



(TRANSLATION)

AF. 018 / 2019

August 7, 2019

Subject Explanation of the operating performance for 3-month period ended June 30, 2019

To Managing Director

The Stock Exchange of Thailand

Pan Asia Footwear Public Company Limited would like to submit the report of Management Discussion and Analysis for the 3-month period ended June 30, 2019 which has been unaudited but reviewed by the auditor this is caused by followings:

The Operating results of the company and its subsidiaries Explanation of the operating performance for the 3-month period ended June 30, 2019 as in the consolidate financial statement has net Loss 19.86 Million Baht, increase of 19.25 Million Baht or 3,181.98% comparing to the same period last year. Loss to equity holders of the parent is 21.99 million baht increase of 19.67 Million Baht or 846.92% comparing to the same period last year, this is caused by followings:

Consolidated financial statements

Revenues

1. Total revenues from hire of work of 2.14 Million Baht was 8.11 Million Baht or 79.13% decrease from the same period last year. This was the result from the cessation of the subsidiary's business operations.

2. Other Income 4.23 Million Baht, decrease 11.25 million baht from the same period last year or 72.69% ,this was the result from the collection from receivables 12.51 million baht.

Separate financial statements

Revenues

1. Revenues from Sales 5.50 Million Baht increase 2.15 million baht from the same period last year or 64.02% due to increase sales channels and increasing agricultural productivity.

2. Dividend income 2.96 Million Baht, this was the result of received from Advantage Footwear Co.,Ltd.



3. Other income 2.78 Million Baht decrease 12.03 million baht from the same period last year or 81.20% due to the same period last year , collection from receivables 12.51 million baht.

The consolidated financial statements of the group of businesses for 3-month period ended June 30, 2019 net loss of 19.86 million baht Equity holders of the parent is 21.99 million baht. The net loss per share is calculated at 0.041 baht per share. The financial statement of the separate financial statements shows the net loss of 7.15 million baht. The net loss per share is calculated at 0.013 baht per share.

Please be informed accordingly.

Yours faithfully,

Sommat Khunset

(Mr. Sommat Khunset)

Managing Director