



SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED

# 2Q23 Presentation



The Stock Exchange of Thailand  
**SET100 Index**



The Stock Exchange of Thailand  
**SETTHSI Index**

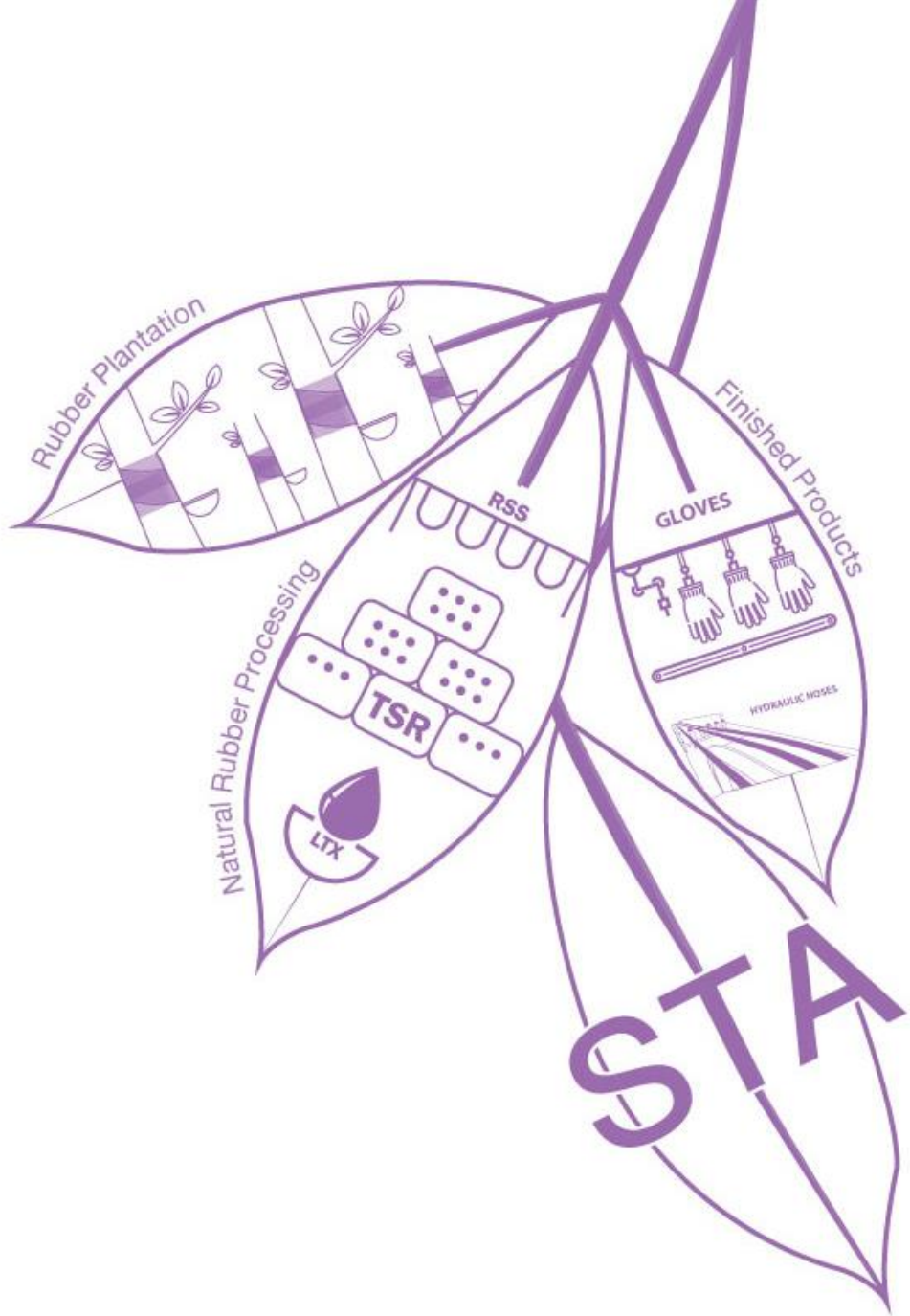


The Stock Exchange of Thailand  
**SETHD Index**



Excellent  
Corporate Governance Score Appraised by  
Thai Institute of Directors





## 01 Company Overview



## 02 Business Highlights



## 03 Financial Performance

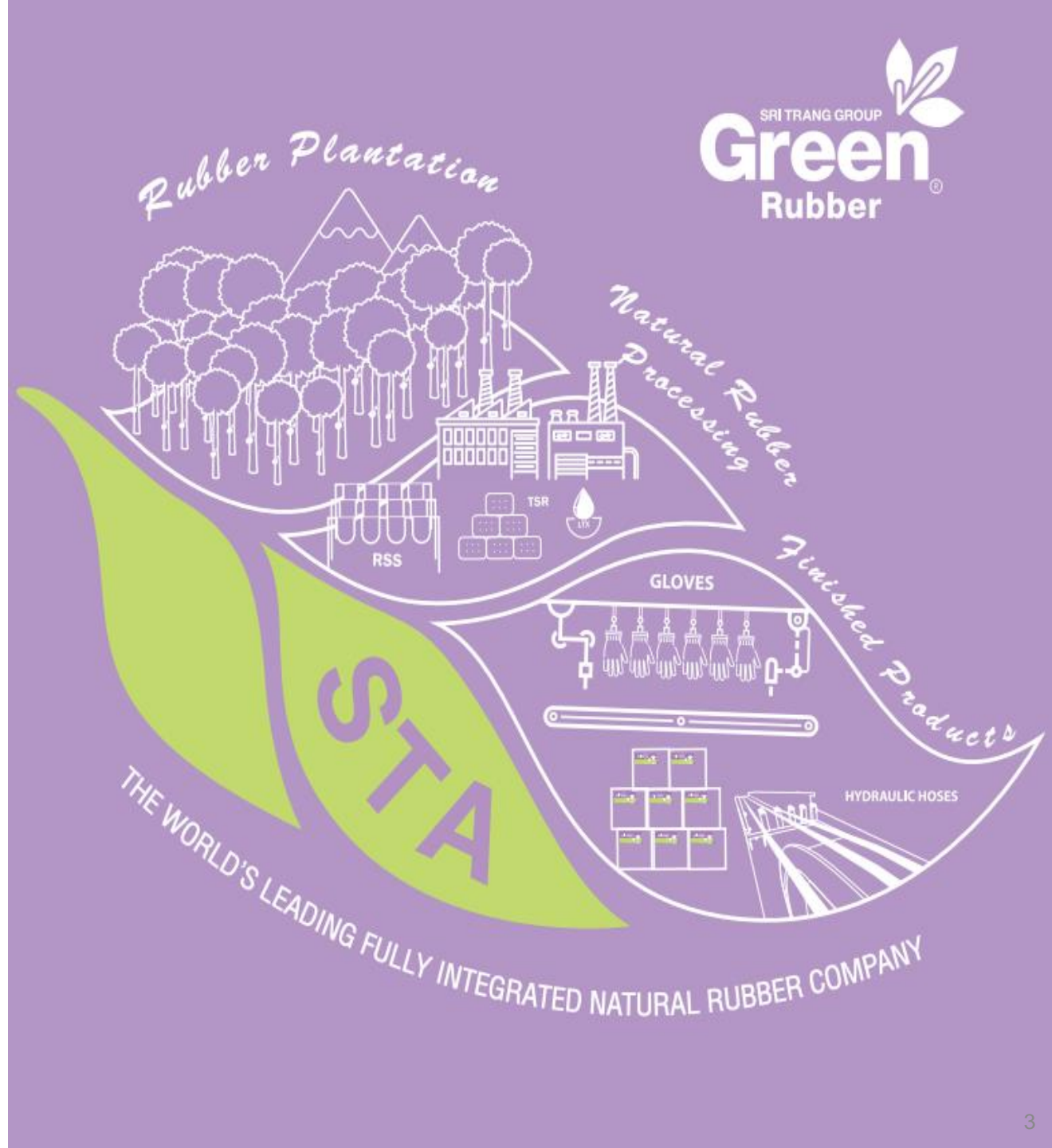


## 04 Natural Rubber Market Situation



# 01 Company Overview

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# The World's Leading Fully Integrated Green Rubber Company

About STA: Established in 1987



## Upstream



### RUBBER PLANTATIONS

**47,000** rai

(7,500 hectares) of rubber plantations and other economic crops

**32** procurement centers

**17,000+**

Rubber farmers and dealers being members of mobile application "SRI TRANG Friends"



## Midstream



### RUBBER PROCESSING

**35** NR processing plants in Thailand, Indonesia and Myanmar

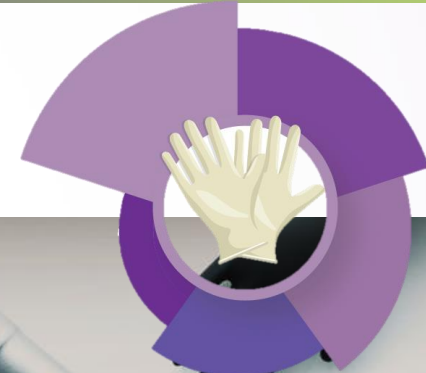
**3.4** million tons in production capacity per year

**1.5** million tons sold in 2022

**11%** market share of global natural rubber consumption in 2022

**33%** market share of Thailand rubber production in 2022

## Downstream



### RUBBER GLOVES

**4** locations of glove factories in Thailand

**55.3** billion pieces of gloves in production capacity per year

**28.8** billion pieces of gloves sold in 2022

**170+** countries sold over the world

SRITRANG'S  
Global  
Presence



Thailand



USA



Myanmar



Indonesia



Singapore



China



Vietnam

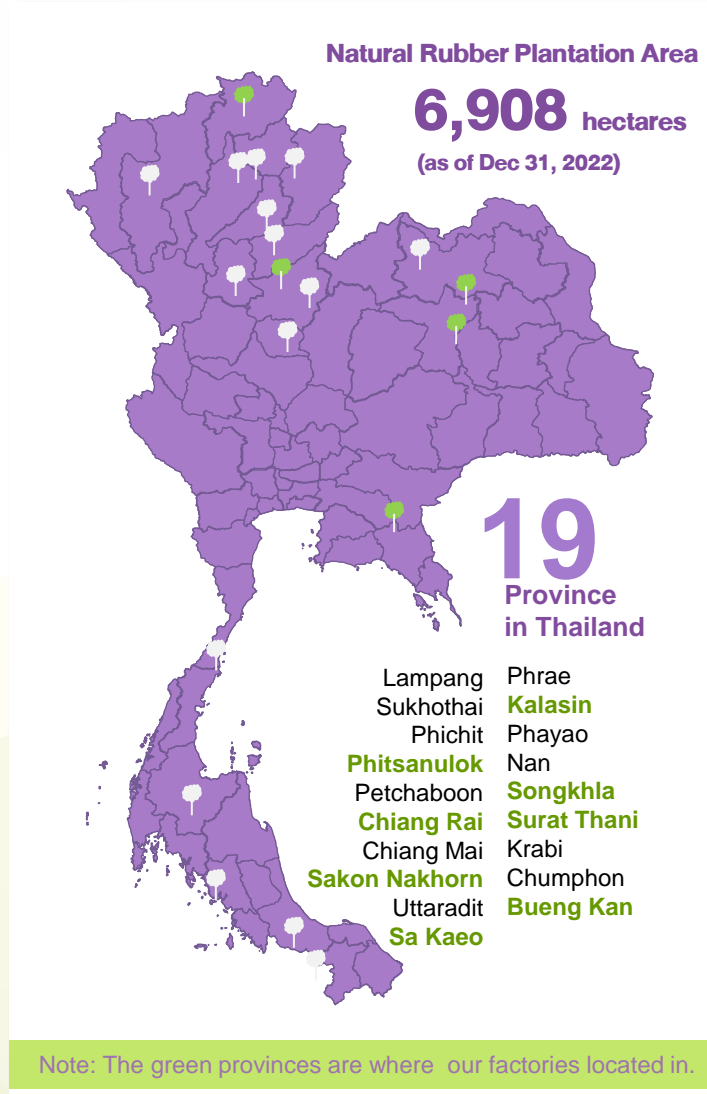


Philippines

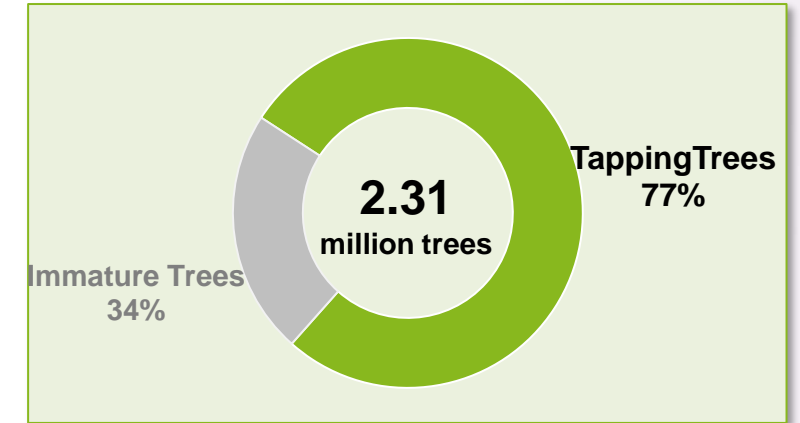


Côte d'Ivoire

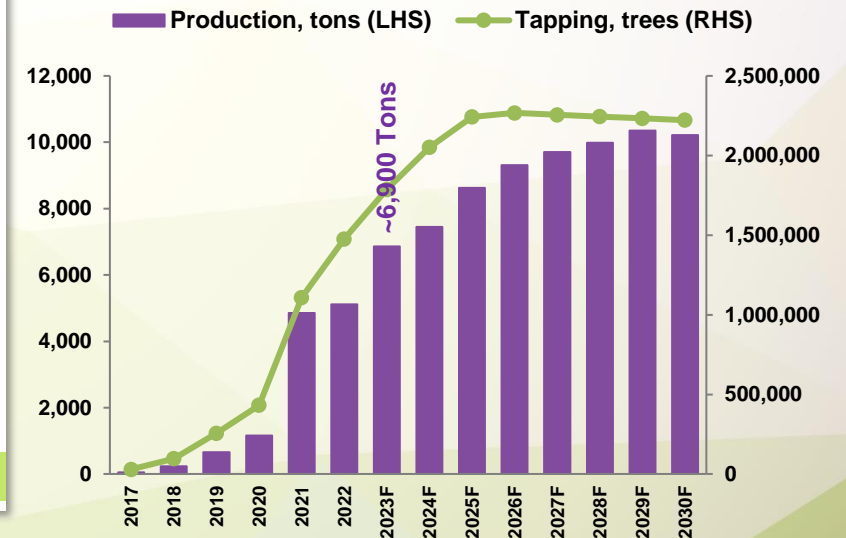
# Upstream Operations – Rubber Plantation



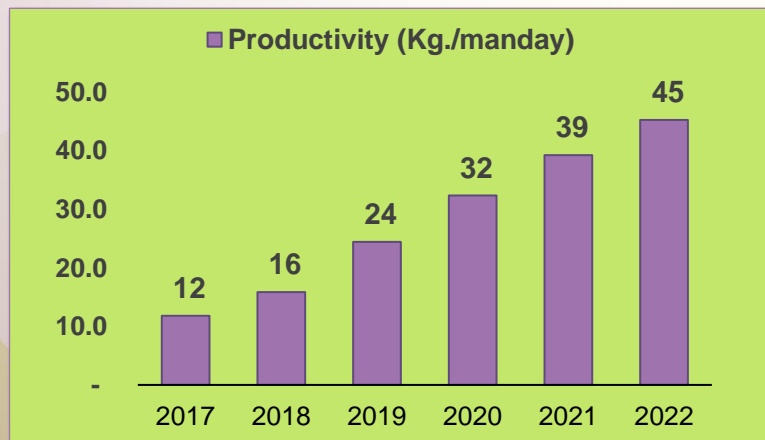
## Number of Rubber Trees (2023F)



## Estimated Mature Plantations



## Productivity of Our Rubber Tappers

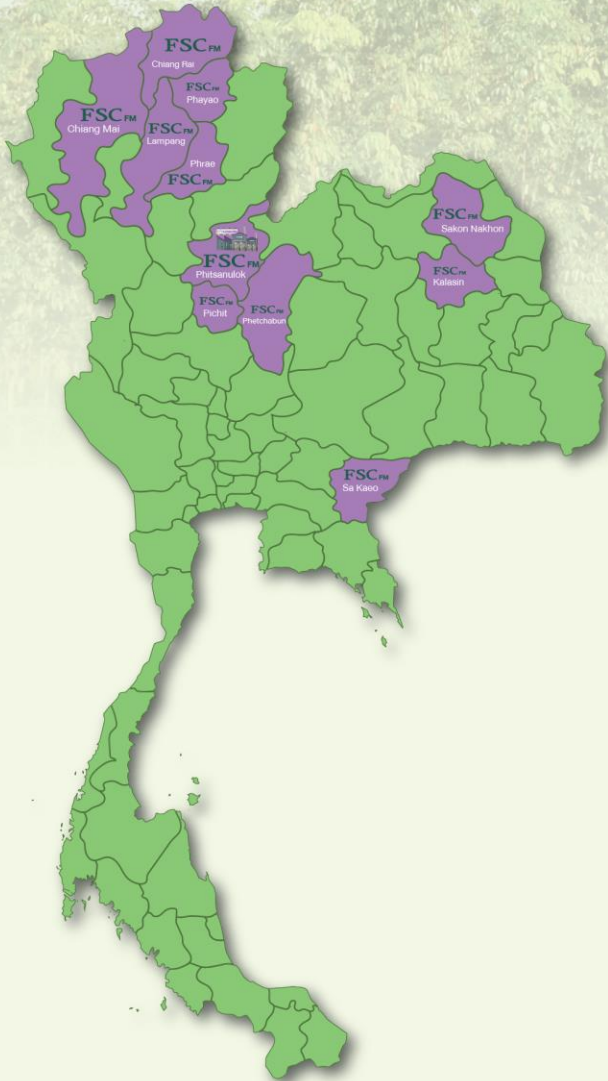




# Thailand's largest FSC Rubber producer



with the most extensive FSC-certified production and plantations. We hold FSC certifications for both concentrated latex (LTX) and specified block rubber (STR).



## 4,722 hectare

In 11 provinces

(as of 31st Dec 2022)

- Phitsanulok
- Chiang Rai
- Chiang Mai
- Lampang
- Pichit
- Phrae
- Pha Yao
- Sa Kaeo
- Sakon Nakhon
- Petchabun
- Kalasin



\*Phitsanulok



**FSC**  
STR Production

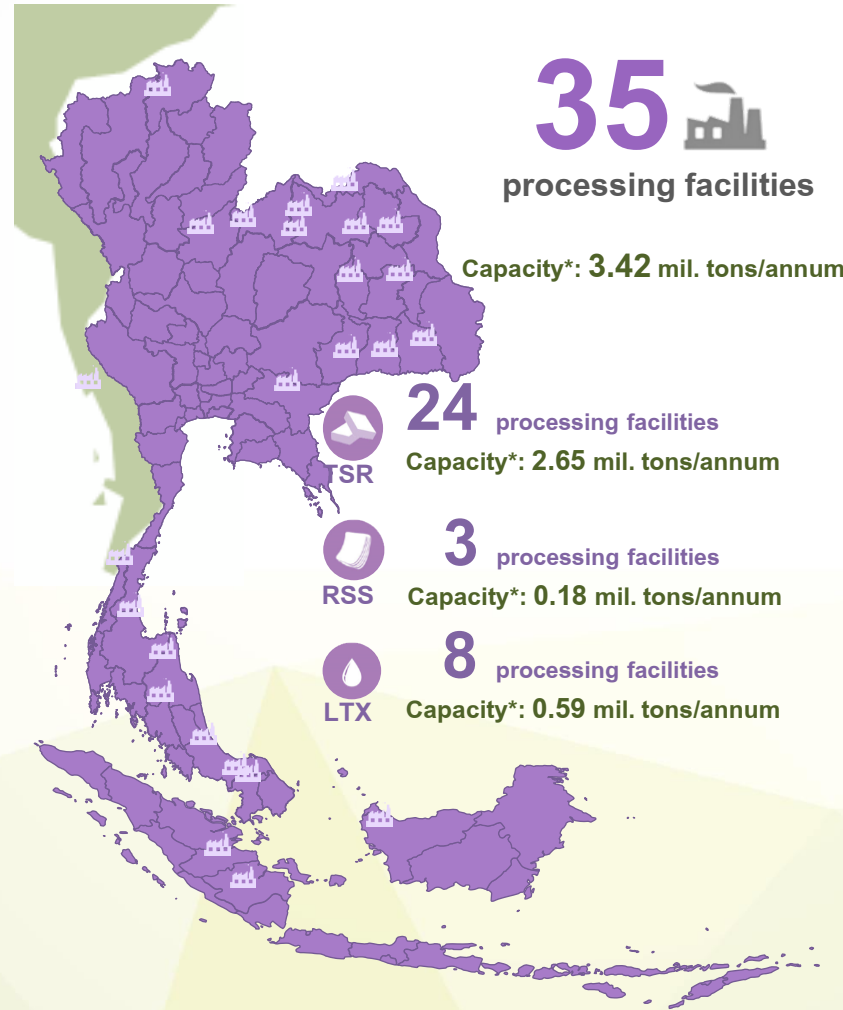
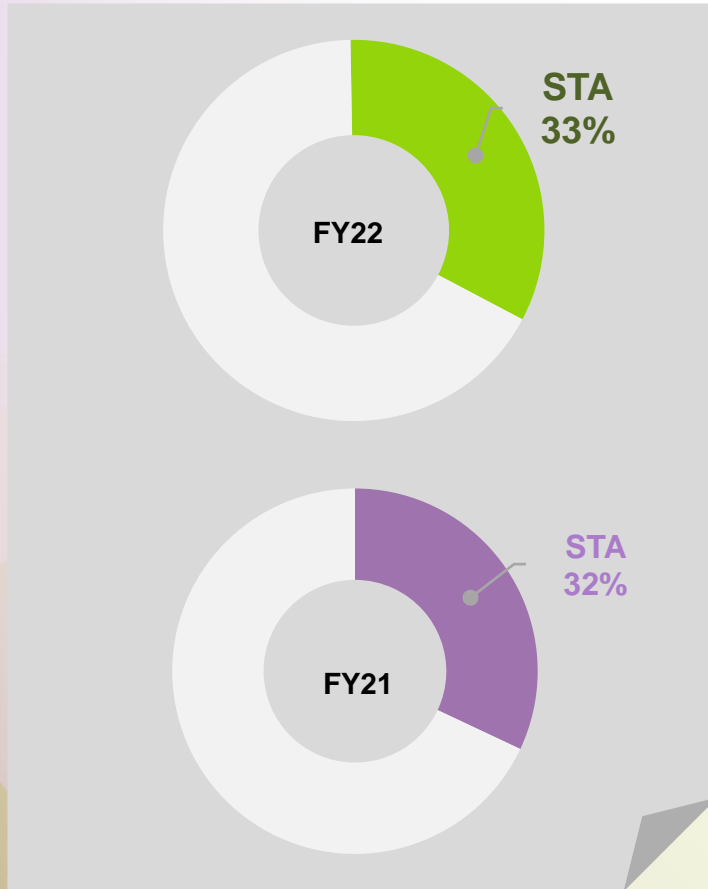
\*This estimate is based on the monthly yield.  
\*\*The accumulated stock is excluded from this calculation.

## Pioneer in fully integrated FSC latex supply chain



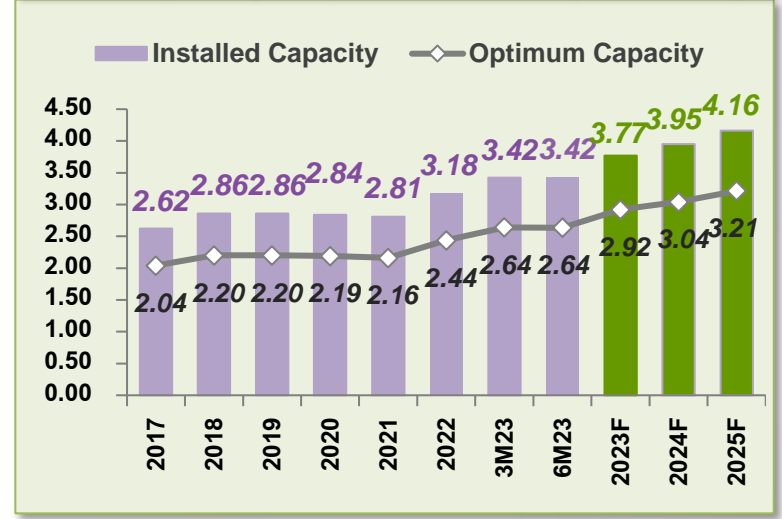
# Midstream Operations – NR Processing

## A Strong Increase in Market Share Rubber Production in Thailand

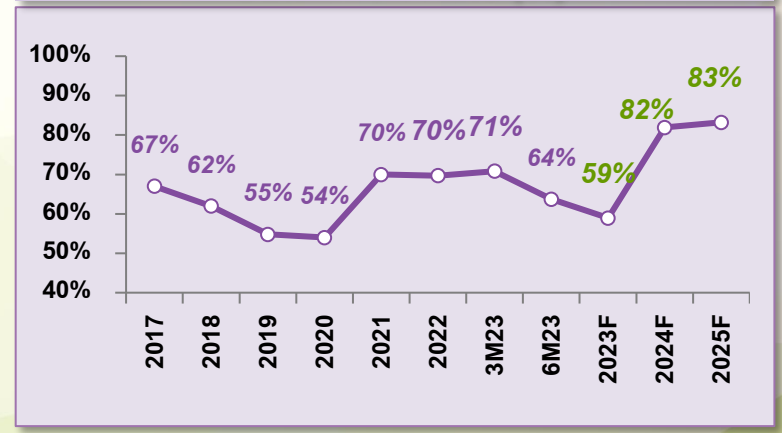


Note: \*Total engineering capacity

## NR Capacity Expansion Plan (mil. tons)



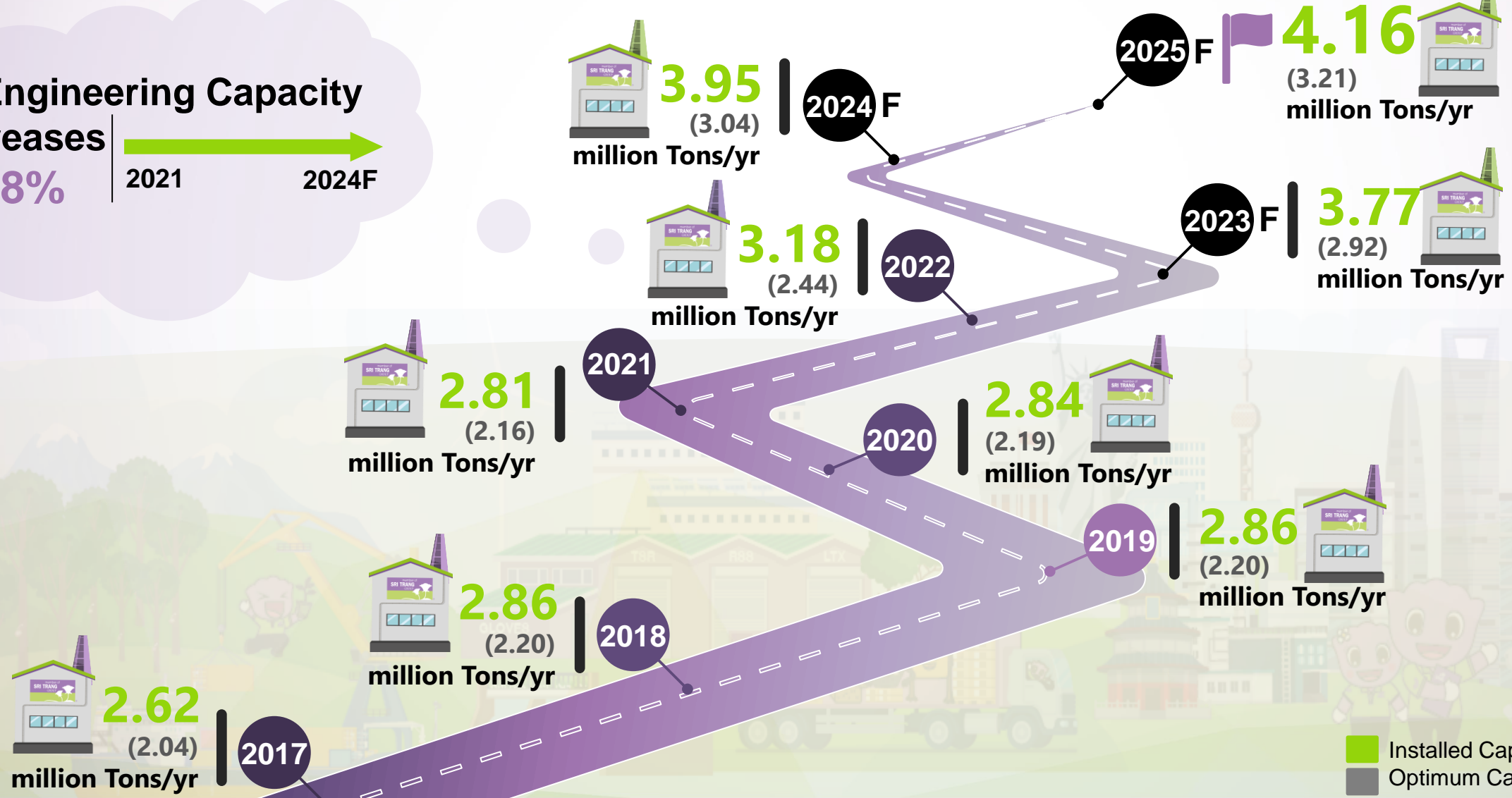
## Utilization Rate (%)



# Capacity Expansion Plan in NR Business



Engineering Capacity increases **+48%** from 2021 to 2024F



■ Installed Capacity  
■ Optimum Capacity



# Aggressive Expansion in TSR Plants



**THB 9,000 million** - Our Investment Budget for TSR Capacity Expansion

## Complete 5 projects in 2022

Commercial Run	Location Plant	Capacity (Tons)
1H2022	Pitsanulok	70,080
	Sakon Nakorn	70,080
	Bueng Kan	87,600
2H2022	Sikao, Trang	70,080
	Myanmar	8,760
<b>Total</b>		<b>306,600</b>

❖ **Total 2022 TSR Engineering Capacity 2.41 Million Tons**

- Completed 5 expansion projects in 2022 with total additional capacity of 306,600 tons



## Expansion Plan in FY23, FY24 & FY25

Commercial Run	Location Plant	Capacity (Tons)	
FY2023	1Q2023 (Completed)	Sa Keao	122,640
		Kalasin	122,640
	3Q2023	Loei	122,640
		Buriram	70,080
		Mukdahan	140,160
FY2024	1Q2024	Pitsanulok	70,080
		Myanmar	17,520
	3Q2024	Sakon Nakorn	70,080
		Sikao, Trang	140,160
FY2025	Chiang Rai	70,080	
	<b>Total</b>		<b>946,080</b>

❖ **Total TSR Engineering Capacity will be 3.26 Million Tons**

- Expanding the capacity of 10 plants in 2023 - 2025 with total additional capacity of 946,080 tons

# Expansion in LTX Plants



**THB 950 million** - Our Investment Budget for LTX Capacity Expansion

## Complete 1 project in 2022

Commercial Run	Location Plant	Capacity (Tons)
1H2022	Bueng Kan	52,560

❖ **Total Current LTX Engineering Capacity 0.59 Million Tons**

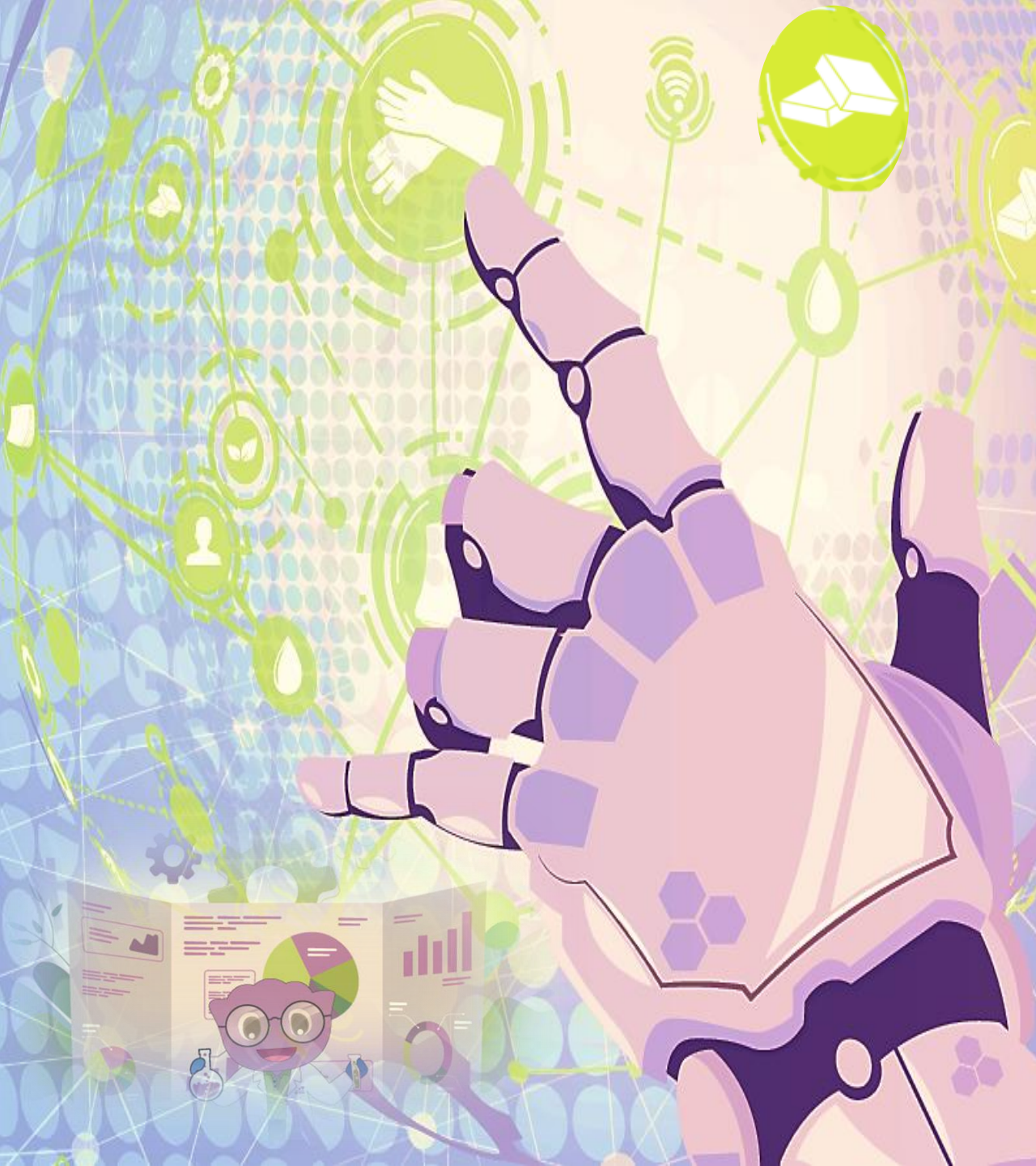
- Already finished Bueng Kan projects in 2022 with the total capacity of 52,560 tons

## Expansion Plan in 2023 & 2024

Commercial Run	Location Plant	Capacity (Tons)
3Q2023	Narathiwat	18,396
FY2024	Kanjanadit, Surat Thani	113,004
<b>Total</b>		<b>131,400</b>

❖ **Total LTX Engineering Capacity will be 0.72 Million Tons**

- Expanding 2 projects in the next two years with the total capacity of 131,400 tons



## 02 Business Highlights

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# Major Customers in Midstream Business

## GLOBAL BRANDS



## NON-CHINA



## CHINA



# EU Deforestation-Free Regulation (EUDR)

- From 2024, the EU will require firms working in deforestation hotspots to certify that their goods have not harmed forests after a cutoff date of 31 December 2020.
- **Additionally, RAOT has taken steps to enhance the traceability of rubber production origins.**



Cocoa &  
Chocolate



Rubber &  
Wood



Coffee



Palm Oil



Cattle & Beef



Soy



STA are ready for the new mega trend of Traceability & Sustainability. Many tire maker companies strongly requires natural rubber to be traceable to source of origin as they are required proof to comply with EU Deforestation. By implementing traceability, we therefore has better chance to secure sales volume and possible premium in the future.

# Our current digital products developed internally.

More coming services are awaiting in our pipeline to serve our users.



Sri Trang Friends Platform

Trader and Farmer sell rubber to STA via this platform



Sri Trang Friends Station App  
Rubber Trading Program



Traders purchase rubber from Farmers via this App.



Sri Trang Friends Station App  
Super Driver

Driver delivers rubber from Farmer's plantation to STA

# Sri Trang Friends Platform Progress

 Go-Live  
 Coming soon



The image displays a collage of various mobile application screens from the Sri Trang Friends platform. Each screen is annotated with a callout box indicating its status:

- User Profile**:  (Go-Live)
- Weather Forecast**:  (Coming soon)
- Financial History**:  (Go-Live)
- Financial Statement**:  (Coming soon)
- Farm management**:  (Coming soon)
- Loyalty Program**:  (Coming soon)
- Point Management**:  (Go-Live)
- Trading Feature**:  (Go-Live)
- Supply Chain Financing**:  (Coming soon)
- E-commerce**:  (Coming soon)
- Delivery Services**:  (Go-Live)
- Article/News Update**:  (Go-Live)

The screens shown include user profiles, weather forecasts, financial data, loyalty programs, trading interfaces, supply chain financing, e-commerce, delivery services, and news updates. The background features a faint map of Thailand and a large green checkmark.

# “Sri Trang Friends Ecosystem”



Sri Trang Friends Ecosystem revolutionizes by connecting everyone involved in the rubber industry and become the first pioneer in fully integrated latex and TSR supply chain.

480million sqft  
OF FSC FM land



## Sustainable sourcing



- ✓ Transparent rubber trading proceeded via Sri Trang Friends App.
- ✓ Source of raw material recorded (Up to sub district level)



## Smart Receiving

- ✓ Smart receiving system (Real time update to end user)
- ✓ Smart manufacturing system



## Cloud Services

### Cloud based Infrastructure

- ✓ Auto-scaling infrastructure
- ✓ Security check
- ✓ Get ready for big data from data traceability



## Farm Management

- ✓ Geographic Information System
- ✓ GPS, Shape file recorded
- ✓ Transaction Traceability
- ✓ Built system to integrate with RAOT or 3<sup>rd</sup> party for verification



## Rubber Trading Program

- ✓ Provide POS for operating trader shops to record transactions, print slips, and check historical data
- ✓ Geolocation available (GPS)



## Super Driver Delivery

- ✓ Provide services for farmers in remote area
- ✓ Create a new job in the rubber industry
- ✓ Geolocation available (GPS)

In progress



## The Road to Traceable Natural Rubber Sourcing

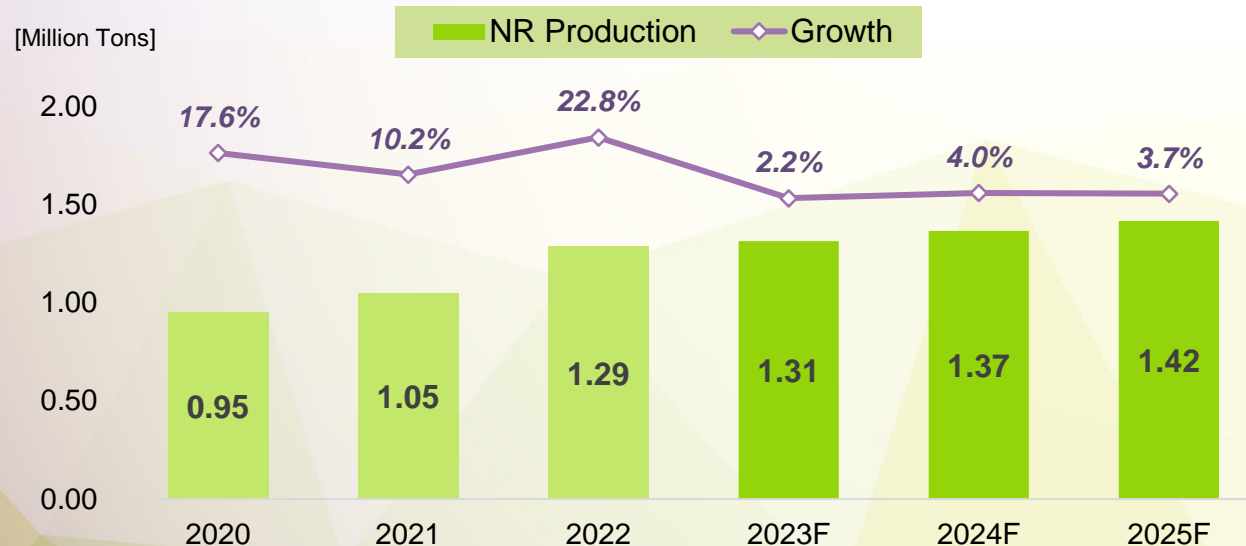
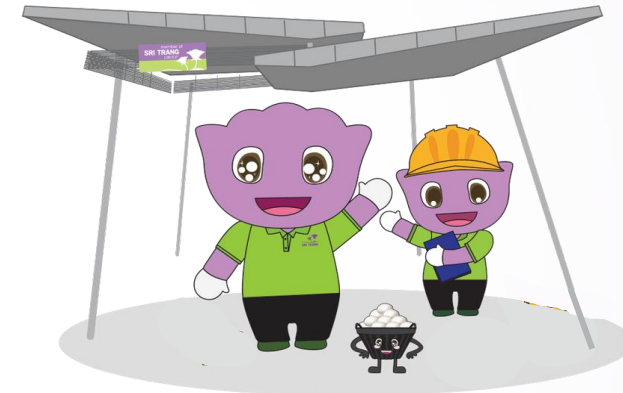
"Sri Trang Friends Platform" is the first platform to provide one stop services for rubber farmers and traders, such as offer and match their rubber quotation and schedule time for delivering to factory via App - facilitating a more transparent and professional rubber trading business, and other services to serve our user's needs Moreover, STA has recently expanded to a new "Sri Trang Friends Station App", consisting of (1) Super Driver services – providing rubber delivery services for fellow rubber planters who may be constrained by distance and (2) Rubber Trading program – for our traders whom used for operating their rubber business on STA professional standard. All in all, it is to create traceable rubber sourcing ecosystem, tracing from smallholder farmers to traders to factories, ensuring good quality raw material sourced for producing finished goods.



# Established Presence in High Growth Potential Supply



- **Côte d'Ivoire (Ivory Coast)** is expected to become the world's third-largest natural rubber (NR) producing country since FY23F, up from the fourth position in FY22, displacing Vietnam.
- In 2023F, Côte d'Ivoire's total NR production is estimated to be around 1.3 million tons, representing a 2.2% increase from FY22.



- The company has successfully launched its 1<sup>st</sup> procurement center in June 2023.
- The plan is to establish 2<sup>nd</sup> procurement center in 4Q23.
- The target is to establish a total of five procurement centers by 2024.

Source : IRSG, February 2023

# Downstream Operations – Thailand Largest and the World’s Top 5 Glove Producer Company



## Product Type

### 1. LATEX POWDERED: NRPD

**PREMIUM LATEX POWDERED**   **BALANCE LATEX POWDERED**   **COMFORT LATEX POWDERED**

### 2. LATEX POWDER-FREE: NRPF

**PREMIUM LATEX POWDER-FREE**   **GRIP PLUS LATEX POWDER-FREE**   **SPECTRUM LATEX POWDER-FREE**   **COMFORT LATEX POWDER-FREE**

### 3. NITRILE: NBR

**FORCE NITRILE POWDER-FREE**   **BALANCE NITRILE POWDER-FREE**   **COMFORT NITRILE POWDER-FREE**   **COMFORT+ NITRILE POWDER-FREE**   **SENSE NITRILE POWDER-FREE**

## Competitive Advantages

- 1 Unique Product Mix
- 2 Security of Supply
- 3 Low Transportation and Inventory Handling Costs
- 4 No Burden on Import Tax (CESS) of Concentrated Latex
- 5 Low Energy Cost
- 6 Interest Subsidy
- 7 Tax Benefit from the Board of Investment Thailand (BOI)
- 8 ESG Leader

# Strategy for Overcoming to Challenges



## Maintain the Position as the Leader of NR Gloves

Optimize our key competitive advantage to access to raw material source



## Expand the Product Lines to Other Specialty Gloves

Offer more variety of products to cover more customer's needs



## Market Expansion to Various Countries

from 140 countries in 2020 to more than 170 countries in 2022, and **we expect to reach >190 countries in the next two years**. We have already set up new subsidiaries in Singapore, Vietnam, the Philippines and Indonesia to support market expansion and distribution.



## Optimize the Production Capacity

during the normalization period, the production capacity needs to be strategically utilized to obtain optimal margin



## Application of Automation and Technology

For cost reduction and production efficiency enhancement



## Continuation and Maintenance of Leadership in ESG

to align with the current global megatrend, and drive business towards sustainable growth

Market leading renewable



examination gloves



**Latex Powdered Examination Gloves**



**Latex Powder-Free Examination Gloves**



**Nitrile Powder-Free Examination Gloves**



**Heavy Duty Nitrile Powder-Free**



**300mm LONG CUFF EXTRA PROTECTION Powder-Free Latex Nitrile**



**STERILE Examination Gloves**



**Surgical Latex Powder-Free**

Other Specialty Glove



Velvet Touch

SPECTRUM

Force Heavy Duty "Silicone Free" Nitrile Powder Free

Chemc

Comfort ALOE Nitrile Powder Free

Latex Gloves Summary

Nitrile Gloves Summary

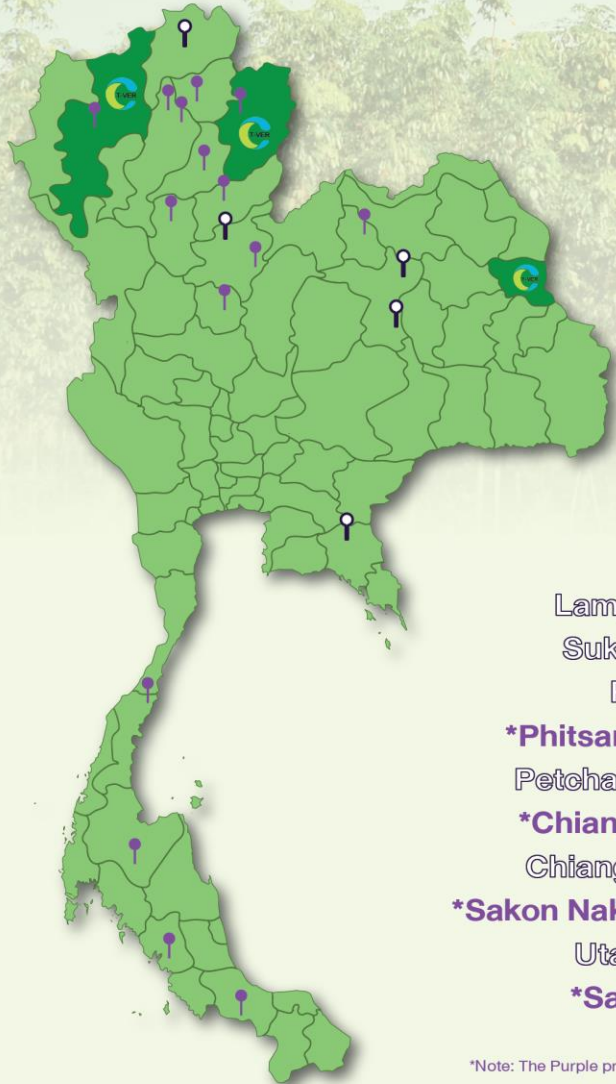
Explore our 'Touch Of Life' product line  
We offer a wide range of high-quality natural latex and nitrile examination gloves

# Sri Trang Group Carbon Credit



Area :  
Approx.  
**7,500**  
hectares

**19**  
Province in Thailand



- |                       |                     |
|-----------------------|---------------------|
| Lampang               | Phrae               |
| Sukothai              | <b>*Kalasin</b>     |
| Pichit                | Phayao              |
| <b>*Phitsanulok</b>   | Nan                 |
| Petchaboon            | <b>*Songkhla</b>    |
| <b>*Chiang Rai</b>    | <b>*Surat Thani</b> |
| Chiang Mai            | Krabi               |
| <b>*Sakon Nakhorn</b> | Chumporn            |
| Utaradit              | <b>*Bungkan</b>     |
| <b>*Sakaeo</b>        |                     |

\*Note: The Purple provinces are where our factories located in.

Current Carbon Credit project registered with  
(Thailand Voluntary Emission Reduction Program)



**Renewable energy**

**Solar Floating Project**

Rubberland Products Co.,Ltd  
(Mukdahan Branch)

Total Installed capacity: **1 Megawatt (MW)**

Expected amount of GHG emissions reduction (carbon credits)

**649 tCO<sub>2</sub>e per year**

**Forestry and Green Space**

**Carbon sequestration and reducing emission**

in teaks plantation,  
Pua district, Nan province  
Sri Trang Rubber & Plantation Co. Ltd

Registered areas under **T-VER 140 hectares**

Expected amount of GHG emissions reduction (carbon credits)

**1,189 tCO<sub>2</sub>e per year**

**Agriculture**

**Carbon sequestration and reducing emission**

in rubber plantation,  
Chiang Mai province  
Sri Trang Rubber & Plantation Co. Ltd

Registered areas under **T-VER 1,009 hectares**

Expected amount of GHG emissions reduction (carbon credits)

**26,401 tCO<sub>2</sub>e per year**

Total yearly carbon credits obtained from projects registered with **T-VER 28,239 tCO<sub>2</sub>e per year**

Total Possible Carbon Credit from  
**SRP Rubber Plantations**

Approx:  
**180,000 tCO<sub>2</sub>e per year**

Note: The total possible carbon credit of the Company's rubber plantations is estimated from the certified data of the rubber plantation in Chiang Mai province, Thailand and the average carbon sequestration rate of rubber plantations provided by TGO. The total actual carbon credit may be slightly different from the above due to age, height and other factors of rubber trees.

# Standard Certification, Membership and Sustainability Ratings



## Management Certificates



**Forest Stewardship Council (FSC™)**  
FSC™-FM & FSC™-CoC

## Carbon Certificates & Initiatives



**Carbon Footprint for Organization (CFO)<sup>(1)</sup>**



**Carbon Footprint of Product (CFP)<sup>(2)</sup>**



**Thailand Voluntary Emission Reduction Program (T-VER)**

## Membership & Network



**Member of Thailand Carbon Neutral Network**



**RubberWay Network**



**Sustainability Disclosure Community (SDC)**

## ESG Ratings



## 2022 Sustainability Awards



**Selected as one of the 2022 “Sustainable Stocks” for the 8<sup>th</sup> consecutive year** from the Stock Exchange of Thailand (SET)



**Sustainability Disclosure Recognition 2022, for the 4<sup>th</sup> consecutive year** from Thai Pat Institute



**CSR-DIW and CSR-DIW Continuous Awards 2022**

(1) Latest expiry date 26 Aug 2021 (2) Latest expiry date 15 Sep 2018 (3) Non-active participation in 2022

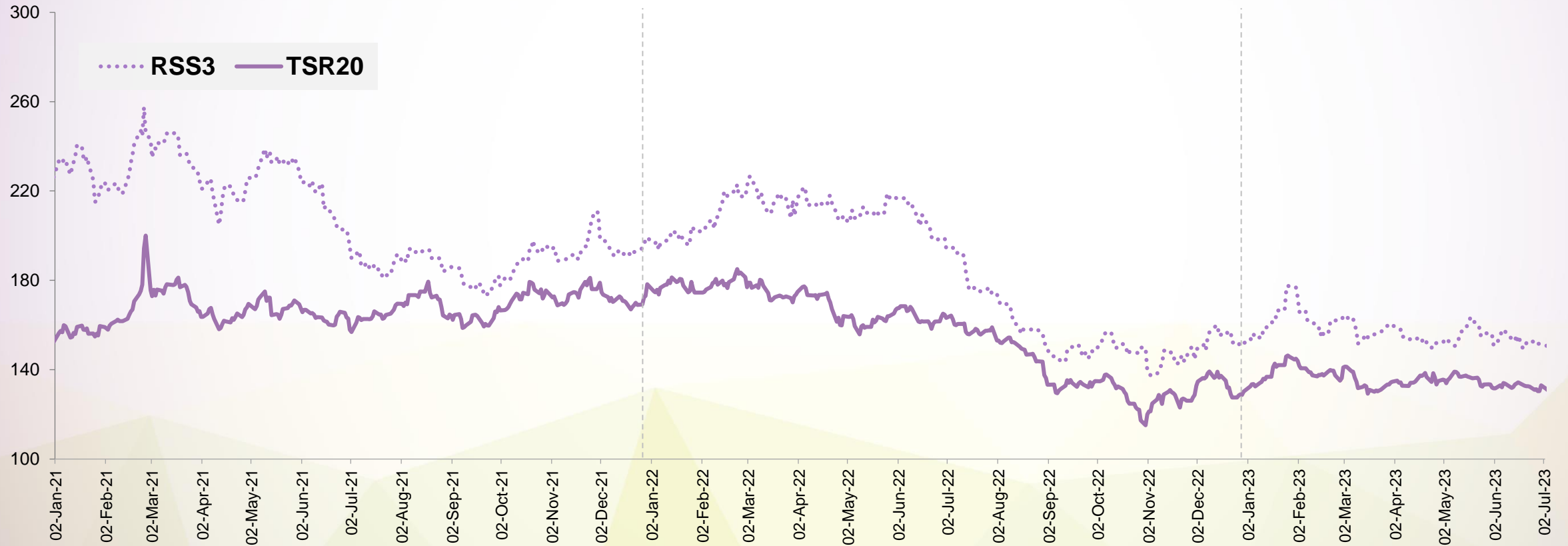
# 03 Financial Performance

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# Rubber Price Movement

## SICOM Price (US Cent/kg.)



Quarterly Average TSR20 Prices

1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23
167.0	165.3	166.0	172.9	176.9	165.4	146.7	129.8	137.3	134.4
(+8.1%)	(-1.0%)	(+0.4%)	(+4.2%)	(+2.3%)	(-6.5%)	(-11.3%)	(-11.5%)	(+5.7%)	(-2.1%)



# Financial Highlight



(Unit : THB million)	2Q23	2Q22	%YoY	1Q23	%QoQ	6M23	6M22	%YoY
Revenue	21,227.0	27,973.1	-24.1%	24,426	-13.1%	45,653.3	55,973.0	-18.4%
NR Sales volume (tons)	344,265	352,951	-2.5%	399,993	-13.9%	744,199	701,921	6.0%
NR Avg. selling price (USD per ton)	1,418	1,842	-23.0%	1,411	0.5%	1,413	1,812	-22.0%
Gloves Sales volume (million pieces)	7,660	7,629	0.4%	7,288	5.1%	14,948	15,537	-3.8%
Gloves Avg. selling price (USD per 1,000 pieces)	18.3	24.6	-25.7%	17.7	3.3%	18.0	25.8	-30.3%
Gross profit	1,969.5	4,242.0	-53.6%	2,731.8	-27.9%	4,701.3	8,768.2	-46.4%
Adj. gross profit**	2,254.7	4,438.0	-49.2%	2,737.1	-17.6%	4,991.8	9,263.5	-46.1%
SG&A	(1,952.8)	(2,595.3)	-24.8%	(2,122.5)	-8.0%	(4,075.2)	(4,981.7)	-18.2%
Other income and dividend income	111.8	96.5	15.9%	102.5	9.1%	214.3	140.4	52.6%
Gains (loss) on exchange rate, net**	82.3	85.7	-3.9%	(183)	-145.0%	(100.6)	134.9	-174.6%
Other gains (loss)*	120.1	29.7	304.8%	205.7	-41.6%	325.8	139.2	134.1%
Operating profit (loss)	330.9	1,858.6	-82.2%	735	-55.0%	1,065.6	4,200.9	-74.6%
Share of profit (loss) from investments in JV	(14.6)	81.4	-117.9%	(37)	-60.1%	(51.2)	135.3	-137.9%
EBITDA	1,214.1	2,713.7	-55.3%	1,547.8	-21.6%	2,761.9	5,862.2	-52.9%
EBIT	316.3	1,940.0	-83.7%	698.1	-54.7%	1,014.4	4,336.2	-76.6%
Finance income	133.3	28.5	367.4%	84	58.1%	217.6	58.8	270.1%
Finance cost	(347.8)	(298.3)	16.6%	(380)	-8.5%	(728.1)	(520.5)	39.9%
Tax Income (expense)	(0.4)	(261.0)	-99.8%	(55)	-99.2%	(55.2)	(486.3)	-88.6%
Net profit	110.0	1,142.1	-90.4%	287.9	61.8%	397.9	2,561.1	-52.5%
GP margin	9.3%	15.2%		11.2%		10.3%	15.7%	
Adj. GP margin*	10.6%	15.9%		11.2%		10.9%	16.5%	
Operating profit margin	1.6%	6.6%		3.0%		2.3%	7.5%	
EBITDA margin	5.7%	9.7%		6.3%		6.0%	10.5%	
Net profit margin	0.5%	4.1%		1.2%		0.9%	4.7%	

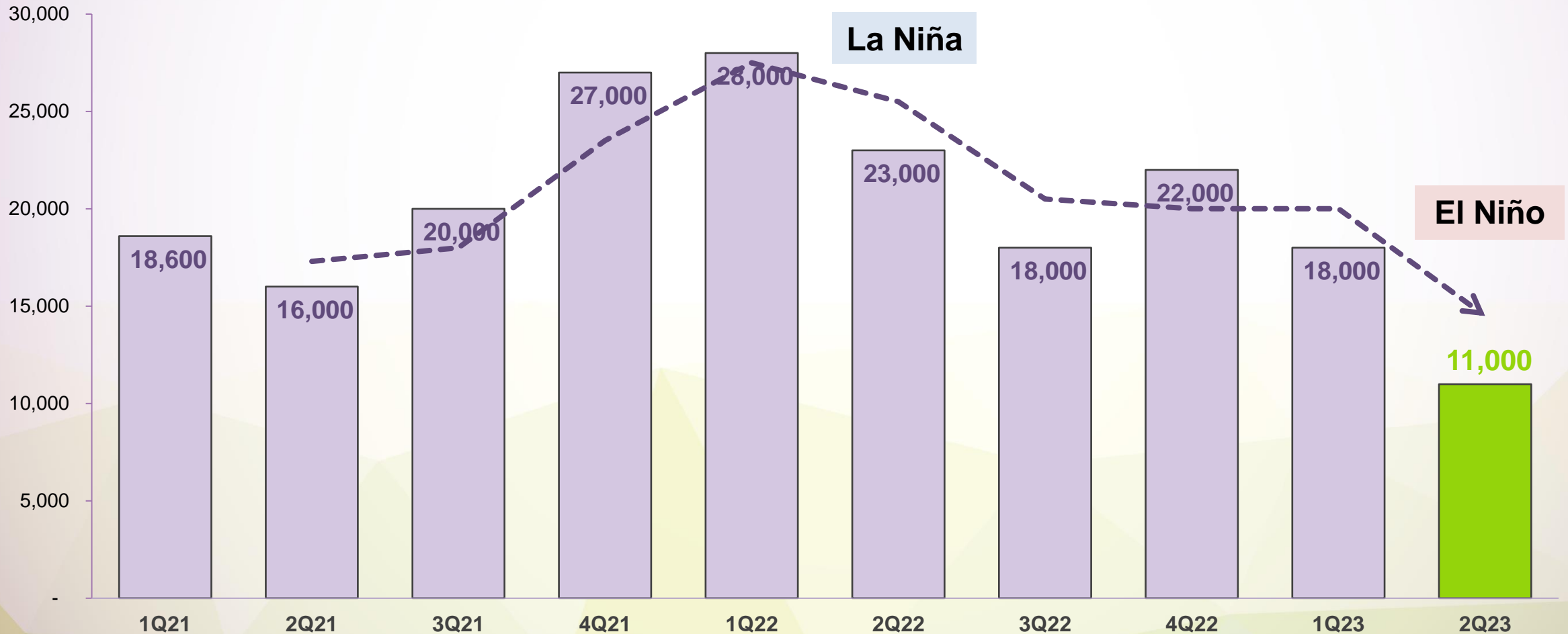
\*Adjusting for (reversal) allowance of inventory and realized gains/(losses) from hedging activities

\*\*Reclassified according to TFRS 7-- Just only FX gains/ (losses) related to AP, AR, loans can be shown in this item

\*\*\*Reclassified according to TFRS related to financial instruments of currency and commodities

# NR Inventory Movement

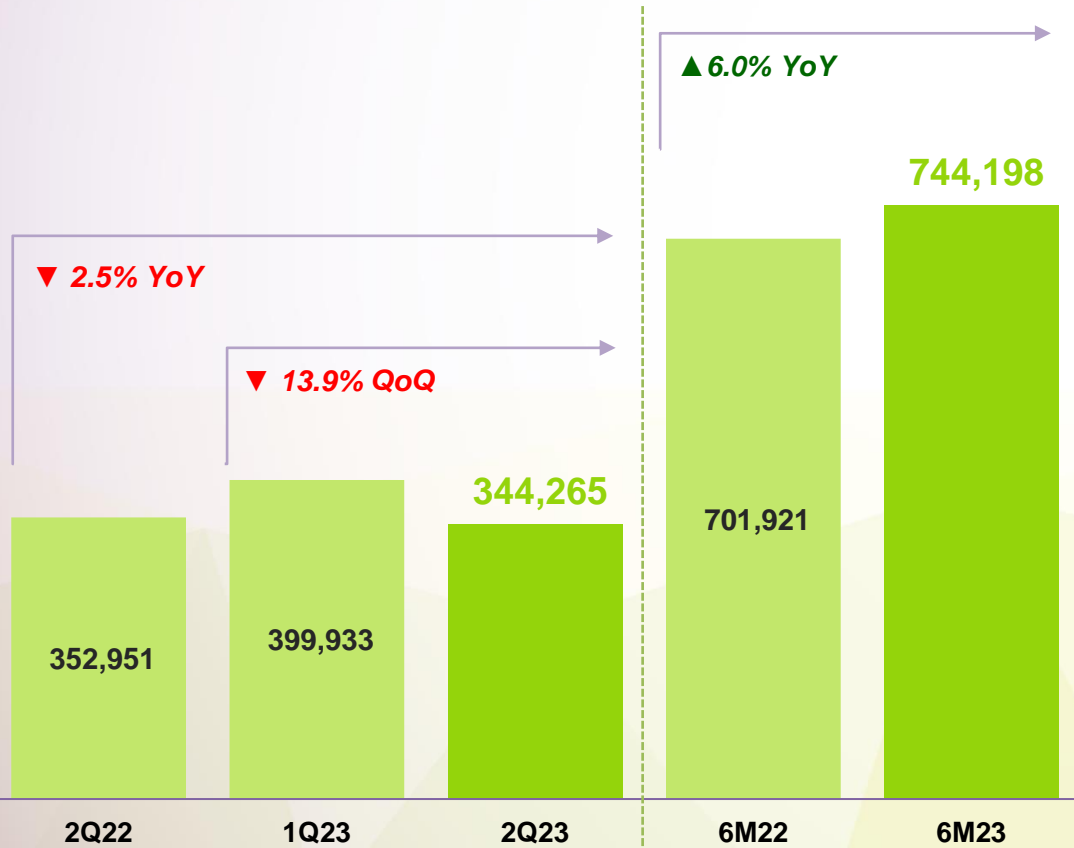
STA's NR Inventory (THB million)



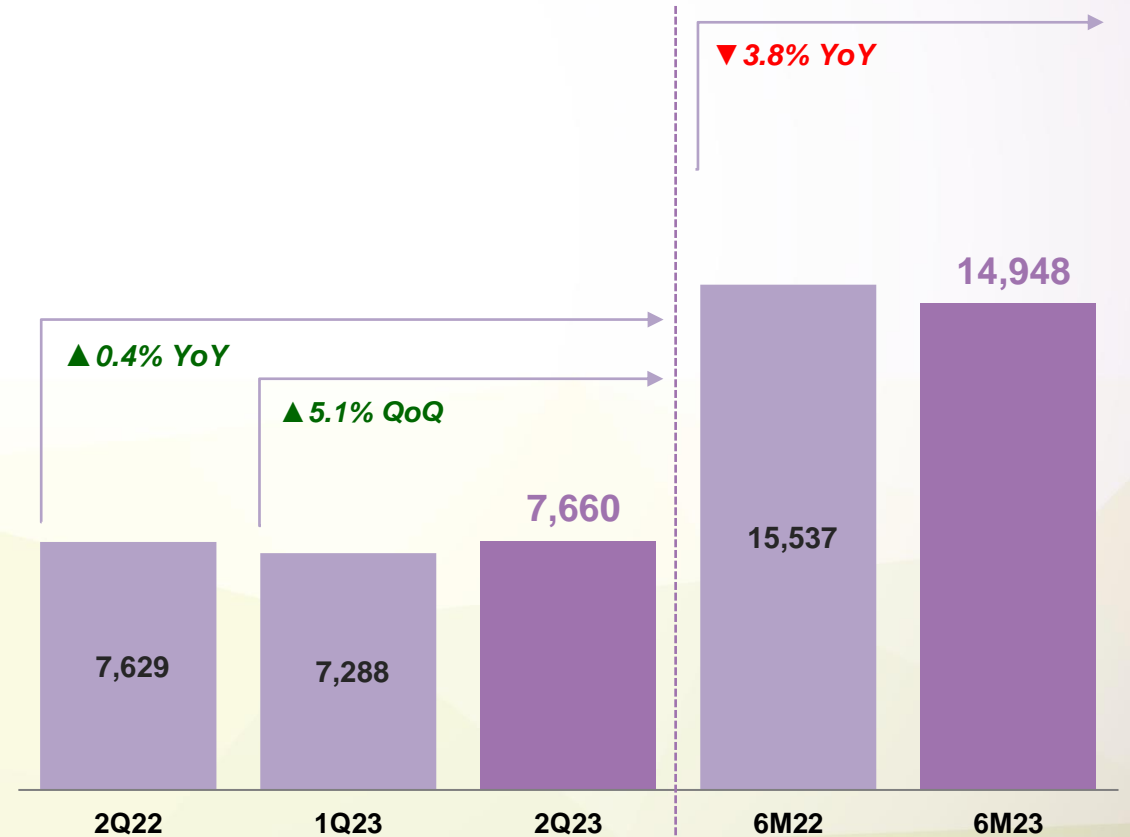
# Sales Volume



## Natural Rubber Products (tons)



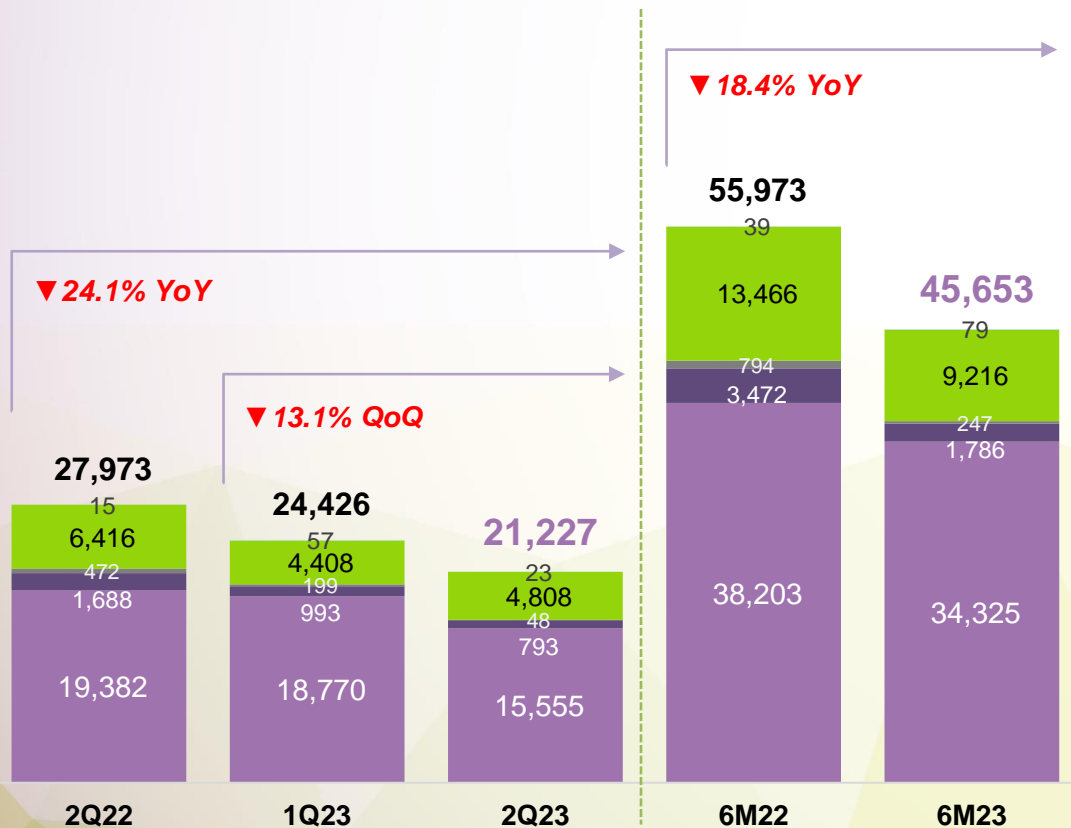
## Glove Products (million pieces)



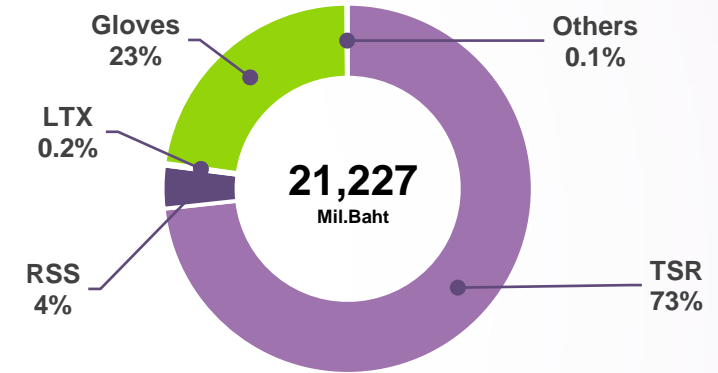
# Sales Revenue – 77% contribution from NR business in 2Q23

## Sales Revenue by Product (THB million)

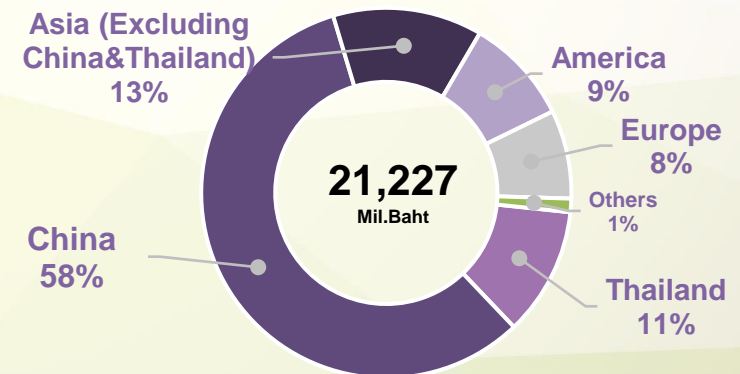
■ TSR ■ RSS ■ LTX ■ Gloves ■ Others



## Sales Breakdown by Product [2Q23]



## Sales Breakdown by Region [2Q23]

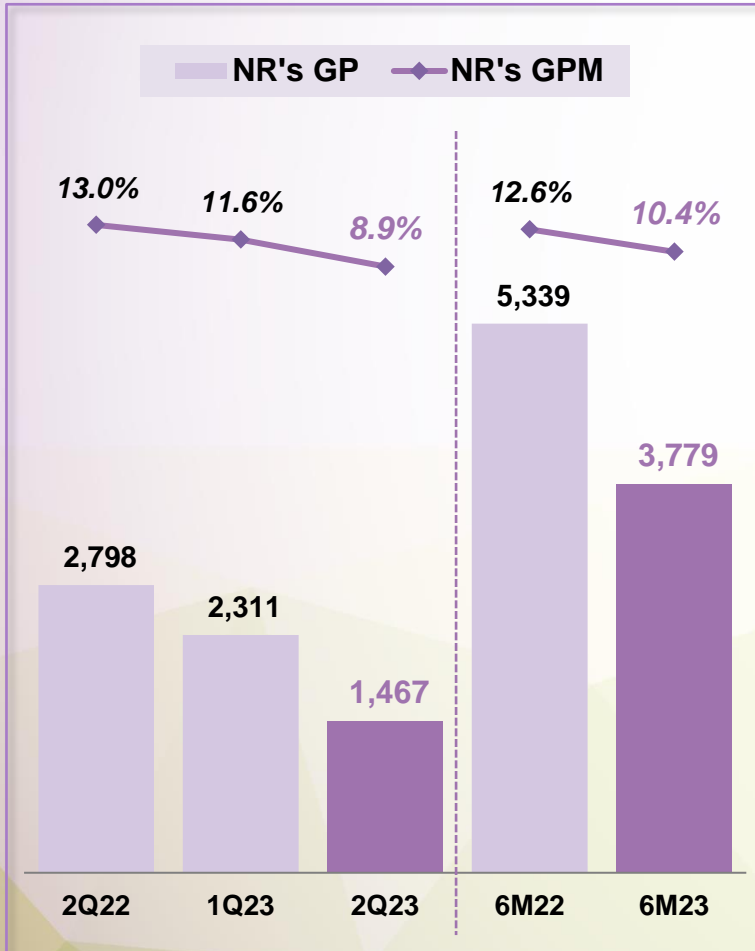


### ABBREVIATIONS

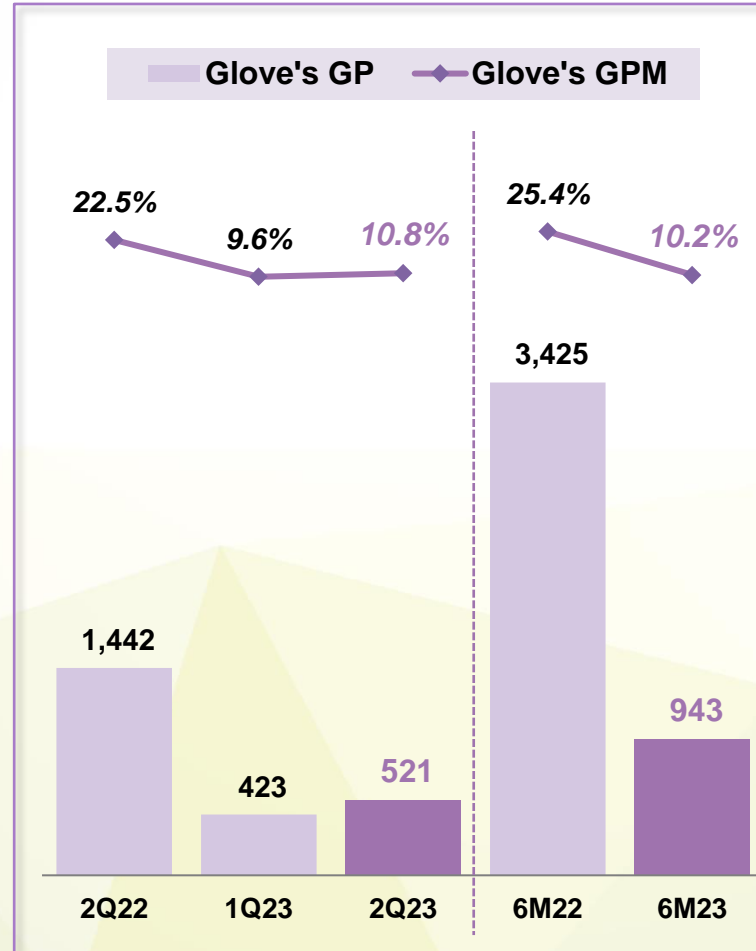
RSS : Ribbed smoked sheet    TSR : Technically specified rubber, which includes STR and SIR    LTX: Concentrated Latex

# Gross Profit

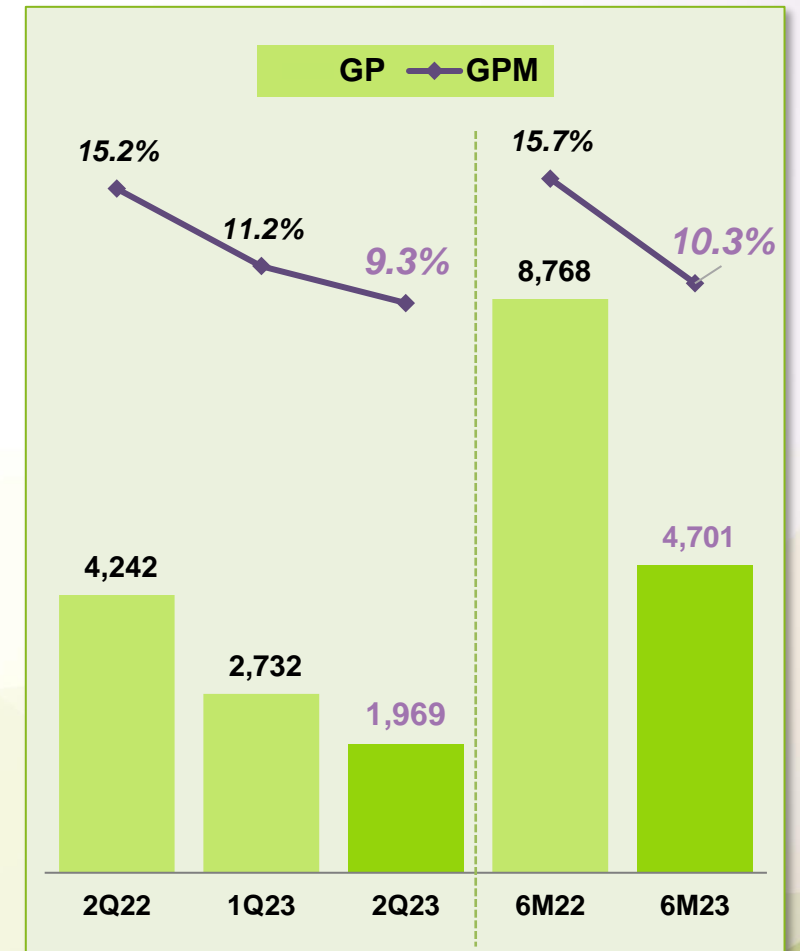
NR's Gross Profit (THB million)



Glove's Gross Profit (THB million)



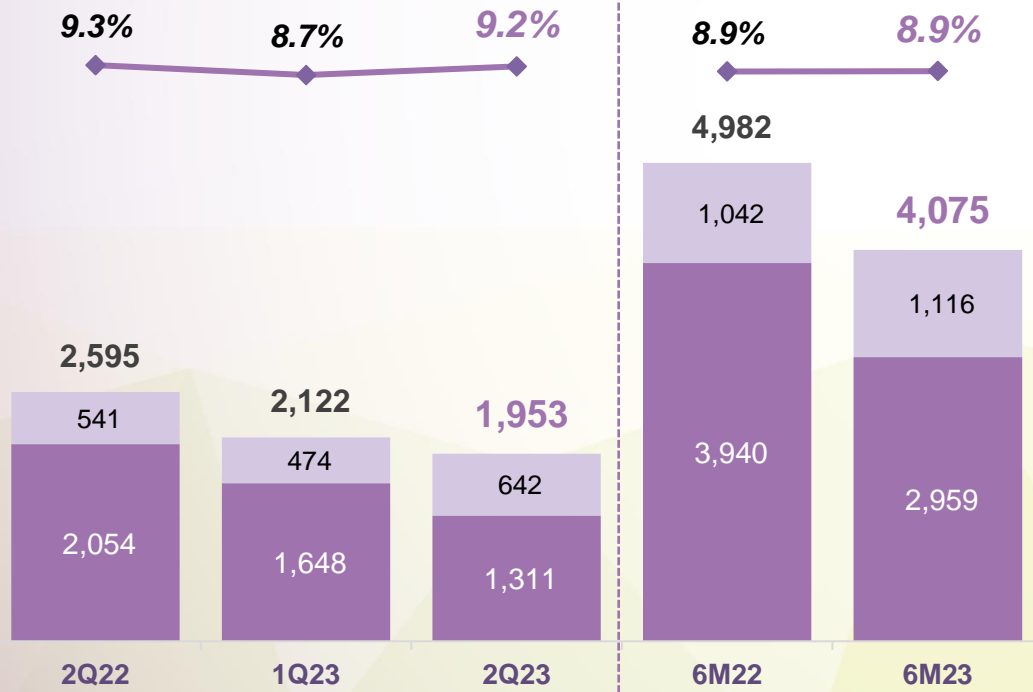
Blended Gross Profit (THB million)



# SG&A, Gain on FX, and Other Gain

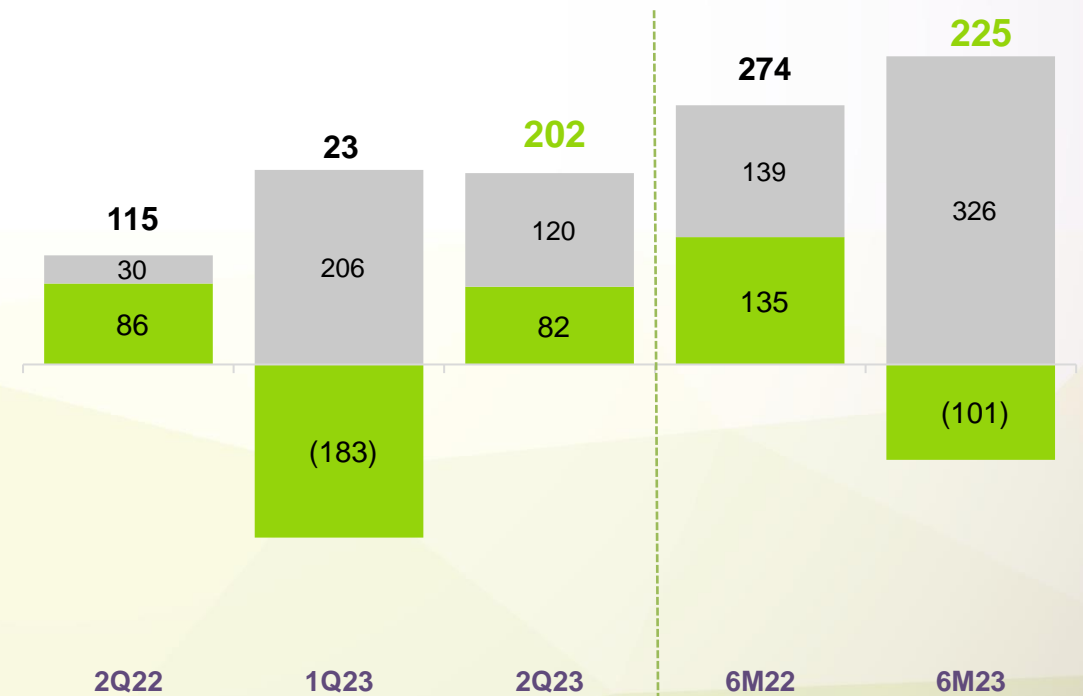
## SG&A (THB million)

■ Selling Expense   ■ Admin. Expense   ◆ %SG&A/Sales



## Gain (Loss) on FX and Other Gain (Loss) (THB million)

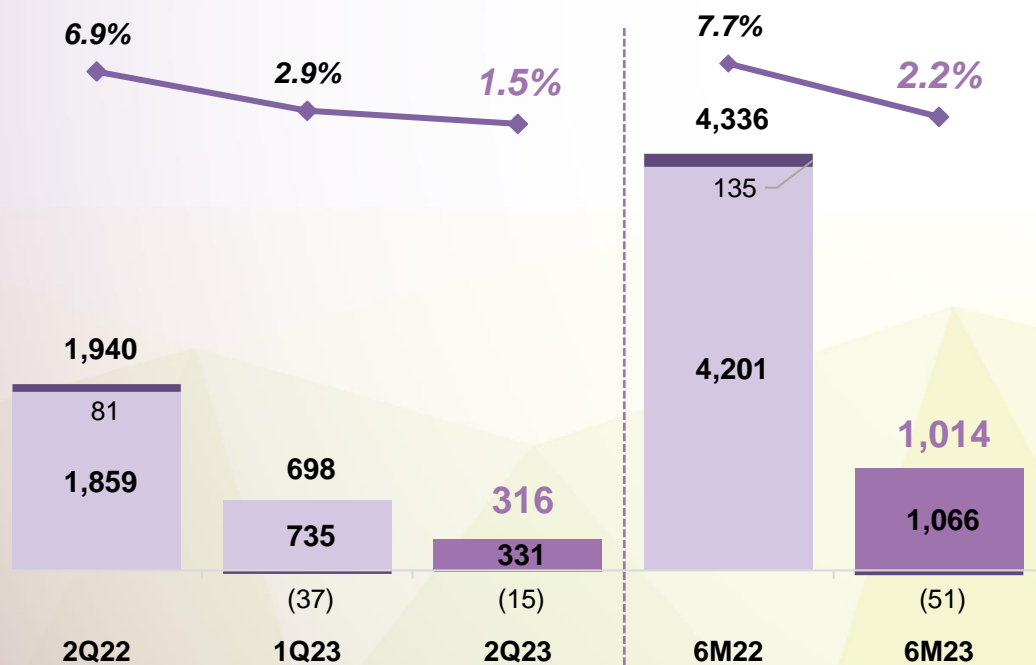
■ Gain (Loss) on FX   ■ Other Gain (Loss)



# EBIT & Net Profit

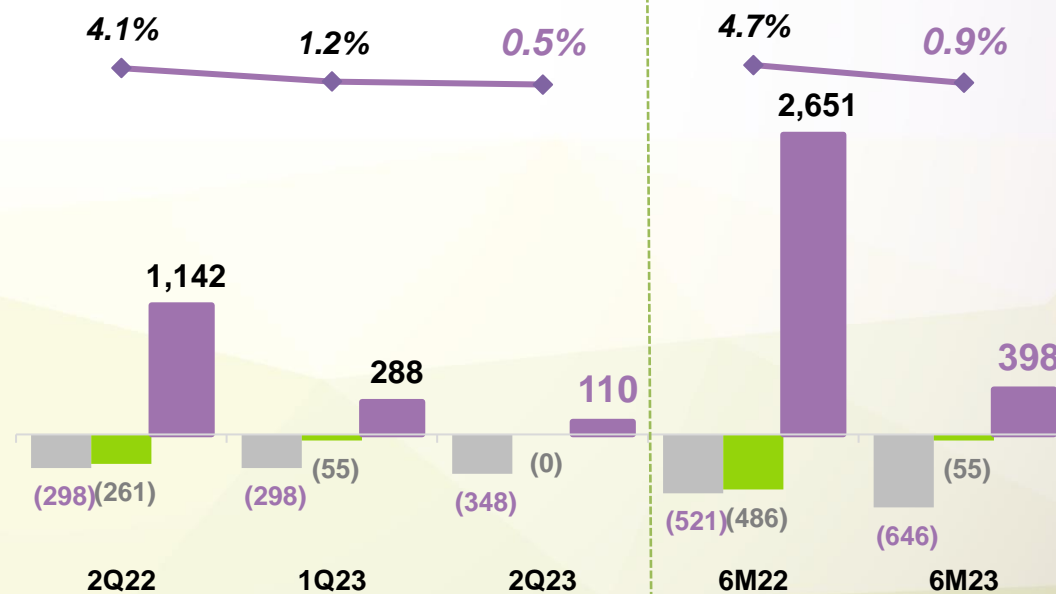
## EBIT (THB million)

■ Share of profit (loss) from investment in associates and JV  
■ Operating profit (loss)  
◆ EBIT margin (%)  
 EBIT



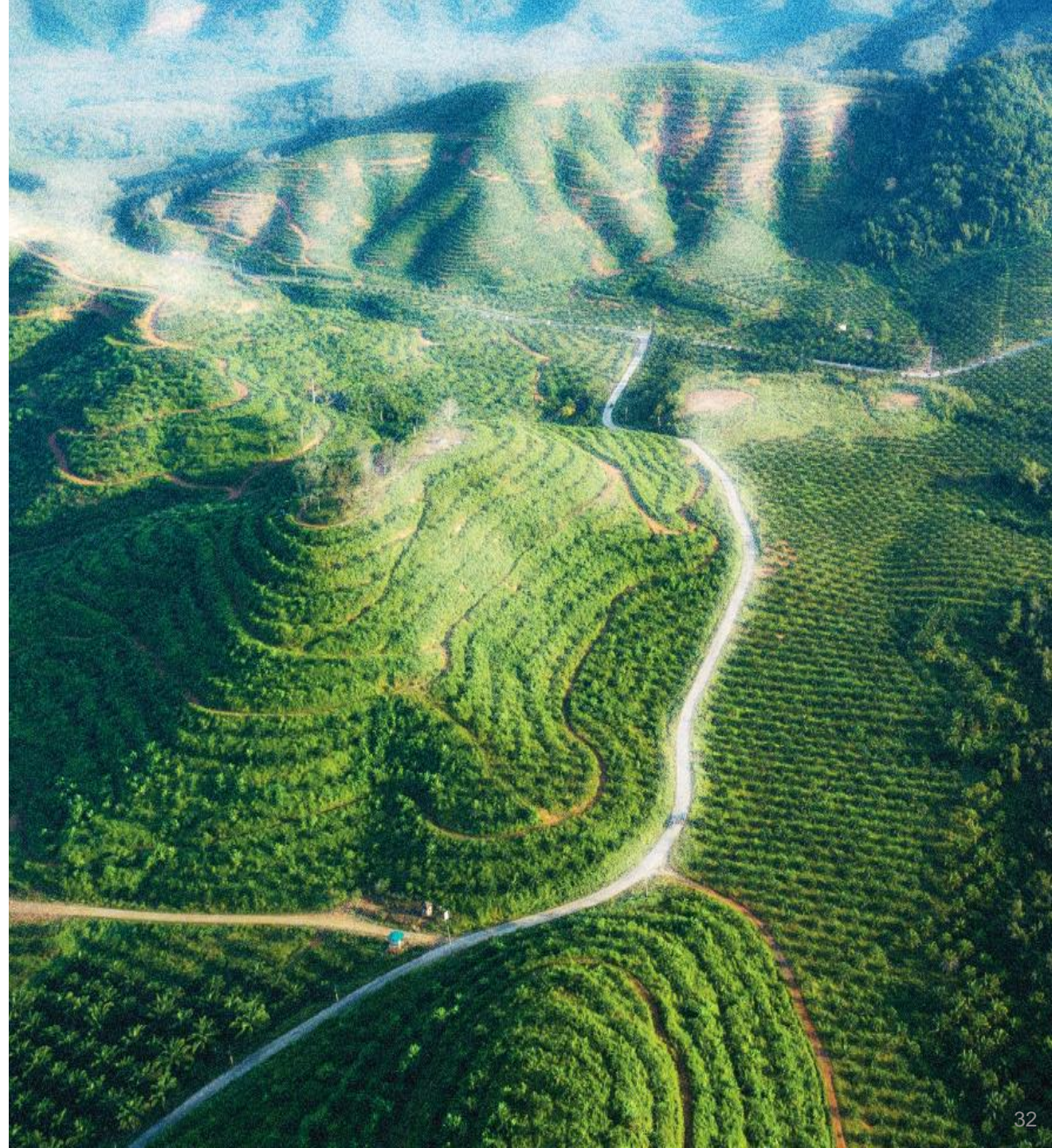
## Net Profit (THB million)

■ Finance costs  
■ Net profit (loss)  
■ Income tax expense  
◆ Net profit margin (%)



# 04 Natural Rubber Market Situation

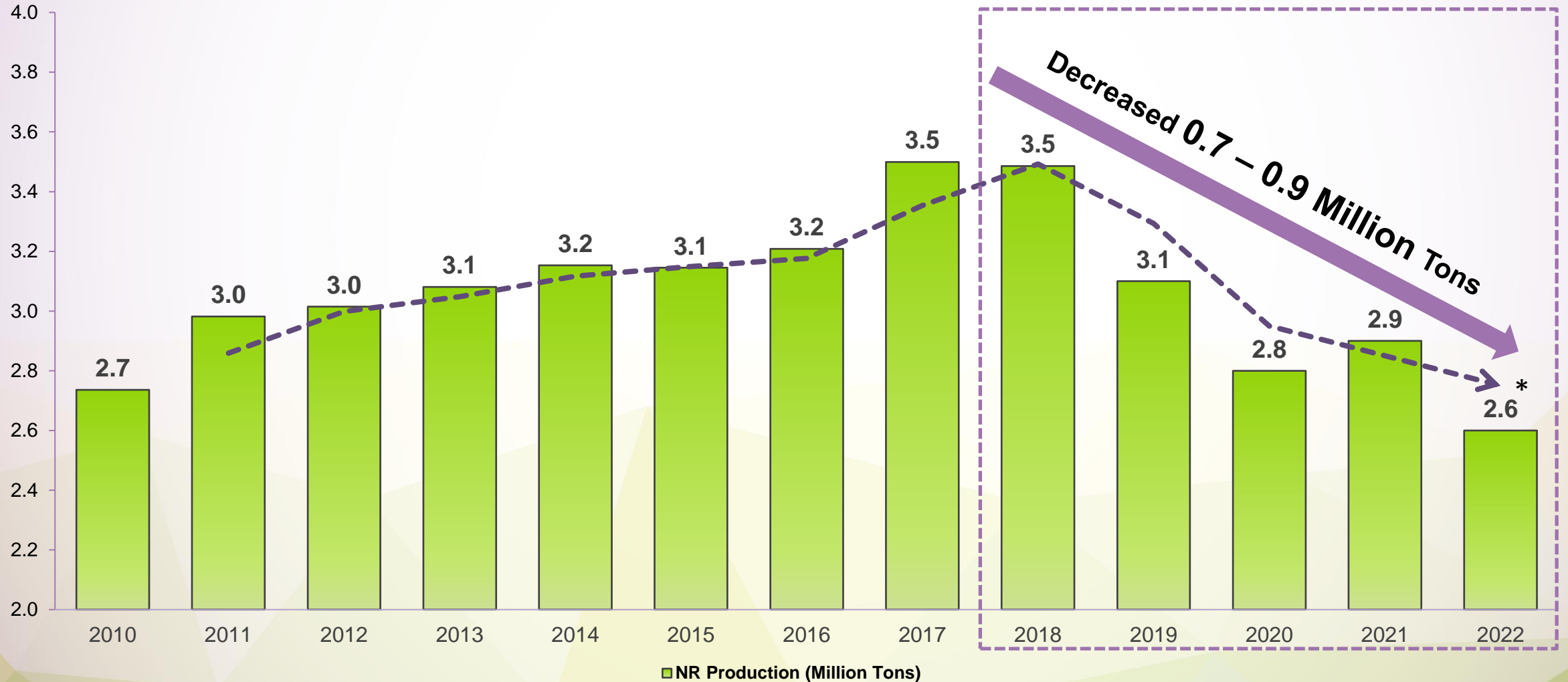
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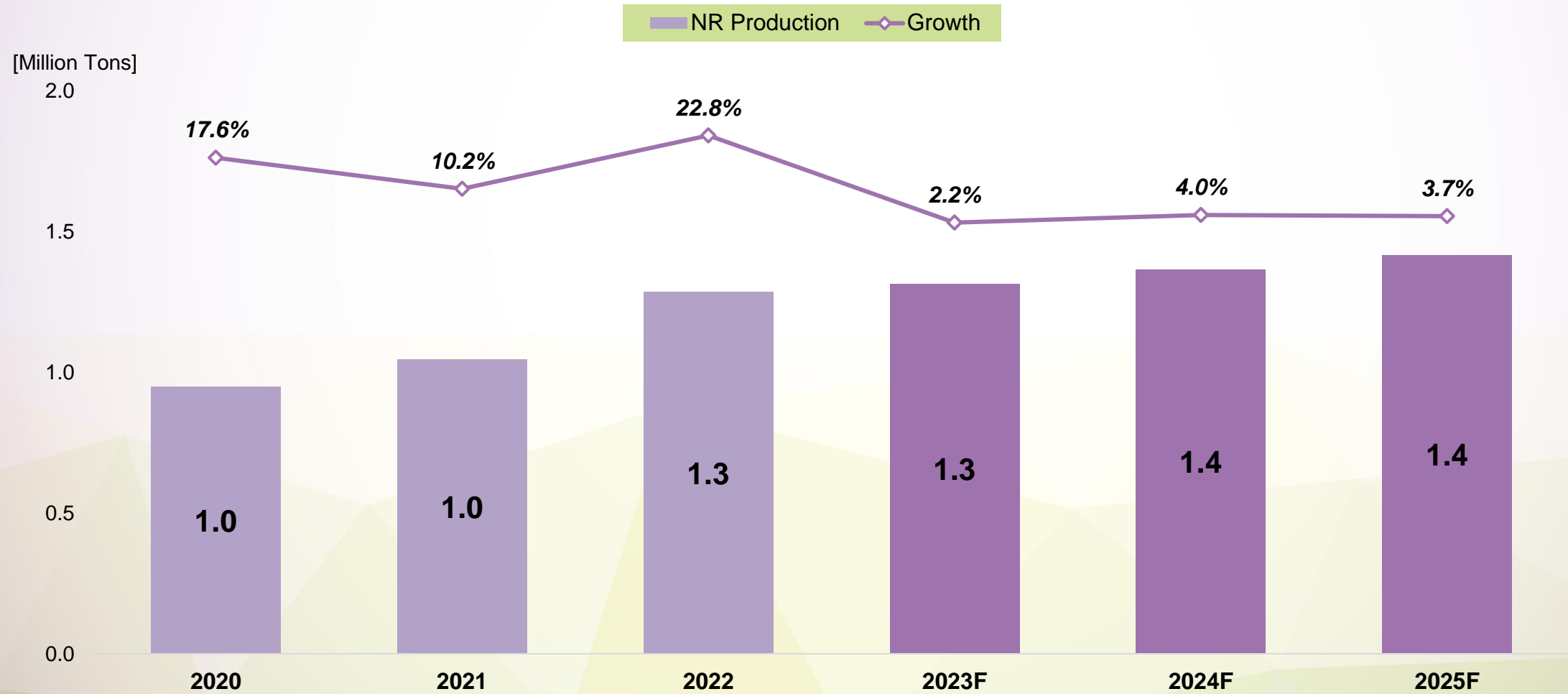
# Indonesia Supply Output

Unit: Million tons



# Ivory Coast Supply Output

## Côte d'Ivoire's total NR production



Source : IRSG, February 2023

# Global NR Seasonality: Normal Peak Season in Each Region

Region	Country	Jan	February	March	April	May	June	July	August	September	October	November	December
East Asia	China (Yunnan)	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Low	Low	Low
East Asia	China (Hainan)	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Low	Low	Low
Africa	Ivory Coast	Peak	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Peak
Africa	Ghana	Peak	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Peak
SE Asia	Vietnam	Peak	Low	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak
South Asia	India	Peak	Peak	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak
SE Asia	Thailand-Northeast	Peak	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Peak
	Thailand-South	Peak	Peak	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak
SE Asia	Cambodia	Peak	Peak	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak
SE Asia	Laos	Peak	Peak	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak
SE Asia	Philippine	Peak	Peak	Peak	Low	Low	Low	Low	Peak	Peak	Peak	Peak	Peak
SE Asia	Malaysia	Peak	Peak	Peak	Low	Low	Low	Low	Peak	Peak	Peak	Peak	Peak
SE Asia	Myanmar	Peak	Peak	Peak	Peak	Peak	Low	Low	Low	Low	Peak	Peak	Peak
SE Asia	<b>Indonesia</b>	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Low	Low	Low	Low	Low
Africa	Congo	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Low	Low	Low	Low	Low

Where we are today

Note: **Peak Season**   **Low Season**   **Wintering Season**

# 2022 Global NR Seasonality: Absence of Wintering Season in Northeastern Thailand, and No Peak Season in Indonesia

Region	Country	2022											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
East Asia	China (Yunnan)				China (Yunnan): Delayed Peak Season								
East Asia	China (Hainan)				China (Hainan): Longer Wintering Season		Normally, Hainan LTX output should be 5,000 – 6,000 mts/day, but now only 200 mts/day						
Africa	Ivory Coast												
Africa	Ghana												
SE Asia	Vietnam												
South Asia	India												
SE Asia	Thailand - Northeast												
	Thailand - South			Thailand: Shorter Wintering Season									
SE Asia	Cambodia												
SE Asia	Laos												
SE Asia	Philippine												
SE Asia	Malaysia												
SE Asia	Myanmar												
SE Asia	<b>Indonesia</b>			Indonesia: No Peak Season									
Africa	Congo												

Note: **Peak Season**

Low Season

Wintering Season

# 2023 Global NR Seasonality:

## El Niño Effects Result in Extended Wintering Season in Thailand



Region	Country	2023											
		Jan	February	March	April	May	June	July	August	September	October	November	December
East Asia	China (Yunnan)	Dark Green	Dark Green	Dark Green	Light Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Light Green	Dark Green	Dark Green
East Asia	China (Hainan)	Dark Green	Dark Green	Dark Green	Light Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Light Green	Dark Green	Dark Green
Africa	Ivory Coast	Light Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Light Green
Africa	Ghana	Light Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Light Green
SE Asia	Vietnam	Light Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
South Asia	India	Light Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
SE Asia	Thailand-Northeast	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
	Thailand-South	Light Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
SE Asia	Cambodia	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
SE Asia	Laos	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
SE Asia	Philippine	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
SE Asia	Malaysia	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
SE Asia	Myanmar	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
SE Asia	<b>Indonesia</b>	Light Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
Africa	Congo	Light Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green

**Thailand:**  
Longer Wintering Season,  
followed by a very low output

**Indonesia:**  
No Peak Season



Where we are today

Note: Peak Season Low Season Wintering Season Very Low Season

# Highlighting the NR Supply Situation in Thailand and Indonesia

## ❖ Thailand

	Region	Country	Jan	February	March	April	May	June	July	August	September	October	November	December
Normal	SE Asia	Thailand – N/E	Peak	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Peak
		Thailand – S	Peak	Peak	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak
2022	SE Asia	Thailand – N/E	Peak	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Peak
		Thailand – S	Peak	Peak	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak
2023	SE Asia	Thailand – N/E	Peak	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Peak
		Thailand – S	Peak	Peak	Low	Low	Low	Peak	Peak	Peak	Peak	Peak	Peak	Peak

*Thailand: No wintering season in N/E*  
*Thailand: Shorter wintering season in S*

*Thailand: Longer Wintering Season*

## ❖ Indonesia

	Region	Country	Jan	February	March	April	May	June	July	August	September	October	November	December
Normal	SE Asia	Indonesia	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Low	Low	Low	Low
2022	SE Asia	Indonesia	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Low	Low	Low	Low
2023	SE Asia	Indonesia	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Peak	Low	Low	Low	Low

*Indonesia: No Peak Season*

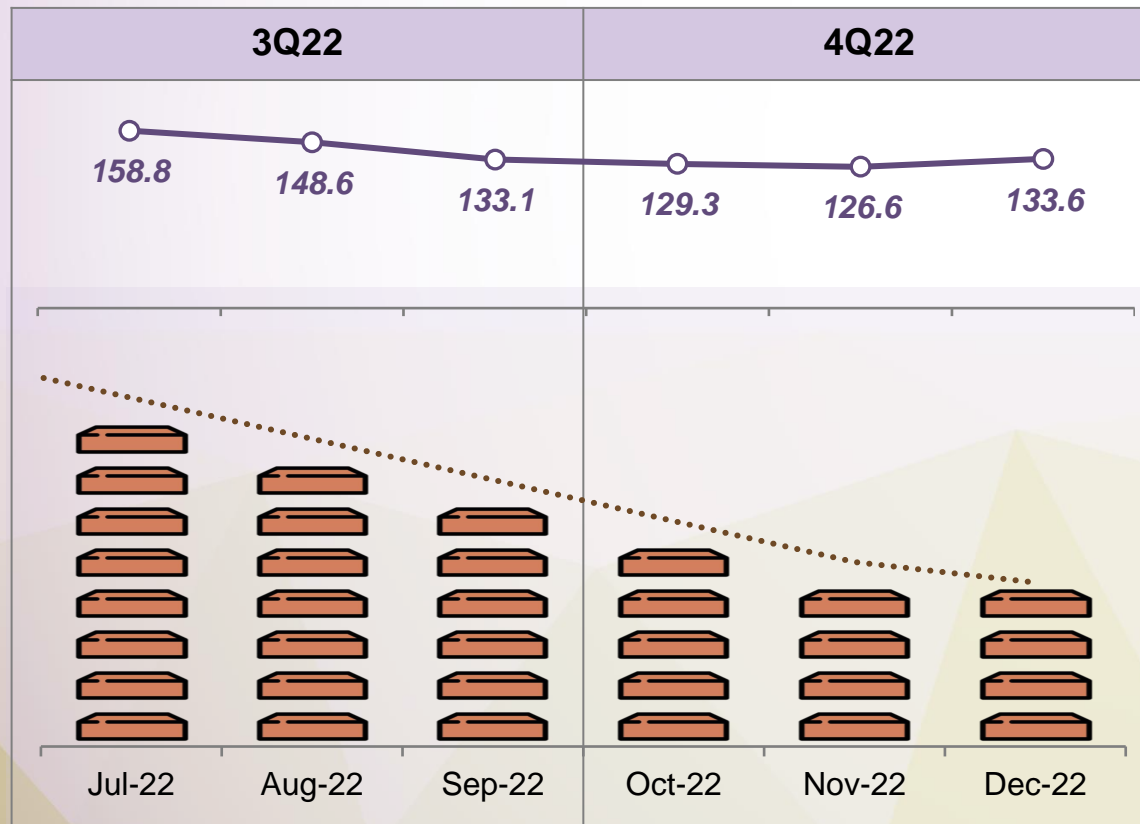
*Indonesia: No Peak Season with a very low output*

# Non-China & China Customer's Rubber Inventory Build-Up Diagram

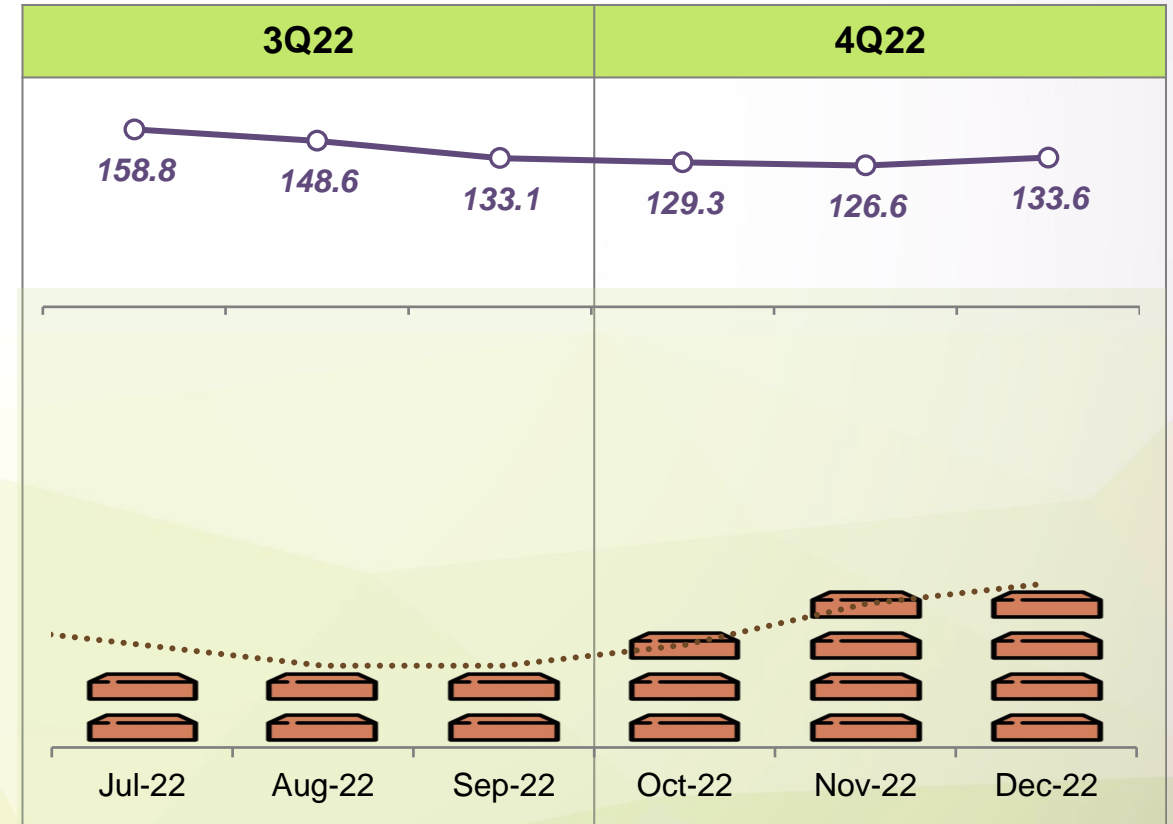
 Customer Inventory (RM&FG)  Monthly Average TSR20 Prices [US Cent/Kg]

## Customer's Rubber Inventory (Month)

### Non-China



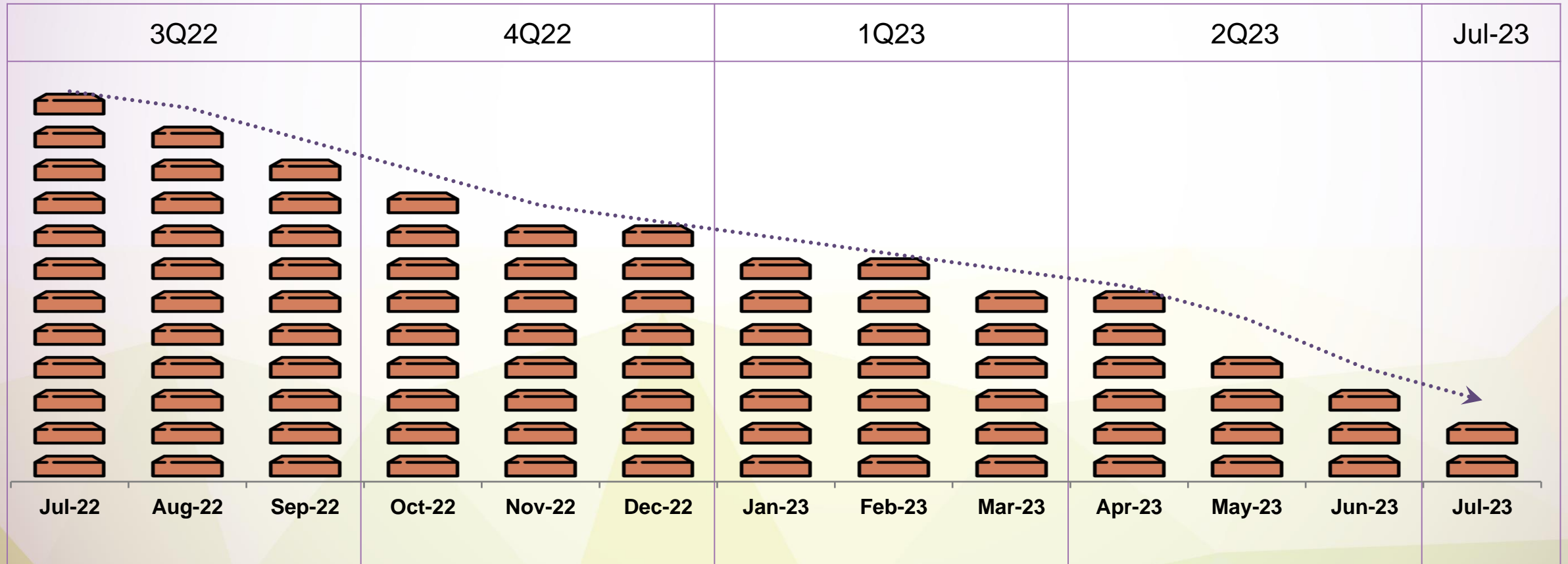
### China



\*These graphs are for demonstration of the inventory situation, not based on actual data

# Non-China Inventory

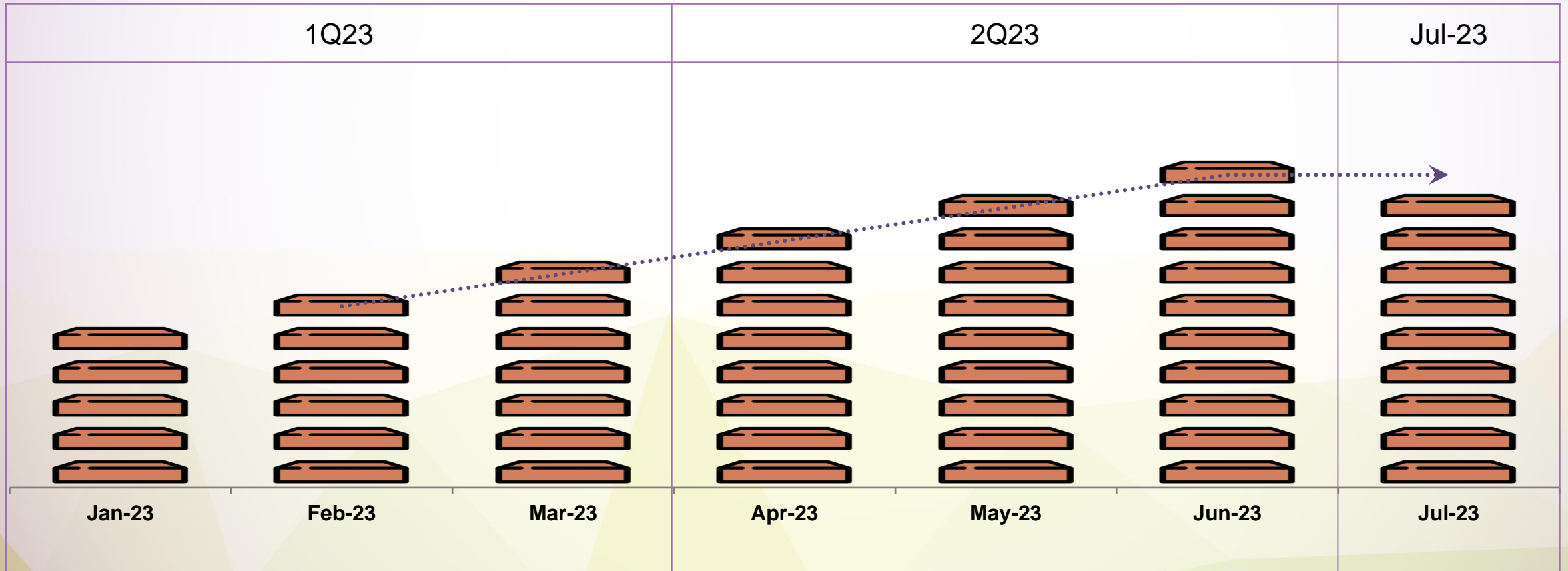
## Customer's Rubber Inventory (Month)





# China Inventory

## Customer's Rubber Inventory (Month)



# China's Economy Faces Challenges

## S&P Cuts Its China GDP Forecast for 2023 to 5.2% from 5.5%

S&P cuts China GDP forecast as calls for stimulus intensify



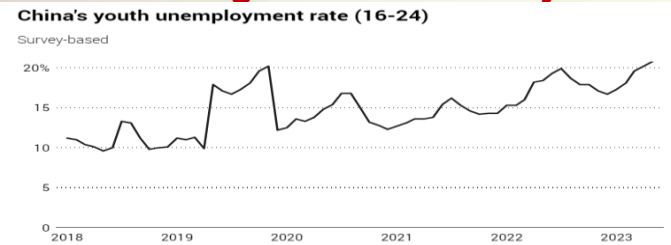
Source: <https://www.reuters.com/markets/asia/sp-global-cuts-china-2023-growth-forecast-52-55-2023-06-26/>

## Conflict between China & US May Escalate Up & China De-Risking

**Blinken says he failed to revive military-to-military talks with China**  
**US Officials Agree: China's Xi Is a Dictator**  
**US considering new restrictions on AI chip exports to China, Wall Street Journal reports**

Source: <https://www.cnbc.com/2023/06/20/blinken-says-he-failed-to-revive-military-to-military-talks-with-china.html>  
<https://www.reuters.com/technology/us-considering-new-restrictions-on-chip-exports-china-wsj-2023-06-27/>  
<https://www.voanews.com/a/us-officials-agree-china-s-xi-is-a-dictator/7152326.html>

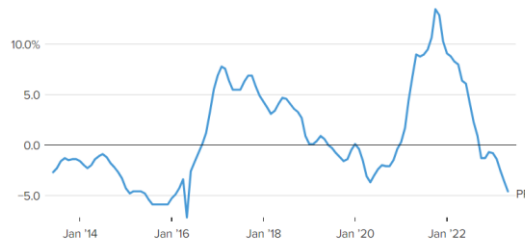
## China's Youth Unemployment Hit New High at 20.8% in May 2023



Source: <https://www.scmp.com/economy/economic-indicators/article/3225276/chinas-middle-aged-jobseekers-face-age-discrimination-unfriendly-market-economic-unemployment>

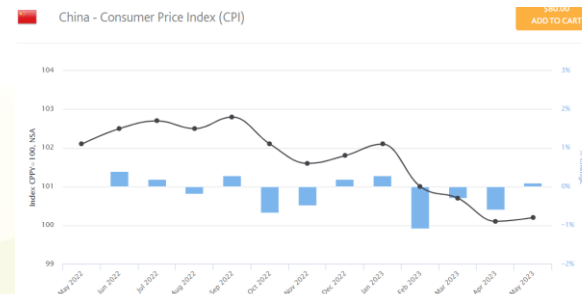
## China PPI Fell 4.6% in May, Marking the Steepest YoY Drop in 7 years

China's producer price index  
Changes, year-on-year



Source: <https://www.cnbc.com/2023/06/09/chinas-inflation-rises/falls.html>

## China CPI Still in The Low Level



Source: <https://www.cnbc.com/2023/06/09/chinas-inflation-rises/falls.html>

## China's Industrial Profits Continue Double-Digit Decline

**China industrial profits data for May fall again - NBS cites hit from insufficient demand**

Eamonn Sheridan  
Wednesday, 28/06/2023 | 09:41 GMT+8



Source: <https://www.forexlive.com/news/china-industrial-profits-data-for-may-fall-again-nbs-cites-hit-from-insufficient-demand-20230628/>

## Housing Price Continues to Fall in Big Cities



Source: <https://m.fang.com/fangjia/fjmap.html>

## Chinese Developers Face \$141 Billion in Maturing Bonds, Default Risks Persist

Chinese developers facing \$141 billion in maturing bonds this year

Default risks remain despite government measures, consultant warns



**China's local governments inflated revenue by \$12 billion through phony property sales**

Source: <https://asia.nikkei.com/Spotlight/Caixin/Chinese-developers-facing-141-billion-in-maturing-bonds-this-year>, <https://finance.yahoo.com/news>

## Henan Developer Defaults

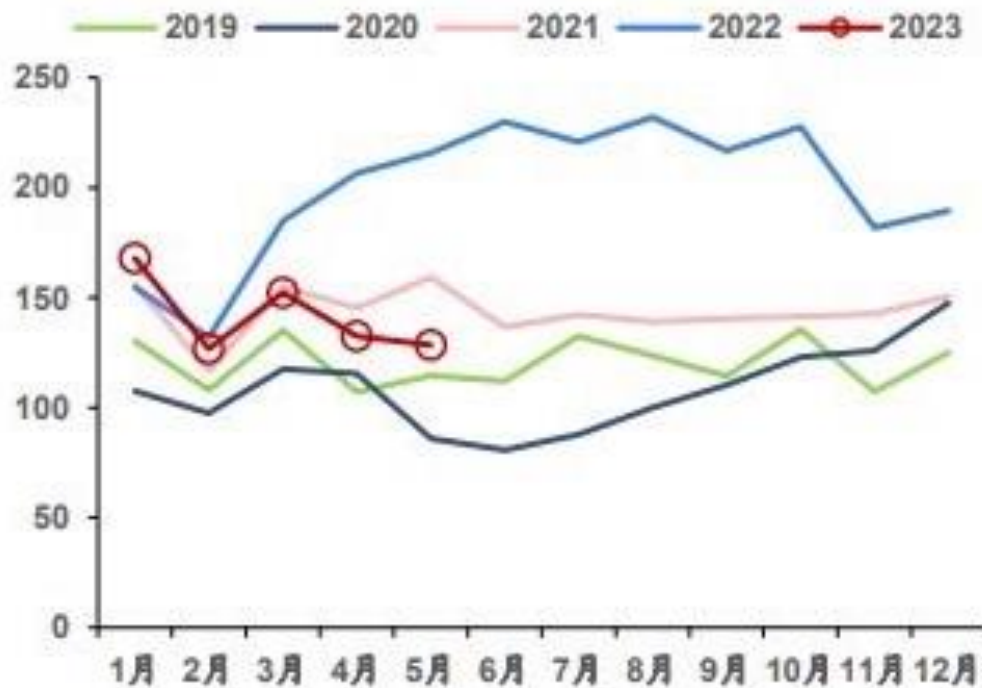
**Central China Real Estate Suspends Payments on All Offshore Debt**

Source: <https://www.caixinglobal.com/2023-06-27/central-china-real-estate-suspends-payments-on-all-offshore-debt-102069352.html>

# US Tire Imports Exhibit Weak Performance

TBR imported by USA (unit: 10,000 pieces)

图 30: 美国进口 TBR 数量 (万条)



TBR: Truck Bus Radial tire

## Mortgage demand from homebuyers drops to lowest levels in nearly three decades



### Housing Market Predictions For 2023: When Will Home Prices Be Affordable Again?

By Robin Rothstein, Chris Jennings  
Forbes Advisor Staff, Editor

Reviewed by Caroline Basile  
Editor

Updated Aug 17, 2023, 12:19pm



Housing market cools as inflation, interest rates soar higher

<https://www.cnn.com/real-estate/>

<https://www.forbes.com/advisor/mortgages/real-estate/housing-market-predictions/>

<https://www.nbcnews.com/business/real-estate>

<https://www.bloomberg.com/news/articles/2023-08-18/country-garden-to-be-cut-from-hong-kong-s-hang-seng-index#xj4y7vzkg>

## Country Garden to Be Cut From Hong Kong's Hang Seng Index



REAL ESTATE

Weekly mortgage demand drops again, as interest rates match a 22-year high

/ED, AUG 16TH 2023



China's property giant Evergrande files for bankruptcy protection in U.S. court

Sumathi Bala FRI, AUG 18TH 2023



# THANK YOU



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