

(Translation)

Ref.No.LEE 11/2023

10 November 2023

Subject : Management Discussion and Analysis for the third quarter ended September 30, 2023

To : President of The Stock Exchange of Thailand

We hereby submit the audited consolidated financial statements of Lee Feed Mill Public Company Limited and its subsidiaries (“the Company”) for the third quarter ended September 30, 2023, of which the business operation results for the third quarter of 2023, the Company would like to provide the clarification of performance which was increased by more than 20% compared to the previous year.

The operating results of the consolidated financial statement for the third quarter of 2023 had a net profit of Baht 29.44 million or 0.03 Baht per share, compared to the same period of the previous year, net loss is Baht 4.82 million or (0.01) Baht per share, representing a total increase in profit of Baht 34.26 million, primarily due to the significant transactions listed below:

1. Sales declined by Baht 60 million compared to the same quarter last year. The gross profit margin for the three-month period ending September 30, 2023 was 9.27%, slightly higher than the previous year's margin of 4.99%, owing to improved production cost management efficiency.
2. Allowance for doubtful debts was approximately Baht 5.44 million, whereas in 2022 it was reversed for Baht 2.62 million, an increase of Baht 8.06 million.
3. Gain on financial assets at fair value to profit or loss for the third quarter of 2023 was Baht 2.50 million, compared to a loss of Baht 7.88 million in the same period of the previous year, an increase of Baht 10.38 million. It is the transaction of unrealized gain or loss on investments which are stated of fair value or market price by the end of accounting period (as of September 30, 2023 and 2022, respectively).
4. The loss from changes in the fair value of biological assets was Baht 0.52 million, compared to a gain of Baht 0.64 million in the same period of the previous year. The reason for this quarter was the revaluation of biological assets.



5. Interest income totaled Baht 3.84 million for the third quarter of 2023, an increase of Baht 2.30 million from the same period of the previous year, when it was Baht 1.54 million. This was due to higher average interest rates and investments in other current financial assets during this quarter last year.
6. The finance cost for the third quarter of 2023 was Baht 0.21 million, down by Baht 0.34 million from the same time in the previous year, when it was Baht 0.55 million.
7. The corporate tax incomes increased by Baht 1.63 million when compared to the same period of the previous year, mainly due to deferred tax relating to origination and the reversal of temporary differences.

Please be informed accordingly.

Sincerely Yours,

(Mr. Nipon Leelasithorn)

Chairman of the Executive Director,  
and Managing Director