

No. Kor Bor Ror. 017/2014

August 7, 2014

President

The Stock Exchange of Thailand

Sub : Assumption of the rights to subscribe to capital increase shares from connected parties

Dear Sir,

Thai Wacoal Public Company Limited wishes to hereby report to the SET the resolution adopted at its Board of Directors' meeting no. 2/2014 on August 7, 2014. The resolution authorized the company to assume the rights to subscribe to capital increase shares in Pens Marketing and Distribution Co., Ltd., for the number of 70,000 ordinary shares, acquired from Saha Pathana Inter-Holding Public Company Limited and I.C.C. International Public Company Limited, both being connected parties to the company, according to transaction details as follows:

(1) Transaction date : Within August, 2014

(2) Parties involved

Rights Recipient : Thai Wacoal Plc.

Rights Foregoer : 1. Saha Pathana Inter-Holding Plc.  
2. I.C.C. International Plc.

(Both companies being connected parties)

(3) Details on relationship nature of connected parties

: 1. Saha Pathana Inter-Holding Plc. (SPI) is the company's major shareholder

: 2. The company and I.C.C. International Plc. (ICC) both have SPI acting as their major shareholder

Saha Pathana Inter-Holding Plc. currently holds 21.26% shares in Thai Wacoal Plc. and 22.10% shares in I.C.C. International Plc. respectively.

Directors with possible conflict of interests :

Name		Position		
		WACOAL	SPI	ICC
Mr. Manu	Leelanuwatana	Chairman	Director	Director
Mr. Thamarat	Chokwatana	Director	-	Director
Mr. Krish	Follett	Independent Director	Independent Director	-

(4) Transaction details

Transaction nature	: Assumption of the rights to subscribe to capital increase shares in Pens Marketing and Distribution Co., Ltd., for the number of 70,000 shares, acquired from Saha Pathana Inter-Holding Plc. and I.C.C. International Plc., both being connected parties to the company, who had resolved to forego the rights for said shares subscription.
Total transaction value	: Baht 7,000,000, classified into 70,000 ordinary shares with the value of Baht 100 per share.
Shareholding ratio	: 7.00% of total registered capital
Funding source	: The company's working capital
Transaction rationale	: To serve as an investment in support of the company's supply chain network operations in the area of products distribution, since Pens Marketing and Distribution Co., Ltd., currently acts as an active member within the company's distribution network.

(5) General description of connected transaction

Type of transaction	: Transactions relating to assets and services
Transaction volume	: Above transaction came under the scope of connected transactions for listed companies as specified in The Notification of The Capital Market Supervisory Board No. Tor Chor. 21/2551, regarding rules on connected transactions provided as transactions relating to assets and services having transaction volume of over Baht 1 million but less than Baht 20 million, or more than 0.03% but less than 3% of net tangible assets (NTA), whichever may be greater. Such 0.03% of NTA value by the company as of March 31, 2014, stood at Baht 1.53 million, as against 3% of said NTA of Baht 153.16 million. Accordingly, said transaction volume warranted the company to seek approval from The Board of Directors and to report said information to the SET, without having to seek further approval from the shareholders' meeting.

(6) Acquisition and disposition of assets

Transaction volume	: Does not come under the scope for the acquisition or disposal of assets having significant value for listed companies
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**(7) Opinion by The Board of Directors :**

Endorsed the resolution for the company to assume the rights to subscribe to capital increase shares in Pens Marketing and Distribution Co., Ltd., for the number of 70,000 ordinary shares for total amount of Baht 7,000,000, acquired from Saha Pathana Inter-Holding Plc. and I.C.C. International Plc., both being connected parties to the company. Said transaction was intended to serve as an investment in support of the company's supply chain network operations in the area of products distribution, aimed at further strengthening its business potentials and capabilities.

**(8) Opinions by The Audit Committee and/or Director significantly different from those by The Board of Directors : -None-**

The company hereby reports to the SET accordingly.

Faithfully yours,

**Boondee Amnuayskul**

(Mr. Boondee Amnuayskul)

Managing Director