

Translation

May 13, 2026

Subject: Management discussion and analysis for the period ended 31 March 2026

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 March 31, 2026

Business Overview

Impact of External Factors and Production Costs

Over the past quarter, the steel industry has faced significant volatility driven by geopolitical tensions between the U.S. and Iran. This situation has led to surges in energy costs and freight rates, alongside supply chain disruptions in the Persian Gulf. Consequently, Thai Hot-Rolled Coil (HRC) manufacturers have been forced to bear higher raw material costs due to the need for alternative sourcing. These costs have subsequently pushed up the domestic prices of structural steel pipes in accordance with global market price mechanisms. Ultimately, external factors this quarter have pressured costs throughout the entire supply chain and increased the volatility of domestic steel prices.

Demand Recovery and Government Support Mechanisms

Despite cost pressures, domestic steel consumption has begun to show signs of recovery, supported by the acceleration of investment in infrastructure projects and domestic economic stimulus measures. In addition, the industry has benefited from stricter enforcement of anti-dumping (AD) measures and efforts to prevent the importation of substandard steel that does not comply with Thai Industrial Standards (TIS). These measures helped protect Thai operators and support domestic trade stability. As a result, improving demand signals and government measures have helped underpin the domestic steel market amid ongoing cost volatility.

Company Overview

Operating Results

1. In the current period, the Company recorded total revenue from sales and services of THB 2,075.24 million, an increase of THB 194.48 million, or 10.34%, compared with the same period of the prior year. The increase in revenue was primarily driven by higher sales volumes, consistent with the recovery in domestic steel demand. While the average steel price during the period was lower than in the same period of the prior year due to market oversupply and intensified global competition, the Company sustained its revenue growth by expanding sales volume. This was supported by the strength of its products, certified under Thai Industrial Standards (TIS) and international standards, which enhanced customer confidence and strengthened the Company's ability to meet market requirements.

- The Company's gross profit margin was 10.46% of revenue from sales and services, improving from 7.33% in the same period of the prior year. The improved gross profit margin this quarter was driven by an increase in steel market prices toward the end of the period, triggered by geopolitical factors. As a result, the company recognized a reversal of inventory write-down amounting to THB 17.50 million, which was credited against the cost of goods sold. Additionally, the improvement was supported by efficient raw material cost management and effective production cost controls.
- Selling expenses amounted to THB 42.37 million, an increase of THB 7.07 million, or 20.04%, compared with the same period of the prior year, mainly due to higher transportation costs in line with increased sales volume and higher energy costs.
- Administrative expenses amounted to THB 55.55 million, a decrease of THB 2.25 million, or 3.89%, compared with the same period of the prior year, due to effective control of administrative expenses.
- Finance costs amounted to THB 8.50 million, a decrease of THB 4.21 million, or 33.10%, compared with the same period of the prior year, due to a continued decline in interest rates.

Statement of Financial Position

Performance (Unit : Million Baht)	31 March 2026 (Unit : Million Baht)	31 December 2025 (Unit : Million Baht)	QoQ Change (Unit : Million Baht)
Total Assets (Million Baht)	4,296.08	3,875.70	420.38
Total liabilities (Million Baht)	2,282.68	1,989.22	293.46
Total shareholders' equity (Million Baht)	2,013.39	1,886.48	126.92

- Total assets as at 31 March 2026 amounted to THB 4,296.08 million, an increase of THB 420.38 million compared with year-end 2025, mainly due to increases in cash of THB 250.11 million, trade receivables of THB 170.56 million, and inventories of THB 29.00 million.
- Total liabilities as at 31 March 2026 amounted to THB 2,282.68 million, an increase of THB 293.46 million compared with year-end 2025, mainly due to increases in short-term borrowings from financial institutions of THB 141.25 million and trade payables of THB 139.25 million.
- Shareholders' equity as at 31 March 2026 amounted to THB 2,013.39 million, an increase of THB 126.92 million compared with year-end 2025, This increase is attributable to the company's net profit of THB 126.92 million for the current quarter.

Yours faithfully

- Signed by -

(Mr. Pert Leevilaikunratt)

Chief Financial Officer