



บริษัท ที เอส ฟลาวมิลล์ จำกัด (มหาชน)
T S FLOUR MILL PUBLIC COMPANY LIMITED

“เรา คือ ผู้ผลิตแป้งสาลีชั้นนำ โดยมุ่งเน้นการพัฒนาสู่ความเป็นเลิศ ทั้งในด้านพาณิชย์และคุณภาพผลิตภัณฑ์อย่างต่อเนื่อง”

November 14, 2017

Subject: Clarification on the cause of changes in operating results over 20 percent.

To: Director and Manager
The Stock Exchange of Thailand

According to TS Flour Mill Public Company Limited ("The Company") has submitted the financial statements for the third quarter of 2017 ending September 30, 2017. The Company's financial statements show the results of operations for the three months ended September 30, 2017, the net profit was 26.92 million baht when compared to the same period of the previous year. The net profit grew by 12.66 million baht or 88.8%, which is a change of more than 20%.

The Company's sales revenue for the third quarter of 2017 decreased by 31.81 million baht or 9.0% from the same period of last year. The year 2017 was the result of a 6.8% decrease in the sales volume of flour, the average selling price of flour declined by 3.1%. Wheat bran sales volume decreased by 12.3%, but the average selling price increased by 14.6%.

Cost of sales in the third quarter of 2017 accounted for 77.4% of revenue, down from the same period of 2016, which accounted for 87.3% of revenue because the average price of the raw materials used decreased, resulting in lower unit cost. Therefore, the rate Gross margin in the third quarter of 2017 increased to 22.6% from 12.7% in the same period of 2016.

Administrative expenses in the third quarter of 2017 increased by 9.95 million baht or 55.0% from the same period of the previous year. By the main expense was a loss of exchange rate 6.59 million baht.



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For the nine-month period ended September 30, 2017, the net profit was 93.03 million baht, when compared to the same period of last year. The net profit growth was 47.04 million baht or 102.3%.

The Company's sales in the nine-month of 2017 increased by 6.02 million baht or 0.6% from the same period of last year. The year 2017 was the result of a 5.7% increase in the sales volume of flour, but the average selling price of flour declined by 5.2% and wheat bran sales volume increased by 4.0%, and the average selling prices are close to the same period of last year.

Cost of sales in the nine-month of 2017 accounted for 78.3% of revenue decreased from the same period of 2016, which accounted for 86.2% of revenue because the average price of raw materials used decreased. And the use of capacity at 3.24% of total capacity increased from same period of 2016, resulting in lower unit cost. As a result, the gross margin in 2017 increased to 21.7% from 13.8% in the same period of 2016.

Other income in the nine-month of 2017 decreased by 7.05 million baht or 72.8% from the same period of the last year due to the last year has a forex gain of 7.02 million baht but in this year has a forex loss of 4.76 million baht that present in Administrative expenses.

Administrative expenses in the nine-month of 2017 increased by 17.72 million baht or 33.9% from the same period last year. The higher core expenses came from employee welfare expenses and loss from forex.

Please be informed accordingly.

Yours sincerely,

Waewta Natphan

(Ms. Waewta Natphan)

Asst. Finance & Accounting Director

Company Secretary