

Our Ref: No.V. 039/2018

November 13,2018

Subject: Explanation for operation of third quarter of year 2018

Attn : Managing Director

The Stock Exchange of Thailand

Enclosed please find the financial statements for third quarter of year 2018 ended September 30,2018.  
The details are as follows:

1. For the 3rd quarter of year 2018, total revenue from sales was 476.4 million Baht, or an increase of 46.72% from the same period of last year and an increase of 0.86% over the last quarter . Such increase was mainly due to the expansion of sales volume from exporting to overseas market.
2. Cost of sales was 444.9 million Baht or at 93.39% of sales which decreased from the 3rd quarter of last year of 102.32% and decreased from the last quarter of 95.17% and that was due to product mix and improving in yield.
3. Selling and administrative expenses increased from the same period of last year to 20.45 million Baht while Finance costs increased to 6.5 million baht due to higher in borrowing and higher in interest rate.
4. In the 3rd quarter, other revenues was 2.88 million Baht. Foreign exchange gain was 12.98 million Baht which mainly due to the strengthen of local currency and gain on commodity swap agreement was 12.67 million Baht.
5. In conclusion, for the 3rd quarter of year 2018, the company had net profit 36.85 million Baht or 0.37 Baht per share.

In conclusion, the company's operating results for the third quarter ended September 30,2018 showed the net profit which increased over than 20% when compared to the third quarter of year 2017. Enclosed please find the financial statements and statement of accounts ended Semtember 30, 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