

Ref. HF 0114 / 2562

August 5th, 2019

Subject : Disclosure of Connected Transaction. (Edit 2)

Attn : Managing Director of the Stock Exchange of Thailand.

According to the resolution of the Board of Director Meeting No. 3/2019, held on August 5th, 2019 of Hwa Fong Rubber (Thailand) Public Company Limited. That approved to buy Molds, Machinery and equipment. With Hwa Fong Rubber (China) Co., Ltd. "HFC" and **Hwa Fong Rubber (Suzhou) Co.,Ltd. " HFZ "** . When combined not more than 80,000,000.00 THB. Accounted for 2.89% (Net Tangible Asset: NTA) as of June 30th, 2019.

The total value of the transaction is considered as a connected transaction with a value exceeding 0.03% but not more than 3% of net tangible assets (Net Tangible Asset: NTA) according to the consolidated financial statements as at June 30th, 2019. And request approval from the Board of Directors. Thus, this transaction must be revealed to the SET following the detail :

Purchase of machinery, molds and equipment Agreement

Parties Involved

Seller

- Hwa Fong Rubber (China) Co., Ltd. "HFC"
- **Hwa Fong Rubber (Suzhou) Co.,Ltd. " HFZ "** .

Buyer

- Hwa Fong Rubber (Thailand) PLC. "HFT"

Related Relationship

Hwa Fong Rubber (Thailand) PLC. "HFT" shareholder
50.42% of the company and 100% of the Hwa Fong
Rubber (China) Co., Ltd. "HFC"

Sellers and buyers are common directors.

- Mr. Hsiao Chin Lung as Audit Committee Hwa Fong Rubber (China) Co., Ltd. "HFC" and Hwa Fong Rubber (Suzhou) Co.,Ltd. " HFZ ". And Chairman of Audit Committee Hwa Fong Rubber (Thailand) PLC. Mrs. Wu Ping Yi as Board Director Hwa Fong Rubber (Thailand) PLC. "HFT" and Hwa Fong Rubber (China) Co., Ltd. "HFC" and Hwa Fong Rubber (Suzhou) Co.,Ltd. " HFZ " .

Type of transaction

Purchase of machinery, molds and equipment Agreement. Used in the production process Includes processes and production methods with the same standard machines and other information.

Contract Period

Within Q4/2019

Total value of the transaction

Not more than 80,000,000.00 THB

Method of Payment

Payment by machine list.

Source of investment funds

Working capital

Reasonableness of entering into the transaction

The seller will supply the machinery and equipment to various companies in and Hwa Fong Rubber (China) Co., Ltd. "HFC" and Hwa Fong Rubber (Suzhou) Co.,Ltd. " HFZ " . The affiliated companies of the Hwa Fong Group. The criteria for determining cost-plus basis, compared to the market price. According contract Hwa Fong Rubber (China) Co., Ltd. "HFC" and Hwa Fong Rubber (Suzhou) Co.,Ltd. " HFZ " .The seller will supply the machinery. And equipment used in the production process, production methods In order to support the purchase of products and expand the market in the Asian region, which will enable the

Company to compete with other manufacturers. The Company therefore has to order additional machinery.

Opinion of Board of Directors including Audit Committee

The Board of Director's meeting. Where there was no directors who have interests voting in the meeting. had consciously considered and unanimously approve purchase of machinery, molds and equipment for Hwa Fong Rubber (China) Co., Ltd. "HFC" and **Hwa Fong Rubber (Suzhou) Co.,Ltd. " HFZ "**. For the reasons mentioned above. This transaction is also considered as business promotion with is reasonable and beneficial to the company.

Anyhow, the Audit committee had no different opinion from the Board.
Please be informed accordingly and disclosed to shareholders and investors for making investment decision. Thank you.

Sincerely Yours,

(Mr. Shen Kuo Jung)

Chairman