

Ref. 2S_BoD031/2017

November 8th, 2017

Subject: Clarification of the change in operating result more than 20%

To : The president
The Stock Exchange of Thailand

2S Metal Public Company Limited (the "Company") would like to clarify in operating performance for the 3rd quarter (three months period) ended September 30, 2017. The Company's net profit was Baht 102.33 Million which increased Baht 42.46 Million or increased 70.93% when compared to the same period of 2016. The reasons of its profit increased are as the following:

1. Revenue from Sales was Baht 1,198.87 Million, which increased Baht 271.42 million or increased 29.27% when compare to the same period of 2016, due to the increasing of the quantity of Sales.
2. Cost of goods sold was Baht 1,021.58 million, and the gross profit margin was increased to 14.8% when compare to the same period of 2016 which gross profit margin was 11.73%. Due to price of the raw material in stock was lower than the average market price.
3. Selling expenses was Baht 28.23 million which increased Baht 8.22 Million or 41.05% when compared to the same period of 2016. The mainly increasing reasons were the quantity of sale and the export expenses.
4. Administrative expenses was Baht 25.96 million which increase Baht 4.74 Million or 22.35% when compared to the same period of 2016. Due to loss from exchanged rate in amount Baht 3.4 million.
5. The financial costs was Baht 3.81 million, increased Baht 1.44 Million or 60.7% when compared to the same period of 2016, due to increasing of the loan from financial institutions for working capital.

Please be informed accordingly.

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