

Ref. 2S\_BoD009/2020

May 13<sup>th</sup>, 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 for the 1<sup>st</sup> quarter (three months period) ended March 31, 2020. The Company's net profit was Baht 129.52 Million which increased by Baht 79.79 Million or increased more than 20% when compared to the same period of 2019. The reasons of its profit increased are as the following:

1. Revenue from Sales was Baht 1,483,87 Million, which increased by Baht 20.16 Million or 1.38% when compare to the same period of 2019, due to the increasing of the quantity of Sales.
2. Cost of Sales was Baht 1,284.25 million, decreased 4.66% when compare to the same period of 2019. That the gross profit margin was 13.45% increased from 7.97% of the previous year. Due to the efficiency of Inventory management and production cost.
3. Selling expenses was Baht 39.98 million which increased 16.42% when compared to the same period of 2019. The mainly increasing reasons was the quantity of sales and transportation expenses.
4. Administrative expenses was Baht 23.83 million which increase Baht 0.75 Million or 3.25% when compared to the same period of 2019. Resulting from increasing in the reserving of employment benefit obligation.
5. Financial Cost was Baht 2.22 million, decreased 32.52% when compare to the same period of 2019. Due to decreasing of the loan from financial institutions for working capital.

Please be informed accordingly.

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