



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

“เรา คือ ผู้ผลิตแป้งสาลีชั้นนำ โดยมุ่งเน้นการพัฒนาสู่ความเป็นเลิศ ทั้งในด้านพาณิชย์และคุณภาพผลิตภัณฑ์กันอย่างมืออาชีพ”

February 28, 2018

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 year ended December 31, 2017. The statements of comprehensive income showed operating results 105.49 million baht when compared to the previous year. The net profit grew by 35.99 million baht or 51.8%, which is a change of more than 20%.

The Company's sales revenue in 2017 decreased by 35.54 million baht or 2.7% from 2016 due to the increase in the sales volume of wheat flour by 0.5%. However, the average selling price of wheat flour decreased by 3.8%. Wheat bran sales volume was down 0.3%, but the average sales price was up 4.2% from 2016.

Cost of sales in 2017 accounted for 79.1% of revenue, down from 2016, representing 85.2% of revenue. The average price of raw materials is down. As a result, gross margins widened to 20.9% in 2017 from 14.8% in 2016.

Production overhead in 2017 increased by 17.31 million baht or 15.7% from 2016 due to the cost of maintenance for machinery and equipment after 10 years of operation and depreciation of machinery.

The average capacity utilization rate in 2017 is 65.42%, close to 2016, at 65.79%. This is lower than the plan due to the adjustment of the wheat distribution strategy and the wheat management plan, which is the main raw material during the year, to maximize benefit to the company.



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

“เรา คือ ผู้ผลิตแป้งสาลีชั้นนำ โดยมุ่งเน้นการพัฒนาสู่ความเป็นเลิศ ทั้งในด้านพาณิชย์และคุณภาพผลิตภัณฑ์อย่างต่อเนื่องมืออาชีพ”

Other income in 2017 decreased by 7.84 million baht or 73.3% from 2016 due to the gain on foreign exchange of 7.22 million baht in 2016, but in the year 2017, the exchange loss was 6.05 million baht that present in Administrative expenses.

Selling and administrative expenses in 2017 increased by 21.40 million baht or 20.4% from 2016. High up from Employee compensation, exchange losses and tax penalties.

Please be informed accordingly.

Yours sincerely,

Waewta Natphan

( Ms. Waewta Natphan )

Deputy Finance & Accounting Director

Company Secretary