



Translation

November 13, 2019

Subject: Management explanation and analysis for Quarter ended 30 September 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 September 30, 2019 that has net Loss of Baht 30.40 million, decreased from the same period of previous year that has net profit of Baht 14.44 million, decreased Baht 44.84 million or 310.53% as follow:

1. Revenue from sale and service was Baht 2,337.72 million, decreased Baht 127.78 million or 5.18% , gross profit margin was 0.94 % of Revenue from sale and service, decreased from last year that gross profit margin was 4.33%. This is result from the world steel price in declining trend from same period of last year.
2. Administrative expenses were Baht 50.87 million; decreased Baht 33.55 million or 39.74% from same period of last year. This is result from improvement in administrative expense to align with current operation.
3. Selling expense were Baht 43.35 million; decreased Baht 5.13 million or 10.58% from same period of last year  
This is the same trend of decreasing in Revenue from sale and service.
4. Finance cost was Baht 15.44 million; decreased Baht 0.24 million or 1.53 % This is the result from decreasing in short term loans from financial institutions using for company's working capital.

Yours faithfully

- Signed by -

(Miss.Viriya Ampornnapakul )

Company Secretary