



**SRITRANG  
GLOVES**™

「Touch Of Life™」

## 1Q23 Presentation

**SRI TRANG GLOVES (THAILAND) PUBLIC COMPANY LIMITED**

**16 May 2023**



Excellent  
Corporate Governance Score Appraised  
by Thai Institute of Directors



The Stock Exchange of Thailand

**SET100 Index**



The Stock Exchange of Thailand

**SETTHSI Index**



# Agenda



**01** Company Overview

**02** Financial Performance

**03** Glove Business

**04** Business Outlook

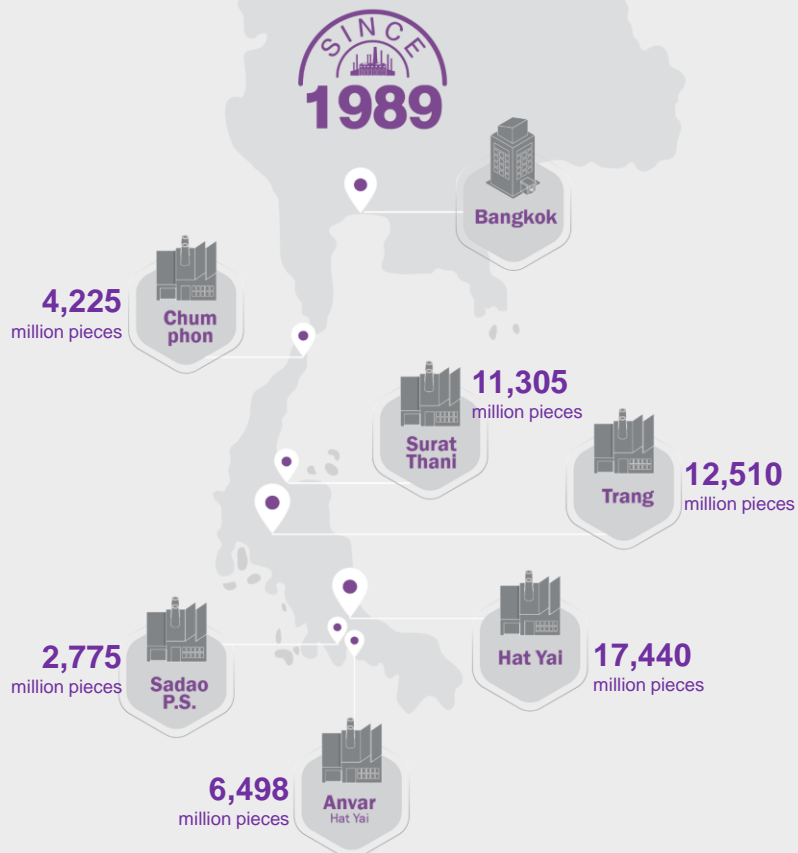


# COMPANY OVERVIEW

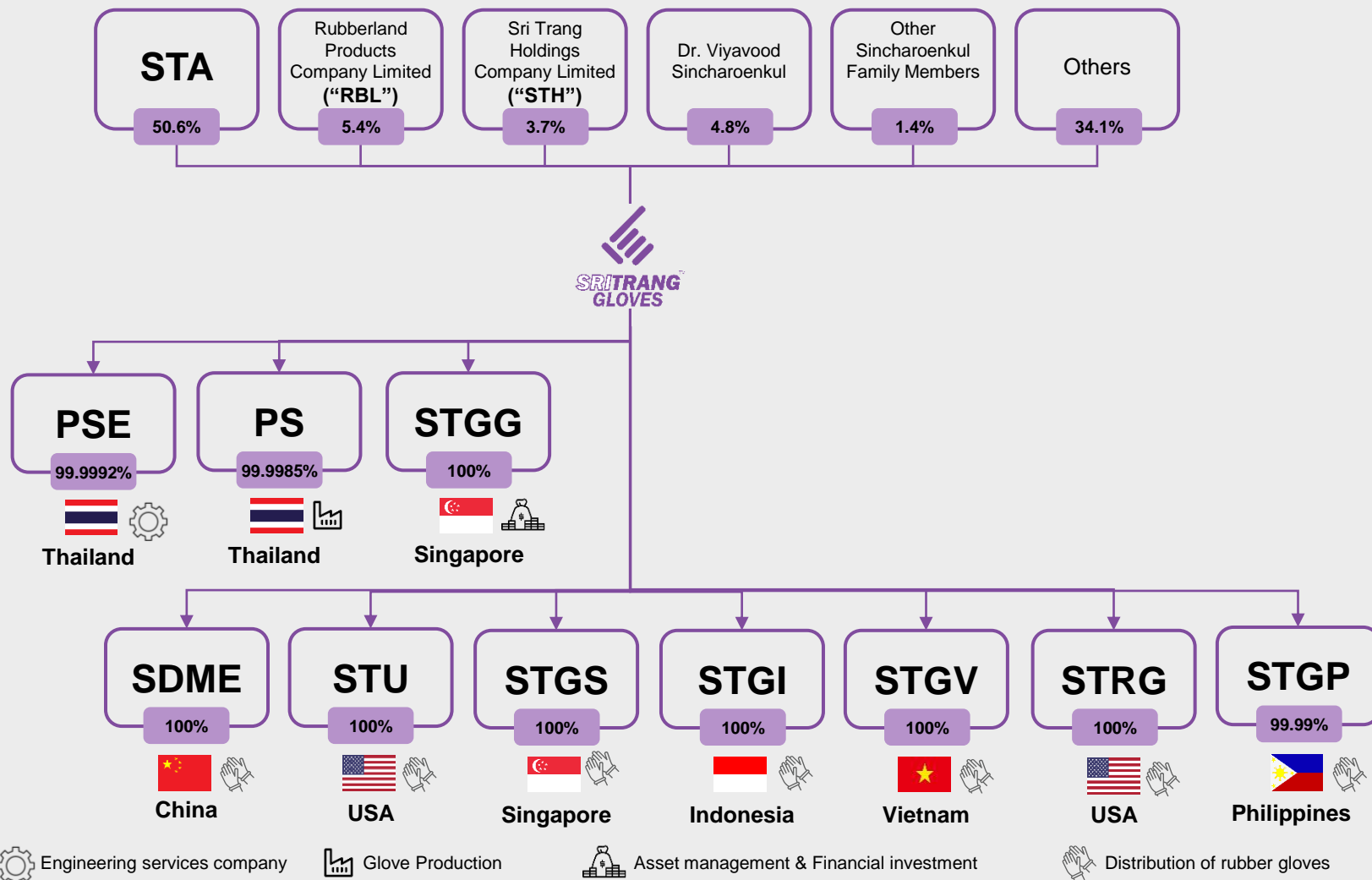
# STGT At a Glance

STGT's total annualized installed capacity approx. **54,800** million pieces per annum is considered one of the world's top rubber gloves manufacturers

Total Annualized installed capacity approx. **54,800** million pieces per annum



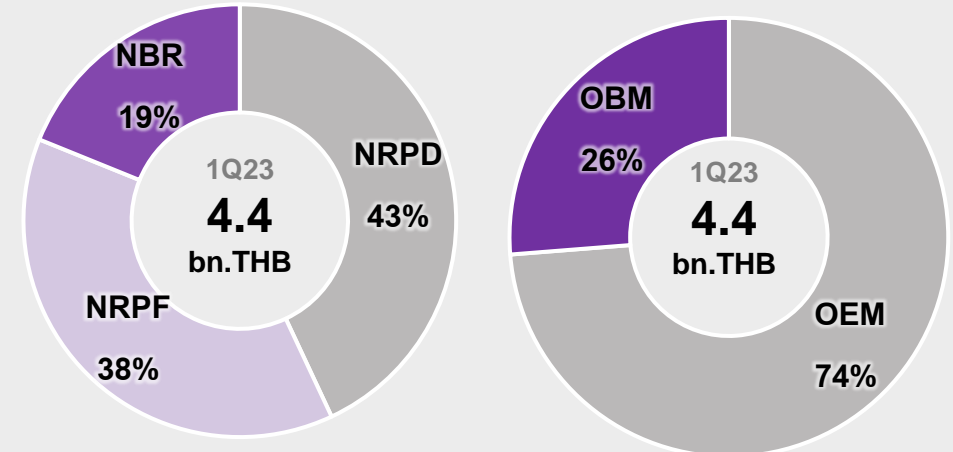
## Shareholding Structure



# STGT's Products



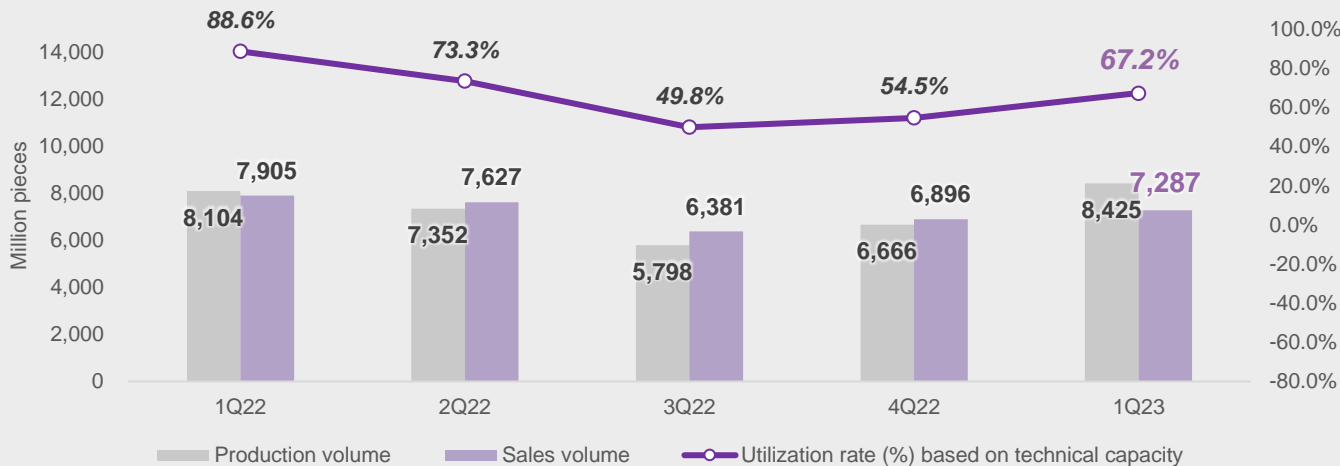
## STGT's Product Mix by Gloves Sales



\*Non-glove sales revenue is excluded of THB 174.5 million.

3-month data as of 31/03/2023

## Sales Volume & Production



## STGT's Brands



# STGT's Key Competitive Advantages

## 1. Unique Product Mix:

Good mix of affordable NR gloves allows us to penetrate to emerging countries where double or triple digits growth is prominent, and NBR gloves balance our revenue from mature markets.

## 2. Security of supply:

Access to sufficient and high-quality supply of concentrated latex from STA Group. Our factories are located proximity to the main source of concentrated latex of the world.

## 8. ESG Leader:

- Environmentally friendly technology by using 100% of renewable energy in production
- Awarded and rated best in class in workforce treatment under highly recognized standards
- Achieved the reduction of GHGs emission greater than the target and continue to pursue more challenging goal

## 7. Tax benefit from the Board of Investment Thailand (BOI):

5-8 years tax holidays from capacity expansion investment enables us to have low effective tax rate.

## 3. Low transportation and inventory handling costs:

STGT's production facilities are located next to STA Group's concentrated latex factories and short distance to the seaports.

## 4. No burden on import tax (CESS) of concentrated latex:

As a domestic manufacturer, STGT's NR latex procurement is free from import tax.

## 6. Interest subsidy

from Thai Government for long-term loans at the maximum rate of 3% till 2026.

## 5. Lower energy cost:

Access to abundance of biomass woodchip as a main fuel source comparing to fossil base (natural gas) which is typically used by competitors in other countries.



# FINANCIAL HIGHLIGHT



# STGT's Financial Highlights



## 1Q23:

- **Continuous growth in sales volume with greater growth in NR gloves**

Sales volume still increased 5.7% QoQ, showing the recovery sign in terms of volume since 3Q22, though still down 7.8% YoY.

- **ASP decreased QoQ and YoY**

Increase in new supply and ease of Covid-19 caused price competition in the market, resulting to pressured ASP which down by 4.6% QoQ and 34.7% YoY

- **Higher utilization rate**

Utilization rate improved from 54.5% in 4Q22 to 67.2% in this quarter.

- **Decrease in SG&A**

Mainly due to a higher production volume and cost savings.



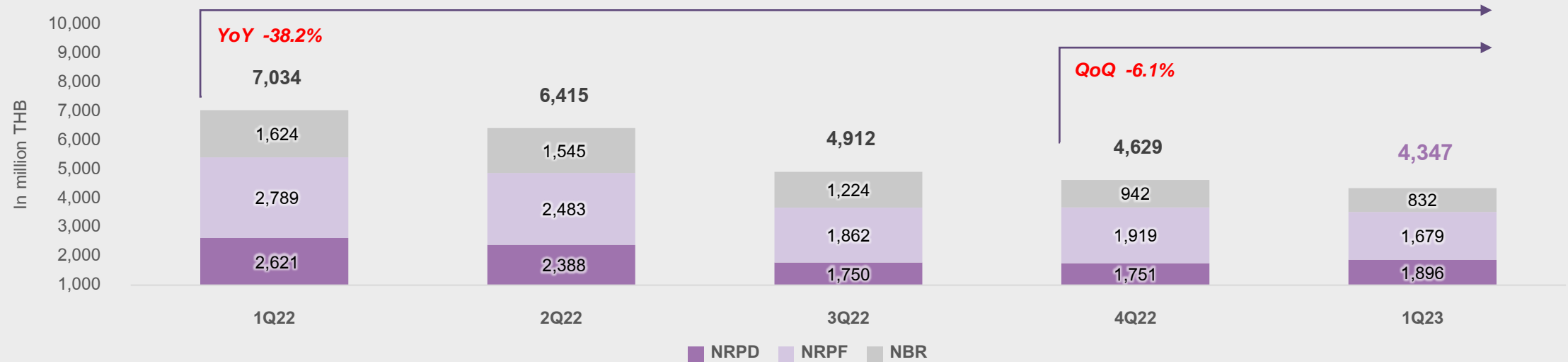
# 1Q23 Financial Highlights

(In million THB)

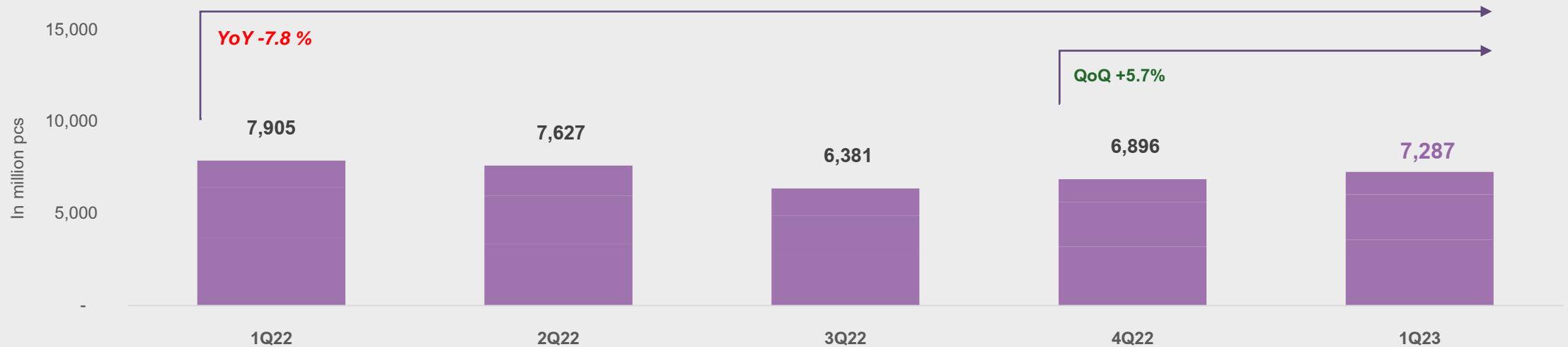
	1Q23	4Q22	%QoQ	1Q22	%YoY	2022	2021	%YoY
Volume (in million pcs.)	7,287.1	6,895.7	5.7%	7,905.1	-7.8%	28,808.9	27,275.5	5.6%
Sales revenue	4,581.1	4,760.8	-3.8%	7,118.5	-35.6%	23,304.8	47,550.8	-51.0%
COGS	(4,097.7)	(4,134.6)	-0.9%	(5,376.2)	-23.8%	(19,048.0)	(19,291.8)	-1.3%
Gross profit	483.4	626.2	-22.8%	1,742.3	-72.3%	4,256.8	28,259.0	-84.9%
Other income	35.7	23.0	55.2%	32.0	11.8%	209.3	362.5	-42.3%
SG&A	(401.2)	(616.0)	-34.9%	(640.6)	-37.4%	(2,401.1)	(2,242.8)	7.1%
Gain (loss) on exchange rate, net	(13.5)	(200.1)	-93.3%	(8.3)	62.2%	101.7	598.1	-83.0%
Other gain (loss), net	56.5	142.7	-60.4%	63.2	-10.5%	(257.2)	(1,079.4)	-76.2%
Operating profit (loss)	161.0	(24.1)	NM	1,188.5	-86.5%	1,909.5	25,897.4	-92.6%
EBITDA	621.3	443.6	40.1%	1,550.7	-59.9%	3,519.9	27,251.1	-87.1%
EBIT	228.4	49.1	364.9%	1,217.1	-81.2%	2,070.3	26,004.0	-92.0%
Finance income	67.4	73.2	-7.9%	28.6	135.6%	160.8	106.5	51.0%
Finance costs	(71.5)	(64.5)	10.9%	(35.0)	104.3%	(186.8)	(127.4)	46.7%
EBT	156.9	(15.4)	NM	1,182.1	-86.7%	1,883.5	25,876.6	-92.7%
Tax	(24.6)	(23.0)	6.8%	(130.0)	-81.1%	(231.5)	(2,172.5)	-89.3%
Net profit	132.3	(38.4)	NM	1,052.2	-87.4%	1,652.1	23,704.2	-93.0%
GP margin	10.6%	13.2%	-2.6%	24.5%	-13.9%	18.3%	59.4%	-41.2%
EBITDA margin	13.6%	9.3%	4.2%	21.8%	-8.2%	15.1%	57.3%	-42.2%
Net profit margin	2.9%	-0.8%	3.7%	14.8%	-11.9%	7.1%	49.9%	-42.8%
<b>Financial Ratio</b>								
Current ratio	4.10	4.62	-11.2%	5.00	-18.0%	4.62	5.23	-11.8%
Cash cycle (days)	57.08	60.18	-5.2%	45.22	26.2%	49.63	35.97	38.0%
IBD/E	0.23	0.24	-5.6%	0.21	8.8%	0.24	0.22	8.1%
Interest coverage ratio	2.65	22.48	-88.2%	31.01	-91.4%	24.11	207.07	-88.4%
ROA	1.1%	-0.3%	1.4%	8.2%	-7.1%	3.3%	49.6%	-46.3%
ROE	1.4%	-0.4%	1.8%	10.9%	-9.4%	4.4%	67.3%	-62.9%

# Sales Revenue and Volume

## Sales Revenue

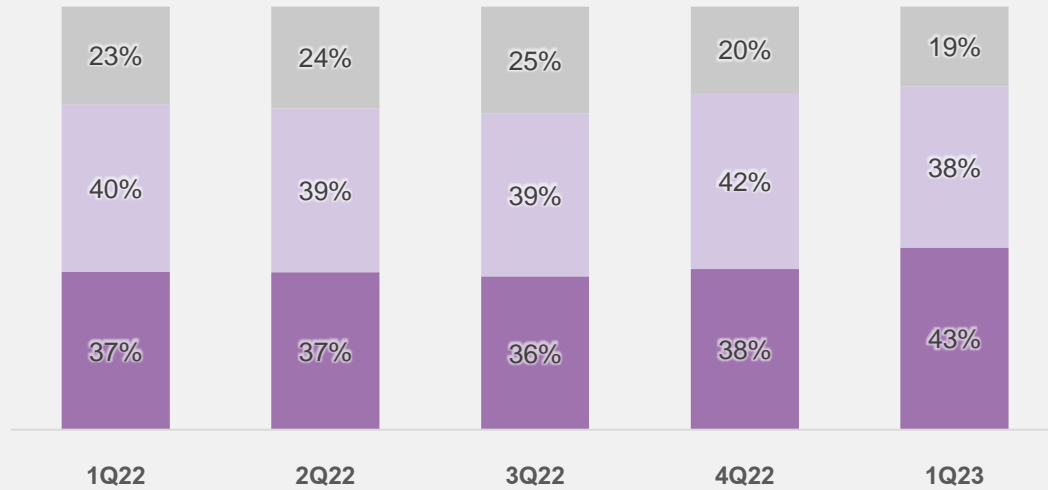


## Sales Volume

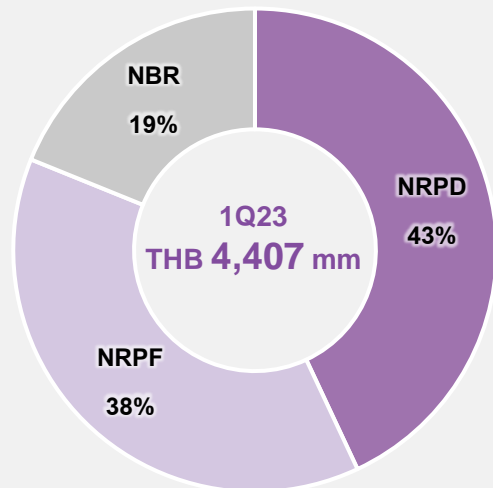


# Gloves' Sales Revenue Breakdown

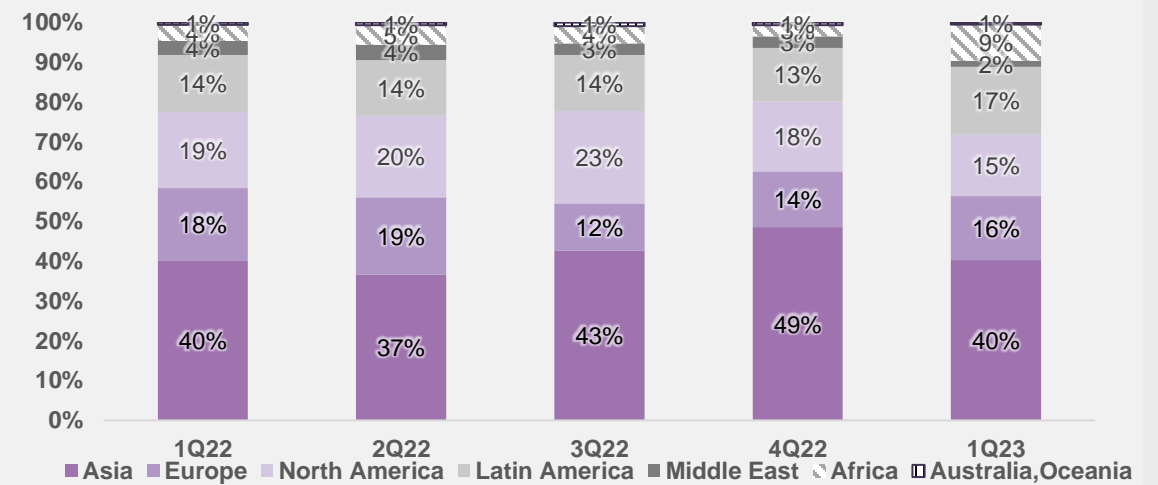
## Sales Revenue by Products



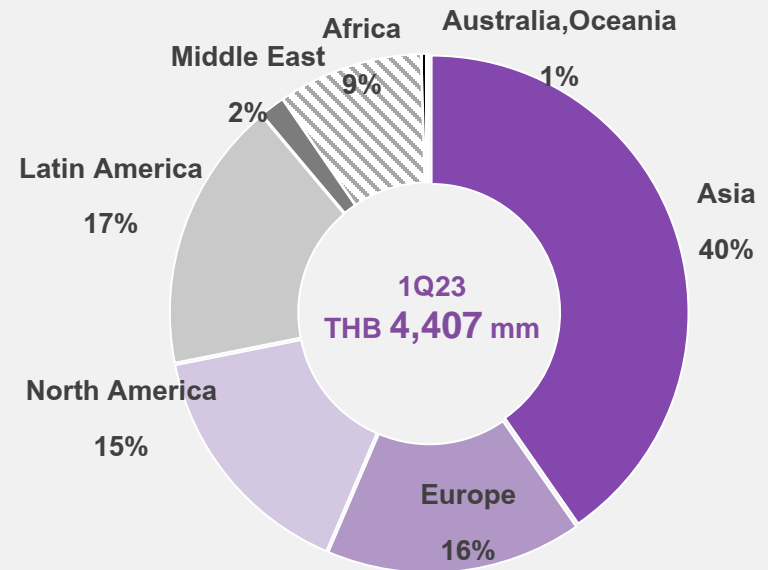
■ NRPD ■ NRPF ■ NBR



## Sales Revenue by Geography

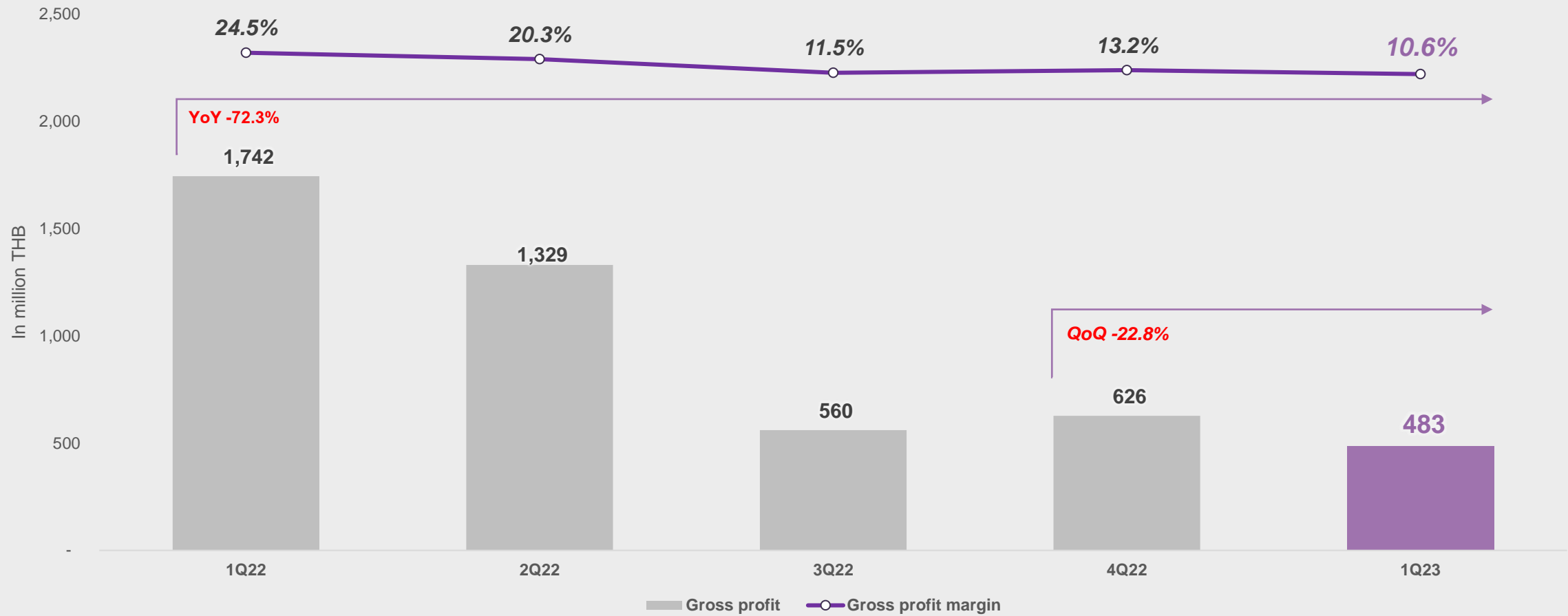


■ Asia ■ Europe ■ North America ■ Latin America ■ Middle East ■ Africa, Oceania



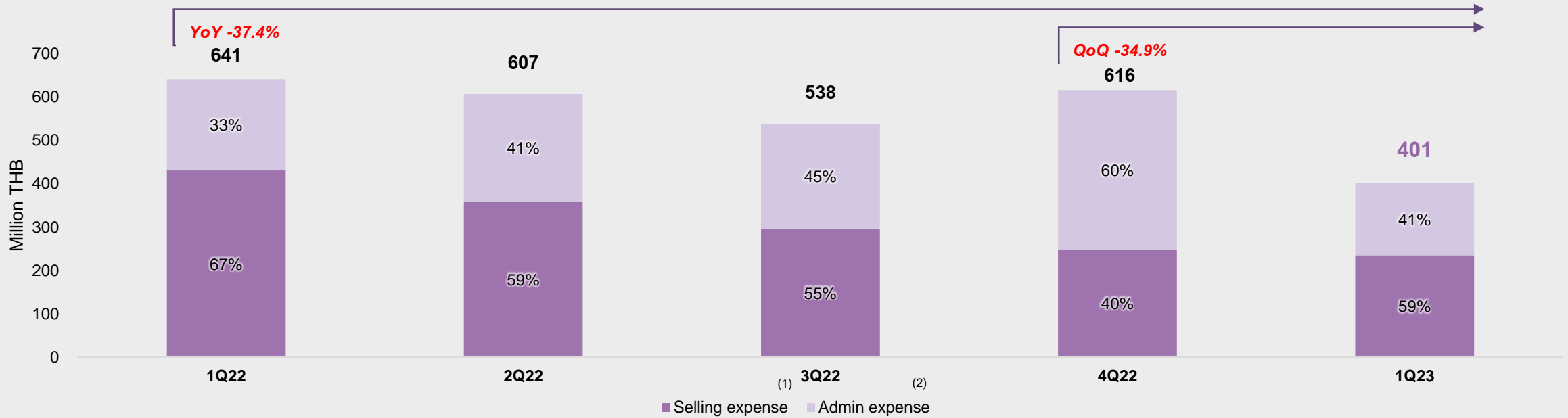
# Gross Profit Margin

## Gross Profit and Gross Profit Margin

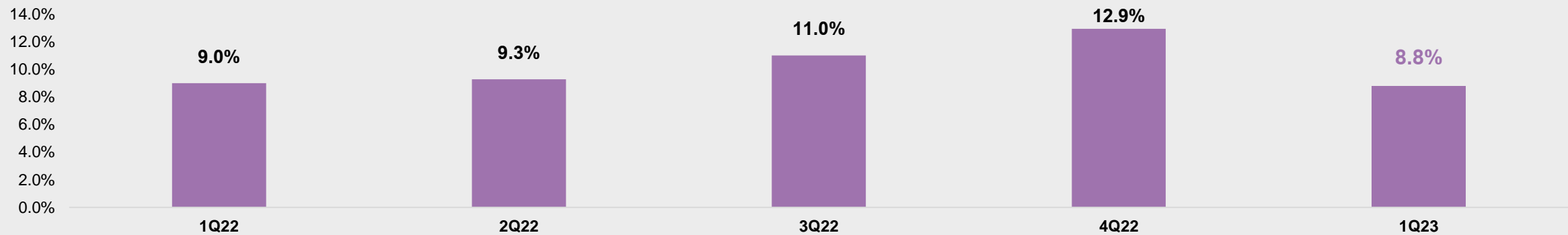


# SG&A

## SG&A Breakdown



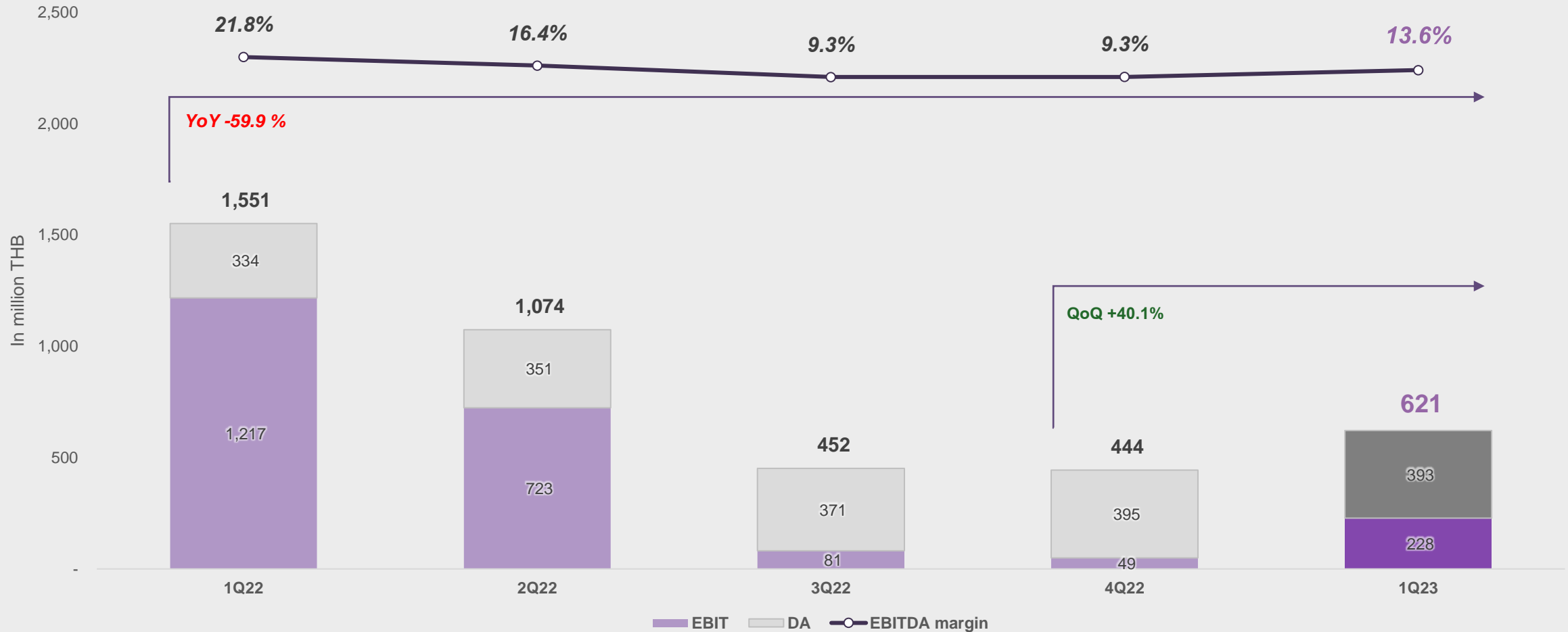
## SG&A/Sales



Note: (1) includes transportation, salary, commission, promotional expenses and insurance  
 (2) includes salary, office rental, professional fee and bank charge

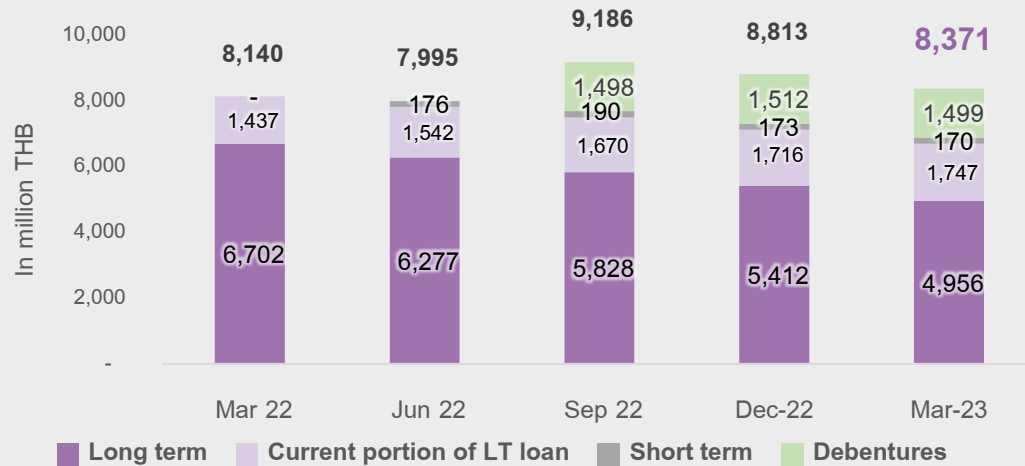
# EBITDA

## EBITDA and EBITDA Margin

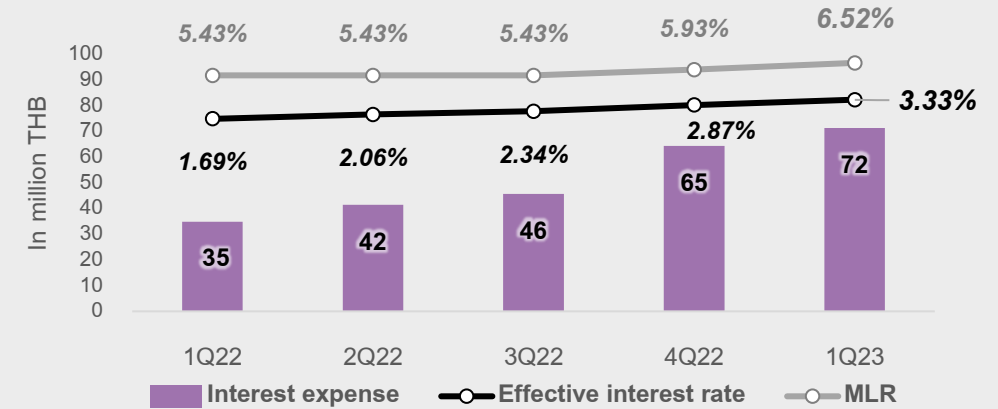


# Low Interest Expenses

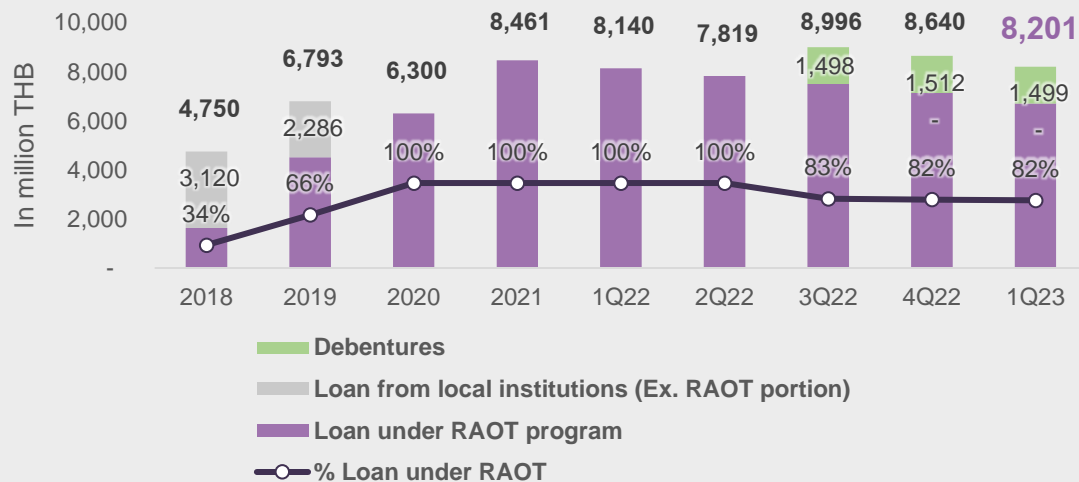
## Short Term & Long-Term Loan



## Interest Expense



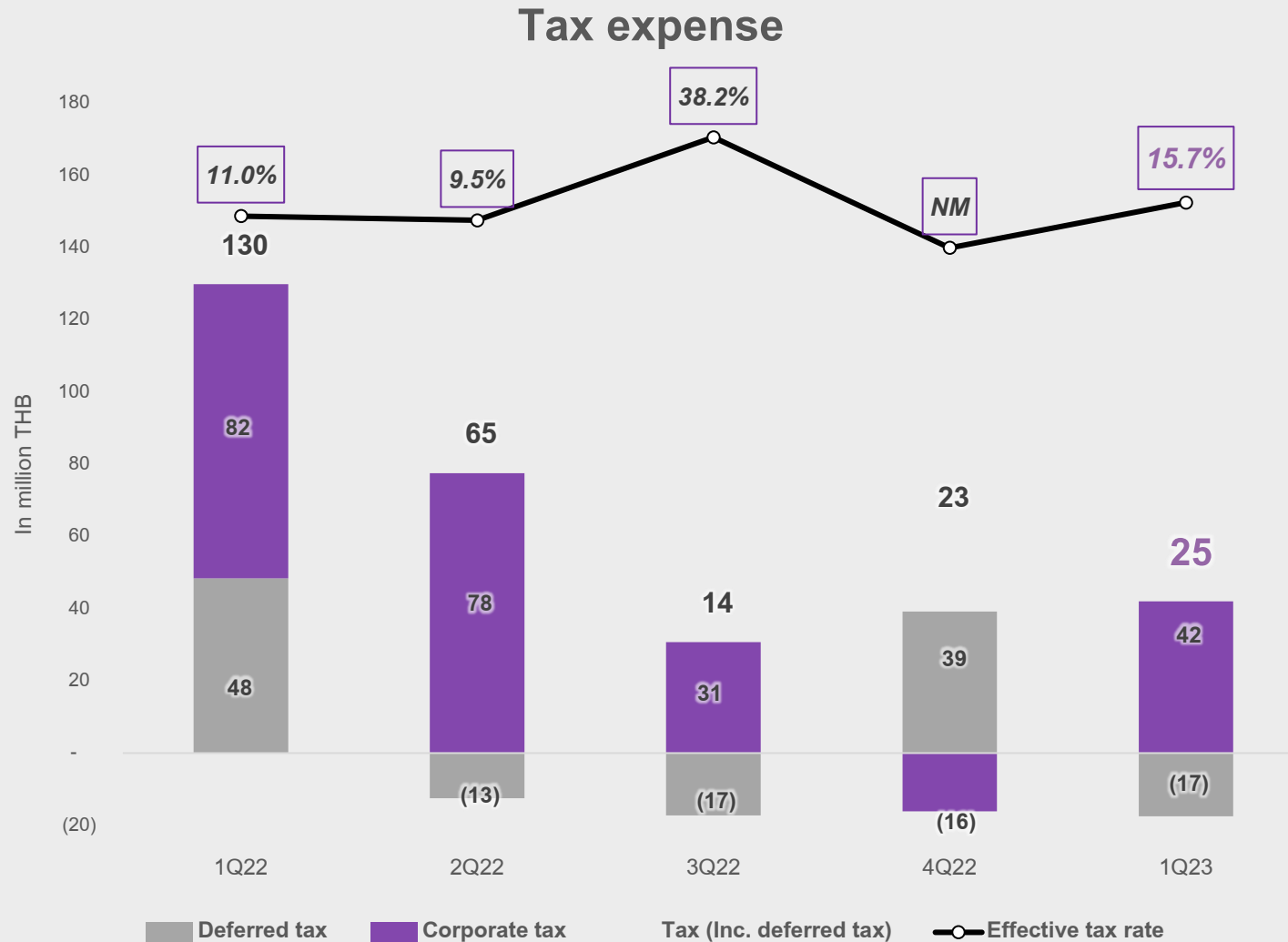
## Loan under RAOB Subsidy Scheme



- RAOB subsidy scheme for the interest paid to the banks at the rate of 3% which will last till 2026.
- 82% of our term-loan is under RAOB interest subsidy scheme

# Effective Tax Rate

## Effective Tax Rate 2021 – 2022

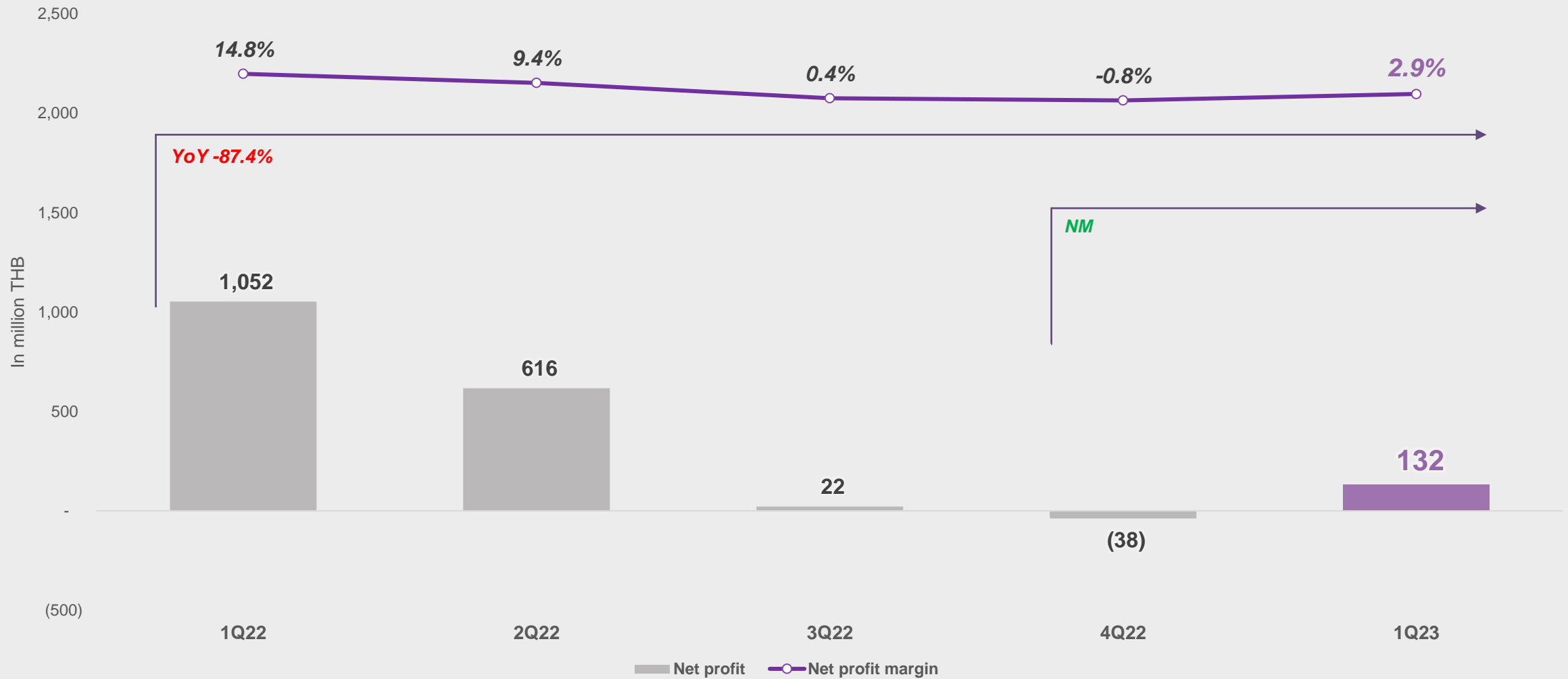


- Effective tax rate was at 15.7% for 1Q23
- With tax heaven scheme from the Board of Investment in Thailand (BOI) for the 5-8 years tax free for new investment.



# Net Profit Margin

## Net profit and Net profit Margin

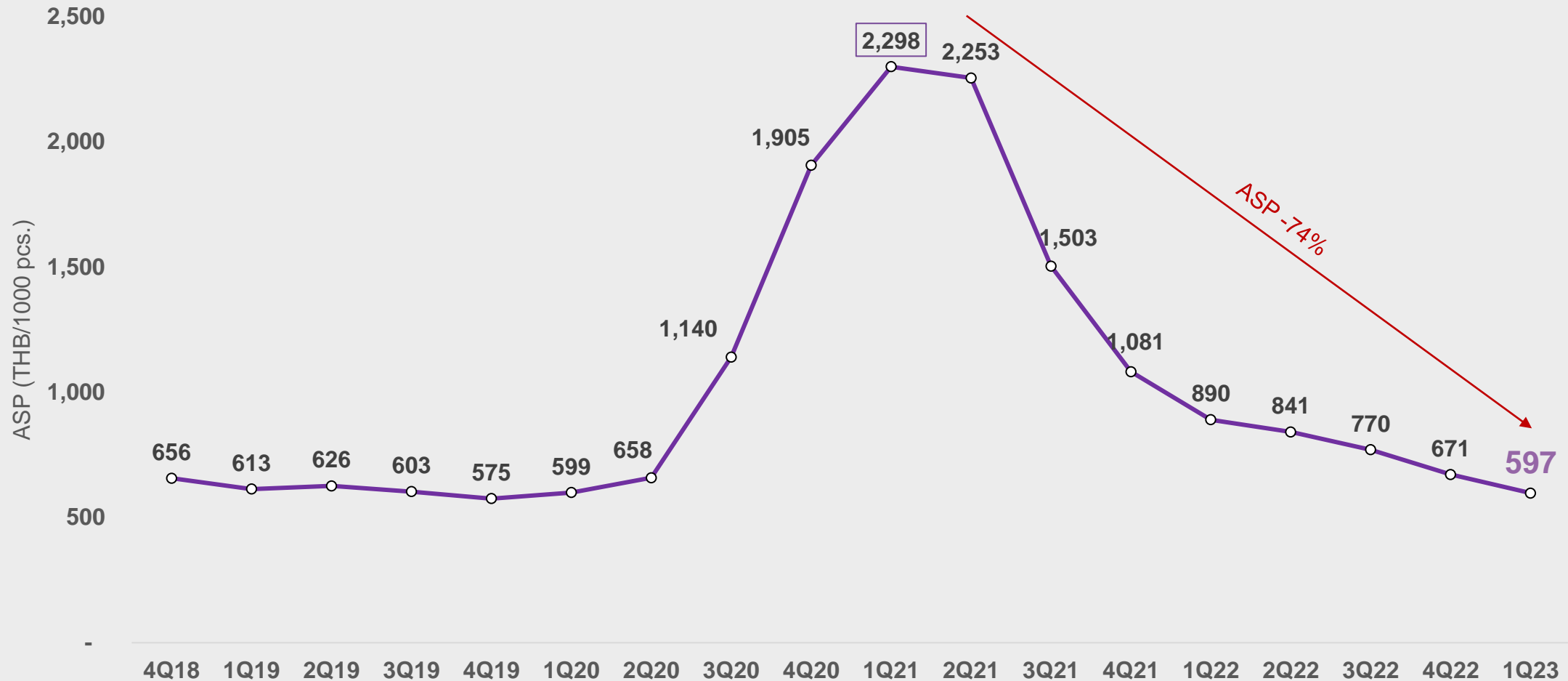




# GLOVES BUSINESS

# Effect of Supply and Recovery of Covid-19

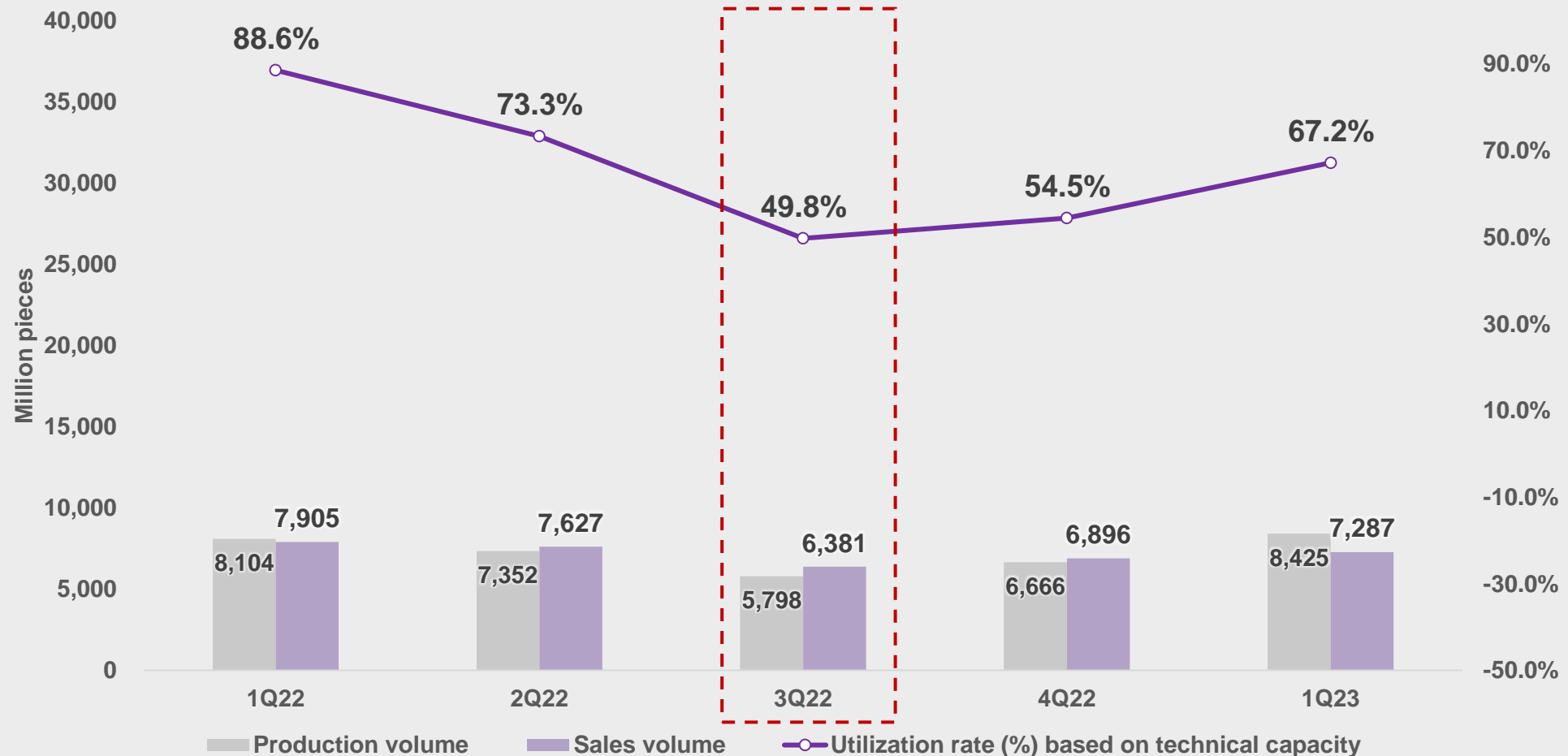
The imbalance of demand and supply during the recovery of Covid-19 resulted to price competition and the decline in ASP.



# Sign of Recovery

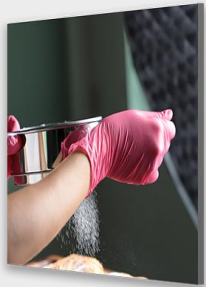
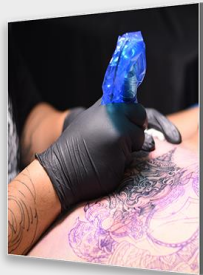
## STGT's Production & Sales Volume

Despite the significant decline in ASP, STGT's sales volume still showed an improvement YoY.



# Gloves are Necessities in Our Daily Lives & in Various Industries

## *Increasing Application for Rubber Gloves*



**Medical & Dental**

**Pharmaceutical & Laboratory**

**Food & Catering Industry**

**Electronics**

**Beauty and cosmetics**

**Transportation**

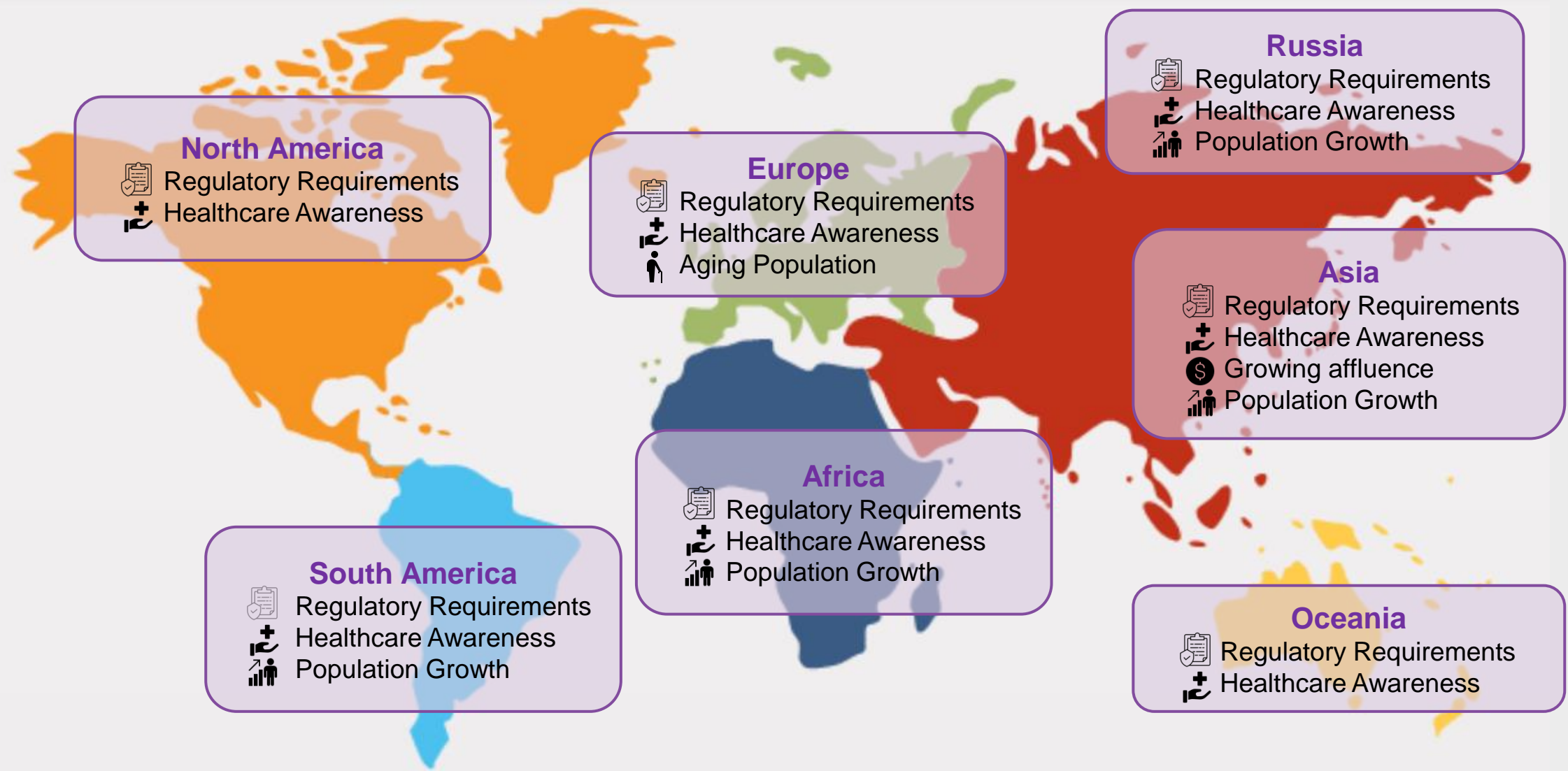
**Services & Hospitality**

**Household**

**Specialized medical applications**

# Glove Demand Expected to Grow 8-12% per Annum from Pre-Covid-19 Level

## Key Growth Drivers in Short-Term and Long-term



# BUSINESS OUTLOOKS



# Strategy for Overcoming the 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





NON DETECTABLE  
**PROTEIN**



**Latex**  
Powder Free



Total Extractable  
**Protein**



**Clean World  
Clean gloves**

Fully integrated sustainable supply chain



**ZERO Chlorine**  
process



Latex  
White



Ocean  
Blue

**Color**

Balanced strength  
**comfort & flexibility**

Efficient and  
**easy donning**

240 mm length

**Food contact  
compliance**

Superb protection  
against  
**viral penetration**

Single wall thickness (finger) **typical  
value 5.5 mil (0.14 mm)**

**Fully micro  
textured**  
superb overall grip

**Ability  
to reseal**

**MDD  
CLASS 1**

**PPE CAT III**  
CE 2777

**PPE CAT I**  
CE

**NON** Total Extractable Protein  
**DETECTABLE** Tested according to ASTM D5712-15

	Detection limit	Result
Assay Concentration	< 2.2µg/ml	b.d.
Total Protein	< 11µg/g	

b.d. - below detection limit, 2.2µg/ml.

**NON** Quantity of 4 Principal Allergenic Proteins  
**QUANTIFIABLE** Tested according to ASTM D7427-16

	Quantitation Limit	Result
Hev b 1	< 0.050µg/g	UQ
Hev b 3	< 0.050µg/g	UQ
Hev b 5	< 0.025µg/g	UQ
Hev b 6.02	< 0.025µg/g	UQ

UQ - unquantifiable i.e. result below the limit of quantitation.

Caution: Safe use of this glove by or on latex-sensitized individuals has not been established yet.



Reduce Chloride  
residue by **63%**

**11** Chemotherapy  
**Drugs**

Tested according  
to ASTM D6978

**100%**  
Renewable Energy

**Low Carbon  
Production**

**Sustainable  
Sourcing**

**Clean  
Optimization**

**USAGE**  
(highlight)



Medical



Dental



EMS



Food



# Ultra Contact

Nitrile Powder Free

**Diamond textured**  
for exceptional grip performance

**For silicone free**  
required application

**Thicker gloves**  
for better protection and durability

**Color**  
Orange

Single wall thickness (finger) **typical value 8.7 mil (0.22 mm)**

**Dynamic hand protection** against multiple hazards

**Exceptional** dry and wet grip

**Efficient and** easy donning

**240 mm** length

**Food contact** compliance

**Raised diamond texture** superb functional grip

**Powder free**

**Silicone free**

Great chemical **resistance**

**MDR CLASS 1**

**PPE CAT III**

CE 2777

**PPE CAT I** CE



**100%**  
Renewable Energy

**Low Carbon**  
Production

**USAGE**  
(highlight)





# SHIELD PLUS

Nitrile Powder Free



**Tested for use against chemotherapy drugs**  
(acc. to ASTM D6978)



**Tested against EN 16523-1 and ASTM F739**  
for chemical resistance



**No permeation against Fentanyl up to 240 minutes**  
(acc. to ASTM D6978)



**Color**

Blue



Single wall thickness (finger) **typical value 5.1 mil (0.13 mm)**

Efficient and **easy donning**

Powerful hand protection against **multiple hazards**

**Extended cuff** for extended protection

**300 mm length**

**Food contact compliance**

**Micro textured finger** precise grip

**Powder free**

Great **chemical resistance**

**MDR CLASS 1**

**PPE CAT III**  
CE 2777 |

**PPE CAT I** CE |



**300 mm LONG CUFF**  
**EXTRA PROTECTION**

**USAGE**  
(highlight)



Hospital



Dental



Laboratory



Janitorial



Industry



Food



# VITASKIN

LATEX POWDER-FREE

## SURGICAL GLOVES



### Ergonomic design

Conforms to hand contour



**Tested against EN 16523-1 and ASTM D6978**

for chemical and chemo drugs resistance



### NATUTEX latex

our soft latex technology proprietary that comes with lower protein content



**Color**

Latex White

Single wall thickness (finger) **typical value 8.7 mil (0.22 mm)**

**Reduced hand fatigue**

**Enhanced comfort**

**300 mm length**

**Extended cuff for extended protection**

**Fully micro textured seamless grip**

**Ability to reseal**

**MDR CLASS IIa**



**PPE CAT III**  
**CE 2777**



**Superb protection against bloodborne pathogens**



**Material**  
Natural Rubber Latex

**Powder Content**  
Powder-Free

**Internal Glove Surface**  
Polymer Coated

**Freedom from Holes (Inspection level I)**  
AQL ≤ 0.65

**Product Compliances**  
ASTM D3577, EN 455, ISO 10282, TIS 538, EN ISO 21420, EN ISO 374, ASTM D6978

**Factory Compliances**  
ISO 13485, ISO 14001, ISO 9001

**Viral Penetration Test**  
ISO 16604, ASTM F1671

PRODUCT INFORMATION

**ISO 16604 and ASTM F1671** utilize bacteriophage Phi-X 174 due to its miniscule size compared to other blood borne pathogens and hence able to model viral penetration of deadly viruses like HCV and HIV.



**Salmonella**  
0.7-1.5 µm



**E. coli**  
0.25-1.0 µm



**HIV**  
120 nm



**Ebolavirus**  
80 nm



**SARS-CoV-2**  
60-140 nm



**HCV**  
55-65 nm



**Phi-X 174**  
27 nm

**100%**  
Renewable Energy



**Low Carbon**  
Production

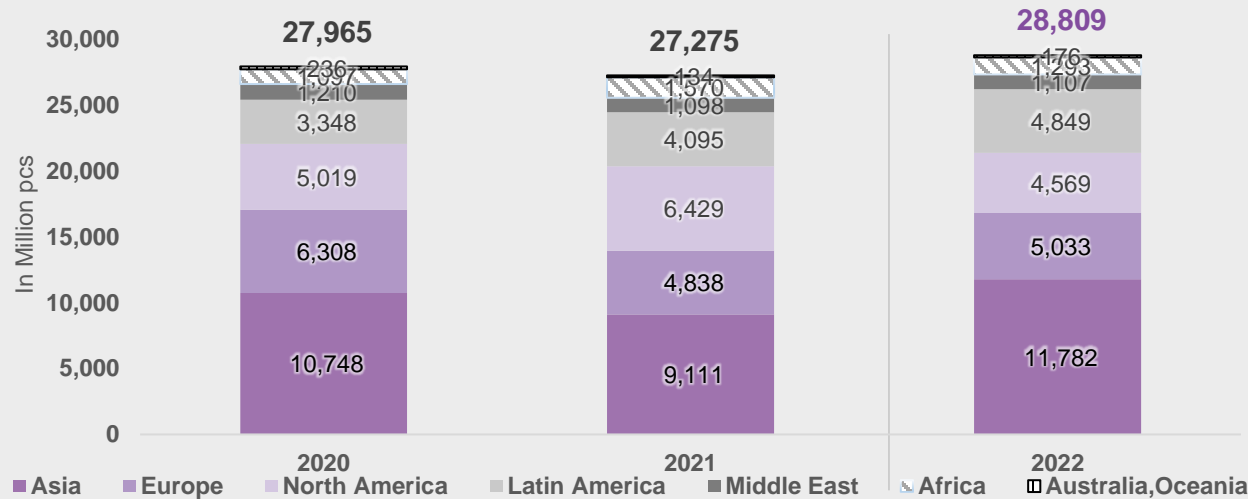


**Sustainable**  
Sourcing

To be launched in 2H23 | Capacity 20 million pairs per year

# STGT's Market Diversification

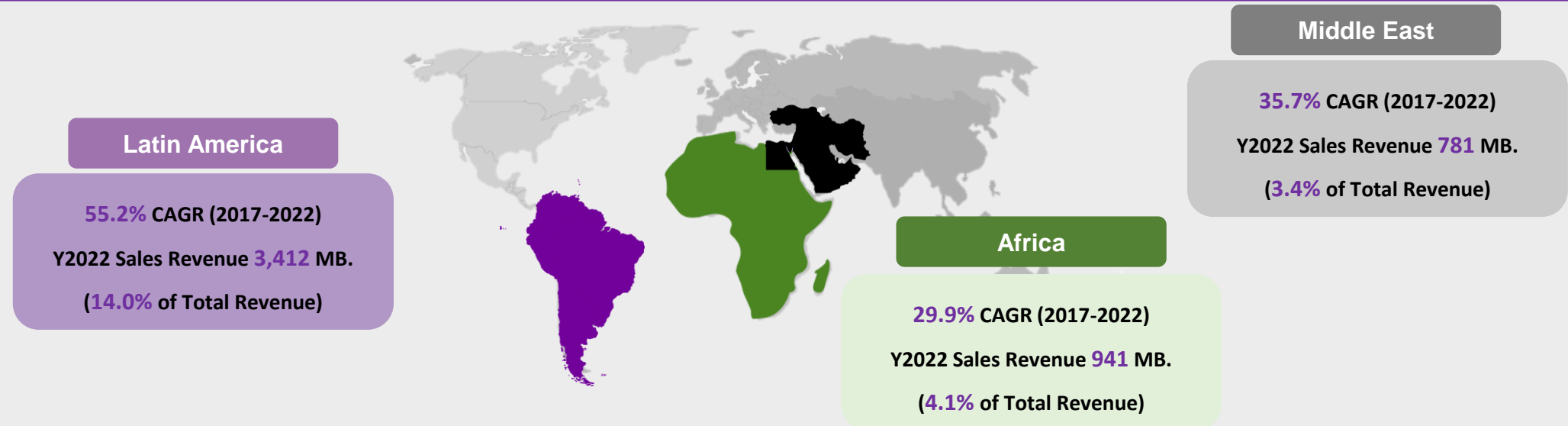
## Gloves' Sales Volume by Region



### FY22:

- Sales volume still increased in most region except North America where it faced the high inventory issue.

## High Growth Region (Volume)



# Sustainability Certificates

## Environment



ISO 14001:2015  
Environmental  
Management System



Green Industry  
Sustainability development  
for Manufacturer network  
From Thai Ministry of Industry  
(STGT receive LEVEL 4)

## Governance



Environmental  
Good Governance  
Sustainable Business Certificate  
From Thai Ministry of Industry



Forest Stewardship Council  
Traces the path of products from  
forests through the supply chain,  
verifying that FSC-certified materia  
is identified or kept separated from  
non-certified material throughout  
the chain. (Chain-of-Custody)



Collective Action  
against Corruption  
An initiative by the private sector  
to take part in tackling corruption  
problem via collective again.

## Social



ISO 45001:2018  
Occupational Health & Safety  
Management



Ethical Trade Audit  
Ethical audit methodology which  
encompasses all aspects of  
responsible business practice.



Business Social  
Compliance Initiative  
Supply Chain management system  
international labour standards  
protecting workers' rights  
(STGT receive Rank A)

STGT-HY | STGT-SR | STGT-TG | STGT-PS



International Labour  
Organization Audit  
comprehensive system of  
instrumentsb on work and social  
policy, backed by a supervisory  
system

## Confirmation

Please sign this document confirming that the above findings have been discussed with and understood by you (site management).  
If actual signatures are not possible in electronic version, please state the name of the signatory in applicable boxes, as indicating the signature.

A: Site Representative Signature:	Sineenat Utonpun	Title: Quality System Manager
		Date: 21 July 2022
B: Auditor Signature:	Arunaree Tosasongkh	Title: Lead auditor
		Date: 21 July 2022
C: Please indicate below if you, the site management, dispute any of the findings. No need to complete D-E, if no disputes.		
D: Dispute the following numbered non-compliances:		
Nil		
E: Signed, if any entry in box D, please complete a signature on this line:	Sineenat Utonpun	Title: Quality System Manager
		Date: 21 July 2022
F: Any other site Comments:		
Nil		

STGT-HY STGT-TG



	A	B	C	D	E	None
<b>Section rating</b>						
PA1: Social Management System	A					
PA 2: Workers Involvement and Protection	A					
PA 3: The Rights of Freedom of Association and Collective Bargaining	A					
PA 4: No Discrimination	A					
PA 5: Fair Remuneration	A					
PA 6: Decent Working Hours	A					
PA 7: Occupational Health and Safety	A					
PA 8: No Child Labour	A					
PA 9: Special Protection for Young Workers	A					
PA 10: No Precarious Employment	A					
PA 11: No Bonded Labour	A					
PA 12: Protection of the Environment	A					
PA 13: Ethical Business Behaviour	A					

## Corrective Action Plan

Facility	Applicable Standard	Audit number	Type of audit
Sri Trang Gloves (Thailand) Public Company Limited_Hat Yai Branch	ILO Indicators of Forced Labor	THS-22010-01	Initial full audit

Good example	Details of good example noted	Any relevant Evidence and Comments
No. 1	The company provided effort to all migrant workers e.g. renewal work permits and all relevant transportation cost with free of charge and no any bonded for workers and no other sign of forced labor for this effort.	Site observation, document review, worker and management interview.

Please sign here after the closing meeting on the audit date for the acknowledgement of this document

Site Representative Signature:	Sineenat Utonpun	Title : Quality System Manager
		Date: 19 October 2022
Auditor Signature:	Kesom Eurtakanwatt	Title : Lead auditor
		Date: 19 October 2022

STGT-HY





# Sustainability CERTIFICATES & Awards Highlight

## Awards



Thailand Sustainability Investment  
2021



CSR-DIW Award  
2020-2021



CSR-DIW Continuous Award  
2017-2021



Environmental Governance Award  
2019



Outstanding Social Activity Award  
2020



Gold level plaque of  
honor waste water management  
2019



Sustainability Disclosure recognition  
2021



Disability Employment Award  
2017-2021

# 11 TIMES WINNER Thailand FDA Quality Award





**SRITRANG**<sup>TM</sup>  
**GLOVES**

**Thank you very much**



**Contact Investor Relations Tel:** (+66)2-207-4500 Ext. 1402 and 1404 **E-Mail:** [stgt\\_ir@sritranggroup.com](mailto:stgt_ir@sritranggroup.com)