



(Translation)

AF.006/2019

27 February 2019

Subject : Approval of transaction contract of rent with connected persons

Investing in ordinary shares of Pek Industries Co., Ltd. (Additional)

To : Managing Director

The Stock Exchange of Thailand

The meeting of the Board of Directors of Pan Asia Footwear Public Company Limited (the “Company”) No. 1/2019 held on 27 February 2019 had approved to invest 6,993 ordinary shares of Pek Industries Co., Ltd. at Baht 800.80 per share, totally Baht 5,600,000 or 49.95% of registered capital.

Transactions details are described as follow :

- 1) Date of transaction occurs: 28 February 2019
- 2) The parties involved :

Buyer	Excellent Rubber Co., Ltd. [ERC]
Buyer	Advantage Footwear Co.,Ltd. [AVF]
Seller	Mr.Boonkiet Chokwattana – connected person
- 3) Nature of relationship Mutual directors

Mutual directors	Position	
	Mr.Boonkiet Chokwattana	Mr.Sommat Khunset
Pek Industries Co.,Ltd.	Chairman	Director
Excellent Rubber Co., Ltd.		
Advantage Footwear Co.,Ltd.		

4) Transaction detail :

4.1 Details of asset acquired

Company’s Name	: Pek Industries Co.,Ltd.
Location	: 626/1 Moo 11 Nongkham Sriracha Chonburi
Registered Capital	: Baht 5,000,000 divided into ordinary share 14,000 ordinary share at par value 1,000 Baht
Type of Business	: Cutting Board , Eyelet

Data from the financial statement on 31 December 2018, which has been audited by the auditor.

Description	Amount ('000 Baht)
Total Assets	36,226
Total Liabilities	4,749
Equity	31,478
Total Revenue	50,806
Net Profit	2,896
%net profit per Total Revenue	5.70%

4.2 Investment Proportion (Shareholding Proportion)

Name	Shares Before	Shareholding Proportion (%)	Shares After	Shareholding Proportion (%)
Mr.Boonkiet Chokwattana	6,993	49.95%	-	-
Modern Technology Component Co.,Ltd.	439	3.14%	439	3.14%
Footwear Tech 1530 Co.,Ltd.	4,522	32.30%	4,522	32.30%
PA Capital Co.,Ltd.	2,039	14.56%	2,039	14.56%
Other person	7	0.05%	7	0.05%
Excellent Rubber Co., Ltd.	-	-	3,747	26.76%
Advantage Footwear Co.,Ltd.	-	-	3,246	23.19%
Total	14,000	100%	14,000	100%

- 5) Totaling Return : 6,993 ordinary shares of Pek I industries Co., Ltd. At par value Baht 800.80, amounting to Baht 5,600,000
The price at which Mr.Boonkiet Chokwattana bought from the Legal Execution Department, which announced the auction of Pek Industries Co.,Ltd.'Shares on January 15, 2019.
- 6) Expected return : Gain an opportunity to invest
- 7) Source of Fund : Company's working capital

8) Interested directors not attend the meeting and not vote :

Mr.Boonkiet Chokwattana and Mr.Sommat Khunset

9) Opinions by the company's Board of Directors : :

Approved to invest 6,993 ordinary shares of Pek Industries Co., Ltd. at Baht 800.80 per share, totally Baht 5,600,000 for managing excess liquidity and gaining opportunity to invest in new business expecting good business growth.

10) Opinions by Audit Committee - None -

11) Transaction Type :

The Transaction as stated above would be within scope of the related transaction according to the Notification of the Capital Market Supervisory Board 21/2008 Re: Rules and regulations on connected transactions and Notification of the Stock Exchange of Thailand Re: Opinion of Financial Advisors Concerning Connected Transactions, 2003 in categories of related transactions on type of rental transaction on non movable property not more than 3 years which has the transaction value more than 1 Million Baht but less than 20 Million Baht or to by more than 0.03% but less than 3% of NTA (3% of NTA = 13.28 Mb.)* whichever is higher. This transaction must be approved by the Board of Directors and disclosed to the Stock Exchange of Thailand but need not approval by the General Shareholders Meeting.

* Data from the financial statements on 31 December 2018, which has been audited by the auditor.

Please be informed accordingly.

Yours faithfully,

(Mr. Sommat Khunset)

Managing Director