

Our Ref: No.V. 021 /2022

August 11,2022

Subject : Explanation for operation of second quarter of year 2022

Attn : Managing Director

The Stock Exchange of Thailand

Enclosed please find the financial statements for second quarter of year 2022 ended June 30,2022.
The details are as follows:

1. For the 2nd quarter of year 2022, total revenue from sales was at 1,015.08 million Baht, or an increase of 83.97% from the same period of last year and decrease of 6.17% from the last quarter. Such decrease was mainly due to lower demand in our products.
2. Cost of sales was at 978.98 million Baht or accounted for 96.41% of revenue from sales which increased from the 2nd quarter of last year of 92.07% and slightly increase from the last quarter of 95.61% due to high energy costs and lower production and sales.
3. Selling and administrative expenses increased from the same period of last year as 19.37 to 23.55 million Baht while finance costs increased to 8.83 million baht due to higher financing and higher interest rate.
4. In the 2nd quarter, other revenues was 0.76 million Baht., there was loss on Exchange rate 44.42 million Baht due to the weakness of Thai Baht and gain on derivatives revaluation of 7.33 million Baht.
5. In conclusion, for the 2nd quarter of year 2022, the company had net loss of 33.32 million Baht or 0.33 Baht per share.

In conclusion, the company's operating results for the second quarter ended June30,2022 showed the net loss which decreased over20% when compared to the same period of year2021.Enclosed please find the financial statements and statement of accounts ended June 2022 which have been reviewed by the authorized auditors.

Sincerely yours,

VAROPAKORN PUBLIC COMPANY LIMITED

-Sahasee Chitanondh-

(Mr. Sahasee Chitanondh)

Managing Director

CC. Corporate Monitoring Department, The Securities and Exchange Commission