contracts for various items of property and plant used in its operations. Leases generally have lease terms between 2 - 6 years.

a) Right-of-use assets

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
As at 1 January 2022	22,003	8,784
Additions	7,766	7,013
Depreciation for the year	(13,566)	(7,838)
As at 31 December 2022	16,203	7,959
Additions	6,292	3,567
Depreciation for the year	(13,762)	(7,934)
31 December 2023	8,733	3,592

b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease payments	9,637	18,179	3,875	8,701
Less: Deferred interest expenses	(446)	(718)	(194)	(225)
Total	9,191	17,461	3,681	8,476
Less: Portion due within one year	(6,438)	(14,414)	(2,702)	(8,250)
Lease liabilities - net of current portion	2,753	3,047	979	226



Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	17,461	23,357	8,476	9,332
Additions	6,292	7,766	3,567	7,013
Gain on lease modification	(389)	-	(195)	-
Repayments	(14,173)	(13,662)	(8,167)	(7,869)
Balance at end of year	<u>9,191</u>	<u>17,461</u>	<u>3,681</u>	<u>8,476</u>

A maturity analysis of lease payments is disclosed in Note 32.2 to the consolidated financial statements under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	13,762	13,566	7,934	7,838
Interest expense on lease liabilities	867	1,374	387	683

d) Other

The Group has total cash outflows for leases for the year ended 31 December 2023 amounted to approximately of Baht 16 million per annum (the Company only: Baht 9 million per annum).

18. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire and other long - term employee benefits are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Provision for long-term post employee				
benefits at beginning of year	100,872	116,415	49,447	58,658
Included in profit or loss:				
Current service cost	5,709	9,198	2,351	4,757
Interest cost	2,231	1,576	1,086	843
Included in other comprehensive income:				
Actuarial gains arising from				
Demographic assumptions changes	-	(883)	-	(630)
Financial assumptions changes	-	(8,463)	-	(4,570)
Experience adjustments	-	(7,172)	-	(5,648)
Benefits paid during the year	(6,933)	(9,799)	(2,314)	(3,963)
Provision for long-term post employee				
benefits at end of year	101,879	100,872	50,570	49,447
Provision for other long-term employee benefits				
at end of year	433	443	164	212
Provision for long-term employee benefits				
at end of year	102,312	101,315	50,734	49,659

The Group expects to pay Baht 19 million of long-term employee benefits during the next year (2022: Baht 15 million) (the Company only: Baht 8 million (2022: Baht 9 million)).

As at 31 December 2023, the weighted average durations of the liabilities for long-term employee benefit are 8 years (2022: 8 years) (the Company only: 9 years (2022: 9 years)).



Significant actuarial assumptions are summarised below:

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Discount rate	2.37 - 3.35	2.37 - 3.35	2.38	2.38
Salary increase rate	1.20 - 2.40	1.20 - 2.40	1.20 - 2.40	1.20 - 2.40
Turnover rate	1.50 - 35.00	1.50 - 35.00	1.50 - 35.00	1.50 - 35.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefits obligation as at 31 December 2023 and 2022 are summarised below:

	As at 31 December 2023			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(5)	6	(3)	3
Salary increase rate	7	(6)	4	(3)
Turnover rate	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
	(1)	2	(1)	1

	As at 31 December 2022			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(5)	6	(3)	3
Salary increase rate	7	(6)	3	(3)
Turnover rate	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
	(2)	2	(1)	1

19. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

20. Treasury stocks

On 24 February 2023, the Company's Board of Directors' meeting No. 1/2023 passed a resolution approving a program for management purposes to repurchase up to 90 million shares (par value of Baht 1 each), or 9.76 percent of the total number of shares in issue. The maximum budget of the program is Baht 240 million. The shares are to be repurchased on the Stock Exchange of Thailand from 2 March 2023 to 1 September 2023. The share resales period is determined after 3 months from the completion date of share repurchase but not later than 3 years. The Company repurchase of treasury shares on 2 March 2023.

Detail of treasury stock during the current period are as follows.

	Number of shares	Average price per share	Repurchase amount
	(shares)	(Baht)	(Thousand Baht)
Treasury stocks			
Repurchase during the year	8,980,000	2.31	20,717
Treasury stocks as at 31 December 2023	8,980,000	2.31	20,717

As at 31 December 2023, the Company has set aside Baht 20.72 million, with the Company recording the reserve as "Appropriated retained earnings - treasury stock reserve" in the statement of financial position.

21. Other components of shareholders' equity

Other components of shareholders' equity comprise the revaluation surplus on land. This revaluation surplus on land can neither be offset against deficit nor used for dividend payment.



22. Finance income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest income on debt instruments measured at amortised cost	14,950	6,726	31,083	21,901

23. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Salary, wages and other employee benefits	276	296	144	148
Depreciation and amortisation	74	63	43	30
Raw materials and consumables used	2,226	2,679	1,247	1,359
Purchases of finished goods	-	-	48	51
Changes in inventories of finished goods and work in process	15	(4)	8	(8)

24. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current income tax:				
Current income tax charge	12,794	20,849	12,725	20,020
Withholding tax write-off of previous year	34	283	-	-
Adjustment in respect of income tax of previous year	(16)	7	(16)	(3)
Deferred tax:				
Relating to origination and reversal of temporary differences	3,878	(14,752)	5,298	(571)
Tax expenses reported in profit and loss	16,690	6,387	18,007	19,446

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax relating to actuarial gains	-	3,304	-	2,170

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit before tax	103,163	34,719	115,158	106,243
Applicable tax rate	15%, 20%	15%, 20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	20,649	6,962	23,032	21,249
Withholding tax write-off of previous year	34	283	-	-
Adjustment in respect of income tax of previous year	(16)	7	(16)	(3)
Temporary differences which were not utilised and not recognised as deferred tax assets during the year	809	644	-	-
Temporary deference in previous year which were recognised as deferred tax assets during the year	-	(745)	-	(1,248)
Effect of:				
Exemption of income	(5,041)	(896)	(5,041)	(896)
Non-deductible expenses	566	478	163	475
Additional expense deduction allowed	(320)	(380)	(136)	(136)
Other	9	34	5	5
Total	(4,786)	(764)	(5,009)	(552)
Tax expenses reported in profit and loss	16,690	6,387	18,007	19,446



The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)				
Consolidated financial statements				
	Statements		Statements of	
	of financial position		comprehensive income	
	As at 31 December		For the years ended 31 December	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax assets (liabilities)				
Unrealised loss on change in values of				
financial assets	3,085	3,840	(755)	2,066
Unrealised fair value loss on derivatives	111	-	111	-
Allowance for expected credit losses	3,230	3,916	(686)	(931)
Allowance for diminution in value of inventories	704	416	288	(107)
Unrealised fair value gain on				
non-listed equity instruments	(5,335)	(1,699)	(3,636)	(568)
Revaluation surplus on investment properties	(157)	(157)	-	-
Right-of-use assets	(1,747)	(3,241)	1,494	1,160
Provision for long-term employee benefits	20,463	20,263	200	161
Fair value of for biological assets	(3,562)	(3,666)	104	(656)
Revaluation surplus on land	(80,407)	(80,407)	-	-
Unused tax loss	20,599	19,943	656	14,806
Lease liabilities	1,838	3,492	(1,654)	(1,179)
Deferred tax relating to origination and				
reversal of temporary differences			(3,878)	14,752
Deferred tax liabilities - net	<u>(41,178)</u>	<u>(37,300)</u>		
Presented as follows:				
Deferred tax assets	496	505		
Deferred tax liabilities	<u>(41,674)</u>	<u>(37,805)</u>		
Total	<u>(41,178)</u>	<u>(37,300)</u>		

(Unit: Thousand Baht)

	Separate financial statements			
	Statements		Statements of	
	of financial position		comprehensive income	
	As at 31 December		For the years ended	
	2023	2022	2023	2022
Deferred tax assets (liabilities)				
Unrealised loss on change in values of financial assets	3,085	3,840	(755)	2,066
Unrealised fair value loss on derivatives	39	-	39	-
Allowance for expected credit losses	2,036	3,208	(1,172)	(578)
Allowance for diminution in value of inventories	107	115	(8)	8
Unrealised fair value gain on non-listed equity instruments	(5,335)	(1,699)	(3,636)	(568)
Revaluation surplus on investment properties	(145)	(145)	-	-
Right-of-use assets	(718)	(1,592)	874	165
Provision for long-term employee benefits	10,147	9,932	215	305
Fair value of for biological assets	(3,562)	(3,666)	104	(656)
Revaluation surplus on land	(41,434)	(41,434)	-	-
Lease liabilities	736	1,695	(959)	(171)
Deferred tax relating to origination and reversal of temporary differences			(5,298)	571
Deferred tax liabilities - net	(35,044)	(29,746)		

As at 31 December 2023, the subsidiaries have deductible temporary differences and unused tax losses totaling Baht 10 million (2022: Baht 5 million), on which deferred tax assets have not been recognised as the subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

As at 31 December 2023, the unused tax losses amounting to Baht 113 million (2022: Baht 104 million) will expire by 2026.



25. Promotional privileges

The Company and a subsidiary company have received promotional privileges from the Board of Investment for improving production efficiency, pursuant to the investment promotion certificate No. 62-0928-1-05-1-0 and 62-1203-1-05-1-0 issued on 28 August 2019 and 29 October 2019, respectively. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 3 years from the date the promoted operations begin generating revenues after receiving the promotion certificates.

26. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issued during the year.

The following table sets forth the computation of basic earnings per share:

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit for the year (Thousand Baht)	86,978	29,651	97,150	86,798
Weighted average number of ordinary shares (Thousand shares)	917,276	922,180	917,276	922,180
Earnings per share (Baht/share)	0.10	0.03	0.11	0.09

27. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Board of Directors.

The Group's business operations involve four principal segments: (1) the manufacture and distribution of animal feed (2) crop drying, silo business and the distribution of raw materials for animal feed manufacture (3) experimental farming and (4) crop farming. Sales, operating profits and assets are related to the manufacture and distribution of animal feed business. Therefore, the reportable single operating segment of the Group is manufacture and distribution of animal feed.

Geographic information

Revenue from external customers based on locations of the customers is as follows.

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Revenue from external customers		
Thailand	2,916,431	3,356,642
State of Cambodia	8,141	8,653
Others	-	365
Total	<u>2,924,572</u>	<u>3,365,660</u>

Major customers

For the year 2023, the Group has no revenue from a major customer (2022: Baht 407 million) which is from revenue of local customers.

28. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contributes to the fund monthly at the rates of 3 to 5 percent of basic salary. The fund, which is managed by SCB Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2023, the Group contributed Baht 6 million per annum to the fund (2022: Baht 7 million per annum) (the Company only: Baht 3 million per annum (2022: Baht 4 million per annum)).

29. Dividends

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u>	<u>Dividend per share</u>
		(Million Baht)	(Baht)
Final dividends for 2022	Annual General Meeting of the shareholders on 27 April 2023	28	0.03
Total dividend paid in 2023		<u>28</u>	<u>0.03</u>
Final dividends for 2021	Annual General Meeting of the shareholders on 29 April 2022	120	0.13
Total dividend paid in 2022		<u>120</u>	<u>0.13</u>



30. Commitments and contingent liabilities

As at 31 December 2023 and 2022 the Group had commitments as follows.

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Capital commitments				
Acquisition equipment				
Thousand Baht	103,951	4,766	50,713	747
Raw material purchase commitments				
Thousand USD	1,053	2,050	870	1,177
Thousand Euro	106	214	106	214

Guarantees

As at 31 December 2023 and 2022, the Group had outstanding bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the ordinary course of their businesses.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Bank guarantees to guarantee utilities	9,639	9,065	5,100	4,526
Other	60	60	60	60
Total	9,699	9,125	5,160	4,586

The Group has been granted various types of credit facilities, by several financial institutions of which Baht 1,010 million (2022: Baht 985 million) (the Company only: Baht 771 million (2022: Baht 752 million)) has not been utilised. Most of the facilities have been cross guaranteed.

31. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at				
fair value through profit or loss				
Equity instruments of listed companies	54	-	-	54
Unit trusts in mutual funds	103	-	-	103
Non-listed equity instruments	-	-	45	45
Investment properties	-	15	-	15
Lands	-	508	-	508
Biological assets	-	27	6	33

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at				
fair value through profit or loss				
Equity instruments of listed companies	44	-	-	44
Unit trusts in mutual funds	138	-	-	138
Non-listed equity instruments	-	-	27	27
Investment properties	-	15	-	15
Lands	-	508	-	508
Biological assets	-	27	6	33



(Unit: Million Baht)

Separate financial statements				
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured				
at fair value through profit or loss				
Equity instruments of listed companies	54	-	-	54
Unit trusts in mutual funds	103	-	-	103
Non-listed equity instruments	-	-	45	45
Investment properties	-	15	-	15
Lands	-	276	-	276
Biological assets	-	27	6	33

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured				
at fair value through profit or loss				
Equity instruments of listed companies	44	-	-	44
Unit trusts in mutual funds	138	-	-	138
Non-listed equity instruments	-	-	27	27
Investment properties	-	15	-	15
Lands	-	276	-	276
Biological assets	-	27	6	33

32. Financial instruments

32.1 Derivatives - foreign currency forward contracts

Derivatives not designated as hedging instruments

The Group uses foreign currency forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally mature within one year.

As at 31 December 2023, the Group had foreign currency-denominated trade receivables of USD 1 million (2022: USD 0.1 million) and had outstanding foreign currency forward contracts as follows:

Consolidated financial statements				
	Amount	Contractual exchange rate	Maturity date	Fair value Gain (loss)
	(Million)	(Baht per 1 foreign currency unit)		(Million Baht)
<u>31 December 2023</u>				
To sell				
US dollars	0.7	34.58 - 34.88	February - March 2024	(0.6)
Separate financial statements				
	Amount	Contractual exchange rate	Maturity date	Fair value Gain (loss)
	(Million)	(Baht per 1 foreign currency unit)		(Million Baht)
<u>31 December 2023</u>				
To sell				
US dollars	0.2	34.88	February 2024	(0.2)

The fair value measurement of derivatives was categorised within Level 2 of the fair value hierarchy, using other observable inputs for assets, either directly or indirectly. During the current year, there were no transfers within the fair value hierarchy.



32.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade receivables, investments and bank overdraft. The financial risks associated with these financial instruments and how they are managed are described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable and deposits with banks and financial institutions. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivable

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and any shipments to major customers are generally covered by collateral. In addition, the Group does not have high concentrations of credit risk since it has a large number of customers.

An impairment analysis is performed at each reporting date to measure expected credit losses. The allowance rates are based on days past due for groupings of various customers with similar credit risks. The Group classifies customer segments by customer type and customer rating.

Financial instrument and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Board of Directors on an annual basis and also being updated throughout the year subject to the approval of the Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are three types of market risk company commodity price risk, foreign currency risk and interest risk.

Commodity price risk

The Group is affected by the price volatility of raw materials for the manufacture of animal feed. Its operating activities require the ongoing purchase of agricultural products such as maize, soybean meal, fish meal. The Group is exposed to changes in the price of raw materials on its forecast purchases. However, the Group has closely monitored the raw material market situation, purchased and stored raw materials in quantities appropriate to production levels for use during periods of rising raw material prices. The Group is allowed to increase the selling prices of animal feeds with approval obtained from the Department of Internal Trade.

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from purchase of goods that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year for hedge the foreign currency risk arising on the import of raw materials.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its loans. Most of the Group's financial assets and liabilities bear floating interest rate or fixed interest rate which are closed to the market rate. Therefore, the Groups' s interest risks are low.

Liquidity risk

The Group has assessed its liquidity risk as low. Since the Group can access to a sufficient variety of sources of funding.

32.3 Fair value of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

The methods and assumptions used by the Grouping estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, trade and other receivable, and trade and other payable the carrying amounts in the statement of financial position approximate their fair value.



- b) The fair value of debt securities approximates to market price, measured at amortised cost or by using the yield curve announced by the Thai Bond Market Association.
- c) The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.

During the current year, there were no transfers within the fair value hierarchy.

33. Capital management

The primary objective of the capital management of the Group is to ensure that they have appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2023, the Group's debt-to-equity ratio was 0.12:1 (2022: 0.13:1) and the Company's was 0.08:1 (2022: 0.08:1).

34. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2024.

Part 4 Certification of Information

The Company has reviewed information provided in this annual registration statement with the cautious, we hereby certify that such information is accurate, complete, true and has no misleading statement or omission of any material information which should be informed. Furthermore, we hereby certify that:

- (1) The financial statements and financial information summarized in the annual registration statement show accurate and complete material information on financial status, operational results and cash flow of the Company and its subsidiaries;
- (2) We are responsible for providing the Company with good information disclosure system to ensure that the Company has accurately and completely disclosed material information, both of the Company and its subsidiaries, including supervising to ensure compliance with such system;
- (3) We are responsible for providing the Company with good internal control system and supervising to ensure compliance with such system. We also reported the information on evaluation of the internal control system as at 27 February 2024 to the auditor and the Audit Committee, including substantial faults and changes in the internal control system as well as improper act which may affect the preparation of the financial reports of the Company and its subsidiaries.

In this regard, as evidence that all documents is of the exact documents certified by us are of the same set, we have authorized Mr.Nipon Leelasithorn to initial every pages of the documents. Any document bearing no signature of Mr.Nipon Leelasithorn shall not be treated as information certified by us.

Mr.Nipon Leelasithorn
Chairman of the Executive Director
and Managing Director

Mrs.Supaporn Chongvilaiwan
Director / Asst. Managing Director



Attachment 1 : Details of directors, executives, controlling persons

1

Mr. Visith Leelasithorn

Chairman of the Board of Directors

- Date of first appointment : 16 August 1983
- Latest date of appointment : 27 April 2023

Age

91

Education

Secondary School

Proportion of shareholding

-

Change of shares during the year 2023

-

Relationship with the executives

The father of Mr. Nipon Leelasithorn

Work Experiences

Period	Position	Company's Name	Business Type
1983 - Present	Chairman of the Board of Directors	Lee Feed Mill Pcl. and Lee Pattana Feed Mill Co., Ltd.	Producing and distributing animal feed
2004 - Present	Chairman of the Board of Directors	Lee Pattana Agro Silo Co., Ltd.	Crop drying
1983 - Present	Chairman of the Board of Directors	Wall Street Tower Co., Ltd.	Sales and leasing of property
1980 - Present	Chairman of the Board of Directors	Alliance Co., Ltd.	Asset leasing

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Mr.Nipon Leelasithorn

Chairman of the Executive Director / Managing Director

Member of the Nomination and Remuneration Committee

- Date of first appointment : 16 August 1983
- Latest date of appointment : 29 April 2022

Age

62

Education

- Master of Management at Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Directors Certification Program (DCP) by Thai Institute of Directors Association (IOD)
- Degree, The National Defence College of Thailand (NDC)

Proportion of shareholding

24.51

Change of shares during the year 2023

-

Relationship with the executives

The son of Mr.Visith Leelasithorn

Work Experiences

Period	Position	Company's Name	Business Type
1989 - Present	Chairman of the Executive Director and Managing Director	Lee Feed Mill Pcl. and Lee Pattana Feed Mill Co., Ltd.	Producing and distributing animal feed
2004 - Present	Managing Director	Lee Pattana Agro Silo Co., Ltd.	Crop drying
1990 - Present	Managing Director	P A F (2020) Co., Ltd.	Distributing pet feed
1983 - Present	Director	Wall Street Tower Co., Ltd.	Sales and leasing of property
1985 - Present	Director	Asia Fiber Pcl.	Manufacture of technical and industrial textiles
2012 - Present	Managing Director	Bodhi Ngarm Sea Farm Co., Ltd.	Rental farming
2003 - Present	Chairman	Wall Street Tullett Prebon Securities Co., Ltd.	Broker
1996 - Present	Chairman	Wall Street Tullett Prebon Co., Ltd.	Broker / Intermediary

Social activities

Vice President	The compassion of The Princess Mother's Projects
Honorary President	Young Thai Entrepreneurs Association (YTEA)
Vice Chairman	Kai-Sitthi Charity Foundation
Vice President	The Tio Chew Association of Thailand
Director	Poh Teck Tung Foundation
Member	Huachiew Chalermprakiet University Council



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Mrs. Supaporn Chongvilaiwan

Director / Asst. Managing Director of Accounting / Finance / IT Group

- Date of first appointment : 16 May 1997
- Latest date of appointment : 27 April 2023

Age

77

Education

- Bachelor degree of Accounting, Chulalongkorn University
- Directors Accreditation Program (DAP) by Thai Institute of Directors Association (IOD)

Proportion of shareholding

0.02

Change of shares during the year 2023

-

Relationship with the executives

-

Work Experiences

Period	Position	Company's Name	Business Type
1997 - Present	Director / Asst. Managing Director	Lee Feed Mill Pcl. and Lee Pattana Feed Mill Co., Ltd.	Producing and distributing animal feed
2004 - Present	Director / Asst. Managing Director	Lee Pattana Agro Silo Co., Ltd.	Crop drying
2004 - Present	Executive Director	P A F (2020) Co., Ltd.	Distributing pet feed
2012 - Present	Executive Director	Bodhi Ngarm Sea Farm Co., Ltd.	Rental farming

Assoc.Prof.Dr.Somjai Phagaphasvivat

Chairman of the Audit Committee / Independent Director

- Date of first appointment : 5 July 1991
- Latest date of appointment : 28 April 2021

Age

77

Education

- Doctorado de Estado, Facultad de Ciencia Politica, Universidad Complutense de Madrid, Spain 1982
- Diplome d'Etudes Superieures, (Economic Integration), Universite de Nancy, France 1975
- Licenciatura, Facultad de Ciencia Politica y Economica, Universidad Complutense de Madrid, Spain 1973
- Bachelor of Arts, Chulalongkorn University 1966
- Directors Accreditation Program (DAP) by Thai Institute of Directors Association (IOD)

Proportion of shareholding

-

Change of shares during the year 2023

-

Relationship with the executives

-

Work Experiences

Period	Position	Company's Name	Business Type
1996 - Present	Chairman of the Audit Committee	Amarin Printing & Publishing Pcl.	Media and publishing
1991 - Present	Independent Director and Chairman of the Audit Committee	Lee Feed Mill Pcl.	Producing and distributing animal feed
2015 - Present	Independent Director and Member of the Audit Committee	Supalai Pcl.	Real estate and construction
2013 - 2022	Chairman / Independent Director	SEAFCO Pcl.	Real estate and construction
2009 - 2019	Member of the Audit Committee	Thanachart Bank Pcl.	Commercial bank
2007 - 2016	Director and Chairman of the Audit Committee	The Krungthep Thanakom Co., Ltd.	Transportation
1982 - 2006	Associate Professor	Faculty of Political Science, Thammasat University	Educational institution



5

Mrs.Sununta Subhapholsiri

Member of the Audit Committee / Independent Director
Member of the Nomination and Remuneration Committee

- Date of first appointment : 22 March 1984
- Latest date of appointment : 28 April 2021

Age

65

Education

- Bachelor degree of Business Administration at Pine Mauor College, U.S.A
- Audit Committee Program by Thai Institute of Directors Association (IOD)
- Directors Accreditation Program (DAP) by Thai Institute of Directors Association (IOD)

Proportion of shareholding

0.13

Change of shares during the year 2023

-

Relationship with the executives

-

Work Experiences

Period	Position	Company's Name	Business Type
1999 - Present	Member of the Audit Committee	Lee Feed Mill Pcl.	Producing and distributing animal feed
1994 - Present	Independent Director	Lee Feed Mill Pcl.	Producing and distributing animal feed
1984 - Present	Director	Lee Feed Mill Pcl.	Producing and distributing animal feed
2015 - Present	Member of the Nomination and Remuneration Committee	Lee Feed Mill Pcl.	Producing and distributing animal feed
1990 - Present	Managing Director	Leather Mine Co., Ltd.	Manufacturer of leather products

Mr. Busarin Vanaswas

Member of the Audit Committee / Independent Director

- Date of first appointment : 29 November 1999
- Latest date of appointment : 27 April 2023

Age

62

Education

- MBA Pepperdine University, U.S.A
- Directors Accreditation Program (DAP) by Thai Institute of Directors Association (IOD)
- Audit Committee Program by Thai Institute of Directors Association (IOD)

Proportion of shareholding

0.06

Change of shares during the year 2023

-

Relationship with the executives

-

Work Experiences

Period	Position	Company's Name	Business Type
1999 - Present	Member of the Audit Committee / Independent Director	Lee Feed Mill Pcl.	Producing and distributing animal feed
Present	Deputy Managing Director	Atlantic Laboratories Corp., Ltd.	Manufacturing of pharmaceutical
Present	Deputy Managing Director	Atlantic Pharmaceutical Co., Ltd.	Manufacturing of pharmaceutical
Present	Deputy Managing Director	Vana Corporation Ltd.	Distributing of pharmaceutical
2020 - Present	Director	The Federation of Thai Industries	Industrial Federation
2022 - Present	The Honorary Chairman of Pharmaceutical Industry Group	The Federation of Thai Industries	Industrial Federation
Present	Director	Thai Pharmaceutical Manufacturers Association	Pharmaceutical manufacturers association
Present	Director	Poh Teck Tung Foundation (Social Activity)	



7

Pol.Lt.Gen.Adisorn Nonsee

Chairman of the Nomination and Remuneration Committee / Independent Director

- Date of first appointment : 12 March 2010
- Latest date of appointment : 29 April 2022

Age

74

Education

- Public administration, Royal Police cadet Academy
- Training Course for Advanced Police Administration, Class 14 (B.E. 2537)

Proportion of shareholding

-

Change of shares during the year 2023

-

Relationship with the executives

-

Work Experiences

Period	Position	Company's Name	Business Type
2010 - Present	Independent Director	Lee Feed Mill Pcl.	Producing and distributing animal feed
2015 - Present	Chairman of the Nomination and Remuneration Committee	Lee Feed Mill Pcl.	Producing and distributing animal feed
2006 - 2007	Provincial Police Region 6 Bureau	Royal Thai Police	Police officer
2007	Metropolitan Police Bureau	Royal Thai Police	Police officer
2007 - 2008	Central Investigation Bureau	Royal Thai Police	Police officer
2008 - 2009	The Office of Inspector General (Level 8)	Royal Thai Police	Police officer

- Date of first appointment : 15 May 2015
- Latest date of appointment : 29 April 2022

Age

67

Education

- MBA, Kasetsart University
- Directors Accreditation Program (DAP) by Thai Institute of Directors Association (IOD)
- Advanced Audit Committee Program (AACP) Thai Institute of Directors Association (IOD)

Proportion of shareholding

0.01

Change of shares during the year 2023

-

Relationship with the executives

-

Work Experiences

Period	Position	Company's Name	Business Type
2000 - Present	Secretary of the Committee and the Executive Committee	Lee Feed Mill Pcl.	Producing and distributing animal feed
2015 - Present	Director / Secretary of the Nomination and Remuneration Committee	Lee Feed Mill Pcl.	Producing and distributing animal feed
1984 - Present	Accounting Director	Lee Feed Mill Pcl.	Producing and distributing animal feed
2015 - Present	Director	Lee Pattana Feed Mill Co., Ltd.	Producing and distributing animal feed
2015 - Present	Director	Lee Pattana Agro Silo Co., Ltd.	Crop drying
2015 - Present	Director	Bodhi Ngarm Sea Farm Co., Ltd.	Rental farming
2020 - Present	Director	P A F (2020) Co., Ltd.	Distributing pet feed
2021 - Present	Independent Director and Audit Committee	Saintmed Pcl.	Distributor of medical devices



Attachment 2 : Details of the directors of subsidiaries as December 31st, 2023

Name \ Company	The Company and its subsidiaries						
	LEE	LPFM	LPAS	BSF	PAF	WALL	ALL
1. Mr. Visith Leelasithorn	C	C	C	-	-	C	C
2. Mr. Nipon Leelasithorn	E / M / D	E / M / D	E / M / D	E / M / D	E / M / D	B	-
3. Mrs. Supaporn Chongvilaiwan	B / D	B / D	B / D	B / D	B / D	-	-
4. Mr. Somsak Tiensriyuka	B / D	B / D	B / D	B / D	B / D	-	-
5. Assoc. Prof. Dr. Somjai Phagaphasvivat	A / I	-	-	-	-	-	-
6. Mrs. Sununta Subhapholsiri	A / I	-	-	-	-	-	-
7. Mr. Busarin Vanaswas	A / I	-	-	-	-	-	-
8. Pol. Lt. Gen. Adisorn Nonsee	I	-	-	-	-	-	-

Meaning

- C = Chairman of the Board of Director
- E = Chairman of the Executive Director
- M = Managing Director
- D = Executive Director
- B = Director
- A = Audit Committee
- I = Independent Director

- 1. The Company
 - LEE = Lee Feed Mill Public Co., Ltd.
- 2. The subsidiaries
 - LPFM = Lee Pattana Feed Mill Co., Ltd.
 - LPAS = Lee Pattana Agro Silo Co., Ltd.
 - BSF = Bodhi Ngarm Sea Farm Co., Ltd.
 - PAF = P A F (2020) Co., Ltd.
- 3. The Associates
 - WALL = Wall Street Tower Co., Ltd.
 - ALL = Alliance Co., Ltd.



Attachment 3 : Details of the Heads of the Internal Audit and Compliance Units

- None -



Attachment 4 : Assets for business undertaking and details of assets appraisal

1. Significant characteristics of the Group's fixed assets for business undertaking

Most of fixed assets used in the business operation are owned by the Company and its subsidiaries except the headquarter located at 1st, 20th, 28th and 29th Floor, Wall Street Tower Building, Surawong Road, Bangrak, Bangkok. The Group has signed lease agreements with the parties which have any conflicts of interest. The characteristic of fixed assets owned by the Group that are used in business operation as of December 31, 2023 are as follows:

Type*	Book value*** (Million Baht)	Appraisal value** (Million Baht)
Land and land improvements - feed mill (Area 241 rai)	63	287
Land and land improvements - farm project (Area 1,489 rai)	42	221
Buildings and Buildings Improvement - feed mill	58	
Buildings and Buildings Improvement - farm project	23	
Machinery and vehicles - feed mill	386	
Machinery and vehicles - farm project	2	
Total	977	

- Remark
- * No assets of the Group are mortgaged as collateral or as any obligation.
 - ** Appraisal value is appraised by using Market Approach by Siam Appraisal and Service Co., Ltd., an independent appraiser during the year 2021.
 - *** Book value is the net price of accumulated depreciation.



2. Details of assets appraisal

The Group's appraised assets are as follows:

No.	Ownership	Type	Location	Appraised by	Appraiser's name	Appraisal objective	Report date	Appraisal value (Million Baht)
1.	Lee Feed Mill Public Co., Ltd.	Land	Saraburi	Siam Appraisal & Services Ltd.	Mr.Kittipong Krueasanit	Compliance with accounting standards	19 January 2022	161
2.	Lee Pattana Feed Mill Co., Ltd.,	Land	Saraburi	Siam Appraisal & Services Ltd.	Mr.Athipol Satanupong	Compliance with accounting standards	24 December 2021	224
3.	Lee Feed Mill Public Co., Ltd.	Land	Chanthaburi	Siam Appraisal & Services Ltd.	Mr.Athipol Satanupong	Compliance with accounting standards	3 December 2021	2
4.	Lee Feed Mill Public Co., Ltd.	Land	Bangkok	Siam Appraisal & Services Ltd.	Mr.Athipol Satanupong	Compliance with accounting standards	1 December 2021	10
5.	Lee Feed Mill Public Co., Ltd.	Land	Bangkok	Siam Appraisal & Services Ltd.	Mr.Athipol Satanupong	Compliance with accounting standards	30 November 2021	2
6.	Lee Feed Mill Public Co., Ltd. and Bodhi Ngarm Sea Farm Co., Ltd.	Land	Chanthaburi	Siam Appraisal & Services Ltd.	Mr.Athipol Satanupong	Compliance with accounting standards	30 November 2021	13
7.	Lee Feed Mill Public Co., Ltd.	Land	Phetchabun	Siam Appraisal & Services Ltd.	Mr.Athipol Satanupong	Compliance with accounting standards	25 November 2021	47
8.	Lee Feed Mill Public Co., Ltd.	Land	Phetchaburi	Siam Appraisal & Services Ltd.	Mr.Athipol Satanupong	Compliance with accounting standards	24 November 2021	63
9.	Lee Feed Mill Public Co., Ltd.	Teak	Phetchabun	Siam Appraisal & Services Ltd.	Mr.Worrachit Surakarnwit	Compliance with accounting standards	21 December 2020	14



Attachment 5 : Corporate Governance Policy and Practice and Business Ethics

1. Privacy Policy
<https://www.leepattana.com/web/download/file/faff77f5.pdf>
2. HR Privacy Policy
<https://www.leepattana.com/web/download/file/4f041ede.pdf>
3. Business Ethics
<https://www.leepattana.com/web/download/file/4a398f73.pdf>
4. Anti-Corruption Policy
<https://www.leepattana.com/web/download/file/9e81f340.pdf>
5. Quality Management System And Environmental Management Policy Energy Conservaton Policy And Energy Management Sstem
<https://www.leepattana.com/web/download/file/837ce340.pdf>
6. Company Regulation
<https://www.leepattana.com/web/download/file/472e6173.pdf>
7. Complaint Channel Policy And Complaints Handling Process
<https://www.leepattana.com/web/download/file/39821f3c.pdf>

Attachment 6 : Report of the Audit Committee

To Shareholders,

The Audit Committee has performed its duties and responsibilities as assigned by the Board of Directors of Lee Feed Mill Public Company Limited to monitoring the Company's operation to ensure that managements and directors have performed their duties to the Company's shareholder with honesty, responsibility and performed under the Company's policy. The Audit Committee consists of three independent directors as follows.

- | | |
|--|---------------------------------|
| 1. Assoc.Prof.Dr.Somjai Phagaphasvivat | Chairman of the Audit Committee |
| 2. Mrs.Sununta Subhapholsiri | Audit Committee Director |
| 3. Mr.Busarin Vanaswas | Audit Committee Director |

In 2023, the Audit Committee held a total of 4 meetings, having all members of the Audit Committee attending all the time with management, auditor, and internal auditors as appropriate. Also, operating results will be reported to the board of directors on a quarterly basis. In summary, the main points of the audit committee's performance are as follows :

1. Review on the financial reports

To consider financial statement accuracy, sufficiency, suitability, the Audit Committee reviewed the Company's quarterly and annual financial statements with the management and certified public accountants to acknowledge and discuss the opinions of the certified public accountant and issues found from reviews. The Audit Committee inquired with the certified public accountants regarding financial statement accuracy, sufficiency and suitability of the methods for recording accounts and the scope of information disclosure completely and sufficiently, including modifications to significant accounting transactions and estimates with effects on financial statements, in order to ensure that financial statement preparations are consistent with specifications of the law and ensure that accounting standards based on generally certified accounting principles are reliable and up-to-date. The Audit Committee's opinions are consistent with the certified public accountant in that the aforementioned financial statement was accurately prepared in terms of significant contents in compliance with financial report standards.

2. Review and evaluation of internal control system

To consider Internal Control System Sufficiency, the Audit Committee has considered the internal control system sufficiency by considering significant test results from internal auditor without any conflict or against law and government regulations, as well as giving opinion and suggestion in any issues to increase internal control system efficiency and pass to management team to consider and process accordingly.



3. Meeting with independent auditor

To consider selection, nominating and proposing remuneration for the certified public accountant for the year 2024, the Audit Committee consider to select Mr.Preecha Arunnara and / or Mr.Kittiphun Kiatsomphob and / or Mr.Vatcharin Pasarapongul from EY Office Limited to be certified public accountants of the Company and subsidiaries by considering qualifications and independence under SEC criteria, including past performance. In addition, the Audit Committee considered suitable remuneration for presentation to be Board of directors to propose the issue for approval from the annual general meeting of shareholders.

4. Review of regulatory compliance

To consider reviewing compliance with the law and government sector regulations, The Audit Committee reviewed the Company's compliance with the laws governing securities and exchanges, the Stock Exchange of Thailand specifications and laws related to the Company's business. The Audit Committee noticed no significant issues regarding non-compliance with the laws governing securities and exchange, the Stock Exchange of Thailand specifications and the related laws.

5. Review of connected transactions or transactions that may result in possible conflicts of interest

To consider approval on the transactions that may have conflicts of interest with the company basis based on the principles of reasonableness, transparency, and adequate information disclosure and it will be in line with the requirements of the Stock Exchange of Thailand. In this regard, the Audit Committee is of the opinion that the transaction is a normal business transaction and makes the utmost benefit to the company.

The Audit Committee has performed all its duties as assigned by the board of directors and is of the opinion that the company has reported accurate financial and operational information with an internal control system, internal audit, compliance with laws, requirements, and relevant regulations, disclosure of accurate related party transactions, and performance which be in line with the good corporate governance system that is adequate, transparent and reliable, including continuous development and improvement of the operational system to quality and suitability for the business transactions.

On behalf of the Audit Committee

Assoc.Prof.Dr.Somjai Phagaphasvivat
Chairman of the Audit Committee

27 February 2024

40TH ANNIVERSARY



บริษัท ลีพัฒนาผลิตภัณฑ์ จำกัด (มหาชน)
LEE FEED MILL PUBLIC COMPANY LIMITED

สำนักงาน 33/137 อาคารวอลล์สตรีททาวเวอร์ ชั้น 28

ถนนสุขุมวิท บางรัก กรุงเทพฯ 10500

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