

August 7th, 2023

Subject : Disclosure of Connected Transaction.

Attn : Managing Director of the Stock Exchange of Thailand.

According to the resolution of the Board of Director Meeting No. 3/2023, held on August 7th, 2023 of Hwa Fong Rubber (Thailand) Public Company Limited. That approved to buy Molds, Machinery and equipment. With Hwa Fong Rubber (China) Co., Ltd. "HFC". When combined not More than 30,000,000.00 THB. Accounted for 0.86% (Net Tangible Asset: NTA) as of June 30th, 2023.

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, 2023. 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"

Buyer

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

Related Relationship

Hwa Fong Rubber Industrial company Limited "HFR" is the Major shareholder in the company, which hold 50.42% of the company's and 100% of the Hwa Fong Rubber (China) Co., Ltd. "HFC" Sellers and buyers are common directors.

- Mr. Hsiao Chin Lung as Board of Director Hwa Fong Rubber (China) Co., Ltd. “HFC” 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”

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 Q4/2023

Total value of the transaction

Not more than 30,000,000.00 THB

Method of Payment

Payment by machine list.

Sour of funds capital

Working capital of the company

Reasonableness of entering into the transaction

The company entered into a purchase and sale agreement for machinery, Moulds and equipment with Hwa Fong Rubber (China) Co., Ltd. the price is close to the market price and the condition are in accordance with normal business practice according to the contract. Hwa Fong Rubber Company (China) 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 from Hwa Fong Rubber (China) Co., Ltd. "HFC". 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. Chuang Chih - Yao)

Vice President