

(Translation)

Ref.No.LEE 09/2021

10 November 2021

Subject : Management Discussion and Analysis for the third quarter ended September 30, 2021

To : President of The Stock Exchange of Thailand

We submit herewith the reviewed consolidated financial statements of Lee Feed Mill Public Company Limited and its subsidiaries (“the Company”) for the third quarter ended September 30, 2021, of which the business operation results for the third quarter of 2021, the Company would like to provide the clarification of performance which was decreased more than 20% compared to the previous year.

For the third quarter of 2021, the operating results of the consolidated financial statement had a net profit of Baht 21.08 million or 0.02 Baht per share, compared to the same period of the previous year, net profit was Baht 51.89 million or 0.06 Baht per share, representing a total decrease in profit of Baht 30.81 million or 59% of the previous year mainly came from the significant transactions as below:

1. The revenue from sales increased while the gross profit was lower than the previous year by Baht 31.75 million. The gross profit margin for the three-month period ended September 30, 2021 was 7.26% lower than in 2020, 13.84%, mainly due to costs of raw material feed and Baht depreciation.
2. Other income for three-month period ended September 30, 2021 had an amount of Baht 1.69 million, compared to the same period of previous year which had an amount of Baht 2.87 million, decreased by an amount of Baht 1.18 million.
3. The allowance for doubtful debts approximately Baht 0.20 million, while there was a reversal of allowance for doubtful debts of Baht 1.56 million in 2020.
4. The gain on investment in equity instruments for the third quarter of 2021 was equal to Baht 3.36 million. On the contrary, there was a loss of Baht 1.39 million in the same period of the previous year, which increased by an amount of Baht 4.75 million. It is the transaction of an unrealized gain (loss) on investments that is stated of fair value or market price by the end of accounting period (as of September 30, 2021 and 2020, respectively).



5. The loss arising from changes in fair value of biological assets for the third quarter of 2021 had an amount of Baht 2.20 million while the same period of the previous year gained Baht 4.50 million. This was due to the revaluation of biological assets.
6. Interest income for the third quarter of 2021 was equal to Baht 1.37 million, compared to the same period of the previous year, which had an amount of Baht 3.48 million, decreased by amount of Baht 2.11 million.
7. The corporate income tax expenses decreased by Baht 5.10 million when compared to the same period of the previous year, mainly resulting from the net profit and deferred tax relating to the temporary differences and reversal of temporary differences.

Please be informed accordingly.

Sincerely Yours,

( Mr. Nipon Leelasithorn )

Chairman of the Executive Director,  
and Managing Director