

(Translation)

Ref.No.LEE 01/2024

27 February 2024

Subject : Management Discussion and Analysis for the year ended December 31, 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 fiscal year ended December 31, 2023, of which the business operation results for the year 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 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 quarter 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%, owing to improved production cost management efficiency.
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 quarter 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. The finance cost for the year 2023 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 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.

Please be informed accordingly.

Sincerely Yours,

(Mr. Nipon Leelasithorn)  
Chairman of the Executive Director,  
and Managing Director