

Our Ref: No.V. 029/2020

August 14,2020

Subject : Explanation for operation of second quarter of year 2020

Attn : Managing Director

The Stock Exchange of Thailand

Enclosed please find the financial statements for second quarter of year 2020 ended June30,2020.  
The details are as follows:

1. For the 2 nd quarter of year 2020, total revenues from sales was 206.55 million Baht, or a decrease of 48.51% from the same period of last year and a decrease of 30.49% over the last quarter. Such decrease was mainly due to dropping in metal price and low level of production and sales caused from the COVID-19 out break.
2. Cost of sales was 233.11 million Baht or at 112.86% of sales which increased from the 2<sup>nd</sup> quarter of last year of 107.58 % and increased from the last quarter of 105.37% . That was due to low production and sales.
3. Selling and administrative expenses decreased from the same period of last year to 14.66 million Baht while Finance costs decreased to 3.54 million baht due to the less financing.
4. In the 2nd quarter, other revenues was 0.81 million Baht. Foreign exchange gain was 3.74 million Baht.
5. In conclusion, for the 2nd quarter of year 2020, the company had net loss of 37.59 million Baht or 0.38 Baht per share.

Enclosed please find the financial statements and statement of accounts ended June 2020 which have been reviewed by the authorized auditors.

Sincerely yours,

VAROPAKORN PUBLIC COMPANY LIMITED

(Mr. Sahasee Chitanondh)  
Managing Director

CC. Corporate Monitoring Department, The Securities and Exchange Commission