



**SRI TRANG
GLOVES**

「Touch Of Life™」

4Q23 & FY23 Presentation

SRI TRANG GLOVES (THAILAND) PUBLIC COMPANY LIMITED

23 February 2024



Excellent
Corporate Governance Score Appraised by
Thai Institute of Directors



SET AAA
ESG Ratings 2023

S&P Global
SETESG Index



SET100 Index



SETHD Index



SETCLMV Index

Agenda



01 Company Overview

02 Financial Performance

03 Glove Business

04 Business Outlook

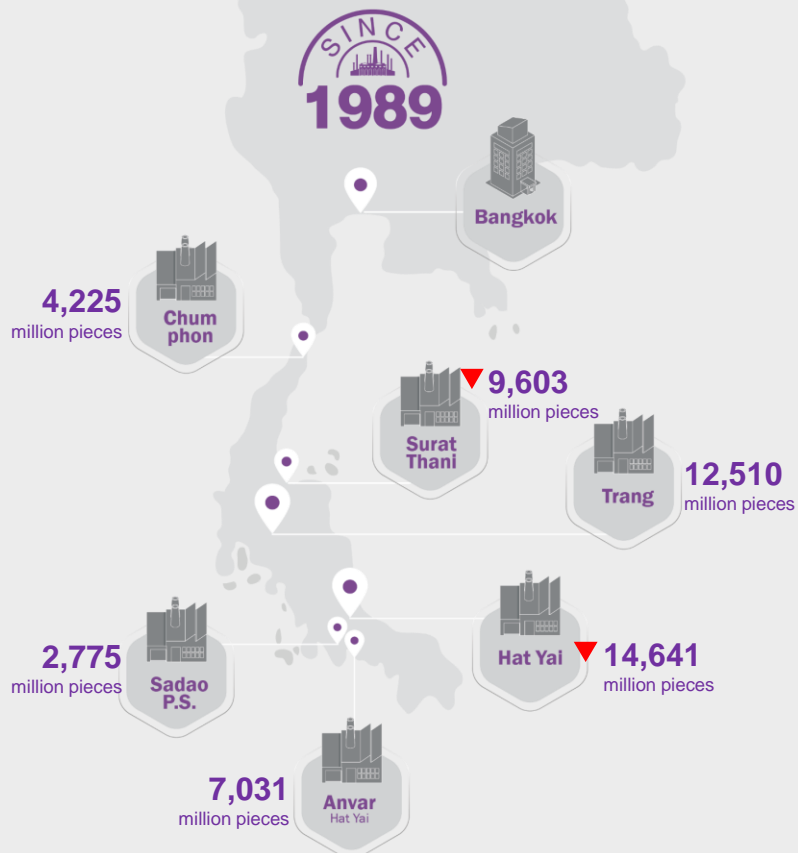


COMPANY OVERVIEW

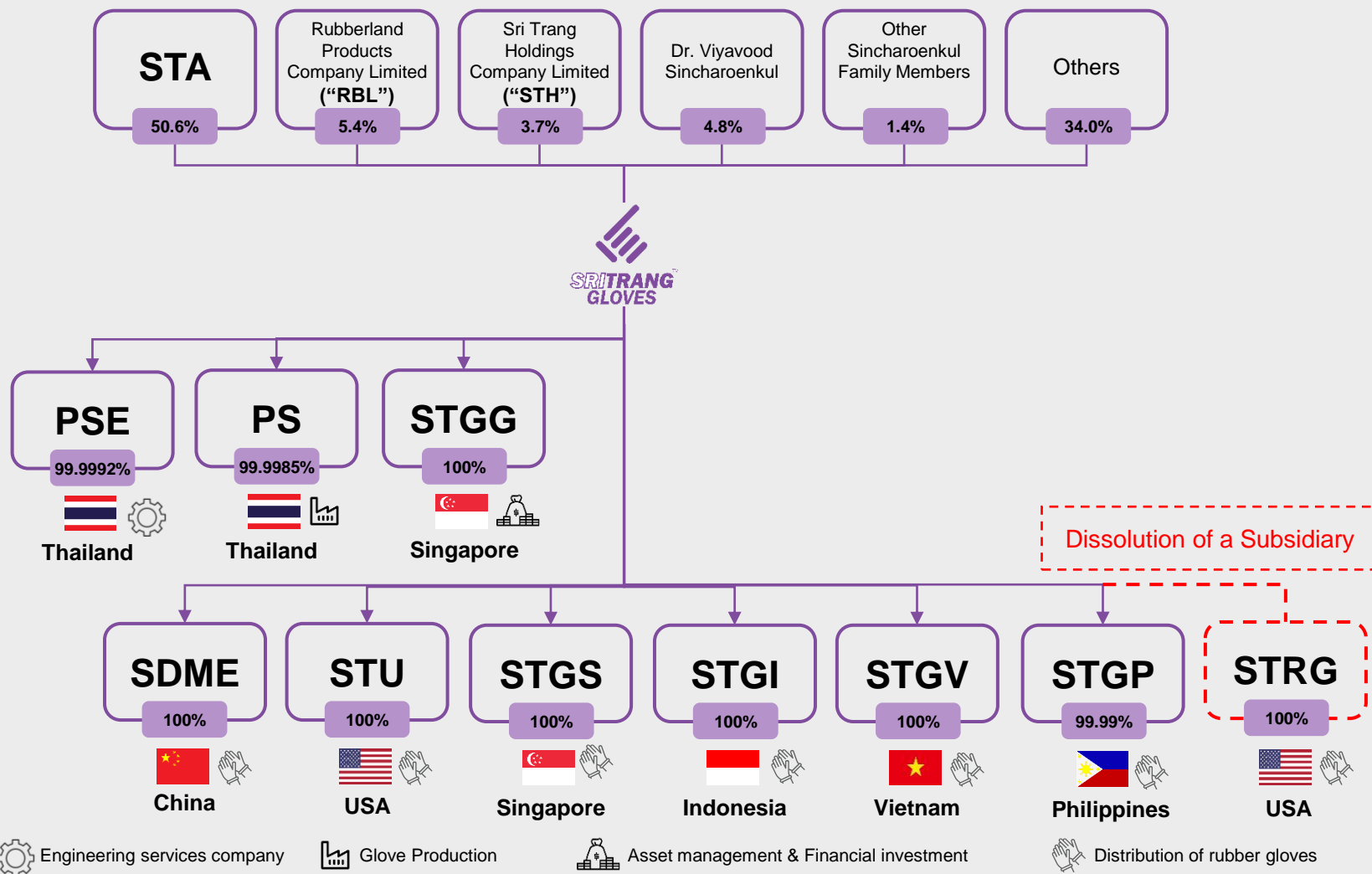
STGT At a Glance

STGT's total annualized installed capacity approx. **50,785** million pieces per annum is considered one of the world's top rubber gloves manufacturers

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



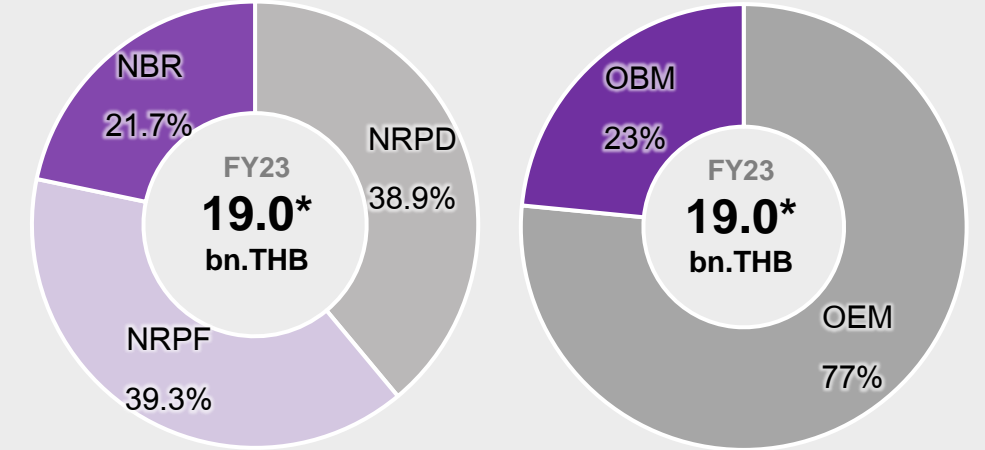
Shareholding Structure



STGT's Products

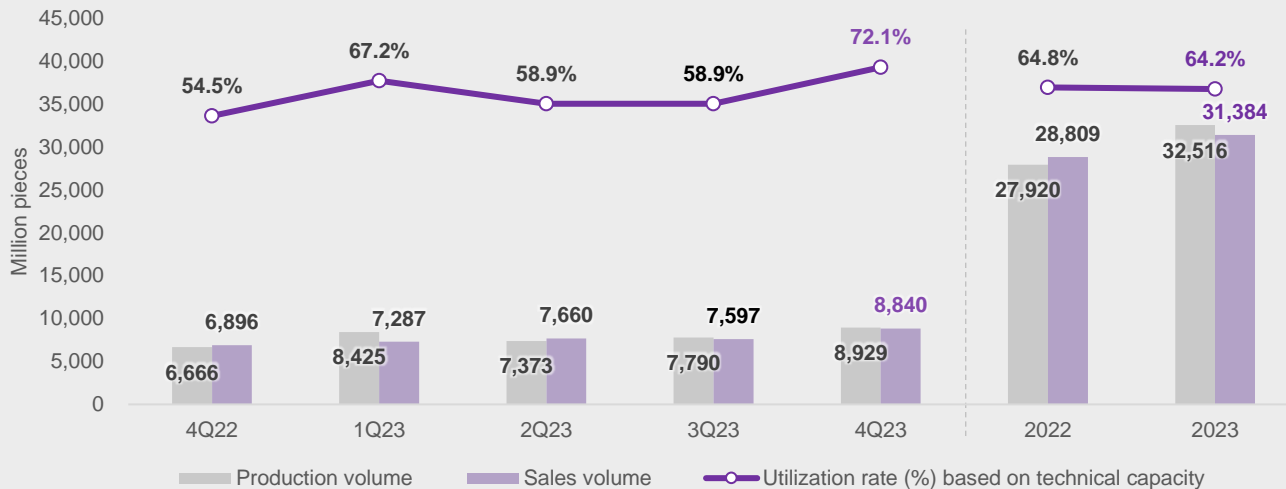


STGT's Product Mix by Gloves Sales



*Non-glove sales revenue is excluded of THB 631.1 million.

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 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

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



4Q23:

- **All Time High in Sales Volume**

Historical sales volume in 4Q23 and FY23 since the incorporation in 1989.

- **Higher Pre-Tax Profit QoQ**

Excluding non-recurring expenses, EBT in 4Q23 was 116% higher than 3Q23.

- **20% Lower in SG&A YoY**

Excluding non-recurring expenses, SG&A in 2023 was lower 20% YoY,.

- **Improvement in Utilization rate**

Utilization was 72.1% much higher than 3Q23, pulled down the non-raw material cost per unit.

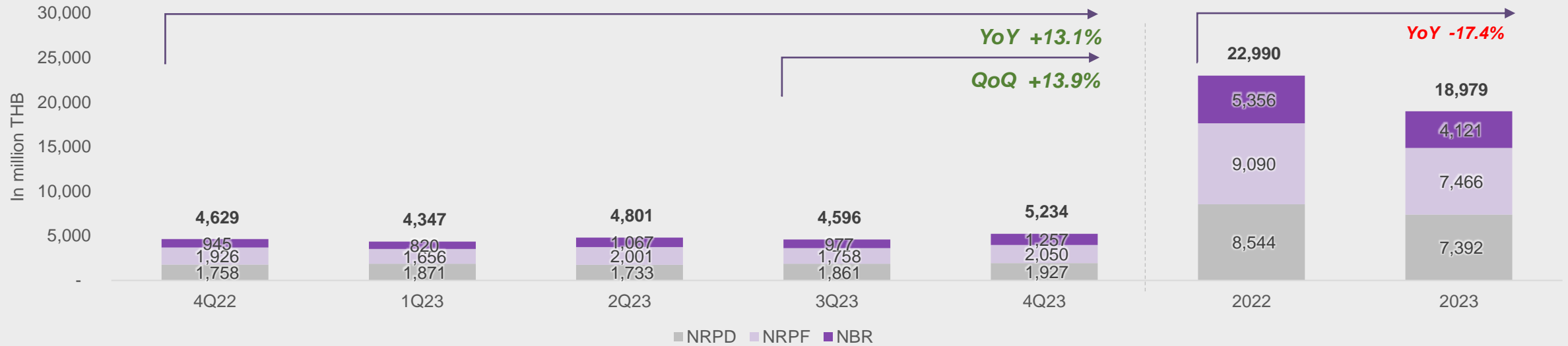
4Q23 Financial Highlights

(In million THB)

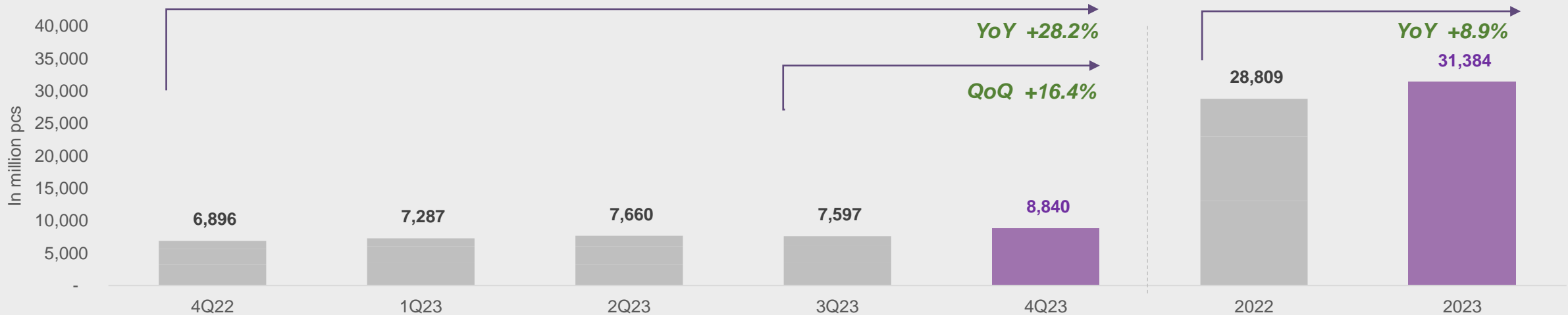
	4Q23	3Q23	%QoQ	4Q22	%YoY	2023	2022	%YoY
Volume (in million pcs.)	8,840.4	7,596.7	16.4%	6,895.7	28.2%	31,384.0	28,808.9	8.9%
Sales revenue	5,306.2	4,740.9	11.9%	4,760.8	11.5%	19,665.2	23,304.8	-15.6%
COGS	(4,757.8)	(4,145.5)	14.8%	(4,134.6)	15.1%	(17,516.3)	(19,048.0)	-8.0%
Gross profit	548.4	595.4	-7.9%	626.2	-12.4%	2,148.8	4,256.8	-49.5%
Other income	110.2	45.1	144.1%	23.0	378.7%	228.3	209.3	9.1%
SG&A	(747.2)	(513.2)	45.6%	(616.0)	21.3%	(2,217.1)	(2,401.1)	-7.7%
Gain (loss) on exchange rate, net	(139.5)	57.7	NM	(200.1)	-30.3%	(10.9)	101.7	-110.7%
Other gain (loss), net	106.3	(101.8)	NM	142.7	-25.5%	(33.2)	(257.2)	-87.1%
Operating profit (loss)	(121.8)	83.1	NM	(24.1)	405.3%	115.8	1,909.5	-93.9%
EBITDA	607.6	612.2	-0.8%	443.6	37.0%	2,333.0	3,519.9	-33.7%
EBIT	(8.7)	181.4	-104.8%	49.1	-117.8%	476.9	2,070.3	-77.0%
Finance income	113.1	98.2	15.1%	73.2	54.4%	361.0	160.8	124.5%
Finance costs	(76.6)	(79.4)	-3.5%	(64.5)	18.7%	(306.2)	(186.8)	63.9%
EBT	(85.3)	102.0	NM	(15.4)	455.1%	170.7	1,883.5	-90.9%
Tax	43.0	(54.6)	NM	(23.0)	-286.9%	(18.0)	(231.5)	-92.2%
Net profit	(42.3)	47.4	-189.1%	(38.4)	10.1%	152.7	1,652.1	-90.8%
GP margin	10.3%	12.6%	-2.2%	13.2%	-2.8%	10.9%	18.3%	-7.3%
EBITDA margin	11.5%	12.9%	-1.5%	9.3%	2.1%	11.9%	15.1%	-3.2%
Net profit margin	-0.8%	1.0%	-1.8%	-0.8%	0.0%	0.8%	7.1%	-6.3%
Financial Ratio								
Current ratio	3.63	3.86	-6.0%	4.62	-21.4%	3.63	4.62	-21.4%
Cash cycle (days)	51.91	63.34	-18.1%	60.18	-13.7%	50.40	49.63	1.6%
Net IBD/E	(0.07)	(0.06)	-3.9%	(0.15)	127.1%	(0.07)	(0.15)	127.1%
Interest coverage ratio	11.46	8.21	39.5%	22.48	-49.0%	6.56	24.11	-72.8%
ROA	-0.4%	0.4%	-0.7%	-0.3%	0.0%	0.3%	3.3%	-3.0%
ROE	-0.4%	0.5%	-0.9%	-0.4%	0.0%	0.4%	4.4%	-4.0%

Gloves' Sales Revenue and Volume

Sales Revenue

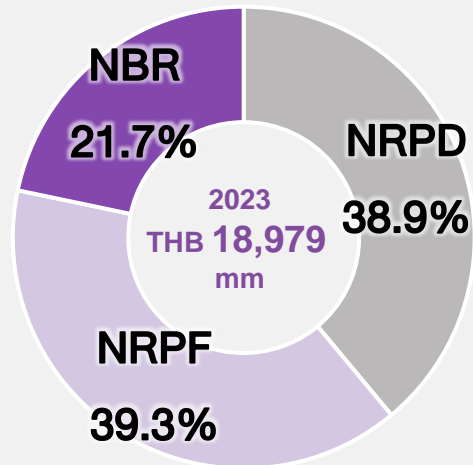
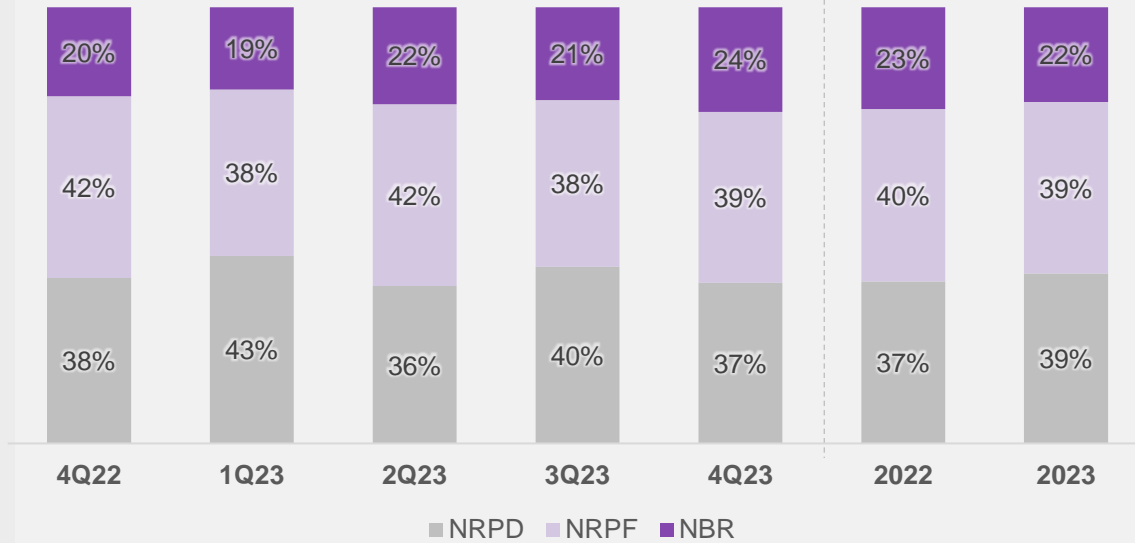


Sales Volume

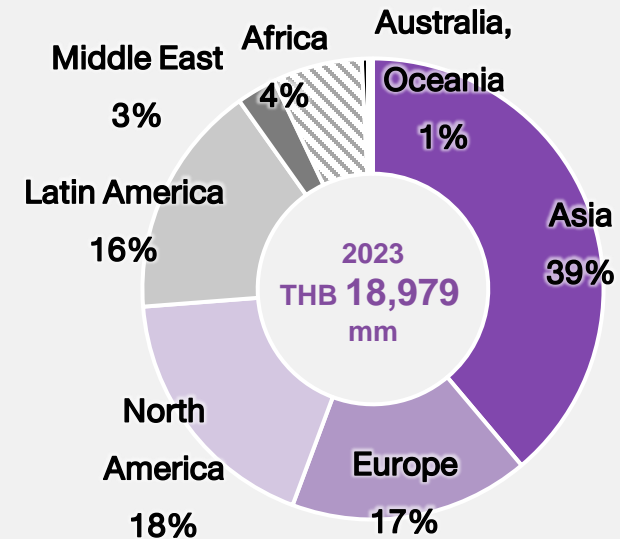
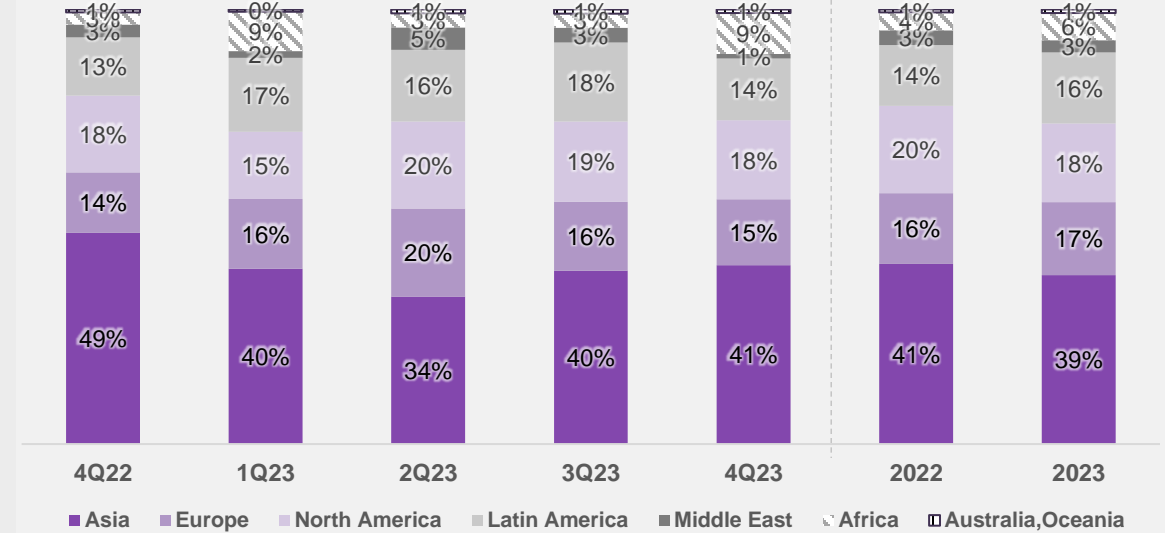


Gloves' Sales Revenue Breakdown

Gloves' Sales Revenue by Products

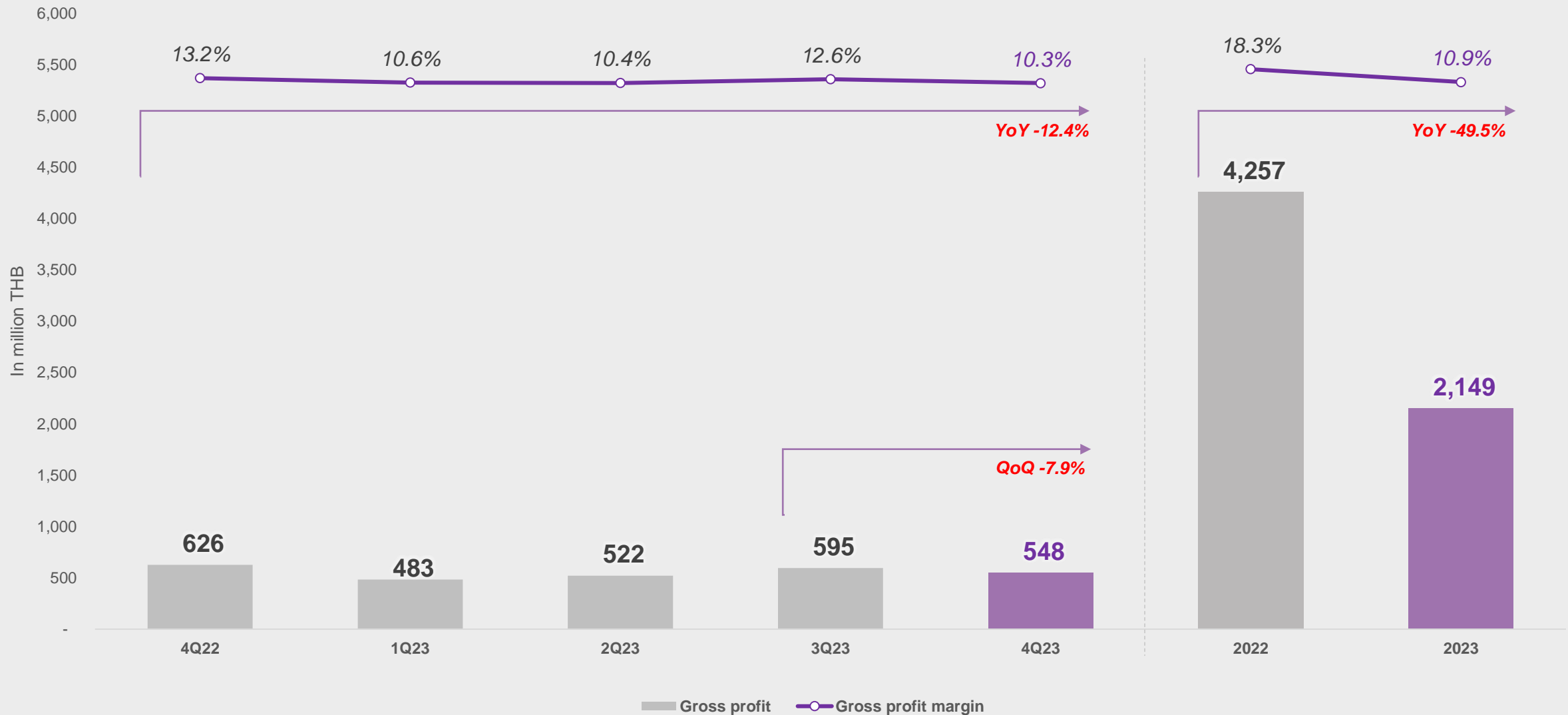


Gloves' Sales Revenue by Geography



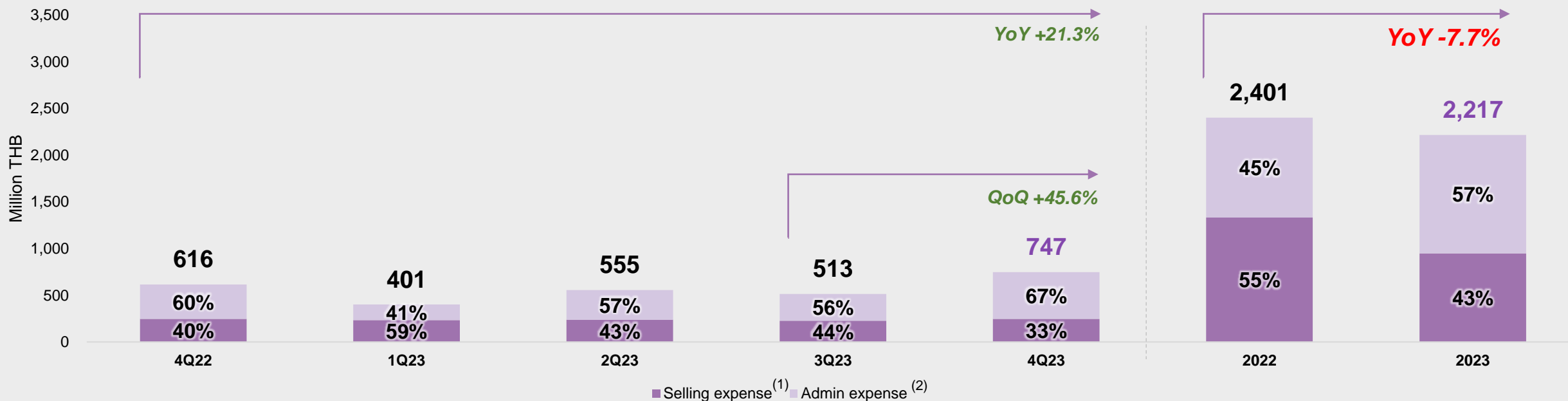
Gross Profit Margin

Gross Profit and Gross Profit Margin

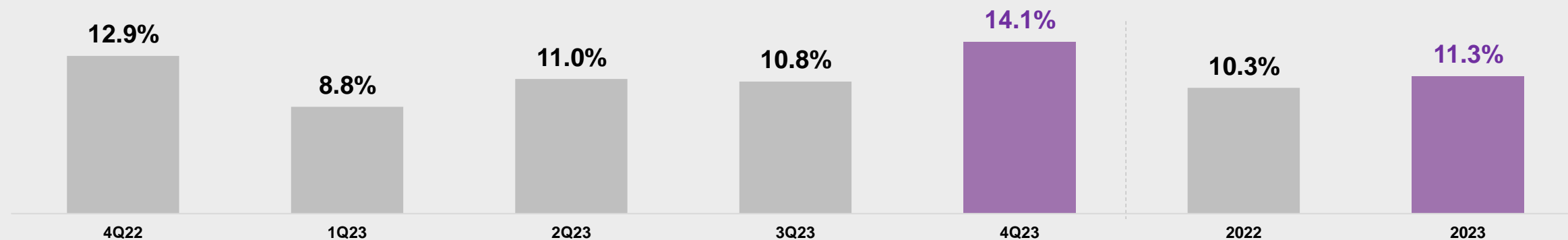


SG&A

SG&A Breakdown



SG&A/Sales

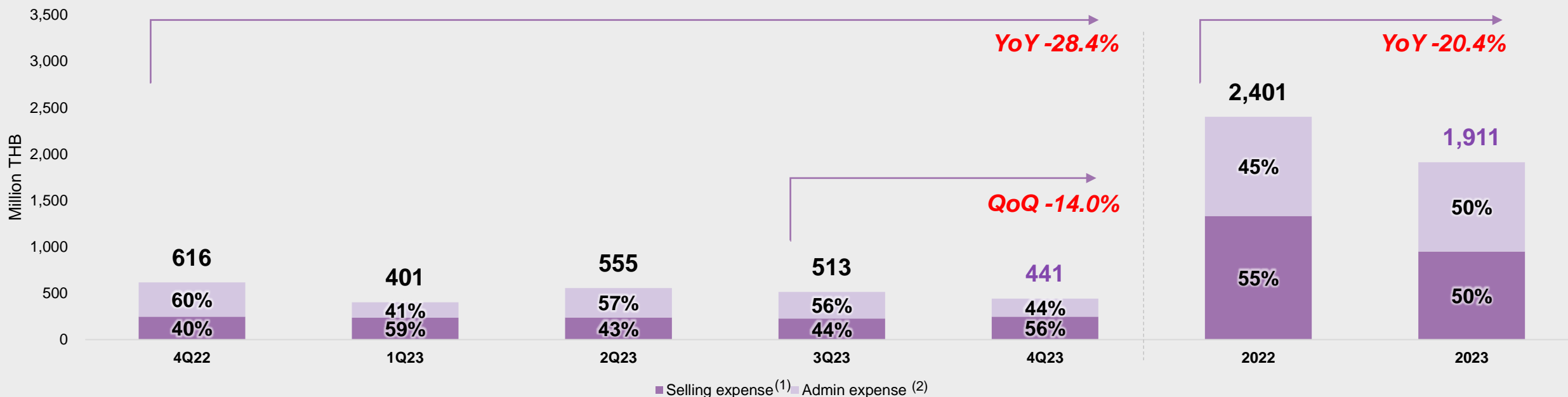


Note: (1) includes transportation, salary, commission, promotional expenses and insurance

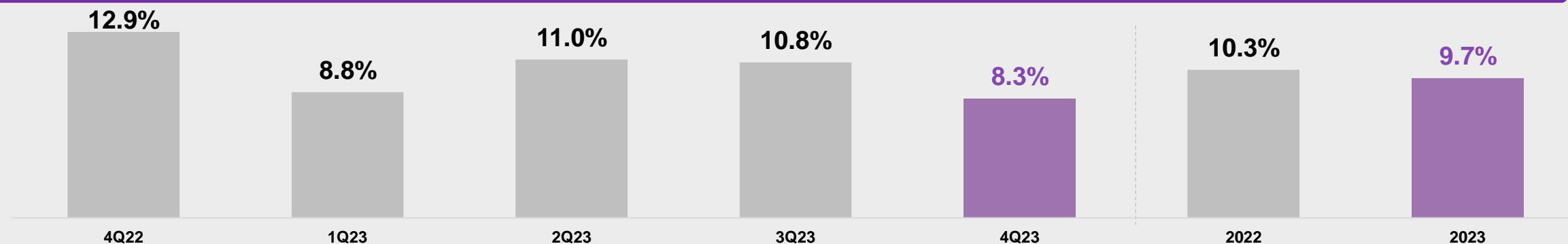
(2) includes salary, office rental, professional fee, bank charge and allocation of depreciation from lower utilization than norm

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

SG&A Breakdown

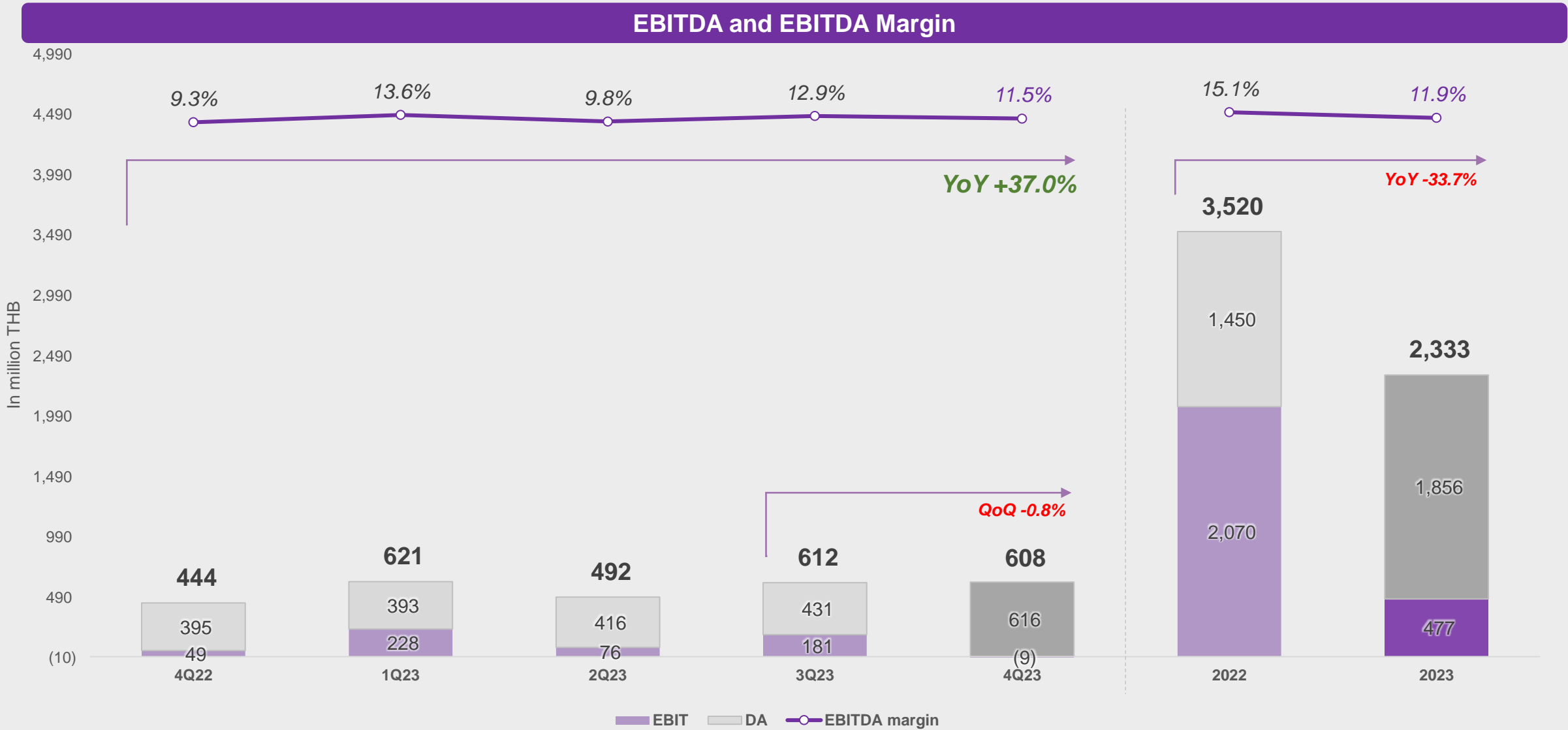


SG&A/Sales

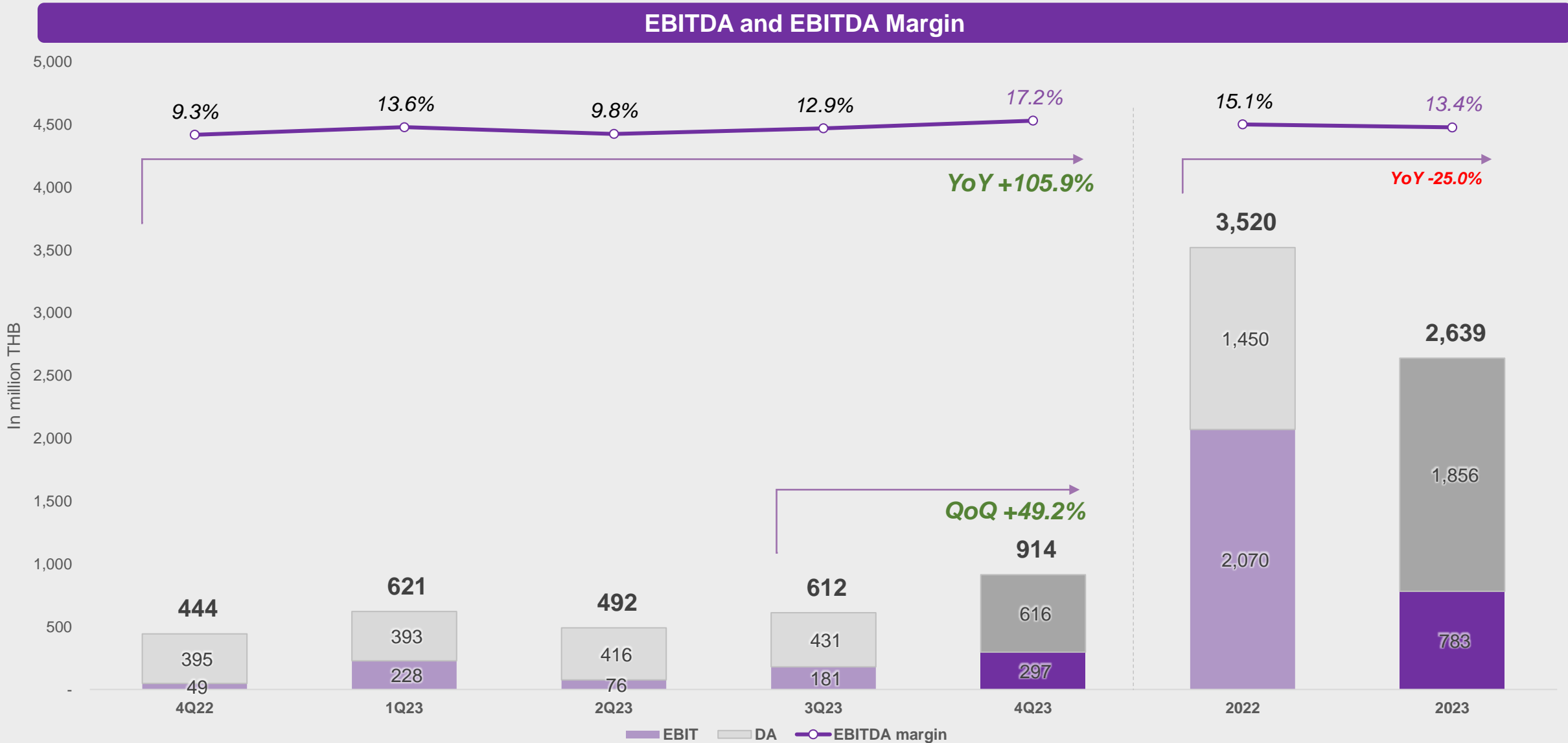


Note: (1) includes transportation, salary, commission, promotional expenses and insurance
 (2) includes salary, office rental, professional fee, bank charge and allocation of depreciation from lower utilization than norm

EBITDA

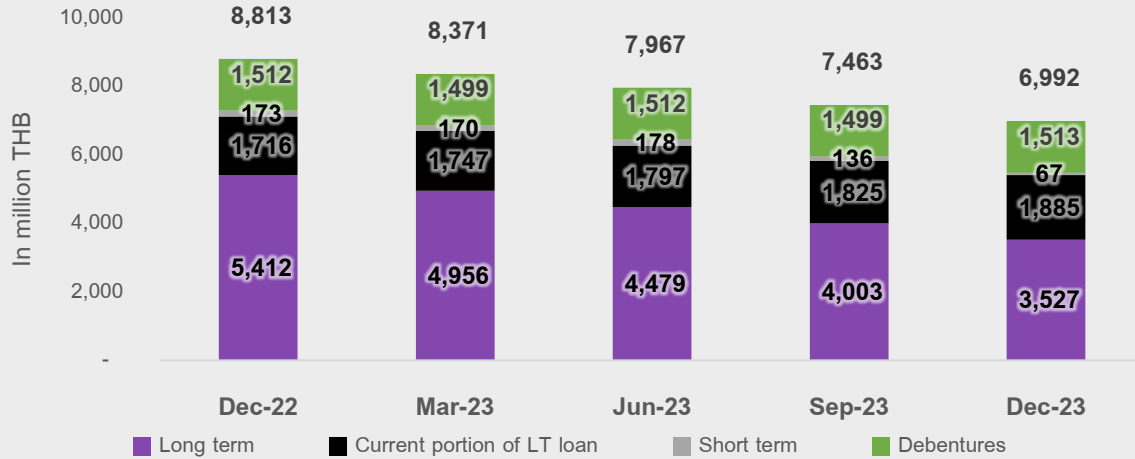


EBITDA (excl. non-recurring in 4Q23)

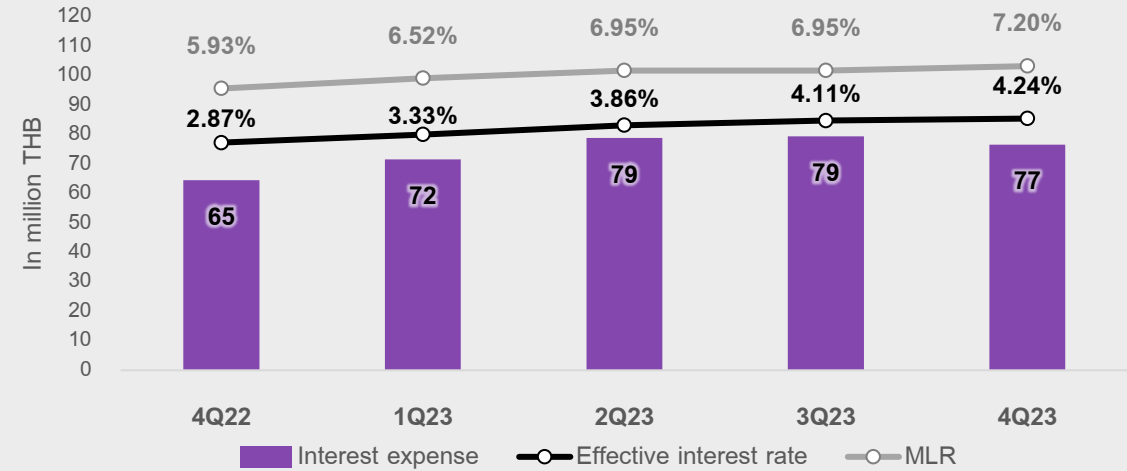


Interest Expenses

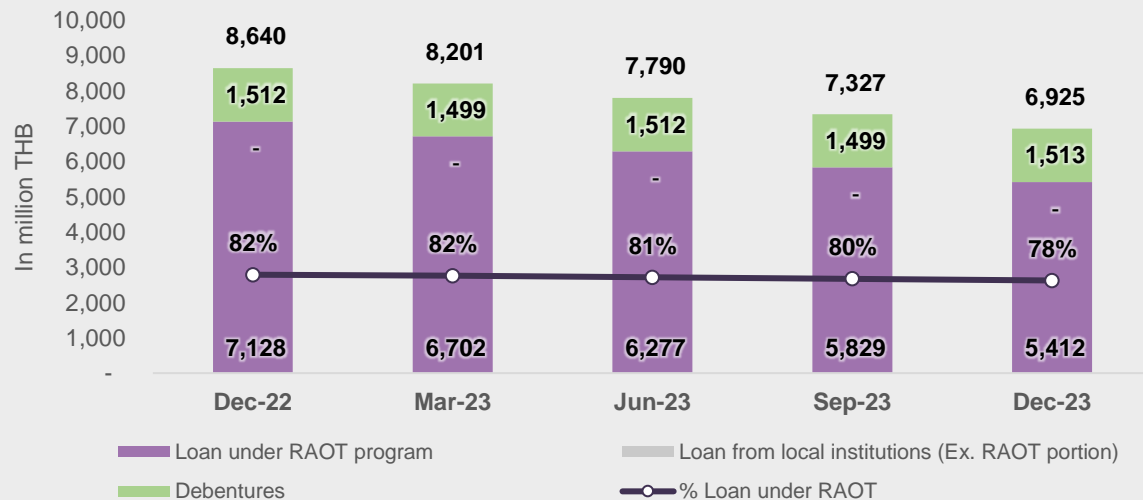
Short Term & Long-Term Loan



Interest Expense



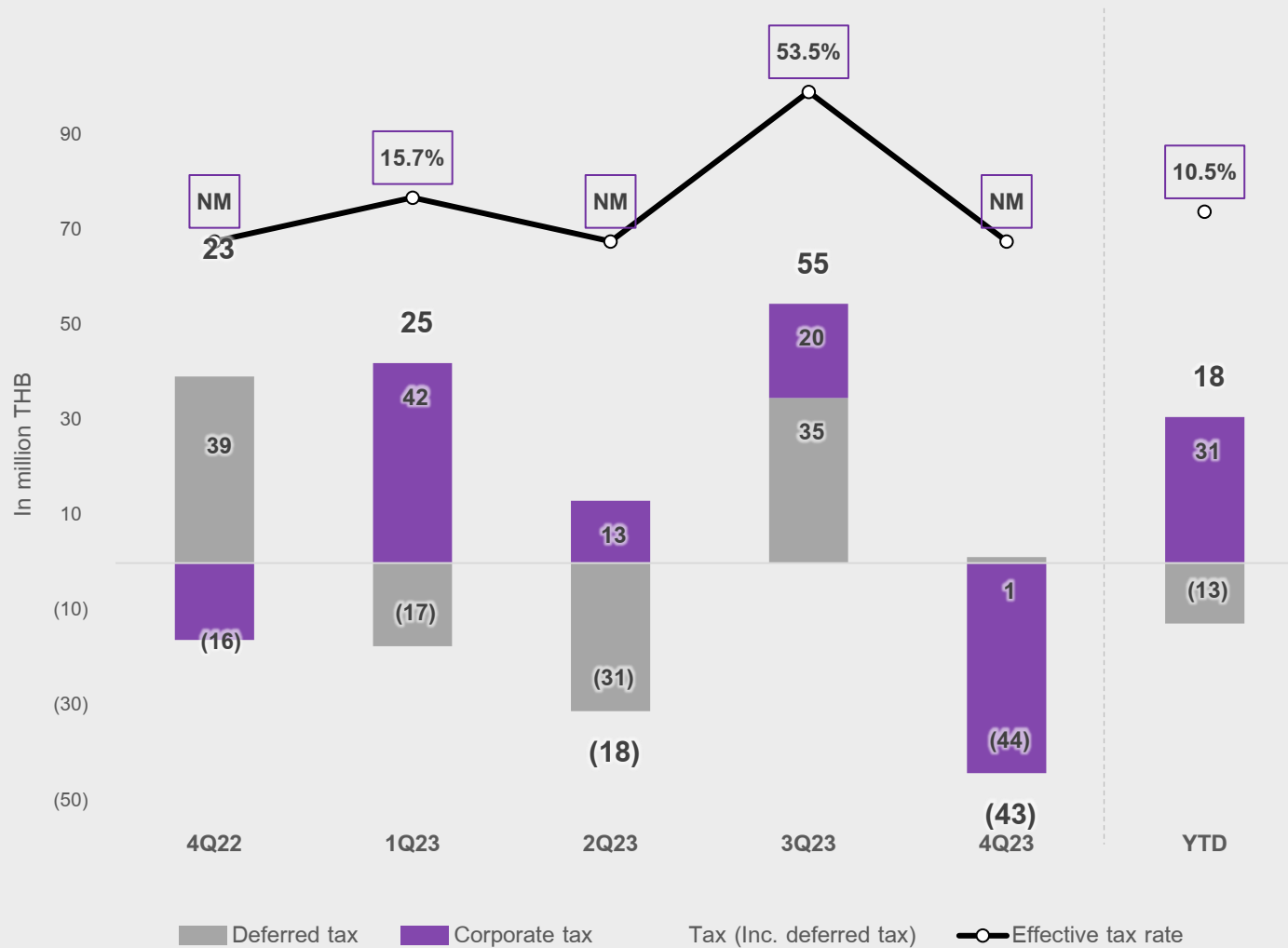
Loan under RAOT Subsidy Scheme



- RAOT subsidy scheme for the interest paid to the banks at the rate of 3% which will last till 2026.
- 78% of our long-term financing is term-loan under RAOT interest subsidy scheme.

Effective Tax Rate

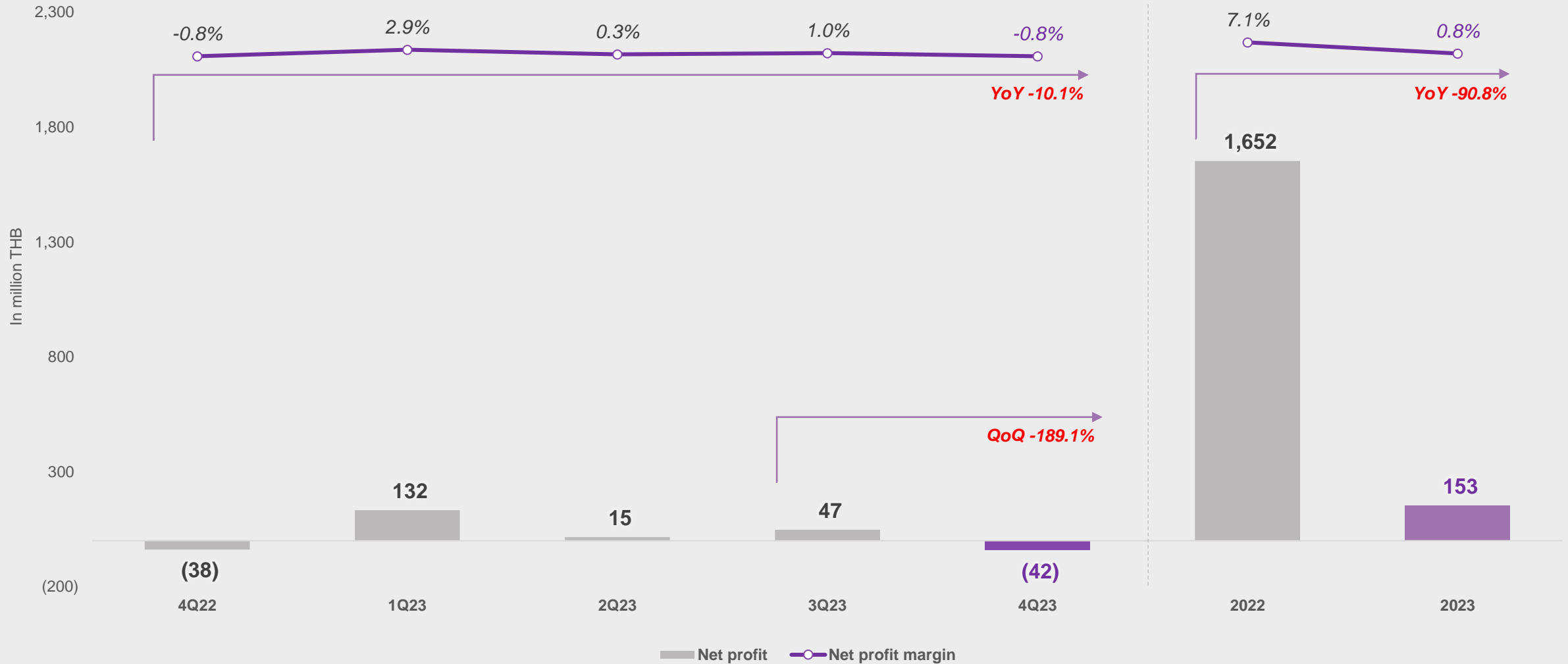
Effective Tax Rate 2023



- Effective tax rate was at 10.5% for 2023
- 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



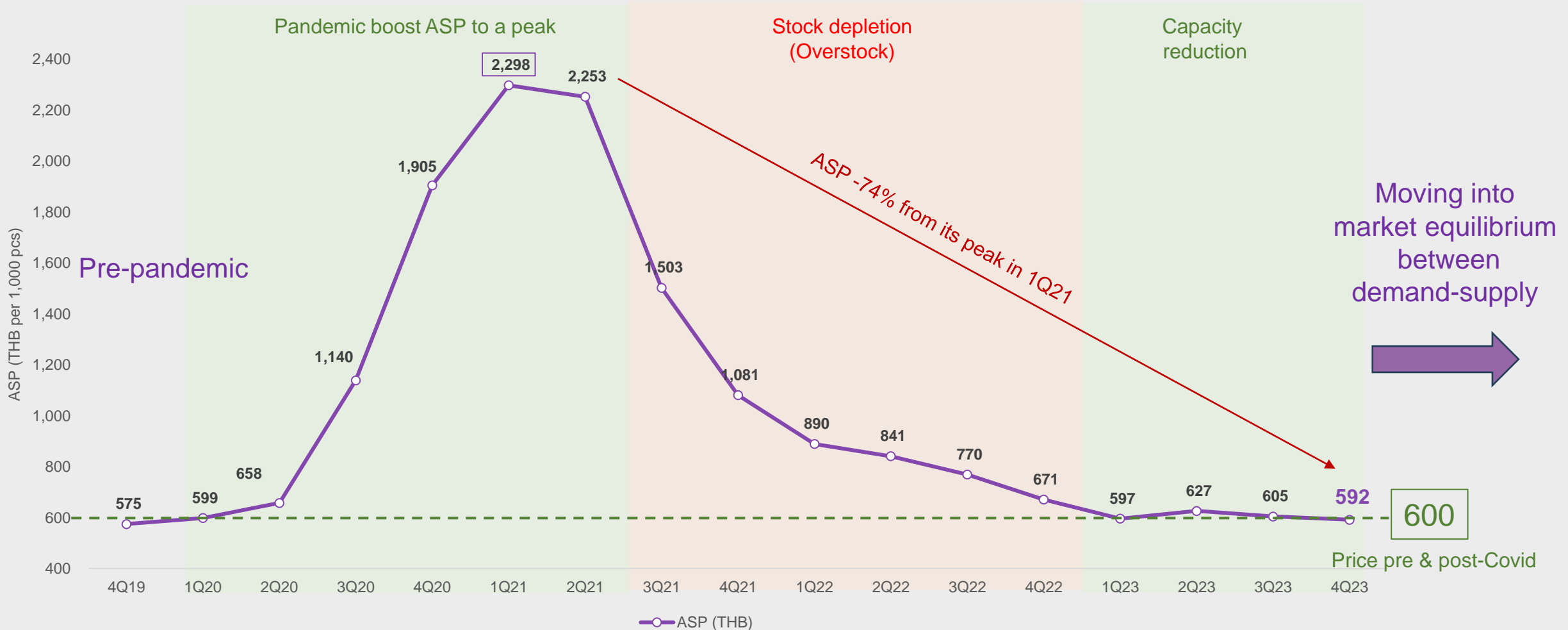


GLOVES

BUSINESS

Effect of Supply and Recovery from Covid-19

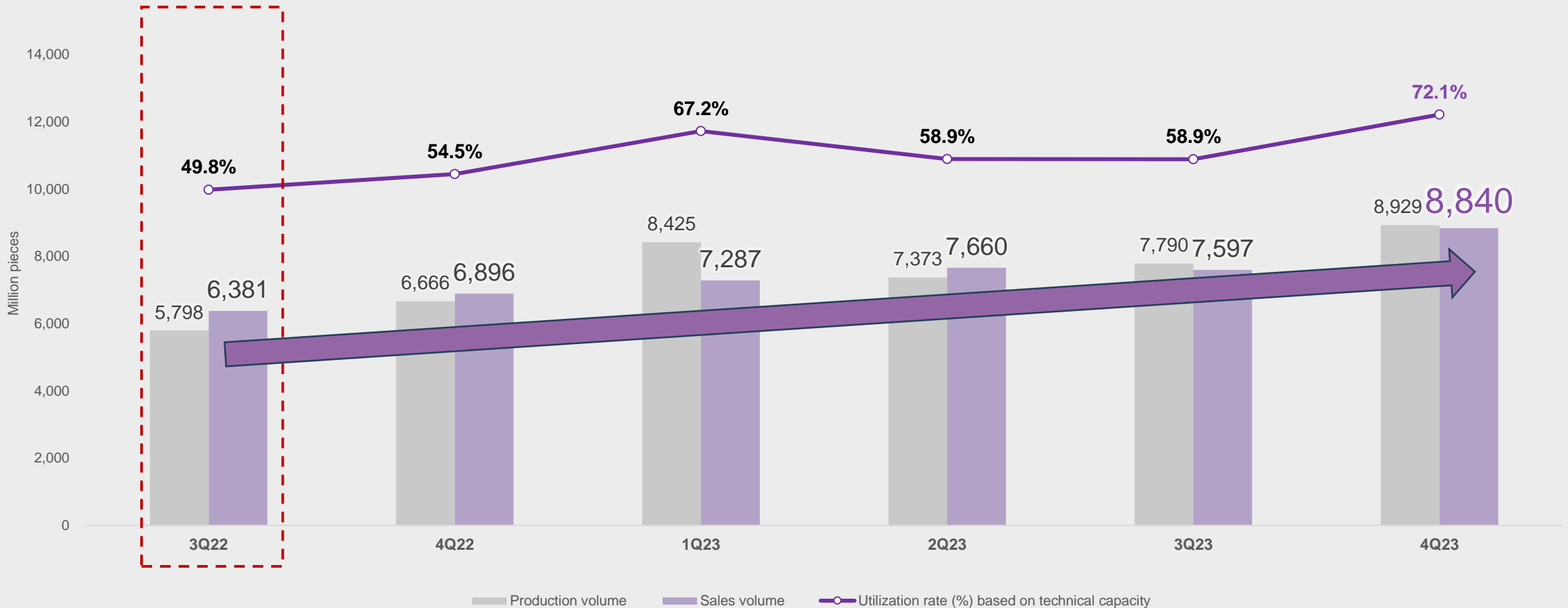
The imbalance of demand and supply during the recovery of Covid-19 resulted to price competition and the decline in ASP. Currently, market is moving into equilibrium.



Sign of Recovery

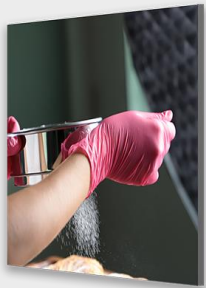
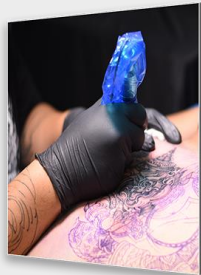
STGT's Production & Sales Volume

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



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

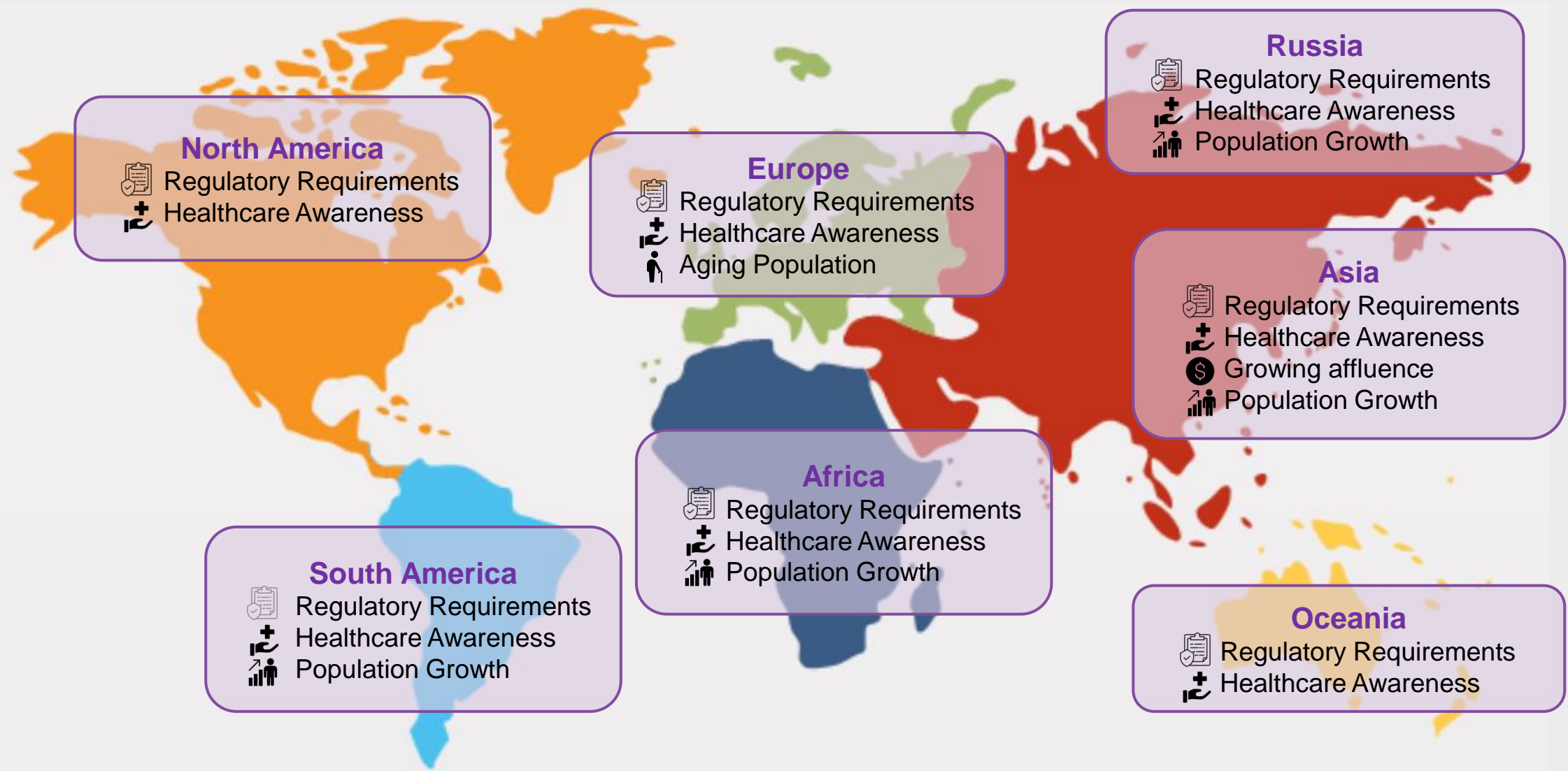
Services & Hospitality

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 2023, and **we expect to reach >190 countries in the next two years.** We have already set up subsidiaries in China, Vietnam, Singapore, Philippines, Indonesia and United State of America 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 moving into AI

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

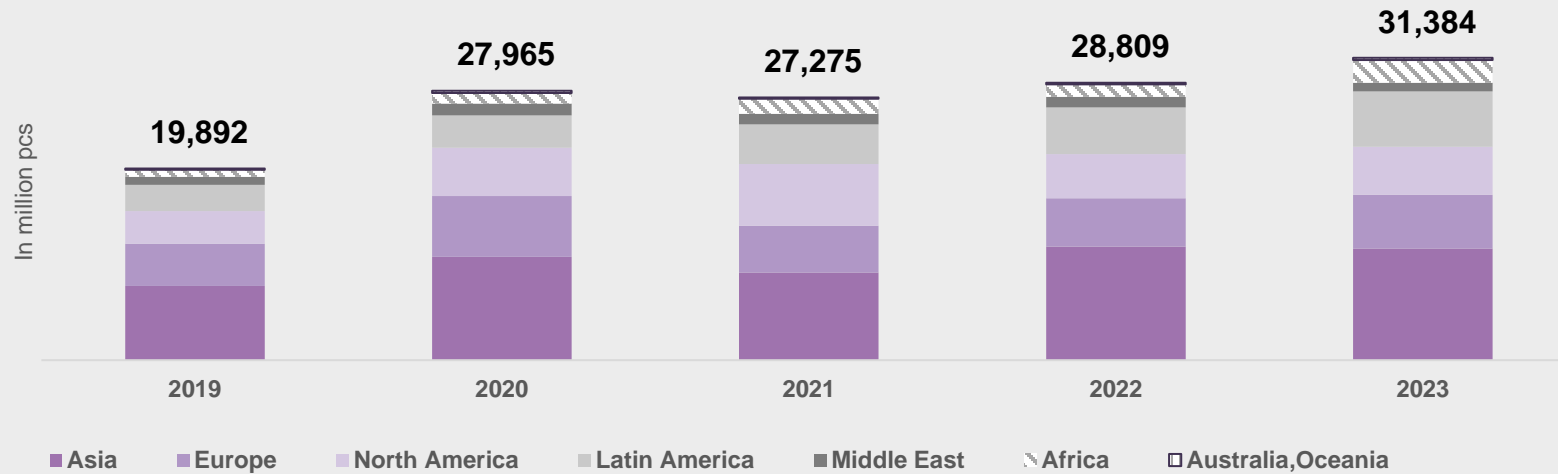


Sustainable Sourcing

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

STGT's Market Diversification

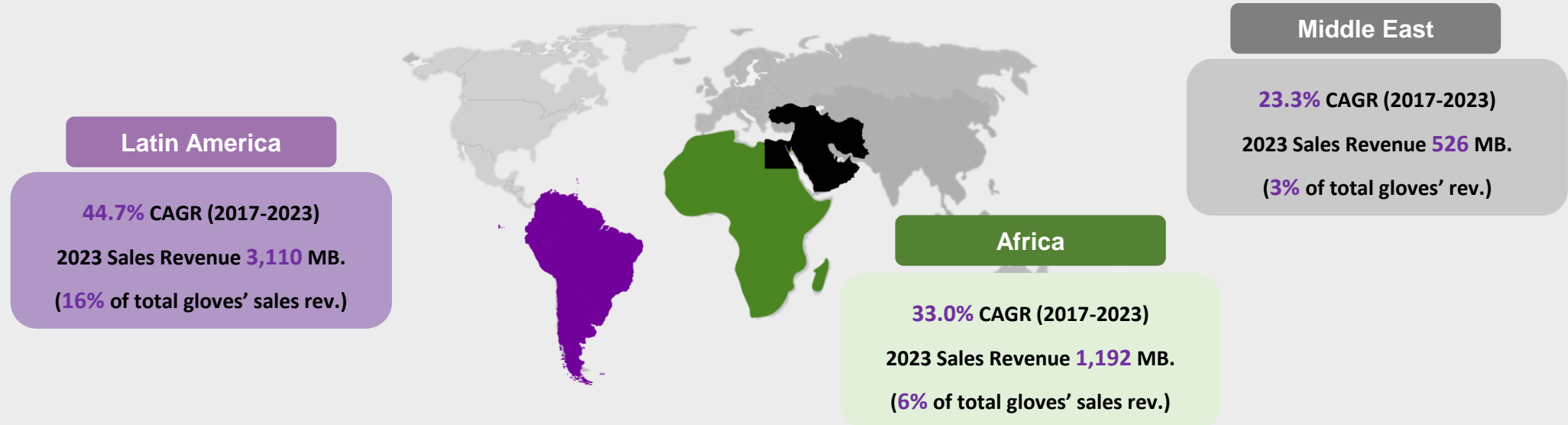
Gloves' Sales Volume by Region



4Q23:

- Sales volume still increased in most region especially Asia and Africa.

High Growth Region (Volume)

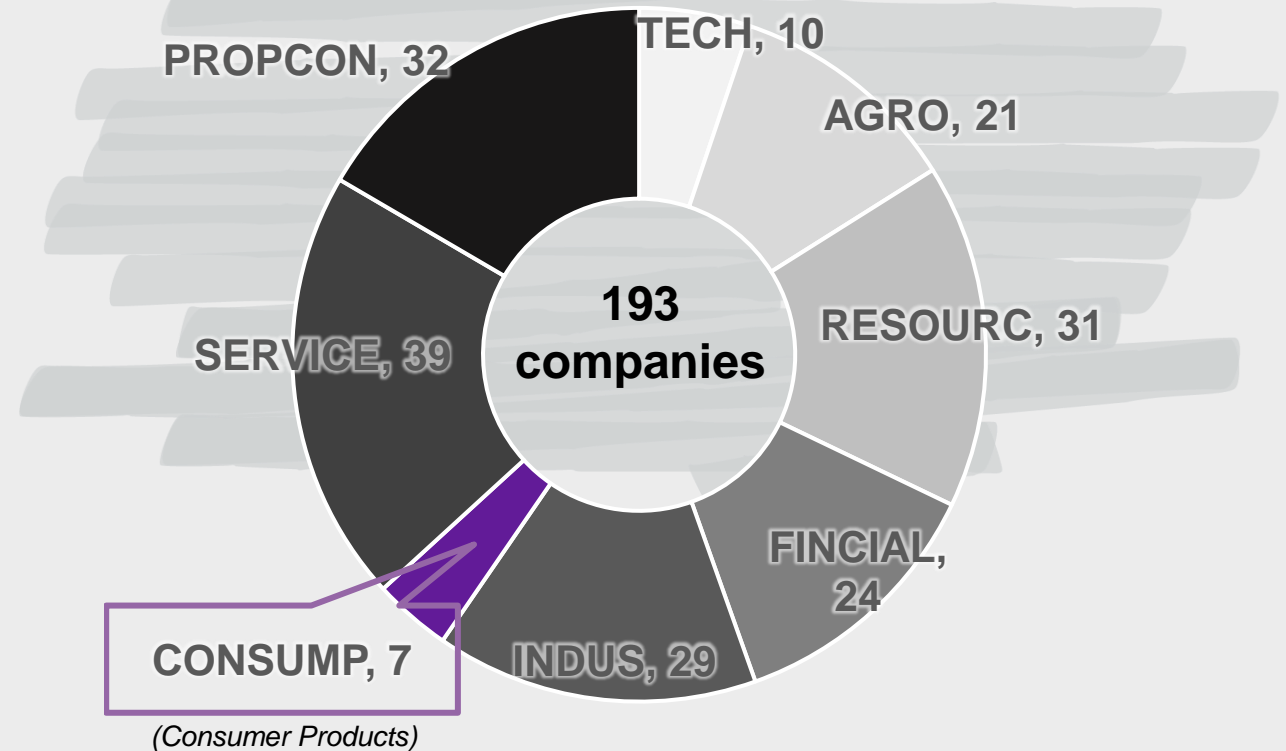


SET ESG Ratings “AAA”

“AAA” score 90-100



- **STGT received SET ESG Ratings “AAA” in 2023**
STGT is one of 193 listed companies that passed SET ESG Ratings and one of 34 listed companies that received “AAA” ratings which is the highest ratings.



STGT Sustainability Strategy



“CLEAN WORLD CLEAN GLOVES”

is our brand promise to give priority to the sustainability-minded operations and production of high-quality, environmentally friendly gloves.

Sustainable sourcing

Logistic management

Environmentally-friendly manufacturing

Human dignity and social responsibility

Clean optimization

Clean natural product

Sustainability for Supply Chain and Fair Trade



Human Rights



Animal Welfare



Responsibility & Sharing



Environmentally Friendly Technologies



- ✔ Reduce greenhouse gas emissions per product unit by 40% compared to base year 2021 by 2026
- ⊖ Carbon Neutral by 2030 and Net zero GHG emissions by 2050
- ⊖ Reduce electricity consumption per product unit by 10% from the base year 2019 by 2024.
- ⊖ Reduce water consumption per product unit by 10% compared to the base year 2019 by 2024.
- ✔ Reduce total waste per product unit by 20% from the base year 2019 by 2024.
- ⊖ Reduce the amount of nonhazardous waste from the production process that is disposed of in landfills to 0 by the year 2030.



- ✔ Training Hours Average 40 Hours/Person/Year
- ✔ The number of fatalities at work of employees and contractors is zero.
- ✔ The number of employees suffering from occupational diseases is zero.

RELATIONSHIP WITH 7 GROUP OF STAKEHOLDERS

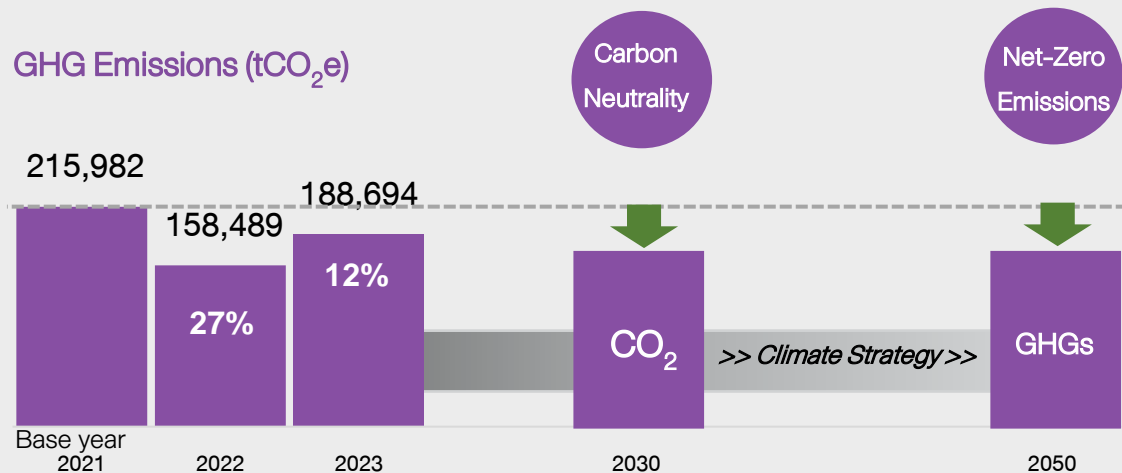
CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE AND CORPORATE SUSTAINABILITY POLICY

STGT's ESG Activities: Key Highlights

E

Climate Change Ambition Pathway (Scope 1 & 2)

GHG Emissions (tCO₂e)



Climate Strategy

Efficiency Improvement

Maximize energy efficiency in operations and reduce GHG from significant sources

- 100% Biomass Renewable Energy
- Energy Efficiency Improvement

Breakthrough Technology

Low-carbon technologies and fuels acquisition e.g., renewable energy projects

- Solar Rooftop
- Solar Floating
- EV Forklift
- EV Car

Carbon Offsetting & Absorption

Carbon credits from GHG emission reduction projects (e.g., renewable energy, Agriculture, Forestry) and carbon capture projects

- Carbon credit trading with STA Group through the T-VER project

S

Upcycling Wood Pallets Project (CSR-DIW Continuous) For the 3rd consecutive year



Breakfast for Younger Student (CSR-DIW Continuous 2023)



G & E

"Excellent" CG Scoring

Appraised by Thai institute of Directors



EUDR

To ensure the absence of deforestation in the supply chain of various agricultural products, including natural rubber, before entering the EU, it is crucial to focus on robust supply chain management and traceability measures.





Sustainability Certificates

Social

Environment



ISO 14001:2015
Environmental Management System



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



Thailand Greenhouse Gas Management Organization (TGO) (Standard T-VER)



ISO 45001:2018
Occupational Health & Safety Management



International Labour Organization

International Labour Organization Audit

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

Corrective Action Plan			TÜV Rheinland Precision Right
Facility	Applicable Standard	Audit number	Type of audit
Sri Trang Gloves (Thailand) Public Company Limited_Hat Yai Branch	ILO Indicators of Forced Labor	TH-6-2016-01	Initial full audit
Good examples			
Good example	Details of good example noted		Any relevant Evidence and Comments
No.1	The company makes effort to all migrant workers a.g. annual 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, first meet 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:		Title: Quality System Manager	
Auditor Signature:		Title: Lead auditor	

Governance



Environmental Good Governance
Sustainable Business Certificate From Thai Ministry of Industry



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



Forest Stewardship Council™

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



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

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 by indicating the signature.		
A. Site Representative Signature:	Sri Trang Sri Trang Uthairat	Title: Quality System Manager Date: 21 July 2022
B. Auditor Signature:	Anurisee Tassasongkri Anurisee	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. I dispute the following numbered non-compliances:		
NB		
E. Signed:	Sri Trang Uthairat Sri Trang	Title: Quality System Manager Date: 21 July 2022
F. Any other site Comments:		
NB		



SET ESG Rating 2023 (AAA)



THAI FDA Quality Award
The Food and Drug Administration's Quality Award (Outstanding Medical Device Enterprise) 2023



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	STGT-CP
A	A	A	A	A
GRADE	GRADE	GRADE	GRADE	GRADE

	A	B	C	D	E	None
Section rating						
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



Sustainability CERTIFICATES & Awards Highlight

Awards



Highly Commended Sustainability Excellence
SET Award 2023

12 TIMES WINNER Thailand FDA Quality Award



Business Partner Award
(Gold Award, Sustainability Award)
2023



Sustainability Disclosure Award
2022-2023



Sustainability Disclosure recognition
2021



CSR-DIW Award
2020-2023



CSR-DIW Continuous Award
2017-2023



Disability Employment Award
2017-2023



Sustainability Award for the Disability
2022



Outstanding Social Activity Award
2020



Green Industry Award (Level 4)
2021-2022



Environmental Governance Award
2019



Gold level plaque of honor waste water management
2019

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 annual dividend payments for the year 2023.



Record Date	Declaration Date	Payable Date	Amount [Baht per Share]	% of PAT*
2023				
Apr 19, 2024	Feb 16, 2023	May 8, 2024	0.50	NM [YE23]
2022				
Apr 20, 2023	Feb 17, 2023	May 8, 2023	0.25	} 147% [YE22]
Aug 24, 2022	Aug 10, 2022	Sep 7, 2022	0.50	
2021				
Apr 20, 2022	Feb 17, 2022	May 5, 2022	0.65	} 55% [YE21]
Nov 22, 2021	Nov 8, 2021	Dec 7, 2021	1.25	
Aug 24, 2021	Aug 10, 2021	Sep 7, 2021	1.25	
May 27, 2021	May 12, 2021	Jun 10, 2021	1.50	
Apr 16, 2021	Feb 16, 2021	Apr 28, 2021	2.00	
2020				
Nov 30, 2020	Nov 13, 2020	Dec 09, 2020	0.625	} 55% [YE20]





SRITRANGTM
GLOVES

Thank you very much



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