



**SRI TRANG
GLOVES**™

「Touch Of Life™」

1Q24 Performance

SRI TRANG GLOVES (THAILAND) PUBLIC COMPANY LIMITED

17 May 2024



Excellent
Corporate Governance Score Appraised by
Thai Institute of Directors



SET **AAA**
ESG Ratings 2023

S&P Global

SETESG Index

MSCI

SET100 Index

ESG100 2022
Environmental • Social • Governance

SETHD Index

FTSE SGX

SETCLMV Index

Agenda



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ESG Commitment

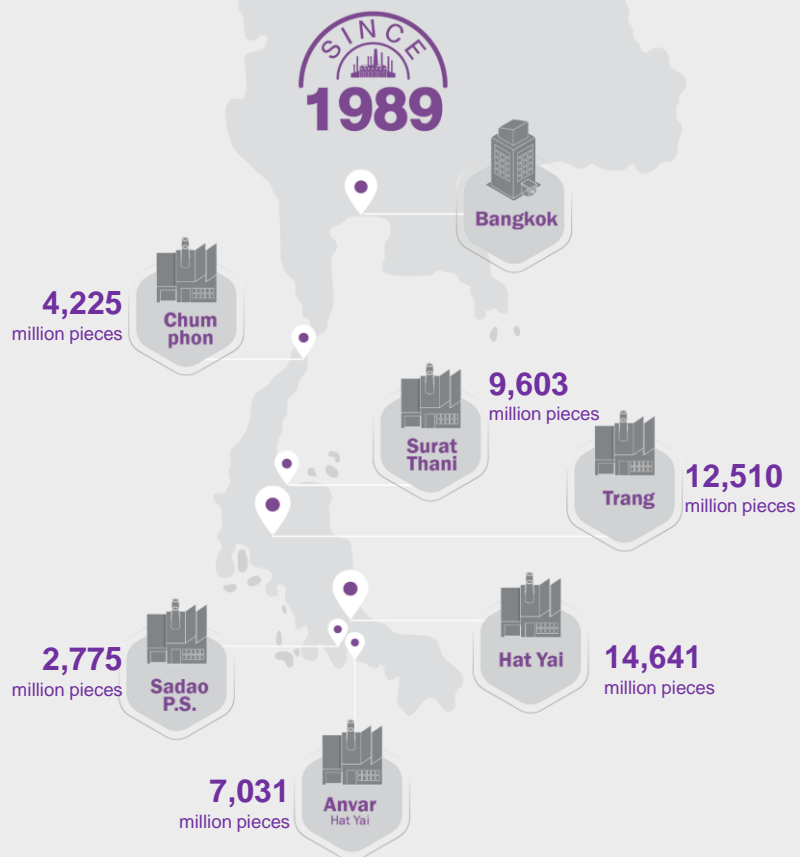
A hand wearing a white latex glove is shown holding the hand of a child. The background is a light gray gradient with a pattern of glowing white hexagons. The text 'COMPANY SNAPSHOT' is overlaid on the right side of the image.

COMPANY SNAPSHOT

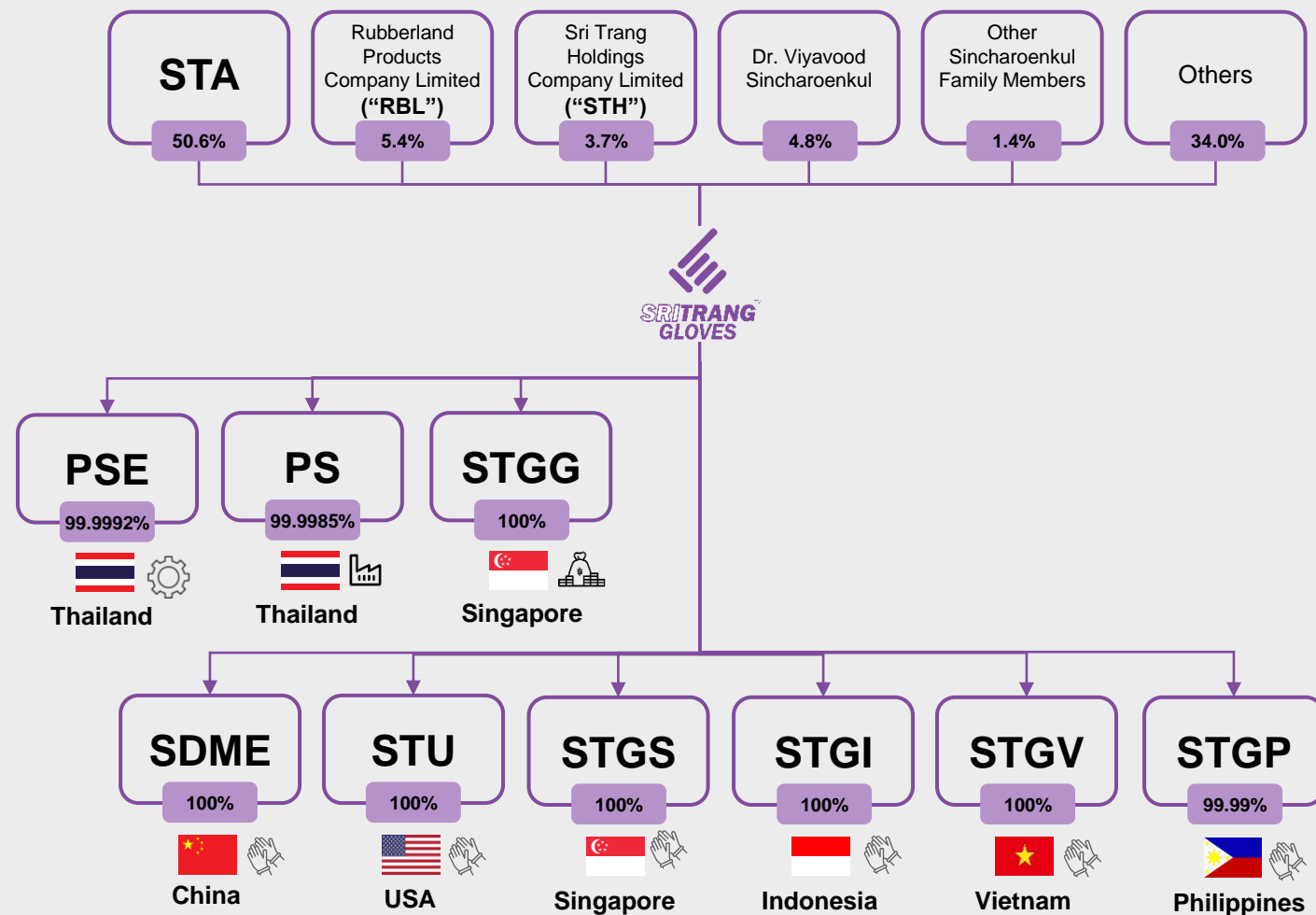
STGT At a Glance

STGT's annualized installed capacity approx. 50,785 million pieces per annum; marked as the world's top 3 rubber gloves manufacturers

Total Annualized installed capacity approx. **50,785** million pieces per annum



Shareholding Structure

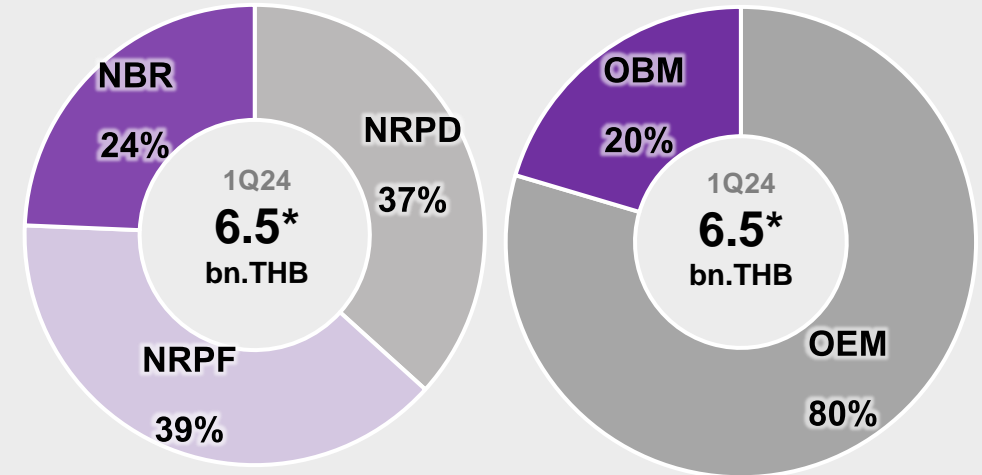


The World's Leading Sustainable Gloves Manufacturer

Supply 69 Product Types Worldwide

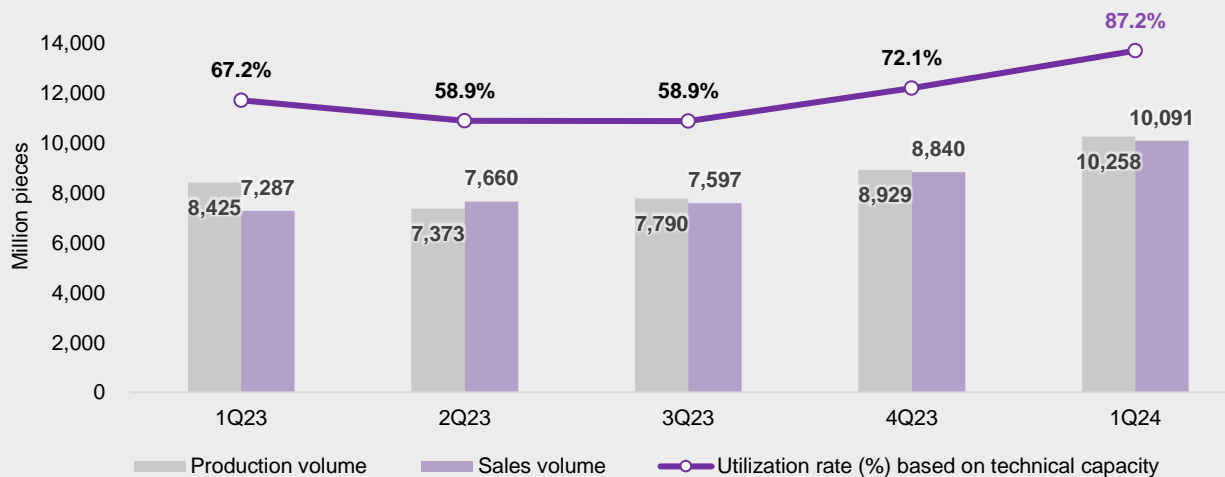


STGT's Product Mix by Gloves Sales

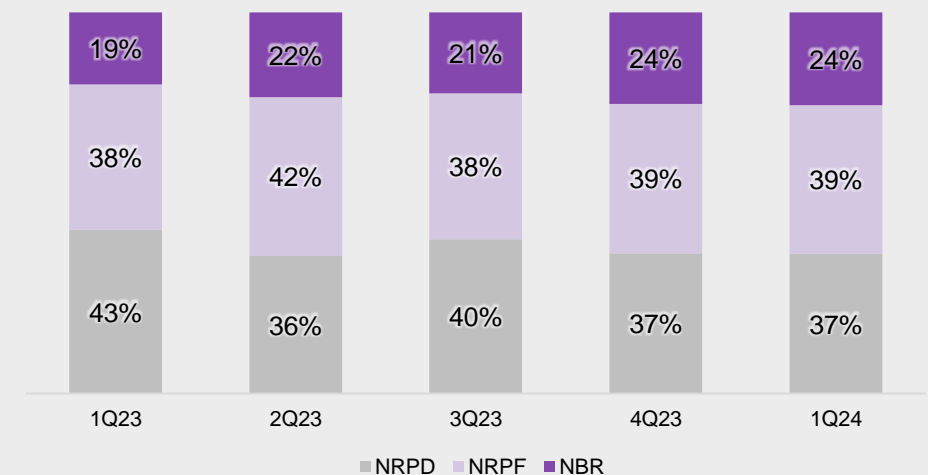


*Non-glove sales revenue is excluded of THB 49.0 million.

Sales Volume & Production



Product Mix Development



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 non-fossil based 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

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.

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.

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.



"Unique" in Various Aspects



Dominant NR Glove Player

STGT is the only glove manufacture having NR mix >50-80%



Well Diversified Geography Revenue

30-40% of STGT has revenue contribution represented by Asia, where USA, EU and Latin accounts for <20% each



No Exposure in Geopolitical Risks

Never expose to any geopolitical conflict or trade war with any countries



Resilient Production Facilities

Most of production facilities offer interchangeable of raw material in powdered-free offline process

1Q24

**FINANCIAL
PERFORMANCE**





1Q24:

- **All Time High in Sales Volume**

Continue to break new record for every product since the incorporation in 1989.

- **Sales Increase in Almost all of the Regions**

Except for Africa as sales in 4Q23 was on time significant increase QoQ.

- **Volume Was the Key Profit Driver**

Substantial increase in volume after the decommission of the old facilities resulted in cost leverage and economy of scale.

- **Highest U-Rate After Covid-19 Relaxation**

Utilization was 87.2% in 1Q24 compared to 72.1% in 4Q23 and registered as the highest after 4Q21 .

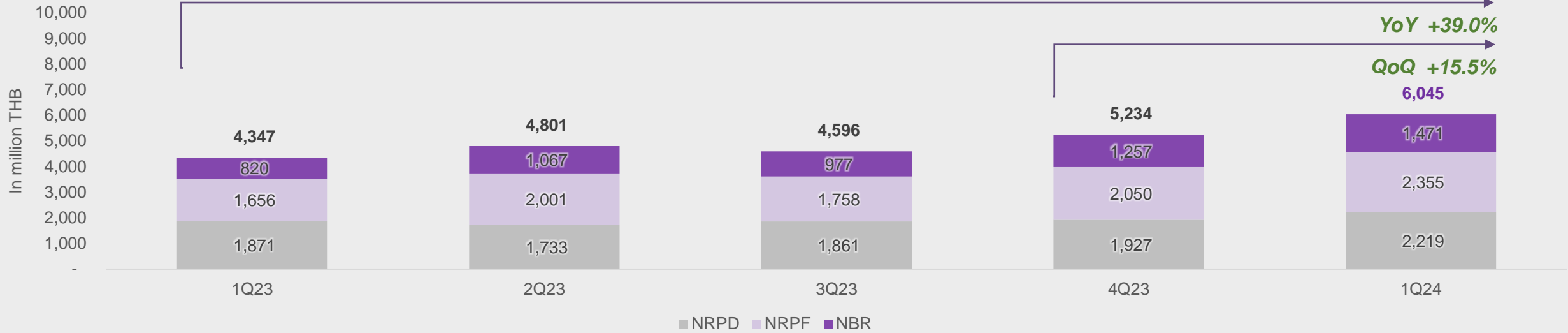
1Q24 Financial Highlights

(In million THB)

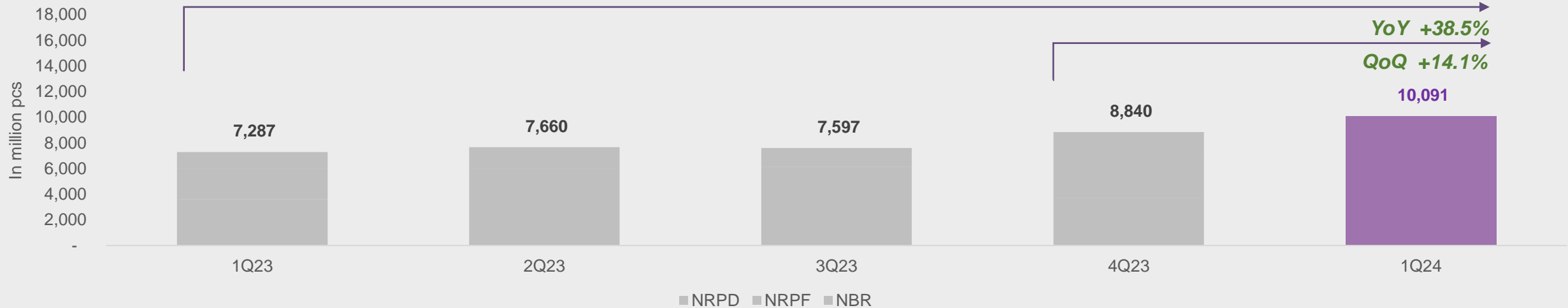
	1Q24	4Q23	%QoQ	1Q23	%YoY
Volume (in million pcs.)	10,091.0	8,840.4	14.1%	7,287.1	38.5%
Sales revenue	6,050.4	5,306.2	14.0%	4,581.1	32.1%
COGS	(5,539.9)	(4,757.8)	16.4%	(4,097.7)	35.2%
Gross profit	510.5	548.4	-6.9%	483.4	5.6%
Other income	29.8	110.2	-73.0%	35.7	-16.7%
SG&A	(423.4)	(747.2)	-43.3%	(401.2)	5.5%
Gain (loss) on exchange rate, net	145.1	(139.5)	NM	(13.5)	NM
Other gain (loss), net	(115.8)	106.3	NM	56.5	NM
Operating profit (loss)	146.3	(121.8)	NM	161.0	-9.1%
EBITDA	691.8	607.6	13.9%	621.3	11.3%
EBIT	238.5	(8.7)	NM	228.4	4.4%
Finance income	92.2	113.1	-18.4%	67.4	36.8%
Finance costs	(72.4)	(76.6)	-5.4%	(71.5)	1.2%
EBT	166.1	(85.3)	NM	156.9	5.9%
Tax	(19.3)	43.0	NM	(24.6)	-21.3%
Net profit	146.8	(42.3)	NM	132.3	10.9%
GP margin	8.4%	10.3%	-1.9%	10.6%	-2.1%
EBITDA margin	11.4%	11.5%	0.0%	13.6%	-2.1%
Net profit margin	2.4%	-0.8%	3.2%	2.9%	-0.5%
Financial Ratio					
Current ratio	3.25	3.63	-10.6%	4.10	-20.8%
Cash cycle (days)	44.31	51.91	-14.6%	57.08	-22.4%
Net IBD/E	(0.04)	(0.07)	54.8%	(0.10)	126.1%
Interest coverage ratio	4.97	11.46	-56.6%	2.65	87.5%
ROA	1.2%	-0.4%	1.6%	1.1%	0.1%
ROE	1.5%	-0.4%	2.0%	1.4%	0.1%

Gloves' Sales Revenue and Volume

Sales Revenue

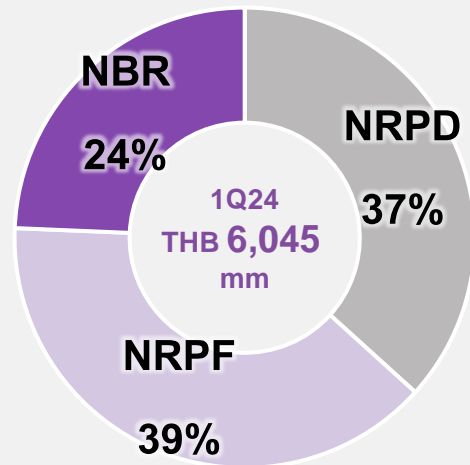
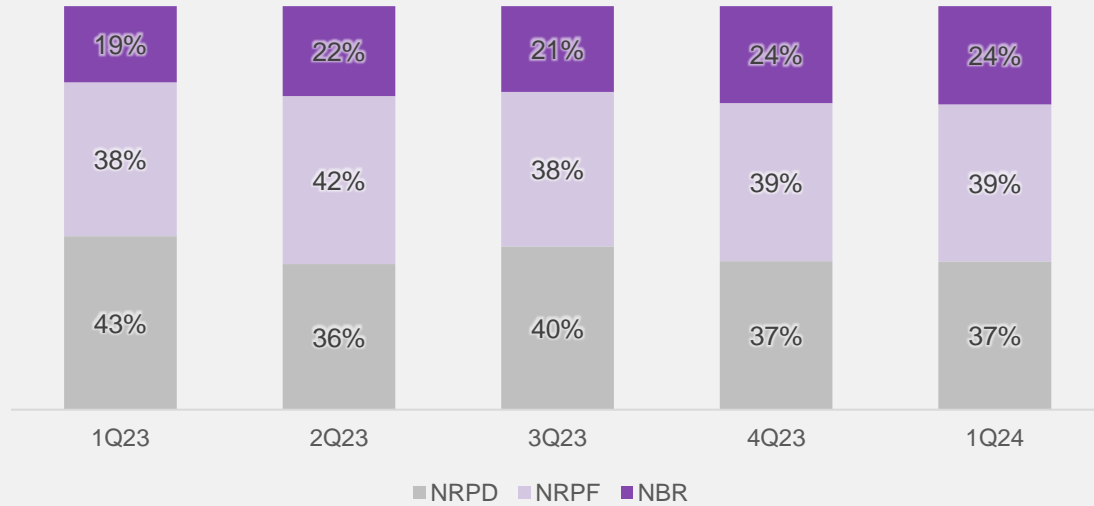


Sales Volume

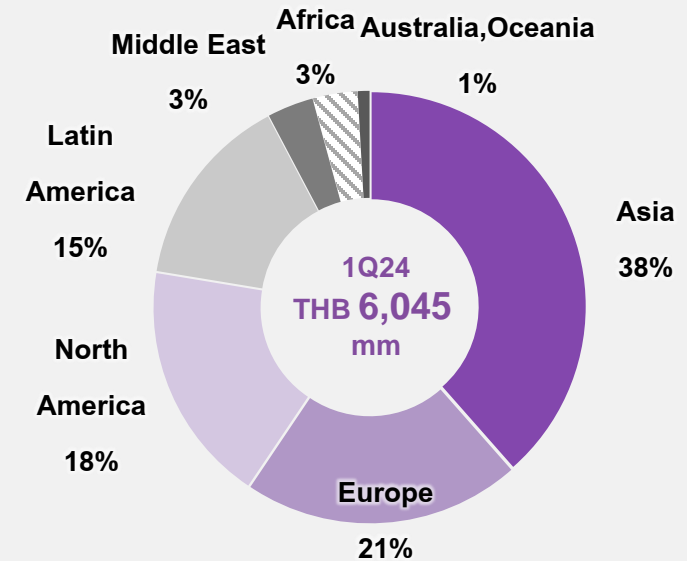
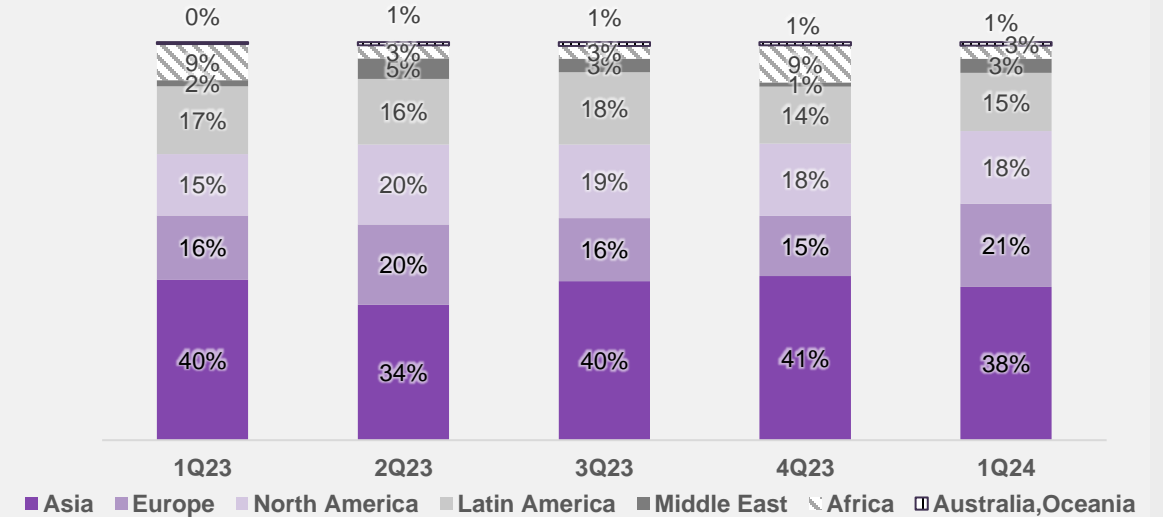


Gloves' Sales Revenue Breakdown

Gloves' Sales Revenue by Products

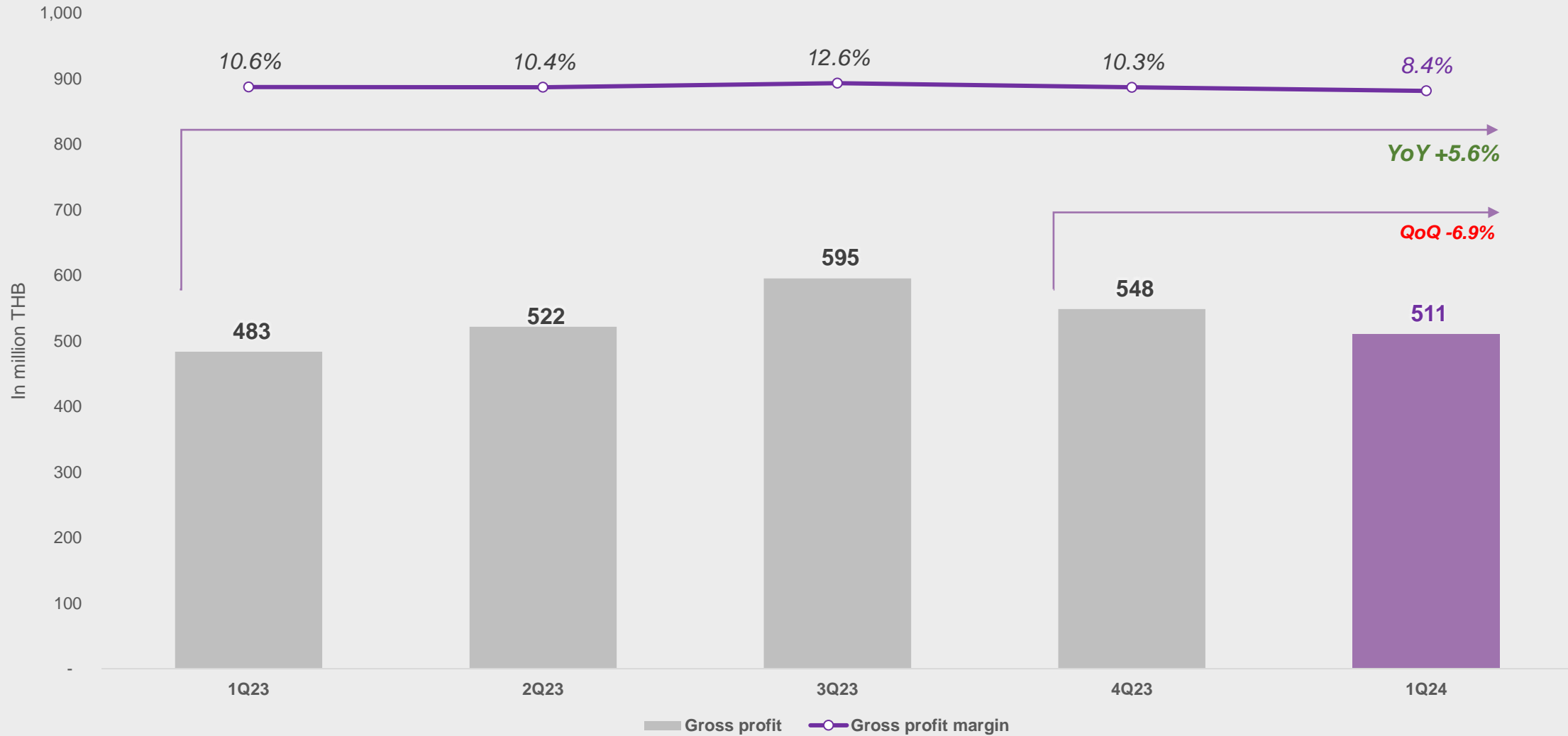


Gloves' Sales Revenue by Geography



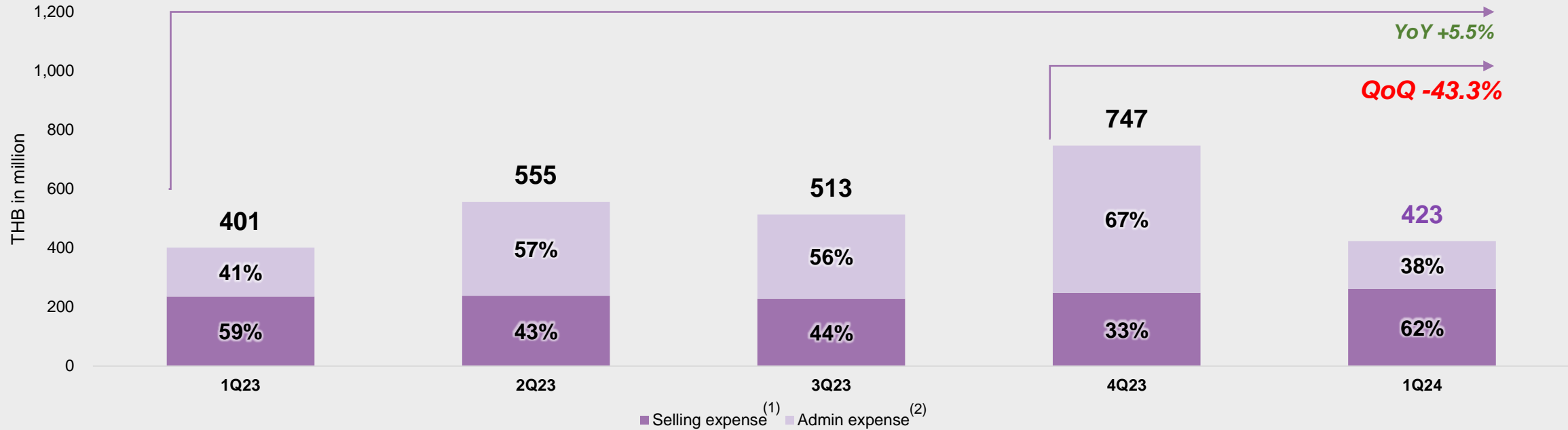
Gross Profit Margin

Gross Profit and Gross Profit Margin

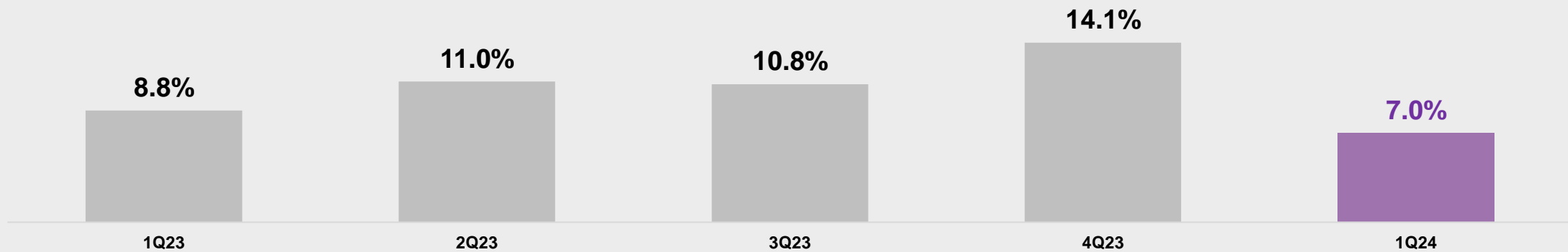


SG&A

SG&A Breakdown



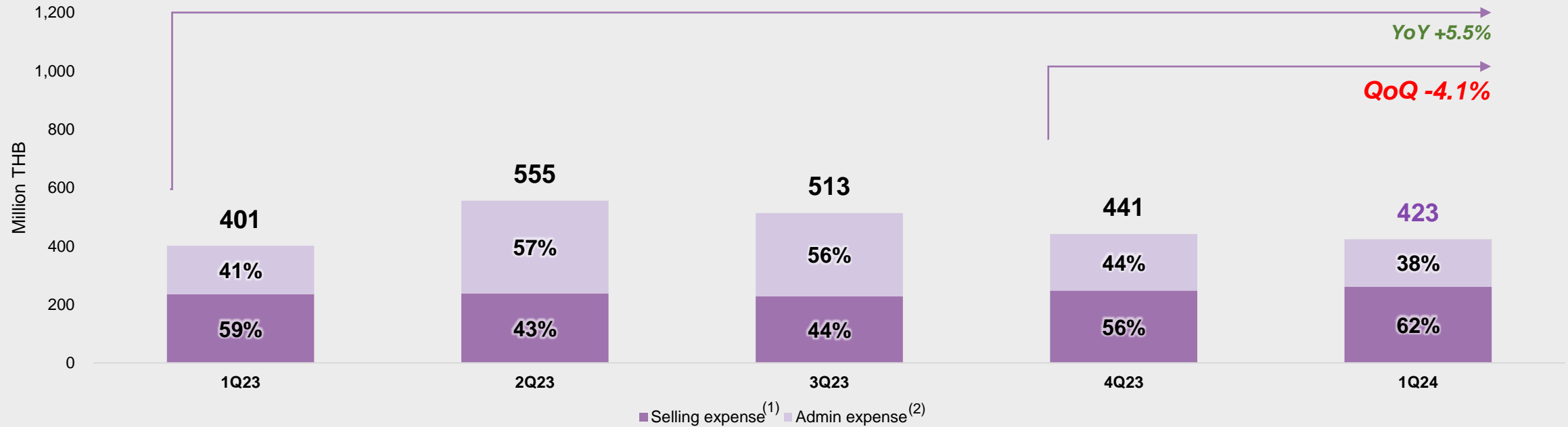
SG&A/Sales



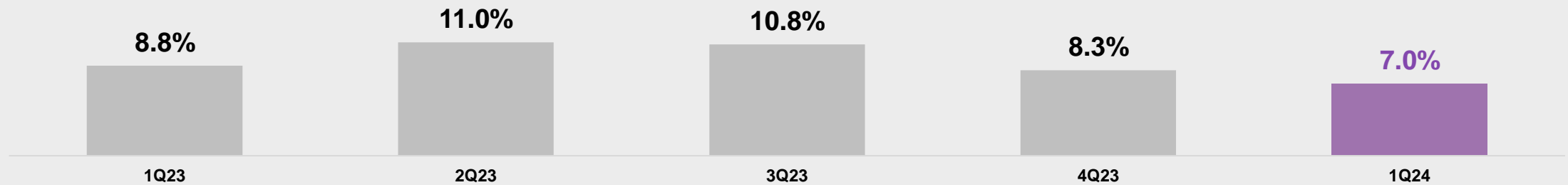
Note: (1) includes transportation, salary, commission, promotional expenses and insurance
(2) includes salary, office rental, professional fee, bank charge and allocation of depreciation from lower utilization than norm

SG&A (excl. non-recurring in 4Q23)

SG&A Breakdown



SG&A/Sales

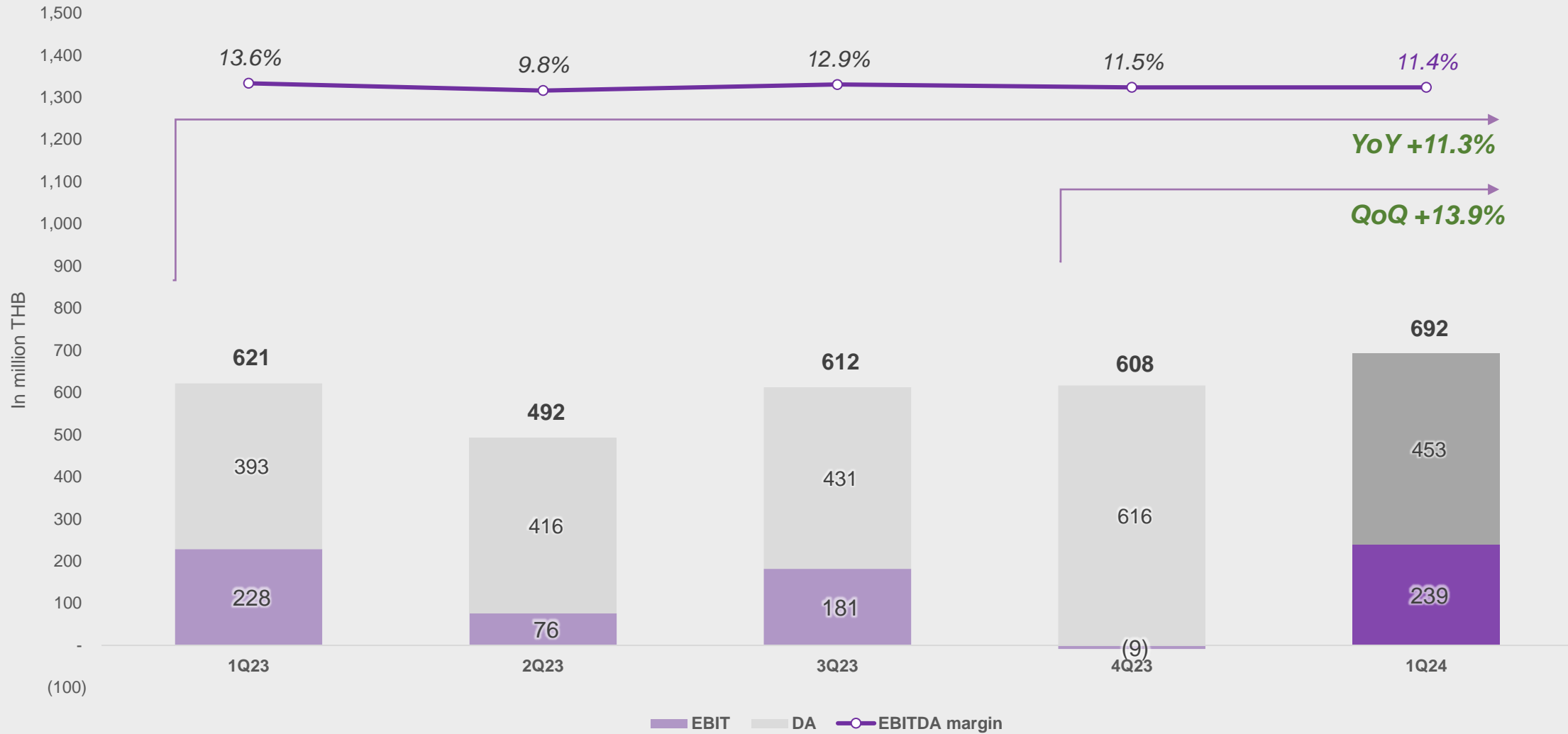


Note: (1) includes transportation, salary, commission, promotional expenses and insurance

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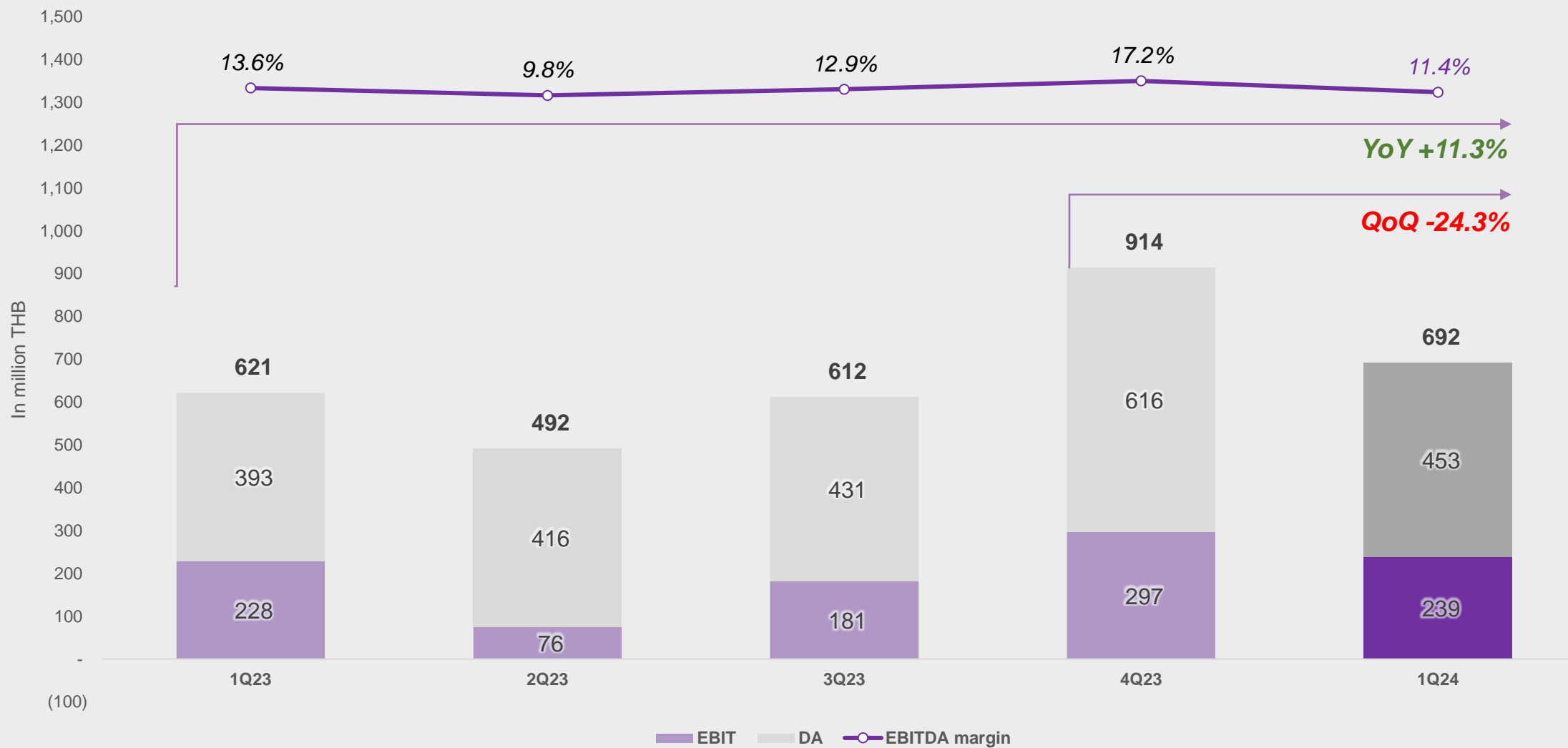
EBITDA

EBITDA and EBITDA Margin



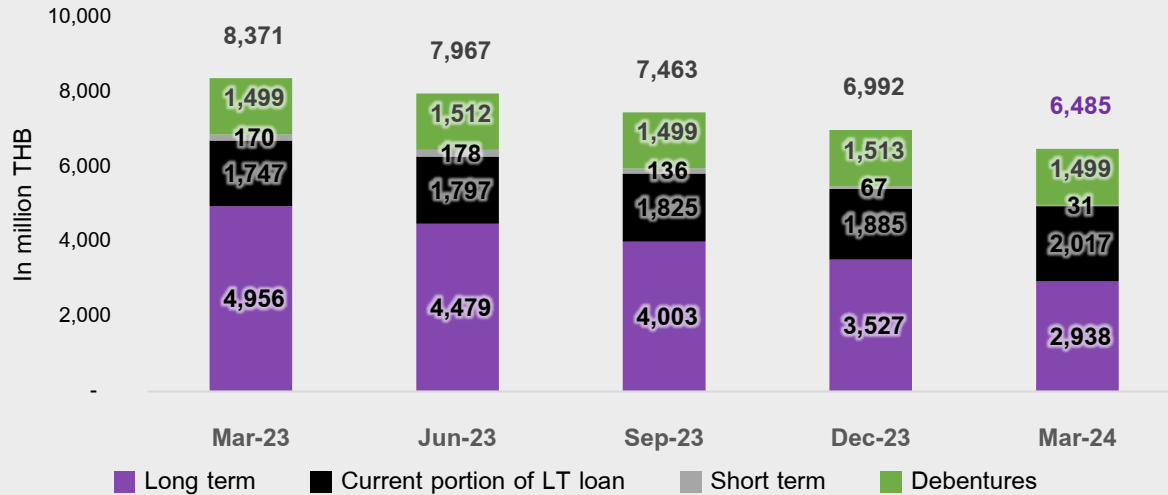
EBITDA (excl. non-recurring in 4Q23)

EBITDA and EBITDA Margin

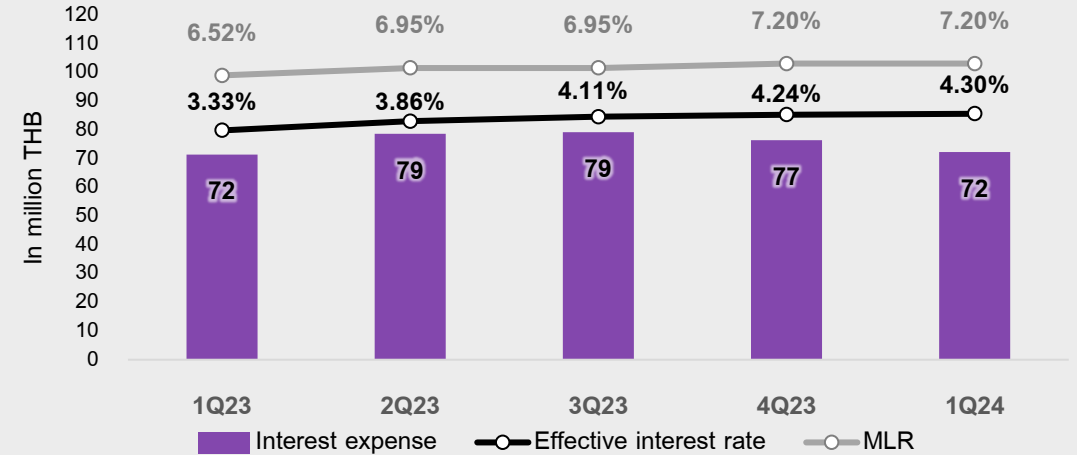


Interest Expenses

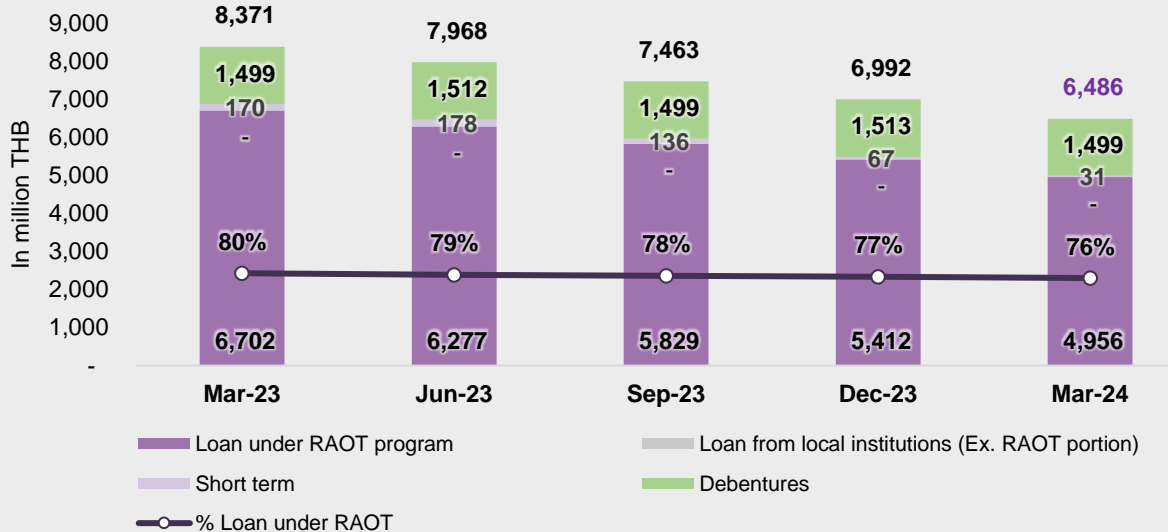
Short Term & Long-Term Loan



Interest Expense



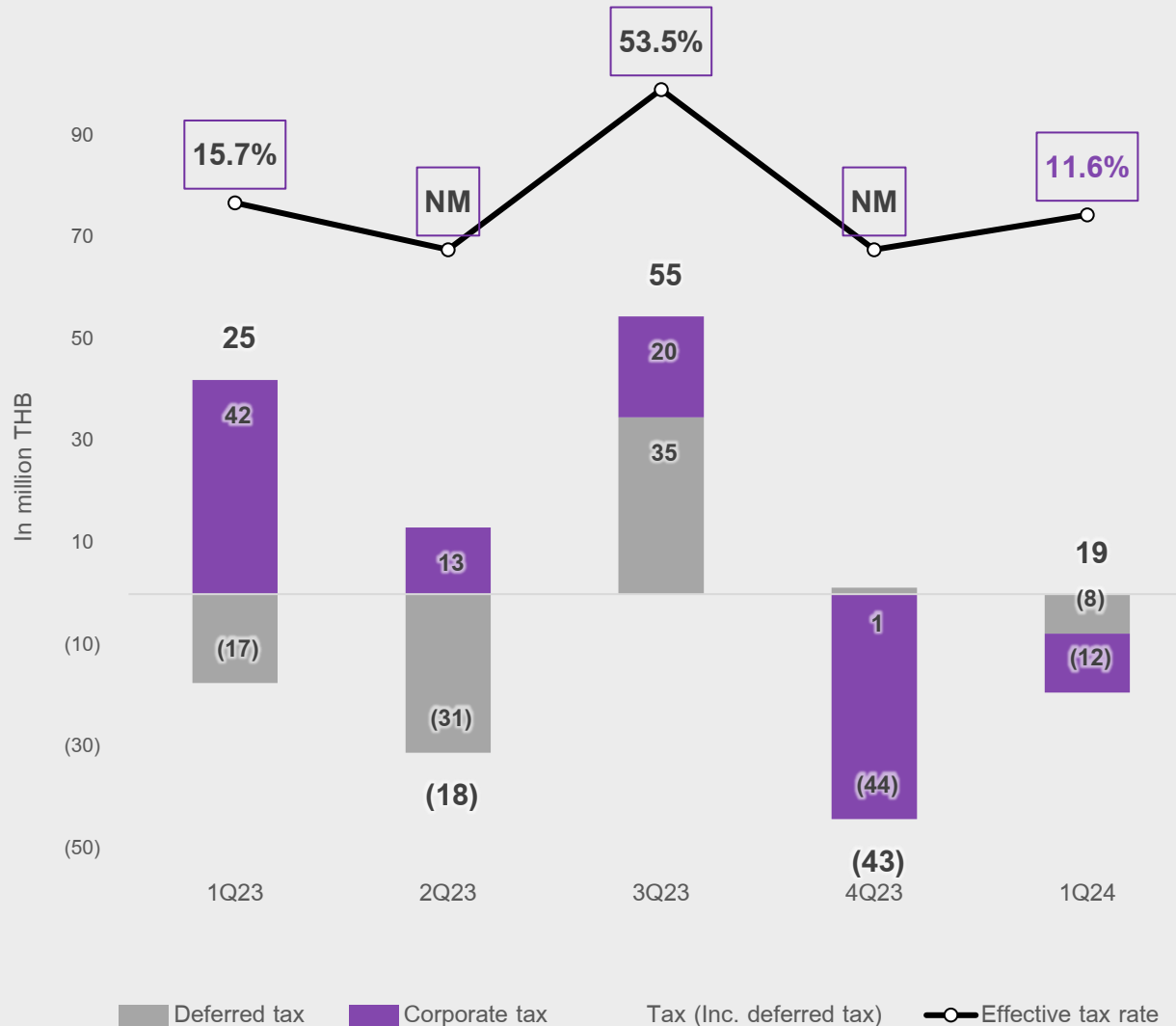
Loan under RAOT Subsidy Scheme



- RAOT subsidy scheme for the interest paid to the banks at the rate of 3% which will last till 2026.
- 76% of our financing is long term-loan under RAOT interest subsidy scheme.

Effective Tax Rate

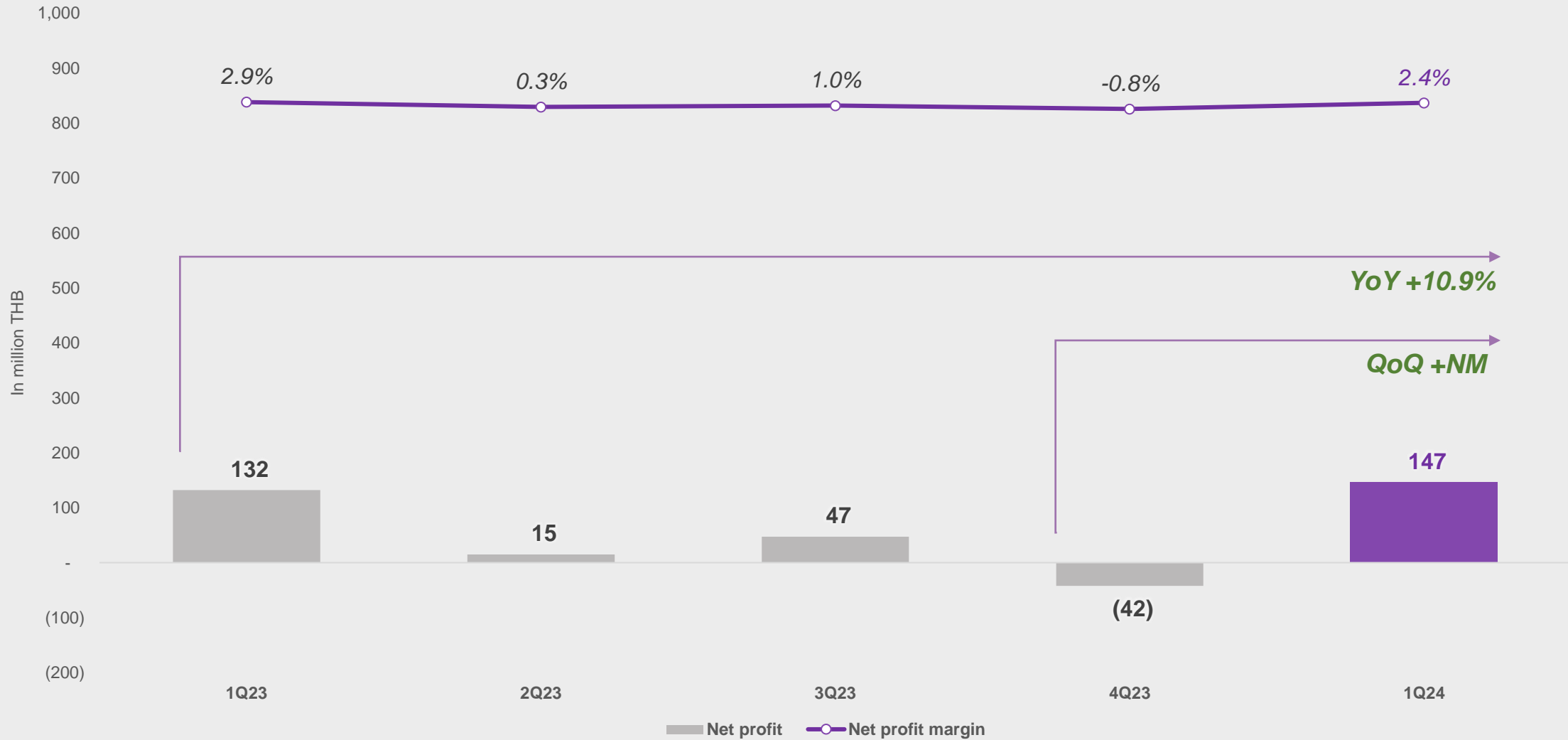
Effective Tax Rate 1Q24



- Effective tax rate was at 11.6% in 1Q24
- 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



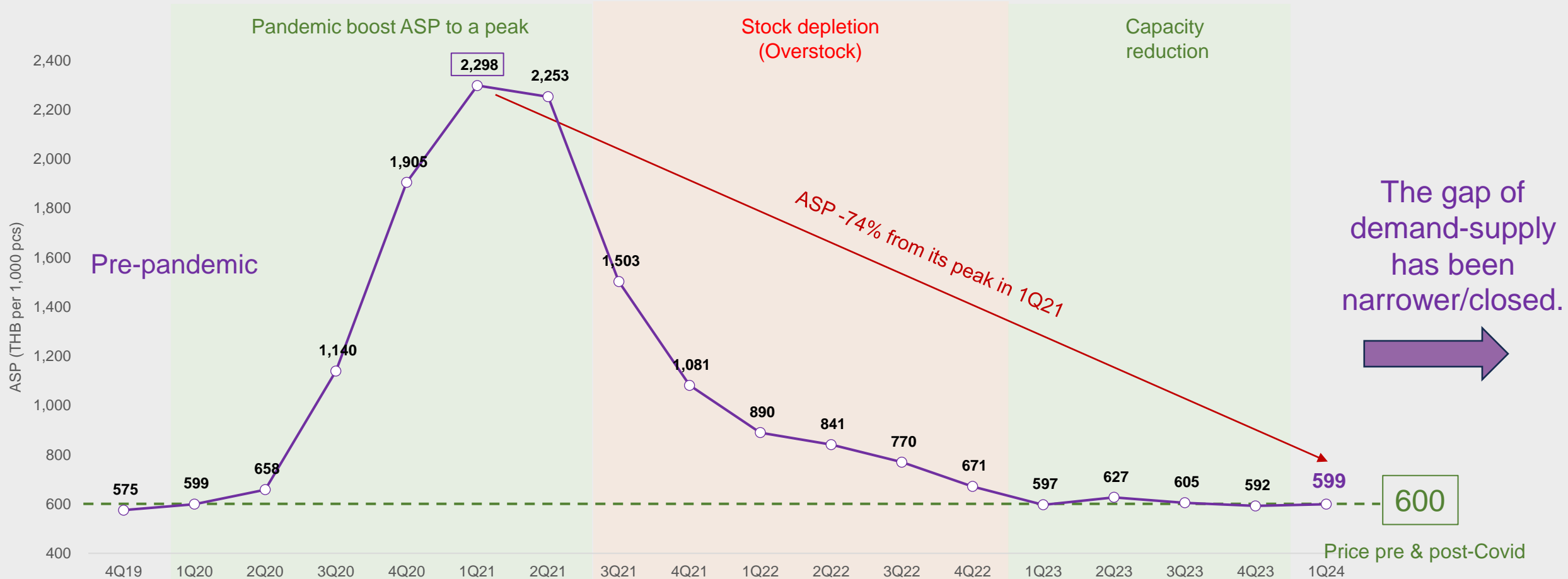


GLOVES

BUSINESS

Price Development

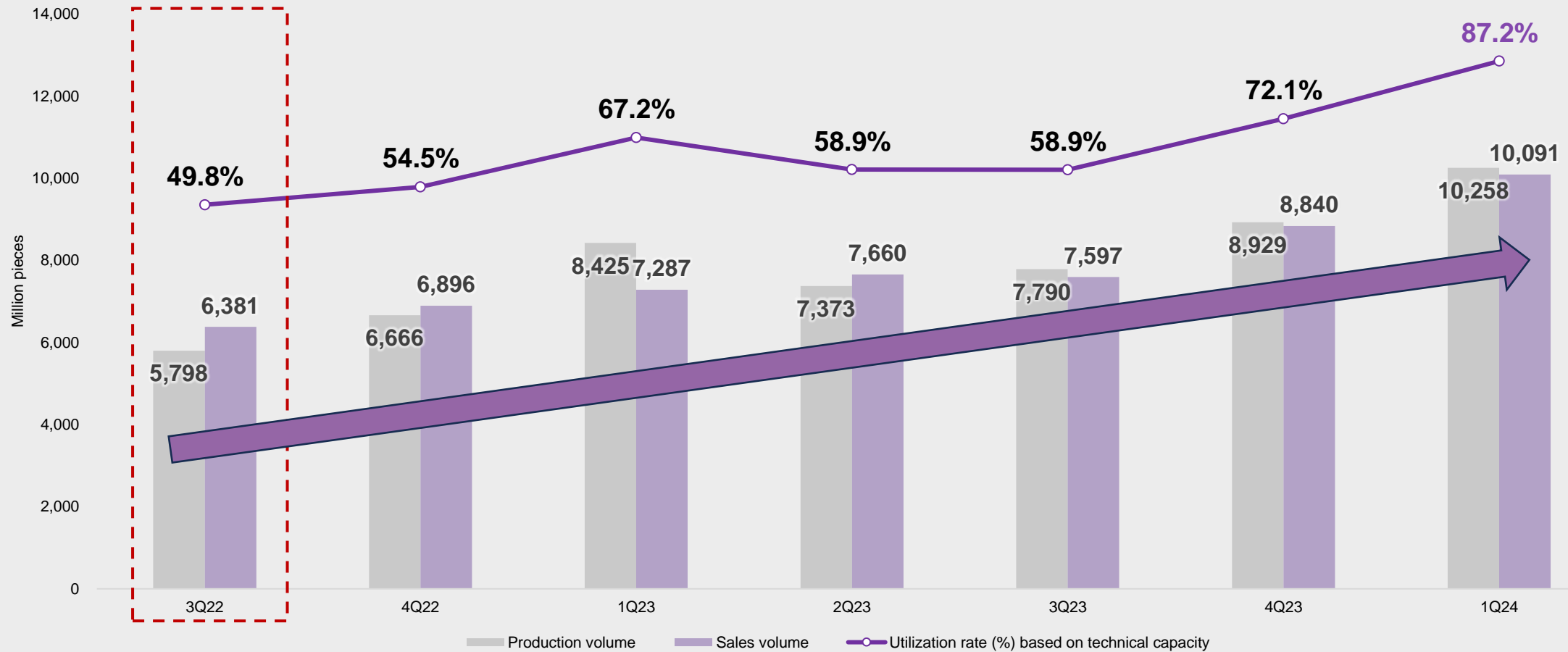
The imbalance of demand and supply during the recovery of Covid-19 resulted to price competition and the decline in ASP. Currently, market is moving into "Equilibrium".



Sign of Recovery

STGT's Production & Sales Volume

STGT's sales volume was higher YoY and showed an improvement since 3Q22.



STGT Leadership Enhancement

1. Expand the Product Lines to Other specialty Gloves

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



Example of New Products of 2023

2. Optimize the Production Capacity

Utilize facilities to maximize the profitability for each product category.

Strategic Projects Progress

Capacity : Cost Optimization

Best Performance & Cost Optimization

Prioritize Production

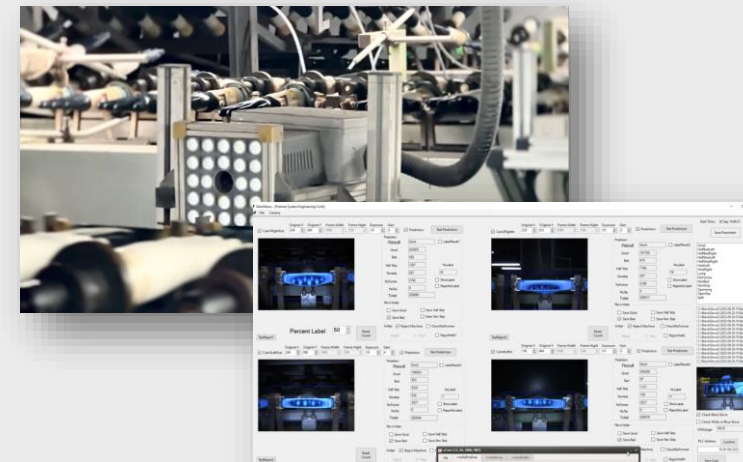
GRTP	1st	2nd	3rd
LXBG	TG1	HY3/3	
LXSG	TG2	HY3/2	
LXBZ	TG1	HY1	
LXSW/LXSD	HY3/3	HY1	
LC/LF	HY3/1	HY1	
LOF	HY4	CP1,SR1(1-15-21)	SR3
NOFSL	PS1	SR2	
NOFEL	SR2,PS1	SR3	
NOFSD	SR2,SR3		

3. Market Expansion to Various Countries

In 2023, we had expanded our market by entering new countries to Haiti and Sierra Leone, marked our presence for 175 countries worldwide.

4. Application of Automation and Technology moving to AI

These boost efficiency, safety, cost reduction, and enhance product quality. These technology have adapted quickly to market demands and provided strategic insights through rapid data analysis, improving decision-making in the production process.

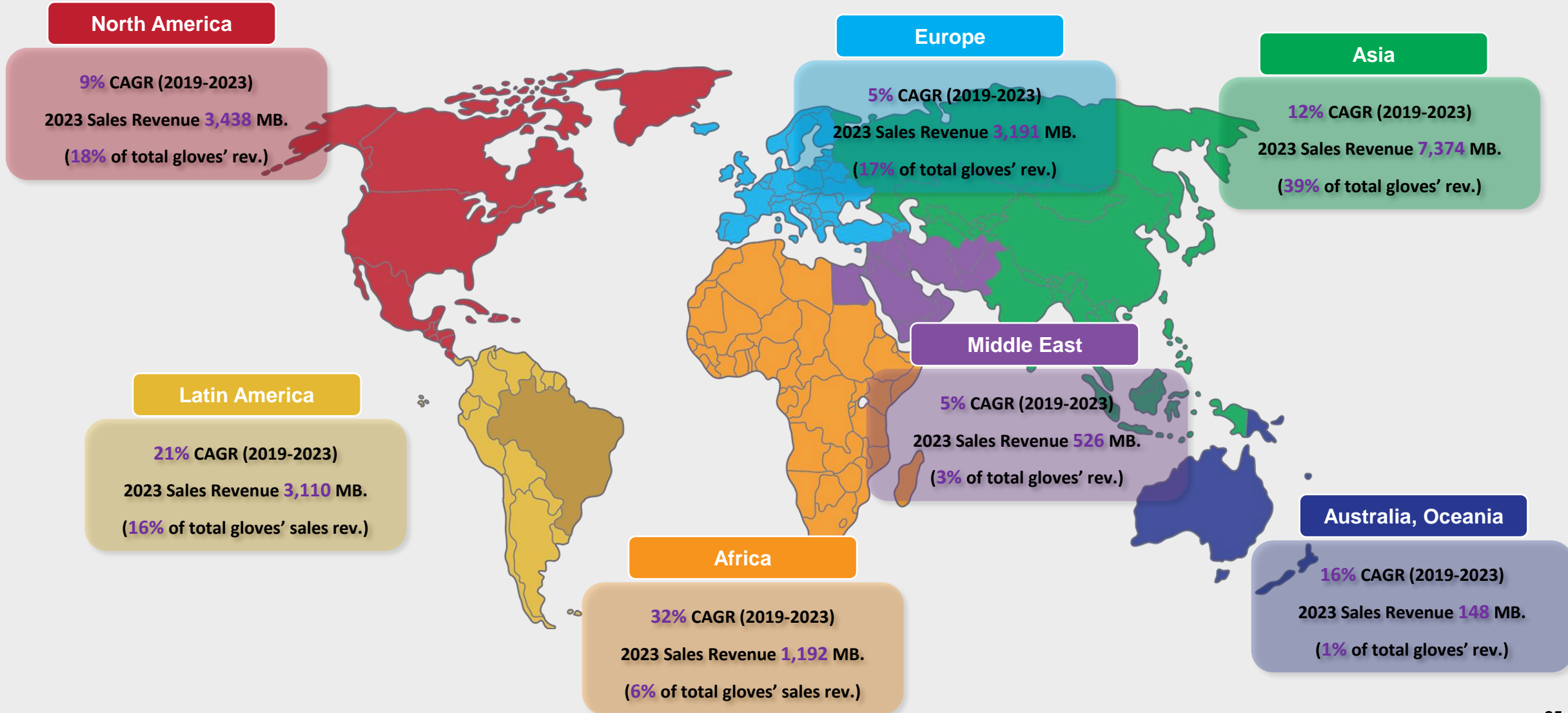


SRITRANG GLOVES™

Leadership Enhancement

STGT's Market Diversification

%Sales Growth by Region



ESG



Our ESG Awards/Achievements

Management Certificates



Forest Stewardship Council™
FSC™-COC (Chain-of-Custody)

Carbon Certificates



Carbon Footprint for Organization (CFO)



Carbon Footprint of Product (CFP)



Thailand Voluntary Emission Reduction Program (T-VER)

Membership & Network



Member of Thailand Carbon Neutral Network



Sustainability Disclosure Community (SDC)

ESG Ratings



2023 Awards and Recognition



ThaiFDA Quality Award 2023
in the **Best of the Best** category
for outstanding establishments
in the field of medical devices
for the **12th consecutive year**
from the Food and Drug Administration



SET AWARDS 2023

SET Awards 2023 for
Sustainability Excellence
(Highly Commended
Sustainability Awards)
for the first time from
the Stock Exchange of Thailand



2023 Sustainability Disclosure Award
2023 for **second consecutive year**
from Thaipat Institute

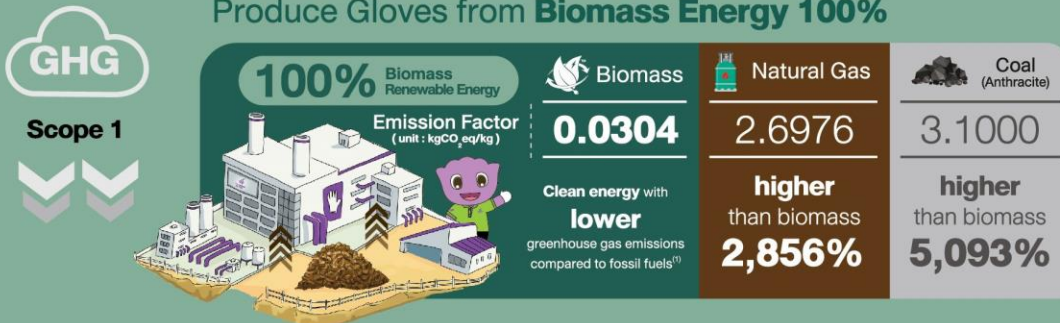


The 2023 Business Partner Award
(Gold Award level) and the special
Sustainability Award
from Thai Beverage
Public Company Limited

Reducing Greenhouse Gas Emissions and Energy Management



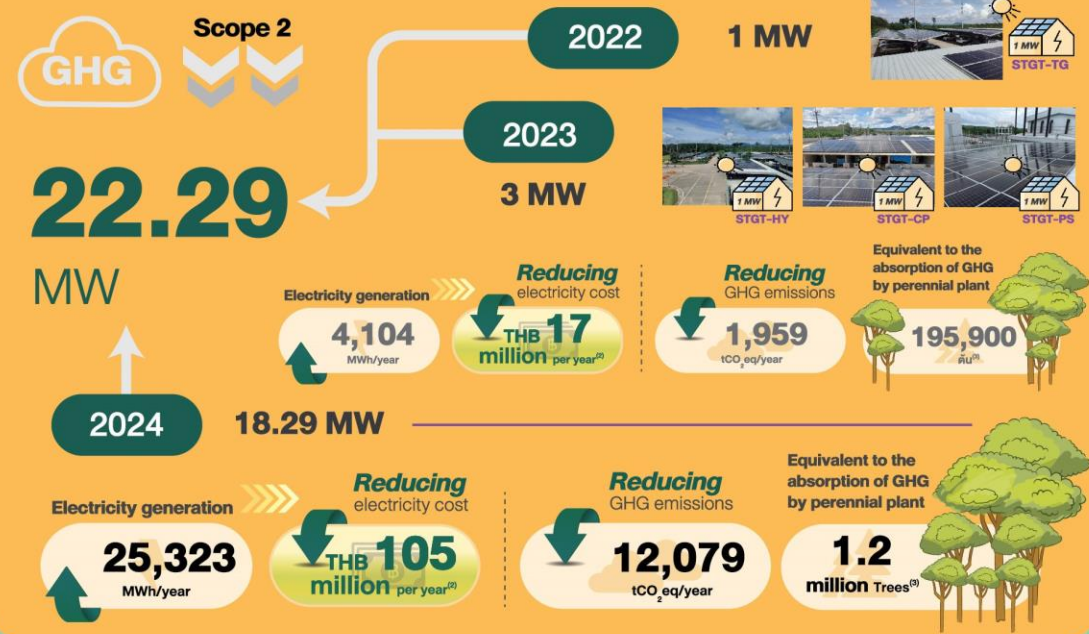
Produce Gloves from Biomass Energy 100%



Switch to Electric Forklifts



Solar Rooftop Project



Remarks: (1) Compared to the using of heating value at 1,000,000 MJ (2) Diesel price on December 29, 2023 is THB 29.94 per liter (excluding local tax). (https://www.pttor.com/th/oil_price), (3) One perennial plant can absorb, averaging 10 kgCO₂eq/year. (<https://www.thairath.co.th/futureperfect/articles/2772956>), (4) The electricity rate of 2023, averaging THB 4.1148 per kWh (excluding local tax).



Water and Effluent Management

3Rs Water Management

Reuse Reduce Recycle

Project to reuse treated water in the production process

Treated wastewater from the final pond can be reused in the production process, averaging



173,496 m³/year

Reducing water cost
THB 455,427 per year⁽⁵⁾



Management of Waste and Unused Materials

Manage waste with Circular Economy and the 3Rs principle

Waste to Value Project

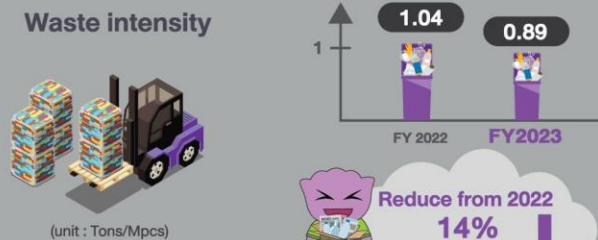
reduce the amount of flying ash by **330 tons/year**

reduce the cost of sending out for disposal by **THB 131,840 per year**

increase the value of waste by **THB 32,960 per year**

Performance of Management of Waste and Unused Materials

Waste intensity



Green Bond

BEST NEW GREEN BOND

Sustainable Finance

SRI Trang Gloves (Thailand) 1.5 Billion green debenture

Issued under: DBV

Sub-governance: public, business and orange; Bank of Assets

This was the company's inaugural green debenture and represented its first fund raising in the domestic debt capital markets. The proceeds will be used to finance and enhance existing green products, including sustainable energy solutions, sustainable and low-carbon energy efficiency, sustainable water and wastewater management and clean transportation.

ASSET ASIAN AWARDS

TRIPLE A

Since issued bond 2022-2023

1,500 **248**

Since issued bond 2022-2023

68 **7** Projects

Total investment (THB million)

Green Projects

Standard of Environmental Management System

ISO 14001 : 2015
Environmental Management System

Our factory branches received ISO 14001, representing **67%** of all factory branches

Remarks: (5) The groundwater price is THB 2.625 per m3. (<https://www.dgr.go.th/th/newsAll/124/3737>)

#ศรีตรังพร้อมรับ EUDR

Sri Trang is Ready for EUDR

“Recognizing EUDR as an opportunity for both STA and Thailand.”



Cocoa & Chocolate



Rubber & Wood



Coffee



Palm Oil



Cattle & Beef



Soy

Effective 30 Dec 2024, EUDR requires 7 commodities and certain specified products made from them must be “deforestation-free” for export to the EU.

- Deforestation-free (cut-off date after 31 Dec 2020)
- Products must adhere to the laws of their country of origin.
- Covered by a due diligence statement



STA is ready for the new mega trend of Traceability & Sustainability. Many tire maker companies strongly require natural rubber to be traceable to source of origin as they are required proof to comply with EUDR by implementing traceability, we therefore has better chance to secure sales volume and possible premium since 2024.



EUDR's Importance and Benefits

1. All natural rubber products that export to the EU must produce EUDR-compliant rubber
2. EU demand accounts for 30% of global consumption
3. Only Thailand and Ivory Coast have the potential to comply with EUDR
4. EUDR is Cost-Plus model
5. EUDR is just the beginning; it will roll out to other regions





Human Rights, Animal Welfare, and Responsibility & Sharing



STGT is the only one rubber glove company certified by the world's leading labor standards.



International Labour Organization Audit

Comprehensive system of instruments on work and social policy, backed by a supervisory system

STGT-HY STGT-SR
STGT-TG



Business Social Compliance Initiative

Supply Chain management system international labour standards protecting workers' rights

STGT-HY STGT-SR
STGT-TG STGT-PS
STGT-CP



Ethical Trade Audit

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

STGT-HY STGT-SR
STGT-TG STGT-PS
STGT-CP

Human Rights and Non-Discrimination

No human rights risk

Employed **80** people with disability

Employees' Caring

Employee engagement

89%
(Target 85%)

Occupational Health and Safety in the Workplace

No occupational illness No fatality as a result of worked-related injury



ISO 45001: 2018
Standard of Occupational Health & Safety Management System

Our factory branches received ISO 45001, representing

67%
of all factory branches



Customers and Consumers Responsibility

Customer satisfaction score

Target **80%** Result **86%**



Good Corporate Governance

Received the result of the Corporate Governance Assessment at

“Excellent”



Anti –Corruption

- Certified as a member of Thai Private Sector Collective Action Coalition Against Corruption (CAC)



• **1,718 suppliers**

signed the agreement to demonstrate their intention for anti-corruption

Risk Management and Business Continuity

Certified ISO 22301

Business Continuity Management System

Sustainable Management of Supply Chain

- Selected suppliers by considering sustainable aspects (ESG)
- Provided the Supplier Code of Conduct
- Analyzed and categorized key suppliers in the supply chain



Research, Development and Innovation



- Innovative latex gloves with no principal allergenic proteins and that has a low carbon footprint

Innovation Development Project in 2023

Total 78 projects*

*including 25 continuous projects from last year

a reduction of production costs by a total of **THB 79 million**



Example of New Products of 2023

The Company was able to generate sales for new products in the amount of **THB 317 million.**



**SRITRANGTM
GLOVES**

「THANK YOU VERY MUCH」



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