



AF.030/2023

13 November 2023

Subject : To increase capital in the Company's subsidiary

To : Managing Director
The Stock Exchange of Thailand

The meeting of the Board of Directors of Pan Asia Footwear Public Company Limited (the "Company" or "PAF") No.4/2023 held on 13 November 2023 has resolved to acknowledge the increasing capital of the subsidiary, WBLP Company Limited, by issue ordinary shares of 1,200,000 shares with a par value at THB 10 per share or totaling at THB 12,000,000 and payment for shares has been called in full according to the value of the additional shares that have been allocated proportionately.

Date of transaction occurs ,Objective of transaction and Subsidiary equity restructuring

Due to its operating performance in the past few years, WBLP Company Limited, has accumulated losses exceeding its capital. The shareholders' meeting has resolved to reduce the registered capital from 30 million baht until the company's registered capital remained at 3 million baht. Subsequently, WBLP Company Limited, has resolved to increase the registered capital by 12 million baht. Registered capital increased from 3 million baht to 15 million baht. The Company has considered purchasing additional capital shares in the Company's shares less than the number of rights to purchase additional capital shares for the above reasons and increased capital after the registered of WBLP Company Limited, the company holds 1,049,993 shares or 70% of registered capital. The company registered the increment of authorized share capital with the Ministry of Commerce on October 2023.

In this regards, this transaction is considered as an assets acquisition transaction (" Assets Acquisition") under the Notification of the Capital Market Supervisory Board, TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed an Acquisition or Disposition of Assets dated 31 August 2008 (as amended) and the Notification of the Stock Exchange of Thailand RE: Disclosure of Information and Operation Concerning the Acquisition and Disposition of Assets of a Company B.E. 2547 (2004) dated 29 October 2004 (as amended) ("Assets Acquisition Notifications"). The transaction size is calculated based on the interim financial statement of the Company for the nine-month period ended 30 September 2023 and the financial statement of WBLP Company Limited for fiscal year ended 31 December 2022. It is less than



15 percent of total assets of the Company, the company is not required to disclose such transaction to the SET according to Notification on Assets Acquisition of the Capital Market Supervisory Board.

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 transactions related to property or services. The total transaction value is 12 million Baht. The said transaction is a medium sized connected transaction (1.99% NTA) which has the transaction value more than 1 Million Baht but less than 20 Million Baht. This transaction has been approved by the Board of Directors and disclosed to the Stock Exchange of Thailand.

* Data from the financial statements on 30 September 2023, which has been reviewed by the auditor.

Please be informed accordingly.

Yours faithfully,

(Mr. Sommat Khunset)

Managing Director