

Our Ref: No.V 007/2022

25 February 2022

Subject : Explanation for operation of the year 2021

Attn : Managing Director

The Stock Exchange of Thailand

Varopakorn Public Company Limited would like to explain our performance of the year 2021 ended December 31, 2021

The details are as follows:

1. For the year 2021, the company reported the revenue from sales of 2,575.82 million Baht, increased 152.44% from last year and total revenues of 2,587.55 million Baht which also increased 147.32% from last year. This was mainly due to our marketing effort to expand into all regions.
2. Cost of sales was 2,458.70 million Baht or at 95.45% of revenue from sales which was better than 107.40% of year 2020 due to high productivity and sales.
3. Selling and administrative expenses was 85.76 million Baht which increased from 67.81 million Baht of year 2020 which in line with revenue growth.
4. Finance Cost was 16.48 million baht increased from Year 2020 of 13.99 million Baht due to higher in borrowing and interest rate.
5. For the year 2021 there was other revenues of 7.95 million baht and net gain on derivatives evaluation was 3.77 million Baht.
6. In conclusion, for the year 2021, the company has net profit from comprehensive income of 3.87 million Baht or 0.04 Baht per share.

In conclusion the company's operating results for Year 2021 showed the net profit which increased over 20% when compared to Year 2020. Enclosed please find the financial statements and statement of accounts ended December 2021 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