

FY17 & 4Q17

ANALYST PRESENTATION

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1. FY 2017 and 4Q17 Results



2. STA Business Highlights

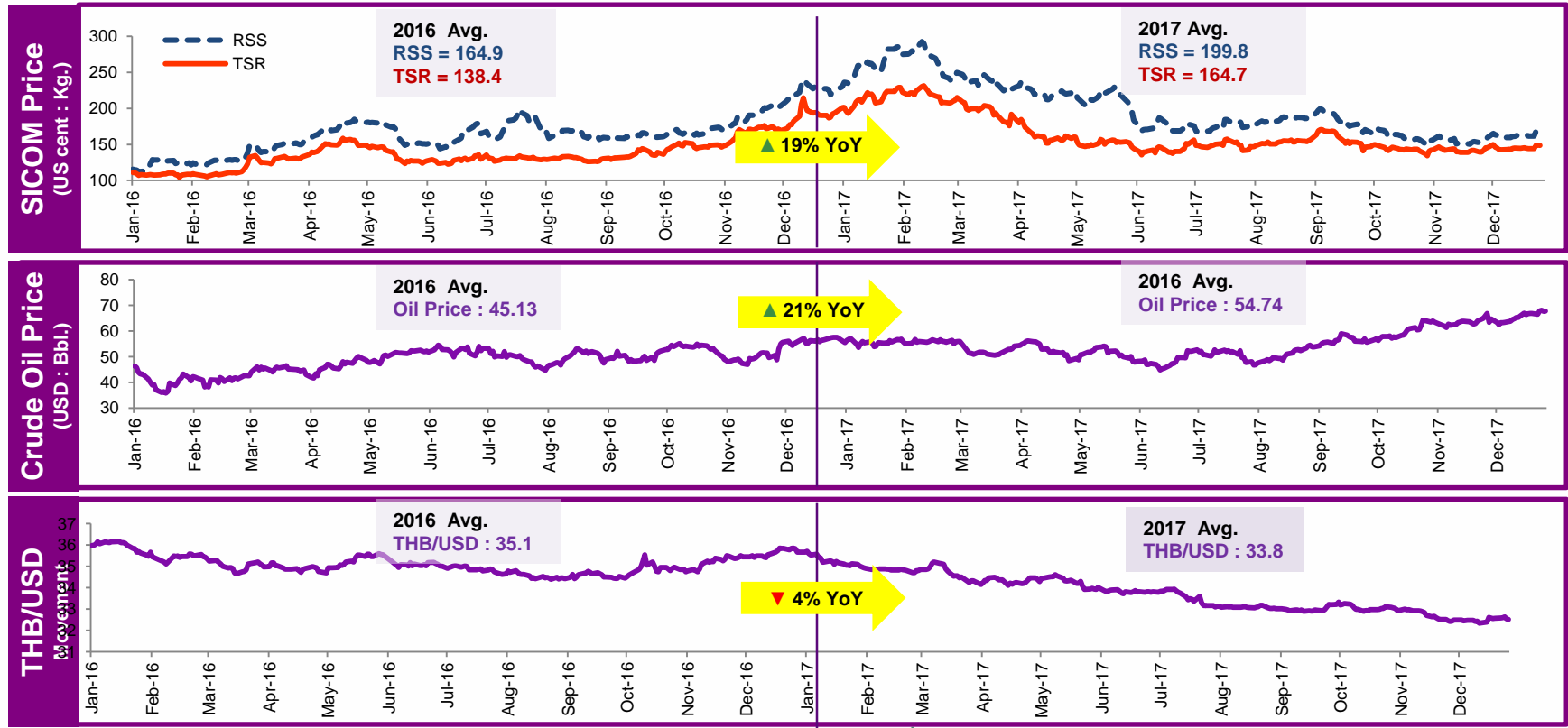


3. Market Situation & Industry Outlook

1. FY 2017 AND 4Q17 RESULTS



SICOM - Oil Price - FX



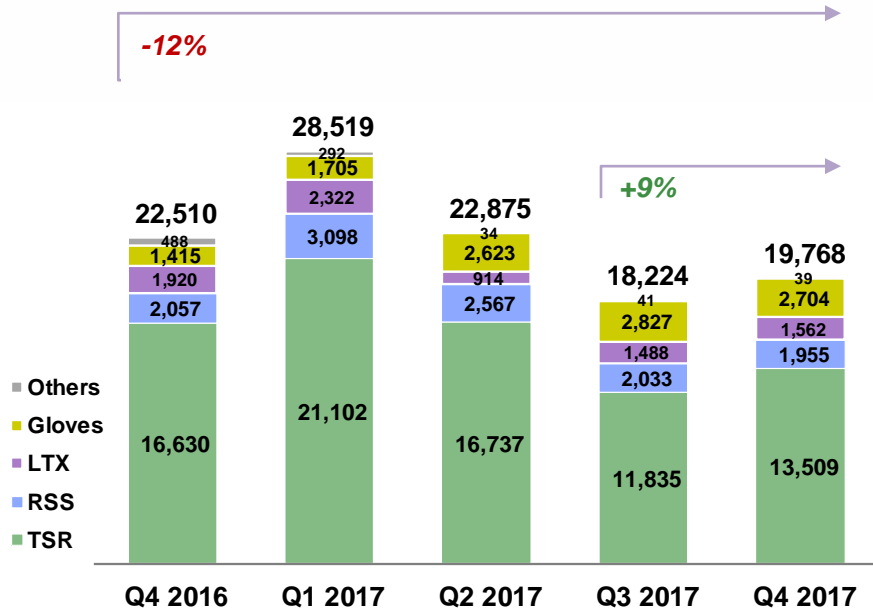
Financial Highlights

(THB million)	FY'16	FY'17	%YoY	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	%YoY [4Q17:4Q16]	%QoQ [4Q17:3Q17]
Revenue	77,266	89,387	16%	22,510	28,519	22,875	18,224	19,768	-12%	8%
Sales volume (tons)	1,494,094	1,323,873	-11%	399,615	388,294	297,824	296,482	341,272	-15%	15%
Avg. selling price (Baht per ton)	46,534	59,765	28%	51,567	68,305	67,886	51,793	49,888	-3%	-4%
Gross profit	5,413	3,776	-30%	1,621	1,899	(811)	1,314	1,375	-15%	5%
Adj. gross profit*	4,686	4,322	-8%	662	2,563	1,227	(555)	913	38%	N/A
EBITDA	794	1,650	108%	(983)	732	(1,627)	1,220	1,325	N/A	9%
EBIT	(401)	(202)	50%	(1,316)	394	(2,083)	712	775	N/A	9%
Net profit	(758)	(1,437)	90%	(1,303)	8	(2,080)	167	469	N/A	181%
GP margin	7.0%	4.2%	280bps	7.2%	6.7%	-3.5%	7.2%	7.0%	20bps	20bps
Adj. GP margin*	6.1%	4.8%	130bps	2.9%	9.0%	5.4%	-3.0%	4.6%	170bps	N/A
Net profit margin	-1.0%	-1.6%	60bps	-5.8%	0.03%	-9.1%	0.9%	2.4%	820bps	330bps

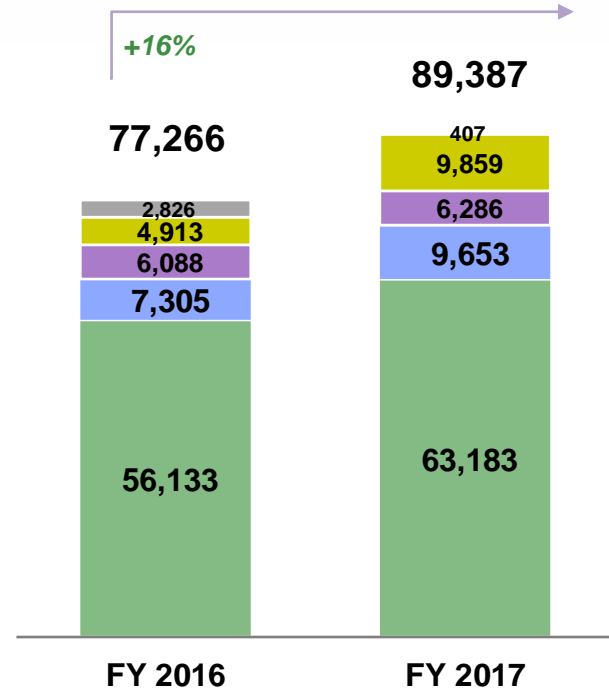
*Adjusting for (reversal) allowance of inventory and realised gains /(losses) from hedging activities

Revenue by Product

Revenue – Quarterly (THB million)

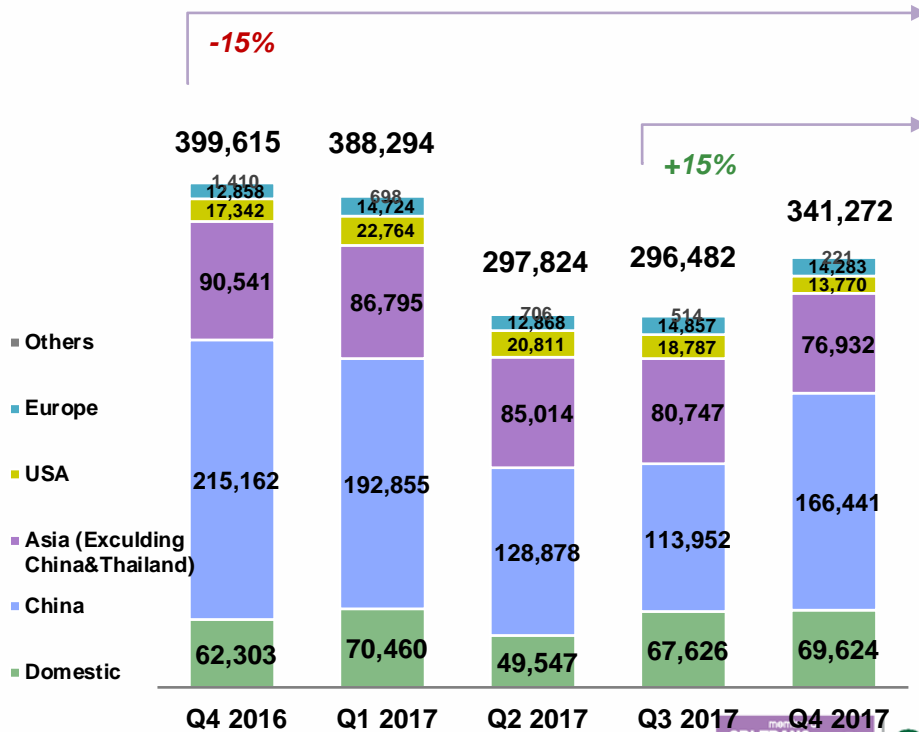


Revenue – Yearly (THB million)

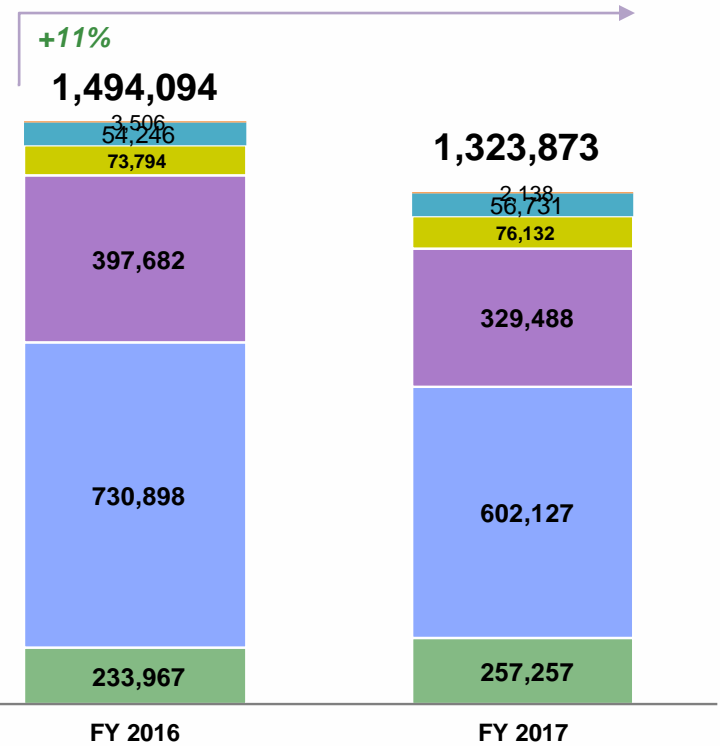


Sale Volume by Geography

Sale Volume – Quarterly (tons)

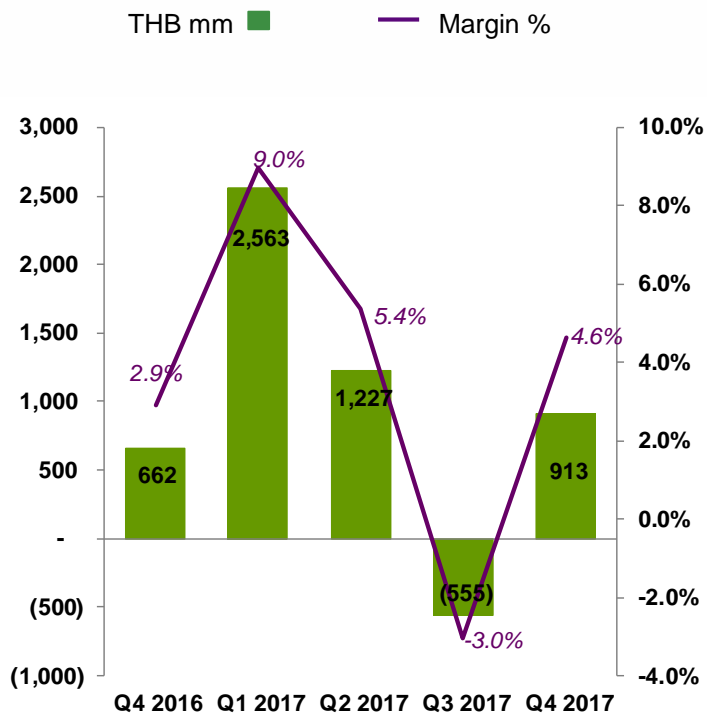


Sale Volume – Yearly (tons)

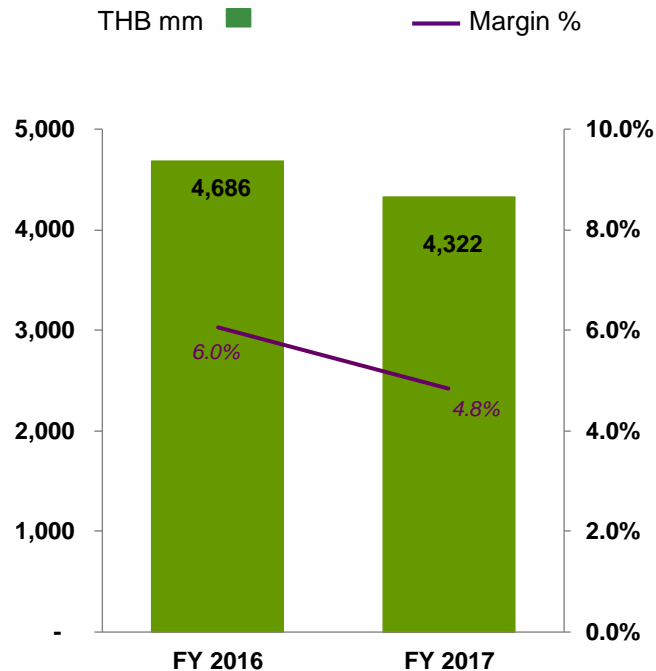


Adjusted Gross Profit

Adjusted Gross Profit – Quarterly



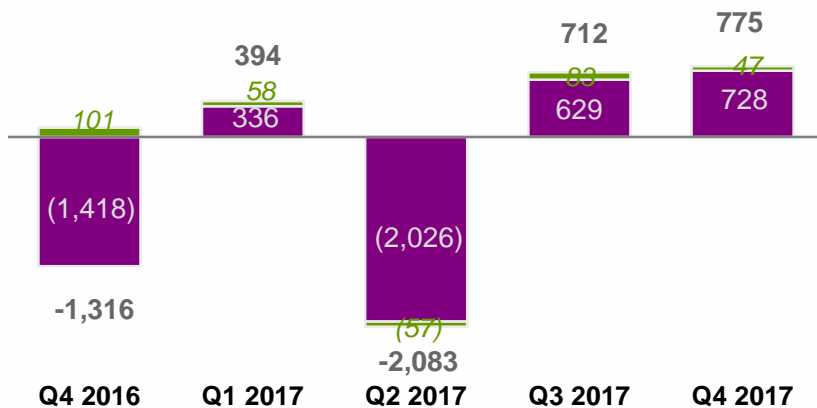
Adjusted Gross Profit – Yearly



Earning Before Interest and Tax (EBIT)

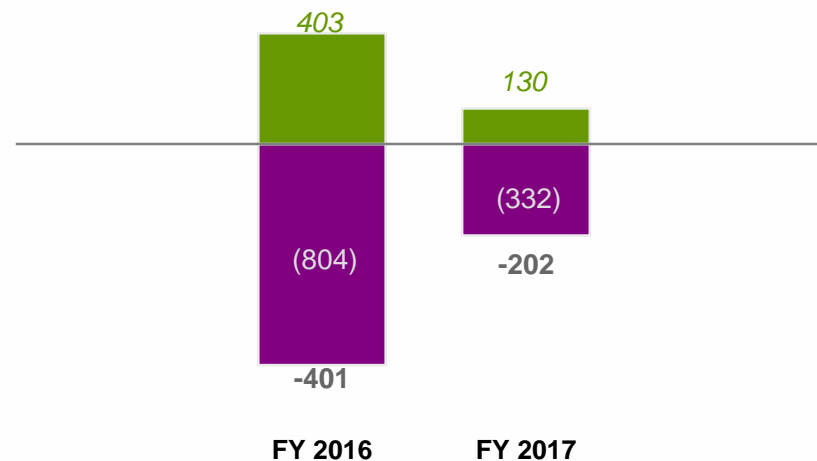
EBIT – Quarterly (THB million)

■ Share of profits from associates & a Joint Venture
■ Operating profits



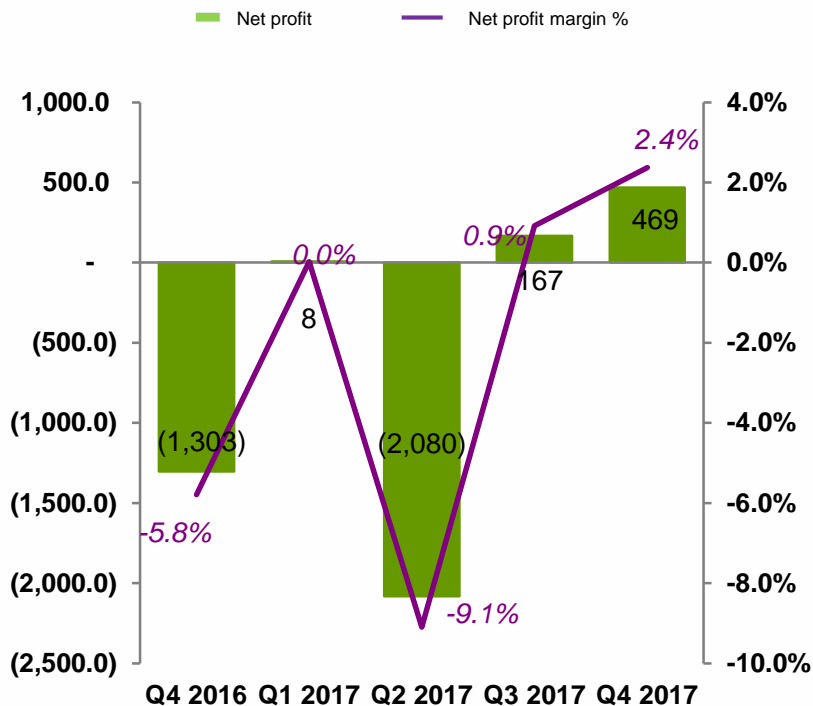
EBIT – Yearly (THB million)

■ Share of profits from associates & a Joint Venture
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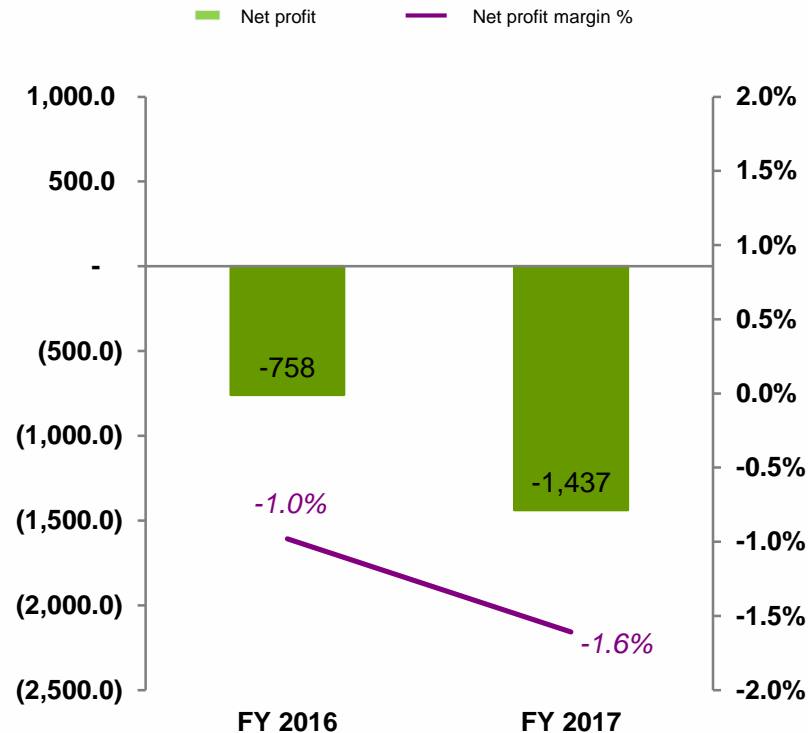


Net Profit

Net Profit – Quarterly (THB million)



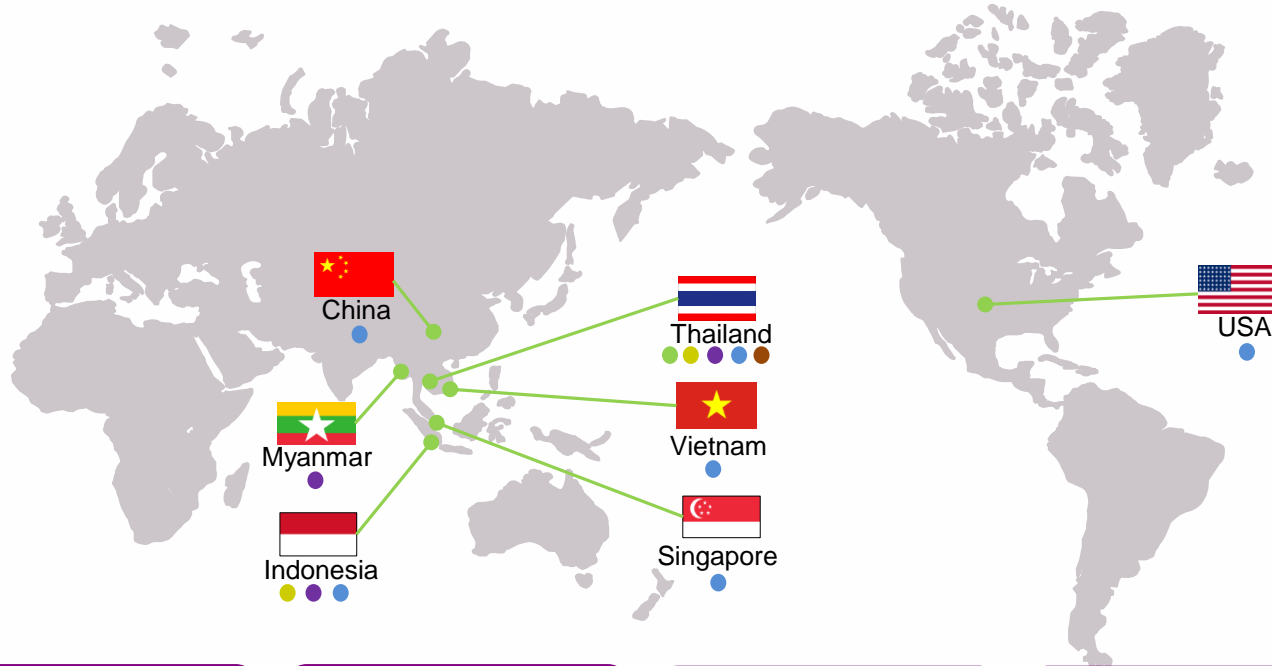
Net Profit – Yearly (THB million)



2. STA BUSINESS HIGHLIGHTS



Our Global Presence



- **44,680**
rai of rubber plantations
- **70**
procurement centers
- **36**
processing plants
- **6**
sale & distribution hubs
- **Glove business**
4 factories in Thailand

1,323,873 tons
sales volume in FY17

10% share of global
consumption in FY17

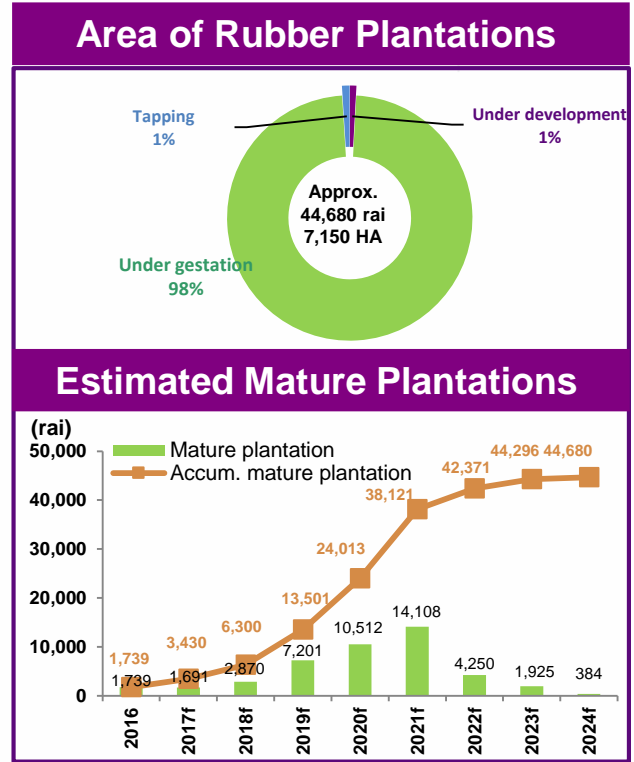
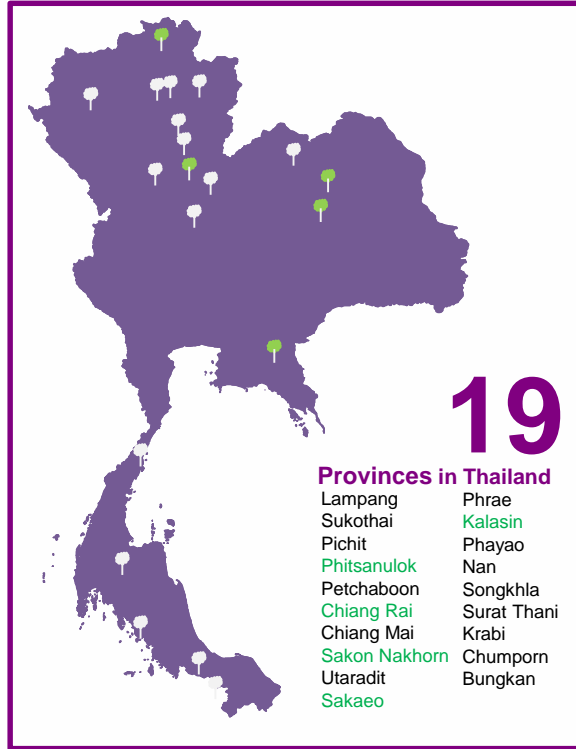
29% share of
Thailand's production
volume in FY17

14% share of China's
NR imports in FY17

8% share of Glove
Consumption in FY17



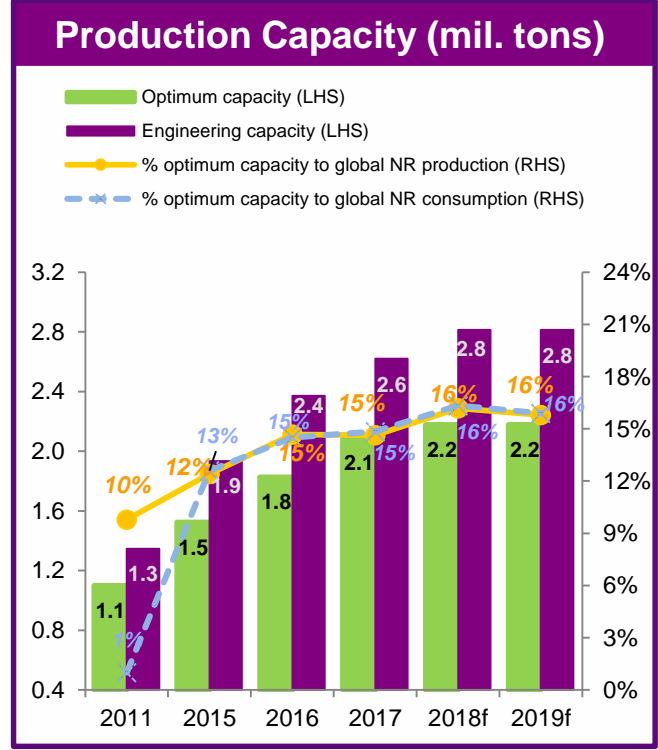
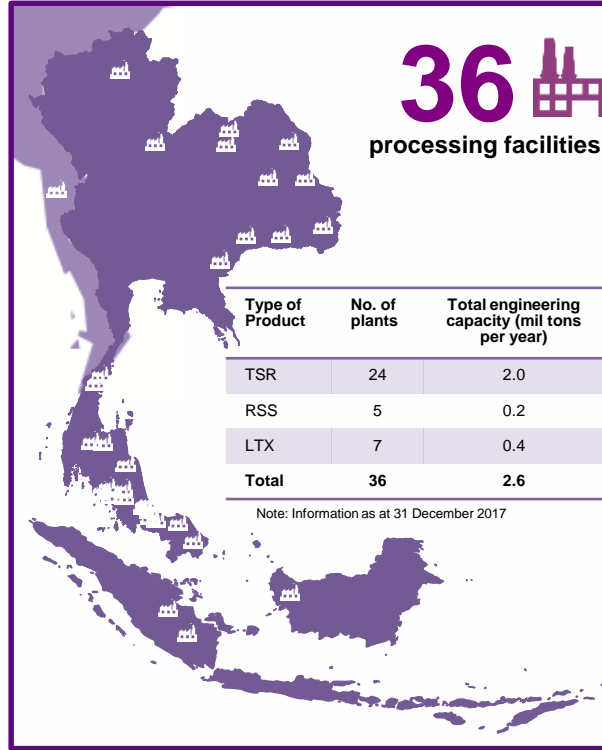
Upstream Operations - Rubber Plantations



Note: Information as of 31 December 2017



Midstream Operations – NR Processing



Downstream Operations – Finished Products



Examination Gloves

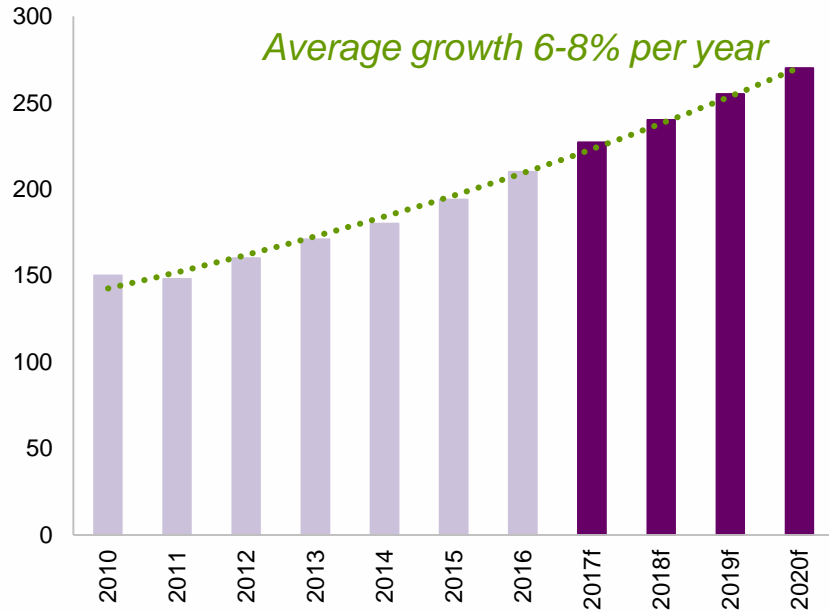


- **4 Factories in Thailand**, the world largest source of concentrated latex
- **One of the world's top five (Thailand's largest)** glove manufacturers
- **Latex / Nitrile examination gloves** for medical and industrial purposes
- **Capacity increase** from 14 billion pieces to 16 billion pieces in Q2 2018
- **16 Billion pieces** of gloves sold in 2017 [15 billion pieces since 15 March 2017 – 31 December 2017]
- **8% Market share** of global gloves consumption in 2017

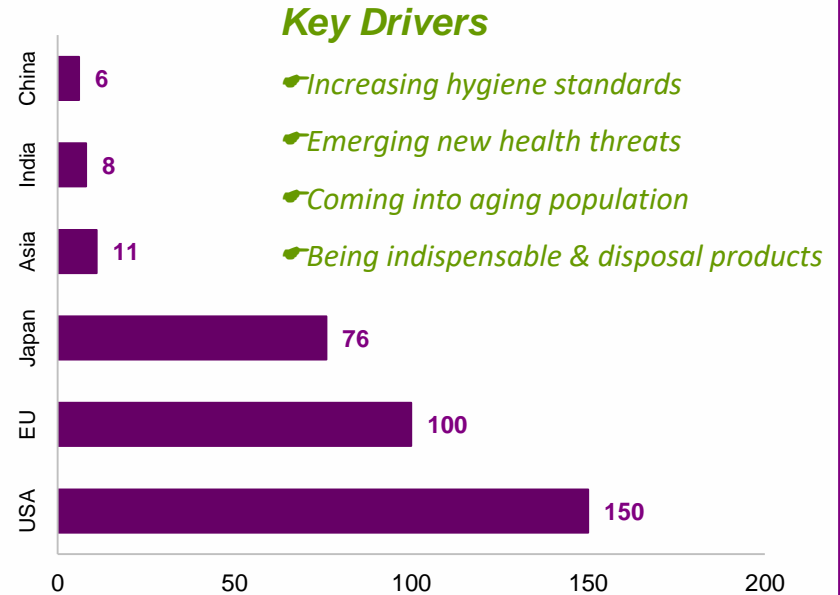


Global Gloves Consumption

Global Gloves Demand [bn pcs.]

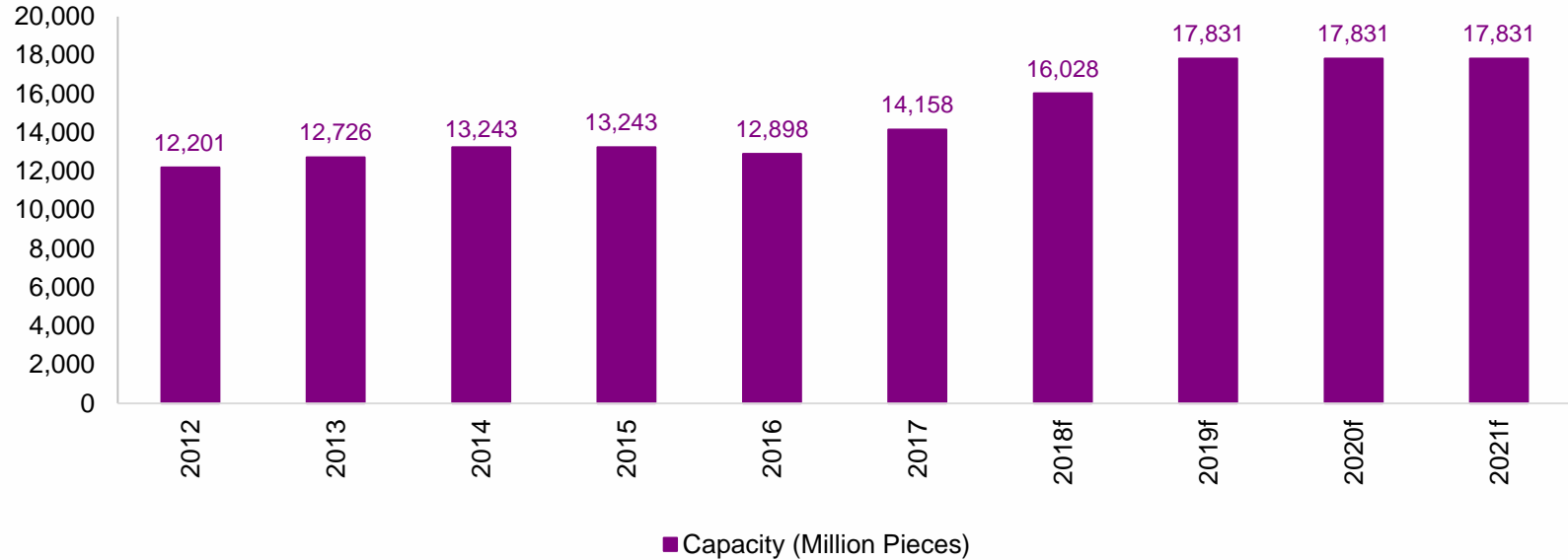


Gloves Consumption Per Capita [2017]



Gloves Capacity and Sales Development

Gloves Capacity [mn pcs.]

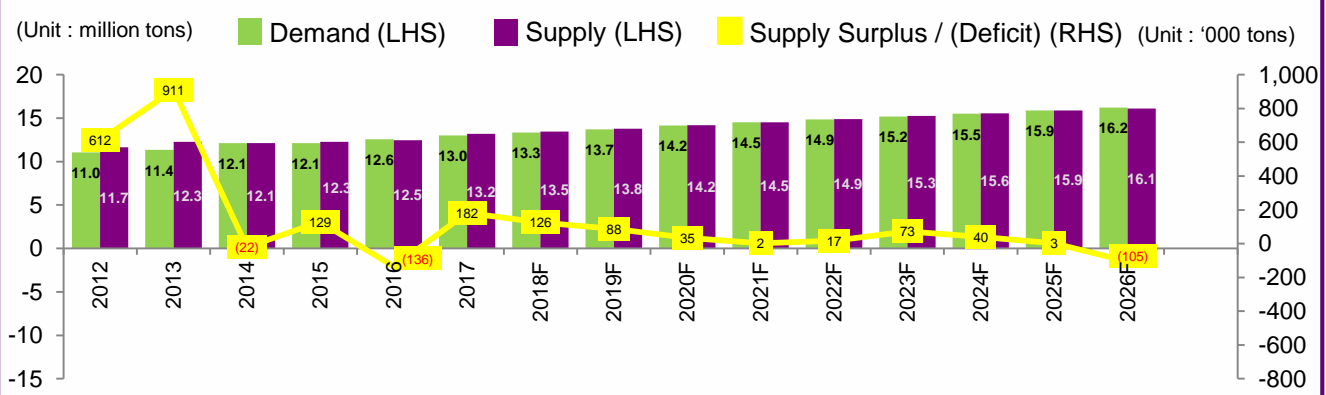


3. MARKET SITUATION & INDUSTRY OUTLOOK



NR world balance

Natural Rubber Demand & Supply

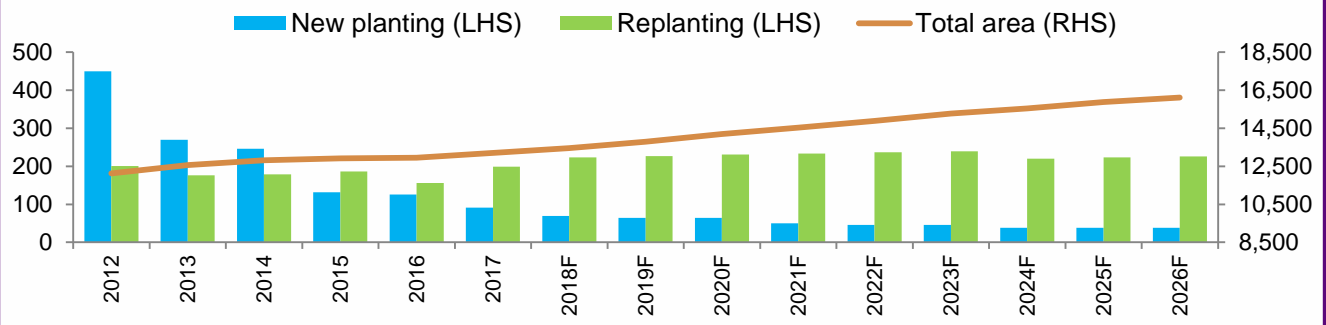


Tightening Supply

Global NR supply is expected at 13.2 million tons, +6.1% in 2017 and average +2.4% in the next 3 years.

- Government intervention
- Skilled labor scarcity
- Shifting plantation area to other crops
- Diminishing total areas of plantation, particularly new planting in CAMAL country

New planting and replanting area ('000 HA)



Promising Demand

Global NR demand is expected at 13.0 million tons, +3.5% in 2017 and average +2.8% in the next 3 years

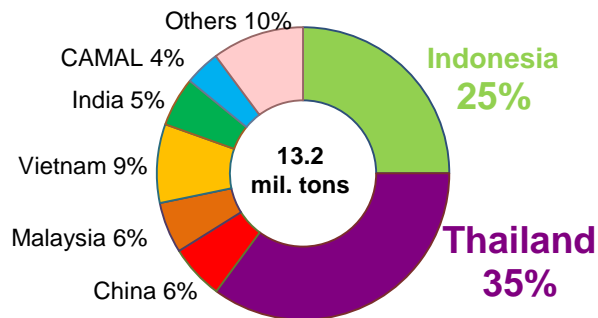
- The growth has been driven mainly by China.

Source : IRSG

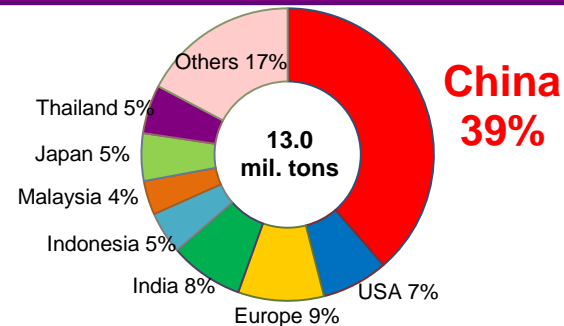


The World's Major NR Consuming and Producing Countries

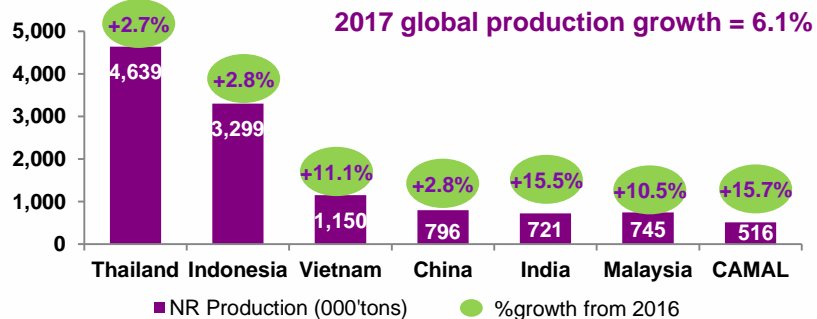
2017 Major suppliers of Natural Rubber



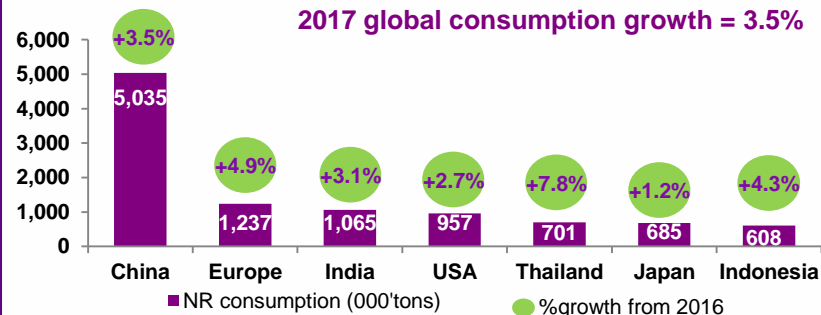
2017 Major consumers of Natural Rubber



2017 NR production



2017 NR consumption



Source : IRSG, December 2017



2018 Natural Rubber Industry Outlook

Supportive

- Strong US Economic data
- Rigid environmental policies in China

- Volatility in Future Market. (5-year historical high of open interest)
- Commodity price movement
- Currency movement (especially US\$)

Concern

- Supply surplus situation
- Uncertainty in International Trade Policies

member of
SRI TRANG
GROUP

