



Ref. 2S\_BoD024/2018

August 14<sup>th</sup>, 2018

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 2<sup>nd</sup> quarter (three months period) ended June 30, 2018. The Company's net profit was Baht 31.72 Million which increased Baht 19.61 Million or increased 152.55% when compared to the same period of 2017. The reasons of its profit decreased are as the following:

1. Revenue from Sales was Baht 1,349.13 Million, which increased Baht 307.49 million or increased 29.52% when compare to the same period of 2017, due to the increasing of the quantity of Sales.
2. Cost of goods sold was Baht 1,251.16 million, the gross profit margin was 7.26% increased from 6.50% of the same period of previous year. Due to the raw material in stock was lower than the average market price.
3. Selling expenses was Baht 33.21 million which increased Baht 5.57 Million or increased 20.15% when compared to the same period of 2017. The mainly increasing reasons were the quantity of sales.
4. Administrative expenses was Baht 24.34 million which increase Baht 2.47 Million or 9.21%. Mainly reason was not reserving the allowance for doubtful accounts as in the same period of 2017.

Please be informed accordingly.

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