

***Progress Powered
by Sustainability.***



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ANNUAL REPORT **2025**



บริษัท ฮั่วฟงrubber (ไทยแลนด์) จำกัด (มหาชน)
HWA FONG RUBBER (THAILAND) PUBLIC COMPANY LIMITED



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Message from the Chairman

Our Group's steps in **2025** are focused on continuing the "Sustainability & Intelligence" concept we laid the foundation for last year, aiming for tangible results. We are transforming our organization towards a proactive approach to reinforce our leadership in the global rubber industry.

Driven by Intelligence in Action, we are systematically enhancing production efficiency. This year, the Group is accelerating its strategic plan to install automation systems, crucial for operational efficiency and reducing process redundancy. The integration of intelligent systems for decision-making will increase flexibility, enabling us to more effectively address challenges from volatile raw material prices and the global economic climate.

Sustainability as Core Value: We firmly believe that sustainability is at the heart of our business, particularly our carbon reduction policies and supply chain management free from deforestation. These are not merely duties, but core strategies that build confidence and create new opportunities in a global market with increasingly stringent environmental regulations.

Facing Challenges and Moving Forward: Even as the world continues to face challenges such as limited economic recovery, persistently high interest rates, and geopolitical conflicts, we remain committed to our goals. However, with a modernized and sustainable business structure, the Group is confident that we are strong enough to turn this crisis into an opportunity and generate sustainable returns for our shareholders in the future.

On behalf of myself and the Board of Directors, I would like to thank everyone for their trust and for joining us on this journey to build a secure and sustainable future together.



.....
(Mr. Shen, Kuo-Jung)

Chairman of the Board

Key Financial Information

Comprehensive Income Statement and Financial Statement

Comprehensive Income Statement (Unit: Million Baht)	2023	2024	2025
Revenue from sales and services	2,649.29	3,024.44	2,690.60
Cost of sales and provision of services	2,186.68	2,476.57	2,311.33
Gross margin	462.61	547.87	379.27
Net profit for the year	249.87	373.33	200.61
Total Assets	4,105.53	4,434.30	4,242.01
Total Liabilities	494	810.53	427
Equity	3,611.53	3,623.77	3,815.01

Financial Ratis	2023	2024	2025
Net Profit Margin (%)	9.34	12.12	7.36
Return on assets (%)	6.1	8.74	4.62
Return on equity (%)	6.92	10.32	5.39
Debt to Equity Ratio (Times)	0.14	0.22	0.11
Basic earnings per share (Baht)	0.38	0.57	0.3
Book value per share (Baht)	5.49	5.5	5.79

Part 01

: Business Operation and Operating Results



HFT

บริษัท อีวฟงรึบเบอร์ (ไทยแลนด์) จำกัด (มหาชน)
HWA FONG RUBBER (THAILAND) PUBLIC COMPANY LIMITED

Part 1

Business Operations Operating Results

1. Structure and operations of the group of companies

1.1 Business Policy and Overview

Hwa Fong Rubber (Thailand) Public Company Limited (“HFT”) was established in 1987 with a registered capital of 658,434,300 baht and a paid-up capital of 658,434,300 baht. The company's main business is manufacturing and distributing tires, inner tubes for bicycles, motorcycles and small transport vehicles such as wheelchairs, forklifts, carts, golf carts, and cars used for hiking, beach, etc. The company has expertise in the production of tires. For more than 37 years, the Company's major shareholder is Hwa Fong Rubber Industry Co., Ltd. (hereinafter referred to as “HFR”), a company listed on the Taiwan Stock Exchange. For more than 30 years, which is a tire manufacturer. Inner tubes for bicycles, motorcycles, cars, and industrial vehicles that are famous in Taiwan. The company has received technology support. and network marketing from the parent company to produce and sell products under the DURO Q-UCK trademark and the DUNLOP trademark owned by Sumitomo Rubber Company of Japan and a shareholder in the parent company. by products under the company's trademark and is acceptable to consumers. In addition, the company's products It is also certified for international quality standards, including ISO 9001: 2015 and ISO 45001: 2018.

The Company has a domestic revenue proportion of 34.29% and overseas revenue of 65.71%. For the domestic market, the Company sells products to OEM manufacturers of bicycles, such as LA BICYCLE, etc. under the B-TWIN trademark, motorcycles, such as HONDA under the DURO, DUNLOP trademarks, and KAWASAKI motorcycles under the DUNLOP trademark, including genuine spare tires for sale in the motorcycle service centers (Genuine Parts), and sells golf cart tires under the DURO trademark to OEM manufacturers of golf carts for assembly of YAMAHA golf carts. The Company has also added a direct distribution channel to golf course operators in the country, including the distribution of motorcycle tires in the replacement market under the DURO, QUICK, and DUNLOP trademarks through motorcycle parts dealers and motorcycle repair shops in every province in Thailand.

1.1.1 Vision Mission, corporate values and objective In operation

VISION

“Committed to leadership Trade in rubber and inner tube products With quality in every region of the world”

MISSION

Committed to excellence in becoming a professional manufacturer

Adhere to operations to promote the quality of life and safety of customers as a priority, create growth and sustainability by promoting and developing new innovations.

Along with caring for the environment for the company's sustainable growth goals.

CORPORATE VALUES

“Quality is first, customer satisfaction is most important.”

(Quality First Customer Satisfaction)



OBJECTIVES

Our objective is to be a professional manufacturer focusing on safety, innovation,
And Environmental protection.

BUSINESS GOAL

1. Expand market share in domestic and international markets more than before, especially in ASEAN countries that receive import tax benefits, such as FTA conditions, which tends to increase market share even more.
2. Focus on developing product quality to be able to compete in the market in the long term and be able to use it as a selling point in competing with competitors in terms of price in the market.
3. Continuously improve the efficiency of the production process, including planning to increase production capacity according to the market demand trends from the forecast in advance. This is to be competitive in both production and cost, including being able to deliver products on time and quickly according to customer needs.
4. Maintaining leadership in key markets with support from parent companies under the DURO trademark and DUNLOP trademark from Sumitomo Rubber Co., Ltd. of Japan, the company is a manufacturer under the Q-UICK trademark.
5. Accelerate the expansion of the customer group of manufacturers or OEMs (Original Equipment Manufacturers) to be more stable and stronger.
6. Sell products that increase profits for the company.
7. Develop new products to meet market demands to create customer satisfaction.
8. Increase public relations to create a good image of the product in the long term by focusing on participation in international trade fairs, especially in the ASEAN market and new customer markets such as the Middle East, South America, and Europe, etc.
9. Committed to building strengths to meet customer needs in compliance with various charters, including projects that benefit the environment and organizations, including creating sustainability or social responsibility, resulting in products receiving quality certification in many countries. It is an advantage in selling products as determined by each country's government, such as the Thai Industrial Standards (TIS), SNI (Indonesia), MS (Malaysia), E-MARK and REACH and ROHS.
10. Maintain sales, control production costs, take care of employees, shareholders and stakeholders to receive benefits.

1.2 Nature of Business

1.1.2 Company Background

Year	Details
1989	<ul style="list-style-type: none"> - Hua Fong Rubber (Thailand) Co., Ltd. was established on June 2, 1987 by There is registered capital 300,000,000 baht, paid in full, major shareholder is the parent Hwafong HFR Industry Co., Ltd., Taiwan, initially held a 99.99 percent stake. The company manufactures bicycle tires and inner tubes under the trademark “DURO” and For motorcycles under the trademark “DUNLOP”
1996	<ul style="list-style-type: none"> - The company has received ISO 9002:1994 certification.
1998	<ul style="list-style-type: none"> - The company expands production of inner tubes and outer tires for motorcycles.
1999	<ul style="list-style-type: none"> - The company began selling motorcycle tires and inner tubes to the Honda motorcycle company. In OEM format
2002	<ul style="list-style-type: none"> - The company has received ISO 9001: 2000 certification. - The Company was converted to a public company on July 29, 2002.
2003	<ul style="list-style-type: none"> - Company Registered additional capital to 387,100,000 baht Approved by the Stock Exchange of Thailand , Thailand is a fully paid registered company.
2004	<ul style="list-style-type: none"> - Construction of the second factory located in Bangpoo Industrial Estate, Samut Prakan Province. - Certified by the Industrial Product Standards (TIS) for motorcycle inner tubes.
2005	<ul style="list-style-type: none"> - The second plant opened in the second quarter, producing beach-climbing tires.
2006	<ul style="list-style-type: none"> - The company registered an increase in capital to 774,200,000 baht, with paid-up capital of 658,434,300 Baht. - The company has received the "SNI" (Standard National of Indonesia) standard.
2007	<ul style="list-style-type: none"> - Registered trademark “Q-UICK”
2008	<ul style="list-style-type: none"> - The company has reduced its registered capital from 774,200,000 baht to 658,434,300 baht. Paid 658,434,300 baht
2009	<ul style="list-style-type: none"> - Registered the conversion of the share value from 10 baht to 1 baht, totaling a registered capital of 658,434,300. Paid-up capital shares 658,434,300 baht

1.1.2 Company Background (Continued)

Year	Details
2010	<ul style="list-style-type: none"> - The company has received ISO 9001: 2008 certification. - Established HFT Holding Company Limited with a registered capital of 50,000,000 baht, fully paid. 50,000,000 baht - The Company has a plan to offer shares to the public in the Republic of China, Taiwan. Depositary Receipts number of shares 210,000,000 shares, which are shares held by Hwafong Rubber Industry Co., Ltd. (HFR) - The Company has a share buyback program for 40,929,800 shares.
2011	<ul style="list-style-type: none"> -The company has changed the production of beach-climbing vehicle (ATV) tires from under the brand Trade “DUNLOP” is a trademark. “DURO” is a trademark of the Company.
2012	<ul style="list-style-type: none"> - The Company sold the repurchased shares through the Stock Exchange (completed on January 15, 2013)
2013	<ul style="list-style-type: none"> - The company began importing machinery to support the expansion of production capacity according to the investment promotion card from Office of the Board of Investment (BOI)
2014	<ul style="list-style-type: none"> - The product has been modified to include bicycle and motorcycle tires. - Apply for investment promotion (BOI) for a bicycle tire production project.
	<ul style="list-style-type: none"> - The company has invested in a joint venture with The Ascent (Thailand) Co., Ltd., 43 percent of the registered capital from the capital Registered capital 20,000,000 baht, paid 50% of the registered capital. - The company has invested in Chital International Co., Ltd. 45 percent of the registered capital from the registered capital. Registered capital 25,000,000 Taiwan dollars, fully paid up registered capital
2015	<ul style="list-style-type: none"> - The company began producing and distributing motorcycle tires as promoted by the investment from Office of the Board of Investment (BOI)
2016	<ul style="list-style-type: none"> - The Board of Directors has resolved to approve investment in Indonesia to establish Huafeng Rubber Company. (Indonesia) Limited (HFI), in which the Company holds 99 percent of the shares, and HFT Holding Company Limited. Holds 1 percent of shares
2017	<ul style="list-style-type: none"> - Purchase land to prepare for the construction of a factory according to the investment plan in Indonesia. - There is an investment in installing solar roofs to produce electricity, which is clean energy for both factories. Power generation capacity of 4.26 megawatts, with investment promotion (BOI) for a 50% reduction in corporate tax of the investment in applying for BOI to produce bicycle tires.

1.1.2 Company Background (Continued)

Year	Details
2018	<ul style="list-style-type: none"> - Proceed with the purchase of land to support the construction of the 3rd factory. - Delaying the construction of a factory in Indonesia - Added bicycle tire production line at the 2nd factory.
2019	<ul style="list-style-type: none"> - Factory 2 has started production of bicycle tires. - The company began producing and distributing bicycle tires as promoted by the investment from Office of the Board of Investment (BOI) - Started building construction and ordered machinery to increase production capacity in the rubber mixing section.
2020	<ul style="list-style-type: none"> - Apply for investment promotion (BOI) in the project to produce bicycle and motorcycle tires. - Import machinery to support increased production in the rubber mixing section - Received ISO 45001:2018 occupational safety standards
2021	<ul style="list-style-type: none"> - Apply for investment promotion (BOI) for the bicycle tires (Year 2023 add motorcycle tires). - Project to produce tires 8.1 million pieces per year.
2022	<ul style="list-style-type: none"> - The Company has registered an increase in capital for HFT Holding Company Limited from the registered capital. 100,000,000 baht, add 200,000,000 baht, paid in full 200,000,000 baht. - Start using buildings and machinery in the rubber mixing section.
2023	<ul style="list-style-type: none"> - The company began selling motorcycle tires and inner tubes to Honda motorcycle companies in OEM (Original Equipment Manufacture) model under the trademark “DURO”. Which is the symbol of the company.
2024	<ul style="list-style-type: none"> - Products are certified for responsible forest management (Forest Stewardship Council). - The company uses 100% renewable energy and is a member of the association. RE100 Thailand - There is an investment in installing solar roofs to produce electricity, which is clean energy for both factories. Power generation capacity of 4.26 megawatts, with investment promotion (BOI) for a 50% reduction in corporate tax of the investment.

2025	<ul style="list-style-type: none"> - The Company has developed products under the “Duro Eco-Design” concept, taking into account environmental impacts throughout the product life cycle. Green Product categories include environmentally friendly bicycle tires, along with the use of recyclable or biodegradable packaging to reduce waste and lower the product’s carbon footprint. These products have already been commercially launched.
	<ul style="list-style-type: none"> - The Company has improved its waste management practices by reducing landfill disposal and increasing waste segregation for use as Refuse-Derived Fuel (RDF).
	<ul style="list-style-type: none"> - The Company has conducted an assessment of its Carbon Footprint for Organization (CFO) to measure and monitor greenhouse gas emissions from its operations, as well as the Carbon Footprint of Product (CFP) for key products. The assessment results are utilized as baseline data to support the development of environmentally friendly products.

1.1.3 The fundraising is in accordance with the objectives disclosed by the Company.

- The Company does not raise additional capital. –

1.1.4 Commitments that the company promisesIn the form of the offer information list Sale of securities and/or office licensing conditions and/orConditions for accepting securities from the Stock Exchange

- Done –

1.1.5 Head office location, Business Type, Company Registration number, Telephone, Fax, Website
Company, Number and type of Shares of the company's are as follows:

Company name	Hwa Fong Rubber (Thailand) Public Company Limited
English name	Hwa Fong Rubber (Thailand) Public Company Limited
Securities abbreviation	HFT
Company registration number	0107545000152
Business type	Manufacture and distribute outer and inner tires for bicycles, motorcycles, and small transport vehicles.
Industrial Group	Automotive
Registered capital	658,434,300.00 baht
Paid-up registered capital	658,434,300.00 baht
Paid-up common shares	658,434,300.00 shares
Par Value	1.00 baht per share
Head office location	317 Moo. 4, Soi 6C Bangpoo Industrial Estate, Phraeksa Subdistrict, Mueang Samut Prakan District, Samut Prakan Province 10280

The company has been established and has expertise in manufacturing tires and inner tubes for over 38 years, supported by HFR, the parent company in Taiwan. HFR has a history of over 79 years and has expertise in manufacturing tires and inner tubes that meet many international standards. such as For example, the standard mark “DOT” (Department of Transportation) in 1974, the standard mark “CNS” (Chinese National Standard)

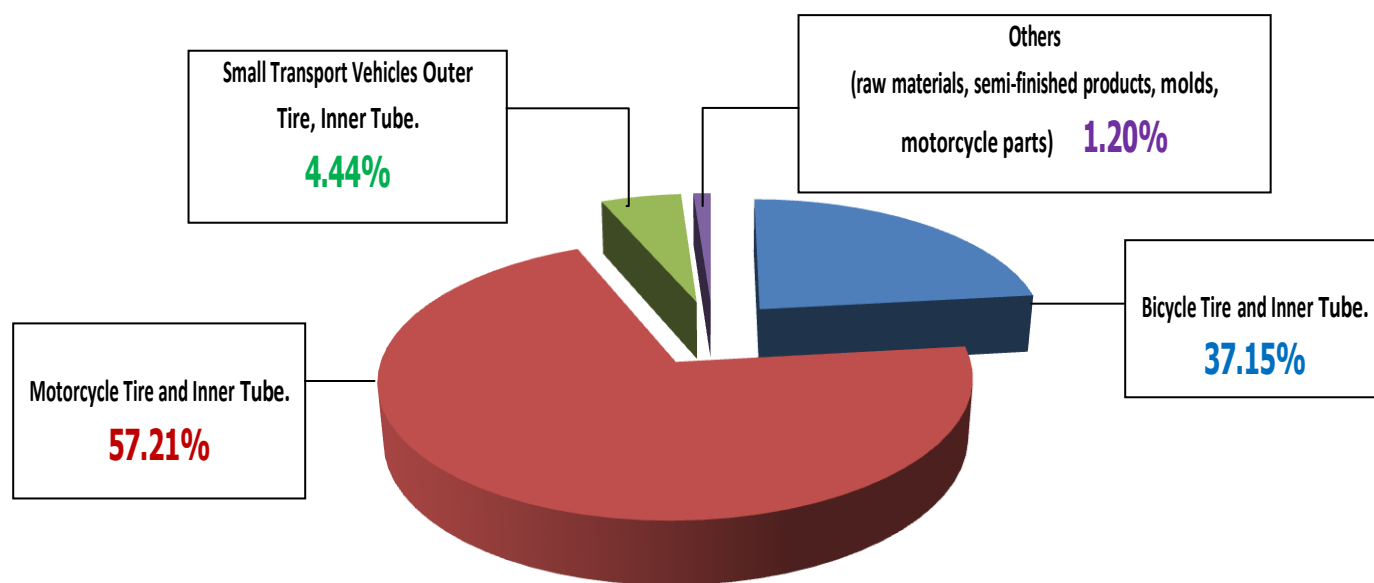
1.2 Nature of business operations

1.2.1 Revenue structure

The Company's product sales value separated by product line, 2023 – 2025 (million baht)

Product Line/Business Group	Year 2023		Year 2024		Year 2025	
	Million	%	Million	%	Million	%
<u>Domestic Sales</u>						
1. Bicycle tire, inner tube	9.06	0.34	7.05	0.23	5.25	0.20
2. Motorcycle outer tires and inner tires	831.87	31.4	988.67	32.69	903.62	33.58
3. Outer tires, inner tires for transport vehicles Small size	16.66	0.63	15.75	0.52	14.17	0.53
4. Others (raw material, semi-finished products, mold, Motorcycle parts)	18.52	0.7	25.76	0.85	26.32	0.98
Total Domestic Sales	876.11	33.07	1,037.23	34.29	949.36	35.29
<u>International Sales</u>						
1. Bicycle tire, inner tube	604.92	22.83	932.82	30.84	994.26	36.95
2. Motorcycle outer tires and inner tires	1,035.02	39.07	950.77	31.44	635.83	23.63
3. Outer tire, inner tire for transport vehicles size small	121.84	4.6	95.1	3.15	105.16	3.91
4. Others (raw materials), Semi-finished products mold, Motorcycle parts)	11.4	0.43	8.52	0.28	5.99	0.22
Total Export Value	1,773.18	66.93	1,987.21	65.71	1,741.24	64.71
Total Sales Revenue	2,649.29	100	3,024.44	100	2,690.60	100

Proportion of product Sales in 2025



From the sales value of the Company's products above in 2025, it can be seen that the Company's main income structure comes from overseas sales at 64.71 percent and domestic sales at 35.29%. However, when compared to income In 2024, salesmoreThe amount of 333.84 million baht or 11.04% from the following causes:

- Sales of motorcycle tires and tubes to domestic and Asian customers decreased by THB 295.31 million, primarily due to an economic slowdown and border closures.
- Sales of motorcycle tires and tubes to customers in the Americas decreased by THB 66.53 million, driven by the economic slowdown and exchange rate fluctuations.
- Sales of bicycle tires and tubes to customers in Europe increased by THB 64.86 million, driven by a reduction in inventory levels.

1.2.2 Product Information

1. Product or service characteristics
The Company's main business is to manufacture and distribute inner tube and outer tube products as follows:
- Tires for bicycles such as mountain bikes, road bikes, etc.
- Tires for motorcycles such as high-speed motorcycles, scooters, and dirt bikes.
- Tires for small transport vehicles such as trolleys, forklifts, tricycles, agricultural vehicles, golf carts
- Beach and mountain climbing tires
- Wheelchair tire

Currently, the production of motorcycle tires, the company has received privileges from the Board of Investment of Thailand (BOI), with a production capacity of 3.159 million tires per year, with a corporate income tax exemption privilege for 8 years from the date of income, with restrictions on setting up a factory in Bangpoo Industrial Estate, Samut Prakan Province (starting from October 1, 2023 onwards, the company has received a 50% corporate income tax reduction privilege for a period of 5 years).

- **Rubber products motorcycle**

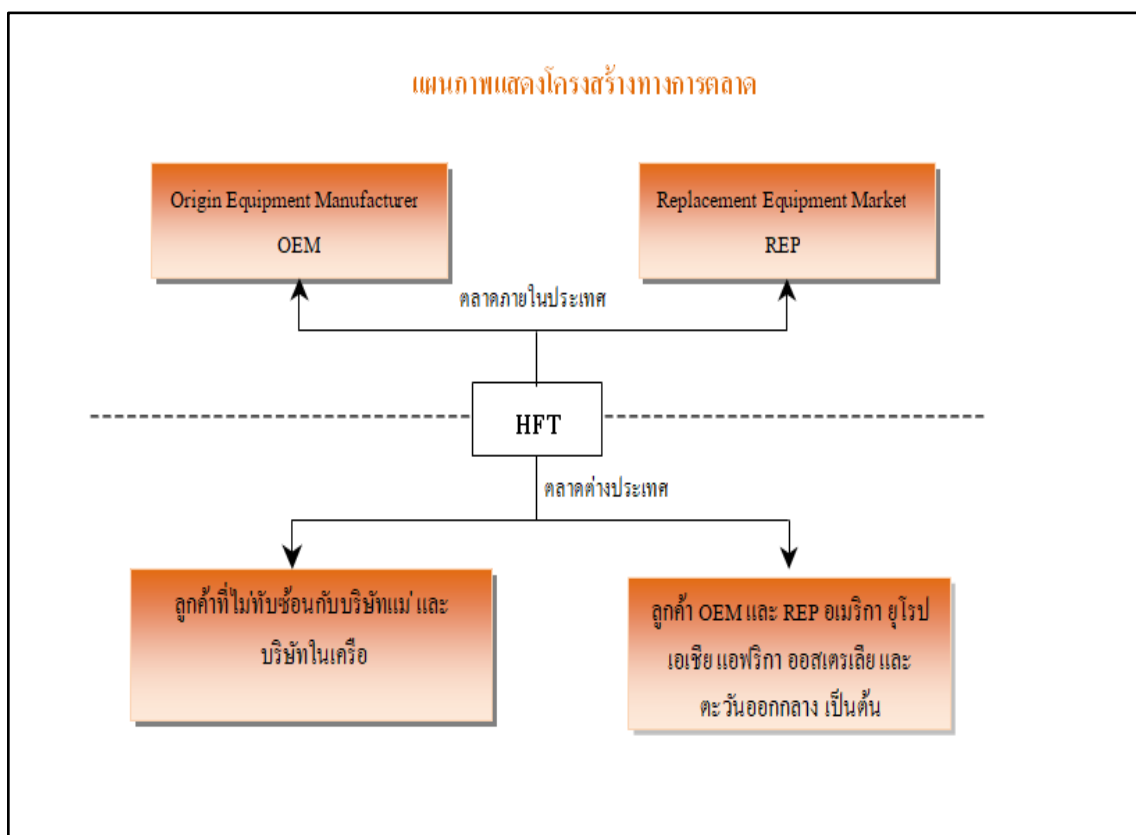
Tires are the company's highest-selling product, both domestically and internationally. In 2025, the company's revenue from tire sales accounted for 80.36% of total sales.

- **productInner tube for small transport vehicles**

Available in a variety of sizes and types to meet the needs of various customer groups. In 2025, the Company's revenue from sales of inner tubes accounted for a percentage of 18.44% of total sales

- **Others (raw materials, semi-finished products, molds, motorcycle parts)**In 2025, the

Company's revenue from sales accounted for a percentage of 1.20% of total sales



► Domestic market

The company's target customer groups are divided into 2 groups:

1. **Producer Group** (Original Equipment Manufacturer) or so-called "OEM" bicycles and motorcycles.

The Company generates its primary domestic revenue through direct sales to leading bicycle manufacturers, such as bicycles Kawasaki, under the “DURO” trademark, among others And leading motorcycle manufacturers from Japan such as HONDA and KAWASAKI under the trademarks DURO and DUNLOP. The company has a relationship with the S Group of companies. UNITOMO RUBBER which increases confidence in the quality of the product with the reputation of the accepted trademark, including being able to increase the presentation of quality products under the trademark DURO which is the company's trademark at a reasonable price until it is accepted by leading motorcycle manufacturers from Japan, resulting in more opportunities to expand the market.

In 2025, the Company had a market share in the domestic motorcycle OEM market of approximately 34 percent and the Company continued to distribute golf cart tires under the DURO trademark to leading golf cart manufacturers, including THAI YAMAHA MOTOR, and also expanded sales channels to golf cart operators in the past year.

2. **Tire Replacement Equipment Market or “REP”** is the sale of tires. Motorcycles through the company's shops and dealers under the widely accepted trademarks, namely "DURO", "Q-UICK" and "DUNLOP". The company markets itself domestically, using a key marketing strategy of emphasizing product quality at a reasonable price. The company's products have been certified with the international quality system standard ISO 9001: 2015 and the Thai Industrial Standards Institute (TIS), as well as the occupational safety standard ISO 45001: 2018. The company sets the selling price without any intervention from the parent company. The company sets the price based on production costs or domestic competition and marketing as factors in consideration.

► **Foreign markets**

Since the company and its subsidiaries also produce the same tire and inner tube products, In order to avoid overlapping and conflicts of interest among affiliated companies, the parent company has a policy for classifying products and markets of affiliated companies, which is a policy that the parent company uses as a guideline, as follows:

● **Market Classification table of affiliated companies**

Business		Product Categories/Segmentation			Market		
		HFR	HFT	HFC	HFR	HFT	HFC
<u>Bicycle</u> <u>Tire</u>	Category	Advanced level	Intermediate-	Intermediate-	Taiwan Europe	Thailand, Europe, ASEAN and around the world	China America
			Lower	Lower			
	Type	Skin wall tire	Black Rubber	Black Rubber			
		The outer tire does not require an inner tube.	Skin wall tire				
	High quality	Colored Rubber	Colored Rubber				
<u>Motorcycle</u> <u>Tires</u>	Category	Advanced level	High-	Intermediate-	Taiwan, Asia,	Thailand Asia,	China, Africa,
			Intermediate	Lower			
	Type	Speed greater than	Less speed	Less speed	Middle	Middle	Middle
		180 Km/h	180 Km/h	180 Km/h	East,	East,	East
<u>Industrial</u> <u>Tires</u>	Category	Advanced level	Low Level	Advanced level	Taiwan, Middle East, America, Taiwan	Thailand, America, Europe and Japan	China America
	Type	Big Truck, Forecliff, Small Race Car	pushcart LawnMower	Large Trucks Large			
			Golf Carts	trailer Mobil			
				home			
	Category	Intermediate	Intermediate –	Intermediate			
			High				
	Type	Speed more than	Speeds under 60 km/h	Speed more than			
		100 km/h		60 km/h			
		Hiking-Beach Tires (ATV)	Hiking-Beach Tires (ATV)	Hiking-Beach Tires (ATV)			
	Type	Speeds up to	Speeds up to	Speeds below			
80 km/h		80 km/h	60 km/h				

Note - HFR means Hwafong Rubber Industry Co., Ltd., which is the parent company located in Thailand.

HQ of Taiwan country.

- HFT means Huafong Rubber (Thailand) Public Company Limited.

- HFC means Huafeng Rubber (China) Co., Ltd.

- High - End Market

- 1) Bicycle tire market that requires advanced production technology, such as Skinwall Tire, which is lightweight, impact resistant and suitable for racing bicycles, and Foldable Tire, which is suitable for freestyle bicycles, mountain bikes, including the production of tubeless ready tires for high-performance bicycles.
- 2) The motorcycle tire market in the tubeless tire segment has developed soft compound rubber formulas that are more flexible according to market demand.

- Mid - Low End Market

Bicycle and motorcycle tire market, ATV and beach vehicle (ATV) tires, and industrial tires. For general consumers, such as motorcycles that are not used for high speed, are inexpensive, and do not require. Considering the weight for competition, however, the production is controlled according to the world standards mentioned above. There are many types of products, including design patterns according to speed. Vehicles using price as a market segmentation tool.

Each subsidiary has a clear marketing target group, which is determined by the parent company's policies. To prevent the subsidiaries from cannibalizing each other. However, even though there seems to be some overlap between the subsidiaries, such as HFT and HFC, which both produce mid- to low-end motorcycle tires, their customer bases are clearly different. HFT has a large customer base in Thailand, as well as in Asia and Europe, while HFC has customers in China and the United States. At the same time, the parent company specializes in the production of bicycle tires, motorcycle tires and industrial tires at a level that requires high technology, resulting in higher quality products and different prices. The target group of the parent company is completely different from HFT and HFC.

In summary, the parent company (HFR) has a policy to determine the customer groups of each branch as well as the prices of the products. To be offered for sale in various countries with HFH Company serves as the central hub for product distribution across various customer bases in different regions, with responsibilities structured as follows:

1. ASEAN Market

Market coverage is divided by country, with a primary focus on the replacement business model:

- HFT: Responsible for the CLMM & P countries (Cambodia, Laos, Malaysia, Myanmar, and the Philippines)
- HFH: Responsible exclusively for the Vietnam (VN) market

2. European Union (EU) Market

Responsibilities are divided based on customer segments:

- HFT: Focuses on OEM (Original Equipment Manufacturer) customers or assembly plant segment
- HFH: Focuses on ASM (Aftersales Market) customers or the replacement/spare parts market

3. United States (USA) Market

- HFH: Acts as the main responsible entity across all channels, covering both OEM and ASM customer segments

The company exports to two major customer groups:

1. **Customer groups supported by parent company**

The parent company will send a list of customers according to the types of products the company can produce and the market groups as specified in the table mentioned above. The company will ship the products and collect the money directly from the customers. This group of customers will cover Europe, America, and Africa, etc. Currently, there are many customers who are supported by the parent company.

2. **Foreign customer groups that the company can find on its own**

The Company is able to conduct overseas marketing in cases where the products are distributed in markets that do not overlap with those of its subsidiaries, such as major customers in the European market, such as Decathlon Group and Vittoria, for bicycle and motorcycle tires in the ASEAN, Middle East and

African markets, where the Company sets prices by referring to and comparing the selling prices of similar products. This is to control price competition among companies in the Group. And to make product prices consistent with the competitive situation in the world market, the important factors used in setting prices include the cost of raw materials, product characteristics, price levels similar to competitors, and market conditions at that time, etc.

2. Market conditions and competition

► *National competitive situation*

1. OEM (Original Equipment Manufacturer) market

Domestic Motorcycle Market in 2025 new motorcycle registrations in Thailand totaled 1,735,366 units, compared to 1,708,215 units in 2024, representing an increase of 1.6%, a slight improvement over the previous year. The key contributing factors were as follows:

- **Economic Conditions:** Thailand's economic recovery in 2024 was slower than expected, directly affecting consumer purchasing power, particularly among low- to middle-income groups, who are the core customer base of the motorcycle market. However, in 2025, signs of recovering demand emerged (pent-up demand), coupled with proactive sales strategies by motorcycle manufacturers to effectively stimulate sales.
- **Economic Stimulus Measures:** Government spending and the full recovery of the tourism sector boosted purchasing power among grassroots consumers (farmers and laborers), who are key target groups in the motorcycle market.
- **Competition from New Brands:** Aggressive market entry by motorcycle brands from China and the growth of electric motorcycles (EVs), though still a small share, added diversity and new choices to the market.
- **Big Bike Market:** Demand among middle- to high-income consumers remained strong, driven by new technologies and features as key attractions.
- **Financial Competition:** Increased competition in motorcycle financing by non-bank institutions made it easier for consumers to access funding.

In this context, the Company continued to gain trust from major motorcycle manufacturers to supply DURO-branded motorcycle tires as standard equipment for new motorcycle models (OEM). Orders increased in line with the popularity of these motorcycle models, which were well received in the Thai market.

2. REP (Replacement Equipment Market)

The competition in the motorcycle tire market in Thailand in 2025 remained highly competitive due to an increase in market players, including both domestic manufacturers and foreign importers. At the same time, overall demand in the motorcycle market showed a stable trend, prompting operators to continue employing pricing strategies to maintain their customer base and market share.

Factors affecting the competition:

- **Competitors in the market:** Since there are many motorcycle tire manufacturers and distributors in Thailand, including world-class brands, domestically produced brands, and imported tires from abroad, consumers have many choices. The company uses a strategy to maintain its old customer base that has been doing business with it for a long time, resulting in trust in both the quality and the brand image.
- **Market Demand:** Motorcycle tire demand in 2024 decreased slightly due to the economic situation which is in line with the demand for motorcycles. However, the Company is still committed to increasing sales from the replacement market by promoting the product image to make consumers think of the Company's products when they need to change their next motorcycle tire.
- **Fluctuations in raw material prices and price competition:** The price of rubber, which is the main raw material for the production of motorcycle tires, fluctuates, affecting production costs and selling prices. At the same time, the market is highly competitive, causing many operators to decide to use pricing strategies such as reducing prices and organizing promotions to attract customers. This causes the company to have to adjust its strategy in order to still be able to maintain market share.

- Growth of the Electric Motorcycle Market: Although the electric motorcycle market is still small, it is growing rapidly. In the past year, the company has contacted electric motorcycle and electric bike manufacturers, which have been very well received.

Competitive Trends:

- Focus on quality and innovation: The company is a motorcycle tire manufacturer. Therefore, the focus on developing the quality and innovation of the products to create differences and meet customer needs has always been done, such as tires that emphasize safety, high quality, suitable for usage conditions, tires that save fuel, tires that are durable, etc.
- Distribution channels: The company focuses on expanding distribution channels and increasing online sales and public relations channels to reach more target customer groups.
- Branding: Branding and brand loyalty are essential to maintain market share, brand recognition and compete with competitors.
- Specific customer groups: The company has studied and developed motorcycle tires that can meet the needs of specific customer groups, such as big bike groups and racing car groups. This is an opportunity to expand the customer base and further develop the business.

In addition, the Company has expanded its distribution of golf cart tires directly to golf course operators nationwide to enhance brand image and promote the use of domestic products as an alternative to imports. With a long-standing reputation for quality, combined with strong logistics capabilities and efficient cost management, DURO-branded products continue to earn trust and are well-positioned to grow sustainably with consumers in the future.

► ***Foreign competitive situation***

The company exports to all over the world, including Asia, Europe, America, Africa and the Middle East, with factors supporting the company's exports such as:

- Having a trademark that is accepted worldwide

- Marketing support from parent company and companies in the group that have expertise in conducting business. I have been working in this business for a long time.
- The product quality is acceptable and can compete in the world market.

The ASEAN motorcycle tire market in 2025 remained highly competitive and challenging, yet full of opportunities. The Company has adapted by focusing on quality improvement, innovation, brand building, and distribution channel expansion to maintain market share and prepare for sustainable growth.

However due to the current high price competition in terms of policies Product Marketing In 2025, when compared to competitors for the same type of product, it was found that in the part of bicycle tires, the company was able to create a selling point in terms of price that customers could access because the company is a large manufacturer, able to produce products in large quantities and continuously, allowing for systematic management of receiving purchase orders and customers being able to plan purchases in advance in the long term. Importantly, the company has relatively high stability in terms of quality when compared to competitors.

In the segment of high-performance Skinwall bicycle tires (thin, lightweight tires), the Company continued to develop products at an advanced level. In 2025, sales of foldable bicycle tires and thinner bicycle tubes increased, contributing to higher overall revenue. Additionally, the Company strengthened its market presence through strategic business partnerships and marketing communications, enabling market expansion by attracting new customers and establishing distribution centers across multiple regions, with a particular focus on Europe. In 2025, the market experienced a slowdown due to economic impacts, ongoing conflicts, and inflation, resulting in higher inventory levels among customers during the first half of the year and lower-than-expected consumption. However, in the second half of the year, signs of recovery emerged, with increased orders from international customers, partly due to declining inventory at end-user clients. As a result, overall exports improved compared to the previous year.

The European Union's EUDR, or EU Deforestation Regulation (EUDR) (Free from deforestation) has an impact on motorcycle tire manufacturers in many ways, but the company It is seen as a challenge and an opportunity for Thai bicycle tire manufacturers to adapt. and developed to increase competitiveness in the world market that can comply with the law and adapt quickly, therefore having the opportunity to expand the market and create sustainability for the business and also seeing it as upgrading the production process to be sustainable and environmentally friendly, which is good for the image of the product and the company,

including the fact that the company produces products that are certified to be free from deforestation, which may increase in value and be in demand by the market.

For motorcycle tires, the company still focuses on promoting sales to customers by supporting the study of competitors' prices and adjusting the price structure of each market to be competitive and considering the development of new products to the market. However, in 2024, there will still be an impact from price competition from competitors. Therefore, the company considers supporting sales and marketing activities together with customers in the ASEAN region.

The overall proportion of foreign sales is 64.71 percent, with competitors from China. Indonesia, India, Vietnam and Sri Lanka, which have high production capacity and low cost, resulting in relatively low selling prices in order to compete to open markets in the ASEAN region. However, the company has a competitive approach using quality and good service as selling points in order to be able to maintain its existing customer base at the same time.

Company, There is a public relations plan to expand the market so that the product is better known continuously and to create strengths in responding to customer needs in complying with various charters, including projects that benefit the environment and the organization, such as producing products with environmentally friendly properties to comply with the charter on Social Accountability or social responsibility, controlling greenhouse gas emissions in the production process and products, causing the product to receive quality certification in many countries. Which is an advantage in selling products according to each government. The country determines such as Thai Industrial Standards (TIS), SNI (Indonesia), MS (Malaysia), E-MARK, REACH and ROHs (European Union countries). etc.

► Industry trends

There are competitors in the bicycle, motorcycle and industrial tire segment from other manufacturers in China, India, Vietnam, Indonesia and many other countries. Therefore, the company still has a plan to add new products and maintain the quality as the main principle in order to gain market share, especially in the middle and low-end market. In addition, the company still faces price competition in the

market for both outer tires and inner tubes. Therefore, the company has to increase the level of products to the high-end market in the following ways:

- Continuously developing new products with an emphasis on creating a unique product identity Different from competitors
- Development of packaging formats to meet market demands
- Maintaining the best quality and in accordance with the international standards for which the company has been certified.
- Reaching Customer Satisfaction Including collaboration with customers to create business strategies Joint market to achieve goals
- Quickly and thoroughly track and review competitor pricing movements in the market. More and more

This includes conducting competitor analysis (Benchmarking) to be used as a guideline for adjustment. The company's next strategy

● DOMESTIC

The demand for motorcycle and bicycle tires, both inner and outer, fluctuates in line with the growth of the manufacturing industry and the overall economic conditions of the country. Currently, the investment and production structure in Thailand's motorcycle industry is still dominated by Japanese manufacturers, who remain key players and an important production base.

From the number of new motorcycle registrations in 2025, which increased by 1.6%. The company has therefore considered the overall economic situation, which requires the implementation of marketing and sales strategies. By focusing on maintaining the potential old customer base, emphasizing on maintaining product quality, creating product image, controlling selling prices to be competitive, and not emphasizing price competition that will cause negative effects on marketing in the long run.

● EXPORT

The export rate of both motorcycle tires and inner tubes continues to show a strong upward trend each year. However, in the past year, bicycle tires and inner tubes performed positively but still fell short of expectations. This was due to persistently high inventory levels in destination countries, as market demand did not meet forecasts. Factors such as the ongoing economic slowdown, high inflation, interest rate hikes—which represent significant financial costs—and international political conflicts have continued to pose overall challenges to the business sector. These factors have both direct and indirect impacts on operations.

To maximize market share against competitors and expand into developing markets in the ASEAN region, the Middle East, and Africa, bicycle tire products remain a key segment with growth potential, particularly in Europe, where energy conservation and environmental protection are strongly promoted. Each year, sales of tires for electric bicycles and environmentally friendly products continue to increase steadily. The Company continues to develop new products to meet customer demands, especially in the premium market segment, including high-performance products that dominate the upper market tier and trend-driven items.

1.2.3 Investment policy in subsidiaries and associated companies

The Company has a policy of investing in subsidiaries and associated companies to support the Company's business and increase its competitiveness to be more flexible in management. It is a short-term and long-term investment that is beneficial and can generate income for the Company. By investing in bonds or instruments with value, as well as other businesses under the company's objectives.

➤ Investment Policy in Subsidiary Companies

The Company has established a subsidiary company in Indonesia under the name of Hwa Fong Rubber (Indonesia) Co., Ltd. as it is the country with the 4th largest population in the world. There is investment policy in the business for manufacturing and distributing outer tires and inner tubes is an investment in a proportion that the company can participate in managing and determining the direction of the

said business. At present, the company has slowed down investment in Indonesia due to the company's focus on investing in expanding production in Thailand.

➤ Investment policy in affiliated companies

The company has a policy to focus on expanding investment in businesses related to importing, exporting, purchasing and distributing bicycle products, motorcycles, tires for all types of vehicles, including spare parts and related equipment. The investment is in an appropriate proportion and the Company has registered to dissolve The Ascent (Thailand) Co., Ltd. on 27 February 2018. The Company received some of its investment back from the dissolution of The Ascent (Thailand) Co., Ltd., which is currently in the process of liquidation.

1.2.4 Provision of products or services

The company has a factory located at 317 Moo 4 Soi 6 C, Bangpoo Industrial Estate, Phraeksa Subdistrict, Mueang District, Samut Prakan Province, consisting of the head office building, factory office, warehouse and raw materials, chemical and rubber mixing plant, inner tube production plant, outer tire production plant, and the second factory located at 865/1 Moo 4 Soi 11 B, Bangpoo Industrial Estate, Phraeksa Subdistrict, Mueang District, Samut Prakan Province, consisting of the factory office, warehouse and raw materials.

1. Total production capacity

The company's actual production capacity and production volume for the Year 2023 – 2025

Full Capacity (Unit : Line/Year)	2023	2024	2025
- Outer Tires	27,957,000	29,703,000	29,703,000
- Inner Tires	29,400,000	29,400,000	29,400,000

2. Procurement of raw materials and products for use in production

The company emphasizes on the quality control system of the products by selecting raw materials, inspecting and controlling the quality before approving the purchase order and importing into the production process. In addition, there is a policy to reserve raw materials from abroad for about 4-8 weeks and raw materials in the country for about 2 weeks for the main raw materials in production. There are about 10 types, according to the proportion of imports and domestic orders in the 2025, From the following distributor countries:

No.	Type	Purchase proportion (%)	From the country
1	Nylon (Nylon Cord)	67.79	China
		20.73	Taiwan
		11.48	Thailand
2	Synthetic rubber (Butyl Rubber)	63.53	Russia
		18.80	India
		9.81	China
		7.86	Singapore
3	Synthetic rubber (Synthetic Rubber)	59.63	Korea
		25.62	Thailand
		14.75	Taiwan

No.	Type	Purchase proportion (%)	From the country
4	Rubber (Natural Rubber)	100	Thailand
5	Carbon powder (Carbon Black)	72.11	China
		12.11	Taiwan
		8.49	Thailand
		7.29	India
6	Calcium carbonate (Calcium carbonate)	100	Thailand
7	Wire (Bead Wire)	67.46	China
		32.54	Thailand
8	Chemicals (Zinc Oxide)	100	Thailand
9	Reclaimed tires (Reclaimed Rubber)	42.59	India
		33.55	China
		23.60	Taiwan
		0.26	Thailand
10	Soil iodine (Crown Clay)	100	Thailand

Similarly, the parent company acts as a representative in sourcing and negotiating prices on behalf of the group companies, allowing the Company to procure raw materials at more favorable prices. The Company, however, makes direct payments to the suppliers for the purchased raw materials.

The company has 2 sources of raw material purchases below,

1. Buy raw materials directly from manufacturers and suppliers.
2. Buy through a broker

Company Ordering raw materials directly rather than through middlemen can control costs and create good relationships between the company and raw material manufacturers and distributors.

- The value of raw material purchases is divided by direct purchase and broker purchase in 2023 – 2025.

Source of raw materials	2023		2024		2025	
	MB	%	MB	%	MB	%
Buy directly	944.61	81.74	1342.72	86.00	812.27	82.22
Buy through a broker	211.05	18.26	218.11	14.00	175.69	17.78
Total	1,155.66	100	1,560.83	100	987.96	100

- Value of domestic and international raw material orders in 2023-2025.

Source of raw materials	2023		2024		2025	
	MB	%	MB	%	MB	%
Domestic	484.50	41.90	554.39	35.50	413.72	41.88
Foreign	671.16	58.10	1006.44	64.50	574.24	58.12
Total	1,155.66	100	1,560.83	100	987.96	100

The procurement of raw materials in 2025 was lower than in 2024. The primary reason was the decline in the production volume of tires and inner tubes, which led to a corresponding decrease in raw material demand. In addition, raw material prices were another contributing factor to the reduced purchasing volume. This was mainly driven by U.S. tariff barriers, as well as the impact of wars and geopolitical conflicts, particularly the crises in the Middle East, the Red Sea, and Europe.

3. Environmental impacts of the production process and disposal of waste materials

- None –

4. Environmental disputes or lawsuits

- None -

5. Undelivered work

- None –

1.2.5 Assets used in business operations

The assets of the Company, subsidiaries and associated companies include land, buildings, tools, equipment, decorations, office equipment and vehicles

The Company's main assets as of 31 December, 2025 are as follows:

Property Type/Characteristics	Proprietary characteristics	Accounting (MB)	Encumbrances
Land in the area where the factory and factory improvements are located has an area of 29 rai 3 ngan 16.3 square wa and the 2 nd factory has an area of 32 rai 1 ngan 76 square wa.	Company owns the ownership	112.15	Without
The 3 rd factory land has an area of 27 rai 3 ngan 72.8 square wa. (Still not being utilized in 2025)	Company owns the ownership	206.98	Without
4 Units of Suit rooms in 2 places	Company owns the ownership	6.39	Without
Buildings Located on the same land as the factory area.	Company owns the ownership	397.40	Without
Machinery & Equipment	Company owns the ownership	791.53	Without
Office Furnishings & Supplies	Company owns the ownership	2.22	Without
Vehicle	Company owns the ownership	5.57	Without
Assets under construction and Machines in process	Company owns the ownership	6.85	Without

The main assets of the subsidiary as of 31 December, 2025 are as follows:

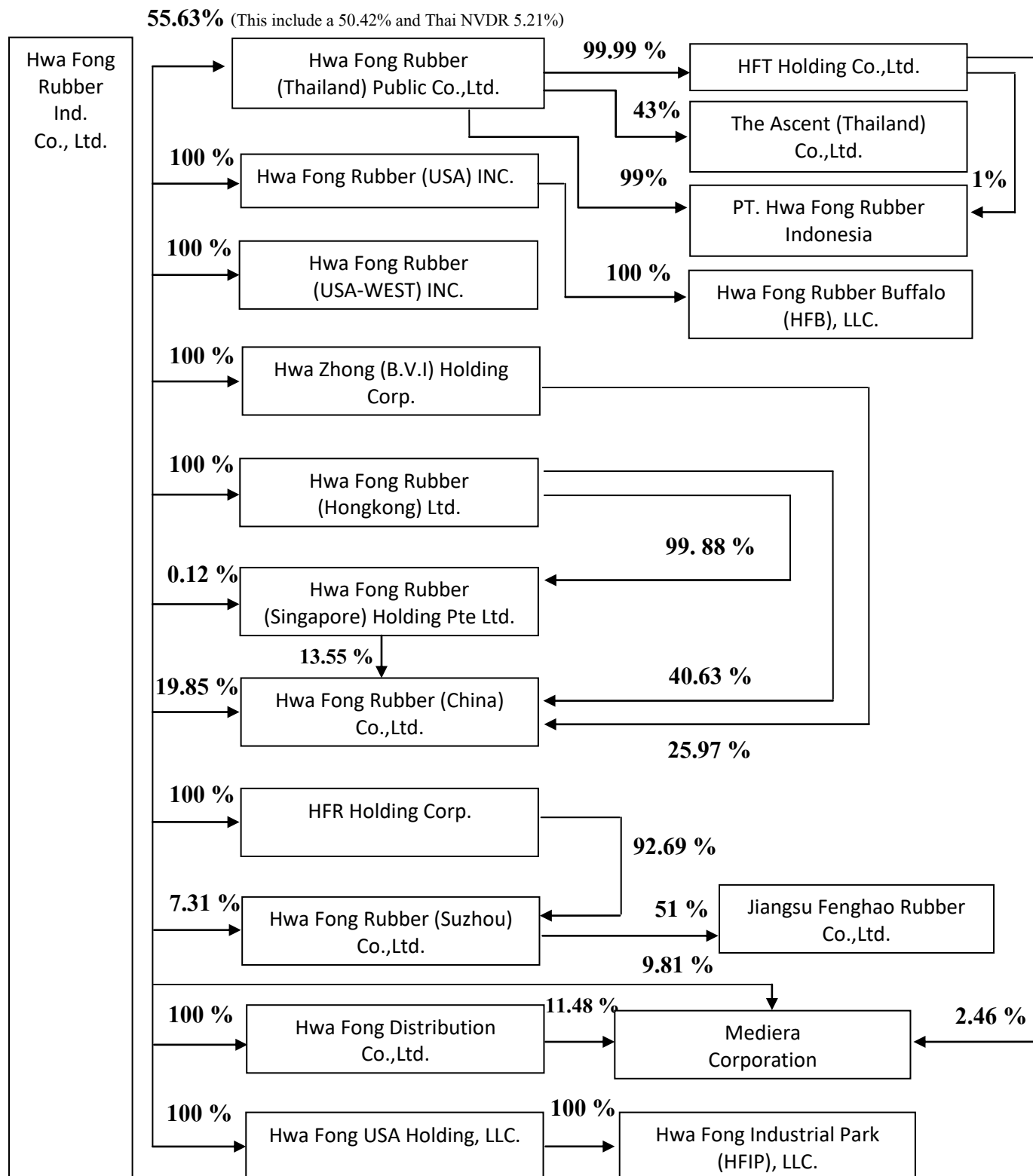
Types of property / Characteristics	Proprietary characteristics	Accounting Value (MB)	Encumbrances
Land in Indonesia has an area of 80,729 sq m. (Still not being utilized in 2025)	Subsidiary Company	126.10	without
	Own the property		

Intangible assets that are important to the business

- None –

1.3 Group Shareholding Structure

Currently the company Its major shareholder is HFR, the parent company located in Taiwan. With the follow:



2. Risk Management

2.1 Risk Management Policy and Plan

The Company has assessed the risks under changes that may have both internal and external impacts on all processes in the Company's business operations. By reviewing and assessing risks at the operator level, monitoring the performance under the supervision of those in charge continuously, and holding joint meetings with the Company's management, including considering and reviewing compliance with the Company's regulations for efficiency and consistency with the risk management system continuously, the Internal Audit Department has monitored each department to operate with consideration of possible risks. By setting these measures, the Company has an internal control system and risk management that are efficient and provide maximum benefit to the Company.

2.2 Risk factors for the Company's business operations

2.2.1 Strategic Risk

● Risk from major and new competitors

The bicycle and motorcycle tire manufacturing industry comprises several major players. Entry by new competitors is constrained by requirements for substantial capital investment, advanced technology, skilled personnel, and strong brand credibility. As a result, there has been no significant increase in new domestic entrants. In addition, existing manufacturers have maintained long-standing relationships with their customer base.

However, despite the increasing presence of low-cost products from China, the Company continues to emphasize maintaining high production standards and product quality to reinforce consumer trust on an ongoing basis.

For new competitors abroad, the company is a subsidiary of Hwa Fong Rubber Industry Co., Ltd. or "HFR" in Taiwan, which has operated and has expertise in this business for a long time, as well as having production and distribution bases in many countries, resulting in a comprehensive marketing network with sufficient potential to compete in the international market. However, the company is still affected by the competition in terms of selling prices, especially competitors with production bases in China, which have high potential in terms of production costs. This is because most raw materials, especially nylon, carbon powder, and chemicals, which are the main raw materials for the production of both outer and inner tires, are imported from China because products from China are cheaper than other sources. However, the company has protected itself from fluctuations in raw material prices by reviewing and adjusting product selling prices, which has resulted in the company's product prices being competitive in the market. In addition, the company still has the potential to maintain product quality. Therefore, the company is considered to have a competitive advantage in the global market, no less than other competitors, and has been able to maintain its current customer base.

● Risk of competition among affiliated companies

Since the affiliated companies manufacture products in the same industry group, the parent company still adheres to the management policy, market division and product levels among affiliated companies clearly. It also controls affiliated companies to operate according to the specified criteria. At present, there are a large number of both large and small customers. You are interested in the company's products from factories in Thailand, but the company must notify you. Always check the list of customers that may be repeated in the same market first. This is to prevent problems of competition among companies in the group. The division of the market depends on factors of market area advantages, import tax factors, product types and prices. This is to separate marketing and sales responsibilities to create balance and facilitate the business operations of companies in the group and customers. This is to avoid the risk of market competition among each other.

● Risk of competition from Sumitomo Rubber Company

For Sumitomo Rubber, it is still a shareholder in the parent company. Although it has expertise in the tire and motorcycle tire manufacturing business, since Sumitomo Rubber is an alliance group and focuses more on tire manufacturing, it focuses more on being a business partner and supporting the motorcycle tire

manufacturing for the parent company and affiliated companies rather than being a competitor. Currently, the motorcycle tires that the company is authorized to manufacture and distribute are different types of tires from those that Sumitomo Rubber manufactures in other factories. Therefore, the risk factor of market competition is unlikely. In addition, the business relationship has been long-standing. As for the company itself, it still sells products under the trademark “DUNLOP” which is a copyright of Sumitomo Rubber. The company can also use its knowledge to develop products under the trademark, which is the company’s copyright, to be even better.

2.2.2 Operational Risk

● Risk of machinery damage

Since the company operates two shifts per day, if the machinery is damaged and production is halted, it will cause damage to production capacity. The company has a system for inspection and planning. Regular annual inspection of machinery, along with monthly machinery maintenance and repair plans, are prepared. Before starting production, the company will conduct inspections and major repairs twice a year, using the opportunity of long consecutive holidays, such as Songkran and New Year, which will not affect production.

2.2.3 Financial Risk

● Risk from foreign exchange rate fluctuations

The company's income still comes mainly from the export business, 64.71% In 2025 and 65.71% In 2024, it will still consist of two main foreign currencies: the US dollar (USD) and the euro (EUR). Therefore, exchange rate fluctuations will still be a significant factor that may affect the position. The Company's financial status, however, still has to control and monitor the baht exchange rate against foreign currencies continuously in order to be able to estimate and solve the problem of exchange rate losses in a timely manner. The Company still manages exchange rates by matching assets and liabilities in the same currency (Natural Hedge), namely the US dollar (USD), which can reduce exchange rate risk to some extent.

● Risks regarding product and raw material prices fluctuating according to world market prices

Overall raw material prices, natural rubber increased due to Europe's announcement to implement the EU Deforestation Regulation (EUDR). Synthetic rubber slightly increased due to higher BD (Butadiene) prices. Nylon Cord and Bead Wire prices were stable. Carbon black powder price has been adjusted down due to the quantity. Increased market exposure Side Anxiety of The global economy from the war situation in Ukraine has entered its third year of fighting this year. Multi-sector Able to adapt and continue business Compatible

However, The Company has managed risks by procuring additional sources of raw materials and continuously procuring new sources of raw materials to control production costs and prevent shortages of raw materials.

2.2.4 Compliance Risk

● Occupational health and safety risks and personnel quality

The Company places great importance on strengthening its organizational foundation by continuously enhancing employee capabilities and promoting knowledge development, as well as fostering a corporate culture and work mindset aligned with the Company's goals and objectives.

In addition, the Company recognizes the importance of workplace safety in order to mitigate risks that may affect employees and assets. The Company has established a policy to achieve a zero-accident organization through cultivating a strong safety mindset, strict adherence to occupational health and safety standards, and proactive safety training programs for employees at all levels, with the aim of building a sustainable safety culture.

● Investment risks for securities holders

The Company has a major shareholder, Hwa Fong Rubber Industry Co., Ltd. ("HFR"), a parent company in Taiwan, holding 50.42 percent of the Company's shares. Therefore, the parent company can control the majority of votes in the shareholders' meeting. However, the parent company's policy is not to interfere and to provide independence in operations. The parent company will be more supportive and provide

assistance, and will also find foreign customers for the Company. As for purchasing raw materials, the Company will be independent and make its own decisions if the Company receives better terms and prices. Currently, the proportion of purchasing raw materials is mostly purchased directly from manufacturers and distributors of raw materials. However, from past operations, it can be seen that the parent company has set clear policies and operations, and has divided the market into customer groups. In addition, the parent company is a public company listed on the stock exchange in Taiwan, which will also comply with the law.

● Management risk that relies on executives or major shareholders

The Company is a subsidiary of Hwa Fong Rubber Industry Co., Ltd. (“HFR”), which holds 55.63 percent of the Company’s shares. The parent company is located in Taiwan, with several subsidiaries in various countries. The Company has been engaged in the business of manufacturing and distributing tires and inner tubes under the trademarks “DURO”, “Q-UICK”, and “DUNLOP” for a long time. In order to ensure that the products have the same quality and standard prices, as well as prevent competition within the group, the companies in the group must share production technology. Marketing policies and pricing are mutually agreed upon between Hwa Fong and Parent Company. Since the Company's business operations depend on the parent company to determine the management policy, the Company is at risk if there is a change in major shareholders. However, the parent company still has a clear policy of supporting foreign marketing for its subsidiaries in order to make the overall group strong in foreign marketing and prevent competition from businesses in the same group, including being able to compete with companies outside the group. In addition, the Company has increased the proportion of domestic and foreign sales. The company will market itself without any intervention from the parent company, including in terms of selling prices, and seek foreign markets that do not overlap with those supported by the parent company and affiliated companies.

For another important shareholder is Sumitomo Rubber Company, which holds 10.18 percent of the parent company and is considered a major shareholder. The parent company and the company (HFT) may be affected if Sumitomo Rubber withdraws its shares because some of its income comes from products under the DUNLOP trademark and technology support for the parent company and the company (HFT). However, Sumitomo Rubber Company has had a good relationship and has been doing business with the parent company and the company (HFT) for a long time.

In summary, if the Company did not receive assistance from the major shareholders as mentioned above, the Company would be able to continue its business due to the Company's financial stability and marketing capabilities as can be seen from the Company's continuous expansion of the domestic market.

● **Risks of investing in foreign securities**

The Company invests in two foreign securities companies through HFT Holding Co., Ltd., a subsidiary of the Company.

2.2.5 Emerging Risk

● **Information System Security Risks and Cyber Threats**

The Company realizes that cyber threats have a significant impact on the digital society. Maintaining security against cyber threats plays a very important role for businesses and organizations. The Company Therefore, an information system security policy has been established to prevent the risk of business disruption that may arise from such incidents.

● **Environmental and Climate Risk**

The Company is aware of environmental risks and climate change that may affect business operations, production costs and long-term competitiveness, which can be divided into several areas as follows:

1. Climate Change Risk may affect raw materials that are natural raw materials and natural disasters may cause delays in the procurement of raw materials and delivery of goods.
2. New regulatory and compliance risks, with tighter enforcement and ESG (Environmental, Social, and Governance) standards that investors and consumers are increasingly placing importance on sustainability.
3. Energy and Green Transition Risk may result in higher production costs and pressure from certain investors and customers, causing the Company to adapt to attract investors and customers.
4. The risk from changing consumer behavior may affect the types of vehicles used and customers' demand for more environmentally friendly products.

The Company's approach to reducing environmental risks

1. Improve the production process to be environmentally friendly
 - Use renewable energy such as solar power.
 - Develop production technologies that reduce greenhouse gas emissions and waste.
2. Efficiently manage raw materials and supply chains
 - Diversify rubber sources to reduce risks from natural disasters
 - Promote sustainable rubber plantation and use of environmentally friendly alternative materials.
3. Develop environmentally friendly products
 - Research and develop tires that can be recycled or use low-carbon materials.
 - Develop technologies that help extend the life of tires.
4. Comply with environmental regulations and ESG standards
 - Transparent environmental performance reporting to increase investor confidence and customers
 - Comply with international standards such as FSC, EUDR

CompanyCompanies are faced with multidimensional environmental risks, including the impacts of climate change, environmental regulations, and changing consumer behavior. Effective risk management and adaptation to sustainable approaches will help companies stay competitive in the long run.



Driving business for sustainability.



3. Driving business towards sustainability.

3.1 Sustainability Management Policy and Goals,

Huafoong Rubber (Thailand) Public Company Limited and its subsidiaries. We are committed to conducting business under the concept of "balanced and sustainable growth," focusing not only on economic profit but also on creating value in the ESG (Environmental, Social, and Governance) dimensions to become a global leader in the environmentally friendly rubber industry. Strategic Goals: We have updated our operational guidelines to align with all 17 United Nations Sustainable Development Goals (UN SDGs), establishing short-term and long-term action plans to drive organizational growth alongside social and environmental sustainability.

In 2025, we remain committed to "Green Business Policy and Social Responsibility" as the core driving force of our organization. The company focuses on conducting business within an ethical framework and good governance principles, ensuring transparency and accountability, in line with the corporate governance standards of the Stock Exchange of Thailand. We will also continue to develop the organization in a more intensive manner towards sustainability.

1. **Environmental Aspect** The company focuses on maximizing the benefits of natural resources through the Circular Economy concept. This aims to improve energy efficiency in production processes and systematically manage industrial waste to reduce landfill disposal. Furthermore, the company prioritizes continuous monitoring and development of its carbon footprint, starting with the transition to clean energy and low-carbon technologies. This prepares the company for achieving carbon neutrality and contributes to sustainable climate change mitigation.
2. **Social Aspect** The company values its personnel at all levels, striving to create a safe and hygienic working environment and promoting continuous professional skills development to adapt to technological changes. Simultaneously, the company adheres to universal human rights principles in its treatment of workers and all stakeholders and focuses on building positive relationships with communities surrounding its facilities through local development projects that create shared value. This ensures that business growth contributes to improving the quality of life and strengthening the local economy.
3. **Governance** The company considers transparency and business ethics as fundamental to its management. It strictly adheres to the laws and regulations of the Stock Exchange of Thailand and has effective corporate governance mechanisms and a comprehensive risk management system. We are committed to combating corruption in all its forms. Furthermore, we prioritize the protection of personal data and treating our business partners fairly to build confidence among investors, shareholders, and business partners that the organization operates responsibly, prudently, and with the long-term interests of all stakeholders in mind.

Company sustainability policy

The company is committed to continuously improving and developing its production processes with the goal of reducing waste from manufacturing processes and minimizing its impact on the community, society, and the environment.

1. The company promotes the use of renewable energy by increasing the installation of solar panels to generate 15–20% of its total electricity consumption.
2. The company prioritizes building and instilling social and environmental awareness and a commitment to natural resource conservation among all employees.
3. The company conducts its business fairly, transparently, and with good governance, aiming for sustainable growth while caring for and prioritizing the community, society, and the environment.
4. The company emphasizes training and developing the potential of its personnel at all levels, utilizing resources and energy efficiently and effectively, considering all stakeholders.
5. The company recognizes the importance of promoting social equality by providing opportunities and suitable employment for people with disabilities, enabling them to participate equally in the labor market and reduce social inequality.
6. The company supports responsible resource management, including reducing unnecessary resource consumption, reusing resources, and promoting recycling to help minimize long-term environmental impact.
7. The company is committed to building collaboration with all stakeholders—employees, partners, customers, and the community—listening to feedback and incorporating it into operations to create shared value and sustainable development.

3.2 Managing the impact on stakeholders in the business value chain.

In 2025, the company will continue to prioritize integrating the sustainability needs of all stakeholders into its business strategy. The company recognizes that these factors have significant direct and indirect impacts on operations. Building understanding and responding to key stakeholder concerns not only helps mitigate risks but also presents opportunities to develop innovative products and services that meet diverse needs, while fostering a commitment to sustainable coexistence with the community, society, and the environment.

3.2.1 Business Value Chain Analysis

The company is committed to developing capabilities throughout the value chain, extending beyond internal management to upstream and downstream partners. This aims to create balance and systematically mitigate environmental, social, and governance (ESG) impacts. This year's processes include: identifying and assessing expectations; analyzing the in-depth needs of stakeholders at each stage of the value chain to understand changes in the rubber industry and the global economy; proactive risk management: analyzing and prioritizing potential risks impacting sustainability to determine targeted preventative and corrective measures; and defining strategic response approaches, integrating analysis results into operational plans to drive efficient and transparent business growth across all dimensions.

Business value chain



3.2.2 Analyzing and building engagement with stakeholders in the value chain.

The company focuses on creating shared value by analyzing relationships with stakeholders throughout the value chain, both direct and indirect, in order to enhance management efficiency to the highest level. The approach is as follows

1. Proactive Listening: Establish a systematic process for gathering feedback and exploring expectations at least once a year to inform strategic decision-making.
2. Inclusiveness and Comprehensiveness: Consider the needs of all stakeholder groups in a balanced manner to foster sustainable collaboration (Stakeholder Collaboration).
3. Integration into Strategy: Use the findings from the analysis to drive the sustainability management process (ESG Integration) in line with the changing business context.

This approach is considered a key mechanism for driving organizations towards tangible sustainable development goals, while creating a balance between business performance and social and environmental responsibility in all dimensions.

Stakeholders



Stakeholders Loss	Expectations of Stakeholders	Response to Stakeholders	Continued action. Stakeholders
employee	<ul style="list-style-type: none"> Employees receive fair benefits and compensation. Working environment Participation and incentive creation. Respecting fundamental rights under the law. 	<ul style="list-style-type: none"> Developing appropriate human resources and welfare. Treat all employees equally. Workplace safety Listen to opinions and complaints. 	<ul style="list-style-type: none"> There were no complaints regarding human rights. Provide appropriate welfare benefits to employees.
customer	<ul style="list-style-type: none"> Product quality Product care, such as waste management. Take into account the environmental impact. 	<ul style="list-style-type: none"> We prioritize and emphasize product quality above all else. We pay close attention to the production process to ensure consumers receive the highest quality and safety. 	<ul style="list-style-type: none"> It is reliable and trustworthy in terms of quality and safety.
business partners	<ul style="list-style-type: none"> Promote collaboration with partners who prioritize environmental sustainability. Assistance in various areas. Communication for relationship building 	<ul style="list-style-type: none"> Establish fair policies and practices with business partners. To cooperate and provide support in the field of trade. 	<ul style="list-style-type: none"> Widely recognized and trusted for its service and product quality.
community environment	<ul style="list-style-type: none"> It does not create a negative impact from its operations. Supporting activities and development of the community and the environment. Environmentally friendly products and packaging. 	<ul style="list-style-type: none"> Establish policies that are responsible to the community and the environment. Build relationships and foster cooperation with the community and the environment. 	<ul style="list-style-type: none"> Emphasis should be placed on controlling waste discharge to meet standard criteria. Using resources wisely and minimizing waste in the process.

Stakeholders Loss	Expectations of Stakeholders	Response to Stakeholders	Continued action. Stakeholders
shareholders	<ul style="list-style-type: none"> Performance reports are provided on a quarterly basis. Promote the development and continued maintenance of the business. There are principles of good corporate governance. 	<ul style="list-style-type: none"> A well-operated business experiences continuous and stable growth. Development that goes hand-in-hand with the holistic sustainability of the organization. 	<ul style="list-style-type: none"> We have gained trust and credibility by adhering to the principles of good governance in all aspects.
Trade competitors	<ul style="list-style-type: none"> Exchanging information that is beneficial to the community. Adhere to trade guidelines, act honestly and transparently, and comply with trade terms. 	<ul style="list-style-type: none"> Company information is disclosed in the annual report (Form 56-1). Establish trade policy. 	<ul style="list-style-type: none"> Together, we improve efficiency and reduce costs while protecting the environment.
Government agencies	<ul style="list-style-type: none"> Efficient resource management Environmental pollution management Complying with laws and regulations. Cooperation 	<ul style="list-style-type: none"> Responsibility towards the community, society, and the environment. Comply with all laws and regulations. Keep track of changes to the law. 	<ul style="list-style-type: none"> Disclosure of information as required by law, accurately and transparently.



33.3 Sustainability Management in the Environmental Dimension

3.3.1 Environmental policies and practices.

The company is committed to driving its business towards sustainability with environmental protection as a core principle. We conduct a Carbon Footprint for Organization assessment to determine proactive strategies for effectively reducing greenhouse gas emissions from activities at all levels, in order to create long-term value for the community, society, and the environment. Therefore, the company has established five key policies as follows:

1. Proactive strategies and goals: Establish clear plans and targets for greenhouse gas emission reduction and proactively communicate them to ensure that employees at all levels have the knowledge, understanding, and can correctly integrate best practices into their work.
2. A shared organizational responsibility is to make greenhouse gas emission reduction a mission for personnel at all levels, with mechanisms in place for continuous monitoring, verification, and reporting to the board for transparency.
3. Standards and legal compliance: Develop a modern environmental management system that strictly complies with legal requirements and international standards related to business operations.
4. Promoting capacity building and innovation, providing necessary resources including budget, technology, and employee skills development, while creating a space for creative ideas to improve efficiency in reducing environmental impact.
5. The transition to clean energy requires accelerating the installation of rooftop solar power systems to increase the proportion of renewable energy, reduce reliance on fossil fuels, and significantly decrease carbon dioxide emissions.

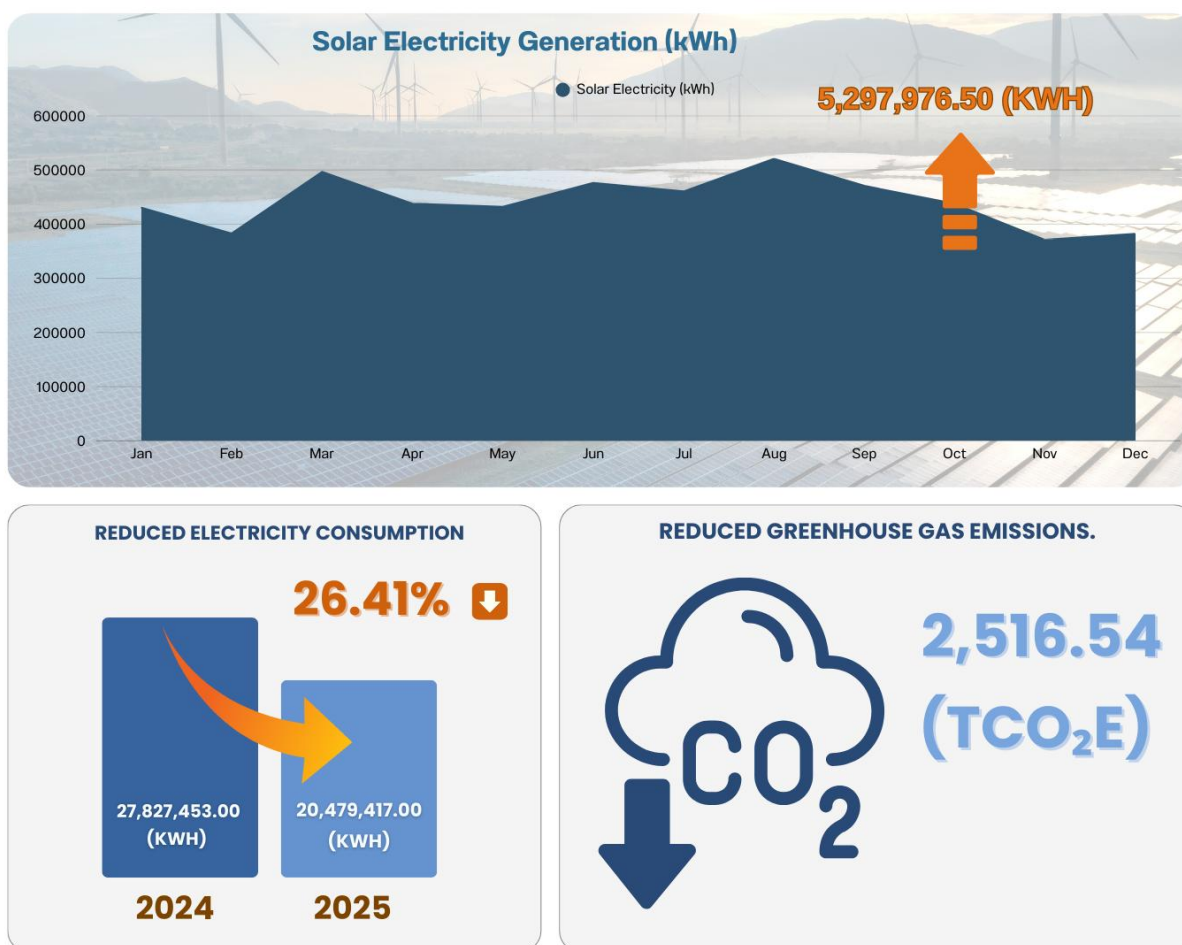


3.3.2 Environmental Performance Results

The company is committed to an environmentally friendly business policy and aims to become a low-carbon organization to contribute to solving the climate change crisis. We have established a sustainable environmental strategy as follows:

1. Energy and greenhouse gas management.

The company has transitioned to becoming a low-carbon organization through a solar rooftop power generation project. This system generates 2,980,601 kWh of clean electricity for use in production processes and offices, significantly reducing electricity consumption from primary energy sources from 17,975,453.00 kWh in 2024 to 13,537,417.31 (kWh) in 2025, a reduction of 24.69%. This aligns with the target of 20-30% renewable energy allocation. Furthermore, this initiative has reduced greenhouse gas emissions into the atmosphere by as much as 1,415.90 (tCO₂e) It reflects a tangible commitment to efficient resource utilization and environmental responsibility.

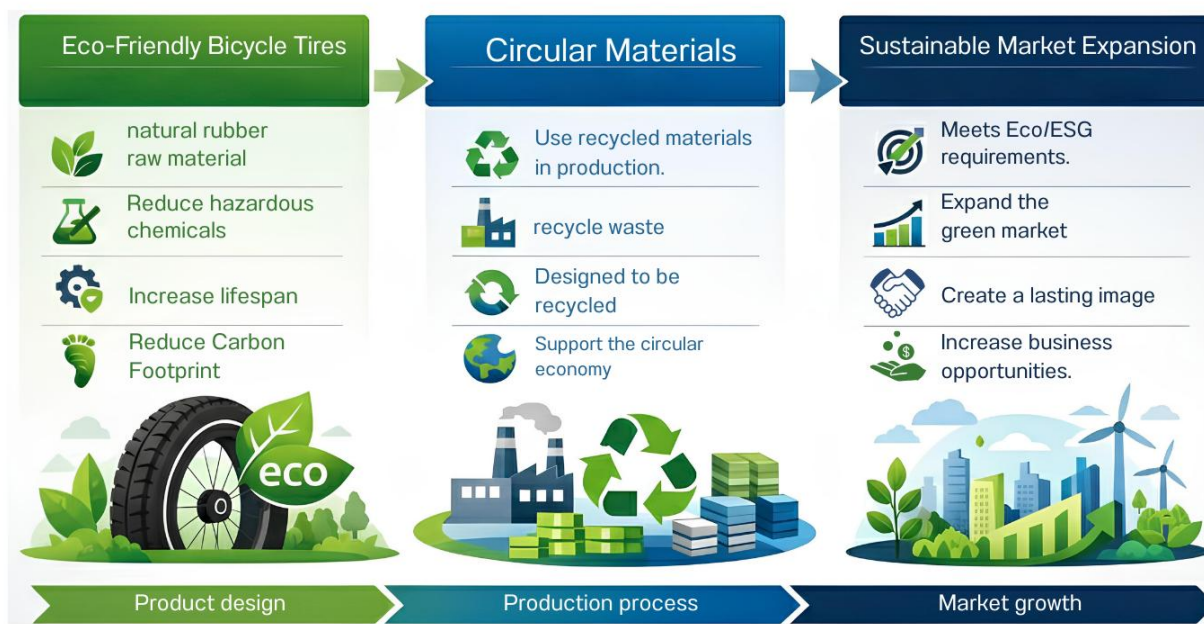


2. Sustainable product development

The company is committed to innovation under the "Duro Eco-Design" concept, which involves designing products with consideration of their environmental impact throughout their life cycle (Life Cycle Assessment: LCA). This encompasses everything from raw material selection and clean energy production to transportation and post-life management. The ultimate goal is to transition to 100% renewable energy in the product development process to sustainably reduce the use of natural resources and greenhouse gas emissions. Currently, the company is driving its ESG strategy through the development of tangible environmentally friendly Green Products as follows:

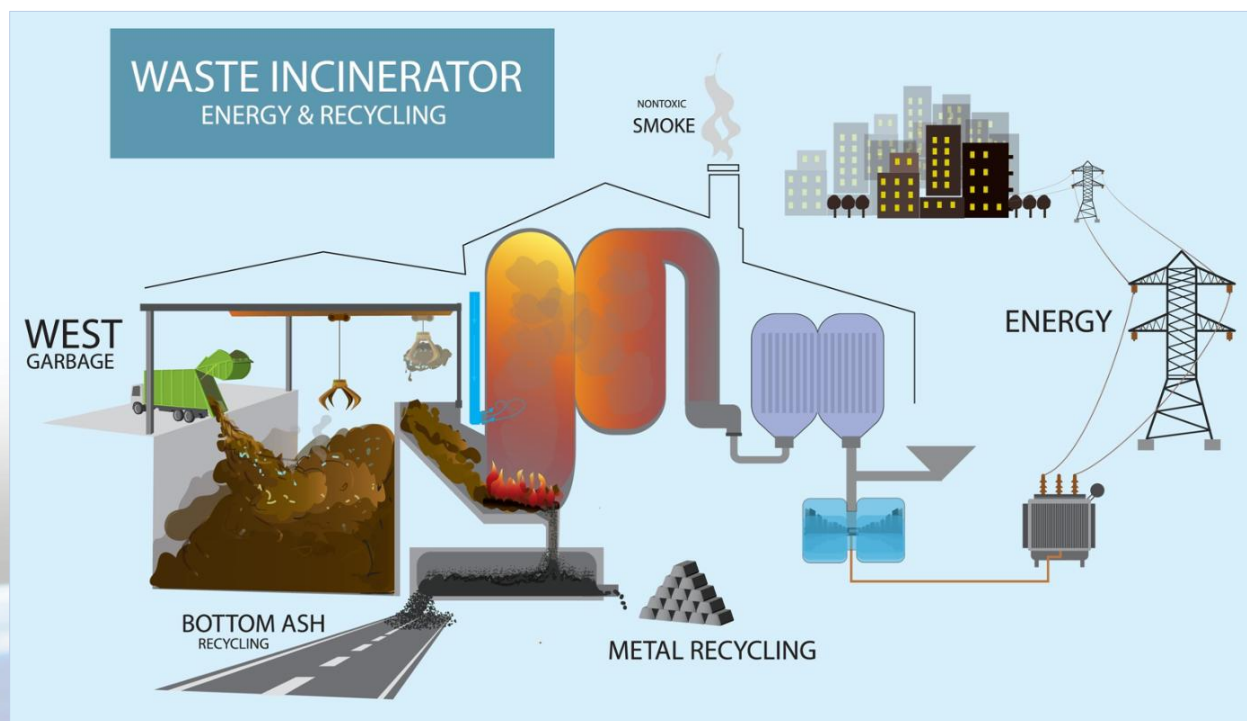
- **Eco-friendly bicycle tires** Raising the standards of bicycle tires to prioritize durability and safety, coupled with the use of biodegradable or recyclable packaging, aims to reduce waste and minimize the product's carbon footprint.
- **Increasing the proportion of recycled materials.** Develop processes for recycling and improving the properties of used materials for reuse as new raw materials in appropriate proportions, thereby reducing reliance on new resources (virgin materials) and driving a circular economy system within the organization.
- **Expanding the sustainability market base.** Continuously researching and developing environmentally friendly products in other categories to meet the needs of partners and consumers who prioritize sustainability in both domestic and international markets.

Sustainable product development



3. Waste management within the organization.

By 2025, the company will have upgraded its waste management standards to an international level, emphasizing systematic and legally compliant management at every stage. We focus on strict waste segregation at the source, divided into two main categories: general waste and infectious waste. Last year, we processed 420,255.00 kilograms of general waste and 15.60 kilograms of infectious waste. With a commitment to reducing our environmental impact, we initiated the “Waste-to-Energy” project, separating general waste for use as fuel to generate electricity in collaboration with external partners. This significantly reduces landfill space. Coupled with the 3Rs principle (Reduce, Reuse, Recycle) to minimize waste generation at the source, this reflects our commitment to social responsibility and true sustainability.



The company remains committed to reducing waste and greenhouse gas emissions through efficient and systematic resource management, coupled with promoting a circular economy and sustainable energy use, aiming for a long-term Net Zero goal. This intention reflects our responsibility to society and the environment, and our commitment to becoming a truly sustainable organization that grows in parallel with the planet.

4. Energy management

The company is committed to managing energy within its office buildings and production processes in accordance with international standards. Continuous data collection and analysis of energy usage trends are conducted to drive the organization towards sustainability through the concrete promotion of clean energy use. The installation of a solar rooftop system began in 2024 to reduce reliance on fossil fuels. The results of operations in 2025 demonstrate the successful achievement of strategic goals.

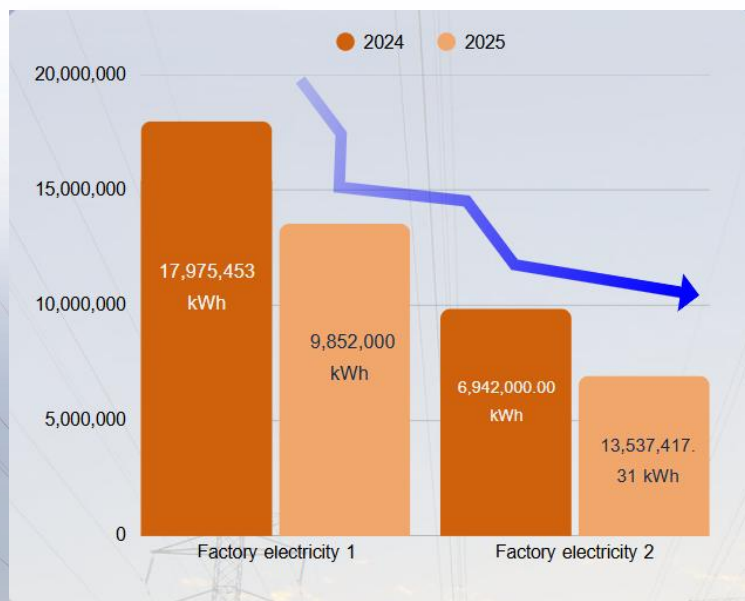
By 2025, the company will be able to produce and utilize up to 5,297,976.50 kWh of electricity from solar energy, a significant increase compared to 2024 when only 102,265 kWh was used.

Electricity usage from external sources decreased significantly across all departments.

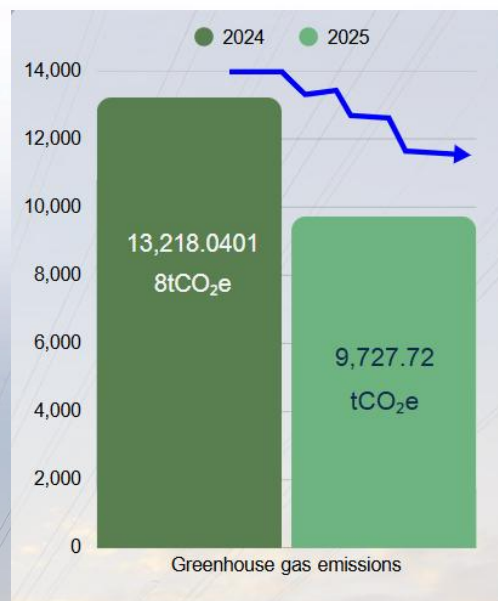
- Electricity consumption at factory 1 decreased from 17,975,453 kWh in 2024 to only 13,537,417.31 kWh in 2025.
- Electricity generation from plant 2 decreased from 9,852,000 kWh in 2024 to only 6,942,000.00 kWh in 2025.

The transition to clean energy helps the company reduce its greenhouse gas emissions that contribute to global warming and contributes to a sustainable long-term reduction in energy costs.

Amount of electricity used from external sources.



Greenhouse gas emissions



Greenhouse gas management policies and efforts towards sustainability.

The company is committed to conducting business under the principles of good governance and corporate governance, with responsibility towards stakeholders, society, and the environment as core values. Amidst the climate change crisis, we declare our intention to become a low-carbon organization through the following key strategies:

1. Enhance energy efficiency and innovation in production. Improve energy efficiency in production processes through investment in automation technologies and modern machinery to reduce the intensity of greenhouse gas emissions at their source.

(2.) The transition to renewable energy focuses on the use of clean energy through solar rooftop systems and expanding the proportion of renewable energy use to achieve a target of 20–30 percent in order to sustainably reduce reliance on fossil fuels.

(3.) Resource management based on the circular economy aims to minimize landfill waste through high-efficiency recycling projects and the reuse of used materials for repurposing as new raw materials in the production process.

(4.) Green product development: Design and develop products under the Duro Eco-Design concept, taking into account the environmental impact throughout the life cycle, from raw material sourcing to post-life management, in order to meet the needs of the Green Economy market.

(5.) Climate risk and opportunity management: Continuously monitor and assess the impacts of climate change in order to plan strategic risk mitigation and transition to new, environmentally friendly business opportunities.

(6.) Creating a green corporate culture and supply chain, enhancing awareness and skills in energy conservation among employees at all levels, and integrating cooperation with business partners to reduce greenhouse gas emissions across the entire value chain.

(7.) International Commitment and Cooperation: We collaborate with the government sector, the Stock Exchange of Thailand (SET), and the Securities and Exchange Commission of Thailand (SEC) to comply with international standards and jointly drive Thailand towards carbon neutrality.

The company believes that taking concrete action according to this policy will not only help protect the environment but will also be a crucial foundation for building strength and sustainable growth for the company internationally.

1. Greenhouse gas management

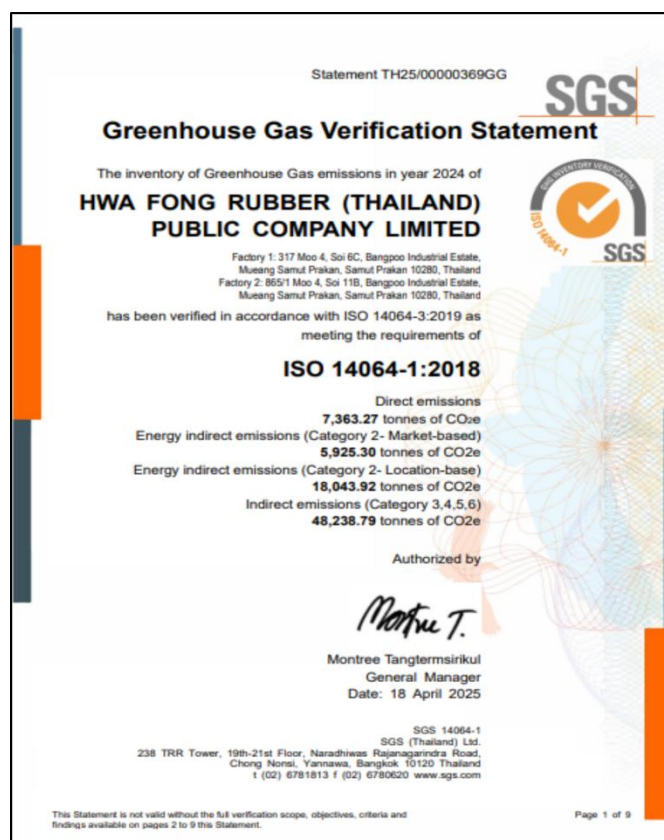
The company recognizes the importance of contributing to addressing climate change and therefore continuously implements measures to reduce greenhouse gas emissions, both directly and indirectly. Our key strategies focus on: improving energy efficiency to reduce energy consumption in production processes and offices in a tangible way; and promoting the use of clean energy through efficient energy management and supporting the use of renewable energy.

Summary of greenhouse gas emissions in 2025.

Types of greenhouse gas emissions.	Emission volume (tCO ₂ e)
Straight release	7,363.27
Indirect emissions from energy use.	5,925.30
Other indirect releases.	48,238.79
Total greenhouse gas emissions.	61,527.36

Greenhouse gas emissions from electricity usage (Category 2) at the main establishment have a net emission value of 0.00 tCO₂e, thanks to support for renewable energy through I-REC certification from biomass energy sources.

This Greenhouse Gas Verification Statement certification reflects the company's commitment to conducting business responsibly towards the environment and its readiness to elevate its organizational carbon footprint management to international standards, building long-term confidence among stakeholders.

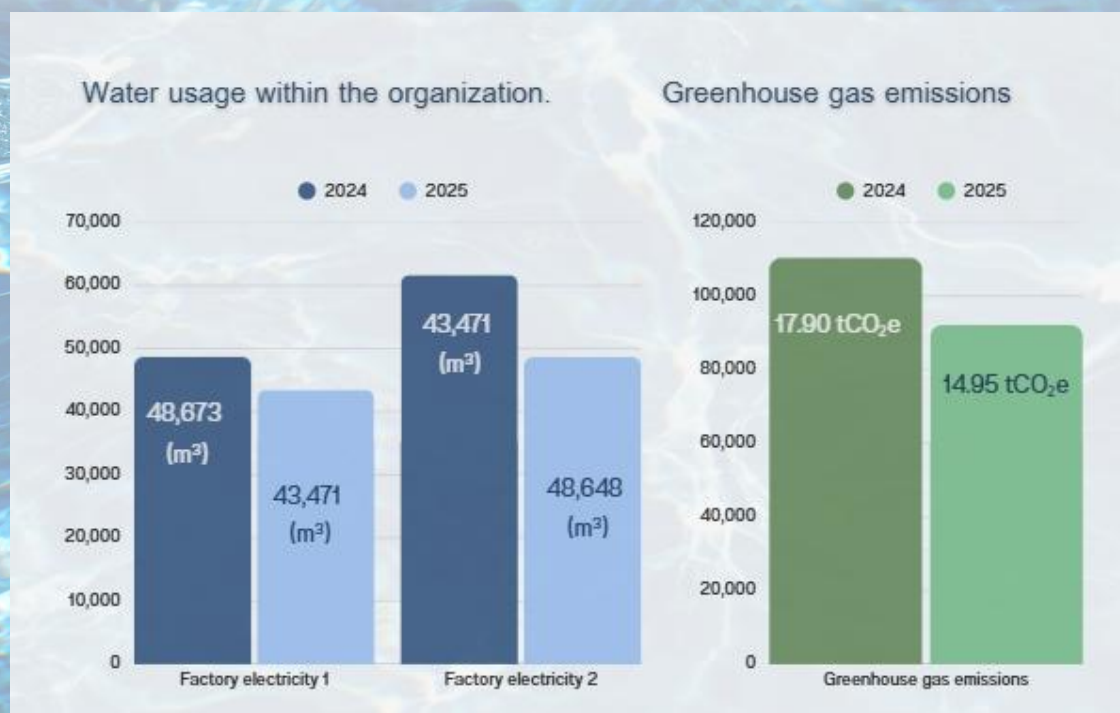


5. Water management performance results.

The company recognizes the importance of water resources as a fundamental factor for both production processes and ecosystems. By 2025, the company will significantly upgrade water management within its office and production buildings to achieve its natural resource sustainability goals as follows:

- **Systematic management and monitoring:** The company continuously collects and analyzes water usage statistics to identify areas of high resource consumption and use this information to plan improvements in water efficiency for optimal benefit at every stage.
- **Water efficiency and innovation** focus on using water efficiently through environmentally friendly water management processes to reduce reliance on public water sources and lessen the burden on surrounding communities.
- **Wastewater Management and Ecosystem Preservation:** The company prioritizes controlling wastewater quality to meet legal standards while developing processes to reduce wastewater discharge into natural water sources. This aims to protect ecosystems and create long-term environmental balance.
- **Social and stakeholder responsibility,** particularly responsible water management, is part of a transparent business strategy. This not only improves operational efficiency but also promotes a better quality of life and builds trust within the communities surrounding the business.

With these operational guidelines, the company believes that efficient water resource management will be a key mechanism to support organizational growth while ensuring environmental sustainability.



4 Managing Sustainability in the Social Dimension

3.4.1 Social Policies and Practices

The company recognizes the importance of conducting business sustainably and responsibly towards society, adhering to the principles of human rights, equality, and justice in all dimensions. The company operates in accordance with the Universal Declaration of Human Rights and prioritizes fair treatment in all processes related to employment, compensation, promotion, training, and employee development, without discrimination based on gender, age, race, religion, or educational background.





Furthermore, the company is committed to conducting business while protecting the environment, setting targets for carbon neutrality and net-zero greenhouse gas emissions. These plans are regularly reviewed and updated to align with the corporate strategy.

With our continuous business experience, the company remains committed to meeting societal needs by offering high-quality, reliable products at reasonable prices, while minimizing environmental impact. Our goal is to create sustainable value in energy, social, and environmental dimensions for the long-term benefit of society and the planet, through four core approaches:

1. **Embracing Diversity and Equality:** Promoting a corporate culture that respects differences and is free from discrimination in all forms, creating an environment that allows all employees to reach their full potential.
2. **Community Development and Care:** Conducting business with a focus on minimizing impact and creating positive outcomes for surrounding communities through sustainable development projects and support for local activities, fostering strong, long-term relationships.
3. **Promoting Well-being and Work-Life Balance:** Supporting the creation of a balance between personal and work life to enhance the physical and mental health of employees, leading to sustainable productivity and organizational satisfaction.
4. **Ethics and Transparency:** Committed to conducting business honestly, fairly, and strictly adhering to legal guidelines, building trust with employees, the community, and all stakeholders.

2 Social impact performance.

Respect for human rightsThe company is committed to supporting and respecting the protection of human rights, focusing on treating all stakeholders, including employees, the community, and society, equally. It considers the equality and fundamental freedoms of all, without discrimination based on race, nationality, religion, language, skin color, gender, age, education, physical condition, or social status. Furthermore, the company prioritizes preventing its business from becoming involved in human rights violations, such as the use of...**Child labor, forced labor, and sexual harassment.**The company has implemented monitoring and tracking measures to ensure compliance with human rights requirements, promotes the participation of all stakeholders in providing feedback, and establishes safe complaint channels for those at risk of human rights violations related to the company's business operations. The company operates in accordance with human rights principles throughout its operations, from employment and employee care to fostering a corporate culture that promotes a sense of belonging to a family. In 2024, the company achieved significant milestones in employee care, reflecting its commitment to creating a fair working environment and empowering all its personnel to their full potential.

	Total number of employees of the organization	1,814	person
	Number of male employees	761	person
	Number of female employees	1,053	person
	Employees with physical differences.	13	person

1. Foreign management staff	6	person
2. Thai management staff	64	person
3. Department heads and supervisors	125	person
4. Office staff	162	person
5. Production process staff	1,457	person

Employee skills development training.

By 2025, the company will focus on developing the potential of its employees through training courses designed to enhance essential skills for work and career growth. A total of 23 training courses will be offered, covering both specialized and management skills, enabling employees to apply them effectively in their work.

The training content focuses on the following:

Safety category: A total of 12 courses.

- 1) Requirements of ISO 45001:2018
- 2) Lead Auditor Internal Audit ISO 45001:2018
- 3) Occupational Safety Committee, Section
- 4) Training on the review of the operation of the Forklift
- 5) Training of the chip operator, the signal to the chip operator, the material attachment or the controller of the use of the chip
- 6) Initial fire training And fire fighting training and fire escape training
- 7) Electrical work safety
- 8) Safety of using grinding and welding machines, gas cutters
- 9) Safety of working at high altitude
- 10) Training of chief-level work safety officers
- 11) Initial first-aid training
- 12) Safety training of using forklifts.

Personnel Development All 4 courses

- 1) Digital and AI skills to enhance work efficiency
- 2) The type of professional subordinates supervisors seek
- 3) Company rules and regulations
- 4) Techniques for systematic thinking, analysis,

Quality Management Category, a total of

- 1) assessment principles and risk analysis
- 2) ISO 19011 standard
- 3) Effective and coordinated communication
- 4) FSCCCO specification
- 5) Definition of objectives and targets and KPI.

Energy Management category All 2 courses

- 1) Cost-effective energy management for industrial efficiency.
- 2) OEE (Overall Equipment Effectiveness)

Community and social engagement activities.

The company prioritizes continuous community and social development, adhering to a business model that prioritizes creating sustainable value for society. The company believes that organizational growth should go hand-in-hand with supporting and strengthening surrounding communities. As a socially responsible organization, the company undertakes various projects and activities focused on creating long-term benefits to improve quality of life and build a resilient society.

The company believes that collaboration from all sectors—government, private, and community—is a crucial force in driving positive change and leading to sustainable long-term development. With a commitment to being a socially responsible organization, Huafong will continue to develop and implement activities for the community and society to create balanced and sustainable growth together.

Certificate and scholarship program for employees' children, 2025.

In 2025, the company launched a certificate and scholarship program for employees' children, aiming to promote and support education while alleviating employee financial burdens. This program reflects the company's commitment to the well-being of its employees and their families, as well as boosting morale – a crucial foundation for the organization's stable growth. The company believes that investing in education creates opportunities and develops the potential of young people, leading to sustainable long-term organizational and societal development.

The company awarded certificates of appreciation and scholarships to employees' children to support their education and help alleviate family expenses. This reflects the company's care for its employees, boosts morale, and contributes to the sustainable development of youth for the future.



4. Management Analysis and Discussion

4.1 Business Performance

The Company's and its subsidiaries' operating results according to the annual financial statements
End date 31December, 2025 The summary is as follows:

➤ Main Income

The main income of the Company and its subsidiaries is Income in 2025 Amount 2,690.60 Million baht, consisting of income from foreign sales 1,741.24 million baht and domestic sales 949.36 Million baht, revenue decreased by 333.83 million baht, or 11.04%, compared to 2024, mainly due to lower sales of motorcycle tires and inner tubes to customers in domestic, Asian, and American markets. This decline was attributable to the economic slowdown and border closures. In addition, sales were negatively impacted by the depreciation of the U.S. dollar, which weakened by approximately 2.38 baht per USD.

➤ Cost of sales and selling and administrative expenses

Cost of sales of the Company and subsidiaries in 2025 amounted to 2,311.33 million baht and in 2024, the amount was 2,476.57 million baht, a decreased by 165.24 million baht, or 6.67%, in line with the decline in sales. The gross profit margin also decreased by 4.01% compared to 2024, primarily due to the depreciation of the U.S. dollar.

The company continues to focus on implementing various measures to reduce production costs, such as establishing an energy conservation group to control energy usage for maximum benefit. Reduce unnecessary energy consumption and establish a policy to inspect production processes, by reducing indirect production steps and developing production formulas for both outer and inner tubes to increase production potential.

Selling and administrative expenses of the Company and subsidiaries in 2025 amounted to 166.43 million baht and in 2024 the amount 177.69 million baht, decreased by 11.26 million baht, or 6.34%, in line with the decline in sales.

In 2025, the Company reported a net profit of 200.61 million baht, a decrease of 172.72 million baht, or 46.26%, compared to 2024. This was primarily due to a decline in gross profit of 168.59 million baht. The Company recorded earnings per share of 0.30 baht.

4.2 Financial status

► Asset

Total assets of the Company amounted to 4,242.01 million baht, a decrease of 192.29 million baht from 2024. This was mainly due to a reduction in inventories and trade receivables totaling 219.97 million baht, in line with the decline in sales.

► Debt

Total liabilities of the Company amounted to 427 million baht, a decrease of 383.53 million baht from 2024. This was mainly due to the repayment of short-term loans from financial institutions totaling 243.46 million baht, and a decrease in trade payables of 130.56 million baht, in line with the decline in sales.

► Shareholders' equity

Shareholders' equity of the Company amounted to 3,815.01 million baht, an increase of 191.24 million baht from 2024, primarily attributable to the net profit for the year 2025.

Financial Ratio

List	Unit	2023	2024	2025
Liquidity ratio				
Liquidity ratio	equal	5.41	3.51	6.73
Quick ratio	equal	3.87	2.50	5.19
Cash flow liquidity ratio	equal	1.15	0.48	0.71
Trade receivables turnover ratio	equal	5.78	6.23	5.10
Average collection period	day	62.23	57.79	70.52
Inventory turnover ratio	equal	6.44	7.53	7.51
Average selling time	day	55.91	47.8	47.91
Creditor turnover ratio	equal	10.37	9.45	9.30
Debt repayment period	day	34.71	38.11	38.61
Cash Cycle	day	83.43	67.47	79.74
Profitability Ratio				
Gross profit margin	%	17.46	18.11	14.10
Operating profit margin	%	10.86	12.24	7.91
Cash to earnings ratio	%	174.82	77.73	188.41
Net profit margin	%	9.34	12.12	7.36
Return on Equity	%	6.92	10.32	5.39
Efficiency Ratio				
Return on assets	%	6.10	8.74	4.62
Return on fixed assets	%	24.14	31.14	19.92
Asset turnover rate	equal	0.65	0.72	0.63
Financial Policy Ratio				
Debt to Equity Ratio	equal	0.14	0.22	0.11
Interest Coverage Ratio	equal	44,243.71	117.44	124.64
Dividend payout ratio	%	79.05	49.38	88.62

5. General Information and other important information

1.1 Information General

Company name	Hwafong Rubber (Thailand) Public Company Limited
Securities abbreviation	HFT
Company registration number	0107545000152
Nature of business operations	Manufacture and distribute outer tires and inner tubes for bicycles and motorcycles.
	Small transport vehicles and bicycles
Registered capital	658,434,300 baht, consisting of all common shares issued 658,434,300 shares, par value 1 baht per share
Head office location	No. 317 Village No. 4, Soi 6 C, Bangpoo Industrial Estate Phraeksa Subdistrict, Mueang District, Samut Prakan Province 10280
Factory No. 2	No. 865/1 Village No. 4, Soi 11 B, Bangpoo Industrial Estate Phraeksa Subdistrict, Mueang District, Samut Prakan Province 10280
telephone	0-2709-6580-8
Email	hwafong@duro.co.th
website	www.duro.co.th
Subsidiary Company	<p>► HFT Holding Company Limited No. 317 Village No. 4, Soi 6 C, Bangpoo Industrial Estate, Phraeksa Subdistrict Mueang District, Samut Prakan Province 10280</p> <p>► Huafong Rubber (Indonesia) Co., Ltd. is registered in Indonesia.</p>
Registrar of Securities	<p>Thailand Securities Depository Co., Ltd. (TSD) No. 93 Ratchadaphisek Road, Din Daeng Subdistrict, Din Daeng District, Bangkok 10400 Tel: 0 2009 9000 Fax: 0 2009 9991 SET Contact center: 0 2009 9999 E-mail : SETContactCenter@set.or.th Website : http://www.set.or.th/tsd Securities Administrator : Ms.Boonrak Muenwichit</p>
Auditor	<p>Ms.Krit Chatchawalwong Licensed Auditor No. 5016 Ms.Nopanuch Apichatsatien Licensed Auditor No. 5266 Ms.Sanicha Akarakittilap Licensed Auditor No. 8470 PricewaterhouseCoopers ABAS Limited No. 179/74-80, 15th Floor, Bangkok City Tower, Sathorn Tai Road Bangkok 10120</p>

5.2 Important information another

5.2.1 Other information that may affect investors' decisions Significantly

The Company has entered into technical assistance agreements with the parent company and other companies. The main points are mainly focused on product development, production processes and machinery. Important technical cooperation contracts include:

1. Trademark License Agreement

The contract will specify the rights that the Company can use the trademark “DURO” for distribution both Domestic and international

Contractual Partners	: Hwafong Rubber Industry Co., Ltd. (“HFR”)
Contract duration	: Period of 1 year. When the contract expires, if there is no termination notice from either party. One would be considered an automatic contract renewal on a one-year basis.
fee	: The Company shall pay a fee of 2 percent of the product sales. Under the trademark “DURO”

2. Technical Cooperation Agreement

The contract will cover the rights for the Company to receive the transfer of production technology from the research results of the parent company, including factory design, use of machinery and equipment used in production, production procedures, raw material mixing formulas, personnel training, product development, and use of trademarks for distribution both domestically and internationally.

Contractual Partners	: Hwafong Rubber Industry Co., Ltd. (“HFR”)
Contract duration	: Period of 1 year. When the contract expires, if there is no termination notice from either party. One would be considered an automatic contract renewal on a 1 year basis.
Fee	: Technical assistance fee is calculated at 1 percent of product sales. That receives technical services from the parent company

3. Trademark License Agreement

It is a contract between Sumitomo Rubber Industries Ltd. and its parent company, which also covers its affiliates, effective September 24, 2003, whereby Sumitomo Rubber allows the use of the trademark, currently “DUNLOP,” for production and sales both domestically and overseas, subject to a trademark usage fee of 1.5–3 percent of sales of products under the “DUNLOP” trademark.

5.2.2 Limited information on foreign shareholders

In the event that the company There is a policy to request a resolution from the shareholders' meeting to offer additional shares or issue transferable subscription rights (Transferable Subscription Right or TSR) to shareholders in proportion to their shareholding. Holding shares without issuing and offering them for sale to shareholders that would cause the company to have obligations under foreign laws.

- The company has no policy to carry out such actions –

5.3 Legal disputes

5.3.1 The case in which Huafeng Rubber (Thailand) Public Company Limited has filed a lawsuit in court.

- Samut Sakhon Provincial Court – Civil Case, Black Case No.548/2016, a case between Hwafong Rubber (Thailand) Public Company Limited, plaintiff, and Yoko Alloy Wheels Co., Ltd., defendant, Samut Sakhon Provincial Court has issued a judgment ordering the defendant to pay 89,510,286.36 baht together with interest at the rate of 7.5 percent of the principal of 88,169,044.46 baht (eighty-eight million one hundred sixty-nine thousand forty-four baht forty-six satang) counted from May 13, 2016 and this case is currently in the process of a public auction of the debtor's assets.
- Samut Sakhon Provincial Court – Civil Case, Black Case No.557/2016, the case between Hwa Fong Rubber (Thailand) Public Company Limited, the plaintiff, and Yoko Alloy Wheels Co., Ltd., the defendant, the Samut Sakhon Provincial Court has ruled for the defendant to pay 33,742,729.29 baht

together with interest at the rate of 7.5 percent of the principal of 33,634,073.27 baht (Thirty-three million six hundred thirty-four thousand four hundred seventy-three baht and twenty-seven satang) counting from the date of May 18, 2016 and this case is currently in the process of a public auction of the debtor's assets.

- Samut Sakhon Provincial Court – Civil Case, Black Case No.696/2016, the case between Hwa Fong Rubber (Thailand) Public Company Limited, the plaintiff, and Yoko Alloy Wheels Co., Ltd., the defendant, the Samut Sakhon Provincial Court has ruled for the defendant to pay 43,963,770.31 baht together with interest at the rate of 7.5 percent of the principal of 43,844,396.65 baht (forty-three million eight hundred and forty-three Fourteen thousand three hundred ninety-six baht and sixty-five satang) counting from the date of 17 June 2016 and this case is currently in the process of a public auction of the debtor's assets.
- Samut Sakhon Provincial Court – Civil Case, Black Case No.895/2016, a case between Hwafong Rubber (Thailand) Public Company Limited, plaintiff, and Yoko Alloy Wheels Co., Ltd., defendant, Samut Sakhon Provincial Court has ruled for the defendant to pay 6,745,796.55 baht together with interest at the rate of 7.5 percent of the principal of 6,701,663.68 baht (six million seven hundred one thousand six hundred sixty-three baht and sixty-eight satang) counting from July 26, 2016 and this case is currently in the process of a public auction of the debtor's assets.
- Samut Sakhon Provincial Court – Civil Case, Black Case No.331/2019, Case between Hwafong Rubber (Thailand) Public Company Limited, Plaintiff, and Yoko Alloy Wheels Company Limited No. 1 and 4 others, Defendants (Charge for revocation of the registration of transfer of ownership of machinery) Samut Sakhon Provincial Court on July 17, 2023, the Plaintiff and Defendant No. 2 were able to reach an agreement and made a settlement agreement, whereby Defendant No. 2 agreed to pay the Plaintiff a total of 45,000,000 baht by installments to be completed within February 2029, resulting in the current compliance with the settlement agreement. As for Defendant No. 1, the Plaintiff withdrew the lawsuit.

- Samut Sakhon Provincial Court – Criminal Case, Black Case No.631/2019, between Hwa Fong Rubber (Thailand) Public Company Limited, Plaintiff, and Yoko Alloy Wheels Co., Ltd. as Defendant No. 1, along with three other defendants (total four defendants), concerning the offense of defrauding creditors by transferring ownership of machinery. On 28 September 2020, the Samut Sakhon Provincial Court rendered a judgment finding all four defendants guilty of embezzlement. Subsequently, on 29 August 2022, the Court of First Instance scheduled a reading of the judgment from the Court of Appeal Region 7, which disagreed with the initial ruling. The Court of Appeal acquitted Defendant No. 1 and Defendant No. 2. The Plaintiff filed a Supreme Court appeal against the Court of Appeal's judgment. On 25 March 2025, the Samut Sakhon Provincial Court read the Supreme Court's judgment, which reversed the Court of Appeal's decision. The Supreme Court ruled that Yoko Alloy Wheels Co., Ltd., Defendant No. 1, and Defendant No. 2 were guilty as charged. The Court imposed a fine of 25,000 baht on Defendant No. 1 and a 1-year prison sentence on Defendant No. 2. As Defendant No. 2 fled and did not appear to hear the Provincial Court's judgment, a warrant for arrest was issued to ensure enforcement of the sentence.
- Criminal case of the Crime Suppression Division, This case involves Hwa Fong Rubber (Thailand) Public Company Limited as the complainant, and Yoko Alloy Wheels Co., Ltd., Defendant No. 1, along with three other defendants (total four defendants). Initially, the investigating officer decided not to prosecute the defendants. However, after reviewing the case file, the Public Prosecutor of Samut Sakhon Province decided to file charges and submitted the case to the Governor of Samut Sakhon Province for final consideration. The Governor approved the prosecution in accordance with the prosecutor's recommendation. Currently, the case is in the process of being prepared for submission to the court.
- Bangpoo Police Station's criminal case between Hwafong Rubber (Thailand) Public Company Limited, represented by Ms.Usa Chaiyakittirungroj, the attorney and accuser, and Mr. Thongchai Chokviriyakarn, the accused. The Bangpoo Police Station's investigation officers have already issued an arrest warrant for Mr. Thongchai Chokviriyakarn, the accused. They are currently searching for and arresting the accused.

- Samut Sakhon Provincial Court – Criminal Case, Black Case No.1720/2567, a case between Hwa Fong Rubber (Thailand) Public Company Limited, plaintiff, and Yoko Manufacturing Company Limited No. 1 and two others, defendants (offense for violating the Cheque Act), where both defendants confessed to the charges filed by the plaintiff. The two defendants agreed to pay the plaintiff a debt of 1,600,000 baht. On 1 December 2025, the defendants fully paid the amount to the Plaintiff and subsequently filed a motion to withdraw the case. The Court approved the withdrawal of charges against both defendants.

5.4 Secondary market

-Done-

Part 02

: Corporate Governance



HFT

บริษัท ฮั่วฟง Rubber (ไทยแลนด์) จำกัด (มหาชน)
HWA FONG RUBBER (THAILAND) PUBLIC COMPANY LIMITED

Part 2

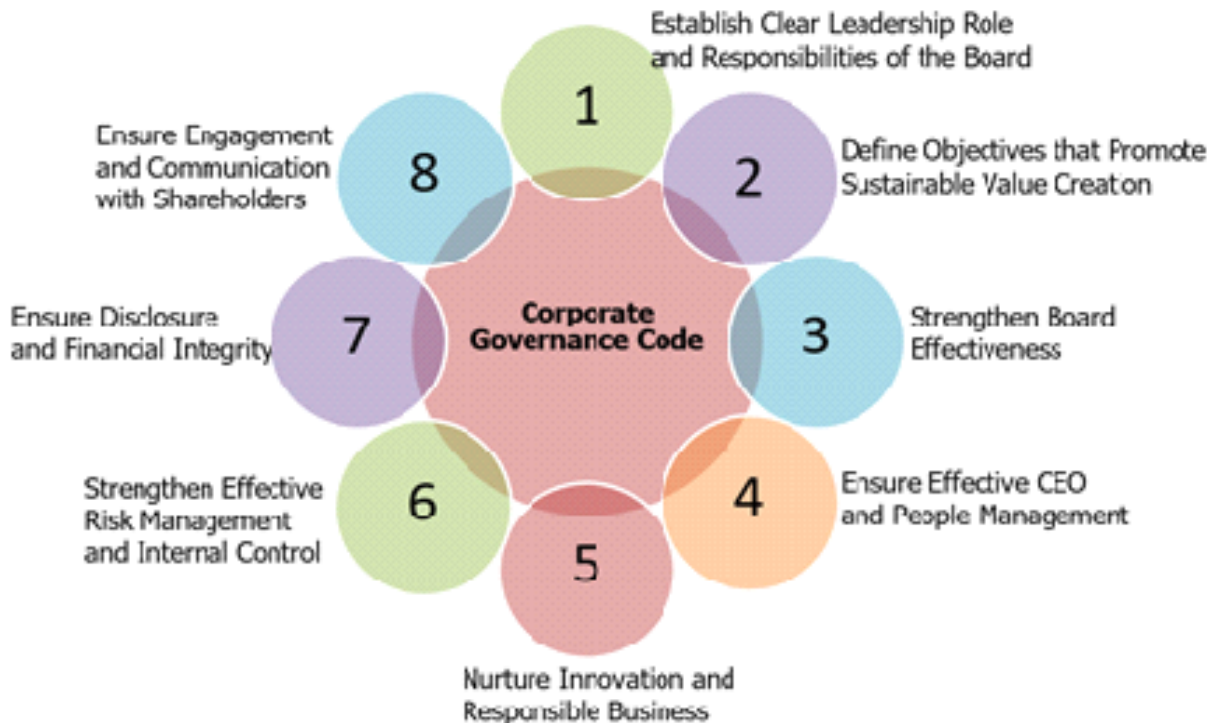
Corporate Governance

6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policy and Practices

6.1.1 Policies and procedures relating to the Board

Company Adhere to conducting business with responsibility and fairness to the company's stakeholders. All parties are controlled under the Company's Good Corporate Governance Policy and communicated through the Code of Conduct, which all levels of employees must adhere to. This is a measure for supervision to create value and sustainability for the business. The Board of Directors has considered establishing the policy in conjunction with the Good Corporate Governance Code of the Securities and Exchange Commission ("SEC"), which has 8 principles for implementation as follows:



Code of Conduct 1: Establish Clear Leadership Role and Responsibilities of the Board

The Board of Directors has set the vision and mission of the Company to ensure that the Board of Directors, executives and employees have the same goal and review it annually.

1. Set the vision, mission, objectives, goals, strategies, operating policies and budget of the Company by providing independent expression of opinions to jointly determine the direction of the organization through a workshop between the Board of Directors and senior executives every year.
2. Set the objectives and goals to be reviewed continuously every year to monitor the management to comply with the plan in accordance with the direction and strategy of the organization.
3. Set the discussion and express the management's opinions independently to determine the direction of the organization and prepare for situations that may have economic changes.
4. Provide advice, opinions and management guidelines for use in preparing clear plans and allocating important resources to achieve the objectives and goals of the Company.
5. Communicate the policies, goals and operating directions to all levels of employees throughout the organization.
 - Executives: through meetings
 - Employees: through meetings / public relations
6. Monitor and evaluate the results by requiring the management to report the results of the operations to the Executive Committee. At least quarterly

Code of Conduct 2 : Define the main objectives and goals of the business that are sustainable.

The Board of Directors realizes the importance of setting the governance to ensure that the organization's main objectives and goals (objectives) are sustainable and consistent with creating value for the business, customers, stakeholders and society as a whole. The guidelines for practice are as follows:

1. Emphasize the ability to grow sustainably alongside society, including the creation of Value that benefits all stakeholders is a key factor in determining The objectives and goals of the Company's business operations and will promote communication, including Strengthen the organization's core objectives and goals to be reflected in decision-making and Developing the work of personnel at all levels into an organizational culture
2. Create annual strategies and plans that are consistent with the Company's main objectives and goals. The organization takes into account the current business environment, opportunities and risks. Acceptable, including issues related to society, the environment and stakeholders and will Encourage the review of objectives, goals and strategies as appropriate business situation.

3. Ensure that objectives, targets and medium-term strategies are achieved and / or The annual business is in line with the achievement of the organization's main objectives and goals, with:
Appropriate and safe use of innovation and technology

Code of Conduct 3 : Strengthen Effective Boards

The Board of Directors is responsible for determining and reviewing the structure of the Board of Directors, including the consideration of selection and supervision of the performance of duties for appropriateness and necessity to lead the organization to achieve the main objectives and goals set. The guidelines for practice are as follows:

1.1 Board Structure

- (1) The board of directors shall consist of at least five directors and must include the following:
At least 1/3 of the total number of directors must be independent.
- (2) The Chairman of the Board of Directors must not be the same person as the Chairman of the Executive Board and the Managing Director in order to separate the roles and responsibilities between the Board and the department Management In the event that the Chairman of the Board of Directors of the Company is not an independent director.
- (3) Appoint a Company Secretary to oversee the operations of various activities of the board of directors and help ensure that the board of directors and the company comply with Relevant laws and regulations

1.2 Establishment of a special committee

In order to ensure that the consideration of important matters is considered with thoroughness, the Board of Directors has appointed a specific committee to perform specific duties and submit them to the Board of Directors for consideration or acknowledgement as follows:

- (1) Audit Committee: Consisting of at least 3 independent directors who serve as directors of the Company, of which 1 director has sufficient knowledge and experience related to accounting or finance to be able to perform the duty of reviewing the reliability of the financial statements. The duties include supervising and inspecting the management, internal control, and compliance with relevant laws, including the preparation of financial reports, in order for the Company's operations and disclosure of information to be transparent and

reliable. The scope of power, duties, and responsibilities are as specified in the Audit Committee Charter, which is published on the Company's website.

(2) **Nomination and Remuneration Committee:** Consists of at least 3 directors and more than half of them are independent directors. The committee is responsible for selecting qualified individuals to hold positions as directors and senior executives, considering the forms and criteria for paying remuneration to directors and senior executives, and proposing them to the Board of Directors and/or to the shareholders' meeting for consideration, as appropriate, including developing the Company's senior executives. The scope of power, duties, and responsibilities are as specified in the Nomination and Remuneration Committee Charter, which is published on the Company's website.

(3) **The Risk Management:** Committee consists of at least 3 members. The Committee is responsible for managing, supervising, considering, giving opinions and making recommendations to the management in risk management, developing the risk management system throughout the organization to be consistently effective, including considering the organization's risk management policy to present to the Board of Directors for consideration. The scope of authority, duties and responsibilities are as specified in the Risk Management Committee Charter, which is published on the Company's website.

(4) **Executive Board:** Consisting of at least 3 directors who do not necessarily hold the position of company director. They are responsible for managing and supervising the operations of the company's related businesses, such as setting policies, directions and/or strategies for the company's business operations, including compliance with the objectives, regulations, policies, rules, regulations, orders and resolutions of the board of directors' meetings and/or shareholders' meetings in all respects, adhering to the rules/regulations for organizing the company's board of directors' meetings. The scope of power, duties and responsibilities shall be as specified in the board of directors' charter, which is published on the company's website.

1.3 Board Selection

The selection and appointment of directors shall be in accordance with the Company's regulations, relevant laws, and a transparent and clear process. The Selection and Remuneration Committee shall consider and select individuals who meet the criteria and selection process, taking into account the qualifications and appropriate capabilities as specified in the Charter of the Board of Directors or the specific committees, along with consideration of the Board of Directors' diversity policy. The Board of Directors recognizes

the importance of diversity, as it is an important factor that will help increase the efficiency of the Board of Directors' performance of duties, whether it be diversity factors such as gender, age, educational background, professional experience, and skills and knowledge, in order to propose to the Board of Directors and/or the shareholders' meeting for approval, as appropriate.

1.4 Remuneration of the Board of Directors and Special Committees

The Board of Directors has assigned the Nomination and Remuneration Committee to propose criteria for paying remuneration to directors and specific committees by considering the appropriateness of duties and responsibilities, comparing with the remuneration rates of directors in the same industry group, and the Company's performance, to be presented to the Board of Directors and submitted to the shareholders' meeting for consideration and approval.

1.5 Board meeting

Directors should attend meetings regularly. Directors should attend not less than 75 percent of all Board of Directors meetings in a year. The Company will set the meeting agenda in advance on an annual basis and will meet at least 4 times per year. All directors can propose agendas for the meeting. The Company Secretary will send meeting documents to all directors at least 7 days before the meeting date.

In the Board meeting, the Chairman of the Board shall allocate sufficient time for discussion and shall provide opportunities for all Directors to express their opinions independently, including allowing senior executives to provide information as those directly involved in the problem. Voting at the Board meeting shall be based on a majority vote, with each Director having one vote, and any Director with an interest in the matter shall not have the right to vote on that matter. In the event of a tie, the Chairman of the meeting shall cast one additional vote as the deciding vote. In addition, the Board of Directors has established a policy that non-executive directors shall meet together at least once a year.

1.6 Performance evaluation and knowledge development

In order for the Board of Directors to perform its duties efficiently and to be able to set a framework for improving and developing its operations, the Board of Directors has determined that there must be an evaluation of the performance of the entire Board of Directors, an evaluation of its own performance, and an evaluation of the performance of specific committees. The Nomination and Remuneration Committee is assigned to propose the evaluation criteria for the Board of Directors to consider. The summary of the

performance evaluation results will be included in the agenda of the first Board of Directors meeting of each year to be used as a factor in considering the appropriateness of the structure or composition of the Board of Directors.

The performance evaluation of the specific committees is evaluated by the Board of Directors. Each specific committee will propose the evaluation criteria to the Board of Directors for consideration and report the summary of the evaluation results to the Board of Directors for proposing improvements in case of recommendations on various issues on an annual basis.

The Nomination and Remuneration Committee will analyze the performance evaluation results of the Board and specific committees to assess appropriate approaches to promote and develop knowledge for the Board.

1.7 Orientation for new board members

The Board of Directors has assigned the Company Secretary to be the coordinator. Training is provided to new directors to provide them with details about the nature of the Company's business operations, the Directors' Handbook, Good Corporate Governance Policy and the Code of Conduct, as well as organizing visits to the Company's factories for new directors to gain a comprehensive understanding of the nature of the business operations, including the management structure.

The Company Secretary will oversee that all directors attend training to promote and develop skills appropriate to their duties as directors and/or specific directors under the criteria for promoting and developing knowledge of directors as determined by the Nomination and Remuneration Committee and/or the Board of Directors.

Code of Conduct 4 : Recruitment and development of senior executives and personnel management

The Board of Directors places importance on the recruitment and development of the knowledge and skills of the organization's senior executives to ensure that the organization's senior executives have the knowledge, skills and characteristics that are appropriate and sufficient to drive the organization towards its goals. The supervision guidelines are as follows:

1. Human resource management, recruitment and development of senior executives

The Board of Directors shall supervise the Company to manage its personnel, taking into account the direction of the business operations that is consistent with the Company's strategy through management plans as

proposed by the Executive Committee or management, whether it is criteria or factors in evaluating performance, which will promote the development of knowledge and appropriate motivation for employees.

For the recruitment and development of the Company's top executives, the Nomination and Remuneration Committee will consider and determine the criteria for recruiting executives at the executive chairman and managing director levels to be proposed to the Board of Directors' meeting. For the recruitment of executives in other positions, the Nomination and Remuneration Committee will consider and determine the succession policy or plan, including the development policy and executives who are responsible for various lines of work of the Company.

2. Succession Plan

The Nomination and Remuneration Committee is responsible for developing the executive recruitment policy and succession plan for the Company's directors and senior executives to be submitted to the Board of Directors, which considers the performance evaluation process and individual development guidelines, job assignment, and job rotation for skill development.

3. Performance appraisal and compensation

The Nomination and Remuneration Committee shall determine the criteria and methods for evaluating the performance of the Managing Director to be proposed to the Board of Directors' meeting. The evaluation is divided into 2 parts: (1) Performance evaluation, which is evaluated by measuring the performance results compared to the set goals, and (2) Performance evaluation by the Company's non-executive directors on an individual basis. The evaluation results will be summarized and presented to the Board of Directors' meeting annually, and the results will be notified to the Managing Director. The Board of Directors will use the evaluation results to consider reviewing the annual compensation of the Managing Director.

For employees at other levels, the company has determined that performance evaluations are conducted in the form of key performance indicators (KPIs) based on the scope of work responsibilities and behaviors that reflect the organization's values, which will be used as part of the consideration of employee compensation, whether it be salary adjustments or annual bonus rates.

4. Training and knowledge development

The Company has established a development plan for individual personnel, which is appropriate for their duties and positions, including the determination of mandatory training courses for each department to ensure efficiency in performing duties and to prepare employees. The Company will publicize various related training courses for employees to know and can request to receive training according to the criteria set by the Company, with approval from the department supervisor or authorized person.

Code of Conduct 5 : Promote innovation and responsible business practices.

The Board of Directors realizes the importance of operating the business with responsibility, which is reflected in the determination of values, direction and business goals, including the development and improvement of products and services. However, to operate the business in accordance with the set goals, it must come from an efficient work process, which requires cooperation from employees at all levels and departments, and has the following guidelines for practice:

1. Promote the dissemination and communication of the Code of Conduct policies and practices, and provide a test to ensure that the Company's employees understand the policies and practices.
2. Committed to creating sustainable growth for the company by monitoring and ensuring that all departments of the organization conduct business with social and environmental responsibility and do not violate the rights of stakeholders, including being consistent with the company's objectives, goals and strategies.

The Company's Guidelines for Treating Stakeholders

Shareholders	Conduct business in accordance with the principles of corporate governance for maximum benefit and increase value for shareholders in the long term.
Employee	Treat employees in accordance with human rights principles that do not violate the law, taking into account the needs of employees to promote skill development and create stability and career advancement for employees.
Customer/Consumer	Committed to delivering products and services with certified innovations for consumer satisfaction and maximum benefit to customers through quality products at fair prices.
Partners	There is a fair, transparent and auditable selection process based on a fair trade competition framework.

Community, Society and Environment	Emphasize the safety of the community, society and the impact on the environment related to the Company's business operations, including promoting employees' awareness and responsibility towards the environment, society and community.
Creditor	Strictly comply with the terms and/or contracts, including repayment of principal, interest, and maintenance of collateral under the terms and conditions and specified time period.
Rival	Adhere to conducting business with honesty, treat competitors in a fair manner, within the framework of the law and the Company's code of ethics.

1. Support and promote the efficient and effective use of various materials, equipment, and resources.
2. Establish policies on the use of information technology to ensure efficient and safe use, which is an important factor that will help create success in operations, including overseeing the use of information technology to increase business opportunities, develop operations and manage the company's risks as follows:
 - 2.1 Develop an information technology management policy that is consistent with needs of the Company to be presented to the Board of Directors and to review the policy at least Once a year, the policy must cover:
 - 1) Information System Security Policy and Measures
 - 2) Policy to promote the use of devices and programs that comply with copyright law and communication to all levels of employees to be informed
 - 3) Allocating and managing information technology resources to ensure adequacy Business operations, including support methods in cases where insufficient allocation is not possible
 - 2.2 Promote the use of only legally licensed devices and programs.
 - 2.3 Do not use the Company's information system to disseminate information that is inappropriate and against morals and customs. Tradition and against the law
 - 2.4 The Company has the right to inspect, monitor, investigate and control access to the system. Employee information to protect the security of the company's information system.

Code of Conduct 6 : Ensure that there is an appropriate risk management and internal control system.

The Board of Directors realizes the importance of risk management and internal control processes of the organization, seeing it as an important process that will enable the Company to achieve its objectives effectively, as well as a process for monitoring compliance with relevant laws and standards, with the following guidelines:

1. Risk Management

Arrange for systematic risk management that is in line with international standards throughout the organization, including assigning the Risk Management Committee to oversee, consider, provide opinions and make recommendations to the management in risk management, develop an organization-wide risk management system for consistent efficiency, and support cooperation at all levels of the organization. The Board of Directors has established a risk management policy and disseminated it to the organization's employees at all levels.

For the assessment and preparation of risk management information, it is the responsibility of the risk owner to assess, prepare, and adjust the risk management of their own unit to be consistent with the situation and strategy of the organization to report to the risk management committee and the board of directors for consideration respectively.

2. Internal Control and Audit

The Audit Committee is assigned as an important mechanism for supervision and verification of correctness. The Audit Committee has appointed Dharmniti Internal Audit Company Limited as the Company's internal auditor to perform the duty of auditing the operations of various departments within the Company to ensure compliance with the specified regulations and policies, including assessing the adequacy of the internal control systems of various departments to ensure that operations comply with the internal control system appropriately and consistently. It can also be used as a tool to assess weaknesses in performance of duties and develop the operating system to be more efficient. In order for the internal auditors to be able to effectively audit and balance power, it is determined that the auditors report directly to the Audit Committee.

3. Preventing conflicts of interest

The Board of Directors realizes the importance of monitoring and managing conflicts of interest that may occur between the Company and the management or the Board of Directors or shareholders by establishing a policy to prevent conflicts of interest as a guideline for monitoring and following up on items that may cause conflicts of interest in accordance with the criteria and laws, supervising and preventing the

inappropriate use of the Company's assets, information and opportunities, including reporting the interests of directors, executives and employees involved in units that may receive important inside information.

The Board of Directors has set out policies and guidelines for anti-corruption in writing and communicated them to employees at all levels of the organization, as well as disseminated them to external parties for practical implementation. It supports and promotes activities that will instill in all employees compliance with the law and related regulations, and oversees the Company to have a mechanism for receiving complaints and taking action in the event of a tip-off, which clearly defines the guidelines for implementation, as stated in the Code of Conduct.

Code of Conduct 7 : Maintain financial credibility and disclosure.

The Board of Directors is responsible for overseeing and controlling the disclosure of important information to maintain financial credibility and the disclosure of important information of the Company that affects the price of the Company's securities and/or investors' decisions. The following guidelines are established:

1. Responsible for overseeing the financial reporting system and disclosure of financial statements, which Must pass the audit by the auditor, including disclosure of the annual report, Form 56-1 One Report Management Discussion and Analysis and the disclosure of important information must be correct, complete, timely, transparent and In accordance with relevant rules, standards and practices
2. Consider and approve the disclosure of financial reports, taking into account the evaluation results. The adequacy of the internal control system, opinions and observations from the auditors, opinions of Audit Committee, including compliance with objectives, goals and policies Of the company
3. Ensure that the management reports the company's financial status to the board of directors. Regularly monitor and assess the situation, liquidity, debt repayment ability and Together, we can find a solution to deal with it in a timely manner, including ensuring caution in Doing Business
4. Responsible for ensuring that non-financial information is disclosed, reflecting the practices that will Leading to the creation of sustainable business value, such as corporate governance policies, codes of conduct in Business Operations, Anti-Corruption Policy and Complaint or Whistle blowing Policy etc.
5. Supervise the establishment of an investor relations department and/or company secretary, including assignment Let the management designate a representative to communicate

information to investors, analysts and others. Relevant, appropriate, equal and timely through the communication channels of the Stock Exchange of Thailand Thailand (“SET”) has determined and the Company’s website channels

6. Promote the use of information technology to disseminate information, giving importance to Disclose information regularly to ensure shareholders receive up-to-date information through appropriate channels. The Company's website, where such information must be updated at all times.

Code of Conduct 8: Supporting participation and communication with shareholders

The Board of Directors places importance on the Company's shareholders and has taken steps to ensure that the Company's shareholders: They will be treated equally and can fully exercise their basic rights as shareholders, including awareness and importance of shareholders' rights. They will not take any action that violates or infringes on shareholders' rights. The following guidelines are set forth:

1. Basic rights of shareholders

- 1.1 The right to receive equal treatment in the purchase, sale and transfer of securities that one holds independently
- 1.2 The right to receive and inspect informationThe company's various information is actually correct. Complete and sufficient according to the situation and appropriate for decision making without being incorrect Limited Access that information
- 1.3 The right to receive an equal share of the company's profits.
- 1.4 The right to participate in shareholder meetings, where shareholders can participate in various agenda items, including: To express opinions and/or provide suggestions
- 1.5 The right to propose agendas for the general shareholders' meeting in advance and to nominate persons to be directors Director Position
- 1.6 The right to elect and remove directors of the company, based on the following criteria:
 - (1) Each shareholder will have 1 vote per 1 share.
 - (2) Allow shareholders to vote on individual director elections.
 - (3) The persons receiving the highest number of votes in order will be elected as directors. Equal to the number of directors that should be elected or to be elected at

that time, in the case of a person who were elected in the next descending order and received an equal number of votes, exceeding the number that should have been obtained Or, if the election is held at that time, the chairman shall have an additional casting vote. One Voice

1.7 The right to appoint the Company's auditors and set audit fees, including participation

Make important decisions for the company.

2. Promoting and facilitating the exercise of shareholders' rights

- 2.1 The Company will prepare a meeting invitation letter, which includes explanations and reasons for each agenda item. Including a clear explanation of the rights of shareholders and preparation of related documents The Company's meetings and information are bilingual (Thai and English).
- 2.2 The Company will set the agenda for each meeting clearly and will not add any additional agenda items. Meeting without prior notice to shareholders
- 2.3 The Company will inform the criteria and methods for determining the remuneration of all directors. Format and comparison of director compensation data from the past year for shareholders For your consideration
- 2.4 The Company provides an opportunity for shareholders to submit questions in advance of the meeting via email or According to the company's address
- 2.5 The Chairman of the Board or the Chairman of the Meeting shall give every shareholder the opportunity to have the rights. Equally in expressing opinions and asking questions, giving appropriate time and It is stated in the meeting report to inform shareholders who did not attend the meeting.
- 2.6 The Company will use voting confirmation cards for all agenda items of the shareholders' meeting. and use a barcode system to count votes for convenience and Fast and with the company's auditor or legal advisor representative. Witness the vote counting and disclose it in the shareholders' meeting report. Clearly, with votes for, against and abstaining from every vote. Agenda items requiring voting
- 2.7 The Company will disclose the resolutions of the shareholders' meeting and the voting results for each agenda through SET Link system of the Stock Exchange of Thailand and published on the website The Company's property within the business day following the

meeting date and will send the meeting report. To the Stock Exchange of Thailand within 14 days from the meeting date. Both published on the company's website

3. Taking care of minority shareholders

- 3.1 The Company provides opportunities for one shareholder or multiple shareholders who hold shares in aggregate. Not less than 5 percent of the total number of voting shares of the Company offered Agenda for the general shareholders' meeting and/or nomination of persons to be directors of the company The Company has details of the criteria and guidelines available on its website company
- 3.2 The Company will send a notice of the shareholders' meeting along with related documents in Thai and English (for foreign shareholders) to inform shareholders in advance at least 28 days prior to the meeting date and publish the meeting documents on the Company's website At least 30 days in advance of the meeting date
- 3.3 The Company takes into account the convenience of shareholders in attending the shareholders' meeting, regardless of It will be about the meeting place, notification of details of the criteria to maintain the rights of Participate in the meeting and access information via the website. The company will attach a letter. Provide a proxy along with the meeting invitation letter for the convenience of shareholders. Unable to attend the meeting

6.1.2 Policies and practices related to shareholders

Category 1

1. Shareholders' rights

The Board of Directors is responsible to shareholders for supporting, promoting and facilitating all shareholders to receive their basic rights through acceptable, reliable, transparent and fair methods and standards. Shareholders are entitled to equal treatment in buying, selling or transferring shares, receiving profit sharing from the Company, attending shareholder meetings, receiving sufficient news and information about the Company, proposing agendas in advance, nominating persons to be elected as directors of the Company, expressing opinions in shareholders' meetings independently and participating in decisions on important matters of the Company, appointing or removing directors, appointing auditors and matters affecting the Company, such as dividend allocation, determining or amending regulations and memorandum of association, reducing or increasing capital, approving special items and others. All shareholders are required to vote according to the number of shares held, with each share having one vote.

In addition to the rights mentioned above, the Company or the Board of Directors acting on behalf of the Company must be aware of and give importance to the rights of shareholders and not do anything that violates or infringes on the rights of shareholders by setting policies to support, promote and facilitate shareholders, with details as follows:

Shareholders' Meeting

1. The Company will disclose its policy to support and encourage all shareholders to attend the shareholders' meeting.
2. The Company will ensure that information on date, time, place and agenda of the meeting are provided, with explanations and supporting reasons, in accordance with the agenda or resolutions specified in the meeting invitation letter or in the meeting agenda attachments, and will refrain from any action that would limit the opportunity of shareholders to study the Company's information.
3. The Company will support shareholders to fully exercise their rights to attend meetings and vote. In the event that shareholders are unable to attend meetings in person, the Company will provide an opportunity for them to appoint an independent director or any person as a proxy to attend the meeting on their behalf.
4. The Company will provide an opportunity for shareholders to submit questions to inquire about each meeting or other information of the Company through the Company's address in accordance with the criteria set by the Company.

5. The Company will encourage shareholders to use proxy forms in a format that allows shareholders to determine the direction of voting and nominate at least one independent director as an alternative proxy for shareholders.

Actions on the day of the shareholders' meeting

1. The Company will support and promote the use of technology such as barcodes, ballots, etc. in the shareholders' meeting, including the registration of shareholders, vote counting, and displaying results, so that the meeting can be conducted quickly, correctly, transparently, and verifiably. The voting results will be disclosed in the shareholders' meeting report, along with the votes for, against, and abstaining from voting on each agenda item. Where the agenda contains items that require voting, the Company will arrange for voting according to the agenda, including the agenda items, and proceed with voting on each item in that agenda item, one at a time, to ensure transparency.
2. The Company will encourage all directors to attend shareholders' meetings where shareholders can ask questions of the chairmen of various subcommittees and all directors on relevant matters as appropriate.
3. The Company shall arrange for an independent person to witness the vote counting or to count or verify the votes in the meeting, such as the Company's auditor or legal advisor, and shall disclose the results of the vote counting or verification to the meeting and record them in the meeting minutes.
4. The Company will organize the meeting appropriately and encourage shareholders to have the opportunity to express their opinions and ask questions to the meeting regarding matters related to the Company.

Preparation of meeting minutes and disclosure of shareholders' meeting resolutions

1. The minutes of the shareholders' meeting will record the explanation, voting procedures and how the votes will be displayed to the meeting prior to the meeting, including allowing for questions and answers, and will record questions, answers, important points, voting results for each agenda item, including a record of the names of directors attending the meeting and those absent from the meeting.
2. The Company will disclose to the public the voting results for each agenda item of the meeting within the next business day through the Stock Exchange system.
3. The Company shall prepare the meeting report for both the general shareholders' meeting and the extraordinary shareholders' meeting and shall complete the meeting report within 14 days from the meeting date, submit it to the Stock Exchange of Thailand and publish it on the Company's website.

Category 2

2. Equal treatment of shareholders

The Company is committed to treating all shareholders equally, including executive shareholders and non-executive shareholders, major or minority shareholders, institutional investors, and foreign shareholders, in order to create transparency and fairness.

Providing information prior to the shareholders' meeting

1. The Company shall notify the meeting schedule, agenda and opinions of the Board of Directors to the Stock Exchange of Thailand and publish it on the Company's website at least 28 days prior to the shareholders' meeting date.
2. The Company will inform shareholders of the rules used in the meeting, voting procedures and voting rights for each type of share.
3. The Company will issue a meeting invitation letter to shareholders in both Thai and English.

Protection of minority shareholders' rights

1. The Company allows one or more shareholders who hold shares totaling not less than 5 percent of the total number of voting shares of the Company to propose an agenda for the annual general meeting of shareholders. Shareholders are allowed to propose an agenda at least 1 month before the end of the accounting period for the Board of Directors to consider. In the event that such agenda is considered and approved to be included in the agenda, the Company will state in the annual general meeting invitation letter that it is an agenda specified by the shareholders. In the event that the Board of Directors refuses to include it in the agenda of the annual general meeting of shareholders, the Company will explain the reasons to the annual general meeting.
2. The Company has set criteria for minority shareholders to nominate individuals to serve as directors on the Company's Board of Directors. The nominees must be submitted through the Selection Committee or the Company's Board of Directors in advance, at least 1 month before the end of the accounting period, together with supporting information for consideration of qualifications and granting. Nominee's consent according to the criteria set by the Company.
3. The Company provides minority shareholders with the right to appoint individual directors in accordance with the Company's criteria.
4. The Company provides a channel for minority shareholders to make suggestions, express opinions or file complaints to the Independent Directors through the office address, which the Independent Directors will consider taking appropriate action on each matter.

Insider Trading Prevention

1. The Company has established written guidelines for the preservation and prevention of the use of inside information and has notified relevant persons to comply with them.
2. The Company requires all directors and executives who are responsible for reporting their securities holdings in accordance with the Securities and Exchange Act, and such information will be disclosed in the annual report.
3. The Company requires that directors, executives, and those holding executive positions in accounting/finance who are aware of material inside information that affects the change in the price of securities must not trade the Company's securities within 30 days before releasing the quarterly financial statements and annual financial statements to the public and should wait at least 24 hours after the disclosure of such financial statements.

Interests of the Company's Directors

1. The Company shall disclose the shareholding structure of the Company and its subsidiaries in the annual report.
2. The Company requires the directors and executives to report their and related persons' interests to the Company Secretary, and the Company Secretary must submit a copy of the report of interests to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date of receipt of the report.
3. The Company requires directors to report their interests at least before considering the agenda and record it in the minutes of the Board of Directors meeting.
4. The Company requires that directors who have a significant interest in a manner that may prevent them from expressing their opinions independently must abstain from voting or not attend meetings on agenda items that consider matters in which they have a conflict of interest, and must not use any information that causes a conflict of interest.

Category 3**3. Role of stakeholders**

The Company is committed to conducting business with transparency and fairness, taking into account stakeholders, respecting and treating each group of stakeholders appropriately, and promoting and cooperating constructively in developing society and the environment for the sustainability of business operations.

Policy formulation for stakeholders

1. The Company will treat shareholders fairly, equally and take into account the fundamental rights of shareholders. It will share benefits fairly and consistently. It will have transparency in management and be auditable. It is committed to conducting business with good performance, generating continuous and stable profit growth, maintaining a careful and ethical business approach, enhancing competitive potential and benefiting shareholders in the long run.
2. The company will treat customers with willingness, to the best of its ability, with equality, fairness and adherence to ethical principles without disclosing customer information or secrets and is committed to maintaining sustainable relationships with customers.
3. The Company will treat its partners within the framework of honest trade competition by strictly adhering to contracts, codes of conduct and business ethics, and commitments made to partners, as well as supporting the creation of cooperation networks, creating supply chains and value chains for maximum mutual benefit.
4. The Company will conduct itself towards competitors within the framework of honest trade competition, adhering to conducting business with fairness within the framework of the law and the Company's ethics and morality.
5. The Company shall treat the communities surrounding the premises with responsibility and provide relief to disasters when necessary.
6. The Company will treat creditors ethically by complying with the agreement or contract that has been agreed upon and based on fairness for both parties. In the event that the specified conditions cannot be complied with, the creditors must be notified in advance to jointly consider and find a solution. The Company will also not request or receive any benefits that are corrupt.
7. The Company shall treat the government sector and various government agencies with political neutrality as stipulated in the Company's Code of Conduct and Ethics and Anti-Corruption Policy.
8. The Company will treat employees fairly and develop their knowledge and potential, provide a good working environment, and set safety standards in accordance with the standards stipulated by law.
9. The company treats the environment with social responsibility, participates in the conservation of natural resources for sustainability, and promotes and supports projects related to the conservation of natural resources and the environment.

Disclosure of Policy Compliance and Preparation of Social Responsibility Reports

1. The Company will disclose various activities that demonstrate its social responsibility.
2. The Company shall ensure that a report on corporate social responsibility is prepared, either in the annual report or as a separate report.

Guidelines for dealing with stakeholders

Shareholders	Conduct business in accordance with the principles of corporate governance for maximum benefit and increase value for shareholders in the long term.
employee	Treat employees in accordance with human rights principles that do not violate the law, taking into account the needs of employees to promote skill development and create stability and career advancement for employees.
Customer/Consumer	Committed to delivering products and services with certified innovations for consumer satisfaction and maximum benefit to customers through quality products at fair prices.
Partners	There is a fair, transparent and auditable selection process based on a fair trade competition framework.
Community, Society and Environment	Emphasize the safety of the community, society and the impact on the environment, which are related to the Company's business operations, including promoting employees' awareness and responsibility towards the environment, society and the community.
creditor	Strictly comply with the terms and/or contracts, including repayment of principal, interest, and maintenance of collateral under the terms and conditions and specified time period.
rival	Adhere to conducting business with honesty, treat competitors in a fair manner, within the framework of the law and the Company's code of ethics.

Category 4**4. Disclosure and transparency**

The Company will disclose material information accurately, adequately, reliably and timely in both Thai and English to ensure that all shareholders are treated equally and are informed in easy-to-understand language through various channels. Appropriate

Disclosure of information

1. The Company will establish a mechanism to oversee the disclosure of information to be accurate, sufficient for investors' decision-making, and not to cause misunderstanding of the materiality of the information.
2. The Company's material information here means information relating to the Company's business operations that must be disclosed in an appropriate manner because it has a material impact on the Company's business operations, on the price of securities, or may affect investors' investment decisions.
3. The Company has designated authorized persons to disclose material information that has not yet been disclosed to the public.
4. The Company prohibits the release of any material information to the public within two weeks prior to the scheduled disclosure date.
5. The Company will report its corporate governance policy, code of conduct and ethics, and the results of compliance with such policies through various channels, such as the annual report and the Company's website, etc.
6. The Board of Directors will encourage the Company to prepare Management Discussion and Analysis (MD&A) to accompany the disclosure of the financial statements every quarter. This is to enable investors to better understand the changes in the Company's financial position and performance each quarter, in addition to the figures in the financial statements alone.
7. The Company shall disclose the audit fees and other service fees related to the services of the auditor.
8. The Company shall disclose in the annual report the roles and responsibilities of the Board of Directors and subcommittees, the number of meetings held and the number of meetings attended by each director in the past year, and their opinions on their duties, including the continuous training and professional development of the Board of Directors.
9. The Company shall disclose the remuneration policy for the Company's directors and executives as required by law. Such policy shall reflect the duties and responsibilities of each person, including the form or nature of compensation. The amount of compensation disclosed shall include the compensation each director receives from serving as a director of the subsidiary company.
10. The Company shall disclose information in accordance with the requirements of the Securities and Exchange Commission of Thailand and related laws, including disclosure of information to shareholders and/or the public equally.

Category 5

5. Responsibilities of the Board of Directors

1. Board of Directors Structure

- 1.1 The composition of the Board of Directors shall be as specified in the Board Charter.
- 1.2 The qualifications of the Board of Directors shall be as specified in the Board Charter.
- 1.3 The qualifications of the independent directors shall be as specified in the charter of the Board of Directors.
- 1.4 Appointment, term of office and termination of office shall be as prescribed in Board of Directors Charter
- 1.5 Appointment of the Company Secretary and assignment of the Company Secretary's responsibilities, including: The conditions for dismissal from duty and appointment of a new company secretary shall be as follows: Set out in the charter of the Board of Directors

2. Subcommittees

- 2.1 The Board of Directors shall establish an Audit Committee and/or Other committees as appropriate
- 2.2 The Board of Directors shall support the independent work of the subcommittees .
And neutral
- 2.3 The Board of Directors shall establish charters for each subcommittee to ensure their operations.

3. Roles, duties and responsibilities of the Board of Directors

- 3.1 The Board of Directors has the responsibilities as specified in the Board of Directors Charter. The following aspects:
 - 3.2 Policy and governance
 - 3.3 Finance
 - 3.4 Control, internal audit and risk management
 - 3.5 Human Resources
 - 3.6 Conflict of Interest Management
 - 3.7 In terms of communication with shareholders
 - 3.8 Other matters as specified in the Board of Directors Charter

4. Organizing the board of directors meeting

- 4.1 Scheduled to hold at least one meeting every three months.
- 4.2 The Board of Directors shall elect one director to be the Chairman of the Board. In the event that the Board of Directors deems it appropriate, it may elect one or more directors to be the Vice Chairman of the Board. The Vice Chairman shall have duties according to the regulations in the affairs assigned by the Chairman of the Board.
- 4.3 In calling a meeting of the Board of Directors, the Chairman of the Board or a person assigned shall send a meeting notice to the Directors at least 7 days prior to the meeting date, except in cases of urgency to protect the rights or benefits of the Company, in which case the meeting notice may be given by other methods and the meeting may be scheduled sooner.

5. Quorum Meeting

- 5.1 A meeting of the Board of Directors must have at least half of the total number of directors present to constitute a quorum. In the event that the Chairman is not present at the meeting or is unable to perform his duties, if there is a Vice Chairman, the Vice Chairman shall act as Chairman. If there is no Vice Chairman or there is one but he is unable to perform his duties, the directors present at the meeting shall elect one of them to be Chairman of the meeting.
- 5.2 The decision of the meeting shall be made by a majority vote. Each member has a vote, except for members who have an interest in a matter, who have no right to vote on that matter. In the event of an equality of votes, the chairman of the meeting shall cast one additional vote as the deciding vote.

6. Self-assessment of the Board of Directors

- 6.1 The performance of the Board and its sub-committees (As a Whole) and individual self-assessments are conducted annually to allow the Board to jointly consider performance and issues for improvement.
- 6.2 The Company may engage external consultants to assist in setting guidelines and propose issues for the Board's performance evaluation every three years and disclose such actions in the annual report.

7. Compensation

7.1 Director's Remuneration

The board of directors receives remuneration in the amount approved by the shareholders' meeting. Compensation is at an appropriate level, comparable to similar industries. Consistent with The Company's strategies and objectives

8. Self-development of the board of directors and executives

The company gives full importance to its employees and emphasizes working with determination as a team and increasing work efficiency by providing training both internally and externally to keep up with technology and to add management skills in various areas as well as specialized professional skills which result in more efficient performance of duties. Therefore, the company has the following personnel development guidelines:

8.1 Development of the Board of Directors

8.1.1 The Company promotes and supports directors to attend training courses that promote potential development. In the operations of the Board of Directors, to develop, support and promote Performing duties of the committee

8.1.2 The Company will disclose information on the development and training of directors in the past year.

8.1.3 The Company promotes and supports directors to receive training and enhance their knowledge. Continuous and consistent in matters related to the operations of the Board in order to Keep up with potential business changes

8.1.4 Promote and support directors to gain more knowledge about the operations of The Company continuously improves the efficiency of the Board's operations.

8.2 Executive Development

8.2.1 The Company promotes and supports the provision of training courses and other development approaches that Appropriate and consistent with the competencies of the executives for the company's executives.

8.2.2 The Company provides an orientation for new executives to support them.

Able to adapt to new roles, responsibilities and expectations of the position appropriately.

8.2.3 The Company encourages executives to share their work experiences with executives and employees. In the company to create an atmosphere of learning and development within the organization.

8.3 Employee Development

8.3.1 The Company promotes and supports training courses and other development approaches.

Appropriate and consistent with the line of work

8.3.2 The company provides orientation for new employees.

9. Orientation for new board members

For directors, the Company has prepared basic information about the Company, including the organizational structure and management, nature of operations, main products and services, the Company's regulations and laws related to the Company, including the requirements of the Office of the SEC and the Stock Exchange of Thailand, for new directors so that they can understand the Company's operations and be aware of their roles, duties and responsibilities as a director or independent director.

10. Business Ethics

The Board of Directors has promoted the establishment of a code of conduct for directors, executives and employees to adhere to and practice, as a common duty and responsibility for the maximum benefit of the Company's stakeholders, as well as to create credibility in business operations, which will lead to sustainable growth for the Company.

11. Succession Plan

The company realizes the importance of operating efficiently and continuously and has therefore established the following policies: and the criteria for selecting executives and succession policies with a transparent process that will consider knowledge and abilities, including experience and ethics.

12. Business Ethics

The Company's Board of Directors has established the Company's Code of Conduct based on the treatment of stakeholders. The Company's interests are balanced for all levels of directors, executives and employees. A practice guideline with detailed contents divided into:

1. Policy on Responsibility to Shareholders
2. Policy on customer treatment and product quality
3. Policy and treatment of customers and/or creditor
4. Policy and treatment of employees
5. Policy on employee conduct and treatment of other employees
6. Policy and treatment of business competitors
7. Social and Environmental Responsibility Policy
8. Anti-corruption Policy
9. Policy on disclosure and maintenance of inside information
10. Investment policy and supervision of subsidiaries

13. Significant changes and developments in the policy and guidelines over the past year

13.1 Significant changes and developments regarding policy, practice and review Corporate Governance System

In 2025, the Company places importance on good corporate governance, which is considered an important factor to Help the company's operations grow sustainably, which will benefit all stakeholders. Whether it is shareholders, investors and other stakeholders, as well as employees and executives of the company. To ensure that the company's operations are transparent, auditable, ethical and moral. In conducting business, we continuously comply with the principles of good corporate governance.

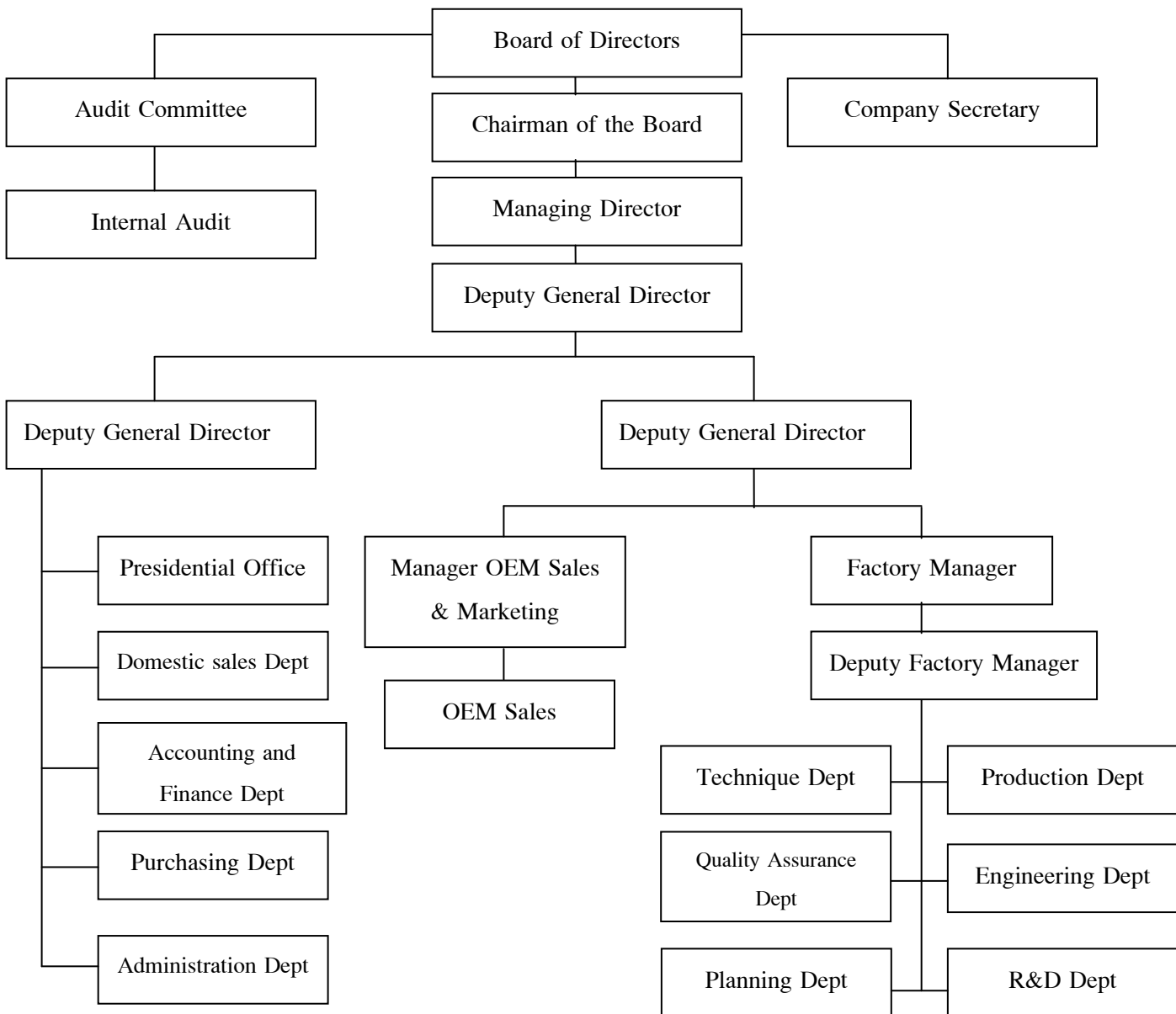
For matters that have not been complied with in accordance with the principles of good corporate governance for listed companies Year 2025 (CG Code) includes:

1. The establishment of the selection committee and the remuneration committee, however, The Board of Directors has currently adopted the practices of the Stock Exchange of Thailand for The Nomination and Remuneration Committee shall use this as a guideline. The practice is carried out by all directors who have complete qualifications and are efficient in performing their duties according to Good Board Charter
2. Establishment of a Risk Management Committee. The Company has risk management. In accordance with the risk management policy covering the entire organization There are internal controls and management. Risks according to COSO guidelines
3. Policy setting for directors and senior executives to inform the board of directors about trading. The Company's shares at least 1 day in advance before trading, with the Company setting the policy on Control of the use of inside information, which is required for directors, executives and related persons specified in Section 89/1 of the Securities and Exchange Act '1992 must report Change of Securities Holding and the Stock Exchange Act '1992 within 3 business days from the date of From the date of change in the Company's securities holdings, until a copy is sent to Company Secretary Office to collect, summarize and present to the Board of Directors meeting. On a quarterly basis
4. Providing a responsible person or a compliance unit. The Company has The Audit Committee is responsible for supervising, monitoring and evaluating the Company's operations. To comply with the good corporate governance policy as per the laws and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission

7. Corporate Governance Structure and Information Important information about the Board of Directors Subcommittees, executives, staff, etc.

7.1 Organization Structure

As of 31 December, 2025 The Company's management structure consists of the Board of Directors, Company, Audit Committee, Executives. The Company has a board of director's structure consisting of 4 independent directors and no less than one-third of the Total number of directors of the Company.



7.2 Information about the board of directors

7.2.1 Board of Directors and Controlling Persons of the Company

On 31 December, 2025 (Ended of Year 2025)

List of Directors	Position
1. Mr. Shen, Kuo-Jung	Chairman of the Board of Directors and Authorized Director
2. Mr. Chuang, Chih-Yao	Directors / Company Secretary and Authorized Director
3. Mr. Chiu, Hsih-Chien	Director
4. Miss Wu, Ping-Yi	Director
5. Mr. Lin, Wen-Cheng	Director
6. Mr. Yen, Ming-Shan	Director
7. Mr. Yen, Jui-Hsian	Director
8. Mr. Yen, Chih-Che	Director
9. Mr. Hsiao, Chih-Lung	Independent Director / Chairman of the Audit Committee
10. Mrs. Syuan Wen	Independent Director / Audit Committee
11. Mr. Lin, Cheng-Yung	Independent Director / Audit Committee
12. Mr. Monsiam Sinworaphan	Independent Director / Audit Committee

Mr. Chuang Chih- Yao has been appointed as the Company Secretary/Authorized Directors in accordance with the resolution of the Board of Directors' Meeting No. 4/2024, which was held on 6 November, 2024, Replacing Mr. Aphisit Worachot, who resigned from the position of Company Secretary, effective from 6 November, 2024 onwards.

In this regard, the Authorized Directors who are authorized to sign and bind the company are : Mr. Shen, Kuo-Jung or Mr. Chuang Chih-Yao. Who shall sign and affix the company's seal.

(1) Scope of powers, duties and responsibilities of the Board of Directors

- (1.1) Create a charter for the board of directors that is consistent with the good corporate governance policy. Direction. The Company's operations and compliance with the law, objectives and regulations of the Company. The Company, along with the shareholders' meeting, protect the interests of the Company and shareholders. and the Charter is reviewed regularly, once a year.

- (1.2) Establish a policy of good corporate governance, ethics and code of conduct for business operations. and the Board of Directors' manual is in writing and such policy is reviewed regularly. At least once a year Set vision, mission, strategy, business direction, policies, goals and plans. The Company's business, budget, management structure and approval authority as specified by the department Manage presentations, including supervision of administration and performance of the management or Any person who is assigned to perform such duties in order to comply with the policy and Effective and efficient budgeting
- (1.3) Continuously monitor and evaluate the Company's performance in various aspects to ensure that: The operation is in accordance with the set goals, plans and budgets and can Manage potential obstacles in a timely manner
- (1.4) Establish a system of control over operations, financial reporting and compliance.Regulations and policies to review the said control system at least once a year and disclosed in annual report
- (1.5) The company must have an appropriate and efficient accounting system and prepare reports . The Company's annual report and provide reliable financial reporting and auditing . Including responsibility for preparing and disclosing financial statements at the end of the company's accounting period. To be accurate in order to show the financial status and operating results of the past year accurately. To be true, complete and correct in accordance with the accepted accounting standards which are audited. by the auditor before presenting to the shareholders' meeting for consideration and approval
- (1.6) Consider and approve the selection and proposal of the appointment of auditors and de termine Appropriate remuneration as proposed by the Audit Committee before being presented to the meeting Annual shareholders' meeting for consideration and approval
- (1.7) Follow up on important audit reports from the audit committee or agency . Internal audit, including auditors and consultants of the Company, and determine Guidelines for improvement and correction in cases where significant defects are found
- (1.8) Review the adequacy and appropriateness of the internal control system and risk management. The company's risks are managed by the management team to comply with the policies and report to the board of directors.The Company is regularly informed and has reviewed or evaluated the effectiveness of the risk management. Risk must be reported at least once a year and disclosed in the annual report and at every period.

- (1.9) Consider appointing, removing, delegating authority and duties to directors and independent directors. Special Committee and Company Secretary
- (1.10) Consider the organizational structure and administration, including the authority to appoint the committee. Executives, CEO, subcommittees and any other subcommittees as follows:
Appropriateness, including defining the scope of authority, duties and responsibilities of
The said subcommittee has the duty to monitor the performance and supervise the operations.
Work consistently
- (1.11) Consider appointing, changing directors or executives or appropriate persons. To act as a representative director in a subsidiary and/or associated company in which the company invests or is affiliated invest.
- (1.12) Consider the performance evaluation of the Board of Directors and Subcommittees.
Including overseeing the company to have an effective process for evaluating its performance. The company's top executives
- (1.13) Consistently responsible to shareholders and operating in a manner that protects the interests of shareholders Shareholders are provided with a report of the Company's general information and financial information for reporting. To shareholders and stakeholders or general investors correctly, timely and in accordance with The law requires
- (1.14) Supervise the Company to comply with the Securities and Exchange Act. Stock Exchange regulations, such as related party transactions, acquisition or disposal To obtain assets in accordance with the rules of the Stock Exchange of Thailand or the announcement of Securities and Exchange Commission Securities and Exchange Commission Capital or laws related to the Company's business
- (1.15) To authorize one or more directors or other persons to perform certain actions. In any way, it can be used on behalf of the Board of Directors, under the supervision of the Board of Directors. Or authorize such person to have the power and duties as assigned by the Board of Directors. As deemed appropriate and/or within the time period deemed appropriate by the Board of Directors, which The Board of Directors may revoke, revoke, change or amend any authorized person. That power or authority can be exercised when it is deemed appropriate.
- (1.16) Consider determining and amending the names of directors who have the authority to bind the Company.

- (1.17) Consider appointing a company secretary to help oversee the activities of the board of directors and helpTo enable the Board of Directors to perform their duties in accordance with relevant laws and regulations. Along with defining the scope of powers, duties and responsibilities of the company secretary.
- (1.18) Consider and approve investment projects, items of acquisition or disposal of assets, and items The relationship between the Company and related persons shall be in accordance with the announcement and regulations. and/or relevant regulations as required by law
- (1.19) Consider approving the payment of interim dividends to shareholders when it is seen that the Company has profits appropriate to do so and report the payment of such dividends to the shareholders' meeting. At the next shareholders' meeting
- (1.20) Consider and approve other important business matters related to the Company or as deemed appropriate. Take such action to maximize the benefits for the company.

In any matter in which a Director has an interest or conflict of interest with the Company, such Director who has such interest or conflict of interest has no right to vote on such matter.

7.3 Information about the subcommittees

7.3.1 Audit Committee

As of 31 December 2025, the Audit Committee consists of 4 directors as follows:

No.	List	position
1.	MR. HSIAO, CHIH-LUNG	Independent Director / Chairman of the Audit Committee
2.	MRS. SYUAN WEN	Independent Director / Audit Committee
3.	MR. LIN, CHENG-YUNG	Independent Director / Audit Committee
4.	MR. MONSIAM SINWORAPHAN	Independent Director / Audit Committee

With Ms. Pailin Amornkul acting as secretary of the audit committee.

(1) Scope of powers, duties and responsibilities of the Audit Committee

- (1.1) Create an audit committee charter that is consistent with the scope of responsibilities in
The Company's operations must be approved by the Board of Directors and
The Charter shall be reviewed at least annually for suitability.
- (1.2) Review the Company's financial reporting to ensure that it is accurate and adequate by
Coordinate with auditors and executives responsible for preparing financial reports as
follows The Company's accounting period
- (1.3) Review the company's internal control and audit systems. Appropriate and effective
interior
- (1.4) Consider the independence of internal auditors and approve their appointment.
Transfer, terminate the employment of the Company's internal auditors or consider
hiring terminating them. Internal audit from external agencies of the company,
including setting or adjusting Internal auditor compensation
- (1.5) Consider, approve and review the budget and internal audit plan.
- (1.6) Review the Company to ensure that it has an appropriate and effective risk management
system.
- (1.7) Review and discuss with management the Company's material risks and
Measures that management has taken to monitor and control such risks
- (1.8) Review the Company's compliance with the Securities and Exchange Act.
Regulations and announcements of the Stock Exchange of Thailand and related laws
Relevant and applicable to the Company and/or the Company's business.
- (1.9) Review the Company's compliance with the principles of good corporate governance,
including guidelines and Essential recommendations for the development of good
corporate governance
- (1.10) Consider selecting and proposing the appointment of the Company's auditors and
proposing Auditor's remuneration taking into account reliability and adequacy of
The audit firm's resources and audit workload, including experience Of the personnel
assigned to audit the Company's accounts
- (1.11) Consider the independence of the auditors, including attending meetings with the
auditors. Without the management attending the meeting at least once a year

- (1.12) Consider the audit results and recommendations of the auditors and internal auditors .
and propose to the management to make improvements and follow up on the results of
the operations That suggestion
- (1.13) Consider the disclosure of information of the Company in the event of a related
transaction. Obtain or sell the Company's assets or any items that may have a conflict of
interest Benefits shall be in accordance with the laws and regulations of the SET
- (1.14) Any other operations as assigned by the Board of Directors and the Audit Committee .
Agree
- (1.15) Check, investigate and request information from relevant agencies or persons .
For further consideration under the authority of the Audit Committee
and has the authority to hire or bring in specialists to assist in the inspection and
investigate
- (1.16) In performing the duties of the Audit Committee, the Audit Committee may:
Communicate with the company's auditors, internal auditors and management.
directly
- (1.17) Consider appointing a secretary to the audit committee to assist in the operations of the
Audit Committee
- (1.18) Arrange for an evaluation of the performance of the Audit Committee at least once a
year. Times to improve operations to be more effective for shareholders and the
company.

(2) Term of office of the Audit Committee

- (2.1) The Audit Committee has a term of office of 3 years, with a term of office of Position
according to the term of being a director of the company
- (2.2) Audit committee members who have left their positions by the end of their term may be
reappointed. The position of Audit Committee member may be re-elected as deemed
appropriate by the Board of Directors.
- (2.3) The audit committee members whose term has expired shall remain in the position to
perform their duties. The following duties will continue until a new audit committee
member is appointed to replace the position:

7.4 Information about the executives

The Company has 4 executives according to the definition of “executives” as defined in the Securities and Exchange Commission Announcement No. Kor. 17/2551 on the Determination of Definitions in Announcements Regarding the Issuance and Offering of Securities, as follows:

number	List	position
1.	Mr. Shen, Kuo-Jung	Chairman of the Board of Directors, Managing Director
2.	Mr. Chiu, Hsih-Chien	Deputy Managing Director
3.	Mr. Chuang, Chih-Yao	Deputy Managing Director (Administration)
4.	Mr. Hsiao, Yi-Chou	Deputy Managing Director (Factory)
5.	Miss. Radatorn Tanasawapol	Accounting and Finance Manager

7.5 Employee information

7.5.1 Number of employees

Number of employees of the Company as of 31 December, 2025 Total 1,814 Peoples as below:

number	information	Number (items)
1.	Employees responsible for the production section	1,457
2.	Office staff	162
3.	Supervisors, Department Heads	125
4.	Thai executive staff	64
5.	Taiwanese executive staff	6
6.	On average, employees have an average age	34
Total		1,814

7.5.2 Significant changes in employee numbers over the past 3 years

-Done -

7.5.3 Major labor disputes in the past 3 years

-Done -

7.5.4 Employee compensation characteristics and total compensation

In 2025, the Company paid wages as compensation for employees' work as follows:

No.	Information	Amount (baht)
1.	Salary, overtime pay, diligence allowance, Shift pay for employees included	451,072,149
2.	Bonus	23,005,249
Total		474,077,398

In addition, the company also provides other welfare such as provident fund from the company and employees contribute to the fund monthly at the rate of 2-4 percent of the salary, which is managed by Principal Asset Management Co., Ltd., employee shuttle, food allowance, uniforms, funeral assistance, wedding, etc. The company has established a company welfare committee in accordance with the regulations of the Ministry of Labor and Social Welfare, which consists of employers and employees to consider employee welfare specifically.

7.5.5 Employee Development Policy

The company emphasizes on employee development to make employees have expertise and can apply it to their work, such as training new employees, training supervisors' skills, and how to use graphs to control work. In addition, the company promotes employees to gain new knowledge and development by sending them to training in related fields both inside and outside the office to apply knowledge from training and develop work skills for greater efficiency. The company has a policy to develop personnel at all levels as follows:

1. Training on labor protection laws to provide employees with knowledge and understanding of their rights. and legal duties
2. Basic first aid training
3. Training and development of production techniques to develop new products.
4. Provide training on operational safety to employees.
5. Training employees on the use of personal protective equipment.
6. Providing a public relations board for employees to be informed of the company's news.
7. Organize safety week activities.
8. Organize a fire escape drill activity.

7.6 Other important information

7.6.1 Details of the person directly responsible for supervision Accounting

Name	Ms. Radatorn Tanasawapol
Position	Directly assigned to be responsible for supervising accounting. The Board of Directors has resolved to appoint Ms. Radatorn Tanasawapol Hold the position as Finance and Accounting Manager from 22 August, 2022

7.6.2 Details about the Company Secretary

Name	Mr. Chuang, Chih- Yao
Position	Company Secretary The Board of Directors has resolved to appoint Mr. Chuang Chih-Yao. Served as Company Secretary since 6 November, 2024.

7.6.3 Details about the Head of Internal Audit

Name	Ms. Pailin Amornkul
Position	Head of Internal Audit Acting as the Company's internal auditor since 1 December, 2004.

7.6.4 Auditor's remuneration

In 2025, the Company and its subsidiaries paid audit fees to PricewaterhouseCoopers ABAS Co., Ltd. in the amount of 2,900,000 baht, other tax and investment promotion fees from the BOI in the amount of 803,000 baht, and other expenses in the amount of 127,150 baht. The list of certified public accountants is as follows:

No.	Name–Surname	Certified Public Accountant	Registration number
1.	Mr. Krit Chatchavalwong	5016	or
2.	Ms. Nopanuch Apichatsatien	5266	or
3.	Ms. Sanicha Akarakittilap	8470	or

The auditing firm is independent, reliable, and has no relationship or interest with the company, its executives, major shareholders, or related persons of the said persons.

8. Report on important performance results in terms of corporate governance

8.1 Recruitment, development and evaluation of the performance of the Board

8.1.1 Recruitment and appointment of directors and senior executives

(1) Board of Directors

The Company selects persons to be appointed as directors by considering their qualifications, knowledge, ability, experience, and having sufficient time to attend meetings regularly. The shareholders' meeting will appoint directors by a majority vote in accordance with the following criteria and methods:

- 1) Each shareholder has 1 vote for every 1 share held.
- 2) In the election of the Company's directors, the voting method is to use the ballot for the person. Nominated individually or in groups at the same time, depending on the shareholders' meeting. It may be deemed appropriate, but in casting votes or making any resolutions, each shareholder shall exercise his or her rights. According to all the votes in Section 1.
- 3) Voting for the election of directors must be based on a majority vote. If there is an equal number of votes, the person who presides over the meeting will have one more deciding vote sound.

(1.1) Composition and appointment of the Board of Directors

- 1) The Board of Directors shall consist of at least five directors and not less than half of the total number of directors must reside in the Kingdom.
- 2) The Board of Directors must consist of at least one-third of the total number of directors and no less than three persons. The independent directors must be independent from the control of the executives and major shareholders and must have all the qualifications according to the criteria for independent director qualifications specified in the Board of Directors Charter.
- 3) The Board of Directors shall select one of the directors to be the Chairman of the Board of Directors. However, the Chairman of the Board of Directors shall not be the same person as the Chairman of the Executive Committee, the Managing Director, and the Chairmen of the subcommittees in order to ensure clear separation of roles.

- 4) In the event that the Board of Directors deems appropriate, it may elect one or more directors to be Vice Chairman of the Board of Directors. The Vice Chairman shall have duties under the regulations in the affairs assigned by the Chairman.
- 5) The Board of Directors shall appoint the Company Secretary, who shall act as Secretary to the Board of Directors.

(2) Independent Director

(2.2) Qualifications of independent directors

- 1) Holding shares not exceeding 1 percent of all voting shares of the company, parent company, company Subsidiaries, affiliates, major shareholders or controlling persons of the company, including shares Held by the related persons of that independent director.
- 2) Not being or having been a director, employee, or consultant Regular salary or authorized person of the company, parent company, subsidiary company, joint venture company Subsidiaries of the same rank, major shareholders or controlling persons of the Company, except Must have been free from the above characteristics for no less than 2 years. The above prohibited characteristics: This does not include cases where the independent director used to be a civil servant or an advisor to a government agency which is a person Major shareholder or controlling person of the company
- 3) Not being a person related by blood or by legal registration in Characteristics of the director as father, mother, spouse, siblings and children, including spouses of children, Others, executives, major shareholders, controlling persons, or persons to be proposed Being a director, executive or controlling person of the company or its subsidiaries.
- 4) Not having or ever having had a business relationship with the Company, its parent company, subsidiary company, affiliated company, or shareholder Major shareholders or persons with controlling power of the company in a manner that may obstruct the use His own independent judgment, including not being or having been a significant shareholder or person with authority. Control of persons having business relations with the company, parent company, subsidiary company, associated company, shareholders A major shareholder or a person with controlling power of the company, unless he or she is no longer of such status. It has been no less than 2 years.

Business relationships under paragraph one include normal business transactions for business operations, renting or leasing real estate, transactions related to assets or services, or providing or receiving financial assistance by accepting or lending, guaranteeing, providing assets as collateral for debts, including other similar behaviors, which result in the company or the contracting party having a debt burden that must be paid to the other party in the amount of 3 percent of the company's net tangible assets or 20 million baht or more, whichever amount is lower. The calculation of such debt burden shall be in accordance with the method for calculating the value of related party transactions in accordance with the announcement of the Capital Market Supervisory Board on criteria for related party transactions, by analogy. However, in considering such debt burden, debt burdens incurred during the period of 1 year prior to the date on which the business relationship with the same person began shall be included.

- 5) Not being or having been an auditor of the company, its parent company, subsidiary company, associated company, major shareholder or controlling person of the company, and not being a significant shareholder, controlling person or partner of an audit office in which an auditor of the company, its parent company, subsidiary company, associated company, major shareholder or controlling person of the company is affiliated, unless having ceased to have such characteristics for not less than 2 years.
- 6) Not being or having been a provider of any professional services, including legal or financial advisory services, who receives service fees exceeding 2 million baht per year from the Company, its parent company, subsidiary, associated company, major shareholder, or controlling person of the Company, and not being a significant shareholder, controlling person, or partner of such professional service provider, unless the person has ceased to have such characteristics for at least 2 years.
- 7) Not being a director appointed to represent the company's directors, major shareholders, or shareholders who are related to major shareholders.
- 8) Not engaging in a business of the same nature and in significant competition with the business of the Company or its subsidiary, or not being a significant partner in a partnership, or being a director who participates in the management, an employee, a staff member, a consultant who receives a regular salary, or holding more than 1 percent of the total number

of shares with voting rights of another company which is engaged in a business of the same nature and in significant competition with the business of the Company or its subsidiary.

- 9) There are no other characteristics that would prevent the expression of independent opinions regarding the Company's operations.

In this case, if the Securities and Exchange Commission announces changes to the qualifications of independent directors. The Company's independent directors must have the qualifications as announced in all respects.

(3) Audit Committee

(3.1) Composition and Appointment of the Audit Committee

- 1) The Company's board of directors or shareholders' meeting shall appoint the Company's independent directors to serve as audit committee members.
- 2) The audit committee shall consist of no less than two independent directors: 3 people, all of whom must serve as board members
- 3) At least one audit committee member must be a person with sufficient knowledge and experience related to accounting or finance to be able to perform the duty of reviewing the reliability of the financial statements.
- 4) The Audit Committee shall select one Audit Committee member to serve as the Audit Committee Chairman.
- 5) The Audit Committee shall appoint the Audit Committee Secretary. To assist the Audit Committee in its operations regarding meeting scheduling, preparing meeting agendas, submitting meeting documents and recording meeting minutes.

(3.2) Qualifications of the Audit Committee

- 1) The Company's Audit Committee has: Independence According to the definition of independence of an independent director according to the above qualifications and in accordance with the announcement of the Capital Market Supervisory Board No. Tor Chor. 39/2559 on requesting permission and granting permission to offer newly issued and related shares and having duties

in the same manner as specified in the announcement of the Stock Exchange of Thailand on qualifications and scope of work of the audit committee.

- 2) Not being a director assigned by the board of directors to make decisions on the operations of the company, parent company, subsidiary company, associated company, same-level subsidiary company, juristic person with a potential conflict of interest, major shareholder, or person with controlling power of the company.
- 3) Not being a director of a parent company, subsidiary company or subsidiary company of the same level which is a registered company.
- 4) Have sufficient knowledge and experience to perform duties as an audit committee member and be able to perform duties, express opinions or report the results of work performance in accordance with the assigned duties independently, without being under the control of the executives, major shareholders or controlling persons of the company, including related persons or close relatives of such persons, and have no other characteristics that make it impossible to express opinions independently.
- 5) Be a director in no more than 5 other listed companies in order to devote sufficient time to performing duties as an audit committee member.
- 6) They should receive continuous and regular training and knowledge enhancement on matters related to the operations of the Audit Committee in order to keep up with changes that may occur. They should also continuously enhance their knowledge of the Company's operations in order to increase the effectiveness of the Audit Committee.

(4) Executive Board

(4.1) Composition and appointment of the Executive Committee

- 1) The Board of Directors shall appoint persons who possess the required qualifications as directors.
- 2) The Executive Committee shall consist of at least three members who are directors and/or executives of the Company, whereby the Executive Committee members are not required to hold positions as directors of the Company.

- 3) The Executive Committee shall elect one executive director to serve as the Chairman of the Executive Committee.

The Executive Committee shall appoint a Secretary to the Executive Committee to assist in the operations of the Executive Board regarding meeting appointments, preparation of meeting agendas, submission of meeting documents and recording meeting minutes.

8.1.2 Attendance at meetings and payment of remuneration to individual committee members

(1) Monetary compensation and other compensation

(1.1) Remuneration of the Board of Directors and subcommittees

The 2025 Annual General Meeting of Shareholders, held on 30 April 2025 The remuneration of the Company's directors and sub-committees has been determined in the form of meeting allowances and quarterly compensation, as follows:

(A.) The meeting allowance of the directors includes travel expenses, accommodation, airfare and other expenses. The directors will receive only the approved amount. Each director residing in Thailand is 25,000 baht (twenty-five thousand baht). Each director residing abroad traveling to attend a meeting in Thailand is 25,000 baht (twenty-five thousand baht). In the case of a meeting held via electronic media and not traveling to attend the meeting in Thailand, 25,000 baht (twenty-five thousand baht) per person per time the director attends a board meeting until further notice.

(B.) Annual remuneration of the Company's directors for 2025

Position	Annual compensation
Chairman of the Board of Directors	540,000.00 baht
Board of Directors	300,000.00 baht
Chairman of the Audit Committee	350,000.00 baht
Independent Director/Audit Committee	350,000.00 baht

In the fiscal year 2025, the committee received meeting allowances, with details as follows:

(1.2) Total remuneration for the Company's 12 directors from 3 positions and the executive committee. Number of 4 persons in 2025, comparing the past 3 years as follows:

Type	Remuneration for 12 board positions (baht)			Executive compensation (baht)		
Compensation	Year 2023	Year 2024	Year 2025	Year 2023	Year 2024	Year 2025
				(3 people)	(4 people)	(4 people)
Salary	-	-	-	4,184,333	9,950,325.73	7,568,624
Annual Compensation	4,040,000	3,997,500	4,040,000	-	-	-
Bonus	-	-	-	5,191,758.75	2,293,735.74	3,120,156.63
Meeting Allowance	1,475,000	1,125,000	1,300,000	-	-	-
Total	5,515,000	5,122,500	5,340,000	9,376,081.75	12,244,061.47	10,688,780.63

(1.3) Other compensation

– Done –

8.1.3 Attendance and individual board remuneration

In 2025, a board meeting was held. 4 times and the audit committee 4 times by attending the meeting of BOD

No.	Board Member	BOD Meeting 2025	
		BOD	AC
		(4) Time	(4) Time
1	Mr. Shen, Kuo-Jung	3 / 4	
2	Mr. Chiu, Hsih-Chien	4 / 4	
3	Ms. Wu, Ping-Yi	4 / 4	
4	Mr. Yen, Ming-Shan	4 / 4	
5	Mr. Yen, Chih-Che	4 / 4	
6	Mr. Chuang, Chih-Yao	4 / 4	
7	Mr. Lin, Wen-Cheng	1 / 4	
8	Mr. Yen, Jui-Hsian	4 / 4	
9	Mr. Hsiao, Chih-Lung	4 / 4	4 / 4
10	Mrs. Syuan Wen	4 / 4	4 / 4
11	Mr. Lin, Cheng-Yung	4 / 4	-
12	Mrs. Monsiam Sinworaphan	4 / 4	4 / 4

8.1.4 Monitoring compliance with good corporate governance policies and guidelines

(1) Preventing conflicts of interest

To prevent conflicts of interest, when entering into transactions with persons who may have conflicts of interest, matters must be presented to the Audit Committee for consideration and approval of such transactions, and the Committee carefully oversees any transactions that may have conflicts of interest. By setting policies and procedures for approving related transactions to be in accordance with the Securities and Exchange Act and regulations, announcements, orders or requirements of the Stock Exchange of Thailand, including compliance with the requirements regarding disclosure of information on related transactions, in which persons who may have conflicts of interest or have an interest in the transaction will not have the right to participate in approving the transaction, and the Company shall comply with the criteria and methods as specified in the said announcement in such matters.

(2) Use of inside information for personal gain

(2.1) Insider Trading

1. Directors, executives, employees, and related persons are prohibited from purchasing or Sell or offer to buy or offer to sell or solicit another person to buy or sell or offer to buy or offer Selling the Company's securities, whether directly or indirectly, in a manner that would take advantage of others An outsider, by relying on inside information that he has gained knowledge of in his position or status and regardless of whether Such action will be done for the benefit of oneself or others or to take out inside information. Revealing to allow others to do such acts, whether or not the person himself receives any benefits in return.

2. Directors, executives, employees, and related persons are prohibited from trading.

The Company's securities, with time periods specified, are separated according to the types of internal information as follows:

- 2.1 Financial Statements Trading of the Company's securities is prohibited from the date of 15 of the month following the month ending the quarterly accounting period or Annually until after the company submits financial statements to the market. The Stock Exchange of Thailand and has already published to the public 24 Hours: The Company Secretary will announce the time period during which securities trading is prohibited.

- 2.2 Other information The Company's securities are prohibited from being traded since the date of acknowledgement. Information until after the company has released it to the public 24 hour

3. Directors, executives and employees must prepare reports on their securities holdings and Report on changes in the Company's securities, divided into reporting types As follows

- 3.1 First Report Directors, executives and employees must prepare reports. Holding of securities of oneself and related persons according to the reporting form Holding of the Company's securities and submitting them to the Company Secretary within 30 days from the date of appointment

3.2 Reporting on changes

(1) Directors and executives must prepare a report on changes in Hold securities according to the format specified in the electronic system and forward them. Office of the SEC as announced by the Office of the Securities and Exchange Commission Securities and Exchange Commission (SEC) at SorJor. 38/2018 and notificationTo the Company Secretary for acknowledgement within 3 working days from the date of receipt. Or persons involved in trading in the company's securities

(2) Employees must prepare a report on changes in securities holdings. According to the company's securities holding report form and submitted to Company Secretary within 3 working days from the date of the person or person Involved in trading of the Company's securities

3.3 Quarterly holdings reporting Directors, Executives and Employees Must prepare a report of your own and related persons' securities holdings at Quarterly closing date according to holding report format The Company's securities and submit them to the Company Secretary within 15 days from The closing date of each quarter's accounting period will be announced by the Company Secretary.

4. Directors, executives and employees are not required to prepare a change report.

Securities in the following cases:

- 4.1 Acquisition of securities in proportion to the number of shares held by each shareholder
- 4.2 Obtaining securities from the company's dividend payments
- 4.3 Exercise of convertible securities rights
- 4.4 Acquisition of assets by inheritance
- 4.5 Obtaining securities from the offering of newly issued securities to directors or company employees (Employee Stock Option Program “ESOP”) or received assets from a joint investment project between employers and employees (Employee Joint Investment Program “EJIP”)
- 4.6 Borrowing or lending securities to a licensed securities company Engaged in securities business, such as securities borrowing and lending

(SBL) or Securities Depository Center, including cases where a placement is required Collateral from such transactions as well

- 4.7 Transfer or receipt of transfer made to a custodian and keeper of securities (Custodian) who holds securities on behalf.

(3) Anti-Corruption

The Company realizes and adheres to conducting business with virtue, being responsible to society and all stakeholders in accordance with the principles of good corporate governance, being straightforward, honest, transparent and auditable, and not performing, neglecting or ignoring, and not supporting any illegal practices and violating the Company's anti-corruption and corruption policies, whether it is demanding or giving money, items or other benefits that lead to the improper use of power, prohibiting all forms of bribery that may lead to or constitute corruption, and establishing a system to control charitable donations, gift giving and entertainment, which must take into account appropriateness. This is determined as an anti-corruption and corruption policy and includes it as part of the Code of Conduct, which all employees must strictly adhere to.

In the past year, the company has not received any complaints about corruption or any misconduct by employees from inside or outside the organization.

(3.1) Preventing Involvement in Corruption

Corruption means bribery in any form by offering, promising to give, promising to give, demanding or receiving money, property or other benefits that are not appropriate for government officials, government agencies, private agencies or persons in charge, whether directly or indirectly, to make such persons perform or refrain from performing their duties, which is to obtain or maintain business or introduce business to the company in particular or to obtain or maintain other benefits that are not appropriate for business, except in cases where laws, regulations, announcements, rules, local customs or trade traditions allow such action.

The Company realizes and places importance on combating corruption by setting guidelines for appropriate conduct for the Board of Directors, executives and employees in the Good Corporate Governance Manual, Code of Ethics and Business Conduct. In addition, the Company is aware of the damage that may

result from corruption and has set an anti-corruption policy, prohibiting the Company's directors, executives, employees and employees from performing any acts related to corruption in any form for direct or indirect benefits to themselves, their families, friends and acquaintances, regardless of whether they are the recipient or the giver, whether in cash or in kind, to government agencies or private agencies with which the Company conducts business or deals, with the following guidelines:

1. Directors, executives and employees must comply with the anti-fraud and corruption policy. Including business ethics and must not be involved in corruption or Corruption, either direct or indirect
2. Directors, executives and employees must not neglect or ignore when they encounter any actions that are considered as Any corruption related to the company must be reported to the supervisor or relevant person and cooperate in the fact-finding process
3. To allow bribery in all forms, in a manner that may cause or constitute corruption, including: Control of charitable donations, donations to political parties, giving business gifts and support for various activities must be transparent and not intended to influence officials . Public or private sectors take inappropriate actions.
4. The Company will provide appropriate and consistent internal controls to prevent employees from acting in a manner that: Not suitable, especially for sales, marketing and purchasing jobs.
5. Giving gifts, souvenirs and entertainment must be done within the scope of what is permitted. Consider the appropriateness of each occasion, suitable for the recipient or giver, without violating the law and Follow traditions Or general practices of society, business, etc., this value All gifts, souvenirs, and entertainment expenses must be recorded. Correct, there is evidence to enable verification.
6. Charitable donations or financial support must be transparent and not contrary to morality . Ethical, legal and in accordance with the company's policies and regulations on the matter As mentioned above strictly, such charitable donations or financial support must not It gives rise to conflicts of interest, both personal and company, and cannot be used as an excuse for Corruption and corruption
7. Conduct business in a politically neutral manner, without providing political assistance or Providing political support to political parties or politicians in all forms , including not promoting Directors, executives or employees shall not participate in any political activities on behalf of the Company. However, the Company considers it a personal right and freedom under the law to

participate in the activity. Politically, but must not claim to be an employee or use any of the misunderstanding that the company Participate in or support any political party, including expression and expression of opinions. Political activities in the office or on the premises of the company are considered illegal according to the regulations of company.

(3.2) Tip reporting

The company emphasizes on conducting business with honesty, integrity and transparency. Under the framework of good corporate governance and anti-corruption in all forms, including Focus on promoting the company's directors, executives and all employees to adhere to the following: Criteria to establish criteria and guidelines for complaints and notifications Clues of corruption and non-compliance with laws and organizational regulations by the company's personnel Clear, transparent, fair and auditable, including responsibility towards stakeholders. In accordance with the principles of good corporate governance and the code of ethics in business operations The Company has criteria and guidelines for compliance with the complaints and whistleblowing policy.

(3.2.1) Scope of complaints or whistleblowing

1. Violating the law or failing to comply with the corporate governance policy, business ethics and anti-corruption policy.
2. Actions that violate the Company's rules, regulations and regulations.
3. Injustice in work practices
4. Acts that constitute corruption, bribery and giving or receiving bribes
5. Intentional concealment of acts under paragraphs 1 – 4

Investor Relations

Complaints will be treated as strictly confidential and the complainant is not required to disclose his/her identity. However, if the complainant is able to disclose his/her identity, the Company will be able to inform the complainant of the results of the investigation or additional relevant details.

(1) Channels for reporting clues

E-mail : hwafongrubber@duro.co.th

(2) Postal Channel (Please indicate confidential document)

Company Secretary Section:

Hwa Fong Rubber (Thailand) Public Company Limited (Head Office)

Address:

317 Moo.4, Soi 6C, Bangpoo Industrial Estate, Phraeksa Subdistrict,
Mueang District, Samut Prakan Province 10280

(3.2.2) Process When receiving a complaint or receiving a tip

1. The person receiving the complaint will be the one to investigate and collect the facts or assign the appropriate person/agency to investigate and collect the facts
2. The person receiving the complaint or the person assigned can invite any employee to provide information or request the delivery of related documents for consideration to investigate the facts
3. If the investigation finds that it is true, the Company Secretary or the person assigned will invite the management representative to join in the consideration filtering the information and investigation

(3.2.3) Measures to protect the complainant or the tip of the wrongdoing

1. The Company will keep the information and identity of the complainant, the informant or the person who gives the tip as confidential and will disclose only as necessary, taking into account the safety and damage of the reporter, the source of the information or the person involved, in which access to the information will be limited to only the person responsible for investigating the complaint.
2. In the event that the complainant, the informant or the person who gives the tip of the cooperation sees that he/she may be unsafe or may suffer damage, he/she can request the Company Define appropriate protection measures, or the Company may determine protection measures without the complainant, whistleblower, or cooperator requesting it if it is considered that there is a tendency to cause distress, damage, or insecurity.
3. The Company will not act in any way that is unfair to the complainant, whistleblower, or cooperator, whether by changing job positions, changing job descriptions, changing workplaces, suspending work, threatening, interfering with work, terminating employment.
4. Those who have suffered damage will receive relief through appropriate and fair processes.

9. Internal control and related party transactions

9.1 Internal control

The Company recognized the importance of internal control system and encouraged employee to aware of the role and duties in risk management and IT management. Company has determined the extent of responsibilities of each department and determined the annual target, also clarify to employee to follow and achieve the target.

The Company, meditating in legislation, has developed the company's Internal Audit Manual in order that all business engagements are executed with efficiency and effectiveness. This internal audit manual consists of 8 cycles, of which the contents are provided in writing, in an effort to ensure that the company's internal control system is appropriate and sufficient to defend the maximum interests of the company and shareholders, together with the consideration of fairness to stakeholders. In 2025, the internal audit unit conducts the audit according to the annual plan as follows;

1. Sales and receipt of payment
2. Purchase and payment
3. Production
4. Personnel & human resources management
5. Procurement of investment capital
6. Procurement of fixed assets
7. Procurement of IT management
8. Control and supervision of internal operations

The Company has an internal audit unit, which is an independent unit responsible for auditing and monitoring the performance of various units in the organization. All units are well aware that every step of the operation is clear and has a good system, resulting in transparency in operations, including prevention of possible corruption. In the past year, no corruption or misuse of the Company's assets was found. The results of the audit were in accordance with the specified procedures. The internal audit unit reported the audit results directly to senior executives and the Audit Committee for acknowledgement and consideration of providing comments and suggestions to the Company's management for further improvement and correction. The Audit Committee has scheduled a meeting with PricewaterhouseCoopers ABS Limited, the auditor, every quarter to consider the financial statements and review the financial statements to ensure compliance with accounting standards. Therefore, the Company is confident that the internal control system is appropriate and adequate.

Risk Management

Company There is an assessment of risks under changes that may have both internal and external impacts on all processes of the Company's business operations. Risks are reviewed and assessed at the operator level. Performance results are monitored under the supervision of the responsible executives continuously. Joint meetings are held with the Company's management, including consideration and review of compliance with the Company's regulations for the efficiency and appropriateness of the risk management system regularly. The internal audit unit is responsible for monitoring each department to operate with consideration of possible risks, such as checking the control of credit risk by having the relevant departments follow the approval process for product price limits and set debt repayment periods before selling products to customers to prevent risks that may arise from customers not paying their debts on time and having a debtor account audit system. From the determination of the aforementioned measures Make the company There is an appropriate internal control system and risk management that results in maximum efficiency for the company.

Opinion of the Board of Directors

The Company's Board of Directors is of the opinion that the Company's internal control system is adequate and appropriate in various aspects, namely, internal control, risk assessment, information and communication systems. Each unit's performance has been set with objectives that can be measured and the Company's performance is closely monitored. In addition, the Company has a clear organizational structure to ensure efficient and tight management.mMore and more

Head of Internal Audit and Head of Compliance of the Company

Consideration and approval Appointment Removal or transfer of the head of the internal audit unit of the Company must be approved by the independent committee/audit committee. The qualifications of the head of the internal audit unit are as shown in Attachment 3.

9.1 List betweentogether

In 2025, the Company has entered into transactions with related companies as follows:

Individual / Legal entity	relationship	Item Description	Intercompany transaction value	Pricing Policy	The rationality of Intercompany items
		Between each other	Year 2025		
			(million baht)		
1. Hwa Fong Rubber Industry Co., Ltd.	It is a large company. Holding shares in the company 55.63 percent	- Selling products	7.26	General market price or price according to the agreement, where the Company determines the price structure for selling products between the Company and related companies, taking into account the actual cost of products plus the gross profit margin.	The price is close to the market price and the conditions are in accordance with normal business.
		- Selling raw materials	0.33	Cost price plus profit	
		- Other income	-	Contractually agreed price	
		- Purchase raw materials	5.39	Cost price plus profit	To ensure product production standards and conditions are in line with normal business practices.
		- Buy products	0.47	Cost price plus profit	To ensure product production standards and conditions are in line with normal business practices.
		- Purchase of fixed assets	4.05	Cost price plus profit (Purchase machinery for manufacturing products)	To use the same technology to produce products and conditions are as normal business.
		- Purchase of spare parts, materials and other expenses	4.02	Cost price plus profit (The company purchases spare parts for machine repair and consumables for use in production)	To use the same technology to produce products and conditions are as normal business.
		- Technical assistance fee	30.10	On June 1, 2020, the contract was for 1% of sales of products receiving technical services, and on August 1, 2022, it was amended to 1.2% of sales of products receiving technical services.	Contract price

Intercompany transactions (continued)

Individual / Legal entity	relationship	Item Description Between each other	Intercompany transaction value Year 2025 (million baht)	Pricing Policy	The rationality of Intercompany items
1. Hwa Fong Rubber Industry Co.,Ltd (continue)	It is a major company holding 55.63 percent of the company's shares.	- Trademark usage fees	24.09	June 1, 2020 Contract for 2% of product sales	Contract price
		- Trade debtors	1.26	60 days credit	
		- Trade creditors	0.23	60 days credit	
		- Other creditors	53.87	60 days credit and specified in the contract	
2. Hwa Fong Rubber (USA) Co., Ltd.	Affiliated Companies (have the same parent company)	- Selling products	14.34	General market price or price according to the agreement, where the Company determines the price structure for selling products between the Company and related companies, taking into account the actual cost of products plus the gross profit margin.	The price is close to the market price and the conditions are in accordance with normal business.
		- Other expenses	-	General market price or price according to the agreement	The price is close to the market price and the conditions are in accordance with normal business.
		- Trade debtors	-	90 days credit	
		- Other creditors	-	90 days credit	

Intercompany transactions (continued)

Individual/ Legal entity	relationship	Item Description	Intercompany transaction value	Pricing Policy	The rationality of Intercompany items
		Between each other	Year 2025 (million baht)		
3. Hwa Fong Rubber (Hongkong) Co., Ltd.	Affiliated companies (have the same parent company	- Selling products	-	General market price or price according to the agreement, where the Company determines the price structure for selling products between the Company and related companies, taking into account the actual cost of products plus the gross profit margin.	The price is close to the market price and the conditions are in accordance with normal business.
		- Trade debtors	-	60 days credit	
4. Hwa Fong Rubber (China) Co., Ltd.	Affiliated companies (have the same parent company	- Selling products	-	General market price or price according to the agreement, where the Company determines the price structure for selling products between the Company and related companies, taking into account the actual cost of products plus the gross profit margin.	To use the same technology to produce products and conditions are as normal business.
		- Purchase of fixed assets	-	Cost price plus profit (Purchase machinery for manufacturing products)	To use the same technology to produce products and conditions are as normal business.
		- Trade debtors	-	90 days credit	
		- Other creditors	-	90 days credit	
		- Purchase of spare parts, materials and other expenses	-	Cost price plus profit (The company purchases spare parts for machine repair and consumables for use in production)	To use the same technology to produce products and conditions are as normal business.
5. Hwa Fong Rubber (Suzhou) Co., Ltd	Affiliated companies (have the same parent company)	- Purchase of fixed assets	-	Cost price plus profit (The company purchases spare parts for machine repair and consumables for use in production)	To use the same technology to produce products and conditions are as normal business.
		- Other debtors	-		

Intercompany transactions (continued)

Individual/ Legal entity	relationship	Item Description	Intercompany	Pricing Policy	The rationality of Intercompany items
		Between each other	Year 2025 (million baht)		
6. Hwa Fong Distribution Co., Ltd.	Affiliated companies (have the same parent company)	- Selling products	261.40	General market price or price according to the agreement, where the Company determines the price structure for selling products between the Company and related companies, taking into account the actual cost of products plus the above profit margin.	The price is close to the market price and the conditions are in accordance with normal business.
		- Other Income	-	Price as agreed upon in the contract	
		- Trade debtors	79.08	60 days credit	
7. Sumitomo Rubber Industry Co., Ltd.	It is a related company, holding 10.18 percent of the shares in the parent company.	- Selling products	66.80	General market price or price according to the agreement, where the Company determines the price structure for selling products between the Company and related companies, taking into account the actual cost of products plus the gross profit margin.	The price is close to the market price and the conditions are in accordance with normal business.
		- Trade debtors	2.68	30 days credit	
		- Trademark usage fees	0.63	1.5 - 3 percent of product sales	Contract price
		- Purchase of spare parts, materials and other expenses	-	Cost price plus profit	To use the same technology to produce products and conditions are as normal business.
		- Other creditors	0.31	60 days credit and specified in the contract	
8. HFT Holding Company Limited	The company holds 99.99 percent of the shares.	- Other debtors	57.64		
9. Hwa Fong Rubber Indonesia Co., Ltd.	Subsidiary Company The company holds 99 percent of the shares.	- Short-term property rental.	0.12	Price as agreed upon in the contract	Contract price
		- Buy products	0.02	General market price or price according to the agreement	The price is close to the market price and the conditions are in accordance with normal business.
		- Other expenses	0.09	Cost price plus profit	
		- Transportation revenue	0.03	Price as agreed upon in the contract	Contract price
		- Other debtors	0.02	30 days credit	
		- Other creditors	0.09	30 days credit	

Intercompany Transactions (continued)

The Company sells products to related companies, namely, Hwa Fong Rubber Industry Co., Ltd. at 0.27 percent, Hua Fong Rubber (USA) Co., Ltd. at 0.53 percent, Hwa Fong Distribution Co., Ltd. at 9.72 percent, and Sumitomo Rubber Industry Co., Ltd. at 2.48 percent of total sales. The pricing policy for selling products to related companies is the general market price or the price according to the agreement. The Company determines the price structure of selling products between the Company and related companies, taking into account the actual cost of goods plus the gross profit margin.

The Company provides credit to parent companies and related companies for 30-90 days, which is in the normal course of business. For the purchase of raw materials and machinery from the parent company, the Company must pay a management fee in addition to the price of raw materials and machinery, which is normal according to the trading practices among companies in the group, which the parent company will determine and implement equally. However, the Company will purchase raw materials or machinery only as necessary to achieve the same production standards as companies in the group.

Necessity and reasonableness of the related party transactions

Related transactions that occur are necessary and reasonable for the purpose of making the highest benefit to the company, such as in the case of wanting to control the quality of products to meet the specified criteria, the same type of raw materials or machinery that requires the expertise of the parent company will be used, in which case purchasing from the parent company will help reduce errors, or urgent needs that may not be convenient if having to order and wait for the delivery process from the manufacturer, the parent company will help the company obtain raw materials faster in the 2025.

Measures or procedures for approving transactions between each other

The Company complies with the Securities and Exchange Act, which requires the Company and its subsidiaries to conduct transactions with directors, executives or related persons to submit such agreements for approval from the Board of Directors or seek approval in principle from the Board of Directors prior to conducting such transactions.

Future Policy and Trends of Related Transactions

The Company will continue to make related party transactions because the related party transactions between the Company and related companies are in accordance with normal business practices at market prices. For the purchase of raw materials including machinery, equipment and spare parts through the parent company and affiliated companies, the parent company and affiliated companies will calculate the cost plus management service fees, which will be done in 2 cases. It is the maintenance of product standards and the urgent need to use certain types of raw materials, which is why the company has to order through the parent company and affiliated companies.

Part 03

: Financial Statements



HFT

บริษัท อีฟฟง Rubber (ไทยแลนด์) จำกัด (มหาชน)
HWA FONG RUBBER (THAILAND) PUBLIC COMPANY LIMITED

**HWA FONG RUBBER (THAILAND)
PUBLIC COMPANY LIMITED**

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2025

Independent Auditor's Report

To the shareholders and the Board of Directors of Hwa Fong Rubber (Thailand) Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Hwa Fong Rubber (Thailand) Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2025, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2025;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include material accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the TFAC Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Valuation of trade accounts receivable. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<i>Valuation of trade accounts receivable</i>	
Refer to Note 4.4 'Accounting policies - Trade accounts receivable' and Note 10 'Trade and other current receivables (net)' to the consolidated and separate financial statements.	I evaluated the appropriateness of the loss allowance - trade accounts receivable by:
As at 31 December 2025, the Group has trade accounts receivable of Baht 659.33 million and loss allowance of Baht 174.21 million. The trade accounts receivable (net) of Baht 485.12 million is 11.44% of the Group's total assets.	<ul style="list-style-type: none"> - Inquiring management about the policy and criteria for assessing the loss allowance - trade accounts receivable. And assessing whether the method selected is appropriate and in accordance with Thai Financial Reporting Standards. - Considering the reasonableness of management's assessment of the adequacy of the loss allowance on overdue individual accounts receivable by retrospectively calculating the average of the past five years of loss rates for each group of trade accounts receivable, as loss rates were significant assumptions used to calculate loss allowance at the reporting date. I also assessed the possibility of recoverable amount and collectability after the reporting date.
Assessing the loss allowance requires a degree of estimation and the use of management's judgment. Management assesses the appropriateness of the loss allowance from experience and considers historical payments and credit loss, including forward-looking information that may affect cash collection for each group of accounts receivable.	

Key audit matter	How my audit addressed the key audit matter
<p>The Group also supplies goods directly to small businesses which increased the non-recoverability risk for accounts receivable. In addition, because the value of accounts receivable is material to the total assets and the determination of loss allowance is subject to management's judgment and experience, this could affect the appropriateness of the valuation of accounts receivable. So, I considered this to be a focus area in my audit.</p>	<ul style="list-style-type: none"> - Testing the reliability of the accounts receivable aging report initially used in assessing the loss allowance. <p>I did this by sample testing the accuracy of the accounts receivable aging classification of representative invoices. I tested the accuracy recalculating the number of overdue days.</p> <ul style="list-style-type: none"> - Comparing each trade credit insurance with the trade credit insurance contracts and testing that the loss allowance was set-up based on the trade accounts receivable net credit insurance value.
	<p>From the procedures above, I found the method and assumption for the loss allowance - trade accounts receivable was reasonable and aligned with the supporting evidence.</p>

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. I am responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.



Krit Chatchavalwong

Certified Public Accountant (Thailand) No. 5016

Bangkok

26 February 2026

Hwa Fong Rubber (Thailand) Public Company Limited**Statements of Financial Position****As at 31 December 2025**

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2025	2024	2025	2024
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	9	1,340,940,351	1,231,788,121	1,252,216,810	1,133,364,174
Financial asset measured at fair value through profit or loss	6,11	64,319,180	78,041,361	-	-
Other financial assets measured at amortised cost	11	30,000,000	31,059,848	30,000,000	31,059,848
Trade and other current receivables (net)	10	489,577,539	544,770,309	546,902,435	610,348,297
Inventories (net)	12	546,437,074	711,200,402	538,806,213	708,583,449
Other current assets (net)	13	15,667,415	47,361,550	13,208,924	43,522,420
Total current assets		2,486,941,559	2,644,221,591	2,381,134,382	2,526,878,188
Non-current assets					
Financial asset measured at fair value through other comprehensive income	6,11	31,729,494	25,580,508	-	-
Investment in subsidiaries (net)	14	-	-	292,097,482	338,906,214
Investment in an associate	15	1,174,450	1,174,188	1,161,000	1,161,000
Investment property	6,16	126,101,543	138,497,102	-	-
Property, plant and equipment (net)	17	1,529,086,419	1,580,680,732	1,529,086,419	1,580,680,732
Intangible assets (net)	18	483,433	615,354	483,432	615,353
Deferred tax assets (net)	19	64,944,974	42,221,525	58,140,067	38,161,054
Other non-current assets		1,548,949	1,307,347	1,430,485	1,174,799
Total non-current assets		1,755,069,262	1,790,076,756	1,882,398,885	1,960,699,152
Total assets		4,242,010,821	4,434,298,347	4,263,533,267	4,487,577,340

Director _____

The accompanying note an integral part of these consolidated and separate financial statements.

Hwa Fong Rubber (Thailand) Public Company Limited**Statements of Financial Position****As at 31 December 2025**

		Consolidated		Separate	
		financial statements		financial statements	
		2025	2024	2025	2024
Notes		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings					
from financial institutions	20, 32	-	243,459,336	-	243,459,336
Trade and other current payables	21	320,214,249	450,773,964	316,975,061	449,843,374
Current contract liabilities	22	36,778,207	56,590,643	36,778,207	56,590,643
Current corporate income tax payable		10,014,263	257,809	9,879,786	-
Other current liabilities		2,736,741	3,009,449	2,727,358	3,009,018
Total current liabilities		369,743,460	754,091,201	366,360,412	752,902,371
Non-current liability					
Employee benefit obligations	23	57,253,523	56,436,038	57,253,523	56,436,038
Total non-current liability		57,253,523	56,436,038	57,253,523	56,436,038
Total liabilities		426,996,983	810,527,239	423,613,935	809,338,409

Director _____

The accompanying note an integral part of these consolidated and separate financial statements.

Hwa Fong Rubber (Thailand) Public Company Limited**Statements of Financial Position****As at 31 December 2025**

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2025	2024	2025	2024
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital	24				
Authorised share capital					
658,434,300 ordinary shares					
of par Baht 1 each		658,434,300	658,434,300	658,434,300	658,434,300
Issued and paid-up share capital					
658,434,300 ordinary shares					
of par Baht 1 each		658,434,300	658,434,300	658,434,300	658,434,300
Premium on paid-up ordinary shares	24	222,105,000	222,105,000	222,105,000	222,105,000
Surplus on treasury shares	24	7,429,904	7,429,904	7,429,904	7,429,904
Retained earnings					
Appropriated - legal reserve	25	65,843,430	65,843,430	65,843,430	65,843,430
Unappropriated		2,926,963,431	2,726,350,855	2,893,857,730	2,732,177,329
Other components of equity		(65,762,227)	(56,392,381)	(7,751,032)	(7,751,032)
Equity attributable to owners					
of the parent		3,815,013,838	3,623,771,108	3,839,919,332	3,678,238,931
Total equity		3,815,013,838	3,623,771,108	3,839,919,332	3,678,238,931
Total liabilities and equity		4,242,010,821	4,434,298,347	4,263,533,267	4,487,577,340

Director _____

The accompanying note an integral part of these consolidated and separate financial statements.

Hwa Fong Rubber (Thailand) Public Company Limited

Statements of Comprehensive Income

For the year ended 31 December 2025

	Notes	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
		Baht	Baht	Baht	Baht
Revenue from sales of goods and services	26	2,690,603,596	3,024,436,980	2,687,535,031	3,021,423,706
Cost of goods sold and providing services		(2,311,330,437)	(2,476,572,954)	(2,308,528,906)	(2,473,717,925)
Gross profit		379,273,159	547,864,026	379,006,125	547,705,781
Other income	27	37,087,934	54,809,155	36,113,052	52,199,841
Profit before expenses		416,361,093	602,673,181	415,119,177	599,905,622
Selling expenses and distribution costs		(110,026,562)	(117,994,434)	(110,082,628)	(117,946,674)
Administrative expenses		(56,399,722)	(59,698,083)	(53,343,384)	(56,931,998)
Impairment loss on investment in subsidiary	14	-	-	(46,808,732)	-
Gain (loss) from measurement of financial asset measured at fair value through profit or loss	11	(13,722,181)	3,191,298	-	-
Fair value gain on investment property	16	2,465,342	-	-	-
Loss on foreign exchange rate (net)		(42,641,830)	(39,758,609)	(45,172,470)	(45,965,784)
Finance costs		(3,180,636)	(2,578,442)	(3,180,636)	(2,578,442)
Share of profit (loss) from investment in an associate	15	262	(11,509)	-	-
Total expenses		(223,505,327)	(216,849,779)	(258,587,850)	(223,422,898)
Profit before income tax expense		192,855,766	385,823,402	156,531,327	376,482,724
Income tax (expense) income	29	7,756,810	(12,494,836)	5,149,074	(11,640,965)
Net profit for the year		200,612,576	373,328,566	161,680,401	364,841,759
Other comprehensive income (loss), net of tax:					
Items that will be reclassified subsequently to profit or loss					
Currency translation differences		(15,518,832)	20,810,037	-	-
Total items that will be reclassified subsequently to profit or loss		(15,518,832)	20,810,037	-	-
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of post-employment benefit obligations	23	-	(6,406,526)	-	(6,406,526)
Income tax on remeasurements of post-employment benefit obligations	19	-	1,281,305	-	1,281,305
Change in value of financial asset measured at fair value through other comprehensive income	11	6,148,986	5,120,015	-	-
Total items that will not be reclassified subsequently to profit or loss		6,148,986	(5,206)	-	(5,125,221)
Other comprehensive income (loss), net of tax		(9,369,846)	20,804,831	-	(5,125,221)
Total comprehensive income for the year		191,242,730	394,133,397	161,680,401	359,716,538

Director _____

The accompanying note an integral part of these consolidated and separate financial statements.

Hwa Fong Rubber (Thailand) Public Company Limited

Statements of Comprehensive Income

For the year ended 31 December 2025

Note	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Profit attributable to:				
Equity holders of the owner's parent	200,612,576	373,328,566	161,680,401	364,841,759
	<u>200,612,576</u>	<u>373,328,566</u>	<u>161,680,401</u>	<u>364,841,759</u>
Total comprehensive income				
attributable to:				
Equity holders of the owner's parent	191,242,730	394,133,397	161,680,401	359,716,538
	<u>191,242,730</u>	<u>394,133,397</u>	<u>161,680,401</u>	<u>359,716,538</u>
Earnings per share for profit attributable				
to the equity holders of the owners' parent				
Basic earnings per share	30 0.30	0.57	0.25	0.55

Director _____

The accompanying note an integral part of these consolidated and separate financial statements.

Hwa Fong Rubber (Thailand) Public Company Limited

Statements of Changes in Equity

For the year ended 31 December 2025

Consolidated financial statements (Baht)											
Attributable to owners of the parent											
Retained earnings						Other components of equity					
						Other comprehensive income (loss)					
						Measurement of financial asset			Total	Total	
						Translation	Remeasurements	at fair value through	other components	owners of	Total
Note	share capital	ordinary shares	treasury shares	- legal reserve	Unappropriated	differences	benefit obligations	other comprehensive income	of equity	the parent	equity
Opening balance as at 1 January 2024	658,434,300	222,105,000	7,429,904	65,843,430	2,734,914,183	(53,911,551)	(2,625,811)	(20,659,850)	(77,197,212)	3,611,529,605	3,611,529,605
Changes in equity for the year ended 31 December 2024											
Dividends payments	31	-	-	-	(381,891,894)	-	-	-	-	(381,891,894)	(381,891,894)
Net profit for the year		-	-	-	373,328,566	-	-	-	-	373,328,566	373,328,566
Other comprehensive income (loss) for the year		-	-	-	-	20,810,037	(5,125,221)	5,120,015	20,804,831	20,804,831	20,804,831
Closing balance as at 31 December 2024	658,434,300	222,105,000	7,429,904	65,843,430	2,726,350,855	(33,101,514)	(7,751,032)	(15,539,835)	(56,392,381)	3,623,771,108	3,623,771,108
Opening balance as at 1 January 2025	658,434,300	222,105,000	7,429,904	65,843,430	2,726,350,855	(33,101,514)	(7,751,032)	(15,539,835)	(56,392,381)	3,623,771,108	3,623,771,108
Changes in equity for the year ended 31 December 2025											
Net profit for the year		-	-	-	200,612,576	-	-	-	-	200,612,576	200,612,576
Other comprehensive income (loss) for the year		-	-	-	-	(15,518,832)	-	6,148,986	(9,369,846)	(9,369,846)	(9,369,846)
Closing balance as at 31 December 2025	658,434,300	222,105,000	7,429,904	65,843,430	2,926,963,431	(48,620,346)	(7,751,032)	(9,390,849)	(65,762,227)	3,815,013,838	3,815,013,838

Director _____

The accompanying note an integral part of these consolidated and separate financial statements.

Hwa Fong Rubber (Thailand) Public Company Limited

Statements of Changes in Equity

For the year ended 31 December 2025

Separate financial statements (Baht)								
Note	Issued and paid-up share capital	Premium on paid-up ordinary shares	Surplus on treasury shares	Retained earnings		Other component of equity		Total equity
				Appropriated - legal reserve	Unappropriated	Other comprehensive income (loss)		
						Remeasurements of post-employment benefit obligations	Total other component of equity	
Opening balance as at 1 January 2024	658,434,300	222,105,000	7,429,904	65,843,430	2,749,227,464	(2,625,811)	(2,625,811)	3,700,414,287
Changes in equity for the year ended 31 December 2024								
Dividends payments	31	-	-	-	(381,891,894)	-	-	(381,891,894)
Net profit for the year		-	-	-	364,841,759	-	-	364,841,759
Other comprehensive income (loss) for the year		-	-	-	-	(5,125,221)	(5,125,221)	(5,125,221)
Closing balance as at 31 December 2024		658,434,300	222,105,000	7,429,904	65,843,430	2,732,177,329	(7,751,032)	3,678,238,931
Opening balance as at 1 January 2025		658,434,300	222,105,000	7,429,904	65,843,430	2,732,177,329	(7,751,032)	3,678,238,931
Changes in equity for the year ended 31 December 2025								
Net profit for the year		-	-	-	-	161,680,401	-	161,680,401
Closing balance as at 31 December 2025		658,434,300	222,105,000	7,429,904	65,843,430	2,893,857,730	(7,751,032)	3,839,919,332

Director _____

The accompanying note an integral part of these consolidated and separate financial statements.

Hwa Fong Rubber (Thailand) Public Company Limited**Statements of Cash Flows****For the year ended 31 December 2025**

Notes	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Cash flows from operating activities				
Profit before income tax expense	192,855,766	385,823,402	156,531,327	376,482,724
Adjustments for:				
Depreciation and amortisation	109,219,936	105,283,043	109,219,936	105,281,234
Expected credit loss	264,017	2,848,682	264,017	2,848,682
(Reversal of) allowance for actual cost of inventories in excess of net realisable value	12 (967,996)	968,717	(967,996)	757,732
Allowance for obsolete and defective inventories	12 15,755,657	7,826,335	15,755,657	7,826,335
Impairment loss on investment in subsidiary	14 -	-	46,808,732	-
Gain on disposals of property, plant and equipment	27 (462,918)	(180,335)	(462,918)	(180,335)
Share of (profit) loss from investments in an associate	15 (262)	11,509	-	-
(Gain) loss from measurement of financial asset measured at fair value through profit or loss	11 13,722,181	(3,191,298)	-	-
Gain on revaluation of investment property	16 (2,465,342)	-	-	-
Unrealised loss on foreign exchange rate	10,106,793	2,839,782	18,026,282	5,746,502
Loss on change from decrease capital in subsidiary	-	-	-	38,402,622
Employee benefit obligations	23 4,867,482	4,778,136	4,867,482	4,778,136
Interest income	27 (24,844,418)	(39,706,273)	(24,693,621)	(37,824,464)
Finance costs	3,180,636	2,578,442	3,180,636	2,578,442
Dividend income	27 (975,210)	(1,278,329)	-	-
Changes in working capital				
Trade and other current receivables	48,961,978	(120,713,393)	49,838,896	(121,732,697)
Inventories	149,975,667	(70,849,866)	154,989,575	(71,180,127)
Other current assets	31,759,672	(33,889,369)	30,379,033	(33,754,888)
Other non-current assets	(272,686)	(112,687)	(272,686)	(112,687)
Trade and other current payables	(117,139,434)	84,661,465	(119,587,633)	84,431,490
Current contract liabilities	(19,812,436)	10,281,848	(19,812,436)	10,281,848
Other current liabilities	(272,205)	728,129	(281,660)	745,987
Employee benefit obligations paid	23 (4,049,997)	(4,884,885)	(4,049,997)	(4,884,885)
Cash generated from operations	409,406,881	333,823,055	419,732,626	370,491,651
Interest paid	(3,180,636)	(2,578,442)	(3,180,636)	(2,578,442)
Income tax paid	(5,210,185)	(43,502,162)	(4,950,153)	(43,333,318)
Net cash generated from operating activities	401,016,060	287,742,451	411,601,837	324,579,891

Director _____

The accompanying note an integral part of these consolidated and separate financial statements.

Hwa Fong Rubber (Thailand) Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2025

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2025	2024	2025	2024
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Decrease in other financial assets					
measured at amortised cost		1,059,848	67,530,051	1,059,848	67,530,051
Cash received from decreasing capital of subsidiary		-	-	-	69,948,097
Purchase of property, plant and equipment		(65,692,398)	(191,924,791)	(65,692,398)	(191,924,791)
Purchase of intangible assets		-	(210,000)	-	(210,000)
Proceeds from disposal of property, plant and equipment		1,405,587	395,560	1,405,587	395,560
Interest received		25,448,996	40,030,921	25,298,199	38,149,112
Dividend received	27	975,210	1,278,329	-	-
Net cash used in investing activities		(36,802,757)	(82,899,930)	(37,928,764)	(16,111,971)
Cash flows from financing activities					
Dividend paid		(2,101,878)	(378,928,354)	(2,101,878)	(378,928,354)
Proceeds from short-term borrow ings from					
financial institutions	20, 32	161,587,012	369,369,230	161,587,012	369,369,230
Repayment on short-term borrow ings from					
financial institutions	20, 32	(405,046,348)	(125,909,894)	(405,046,348)	(125,909,894)
Net cash used in financing activities		(245,561,214)	(135,469,018)	(245,561,214)	(135,469,018)
Net increase in cash and cash equivalents		118,652,089	69,373,503	128,111,859	172,998,902
Cash and cash equivalents at the beginning of the year		1,231,788,121	1,139,132,413	1,133,364,174	968,075,304
Exchange gain (loss) on cash and cash equivalents		(9,499,859)	23,282,205	(9,259,223)	(7,710,032)
Cash and cash equivalents at the end of the year		<u>1,340,940,351</u>	<u>1,231,788,121</u>	<u>1,252,216,810</u>	<u>1,133,364,174</u>
Non-cash transactions:					
Unpaid purchase of plant and equipment		<u>3,591,374</u>	<u>10,864,401</u>	<u>3,591,374</u>	<u>10,864,401</u>
Receivable from decrease capital of subsidiary		<u>-</u>	<u>-</u>	<u>-</u>	<u>64,998,281</u>
Dividend payable		-	2,975,449	-	2,975,449

Director _____

The accompanying note an integral part of these consolidated and separate financial statements.

1 General information

Hwa Fong Rubber (Thailand) Public Company Limited (“the Company”) is a public limited company which is listed on the Stock Exchange of Thailand and is incorporated and domiciled in Thailand. The address of the Company’s registered office is as follows:

No. 317 Moo 4, Soi 6 C, Bangpoo industrial estate, Praksa, Muang Samut Prakan, Samut Prakan

For reporting purposes, the Company and its subsidiaries are referred to hereafter as “the Group”.

The principal businesses of the Group are manufacturing and distribution of tires and tubes for bicycles, motorcycles and small logistics vehicles.

These consolidated and separate financial statements were authorised for issue by the Company’s authorised board of director on 26 February 2025.

2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except certain financial assets and investment properties which explained in the accounting policies in Note 4.6 and 4.7, respectively.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3 New and amended financial reporting standards

3.1 New and amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2025 which are relevant to the Group

- a) **Amendments to TAS 1 Presentation of Financial Statements** clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting period (for example, the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the end of reporting period if the entity must only comply with the covenants after the reporting period. However, if the entity must comply with a covenant either before or at the end of reporting period, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting period.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants with which the entity must comply within 12 months of the reporting period. The disclosures include:

- the carrying amount of the liability;
- information about the covenants; and
- facts and circumstances, if any, that indicate that the entity might have difficulty complying with the covenants.

The amendments also clarify what TAS 1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument.

The amendments must be applied retrospectively in accordance with the normal requirements in TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

3 New and amended financial reporting standards (Cont'd)

- b) **Amendments to TAS 7 Statement of Cash Flows and TFRS 7 Financial Instruments: Disclosures** require specific disclosures about supplier finance arrangements (SFAs). The amendments respond to investors that said that they urgently needed more information about SFAs to be able to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk.

To meet investors' needs, the new disclosures will provide information about:

- (1) The terms and conditions of SFAs.
- (2) The carrying amount of financial liabilities that are part of SFAs, and the line items in which those liabilities are presented.
- (3) The carrying amount of the financial liabilities in (2), for which the suppliers have already received payment from the finance providers.
- (4) The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.
- (5) Non-cash changes in the carrying amounts of financial liabilities in (2).
- (6) Access to SFA facilities and concentration of liquidity risk with the finance providers.

The Group's management assessed that the above revised standards do not have a significant impact on the Group.

3.2 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2026 which are relevant to the Group

The following amended TFRS was not mandatory for the current reporting period and the Group has not early adopted them.

Amendments to TAS 21 The Effects of Changes in Foreign Exchange Rates added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Prior to these amendments, IAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary.

4 Accounting policies

4.1 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using cost method.

c) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates equals or exceeds its interest in the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates.

4 Accounting policies (Cont'd)

4.1 Principles of consolidation and equity accounting (Cont'd)

d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates is recognise in profit or loss.

When the Group losses control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate or a financial asset accordingly.

e) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

4 Accounting policies (Cont'd)

4.2 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group's and the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the date of revaluation where items are remeasured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

c) Group companies

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

4 Accounting policies (Cont'd)

4.3 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date and bank overdrafts.

Bank overdrafts are presented in current liabilities of the statements of financial position.

4.4 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business. They are generally due for settlement within 30 to 90 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, when they are recognised at its present value. The Group holds the trade receivables with the objective to collect the contractual cash flow and therefore measures them subsequently at amortised cost.

The impairment of trade receivables is disclosed in Note 4.6 f).

4.5 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the weighted average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

4 Accounting policies (Cont'd)

4.6 Financial assets

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, which are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest (SPPI).

4 Accounting policies (Cont'd)

4.6 Financial assets (Cont'd)

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets are derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Foreign exchange gains and losses are presented in other gains/(losses). Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

4 Accounting policies (Cont'd)

4.6 Financial assets (Cont'd)

e) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

f) Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, which applies lifetime expected credit loss, from initial recognition, for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

4 Accounting policies (Cont'd)

4.6 Financial assets (Cont'd)

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss included in administrative expenses.

4.7 Investment property

Investment property, land held under operating leases, is held for long-term rental yields or for capital appreciation or both and is not occupied by the Group.

Investment property is measured subsequently at fair value. Changes in fair values are recognised in profit or loss.

4 Accounting policies (Cont'd)

4.8 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Group will recognise other repairs and maintenance to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost net of their residual values over their estimated useful lives, as follows:

Buildings and building improvement	10 – 40 years
Plant and machinery	5 – 30 years
Office equipment, furniture and fixtures	5 – 10 years
Vehicles	5 – 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each financial year-end.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other income.

4.9 Intangible assets

Computer software

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 3 and 10 years.

Repairs and maintenance for computer software are recorded as expenses when incurred.

4 Accounting policies (Cont'd)

4.10 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

4.11 Leases

Leases – where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

4 Accounting policies (Cont'd)

4.11 Leases (Cont'd)

Leases – where the Group is the lessee (Cont'd)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value asset is copy machine.

4 Accounting policies (Cont'd)

4.11 Leases (Cont'd)

Leases – where the Group is the lessor

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

4.12 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

4 Accounting policies (Cont'd)

4.12 Financial liabilities (Cont'd)

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation/modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated/modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

4.13 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take 12 months to get ready for its intended use or sale) are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

4.14 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

4 Accounting policies (Cont'd)

4.14 Current and deferred income taxes (Cont'd)

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- Investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4 Accounting policies (Cont'd)

4.15 Employee benefits

a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, annual leave and sick leave and bonuses that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) Defined contribution plan

The Group pays contributions to a separate fund on a contractual basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

c) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated every 3 years by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are presented as a separate item in statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

4 Accounting policies (Cont'd)**4.15 Employee benefits (Cont'd)****d) Termination benefits**

The Group recognises termination benefits at the earlier of (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

4.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

4.17 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares (net of tax) are shown as a deduction in equity.

Treasury share

Where any companies within the Group repurchases its shares, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity.

4 Accounting policies (Cont'd)

4.18 Revenue recognition

Revenue includes all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectability of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Sale of goods – wholesale

The Group manufactures and sells a range of tires and tubes for bicycles, motorcycles and small logistics vehicles in the wholesale market. Sales are recognised when control of the products has transferred, being when the products are delivered, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The distributed tires and tubes are often sold with retrospective volume discounts based on aggregate sales over the year. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in contract liabilities) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No significant element of financing is deemed present as the sales are made with a credit term of 30 – 90 days, which is consistent with market practice.

4 Accounting policies (Cont'd)

4.18 Revenue recognition (Cont'd)

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Services

The Group recognised service contracts with a continuous service provision as revenue on a straight line basis over the contract term, regardless of the payment pattern.

Contract assets and contract liabilities

A contract asset is recognised where the Group recorded revenue for fulfillment of a contractual performance obligation before the customer paid consideration or before the requirements for billing.

A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

For each customer contract, contract liabilities are set off against contract assets.

Sale of goods – customer loyalty programme

The Group operates a loyalty programme where customers accumulate points for purchases made which entitle them to free products and discounts on future purchases. A contract liability for the award points is recognised at the time of the sale. Revenue is recognised when the points are redeemed or when they expire.

Material right

Options granted to customers to purchase additional goods or services free of charge or at a discount are separate performance obligations, material right. Part of the transaction price is deferred as a contract liability until the option is exercised or expired.

4 Accounting policies (Cont'd)**4.18 Revenue recognition (Cont'd)***Payment to customers*

Payment to customers, including credited or subsequent discounts, are recognised as a reduction in revenue unless the payment constitutes consideration of a distinct goods or service from the customer.

Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Other income

Other income are recognised on the following basis:

- interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.
- rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.
- dividend income is recognised when the right to receive payment is established.

4.19 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

5 Financial risk management

The Group's exposure to financial risks and how these risks could affect the future financial performance are as follows:

Risk	Exposure arising from	Measurement
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Thai Baht	Sensitivity analysis
Market risk – security prices	Investment in equity securities	Sensitivity analysis
Credit risk	Cash and cash equivalents Trade and other current receivables	Aging analysis Credit ratings
Liquidity risk	Short-term borrowings from financial institutions	Rolling cash flow forecasts

The Group exposes to a variety of financial risks: market risk (currency risk, cash flows and interest rate risk, and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group's management provides principles for overall risk management which is carried out by the Group treasury, including identification, evaluation and hedge of financial risks in close co-operation with operating units.

5.1 Financial risk factors

5.1.1 Market risk

a) Foreign exchange risk

The Group's functional currency is Thai Baht. Sales and purchases transactions are denominated in Thai Baht and foreign currencies. Therefore, the Group is exposed to foreign currency risks, primarily the US Dollar, Euro, Indonesian Rupiah and Taiwan Dollar from trading transactions, purchase of machineries, and investment in equity securities that are denominated in foreign currencies. The Group does not use derivative financial instruments to hedge against such risk and does not apply hedge accounting because the management believes that future fluctuations in exchange rates in the future market will not have a significant impact on the Group's operations.

5 Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

5.1.1 Market risk (Cont'd)

a) Foreign exchange risk (Cont'd)

The Group has only an investment in a foreign subsidiary in Indonesia, which the Group assessed that there is no significant foreign exchange risk. The Group considers that it is not necessary to use derivative financial instruments to hedge against such risk because the management believes that future fluctuations in exchange rates in the future market will not have a significant impact on the Group's operations.

Exposure

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

	Consolidated financial statements					
	31 December 2025					
	US Dollar	Euro	Japanese Yen	Singapore Dollar	Indonesian Rupiah	Chinese Yuan
	Baht	Baht	Baht	Baht	Baht	Baht
Cash and cash equivalents	596,488,463	2,167,392	9,433	506,331	65,422,144	89,979
Trade and other current receivables	358,966,724	7,653,143	-	-	-	-
Financial asset at fair value through profit or loss	-	-	-	-	-	64,319,180
Financial asset at fair value through other comprehensive income	-	-	-	-	-	31,729,494
Trade and other current payables	149,044,118	732,595	-	-	-	-

5 Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

5.1.1 Market risk (Cont'd)

a) Foreign exchange risk (Cont'd)

Consolidated financial statements							
31 December 2024							
	US Dollar	Euro	Japanese	Singapore	Indonesian	Chinese	Taiwan
	Baht	Baht	Yen	Dollar	Rupiah	Yuan	Dollar
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Cash and cash equivalents	953,615,409	5,874,233	10,049	2,883,784	72,834,609	1,004,993	49,230
Trade and other current receivables	369,671,235	14,062,777	-	-	-	-	-
Financial asset at fair value through profit or loss	-	-	-	-	-	-	78,041,361
Financial asset at fair value through other comprehensive income	-	-	-	-	-	-	25,580,508
Trade and other current payables	200,386,318	1,188,855	-	-	-	-	-

Separate financial statements						
31 December 2025						
	US Dollar	Euro	Japanese	Indonesian	Chinese	Taiwan
	Baht	Baht	Yen	Rupiah	Yuan	Dollar
	Baht	Baht	Baht	Baht	Baht	Baht
Cash and cash equivalents	592,475,205	2,167,392	9,433	-	89,979	27,851
Trade and other current receivables	358,966,724	7,653,143	-	57,635,496	-	-
Trade and other current payables	149,044,118	732,595	-	-	-	-

Separate financial statements						
31 December 2024						
	US Dollar	Euro	Japanese	Indonesian	Chinese	Taiwan
	Baht	Baht	Yen	Rupiah	Yuan	Dollar
	Baht	Baht	Baht	Baht	Baht	Baht
Cash and cash equivalents	949,296,748	5,874,233	10,049	-	1,004,993	49,230
Trade and other current receivable	369,671,235	14,062,777	-	64,998,281	-	-
Trade and other current payables	200,386,318	1,188,855	-	-	-	-

5 Financial risk management (Cont'd)**5.1 Financial risk factors (Cont'd)****5.1.1 Market risk (Cont'd)****a) Foreign exchange risk (Cont'd)**

The aggregate net foreign gains/losses recognised in profit or loss and other comprehensive income were:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Net foreign exchange losses included in gains/(losses)	(49,601,230)	(45,218,323)	(45,172,470)	(45,965,784)
Total net foreign exchange losses recognised in profit before income tax for the year	(49,601,230)	(45,218,323)	(45,172,470)	(45,965,784)
Net foreign exchange losses recognised in other comprehensive income	(10,770,232)	(9,221,369)	-	-

5 Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

5.1.1 Market risk (Cont'd)

a) Foreign exchange risk (Cont'd)

Sensitivity

The Group is primarily exposed to changes in Baht/USD, Baht/Euro, Baht/IDR and Baht/TWD exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar, Euro, Indonesian Rupiah and Taiwan Dollar.

	Consolidated financial statements			
	Impact to net profit		Impact to other components of equity	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
US Dollar to Baht exchange rate				
– increase 7.91% (2024: 9.03%)*	63,825,832	112,290,031	–	–
US Dollar to Baht exchange rate				
– decrease 7.91% (2024: 9.03%)*	(63,825,832)	(112,290,031)	–	–
Euro to Baht exchange rate				
– increase 5.85% (2024: 12.17%)*	531,685	2,437,260	–	–
Euro to Baht exchange rate				
– decrease 5.85% (2024: 12.17%)*	(531,685)	(2,437,260)	–	–
IDR to Baht exchange rate				
– increase 9.81% (2024: 9.28%)*	–	–	6,418,214	7,283,461
IDR to Baht exchange rate				
– decrease 9.81% (2024: 9.28%)*	–	–	(6,418,214)	(7,283,461)
Taiwan Dollar to Baht exchange rate				
– increase 10.99% (2024: 10.01%)*	7,068,954	8,584,549	3,487,207	2,813,856
Taiwan Dollar to Baht exchange rate				
– decrease 10.99% (2024: 10.01%)*	(7,068,954)	(8,584,549)	(3,487,207)	(2,813,856)

* Holding all other variables constant

5 Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

5.1.1 Market risk (Cont'd)

a) Foreign exchange risk (Cont'd)

	Separate financial statements	
	Impact to net profit	
	2025	2024
	Baht	Baht
US Dollar to Baht exchange rate		
– increase 7.91% (2024: 9.03%)*	63,508,191	101,030,720
US Dollar to Baht exchange rate		
– decrease 7.91% (2024: 9.03%)*	(63,508,191)	(101,030,720)
Euro to Baht exchange rate		
– increase 5.85% (2024: 12.17%)*	531,685	2,281,843
Euro to Baht exchange rate		
– decrease 5.85% (2024: 12.17%)*	(531,685)	(2,281,843)
IDR to Baht exchange rate		
– increase 9.81% (2024: 9.28%)*	5,654,308	6,034,478
IDR to Baht exchange rate		
– decrease 9.81% (2024: 9.28%)*	(5,654,308)	(6,034,478)

* Holding all other variables constant

b) Cash flow and interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. As at 31 December 2025, the Group is exposed to interest rate risk relates primarily to its deposits at financial institutions. Most of the Group's financial assets and liabilities bear fixed interest rates which are close to the market rate.

The Group considers interest rate risk to be insignificant, since the amount of financial assets bearing interest is greater than financial liabilities.

5 Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

5.1.1 Market risk (Cont'd)

b) Cash flow and interest rate risk (Cont'd)

Outstanding balance of significant financial assets and financial liabilities and their interest rates as at 31 December 2025 and 2024 are summarised as follows:

Consolidated financial statements							
As at 31 December 2025							
Baht							
	Floating interest rate	Fixed interest rate			Total	Interest rate	
		Remaining period				(% per annum)	
		before maturity date					
		or repricing date					
		Less than 1 year	1 year – 5 years	Without interest		Float rate	Fixed rate
Financial assets							
Cash and cash equivalents	-	1,333,803,318	-	7,137,033	1,340,940,351	-	0.01 – 4.00
Other financial assets measured at amortised cost	-	30,000,000	-	-	30,000,000	-	1.95 – 2.10
Trade and other current receivables (net)	-	-	-	485,553,950	485,553,950	-	-
Financial asset at fair value through profit or loss	-	-	-	64,319,180	64,319,180	-	-
Financial asset at fair value through other comprehensive income	-	-	-	31,729,494	31,729,494	-	-
Total financial assets	-	1,363,803,318	-	588,739,657	1,952,542,975		
Financial liabilities							
Trade and other current payables	-	-	-	320,214,249	320,214,249	-	-
Total financial liabilities	-	-	-	320,214,249	320,214,249		

5 Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

5.1.1 Market risk (Cont'd)

b) Cash flow and interest rate risk (Cont'd)

Consolidated financial statements							
As at 31 December 2024							
Baht							
	Floating interest rate	Fixed interest rate		Without interest	Total	Interest rate	
		Remaining period				Float rate	Fixed rate
		before maturity date					
		or repricing date					
		Less than 1 year	1 year – 5 years				
Financial assets							
Cash and cash equivalents	-	1,216,858,817	-	14,929,304	1,231,788,121	-	0.01 – 5.60
Other financial assets measured at amortised cost	-	31,059,848	-	-	31,059,848	-	1.95 – 2.10
Trade and other current receivables (net)	-	-	-	541,647,338	541,647,338	-	-
Financial asset at fair value through profit or loss	-	-	-	78,041,361	78,041,361	-	-
Financial asset at fair value through other comprehensive income	-	-	-	25,580,508	25,580,508	-	-
Total financial assets	-	1,247,918,665	-	660,198,511	1,908,117,176		
Financial liabilities							
Short-term borrowings from financial institutions	-	243,459,336	-	-	243,459,336	-	2.70 – 3.70
Trade and other current payables	-	-	-	450,773,964	450,773,964	-	-
Total financial liabilities	-	243,459,336	-	450,773,964	694,233,300		

5 Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

5.1.1 Market risk (Cont'd)

b) Cash flow and interest rate risk (Cont'd)

Separate financial statements							
As at 31 December 2025							
Baht							
	Fixed interest rate					Interest rate (% per annum)	
	Remaining period						
	before maturity date						
	Floating interest rate	or repricing date					
	Less than 1 year	1 year - 5 years	Without interest	Total	Float rate	Fixed rate	
Financial assets							
Cash and cash equivalents	-	1,247,552,492	-	4,664,318	1,252,216,810	-	0.01 – 4.00
Other financial assets measured at amortised cost	-	30,000,000	-	-	30,000,000	-	1.95 – 2.10
Trade and other current receivables (net)	-	-	-	542,971,079	542,971,079	-	-
Total financial assets	-	1,277,552,492	-	547,635,397	1,825,187,889	-	-
Financial liabilities							
Trade and other current payables	-	-	-	316,975,061	316,975,061	-	-
Total financial liabilities	-	-	-	316,975,061	316,975,061		

5 Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

5.1.1 Market risk (Cont'd)

b) Cash flow and interest rate risk (Cont'd)

Separate financial statements							
As at 31 December 2024							
Baht							
	Floating interest rate	Fixed interest rate			Total	Interest rate	
		Remaining period				(% per annum)	
		before maturity date					
		or repricing date					
		Less than 1 year	1 year – 5 years	Without interest		Float rate	Fixed rate
Financial assets							
Cash and cash equivalents	-	1,122,878,077	-	10,486,097	1,133,364,174	-	0.01 – 5.60
Other financial assets measured at amortised cost	-	31,059,848	-	-	31,059,848	-	1.95 – 2.10
Trade and other current receivables (net)	-	-	-	607,926,680	607,926,680	-	-
Total financial assets	-	1,153,937,925	-	618,412,777	1,772,350,702		
Financial liabilities							
Short-term borrowings from financial institutions	-	243,459,336	-	-	243,459,336	-	2.70 – 3.70
Trade and other current payables	-	-	-	449,843,374	449,843,374	-	-
Total financial liabilities	-	243,459,336	-	449,843,374	693,302,710		

5 Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

5.1.1 Market risk (Cont'd)

c) Price risk

The exposure to equity securities price risk arises from investments in equity securities which are classified as at fair value through profit or loss (FVPL) and at fair value through other comprehensive income (FVOCI). The Group's equity investments are publicly traded in the Taiwan Stock Exchange Corporation (TWSE) (Note 11).

5.1.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

a) Risk management

Credit risk is managed on a group basis. For deposits with banks and financial institutions, only credible financial institutions are accepted.

For customers, the Group consider the credit quality of the customer, considering its financial position, past experience and other factors. Individual risk limits are set based on those assessments in accordance with limits set by the board. The non-compliance with credit limits by customers is resulted in restriction of goods delivery. In addition, the compliance with credit limits by customers is regularly monitored by line management.

There are no significant concentrations of credit risk, whether through exposure to individual customers or specific industry sectors.

5 Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

5.1.2 Credit risk (Cont'd)

b) Security

For some trade receivables the Group may obtain security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement and the Group makes the trade credit insurance contracts with insurance company.

c) Impairment of financial assets

The Group has 3 types of financial assets that are subject to the expected credit loss model:

- Deposits with banks and financial institutions
- Other financial assets measured at amortised cost
- Trade and other current receivables

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

The expected loss rates are based on the payment profiles and the corresponding historical credit losses adjusted to reflect current and forward-looking information affecting the ability of the customers to settle the receivables.

The Group considers that all deposits with banks and financial institutions has low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Deposits are considered to be low credit risk when they have a low risk of default and the banks and financial institutions has a strong capacity to meet its contractual cash flow obligations.

5 Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

5.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 1,340,718,557 (2024: Baht 910,206,538) that are expected to readily generate cash inflows for managing liquidity risk.

Due to the dynamic nature of the underlying businesses, the Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Group has entered into a supplier finance arrangement with a finance provider during January 2024 and September 2025. This has improved the Group's working capital. The agreements specify repayment terms of 90 days and 365 days from the commencement date. The finance providers are in good financial condition, and the Group has no significant concentration of liquidity risk with these finance providers.

As at 31 December 2025, the Group has no outstanding liabilities under the supplier finance arrangements. Management has assessed the Group's availability of funding and considers that it remains adequate to support the Group's ongoing operations. In addition, the interest rates under these arrangements are comparable to prevailing bank borrowing rates. Therefore, management has concluded that it is not cost-effective to utilise such arrangements in the short term.

Management monitors rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group, in accordance with practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining financing plans.

5 Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

5.1.3 Liquidity risk (Cont'd)

Maturity of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Consolidated financial statements (Unit: Baht)						
Contractual maturities of financial liabilities As at 31 December 2025	On demand	Within 1 year	1 - 5 years	Over 5 years	Total	Carrying amount
Non-derivatives						
Trade and other current payables	-	320,214,249	-	-	320,214,249	320,214,249
Total non-derivatives	-	320,214,249	-	-	320,214,249	320,214,249

Consolidated financial statements (Unit: Baht)						
Contractual maturities of financial liabilities As at 31 December 2024	On demand	Within 1 year	1 - 5 years	Over 5 years	Total	Carrying amount
Non-derivatives						
Short-term borrowings from financial institutions	-	243,459,336	-	-	243,459,336	243,459,336
Trade and other current payables	-	450,773,964	-	-	450,773,964	450,773,964
Total non-derivatives	-	694,233,300	-	-	694,233,300	694,233,300

5 Financial risk management (Cont'd)

5.1 Financial risk factors (Cont'd)

5.1.3 Liquidity risk (Cont'd)

Contractual maturities of financial liabilities As at 31 December 2025	Separate financial statements (Unit: Baht)					Carrying amount
	On demand	Within 1 year	1 - 5 years	Over 5 years	Total	
Non-derivatives						
Trade and other current payables	-	316,975,061	-	-	316,975,061	316,975,061
Total non-derivatives	-	316,975,061	-	-	316,975,061	316,975,061

Contractual maturities of financial liabilities As at 31 December 2024	Separate financial statements (Unit: Baht)					Carrying amount
	On demand	Within 1 year	1 - 5 years	Over 5 years	Total	
Non-derivatives						
Short-term borrowings from financial institutions	-	243,459,336	-	-	243,459,336	243,459,336
Trade and other current payables	-	449,843,374	-	-	449,843,374	449,843,374
Total non-derivatives	-	693,302,710	-	-	693,302,710	693,302,710

5.2 Capital management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

6 Fair value

The following table presents fair value of financial asset and non-financial asset recognised by their fair value hierarchy.

	Consolidated financial statements							
	Level 1		Level 2		Level 3		Total	
	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December
	2025	2024	2025	2024	2025	2024	2025	2024
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Assets								
Financial asset at fair value through profit or loss	64,319,180	78,041,361	-	-	-	-	64,319,180	78,041,361
Financial asset at fair value through other comprehensive income	31,729,494	25,580,508	-	-	-	-	31,729,494	25,580,508
Investment property	-	-	-	-	126,101,543	138,497,102	126,101,543	138,497,102
Total assets measured at fair value	96,048,674	103,621,869	-	-	126,101,543	138,497,102	222,150,217	242,118,971

Financial assets and financial liabilities are approximately to the carrying amounts as follows:

- Cash and cash equivalent
- Other financial assets measured at amortised cost
- Trade and other current receivables (net)
- Short-term borrowings from financial institutions
- Trade and other current payables

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on quoted market prices at the statements of financial position date. The quoted market price used for financial assets held by the Company is the closing price by reference to the Stock Exchange.

Level 2: The fair value of financial instruments is based on significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

6 Fair value (Cont'd)

Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices by reference to the Stock Exchange
- the use of market prices

The resulting fair value estimates are included in level 1 and level 3. The group did not change any valuation techniques in determining the level 3 fair values.

Fair value measurements using significant unobservable inputs (level 3)

Changes in level 3 items for the years ended 31 December is disclosed in Note 16.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

	Fair value		Unobservable inputs	Range of inputs		Relationship of unobservable inputs to fair value
	31 December 2025	31 December 2024		31 December 2025	31 December 2024	
	Baht	Baht				
Investment property	126,101,543	138,497,102	The market value for similar properties	900,000 – 1,700,000 IDR/m ²	650,000 – 950,000 IDR/m ²	
			Indonesia's economic growth rate	5.11%	5.05%	The unobservable inputs and the fair value has relationships in the same direction
			Indonesia's inflation rate	2.92%	2.61%	
			Exchange rate	0.0019 THB/IDR	0.0021 THB/IDR	

6 Fair value (Cont'd)

Transfer between fair value hierarchy

During the year, there was no transfer between levels of fair value.

The Group's valuation processes

Chief Financial Officer (CFO), Audit Committee (AC) and a valuation team discuss valuation processes and results at least every quarter.

Significant unobservable inputs of fair value hierarchy level 3 are the market value for similar properties, Indonesia's economic growth rate, Indonesia's inflation rate and exchange rate. The Group has gathered such information from valuation report prepared by independent appraisal, obtained through its subsidiary.

7 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Fair value of investment property

The fair value of investment property is appraised using the market approach. Valuations were made on the basis of recent market transactions on arm's length terms. The comparison of property value will be considered with the factors of location, size, outline, type and development qualitative. Taking into consideration macroeconomic factors include economic growth rate, inflation rate and exchange rate. Then, analysing and adjusting the different factors to conclude the final price of property. Details of key assumptions used are included in Note 6.

b) Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note 23.

7 Critical accounting estimates and judgements (Cont'd)**c) Determination of transaction price in contracts with customers**

The Group provides discount of Baht 23,027,267 (2024: Baht 17,174,407) from free goods contracts with products volume for customers. The Group determined that it was highly probable that a portion of the revenue will not be reversed (Note 22).

d) Allocation of transaction price in contracts with customers

The customer loyalty programme provides customers with a material right to receive free goods based on product volume conditions under each contract. The promise to the customer is a separate performance obligation. Therefore, the transaction price is allocated to the original products sold and the free goods on a relative standalone selling price basis. Management estimates the standalone selling price of the free goods based on historical experience, considering the value of the customer's right in terms of standalone selling prices and relevant market data.

Changes in the estimated standalone selling price will have a significant impact on the price allocation of the combined items to each performance obligation. Therefore, the allocation affects revenue recognition and contract liabilities. The Group regularly reviews and updates the estimated standalone selling prices to ensure that revenue and contract liabilities are recognised appropriately in accordance with the applicable financial reporting standards.

e) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

8 Segment information

The Group's chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Chairman of the Board that makes strategic decisions examines the Group's performance both from revenue streams and geographic perspective and has identified two reportable segments and five reportable segments, respectively, of the Group's businesses.

The Chairman of the Board primarily uses a measure of segments' revenue and gross margin to assess the performance of the operating segments.

Significant information relating to revenue and profit of the reportable segments are as follows:

	Consolidated financial statements					
	Sales of goods and services		Investment		Total	
	2025	2024	2025	2024	2025	2024
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht
Revenue from sales of goods and services	2,690,604	3,024,437	-	-	2,690,604	3,024,437
Other income	36,113	53,531	975	1,278	37,088	54,809
Total revenue	2,726,717	3,077,968	975	1,278	2,727,692	3,079,246
Timing of revenue recognition:						
At a point in time	2,722,136	3,070,571	975	1,278	2,723,111	3,071,849
Over time	4,581	7,397	-	-	4,581	7,397
	2,726,717	3,077,968	975	1,278	2,727,692	3,079,246
Gross profit	379,273	547,864	-	-	379,273	547,864
Selling expenses and distribution costs and administrative expenses	(166,426)	(177,693)	-	-	(166,426)	(177,693)
Profit (loss) before income tax	205,603	381,365	(12,747)	4,458	192,856	385,823
Income tax (expense) income	5,012	(11,856)	2,744	(638)	7,756	(12,494)
Net profit (loss) for the year	210,615	369,509	(10,003)	3,820	200,612	373,329
Investment property	126,102	138,497	-	-	126,102	138,497
Property, plant and equipment (net)	1,529,086	1,580,681	-	-	1,529,086	1,580,681
Total assets	4,144,788	4,329,502	97,223	104,796	4,242,011	4,434,298

8 Segment information (Cont'd)

	Separate financial statements					
	Sales of goods and services		Investment		Total	
	2025	2024	2025	2024	2025	2024
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht
Revenue from sales of goods and services	2,687,535	3,021,424	-	-	2,687,535	3,021,424
Other income	36,113	52,200	-	-	36,113	52,200
Total revenue	2,723,648	3,073,624	-	-	2,723,648	3,073,624
Timing of revenue recognition:						
At a point in time	2,719,067	3,066,227	-	-	2,719,067	3,066,227
Over time	4,581	7,397	-	-	4,581	7,397
	2,723,648	3,073,624	-	-	2,723,648	3,073,624
Property, plant and equipment (net)	1,529,086	1,580,681	-	-	1,529,086	1,580,681
Total assets	4,263,533	4,487,577	-	-	4,263,533	4,487,577

Significant information relating to revenue of geographic are as follows:

	Consolidated financial statements	
	For the year ended 31 December	
	2025	2024
	Thousand Baht	Thousand Baht
Local	949,371	1,037,231
Overseas – Europe	968,079	897,130
Overseas – Asia	513,452	749,567
Overseas – America	245,777	318,992
Overseas – Others	13,925	21,517
Total	2,690,604	3,024,437

8 Segment information (Cont'd)

The Group's revenues derived from major customers which attributed to the sales of goods and services segment are as follows:

	Consolidated financial statements	
	For the year ended 31 December	
	2025	2024
	Thousand Baht	Thousand Baht
Company A	801,438	747,553
Company B	459,237	457,964
Company C	260,498	296,473

9 Cash and cash equivalents

Cash and cash equivalents as at 31 December 2025 and 2024 are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Cash on hand	221,794	200,383	214,271	194,134
Deposits held at call with banks				
– current accounts	69,863,105	79,026,030	2,482,149	4,638,295
– savings accounts	1,270,855,452	831,180,508	1,249,520,390	807,150,545
– fixed accounts	–	321,381,200	–	321,381,200
Total cash and cash equivalents	1,340,940,351	1,231,788,121	1,252,216,810	1,133,364,174

As at 31 December 2024, fixed accounts with maturities of 2 months bear interest at the rate of 4.69% per annum and fixed accounts with maturities of 3 months bear interest at the rate of 4.58% and 4.95% per annum.

10 Trade and other current receivables (net)

Trade and other current receivables (net) as at 31 December 2025 and 2024 are as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Trade accounts receivable				
– other parties	576,313,933	690,273,510	576,030,825	690,242,998
<u>Less</u> Allowance for expected credit losses	(174,211,059)	(173,881,505)	(174,211,059)	(173,881,505)
Total trade accounts receivable				
– other parties (net)	402,102,874	516,392,005	401,819,766	516,361,493
Trade accounts receivable				
– related parties (Note 33.3)	83,015,036	24,429,993	83,015,036	24,429,993
Other current receivables				
– related parties (Note 33.3)	–	–	57,653,916	65,654,067
Interest receivable	1,138	605,716	1,138	605,716
Others (net)	4,458,491	3,342,595	4,412,579	3,297,028
Total trade and other current receivables (net)	489,577,539	544,770,309	546,902,435	610,348,297

Trade accounts receivable – other parties as at 31 December 2025 and 2024 can be aged as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Not yet due	388,134,962	474,327,758	387,930,878	474,319,598
Overdue not exceeding 3 months	14,653,113	38,422,306	14,574,089	38,410,066
Overdue 3 to 6 months	170,149	1,006,420	170,149	1,006,420
Overdue 6 to 12 months	52,755	7,844,844	52,755	7,844,844
Overdue exceeding 12 months	173,302,954	168,672,182	173,302,954	168,662,070
	576,313,933	690,273,510	576,030,825	690,242,998
<u>Less</u> Allowance for expected credit losses	(174,211,059)	(173,881,505)	(174,211,059)	(173,881,505)
Total trade accounts receivable				
– other parties (net)	402,102,874	516,392,005	401,819,766	516,361,493

The normal credit term given to customers by the Group is 30 to 90 days.

10 Trade and other current receivables (net) (Cont'd)

During the second quarter of 2016, the Company filed a lawsuit against Yoko Alloy Wheel Company Limited, to enforce its obligation under sale contract after deduction of trade discounts, amounting to Baht 160 million. As a result, the Company set up the allowance for expected credit losses of such receivable amounting to Baht 160 million.

During the year 2018, the lawsuit against Yoko Alloy Wheel Company Limited was finalised with the favourable judgement to the Company. The Company was in the process of enforcement of debtor to pay Baht 160 million by legal execution department.

However, the recoverability of such receivable was still uncertain.

Trade accounts receivable – related parties as at 31 December 2025 and 2024 can be aged as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Not yet due	74,540,695	21,681,291	74,540,695	21,681,291
Overdue not exceeding 3 months	8,474,341	2,748,702	8,474,341	2,748,702
Total trade accounts receivable – related parties	83,015,036	24,429,993	83,015,036	24,429,993

10 Trade and other current receivables (net) (Cont'd)

Allowance for expected credit losses for trade accounts receivable – other parties as at 31 December 2025 and 2024 was determined as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Not yet due	353,585	956,905	353,585	956,905
Overdue not exceeding 3 months	400,157	249,094	400,157	249,094
Overdue 3 to 6 months	104,202	104,419	104,202	104,419
Overdue 6 to 12 months	50,161	3,909,017	50,161	3,909,017
Overdue exceeding 12 months	173,302,954	168,662,070	173,302,954	168,662,070
	174,211,059	173,881,505	174,211,059	173,881,505

The reconciliations of allowance for expected credit losses for trade accounts receivable for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Allowance for expected credit losses				
As at 1 January	173,881,505	170,977,188	173,881,505	170,977,188
Increase in loss allowance recognised in profit or loss during the year	329,554	2,904,317	329,554	2,904,317
As at 31 December	174,211,059	173,881,505	174,211,059	173,881,505

11 Financial assets and financial liabilities

Financial assets and financial liabilities as at 31 December 2025 and 2024 are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Financial assets				
Financial assets at amortised cost				
- Cash and cash equivalents	1,340,940,351	1,231,788,121	1,252,216,810	1,133,364,174
- Trade receivables (net)	485,117,910	540,821,998	484,834,802	540,791,486
- Other financial assets at amortised cost				
- Fixed deposit with maturities over three months	30,000,000	31,059,848	30,000,000	31,059,848
- Other current receivables	-	-	57,653,916	65,654,067
- Interest receivables	1,138	605,716	1,138	605,716
- Others (net)	434,902	219,624	481,223	875,411
Financial asset at fair value through profit or loss	64,319,180	78,041,361	-	-
Financial asset at fair value through other comprehensive income	31,729,494	25,580,508	-	-
	1,952,542,975	1,908,117,176	1,825,187,889	1,772,350,702
Financial liabilities				
Financial liabilities at amortised cost				
- Short-term borrowings from financial institutions	-	243,459,336	-	243,459,336
- Trade and other current payables	320,214,249	450,773,964	316,975,061	449,843,374
	320,214,249	694,233,300	316,975,061	693,302,710

11 Financial assets and financial liabilities (Cont'd)**11.1 Other financial assets at amortised cost****a) Classification of financial assets at amortised cost**

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

Financial assets at amortised cost other than trade receivables include the following fixed deposit with maturities over three months, other receivables, interest receivables and others (net):

Consolidated financial statements						
	31 December 2025			31 December 2024		
	Current	Non-current	Total	Current	Non-current	Total
	Baht	Baht	Baht	Baht	Baht	Baht
Fixed deposit with maturities over three months	30,000,000	–	30,000,000	31,059,848	–	31,059,848
Interest receivables	1,138	–	1,138	605,716	–	605,716
Others (net)	434,902	–	434,902	219,624	–	219,624
Total	30,436,040	–	30,436,040	31,885,188	–	31,885,188

Separate financial statements						
	31 December 2025			31 December 2024		
	Current	Non-current	Total	Current	Non-current	Total
	Baht	Baht	Baht	Baht	Baht	Baht
Fixed deposit with maturities over three months	30,000,000	–	30,000,000	31,059,848	–	31,059,848
Other receivables	57,653,916	–	57,653,916	65,654,067	–	65,654,067
Interest receivables	1,138	–	1,138	605,716	–	605,716
Others (net)	481,223	–	481,223	875,411	–	875,411
Total	88,136,277	–	88,136,277	98,195,042	–	98,195,042

11 Financial assets and financial liabilities (Cont'd)**11.1 Other financial assets at amortised cost (Cont'd)***Other receivables*

These amounts generally arise from transactions outside the usual operating activities of the Group, collateral is not normally obtained.

As at 31 December 2025, the company has a receivable from decrease capital of subsidiary, PT. Hwa Fong Rubber Indonesia amounting to Baht 57.64 million (2024: Baht 65.00 million). The information is disclosed in Note 14.2.

11.2 Financial assets at fair value through profit or loss**a) Classification of financial assets at fair value through profit or loss**

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- equity investments that are held for trading, and which the Group has irrevocably not elected at initial recognition to recognise fair value gains and losses through OCI.

Financial assets measured at FVPL are as follows:

	Consolidated financial statements	
	2025	2024
	Baht	Baht
Current assets		
Investments in equity investments		
- Listed securities	64,319,180	78,041,361
Total	64,319,180	78,041,361

11 Financial assets and financial liabilities (Cont'd)**11.2 Financial assets at fair value through profit or loss (Cont'd)****b) Amounts recognised in profit or loss**

The following gains/(losses) were recognised in profit or loss during the year as follows:

	Consolidated financial statements	
	2025	2024
	Baht	Baht
Fair value gains/(losses) on equity investments at FVPL recognised in other gains/(losses)	(13,722,181)	3,191,298
Dividends from equity investments at FVPL recognised in other income (Note 27)		
- Related to investments held at the end of the reporting period	975,210	1,278,329

Significant acquisitions and disposals during the year

During the year 2025 and 2024, the Group does not acquire and dispose listed securities measured at FVPL.

11.3 Financial assets at fair value through other comprehensive income**a) Classification of financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income (FVOCI) are as follows:

- equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category.

Financial assets at FVOCI are as follows:

	Consolidated financial statements	
	2025	2024
	Baht	Baht
Non-current assets		
Investments in equity investments		
- Listed securities	31,729,494	25,580,508
Total	31,729,494	25,580,508

11.3 Financial assets at fair value through other comprehensive income (Cont'd)**b) Amounts recognised in profit or loss and other comprehensive income**

The following gains/(losses) were recognised in profit or loss and other comprehensive income during the year as follows:

	Consolidated financial statements	
	2025	2024
	Baht	Baht
Gains recognised in other comprehensive income		
– Related to equity investment	6,148,986	5,120,015

12 Inventories (net)

Inventories (net) as at 31 December 2025 and 2024 are as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Raw material	193,748,805	266,520,626	193,748,805	266,520,626
Work in progress	39,721,315	45,001,600	39,721,315	45,001,600
Finished goods	271,870,682	343,271,099	264,028,836	340,443,161
Spare parts and supplies	62,386,188	61,293,677	62,386,188	61,293,677
	567,726,990	716,087,002	559,885,144	713,259,064
<u>Less</u> Allowance for obsolete and defective				
– Raw materials	(1,982,894)	(1,472,134)	(1,982,894)	(1,472,134)
– Finished goods	(25,861,545)	(18,005,845)	(25,861,545)	(18,005,845)
– Spare parts and supplies	(13,777,570)	(12,991,958)	(13,777,570)	(12,991,958)
<u>Less</u> Allowance for actual cost in excess of net realisable value – Finished goods	(1,882,446)	(2,850,442)	(1,671,461)	(2,639,457)
	524,222,535	680,766,623	516,591,674	678,149,670
Goods in transit	22,214,539	30,433,779	22,214,539	30,433,779
Total inventories (net)	546,437,074	711,200,402	538,806,213	708,583,449

12 Inventories (net) (Cont'd)

During the years ended 31 December 2025 and 2024, amounts recognized as cost of sales in profit or loss are as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Cost of sales and cost of services	2,296,542,776	2,467,777,902	2,293,741,245	2,465,133,858
Allowance for obsolete and defective	15,755,657	7,826,335	15,755,657	7,826,335
(Reversal) Allowance for actual cost in excess of net realisable value	(967,996)	968,717	(967,996)	757,732

During the year ended 31 December 2025, the Company has destroyed obsolete and defective inventories amounting to Baht 6,603,585 (2024: Baht 7,323,572).

13 Other current assets (net)

Other current assets (net) as at 31 December 2025 and 2024 are as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Import duty receivable (net)	4,630,447	6,557,481	4,630,447	6,557,481
Value added tax receivable	7,454,637	37,740,342	5,007,246	33,905,264
Undue input tax	1,580,078	1,680,554	1,580,078	1,680,554
Others	2,002,253	1,383,173	1,991,153	1,379,121
Total other current assets (net)	15,667,415	47,361,550	13,208,924	43,522,420

14 Investment in subsidiaries (net)

14.1 Details of investments

Investment in subsidiaries (net) as at 31 December 2025 and 2024 are as follows:

Entity name	Country of incorporation	Nature of business	Ownership interest held		Voting rights		Investment at cost method	
			by Company					
			2025 (%)	2024 (%)	2025 (%)	2024 (%)	2025 Baht	2024 Baht
HFT Holding Co., Ltd.	Thailand	Investment in bonds and securities, wholesale and retail trading of tires and tubes and equipment	100	100	100	100	200,000,000	200,000,000
PT. Hwa Fong Rubber Indonesia	Indonesia	Manufacture and distribution of tire and tube for bicycle and motorcycle	100	100	100	100	173,349,000	173,349,000
							373,349,000	373,349,000
<u>Less</u> Allowance for impairment of investment in subsidiaries							(81,251,518)	(34,442,786)
Total investment in subsidiaries (net)							292,097,482	338,906,214

14.2 Movements of investments

Movements of investments in subsidiaries (net) for the years ended 31 December 2025 and 2024 are as follows:

	Separate financial statements	
	Investment at cost method	
	2025 Baht	2024 Baht
Opening balance	338,906,214	512,255,214
Decrease in investment		
– PT. Hwa Fong Rubber Indonesia	–	(173,349,000)
Less Allowance for impairment of investment in subsidiary		
– PT. Hwa Fong Rubber Indonesia	(46,808,732)	–
Closing balance	292,097,482	338,906,214

14 Investment in subsidiaries (net) (Cont'd)

14.2 Movements of investments (Cont'd)

During the year 2025, the Company recognised an allowance for impairment of investment in subsidiary, PT. Hwa Fong Rubber Indonesia, for the amount expected to be uncollectible in the future.

During the year 2024, PT. Hwa Fong Rubber Indonesia executed a registered capital reduction by 5,000,000 shares with a par value of Rupiah 13,162 per share, totaling Rupiah 65,810 million. The subsidiary repaid a portion of the capital reduction amounting to Rupiah 33,000 million, equivalent to Baht 69.95 million on 18 October 2024. As at 31 December 2024, there was an outstanding balance of Rupiah 32,152 million, equivalent to Baht 57.64 million (2024: Baht 65.00 million), which the company recorded as other receivables in the separate financial statements.

15 Investment in an associate

Investment in an associate as at 31 December 2025 and 2024 are as follows:

Entity name	Country of incorporation	Nature of business	Ownership interest held by Company		Consolidated financial statements		Separate financial statements	
			2025	2024	Investment at equity method		Investment at cost method	
					2025	2024	2025	2024
			(%)	(%)	Baht	Baht	Baht	Baht
The Ascent (Thailand) Co., Ltd.	Thailand	(1)	43	43	1,174,450	1,174,188	1,161,000	1,161,000
Total					1,174,450	1,174,188	1,161,000	1,161,000

(1) International trading of bicycles and motorcycles.

15 Investment in an associate (Cont'd)

The movements of investment in an associate for the years ended 31 December 2025 and 2024 are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	Investment at		Investment at	
	equity method		cost method	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Opening balance	1,174,188	1,185,697	1,161,000	1,161,000
Share of profit (loss) from investment in an associate	262	(11,509)	-	-
Closing balance	1,174,450	1,174,188	1,161,000	1,161,000

The Ascent (Thailand) Co., Ltd. is a limited company and the company's stock has no quoted price in the market. The Company was registered for dissolution on 27 February 2018. As at 31 December 2025, the liquidation has not been completed.

The Group has no contingent liability arise from interest of investment in an associate.

16 Investment property

The movements of investment property for the years ended 31 December 2025 and 2024 are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Opening balance at 1 January	138,497,102	145,928,878	-	-
Net gain/(loss) from fair value adjustment	2,465,342	-	-	-
Currency translation differences recognised in other comprehensive income	(14,860,901)	(7,431,776)	-	-
Closing balance at 31 December	126,101,543	138,497,102	-	-

16 Investment property (Cont'd)

Investment property held by the Group consists of land which measured by fair value.

The fair value of investment property is based on the selling price comparison approach. The Group evaluated the valuation of investment property by independent valuation experts (“Independent Appraiser”) in 2025 which independent appraiser is certified according to professional standard and has an experience in appraising the selling price in the same type of property and in the same location as or near that investment property.

Fair value measurement is classified as level 3 of fair value hierarchy levels and the Group does not change the valuation techniques during the year.

As at 31 December 2025 and 2024, the Group does not have any income and expenses related to the remaining investment property because the Group’s management is still considering the objective at the investment property.

17 Property, plant and equipment (net)

The movements of property, plant and equipment (net) for the years ended 31 December 2025 and 2024 are as follows:

	Consolidated and Separate financial statements						
	Land	Buildings and building improvement	Plant and machinery	Office equipment, furniture and fixtures	Vehicles	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
At 1 January 2024							
Cost	319,126,782	728,699,017	2,497,535,674	21,106,130	26,500,924	151,460,075	3,744,428,602
<u>Less</u> Accumulated depreciation	-	(292,083,042)	(1,922,819,967)	(17,919,600)	(19,594,867)	-	(2,252,417,476)
Net book amount	319,126,782	436,615,975	574,715,707	3,186,530	6,906,057	151,460,075	1,492,011,126
For the year ended 31 December 2024							
Opening net book amount	319,126,782	436,615,975	574,715,707	3,186,530	6,906,057	151,460,075	1,492,011,126
Additions	-	2,791,343	90,802,428	834,038	127,000	99,401,807	193,956,616
Disposals - cost	-	(201,337)	(4,547,218)	-	-	-	(4,748,555)
- accumulated depreciation	-	201,336	4,331,994	-	-	-	4,533,330
Transfer in (out)	-	-	52,872,481	-	-	(52,872,481)	-
Depreciation charge	-	(22,071,684)	(80,441,804)	(1,600,003)	(958,294)	-	(105,071,785)
Closing net book amount	319,126,782	417,335,633	637,733,588	2,420,565	6,074,763	197,989,401	1,580,680,732
At 31 December 2024							
Cost	319,126,782	731,289,023	2,636,663,365	21,940,168	26,627,924	197,989,401	3,933,636,663
<u>Less</u> Accumulated depreciation	-	(313,953,390)	(1,998,929,777)	(19,519,603)	(20,553,161)	-	(2,352,955,931)
Net book amount	319,126,782	417,335,633	637,733,588	2,420,565	6,074,763	197,989,401	1,580,680,732

17 Property, plant and equipment (net) (Cont'd)

The movements of property, plant and equipment (net) for the years ended 31 December 2025 and 2024 are as follows: (Cont'd)

Consolidated and Separate financial statements							
	Land	Buildings and building improvement	Plant and machinery	Office equipment, furniture and fixtures	Vehicles	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2025							
Opening net book amount	319,126,782	417,335,633	637,733,588	2,420,565	6,074,763	197,989,401	1,580,680,732
Additions	–	9,104,200	25,386,285	1,041,549	521,800	22,365,537	58,419,371
Disposals – cost	–	(171,237)	(3,468,828)	(823,451)	(3,792,171)	–	(8,255,687)
– accumulated depreciation	–	171,138	2,828,500	821,212	3,492,168	–	7,313,018
Transfer in (out)	–	120,000	213,384,663	–	–	(213,504,663)	–
Depreciation charge	–	(22,772,129)	(84,333,192)	(1,237,746)	(727,948)	–	(109,071,015)
Closing net book amount	319,126,782	403,787,605	791,531,016	2,222,129	5,568,612	6,850,275	1,529,086,419
At 31 December 2025							
Cost	319,126,782	740,341,986	2,871,965,485	22,158,266	23,357,553	6,850,275	3,983,800,347
<u>Less</u> Accumulated depreciation	–	(336,554,381)	(2,080,434,469)	(19,936,137)	(17,788,941)	–	(2,454,713,928)
Net book amount	319,126,782	403,787,605	791,531,016	2,222,129	5,568,612	6,850,275	1,529,086,419

18 Intangible assets (net)

The movements of intangible assets (net) for the years ended 31 December 2025 and 2024 are as follows:

	Consolidated financial statements	Separate financial statements
	Computer software Baht	Computer software Baht
At 1 January 2024		
Cost	8,718,003	8,663,003
<u>Less</u> Accumulated amortisation	(8,118,391)	(8,065,201)
Net book amount	599,612	597,802
For the year ended 31 December 2024		
Opening net book amount	599,612	597,802
Additions	210,000	210,000
Amortisation charge	(194,258)	(192,449)
Closing net book amount	615,354	615,353
At 31 December 2024		
Cost	8,928,003	8,873,003
<u>Less</u> Accumulated amortisation	(8,312,649)	(8,257,650)
Net book amount	615,354	615,353
For the year ended 31 December 2025		
Opening net book amount	615,354	615,353
Amortisation charge	(131,921)	(131,921)
Closing net book amount	483,433	483,432
At 31 December 2025		
Cost	8,928,003	8,873,003
<u>Less</u> Accumulated amortisation	(8,444,570)	(8,389,571)
Net book amount	483,433	483,432

18 Intangible assets (net) (Cont'd)

Amortisation recognised in profit or loss that are related to intangible assets for the years ended 31 December 2025 and 2024 are as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Cost of goods sold	37,426	78,392	37,426	78,392
Administrative expense	94,495	115,866	94,495	114,057
	131,921	194,258	131,921	192,449

19 Deferred tax assets (liabilities)

The analysis of deferred tax assets (liabilities) is as follows:

As at 31 December 2025 and 2024, deferred tax assets and deferred tax liabilities presented by net taxable entities comprised the following:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Deferred tax assets	68,902,368	45,904,081	62,097,461	41,843,610
Deferred tax liabilities	(3,957,394)	(3,682,556)	(3,957,394)	(3,682,556)
Deferred tax asset (net)	64,944,974	42,221,525	58,140,067	38,161,054

19 Deferred tax assets (liabilities) (Cont'd)

The movements of deferred tax assets (liabilities) are as follows:

	Consolidated financial statements							Total
	Impairment on financial assets Baht	Allowance for net realisable value Baht	Employee benefit obligation Baht	Allowance for import duty receivable Baht	Remeasurement of financial asset at fair value Baht	Allowance for impairment of investment Baht	Loss on foreign exchange rate from decrease capital in subsidiary Baht	
Deferred tax assets								
At 1 January 2024	23,316,680	6,287,749	10,027,252	163,684	4,656,533	-	-	44,451,898
(Charged)/credited to profit or loss (Note 29)	580,863	260,751	(21,350)	(11,127)	(638,259)	-	-	170,878
Credited to other comprehensive income	-	-	1,281,305	-	-	-	-	1,281,305
At 31 December 2024	23,897,543	6,548,500	11,287,207	152,557	4,018,274	-	-	45,904,081
At 1 January 2025	23,897,543	6,548,500	11,287,207	152,557	4,018,274	-	-	45,904,081
(Charged)/credited to profit or loss (Note 29)	65,911	1,522,723	163,498	(13,108)	2,744,436	9,361,746	9,153,081	22,998,287
At 31 December 2025	23,963,454	8,071,223	11,450,705	139,449	6,762,710	9,361,746	9,153,081	68,902,368

19 Deferred tax assets (liabilities) (Cont'd)

The movements of deferred tax assets (liabilities) are as follows:

	Consolidated financial statements
	Difference of depreciation between tax base and accounting base Baht
Deferred tax liabilities	
At 1 January 2024	(3,541,323)
Charged to profit or loss (Note 29)	(141,233)
At 31 December 2024	(3,682,556)
At 1 January 2025	(3,682,556)
Charged to profit or loss (Note 29)	(274,838)
At 31 December 2025	(3,957,394)

19 Deferred tax assets (liabilities) (Cont'd)

The movements of deferred tax assets (liabilities) are as follows:

	Separate financial statements						Total
	Impairment on financial assets Baht	Allowance for net realisable value Baht	Employee benefit obligation Baht	Allowance for import duty receivable Baht	Allowance for impairment of investment Baht	Loss on foreign exchange rate from decrease capital in subsidiary Baht	
Deferred tax assets							
At 1 January 2024	23,316,680	6,287,749	10,027,252	163,684	–	–	39,795,365
(Charged)/credited to profit or loss (Note 29)	580,863	218,554	(21,350)	(11,127)	–	–	766,940
Credited to other comprehensive income	–	–	1,281,305	–	–	–	1,281,305
At 31 December 2024	23,897,543	6,506,303	11,287,207	152,557	–	–	41,843,610
At 1 January 2025	23,897,543	6,506,303	11,287,207	152,557	–	–	41,843,610
(Charged)/credited to profit or loss (Note 29)	65,911	1,522,723	163,498	(13,108)	9,361,746	9,153,081	20,253,851
At 31 December 2025	23,963,454	8,029,026	11,450,705	139,449	9,361,746	9,153,081	62,097,461

19 Deferred tax assets (liabilities) (Cont'd)

The movements of deferred tax assets (liabilities) are as follows:

	Separate financial statements
	Difference of depreciation between tax base and accounting base Baht
Deferred tax liabilities	
At 1 January 2024	(3,541,323)
Charged to profit or loss (Note 29)	(141,233)
At 31 December 2024	(3,682,556)
At 1 January 2025	(3,682,556)
Charged to profit or loss (Note 29)	(274,838)
At 31 December 2025	(3,957,394)

As at 31 December 2025 and 2024, the Group has the unused tax but no deferred tax assets are recognised in the statement of financial position because the Group's managements considered that it is not probable the Group future taxable profit which the deferred tax assets can be utilised.

The unused tax losses comprise the following:

	Consolidated financial statements	
	2025	2024
	Baht	Baht
<u>Unused tax losses</u>		
Tax losses expired 2028	6,664,877	7,505,468

20 Short-term borrowings from financial institutions

Short-term borrowings from financial institutions as at 31 December 2025 and 2024 are as follows:

	Consolidated and Separate	
	financial statements	
	2025	2024
	Baht	Baht
Short-term borrowings from financial institutions		
– promissory note	–	100,000,000
Liabilities under supplier finance arrangement		
– trust receipt	–	143,459,336
Total short-term borrowings from financial institutions	–	243,459,336

The movements of short-term borrowings from financial institutions for the years ended 31 December 2025 and 2024 are as follows:

	Consolidated and Separate		
	financial statements		
	Promissory	Trust receipt	Total
	note		
	Baht	Baht	Baht
At 1 January 2025	100,000,000	143,459,336	243,459,336
Additional borrowings	–	161,587,012	161,587,012
Repayment borrowings	(100,000,000)	(305,046,348)	(405,046,348)
At 31 December 2025	–	–	–

As at 31 December 2024, short-term borrowings from financial institutions, including promissory note and trust receipt, bear interest at the rate of 2.70% – 3.70% per annum. The borrowings are due for repayment in January 2025 to March 2025.

20 Short-term borrowings from financial institutions (Cont'd)**Supplier finance arrangements**

During 2025 and 2024, the Group entered into a supplier finance arrangement. These arrangements provide the Group with extended payment terms of purchasing raw materials and solar rooftop. Under the arrangement, a bank acquires the rights to collect payments directly from the Group's designated bank accounts. The terms and conditions of the arrangement are unchanged from the trade payables from this supplier, other than:

- the due date has been extended to 90 – 365 days after the invoice date from the original 30 – 120 days, and
- the acquired payables are no longer able to be offset against credit notes received from the supplier.

	Consolidated and Separate financial statements	
	2025	2024
	Baht	Baht
Range of payment due dates		
Liabilities that are part of supplier finance arrangement	90 – 365 days after invoice date	90 – 365 days after invoice date
Comparable trade payables that are not part of the supplier finance arrangement	30 – 120 days after invoice date	30 – 120 days after invoice date

	Consolidated and Separate financial statements	
	2025	2024
	Baht	Baht
Carrying amount of liabilities under supplier finance arrangement		
Borrowings		
of which the supplier has received payment from the finance provider	–	143,459,336

The carrying amounts of liabilities under the supplier finance arrangement are considered to be reasonable approximations of their fair values, due to their short-term nature.

21 Trade and other current payables

Trade and other current payables as at 31 December 2025 and 2024 are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Trade accounts payable				
– others	189,432,848	279,747,675	189,432,848	279,547,585
– related parties (Note 33.3)	2,780,719	1,940,437	232,443	1,940,437
Other current payables				
– others	24,434,242	28,279,542	23,986,761	27,886,209
– related parties (Note 33.3)	53,720,384	57,317,516	53,812,404	57,317,716
Payables on fixed assets				
– others	3,133,568	10,792,694	3,133,568	10,792,694
– related parties (Note 33.3)	457,806	71,707	457,806	71,707
Accrued salary and bonus	33,746,768	55,796,921	33,746,768	55,796,921
Retention	515,416	1,037,966	515,416	1,037,966
Accrued dividend	1,429,149	3,531,027	1,429,149	3,531,027
Accrued expenses	10,563,349	12,258,479	10,227,898	11,921,112
Total trade and other current payables	320,214,249	450,773,964	316,975,061	449,843,374

22 Current contract liabilities

The Group has recognised the following current contract liabilities related to contracts with customers:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Contract liabilities				
– Current	36,778,207	56,590,643	36,778,207	56,590,643
– Non-current	–	–	–	–
Total current contract liabilities	36,778,207	56,590,643	36,778,207	56,590,643

22 Current contract liabilities (Cont'd)*Significant changes in contract liabilities*

As at 31 December 2025, a significant decrease of Baht 18,933,528 in contract liabilities arising from advance receipts from customers was primarily due to a change in payment terms with an overseas customer, changing from advance payment to trade credit.

Revenue recognised in relation to contract liabilities

Revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year.

Consolidated		Separate	
financial statements		financial statements	
2025	2024	2025	2024
Baht	Baht	Baht	Baht

Revenue recognised that was included in the contract liability balance at the beginning of the period

- Advance receipt from customers	27,443,251	10,843,860	27,443,251	10,843,860
- Customer loyalty programme	14,248,045	24,512,734	14,248,045	24,512,734

23 Employee benefit obligations

Employee benefit obligations as at 31 December 2025 and 2024 are as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Statements of financial position:				
Retirement benefits	57,253,523	56,436,038	57,253,523	56,436,038
Liability in the statements of financial position	57,253,523	56,436,038	57,253,523	56,436,038
Profit or loss charge included in operating profit for:				
Retirement benefits	4,867,482	4,778,136	4,867,482	4,778,136
Remeasurements of post-employment for:				
Benefit obligations	-	6,406,526	-	6,406,526

Retirement benefits

The plans are retirement benefit plans. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The movements of the employee benefit obligations for the years ended 31 December 2025 and 2024 are as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
At 1 January	56,436,038	50,136,261	56,436,038	50,136,261
Current service cost	3,470,201	3,205,716	3,470,201	3,205,716
Interest expense	1,397,281	1,572,420	1,397,281	1,572,420
	61,303,520	54,914,397	61,303,520	54,914,397
Remeasurements of post-employment for:				
Benefit obligations	-	6,406,526	-	6,406,526
Payment from plans:				
Benefit payment	(4,049,997)	(4,884,885)	(4,049,997)	(4,884,885)
At 31 December	57,253,523	56,436,038	57,253,523	56,436,038

23 Employee benefit obligations (Cont'd)

The significant actuarial assumptions used are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	%	%	%	%
Discount rate	2.54	2.54	2.54	2.54
Inflation rate	3	3	3	3
Salary increase rate	4	4	4	4

Sensitivity analysis for each significant assumption used is as follows:

Consolidated financial statements						
Change in assumption	Impact on defined benefit obligation					
	Increase in assumption		Decrease in assumption			
	2025	2024	2025	2024	2025	2024
Discount rate	1%	1%	Decrease by 9.05%	Decrease by 9.35%	Increase by 10.47%	Increase by 10.86%
Salary increase rate	1%	1%	Increase by 9.49%	Increase by 8.90%	Decrease by 8.32%	Decrease by 7.83%
Separate financial statements						
Change in assumption	Impact on defined benefit obligation					
	Increase in assumption		Decrease in assumption			
	2025	2024	2025	2024	2025	2024
Discount rate	1%	1%	Decrease by 9.05%	Decrease by 9.35%	Increase by 10.47%	Increase by 10.86%
Salary increase rate	1%	1%	Increase by 9.49%	Increase by 8.90%	Decrease by 8.32%	Decrease by 7.83%

23 Employee benefit obligations (Cont'd)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised in the statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation is 13 years (2024: 13 years).

Expected maturity analysis of undiscounted retirement benefits are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Retirement benefits				
Within 1 year	2,395,851	2,826,939	2,395,851	2,826,939
Later than 1 year but not later than 2 years	3,209,109	2,395,851	3,209,109	2,395,851
Later than 2 year but not later than 5 years	12,240,340	9,456,956	12,240,340	9,456,956
Later than 5 years	123,752,780	129,745,273	123,752,780	129,745,273
Total	141,598,080	144,425,019	141,598,080	144,425,019

24 Share capital and premium on share capital

The movements of share capital and premium on share capital for the years ended 31 December 2025 and 2024 are as follows:

	Number of Shares	Ordinary Shares Baht	Share Premium Baht	Surplus on Treasury Shares Baht	Total Baht
At 1 January 2024	658,434,300	658,434,300	222,105,000	7,429,904	887,969,204
Issue of shares	-	-	-	-	-
At 31 December 2024	658,434,300	658,434,300	222,105,000	7,429,904	887,969,204
Issue of shares	-	-	-	-	-
At 31 December 2025	658,434,300	658,434,300	222,105,000	7,429,904	887,969,204

As at 31 December 2025 and 2024, the total authorised number ordinary shares are 1 shares with a par value of Baht 658,434,300 per share. All issued shares are fully paid-up.

25 Legal reserve

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

26 Promotional privileges

As at 31 December 2025 and 2024, the outstanding unexpired promotional privileges are as follows:

BOI certificate	Date of approval	Products	Income first derived date	Exemptional payment of corporate income tax privileges	Significant privileges*					
					1	2	3	4	5	6
2315(1)/2555	11 September 2012	Motorcycle tire	1 October 2015	30 September 2028	✓	✓	✓	-	-	✓
61-0293-1-00-1-0	13 March 2018	Bicycle tire, bicycle tube and motorcycle tire	1 October 2019	30 September 2027	✓	-	-	✓	-	✓
65-0013-1-00-1-0	4 January 2022	Bicycle and motorcycle tire	10 October 2024	9 October 2032	✓	-	-	✓	-	✓
66-1658-2-04-1-0	27 November 2023	Tire and Tube	1 January 2024	31 December 2026	✓	-	-	-	✓	✓

* Significant privileges

- 1) Exemption from payment of import duty on machinery approved by the Board;
- 2) Exemption from payment of income tax for certain operations for a period of eight years from the date on which the income is first derived from such operations
- 3) A 50% reduction in the normal income tax rate on the net profit derived from certain operations for a period of five years, commencing from the expiry date in (2) above.
- 4) Exemption from payment of corporate income tax totally not in excess of 100% of the investment amount excluding cost of land and working capital. This privilege is due for expiration within a period of 8 years from the date of income is firstly derived.
- 5) Exemption from payment of corporate income tax totally not in excess of 50% of the investment amount excluding cost of land and working capital. This privilege is due for expiration within a period of 3 years from the date of income is firstly derived.

26 Promotional privileges (Cont'd)

- 6) Exemption from including the dividend income received from exemptional income tax entity as taxable income in corporate income tax calculation throughout the period of income tax exemption of the Company.

In addition, the Group must comply with certain conditions and restrictions provided in the promotional certificates.

The Group has the revenue for the years ended 31 December 2025 and 2024 which is classified as revenue under corporate income tax exemption and non-corporate income tax exemption as follows:

Consolidated financial statements						
	2025			2024		
	Unaudited			Audited		
	BOI Baht	NON-BOI Baht	Total Baht	BOI Baht	NON-BOI Baht	Total Baht
Export sales	1,503,650,653	237,581,801	1,741,232,454	1,978,686,918	8,518,895	1,987,205,813
Domestic sales	805,196,993	144,174,149	949,371,142	1,010,968,357	26,262,810	1,037,231,167
Total	2,308,847,646	381,755,950	2,690,603,596	2,989,655,275	34,781,705	3,024,436,980

Separate financial statements						
	2025			2024		
	Unaudited			Audited		
	BOI Baht	NON-BOI Baht	Total Baht	BOI Baht	NON-BOI Baht	Total Baht
Export sales	1,503,650,653	236,494,301	1,740,144,954	1,978,686,918	6,107,935	1,984,794,853
Domestic sales	805,196,993	142,193,084	947,390,077	1,010,968,357	25,660,496	1,036,628,853
Total	2,308,847,646	378,687,385	2,687,535,031	2,989,655,275	31,768,431	3,021,423,706

27 Other income

Other income for the years ended 31 December 2025 and 2024 are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Interest income	24,844,418	39,706,273	24,693,621	37,824,464
Rental income	–	–	120,000	120,000
Gain on sales of assets (net)	462,918	180,335	462,918	180,335
Dividend income	975,210	1,278,329	–	–
Others	10,805,388	13,644,218	10,836,513	14,075,042
Total other income	37,087,934	54,809,155	36,113,052	52,199,841

28 Expense by nature

The following significant expenditures, classified by nature for the years ended 31 December 2025 and 2024, have been charged in arriving at profit (loss) before finance costs and income tax:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Changes in inventories of finished goods and work in process	76,680,702	(45,042,209)	81,694,610	(45,372,469)
Raw material and consumables used	1,266,782,870	1,491,190,864	1,266,782,870	1,491,190,864
Employee benefit expense	501,906,399	533,548,035	501,509,194	533,372,757
Depreciation and amortisation	109,202,936	105,266,043	109,202,936	105,264,234
Transportation expense	36,505,179	42,874,579	36,502,479	42,860,579
Utility expense	170,349,002	215,499,708	170,349,002	215,499,708
Packing expense	60,197,404	68,894,764	60,197,404	68,894,764
Repair and maintenance expense	43,747,703	46,050,628	43,747,703	46,050,628

29 Income tax income (expense)

Income tax income (expense) for the years ended 31 December 2025 and 2024 are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Current tax:				
Current tax on profits for the year	13,733,844	13,776,326	13,597,144	13,518,517
Adjustments in respect of prior year	1,232,795	(1,251,845)	1,232,795	(1,251,845)
Total current tax	14,966,639	12,524,481	14,829,939	12,266,672
Deferred tax:				
Increase in deferred tax assets (Note 19)	(22,998,287)	(170,878)	(20,253,851)	(766,940)
Increase in deferred tax liability (Note 19)	274,838	141,233	274,838	141,233
Total deferred tax	(22,723,449)	(29,645)	(19,979,013)	(625,707)
Total income tax income (expense)	(7,756,810)	12,494,836	(5,149,074)	11,640,965

29 Income tax expense (Cont'd)

The income tax on the Group's profit before income tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Profit before income tax	192,855,766	385,823,402	156,531,327	376,482,724
Tax calculated at a tax rate of 20%	38,571,153	77,164,680	31,306,265	75,296,545
Tax effect of:				
Profit under BOI certificate subject to exempt income tax	(30,649,882)	(69,159,707)	(30,649,882)	(69,159,707)
Expenses not deductible for tax purpose	6,187,613	7,043,801	1,797,708	7,106,399
Income not subject to tax and expenses additionally deductible for tax purpose	(5,659,298)	(805,453)	(1,155,436)	(350,427)
Utilisation of previously unrecognised tax losses	(92,465)	(187,547)	-	-
Impairment loss on investment in a subsidiary, which is tax-deductible in the future	(9,361,746)	-	-	-
Loss on foreign exchange arising from the capital reduction in subsidiary, which is a non-deductible expense for tax purposes.	(7,680,524)	-	(7,680,524)	-
Difference in overseas tax rate	(304,456)	(309,093)	-	-
Adjustment in respect of prior year	1,232,795	(1,251,845)	1,232,795	(1,251,845)
Income tax	(7,756,810)	12,494,836	(5,149,074)	11,640,965

During the year 2024, PT. Hwa Fong Rubber Indonesia, the subsidiary registered a 50% reduction of the share capital, resulting in the Company recognising a foreign currency translation loss in respect of the capital returned amounting to Baht 45,765,407. In addition, the Company recognised an impairment loss on its investment in PT. Hwa Fong Rubber Indonesia amounting to Baht 46,808,732 during the year 2025 (Note 14).

29 Income tax expense (Cont'd)

These losses give rise to deductible temporary differences which are expected to be realised for tax purposes upon the liquidation of the subsidiary. Based on management's assessment, it is considered highly probable that sufficient future taxable profits will be available to utilise these tax benefits. Accordingly, the Company has recognised a deferred tax asset in respect of these deductible temporary differences in the current year's financial statements.

Pillar Two model rules

In December 2021, the Organisation for Economic Co-operation and Development (OECD) released the Pillar Two model rules to reform international corporate taxation that aim to ensure that large multinationals pay a minimum effective corporate tax rate of 15% in each jurisdiction in which they operate.

Pillar Two legislation was enacted in Thailand in 2024, the jurisdictions in which the Company is incorporated, and came into effect on 1 January 2025. However, the Group is not within the scope of the Pillar Two model rules, so the Group has no related current tax exposure.

30 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year.

Basic earnings per shares for the years ended 31 December 2025 and 2024 are as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Basic earnings per share				
Net profit attributable to ordinary shareholders (Baht)	200,612,576	373,328,566	161,680,401	364,841,759
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share (Share)	658,434,300	658,434,300	658,434,300	658,434,300
Basic earnings per share attributable to the ordinary equity holders of the Company (Baht per share)	0.30	0.57	0.25	0.55

There are no potential dilutive ordinary shares in issue for during 2025 and 2024.

31 Dividends per share

At the Board of Directors' Meeting no. 1/2024 on 21 February 2024, the Board of Directors approved the payment of interim dividend from net profit for the year ended 31 December 2023 at Baht 0.30 per share, totaling Baht 197,530,290. The dividend was paid to shareholders on 20 March 2024.

At the Board of Directors' Meeting no. 3/2024 on 7 August 2024, the Board of Directors approved the payment of interim dividend from net profit for the first half year ended 30 June 2024 at Baht 0.28 per share, totaling Baht 184,361,604. The dividend was paid to shareholders on 6 September 2024.

32 Change in liabilities arising from financing activities

Change in liabilities arising from financing activities for the years ended 31 December 2025 and 2024 are as follows:

	Consolidated and Separate financial statements
	Short-term borrowings
	Baht
Liabilities as at 1 January 2024	–
Financing cash flows:	
Proceeds from short-term borrowings – Promissory note	100,000,000
Proceeds from liability under supplier finance arrangement – Trust receipt	269,369,230
Repayments from liability under supplier finance arrangement – Trust receipt	(125,909,894)
Liabilities as at 31 December 2024	243,459,336
Financing cash flows:	
Repayments on short-term borrowings – Promissory note	(100,000,000)
Proceeds from liability under supplier finance arrangement – Trust receipt	161,587,012
Repayments from liability under supplier finance arrangement – Trust receipt	(305,046,348)
Liabilities as at 31 December 2025	–

33 Related party transactions

33.1) The Company and related parties

As at 31 December 2025, the majority of the Company's shares are held by Hwa Fong Rubber Industries Co., Ltd. by 50.42% (2024: 50.42%) of the Company's authorised share capital.

The relationships between the Company and related parties that are transacted with are as follows:

Company name	Country of incorporation	Relationship
Sumitomo Rubber Industries Limited	Japan	Shareholding in Parent
Hwa Fong Rubber Industries Co., Ltd.	Taiwan	Parent
HFT Holding Co., Ltd.	Thailand	Subsidiary
PT. Hwa Fong Rubber Indonesia	Indonesia	Subsidiary
The Ascent (Thailand) Co., Ltd.	Thailand	Associate
Hwa Fong Rubber (U.S.A.) Inc.	United States of America	Subsidiary of Parent
Hwa Zhong (B.V.I.) Holding Corp.	British Virgin Island	Subsidiary of Parent
Hwa Fong Rubber (Hong Kong) Ltd.	Hong Kong	Subsidiary of Parent
Hwa Fong Rubber (Singapore) Holding PTE Ltd.	Singapore	Subsidiary of Parent
Hwa Fong Rubber (China) Co., Ltd.	China	Subsidiary of Parent
Hwa Fong Distribution Co., Ltd.	Taiwan	Subsidiary of Parent
China Hwa Fong Enterprise Co., Ltd.	Taiwan	Subsidiary of Parent
Hwa Fong Rubber (Suzhou) Co., Ltd.	China	Indirect subsidiary of Parent
Mediera Corporation	Taiwan	Company under the same chairman
Hota Industrial Manufacturing Co., Ltd.	Taiwan	Company under the same chairman
JY Motor Co., Ltd.	Thailand	Company under the same director

33 Related party transactions (Cont'd)**33.2) Transactions with related parties**

Transactions with related parties are as follows:

	Consolidated		Separate		Pricing policies
	financial statements		financial statements		
	2025	2024	2025	2024	
	Baht	Baht	Baht	Baht	
Sales of goods and services					
Parent	7,261,903	7,417,018	7,261,903	7,417,018	Market price
Other related parties					
– Subsidiaries of parent	275,740,260	72,221,251	275,740,260	72,221,251	Market price
– Shareholding in parent	66,796,721	78,860,741	66,796,721	78,860,741	Market price
Sales of raw materials					
Parent	332,161	291,601	332,161	291,601	Market price
Purchases of raw materials					
Parent	5,387,284	8,207,050	5,387,284	8,207,050	Market price
Purchases of spare parts and equipment					
Parent	6,341,221	2,069,355	6,341,221	2,069,355	Market price
Purchases of machinery					
Parent	–	5,586,424	–	5,586,424	Market price
Purchases of merchandise					
Parent	474,532	–	474,532	–	Market price
Subsidiaries	–	–	16,256	172,187	Market price
Other related parties					
– Company under the same director	6,464,009	–	–	–	Market price

33 Related party transactions (Cont'd)**33.2) Transactions with related parties (Cont'd)**

Transactions with related parties are as follows:

	Consolidated		Separate		
	financial statements		financial statements		
	2025	2024	2025	2024	
	Baht	Baht	Baht	Baht	Pricing policies
Share reduction received					
Subsidiaries	-	-	-	69,948,097	Contractual price
Technical assistance fee					
Parent	30,103,854	32,452,753	30,103,854	32,452,753	Contractual price
Trademark fee					
Parent	24,090,433	25,396,148	24,090,433	25,396,148	Contractual price
Other related parties					
- Shareholding in parent	630,394	2,186,117	630,394	2,186,117	Contractual price
Other income					
Parent	-	93,000	-	93,000	Contractual price
Subsidiaries	-	-	151,379	162,730	Contractual price
Other related parties					
- Shareholding in parent	-	371,957	-	371,957	Contractual price
- Subsidiaries of parent	804	-	804	-	Market price
Other expenses					
Parent	1,724,398	1,129,877	1,724,398	1,129,877	Market price
Subsidiaries	-	-	92,020	-	Market price
Other related parties					
- Subsidiaries of parent	4,350	-	4,350	-	Market price
- Shareholding in parent	-	161,704	-	161,704	Market price

33 Related party transactions (Cont'd)**33.3) Outstanding balances arising from sales and purchases of goods and services**

The outstanding balances as at 31 December 2025 and 2024 in relation to transactions with related parties are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Trade accounts receivable				
Parent	1,262,567	1,484,454	1,262,567	1,484,454
Other related parties				
– Subsidiaries of parent	79,077,232	18,924,025	79,077,232	18,924,025
– Shareholding in parent	2,675,237	4,021,514	2,675,237	4,021,514
Total	83,015,036	24,429,993	83,015,036	24,429,993
Other current accounts receivable				
Subsidiaries	–	–	57,653,916	65,654,067
Trade accounts payable				
Parent	232,443	1,940,437	232,443	1,940,437
Other related parties				
– Company under the same director	2,548,276	–	–	–
Total	2,780,719	1,940,437	232,443	1,940,437
Other current accounts payable				
Parent	53,408,190	56,365,805	53,408,190	56,365,805
Subsidiaries	–	–	92,020	200
Other related parties				
– Shareholding in parent	312,194	951,711	312,194	951,711
Total	53,720,384	57,317,516	53,812,404	57,317,716
Payables on fixed assets				
Parent	457,806	71,707	457,806	71,707

33 Related party transactions (Cont'd)**33.4) Key management compensation**

Group's key management includes directors and accounting and finance manager. The compensation paid or payable to key management are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Salaries and other short-term				
employee benefits	12,908,624	17,366,561	12,908,624	17,366,561
Post-employment benefits	-	18,233	-	18,233
Total	12,908,624	17,384,794	12,908,624	17,384,794

34 Bank guarantee

As at 31 December 2025 and 2024, the Group had commitments in respect of bank guarantee issued by the domestic commercial banks as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Electricity usage	14,132,437	14,982,437	14,132,437	14,982,437
Others	11,590,561	9,690,561	11,590,561	9,690,561

35 Commitments

35.1) Capital expenditure commitments

As at 31 December 2025 and 2024, the Group had commitments which are capital expenditure contracted but not recognised as liabilities as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Property, plant and equipment	1,460,500	19,291,782	1,460,500	19,291,782

35.2) Expense relating to leases of low-value assets

As at 31 December 2025 and 2024, the Group had the minimum lease payments under operating leases of copying machine contracts are as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Within 1 year	1,042,950	732,000	1,042,950	732,000
Later than 1 year but not later than 5 years	2,369,000	1,762,250	2,369,000	1,762,250
Total	3,411,950	2,494,250	3,411,950	2,494,250

35 Commitments (Cont'd)

35.3) Contingent assets

As at 21 March 2022, the Company entered into a compromise agreement with Yoko Manufacturing Company Limited and its director to settle criminal disputes. Yoko Manufacturing Company Limited and its director agreed to compensate to the Company in the amount of Baht 45 million, payable in total of 84 installments with the specified amount for each installment according to the contract.

As at 17 July 2023, the Company received compensation amounting to Baht 6.30 million and has amended the compromise agreement with Yoko Manufacturing Company Limited and its director to compensate the remaining amount of Baht 38.70 million, payable in total of 68 installments with the specified amount for each installment according to the contract

As at 18 August 2025, the Company agreed to allow Yoko Manufacturing Company Limited and its director to postpone the payment of compensation for 5 installments, totaling Baht 2.50 million to be paid in 4 installments following the 68th installment of the original agreement, as the 69th to 72nd installments.

As at 31 December 2025, the Company received compensation amounting to Baht 17.40 million. However, the compensation remains Baht 27.60 million which is still uncertain. Therefore, the Company has not recognised such contingent assets in the financial statements.

36 Events occurring after the reporting period

At the Board of Directors' meeting no. 1/2026, held on 26 February 2026, it passed a resolution to approve the payment of an interim dividend from unappropriated retained earnings for the year ended 2025, at the rate of Baht 0.27 per share, totaling Baht 177,777,261. The dividend will be paid to the shareholders on 26 March 2026.

Data Authentication


The Company has carefully reviewed the information in this annual information disclosure form. The Company certifies that the information is correct, complete, not false, does not mislead others, and does not omit information that should be reported. In essence, the Company also certifies that:

(1) The financial statements and financial information summarized in the annual information disclosure form have presented accurate and complete information regarding the financial position, operating results and cash flow of the Company and its subsidiaries.

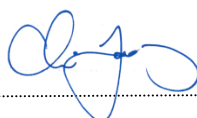
(2) The Company has established a good information disclosure system to ensure that the Company has disclosed material information of the Company and its subsidiaries correctly and completely, and has supervised compliance with such system.

(3) The Company has established a good internal control system and supervises compliance with such system. The Company has notified the Company's auditors and audit committee of the assessment of the internal control system as of 31 December, 2025, which covers deficiencies and significant changes in the internal control system, including any improper acts that may affect the preparation of the Company's and its subsidiaries' financial reports.

In this regard, to be evidence that all documents are the same set of documents that the Company has certified as correct, the Company has assigned Mr. Chuang Chih -Yao to sign every page of this document. If any document does not have the signature of Mr. Chuang Chih-Yao, the Company will consider that it is not information that the Company has certified as correct as mentioned above.

Name	Position	Signature, Seal
Mr. Shen Guo Rong,	Chairman of the Board Director	



Name	Position	Signature
Mr. Chuang, Chih- Yao	Company Secretary	

Details of the Directors, Executives, Controlling Persons and Company Secretary

1. Information of directors, executives, controlling persons and company secretary

1.1 Details of the directors, executives, controlling persons and company secretary

1.1.1 Details of the directors as of 31 December, 2025 according to the following table:

Name-Surname/ Position/ Date of appointment	Age (year)	Educational Qualifications/Training History	Shareholding proportion in the company (%)	Family relationship between Board of Directors and Executives	Working experience in the past 5 years		
					period	position	Name of agency/company/business type
1. Mr. Shen, Kuo Jung, Chairman and Managing Director Board authorized to bind the company, according to the affidavit. June 22, 2018	76	-Ph.D. in Business Administration, American International University -Honorary Doctorate in Management, Luoyang University of Technology-The Republic of China- Taiwan	0.258	-	2018 - Present	Chairman	Hwa Fong Rubber Industry Co., Ltd.
					2018 - Present	Chairman	Hwa Fong Rubber (Thailand) Public Company Limited
					2018 - Present	Chairman	HFT Holding Company Limited
					2016 - Present	Advisor	National Policy Office of President of the Republic of China (Taiwan)
					2014 - Present	Chairman	Alliance Association of Industrial Science Park
					2010 - Present	Chairman	Hota Industrial MFG. Co., Ltd.
					2010 - Present	Chairman	Kao Fong Machinery Co., Ltd.
					2007 - Present	Chairman	Kao Fong Machinery Co., Ltd
2. Mr. Chuang, Chih- Yao Director June 8, 2018 Directors Board authorized to bind the company, according to the affidavit. December 18, 2018	49	-B. Sc. (Finance), Arizona State University- USA	0.121	-	2025 – Present	Chairman	Food and Drinks Public Company Limited
					2018 - Present	Director	Hua Fong Rubber (Thailand) Public Company Limited
					2015 - Present	Managing Director (Owner)	Thai Bright Bar Co., Ltd.
					2010 – Present	Managing Director (Owner)	V G Steel Co., Ltd.

Attachment 1

1.1.1 Details of the committee members according to the following table (continued)

Name-Surname/ Position/ Date of appointment	Age (year)	Educational Qualifications/Training History	Sharehold ing proportion in the company (%)	Family relationship between Board of Directors and Executives	Working experience in the past 5 years		
					period	position	Name of agency/company/business type
3. Mr. Chiu, Hsih-Chien Director June 22, 2018	54	- Master's degree in Statistics, National Cheng Kung University- Taiwan	-	-	2019 - Present Present Present Present	Director Vice President CEO CEO	Hwa Fong Rubber (Thailand) Public Company Limited Hwa Fong Rubber Industry Co., Ltd. Jian Sin Industrial Co., Ltd. Jui Li Enterprise Co., Ltd.
4. Miss. Wu, Ping-Yi Director June 22, 2018	36	- Bachelor of Laws Program, National Chung Hsing University - Taiwan	-	-	2019 - Present Present 2016 – 2018	Director Director Special Assistant CEO	Hwa fong Rubber (Thailand) Public Company Limited Hwa fong Rubber Industry Co., Ltd. Jian Sin Industrial Co., Ltd.
5. Mr. Lin , Wen-Cheng Director Feb 21, 2024	63		-	-	2024 - present Until May 2025	Director Chairman	Hwa fong Rubber (Thailand) Public Company Limited PT. Hwa Fong Rubber (Indonesia) Co., Ltd.

Attachment 1 (continued)

1.1.1 Details of the committee members according to the following table (continued)

Name-Surname/ Position/ Date of appointment	Age (year)	Educational Qualifications/ Training History	Shareholdin g proportion in the company (%)	Family relationship between Board of Directors and Executives	Working experience in the past 5 years		
					period	position	Name of agency/company/business type
6. Mr. Yen, Ming Shan Director August 11, 2012	85	- EMBA, National Changhua University of Education - Voc. Cert -Taiwan	0.352	-	2012 - Present	Director	Hwa Fong Rubber (Thailand) Public Company Limited
					2012 - Present	Director	Taiwan Rubber and Elastomer Industry Association Co., Ltd.
					2012 - Present	Director	Taiwan Rubber Research and Testing Center
					2012 - Present	Director	Taiwan Provincial Industry Association
					2011 - Present	Director	Hwa fong Rubber Industry Co., Ltd.
					2009 - Present	Chairman	Shenda Investment
					2003 - Present	Director	Hwa fong Rubber (Suzhou) Co., Ltd.
					1993 - Present	Director	Hwa fong Rubber (China) Co., Ltd.
					1992 - Present	Director	Hwa Fong Rubber USA Duro Tire and Wheel Co., Ltd.
7. Mr. Yen, Yui- Hsian Director April 23, 2022	51	- IMBA, Business Administration State Universities National Changhua University of Education Taiwan	1.257	-	2022 - Present	Director	Hwa Fong Rubber (Thailand) Public Company Limited
					2019 - Present	General Manager	Siangrui Construction Co., Ltd.
					2018 - Present	General Manager	Miji Construction Co.,Ltd. limit
					2018 – Present	General Manager	Xu-Fu Corporate Communities Co.,Ltd. Su Lon Industrial Co., Ltd.
					2012 – Present	Director	
					1994 – Present	General Manager	Hsin-Tai Hardware & Electricity Materialand Co.,Ltd.

Attachment 1 (continued)

1.1.1 Details of the committee members according to the following table (continued)

Name-Surname/ Position/ Date of appointment	Age (year)	Educational Qualifications/ Training History	Shareholdin g proportion in the company (%)	Family relationship between Board of Directors and Executives	Working experience in the past 5 years		
					period	position	Name of agency/ company/business type
8. Mr. Yen, Chih-Che Director April 21, 2017	49	- Architectural Engineering department Cheng Shiu University Bachelor of Business Administration DAYEH University - - The Republic of China (Taiwan)	1.390	-	2017 - Present 2007 - Present	Director Chairman	Hwa Fong Rubber (Thailand) Public Company Limited Sin-Jian-Hua Hydropower materials Co., Ltd.
9. Mr. Hsiao, Chih- Lung Independent Director/Chairman of The Audit Committee August 6, 2018	54	- MBE, Economics Institute of Chinese Culture University	-	-	2018 - Present 2007 - Present	Independent Director/ Chairman of The Audit Committee Finance Senior Manager	Hwa Fong Rubber (Thailand) Public Company Limited Far Eastern International Bank, Taiwan.
10. Mrs. Syuan Wen Independent Director/ The Audit Committee August 6, 2018	75	Accounting, Saint Louis College- United Kingdom	-	-	2018 - Present 2018 - Present 2015 - Present 1996 - Present	Independent Director/ The Audit Committee Director Overseas Coordinator Director	Hwa Fong Rubber (Thailand) Public Company Limited Placetin International Group Eagle Air & Sea (Thailand) Co., Ltd. 9999 International Co., Ltd.

Attachment 1 (continued)

1.1.1 Details of the board of directors according to the following table:

Name-Surname/ Position/ Date of appointment	Age (year)	Educational Qualifications/ Training History	Shareholding proportion in the company (%)	Family relationship between Board of Directors and Executives	Working experience in the past 5 years		
					period	position	Name of agency/company/ business type
11. Mr. Monsiam Sinworaphan Independent Director/ The Audit Committee August 6, 2018	53	- B.BA (International Business), Siam University -Bachelor's of Laws, Ramkhamhaeng University	-	-	2018 - Present	Independent Director / The Audit Committee	Hwa Fong Rubber (Thailand) Public Company Limited
					2005 - Present	Legal Advisor	Applied DB Public Company Limited
					2017 – Present	Legal Advisor	Savemore International Co., Ltd.
					2025 - Present	Independent Director / Audit Committee	Food and Drinks Public Company Limited
12. Mr. Lin , Cheng- Yung Independent Director/ The Audit Committee May 11, 2020	52	- Chiao Tai High School	0.468	-	2020 - Present	Independent Director / The Audit Committee	Hwa Fong Rubber (Thailand) Public Company Limited
					2006 - present	Chairman of The Board	Sheng Hua Manpower Resource Enterprise CO.,Ltd.

Attachment 1 (continued)

1.1.2 Details of the executives, persons with controlling power and the company secretary are as per the following table:

Name-Surname/ Position/ Date of appointment	Age (year)	Educational Qualifications/ Training History	Shareholdi ng proportion in the company (%)	Family relationship between Board of Directors and Executives	Working experience in the past 5 years		
					period	position	Name of agency/company/business type
1. Mr. Shen, Kuo-Jung Managing Director and Controlling Person of the Company	76	-Ph.D. in Business Administration, American International University -Honorary Doctorate in Management, Chuoyang University of Technology Republic of China Taiwan	0.258	-	2018 - Present	Chairman	Hwa Fong Rubber Industry Co., Ltd.
					2018 - Present	Chairman	Hwa Fong Rubber (Thailand) Public Company Limited
					2018 - Present	Chairman	HFT Holding Company Limited
					2016 - Present	Advisor	National Policy Office of President of the Republic of China (Taiwan)
					2014 - Present	Chairman	Alliance Association of Industrial Science Park
					2010 - Present	Chairman	Hota Industrial MFG. Co., Ltd.
					2010 - Present	Chairman	Kao Fong Machinery Co., Ltd.
					2007 - Present	Chairman	Kao Fong Machinery Co., Ltd
2. Mr. Chiu, Hsih-Chien Deputy General Director June 22, 2018	54	- Master's degree in Statistics, National Cheng Kung University- Taiwan	-	-	2018 - Present	Director	Hwa Fong Rubber (Thailand) Public Company Limited
					Present	Vice President	Hwa Fong Rubber Industry Co., Ltd.
					Present	CEO	Jian Sin Industrial Co., Ltd.
					Present	CEO	Jui Li Enterprise Co.,Ltd.

Attachment 1 (continued)

1.1.2 Details of the executives, persons with controlling power and the company secretary are as per the following table:

Name-Surname/ Position/ Date of appointment	Age (year)	Educational Qualifications/ Training History	Shareholding proportion in the company (%)	Family relationship between Board of Directors and Executives	Working experience in the past 5 years		
					period	position	Name of agency/company/ business type
3. Mr. Chuang, Chih-Yao - Deputy General Director - Company Secretary	49	-B. Sc. (Finance), Arizona State University- USA	0.121	-	2025 – Present	Chairman	Food and Drinks Public Company Limited
					2024 – Present	Company Secretary	Hua Fong Rubber (Thailand) Public Company Limited
					2018 – Present	Director	Thai Bright Bar Co.,Ltd
					2015 – Present	Managing Director (Owner)	V G Steel Co.,Ltd.
					2010 – Present	Managing Director (Owner)	
4. Ms. Radathorn Tanaasavapol Accounting and Finance Manager	60	Bachelor of Marketing, Ramkhamhaeng University - Completion of the e- learning program: CFO's Refresher Course 2025	0.000076	-	2005 - present	Accounting and Finance Manager	Hwa Fong Rubber (Thailand) PLC.
5. Mr. Hsiao, Yi-Chou - Deputy General Director	52	- Bachelor of Production Management National Taichung University of Science and Technology	-	-	2024 - 2025	Deputy General Director	Hwa Fong Rubber Ind. Co.,Ltd.
					2020 - 2023	R&D Manager	Hwa Fong Rubber Ind. Co.,Ltd.
					2017 -2019	Deputy GM.	Hwa Fong Rubber (Thailand) PLC.
					2010 - 2016	Director	

Attachments 2 (continue)

2. Details of the directors of the subsidiary company**2.1 Details of the directors, executives and controlling persons of the subsidiaries are as follows:****HFT Holding Company Limited**

Name-Surname/ Position/ Date of appointment	Age (year)	Educational Qualifications/Tr aining History	Sharehol ding proportio n in the company (%)	Family relationship between Board of Directors and Executives	Working experience in the past 5 years		
					period	position	Name of agency/company/business type
1. Mr. Shen, Kuo-Jung, Chairman and Managing Director Board authorized to bind the company, according to the affidavit. June 22, 2018	76	-Ph.D. in Business Administration, American International University -Honorary Doctorate in Management, Luoyang University of Technology-The Republic of China- Taiwan	0.258	-	2018 - Present	Chairman	Hwa Fong Rubber Industry Co., Ltd.
					2018 - Present	Chairman	Hwa Fong Rubber (Thailand) Public Company Limited
					2018 - Present	Chairman	HFT Holding Company Limited
					2016 - Present	Advisor	National Policy Office of President of the Republic of China (Taiwan)
					2014 - Present	Chairman	Alliance Association of Industrial Science Park
					2010 - Present	Chairman	Hota Industrial MFG. Co., Ltd.
					2010 - Present	Chairman	Kao Fong Machinery Co., Ltd.
					2007 - Present	Chairman	Kao Fong Machinery Co., Ltd
2. Mr. Chuang, Chih- Yao Deputy General Director	49	-B. Sc. (Finance), Arizona State University- USA	0.121	-	2018 - Present	Chairman	Hwa Fong Rubber Industry Co., Ltd.
					2025 – Present	Chairman	Food and Drinks Public Company Limited
					2018 - present	Director	Hwa Fong Rubber Company (Thailand) PCL
					2015 - present	Managing Director (Owner)	Thai Bright Bar Co., Ltd.
					2010 - present	Managing Director (Owner)	V.G. Steel Co., Ltd.

2.2 Table showing information on executives and persons with controlling power who hold positions as directors or executives in subsidiaries.

Associated or related companies as of 31 December, 2025. as per the following table:

List of companies	company	Parent Company	Subsidiary Company	
List	HFT Hwa Fong Rubber (Thailand) PLC.	HFR Hwa Fong Rubber Industrial Co., Ltd.	HFT Holding Co., Ltd	HFI PT. Hwa Fong Rubber (Indonesia)
1. Mr. Shen, Kuo-Jung	X	X	X	
2. Mr. Chiu, Hsih-Chien	/	/		
3. Ms. Wu, Ping-Yi	/	/		
4. Mr. Yen, Ming-Shan	/			
5. Mr. Yen, Jui-Shian	/			
6. Mr. Yen, Chih-Che	/			
7. Mr. Chuang, Chih-Yao	/			
8. Mr. Hsiao, Chih-Lung	//		/	
9. Mr. Monsiam Sinworaphan	/			
10. Mrs. Syuan Wen	/			
11. Mr. Lin, Cheng-Yung	/			
12. Mr. .Lin, Wen-Cheng	/			X

Note: X = Chairman of the Board // = Executive Board / = Director

Attachments 2 (continued)

2. Details of the directors of the subsidiary company

The table shows the list of directors of subsidiaries as of 31 December, 2025 as follows:

List of subsidiaries List of directors	HFT Holding Company Limited	Hwa Fong Rubber (Indonesia) Co., Ltd.
MR. SHEN, KUO – JUNG	X	
MR.CHUANG, CHIH-YAO	//	
MR. LIN, WEN - CHENG		X

Note

1. X = Chairman of the Board // = Executive Board / = Director
2. Subsidiary means a subsidiary that is significant, such as having income exceeding 10% of total income.
According to the latest fiscal year's consolidated profit and loss statement

3.Details about the Head of Internal Audit

Head of Internal Audit

Name-Surname Ms. Pailin Amornkul

Age 49 year

Nationality Thai

Study Bachelor's degree From Sukhothai Thammathirat University Department of Management Science

Training Seminar to provide accounting knowledge to audit committee members Easy listening: Accounting knowledge at AC

Don't miss it EP.2By the Securities and Exchange Commission("office g.L.T.")

- course "Regarding the issuance of a report on information of related legal entities" By the Revenue Department
- course "Data analysis with 5Gen & Why Why Analysis"by company Asia Training Center Ltd.
- course "Techniques for auditing internal control systemsISO 9001 : 2008 (IQA)"by company Asia Training Center Ltd.
- course "Continuous improvement activities with Kaizen"by company Asia Training Center Ltd.
- course "Command Effective assignment and control of work" by IBS Consultants
- course "AC Forum Vol.13 Internal Audit : Tool of Audit Committee"by KPMG Cutting through Complexity
- course "Use it wisely EQWith efficient work" by company Asia Training Center Ltd.
- course "Supervisor Level Occupational Safety Officer" by company One Stop HR Ltd.
- course "Techniques for using tools QCBoth7type(QC 7 Tools)"by company Asia Training Center Ltd.
- course "5S.Path to corporate quality system development" by company Asia Training Center Ltd.
- course "Basic QCC"by NAQS Co.,Ltd.
- course "Internal audit operations course1Model No.46"by Accountancy Professional Council Under royal patronage
- course "Creating motivation and awareness in work performance" by company Asia Training Center Ltd.
- course "Preventing corruption in organizations Model No.10" By the Accountancy Professional Council Under royal patronage
- course "Key mechanisms for governance and business value creation"
- course "Creating motivation and awareness in working with5Q"by company IQS Management Ltd.
- course "Executive Security Officer" By the company Trainer In Thai Ltd.
- course "Risks Management of QMS"by company Asia Training Center Ltd.
- course "standard IATF16949:2016"By the company Asia Training Center Ltd.
- course "Systematic review(Systematic Audit)Model No.5"by Professional Company Internal Audit Service Ltd.
- course "Terms and Application ISO 45001:2018"by Bismar Company International Ltd.
- course "Coaching strategies and mentoring system development" By the One-Stop Human Resource Development Station
- Training Program: "Borderless Cyber Threats: Strategic Organizational Response for National Security" conducted by National Telecom Public Company Limited (NT Cyfence Business Unit)
- Training Program: "Professional Subordinates Desired by Supervisors" conducted by Asia Training Center Co., Ltd.
- Training Program: "Setting Objectives and Targets Using KPIs" conducted by Asia Training Center Co., Ltd.
- 2014-current Head of Internal Audit Hwa Fong Rubber (Thailand) Public Company Limited
- 2013-2014 Deputy Head of Internal Audit Department Hwa Fong Rubber (Thailand) Public Company Limited
- 2011-2013 Head of Internal Audit Department Hwa Fong Rubber (Thailand) Public Company Limited
- 2008-2011 Deputy Head of Internal Audit Department Hwa Fong Rubber (Thailand) Public Company Limited
- 2004-2008 Internal Audit Officer Hwa Fong Rubber (Thailand) Public Company Limited
- 1999-2004 Quality Assurance Officer(QA) Hwa Fong Rubber (Thailand) Public Company Limited

Assets for business undertaking and details of Asset Appraisal

Property Type/Characteristics	Proprietary characteristics	Accounting value (MB)	Encumbrances
Land in the area where the factory and factory improvements are located has an area of 29 rai 3 ngan 16.3 square wa and the 2nd factory has an area of 32 rai 1 ngan 76 square wa.	The company owns the freehold.	112.15	without
The 3rd factory land has an area of 27 rai 3 Ngan 72.8 Square wa. (Still not being utilized in 2024)	The company owns the freehold.	206.98	without
4 Units of Suit rooms in 2places	The company owns the freehold.	6.39	without
Buildings Located on the same land as the factory area.	The company owns the freehold.	397.40	without
Machinery & Equipment	The company owns the freehold.	791.53	without
Office Furnishings & Supplies	The company owns the freehold.	2.22	without
Vehicle	The company owns the freehold.	5.57	without
Assets under construction and Machines in process	The company owns the freehold.	6.85	without

The main assets of subsidiaries as of 31 December, 2025 are as follows:

Property Type / Characteristics	Proprietary characteristics	Accounting value (MB)	Encumbrances
Land in Indonesia 80,729 Sq.m. (Still not being utilized in 2025)	The subsidiary owns the Ownership.	126.10	without

Report from the Audit Committee

Dear Value Shareholders,

The Audit Committee of Hwafong Rubber (Thailand) Public Company Limited (referred to as "company")
Consisting of independent directors 4 peoples.

1. MR. HSIAO, CHIH-LUNG (Chairman)
2. MR. MONSIAM SINWORAPUN
3. MR. LIN, CHENG-YUNG
4. MRS. SYUAN WEN

The major purpose of Audit Committee is to assist the Board to provide independent oversight of HFT's financial reporting, the effectiveness of internal control, the adequacy of regulatory compliance, and risk management. In such meetings, we serve a Board-level oversight role and ensure all Audit Committee responsibilities are executed appropriately and effectively. Besides, we discuss with HFT's management and provide financial recommendations independently.

The Audit Committee meets PricewaterhouseCoopers ABAS Ltd., HFT's independent registered public account firm, to review and oversight HFT's financial statement quarterly. The Audit Committee is satisfied with the financial reports which were prepared in accordance with the generally accepted accounting principles.

Likewise, to perform the Audit Committee's duties, we have reviewed and discussed with the management to monitor the effectiveness of HFT's policies and procedures of internal control over financial reporting, compliance and operational matters.

The performance of the Company is mostly subject to market fluctuations and the risks inherent in all business environment changes. Meeting of risk identification and mitigation is convened regularly. HFT's risk management is sufficiently effective with the internal policies and strategies.

In reliance of above-mentioned reviews, and the financial reports audited by PWC, we believe the Audit Committee duties are performed effectively and completely.



(Mr. Hsiao, Chih-Lung)

Chairman of the Audit Committee



@hftofficial



สำนักงานใหญ่ (Service 1) : เลขที่ 317 ม.4
บ.6C อําเภอดอนตะลุง จ.มหาสารคาม
อ.5509 อําเภอดอนตะลุง 10280
โทรศัพท์ 02-709-6583 โทรสาร 02-709-6589

Head Office : 317 Moo 4, Soi 6C
Bangpoo Industrial Estate
Phraekae Sub-district, Mueang District
Sakonkarak Province 10280
Tel : 0860 3260518 Fax : 0860 3260519

Service 2 : เลขที่ 865/1 ม.4
บ.11B อําเภอดอนตะลุง จ.มหาสารคาม
อ.5509 อําเภอดอนตะลุง 10280
โทรศัพท์ 02-324-0518 โทรสาร 02-324-0519

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