

Tor Hor 036/2010

July 30, 2010

Subject: Explanation on expenditure of money from capital increasing
Attention: Directors and Managers
The Stock Exchange of Thailand

According to offering increased capital ordinary shares of People's Garment Public Company Limited to the existing shareholders in the amount of 24 million shares 12 Baht per share in 2006, the company received the money from this occasion in the amount of 288 million Baht.

The company is pleased to report the expenditure of money following the objective of capital increasing as of June 30, 2010 as following details;

| Objectives | Receiving (Million Baht) | Expenditure until June 30, 2010 (Million Baht) | Remaining (Million Baht) |
|----------------------------------------------------------------------------------------|-----------------------------|------------------------------------------------------|-----------------------------|
| To expand the knitting factory and production of readymade garment at Kabinburi Branch | 288 | - | - |
| Construction and Utilities Expense | - | 65.50 | - |
| Machinery Supplies | - | 102.26 | - |
| Others | - | 2.24 | - |
| TOTAL | 288 | 170.00 | 118 |

The company has been constructed the knitting factory and sewing building at Kabinburi Branch, Prachinburi Province. The first machinery was invested in 2007, and the second machinery was invested some due to deceleration of economy both domestically and internationally and internal political problems which lead to deceleration of consumer's purchasing which resulted in company production. Therefore, the company manages the remained money amount 118 Million Baht from capital increasing. Such amount will be used as working capital by considering highest return in term of interest.

Sincerely yours,

Charoen Charoenwattanasuksom
(Mr.Charoen Charoenwattanasuksom)
Director