

(TRANSLATION)

5<sup>th</sup> April 2013

Subject: Invitation to the general shareholders' meeting no.35

Attn: Shareholders of Pan Asia Footwear (Public) Co., Ltd.

- Enclosures:
1. A copy of The Extraordinary General Meeting of the Shareholders no.1/2013 on 15<sup>th</sup> February 2013.
  2. A CD-ROM consisting of the annual report for the year 2012, a copy of the balance sheet and the statement of income ended on 31<sup>st</sup> December 2012.
  3. A brief history of the person who has been nominated to the position of Director of the Board of Directors who retire by rotation.
  4. A proxy form.
  5. The Articles of Association of the Company with the part concerning the shareholders' general meeting.
  6. Documents and evidence which attendants shall bring to show on the day of shareholders' general Meeting.
  7. Map of the place where the shareholders' general meeting will be held.
  8. Registration Form (Present on Meeting Day)

On behalf of the Board of Directors of Pan Asia Footwear (Public) Co.,Ltd. has set the date for the shareholders' general meeting no.35 on Tuesday 23<sup>th</sup> April 2013 at 16:00 p.m. at Chao Pra-ya 1 Room, The Montien Riverside Hotel, Rama 3 Road, Bangkhlo, Bangkholeam, Bangkok and appoint the record date for the right of shareholders to attend the General meeting of shareholders on 26<sup>th</sup> March 2013 and the share register book closing date for collecting shareholders names under Section 225 of the Securities and Exchange Act is scheduled to be on 27<sup>th</sup> March 2013 with the following agendas of the meeting:-

**Agenda 1. To adopt the minutes of The Extraordinary General Meeting of the Shareholders no.1/2013 on 15<sup>th</sup> February 2013.**

**Fact and reason:** The minutes were recorded correctly and completely and corresponding to resolution of the extraordinary general meeting. And such minutes were prepared within 14 days from the day of shareholders' extraordinary general meeting and sent to the Stock Exchange of Thailand and Ministry of Commerce within the period of time prescribed by law as well as already publicized the minutes through the website of the Company- [www.pan-ptr.com](http://www.pan-ptr.com)

**Opinion f the Board of Directors:** Such minutes were correctly recorded and were appropriate to be presented to the shareholders' general meeting for adoption.

**Agenda 2. To acknowledge the report on the operating result of the Board of Directors during the previous year.**

**Fact and reason:** The report of the Board of Directors and operating result of the Company during the year 2012 has appeared on CD-ROM which is the annual report of the year 2012 sent along with the invitation letter to the shareholders' general meeting. The report was prepared under the prescription of the Office of Securities and Exchange Commission and the Stock Exchange of Thailand.

**Opinion of the Board of Directors:** It is appropriate to present the report to the shareholders' general meeting for acknowledgement.

**Agenda 3. To consider and approve the balance sheet and the statement of income ended on 31<sup>st</sup> December 2012**

**Fact and reason:** The balance sheet and the statement of income ended on 31<sup>st</sup> December 2012 were prepared under the generally accepted accounting principle which have been audited and attested by the certified auditor. For the year 2012, the financial statements has results of operations of the company in 2012 that were summarized as follows.

List	Million Baht	
	The consolidated financial statements.	The individual financial statement
Total asset	1,809	1,864
Total Liabilities.	2,072	1,702
The shareholders.	(263)	162
Total income.	2,099	1,652
Net profit	(997)	(1,042)
Gain (loss) per share (Baht).	(1.85)	(1.93)

The details are as shown in the financial statements of the Annual Report 2012

**Opinion of the Board of Directors:** It is appropriate to present the balance sheet and the statement of income for approval.

**Agenda 4. To approve the suspension of dividend payment for the year 2012**

**Fact and reason:** Regarding on the dividend payment policy of the Company stipulating the dividend payment of not less than 50% of net profit but the financial statements of company had accumulated loss on 31<sup>st</sup> December 2012 total (2,560,143,867) baht. So it is impossible to pay dividend. Details of the annual operating results of the previous year can be compared as follows:-

**Operating result of the year 2011**

1. Deficit earning of the year 2011 (1,518,001,608) baht
2. Total of shares 540,000,000 shares
3. Dividend payment Cancellation

**Operating result of the year 2012**

1. Deficit earning of the year 2012 (2,560,143,867) baht
2. Total of shares 540,000,000 shares
3. Dividend payment Cancellation

**Opinion of the Board of Directors:** Since the financial statements of company had accumulated loss on 31<sup>st</sup> December 2012. It is appropriate to propose to the shareholders' meeting for approval.

**Agenda 5. To consider the election of new directors to replace directors who shall retire by rotation**

**Fact and reason:** Under the Articles of Association of the Company No.22 At every annual general meeting, one-third (1/3) of the directors shall retire. If the number of directors cannot be divided into three (3) parts, the nearest to such one-third (1/3) of the directors shall retire. The retirement of directors in the first and second years after registration of the Company shall be effected by drawing lots. In the subsequent years, the director who has held office the longest shall retire. A director who retires may be re-elected, in every shareholders' general meeting, one-third of all directors shall retire.

For the year 2012, The Company had drawing lots under the regulation. Results show that the directors must retire from office on the 1 of 3 directors as follows: 1. Mister Wichit Prayoonwiwat 2. Mister Sommat Khunset, and 3. Mister Veerawuthi Dechapiratkul

And For the year 2013, The Company has drawing lots as in the second. Results show that the directors must retire on one-third of directors as follows: 1. Mister Mister Boonkiet Chokwattana 2. Mister Payont Pantsri, and 3. Mister Vichit Tantianunanon However, Mr Vichit Tantianunanon has requested not to serve as a director of company so The Independent Director and Audit Committee positions will vacant 1 position. The Board of Directors thus offering to elected Mr.Siripong Sombatsiri and appointed as an Independent Director and Audit Committee instead of vacant position of Mr Vichit Tantianunanon

**Opinion of the Board of Directors:** The Directors who retire by rotation as a third person Directors who retire by rotation in 2013 with three people and has one director, Mr Vichit Tantianunanon has request that he will not to serve as a director of company. The Board at the Annual General Meeting of shareholders re-elected directors who have the knowledge and experience and benefits to the Company along with the term as 1. Mister Mister Boonkiet Chokwattana 2. Mister Payont Pantsri are re-elected as the director once term, and agreed to propose to the General Meeting of Shareholders to consider the appointment of a Director becomes vacant and appointed as an Independent Director and Audit Committee of the Company as Mr.Siripong Sombatsiri

The selection process has not been a director of the Company, through the Audit Committee because the Company has not yet appointed a Nominating Committee. However, the Company has jointly considered the features in various fields which must have appropriate qualifications, knowledge, experience and expertise of a professional including performance management as the company in the past. And not disqualified under Section 68 of the Companies Act 2535 and the requirements of the Securities and Exchange Commission.

**Agenda 6. To consider the appointment and remuneration of auditors**

**Fact and reason:** In the year 2012, the shareholders' meeting appointed Mrs. Wilairat Rojnakarin C.P.A.(Thailand) Registration no.3104 or Miss Somjintana Pholhirunrat C.P.A.(Thailand) Registration no.5599 D.I.A. Audit Office as auditors of the Company which has the Audit fee as 1,500,000 Baht that separate quarterly audit fee as 750,000 Baht and the annual audit as 800,000 Baht

For the year 2013, is currently under appointment of auditors and the audit fee due to the old auditors (DIA International Auditing Co., Ltd.) with a mission to increase so it appropriate to change a new auditor

**Opinion of the Board of Director:** Due to in the process of coordinating with the new auditor. Thus proposed list of new auditors and the audit fee. At shareholders' meeting. To appoint auditors for the year 2556 and the Audit Committee.

**Agenda 7. To consider remuneration to the Board of Directors for the year 2013**

**Fact and reason:** Under the Articles of Association of the company No.33, the Company was forbidden to pay money or other property to directors unless such payment is the remuneration according the right and benefit of other nature in general as directors of the Company.

For the year 2012 the Company paid to the Board of Directors total 1,482,500 baht are the meeting payment amount 495,000 baht and remuneration yearly amount 900,000 baht and for Audit Committee amount 87,500 baht.

**Opinion of the Board of Directors:** The director had considered from operating of the company should be reduce remuneration to the board of Director as 4 million baht by the Executive Directors who allocated.

It is appropriate to propose to the Annual shareholders' General Meeting to fix the remuneration to the Board of Directors is not over 4 million baht. The amounts of remuneration had considered from the suitability of the duties and responsibilities of the directors and the audit committee detail as follows:

(1) Board of Directors

- The meeting payment : paid for directors who come in the meeting
- Remuneration in yearly : paid for all directors

(2) Audit Committee: paid for the meeting payment per quarter.

The fixing of remuneration has not passed the consideration of the committee for scrutiny of remuneration. However, the fixing of remuneration for Board of Directors has been carefully considered by the meeting of the Board of Directors of the Company by comparing with and referring to the same type of industry.

**Agenda 8. To consider other businesses (if any)**

Shareholders are invited to attend the meeting on the above-mentioned date and at the specified time and date. If you are unable to attend the meeting in person and wish to appoint a proxy to represent you in the meeting according to the attached proxy form, please tell the proxy to produce the proxy form before the meeting. And shareholders can register for the meeting at the meeting venue on such date from 08.00 hr. onward.

Moreover, shareholders can search data regarding the shareholders' general meeting on website-[www.pan-ptr.com](http://www.pan-ptr.com) and any shareholder who has received this invitation letter to the shareholders' general meeting no.35 but it is inconvenient to obtain the data from CD-Rom sent along with this invitation letter, may request for documentary data from the Company during working hours 08.00-17.00 hr. can contact Miss.Dok-or Punampai at Tel. 038-480713-4 Ext. 113, 139

Yours faithfully,

Mr. Sommat Khunset  
(Mr. Sommat Khunset)

Director and Chief Administrative Officer