

Translation

February 22, 2017

Re: Management Discussion and Analysis for Year Ending 31 Dec 2016

Attn: The Managing Director

The Stock Exchange of Thailand

Pacific Pipe Public Company Limited would like to clarify the operating results of the years ended December 31, 2016 that net profit was Baht 546.38 million, increase from the same period of previous year that has net loss Baht 42.99 million, increase Baht 589.37 million or 1,370.95% from the same period of last year as follow:

1. Revenue from sale and service was Baht 6,993.96 million, increased Baht 518.96 million or 8.01 % from the same period of last year. This is result from sale volume was increasing.
2. Cost of goods sold and service was Baht 6,021.30 million, decreased Baht 181.69 million or 2.93% from the same period of last year. This is result from the increasing in sale volume while steel price and production cost per unit lowers than the same period of last year.
3. Selling expenses were Baht 147.18 million, increased Baht 11.40 million or 8.40 % from the same period of last year. This is result from the increasing in sale volume.
4. Administration expenses were Baht 296.53 million, increased Baht 57.14 million or 23.87 % from the same period of last year. This is result from increasing in normally administration.
5. Finance cost was Baht 33.39 million, decrease Baht 17.14 million or 33.92% from the same period of last year. This is the result from early payment of long-term loan.

Yours faithfully

(Miss Viriya Ampornapakul)

President