



**PAF ASIA FOOTWEAR PUBLIC COMPANY LIMITED**

**The Minutes of the General Meeting of Shareholders No.39**

The meeting was held at Chao Praya Room 2, Montien Riverside Hotel, No. 372 Rama 3 Road, Khwaeng Bangkok, Khet Bangkoleam, Bangkok 10120 on April 25, 2017. There were shareholders in person and proxies 45 persons, equivalent to 47 shareholders, representing 264,702,758 shares or 49.02% of the total outstanding and paid-up shares (the Company had 540,000,000 outstanding and paid-up shares in total).

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The meeting commenced at 15.00 hours

Mr. Boonkiet Chokwattana, Chairman of the Board and Chief Executive Officer acting as Chairman of the meeting.

Mrs. Parichart Phobang, Company Secretary, informed that Pan Asia Footwear Public Company Limited there were shareholders and proxies 45 persons, representing 47 shareholders, holding 264,702,758 shares or 49.02% of the issued and paid up shares was 540,000,000 shares which constituted the quorum. According to the Company's Articles of Association no.37, shareholders and proxies must be not less than 25 persons or not less than half (1/2) of the total number of shareholders, holding shares not less than one-third (1/3) of the total number of shares sold. Number of shareholders in accordance with Section 225 of The Securities and Exchange Act B.E. 2535. By closing the shares registration book on Friday, March 17, 2017 Altogether, there were 4,569 shareholders holding the combined total of 540,000,000 shares eligible to attend this meeting and invited Chairman to open the meeting

Mr. Boonkiet Chokwattana, Chairman, opened the meeting that, The shareholders and proxies constituted the quorum according to the Company's Articles and declared the meeting open Before proceeding on the meeting, the Chairman, Introduced the Board of Directors and Company's Secretary, as follows :

The names of 9 company directors attending the meeting were as follows

- |   |              |             |   |
|---|--------------|-------------|---|
| 1 | Mr. Boonkiet | Chokwattana | Chairman and Chief Executive Officer                        |
| 2 | Mr. Payont   | Pantsri     | Director and Senior Vice President                          |
| 3 | Mr. Siripong | Sombutsiri  | Chairman of the Audit Committee and<br>Independent Director |
| 4 | Mr. Sujarit  | Patchimnan  | Audit Committee and Independent Director                    |

5	Pol. Maj. Gen. Panurat	Meepien	Audit Committee and Independent Director
6	Mr.Sommat	Khunset	Managing Director
7	Mr.Wichit	Prayoonwiwat	Director
8	Mr.Veerawuthi	Dechampiratkul	Director
9	Mr. Surat	Wongratanapassorn	Director

Company Secretary

1	Mrs. Parichart	Phobang
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And to count the votes in the Extraordinary General Meeting of shareholders in this with transparency as Assessment of the Office of the Securities and Exchange Commission, recommend attendance of Auditor as follow :-

Attendance of Auditor and representatives, 2 persons from EY Office Limited

1. Miss Manee Rattanabunnakit Certified Public Accountant (Thailand) No.5313
2. Miss Supattra Ekakkharapong Representative

Company's Lawyer

Mr.Apisak Teerakosol to be the witness in counting votes of meeting.

For the vote process in this meeting, the Chairman assigned Mrs. Parichart Phobang, Company Secretary to provide information relating to the voting procedures.

Mrs.Parichart Phobang Company's Secretary, informed the meeting that, In the General Meeting of Shareholders No.39 Company had given the opportunity for shareholders to propose agenda and/or nominate candidates to be elected as directors during December 20, 2016 to January 16,2017 and there was not any shareholders propose agenda and nominate candidates to be elected as directors.

For the Meeting details and cast the vote process in this meeting, it is in accordance with the Company's Articles of Association no. 44 that one share was equal to one vote. The casting of vote would be with revelation, the shareholder could cast the vote with agree, disagree or abstain in each agenda. Counting of vote regarded especially from disagree and/or abstain including votes on bad cards (if any). The remaining of vote counted to be the agreement of that agenda. In case shareholders do proxy to other person to attend the Meeting and to cast the vote according to shareholders' objective. Shareholders sent the proxy form to



Company in advance. Company has already recorded votes according to shareholders' objective in the system.

In the case of a bad card, there is a vote in excess of one channel, or in the case of a strike in the card without signing the strike zone.

In the case that shareholders registered to attend the Meeting after the Meeting started, the shareholders have rights to vote in the remaining agenda. The Company would count the vote of shareholders who attended the Meeting during the forming of the quorum in the agenda which they voted and for the orderly vote, and recorded to the Minutes of the Meeting.

For transparency and well organized system, the Company counted the votes by Barcode System, and shareholders would see the votes of each agenda on screen at the same time, classified as follows:

1. Any agenda, except, the agenda of directors election, shareholders who disagreed or abstained their votes should raise the sign plate, the officer would bring the voting card to fill the registered number, specify an opinion and sign the name in the voting card, the officer would keep the voting card.
2. The election of directors' agenda, shareholders received voting card at the registered, would fill the specified opinion on the election of each director individually and sign the name in the voting card. In the case that shareholders who disagreed or abstained the votes should raise the sign plate, and the officer would count the votes immediately. But collect voting cards from shareholders / Proxies would be done at the end of this agenda.

The Directors who were shareholders reserved the right to vote for approval in every agenda according to the Board of Director's proposal. In case of shareholders assigned Director as Proxies to vote, Director would vote in accordance with the shareholder's specific objectives prescribed in Proxy Form.

After that, the Chairman assigned Mr.Sommat Khunset, Managing Director, to further conduct the meeting for all meeting agenda.

Before starting the 1<sup>st</sup> agenda, Mrs.Parichart Phobang, Company's Secretary informed there was 2 person, representing 2 shareholder attending the Meeting, holding 22,600 shares, the total of shareholders and proxies were 47 persons, representing 49 shareholders, holding 264,725,358 shares or 49.02% of the issued and paid up shares.



**Agenda 1 Consideration for the approval on the Minutes of Annual General Meeting of Shareholders No.38 held on April 26, 2016.**

Mrs.Parichart Phobang, Company's Secretary reported that the Minutes of Annual General Meeting of Shareholders No.38 held on April 26, 2016 was arranged and submitted to the Stock Exchange of Thailand and publicized on company's website www.paf-group.com within 14 days from the day of the General Meeting of Shareholders and also sent to Department of Business Development, the Ministry of Commerce according to the requirement of the laws. The Copy of the Minutes was sent with the Notice of the General Meeting of shareholders which the Board of Directors had the opinion that it was recorded correctly, should propose to the Meeting of Shareholders for consideration.

After consideration, the Meeting had resolution to approve the Minutes of Annual General Meeting of Shareholders No.38 held on April 26, 2016 as proposal, with the totally votes of Shareholders who attended the meeting and were eligible to vote, details are as follow,

Agree	264,725,358	votes	or to be	100%
Disagree	-	votes	or to be	-
Abstain	-	votes	or to be	-
Voided Voting Card(s)	-	votes	or to be	-

Before starting the 2<sup>nd</sup> agenda, Mrs.Parichart Phobang, Company's Secretary informed there were no shareholder attending the Meeting, the total of shareholders and proxies were 47 persons, representing 49 shareholders, holding 264,725,358 shares or 49.02 % of the issued and paid up shares.

**Agenda 2 Acknowledgement of the Report of the Board of Directors for the past year.**

Mr.Sommat Khunset, Managing Director, proposed the report of the Board of Directors and the Company's result for the year 2016 which had already stated in the Annual Report for the year 2016 and delivered to all shareholders in CD-ROM with the Notice of the General Meeting of shareholders prior to this meeting.

On January 6, 2017, the Company has delivered Information Memorandum regarding the Acquisition of Assets dated December 27, 2016 of Pan Asia Footwear PLC. and its subsidiaries offer to the shareholders of the debt from P. A. Capital Company limited.



At present, the company and its subsidiaries are the debt from PA Capital Company Limited is the land and the land and timber economies at Wang saphung District and Phu Luang District, Loei province. Total area of 671 rai 3 ngan totaling Baht 72.42 million and paid an amount of 593,785 shares, amounting to 17.72 million baht paid a total amount of 90.14 million baht successfully.

In 2016, The company began operation in agricultural research and development, production of agricultural products to be Smart Product concept-driven agriculture reform. By learning to optimize the production of safe agricultural products including organic agriculture from the learning centers and institutes that specialize in the production of various agricultural products. Include Maejo University of Chiangmai Province. The Royal Project Foundation, Chiangmai Province and the farmers who produce organic vegetables in many areas in the country, networking with the farmers. By carrying out the production and purchase of produce from farmers network For sale both domestic and foreign companies, In 2017 to conduct a further business.

The meeting of the Board of Directors of Pan Asia Footwear Public Company Limited (the "Company") No. 6/2016 held on 19 December 2016 has approved the policy against corruption and practice according to the policy against corruption second edition to the guideline. In 2017, the company will carry out a self-evaluation to the board alignment private practice in Thailand against the corrupt. To enter the certification process. At present, during in the process of policy measures to support anti-corruption corrupt. And will conduct workshops to educate employees to both the Company and its subsidiaries.

According to The Securities and Exchange Commission, Thailand have good corporate governance. For listed companies, the 2017 edition instead of the 2012 original. In 2017, the Board of Directors will continue to review and consider adopting the compliance with the CG Code adapted to the new context of the company's business to perform optimally. It is beneficial to create sustainable value for our business further. And will report the CG Code new edition in the report to be shipped in 2018 onwards.

Before starting the 3<sup>rd</sup> agenda, Mrs.Parichart Phobang, Company's Secretary informed there was 1 person, representing 1 shareholder attending the Meeting, holding 100 shares, the total of shareholders and proxies were 48 persons, representing 50 shareholders, holding 264,725,458 shares or 49.02 % of the issued and paid up shares.



**Agenda 3 Consideration for the approval on the Financial Statements for the year ended December 31<sup>th</sup>, 2016**

Mr. Wichit Prayoonwiwat, Director, proposed the Financial Statements as at December 31, 2016 were prepared in accordance with generally accepted accounting principles and examined and certified by a Certified Public Accountant, agreed by the Audit Committee and the Board of Directors, the Board of Directors appropriated to propose to the General Meeting of shareholders to approve the Financial Statements as at December 31, 2016 as stated in the Annual Report for the year 2016 delivered to all shareholders together with the Notice of the General Meeting of shareholders prior to this Meeting for consideration. The major of contents were as follows:

(Unit : Million Baht)

Descriptions	Consolidated financial statements	Separate financial statements
Total assets	761	635
Total liabilities	276	215
Shareholders' equity	485	420
Total Income	908	53
Profit attributable to Equity holders of the Company	242	73
Earnings per share (Baht)	0.45	0.14

The Meeting had resolution to approve the Financial Statements as at December 31, 2016 as proposal, with the majority votes of Shareholders who attended the meeting and voted, details are as follow,

Agree	264,725,458	votes	or to be	100%
Disagree	-	votes	or to be	-
Abstain	-	votes	or to be	-
Voided Voting Card(s)	-	votes	or to be	-

Before starting the 4<sup>th</sup> agenda, Mrs.Parichart Phobang, Company's Secretary informed there was 1 person, representing 1 shareholder attending the Meeting, holding 350,000 shares, the total of shareholders and proxies were 49 persons, representing 51 shareholders, holding 265,075,458 shares or 49.09 % of the issued and paid up shares.

**Agenda 4 Consideration for the approval on the appropriation of Profit and Dividend Payment.**

Mr.Sommat Khunset, Managing Director, reported to the meeting that,

Net Profit (Loss) 2016	73	Million Baht
Unappropriated Retained Earnings	131	Million Baht

Board of Company's Directors proposed to the General Meeting of Shareholders to approve to allot as follows;

1. Legal reserve 5% of net profit 3.66 Million Baht for the Separate financial statements.
2. Dividend payment is Baht 0.0222 per share, to be 12 Million Baht or 16.39% of the Company's net profit on separation financial statements 2016 to the Shareholders entitling to receive the dividend according to the name listed in the record date on May 8<sup>th</sup> , 2017 and to collect the name according to Sector 225 of Securities and Exchange Act by closing share register book on May 9<sup>th</sup> ,2017 and determine dividend payment date on May 24<sup>th</sup> , 2017.

After consideration, the Meeting had resolution to approved the appropriation of profit and dividend payment as follows;

Agree	265,075,458	votes	or to be	100%
Disagree	-	votes	or to be	-
Abstain	-	votes	or to be	-
Voided Voting Card(s)	-	votes	or to be	-

Before starting the 5<sup>th</sup> agenda, Mrs.Parichart Phobang, Company's Secretary informed there were no shareholder attending the Meeting, the total of shareholders and proxies were 49 persons, representing 51 shareholders, holding 265,075,458 shares or 49.09 % of the issued and paid up shares.

**Agenda 5 Consideration for the election of company directors in replacement of those who are retired by rotation**

Mr.Sommat Khunset, Managing Director, proposed to the Meeting that according to the Company's Articles of Association no. 22, on every General meeting of Shareholders, one-third of the Directors shall retire from the office. If the member of Directors cannot be divided into three portion, the nearest to such one-third of the Directors shall retire from the office. Director who retires from the office may be re-elected. In the General Meeting of Shareholders No. 38, there were retired Directors as follows:

1. Mr.Sujarit                      Patchimnan
2. Pol. Maj. Gen. Panurat    Meepien
3. Mr. Surat                      Wongratanapassorn

According to the opinion of the Board of Directors, excluding the retiring directors, the 3 retired directors should be proposed to resume their position for the administration. They also have such a valuable knowledge and capability, business experiences and long contribution to the Company.

The Company's selection process directors has not passed recruitment committee because the Company has not yet appointed a recruitment committee. However, the Board of Directors has considered qualifications in various fields which must have appropriate qualifications, knowledge, experience and expertise of a professional. Including management performance and must not be disqualified under Section 68 of the Companies Act B.E. 2535 and the requirements of the Securities and Exchange Commission and the Stock Exchange.

Profile of 3 nominated persons to be directors has already been sent to shareholders with Notice of the General Meeting of Shareholders. Therefore, proposed to the General Meeting of Shareholders to elect individual persons, the following persons to be Directors of Company in replacement of Directors who are retired by rotation;

Mr.Sujarit Patchimnan to be Independent Director and Audit Committee

After consideration, the meeting had resolution with totally votes of Shareholders who attended the meeting and voted, details are as follow;



Agree	265,075,458	votes	or to be	100%
Disagree	-	votes	or to be	-
Abstain	-	votes	or to be	-
Voided Voting Card(s)	-	votes	or to be	-

Pol. Maj. Gen. Panurat Meepien to be Independent Director and Audit Committee

After consideration, the meeting had resolution with totally votes of Shareholders who attended the meeting and voted, details are as follow;

Agree	265,075,458	votes	or to be	100%
Disagree	-	votes	or to be	-
Abstain	-	votes	or to be	-
Voided Voting Card(s)	-	votes	or to be	-

Mr. Surat Wongratanapassorn

After consideration, the meeting had resolution with totally votes of Shareholders who attended the meeting and voted, details are as follow;

Agree	265,075,458	votes	or to be	100%
Disagree	-	votes	or to be	-
Abstain	-	votes	or to be	-
Voided Voting Card(s)	-	votes	or to be	-

The votes on agenda items 5 Approved unanimously.

Therefore, the Board of Directors for the year 2017 has completely 9 members namely as following;-

- |   |               |              |
|---|---------------|--------------|
| 1 | Mr.Boonkiet   | Chokwattana  |
| 2 | Mr.Payont     | Pantsri      |
| 3 | Mr.Sommat     | Khunset      |
| 4 | Mr.Wichit     | Prayoonwivat |
| 5 | Mr.Veerawuthi | Dechpiratkul |
| 6 | Mr.Sujarit    | Patchimnan   |



7	Pol. Maj. Gen. Panurat	Meepien
8	Mr.Siripong	Sombutsiri
9	Mr. Surat	Wongratanapassorn

The Company had fully independent directors in the one-third of the Board of Directors And there are 3 members of the Audit committee, which is composed of

1	Mr.Siripong	Sombutsiri
2	Mr.Sujarit	Patchimnan
3	Pol. Maj. Gen. Panurat	Meepien

Before starting the 6<sup>th</sup> agenda, Mrs.Parichart Phobang, Company's Secretary informed there was 2 person, representing 2 shareholder attending the Meeting, holding 125,000 shares, the total of shareholders and proxies were 51 persons, representing 53 shareholders, holding 265,200,458 shares or 49.11 % of the issued and paid up shares.

**Agenda 6 Consideration for the determination the remuneration of company directors.**

Mr.Sommat Khunset, Managing Director, proposed to the Meeting that according to the Company's Articles of Association No. 33, the company is not allowed to pay money or provide any property to the directors, except for the remuneration under their right and other kind of benefits normally provided to those appointed as the Directors of the Company excluding the remuneration and welfare incentive which Directors received as Company's employee or staff. The General Meeting of shareholders in the year 2016 agreed to approve the remuneration to Directors not exceed 5 million Baht a year, the company had actually paid Baht 3,922,500.- consisting of, Baht 305,000.- and Baht 3,500,000.- of the annual remuneration, Baht 117,500.- of meeting attendance fee for Audit Committee.

In 2017, The Board of Directors to propose to the General Meeting of Shareholders to approve the remuneration of Directors not exceed 5 Million Baht a year, allocated by Executive Directors as propose by consideration on Company's operation result, the amount approved by the General Meeting of Shareholders, the amount paid for past year including power, duties and responsibilities and proposed to pay as follow;

(1) Board of Directors

- Meeting attendance fee (paid to attending directors only) 5,000 Baht/meeting
- Annual remuneration paid to all directors and determined by the Board of Directors.

(2) Audit Committee Meeting attendance fee by quarter.

- Chairman 12,500 Baht
- Director 10,000 Baht

However, the carefully scrutinizing for determine remuneration by using reference from the same type of business of nearly the same size industry, the Remuneration Committee then deemed appropriate to determine the directors' remuneration allocated by Executive Directors until there is a change.

According to the Public Limited Companies Act B.E.2535, Section 90 to determine to pay the remuneration according to the resolution of the General Meeting of Shareholders which is not less than 2/3 votes of all shareholders who are attended the Meeting.

After consideration, the Board had resolution to determine the remuneration of Directors should not exceed 5 million Baht a year. It also excludes the remuneration and welfare which Directors received as Company's employee or staff and pay as stated above from the General Meeting of Shareholders approval until there is a change and the remuneration payment will not exceed the amount which approved by the General Meeting of Shareholders with the totally votes of Shareholders who attended the meeting, details are as follow,

Agree	265,200,458	votes	or to be	100%
Disagree	-	votes	or to be	-
Abstain	-	votes	or to be	-
Voided Voting Card(s)	-	votes	or to be	-

Before starting the 7<sup>th</sup> agenda, Mrs.Parichart Phobang, Company's Secretary informed there was 1 person, representing 1 shareholder attending the Meeting, holding 4,000 shares, the total of shareholders and proxies were 52 persons, representing 54 shareholders, holding 265,204,458 shares or 49.11 % of the issued and paid up shares.

**Agenda 7 Consideration for the appointment of the Auditors and determination the remuneration of auditors.**

Mr.Siripong Sombutsiri, Chairman of Audit Committee, proposed to the Meeting that according to the Article of Association of Company, Article 50 and 51 “the auditor must not be the Director Officer employee or held any position in company. The auditor could be elected annually by the General Meeting of Shareholders. The retiring auditor may be re-elected. The auditor of company for the year 2016 is Mr.Termphong Opanaphan, Certified Public Accountant No. 4501 and/or Miss Vissuta Jariyathanakorn, Certified Public Accountant No. 3853 and/or Miss Manee Rattanabunnakit, Certified Public Accountant No. 5313 of EY Office Company Limited. The remuneration of auditors is Baht 1,660,000, In 2016 are Fee Review of financial statements of subsidiaries 9 companies that are not audited by EY Office Limited failure to limit the preparation of the consolidated financial statements amounting to Baht 160,000.

In 2017, the Board of Directors agreed with Audit Committee consideration and proposal. It should propose to General Meeting of Shareholders to appoint, Mr.Termphong Opanaphan, Certified Public Accountant No. 4501 (audited the company’s financial statement since 2013-2014) and/or Miss Vissuta Jariyathanakorn, Certified Public Accountant No. 3853 (never be the authorized signature in the Financial Statements of the Company) and/or Miss Manee Rattanabunnakit, Certified Public Accountant No. 5313 (audited the company’s financial statement since 2015-2016) of EY Office Company Limited to be the Company’s Auditor for the year 2017 with consideration of the complete qualifications according to the Company’s Articles of Association and the Regulations of the Securities and Exchange Commission, independence, professional standard and performance and approve the audit fee as follows:

Description	2017
1. Review of the financial statement for quarter 1,2,3	900,000 Baht
2. Audit fee for the year ended December 31	980,000 Baht
<b>Total</b>	<b>1,880,000 Baht</b>

In addition, the Board found it appropriate to report to the shareholders the audit fee of the Company’s subsidiaries as follows:

Audit fees for subsidiaries	2017
1. Review of the financial statement for quarter 1,2,3	897,000 Baht
2. Audit fee for the year ended December 31	1,490,000 Baht
<b>Total</b>	<b>2,387,000 Baht</b>



The nominated auditors do not have any relationship and/or conflict of interest with the company, subsidiaries, managements, major shareholders, or related persons.

After consideration, the Meeting had resolution to appoint Mr.Termphong Opanaphan, Certified Public Accountant No. 4501 and/or Miss Vissuta Jariyathanakorn, Certified Public Accountant No. 3853 and/or Miss Manee Rattanabunnakit, Certified Public Accountant No. 5313 of EY Office Company Limited to become the Auditor of the Company for the year 2017 and determine the audit fee Baht 1,880,000.- as stated above with the totally votes of Shareholders who attended the meeting and were eligible to vote, details are as follow,

Agree	265,204,458	votes	or to be	100%
Disagree	-	votes	or to be	-
Abstain	-	votes	or to be	-
Voided Voting Card(s)	-	votes	or to be	-

Before starting the 8<sup>th</sup> agenda, Mrs.Parichart Phobang, Company's Secretary informed there was 1 person, representing 1 shareholder attending the Meeting, holding 7,000 shares, the total of shareholders and proxies were 53 persons, representing 55 shareholders, holding 265,211,458 shares or 49.11 % of the issued and paid up shares.

**Agenda 8 Other matters ( If any )**

There was no any other matter proposed for consideration, therefore, Mr.Boonkiet Chokwatana, Chairman, express thanks to all shareholders and called the Meeting adjourned.

The Meeting was adjourned at 15.40

Mr.Boonkiet Chokwattana

( Mr.Boonkiet Chokwattana )

Chairman of the meeting