

Translation

August 8, 2024

Subject: Management explanation and analysis for the period ended 30 June 2024

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 June 30, 2024, which has a net loss of Baht 27.77 million, which increased from the same period of the previous year that has a net loss of Baht 89.76 million or 69.06 % as follows:

1. Revenue from sales and service was Baht 1,971.81 million, a decrease of 70.58 million or 3.45% compared to last year. Demand for steel consumption in Thailand has decreased due to delays in government investment and an overall slowdown in the real estate sector. Additionally, it has been affected by the oversupply of steel products from China to various countries worldwide, including Thailand.
2. Gross profit margin was 3.01% of sales and service income increased from last year the gross profit margin was negative 1.02%. Last year, the company was impacted by market steel prices falling below the inventory cost. However, this year, Steel prices are stable according to the economic situation, the company has been able to manage inventory better.
3. Selling expenses were Baht 35.34 million, which increased baht 3.48 million or 10.92% from last year. As a result of increased expenses in marketing and sales promotion, as well as higher transport costs.
4. Administrative expenses were Baht 65.07 million, which increased baht 3.96 million or 6.49% from last year. As a result of general operating expenses increasing.
5. Finance cost was Baht 15.22 million, increased by Baht 1.47 million or 10.65% because of the increase in interest rate

Yours faithfully

- Signed by -

(Mr. Pert Leevilaikunratt)

Chief Financial Officer

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