

Our Ref: No.V.019/2018

May 15,2018

Subject : Explanation for operation of first quarter of year 2018

Attn : Managing Director

The Stock Exchange of Thailand

Enclosed please find the financial statements for first quarter of year 2018 ended March 31,2018.

The details are as follows:

1. For the 1st quarter of year 2018, total revenues from sales was 464.4 million Baht, or an increase of 5.2% from the same period of last year and an increase of 24.9% over the last quarter. Such increase was mainly due to the increase in aluminium price and the expansion of sales volume from exporting to overseas market.
2. Cost of sales was 438.3 million Baht or at 94.37% of sales which slightly increased from the 1stquarter of last year of 90.56% and increased from the last quarter of 93.53% and that was due to higher costs.
3. Selling and administrative expenses slightly increased from the same period of last year to 21.74 million Baht while Finance costs increased to 3.85 million baht due to higher in borrowing and higher in interest rate..
4. In the 1st quarter, other revenues was 0.36million Baht. Foreign exchange gain was 21.74 million Baht which mainly due to the strengthening of local currency and gain on commodity swap agreement was 7.07 million Baht.
5. In conclusion, for the 1st quarter of year 2018, the company had net profit 25.65 million Baht or 0.26 Baht per share.

In conclusion, the company's operating results for the first quarter ended March 31,2018 showed the net profit which increased of 13.19% when compared to the first quarter of year 2017.Enclosed please find the financial statements and statement of accounts ended March 2018 which have been audited by the authorized auditors.

Sincerely yours,

VAROPAKORN PUBLIC COMPANY LIMITED

(Mr. Sahasee Chitanondh)
Managing Director

CC. Corporate Monitoring Department, The Securities and Exchange Commission