

Ref. 2S_BoD017/2019

November 13th, 2019

Subject: Clarification of the change in operating result more than 20%

To : The president
The Stock Exchange of Thailand

The Board of Directors' meeting of 2S Metal Public Company Limited (the "Company") no.4/2019 held on 13th November 2019, approved the interim financial statement of 3rd quarter ended September 30, 2019. The Company's net loss of Baht 1.09 Million which decreased Baht 15.77 Million or decreased 107.43% when compared to the same period of 2018. The reasons of its changed operating are as the following:

1. Revenue from Sales was Baht 1,195.78 Million, decreased Baht 160.44 million or 11.83% when compare to the same period of 2018, due to the decreasing of average selling price as the market steel price decline, also the highly competitive affected to the profitability decreased to 4.54% from 5.55% of previous year.
2. Cost of goods sold was Baht 1,141.49 million, decreased Baht 139.48 million or 10.89% when compare to the same period of 2018. Anyhow, these was 95.46% of the Revenue from Sales which higher than previous year of 94.45%. Due to reserving the allowance of Net Realizable Value was Baht 18.96 million.
3. Selling expenses was Baht 32.44 million decreased Baht 1.96 million or 5.7% when compared to the same period of 2018. Due to the quantity of sale.
4. Administrative expenses was Baht 23.18 million which decrease Baht 1.87 Million or 7.47% when compared to the same period of 2018.

Please be informed accordingly.

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