



Translation

August 13, 2019

Subject: Management explanation and analysis for Quarter ended 30 June 2019

Attn: The Managing Director, the Stock Exchange of Thailand

Pacific Pipe Public Company Limited would like to clarify the operating results of the Quarter ended June 30, 2019 that has net Profit of Baht 34.81 million, increased from the same period of previous year that has net profit of Baht 7.82 million, increased Baht 26.99 million or 345.14% as follow:

1. Revenue from sale and service was Baht 2,423.78 million, increased Baht 21.07 million or 0.88% , gross profit margin was 5.97 % of Revenue from sale and service, increased from last year that gross profit margin was 3.56%. This is result from effective inventory management even though the steel price trend decreased same as last year.
2. Administrative expenses were Baht 92.09 million; increased Baht 16.71 million or 22.17%. This is result from increasing provision for retirement benefit under new labor law and increasing in normal administration.
3. Finance cost was Baht 14.84 million; increased Baht 1.19 million or 8.72 % This is the result from increasing in short term loans from financial institutions using for company's working capital and increase interest rate from last year.

Yours faithfully

- Signed by -

(Miss.Viriya Ampornapakul )

Company Secretary