

Translation

May 12, 2022

Subject: Management explanation and analysis for the period ended 31 March 2022

Attn: The Managing Director, the Stock Exchange of Thailand

Pacific Pipe Public Company Limited would like to clarify the operating results of period ended March 31, 2022 that has net Profit of Baht 19.11 million, decreased from the same period of previous year that has net profit of Baht 259.61 million or 92.63 % as follow:

1. Revenue from sale and service was Baht 2,936.12 million, increased Baht 436.12 million or 17.44% compared to last year. As a result of the average selling price is higher than the same quarter of last year. Global Steel Price is in high level compared to last year because of steel supply constrains effect from Russia-Ukraine war and the reduction of China's steel production.
2. Gross profit margin was 4.05% of total revenue, decreased from last year that gross profit margin was 17.39%. Although The selling price is higher than the same quarter of last year, the fluctuation in steel price trend effect to the narrow steel spread when compared to the continuous increased in steel price in the same quarter of last year.
3. Selling expenses were Baht 34.40 million; decreased Baht 3.75 million or 9.81% from last year. As a result of from decreased in sale quantity from the same period last year.
4. Administrative expenses were Baht 50.78 million; decreased Baht 18.47 million or 26.66% from last year. This is result from the decreasing in staff cost, expenses related to COVID-19 and the effective expense management.
5. Finance cost was Baht 7.52 million; decreased Baht 0.51 million or 6.37%. As a result of from company's liquidity is still in good condition.

Yours faithfully

- Signed by -

(Miss.Viriya Ampornnapakul)

Company Secretary

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