

Ref. 2S_BoD002/2024

February 22nd 2024

Subject: Management Discussion and Analysis Yearly Ending 31 December 2023

To : The president
The Stock Exchange of Thailand

2S Metal Public Company Limited (the "Company") would like to clarify in operating performance year 231.02 ended December 31st 2023. Which has net profit Baht 160.08 million, increased 147.24% when compared to the year 2022. The Company would like to clarify the significant change in operating result as the following:

1. Revenue from Sales was Baht 6,775.34 million, increased by Baht 66.37 million or 0.99%. Cause of the average selling price was lower than year 2022 by 13.91% while the quantity of sales increased 17.31%.
2. Gross profit margin was 6.25%, increased from the year 2022 that gross profit margin was 1.60%, as the average cost of raw materials and goods was lower than market price and steel price situation was less volatile than year 2022, which enable to make price spread.
3. Selling and Administrative Expenses were Baht 274.16 million increased by Bt. 19.39 million or 7.617% when compared to the year 2022, primarily due to transportation expenses which used gasoline as a result of quantity of sales. Also, there was the allowance for doubtful accounts.
4. Foreign Exchange losses were Baht 12.10 million, decreased by Bt. 8.13 million or 40.19% when compare to the year 2022.
5. Loss on impairment from goodwill was Bt. 15.09 million, cause of considering the adequacy and appropriateness of the disclosure of the assumptions, methodology and recoverable amount of goodwill and investment in subsidiary.

Please be informed accordingly.

Sincerely yours,

-Miss Boonsri Panyapiamsak-

Authorized Director