



(TRANSLATION)

AF. 014 / 2020

May 13, 2020

Subject Explanation of the operating performance for 3-month period ended March 31, 2020

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, 2020 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, 2020 as in the consolidate financial statement has net profit 5.90 Million Baht, decrease of 7.42 Million Baht or 55.70% comparing to the same period last year. Profit to equity holders of the parent is 5.29 million baht decrease of 5.47 Million Baht or 50.84% comparing to the same period last year, this is caused by followings:

#### **Consolidated financial statements**

##### **Revenues**

1. Total revenues from hire of work of 3.68 Million Baht was 1.44 Million Baht or 64.02% increase from the same period last year. This was the result from the orders for customers in the production of protector guard equipment for Hockey sport are increasing.

2. Other Income 7.91 Million Baht, decrease 14.94 million baht from the same period last year or 65.38% ,this was the result from quarter 1 in 2019 other income occurs 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 7.23 Million Baht increase 2.16 million baht from the same period last year or 42.58% due to increase sales channels and increasing agricultural productivity.

2. Dividend income 2.90 Million Baht, this was the result of received from Advantage Footwear Co.,Ltd. (subsidiary)

3. Other income 3.56 Million Baht decrease 4.46 million baht from the same period last year or 55.59% due to the collection from receivables 5.43 million baht for quarter 1 in 2019

### Expenses

1. Cost of sales and hire of work 7.47 Million Baht increase 1.52 million baht from the same period last year or 25.50% this was the result of expenses used to increase agricultural productivity and control to meet quality standards and customer needs.

2. Selling and distribution expenses 1.10 Million Baht increase 0.57 million baht from the same period last year or 107.36% due to Increased with higher sales

The consolidated financial statements of the group of businesses for 3-month period ended March 31, 2020 pose net profit of 5.90 million baht Equity holders of the parent is 5.23 million baht. The net profit per share is calculated at 0.010 baht per share. The financial statement of the separate financial statements shows the net loss of 1.91 million baht. The net loss per share is calculated at 0.004 baht per share.

Please be informed accordingly.

Yours faithfully,

Sommat Khunset

(Mr. Sommat Khunset)

Managing Director