



บริษัท พรพรหมเมทัลทอล จำกัด (มหาชน)

PORN PROM METAL PUBLIC COMPANY LIMITED

28 February 2017

Subject : Management Discussion and Analysis year 2016 ended 31 December 2016

(Clarification on percentage of change more than 20% in year 2016)

To : Director and Manager

The Stock Exchange of Thailand

Revenue from sales:

In 2016 PPM's consolidated revenue from sales recorded at 1,310.06 million Baht, 0.73% up from the year earlier. Sales in industrial materials and construction products have not increased much, due to overall economy also is still slow down. Although the company is able to expand its customer base and market share, including cost management.

One of the subsidiary company in flexible packaging industry, sales growth up 6% compared with the year earlier. However the company has a high-quality product policy for any new orders, then the company has high R&D cost for new orders and for product development to meet the customers' requirements.

Another subsidiary company in solar module business, recently the factory has already tested all the manufacturing process completely and successfully. By the end of quarter 4/2017, the company has started production for the trial and initial orders.

Profit for the year of 2016:

In 2016 PPM's consolidated Profit is posted at 18.16 million Baht, up 209.55% from the year earlier while consolidated Loss was posted at 16.58 million Baht. In 2016 the company can manage cost better than a year earlier, and the company has gross profit from consolidated 178.45 million baht, up 12.09% from the year earlier. The company also has profit from Foreign Exchange, compared to the previous year the company had exchange loss. However the two subsidiary companies still have high costs and high operating expenses. The company expected both shall started production of the goods according to the plan soon, costs and expenses will be consistent.

Please be informed accordingly.

Your faithfully,

(Mrs. Kanokkorn Tankaisorn)

Deputy Managing Director