



(Translation)

AF.024/2019

14 November 2019

Subject The Information of the connected transaction on receiving financial assistance

To Managing Director
The Stock Exchange of Thailand

According to the Board of Director Meeting of Pan Asia Footwear Public Company Limited (“Company” or “PAF”) No. 4/2019 which held on 14 November 2019 the Board of Directors has resolved to approve the connected transaction of receiving financial assistance as the following details:

1. Date of transaction occurs : : Within December 2019

2. The parties involved :

Borrower : Pan Asia Footwear Public Company Limited [PAF]

Lender : Advantage Footwear Company Limited [AVF]

Relationship : PAF holds direct and Indirect the 84.25% stake in
Advantage Footwear Co., Ltd. / Co-Director

Directors of Advantage Footwear Company Limited

<u>Director</u>	<u>Position – AVF</u>	<u>Position - PAF</u>
1.Mr. BOONKIET CHOKWATANA	Chairman	Chairman and Chief Executive Officer
2.Mr. SOMMAT KHUNSET	President	Managing Director
3.Miss. DUANGDUAN JIEMBUNJONG	Deputy Managing Director	- N/A -
4.Mr. WICHIT PRAYOONWIWAT	Director	Director



Shareholder of Advantage Footwear Company Limited (Total 3,670,000 shares)

Company	Shares	%	Company	Shares	%
1. Pan Asia Footwear Plc.	2,903,792	79.12	9. S&J International Enterprises Plc.	13,875	0.38
2. Mr.Boonkiet Chokwatana	222,001	6.05	10. Vira Law Office Co.,Ltd.	13,875	0.38
3. Sinparadorn Co.,Ltd.	208,125	5.67	11. Far East DDB Plc.	13,875	0.38
4. Excellent Rubber Co.,ltd	141,272	3.85	12. Vitayasithi Co.,Ltd.	13,875	0.38
5.WBLP Co.,Ltd.	40,000	1.09	13. Thai Wacoal Plc.	13,875	0.38
6. Ramasorn Thaveekarn Co., Ltd.	23,125	0.63	14. Sariraporn Co.,Ltd.	9,250	0.25
7. Ppathanapatr Co.,Ltd.	23,125	0.63	15.International Curity Footwear Co.,ltd.	6,811	0.19
8.I.D.F Co.,Ltd.	23,118	0.63	16.Other	6	0.00

3. General Terms and Conditions of the Transaction. :

3.1 Type of transaction:

3.1.1 Approved the renewal of a loan 26.90 Million Baht

According to the Company approval loans from Advantage Footwear Company Limited in 2016 amount 40 Million Baht As at 30 September 2019 Outstanding loans 26.90 Million Baht due to The Company needed to use loan for working capital

3.1.2 Financial assistance from Advantage Footwear Company Limited at the total amount of Baht 10 million which will be issued as promissory notes (P/N) is 2.50% p.a. The repayment of principle and interest is at call by AVF and the company can early repay the loan.

3.2 Terms of Loan: : on 1 December 2019 to 30 April 2022 (3 years)

3.3 Lending interest:

calculated from average deposit interest rate of the commercial banks 1.25% plus 1.25%

4. The total value of the Transaction and the criteria of evaluation of the Transaction. :

Projected Interest expense of the Transaction

1. Renewal of a loan 26.90 Million Baht (1 December 2019 to 30 November 2022)
(26.90 million baht x interest rate 2.50% x 1,096/365 days)

Total projected interest expense 2,019,342.47 Baht

2. Financial amount of 10 million baht (1 December 2019 to 30 November 2022)
(10 million baht x interest rate 2.50% x 1,096/365 days)



Total projected interest expense	750,684.93 Baht
Total Projected Interest expense of the Transaction	<u>2,770,027.40 Baht</u>
Net intangible assets (NTA) as at 30 September 2019	484,478,000 Baht
Transaction Size of financial assistance from AVF	0.57% of NTA

5. **Objective of transaction** : working capital
6. **Interested directors not attend the meeting and not vote** : - 3 Directors not vote -
7. **Opinions by the company's Board of Directors** : The Board of Directors considered and has opinions that this transaction is reasonable and beneficial to the company because the company will make the working capital. The interest rate charged by AVF is lower than the market interest rate which is the interest rate that the company borrows from other financial institutions.
8. **Opinions by The Audit Committee and/or company directors significantly different from those by the Board of Directors** : - None -
9. **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 receiving financial assistance 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 = 14.53 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 30 September 2019, which has been reviewed by the auditor

Please be informed accordingly.

Yours faithfully,

(Mr. Sommat Khunset)

Managing Director