



**SRITRANG
GLOVES**TM

「Touch Of LifeTM」
2Q22 Presentation

SRI TRANG GLOVES (THAILAND) PUBLIC COMPANY LIMITED

11 AUGUST 2022



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



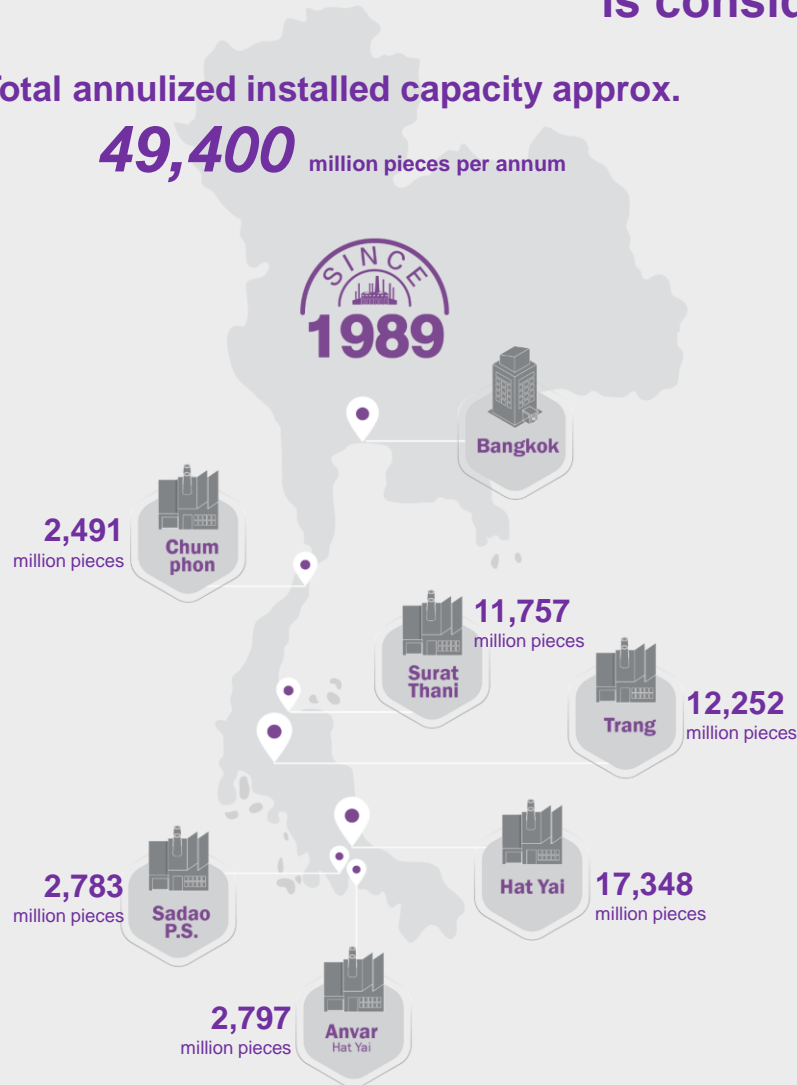
COMPANY OVERVIEW

STGT At Glance 2Q2022

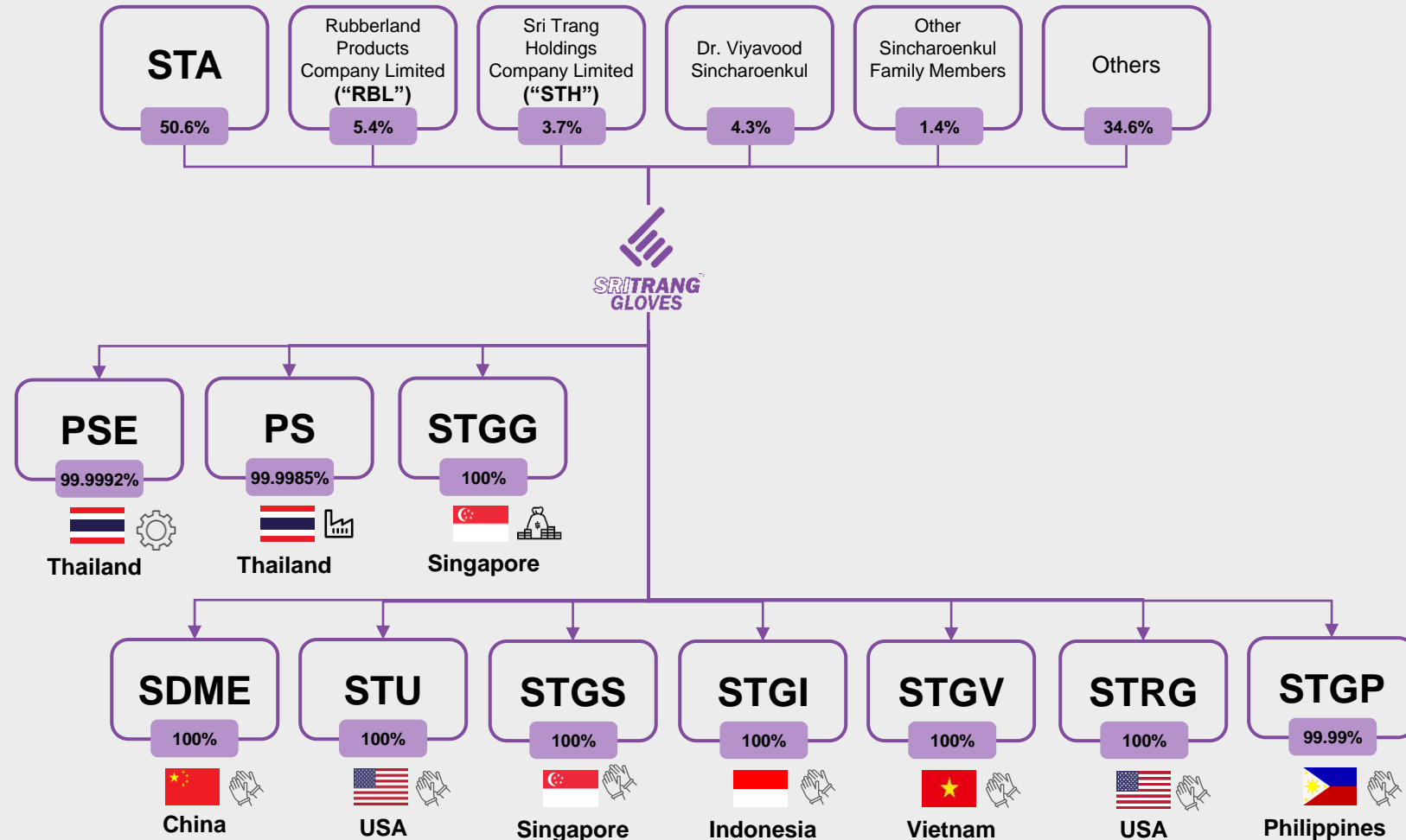
STGT's total annualized installed capacity approx. **49,400** million pieces per annum is considered world's #3 rubber gloves manufacturer

Total annualized installed capacity approx.

49,400 million pieces per annum



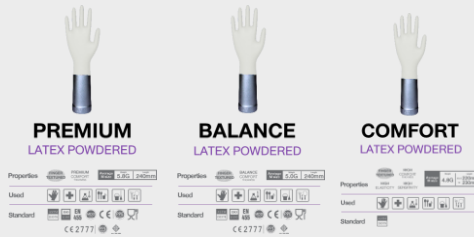
Shareholding Structure



STGT's Products



LATEX POWDERED: NRPD



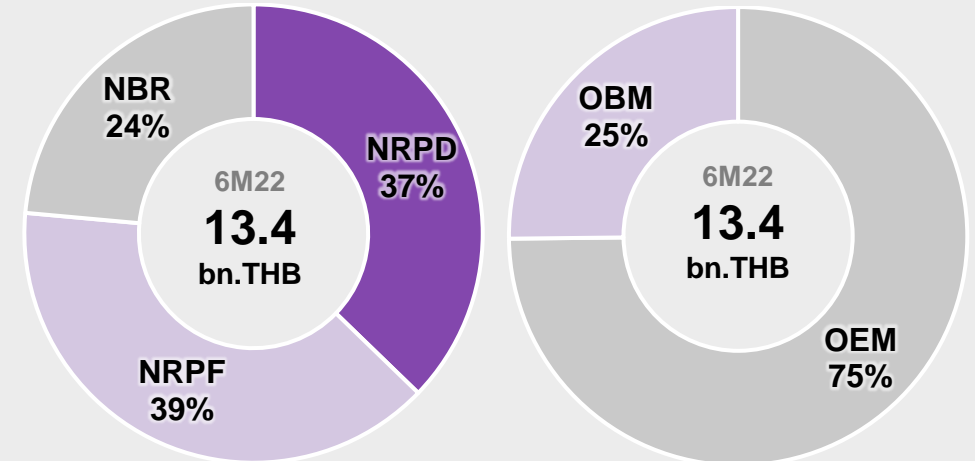
LATEX POWDER-FREE: NRPF



NITRILE: NBR



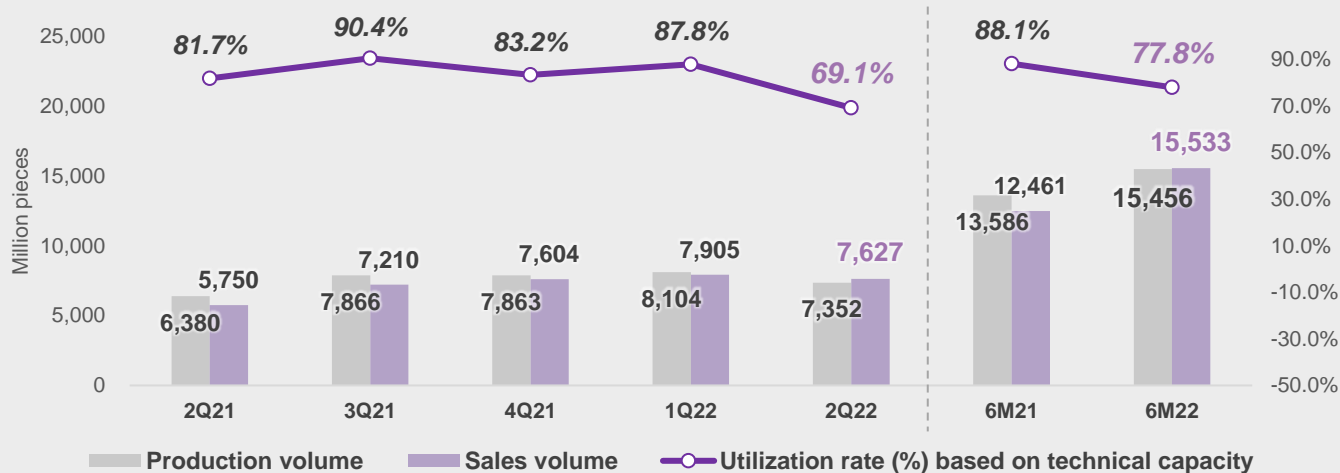
STGT's Product Mix by Gloves Sales



*Non-glove sales revenue is excluded of THB 126.1 million.

12-month data as of 30/06/2022

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
- Human dignity and social responsibility in promoting workforce diversity, local hiring, human rights
- Protecting our planet by reducing GHGs emission & energy consumption

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

5-8 year tax holidays from capacity expansion investment enables us to have effective tax rate at a single digit.

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.



Strategy for Post-COVID Situation



Switchable Production Lines

allow for flexible proportions of latex and nitrile gloves to reach and optimal product mix.



Market Expansion to Various Countries

from 140 countries in 2020 to 170 countries in 2021, and **we expect to reach >190 countries in the next three years**. We have already set up new subsidiaries in Singapore, Vietnam, the Philippines and Indonesia to support market expansion and distribution.



Gear Toward Leading Production Productivity

using **2.8** workers/ a million piece of gloves in 2020 and **2.18** workers/ a million piece of gloves in 2021 to **1.65** workers/ a million piece of gloves in 2024 and to be **1.0** workers/ a million piece of gloves in 2026.



Innovation Breakthrough

strengthen advantage of NR gloves and rid of concerns to attract new groups of customers.



Continue to Invest in Better Technology

to sharpen production efficiency and lower cost of production in long-run.

FINANCIAL HIGHLIGHT



STGT's Financial Highlights



2Q22:

- **Sales volume grew YoY but slightly decline QoQ**
Sales volume decreased by 3.5% QoQ, but still significantly grew by 32.6% YoY
- **ASP decreased YoY**
Increase in new supply caused price competition in the market, resulting to pressured ASP
- **Decline in margin**
Mainly due to ASP decrease with some effect of lower utilization rate
- **97% dividend payout 6M22**
THB 0.50 per share dividend from 6M22 profit to be paid in September 2022

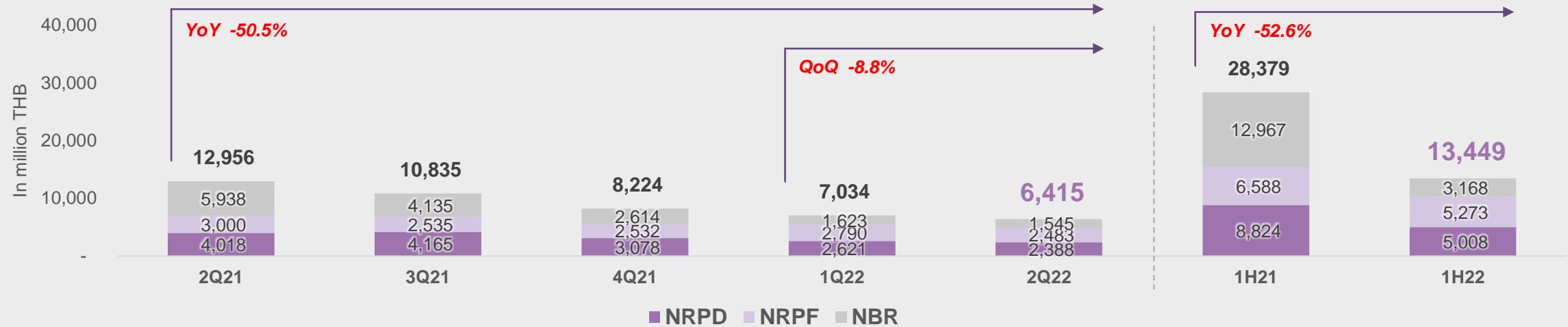
2Q22 Financial Highlights

(In million THB)

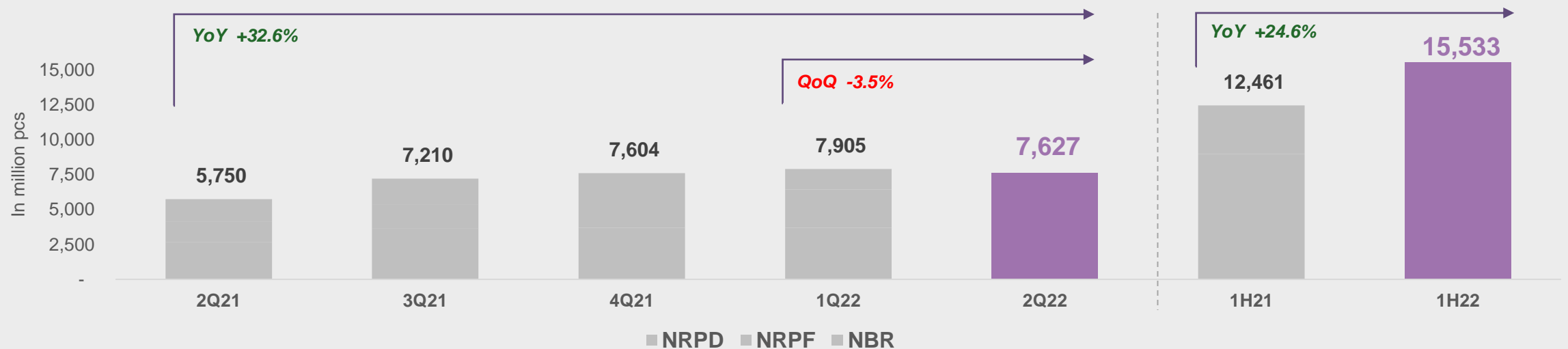
	2Q22	1Q22	%QoQ	2Q21	%YoY	1H22	1H21	%YoY
Volume (in million pcs.)	7,627.5	7,905.1	-3.5%	5,750.3	32.6%	15,532.6	12,461.2	24.6%
Sales revenue	6,541.5	7,118.5	-8.1%	12,967.7	-49.6%	13,660.0	28,401.4	-51.9%
COGS	(5,212.9)	(5,376.2)	-3.0%	(4,317.2)	20.7%	(10,589.0)	(8,330.4)	27.1%
Gross profit	1,328.7	1,742.3	-23.7%	8,650.4	-84.6%	3,071.0	20,070.9	-84.7%
Other income	31.8	32.0	-0.3%	39.9	-20.1%	63.8	82.7	-22.9%
SG&A	(606.9)	(640.6)	-5.3%	(471.9)	28.6%	(1,247.5)	(919.4)	35.7%
Gain (loss) on exchange rate, net	142.1	(8.3)	NM	133.8	6.2%	133.8	406.9	-67.1%
Other gain (loss), net	(200.5)	63.2	417.4%	(215.7)	-7.0%	(137.4)	(706.9)	-80.6%
Operating profit (loss)	695.2	1,188.5	-41.5%	8,136.5	-91.5%	1,883.7	18,934.2	-90.1%
EBITDA	1,073.7	1,550.7	-30.8%	8,468.0	-87.3%	2,624.4	19,583.3	-86.6%
EBIT	723.0	1,217.1	-40.6%	8,164.9	-91.1%	1,940.1	18,985.9	-89.8%
Finance income	27.7	28.6	-3.1%	28.4	-2.2%	56.4	51.7	9.1%
Finance costs	(41.5)	(35.0)	18.7%	(31.5)	32.0%	(76.5)	(63.7)	20.2%
EBT	681.5	1,182.1	-42.4%	8,133.4	-91.6%	1,863.6	18,922.2	-90.2%
Tax	(65.0)	(130.0)	-50.0%	(853.3)	-92.4%	(195.0)	(1,590.5)	-87.7%
Net profit	616.5	1,052.2	-41.4%	7,280.1	-91.5%	1,668.6	17,331.7	-90.4%
GP margin	20.3%	24.5%	-4.2%	66.7%	-46.4%	22.5%	70.7%	-48.2%
EBITDA margin	16.4%	21.8%	-5.4%	65.3%	-48.9%	19.2%	69.0%	-49.7%
Net profit margin	9.4%	14.8%	-5.4%	56.1%	-46.7%	12.2%	61.0%	-48.8%
Financial Ratio								
Current ratio	4.80	5.00	-3.9%	5.74	-16.4%	4.80	5.74	-16.4%
Cash cycle (days)	50.02	45.22	10.6%	58.60	-14.6%	49.20	57.23	-14.0%
IBD/E	0.21	0.21	1.3%	0.21	1.1%	0.21	0.21	1.1%
Interest coverage ratio	15.12	31.01	-51.2%	243.43	-93.8%	22.39	258.04	-91.3%
ROA	6.6%	8.2%	-1.6%	54.0%	-47.4%	6.6%	71.3%	-64.7%
ROE	8.7%	10.9%	-2.2%	72.1%	-63.4%	8.7%	98.1%	-89.3%

Sales Revenue

Sales Revenue and Sales Growth

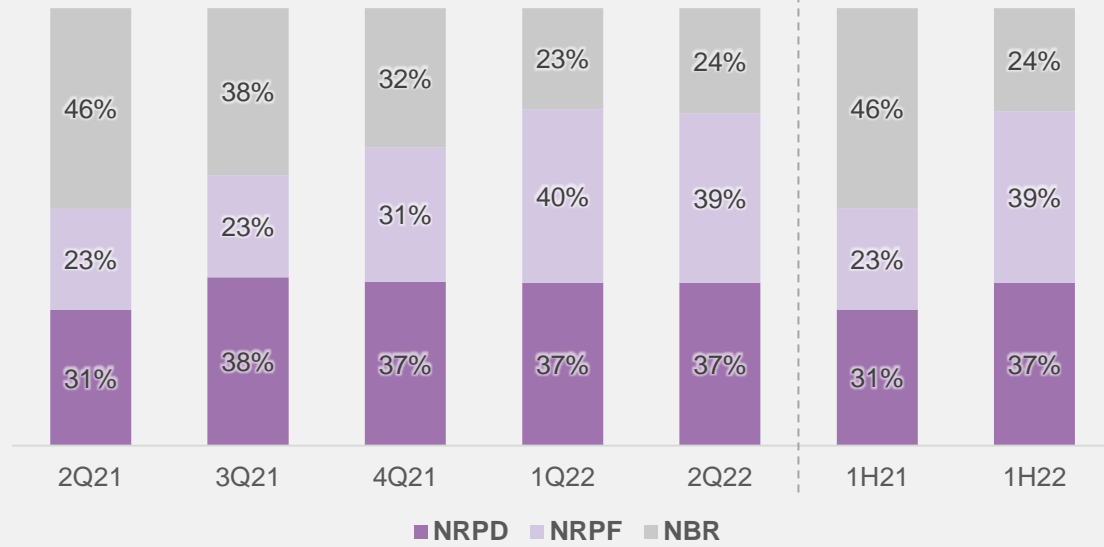


Sales Volume and Volume Growth

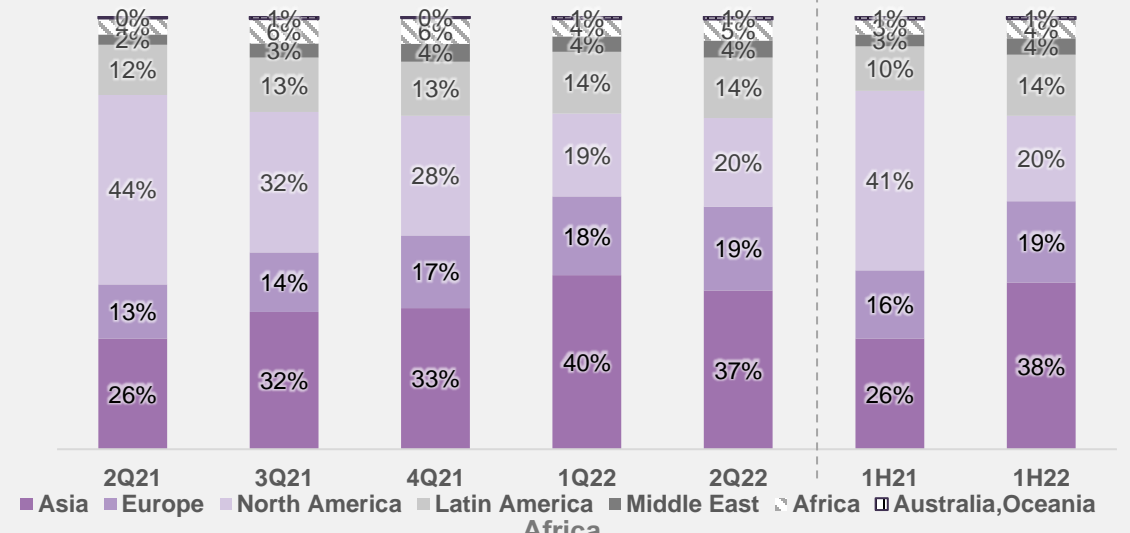


Gloves' Sales Revenue Breakdown

Sales Revenue by Products

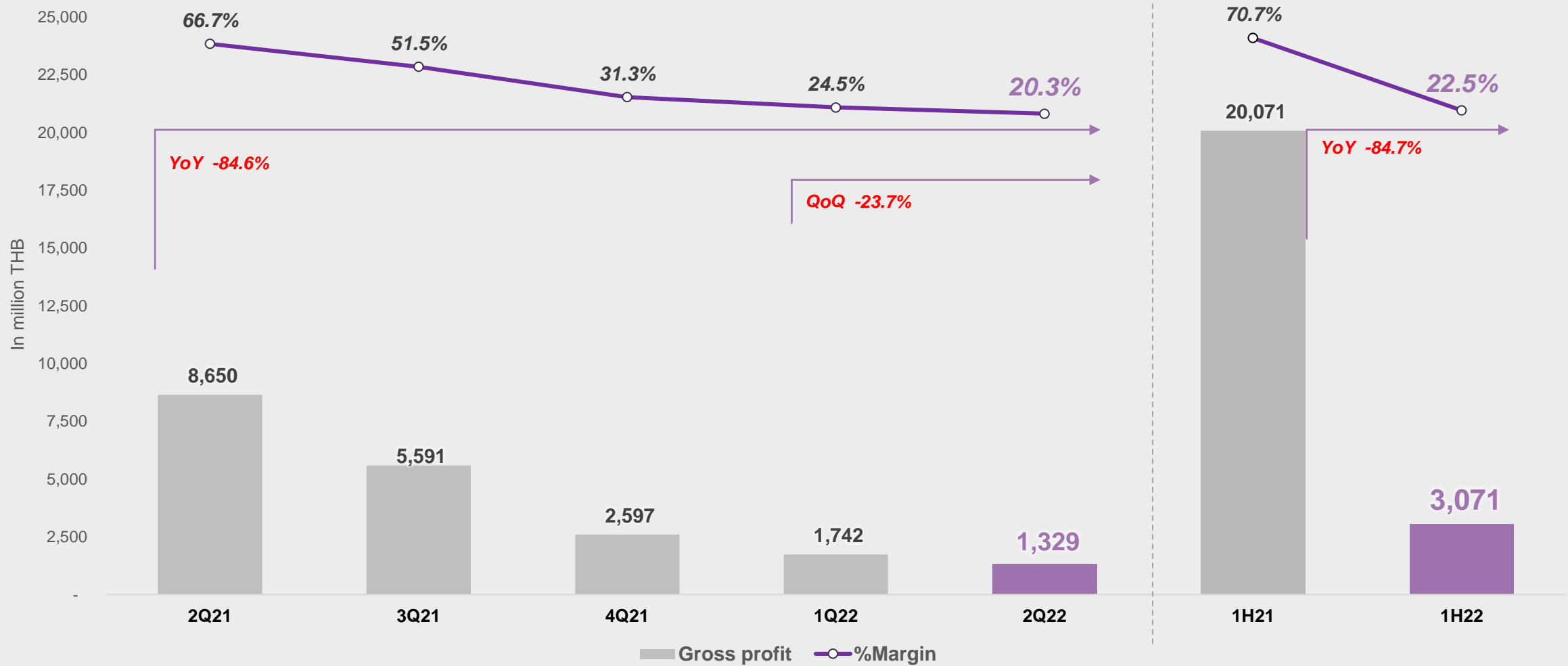


Sales Revenue by Geography



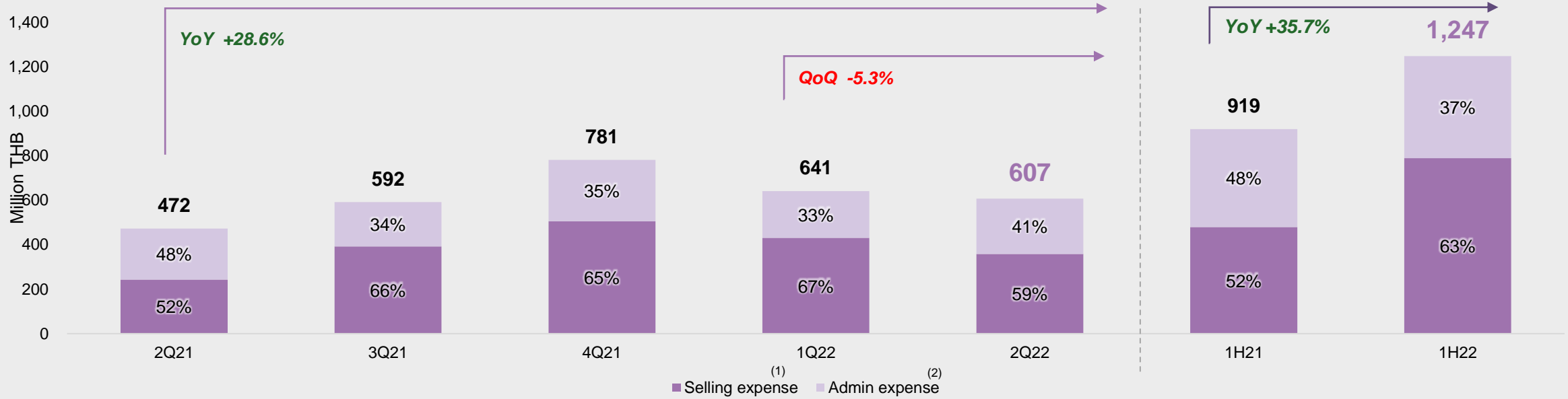
Gross Profit Margin

Gross Profit and Gross Profit Margin

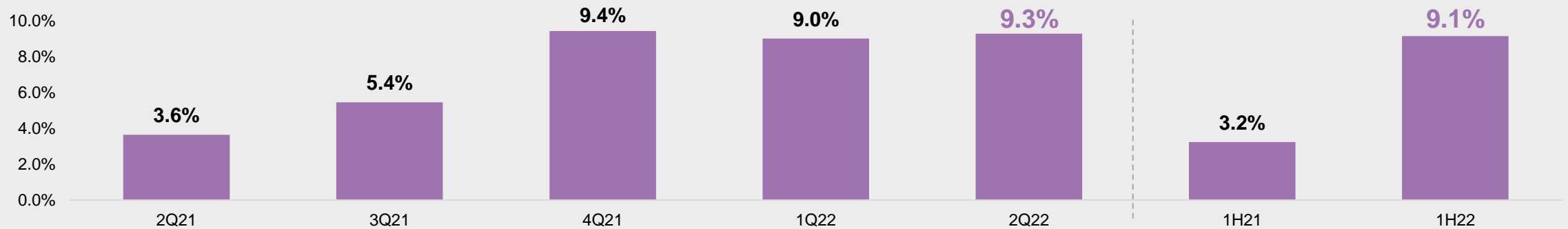


SG&A

SG&A Breakdown



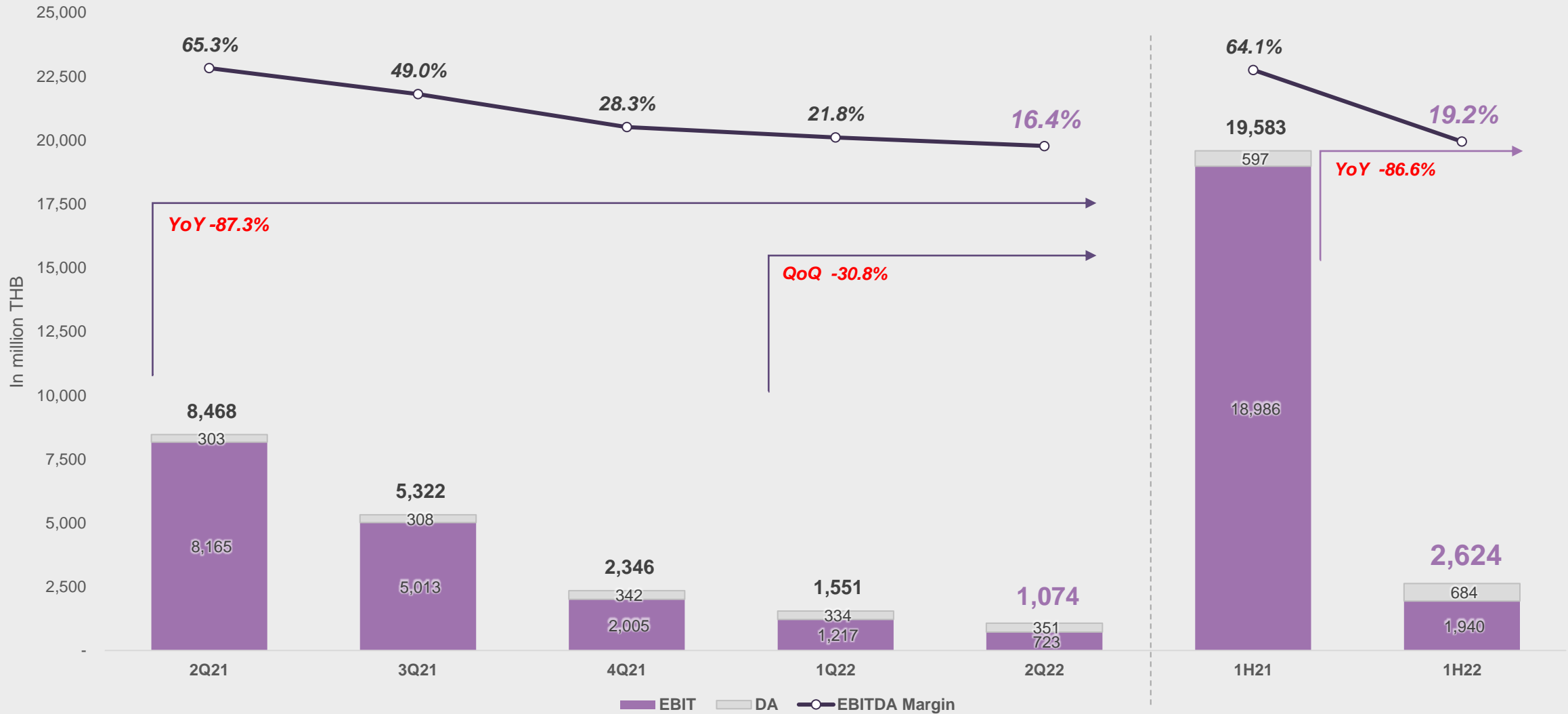
SG&A/Sales



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

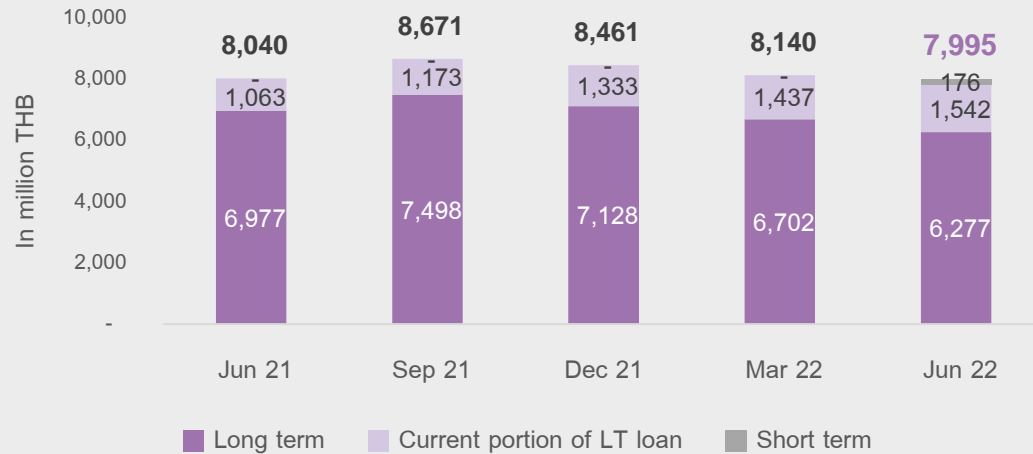
EBITDA

EBITDA and EBITDA Margin

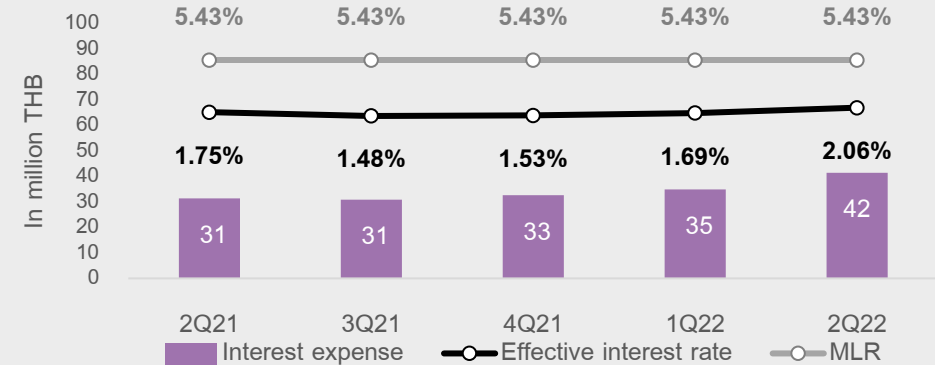


Low Interest Expenses

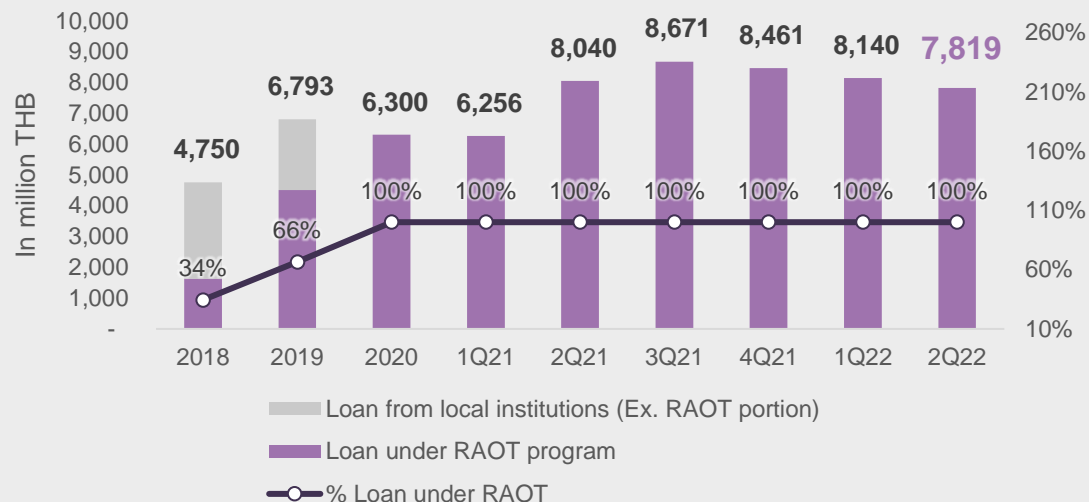
Short Term & Long-Term Loan



Interest Expense



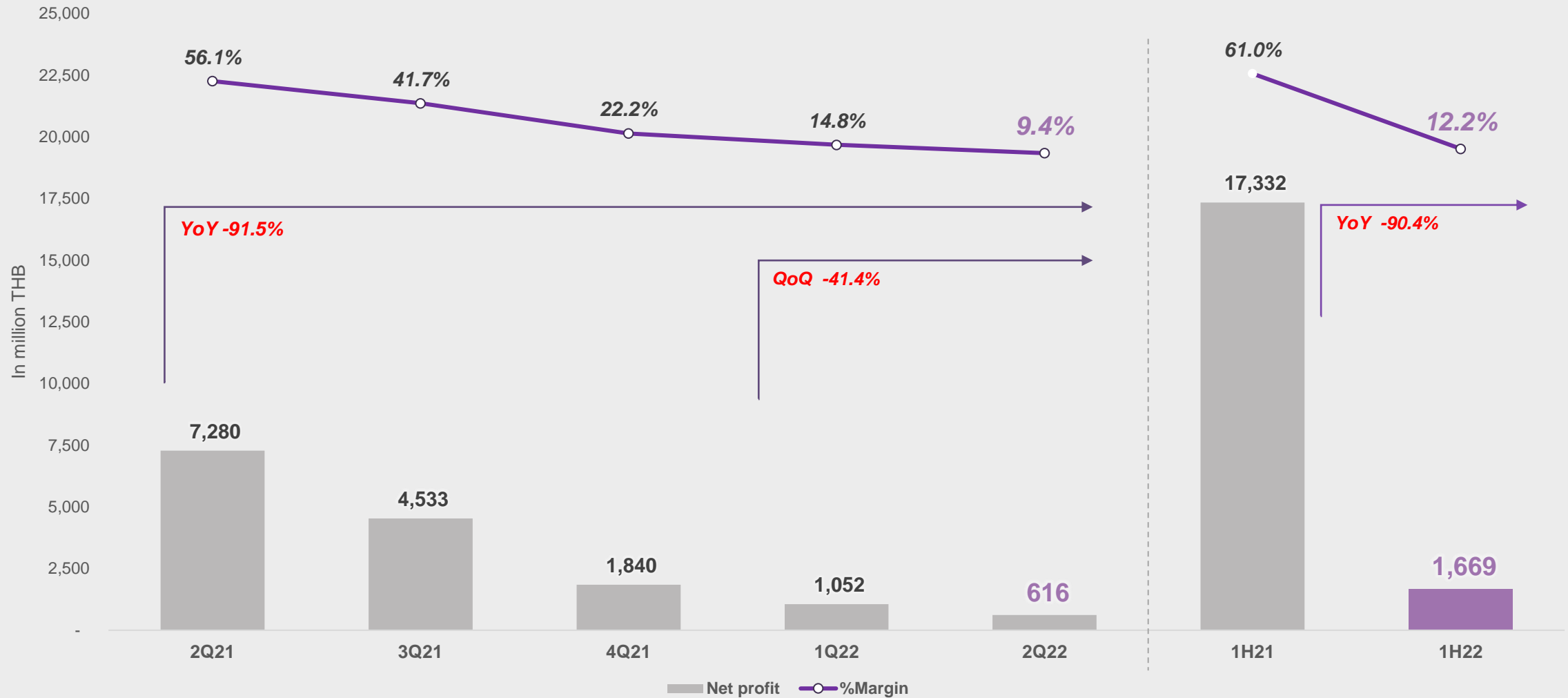
Loan under RAOT Subsidy Scheme



- **RAOT subsidy scheme for the interest paid to the banks at the rate of 3% which will last till 2026.**
- **100% of our term-loan is under RAOT interest subsidy scheme**

Net Profit Margin

Net profit and Net profit Margin



Remarkable Dividend Payment

The Company has a dividend policy to pay dividend distributions to shareholders

At least **50** percent of its net profit based on the Company's separate financial statements

Moreover, the Company deemed it appropriate to determine *the interim dividend payments* for the year 2022.



Record Date	Declaration Date	Payable Date	Amount <small>[Baht per Share]</small>	% of PAT*	
2022					
Aug 24, 2022	Aug 10, 2022	Sep 7, 2022	0.50	96.6% [1H22]	
2021					
Apr 20, 2022	Feb 17, 2022	May 5, 2022	0.65	93% [4Q21]	
Nov 22, 2021	Nov 8, 2021	Dec 7, 2021	1.25	81% [3Q21]	
Aug 24, 2021	Aug 10, 2021	Sep 7, 2021	1.25	47% [2Q21]	
May 27, 2021	May 12, 2021	Jun 10, 2021	1.50	42% [1Q21]	
Apr 16, 2021	Feb 16, 2021	Apr 28, 2021	2.00		
				}	55% [YE21]
2020					
Nov 30, 2020	Nov 13, 2020	Dec 09, 2020	0.625	55% [YE20]	
				}	

Note: *Separate Financial Statements

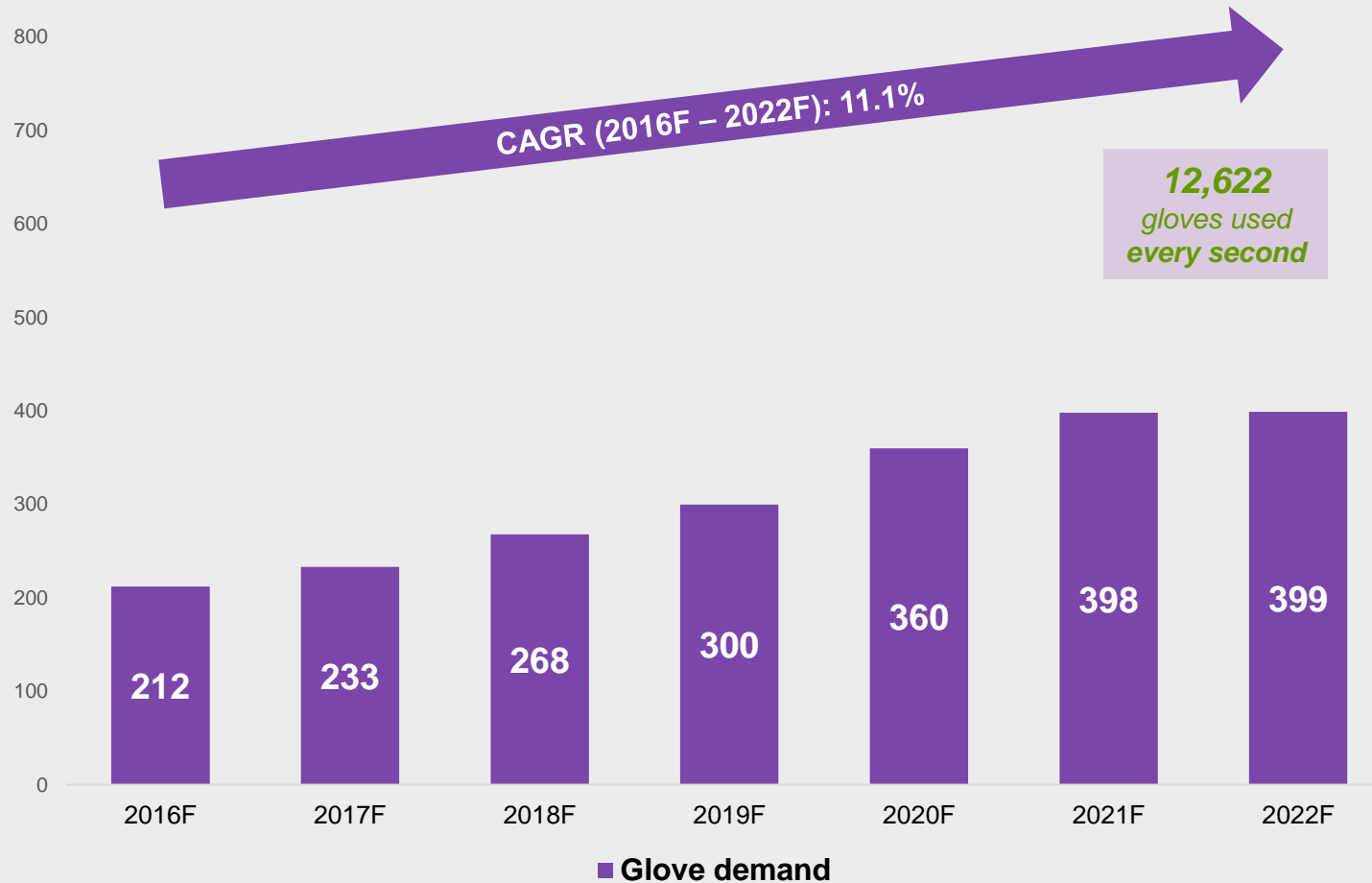


GLOVES

BUSINESS

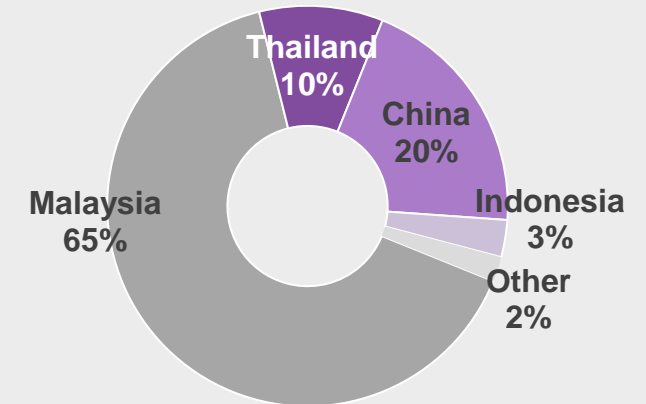
Double Digit Growth for Long-Term Global Glove Demand

Forecasted Global Rubber Glove Demand during 2016- 2022

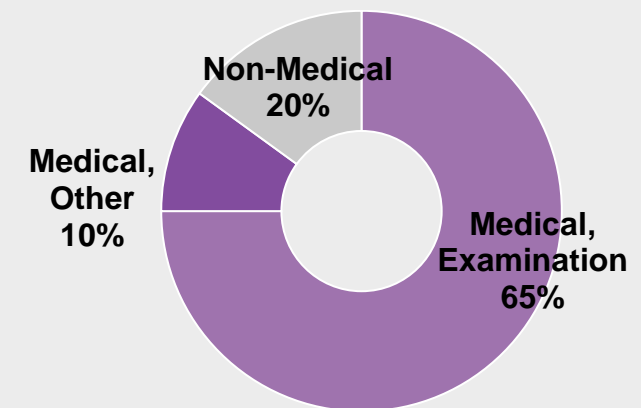


Global Market Share

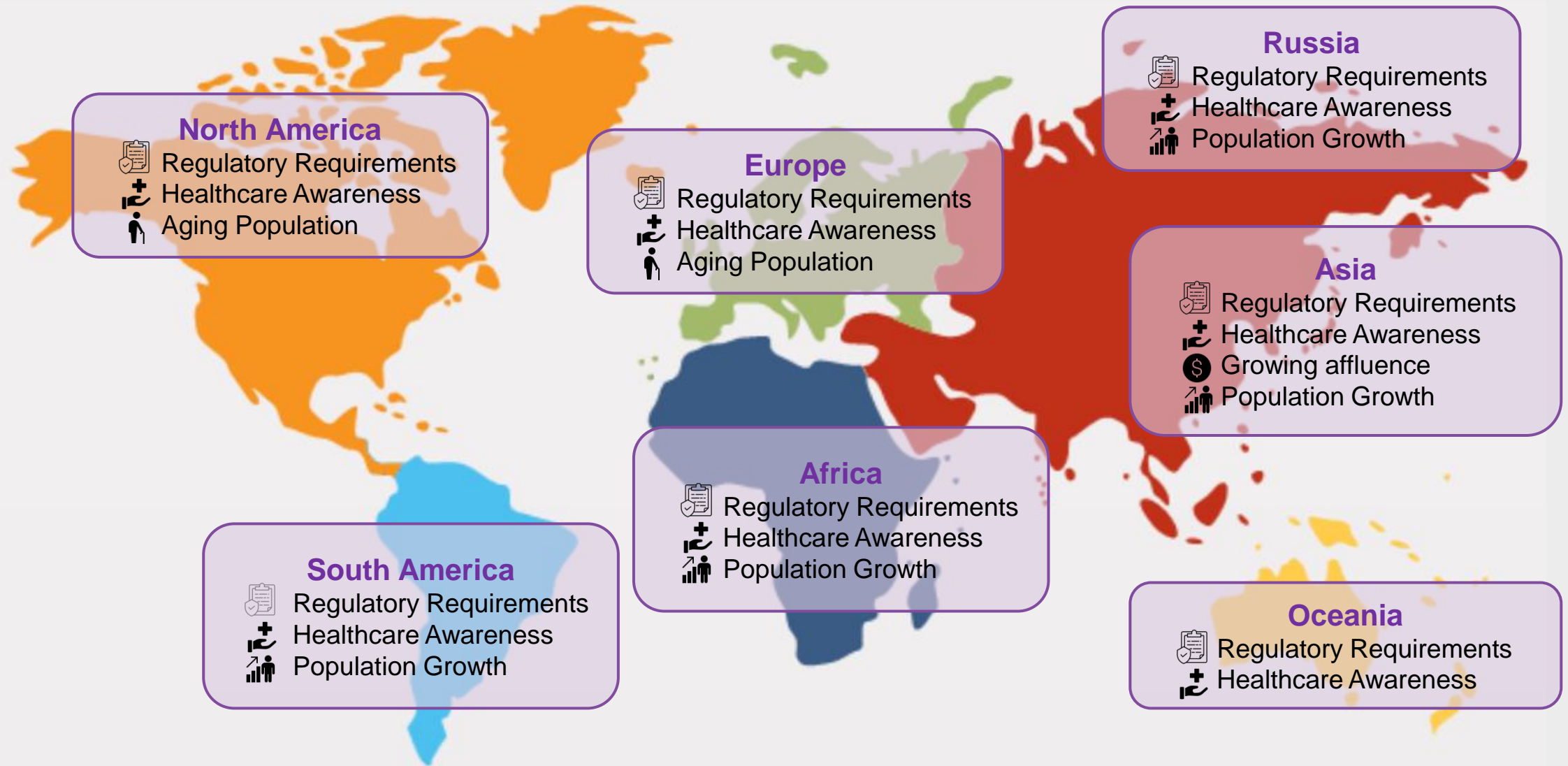
Estimation for 2022



Category by application

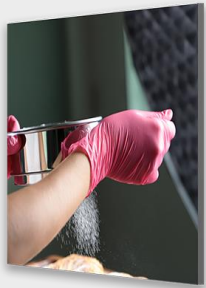
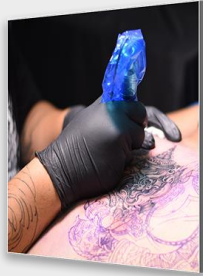


Key Growth Drivers in Short-Term and Long-term



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

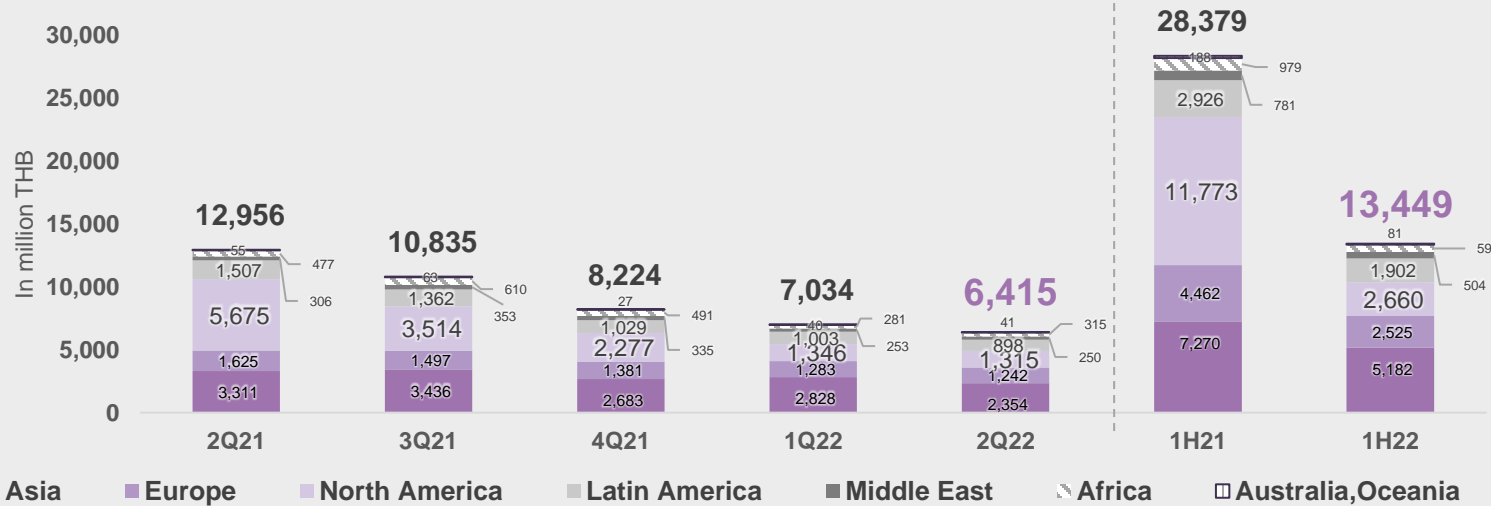
Services & Hospitality

Household

Specialized medical applications

STGT's Market Diversification

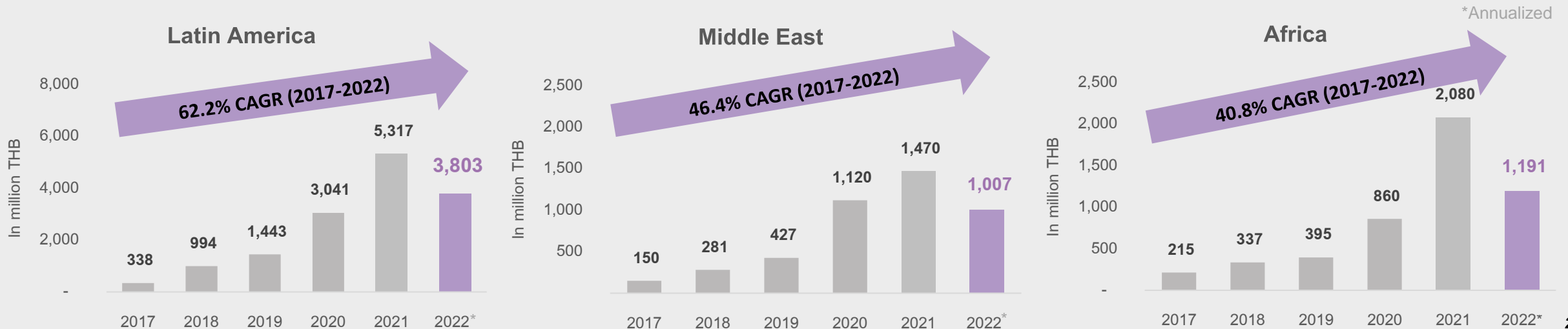
Gloves' Sales Revenue by Region



2Q22:

- The decrease in revenue was mainly due to ASP factor
- Most of regions delivered volume growth
- Sales volume in North America resumed the momentum after its slowdown since 1Q21

High Growth Region (Sales Revenue)

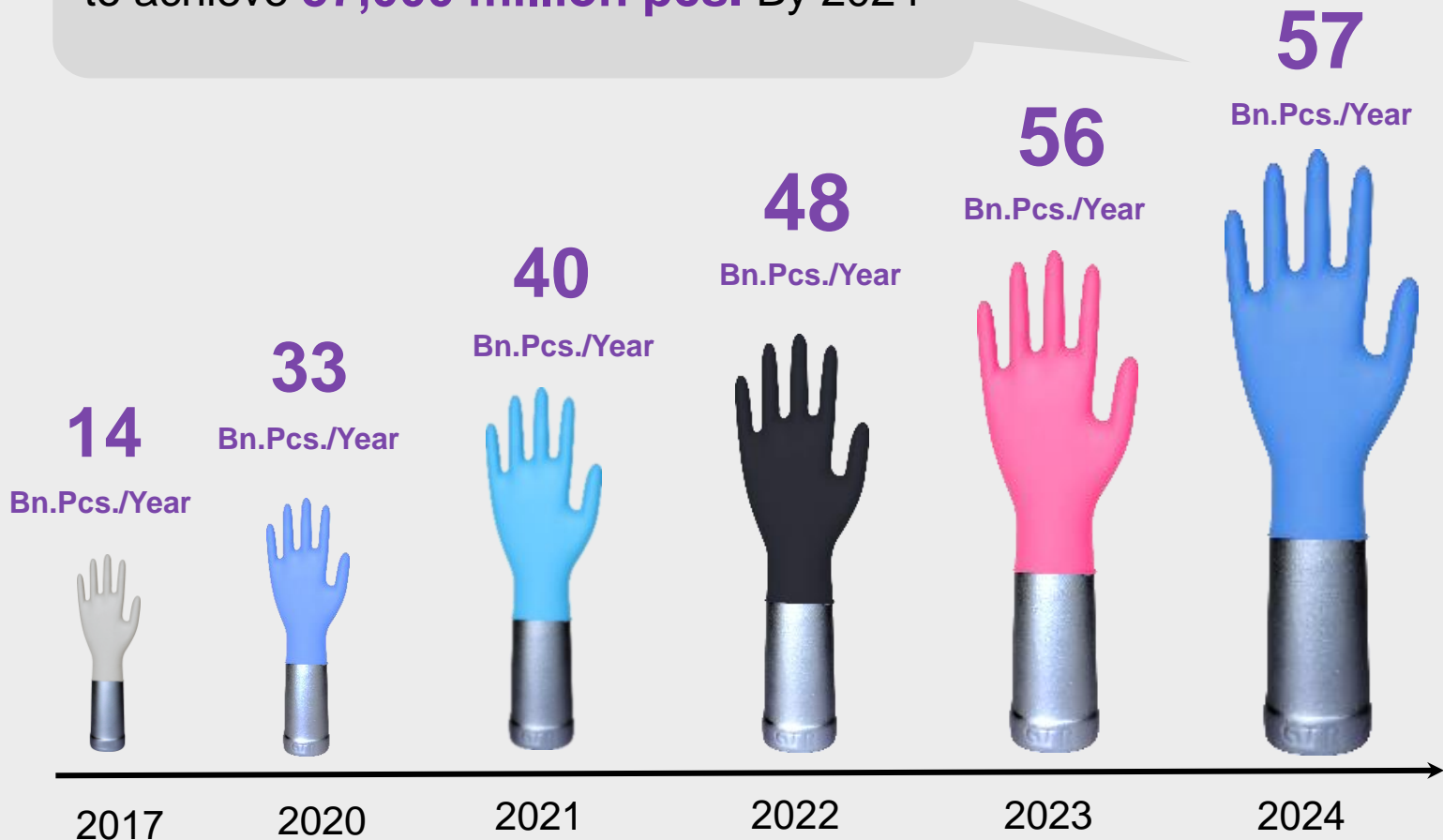


BUSINESS OUTLOOKS

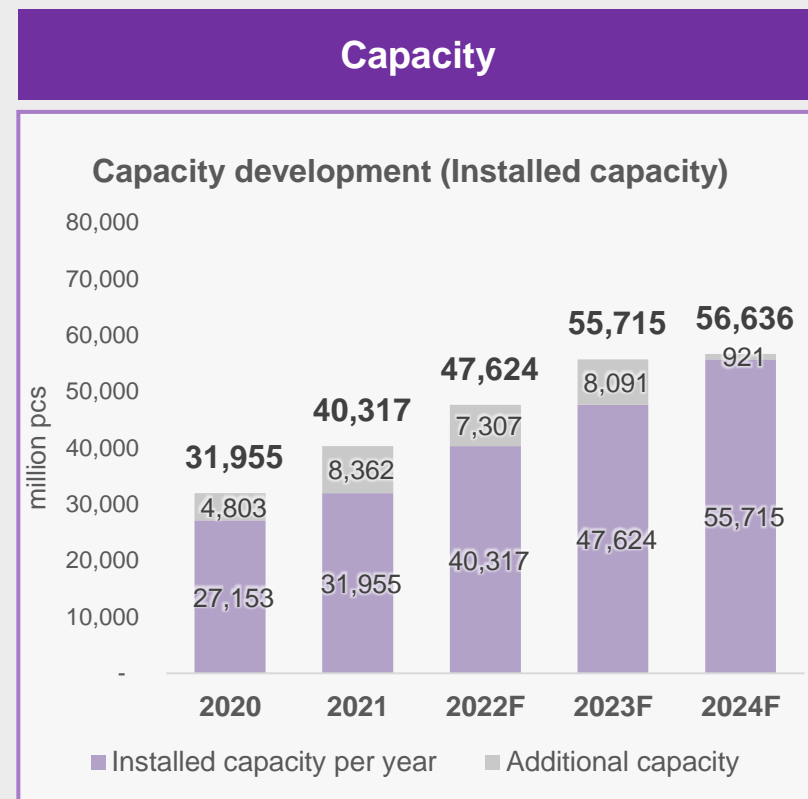


Capacity Expansion Plan

Expansion plan is revised to achieve **57,000 million pcs.** By 2024



Avg. Annual Growth Rate = **12%**



Commercial Run in 2022

TG3 Plant in Trang

Commercial Run: February 2022 & Installed Capacity: 2.8 bn.pcs./year
[As of Jun 22: 2.7 bn.pcs./year]



CP Plant in Chumphon

Commercial Run in March 2022
Installed Capacity: 4.0 bn.pcs./year
[As of Jun 22: 2.5 bn.pcs./year]



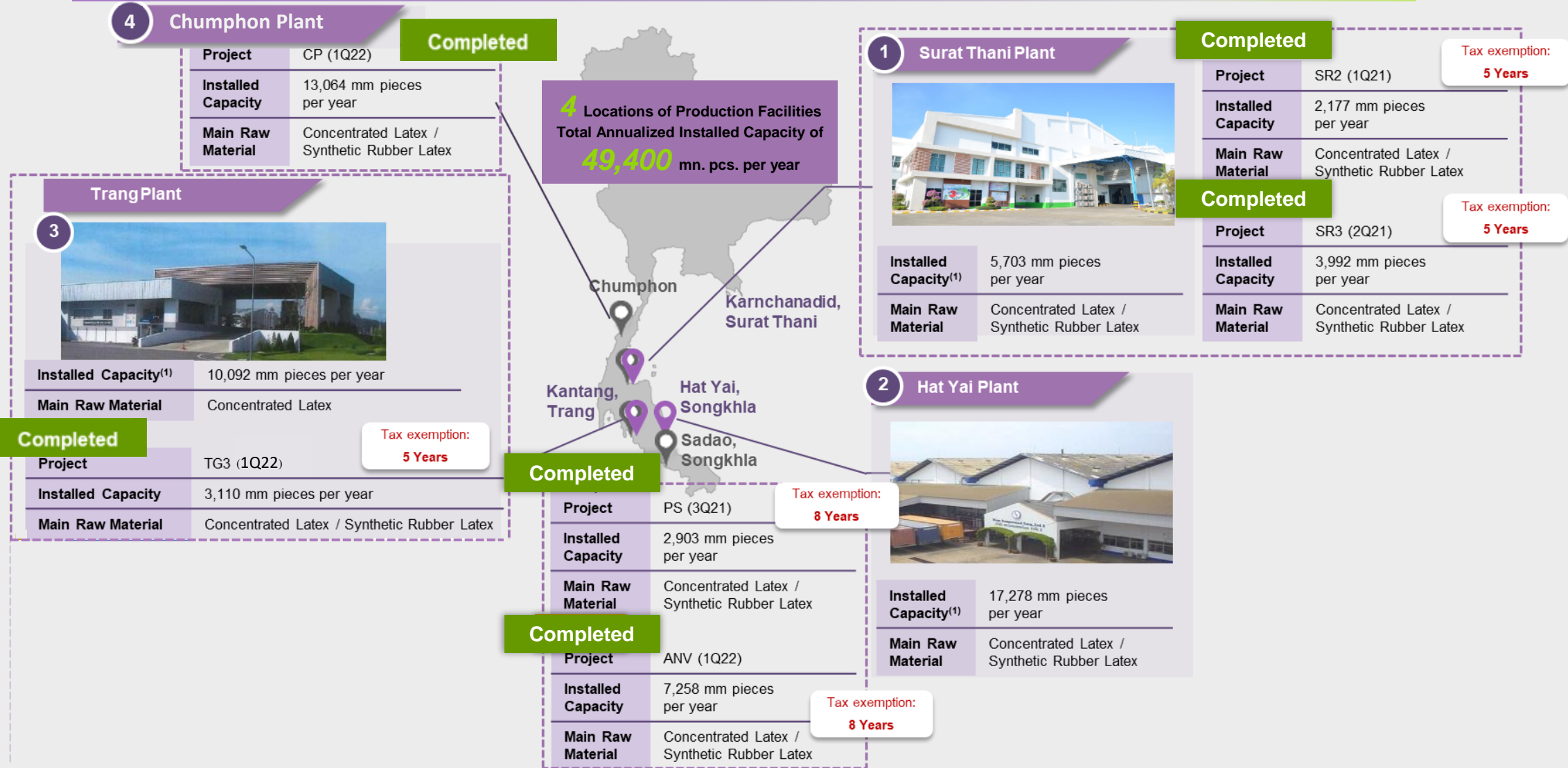
ANV Plant in Songkhla

Commercial Run: March 2022 & Installed Capacity: 6.8 bn.pcs./year
[As of Jun 22: 2.8 bn.pcs./year]



STGT's Capacity Expansion Plan

Strategic Location for Key Suppliers and Tax Privileges



NON DETECTABLE
PROTEIN




Clean World Clean Gloves (CWCG)

is the concept of sustainable business operations of Sri Trang Gloves which places the great importance on responsible operations and the manufacturing of high-quality and clean glove products.



Sustainable
Sourcing

NATUTEX[™]

Natutex
Latex



Low carbon
production



Renewable
energy



Clean
Optimization

Total Extractable Protein (tested according to ASTM D5712-15)

	Detection limit	Result
Total Extractable Protein	2.2µg/ml or 7µg/dm ²	b.d.

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

Quantity of 4 Principal Allergenic Proteins (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%

Our New Product: Latex Surgical Gloves



Location	STGT HY3
Target completion & Target to Launch	4Q2022
Capacity	20 mil pair/year





SRITRANGTM
GLOVES

「THANK YOU VERY MUCH」



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