

(Translation)

Ref.No.LEE 01/2020

27 February, 2020

Subject : Management Discussion and Analysis for the year ended December 31, 2019

To : President of The Stock Exchange of Thailand

We submit herewith the audited consolidated financial statements of Lee Feed Mill Public Company Limited and its subsidiaries (“the Company”) for the year ended December 31,2019, of which the business operation results for the year 2019, the Company would like to provide the clarification of performance which was increased more than 20% compared to the previous year.

For the year 2019, the operating results of the consolidated financial statement had a net profit of Baht 150 million or 0.16 Baht per share, compare to the same period of the previous year, net profit is Baht 82 million or 0.09 Baht per share, representing a total increase in profit of Baht 68 million or 83% of the previous year mainly came from the significant transactions as below :

1. The gross profit of feeds business was higher than the previous year which increased by amount of Baht 47 million, mainly due to the efficiency improvement of production cost management.
2. Other incomes from dividend received for the year 2019 had amount of Baht 21million, compared to the same period of the previous year had amount of Baht 7 million, increased by amount of Baht 14 million.
3. Other incomes from gain arising from change in fair value of biological assets which decreased by amount of Baht 5 million, comparing to the previous year.
4. Loss on investments in marketable securities, representing a total loss decreased amount of Baht 28 million, comparing to the same period of last year. It is the transaction of unrealized loss on investments which are stated of fair value or market price by the end of accounting period (as of December 31, 2019 and 2018).



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5. The changing of the Labor Protection Act, the Company has additional long-term employee benefit liabilities of Baht 26 million by recognizing as expenses in profit and loss of the current year.
6. The income tax expenses was increased from the previous year amount of Baht 17 million in the same line as net profit.

Please be informed accordingly.

Sincerely Yours,

(Mr. Nipon Leelasithorn)

Chairman of the Executive Director,
and Managing Director