Translation

November 10, 2026

Subject: Management discussion and analysis for the period ended 30 September 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 September 30,2026

Business Overview

Impact of External Factors and Production Costs

In the third quarter of 2026, the steel industry continued to face volatility from geopolitical tensions in the Middle East, which impacted energy costs, freight rates, and raw material transportation. Meanwhile, hot-rolled coil (HRC) producers increased prices to reflect actual costs, whereas steel pipe selling prices had already adjusted upward previously, leading to higher raw material costs for steel pipe manufacturers. Under these circumstances, efficient management of production costs and inventory remains a critical factor in maintaining competitiveness.

Demand Recovery and Government Support Mechanisms

In the third quarter of 2026 the domestic steel industry began to show signs of demand recovery, supported by government investment in infrastructure and transportation projects, as well as economic stimulus measures aimed at promoting domestic consumption. These initiatives helped support economic activity and ease the burden on business operators. In addition, the government continued to implement Anti-Dumping (AD) measures on certain imported steel products, alongside measures to prevent the circumvention of AD duties, with the aim of promoting fair competition and supporting domestic steel producers. Nevertheless, the recovery in demand remained gradual amid ongoing economic uncertainty and fragile domestic purchasing power.

Company Overview

Performance (Unit : Million Baht)	Quarter 3/2026 (Unit : Million Baht)	Quarter 3/2025 (Unit : Million Baht)	Change (Unit : Million Baht)	Change (%)
Sales and service income (Million Baht)	2,067.10	1,863.54	203.56	10.92%
Gross Profit (%)	6.87%	6.27%	-	0.60%
Selling and distribution expenses (Million Baht)	45.05	39.47	5.58	14.15%
Administrative expenses (Million Baht)	66.72	59.30	7.42	12.52%
Finance cost (Million Baht)	7.22	12.74	-5.52	-43.34%
Net profit (loss) (Million Baht)	39.96	20.22	19.74	97.64%

Operating Results

1. In the current period, the Company recorded total revenue from sales and services of THB 2,067.10 million, an increase of THB 203.56 million, or 10.92%, compared with the same period of the prior year. The primary contributing factor was the increase in average selling prices compared to the same period of the previous year, driven by price adjustments to reflect raw material costs, energy prices, and transportation expenses, which remained elevated throughout the third quarter of 2026. This was further supported by supply constraints in the steel market. The Company was able to sustain revenue growth effectively through its competitive advantage in offering products certified under Thai Industrial Standards (TIS) and international standards. These certifications have strengthened customer confidence and enabled the company to address market demand effectively.
2. The Company's gross profit margin was 6.87% of revenue from sales and services, improving from 6.27% in the same period of the prior year. This was mainly driven by an improvement in gross profit margin for the quarter, resulting from an increase in selling prices compared to the same period of the prior year, alongside effective supply chain and inventory management to ensure adequate availability, as well as efficient management of raw material and production costs. Additionally, the Company recognized a reversal of net realizable value of inventories amounting to THB 12.69 million, which was deducted from cost of goods sold.
3. Selling expenses amounted to THB 45.05 million, an increase of THB 5.58 million, or 14.15%, compared with the same period of the prior year. This was attributable to an increase in transportation costs, in line with rising oil prices.
4. Administrative expenses amounted to THB 66.72 million, an increase of THB 7.42 million, or 12.52%, compared with the same period of the prior year. This was primarily attributable to higher general operating expenses, including staff expenses and trade credit insurance premiums.
5. Finance costs amounted to THB 7.22 million, a decrease of THB 5.52 million, or 43.34%, 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)	30 September 2026 (Unit : Million Baht)	31 December 2025 (Unit : Million Baht)	Change (Unit : Million Baht)
Total Assets (Million Baht)	4,241.30	3,875.70	365.60
Total liabilities (Million Baht)	1,969.93	1,989.22	-19.30
Total shareholders' equity (Million Baht)	2,271.38	1,886.48	384.90

1. Total assets as at 30 September 2026 amounted to THB 4,241.30 million, an increase of THB 365.60 million compared with year-end 2025, mainly due to increases in cash of THB 132.45 million, trade receivables of THB 161.53 million, and inventories of THB 101.16 million.
2. Total liabilities as at 30 September 2026 amounted to THB 1,969.93 million, a decrease of THB 19.30 million compared with year-end 2025, mainly due to a decrease in short-term borrowings from financial institutions of THB 138.69 million, while trade payables increased by THB 98.80 million.
3. Shareholders' equity as at 30 September 2026 amounted to THB 2,271.38 million, an increase of THB 384.90 million compared with year-end 2025, This was primarily due to an increase in the Company's retained earnings of THB 465.78 million, an increase in the market value adjustment of land of THB 31.33 million and dividend paid of THB 112.20 million.

Yours faithfully

- Signed by -

(Mr. Pert Leevilaikunratt)

Chief Financial Officer