



Ref. 2S\_BoD001/2017

February 23<sup>rd</sup>, 2017

Subject: Management Discussion and Analysis for year 2016.

To : The president  
The Stock Exchange of Thailand

2S Metal Public Company Limited (the "Company") would like to clarify in operating performance of year 2016 ended December 31<sup>st</sup> 2016. The Company's net profit was Baht 341.83 Million which increased Baht 308.63 Million or increased more than 20% when compared to the same period of 2015. The reasons of its profit increased are as the following:

1. Revenue from Sales was Baht 3,936.43 Million, which increased Baht 238.36 million or increased 6.45% when compare to the same period of 2015 according to the increasing of the quantity of Sales.
2. Cost of goods sold was Baht 3,337.06 million, so the gross profit margin was increased to 15.33% when compare to the same period of 2015 which gross margin was 5.25%. Due to the raw material in stock was lower than the average market price.
3. The financial casts was Baht 12.42 million, decreased Baht 4.53 Million or decreased 26.73% when compared to the same period of 2015, due to decreasing of the loan from financial institutions for working capital.

Please be informed accordingly.

Sincerely yours,  
(Mr. Sombat Leeswadtrakul)  
Chief Executive Officer