



Translation

February 19, 2021

Subject: Management explanation and analysis for the year ended 31 December 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 December 31, 2020 that has net Profit of Baht 203.01 million, increased 183.85 % compared to last year that that had net profit of Baht 71.52 million, as follow:

1. Revenue from sale and service was Baht 7,299.54 million, decreased Baht 1,944.14 million or 21.03% compared to last year. According to the COVID19 pandemic impact on various industries, the demand for steel product is slowdown. Also, impact from world steel price trend.
2. Gross profit margin was 9.82% of total revenue, increased from last year that gross profit margin was 6.54%. due to the increasing trend in steel price both local and global during this year. Also, because of effective inventory management.
3. Selling expenses were Baht 155.72 million; decreased Baht 23.13 million or 12.93% from last year. This is result from decreased in sale quantity. As well as the decline in transportation costs according to oil price.
4. Administrative expenses were Baht 278.51 million; decreased Baht 8.05 million or 2.81% from last year. This is result from effective expense management.
5. Finance cost was Baht 38.05 million; decreased Baht 17.98 million or 32.09%. Because of the declining in interest rate.

Yours faithfully

- Signed by -

(Miss.Viriya Ampornnapakul )

Company Secretary

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