

Translation

November 10, 2022

Subject: Management explanation and analysis for the period ended 30 September 2022

Attn: The Managing Director, the Stock Exchange of Thailand

Pacific Pipe Public Company Limited would like to clarify the operating results of the period that ended September 30, 2022, which has a net loss of Baht 213.52 million, which decreased from the same period of the previous year that has a net profit of Baht 54.49 million or 491.87 % as follow:

1. Revenue from sales and service was Baht 2,258.78 million, a decrease baht 34.99 million or 1.53% compared to last year. This is because the average selling price was lower than in the same quarter of last year, although sales volume increased from the same quarter of last year. The global market price trend is significant declining in this period from the reduction of China's steel production from covid lock down and concerns about the global economic recession.
2. Gross profit margin was negative 3.31% of total revenue, decreased from last year that gross profit margin was 8.71%. As a result of steel prices fall very sharply and rapidly so the market price lower than the company's inventory cost. Although, the Company try to reduce inventory level, the impact still high.
3. Selling expenses were Baht 37.44 million, which increased baht 0.93 million or 2.56% from last year. As a result of from increased in sale quantity from the same period last year.
4. Administrative expenses were Baht 82.94 million, which decreased baht 4.73 million or 5.40% from last year. This is the result of the decrease in staff costs, expenses related to COVID-19, and effective expense management.
5. Finance cost was Baht 9.09 million; decreased by Baht 0.74 million or 7.55% because the company's liquidity is still in good condition.

Yours faithfully

- Signed by -

(Mr. Pert Leevilaikunratt)

Chief Financial Officer

---

**Pacific Pipe Public Company Limited**

Sales Office : 1168/74 Lumpini Tower 26th Floor, Rama IV Rd., Thungmahamek, Sathorn, Bangkok 10120 Thailand. Tel : 02-679-9000  
Head Office : 298, 298/2 Moo 1 Suksawad Rd., Pakklongbangplakod, Prasamutjedee, Samutprakarn 10290 Thailand. Tel : 02-816-2701