



(TRANSLATION)

AF. 015 / 2019

May 14, 2019

Subject Explanation of the operating performance for 3-month period ended March 31, 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 March 31, 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 March 31, 2019 as in the consolidate financial statement has net profit 13.32 Million Baht, increase of 22.51 Million Baht or 244.98% comparing to the same period last year. Profit to equity holders of the parent is 10.75 million baht increase of 21.90 Million Baht or 196.49% comparing to the same period last year, this is caused by followings:

Consolidated financial statements

Revenues

1. Total revenues from hire of work of 2.24 Million Baht was 8.78 Million Baht or 79.63% decrease from the same period last year. This was the result from the cessation of the subsidiary's business operations.

2. Other Income 22.85 Million Baht, increase 17.10 million baht from the same period last year or 297.39% ,this was the result from the acquisition cost of PEI's shares was approximately Baht 10.39 million lower than the proportionate net fair value of the identifiable assets this as the change in status of associate to subsidiary and other income from the collection from receivables 5.43 million baht.

Separate financial statements

Revenues

1. Revenues from Sales 5.07 Million Baht increase 2.13 million baht from the same period last year or 72.21% due to increase sales channels and increasing agricultural productivity.

2. Dividend income 4 Million Baht, this was the result of received from Modern Technology Component Co.,Ltd.



3. Other income 8 Million Baht increase 3.49 million baht from the same period last year or 77.16% due to the collection from receivables 5.43 million baht.

The consolidated financial statements of the group of businesses for 3-month period ended March 31, 2019 pose net profit of 13.32 million baht Equity holders of the parent is 10.75 million baht. The net profit per share is calculated at 0.020 baht per share. The financial statement of the separate financial statements shows the net profit of 3.45 million baht. The net profit per share is calculated at 0.006 baht per share.

Please be informed accordingly.

Yours faithfully,

Sommat Khunset

(Mr. Sommat Khunset)

Managing Director