SRITRANG GLOVES THAILAND

Touch Of Life™



SET The Stock Exchange of Thailand | SGX | MSCI | FTSE SET50 Index | ESG100 2021 Environmental • Social • Governance

STGT

Company Presentation I 2Q21

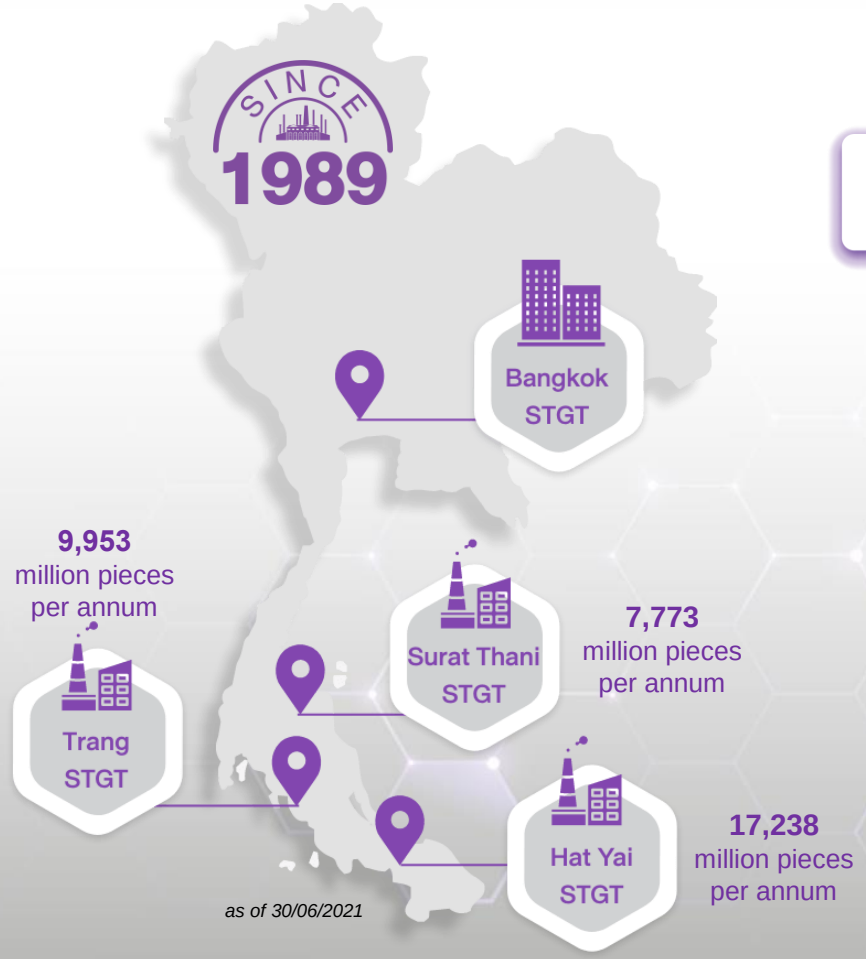
10 August 2021



COMPANY
OVERVIEW

STGT At Glance 2Q/2021

STGT's total installed capacity approx. 35,000 million pieces per annum is considered world's top 5 rubber gloves manufacturer



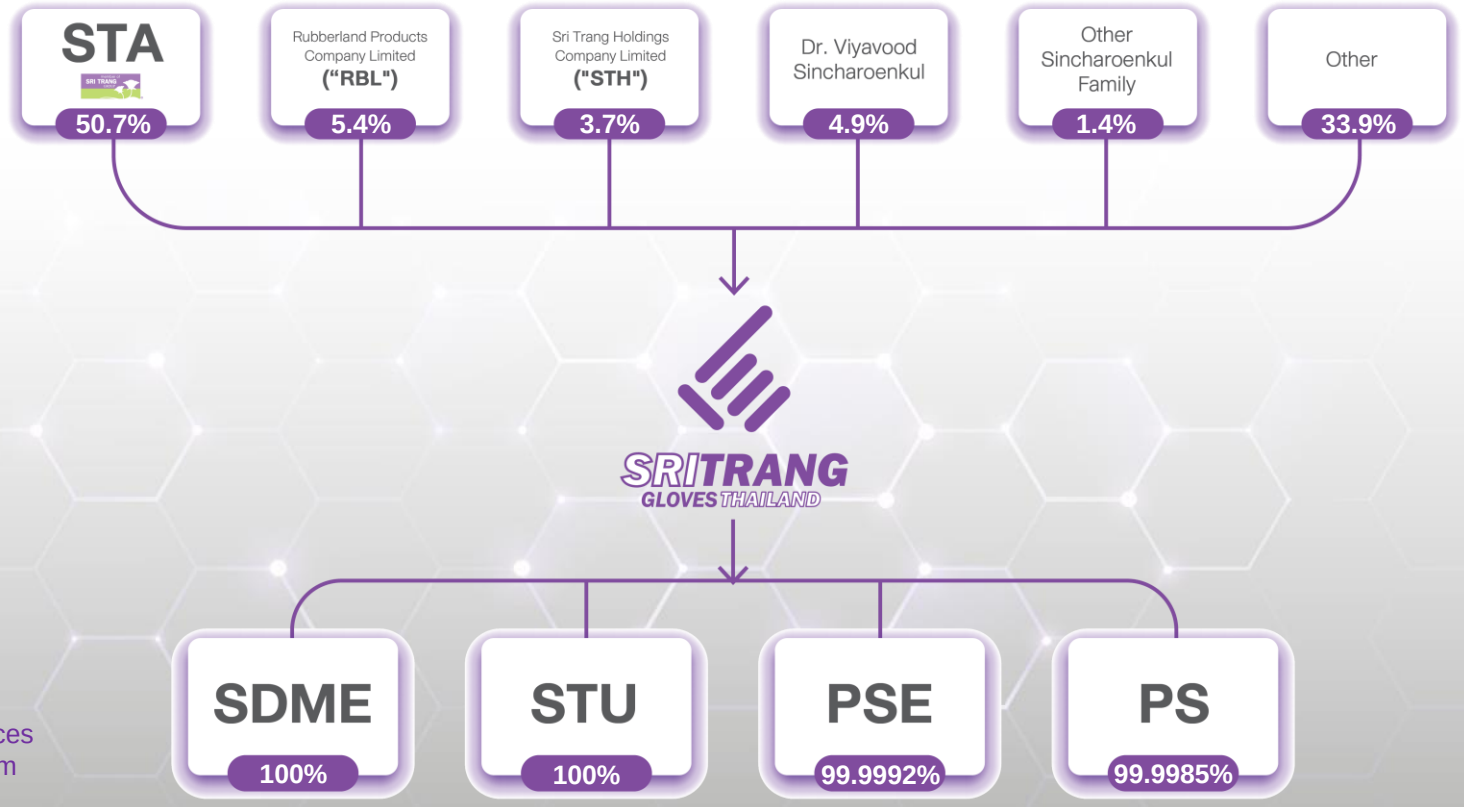
9,953 million pieces per annum

7,773 million pieces per annum

17,238 million pieces per annum

as of 30/06/2021

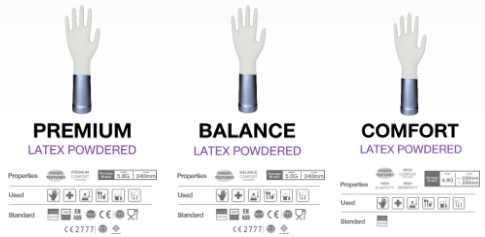
Group Structure



as of 27/04/2021

STGT's Products

LATEX POWDERED: NRPD



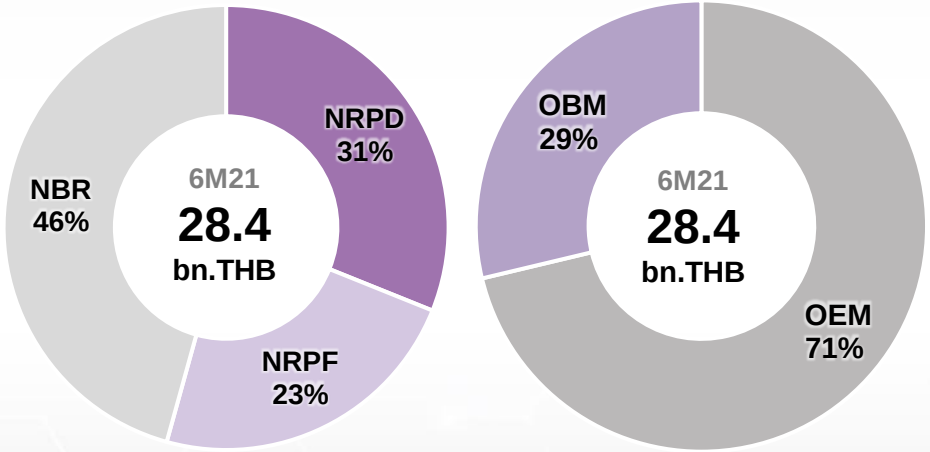
LATEX POWDER-FREE: NRPF



NITRILE: NBR



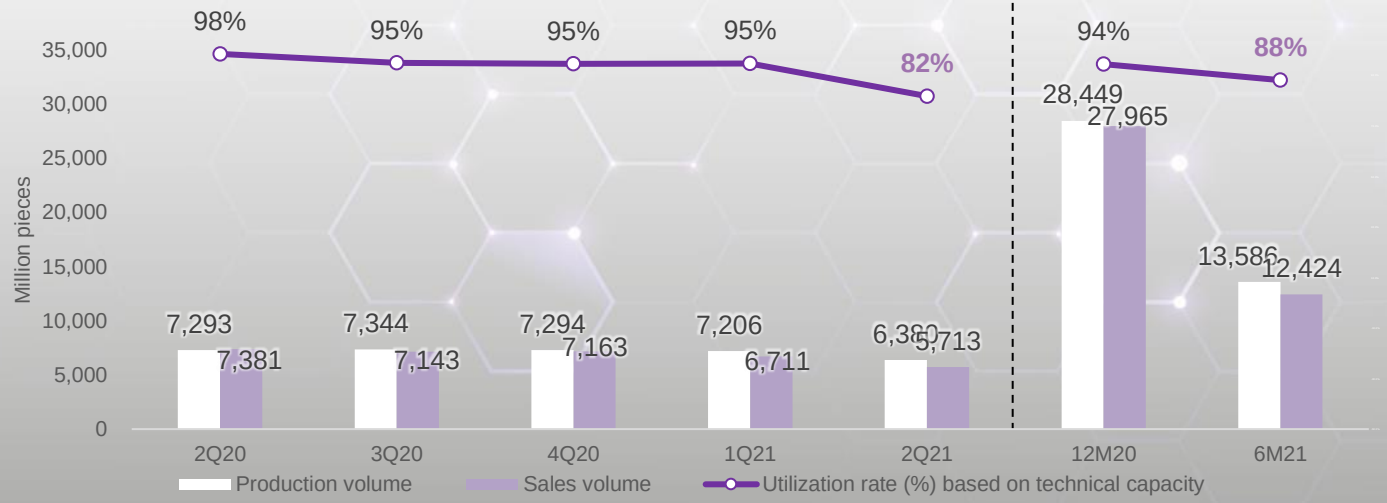
STGT's Product Mix by Gloves Sales



*Non-glove sales revenue is excluded of THB 11.6 billion.

6-month data as of 30/06/2021

Sales Volume & Production



STGT's Brands

SRITRANG GLOVES · SRITRANG SATORY · I'M GLOVE · FINNX · Super Care · Super Gard · Sriex · GLOVES · Ventyv™ · POLYMED · WELLGUARD · 施睿康 · SRITECH

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.

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.

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.

6. Interest subsidy

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

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.

Advantage from High Barrier to Entry



Capital-Intensive Business in Nature

- Glove business requires significant upfront investments in high technology machinery as well as well-equipped production plant

Time-Consuming Construction of Production Facilities

- With its production complexity, a conventional period of construction of 18-24 months required for glove manufacturing

Licensing Requirements

- As a medical related products, prior approval from FDA or other relevant regulatory bodies are required to export and market rubber examination gloves into any countries
- The average time required for approval varies from country to country, yet usually longer than 6 months

Incumbent's Advantages due to Learning Curve and Superior Production Process

- Over three decade in glove industry and our switchable production facilities enables us to be flexible in responding to any change of market demand

FINANCIAL
HIGHLIGHT



STGT's Financial Highlights



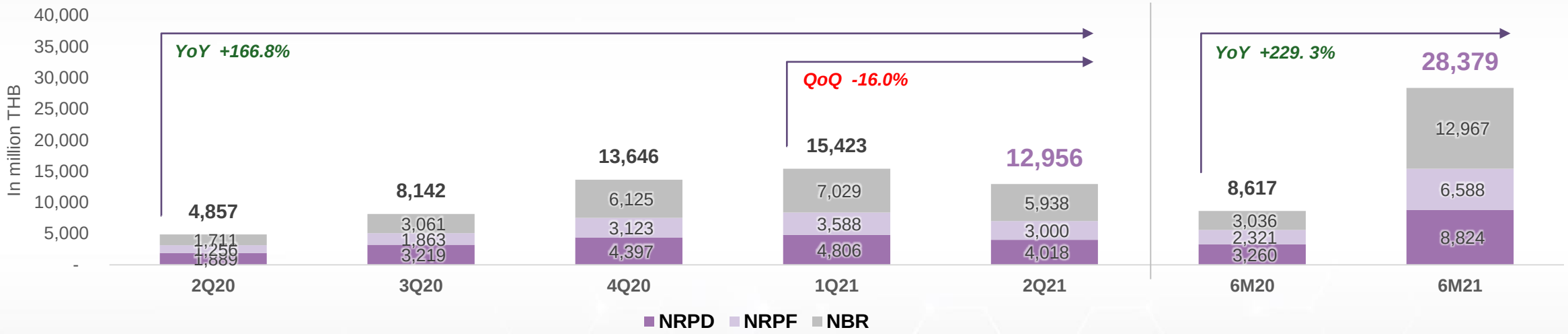
- **High Profitability Margin**
  comparing to peers
- **Economy of Scale & Cost Leverage**
  from new capacity and scalable production from all sites
- **Sales Volume Lower than Expected**
  due to the COVID-19 cases in our factories and the containers & ocean vessel space shortage
- **New Capacity**
  to capture solid demand much sooner than planned
- **Continued dividend payment**
  - 1.25 THB per share on September 2021
  - Not less than 1.25 THB per share on December 2021

2Q21 Financial Highlights

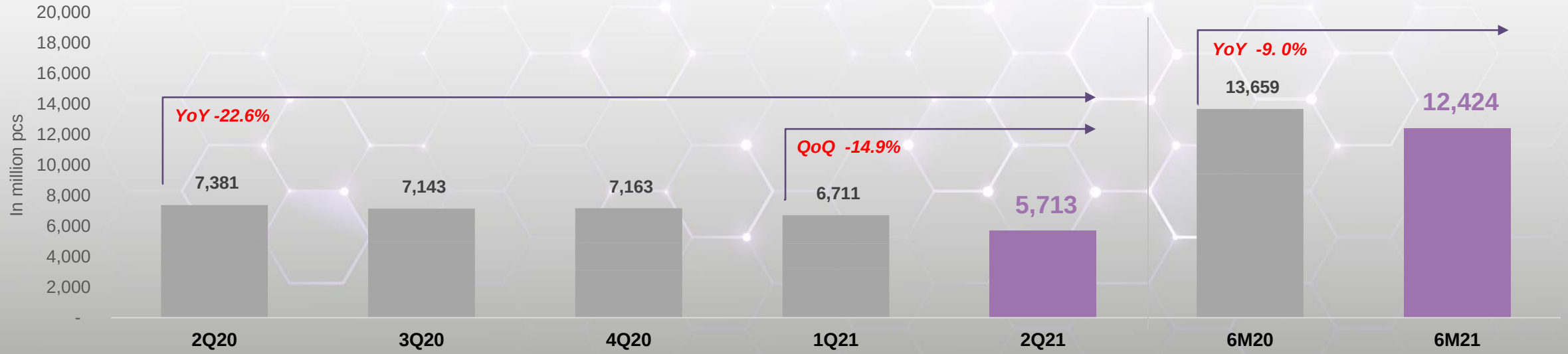
(In million THB)	2Q21	1Q21	%QoQ	Restate 2Q20	%YoY	6M21	Restate 6M20	%YoY
Volume (in million pcs.)	5,713.5	6,710.9	-14.9%	7,380.6	-22.6%	12,424.4	13,658.5	-9.0%
Sales revenue	12,967.7	15,433.7	-16.0%	4,899.7	164.7%	28,401.4	8,674.9	227.4%
COGS	(4,317.2)	(4,013.2)	7.6%	(3,467.8)	24.5%	(8,330.4)	(6,512.0)	27.9%
Gross profit	**8,650.4**	**11,420.5**	**-24.3%**	**1,431.9**	**504.1%**	**20,070.9**	**2,162.9**	**828.0%**
Other income	39.9	42.9	-7.0%	27.7	43.7%	82.7	45.6	81.6%
SG&A	(471.9)	(447.5)	5.4%	(249.2)	89.3%	(919.4)	(476.6)	92.9%
Gain (loss) on exchange rate, net	133.8	273.1	-51.0%	(76.7)	-274.4%	406.9	32.3	1158.4%
Other gains, net	(215.7)	(491.2)	-56.1%	85.7	-351.8%	(706.9)	(45.7)	1448.2%
Operating profit (loss)	**8,136.5**	**10,797.7**	**-24.6%**	**1,219.4**	**567.3%**	**18,934.2**	**1,718.5**	**1001.8%**
EBITDA	8,468.0	11,115.3	-23.8%	1,482.0	471.4%	19,583.3	2,210.1	786.1%
EBIT	8,164.9	10,821.0	-24.5%	1,219.4	569.6%	18,985.9	1,718.5	1004.8%
Finance income	28.4	23.3	21.7%	1.3	2089.1%	51.7	1.5	3430.0%
Finance costs	(31.5)	(32.2)	-2.4%	(38.6)	-18.4%	(63.7)	(77.6)	-17.9%
EBT	8,133.4	10,788.8	-24.6%	1,182.1	588.0%	18,922.2	1,642.4	1052.1%
Tax	(853.3)	(737.2)	15.8%	(127.7)	568.0%	(1,590.5)	(159.4)	897.9%
Net profit	**7,280.1**	**10,051.6**	**-27.6%**	**1,054.4**	**590.5%**	**17,331.7**	**1,483.0**	**1068.7%**
GP margin	66.7%	74.0%	-7.3%	29.2%	37.5%	70.7%	24.9%	45.7%
EBITDA margin	65.3%	72.0%	-6.7%	226.9%	-161.6%	69.0%	25.5%	43.5%
Net profit margin	56.1%	65.1%	-9.0%	21.5%	34.6%	61.0%	17.1%	43.9%
Financial Ratio								
Current ratio	5.74	5.82	-1.3%	6.01	-4.5%	5.74	6.01	-4.5%
Cash cycle (days)	58.60	41.82	40.1%	26.58	120.5%	38.91	31.58	23.2%
IBD/E	0.21	0.16	34.8%	0.21	-0.5%	0.21	0.21	-0.5%
Interest coverage ratio	259.53	335.78	-22.7%	280.55	-7.5%	298.11	22.16	1245.6%
ROA	54.9%	74.2%	-19.4%	15.2%	39.6%	65.7%	10.7%	55.0%
ROE	74.6%	97.4%	-22.8%	20.3%	54.2%	89.3%	14.3%	75.0%

Sales Revenue

Sales Revenue and Sales Growth

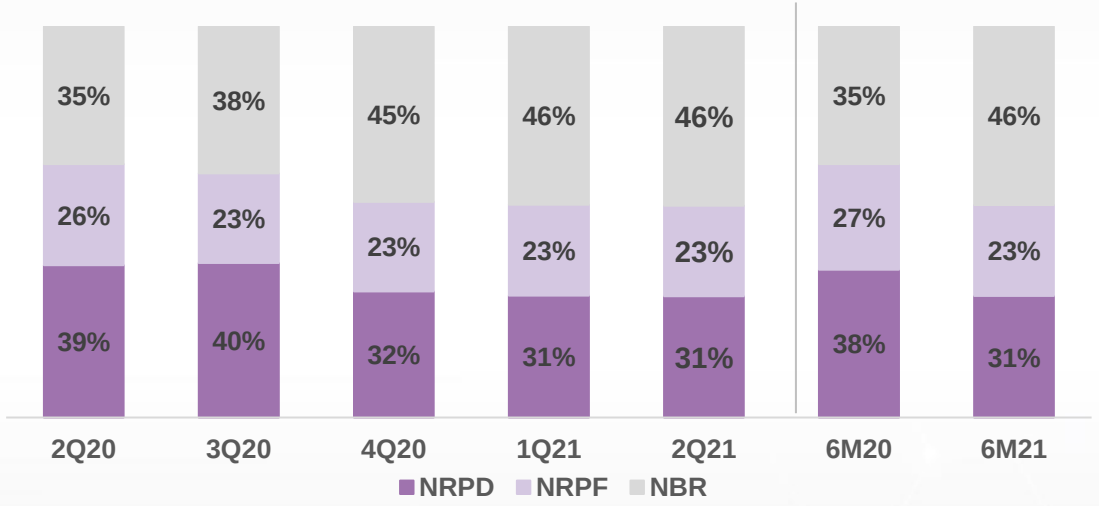


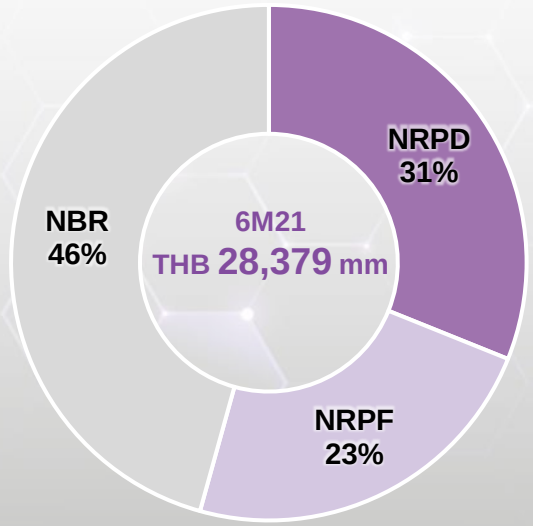
Sales Volume and Volume Growth



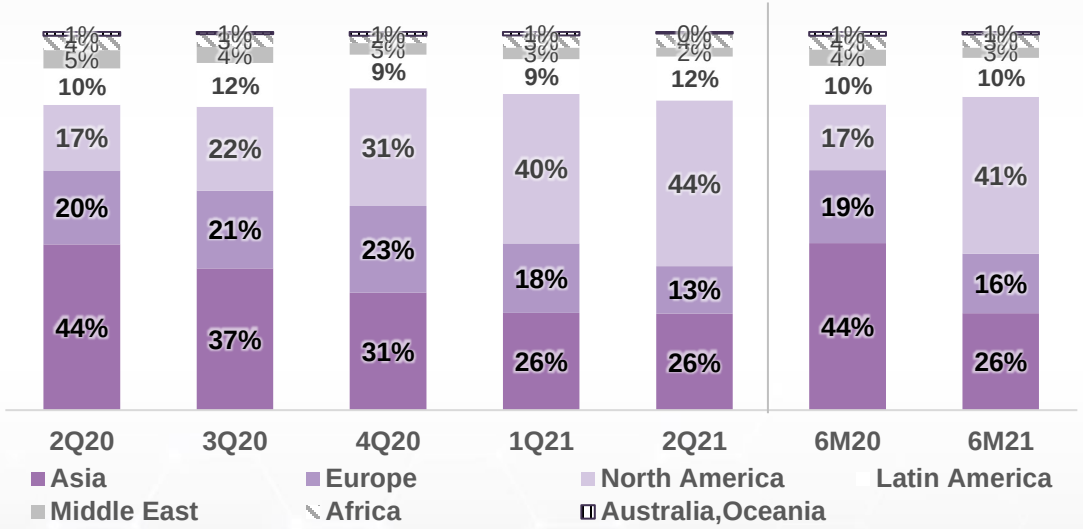
Gloves' Sales Revenue Breakdown

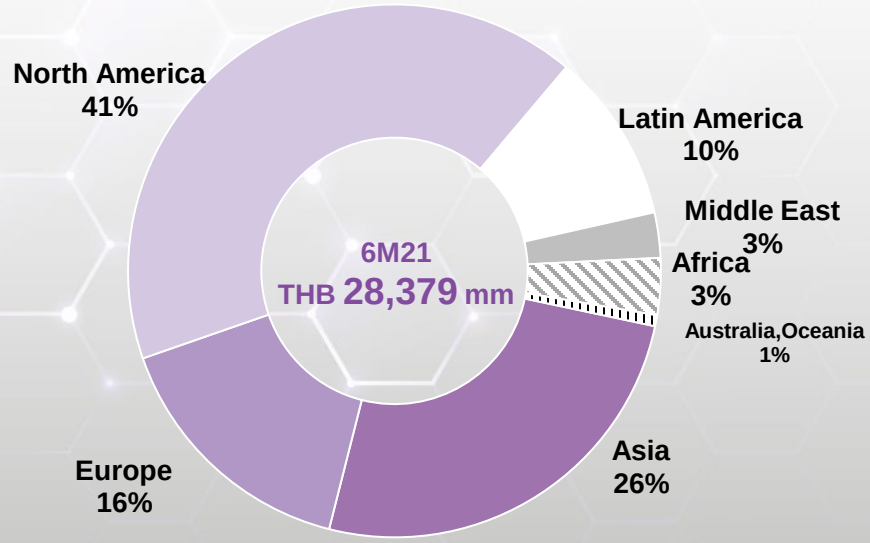
Sales Revenue by Products





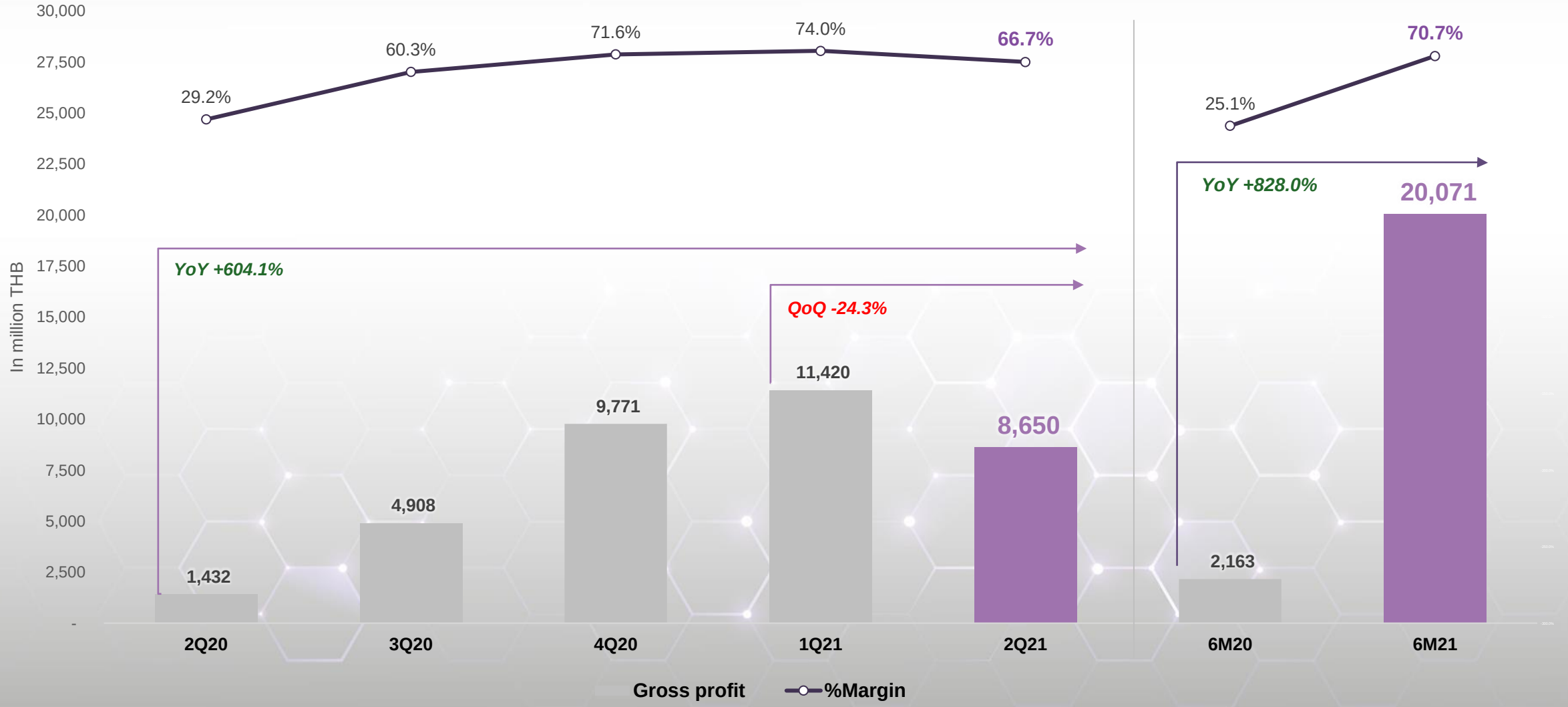
Sales Revenue by Geography





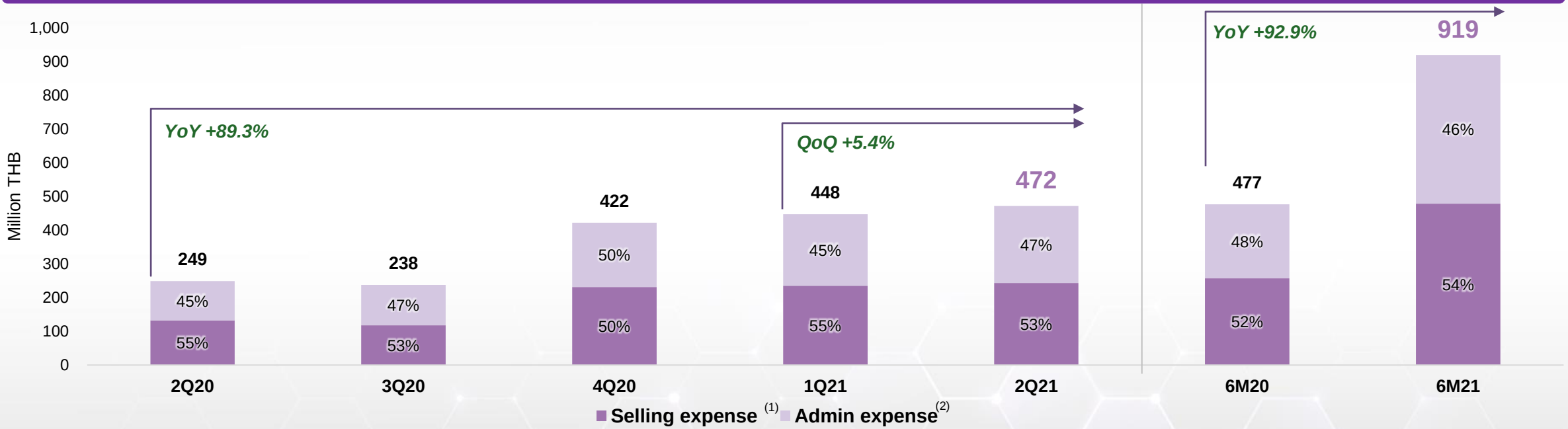
High Gross Profit Margin

Gross Profit and Gross Profit Margin

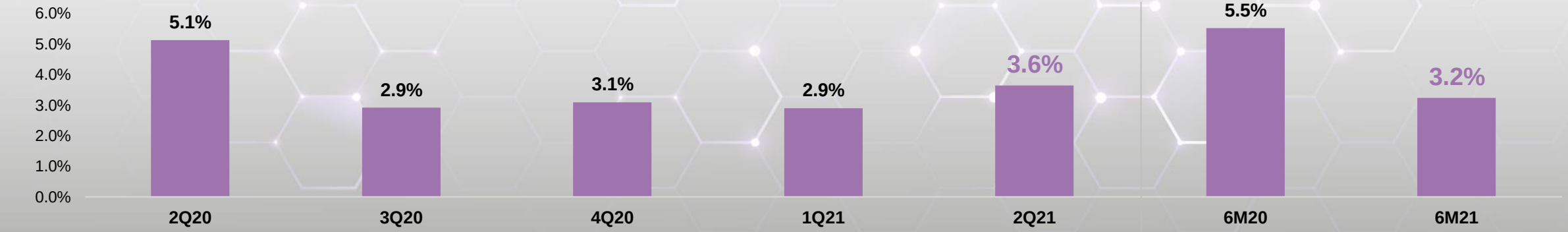


Streamlining in SG&A to Sales

SG&A Breakdown



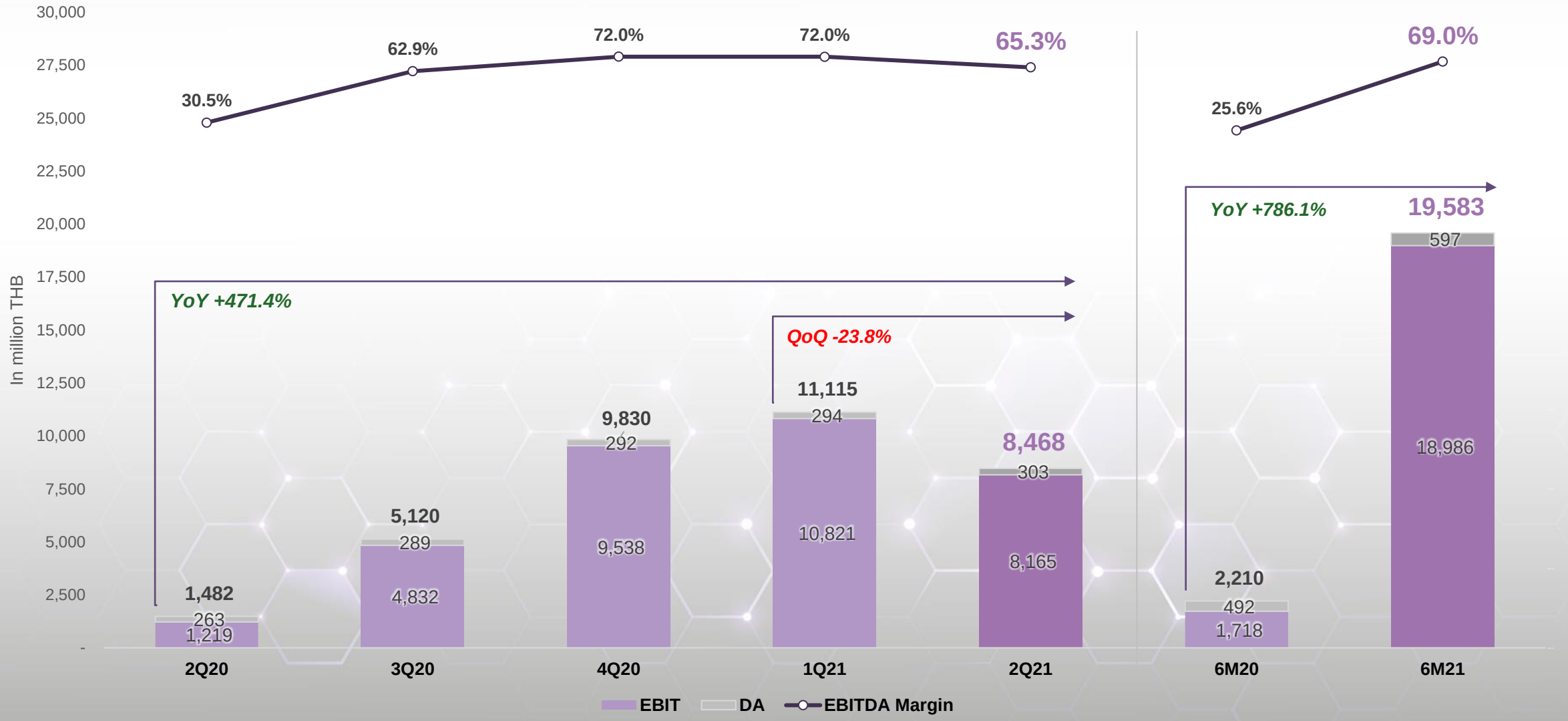
SG&A/Sales



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

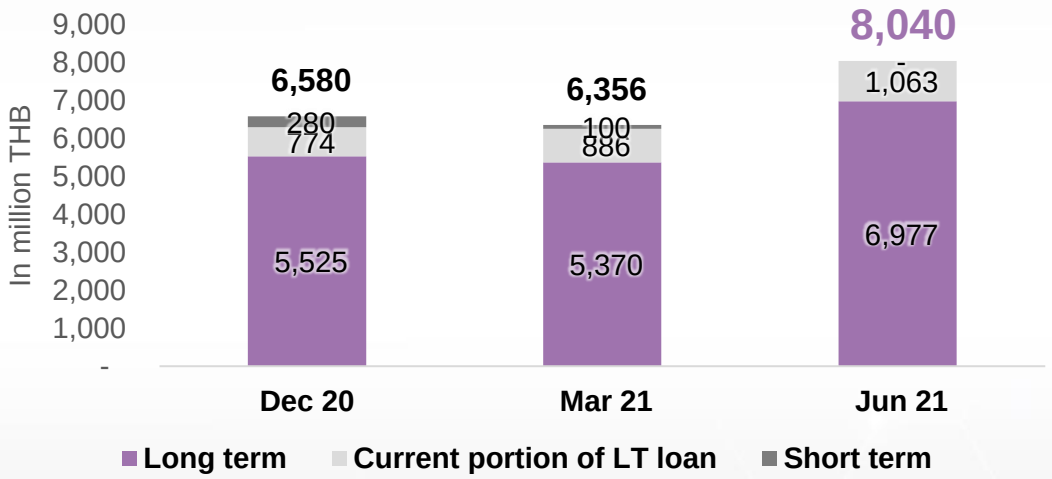
Healthy EBITDA

EBITDA and EBITDA Margin

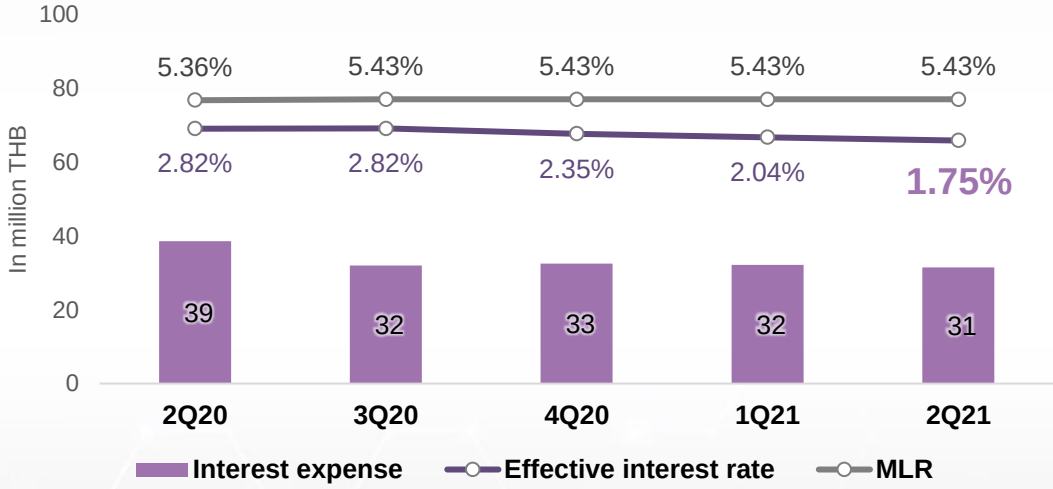


Low Interest Expenses

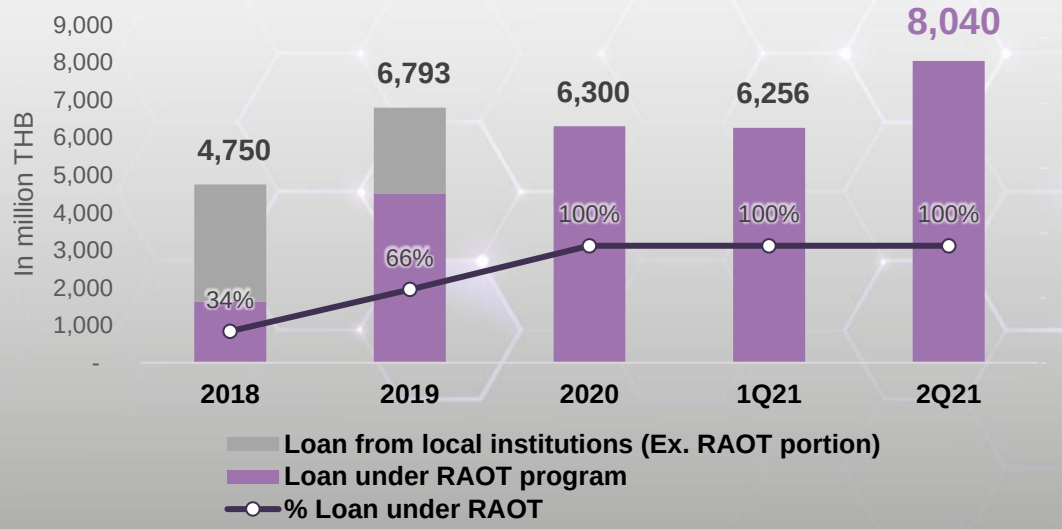
Short Term & Long-Term Loan



Interest Expense



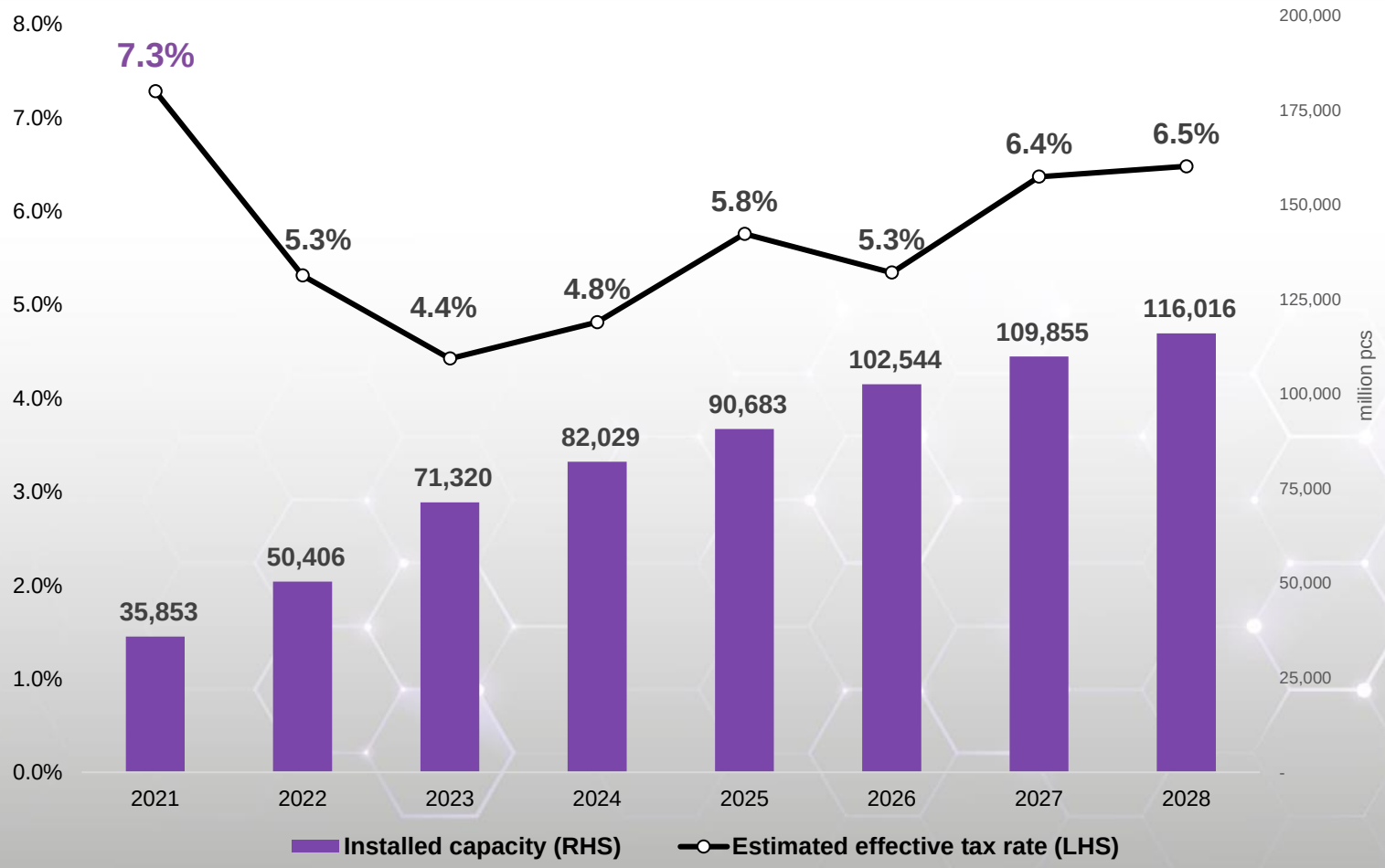
Loan under RAOT Subsidy Scheme



- **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**
- **ROAT interest refund is made on annual basis, usually in 3Q-4Q**

Estimated Effective Tax Rate

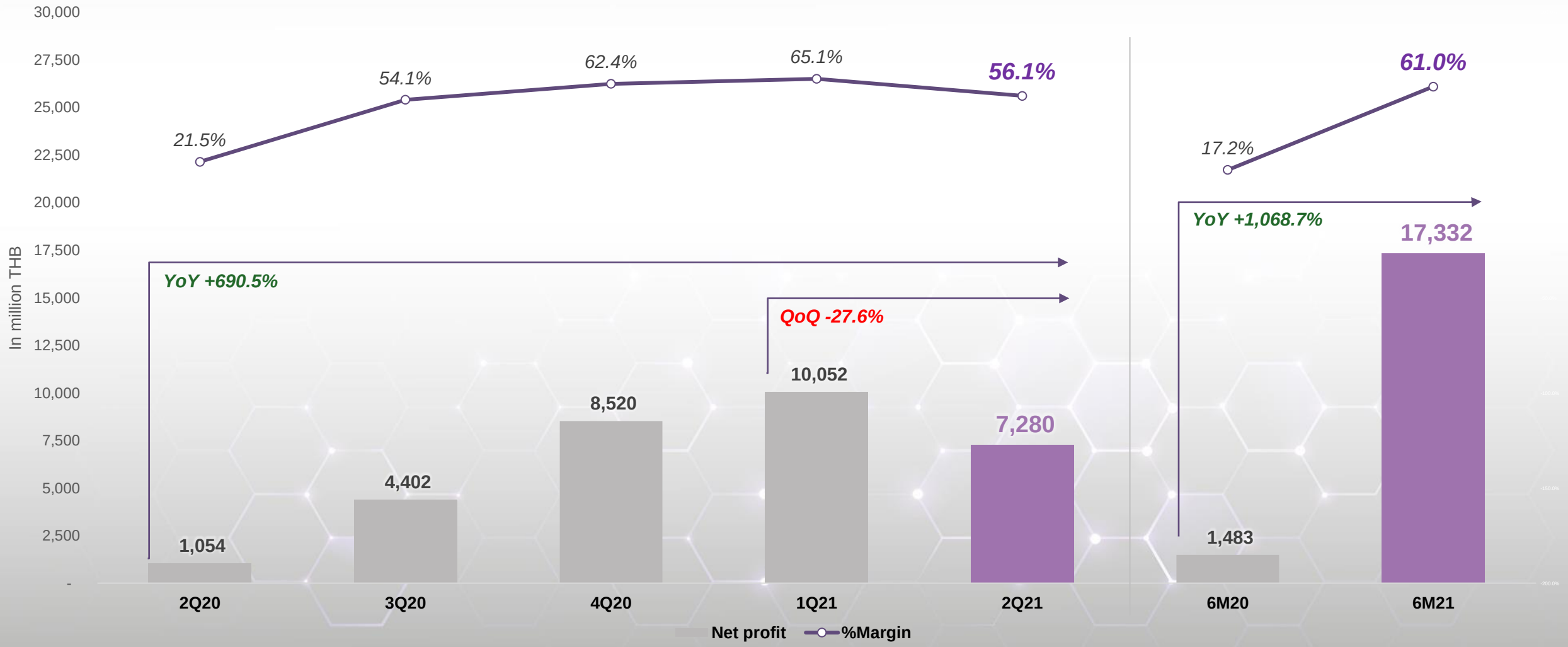
Estimated Effective Tax Rate 2021 - 2026



- **Effective tax rate was 10.5% in 2Q21 due to the temporary stoppage of BOI-tax incentive facilities.**
  (In 6M21, the effective tax rate was 9.7%.)
- **With new committed investment in the future, our effective tax rate will remain at single digit for the next 5-8 years.**
- **Thanks to tax heaven scheme from the Board of Investment in Thailand (BOI) for the 5-8 years tax free for new investment.**

High Profitability Margin Comparing to Peers

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 2021.

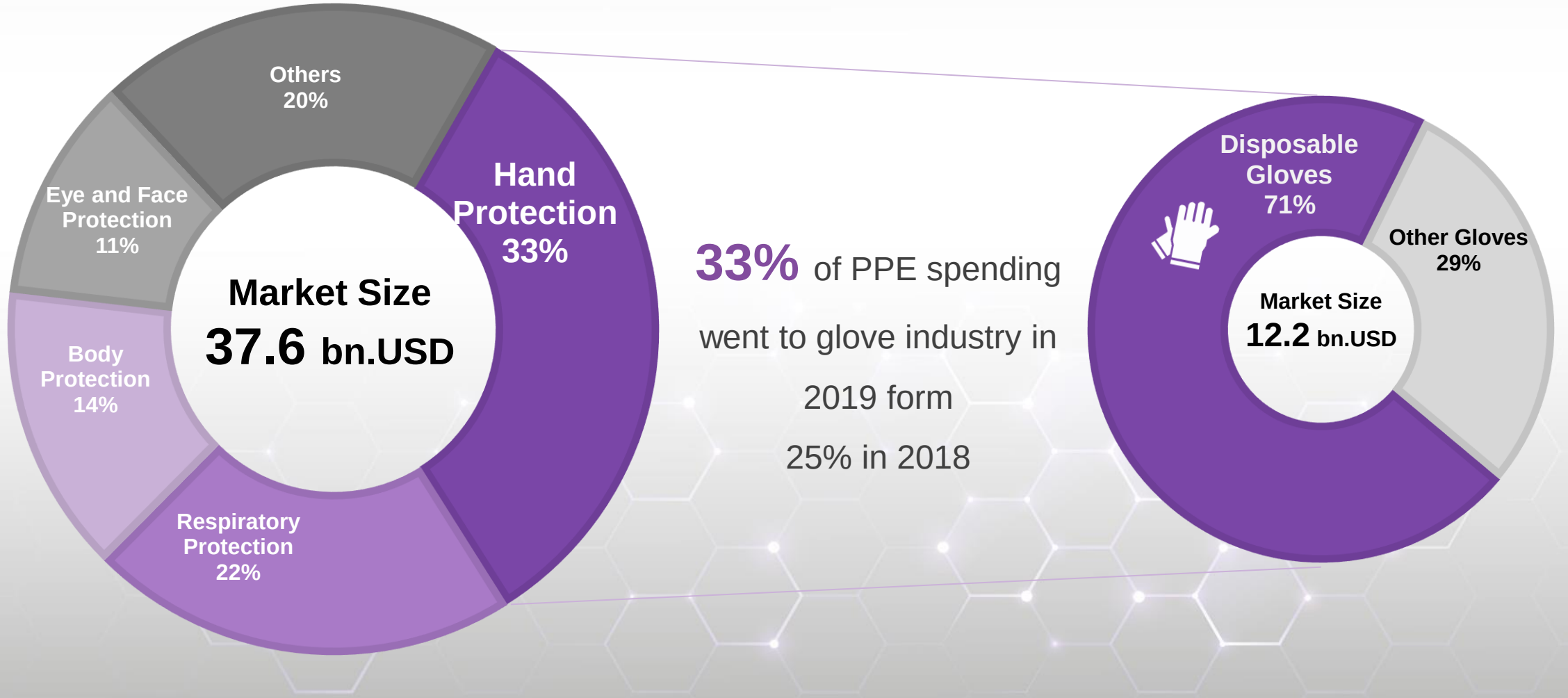


Record Date	Declaration Date	Payable Date	Amount [Baht per Share]
2021			
To be confirmed	***To be confirmed***	***December 2021***	***Not less than 1.25***
Aug 24, 2021	***Aug 10, 2021***	***Sep 7, 2021***	***1.25***
May 27, 2021	May 12, 2021	Jun 10, 2021	1.500
Apr 16, 2021	Feb 16, 2021	Apr 28, 2021	2.000
2020			
Nov 30, 2020	Nov 13, 2020	Dec 09, 2020	0.625



GLOVES
BUSINESS

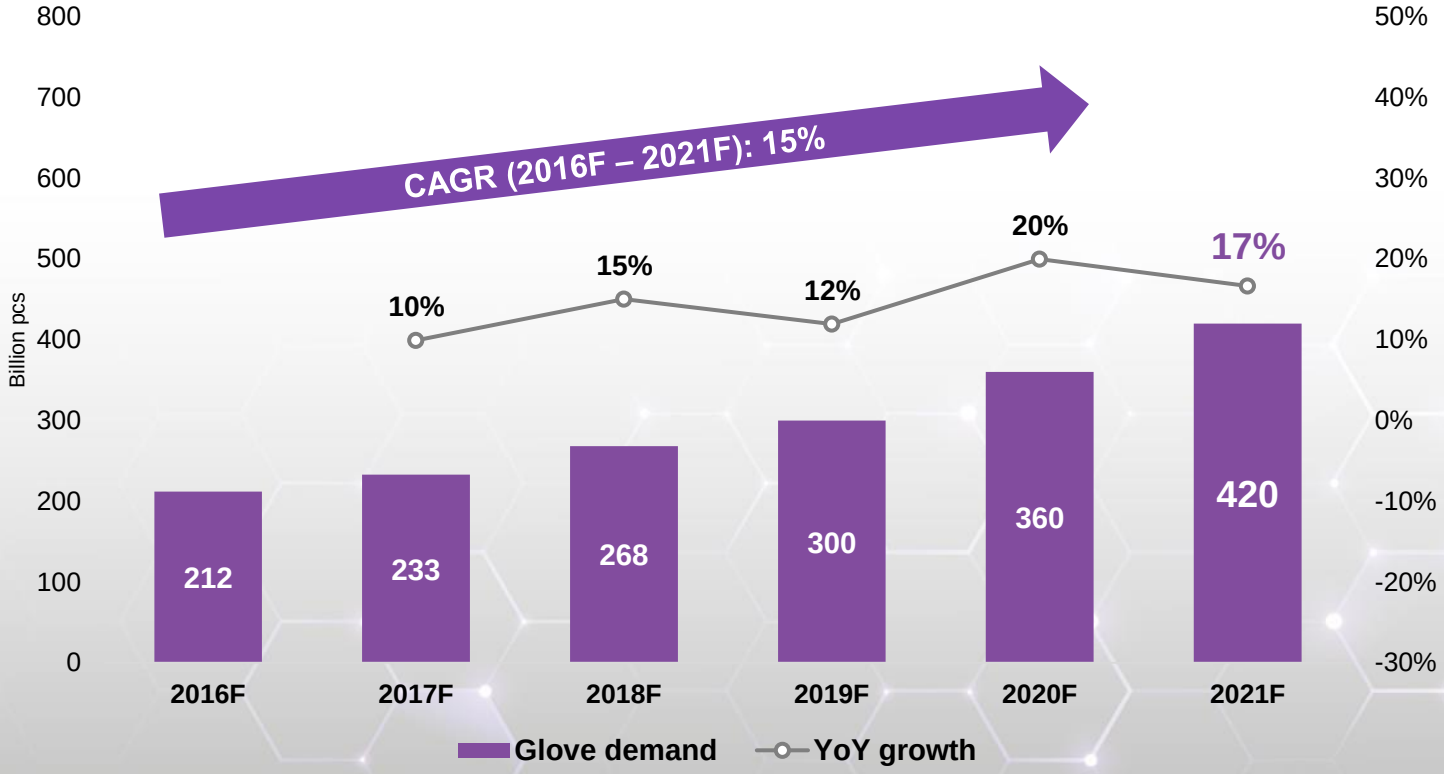
Global PPE Market by Product in 2019



Source: Frost & Sullivan Glove Industry Report 2021

Double Digit Growth
for Long-Term Global Glove Demand

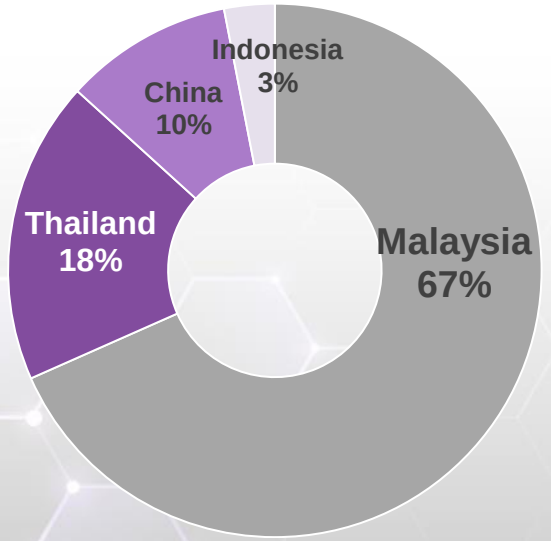
Forecasted Global Rubber Glove Demand during 2016 - 2021



Global Market Share

Estimation for 2021

Source: MARGMA



Source: MARGMA, STGT forecast and 2020 HIDA Research & Analyst Market Report

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

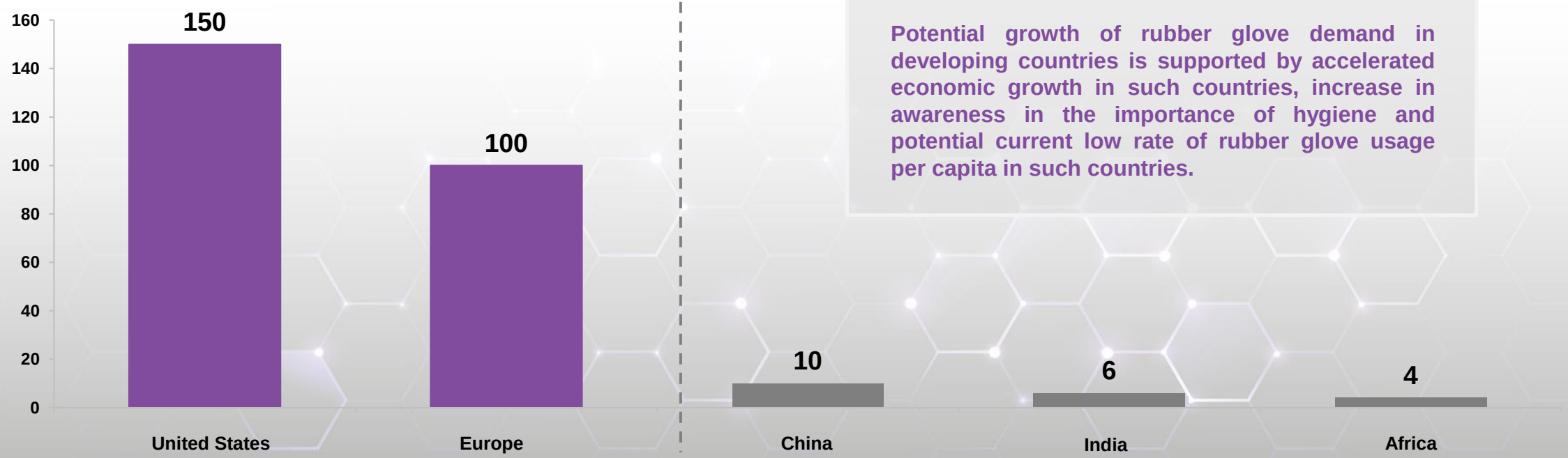
Services &Hospitality Household Specialized medical applications

Low Glove Consumption per Capita in Emerging Market

Forecasted Rubber Glove Consumption per Capita in Developed and Developing Countries in 2019

Developed countries and regions

Developing countries and regions

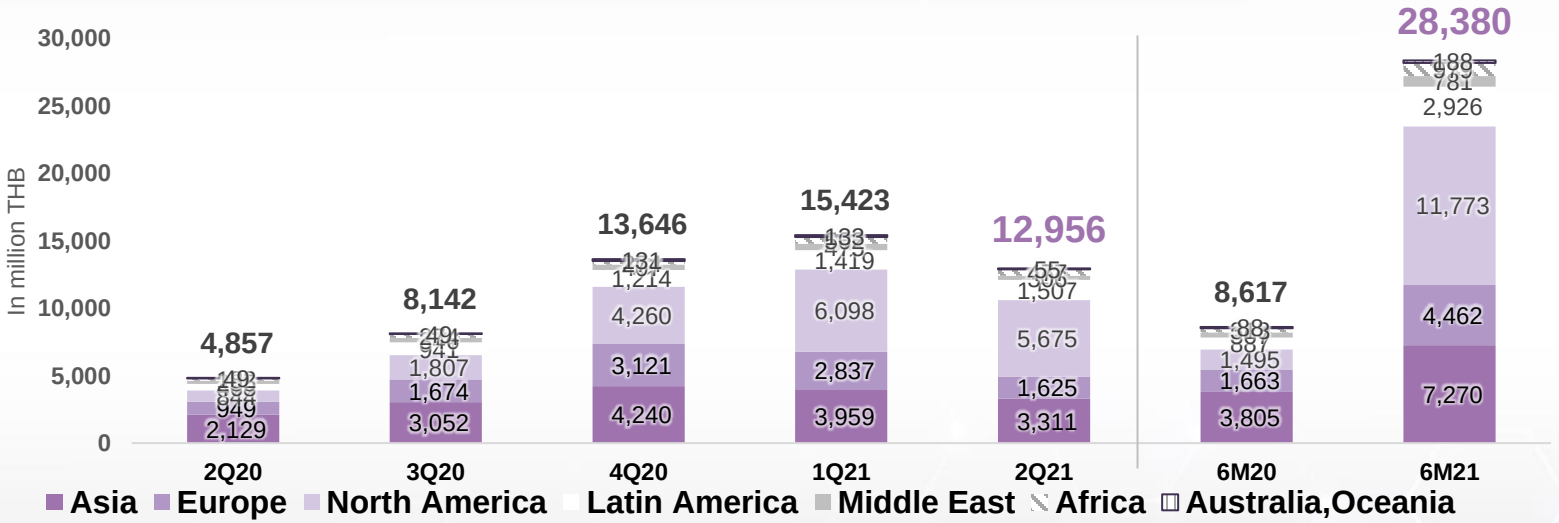


Potential growth of rubber glove demand in developing countries is supported by accelerated economic growth in such countries, increase in awareness in the importance of hygiene and potential current low rate of rubber glove usage per capita in such countries.

Source: *Mordor Intelligence 2020, adb and Company*

STGT's Market Diversification

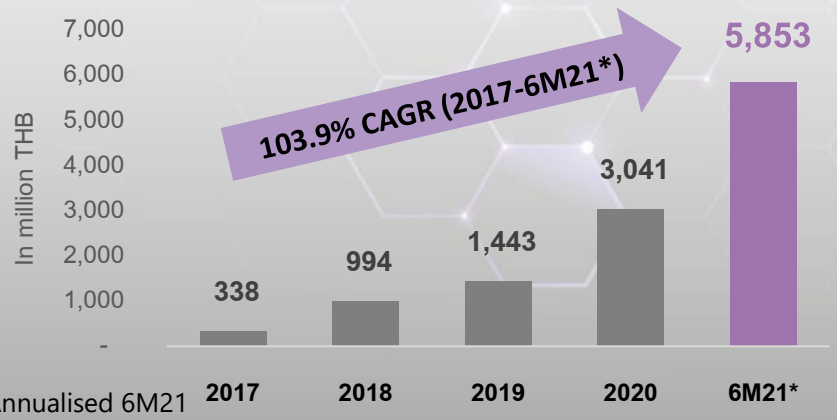
Gloves' Sales Revenue by Region



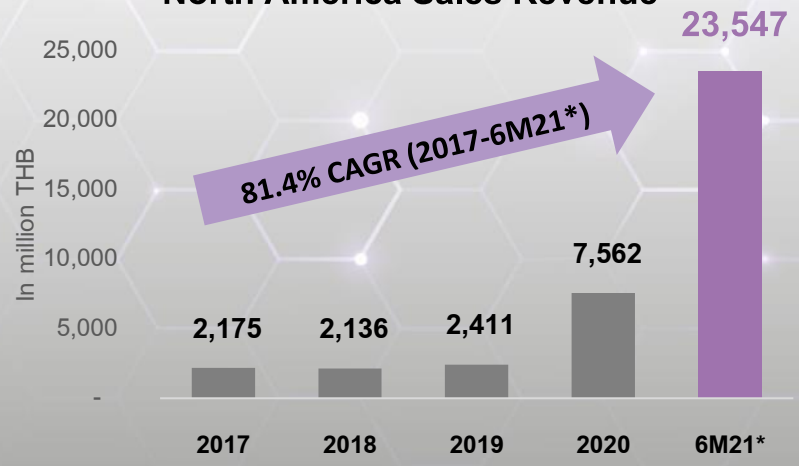
- QoQ sales growth is intensified with hotspot regions of Covid-19.
- Higher % of geography breakdown to US (where the gloves are in strong demand).

High Growth Region

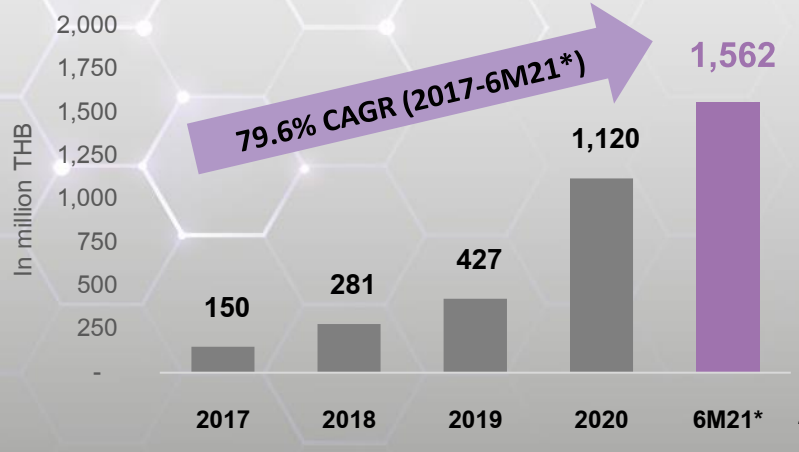
Latin America Sales Revenue



North America Sales Revenue



Middle East Sales Revenue



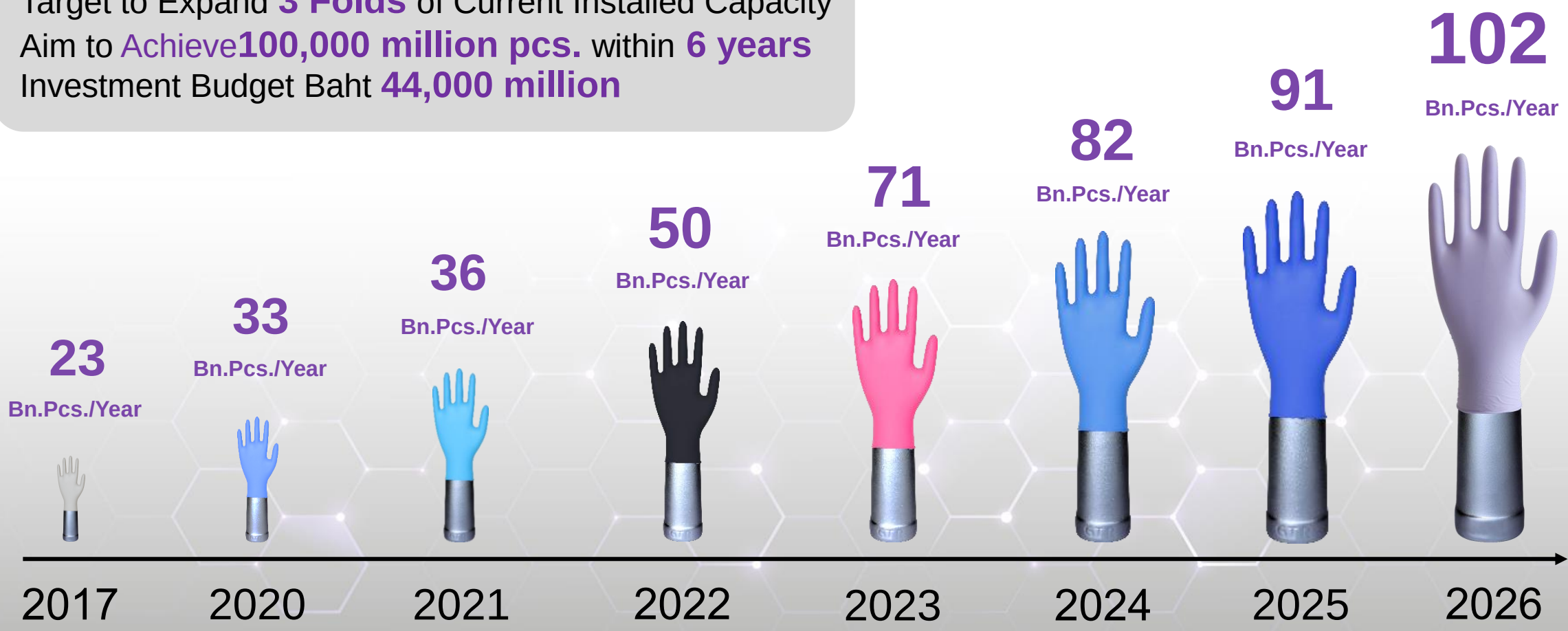
*Annualised 6M21

BUSINESS
OUTLOOKS



Aggressive Capacity Expansion Plan
from more than 30 years in rubber glove industry

Target to Expand **3 Folds** of Current Installed Capacity
Aim to Achieve **100,000 million pcs.** within **6 years**
Investment Budget Baht **44,000 million**



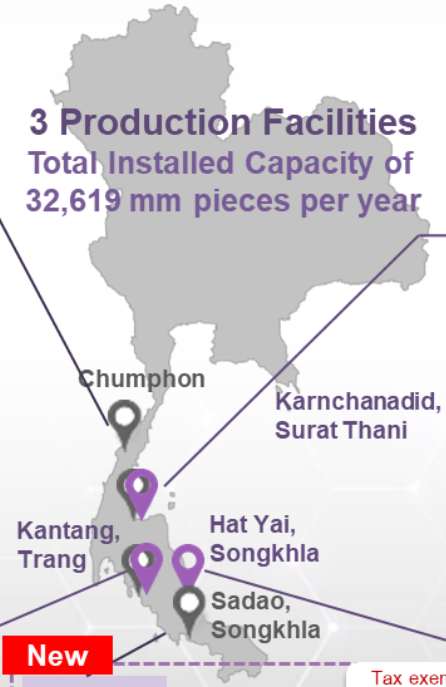
Avg. Annual Growth Rate = 24%

STGT's Capacity Expansion Plan

Strategic Location for Key Suppliers and Tax Privileges

New

Project	CP (1Q22)
Installed Capacity	13,064 mm pieces per year
Main Raw Material	Concentrated Latex / Synthetic Rubber Latex



1 Surat Thani Plant

Completed



Installed Capacity(1)	5,703 mm pieces per year
Main Raw Material	Concentrated Latex / Synthetic Rubber Latex

Completed

Project	SR2 (1Q21)
Installed Capacity	2,177 mm pieces per year
Main Raw Material	Concentrated Latex / Synthetic Rubber Latex

Tax exemption: **5 Years**

Completed

Project	SR3 (2Q21)
Installed Capacity	3,992 mm pieces per year
Main Raw Material	Concentrated Latex / Synthetic Rubber Latex

Tax exemption: **5 Years**

2 Hat Yai Plant



Installed Capacity(1)	17,278 mm pieces per year
Main Raw Material	Concentrated Latex / Synthetic Rubber Latex

New

Project	PS (3Q21)
Installed Capacity	2,903 mm pieces per year
Main Raw Material	Concentrated Latex / Synthetic Rubber Latex

Tax exemption: **8 Years**

New

Project	ANV (1Q22)
Installed Capacity	7,258 mm pieces per year
Main Raw Material	Concentrated Latex / Synthetic Rubber Latex

Tax exemption: **8 Years**

Trang Plant



Installed Capacity(1)	10,092 mm pieces per year
Main Raw Material	Concentrated Latex

New

Project	TG3 (4Q21)
Installed Capacity	3,110 mm pieces per year
Main Raw Material	Concentrated Latex / Synthetic Rubber Latex

Tax exemption: **5 Years**

New

Project	TG4 (3Q22)
Installed Capacity	7,465 mm pieces per year
Main Raw Material	Concentrated Latex / Synthetic Rubber Latex

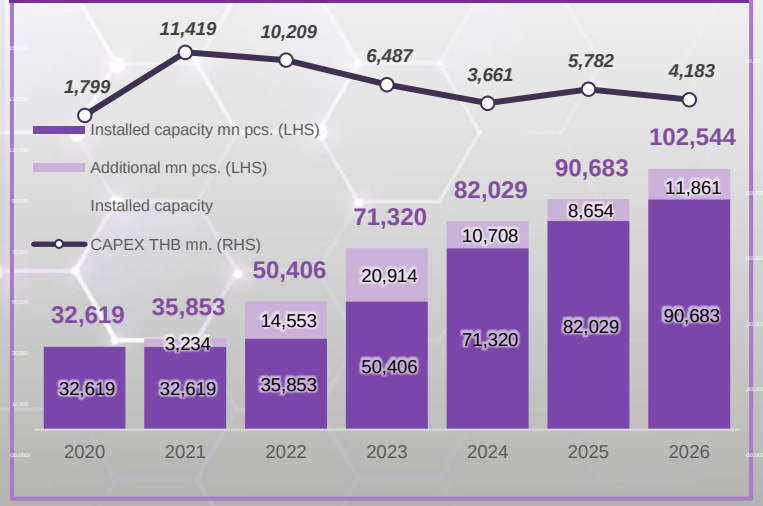
Tax exemption: **5 Years**

New

Project	TG5 (1Q23)
Installed Capacity	6,169 mm pieces per year
Main Raw Material	Concentrated Latex

Tax exemption: **5 Years**

Capacity & CAPEX



Completed Projects in 2021





SR2 Plant in Surat Thani

Commercial Run	June 2021
Installed Capacity	2.2 bn.pcs/year





SR3 Plant in Surat Thani

Commercial Run	July 2021
Installed Capacity	4.0 bn.pcs/year

On-Going Projects

PS Plant in Songkhla



Commercial Run	3Q21
Installed Capacity	2.9 bn.pcs/year



TG3 Plant in Trang



Commercial Run	4Q21
Installed Capacity	3.1 bn.pcs/year



ANV Plant in Songkhla



Commercial Run	1Q22
Installed Capacity	7.3 bn.pcs/year



CP Plant in Chumphon



Commercial Run	1Q22
Installed Capacity	13.1 bn.pcs/year



SPECTRUM™ Latex Powder-Free Gloves

SRITRANG GLOVES THAILAND

Natural gloves, Nature your protection, Nature our world

NEW

1. MULTICOLOUR 2. More variety 3. High Quality Standard 4. Cheaper than Nitrile Gloves 5. Attract targeted customers

Medical Grade
Comply with global medical regulation

Lock Steady Grip
Hold your tools with confidence

High Flexibility
Up to 900% elongation

Soft & Comfort
Like wearing silk

Food Contact Compliance
The perfect choice for food handling

Micro Textured at Fingertip
Enhanced precise control

Made from Renewable Resource
Lower carbon footprint

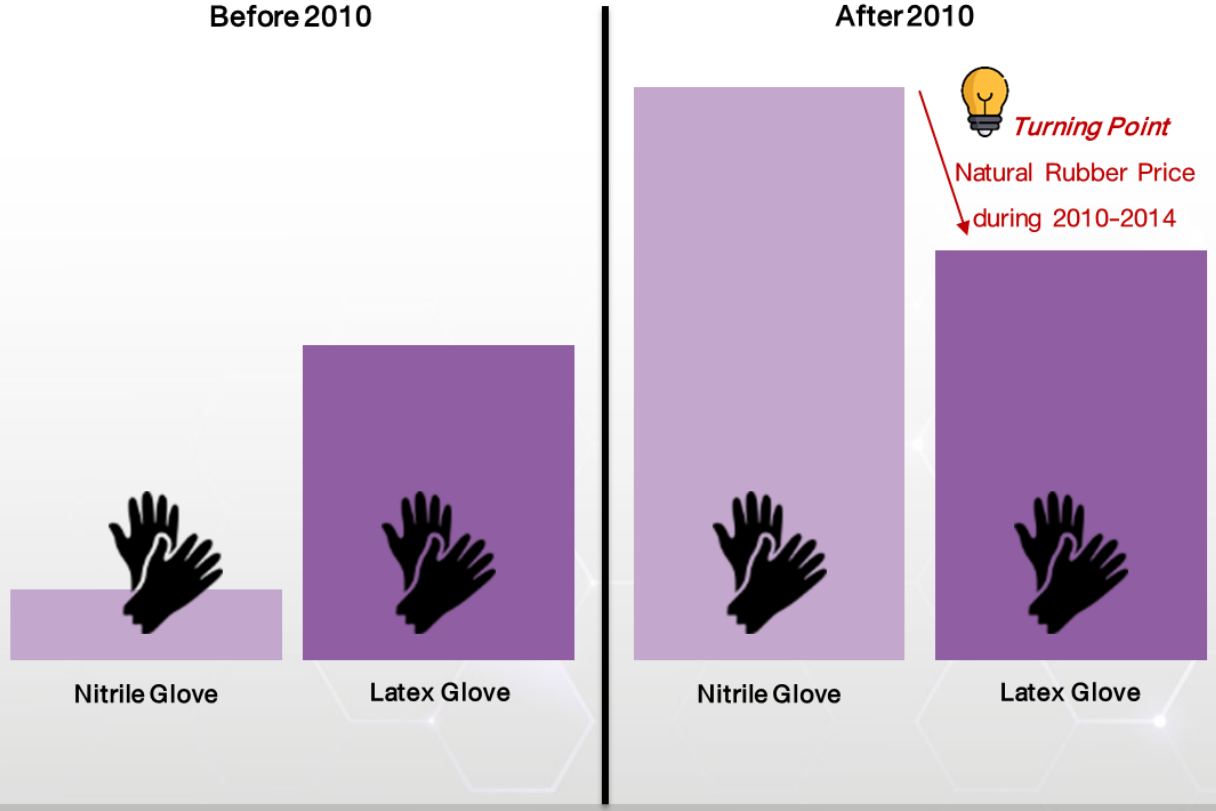
Made from Renewable Energy
Woodchip thermal power

Low Protein
Made from SRI TRANG's special aging recipe of natural rubber latex



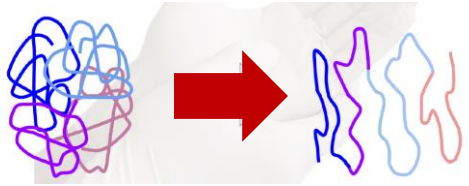
Launching New Products by 2H2021

Opportunity of Latex Glove is Back!



STGT's New Product = Game Changer

Change in molecule of the protein in natural rubber



- **Latex Glove** with no protein allergy
- **Latex Glove** is biodegradable faster than Nitrile Glove **100 times**
- **Latex Glove** is **low carbon product** as it's made from natural based raw material comparing to Nitrile Glove which is petroleum based raw material.
- **Latex Glove** made from natural raw material causing **lower pollution.**
- **Latex Glove** is **cheaper comparing to Nitrile Glove.**
- **Latex Glove** helps **increase the rubber consumption in Thailand** encouraging income distribution to Thai rubber farmers.

STGT Procured Vaccines for All Teams

The Second Dose Vaccine was Received!



Caring our team's heath and safety…
To sharing Sinopharm vaccines

- Vaccines were procured for both Thai and foreign employees equally.
- The first dose was vaccinated in June and the second dose was received in July.

Sharing Touch of Love



APPENDIX

SUSTAINABILITY

INFORMATION IN 2020

SRITRANG GLOVES THAILAND

Sharing Touch of Love

Environment Performance Highlight

GHG Emissions 185,667 Tonnes CO_2e

Scope 1 : 41,746 Scope 2 : 143,921

ENERGY CONSUMPTION

Total Energy Consumption	Renewable Energy Consumption	Energy Consumption Intensity
17,860,818 GJ	16,966,324 GJ	633 GJ/MWh

Renewable Energy % **95%**

Lower CO2 Emission by **56%** vs Anthracite coal, **30%** vs LPG



AIR EMISSIONS

SO2	NOx
1.2 ppm	71.8 ppm

WATER MANAGEMENT

Water Withdrawal	Water discharged	Water recycle
7.26 Million m^3	5.99 Million m^3	0.73 Million m^3

WASTE MANAGEMENT

Total Waste Generate	TotalHazadous Waste	Total Non-Hazadous Waste
8,719 Tonnes	4,560 Tonnes	4,158 Tonnes

0 Cases No. of significant Oil and Chemical spills

New suppliers/ key supplier that were screened using environment criteria **17 Cases**

Our commitment to the UN SDGs

SRITRANG GLOVES THAILAND

Sharing Touch of Love

Social Performance Highlight

amfori BSCI
Trade with purpose

STGT Hat Yai	STGT Surat Thani	STGT Trang
A	B	A

The amfori Business Social Compliance Initiative (BSCI) is an industry-driven movement that aims to monitor and assess workplace standards across the global supply chain that all suppliers are treating workers ethically and legally.

EMPLOYEE

No. of Employees **7,659** Persons

By Nationality

Thai **59** %

Other **41** %

By Gender

Male **55** %

Female **45** %

Total turnover rate **1.86** %

Disable Employees **71** Persons

Porpotion of employees that return to work after parental leave **73** %



CUSTOMER SATISFACTION SCORE **85.2** %

HUMAN RIGHTS

No. of significant human right issues **0** Cases

OCCUPATIONAL HEALTH & SAFETY

No. of hour worked

18,867,064 Hrs

Total recordable injury frequency rate (Person) **7.33** Person/Mic/ Man hour

Lost time injury frequency rate (Person) **2.6** Person/Mic/ Man hour

New suppliers/ key supplier that were screened using social criteria **17 Cases**

Our commitment to the UN SDGs

SRITRANG GLOVES THAILAND

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Governance Performance Highlight

Board Size

12 Directors

Avg Age **54**

4 Independent Directors

33%

3 No. of Women Board Member

25%

Director Meeting Attendance **96%**



SUPPLIER MANAGEMENT

Proportion of spending to local suppliers **93%**

SUPPLIER CODE OF CONDUCT

Suppliers agreed to conform SCOC **112/91%** party

Economic Value Distributed **133** Million USD

% of executives and employees acknowledging and passing the anti-corruption policy and test **100%**

Our commitment to the UN SDGs

SRITRANG GLOVES THAILAND

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Sustainability certificates & Awards Highlight

9 Times Winner Thai FDA Quality Award

Certificates

ISO 14001:2015
Environmental Management System

Business Social Compliance Initiative
Supply Chain management system international labour standards protecting workers' rights

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 material is identified or kept separated from non-certified material throughout the chain. (Chain-of-Custody)

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

Water Institute for Sustainability
is a network of responsibility towards occupational care, industry, society, natural resources and the environment Including sustainable national development Especially regarding Water management for Industrial sector of Thailand.

Awards


CSR-DIW Award 2016


CSR-DIW Continuous Award 2017


CSR-DIW Continuous Award 2018


CSR-DIW Continuous Award 2019


CSR-DIW Continuous Award 2020


Disability Employment Award 2017


Disability Employment Award 2018


Disability Employment Award 2019


Environmental Governance award 2019


Outstanding Social Activity Award 2020


Gold level plaque of honor waste water management

SRITRANG
GLOVES THAILAND

「Thank you very much」

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