

Translation

February 24, 2025

Subject: Management explanation and analysis for Year ended 31 December 2024

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 December 31, 2024, which has a net loss of Baht 203.77 million, which increased from the same period of the previous year that has a net loss of Baht 56.15 million increased 147.62 million or 262.89 % as follows:

1. Revenue from sales and service was Baht 7,405.09 million, a decrease of 1,237.93 million or 14.32% compared to last year. The downward trend in world market prices was affected by the global economic slowdown. In terms of sales volume, it decreased in line with Thailand's economic situation. Steel demand in Thailand has contracted due to delays in government investment budget allocations. Additionally, the market has been impacted by China's steel exports being distributed to various countries worldwide, including Thailand.
2. Gross profit margin was 1.99% of sales and service income decrease from last year the gross profit margin was 3.32%. According to the rapid decline in prices, the market price of steel has dropped below the cost of the company's inventory. Also, an adjustment to the cost of inventory to its net realizable value (NRV), amounting to approximately 10 million baht, has been included in the cost of goods sold.
3. Selling expenses were Baht 132.65 million, which decrease baht 7.29 million or 5.21% from last year. As a result of decreased expenses in marketing and sales promotion, as well as lower transport costs.
4. Administrative expenses were Baht 248.90 million, which decrease baht 4.87 million or 1.92% from last year. As a result of efficient control of administrative expenses.
5. Finance cost was Baht 59.59 million, increased by Baht 5.59 million or 10.35% because of the increase in interest rate.

Yours faithfully

- Signed by -

(Mr. Pert Leevilaikunratt)

Chief Financial Officer

Pacific Pipe Public Company Limited

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