



Translation

August 13, 2020

Subject: Management explanation and analysis for Year ended 30 June 2020

Attn: The Managing Director, the Stock Exchange of Thailand

Pacific Pipe Public Company Limited would like to clarify the operating results of the year ended June 30, 2020 that has net Profit of Baht 9.76 million, decreased from the same period of previous year that has net profit of Baht 34.81 million, decreased Baht 25.05 million or 71.98 % as follow:

1. Revenue from sale and service was Baht 1,796.69 million, decreased Baht 627.09 million or 25.87% from last year. This is because of the economy has slowed due to the impact of the COVID19 pandemic and the downward trend of the world steel price.
2. Gross profit margin was 7.23% of Total revenue, decreased from last year that gross profit margin was 7.95%. A result from the downward trend of the world steel price.
3. Selling expenses were Baht 33.79 million; decreased Baht 11.84 million or 25.95% from last year. This is result from decreased in sale quantity and the declining in transportation costs according to oil price.
4. Administrative expenses were Baht 73.80 million; decreased Baht 18.29 million or 19.86% from last year. This is result from general operating cost control and there was a provision for retirement benefit under new labor law in the same period of last year.
5. Finance cost was Baht 10.84 million; decreased Baht 3.99 million or 26.91%. Because of the declining in interest rate.

Yours faithfully

- Signed by -

(Miss.Viriya Ampornnapakul )

Company Secretary