

Ref. 2S\_BoD013/2019

August 14, 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 2<sup>nd</sup> quarter (three months period) ended June 30, 2019. The Company's net profit was Baht 74.50 Million which increased by Baht 42.78 Million or increased 134.87% when compared to the same period of 2018. The reasons of its profit increased are as the following:

1. Revenue from Sales was Baht 1,372.83 Million, which increased by Baht 23.70 Million or 1.76% when compare to the same period of 2018, due to the increasing of the quantity of Sales.
2. Gross profit was Baht 160.06 million or 11.66% which increased from the same period of 2018 that the gross profit margin was 7.26%. Due to the average cost of raw material was lower than the market price.
3. Selling expenses was Baht 36.79 million which increased Baht 3.58 Million or increased 10.78% when compared to the same period of 2018. The mainly increasing reasons was the quantity of sales and transportation expenses.
4. Administrative expenses was Baht 28.12 million which increase Baht 3.78 Million or 15.53% when compared to the same period of 2018. Resulting from increasing in the employment benefit obligation based on the Labor Protection Act (Issue 7) B.E. 2562 which revised in rate of severance pay.

Please be informed accordingly.

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