

Ref. 2S_BoD001/2019

February 27th, 2019

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 of year 2018 ended December 31st 2018. The Company's net profit was Baht 105.55 Million which decreased Baht 179.16 Million or decreased 62.93% when compared to year 2017. The reasons of its profit decreased are as the following:

1. Revenue from Sales was Baht 5,449.51 Million, which increased Baht 925.79 million or increased 20.47% when compare to the same period of previous year, due to the increasing of the quantity of Sales.
2. Cost of goods sold was Baht 5,092.02 million, the gross profit margin was 6.56% decreased from 12.36% of year 2017. Due to the raw material in stock was higher than the average market price.
3. Selling expenses was Baht 131.43 million which increased Baht 24.93 Million or increased 23.41% when compared to the same period of 2017. The mainly increasing reasons were the quantity of sales and transportation expenses.
4. Administrative expenses was Baht 93.76 million which decrease Baht 4.28 Million or 4.37% when compared to the same period of 2017.

Please be informed accordingly.

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