

(Translation)

LEE 08/2019

9 August 2019

Subject : Management Discussion and Analysis for the second quarter ended June 30, 2019

To : President of The Stock Exchange of Thailand

We submit herewith the consolidated financial statements of Lee Feed Mill Public Company Limited and its subsidiaries for the second quarter ended June 30, 2019, of which the business operation results for the second quarter of 2019, the company would like to provide the clarification of performance which was increased more than 20% compared to the previous year.

The company had a net profit of 34.44 million baht which is equivalent to 0.04 baht per share for the second quarter of 2019, compared to a net profit of 18.20 million baht for the same period in the previous year, representing a total increase in profit of 16.24 million baht or 89% from the same period of the last year.

The significant transactions of the Company's performance for the second quarter of the year of 2019 which increased as follows :

1. The animal feed sales which resulted in a lower gross profit for the second quarter ended June 30, 2019 than the same period of previous year of 21.21 million baht. The gross profit margin for the three-month period ended June 30, 2019 was at 10.32% lower than 11.71% in 2018.

2. Gain on investments in marketable securities for the second quarter ended June 30, 2019 had a profit of 6.52 million baht, compared to the same period of the previous year had a loss of 23.91 million baht, increased by amount of 30.43 million baht.

3. Other incomes from dividend received for the second quarter ended June 30, 2019 had amount of 19.30 million baht, compared to the same period of the previous year had amount of 5.90 million baht, increased by amount of 13.40 million baht.



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LEE FEED MILL PCL.

4. Selling and administrative expenses for the second quarter June 30, 2019 had amount of 67.20 million baht, compared to the same period of previous year had amount of 56.20 million baht, which mainly due to retirement benefit obligations which has increased by the changing of the Labor Protection Act.

5. Income tax expensed was decreased from the previous year amount of 2.98 million baht compared to the same period of the previous year, as mainly resulted from deferred tax on relating to origination and reversal of temporary differences.

Please be informed accordingly.

Sincerely Yours,

(Mr. Nipon Leelasithorn)

Chairman of the Executive Director,
and Managing Director