



「Touch Of Life™」

# CLEAN WORLD CLEAN GLOVE

**2023 Annual Registration Statement / Annual Report  
Form 56-1 One Report**

Sri Trang Gloves (Thailand) Public Company Limited





## Sri Trang Gloves

**is committed to conducting business sustainably, with transparency and fairness.**

With a commitment to creating quality products for customers all over the world, to never stop inventing new innovations for environmentally friendly production processes, to reducing the use of natural resources and waste emissions, as well as promoting the reuse of various materials as much as possible, Sri Trang Gloves also places importance on stakeholders in the business value chain from upstream to downstream. through concepts and practices under the ideal of **“Protect every touch with care”** which not only applies to **“humankind”** but extends care to **“all life”** on this planet. Therefore, Sri Trang Gloves’ products can be called **“Gloves of Life”**

About Sri Trang Gloves	4
Company Achievements	6
Message from the Board of Director to Stakeholders	8
Board of Directors and Management Team	12
Financial Highlights	16

## Part 1 | Business Overview and Performance

1. Business Structure and Operations	20
2. Risk Management	79
3. Driving the Business Towards Sustainability	104
4. Management Discussion and Analysis: MD&A	126
5. General and Other Significant Information	137

## Part 2 | Corporate Governance

6. Corporate Governance Policy	142
7. Corporate Governance Structure and Material Facts concerning the Board of Directors, Sub-committees, Management, Employees, and Others	158
8. Corporate Governance Performance Report	189
9. Internal Control and Related Party Transactions	220

## Part 3 | Financial Statements

10. Report of the Boards of Directors' Accountability to Financial Report	284
11. Financial Statements	288

## Appendix

Attachment 1	Details of Directors, Executives, Controlling Person, The highest responsibility in accounting and finance, The person who directly responsible for accounting supervision and Company Secretary	378	Attachment 3	Details of Head of Internal Audit	395
Attachment 2	Details of the Directors and Executives Held the Positions in Company, Subsidiaries, Associated Companies, and Related Companies	394	Attachment 4	Assets used in Business Operation and Details of Assets Valuation	396
			Attachment 5	Corporate Governance Policy and Guidelines, Code of Conduct, and Committee Charters	399
			Attachment 6	Defined Terms and Abbreviations	400



# About Sri Trang Gloves







Sri Trang Gloves (Thailand) Public Company Limited (“STGT” or “Sri Trang Gloves”) is a manufacturer of examination and industrial gloves. As of 31 December 2023, STGT has a total installed production capacity of approximately 50,785 million pieces per year, with all production facilities located in Thailand, which is the world’s strategic location for concentrated latex production, in terms of both quantity and quality. STGT manufactures and distributes high-quality rubber gloves for medical and non-medical uses in other industries. The main products are Natural Rubber Powdered (NRPD), Natural Rubber Powdered-Free (NRPF), and Nitrile Butadiene Rubber (NBR) gloves, which are distributed in more than 170 countries worldwide.



# Company Achievements

## International

### S&P Global

#### Dow Jones Sustainability Indices (DJSI)

The Company's sustainability performance was assessed using the **Dow Jones Sustainability Index (DJSI) in the Healthcare Equipment & Supplies business** and received a score of 61.

### MSCI ESG RATINGS

CCC B BB **BBB** A AA AAA



#### MSCI ESG RATINGS

The Company received the MSCI ESG sustainability assessment rating at **BBB level in the Health Care Equipment business** from Morgan Stanley Capital International (MSCI), the world's leading stock price index company.

### FTSE Russell

#### FTSE Russell

The Company has been assessed for its business operations potential in accordance with environmental and social, sustainable development and good governance (ESG) guidelines from the **FTSE Russell global sustainability index**.

## National

## Governance

### SET ESG Ratings 2023

#### SET ESG Ratings (AAA) 2023

The Company received **SET ESG Ratings (AAA) (THSI; third consecutive year)** for the year 2023 in the **Consumer Products business**, which reinforces recognition of being a listed company that conducts business sustainably by taking into account the environment, social responsibility and has management systems in accordance with the principles of corporate governance (Environmental, Social and Governance or ESG).



#### SET AWARDS 2023

The Company received the SET Awards 2023 for **Sustainability Excellence (Highly Commended Sustainability Awards)** for the first time from the Stock Exchange of Thailand, as an exemplary sustainable organization with outstanding sustainable business operations, good corporate governance which takes into consideration all stakeholders, rendering economic growth along with participation in creating positive impacts on society and the environment.



#### SUSTAINABILITY DISCLOSURE AWARD 2023

The Company received the 2023 **Sustainability Disclosure Award for the second year in a row** as a member of the Sustainability Disclosure Community (SDC) established by Thaipat Institute to encourage listed companies and business organizations that are SDC members to be aware of and give importance to the dissemination of operational information which covers economic, social, environmental operations or ESG issues and responds to the Sustainable Development Goals (SDGs) together.





### ThaiFDA Quality Award 2023

The Company received the FDA 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**, which is given to establishments that operate in a socially responsible manner to produce quality health products that are safe for customers.



### Corporate Governance Rating for the year 2023, with an “Excellent” level (5-stars level)

The Company received the results of the corporate governance assessment at **the level of ‘Excellent’ (Excellent CG Scoring) or 5-stars for the second consecutive year** in the Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors Association.

### Social



### Award (at excellent level) for outstanding organization of 2023 that promotes employment of people with disability

The Company received an award (at excellent level) for outstanding organization of 2023, for **the second consecutive year, that promotes employment of people with disability from the Ministry of Social Development and Human Security**.



### CSR-DIW Continuous Award and CSR-DIW Award 2023

**Hat Yai, Trang and Surat Thani branches received the CSR-DIW Continuous Award**, and the Sadao P.S. Branch received the 2023 CSR-DIW Award from the Ministry of Industry, in recognition of commitment to operating with social responsibility, environmental awareness and promotion of sustainable living with the community.



### Business Partner Award 2023

The Company received the 2023 **Business Partner Award (Gold Award level) and the special Sustainability Award from Thai Beverage Public Company Limited** at the SX Partnerships for the Goals: TSCN Business Partner Conference 2023 at Queen Sirikit National Convention Center in Bangkok. This is an honor given to partners with excellent performance in terms of product quality, price, delivery, service, innovation, and operations that focus on sustainability awareness. It is an award that reflects the confidence and acceptance of business partners, as well as the collaboration to deliver value to consumers and enhance sustainability of the industry.

### Environment



### Level 4 Green Industry (Green Culture)

Hat Yai, Surat Thani and Trang branches **have received Level 4 Green Industry Certification from the Ministry of Industry**.

# Message from the Board of Directors to Stakeholders



**Ms. Jarinya Jirojkul**  
Chief Executive Officer

**Professor Dr. Weerakorn Ongsakul**  
Chairman



Dear Stakeholder

### Normalization Comes With Challenges

2023 was another year full of challenges in the Company's business operations, from the easing of the COVID-19 contagion and oversupply. The Company has continuously adjusted its operating strategy to keep up with rapidly shifting situations in line with changes in industrial conditions in order to achieve its mission of retaining strength, creating continuous growth and maintaining leadership in the production and distribution of rubber gloves, alongside conducting business with care for the environment, society and corporate governance in order for the corporate group to grow sustainably and being ever-ready to deal with every challenge that arises.

### Keep Up The Strength

Even in 2023, the rubber glove industry was still in a period of balancing oversupply from the previous year. This caused the price of rubber gloves to drop worldwide. But with the internal management of the Company and the strength of the product proportion (NR:NBR) that is unique, production process flexibility, permanent cancellation of some production lines and the addition of new production lines from the recently completed factory, which has high production efficiency with low production costs, including the importance of continuously reducing production costs by using technology to help promote production and reduce duplication in the production process, coupled with cost advantages and strong supply chain management from being a subsidiary of STA, a major producer of latex with factories located in Thailand, which is a key strategic location for producing world-class quality concentrated latex, resulting in **2023, being the year when the Company had the highest sales volume since its founding, amounting to a total of 31,384 million pieces, contrary to the easing of COVID-19, while still maintaining the utilization rate at 64.2 percent, close to that of 2022 at 64.8 percent. The Company has total income from sales of THB 19,665.2 million and net profit of THB 152.7 million. This represents a net profit ratio of 0.8 percent and the financial position remains strong.** At the end of 2023, the Company had cash and cash equivalents equal to THB 4,230.1 million. If fixed deposits with banks with a deposit period of more than 3 months are included, it would be THB 5,213.1 million and total liabilities decreased by 16.8 percent from 2022 and the net interest-bearing debt to equity ratio is at (0.07) times.

### A Focus On Sustainability And ESG

With determination to remain a world leader in the rubber glove industry and operate the business to have continued growth in its operating results, and

with the Company's firm insistence that "results" are not just financial performance numbers only, but must also be performance of business operations with good governance and responsibility towards the environment and society as well. The Company has therefore developed and placed importance on sustainable business operations throughout the business value chain according to the concept **"Clean World Clean Gloves"**.

The Company has set goals for sustainability development of the organization in line with business plans and strategies by developing environmental, social, governance and economic dimensions (ESG), the results of which are evident. From awards the company received in 2023 such as the 2023 **SET Awards in the category Sustainability Excellence (Highly Commended Sustainability Awards) from the Stock Exchange of Thailand and the assessment of sustainable stocks, SET ESG Ratings, at the highest level "AAA" in the Consumer Products category, and many more at the international level, such as the MSCI ESG Ratings sustainability assessment, BBB level, in the Health Care Equipment business group from Morgan Stanley Capital International (MSCI), which is the world's leading stock price index maker, etc.**

**Environmental:** One of the key performance results in 2023 is the fact that the Company has undertaken the assessment and registered the carbon footprint of its products (Carbon Footprint of Products: CFP), for natural rubber gloves and synthetic rubber gloves in 13 additional product groups. Currently, the Company has natural rubber gloves and synthetic rubber gloves that are CFP registered with the Greenhouse Gas Management Organization. (Public Organization), in a total of 18 product groups. In addition, the Company has installed a **1 MW project to produce electricity from solar energy** at the Trang Branch Factory and has also expanded the installation to 3 more factories, including the Hat Yai Branch Factory, Sadao P.S. Branch Factory and Chumphon Branch Factory which will enable the Company to produce electricity from solar energy totaling 5,472.6 MWh/year by April 2024. In terms of waste management according to the circular economy guidelines, the Company has piloted the Waste to Value project by selling fly ash, which is waste from the steam production process of the Trang Branch Factory to be used as an ingredient in other products which reduces the transport and disposal of fly ash and continues to expand the results to other factory branches in 2024.

As for funds from the issuance and offering of environmental conservation bonds, in 2023 the Company spent approximately THB 427.32 million to

invest in environmental conservation projects, such as renewable energy projects, pollution prevention and management, sustainable water management and clean transportation, etc. The Company still received an assessment of the credit rating of the said bonds from TRIS Ratings Company Limited at the rank of "A" with a "stable" outlook.

**Social:** The Company is committed to social and labor responsibility, including respect for human rights in all aspects. Adhering to the international labor standards set forth by the International Labor Organization (ILO), the Company was able to pass the assessment criteria for all 11 indicators and still maintains the amfori BSCI standard at the Grade A level for the Chumphon Branch Factory. This is the fifth factory to receive such standard certification and the Company is still able to maintain Grade A standards in every factory that receives said certification, thereby reflecting the Company's standards in taking care of labor and safety, which is the highest recognition at the international level. As for external society, the Company continues to carry out the San Rak wood pallet project for the third consecutive year. The said project is in line with the circular economy guidelines whereby the Company provides support in the form of donated pallets, which are unused materials from the factory, to the Surat Thani Provincial Disabled Sports Association, thus reducing production costs by up to 60 percent for the recipient. This project has a community satisfaction evaluation of 98 percent. From the implementation of such community projects, the Company has continuously received the CSR-DIW Award for the year 2023 from the Ministry of Industry, reflecting our commitment to operating with social and environmental responsibility, as well as promoting sustainable living with the community.

#### **Governance & Economic:**

The Company focuses on and supports research and development of innovations in the development of new products, improving the efficiency of production processes, including energy conservation within the organization. At present, there are 28 innovation research and development projects of the Company. In 2023, there will be expenses for such operations in the amount of THB 32.5 million. The Company was able to reduce THB 79 million in production costs by conducting important innovation research and development projects, such as projects to reduce the use of chemicals in the production process, which can reduce the amount of use by 60 ton per year, and was able to reduce production costs by up to THB 6 million. In addition, the Company also received corporate governance evaluation results for 2023 at the level of "Excellent" CG Scoring or the 5-star symbol level for the second consecutive year in the project to survey corporate governance of Thai listed companies

(CGR) by the Thai Institute of Directors Association as well. The award reflects good performance in caring for shareholder rights and treating shareholders equally, transparent disclosure of information, consideration of the role of stakeholders and business development for sustainability, as well as responsible and efficient performance of the Company's directors.

#### **Be Ready For Any Challenges Ahead**

The Company is prepared for every challenge by developing and improving the production process, by bringing in technology to help promote production and reduce duplication in the production process in order to achieve economies of scale, while also looking into the possibility of applying Artificial Intelligence (AI) technology to create the most efficient machines to produce quality products at competitive prices to create profits for the Company and good returns to shareholders. In addition, we have increased product diversity when seeing an opportunity to meet the needs of consumers through research and development of new products such as protein-free gloves. (Non-Detectable Protein Gloves), and the sale of new products in 2023 such as surgical gloves of which STGT is the first manufacturer in Thailand and plans to expand to overseas markets for this type of product in the future as well. We have distributed this type of product both in Thailand and overseas.

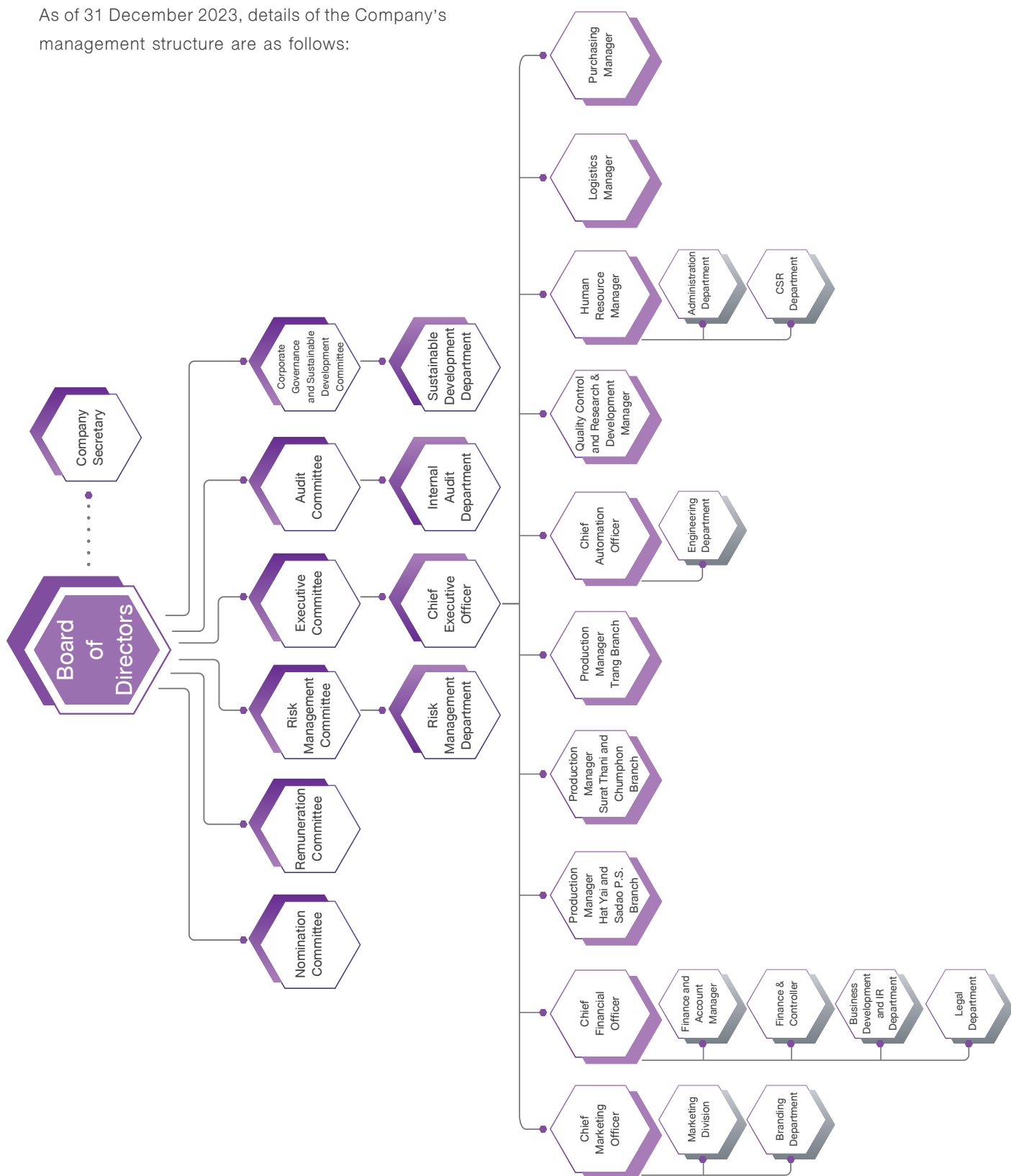
Moreover, the Company is also committed to developing the potential of personnel in all areas to be an important force in the development of sustainability of the corporate group and in achieving preparedness to cope with global changes. More than 2,000 courses have been undertaken, both in developing skills and working knowledge related to production and product quality control, principles of good corporate governance, business continuity management standards and risk management as well as environmental courses and ESG issues, etc. In 2024, the Company is committed to further development with the mission of **"Sustainable Intelligence"** for sustainability and the ability to learn new technology and knowledge in order to continually remain a leader in the global industry.

On behalf of the Board of Directors and all employees, we would like to thank shareholders, customers, partners and all stakeholders who have always believed in and supported the Company. The Company will be steadfast in its adherence to being an organization that creates both worth and value with potential and commitment to continuous development. It will also bring opportunities and good performance to the organization, stakeholders and society in order to grow sustainably together.



# Organization Chart

As of 31 December 2023, details of the Company's management structure are as follows:



# Board of Directors

01

## Prof. Dr. Weerakorn Ongsakul

Chairman / Independent Director / Chairman of Audit Committee /  
Chairman of Remuneration Committee /  
Member of Nomination Committee /  
Member of Risk Management Committee

02

## Mr. Kitichai Sincharoenkul

Vice Chairman / Member of Executive Committee / Chairman of  
Nomination Committee / Member of Remuneration Committee

03

## Dr. Viyavood Sincharoenkul

Director / Chairman of Executive Committee

04

## Mr. Anan Pruksanusak

Director / Member of Executive Committee

05

## Mr. Veerasith Sinchareonkul

Director / Member of Executive Committee /  
Chairman of Risk Management Committee

06

## Mr. Vitanath Sincharoenkul

Director / Member of Executive Committee / Chairman of the  
Corporate Governance and Sustainable Development Committee

07

## Ms. Jarinya Jirojkul

Director, Member of Executive Committee / Member of Risk  
Management Committee / Member of Corporate Governance  
and Sustainable Development Committee

08

## Ms. Thanawan Sa-ngiamsak

Director / Member of Risk Management Committee / Member of  
Corporate Governance and Sustainable Development Committee

09

## Mr. Chia Chee Ping

Director

10

## Mrs. Unakorn Phruithithada

Independent Director / Member of Audit Committee

11

## Gen. Bundit Boonyapan

Independent Director / Member of Audit Committee / Member of Corporate  
Governance and Sustainable Development Committee / Member of  
Remuneration Committee / Member of Nomination Committee

12

## Mr. Thanatip Upatising

Independent Director



01



05



09





# Management Team

01

**Ms. Jarinya Jirojkul**

Chief Executive Officer (CEO)

02

**Ms. Thanawan Sa-ngiamsak**

Chief Financial Officer (CFO)

03

**Mr. Vitanath Sincharoenkul**

Chief Branding Officer (CBO)

04

**Mr. Chia Chee Ping**

Chief Marketing Officer (CMO)

05

**Mr. Phanlert Wangsuphadilok**

Chief Automation Officer (CAO)

06

**Mr. Asom Aksornnam**

Production Manager Hat Yai Branch /  
Acting Engineering Manager

07

**Mr. Chalermchai Norsakul**

Production Manager Surat Thani Branch

08

**Mrs. Oralak Nakin**

Finance and Account Manager / Accountant

09

**Mr. Somrat Thapnual**

Human Resource Manager

10

**Ms. Amornrat Awato**

Purchasing Manager

11

**Ms. Worasa Maijaidee**

Logistics Manager







# Financial Highlights

Gloves revenue THB **18,978.89** million

38.9%



Natural Rubber  
Powdered Glove (NRPD)

39.3%



Natural Rubber  
Powder Free Glove (NRPF)

21.7%



Nitrile Butadiene  
Rubber Glove (NBR)

## STATEMENT OF COMPREHENSIVE INCOME

(UNIT: THB million)

	FY 2021	FY 2022	FY 2023
Revenue from sale of goods and services	47,550.8	23,304.8	19,665.2
EBITDA	27,251.1	3,519.9	2,333.0
Profit (loss) before tax	25,876.6	1,883.5	170.7
Profit (loss) for the year	23,704.2	1,652.1	152.7

## STATEMENT OF FINANCIAL POSITION

(UNIT: THB million)

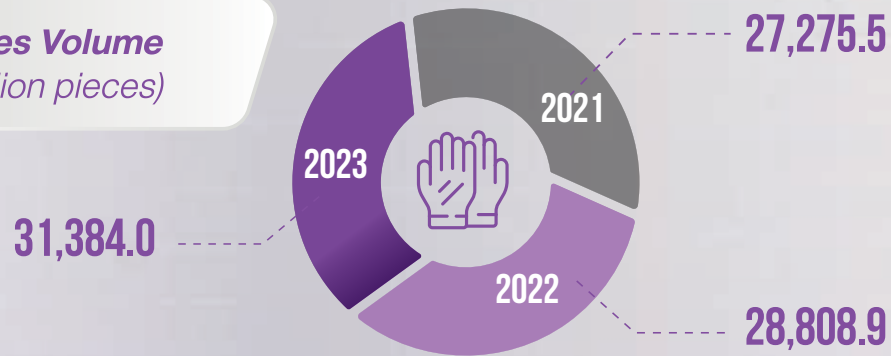
	FY 2021	FY 2022	FY 2023
Total assets	51,302.8	48,528.5	46,582.1
Total liabilities	13,089.7	11,717.8	9,745.2
Total equities	38,213.1	36,810.7	36,837.0

## FINANCIAL RATIOS

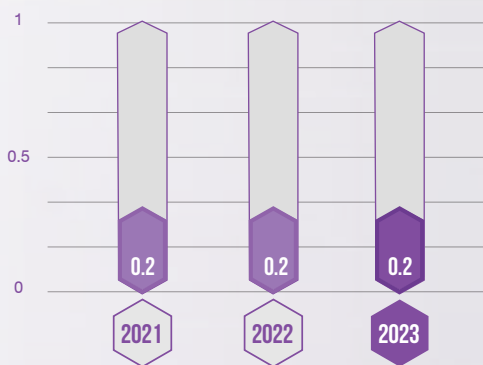
	FY 2021	FY 2022	FY 2023
Gross profit margin (%)	59.4	18.3	10.9
EBITDA margin (%)	57.3	15.1	11.9
Net profit margin (%)	49.9	7.1	0.8
Net debt to equity ratio (times)	(0.3)	(0.2)	(0.1)
Net Interest bearing debt to equity ratio (times)	0.2	0.2	0.2
Return on Equity (%)	67.3	4.4	0.4
Return on Asset (%)	49.6	3.3	0.3
Dividend Payout Ratio (%)	54.8	147.2	NM*

\* Dividend payment at the rate of THB 0.50 per share from the retained earnings.

### Sales Volume (million pieces)

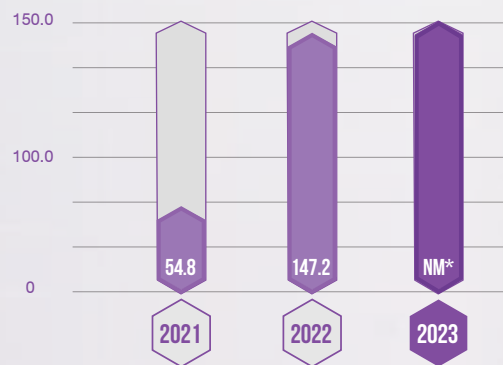


### Interest Bearing Debt to Equity Ratio (times)

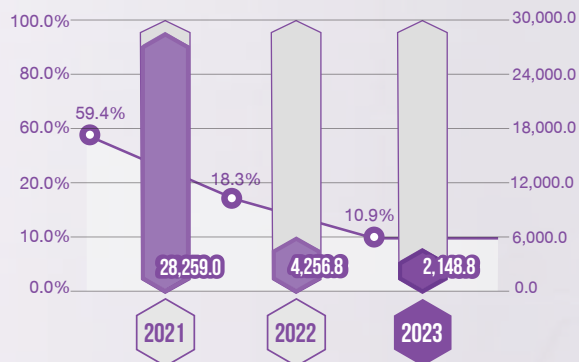


### Dividend Payout Ratio (percent)

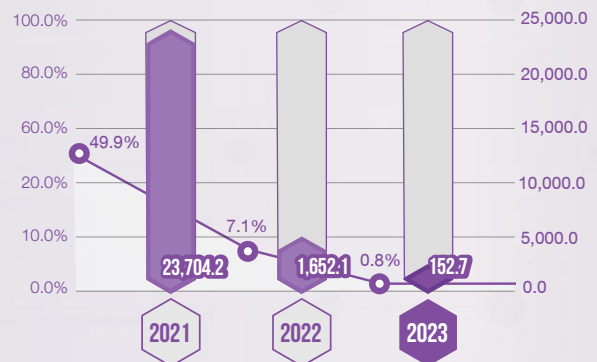
\* Dividend payment at the rate of THB 0.50 per share from the retained earnings.



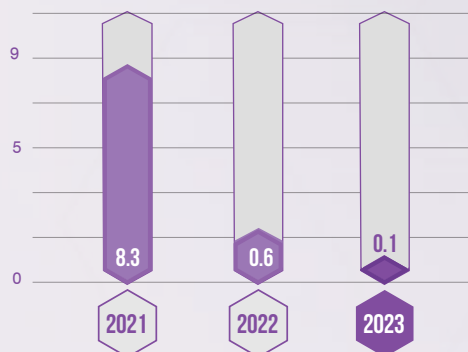
### Gross Profit (THB million)



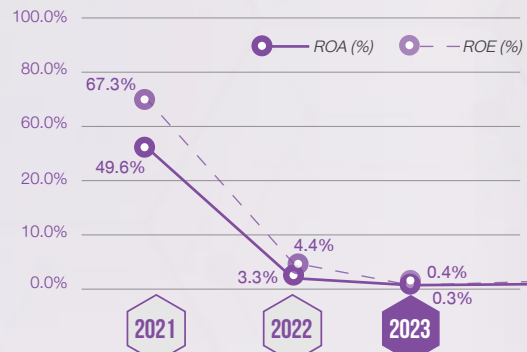
### Net Profit (THB million)



### Earning per Share (THB)



### Return on Asset (ROA) / Return on Equity (ROE) (percent)









# 1

## **Business Overview and Performance**

# 1 | Business Structure and Operations

## Policy and Business Overview

NORTH AMERICA

SOUTH AMERICA

Since  
**1989**

Export to more than  
**170**  
countries

**10.5%**  
market share



Engaging business across the world

# Thailand's Largest

and 1 of 5 largest

glove producer in the world

EUROPE

MIDDLE EAST

ASIA

AFRICA

AUSTRALIA  
& OCEANIA

6

Factory locations

Installed Capacity

50,785

million pieces  
per year

Sales volume

31,384

million pieces  
in 2023

## 1.1 Vision, Mission, Strategy, and Business Goal

The Board of Directors reviews the vision, mission, strategies, and goals for business operations, including sustainability goals (ESG) which are set annually. In 2023, the vision, mission, strategies, and sustainability goals of the Company are as follows:



Deliver 「Touch Of Life™」 On a Global Scale

**Mission : Sustainability & Intelligence**



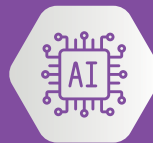
Supply Chain  
Traceability (EUDR)



Carbon  
Footprint & Credit



Data  
Center



Artificial  
intelligence



Research &  
Development

**Goal : Become the first of choice in Global Gloves Supply**



Best  
Quality



Best  
Cost



Best  
Innovation



Best  
Process



Best  
Service



Best  
Sustainability



Best  
Performance



Best  
Culture

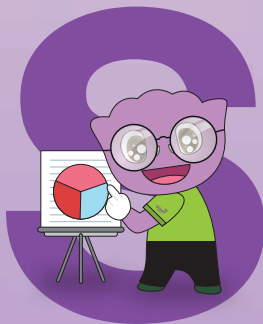
**Core Values : Specialist Teamwork Accountability**

## Vision

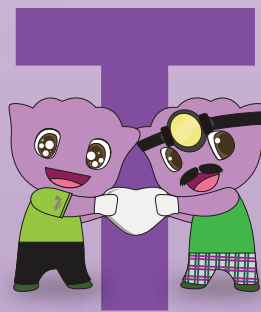
“  
**Deliver the ‘Touch of Life’  
on a Global Scale.**  
”

The Company is committed to be the world leader in rubber gloves business and operate the business with social and environmental responsibilities throughout value chain with an excellency and transparency performance and emphasizing the participation and infinite business development in order for delivery the products and services with the highest standard of the Company as well as creating a balance between the business value and shared value for all stakeholders.

## Core value



**SPECIALIST**



**TEAMWORK**



**ACCOUNTABILITY**



“  
In order to “Protect Every Touch with Care” through the gift of sharing and concern for creatures”, we foster a culture of commitment to self-development among all levels of employees that will drive the Company to a leading position in the global glove industry. With the Company’s support, we instill a desire for self-improvement in order to reach one’s full potential and acquire expertise in an area of responsibility and cultivate a spirit of teamwork and collaboration to steer the Company to its goals with determination and resolve in spite of any potential challenges and obstacles in many situations with honesty, responsibility, and good governance.  
”



## Mission

**2023** was the year that saw the beginning of a return to normalcy. This has posed a number of challenges in operating the Company's business whereby it has had to adapt to keep up with the rapidly changing global situation. The Company is committed to operating strategically to achieve our 2023 mission of retaining strength, creating growth and maintaining leadership along with sustainability (ESG) and readiness to deal with any unexpected occurrence.

The Company has achieved its mission in 2023 with determination to operate through internal management of the organization to reduce costs through the use of technology, modify the production process, increase the variety of products to cover all user needs, and promote stability in quality raw materials, while also having a goal of developing the business to grow sustainably. As a result, in the relatively high competitive environment of the industry and the excess supply of rubber gloves, the Company continues to gain the confidence of customers. In 2023, the Company had the highest sales volume of rubber gloves since its founding, counter to the resolution of COVID-19, as well as having operating results and financial status that remains strong which is considered to be in a better position than many of its competitors in the market.

With the Company's experience, expertise, and competitive advantages over rival companies, whether in terms of products, supply chain, outstanding ESG performance, financial strength and determination in developing the organization's products, production processes and overall business management, the Company was able to overcome challenging times and is ready to take on new challenges and changes in the future. In 2024, the Company will strive to continuously develop the organization with the mission "Sustainable Intelligence" for sustainability and increasing capabilities.

**In 2024**, the Company will strive to develop "Supply Chain Traceability (EUDR)", "Carbon Footprint & Carbon Credit", "Data Center", "Artificial Intelligence" and "Research & Development" because it believes that sustainability of business operations does not rely on growth in terms of financial performance alone, but on attention to the environment, society and the application of good governance principles in business operations, including taking into account stakeholders throughout the business value chain. The Company also believes that in order to maintain its leadership position in the industry both nationally and globally, it must have the flexibility to adapt to rapidly changing situations in line with globalization and always be in a state of preparedness. The Company has set the mission "**Sustainable Intelligence**" or sustainability and the ability to learn in order to establish operational guidelines for personnel throughout the corporate group into the future.

The concept of **intelligence** or the ability to learn is to pay attention to high technology with the ability to think and learn using various intelligent control systems to help the Company stand at the forefront of the industry. The advanced technologies that the Company will develop include Artificial Intelligence (AI) and various automation systems, including the use of robots in the production process and related processes, which must be applied to the organization to reduce duplications, attain labor-saving targets, and increase speed and precision as well as to help increase productivity of the work process. Investing in these technologies will help the Company maintain its leadership amidst intense competition in the industry.

For the concept of **sustainability**, this has also inevitably played an important role in the recent past and will continue to remain a focal point for future business operations. The Corporate Group not only emphasizes the use of technology and modern work processes but, in much the same way, also focuses on conducting business with sustainability goals, such as energy and resource conservation, reducing carbon dioxide emissions, caring for the environment, and non-involvement in deforestation, etc. It also focuses on good corporate governance and attention to social responsibility, both inside and outside the organization. These are all the things that the Company is mindful of and aspires to, as well as seriously taking action in conjunction with business operations.

## Sustainable Intelligence

## Strategy and Business Goal

The Company has improved and defined the “8 BEST Strategies” to be able to achieve its business goals of being a world-class manufacturer and distributor of rubber gloves that is accepted and thought of first. The Company continually develops, is always flexible and ready to adapt to strengthen competitiveness and maintain leadership on the cutting edge of the industry. The Company has set strategies for excellence in the following 8 areas:

### Best Quality

Quality products moving toward zero defect.



### Best Cost

Maximizing business potential through increased competitiveness.



### Best Process

Streamlined and highly effective operational processes.



### Best Service

Service at its finest.



### Best Innovation

Encourage creativity and enhance the effectiveness.



### Best Sustainability

Sustainability operation in business & supply chain.



### Best Culture

Building Leadership and winning culture.



### Best Performance

Strengthen the potential to emerge as a global leader.





The details of operating according to business strategies and goals are as follows.

## Short to Medium Term

**Improving and changing plans to expand production capacity and develop and improve machinery in line with the current situation where the rubber glove business is in the process of balancing supply and demand.**

In order to support and meet the market demand the continuing growth of the global rubber glove market in the present situation. The Company has revised plans to expand production capacity and develop and improve machinery to suit the current situation of the industry where supply is still higher than demand. This is despite demand continuing to grow after the COVID-19 outbreak subsided. The Company has increased production capacity to meet global demand from the installed capacity of 15,130 million pieces per year in 2015 to a total installed capacity of 40,317 million, 52,527 million and 50,785 million pieces per year in 2021, 2022 and 2023, respectively, representing an average annual growth (CAGR) of 16 percent during 2015 – 2023. In 2022 and 2023, the Company has delayed the expansion of production capacity from the original plan so as to adjust the production capacity to be in line with the situation of high price competition in the rubber glove industry which resulted from rapid supply growth during the COVID-19 outbreak. Based on adjustments to production expansion plans, the Company expects installed production capacity in 2024 to be 50,785 million pieces per year. In addition, the Company has developed and improved existing machinery to continuously increase efficiency and reduce production costs.

## Long-term plan



**Focusing mainly on producing and distributing natural rubber gloves along with maintaining the production capacity of nitrile rubber gloves.**

Even though the Company has production lines with flexibility to change between the production of powder-free natural latex gloves and nitrile rubber gloves to support the diverse needs from customers around the world, but with an added advantage over other key competitors in terms of costs of the Company from having a strategic location in important rubber growing areas of Thailand and in the region, resulting in the Company having lower cost of concentrated latex than its competitors. This helps reduce production costs and reduce greenhouse gas emissions from raw material transportation. In addition, if we consider the expansion of supply during the COVID-19 pandemic, it was evident that the major rubber glove manufacturers in the region were mainly focused on expanding their production capacity and developing nitrile rubber gloves. It has become increasingly clear that this gives the Company an advantage in its competitiveness in the business of producing and distributing natural rubber gloves. The Company has continuously focused on producing and developing natural rubber gloves along with maintaining the proportion of production capacity for nitrile rubber gloves, thereby maintaining its leadership in the production of natural rubber gloves. These gloves are accepted by consumers in many countries around the world, especially those with high demand growth such as developing countries, etc. Having a major shareholder who is a leading operator in the upstream and midstream business related to natural rubber products, allows the Company to participate in research and development to get quality and diverse concentrated latex formulas suitable for the development of new products and access to information about the movement of market conditions and the trend of concentrated latex prices enables it to appropriately manage risks and business opportunities. In addition, focusing mainly on the production of natural rubber gloves also reduces greenhouse gas emissions when compared to nitrile rubber gloves because natural rubber has a lower carbon footprint than synthetic rubber.



### **Increasing production efficiency and creating an advantage in production costs by using energy that is different from competitors.**

Another differentiating factor from its competitors is that the Company has an advantage in energy costs which is one of the main costs in producing rubber gloves. The Company uses wood waste as the main source of energy, which comes from rubber trees that are cut down as they age and other types of wood waste, which is biomass fuel that's renewable energy. This is different from using fossil fuels such as oil, gas or coal, which are all limited energy sources. In addition to having a higher cost per unit of production than using fuel from wood waste, such fossil fuels also emit much higher greenhouse gas than the use of biomass energy. The use of gas (LPG) and coal energy emits greenhouse gas at 3.1134 and 3.1000 kgCO<sub>2</sub> eq/kilogram\* respectively, whereas the use of biomass energy emits at 0.0304 kgCO<sub>2</sub> eq/kilogram\*.

Remark \*1) Reference: Thailand Greenhouse Gas Management Organization (Public Organization)

\*2) Reference: IPCC Guidelines for National Greenhouse Gas Inventories, 2006



### **Focus on adding distribution channels to new markets around the world, especially in high-growth countries**

Along with maintaining a customer base in countries with high rates of rubber glove usage such as the United States, countries in Europe and Japan, etc. Within the next 2 years, the Company aims to expand distribution channels of its products to emerging markets in over 190 countries around the world. At present, the Company has a customer base in over 170 countries worldwide especially in countries with high growth such as countries in Africa, South America, and countries in East Asia and South Asia for example, because (1) these countries have higher potential and growth opportunities for rubber gloves usage than developed countries as evident from the rate of consumption of rubber gloves per population that is significantly lower than those of developed countries such as Republic of India and African countries have estimated consumption of rubber gloves per capita in 2022 at 4 pieces per person per year and 6 pieces per person per year, respectively, while in the United States and European countries, the consumption rate of rubber gloves per capita was 233 pieces per person per year and 93 pieces per person per year respectively, etc. (2) These countries start focus on the development of public health and sanitation systems in the country. (3) The purchasing power in these countries tend to increase continuously as can be seen from the rate of gross domestic product per capita, which is significantly higher than the developed countries. and (4) such countries are predominantly using natural rubber gloves which are of the quality that meets their intended use and are cheaper than nitrile gloves, thereby being in line with the strategy of the Company in expanding production capacity by focusing mainly on natural rubber gloves, while maintaining an appropriate proportion of production capacity of nitrile rubber gloves.

Moreover, the Company has continuously expanded its retail distribution of rubber gloves in various countries around the world in order to increase the proportion of sales of its branded products, including entering the auction system in many business sectors where the use of rubber gloves is high, especially public sector hospitals in various countries. In 2023, subsidiaries in Indonesia or PT Sri Trang Gloves Indo and the Philippines, or Sri Trang Gloves Philippines Inc., have had continued sales to meet the demand of consumers within those countries with dense population and a high growth rate in rubber glove consumption.



### **Increasing the proportion of OBM as well as expanding the business to a new base of customers**

The Company produces high quality products both under Original Equipment Manufacturing (OEM) as well as under Original Brand Manufacturing (OBM) with our trademarks owned by us or, our subsidiaries as well as STA. Our products are distributed through variety of channels in different markets including distribution through our own distribution platforms, through agents, dealers as well as directly to large group of users endures, i.e. group of private and government hospitals in various countries. The Company focuses on medium-term goal to increase its proportion of OBM from 28 percent, 26 percent, and 23 percent in 2021, 2022 and 2023 to a minimum of 50% within the next 4 years. Not only to promote the products under the trademarks of the Company, selling more OBM will also reduce costs relating to less complexity of production and packaging arrangement.

In addition, the higher demand of rubber gloves not just only for medical use, but also non-medical purposes in other industries and daily life of human. The Company is confident that the proportion of demand of rubber gloves from non-medical segments will increase sustainably. The Company, therefore, sets a goal to increase a new base of customers to non-medical segment in the future for meet the diverse needs of consumers in every industry and country.



### **Using state-of-the-art technology in the Company's production process and researching the Use of Artificial Intelligence, or AI.**

The Company attaches great importance to the use of cutting-edge technology in the production process to enhance efficiency whereby it developed the use of automation in its production systems starting from the process of preparation and mixing raw materials (Auto Mixing), waste detection system with sensors (Vision Camera System), automatic stripping system (Auto Stripping), sorting and counting system (Auto Stacking), automatic packing system (Auto Packing) to the storage system (Smart Warehouse). Automation will play an important role in reducing the need for human labor in the production process which resulted the reduction of labor shortages, epidemics, and accidents risks, reduce defects that will occur during production, increase the efficiency and capacity in the Company's production lines by increasing production speed including increasing the storage space for products more efficiently. Regarding this, the Company has already initiated development of automation systems, and continually developed the production technology both in the existing and new production line.

In addition, the Company has initiated the goal of studying artificial intelligence technology or Artificial Intelligence ("AI") for application within the organization. In the future, AI will play an important role in helping to make decisions alongside humans which will complement the automation production system to increase accuracy and reduce errors in the production process.





### Introducing new products

The Company attaches great importance to research and development of various innovations. In the past 2-3 years, The Company has released new products to meet the needs of various customers, namely Non-Detectable Protein Gloves under the concept of **Clean World Clean Gloves (CWCG)**, Surgical gloves made from natural rubber, Extra Long Cuff gloves, Diamond Textured gloves, some types of Chemical resistant gloves, etc. In addition, at the end of 2023, the Company initiated a plan to develop and improve the existing production line to make a distinct production line for research and development of various innovations to meet the needs of consumers in a variety of industries, both domestic and international.



### Focusing on business operations under the ESG principles of environmental conservation, social responsibility, and good corporate governance.

The Company recognizes the importance of conducting business operations under the concept of **"Clean World Clean Gloves"** which is mindful of product quality while taking care of the planet. **The Clean World concept** focuses on operations and product development with environmental and social responsibility throughout the supply chain through performance in 3 areas:

1. Sustainable sourcing that focuses on procuring quality raw materials from production sources or suppliers with ESG practices, operating with environmental and social responsibility whereby there is an effective environmental management system and standards
2. Emphasis is placed on environmentally and friendly manufacturing using 100% renewable energy from biomass fuel to produce heat from the boiler and installing solar panels for the production process in order to reduce greenhouse gas emissions. There are also effective systems to prevent air pollution and provide efficient water and waste management, as well as focusing on adding value to waste or unused materials according to the circular economy principle including efficient logistics management, reduce unnecessary transportation as well as reducing fuel consumption in transporting raw materials and products so as to help minimize greenhouse gas emissions from transportation activities.
3. Adherence to human dignity and social responsibility by promoting employee diversity, respecting human rights in business operations, promoting comprehensive human rights checks and cultivating a culture of safety in the workplace as well as implementing social programs in various forms to help solve social problems.

In addition, the Company has set guidelines for its sustainability approach for operations, or **"SHARE"**, in response to corporate sustainability goals and needs and expectations of stakeholders, whereby the guidelines are as follows:



1. **Sustainability for Supply Chain and Fair Trade:** The Company focuses on sustainable supply chain management in accordance with international standards so that its partners operate in accordance with the Company's sustainability practices, taking into account the management of environmental and social impacts, business ethics, labor practices and fair trade.



2. **Human Rights:** The Company is firmly committed to respect for and compliance with human rights principles in business operations and opposing all forms of human rights violations especially against child labor, forced labor and slave labor and various forms of human rights violations in the workplace. In addition, the Company also recognizes and places importance on safe working conditions and healthy well-being of all employees, as well as the care and development of employees to enhance work skills and develop more efficient work processes.



3. **Animal Welfare:** The Company loves and cherishes all living creatures on this planet and has a firm commitment to **"Protecting Every Touch with Care"** through the gift of sharing and concern for creatures that are crippled, neglected or abused through donations and activities including activities related to the conservation of the ecosystem on an ongoing basis.



4. **Responsibility & Sharing:** The Company not only produces and delivers gloves of life to customers around the world, but also prides itself as an organization that strives and supports the building of a sustainable sharing society for a better world by focusing on participation in community and social development.



5. **Environmentally and friendly Technologies:** In addition to attention to production processes that meet international standards, the Company also focuses on using environmentally-friendly production technology by focusing on improving energy efficiency, using renewable energy in the production process, efficient water and waste management systems with regard to adding value and maximizing utilization, and reducing greenhouse gas emissions throughout the business value chain. This is the way forward in striving to become a low-carbon company, a green factory that is friendly to the environment and surrounding communities.

In order to enable the Company to propel and carry out concrete sustainability work, it has set sustainability goals in line with the business plan which takes into account environmental, social, economic and corporate governance responsibility as follows.

## Sustainability Goals



### Environmental Dimension

#### Reducing greenhouse gas emissions and energy management

- Net zero greenhouse gas emissions by 2050.
- Carbon neutrality by the year 2030.
- Reduce greenhouse gas emissions per product unit by 40 percent compared to base year 2021 by 2026.
- Reduce total energy consumption per product unit by 5.5 percent compared to the base year 2019 by 2024.
- Reduce electrical energy use per product unit by 10 percent compared to the base year 2019 by 2024.



### Social Dimension

#### Occupational health and safety at work

- Zero number of work-related fatal accidents of employees and business partners
- Zero number of work-related illnesses of all operators.

#### Relationships with customers and consumers and product quality and safety

- Customer satisfaction survey finds 80 percent or more are satisfied.



### Economic and Corporate Governance Dimension

#### Good corporate governance and Anti-corruption

- The Company conducts business based on the principles of good governance and business ethics. It has continually been evaluated and rated excellent in corporate governance (5 stars), with an overall average score equal to or higher than the previous year.
- 100 percent of employees have received training on business ethics and anti-corruption, and 100 percent passed the e-testing.
- The Company has been certified for its continuous anti-corruption efforts.



#### **Water and Wastewater Management**

- Reduce water use per product unit by 10 percent compared to the base year 2019 by 2024.

#### **Management of waste and unused materials**

- Reduce the amount of waste per product unit by 20 percent compared to the base year 2019 by 2024.
- Reduce the amount of non-hazardous waste from the production process that is disposed of in landfill to zero by 2030.

#### **Environmental management systems**

- The Company has received ISO14001 environmental management standard certification, for 100 percent of all its factories in Thailand.

#### **Consideration of the ecosystem and biodiversity**

- 100 percent of the operational area has received a preliminary biodiversity risk assessment.

#### **Air quality management**

- The number of incidents of non-compliance with environmental laws and regulations is zero.

#### **Employee care**

- Employee well-being and engagement is more than 85 percent (the proportion of employees responding to the assessment is equal to or greater than 85 percent of all employees).

#### **Employees' skill development**

- Employee training averages 40 hours per employee per year.

#### **Human rights and non-discrimination**

- The Company obtains 100% risk and impact assessment on human rights for its business operations.
- Zero number of complaints or violations related to human rights in the organization and supply chains from the Company's operations.

#### **Sustainable supply chain management**

- Communicate ethics code of conduct and guidelines for business partners to 100% of its partners.
- 100 percent of the Company's partners sign their acknowledgement of the ethics code of conduct and guidelines for suppliers.
- Suppliers who have submitted self-assessment responses to the ESG evaluation process account for 100 percent of the Company's trade partners
- 100 percent of the important trading partners in the operating areas have been assessed for ESG risks.

#### **Risk management and business continuity**

- The Company has at least one trial run of business continuity management systems annually.
- The Company continuously receives ISO 22301:2019 certification.
- Zero business interruption

#### **Research, development and innovation**

- Number of innovation projects that have been successful in all 3 aspects of the company and can be extended to at least 1 project per aspect per year.

For guidelines and performance results regarding sustainability, additional information can be found in Section 3. Driving the Business towards sustainability and Sections 6-8 on corporate governance in this report, including in the 2023 sustainability report on the Company's website at <https://www.sritranggloves.com/en/downloads/sd-report>



Line 11	
Product Code	11-11-11-11
Material	11-11-11-11
Machine	11-11-11-11
Operator	11-11-11-11
Inspector	11-11-11-11
Quantity	11-11-11-11





## HISTORY AND CORPORATE STRUCTURE

Our Company was formed on 1 April 2019 through the Amalgamation of Sri Trang Gloves (Thailand) Co., Ltd. and Taikong Public Company Limited ("TK").

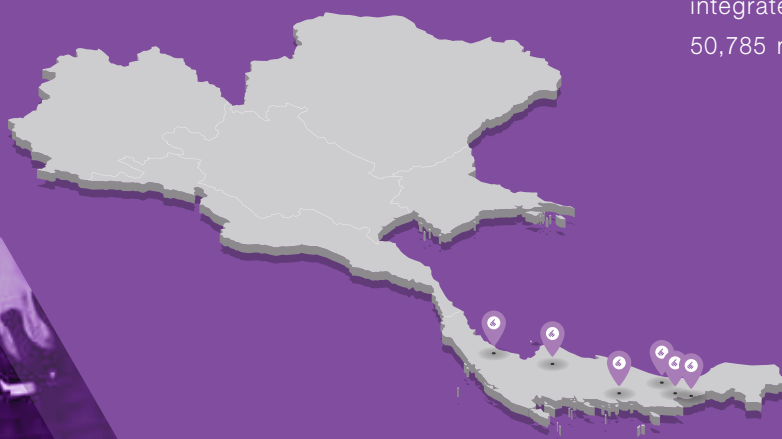
Sri Trang Gloves (Thailand) Co., Ltd. was incorporated on 9 January 1989 under the name "Siam Sempermed Corporation Limited". The Company has engaged in business of manufacturing and distributing rubber gloves for medical use and other industries both in domestic and overseas. On 16 March 2017, STA acquired Semperit's stake in Siam Sempermed Corporation Limited and the name of the company was changed to "Sri Trang Gloves (Thailand) Co., Ltd."

In order to further consolidate and restructure the rubber gloves business of the STA Group under our Company, on 28 June 2019, the Company acquired a 100.0% shareholding interest in SDME, engaged in distributing rubber gloves in the PRC, from a subsidiary of STA. On 30 September 2019, the Company acquired a 100.0% shareholding interest in STU, engaged in distributing rubber gloves in the US, from STA. In addition, on 7 January 2021, the Company acquired an aggregate 99.9992% shareholding interest in PSE from STA and RBL and a 99.9985% shareholding interest in PS from STA. PSE is principally engaged in the business of providing engineering services primarily to the Company and the STA Group, while PS does not have business operations, but holds land on which we intend to construct a glove factory.



The Company undertook an initial public offering exercise in Thailand and the Company has been primary listed on the SET under the symbol "STGT" on 2 July 2020. Thereafter, on 10 May 2021, the Company has been listed on the Main Board of the Singapore Exchange (SGX-ST) (Secondary Listing by way of Introduction), without issuing and offering new shares, under the stock code "STG", to expand and diversify the Company's shareholder base, which will assist the Company in having an additional source of funds in the future and will increase the Company's profile and visibility in the region.

As at 31 December 2023, the Company has a total six rubber gloves factories located in Thailand i.e. Hat Yai Factory located at Hai Yai District, Songkhla Province, Surat Thani Factory, Kanchanadit District, Surat Thani Province, Trang Factory, Kantang District, Trang Province, Sadao P.S. Factory, Sadao District, Songkhla Province, Anvar Factory, Sadao District, Songkhla Province, and Chumphon Factory, Pathio District, Chumphon Province with a total of 186 integrated production lines and installed capacity of 50,785 million pieces of rubber gloves per year.





- Sri Trang Gloves (Thailand) Company Limited was incorporated on 9 January 1989 under the name of Siam Sempermed Company Limited.
- Hatyai Branch Factory produced powdered natural rubber gloves, which at that time had 4 production lines.

- Sri Trang Gloves (Thailand) Company Limited started manufacturing and distributing powder-free natural rubber gloves.
- Reached production milestone of 1,000 million pieces of rubber gloves, which at that time there were 18 production lines.

- Hat Yai Branch Factory was Certified ISO9001:1994 by TÜV PRODUCT SERVICE GmbH

- Hat Yai Branch Factory increased its production capacity to 40 production lines.

- Hat Yai Branch Factory increased its production capacity to 60 production lines and began production and distribution nitrile gloves.

- Hat Yai Branch Factory increased its production capacity by another 6 production lines, to a total of 84 production lines in all.

- Hat Yai Branch Factory was Certified Thai GMP by the Food and Drug Administration, Ministry of Public Health of Thailand

- Hat Yai Branch Factory was Certified ISO13485: 2003 by TÜV PRODUCT SERVICE GmbH and ISO/IEC17025:2005 by the Bureau of Laboratory Quality Standards, Ministry of Public Health.

- Hat Yai Branch Factory increased its production capacity by another 18 production lines, to a total of 78 production lines in all.

- Hat Yai Branch Factory was Certified ISO13485:1996 CMDCAS by TÜV AMERICA INC.

- Surat Thani Branch Factory was certified Thai GMP by the Food and Drug Administration, Ministry of Public Health of Thailand.
- Surat Thani Branch Factory completed 14 production lines.

- TK was established with the registered capital of THB 625.00 million.

- Hat Yai and Surat Thani Branch Factory received PPE certification from SATRA TECHNOLOGY and MDD certification from Medical Device Safety Service
- Hat Yai Branch Factory was Certified ISO 22000:2005 by TÜV SÜV Management Service GmbH

- Surat Thani Branch Factory was Certified ISO/IEC17025:2005 by the Bureau of Laboratory Quality Standards, Ministry of Public Health.
- Trang Branch Factory (TK) began commercial production of powdered natural rubber gloves with production capacity of 4 billion pieces per year and 12 production lines.

- STA bought shares of Siam Sempermed Company Limited held entirely by non STA Shareholder and changed its name to Sri Trang Gloves (Thailand) Company Limited.
- Surat Thani Branch Factory was Certified ISO 14001:2015 by TÜV SUD ASIA Pacific TÜD SUD Group

## 2020

- Hat Yai Branch Factory increased its production lines by another 6, completing a total of 100 production lines.
- Trang Branch Factory increased its production lines by another 7, completing a total of 24 production lines.
- The Company has been listed to the Stock Exchange of Thailand (SET).
- The Company has been changed of par value from THB 1.00 per share to THB 0.50 per share according to the shareholders' approval.

## 2021

- The Company acquired ordinary shares of PSE from STA and RBL, equivalent to 99.9992 percent of the total shares.
- The Company acquired ordinary shares of PS from STA equivalent to 99.9985 percent of the total shares.
- The Company has been listed on the Main Board of the Singapore Exchange (SGX-ST) (Secondary Listing by Way of Introduction), without issuing and offering new shares, under the stock code "STG".
- The Company has established new subsidiary in Singapore named SRI TRANG GLOVES (SINGAPORE) PTE. LTD., for the purpose of distribution of gloves and research and development (R&D) businesses.
- The Company has established new subsidiary in Singapore named SRI TRANG GLOVES GLOBAL PTE. LTD. for the purpose of financial asset management and financial investment.
- The Company has established new subsidiary in Indonesia named PT SRI TRANG GLOVES INDO, for the purpose of distribution of gloves.
- The Company has established new subsidiary in Vietnam named SRI TRANG GLOVES VIETNAM COMPANY LIMITED, for the purpose of distribution of gloves.
- Surat Thani Branch Factory increased production lines by another 17, completing, a total of 38 production lines.
- Establishment of Sadao P.S. Branch Factory, starting with 5 production lines.

## 2019

- The Company was established by registration of the amalgamation of Sri Trang Gloves (Thailand) Company Limited and TK
- The Company purchased investment in SDME from Startex Rubber Company Limited ("STC") (a subsidiary of STA).
- The Company purchased investment in STU from STA.
- Hat Yai Branch Factory increased its production lines by another 4, completing a total of 94 production lines.
- Trang Branch Factory increased its production lines by another 5, completing a total of 17 production lines.

## 2022

- Surat Thani Branch Factory increased its production lines by another 1, completing, a total of 39 production lines.
- Sadao P.S. Branch Factory increased its production lines by another 3, completing, a total of 8 production lines.
- Establishment of Anvar Branch Factory, starting with 12 production lines.
- Trang Branch Factory increased its production lines by another 10, completing a total of 34 production lines.
- Establishment of Chumphon Branch Factory, starting with 12 production lines.
- The Company has established new subsidiary in United States of America named SRI TRANG RESPONSIBLE GLOVES SUPPLY INC., for the purpose of distribution of gloves in United States of America.
- The Company has established new subsidiary in Philippines named SRI TRANG GLOVES PHILIPPINES INC., for the purpose of distribution of gloves in Philippines.

## 2018

- Hat Yai Branch Factory increased its production lines by another 6, completing a total of 90 production lines
- Surat Thani Branch Factory completed expansion to 21 production lines.

## 2023

- The Company begins producing Surgical gloves and distributing in Thailand and overseas.
- Hat Yai Branch Factory received certification for the production of Surgical gloves, including ISO 9001:2015\_ Quality Management System standard, EN ISO 13485:2016 \_Medical Devices Quality Management System standard and ISO 13485:2016\_ Medical Devices Quality Management System (MDSAP) standard.
- The Anvar and Chumphon branches have been certified to ISO 9001:2015\_ Quality Management System, EN ISO 13485:2016\_ Medical Devices Quality Management System and ISO 13485:2016\_ Medical Devices Quality Management System (MDSAP) standard.
- Chumphon Branch Factory has been Amfori BSCI certified at grade A level, which is the 5<sup>th</sup> of the Company's factories to have been certified under this standard following Hat Yai, Trang, Surat Thani and Sadao P.S. branches, all of which also received Grade A level rating.
- The Sadao P.S. Branch Factory has received ISO 14001:2015\_ Environmental Management System and ISO 45001:2018\_ Occupational Health and Safety Management System certification.
- Hat Yai Branch Factory has been certified by BRCSG\_ Global Standard for Consumer Products Personal Care and Household

## Key Milestones and Activities 2023

### STGT wins big prize, ranked among the top 5 companies of the year 2023 in the consumer products group.

The Company was selected by the Finance and Banking Journal to be among the Best Companies of the Year 2023 or Best Public Companies of The Year 2023, which is one of the top 5 companies in the consumer products sector. This award is another award that guarantees the potential and strength of the group's business operations.



### STGT wins Level 4 Green Industry Award, reinforcing its position as an organization that cares and takes care of the environment in a stable, continuous, and sustainable manner.

On 27 July 2023, the Surat Thani Branch Factory received the Green Industry Award, Level 4, Green Culture from the Ministry of Industry. This award represents the fact that every employee in the organization has a shared value in protecting the environment, including full cooperation in every aspect in order to ensure the business operation is environmentally friendly. It also shows that the Company is one of the private sector organizations that are committed and driven to elevate the country into a green industrial society and for development to be stable, continuous and sustainable.







STGT successfully achieves grade A, amfori BSCI standard for Chumphon Branch Factory, while maintaining Grade A standard in every factory and its readiness to reinforce international standards of labor care and safety.

On 17 August 2023, Chumphon Branch Factory has passed amfori Business Social Compliance Initiative (BSCI) certification at Grade A level. The Chumphon Branch is the 5th factory of the Company to receive such standard certification after the Hat Yai, Trang, Surat Thani and Sadao P.S. branches. The amfori BSCI standard is a standard that deals with the inspection and assessment of workplaces in industrial supply chains around the world. It reflects systematic attention to labor care according to international standards for a good quality of life for workers.



### STGT wins SET AWARDS 2023 in the award category of Sustainability Excellence

On 21 November 2023, Professor Dr. Weerakorn Ongsakul, Chairman of the Board of Directors along with General Bundit Bunyapan, member of the Corporate Governance and Sustainable Development Committee received SET AWARDS 2023 for STGT in the category of Sustainability Excellence, Highly Recommended level from the Stock Exchange of Thailand. This achievement award is an acknowledgment that the Company conducts

business with consideration to financial performance and responsibility to stakeholders, including the ability to effectively use environmental, social and governance issues or ESG as a mechanism for business development towards sustainability.

In addition, the Company has developed sustainable business operations and has continuously received awards for success in such areas as the Sustainability Disclosure Award 2023 for the second year in a row from Thaipat Institute, which it joined as a member of the Sustainability Disclosure Community (SDC), and the CSR-DIW Continuous Award and CSR-DIW Award 2023 from the Ministry of Industry which reflects our commitment to operating with social and environmental responsibility and to promote sustainable living with the community, including being rated by SET ESG Ratings for the year 2023 at AAA level, which is the highest level of ranking of the Stock Exchange of Thailand. This reinforces being a listed company that conducts business sustainably by taking into account the environment, having social responsibility and managing its operations according to the principles of corporate governance.

### 1.1.3

#### (a) Utilization of Proceeds from the Equity Instrument

Following completion of the STGT ESOP project in 2022, the Company has not offered any additional equity instruments.

#### (b) Utilization of Proceeds from the Debt Instrument

The issuance of Green Debentures of Sri Trang Gloves (Thailand) Public Company Limited No. 1/2022 in the total amount of THB 1,500 million as of 28 September 2022. The Company would like to report the utilization of such proceeds ended of 31 December 2023 as follows:

Utilization	Approximate Amount (THB Million)	Approximate Period	Details / Progress
For investment in the environmental projects in relevant to the business operation	1,500 Million	Within 2027	As of 31 December 2023, the Company has utilized the proceeds from green debentures issuance in the amount of THB 427.32 million for the investment in environmental projects of the company include: 1) Renewable Energy; 2) Pollution Prevention and Control; 3) Energy Efficiency; 4) Sustainable Water and Wastewater Management; and 5) Clean Transportation.

The Company has used the money from the issuance and offering of such bonds according to the purpose and period of use as disclosed in the bond offering information form and prospectus for debentures No. 1/2022. Additional reports on performance according to environmental goals are available in Section 3. Driving Business for Sustainability in this report and the sustainability report on the company's website at <https://www.sritranggloves.com/en/downloads/sd-report>.

### 1.1.4 Commitment

-None-

### 1.1.5 General Information

General Information can be found in Section 5. General and Other Significant Information

## 1.2 Nature of Business

The Company operates the business of manufacturing and distributing rubber gloves for medical use and in other industries. The main products are natural rubber powdered gloves (NRPD), natural rubber powder free gloves (NRPF) and nitrile butadiene rubber gloves (NBR). Most of the rubber gloves that the Company manufacture and distribute are under medical specifications. As of 31 December 2023, the Company has a total installed capacity of approximately 50,785 million pieces per year, which the Company believes it is the largest rubber glove manufacturer in Thailand and the world's third largest manufacturer of rubber gloves with details as follows.

### Chumphon

### Surat Thani

### Songkhla

### Trang

#### Surat Thani factory

Kanchanadit District, Surat Thani Province

**Installed Capacity**  
9,603 Million pieces per year

**Raw Materials**  
Concentrated Latex  
Syntetic Latex

**Products**  
Powder-free natural rubber gloves,  
Nitrile rubber gloves



#### Chumphon factory

Pathew district, Chumphon province

**Installed Capacity**  
4,225 Million pieces per year

**Raw Materials**  
Concentrated Latex

**Products**  
Powder-free natural rubber gloves



#### Hat Yai factory

Hat Yai district, Songkhla province

**Installed Capacity**  
14,641 Million pieces per year

**Raw Materials**  
Concentrated Latex  
Syntetic Latex

**Products**  
Powdered and powder-free natural rubber gloves, Nitrile rubber gloves



#### Sadao P.S. factory

Sadao district, Songkhla province

**Installed Capacity**  
2,775 Million pieces per year

**Raw Materials**  
Syntetic Latex

**Products**  
Nitrile rubber gloves



#### Trang factory

Kantang district, Trang province

**Installed Capacity**  
12,510 Million pieces per year

**Raw Materials**  
Concentrated Latex

**Products**  
Powdered and powder-free natural rubber gloves



#### Anvar factory

Sadao district, Songkhla province

**Installed Capacity**  
7,031 Million pieces per year

**Raw Materials**  
Concentrated Latex, Syntetic Latex

**Products**  
Powder-free natural rubber gloves,  
Nitrile rubber gloves



## 1.2.1 Revenue Structure

The revenue from the Company's business consists of (1) revenue from the business of manufacturing and distribution of NRPD and NRPF gloves (2) revenue from the business of producing and distributing NBR gloves and (3) other income. The Company's revenue structure for the year ended 31 December 2021, 2022, and 2023 can be shown as follows.

Revenue	Consolidated Financial Statements for the Year Ended 31 December					
	2021		2022		2023	
	THB Million	percent	THB Million	percent	THB Million	percent
1. Revenue from production and distribution of rubber gloves						
• Revenue from manufacturing and distribution of NRPD gloves	16,066.6	33.0	8,543.6	35.9	7,392.2	36.5
• Revenue from manufacturing and distribution of NRPF gloves	11,655.0	24.0	9,090.2	38.2	7,465.5	36.9
• Revenue from manufacturing and distribution of NBR gloves	19,716.0	40.6	5,356.2	22.5	4,121.2	20.4
<i>Effect from cash flow hedge accountings</i>	-	-	(93.6)	(0.4)	55.1	0.3
<i>Total revenue from the production and distribution of rubber gloves</i>	<i>47,437.6</i>	<i>97.6</i>	<i>22,896.3</i>	<i>96.3</i>	<i>19,034.0</i>	<i>94.0</i>
2. Revenue from sales of rubber products <sup>(1)</sup>	113.2	0.2	408.5	1.7	631.1	3.1
<i>Total sales and service revenue</i>	<i>47,550.8</i>	<i>97.8</i>	<i>23,304.8</i>	<i>98.0</i>	<i>19,665.2</i>	<i>97.1</i>
3. Other income <sup>(2)</sup>	1,067.2	2.2	471.9	2.0	578.4	2.9
<b>Total revenue</b>	<b>48,617.9</b>	<b>100.0</b>	<b>23,776.7</b>	<b>100.0</b>	<b>20,243.6</b>	<b>100.0</b>

**Note:**

<sup>(1)</sup> Revenue from services between PSE and company (which is not under our Group).

<sup>(2)</sup> Other income mainly consists of dividend income, financial income, profit from sale of investments in associate companies, profit (loss) on foreign exchange, profit from sale of scraps, tax refund income, compensation income from insurance and subsidy income from the Rubber Authority of Thailand for supporting loans of rubber product manufacturers, etc.

Details of sales volume of rubber gloves of the Company (including NRPD, NRPF, and NBR gloves) for the year ended 31 December 2021, 2022 and 2023

(Unit: million)	Consolidated Financial Statements for the Year Ended 31 Dec 2021	Consolidated Financial Statements for the Year Ended 31 Dec 2022	Consolidated Financial Statements for the Year Ended 31 Dec 2023
Sales Volume of NRPD, NRPF, and NBR Gloves	27,275.5	28,808.9	31,384.0



## 1.2.2 Details of Products

### 1) Products and Services

The business operation of the Company can be divided into 2 businesses according to the product type as follows:

#### (1) Manufacturing and distribution of natural rubber gloves

Natural Rubber Glove (NR) is a type of rubber glove which is produced by concentrated natural rubber latex. NR gloves have a characteristic of flexibility, comfort in wearing (Relaxation) as well as being biodegradable that is considered to be better than nitrile butadiene gloves. The NR gloves that the Company produces and sells can be divided into 2 main types as follows:

- (1.1) Natural Rubber Powdered Glove (NRPD): These are NR gloves that are coated with powder on the inside for donning comfort. In most cases, corn flour is used as the raw material as it does not contain any harmful substance and is food safe. In addition, the production process for NRPD is less complex than NRPF and NBR, resulting in NRPD being cheaper than the other types of rubber gloves.
- (1.2) Natural Rubber Powder Free Glove (NRPF): It is an alternative product developed by using technology to coat the contact surfaces inside the rubber gloves to provide ease in wearing without cornstarch.

#### (2) Manufacturing and distribution of nitrile butadiene rubber gloves

NBR glove is a rubber glove which is produced using Nitrile Butadiene Rubber or NBR latex, a synthetic type of latex, as the main raw material. The NBR are strong, tearing and puncture resistant, and better resistant to chemicals and temperature changes than NR gloves. It is also an alternative product for who are prone to proteins allergy from natural rubber. The only form of NBR gloves that the Company produces is powder-free NBR.

NR gloves and NBR gloves that the Company produces and sells can be classified according to the nature of use into 3 main categories: rubber gloves for use in general medical examination (Examination Glove), rubber gloves for surgical use (Surgical Gloves) and rubber gloves for industrial use (Industrial Glove) such as in the food industry, beauty industry, electronic industry and agriculture industry etc. Each type of rubber gloves may have different properties depending on the nature of use. The rubber gloves the Company manufactures and distributes are mainly latex gloves for medical use.

In 2023, the Company produces NR gloves and NBR in the form of OEM accounted for 76.5 percent of total revenue from the production and distribution of rubber gloves as well as under the trademarks owned by the Company and its subsidiaries and companies in the STA group to both domestic and foreign customers accounted for 23.5 percent of total revenue from the production and distribution of rubber gloves. The Company has produced and distributed natural rubber gloves and NBR gloves under the trademarks (both registered and under registration) of the Company and its subsidiaries such as Sri Trang Gloves, SRI TRANG GLOVES, Satory, I'M GLOVE, Fin, Super Care, S-Gloves, Sriex, SRITECH, Shi-Rui-Kang and Ventyv etc. The Company has the ability to produce natural and NBR gloves with a wide range of properties, ranging from size, weight, thickness, length, contact surface and other special properties such as surgical gloves, low-protein gloves, extra-long cuff gloves, and diamond-textured gloves that are used in the industrial sector in order to meet the different demands of global customers.



## Example of NR glove products

under the trademarks of the Company and its subsidiaries.





## Example of NBR glove products

under the trademarks of the Company and its subsidiaries.



## 2) Marketing and Competitions

### (2.1) Marketing and Distribution Channels

The Company produces and distributes natural and nitrile rubber gloves both in Thailand and abroad. The majority income of the Company derives from distribution of products to overseas. The main markets of the Company include Asian countries, the United States of America, Europe, and South America.

Revenue from production and distribution of natural and nitrile rubber gloves in each continent for the year ended 31 December 2021, 2022, and 2023 which can be classified according to the source of income as follows:

Revenue from production and distribution overseas distribution	2021		2022		2023	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Asia Pacific	13,388.8	28.2	9,530.0	41.5	7,374.3	38.9
North America	17,563.5	37.0	4,618.0	20.1	3,437.9	18.1
Europe	7,339.8	15.5	3,752.3	16.3	3,190.6	16.8
South America	5,317.0	11.2	3,214.2	14.0	3,110.2	16.4
Middle East	1,469.9	3.1	780.8	3.4	526.2	2.8
Africa	2,080.5	4.4	941.5	4.1	1,191.9	6.3
Australia and Oceania	278.0	0.6	153.1	0.7	147.7	0.8
<b>Total</b>	<b>47,437.6</b>	<b>100.0</b>	<b>22,990.0</b>	<b>100.0</b>	<b>18,978.9</b>	<b>100.0</b>

The Company has two distribution channels for both domestic and international customers, namely the distribution of rubber gloves under the trademark of the Company and its subsidiaries and OEM contract manufacturing as follows:

#### (a) Rubber gloves under the trademark of the Company and its subsidiaries

The Company distributes natural and nitrile rubber gloves under the trademark (both registered and under registration) of the Company and the Company's subsidiaries such as SRI TRANG GLOVES, Satory, I'M GLOVE, Fin, Super Care, S-Gloves, Sriex, Shi Rui Kang and Ventyv in Thailand and overseas. Most are distributed through dealers with high potential in each country which includes both third-party distributors and subsidiaries of the Company. In this regard, the distributors will distribute products to consumers through various channels such as hospitals, pharmacies and medical equipment outlets, clinics, and restaurants, etc.

In addition to distribution through potential distributors in each country, the Company and its subsidiaries also distributes rubber gloves under the trademark of the Company and its subsidiaries directly to customers in Thailand, the People's Republic of China, Vietnam the United States, Singapore, Indonesia, and Philippines via Modern Trade, convenience stores and online channels, as well as direct distribution of products to such customers as hospitals, drugstores and medical equipment outlets, clinics, restaurants, hotels, and aesthetic center etc.



### (b) Rubber gloves under OEM contracted manufacturing

The Company distributes natural and nitrile rubber gloves that it produces under OEM contracted manufacturing through dealers in Thailand and overseas whereby the dealers distribute products to other distributors or to consumers such as hospitals, clinics, pharmacies and medical equipment outlets, retail stores (Modern Trade), convenience stores. The Company's OEM business operates from the production of rubber gloves until the process of packaging the products and attaching the trademark of the outsourcing manufacturer.

Marketing for the Company's OEM business is done by direct contact to the dealers through the Company's marketing team which has the required experience, knowledge, and capability in negotiating with the dealer to offer a wide range of rubber glove products and detailed product information, including asking for information regarding customers' needs in order to develop products to meet their specific needs. The Company also participates in not just the medical equipment expos but also consumer products, food and beverages, beauty, and dental fair for both domestic and overseas.

However, most of the Company's income comes from the OEM contracted production of rubber gloves, with revenues from the OEM production of rubber gloves and from the production and distribution of rubber gloves under the trademark of the Company and the



Company's subsidiaries for the year ended 31 December 2022 representing 74.4% and 25.6%, respectively, of total revenue from the production and distribution of rubber gloves, and for the year ended 31 December 2023 representing 76.5% and 23.5% of the total income, respectively.

Revenue from (1) manufacturing and distributing rubber gloves under the trademark of the Company, its subsidiaries, and companies in the STA group and (2) OEM contracted manufacturing of rubber gloves for both domestic and foreign customers for the year ended 31 December 2021, 2022, and 2023 can be classified as follows:

Revenue	2021		2022		2023	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Revenue from production and distribution of rubber gloves under the trademark of the Company's and its subsidiaries	13,215.9	27.9	5,896.4	25.6	4,451.5	23.5
Revenue from OEM contracted manufacturing	34,221.6	72.1	17,093.6	74.4	14,527.4	76.5
<b>Total revenue from production and distribution of rubber gloves</b>	<b>47,437.6</b>	<b>100.0</b>	<b>22,990.0</b>	<b>100.0</b>	<b>18,978.9</b>	<b>100.0</b>

## (2.2) Industry and Competition

### Overview of the rubber glove industry

Latex gloves are widely used in a variety of industries such as the medical industry, food industry, electronic industry, beauty industry, and tourism industry, etc. This is because rubber gloves are classified as one of the devices that help to effectively protect against pathogens, chemicals, as well as various contaminants. At present, the rubber gloves generally produced and used can be classified according to 3 main raw materials i.e. powdered and non-powdered natural rubber gloves, nitrile rubber gloves and vinyl gloves. However, if considers the type of rubber gloves based on usage, they can be divided into 3 main types as follows:

#### (1) Medical Gloves

These are latex gloves used for medical purposes which can be divided into 2 types:

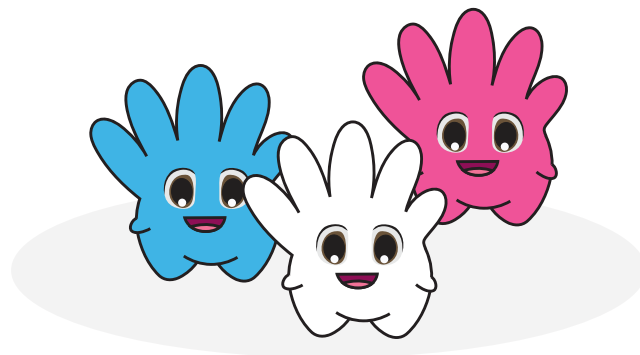
- **Latex gloves for surgical use (Surgical Glove)** are single-use, disposable rubber gloves that are sturdy, of elbow length, produce in both left- and right-hand feature, and must be sterilised by gamma rays. The production of surgical gloves requires relatively advanced technology as a higher degree of cleanliness and quality is necessary as compared to rubber gloves used in general examinations. Surgical gloves are generally made of natural rubber.
- **Latex gloves used in general examinations (Examination Glove)** These are designed to be unwrapped quickly, easy to put on and ambidextrous. They are also single-use and disposable, thin fit and of wrist length. Examination gloves can either be made of natural rubber, which can either be powdered or powder-free, or nitrile gloves. Powdered natural rubber gloves are cheaper than powder-free natural rubber gloves and nitrile gloves. Natural rubber gloves have better elastic properties than synthetic rubber. However, nitrile gloves are stronger, more resistant to tearing and puncture and are more resistant to chemicals, petroleum oils, various non-polar solvents, and temperature changes than natural rubber gloves. Nitrile and powder-free natural rubber gloves are alternatives for wearers who are allergic to natural rubber and/or powder.

#### (2) Industrial Gloves

Different industries require rubber gloves with different specific characteristics. For example, in the food industry, rubber gloves may require specific properties to meet the standards in food production processes in different countries, such as Good Manufacturing Practice ("GMP"), Safety Quality Management System, Hazard Analysis and Critical Control Point ("HACCP") and Halal Food Standards. In other industries such as the electronics industry, latex gloves must be thin and tight with properties that help to prevent dust particles and various contaminants from entering the electronics products, including other industries such as travel and hotel, and shopping mall etc.

#### (3) Household Gloves

These rubber gloves must be tough, durable, and thick because of their frequent contact with detergents and cleaning agents. In addition, these gloves are designed to last for a long time and can be reused.



## Demand of the Rubber Glove Industry

In the past, the demand for rubber gloves has grown steadily in all industries, averaging between 8% and 12% per year. Whether it is the medical industry, which is the main industry that drives the demand for rubber gloves in the past, and other industries that are growing in both variety of applications and demand volumes. Such as, food production and processing industry, electronics, restaurants, beauty treatments, and any services with hand touches. During the outbreak of the Coronavirus 2019 (COVID-19), the market demand for rubber gloves has grown exponentially, which is considered to be above-average growth in general compared to the period before the outbreak. Although, over the past two years, the demand for products has decreased, consumers continue to use products at an increased rate. It is apparent that more gloves are being used in a variety of industries. The recent drop in product orders is related to lingering stock in the market, which arises from consumers having a large inventory waiting for sale, delaying product orders. The Company therefore believes that the demand for the rubber glove industry continues to grow at an average rate between 8% and 12% per year compared to the base year before the Coronavirus 2019 (COVID-19) outbreak. Rubber gloves are still often used by consumers, and new customer groups have tried them during the coronavirus 2019 (COVID-19) outbreak and are unable to resume their usual activities without them. The growth of demand was caused from 2 main factors (1) the growth of healthcare industry and other industries and (2) the growth in usage of hygiene-related products across the world, especially among developing countries.

### (1) Growth in the Healthcare Industry

Growth of the healthcare industry is a key factor supporting global demand for rubber gloves since latex gloves are essential in every stage of a medical service, such as disease screening, diagnosis laboratory tests and disease treatment procedures including the provision of other medical services. Global expenditure on health: Public spending on the rise? by World Health Organization ("WHO").

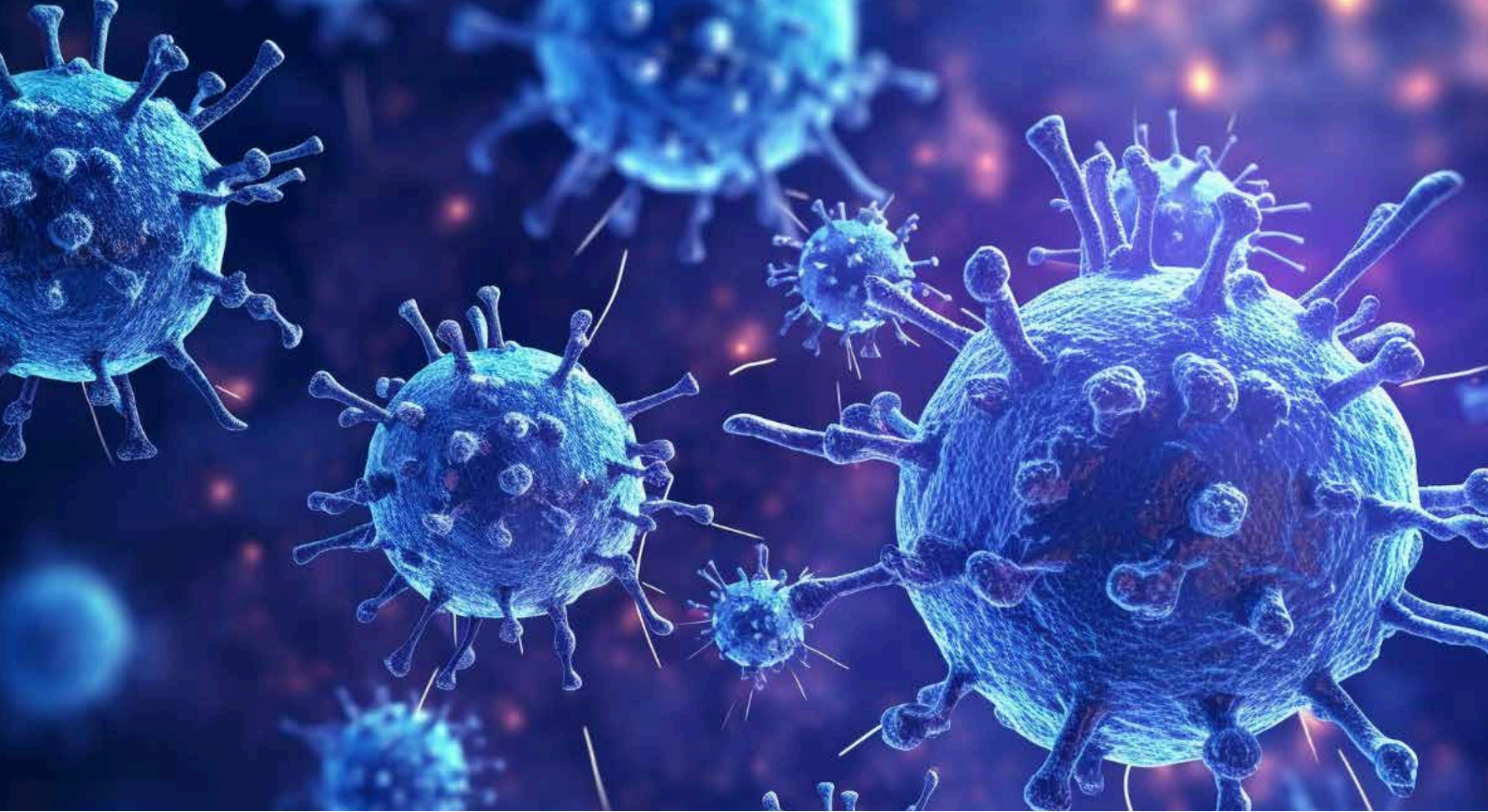
In 2021, it was reported that overall global spending on health during 2000 – 2019 has doubled in real terms over the past two decades, reaching USD 8.5 trillion in 2019 or 9.8% of GDP. High income countries accounted for nearly 80% of global spending on health (with the United States of America alone accounting for 42%) which is just 16.0% of the world population and spend per capita more than 4 times the average GDP of low-income countries. For the upper class of middle-income countries, the health spending accounted for 17.0% of global health spending which came from 35.3% of the world population. For the lower class of middle-income countries, the health spending accounted for 2.8% and for low-income countries, the health spending accounted for 0.24%

In 2019, which was the year of health spending before the pandemic year of the COVID-19, their average healthcare spending per capita of high-income countries was up to USD 3,191 per person per year which more than low-income countries of USD 39 per person per year, which is more than 80 times. In addition, WHO estimates that an addition in health spending, on average, is needed for middle-income countries. In 2019, the average spending on this was between USD 119 to 472 per person per year.

### (1.1) Ageing Population

The number of elderly populations around the world is steadily increasing. WHO predicts that the number and proportion of people aged 60 years and older in the population is increasing. In 2020, the number of people aged 60 years and older was 1 billion. This number will increase to 1.4 billion by 2030 and 2.1 billion by 2050, or equivalent to average annual growth rate of 3.1 percent and 2.4 percent per year, respectively. WHO also reported that the people aged more than 60 years old in 2050 will reach 22% or about to double from 12% of the world population in 2015.





### **(1.2) Access to medical services including government policies on public health in countries with high growth**

Global access to healthcare is a growing opportunity for the medical industry, with the World Health Statistics 2023: Monitoring Health for SDGs, Sustainable Development Goals published by the WHO, reported that the group with the highest Universal Health Coverage (“UHC”) Service Coverage index is in the America region which has an index of 80.0%, while the group with the lowest UHC Service Coverage index is a group of African countries which has an index value of 44.0%. Every year, there will be a growth on this global access to healthcare.

### **(1.3) The increase rate of non-communicable diseases (“NCDs”)**

The increasing rate of NCDs (Non-communicable Diseases) around the world is also a key factor contributing to the growth of the medical industry, resulting in constantly increasing demand for rubber gloves. According to a 2023 WHO report, NCDs killed an estimated 41 million people in the world and accounted for approximately 74.0% of the world's total death toll,

whereby the major diseases among the NCDs include cardiovascular disease, cancer, respiratory disease, and diabetes. These four major disease groups account for more than 80% of premature mortality from NCDs. It additionally indicates that people from low- and middle-income countries account for 77.0% of NCD fatalities worldwide.

### **(1.4) Outbreak of deadly contagious disease**

Over the past 20 years, the world has faced a number of major outbreaks of contagious diseases, such as the Severe Acute Respiratory Syndrome (“SARS”) epidemic in 2002-2003 which spread throughout the world, resulting in more than 8,000 people being infected worldwide. There was also the outbreak of Influenza A (Influenza A H5N1) that began in 2004 becoming a more serious pandemic during 2005-2007, with the WHO reporting that the number of infections was approximately 800 cases. Outbreaks of influenza A (H1N1) in the years 2009-2010 were pandemic around the world, with more than 490,000 cases. Followed by the Middle East Respiratory Syndrome (“MERS”) outbreak, which started in 2012 in the Middle East and a more severe outbreak in early 2014, with more than 2,500 cases of infections.



Since the ended of year 2019, the world has to face another serious pandemic which is the coronavirus 2019 (COVID-19). Although we are able to control the spreading at present and the number of infected with the virus is still remaining periodically, the severe cases and death rates are falling.

The current number of infections and awareness on cleanliness are a factor that contributes to the growth of the demand for rubber gloves, because rubber gloves are important devices using for disease screening, diagnosis, lab test, and disease treatment procedures, as well as wearing for protections.

## **(2) Growth in usage of hygiene-related products across the world, especially among developing countries.**

The economic growth rate in developing countries is a key driver of household spending and improving the quality of life of the country's population. In addition to the high rate of economic growth in developing countries, The World Economic Outlook for October 2023 by International Monetary Fund "IMF" disclosed that the Real GDP growth rate of developing Asian countries was 4.8 percent, higher compared to the rate of other grouos, with a global average of 2.9 percent. Developing countries have shown that they are attaching increasing importance to hygiene and public health systems.

In 2019, MARGMA forecasted the consumption of rubber gloves per population in developed countries will be significantly higher than in developing countries. In 2019, the consumption of rubber gloves per population in developed countries, namely the United States and European countries stood at 150 pieces per person per year and 100 pieces per person per year, respectively. However, the latest estimation from MARGMA in 2022, the United States alone consumes more than 200 pieces per person per year, while the consumption of rubber gloves per population in developing countries, namely the People's Republic of China, India and African countries are at 10 pieces

per person per year, 6 pieces per person per year and 4 pieces per person per year, respectively. According to the import data of rubber gloves of these countries comparing with their population in 2023, it found that United States stood at 238 pieces per person per year or increasing more than 58% from 2019, while developing countries, namely People's Republic of China, India, and African countries, stood at 12 pieces per person per year, 4 pieces per person per year, and 5 pieces per person per year, respectively. From such details, it concludes that the consumption of rubber gloves per population in developed countries increased by leaps and bounds since the Covid-19 situation. Also, it can be seen that consumption of rubber gloves in these developing countries has the potential to grow significantly due to their economic growth, increasing awareness of the importance of sanitation systems and the use of rubber gloves is still significantly lower than in developed countries. Growth in the use of rubber gloves is not limited to only for medical use, but also includes the use of rubber gloves in other industries, such as the widespread use of rubber gloves in the household, in the food industry, beauty industry and electronics industry as well as the use of rubber gloves in agriculture, etc.



## Supply of Rubber Gloves Industry

The global supply of the rubber glove industry depends on the following factors:



### (1) Government policy on promoting the production and export of rubber gloves

Malaysia, People's Republic of China, and Thailand are considered to be the largest exporters of rubber gloves in the world. Rubber gloves are important products which impact to the economics of those countries. Therefore, the governments had launched a policy to promote the production and export of rubber gloves to stimulate the economy and to make export of rubber gloves more competitive with exporters from other countries.

For Thailand, the government is focused on stimulating the domestic use of rubber and on building mechanisms to stabilize prices and sustainability in rubber plantation farming in the country. The aforementioned policy is a policy to support the manufacturing and exporting of rubber gloves, for example, in 2014 and 2017 the government sector by the Ministry of Agriculture and Cooperatives started a credit program for rubber product manufacturers with a credit line of THB 15,000 million for production expansion, modification of production machinery which covers the cost of land acquisition and building construction for downstream rubber product processing enterprises. The government will compensate entrepreneurs with interest at a rate of 3.0% per annum over a period of 10 years or until 2026, whichever comes first. In 2019, the Thai cabinet approved the additions of the credit line for rubber product manufacturers for another THB 10,000 million to the total of THB 25,000 million. Government support also included investment promotion from the Board of Investment for other types of medical device manufacturing businesses which received various privilege such as corporate income tax exemption for a specified period, import duty exemption on machinery, raw and essential materials, double costs deduction for transportation, electricity and water, and corporate income tax exemption from dividends received from such businesses, etc. Moreover, the domestic consumption of natural rubber resulted in no cost of rubber export assistance (CESS), which is considered an advantage over foreign entrepreneurs that have to bear such costs in importing natural rubber from Thailand.

## (2) The adequacy and price of raw materials

The sufficiency and price of raw materials used in the manufacture of rubber gloves is another factor affecting the supply of rubber gloves. Particularly in the current situation, where the world's climate is fast changing, affecting the production of natural rubber, which may not be in the quantity that manufacturers require and the competitiveness of the global rubber glove manufacturers. The main raw materials used in the manufacture of rubber gloves are concentrated latex for the production of natural rubber gloves and synthetic latex for the production of nitrile rubber gloves.

### Concentrated Latex

Demand for latex will vary with the growth of downstream rubber products which use concentrated latex as the main raw material in the production process, such as condoms, elastic yarn, rubber nipples, balloons, adhesives, and rubber gloves. Concentrated latex's demand also varies with substitute raw materials in downstream product manufacturing processes, such as in the case of rubber gloves, synthetic latex can be used in the manufacture of rubber gloves that can serve the same purposes as natural rubber gloves. Therefore, the change in demand and supply, including the price of raw materials to replace the concentrated latex, indirectly affects the demand for concentrated latex in the market. The price of concentrated latex varies with the change in demand and supply of natural rubber both domestically and abroad because concentrated latex is a product made from natural rubber. Furthermore, the production of natural rubber may not be sufficient to meet the demand of manufacturers due to the present situation of global climate change, which includes the El Niño phenomena, which leads to droughts in Southeast Asia and Northern Australia.

### Synthetic Rubber

Demand for synthetic rubber will vary with growth in downstream rubber products which use synthetic rubber as a primary raw material in the production process, such as the use of synthetic rubber in the tire industry medical device manufacture, mold parts making machinery belts. Moreover, the demand for



synthetic rubber also varies with raw substitute material for downstream products such as natural rubber. Therefore, changes in demand and supply, including the price of raw materials replacing synthetic rubber indirectly affects the demand for synthetic rubber in the market.

## (3) Rapid expansion of the gloves manufacturers during 2020 - 2022

Since 2020, the demand of rubber gloves has increased rapidly during the pandemic of COVID-19.

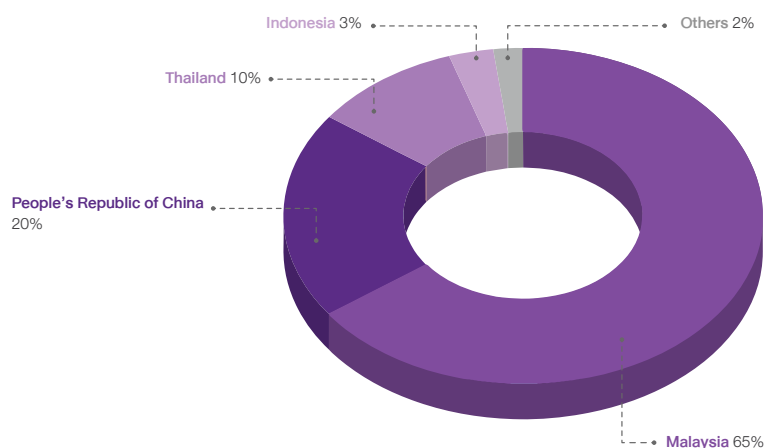
As a result, the capacity from current manufacturers cannot be served this sudden demand worldwide. The gloves manufacturers both domestic and overseas had been aware of this opportunity, so they had accelerated their expansion plan. Not only the current players but also the newcomer who would like to share this opportunity due to the huge surge in gloves price during the pandemic in 2020 - 2022. However, after the price has fallen due to the relaxation of the pandemic of COVID-19 in many countries and the available of new capacity, the gloves manufacturers have decided to adjust their future expansion plan, such as reviewing the plan, delay the expansion or/and cancel the new expansion project, cancelling the production of old machines, including replacing it with higher-quality manufacturing technology in order to balance the demand and supply appropriately.



## Competition in the Rubber Glove Industry

The continuously growing demand for rubber gloves during the COVID-19 pandemic has resulted in the acceleration of production, not only from the current players but also the entrants, in order to capture the high demand. This causes a high competition of the global rubber gloves industry, top manufacturers to delay or cancel plans to increase new production capacity, discontinuing production of old machines, and replacing old machines with advanced technology production in order to compete on production costs with competitors. At present, even if the spread of COVID-19 persists but the severity has reduced. This affects the gloves consumption to grow at a steady pace. This will cause an imbalance of the demand and supply, And currently, the rubber glove industry is in the period of balancing between demand and supply.

Figure 1.3 Estimated Market Share of Rubber Gloves by Country of Manufacture in 2022



At present, the world top rubber gloves manufacturers apart from the Company are concentrated in Malaysia and the People's Republic of China including Top Glove, Hartalega, Kossan, Supermax, Intco Medical Technology, and Blue Sail Medical.

### (2.3) Competitive Strategy

#### 1) Use of efficient production technology and modern production technology development and application study of Artificial Intelligence (AI)

The Company focuses on using technology in production which is efficient, modern and internationally accepted. It currently has production lines capable of producing a wide variety of products, able to modify product properties such as the thickness, color, texture and size of rubber gloves, etc. resulting in flexibility to make appropriate and timely changes in production plan and able to meet a wide range of customer product requirements in the medical and other industries such as food, beauty and electronics industries, etc. Our flexible machine could be modified to match the type of products the Company produces, in order to effectively accommodate the needs of customers around the world, which could be changed according to consumer behavior. The ability to modify such production also helps promote the Company's competitive advantage compared to its major competitors in the region, especially those in Malaysia as most of the rubber glove manufacturing companies in Malaysia focus on producing and growing nitrile rubber gloves.

In addition to the efficiency of the production technology that can be adjusted to support the production of a wide variety of rubber gloves, the Company also focuses its attention to the development of modern production technology through increasing use of automation instead of manual labor in the production process for the new factory and to replicate these technologies to the other factories in different locations among the group, for example, Auto Mixing or the automation of raw materials preparation process which enables the mixing of latex and various chemicals to be precise, SCADA (Supervisory Control and Data Acquisition) which is a centralized control and processing system to control the production process to help ensure consistent quality of products, the use of sensor waste detection technology (Vision Camera System) to sort out inferior rubber glove products from the production process before the rubber gloves are removed at the Auto Stripping step, sorting and counting the rubber gloves with the Auto Stacking system and Auto Packing in the packaging of the products, sorting cartons onto pallets by robotic arms and conveying the pallets for storage at the warehouse by Rail Guided Vehicle (RGV) and the use of Smart Warehouse that enables fast and accurate delivery of goods while also reducing the use of space compared to traditional storage by more than 50 percent. The use of these automation systems, in addition to reducing the proportion of human labor by more than 30 percent compared to the previous model factory, also reduce production costs, mitigate errors in the production process and ensures consistent quality of the products. In addition, the Company is better able to verify warehouse management information more accurately and precisely. In addition, the Company has also developed production technology at the new plant at Trang Branch Factory to be able to produce natural rubber gloves with the speed that the Company believes to be the highest speed in the rubber glove industry which will render a more efficient manufacturing process. And, the Company has set a goal to study the application of Artificial Intelligence ("AI"), within the organization. In the future, AI will play an essential role in supporting human decision-making. It will improve the production automation system by increasing accuracy and reducing errors in many production processes.

## **2) Maintaining long-term growth with improved efficiency with a focus on being a leader in the manufacture and distribution of natural rubber gloves**

The Company plans to continually invest, develop, and expand the production of rubber gloves, to increase production efficiency by adopting more modern production technology and to increase its production capacity of rubber gloves. During the past 8 years, its installed capacity has continuously increased from an estimated 15,130 million pcs per year in 2015 to 40,317 52,527 and 50,785 million pieces per year in 2021, 2022 and 2023 respectively, or representing an average annual growth rate of 16% between 2015 – 2023. In order to response with the imbalance of the demand and supply of the gloves industry, the company has revised the expansion plan to be 56,000 million pieces per year by 2024. In addition, increasing production efficiency and targeting the right products on the right customers will also enable the Company to maintain its leadership in the manufacture and distribution of rubber gloves and to increase its share in the global market to support the Company's long-term goals in remaining in the top 3 largest manufacturers and distributors of rubber gloves in the world. To support the Company's long-term goal of being a world-class manufacturer and distributor of rubber gloves in accordance with "8 BEST Strategies" to achieve excellence in all 8 areas as described in Section 1 Business Overview and Performance in the topic of Vision, Mission, Strategy, and Business Goal.

In addition to improving efficiency, the Company's focus is mainly on the production and distribution of natural rubber gloves, along with maintaining proportion of nitrile glove production capacity as another important strategy because the Company has several advantages over its major competitors, such as (1) cost advantages from having a strategic location in key rubber plantation sites in Thailand and in the region, resulting in its cost of concentrated latex being lower than that of its competitors; (2) competitive advantage in the business of manufacturing and distributing natural rubber gloves particularly as the major rubber glove manufacturers in the region focus on expanding their production capacity and developing nitrile gloves whereas the Company has

continuously focused on expanding production capacity and developing natural rubber gloves while maintaining an appropriate proportion of nitrile gloves production capacity (3) the incorporation of new technology into old machines in order to improve productivity and guarantee to consumers that products will be manufactured on all production lines with identical quality and costs that are comparable with those of new production lines, and enable the Company to remain competitive in the long run. In order to generate profits and suitable returns over the long run while the rubber glove industry adjusts to a state of equilibrium, the Company also manages the usage of production capacity under an adequate profit margin (4) the advantage of energy cost which is the main cost for manufacturing of rubber gloves since the Company uses firewood falling from the rubber tree and other woods and they deem as biomass energy and environmentally friendly which is different from using fossil base in manufacturing since there is a limitation with high cost and (5) the advantage of having a major shareholder who is a leading operator in the upstream and midstream businesses related to natural rubber products, enabling it to participate in research and development of concentrated latex formulations to obtain quality and diverse latex suitable for new products and have access to information about market movements and the price trends of concentrated latex, etc.

### **3) Using quality latex as the raw material for production and taking advantage of companies in the STA group as the supplier of concentrated latex to the company.**

The quality of raw materials used in production, especially concentrated and synthetic latex, is an important factor affecting the quality of natural and nitrile rubber gloves. The Company pays attention to the selection of such raw materials by procuring concentrated latex from STA group, the largest fully integrated natural rubber operator in Thailand, thus ensuring that the concentrated latex used to produce its natural rubber gloves is of high quality and standard. Moreover, there are several advantages from procuring latex from the STA group, namely (1) the Company is able to specify the properties or the quality of the desired latex and able to collaborate with the sellers in

research, development and inventing new formulae of concentrated latex to produce natural rubber gloves with different properties according to the needs of various customers. The Company and the STA Group have also jointly developed and invented concentrated latex that has been certified by the Forest Stewardship Council ("FSC"), an internationally recognized forest management organization for responsible forest management. FSC certified products must be verified throughout the supply chain to ensure they are processed from commercially grown rubber plantations that are managed with responsibility for the environment, society and economy in a sustainable manner. (2) The Company can effectively track and trace the root of any problem in the production process because it is able to quickly examine the quality of the latex that is causing any problems, resulting in solving the problem in a timely manner and (3) the Company receives information on the movement of market conditions and the trend of latex prices, resulting in an advantage to the Company in setting the selling price of natural rubber gloves and planning its marketing strategies in accordance with the trend of concentrated latex prices enabling it to manage costs effectively.

For synthetic latex, the Company places great emphasis on building a good relationship with its suppliers to jointly develop the quality and diverse properties of synthetic latex by sourcing from both domestic and overseas to assure the quality of the nitrile gloves will be the same or equivalent regardless of suppliers in order to meet customer needs.

### **4) Efficient management of production costs and transportation expenses**

#### **(a) Production cost**

The Company attaches importance to production cost management since this is the main factor affecting its profitability, using a strategy for studying and experimenting to find ways to continuously reduce its production costs. One factor in the design of the Company's production process that gives it an advantage over competitors is the use of firewood, which can be easily procured in the area of the Company's production plants, as fuel to produce thermal energy for use in production while its main



competitors in abroad rely on natural gas as a fuel source. The cost of producing heat from firewood is lower than using natural gas. Considering the cost of electricity also significantly affects the price per unit, the Company has made investments in solar cell installation in the manufacturing area in addition to using firewood as fuel to produce heat energy in order to lower raw material costs over the long run. Moreover, the Company also manages its production costs by procuring each type of raw material from multiple sources and from many suppliers so that it is able to compare the prices of raw materials and increase negotiation power. The Company has also developed particular specifications of the rubber gloves that it produces to cover a wide range of applications and diverse markets to reduce costs from downtime that occurs when machinery or a new production system is being prepared to produce any altered form of rubber glove products that the Company produces.

#### **(b) Transportation cost**

All 6 of the Company's branch factories are located in the South, which is considered a rubber production region and an important rubber processing site in Thailand. In addition, the Hat Yai and Surat Thani Branch Factories are located adjacent to the STA Group, who supplies latex concentrate to the Company, resulting in the Company's advantage in terms of transportation cost of concentrated latex compared to other competitors. In addition, all 6 factories of the Company are also located in close proximity to the port of export further benefitting the Company in terms of cost of shipping latex gloves over other competitors.

#### **5) Adding distribution channels to new markets, retaining existing customers and increasing distribution channels to increase market share**

The Company has expanded distribution channels to new markets and added distribution channels to increase market share along with maintaining a customer base of countries with a high rate of rubber glove usage such as the United States, European countries and Japan, the Company's marketing policy is to expand its customer base to emerging markets around the world in order to increase its global market share such as to countries in the Asia Pacific, Africa

and South America, because (1) such countries have lower per capita consumption of rubber gloves than those of other significantly developed countries such as India and African countries where the estimated consumption of rubber gloves per capita in 2023 stood at 4 pieces per person per year and 5 pieces per person per year, respectively. In the U.S. and European countries, the estimated per capita consumption of rubber gloves are 238 pieces per person per year and 76 pieces per person per year, respectively, (2) These countries have begun to focus on the development of the national public health and sanitation systems, (3) These countries are likely to continuously increase purchasing power as seen from the GDP growth rate per capita (Gross Domestic Product per Capita), which is significantly higher than the developed economies, and (4) such countries are predominantly using natural rubber gloves, especially powdered natural latex gloves because of its quality which meets its intended use and is cheaper than nitrile gloves, and most populations in these countries are not allergic to proteins in natural rubber and / or powder, in line with the Company's strategy to expand production capacity mainly focusing on expanding production capacity and developing natural rubber gloves. The Company's marketing team will formulate plans and select a variety of marketing methods to suit the target country group, for example, the Company's sales staff establishing direct contact with prospective clients, participating in exhibitions, accessing auction systems in various business sectors or relying on word of mouth etc. In addition to expanding customer base to new countries, the Company continues to focus on maintaining existing customer base, especially large customer groups such as those in the United States, Japan and European countries by adopting strict quality control of its products to meet the desired standards and specifications of the customer in order to create satisfaction and build good relationships with customers. In addition, the company has also added more distribution channels to increase the market share of the Company's rubber glove products, such as (1) overseas distribution focusing on retail business to gain more shares with the Company's brands. In 2023, the subsidiaries in Indonesia (PT Sri Trang Gloves Indo) and the Philippines (Sri Trang Gloves Philippines) started to receive sales on a frequent basis,

responding to domestic consumption demand., and (2) The Company has expanded its distribution of rubber gloves through online channels in several countries to suit consumer behavior in each country, etc.

## 6) Increasing the proportion of sales under the Company's trademarks

The Company produces quality products both in the form of contract manufacturing (Original Equipment Manufacturing "OEM") and under the Company's and its subsidiaries' trademarks (Original Brand Manufacturing "OBM") which are distributed through a variety of suitable and different distribution channels in each market, namely distribution through the Company's subsidiaries, or through distributors, agents, including direct sales to large users such as private and public hospital groups in various countries. The Company has set a medium-term goal to increase the proportion of production and distribution under OBM from 28, 26 and 23 percent in 2021, 2022 and 2023, respectively, to 50 percent. Achieving this objective, meantime, is contingent upon the Company's international marketing strategies, which include introducing new products and registering its trademarks in those countries. In addition to promoting products under the Company's trademark, increasing the proportion of OBM will lower overall production costs.

## 7) Adding new products

The Company places importance on research and development of innovations such as allergen-free gloves or Non-Detectable Protein Gloves under the concept of Clean World Clean Gloves (CWCG) to reinforce being an exemplar environmentally-friendly rubber glove manufacturer and a major global green organization, that have already distributed in some countries since 2022. Surgical gloves have been started to be sold in Thailand in response to the increased demand for surgical gloves, both domestically and internationally. The Company, as a leading global rubber glove manufacturer, sees an opportunity as total consumption of surgical gloves is currently 100% imported. The Company aims to initially sell within Thailand as the first country with sales target set at 20 million pairs per year. In the past year, the Company has received a positive response from domestic customers. There are still many aspects that the company believes can be

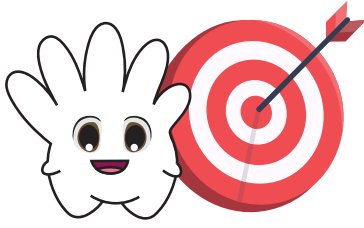
improved before distributing the products worldwide. The long-cuff glove and diamond textured glove are products which the Company intends to introduce to new markets that are interested in use in new industries besides the medical industry.

## 8) Never-ending Research Development and Innovation

### Development and Dissemination of Innovation

The Company recognizes that research development and innovation will enable its business to grow consistently and sustainably. As a result, the Company prioritizes and supports the research development and innovation activities focusing on the development of new products, improving the efficiency of our production processes, and reducing our energy consumption to create the innovation of products and process. Innovation for this purpose means the creation of things using new methods which is not limited to creation of new product but including the change of ideas or improvement to work procedures for added value and/or reduce costs and using resources of the business. The objective of an innovation is to cause a positive change for better. The Company adopts the following guidelines on research development and innovation:

- (1) Business procedures of the Company will be reviewed to identify any possible risks or negative impact on the society or the environment. Then, a solution for the reduction of such impact will be identified. The Company and its subsidiaries will also thoroughly study, review and analyze all aspects of work procedures to improve, change and develop a new business innovation.
- (2) New innovations that are beneficial for the society and the environment are disclosed to the public to encourage other business operators to follow and to strengthen and expand the social and environment responsibility in wide range.
- (3) Solutions will be analyzed, and innovations will be regularly and continuously studied to increase the chance of new innovations being developed to respond to the need of the customers and business sustainable growth.



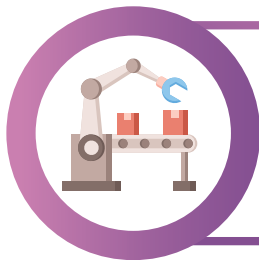
## Objectives

The Company's Innovation projects in all 3 areas have proven successful, and at least one project in each area can be further developed each year.

## Research and Development Performance of Innovation

The Company's innovation research and development projects for 2023 comprise the main purposes and goals in 3 areas:

### Innovation Development Projects in Year 2023



To increase competitive efficiency  
(increase production efficiency  
and reduce costs)

**24 projects**

Number of Projects that  
can be further developed

**28 projects**

To promote sustainability for  
business and environmental  
friendliness

**2 projects**

Number of Projects that  
continue from the previous year

**25 projects**



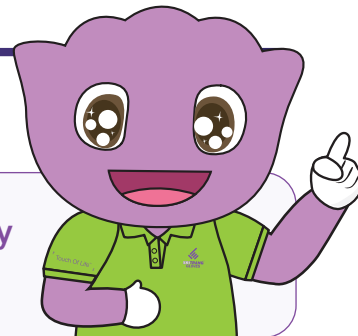
To create business  
opportunities and  
support new businesses

**2 projects**

Expenses for Research and  
development of Innovation

**THB 32.5 million**

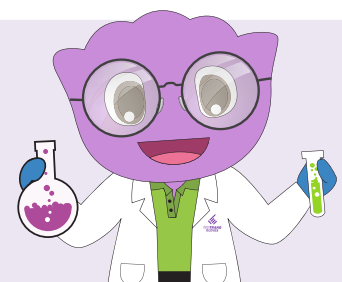
**Reduced production costs by  
THB 79 million**



“

For the aforementioned projects, there are 25 ongoing innovative research and development projects from the previous year. In 2023, the amount of THB 32.5 million were spent on innovative research and development. As a result, the Company can save a THB 79 million reduction in production costs.

”





### *Products Project*

In order to meet the demands of customers and users of rubber gloves who uses them for a wider range of operations, maintain leadership in the rubber glove industry and operate a sustainable business that adheres to the concept of “Clean World Clean Glove” while also enhancing the value of the products, the Company has invented and developed derived from Natural rubber using an environmentally friendly production process, such as low-protein natural rubber gloves which are gloves derived from Natural rubber but do not cause allergic reactions due to the natural rubber protein when utilized. They contain no heavy metals, and residues from the gloves can be utilized for touching food. There is no chlorination procedure, hence the gloves have no residual chlorine. The gloves are naturally biodegradable due to a manufacturing technique that decreases greenhouse gas emissions by utilizing biomass energy and the reduction of chemicals.

In 2023, The Company began manufacturing surgical gloves and distributing them in Thailand and overseas. With the new product, the Company achieved sales of THB 19 million, and also manufactured Double Chlorination natural rubber gloves, black natural rubber gloves, 300 mm long natural rubber gloves, silicone and PAHs-free nitrile rubber gloves, biodegradable nitrile rubber gloves, and Diamond-textured nitrile rubber gloves, etc. The Company generated a total of THB 317 million in sales from these products. In addition, the Company seeks to continually improve the quality of our gloves in accordance with international quality standards and the country specific quality standards.

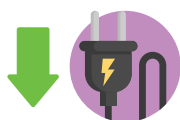


## Automation Project

The Company has promoted and invested in automation and digitalization to improve productivity, the production process have more efficiency, maximize efficiency the limited of resource, reduce our reliance on manual labor, reduce the production costs, easy to access the information to make quick decision and enhance competitive ability such as Warehouse Management System of packaging, Automated storage and retrieval system of finished products and pending gloves and Digital Transformation of procedure for production inspection, etc.

Moreover, the Company has adopted an Automation system in the wastewater treatment system by installing a system for measuring the DO Online value of the treatment pond for use in ordering the aerator to turn on and off, which can reduce electrical energy use without affecting the efficiency of wastewater treatment.

### An Example of the Hat Yai branch factory's performance



Electricity consumption can be lowered by 12,549 kilowatt-hours per month, which is a savings of THB 39,269.59



## Environment Friendly Project

The Company has a commitment to expanding its business while also conserving the environment, thus it continues to develop innovations that meet the Company's objectives. The Company has launched a project to reduce the usage of chemicals in the manufacturing process. This can minimize usage by 60 tons per year and lower production costs by up to THB 6 million. The Company has also promoted and invested the digitization technology to converting the information from “Analog” to “Digital” of working process and document such as Electronic Approval program that can reduce the paper usage 18% in year 2023.

For the development of intellectual property, the Company has registered a patent with the Department of Intellectual Property for our medical rubber gloves in Thailand and abroad. As of 31 December 2023, the Company registered 3 International patents for its inventions, all of which were pending examination.

### (3) Sourcing

#### 1) Sourcing Raw Materials

The Company has a process for selecting raw material suppliers, whereby both old and new suppliers are evaluated in terms of raw material quality, price, delivery and service of each raw material vendor on a regular basis. Cooperation with the Company in developing new products is also considered to ensure that it has access to a wide variety of raw material sources and that raw materials used in the production of rubber gloves have the quality and properties as specified by the Company. The main raw materials in the production of rubber gloves can be summarized as follows:

##### (a) Concentrated Latex

The Company uses concentrated latex as the main raw material in the production of natural rubber gloves. The Company purchases concentrated latex with properties as specified by the Company at prices comparable to market prices from companies in the STA group, namely STA, RBL and Nam Hua Rubber Company Limited (“NHR”). In addition, the Hat Yai Branch Factory and Surat Thani Branch Factory are located in proximity to STA Group's concentrated latex factory, giving the Company advantages in reducing the cost of transportation of the latex and the cost of storing raw materials when compared with its competitors.

In purchasing concentrated latex from companies in the STA Group, the Company is able to collaborate more efficiently with the suppliers to conduct research and development and invent new forms of concentrated latex. The Company and the aforementioned companies in STA Group have also jointly developed and invented concentrated latex that has been certified by the FSC, an internationally recognized forest management organization. FSC certified products must be verified throughout the supply chain to ensure they are processed from commercially grown rubber plantations that are managed with responsibility for the environment, society and economy in a sustainable manner.

##### (b) Synthetic Latex

The Company uses synthetic latex as the main raw material for the production of nitrile rubber gloves. Set at competitive prices from many local and foreign sellers, the Company will inspect synthetic latex from vendors every time they are shipped before they are taken into the production process to ensure that the synthetic latex used in production, no matter what the source, has the quality that meets the needs of the Company and does not affect the quality of its products.

The following table shows the consumption of concentrated latex and synthetic latex to produce the Company's rubber gloves.

(Unit: Ton)	For the year ended 31 December		
	2021	2022	2023
Amount of concentrated and synthetic latex used to produce the Company's rubber gloves	200,692.8	186,986.7	215,071.4

### (c) Chemicals

The main chemicals used in the production of rubber gloves are corn starch (only for the manufacture of natural rubber gloves), vulcanizing agents, activators, stabilizers. (accelerator), antioxidants to prevent rubber deterioration from oxidation, coagulant, releasing agent and filler (for the manufacture of natural rubber gloves only). The Company purchases chemicals that meet its specifications and at competitive prices from many local and international vendors.

### (d) Packaging

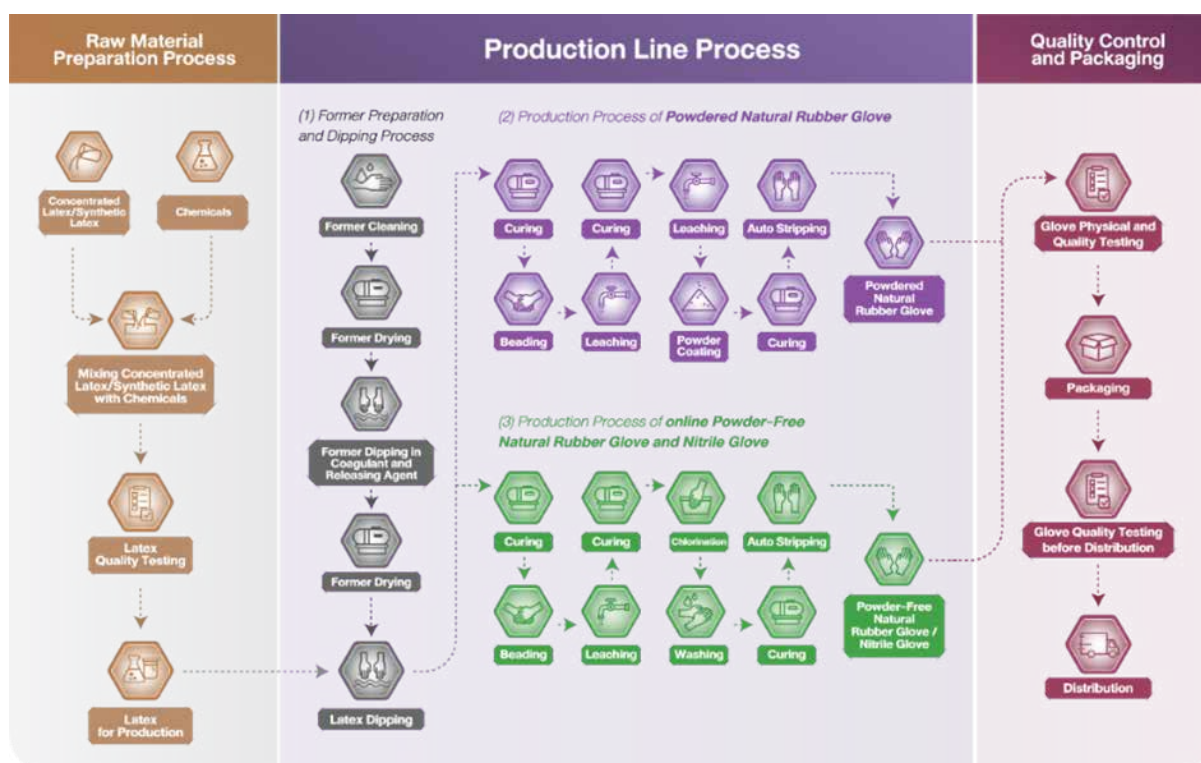
The packaging that the Company uses in its rubber glove packaging process is divided into 2 main categories: (1) packaging made from duplex paper (inner box) which is used for rubber glove products and (2) corrugated box which is used as outer packaging (outer box). The Company purchases packaging with specifications according to the patterns and characteristics stipulated by its customers in cases where the Company is contracted for OEM production, and according to its own stipulations in the event that production is under the trademark of the Company and its subsidiaries.

### (e) Hand-shaped Glove Former

The Company will change the new former when it has reached its useful life, whereby the purchases are made in accordance with its specifications, most of which are imported, and at competitive prices from vendors.

## 2) Production Process

The Company's manufacturing process of natural and nitrile rubber gloves consists of three main steps: (a) raw material preparation process, (b) in-line process and (c) quality inspection and product packing process. The manufacturing process of powdered natural rubber gloves involves specific details that differ from that of powder-free latex gloves and nitrile rubber gloves on the production belt. The below diagram shows the production process in each step:



### 3) Energy and Utilities

Besides raw materials and chemicals, the Company's rubber glove factory also uses energy and utilities in its production process, which are (1) thermal energy which uses firewood as a fuel source, (2) electricity as a power source of machinery used in the production process and (3) industrial water for use in the process of preparing raw materials and the production line processes.

For thermal power, the Company procures firewood for use as fuel to produce energy from Anwar Parawood Co., Ltd. ("ANV"), an STA group company, at the market price that ANV actually buys firewood, plus ANV's operating fee. For electricity, all the electricity used in the production process is from the Provincial Electricity Authority, Electrical substation, and Electricity generated by solar cells in the factory area. The factory that installed electrical substation received a certificate for its application and installment by relevant agencies.

In addition, the Company procures industrial water from surface water and underground water sources which is applied through a water quality improvement process suitable for use in the production process. All of the Company's branch factories have obtained the proper license to use groundwater from relevant agencies.

### 4) Product Delivery

The Company uses the freight forwarding service of Starlight Express Transport Company Limited ("STL"), a company in the STA group that specializes in transportation and management operations related to in-country land transport including providing other related services such as customs clearance, implementation of tax incentives, as well as preparation of documents and coordination with government and private agencies involved in import and export until the completion of the process. The Company hires STL at the same rate as the service fee charged by STL for other customers within STA Group.

For the transportation of the Company's products internationally, there are international commercial terms that are agreed with each customer, whereby the sea transport company used is selected by either the Company or the customer or an external company with expertise in ocean shipping is hired (depending on the case).

### 5) Storage of Inventories

The Company has a warehouse to store inventories at each branch factory. Its inventories include raw materials, firewood, spare parts, consumables, packaging, in-process products and finished goods, whereby most of the said inventories are raw materials, firewood, spare parts and consumables which it manages based on the lead time from ordering the product until their delivery and the safety stock level. There is a process for review and checking the inventory level on a regular basis. Most of the finished goods are products that have already been purchased and awaiting delivery due to the fact that most of the Company's production is made to order for the customers. In addition, the Company also has a warehouse located at 209/2 Moo 2, Phraek Sa Mai Sub-District, Muang Samut Prakan District, Samut Prakan Province to store and distribute gloves to the customers in Thailand. Moreover, the Company has oversea warehouses of its subsidiaries located in the People's Republic of China, the United States, Indonesia, and the Philippines for storing products that are for selling to customers in those countries.



## 6) Manufacturing Factory and Maintenance

### Manufacturing Factory

As of 31 December 2023, the Company has 6 factories that manufacture rubber gloves as follows: Hat Yai Factory, Surat Thani Factory, Trang Factory, Sadao P.S. Factory, Anvar Factory, and Chumphon Factory. There are a total of 186 integrated production lines at all of its plants, with the installed capacity of rubber gloves of approximately 50,785 million pieces per year.

Manufacturing Factories	Products	Number of Production Lines	Installed Capacity (million pieces per year)
Hat Yai Factory	Powdered and powder-free natural rubber gloves, Nitrile rubber gloves	80	14,641
Surat Thani Factory	Powder-free natural rubber gloves, Nitrile rubber gloves	32	9,603
Trang Factory	Powdered and powder-free natural rubber gloves	34	12,510
Sadao P.S. Factory	Nitrile rubber gloves	8	2,775
Anvar Factory	Powder-free natural rubber gloves, Nitrile rubber gloves	20	7,031
Chumphon Factory	Powder-free natural rubber gloves, Nitrile rubber gloves	12	4,225

The total production of rubber gloves of the Company for the years ended 31 December 2021, 2022 and 2023 can be summarized as presented in the following table.

The table show total production of rubber gloves of the Company:

	For the year ended 31 December		
	2021	2022	2023
Installed capacity <sup>(1)</sup> (million pieces per year)	40,317.3	52,527.1	50,785.1
Technical capacity (million pieces) <sup>(2)</sup>	33,566.6	43,061.3	50,648.9
Actual production (million pieces)	29,314.8	27,920.1	32,516.5
Utilization Rate (percent) <sup>(3)</sup>	87.3	64.8	64.2

#### Remarks:

<sup>(1)</sup> Installed capacity means the plant's installed capacity per year at the end of the relevant period, supposing a machine can operate for a full year.

<sup>(2)</sup> Estimate the capacity that can be produced, calculated from the plant's installed capacity per year at the end of the relevant period, taking into account the estimated number of working days, the period of maintenance of machinery and equipment and the time required for one cycle of the production based on the time the machine can run through the relevant time.

<sup>(3)</sup> The utilization rate is calculated from the plant's actual production volume during the relevant time period and divided by the estimated capacity that can be produced during that period.

## Maintenance

Maintenance of the Company's rubber glove factories is planned and budgeted on an annual basis in advance. Such maintenance consists of checking the machinery condition, cleaning and scheduled replacement of parts to ensure machinery and devices work efficiently, thus reducing the risk of shutdown as well as for the safety of the operators, whereby the Company hired Premier System Engineering Co., Ltd. ("PSE"), a subsidiary in the Company group specializing in equipment and machinery in the manufacture of rubber gloves, to provide maintenance, cleaning and inspection services of the Company's 6 branch factories which is a one-time hiring according to a predetermined plan at a service rate comparable to market prices.

## **7) Environment**

The Company realizes and values the importance of business operation together with caring for the environment by not only producing quality products which are safe for consumers, but also committed to producing products with environmentally friendly technology, as evident from its announcement of an environmental policy and application of the ISO14001 environmental management standard system. The Company also pays attention to resource and energy conservation which is a factor affecting the emission of carbon dioxide that causes global warming. The Company uses renewable energy by using biomass fuel and has a project to minimize carbon dioxide emissions that includes establishing a solar cell system, expanding the usage of electric forklifts, using LED light bulbs, and enhancing energy-saving gear. In addition, employees are encouraged to participate in resource and energy conservation through activities such as the Kaizen Green Process Contest to reduce the use of electricity, water, oil, chemicals and paper in the production process, as well as campaigning to reduce the use of plastic bags, waste sorting and cycling in factories, etc.

In terms of the environmental management system, the Company has set objectives, targets and guidelines for the prevention of environmental impacts, including the 3R concept: Reduce Re-use Recycle, for example, the wastewater that has been treated according to the standards from the last pond of the wastewater treatment system is reused in the production process at

the Chumphon and Surat Thani Factories; Waste to Value (waste sorting) project and the waste separation project, Reduce Usage = Reduce Waste, at Hat Yai Branch; the Waste Recycling Bank for Eggs project, Invention from Waste Material Contest Project, From Waste Pallets to Charcoal project, Save the World: From Ashes to Bricks Project and ceramic scraps project at Trang Branch all have the objective to campaign for employees to help find ways to reduce the use of various resources and reduce the amount of waste. As for reducing greenhouse gas emissions, the Company has also initiated the Solar Rooftop project to save electricity. Furthermore, the Company has established a Carbon Footprint for Organization (CFO) and Carbon Footprint for Product (CFP) aimed at reducing carbon dioxide emissions from 2021 by 40% by 2026.

In this regard, the Company has a plan for monitoring, inspecting, measuring and reporting on the environment management has been prepared in accordance with relevant regulations and laws, such as monitoring and reporting the quality of water discharged from the factory, measurement of air emission from boiler operation, measurement of specific industrial waste such as sludge from wastewater treatment systems and the delivery of industrial waste disposal to agencies registered with the Department of Industrial Works. Hat Yai, Surat Thani, Trang, and Sadao P.S. branches have acquired the environmental management system certification ISO14001:2015 and Hat Yai, Surat Thani, and Trang branches also received Carbon Footprint for Organization certificate and rubber glove products of the Company have also acquired Carbon Footprint for Product certificates.

In addition to monitoring, auditing and measuring the environment within the factory and nearby areas, the Company has conducted surveys of the nearby communities to learn of and collaborate with them to solve problems. Moreover, the Company also participates in various projects of the government that supports environmental conservation and focuses on enhancing environmental management for industrial plants, such as the Environmental Governance Program, the Green Industry Project and the CSR-DIW (Corporate Social Responsibility, Department of Industrial Work) project. Trang Branch factory received the Green Industry Level 4 award in 2021, Surat Thani branch received in 2022 and Hat Yai branch received in 2023.

## 8) Certificates

As of 31 December 2023, the Company has received more than 60 certificates that have been audited by independent industrial and trade standards organizations both domestic and overseas. There are several significant certificates, as follows:

### ISO 9001:2015\_Quality Management System



#### Institutions Offering Certificates

- TÜV SÜD America Inc.

#### Importance of Certificate

- Acquired a certificate for quality management system according to international standards in order to guarantee the quality of the Company.

#### Factory which obtained:

- Hat Yai Branch
- Surat Thani Branch
- Trang Branch
- Sadao P.S. branch
- Anvar Branch
- Chumphon Branch

### EN ISO 13485:2016\_ Medical Devices Quality Management System

#### Institutions Offering Certificates

- TÜV SÜD Product Service GmbH. Munich Germany

#### Importance of Certificate

- Acquired a certificate for Medical Devices Quality Management System according to international standards in order to guarantee the quality of the products for medical uses, including both rubber gloves for examination and surgical uses.



### ISO 13485:2016\_ Medical Devices Quality Management System (MDSAP)

#### Institutions Offering Certificates

- TÜV SÜD America Inc.

#### Importance of Certificate

- Acquired a certificate for Medical Devices Quality Management System according to international standards and adhere to the medical device laws of 5 countries: the United States, Canada, Brazil, Austria, and Japan to guarantee the quality of products for medical uses, including both rubber gloves for examination and surgical uses.

#### Factory which obtained:

- Hat Yai Branch
- Surat Thani Branch
- Trang Branch
- Sadao P.S. branch
- Anvar Branch
- Chumphon Branch



### ISO 14001:2015\_ Environmental Management System

#### Institutions Offering Certificates

- TÜV SÜD PSB Pte Ltd.

#### Importance of Certificate

- Acquired a certificate for Environmental Management System according to international standards to improve the Company's environmental performance and create environmental sustainability.



#### Factory which obtained:

- Hat Yai Branch
- Surat Thani Branch
- Trang Branch
- Sadao P.S. branch

## ISO 45001:2018\_ Occupational Health and Safety Management System



### Institutions Offering Certificates

- TÜV SÜD PSB Pte Ltd.

### Importance of Certificate

- Acquired a certificate for Occupational Health and Safety Management System according to international standards to improve the safety and health of employees, including people working inside the Company.

### Factory which obtained:

- Hat Yai Branch
- Surat Thani Branch
- Trang Branch
- Sadao P.S. branch

## ISO 22000:2018\_ Food Safety Management System

### Institutions Offering Certificates

- BSI Assurance UK Limited (UK).

### Importance of Certificate

- Acquired a certificate for the Food Safety Management System, with an emphasis on food safety management by operators that meets both GMP and HACCP requirements to ensure product safety throughout the food chain.

### Factory which obtained:

- Hat Yai Branch



## BRCGS\_ Global Standard for Consumer Products Personal Care and Household



### Institutions Offering Certificates

- SGS United Kingdom Ltd.

### Importance of Certificate

- Acquired a certificate for the Consumer Products Personal Care and Household system according to international standards to focus on food safety to assure the production of safe and high-quality products.

### Factory which obtained:

- Hat Yai Branch
- Surat Thani Branch, 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> Factories
- Trang Branch

## ISO 22301:2019\_ Business Continuity Management System

### Institutions Offering Certificates

- BSI Assurance UK Limited (UK).

### Importance of Certificate

- Acquired a certificate for Business Continuity Management System to prevent and mitigate the likelihood of a threat occurring, as well as to ensure the business can recover from disruptions.

### Factory which obtained:

- Hat Yai Branch





## ISO/IEC 17025:2017\_ Accredited Laboratory complying with the ISO/IEC 17025:2017



### Institutions Offering Certificates

- The Bureau of Laboratory Quality Standards, Ministry of Public Health

### Importance of Certificate

- Acquired a certificate for Accredited Laboratory complying with the ISO/IEC 17025:2017 and Laboratory requirements for testing medical and public health devices of the Bureau of Laboratory Standards.

### Factory which obtained:

- Hat Yai Branch
- Surat Thani Branch
- Trang Branch

## Good Manufacturing Practice (GMP)

### Institutions Offering Certificates

- Food and Drug Administration, Ministry of Public Health

### Importance of Certificate

- Acquired a certificate for medical device production standards that follows best practices and guidelines for creating medical devices, like surgical and examination gloves, that align with the worldwide requirements for medical device quality management systems.

### Factory which obtained:

- Hat Yai Branch
- Surat Thani Branch
- Trang Branch



## 9) Tax Benefit

Factories for gloves manufacturing of the Company have been supported by the Board of Investment of Thailand ("BOI"). The details of rights and privilege from the investment promotion of each factory are as follows.

Factory	Certificate No.	Expiry Date for Tax Privilege on Exemption of Corporate Income Tax	Expiry Date for Tax Privilege on 50 percent Reduced from Normal Corporate Income Tax
Hat Yai factory	62-0657-0-00-0-2	14 February 2018	14 February 2023
	62-0652-1-00-1-2	29 September 2023	None
	62-0651-0-00-1-2	3 November 2024	3 November 2027
Surat Thani Factory	62-0656-0-00-2-2	2 June 2019	2 June 2024
	62-0655-0-00-2-2	30 August 2020	30 August 2025
	62-0654-0-00-2-2	2 January 2022	2 January 2027
	62-0653-0-00-1-2	31 March 2023	None
	62-0846-1-00-1-0	4 June 2026	4 June 2031
	63-0848-1-00-1-0	3 October 2026	3 October 2031
Trang Factory	62-1307-1-00-1-0	24 January 2025	24 January 2028
	62-0669-0-00-2-2	17 November 2024	17 November 2029
	62-0668-0-00-2-2	16 June 2024	16 June 2029
	62-0667-0-00-2-2	25 October 2027	25 October 2032
Sadao P.S. Factory	63-0847-1-03-1-0	17 September 2029	17 September 2034
Chumphon Factory	64-0916-1-00-1-0	31 August 2027	None

## 1.3 Shareholding Structure of the Group

The Company mainly engages in the business of manufacturing and distributing rubber gloves for medical and industrial purposes consisting of Natural Rubber Powdered (NRPD), Natural Rubber Powdered-Free (NRPF), and Nitrile Butadiene Rubber (NBR) gloves, as well as other businesses to support core business. As of 31 December 2023, the Company has 10 subsidiaries in total. The shareholding structure is as follows:



### Remarks:

1. The total shares of PSE are held by the Company of 99.9992 percent shares, Mr. Panlert Eangsupadilok (3 shares) and Mr. Aram Sirisuwat (1 share).
2. The total shares of PS are held by the Company of 99.9985 percent shares, Mr. Anek Pruksanusak (1 share), Mr. Chaiyadech Pruksanusak (1 share), Mr. Viyavood Sincharoenkul (1 share), Mr. Somwang Sincharoenkul (1 share), Mrs. Promsuk Sincharoenkul (1 share) and Mr. Kitichai Sincharoenkul (1 share).
3. The total shares of STGP are held by the Company of 99.99 percent shares, Mr. Veerasith Sinchareonkul (1 share), Mr. Kitichai Sincharoenkul (1 share), Ms. Thanawan Sa-ngiamsak (1 share), Mr. Chia Chee Ping (1 share).
4. On 28 November 2023, the Shareholder meeting of STRG resolved to approve the dissolution of the Company. It is expected to be completed by 2024.

## Details of the Company's subsidiaries

Company's Name	Type of Business	Shareholding Proportion	Registered Capital / Paid-up Capital	Total Shares / Total Paid-up Shares	Type of Share / Investment	Locations
Shidong Shanghai Medical Equipment Co., Ltd. (SDME)	Distribution of rubber gloves in People's Republic of China	100.00%	USD 4.15 million	-	Investment	5F East, Block B, W square No.1686 Wuzhong Road, Minhang District, Shanghai, People's Republic of China Tel: 8621-64137860-616 Fax: 8621-64137315
Sri Trang USA, Inc. (STU)	Distribution of rubber gloves in United State of America	100.00%	USD 13.5 million	11,500 shares (with par value of USD 0.01 per share) and Premium of USD 13,499,885	Ordinary share	5820 West Cypress Street, Suite H, Tampa, FL 33607-1785 Tel: 1-813-606-4301 Fax: 1-813-606-4314
Premier System Engineering Co., Ltd. (PSE)	Engineering services, design, production, distribution, installation, and maintenance of machineries	99.99%	THB 50 million	500,000 shares (with par value of THB 100 per share)	Ordinary share	123 Moo 8, Kanjanavanit Road, ban Phu, Hat Yai, Songkhla, Thailand 90250 Tel: 0-7422-2900-9 Fax: 0-7422-2910-12
Sadao P.S. Rubber Co., Ltd. (PS)	Ceasing to operate the business of producing and selling ribbed smoked sheets. The current business is to rent its land to the Company for the construction of glove factory	99.99%	THB 40 million	400,000 shares (with par value of THB 100 per share)	Ordinary share	207/1 Padangbazar Road, Sadao, Songkhla 90120, Thailand Tel: 0-7446-0483-5, 086-489-5264-5 Fax: 0-7446-0484
Sri Trang Gloves (Singapore) Pte. Ltd. (STGS)	Distribution of rubber gloves and research and development (R&D)	100.00%	USD 1 million	1,000,000 shares (with par value of USD 1 per share)	Ordinary share	50 Raffles Place #27-01 Singapore Land Tower, Singapore Tel: 65-6532-5210

Company's Name	Type of Business	Shareholding Proportion	Registered Capital / Paid-up Capital	Total Shares / Total Paid-up Shares	Type of Share / Investment	Locations
Sri Trang Gloves Global Pte. Ltd. (STGG) <sup>1</sup>	Financial asset management and financial investment	100.00%	USD 305 million	20,000,000 ordinary shares and 285,000,000 preference shares (with par value of USD 1 per share)	Ordinary share and preference share	50 Raffles Place #27-01 Singapore Land Tower, Singapore Telephone: 65-6532-5210
PT Sri Trang Gloves Indo (STGI)	Distribution of rubber gloves	100.00%	IDR 10,000 million	1,000,000 shares (with par value of IDR 10,000 per share)	Ordinary share	Jalan TPA2, RT.26 & 29 Keramasan, Palembang, South Sumatera, Palembang, 30259, Indonesia Telephone: 62-711-445-666 Fax: 62-711-445-222
Sri Trang Gloves Vietnam Company Limited (STGV)	Distribution of rubber gloves	100.00%	USD 1 million	-	Investment	Room No. 7.01A, 7th Floor, Vietnam Business Center Building, 57-59 Ho Tung Mau Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam Tel: 848-3821-6869 Fax: 848-3821-6877
Sri Trang Responsible Gloves Supply, Inc. (STRG) <sup>2</sup>	Distribution of rubber gloves	100.00%	Registered Capital of USD 1 million / Paid-up Capital of USD 500,000	5,000 shares (with par value of USD 1 per share)	Ordinary share	100 Saunders rd ste 150 lake forest, IL 60045-2526 Telephone: (847) 340-3487
Sri Trang Gloves Philippines Inc. (STGP)	Distribution of rubber gloves	99.99%	Registered Capital of PHP 104,662,400 / Paid-up Capital of PHP 10,470,180.47	104,701 shares (with par value of PHP 100 per share)	Ordinary share	32 <sup>nd</sup> Floor, Unit 3207, Robinsons Equitable Tower, ADB Avenue corner Poveda Street, Ortigas Center, Pasig City, Philippines. Tel: 639190006533

**Remark:**

1. In 2023, Sri Trang Gloves Global Pte. Ltd. ("STGG") increased its registered capital. The details are as follows:

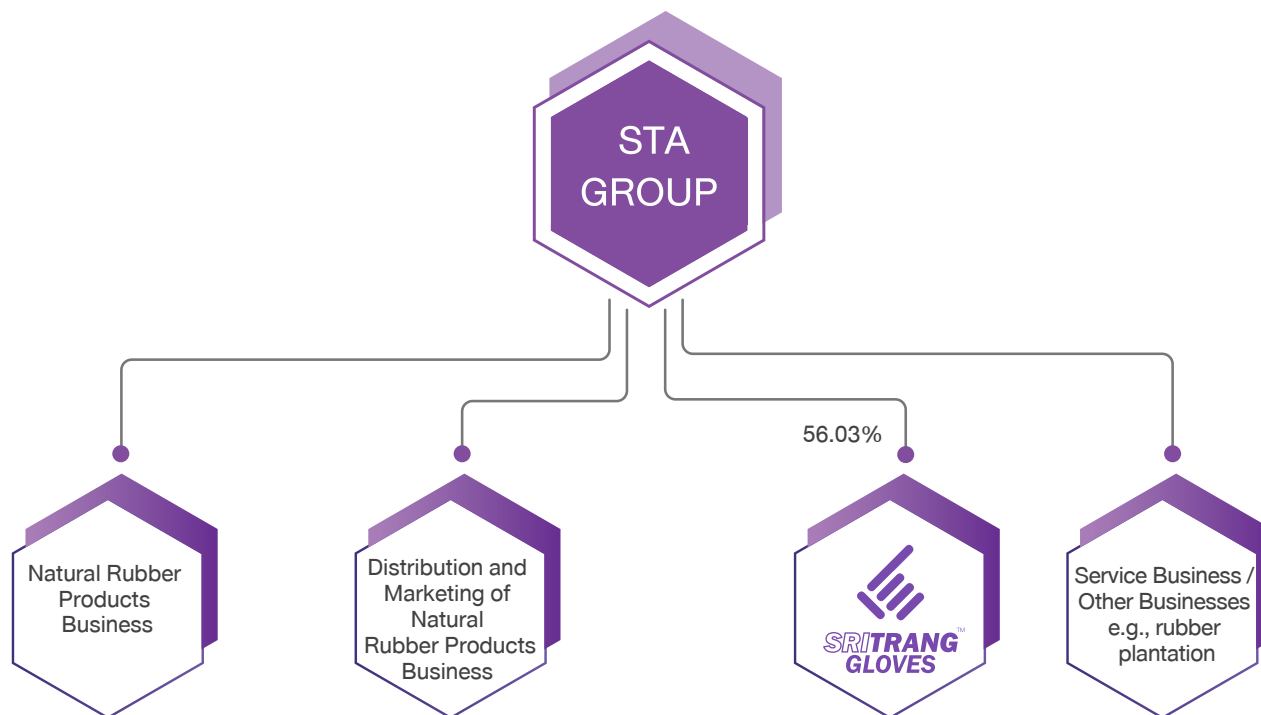
- On 26 May 2023, the Company increased its registered capital in preferred shares by USD 100,000,000, increasing the total registered capital to USD 280,000,000. It comprises of 20,000,000 common shares and 260,000,000 preferred shares (with a par value of USD 1 each).
- On 4 October 2023, the Company increased its registered capital in preferred shares by USD 25,000,000, increasing the total registered capital to USD 305,000,000 as of the present. It comprises of 20,000,000 common shares and 285,000,000 preferred shares (with a par value of USD 1 each).

2. On 28 November 2023, the Shareholder meeting of STRG resolved to approve the dissolution of the Company. It is expected to be completed by 2024.



## Relationship with Major Shareholder's Group Business

As of 31 December 2023, STA Group has shareholding proportion in the Company of 56.03 percent in total. The relationship between the Company and STA group can be shown as follows.



Following its restructuring according to the plan to list in the SET since 2020, the Company and STA have clearly separated their scope of business whereby the Company is the flagship company of the STA Group engaged in the production and sale of latex gloves, while STA is engaged in the business of producing and distributing latex and other natural rubber products such as rubber sheets and block rubber, etc., including the rubber plantation business. STA has a policy not to engage in business that is in competition with the rubber gloves manufacturing and distribution business of the Company and its subsidiaries and will ensure that STA's subsidiaries also do not engage in any such competing business as well.

At present, the Company procures the main raw material, namely concentrated latex, from the STA Group to produce powdered natural latex gloves and powder-free natural latex gloves with companies in the STA group. In addition, the Company also purchases other raw materials, such as firewood to be used as fuel in the production process from companies in the STA group with companies in the STA group. In addition, the STA Group also provides other business support to the Company, such as intercompany transportation services, renting of warehouses, equipment, offices, and others, as well as information technology services, etc. Such inter-company transactions with the STA Group are based on transparent and fair market prices and trade conditions aimed at protecting the interests of the Company and shareholders of the Company.

## Shareholders

### List of Major Shareholders as of 28 December 2023 (totaling 57,921 shareholders)

No.	Name of Shareholders	Number of Shares (shares)	Shareholding Proportion (Percent)
1.	STA <sup>(1)</sup>	1,450,074,600	50.61
2.	Sincharoenkul Group <sup>(2)</sup>	177,017,700	6.18
3.	RBL <sup>(3)</sup>	155,326,800	5.42
4.	STH <sup>(4)</sup>	106,753,800	3.73
5.	Thai NVDR Co., Ltd.	54,340,472	1.90
6.	LGT Bank (Singapore) Ltd.	34,158,600	1.19
7.	South East Asia UK (Type C) Nominees Limited	33,428,487	1.17
8.	The Central Depository (Pte) Limited-Listed Securities	14,940,300	0.52
9.	Mr. Boonchai Kasamvilas	13,416,400	0.47
10.	Mr. Weerapat Poonsak-udomsin	11,254,400	0.39
11.	Other Shareholders	814,468,351	28.43
	<b>Total</b>	<b>2,865,179,910</b>	<b>100.00</b>

#### Remark:

<sup>(1)</sup> STA is a listed company on the SET and the Singapore Exchange, operating in the business of manufacturing and distributing rubber smoked sheets, block rubber and concentrated latex. As of 28 December 2023, STA has top 10 major shareholders as follows:

No.	Top 10 Major Shareholders	Number of Shares (shares)	Shareholding Proportion (Percent)
1.	STH	343,790,629	22.38
2.	Thai NVDR Company Limited	133,743,323	8.71
3.	Mr. Viyavood Sincharoenkul	132,987,509	8.66
4.	The Central Depository (Pte) Limited-Listed Securities	59,232,606	3.86
5.	Mrs. Promsuk Sincharoenkul	46,200,000	3.01
6.	Citigroup Global Markets Limited-PB Client-NRBS Collateral	45,831,134	2.98
7.	South East Asia UK (Type C) Nominees Limited	30,484,379	1.98
8.	Mr. Vitchaphol Sincharoenkul	26,500,000	1.73
9.	Mr. Sompob Tingthanathikul	25,700,000	1.67
10.	Mr. Vitanath Sincharoenkul	25,085,500	1.63
	Other Shareholders	666,444,918	43.39
	<b>Total number of shares</b>	<b>1,535,999,998</b>	<b>100.00</b>

<sup>(2)</sup> List of Sincharoenkul Group as of 28 December 2023 as follows:

No.	Sincharoenkul Group	Number of Shares (shares)	Shareholding Proportion (Percent)
1.	Mrs. Duangjai Sincharoenkul	160,000	0.01
2.	Mr. Viyavood Sincharoenkul	138,204,100	4.82
3.	Mr. Kitichai Sincharoenkul	8,097,800	0.28
4.	Mr. Lee Paul Sumade	12,740,000	0.44
5.	Mrs. Voradi Sincharoenkul	9,258,000	0.32
6.	Mr. Veerasith Sinchareonkul	777,800	0.03
7.	Mr. Vitanath Sincharoenkul	500,000	0.02
8.	Ms. Vannisa Sincharoenkul	5,280,000	0.18
9.	Mr. Vitchaphol Sincharoenkul	2,000,000	0.07
	<b>Total number of shares</b>	<b>177,017,700</b>	<b>6.18</b>

<sup>(3)</sup> RBL is a limited company which operates the business of producing concentrated latex and block rubber. As of 31 December 2023, RBL has shareholders as follows:

No.	Shareholders	Number of Shares (shares)	Shareholding Proportion (Percent)
1.	STA	15,999,994	99.99
2.	Ms. Narisara Sincharoenkul	1	0.00
3.	Prukha Mansion Company Limited	1	0.00
4.	Ms. Somsri Sirisuwat	1	0.00
5.	Mrs. Oranuch Sirisuwat	1	0.00
6.	Mr. Aram Sirisuwat	1	0.00
7.	Mr. Ekkachai Chalothornsudthi	1	0.00
	<b>Total number of shares</b>	<b>16,000,000</b>	<b>100.00</b>

<sup>(4)</sup> STH is a limited company which conducts business by holding shares in other companies. As of 31 December 2023, the top 10 major shareholders of STH are as follows:

No.	First 10 Major Shareholders	Number of Shares (shares)	Shareholding Proportion (Percent)
1.	Mr. Viyavood Sincharoenkul	1,825,700	20.75
2.	Bradshaw Equities Holdings Limited	1,646,000	18.70
3.	Mr. Lee Paul Sumade	967,860	11.00
4.	Ms. Sukuman Sirisuwat	672,000	7.64
5.	Mrs. Promsuk Sincharoenkul	600,000	6.82
6.	Mr. Chaiyos Sincharoenkul	542,860	6.17
7.	Paktai Rubber Industries Limited Partnership	528,000	6.00
8.	Nguan Chiang Company Limited	448,000	5.09
9.	Mr. Kitichai Sincharoenkul	348,880	3.96
10.	Mrs. Voradi Sincharoenkul	226,840	2.58
	Other Shareholders	993,860	11.29
	<b>Total number of shares</b>	<b>8,800,000</b>	<b>100.00</b>

## 1.4 Securities and shareholders Information



### Amount of Registered Capital and Paid-up Capital

As of 31 December 2023, the Company had a registered capital of THB 1,434,780,000 and a paid-up capital of THB 1,432,589,955 consisting of 2,865,179,910 ordinary shares with a par value of THB 0.5 per share. All shares are listed on the Stock Exchange of Thailand (primary listing) and Singapore Exchange (secondary listing).

### Number of Shares and Effects of NVDR Issuance on Shareholders' Voting Rights

NVDR or Non-Voting Depository Receipt is a trading instrument issued by the Thai NVDR Company Limited ("Thai NVDR"). The main purpose is to promote trading activities in the Thai stock market and it is the alternative for the foreign investors who are interested in making investment in the listed companies but unable to make such investment because of foreign ownership restrictions. NVDR investors are entitled to receive all financial benefits, such as dividends, right issues, or warrants, but they are not allowed to vote in shareholders' meetings except only in the case where the company wishes to delist itself from the SET.

As of 28 December 2023, Thai NVDR holds 54,340,472 ordinary shares of the Company or representing 1.90 percent of the total issued and paid-up capital of the Company.



## 1.5 Other Securities

As of 31 December 2023, the Company has issued 3 tranches of green debentures in the total amount of THB 1,500 million which issued and offered on 28 September 2022 for the purpose of investment and/or refinance for Green Projects, the details of which are as follows:

Details	No. 1/2022		
	Tranche 1	Tranche 2	Tranche 3
Offering to	Institutional and High Net Worth Investors		
Type of Debentures	Unsubordinated and unsecured debentures with a debenture holders' representative		
Principal Amount of Debentures	THB 550 million	THB 400 million	THB 550 million
Term	3 years	7 years	10 years
Interest rate	Fixed interest rate at 2.97% per annum	Fixed interest rate at 3.91% per annum	Fixed interest rate at 4.25% per annum
Interest Payable	Semi-annually		
Maturity Date	28 September 2025	28 September 2029	28 September 2032
Credit Rating	"A" outlook "Stable" by Tris Rating Co., Ltd. (as of 31 May 2023)		
Debenture Underwriter			
Debenture Registrar	Bank of Ayudhya Public Company Limited.		
Debenture Representative			

Additional information about the utilization of such proceeds for the investment in environmental projects and their performance in line with the objectives, can be found in Section 1. Business Structure and Operations under 1.1.3 (b) Utilization of Proceeds from the Debt Instrument in this report and the Sustainability report on the Company's website <https://www.sritranggloves.com/en/downloads/sd-report>.

## 1.6 Dividend Payment Policy

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 after deductions of corporate income tax and allocation of all types of reserves in accordance with the Company's Articles of Association and applicable laws. The dividend distributions to be made shall not exceed the Company's retained earnings as appeared in the separate financial statements. Dividend payment shall be made by taking into consideration relevant factors such as the Company's financial position, operating results, cash flow and the ability of the Company's subsidiaries to make dividend payments including the projected capital requirements for future growth, economic conditions, possible impacts from external factors on the operations of the Company and such other considerations as our Board of Directors may consider appropriate.

After the Board of Directors' resolution on approval for the annual dividend payment, the Board of Directors shall propose to shareholders' meeting for its approval on such payment, except for interim dividend payment which the Board of Directors has authority to approve from time to time when deemed that the Company has appropriate profits. The interim dividend payment will then be reported at the next shareholder meeting.

Details of the dividend payment of the Company for the past 3 years are as follows.

	Financial Statements for the Year Ended 31 December 2023	Financial Statements for the Year Ended 31 December 2022	Financial Statements for the Year Ended 31 December 2021
Net profit (Separate Financial Statements)	THB 1,460.00 million	THB 24,261.29 million	THB 13,683.66 million
Earnings per Share <sup>(1)</sup>	THB 0.58	THB 8.29	THB 5.94
Dividend per Share	THB 0.75	THB 4.65	THB 2.625
- Interim dividend No.1	THB 0.50	THB 1.50	THB 0.625
- Interim dividend No.2	-	THB 1.25	-
- Interim dividend No.3	-	THB 1.25	-
- Final Dividend	THB 0.25 <sup>(2)</sup>	THB 0.65	THB 2.00
Total Dividend Payment	THB 2,148.88 million	THB 13,305.61 million	THB 7,501.1 million
Dividend Payout Ratio (%) <sup>(3)</sup>	147.2%	54.8%	54.8%
Is / is not in compliance with the dividend payment policy (Please specify)	Comply with the dividend payment policy of the Company.	Comply with the dividend payment policy of the Company.	Comply with the dividend payment policy of the Company.

<sup>(1)</sup> Earning per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of newly issue ordinary shares during the year and adjusting the number of newly issue ordinary shares to reflect the impact on changing of par value in Quarter 3/2020, as if the change of par value of such ordinary shares was effective since the first day of 2020 as presented in the above table.

<sup>(2)</sup> The 2023 Annual General Meeting of Shareholders held on 10 April 2023, resolved to approve the final dividend payment for operating results ending on 31 December 2022, according to the separate financial statements at the rate of THB 0.25 per share.

<sup>(3)</sup> Dividend Payout Ratio (%) is calculated from profit of the Company's separate financial statements.

# 2 | Risk Management



## 2.1 Policy and Risk Management Plan

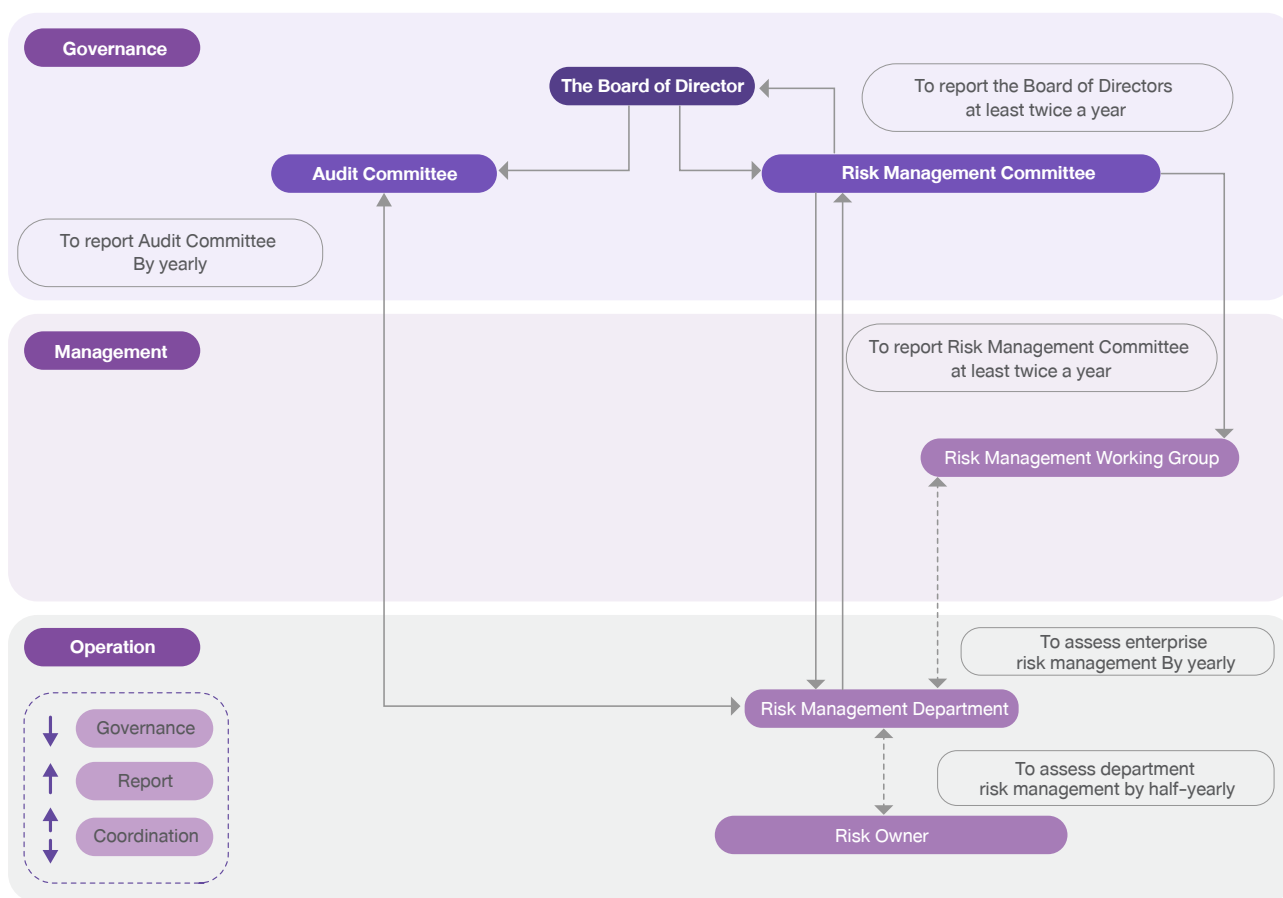
Due to the complexity and a rapidly changing business environment currently, these are the major causes risks to business operations and may affect the ability to achieve the goal to drive the organization for sustainable successes. The Company therefore recognizes the importance of risk management, both from internal and external factors, for efficient management and highest effectiveness.

The Company is committed to risk management throughout the organization with the concept of Enterprise Risk Management which is in accordance with the international risk management standards; ISO 31000: 2018 and COSO ERM: 2017. The objective is to develop the company's risk management culture to make employees and stakeholders aware of the importance of risk management; and help the organization see the positive opportunities and negative impacts associated with various risks, including helping to realize resource allocation and decision making in various operations more efficiently.

### Risk Governance

The Company has established risk governance as a part of the enterprise risk management system to ensure that risk management is considered an important part. The Board of Directors has appointed the **Risk Management Committee** to be responsible for determining the policy and risk management framework as the guideline for the corporate group including the governance and support for the various risk management to achieve the risk management objectives with the **Enterprise Risk Management Working Group** which is under supervision of the Risk Management Committee is in charge of performing analyzing, assessing opportunities and impacts of risks at corporate level, specifying risk indicators and monitoring the effectiveness of such indicators in order to improve their suitability and correspond with business environment, overseeing risk management at department level in relevant departments to link the objectives of enterprise risk management in the same direction and regularly reporting the internal risk management results to the Risk Management Committee.

## Risk Governance Structure



## Risk Management Policy

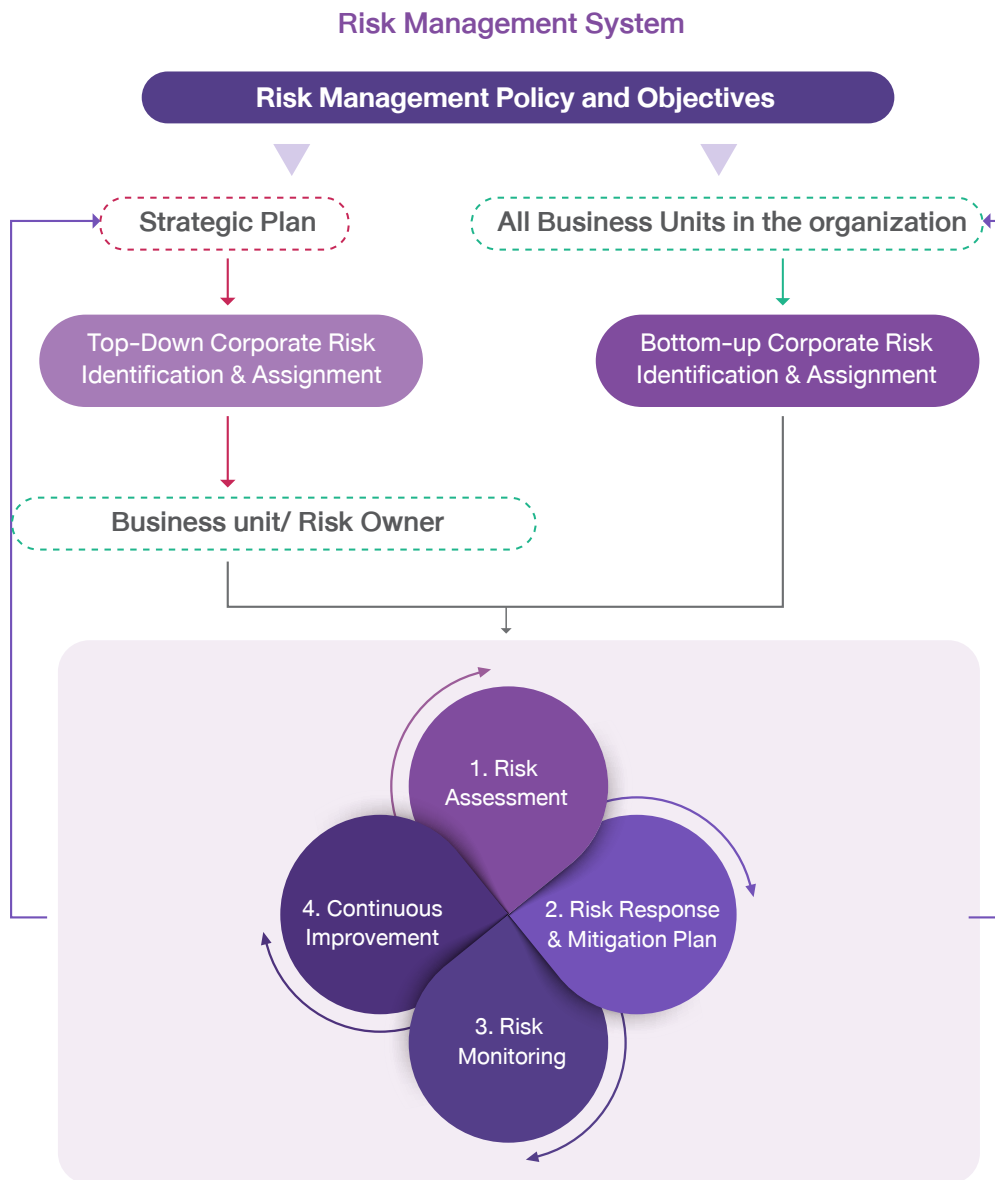
The Company developed the Risk Management Policy to set the direction and support the risk management in accordance with the company's strategies and objectives via the internal communications to all levels of executives and employees for being practice in the same way. The Company's risk management policy emphasizes risk awareness as an important component of business operations. The aim is to manage risks to an acceptable level by using resources most cost-effectively and efficiently, as well as promoting and supporting personnel at all levels to understand and jointly use risk management to; strengthen good corporate governance, and excellent management, and build confidence among the company's stakeholders, as well as promote risk awareness and management as part of the organization's culture.

In addition, the company has also established a risk management policy to cover various risks in operations. All employees are responsible for following risk management systems and processes at the organizational level, line level, and operational level. The Risk Management Committee and executives will inspect, monitor, and assess the results of the organization's risk management appropriately through written evidence of the organization's risk management. Further details are available at the website <https://www.sritranggloves.com/en/corporate-info/corporate-governance/corporate-policy>



## Risk Management System

The Company has developed an enterprise risk management system to manage risks systematically and to ensure that the organization's risk management is effective. Therefore, risks that have a significant impact on the achievement of the organization's objectives, vision, goals, and strategic plans are identified, assessed, managed, and monitored. The Company's risk management system has the following formats:



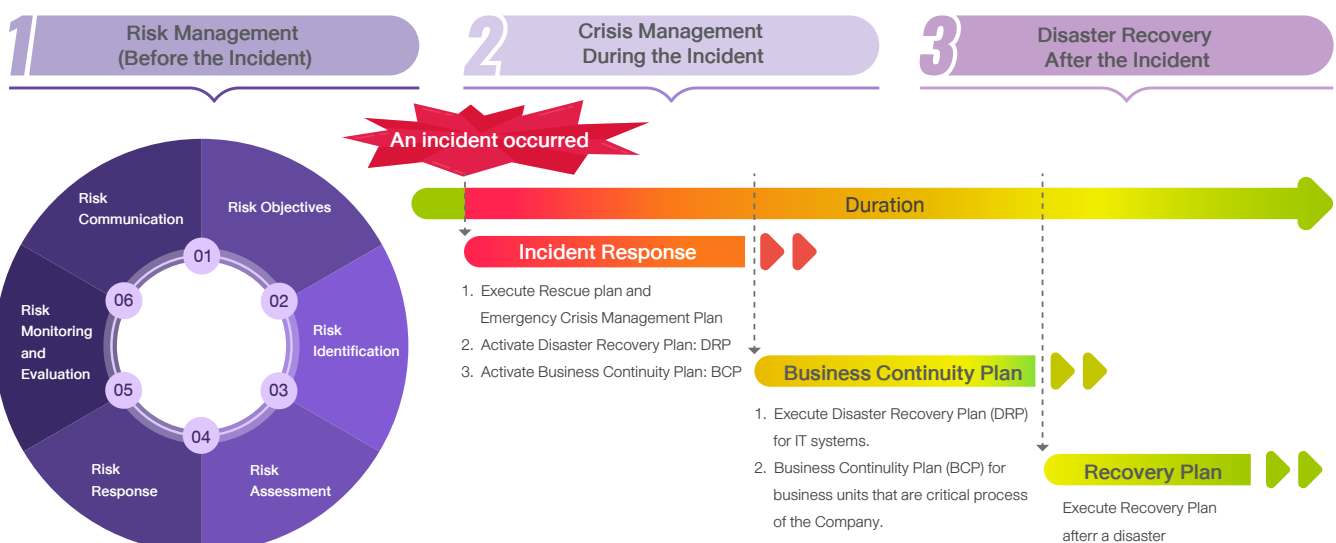


For the tools used in risk management include:

- Risk Register form is used for risk identification, risk assessment, and Mitigation Plan.
- Risk Map is used for prioritizing risks and
- Key Risk Indicator (KRI) is used for monitoring risks to manage the organization's risks appropriately and with maximum efficiency.

In addition, the Company has also passed ISO 22301: 2019 certification, which is a standard for Business Continuity Management (Business Continuity Management: BCM) from BSI, and practices business continuity management plans annually to prepare for various crisis events that may occur. This will allow for continuous business operations as well as being able to deliver quality products in time to meet customer needs in the event of a crisis. Overall system Business continuity management is as follows:

### Risk Management and Crisis Management Processes



## Risk Management Culture

The Company is aware of the importance of risk management within the organization. Therefore, it promotes good governance and supervision and supports the Company's operations to be in accordance with the specified objectives as well as promoting a culture of Risk management that may occur in a concrete, continuous, and measurable manner; by pushing executives and employees at all levels to be aware of potential risks and giving importance to risk management through various forms of communication, such as organizing training via e-learning systems and public relations through the company's website, etc. In order to provide an overview of risk management within the organization on a continuous and sustainable basis, the organizational culture related to risk management is detailed as follows.

- **The Board of Directors meeting**

Risk Management Department reports to the Board of Directors at least twice a year for the result of risk management in the significant risk management issues.

- **Risk Management Committee meeting**

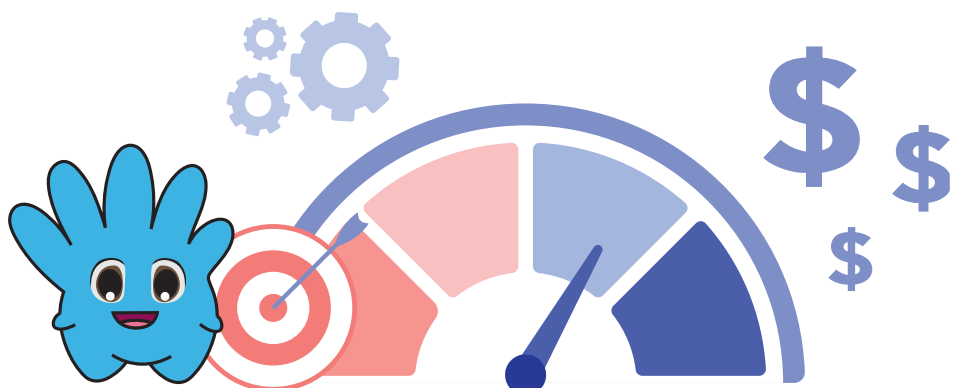
Risk Management Department reports to the Risk Management Committee at least twice a year for the result of enterprise risk management.

- **Audit Committee meeting**

Risk Management Department reports to the Audit Committee for the result of risk management for being the advantages in audit plan preparation and internal control activities to be covered in the significant risk matters at least once a year.

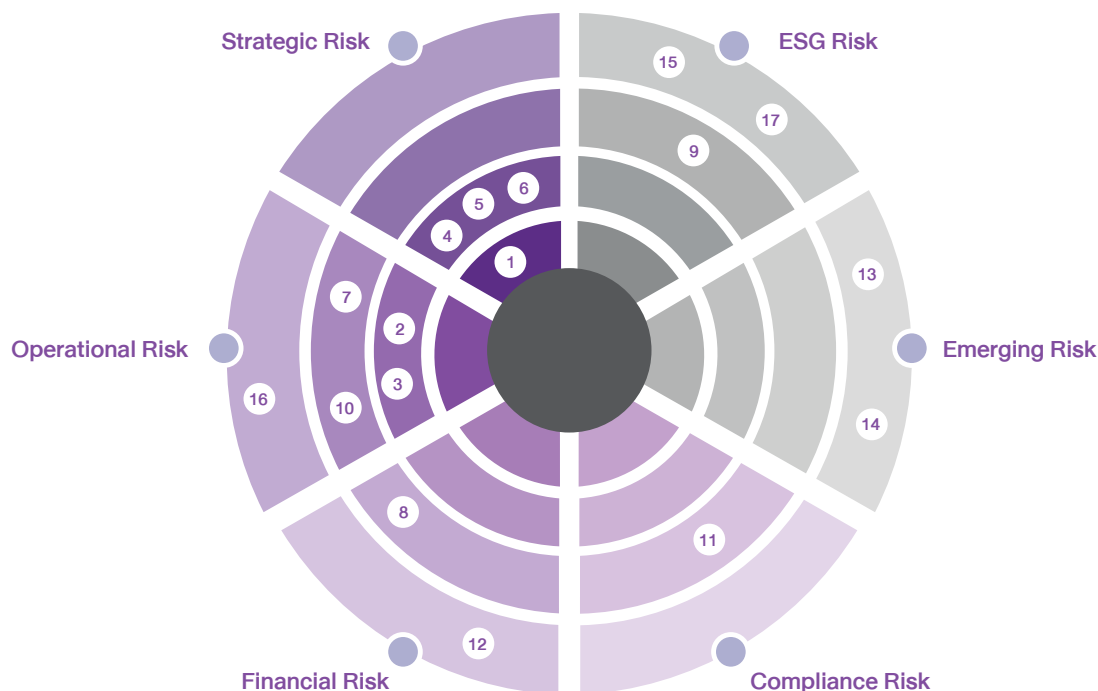
- **Awareness creation of the importance of Risk Management**

With the coordination by Risk Management Department and Human Resources Department, to develop the risk management courses to encourage all employees to attend via e-Learning at least once a year to be useful in raising awareness of risk management on a regular and ongoing basis.



## 2.2 Risk Factors for The Company's Business Operations

The Company has analyzed the business environment both inside and outside the organization, including trends in the economy, society, environment, technology, industry, competitors, and other related matters to determine important risk factors for the company's business operations, both the existing risks and new risks that may occur in the future. The Board of Directors has therefore overseen risk management in sustainability issues which are of strategic importance to the operations of the business, including environmental, social, governance and economic (ESG Risk). Therefore, the Company has prioritized risks and divided them into 6 main groups based on sustainability issues as follows:



### Risk Prioritization

1. Risk from being in a highly competitive business, competing both with major manufacturers and distributors in the same product category
2. Risk of product quality not meeting specification
3. Risk in terms of information technology systems
4. Risk of uncertainty in medical latex gloves' demand
5. Risk from fluctuation in selling prices which do not reflect to the production cost
6. Risk from reliance on key trading partners in the supply of concentrated latex synthetic latex and raw materials and other services to the Company
7. Risk for Occupational, Safety, and Health of employee
8. Liquidity risk from accepting debt payments from customers
9. Risk from research and development of new innovations in launching products that cannot meet the expectations of stakeholders.
10. Risk from interruption of production processes and Business operations
11. Risk from noncompliance with the requirements, rules, and regulations on the relevant agencies
12. Risk from fluctuations in foreign exchange rates
13. Risk from natural resource and climate change, and environment issue
14. Risk from change and technological advancement which may replace human work
15. Risks from operations in the production process that affect the ecosystem and biodiversity
16. Risk of corruption
17. Risk from the Company's inability to implement various measures regarding respect for human rights in the supply chain



## Risks Classification According to Sustainability

	Strategic Risk	Operational Risk	Financial Risk	Compliance Risk	Emerging Risk	ESG Risk
Environment					<ul style="list-style-type: none"> <li>Risk from natural resource and climate change, and environment issue</li> </ul>	<ul style="list-style-type: none"> <li>Risks from operations in the production process that affect the ecosystem and biodiversity</li> </ul>
Social		<ul style="list-style-type: none"> <li>Risk of product quality not meeting specification</li> <li>Risk for Occupational, Safety, and Health of employee</li> </ul>			<ul style="list-style-type: none"> <li>Risk from change and technological advancement which may replace human work</li> </ul>	<ul style="list-style-type: none"> <li>Risk from the Company's inability to implement various measures regarding respect for human rights in the supply chain</li> </ul>
Governance and Economics	<ul style="list-style-type: none"> <li>Risk from being in a highly competitive business, competing both with major manufacturers and distributors in the same product category</li> <li>Risk from fluctuation in selling prices which do not reflect to the production cost</li> <li>Risk from reliance on key trading partners in the supply of concentrated latex synthetic latex and raw materials and other services to the Company</li> <li>Risk of uncertainty in medical latex gloves' demand</li> </ul>	<ul style="list-style-type: none"> <li>Risk in terms of information technology systems</li> <li>Risk from interruption of production processes and Business operations</li> <li>Risk of corruption</li> </ul>	<ul style="list-style-type: none"> <li>Risk from fluctuations in foreign exchange rates</li> <li>Liquidity risk from accepting debt payments from customers</li> </ul>	<ul style="list-style-type: none"> <li>Risk from noncompliance with the requirements, rules, and regulations on the relevant agencies</li> </ul>		<ul style="list-style-type: none"> <li>Risk from research and development of new innovations in launching products that cannot meet the expectations of stakeholders.</li> </ul>

## 2.2.1 Corporate risks to the business operation of the Company and the Group

### Strategic Risk



**Risk from being in a highly competitive business, competing both with major and emerging manufacturers and distributors in the same product category.**

#### Risk Description

The Company has to compete with key manufacturers and distributors in the region, including in the Company's export markets. However, if some rival glove manufacturers reduce product prices, either due to having lower costs and/or having a large enough export volume to influence the market price of the product; or if the expansion of production capacity of the existing manufacturers in the industry, as well as the presence of new competitors in the rubber gloves and other types of gloves such as vinyl gloves put added pressure on the selling price of rubber gloves which are the Company's main products; such variables may have a material adverse effect on the Company's financial position profitability.

#### Risk Causes

- New technology of Competitors in industry
- Cost reduction competition
- Government trade restrictions in the country where the Company sells its products.
- Oversupply in rubber gloves

#### Possibility impact from risk

- Disadvantages in cost competition and sale volume
- Loss of market share
- The Company's profit may decrease and not reach the target as expected.

#### Risk Management

- The Company is still continuously research and develop in many elements to compete among competitors such as to invest in human capital, increasing production technology as well as continuously surveying and researching the needs of both domestic and international markets such innovation includes the invention of low protein natural latex gloves in response to some consumers who may be at risk of protein allergy in natural rubber latex or the invention of chemical-free gloves for use in various industries, or gloves with a special surface to make them easier to use.
- Increasing in finding new customers, both domestic and international, such as food, beauty, service industry, etc., which is to increase sales volume and expanding in a wider market.
- Expanding a new product line; surgical gloves, which is a new product of the company, which is to increase revenue for the Company from the existing machines.
- Consider controlling the production cost and increase the effectiveness of working processes to be more competitive in the existing market together with adjust the production plan to be more quality and benefit in the competition, especially with substitute products e.g., innovate a rubber glove manufacturing machine that can produce powdered natural rubber gloves at high speed, the creation of low weight nitrile rubber gloves rendering an advantage in lower costs and more competitive selling prices, or even the application of artificial intelligence into the production process, which can reduce production costs in the long run and significantly reduce the use of human labor



## Risk of uncertainty in medical latex gloves' demand

### Risk Description

Due to changes in consumer demand after the resolution of the COVID-19 disease, which has become an endemic disease, the demand for glove consumption has returned to grow at a rate comparable to before the outbreak of COVID-19. As a result, the industry as a whole currently has a production capacity that is higher than the demand in the market, which may affect production capacity planning, production capacity running, managing product volumes, and maintaining the company's profit margins.

The increased supply from increasing production capacity and the entry of new operators has led to oversupply. If the demand for rubber gloves remains volatile and uncertain in the future, it may have a negative impact on the Company's profitability and financial position, including business opportunities.

### Risk Management

- Increasing other distribution channels regularly by finding new markets to increase sales opportunities
- Modifying or upgrading the production line to produce a wide range of products at an affordable price.
- Adding more products to maintain the machine usage rate stable or higher.
- Closely monitoring selling result and also including the evaluation of demand continuously in order to adjust the sales strategies to suit in each situation
- Considering costing management to be more efficient by follow-up meeting and take action on the relevant part on a regular basis

### Risk Causes

- Demand growth is not as expected
- Consumers' level of focus on personal protective equipment has shifted.
- Oversupply in the rubber glove industry will last longer than expected.

### Possibility impact from risk

- Machine utilization rates is decrease, higher overall production costs
- Need to adjust the production plan to reflect the current situation
- Affect the overall revenue of the Company.



## Risk from fluctuation in selling prices which do not reflect to the production cost

### Risk Description

The primary raw materials used in our production facilities are concentrated latex produced from natural rubber latex, which we use in the production of both powdered and powder-free natural rubber gloves and synthetic latex.

In event that the Company can't sell products at the selling prices that correspond to the change of main production costs, it may affect the Company's profits and performance.

### Risk Causes

- The Company is unable to adjust the selling price or other commercial terms to respond the main production costs with customers in a timely manner
- Factors affecting the quantity and price of latex is out of control from the Company which fluctuates according to the demand and supply in the market from various factors, such as economics, rubber production from main producing countries, government intervention and the demand for natural rubber latex in various industries such as the tire industry, etc.
- Factors affecting the quantity and price of synthetic latex is out of control from the Company such as political conditions in crude oil producing regions, demand for petroleum products and natural gas and government regulations, etc.

### Possibility impact from risk

- Disadvantage over competitors due to increases in production expenses.
- The Company's profit may decrease and not reach the target as expected.

### Risk Management

- Manage the purchasing of main raw materials in accordance with market prices that are always moving
- Adjust monthly selling prices to be in line with the price movements of main raw materials.
- Strategize the proportion of Spot and Long-term contract sales to be appropriate and flexible according to each situation.
- Establish a specific working group to manage risks related to monitoring raw material prices to suit the situation.
- The company has determined the time period for agreeing prices with customers and delivering products to be in line with the time period for inventory management and production so that the selling price is most appropriately in line with the cost of production.





## Risk from reliance on key trading partners in the supply of concentrated latex synthetic latex and raw materials and other services to the Company

### Risk Description

The Company acquires concentrated latex, which is the main raw material required for our production of natural rubber gloves, from companies in the STA Group, (our synthetic latex is sourced from a third-party supplier.) This includes other services which are important for production that the Company shall rely to the main supplier with the same major shareholder as follows.

- Woodchip for primary fuel source for production facilities from ANV
- Information Technology service from IBC
- Transportation service from STL

If the above key trading partners is unable to provide the Company with the planned supplies or services, this could have a significant impact on business operations.

### Risk Management

- Continuously select and procure new partners to supply concentrated latex, synthetic latex and various main raw materials including other services used in the Company's production process in order to reduce the reliance on and procure of raw materials from key trading partners that are limited.
- Set up of Safety Stock policy to maintain the level of raw material for the readiness of using
- Creating an emergency plan for the quantity of raw materials required for the production process.

### Risk Causes

- Company's policy to rely on the STA Group for the provision of main raw material concentrated latex and other services
- Major suppliers might be unable to deliver raw materials or services according to the quantity and the quality specified by the company in certain situations.
- Raw material price fluctuated on global market's trend
- Insufficient alternative suppliers for further consideration

### Possibility impact from risk

- Raw materials are insufficient to meet the demand for manufacturing products for delivery to customers.
- Production processes might require to be adjusted to account for raw material availability.
- Production could be halted if the Company does not acquire the required raw materials and services.
- The Company's revenues and profits may decrease and be lower than anticipated.



### The Risk of product quality not meeting specification

#### Risk Description

The Company mainly produces products for medical use whereby product quality is an important factor that affects the Company's sustainable growth. However, if the product does not meet the required specifications, it may render increased operating costs, directly affect customer satisfaction and impact on the reputation of the Company as well.

#### Risk Causes

- The quality of raw materials or chemical components used in production does not meet the standards or errors in the production process or product packaging which affects the quality of the goods received at the destination.
- The quality control and quality inspection of the goods are defective.
- The product was damaged during transportation which is beyond the management of the Company.

#### Risk Management

- A clearly defined work process in product quality control is established with assigned units to inspect, control and manage product quality before delivery.
- When there is a problem in the production process that affects the quality of the product, the cause must be determined and corrective action taken immediately, as well as clarification and implementation of guidelines to prevent recurring mistakes.
- If there is a need to improve work processes or any quality control process that requires partners or machine manufacturers, the Company will coordinate closely to achieve the goals as specified.
- The Company has set goals with respect to product quality control and customer complaints for the Production and Quality Control Department, and continuously monitors the results of operation to achieve the said goals.

#### Possibility impact from risk

- Customer satisfaction and confidence may be affected, as well as loss of sales
- Compensation to customers for damages results in higher expenses and costs, thereby affecting the profit of the Company



## Risk in terms of information technology systems

### Risk Description

The Company has introduced various technology systems into its current business operations in almost every unit of the organization, whether production, inventory management, research and development, accounting and finance which requires various digital technology including Artificial Intelligence (AI) to support the Company's business operations to increase efficiency and speed in the production process and reduce operational errors, as well as expanding distribution channels to increase business competitiveness.

Therefore, from using information technology systems to support the Company's business operations, there may be risks from information technology system management, Cyber Threats, and Information Security, which may have an impact on disruptions of the Company's systems or operations, including the possibility of legal disputes regulations, as well as affecting the image of the Company.

### Risk Causes

- Provider's network service was down and unable to provide service as normal
- System's devices are not ready for using
- Natural disaster that may cause problems to IT systems or Data Center, including related electrical systems
- Employees may neglect to their responsible work by lacking the awareness for the protection against data leakage
- Cyber Threats or hackers
- Vulnerability in company's system security or the deficiency in defense
- Insufficient of IT management to up to date for the situation

### Risk Management

- The Company has invested in the development of work systems to support the new technologies and provide protection against cyber threats
  1. To improve the computer network to be readily available to avoid network and server failure so that the system can continue to work due to effective prevention of network intrusion and cyber attackers
  2. To strictly implement the security measures such as firewalls, creation of a disaster recovery plan, conducting vulnerability tests to find weaknesses in network and computer systems and penetration test to establish a network
  3. To set up a backup center for emergency response to enable continuous business operations.
  4. To review of the preparation of contingency plans and simulations to rehearse emergency response plans according to the Business Continuity Management system
- The Company organizes IT Security and Cyber Security Awareness training at least once a year, as well as procuring necessary technologies to further enhance business continuity
- The Legal Department to collaborate with all related parties to organize the PDPA training for all employees, for creating the awareness and the understanding of the importance of PDPA

### Possibility impact from risk

- The business has an operating system interruption causing it to be unusable beyond the specified rescue period.
- Affecting the company's competitive ability from the impact on image, reputation, and confidence of stakeholders
- There will be a competitive disadvantage if important information and company secrets are leaked.
- Compensation for damages to those involved This may cause higher expenses and costs and affect the company's profits.



## Risk for Occupational, Safety, and Health of employee

### Risk Description

The Company is aware of the safety, occupational health and working environment due to the employee's operation. This can lead to loss, injury, and sickness of employees and may affect to disrupt the business continuity which is including the impact on the community, society, and environment, including the Company's reputation, and confidence for stakeholders.

### Risk Causes

- Employees lack awareness in working follow to rules and regulation regarding to the safety concern
- Working process or the policy does not cover in safe operation

### Possibility impact from risk

- The operator employee injury can result in harm, organ loss, or death.
- Loss of reputational and creditability for the Company
- Employee's welfare costs and expense will be significantly increasing

### Risk Management

- The Company established the occupational health and safety policy to encourage employees aware of safety. and perform their duties under the zero-accident policy
- There is the regularly inspected of working area and environment by the Safety Department to strictly comply with standards. This may reduce the possibility of not-safe working behavior of the employee
- To establish the Occupational Safety and Health – OSH Committee to overall in managing the occupational safety and health risk
- To set up the safety officer in all department to monitor the risk actions and situations that are inappropriate and affect the safety of employees.
- Apply the RCS system (Regulatory Compliance System) to record and track events that affect the safety of employees in the workplace to prevent incidents that may result in unsafe operations of employees





## Risk from interruption of production processes and Business operations

### Risk Description

Operational risks that affect the production process may arise from accidents and accidents from operations, such as fires, short circuits in the production process, or boiler explosions. Including natural disasters such as floods, storms, or earthquakes. All of these events are risks that affect the normal operations of the company and, when they occur, may cause injury, death, or property damage. This may also have a significant negative impact on the Company's business operations causing disruptions.

### Risk Causes

- Natural disasters are caused by causes beyond the Company's control.
- Accidents from defective machinery or equipment, improper installation including the lifespan of the machine.

### Possibility impact from risk

- The production process is disrupted and lost business opportunities
- Damage to company property and employee injuries.
- May affect the credibility and reputation of the company.
- Costs and expenses related to restoring production processes to normal.

### Risk Management

- Arrange various insurances both domestically and internationally to cover as much property damage as possible.
- Prepare and review the business continuity management plan (Business Continuity Plan) with activities or processes that are important to the company's operations in order to determine strategies and business continuity management plans; including arranging business continuity management practice drills so that relevant employees are always alert and ready to act in the event of such an event and to build confidence among customers and stakeholders



## Risk of corruption

### Risk Description

In normal operation, that may have some opportunities for employee to refrain from performing their duties or abuse to work in ethical in order to obtain unreasonable benefits to the organization, themselves, or relevant. If such an event occurs will inevitably negative affect the credibility, image and reputation of the Company and may affect to business operations with partners.

The Company realizes the importance of good corporate governance along with preventing corruption in every step of the work for every level of employees, from the management level to the operational level. This is for the benefit in transparent business operations and reduce the impact of potential legal disputes.

### Risk Causes

- Fraud detection systems may not be sufficient and comprehensive
- Inappropriate segregations of duties

### Possibility impact from risk

- Affecting business opportunities or the company's operating results
- Affecting the maintenance of the organizational culture of being an organization of honesty, transparency, and accountability.
- Stakeholders may be dissatisfied and lack confidence in the Company's operations.
- There may be compensation for damages from non-compliance with regulations or laws.

### Risk Management

- The Company participated to join the Collective Action Coalition Against Corruption (CAC) to emphasize the Company's position in anti-corruption
- To prevent corruption in duties and to balance powers, the Company has established a charter that clearly states the duties of each committee
- A policy related to anti-corruption is established and the policy is communicated to employees at all levels through the e-learning system every year to create awareness of the importance of principles for operating with transparency
- Annually review anti-corruption policy which is both for employee and related suppliers
- The Company defined clear inquiry process and penalties if corruption occurs
- To develop the Code of Conduct manual for all level of employee to be upheld and adopted as a guideline for transparency audit
- The Company has Whistle-Blowing policy to be a complaint channel for all stakeholders to report clues and complaints in case of fraudulent behavior in order to investigate and protect the human rights for whom to report clues and complaints



### Liquidity risk from accepting debt payments from customers

#### Risk Description

Liquidity risk from the customers are unable to payment or possibility to inability to pay the debt under the contract's term that may affect to Company's cash flow, financial position and liquidity of the company as well.

#### Risk Causes

- Customer credit assessment, including analysis of the customer's ability to pay debt, may not be appropriate and not covered enough
- National economic risks such as restrictions on transfers in US dollars affected to customers to be unable to pay their debts according to schedule
- Debt collection system may not be tight and effective enough

#### Possibility impact from risk

- The Company's liquidity decreased.
- The company's profits decrease if there is a provision for bad or doubtful debts.

#### Risk Management

- The Company regularly considers to the additional measurement of analyzing and considering in giving credit to both new and existing customers in order to increase the efficiency of the credit system providing to customers
- The credit term will be regularly reviewed to ensure the customer's financial status is still ready to pay debts to the company in accordance with the regulations
- To adjust the collection method to reflect to the customer's current situation that may are unable to pay their debts according to the terms, for example by dividing the debt into portion and allow customer not to pay for whole amount, etc.
- For new customers, the Company promotes or encourages paying further in advance until there is a reliable payment history and trading volume.
- Providing trade credit insurance with the world's leading insurance companies to reduce the impact of customer defaults.



## Risk from fluctuations in foreign exchange rates

### Risk Description

The Company and subsidiaries export most of our rubber gloves overseas. The Company and subsidiaries fix the price of products are mainly denominated in USD and accordingly, most of our revenue are denominated in USD. However, most of our costs, including raw materials costs, salary expenses and other production costs, are transacted in Thai Baht. Fluctuations in foreign exchange rates affect to our price competitiveness compared to other rubber glove manufacturers and distributors from Malaysia, China and Indonesia. As a result, it could adversely affect our cash flow, financial position, operating results, and business opportunities of the Company.

### Risk Causes

- The Company sells most of rubber gloves in USD, but most of production cost (except synthetic latex and machines) are transacted in THB
- The movement in exchange rate between THB and USD and if there is a difference of exchange rate from other competitors in Malaysia and China, it will affect price competitiveness and sale volume.
- The changing and fluctuation of exchange rates in the world affect to selling cost, selling price, and performance.

### Possibility impact from risk

- Fluctuation of revenues and performance
- Decrease in revenue and performance if the direction of exchange rate affected salability and revenue.

### Risk Management

- The Company and its subsidiaries have policies in place to manage risks arising from fluctuations in foreign exchange rates through a natural hedge strategy whereby income and expenses in foreign currency are managed in the same currency because the Company purchases synthetic latex, chemicals and many other raw materials in USD resulting in the Company being able to partially mitigate the exchange rate impact from the fluctuation of the USD
- The Company and its subsidiaries have a policy to use other financial instruments to manage this risk, for example, using financial derivatives to mitigate the risks associated with foreign exchange rates which may arise from the sale of products in currencies other than Thai baht
- Continuously monitoring to foreign exchange rate movement and adjust the strategy to be more suitable





### Risk from noncompliance with the requirements, rules, and regulations on the relevant agencies

#### Risk Description

The business of the Company and its subsidiaries are under the supervision of government agencies, both in Thailand and in other countries, which are responsible for overseeing various licenses such as the Department of Industrial Works, Ministry of Industry, Ministry of Natural Resources and Environment, Ministry of Public Health and the Food and Drug Administration, both domestically and internationally, etc.

If the Company is unable to comply with the conditions of various licenses correctly and completely will result in consideration of suspension, cancellation, failure to renew the license, or civil or criminal penalties as well as the safety of the property and the life of the operator. This may affect the Company's operations, its image and reputation, including possible legal disputes and related regulations.

#### Risk Causes

- Failure to complete or timely comply with the terms of the relevant licenses, certifications, or regulations
- The tracking and reporting system on laws, rules, and regulatory compliance especially license expiration dates may ineffective and not enough enabling complete tracking

#### Possibility impact from risk

- May be considered to suspend or cancel, revoke or not renew the license or certificate
- If it is a license or certifications related to the production process this may cause the disruption in operation
- Legal disputes causing the civil or criminal penalties
- The reputational damage or impact on the Company's operations such as payment of damages or fines, significant higher costs of operations or the cessation of business operations, etc.

#### Risk Management

- The Company emphasizes all departments to strictly comply to rules and regulations to reduce the damage from this risk. The Company has managed environmental and social risks through the ISO 14001 environmental management by supervising to use an internal audit mechanism of the ISO14001 Environmental Management System, as well as closely monitoring changing trends in the legal and regulatory environmental frameworks related to the Company as follow:
  1. Environmental Issue - The Company has managed environmental and social risks through the ISO 14001 environmental management system by using SWOT Analysis to assess the risks that will affect the Company, considered through the context of the organization and related factors such as the location of the Company, the community, as well as the biodiversity in the area
  2. Pollution control - The company focus on production that is environmentally friendly, such as 100% use of biomass as fuel, reducing energy and water consumption and efficient waste management in accordance with the Circular Economy business model, including having a standardized pollution treatment system. There are measures to control and prevent pollution through various technologies to ensure accuracy and efficient monitoring of pollution treatment system status via online systems that can be tracked in real time
- To increase the efficiency in monitoring process of the laws and regulatory compliance through the Regulatory Compliance System in order to be able to follow up on the renewal of various licenses in a timely manner

## Emerging Risk



**Risk from natural resource and climate change, and environment issue and new regulations to support the conservation of environment and weather**

### Risk Description

Nowadays, climate change events are becoming more evident and affecting businesses, which are caused by a variety of factors. These include global warming (Climate Change), deforestation, greenhouse gas emissions, and industrial pollution, resulting in environmental problems that cannot be avoided. Manufacturers in every industry supply chain therefore focus on actions to reduce greenhouse gas emissions and waste emissions, increase the use of renewable resources by increasing reuse, and create business processes in the value chain ensuring traceability; for example, products must not come from deforestation, have an environmentally friendly production process, and are not involved in unethical environmental or social practices. In the past, strict regulations and new standards have been set by various agencies, such as the EU Deforestation Regulation (EUDR), to drive changes in consumer and production behavior to be more attentive to such matters.

However, changes in the natural environment may have a significant impact on the growth of the Company's main raw material, which is rubber as well.

### Types of risk

Environment

### Types of Impact

Economic

### Source

Natural factors and new rules that emerge all the time on such issues.

### Timeframe of Impact

Short to Medium term (1 - 7 years)

### Possibility impact from risk

- Natural disasters, if severe, may result in business interruption, property damage, and employee safety if the company does not prepare adequately to deal with various disaster events.
- Natural disasters from climate change may cause latex shortages (Main raw material) because farmers are unable to tap rubber as usual. This causes insufficiency of main raw materials to the point of interruption of the production process, which affects the company's income and reliability.
- If the new regulations that will be enforced are not complied with, gloves made from natural rubber will not be able to be shipped to certain market segments, which may cause the company to lose business opportunities.

### Situation Analysis

The Company has analyzed various internal and external risk factors to identify significant impacts on business operations from climate change by studying, researching, and analyzing data from various sources in order to formulate hypotheses, goals, and strategic plans for business operations to be able to adapt and respond to stakeholder expectations appropriately and efficiently.

### Risk Causes

The current situation of changes in natural resources, climate, and environment is changing rapidly which has a significant impact on the Company's operations. Along with cooperation from all agencies around the world that promote and support the reduction of greenhouse gas emissions by reducing pollution in production processes and business operations, reducing carbon dioxide (CO<sub>2</sub>) in Scopes 1, 2, and 3; including reducing dust, wastewater, and various chemicals, which will become more important to business operations. Therefore, the company must adapt and prepare to meet the situation in each period.

## Risk Management

- To be in line with the goals of the overall supply chain and be able to reduce greenhouse gas emissions as well as expand operations into the value chain in the future, the company has measures as follows
  1. Establish policies and operational frameworks as a mechanism to support investment in low-carbon projects and can help enhance operations in reducing greenhouse gas emissions.
  2. Modify work processes and use alternative energy such as solar energy to reduce energy consumption and greenhouse gas emissions.
  3. Create a carbon footprint, find significant sources, and implement measures to reduce the amount of greenhouse gas emissions of the company, such as energy management to increase production efficiency, etc.
  4. Join as a member of the Thailand Carbon Neutral Network (TCNN), established by the Thailand Greenhouse Gas Management Organization (Public Organization)
  5. Join the project of the Greenhouse Gas Management Organization (Public Organization) such as T-VER and LESS
  6. Follow up on operations, review strategies and targets for reducing greenhouse gas emissions, and continually improve operations to be consistent with policies, rules, and regulations.



## Risk from change and technological advancement which may replace human work

### Risk Description

In the future, if there is a change in the technology advancement in the production process or related processes which may affect the labor that the company has, this is including the resulting to the quality of products. The emerging technology which has directly impact to the current working process which need to be adjusted to keep up with the changes. The Company is now currently adapting to ready for the Digital Disruption era, with developments in response to advanced technologies such as

- To apply more artificial intelligence (AI) into the production process including being used to analyze the marketing data
- To modify sales model by adding more E-Commerce sales channels
- Increase speed and efficiency in the work process from receiving orders to delivering products and collecting money from customers.

However, if the company is unable to adapt and change its business operations to be speedy and efficient in line with technological changes that occur, it may have a significant impact on business opportunities, income, and operating results in the future.

### Risk Causes

- Lagging behind in keeping up with advancements and changes in technology
- Unable to adapt to changing technology to increase competitiveness

### Timeframe of Impact

Short to Medium term (1 - 7 years)

### Possibility impact from risk

- If the Company is unable to adapt with the technological advancement occurred. This can adversely result in cost management, especially when compared to competitors.
- Less in Company's creditability from improving the operation reflect with changing technology.

### Risk Management

- The Company has invested in changing the glove production process in many steps by introducing technology and new innovations artificial intelligence (AI) systems including metaverse are constantly coming to use including co-developing further concepts and inventing new working processes continually.
- The Company start using Sales Force system for effectively sales management and increasing the efficiency of the distribution system development.
- Studying and searching new suitable technology for research and development processes to change or adjust the production's way to be aligned with more advanced technology

### Types of Impact

Economic



## Risks from operations in the production process that affect the ecosystem and biodiversity

### Risk Description

Although the Company's business area is located in an area that is supported and accepted by various agencies involved in business operations, the Company's product production activities require a large area; to support production lines, storage of various raw materials, energy systems, and support for wastewater treatment systems from production. However, the use of this area may affect biodiversity and the surrounding ecosystem. Therefore, the company emphasizes the importance of conducting business that does not cause any impact on the ecosystem and biodiversity, as well as creating participation with government agencies, educational institutions, communities, and other stakeholders through various activities such as planting forests, building dams, releasing aquatic species back into rivers, canals and the sea, etc., to take care and manage the ecosystem and biodiversity to perfection.

If the Company is unable to maintain the production system, waste release control system, or resource use control system as efficiently as it currently is or is unable to develop the said system to be better in line with the company's ESG goals, the ecosystem and biodiversity surrounding the plant may be adversely affected.

### Types of risk

Environment

### Source

Factors of Business Operations

### Business Impact

- Loss of competitive opportunities
- Stakeholder groups and communities lack confidence in management within the factory, which causes a bad image to the public

### Risk Causes

- Climate change which results in significant changes to ecosystems.
- The trend in using natural resources is increasing.
- Expanding production capacity in the industrial sector

### Types of Impact

Environment and Community

### Timeframe of Impact

Short term (< 3 years)

### Situation Analysis

The Company has analyzed various internal and external risk factors to identify significant impacts on business operations that may have an impact on the ecosystem and biodiversity. Therefore, the company has visited the area to survey potential impacts on the environment and surveyed opinions of all stakeholder groups in order to determine assumptions, goals, and strategic plans for business operations to be able to adapt and respond appropriately and efficiently to the expectations of stakeholders.

### Risk Management

- The Company has been certified by FSCTM (Forest Stewardship Council™) category FSC-COC (Chain-of-Custody Certification), which is a product chain management standard to certify that Sri Trang Gloves' gloves are made from rubber plantations that are managed responsibly following internationally accepted principles.
- The Company has studied the impacts on biodiversity using the Integrated Biodiversity Assessment Tool or IBAT, which is an internationally accepted database to assess risks and impacts on biodiversity.
- The Company has prepared to support the EU Deforestation Regulation (EUDR), a new EU regulation that is expected to come into force by 2024 with the objective of tracing to the source of raw materials used to produce products, including cows, cocoa, coffee, palm oil, rubber, soybeans, and wood must come from areas free from deforestation and not encroach on reserved forest areas.





## Risk from the Company's inability to implement various measures regarding respect for human rights in the supply chain

### Risk Description

The Company is aware of the importance and potential impact of human rights issues in business operations throughout the value chain to prevent, reduce risks, and build confidence among stakeholders. The Company operates in accordance with the United Nations Framework and Guiding Principles on Business and Human Rights, or UNGP, based on three principles: protection of human rights (Protect), respect for human rights (Respect), and remedy (Remedy). If the company's supply chain is unable to adapt or respond to business operations in accordance with respect for human rights, it may affect the confidence of the company's stakeholders.

### Types of risk

Social

### Source

Social and Business Operations

### Business Impact

- Causing conflicts with relevant agencies
- Stakeholder confidence decreases and results in a bad image and decreased competitiveness.

### Types of Impact

Human rights

### Timeframe of Impact

Short term (< 3 years)

### Situation Analysis

The Company has been following regulations both domestically and abroad, including new standards in caring for human rights and analyzing trends in the situation of respect for human rights that may occur in the future by considering human rights situations around the world, such as the situation of increasing child labor or child sexual abuse, etc. ; and from surveying opinions from the company's stakeholder groups to use information to analyze and formulate strategic plans for the company's business operations and the company's supply chain in compliance with the principles of respect for human rights appropriately and correctly.

### Risk Causes

- Business partners use labor that does not comply with certain laws.
- Business partners treat employees unfairly

### Risk Management

- Establish human rights practices according to the standards of International Labor Organization (ILO)
- There is a comprehensive examination of the status of human rights (Human Rights Due Diligence) in accordance with the principles of respect for human rights (UN Guiding Principles on Business and Human Rights: UNGP).
- There are human rights communication channels with employees and stakeholders, including channels for receiving clues or complaints about human rights violations that may occur from operations related to the company.
- Joining as a member of The Sedex Members Ethical Trade Audit (SEDEX) in order to implement SEDEX standards in treating employees and labor ethically throughout the system.
- There is an assessment of supplier selection and annual monitoring and evaluation of suppliers, both self-assessment and Onsite Audit, especially Critical Suppliers



**Risk from research and development of new innovations in launching products that cannot meet the expectations of stakeholders.**

#### **Risk Description**

The Company focuses on and supports research and development, including developing new products, improving the efficiency of production processes, and conserving energy within the organization to create innovations at the product and work process level. The Company's innovation must change positively and in a better direction, which may involve the risk of developing new products that may not respond to customer needs and/or expectations of stakeholders, which may result in revenue not being as targeted and may increase costs if new regulations are not complied with.

#### **Analysis of Situation Trends**

The Company has analyzed various internal and external risk factors to identify significant impacts on business operations related to new product launches, both from customer needs and from various pain points that occur. This tends to go in different directions and also considers various factors in product production, such as chemical information according to various regulations registered in each country, changes to existing standards, and the issuance of new standards related to products, or recruiting modern technology to support work as well as examining patents registered in each country before starting trials, etc., to appropriately and efficiently respond to customer expectations.

#### **Types of risk**

Governance and Economic

#### **Source**

Social and Technology

#### **Business Impact**

- Products do not respond to customer needs and may cause a loss of competitive opportunities and market growth, which may reduce the Company's revenue.
- There are additional costs if new regulations cannot be followed.

#### **Risk Causes**

- Tools and technology used in operations are not up to date.
- The company's process of following new laws or adapting to changes in laws is delayed.
- The process for reviewing regulations or patents may not be robust, which may result in non-compliance with the law.

#### **Types of Impact**

Economic

#### **Timeframe of Impact**

Long term (> 7 years)

#### **Risk Management**

- Regularly monitor changes to existing standards and the issuance of new standards related to products.
- Recruit modern tools, equipment and technology to support work.
- Check patents registered in each country before starting trials or production, and if there are doubts about patents, they must always be checked and confirmed by the legal department first.

## 2.2.2 Risks Relating to Investment in Our Shares

### **Risk from dividend payment for shareholders held the Company's shares on the SGX-ST**

The Company's shares traded on the SGX-ST are denominated in SGD, while dividends, if any, will be paid in THB. Shareholders who hold shares traded on the SGX-ST, therefore, bear currency risk arising from fluctuations of SGD against THB.

For risk management to shareholders, in paying dividends to our shareholders of shares traded on the SGX-ST, the Company will set the convertible rate from THB to SGD on the day nearest to the date of dividend payment to minimize the currency fluctuation risk for the shareholders in Singapore.

### **Risk from the Company having a major shareholder whose holding is more than 50 percent**

As of 28 December 2023, Sri Trang Agro-Industry Public Company Limited and its subsidiaries has total shareholding in the Company amounting to 1,605,401,400 shares, equivalent to 56.03 of the total number of shares sold of the Company. Therefore, the group of companies of Sri Trang Agro-Industry Public Company Limited is able to control all the resolutions of the shareholders' meeting that require a majority vote, whether it is the appointment of directors or resolution of other matters requiring the majority of the votes of the shareholders' meeting, with the exception of matters that require three-fourths of the votes of the shareholders' meeting under legal provisions or the Company's regulations. Therefore, other shareholders may not be able to mobilize votes to provide check and balance on matters proposed by the major shareholders.

Nonetheless, the Company recognizes this risk and has established a good corporate governance policy for directors and executives to follow, taking into account the rights of shareholders, and disclosing information correctly, transparently, and equally. The Company also has an internal audit unit under the supervision of the Audit Committee and an external audit unit to perform audits and balances on decision-making and approval of various transactions. In addition, the Company also has a risk management unit under the supervision of the Risk Management Committee to oversee the organization's risk management to an acceptable level and has appointed the Nomination Committee and the Remuneration Committee to protect the interests of all stakeholders in a fair and transparent manner.

## 2.2.3 Risk of investing in foreign securities

The Company manages its money by investing in various financial assets, to increase the additional income for the group of companies which operated by Sri Trang Gloves Global Pte. Ltd., a subsidiary in which the Company holds 100 percent of shares and established in Singapore engaging in financial asset management and financial investment of the group business. The Company has a strictly policy to carefully manage this investment by considering to the highest possible return. However, the return of this investment depends on various factors and most of them are factors that the Company is unable to control such as interests' rate, foreign exchange rate, and returns of investment. With the company's long-term investment policy which may result in the differentiation of profit or loss from the target. Therefore, there may be a risk of loss of the principle and the return from this investment as anticipated at some point.

The Company has more consider on this risk matter together with managing in diversify assets in the portfolio across a wide range of investment assets by investing in a variety of assets such as deposits at banks, debt instruments, derivatives, investment units and foreign funds including engaging the investment advisor to manage the investment and diversify the investment risks as the most appropriate for all situations.

# 3 | Driving The Business Towards Sustainability

## 3.1 Sustainability Management Policies and Goals

The Company is determined to be a world leader in the rubber glove business which is operated with environmental and social responsibility throughout its business chain by way of operational excellence, transparency, emphasis on participation and continuous business development to deliver “careful protection of every touch to every life around the world” with products and services that are produced and delivered with the highest standards of the Company, as well as creating a balance between the value of the business and value for all groups of stakeholders.

The Company has established a “**Corporate Sustainability Development Policy**” aimed at creating good practices and confidence in responsible and participatory business operations with practical guidelines covering all 3 dimensions of sustainability, which include the following key aspects:

**Governance Dimension**, the Company focuses on conducting business in accordance with good corporate governance principles in line with business ethics. The Company attaches great importance to its responsibility to all groups of stakeholders, opposition to fraud and corruption in all forms, focus on developing innovations, products and services to meet the needs and expectations of customers by ultimately using the least amount of resources and at the lowest cost, optimizing asset utilization and maximizing investment value encompassing risk management in the supply chain, as well as business adaptation that focuses more on the use of various technologies.

**Environmental Dimension**, the Company places importance on sustainable management of resources and the environment through the implementation of an environmental management standard system which focuses on optimizing resource utilization and energy management, and management of waste and unused materials according to the circular economy principle, promoting renewable energy to support the reduction of greenhouse gas emissions that cause global climate change, as well as preventing and managing environmental impacts by conducting business efficiently using technology and innovation.



**Social Dimension**, the Company attaches great importance to occupational health and safety in the workplace for both employees and those who come to work in the organization, with an emphasis on employee care and development, respect for and compliance with international human rights principles towards stakeholders, fair treatment of business partners and customers, as well as participating in social responsibility and development to help solve societal problems and improve the quality of life of the community. These are considered the key social practice of the company. (The full Corporate Sustainability Development Policy can be found on the Company's website <https://www.sritranggloves.com/storage/content/corporate-info/corporate-governance/20220725-corporate-sustainability-policy-en.pdf>)

The Company has established **Corporate-Level Sustainability Goals** in various areas such as reducing greenhouse gas emissions and energy consumption, safety goals, employee development goals, customer satisfaction goals and social and community satisfaction goals, etc., to measure the Company's sustainability performance which is consistent with the direction of corporate sustainability needs, expectations of stakeholders and responsive to the Sustainable Development Goals (SDGs).

Therefore, the Company has formulated a sustainability strategy, “**SHARE**”, for its operations in response to stated corporate sustainability goals, including the needs and expectations of stakeholders, as follows:



## Sustainability for supply chain and fair trade



### 1. Sustainability for Supply Chain and Fair Trade

STGT, we have high standards of practices and collaborate with our suppliers to comply with our own principles on sustainable business operations, human rights, environment awareness and business integrity. As part of our Touch Of Life™, our business starts from a sustainable and fair trade of raw material through delivery of highest products quality to customers.

### 2. Human Rights

STGT, we value our employees as part of STGT family. We are committed to no child labor and no forced labor policy. Not only being against all kinds of abusive workplace, we commit to our human rights protection. It is our pride to earn top grade of workplace standards by the Business Social Compliance Initiative or amfori BSCI.



### 3. Animal Welfare

STGT, we are dedicated to a development of animal welfare. We deliver our giving and sharing of loves under our Touch Of Life™ to stray animals and other wild lives in Thailand by ways of charities and varieties of CSR activities.

### 4. Responsibility & Sharing

STGT, we produce highest quality gloves and deliver our products under Touch Of Life™ mindset for customers throughout the world. We cherish and promote our sharing engagement to our society and a better world via activities such as developing the skills of people with disability under upcycling wood pallets project, enhancing the skill of prisoners through the delivery of surplus metal materials, etc.



### 5. Environmentally Friendly Technologies

Apart from the production process of quality products according to international standards, STGT also prioritizes addressing climate change. The Company involves using 100% biomass fuel to generate heat energy in boilers, improving energy efficiency, promoting the using of low-carbon technology and renewable energy, along with effective management of resource utilization to prevent environmental impacts, including air pollutions. Additionally, the Company manages used water and wastewater, handles and utilizes waste and unused materials based on Circular Economy principles. The Company is committed to no deforestation and the conservation of biodiversity and ecosystems to mitigate the risk of environmental deterioration and moving towards green factory which is friendly to environment as well as communities around us.

## 3.2 Managing Impacts on Stakeholders in the Business Value Chain

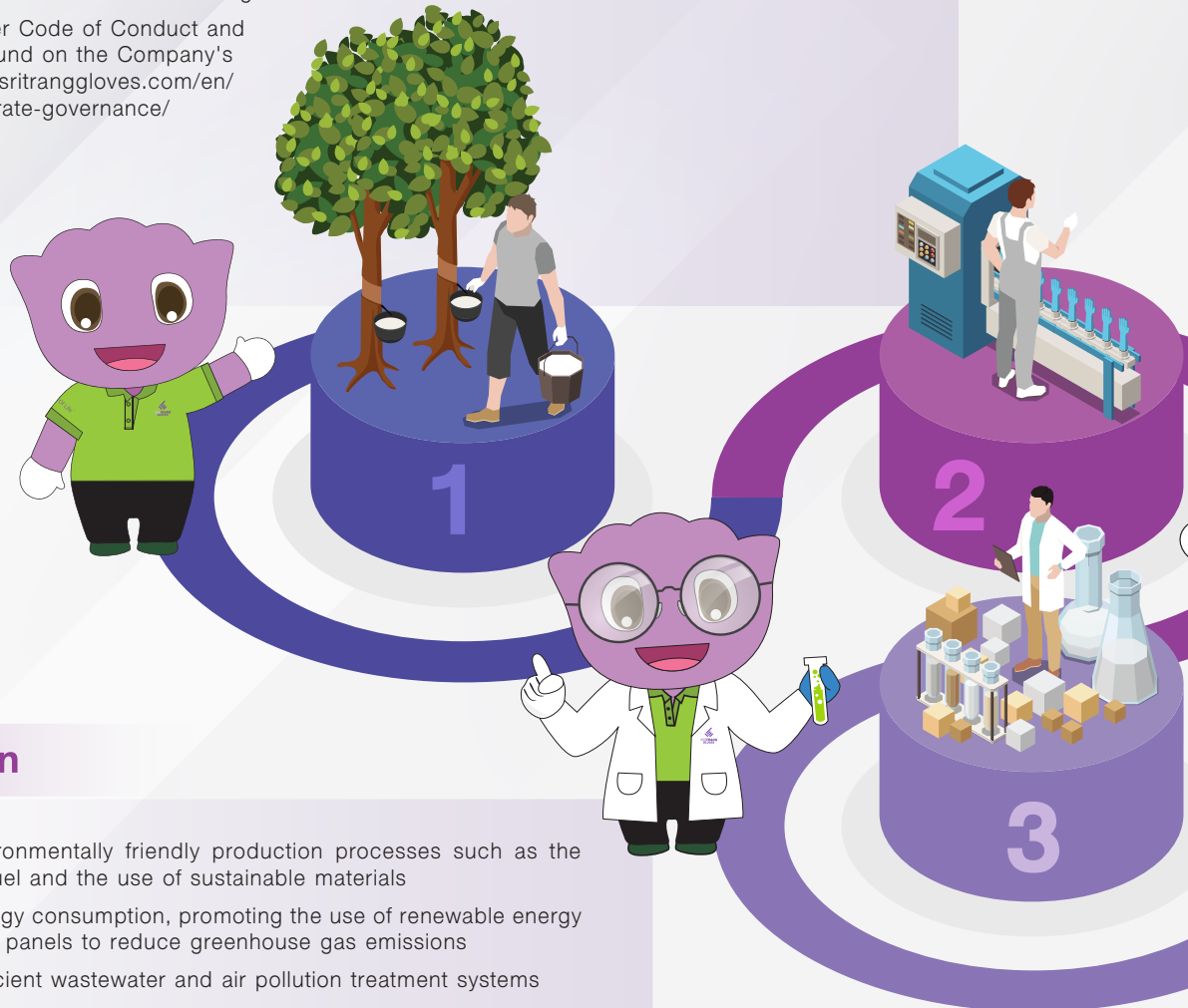
### 3.2.1 Business value chain

The Company places importance on key stakeholders throughout the value chain from upstream to downstream. The Company's main activities are divided into 5 areas as follows:

#### 1. Procurement of Raw Materials and Services

- Green procurement of environmentally friendly materials and substances with no harmful chemicals
- Procurement of goods and services from trading partners which acquire quality raw materials, as well as having shared values in terms of social and environmental responsibility with the Company
- Provision of knowledge, developing the potential and upgrading production and services capability of partners to meet the required standards, as well as promoting the creation of new suppliers to reduce the risk from having a limited number of trading partners
- Conducting annual supplier assessment to improve the quality and delivery of raw materials in line with the needs of the Company, including conducting ESG risk assessment
- Promoting the use of local raw materials to generate income for farmers and communities.

(The Business Partner Code of Conduct and guidelines can be found on the Company's website <https://www.sritranggloves.com/en/corporate-info/corporate-governance/corporate-policy>)



#### 2. Production

- Establishing environmentally friendly production processes such as the use of biomass fuel and the use of sustainable materials
- Reduction of energy consumption, promoting the use of renewable energy by installing solar panels to reduce greenhouse gas emissions
- Installation of efficient wastewater and air pollution treatment systems
- Efficient waste management using the 3Rs principle, Reduce, Reuse, Recycle and utilizing waste according to the Circular Economy approach
- Implementing traceable production and work redundancy reduction processes

### 3. Research and Development

- Eco-friendly product design aimed at reducing the use of chemicals and eliminating the use of harmful chemicals to meet international quality standards and specific quality standards of each country
- Ensuring that products are safe for consumers and development of natural latex gloves that are free from allergenic proteins
- Development of rubber gloves to meet the needs of consumers in various industries both in terms of quality and appearance, such as the use of different colors to increase variety

### 4. Storage and Transport of Goods

- Warehouse management using automation and various programs to help facilitate maximum efficiency in the use of factory space that is limited while also reducing the process of waiting for loading on to container and increasing the turnover of products in the warehouse
- Logistics management for maximum efficiency to reduce empty running and energy consumption
- Procurement of new ports and transport routes that can deliver goods to customers quickly and efficiently

### 5. Sale

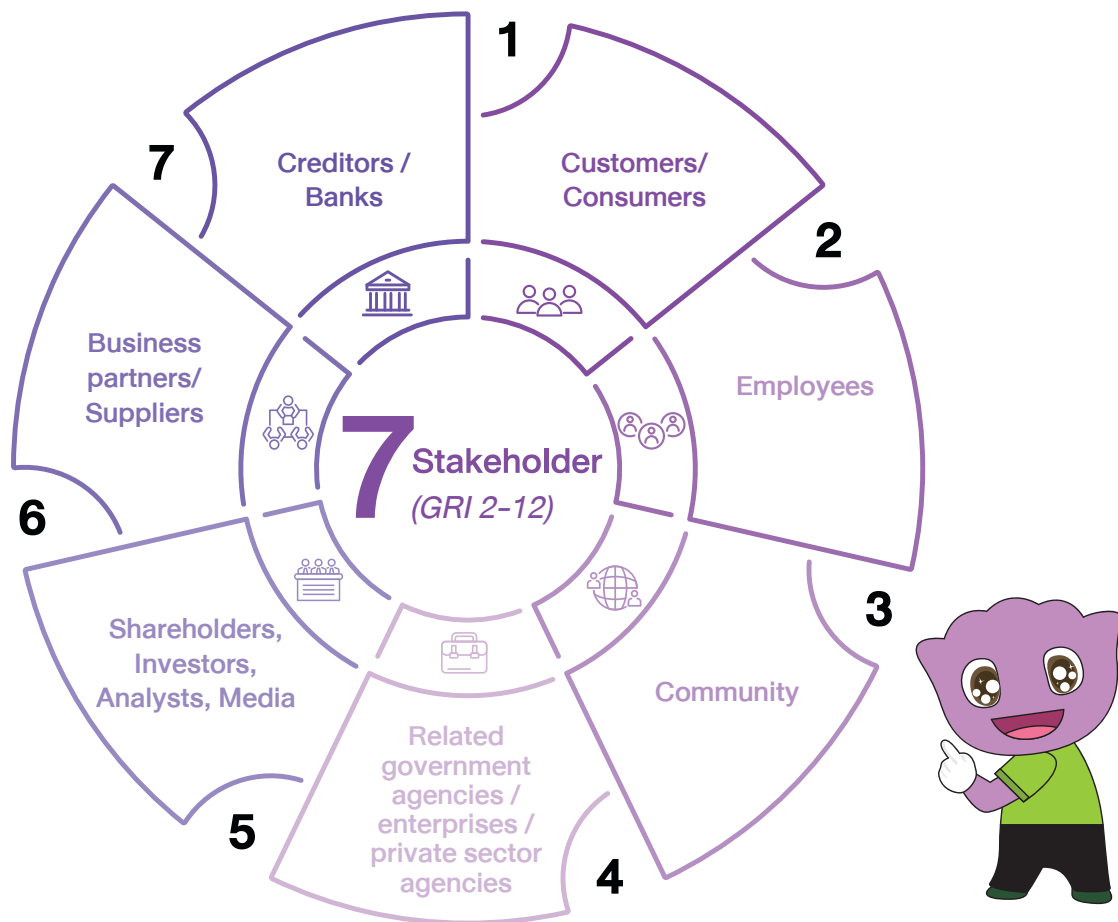
- Provision of accurate product information to customers and consumers through various communication channels
- Compliance with the Customer Relations Code of Conduct, including customer confidentiality
- Establishment of channels for receiving complaints and procedures for handling complaints in order to respond quickly and efficiently to problems from customers or consumers
- Having in place protocols for the measurement and analysis of customer needs, including taking suggestions from customers to improve products and services to create even more customer satisfaction
- Having multiple sales channels for customers and consumers, including those which can be accessed by underprivileged groups



### 3.2.2 Stakeholder analysis in the business value chain

The Company has conducted a survey, analysis and ranking of stakeholders in order to appropriately meet the expectations of stakeholders in the Company's business operations by defining the responsible units, their obligations and operations in line with the guidelines set by the Company. The needs and expectations of the stakeholders are reviewed once a year and the response methods are adjusted as appropriate.

For operations in 2023, the Company categorized stakeholders into 7 groups, arranged in order of importance as follows: Customers/Consumers, Employees, Communities, Related government agencies/Enterprises/Private sector agencies, Shareholders/Investors/Analysts, Business partners/Suppliers and Creditors/Banks. The methods of communicating and engaging with each stakeholder group are different, for example: annual general meeting, customer satisfaction survey, annual visit and assessment of trading partner, monthly company meetings, complaint channels and organizing activities with the communities or government agencies, etc.



(The detail of stakeholders engagement can be found on page 32 in the 2023 Sustainability Report on the Company's website <https://www.sritrangloves.com/en/downloads/sd-report>)



## Material topics

In order to achieve the Company's sustainability goals for economic, social and environmental operations in accordance with sustainable development guidelines, which are measurable and appropriately meet the expectations of stakeholders, the Company has therefore gathered, evaluated and prioritized key issues affecting business operations which have been reviewed and approved by the Board of Directors and disclosed as material sustainability information according to reporting guidelines of the 2021 GRI Sustainability Reporting Standards (GRI Standards 2021) and duly verified for confidence in performance data for 11 indicators according to GRI Standards and 4 indicators on greenhouse gases according to the requirements for calculating and reporting the carbon footprint of the organization in the year 2023 by LRQA (Thailand) Co., Ltd., a third party agency with a proven track record of providing independent assurance of disclosure of sustainability information in accordance with international standards. The 2022 materiality topics of the Company are as follows:

In 2023, the Company have 16 material topics as follows:

### 16 Material Topics (GRI 3-2)



#### Governance Dimension

1. Good Corporate Governance and Anti-Corruption
2. Risk Management and Business Continuity
3. Sustainable Management of Supply Chain
4. Research, Development and Innovation



#### Social Dimension

1. Occupational Health and Safety in the Workplace
2. Quality and Safety of Products
3. Caring for and Developing Employees' Skills
4. Human Rights and Non-Discrimination
5. Support and Participation with the Community
6. Customers and Consumers Responsibility



#### Environment Dimension

1. Reducing Greenhouse Gas Emissions and Energy Management
2. Water and Effluent Management
3. Management of Waste and Unused Materials
4. Environmental Management Systems
5. Consideration of Ecosystems and Biodiversity
6. Air Quality Management



(The detail can be found in the 2023 Sustainability Report on page 38-40 : Materiality Assessment on the Company's website <https://www.sritranggloves.com/en/downloads/sd-report>)

## 3.3 Sustainability Management in Environmental Dimensions

### 3.3.1 Environmental Policies and Guidelines

The Company recognizes and importance of environmental stewardship along with business expansion. The Company has developed environmental policies and operational guidelines aligned with the company's vision and Corporate Social Responsibility Policy. The Company strives to instill a green culture among its employees, both internally and externally, and has adopted the ISO14001:2015 environmental management system as a guide for the organization's operations. The factory environment working group oversees the implementation of the environmental management system and reports the results to the company's management. **The Company has set a goal of receiving ISO14001 environmental management standard certification for 100 percent of all factories in Thailand.**

The Company has announced the **environmental policy** for communication and guidelines for all departments are formalized to ensure that implementation is in the same direction. Environmental objectives, goals, plans, and activities are established, and performance is monitored and reviewed annually under the motto.



**“Conserve environment to heed and preserve Sri Trang will develop and introduce value to our society”**

Implementing environmental policy is a duty that everyone in the organization must perform for the quality of life of employees, customers, communities, society and future generations. The Company has the following policies:

- ➔ Comply with laws, regulations and requirements of the government or government agencies related to the environment
- ➔ Prevent and reduce the occurrence of waste and support recycling to minimize the impact on the environment
- ➔ Continuously and regularly improve and develop the environmental management system by monitoring and auditing
- ➔ Focus on conserving resources and energy by using them sparingly and making the most there of
- ➔ Provide environmental education and training to employees, including those who come to work under the organization in order to stimulate and raise awareness, as well as to prevent major problems affecting the environment
- ➔ Disclose and disseminate environmental policy to stakeholders



(The full Environmental Policy can be found on the Company's website  
<https://www.sritranggloves.com/en/corporate-info/corporate-governance/corporate-policy>)

The Company has reviewed and identified external and internal issues related to the objectives and the impact on the Company's ability to be consistent and to meet the needs and expectations of its stakeholders and the desired achievement of the environmental management system whereby the nature of environmental problems arising from the Company's operations, whether from activities, products or services are identified, and their impacts assessed based on the life cycle perspective. The nature of environmental problems found to be significant from the assessment will be used to formulate an action plan with defined environmental objectives, goals or projects, such as reducing the use of resources, chemicals and energy, recycling to reduce waste that requires disposal, reducing the amount of water used in the factory, etc. In addition,

the Company has set up an environmental monitoring plan to assess the effectiveness of activities such as water and air quality measurements. In the event that the measured value does not pass the standard or the control value set within the Company, corrective actions will be taken according to the standard system laid down. To date, it has never detected any measurements that do not meet industry standards.

The company has established short-term environmental goals according to the ISO 14001 standard and the company's annual KPIs, as well as long-term goals to ensure that environmental performance aligns with the company's policy and supports the Sustainable Development Goals (SDGs). The long-term goals are as follows:





## Building a Green Culture

The Company aims to create an environmental culture for employees in the organization with communication, campaigning through public relations boards, vinyl signage, internal audio transmission system, morning talk to promote and create awareness among employees to realize the cost-effective use of resources and energy to maximize benefit both inside and outside the organization. Campaign activities include promoting the use of cloth bags instead of plastic bags, reusing paper, eliminating foam boxes and reducing single-use plastic bags in cafeterias, cycling in factories and factory housing, waste sorting to support recycling and reduce the amount of waste which need to be disposed, as well as increasing green areas within the organization and participation in planting forest, building weirs in collaboration with communities and government agencies. The company has set a target to achieve the **Green Industry Level 4 certification (Green Culture)** from the Department of Industrial Works.

## Consideration of Ecosystems and Biodiversity

The Company is mindful of the importance of conducting business with caution on possible impacts on the ecosystem and biodiversity and strives to maintain the balance so that the ecosystem and biodiversity remain intact, including having adopted Zero Deforestation Commitment. In 2019, the Company applied for FSC™ (Forest Stewardship Council™) FSC-COC (Chain-of-Custody Certification) as a product chain management standard to certify that Sri Trang Gloves' gloves are made from latex that comes from responsibly managed rubber plantations in accordance with internationally accepted principles. This has enabled the Company to build confidence among customers that in selecting gloves from Sri Trang Gloves they are choosing natural products that come from the management of rubber plantations that do not destroy natural forests and the environment.

In addition, the Company also supports and participates in the protection of ecosystems and biodiversity by expanding natural protected areas to be habitats for both terrestrial and aquatic life to conserve and restore the ecosystem, whether self-organized or through involvement with government agencies, educational institutions, communities and other stakeholders through such activities as planting forests, building weirs, releasing aquatic animals back into rivers, canals and the sea, etc.

(More information is available on Support and Participation with the Community on page 146 - 149 and Consideration of Ecosystems and Biodiversity on page 168 - 169 on the 2023 Sustainability Report on the Company's website <https://www.sritranggloves.com/en/downloads/sd-report>)



### 3.3.2 Environmental Performance

#### Environmental Management Systems

In 2023, 4 branches received ISO 14001:2015 environmental management standard certification, namely Surat Thani Branch, Trang Branch, Hat Yai Branch, and Sadao P.S. Branch, accounting for 67 percent of all branch factories in Thailand. Moreover, the Company plans to apply for certification of the Chumphon Branch and Anvar Branch in 2024.

The Company organizes annual knowledge reviews and environmental training courses, both inside and outside the organization, for employees according to its training plans, as well as systematic On-the-Job Training and training projects related to environmental

management, totaling courses overall, such as BOD COD online and related laws, ISO 14001:2015 Requirements & Environmental Aspect, Guidelines for reducing greenhouse gases to aim for Net Zero emission, Raising awareness of energy conservation, MIND operators know and understand new laws, Care for the environment, etc., thereby engendering integration of knowledge and understanding into operations to reinforce good operations in environmental management for all stakeholders at all levels on a regular basis. The total number of employees who have received such training comes to 5,200 people, accounting for 57 percent of all employees.

#### Energy Management

The Company's rubber gloves production process consumes significant heat, steam and electricity, which translates into the cost of production; furthermore, the factories of the Company are designated factories according to the Energy Conservation Promotion Act, B.E. 2535. The Company has realized and given importance to continually improving energy efficiency in production, including promoting the use of renewable energy to achieve the most efficient use of energy, reduce energy costs and reduce greenhouse gas emissions.

The Company has set up an Energy Conservation Committee and appointed persons responsible for energy in the factories to manage energy consumption through energy conservation projects and various energy-saving measures, as well as promoting the use of renewable energy such as the selection of energy-saving equipment, workflow improvement, **use of 100% biomass fuel in the production of heat in the boiler**, including the installation of solar lighting systems in the corridors inside the Company premises.



#### Guidelines for operation

- Establish annual targets and plans to reduce the use of electricity and heat
- Regularly check the integrity of equipment and machines to achieve maximum energy efficiency
- Improve and modify the parts and equipment of machinery to be energy-saving
- Study and develop innovations in renewable energy and alternative energy for use within the Company



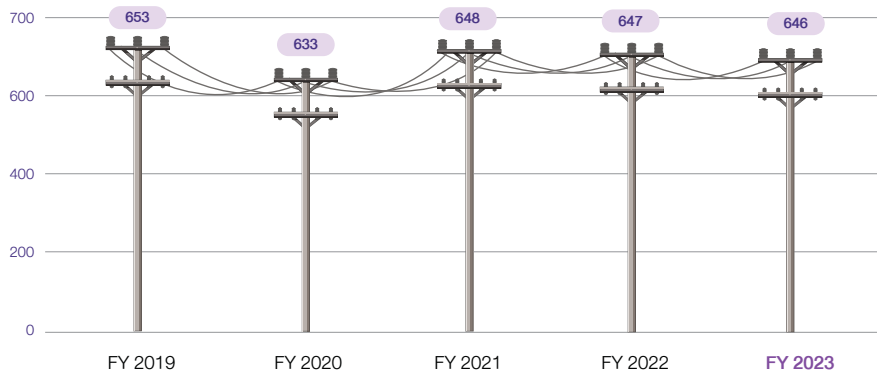
### Target

Reducing total energy consumption per product unit by 5.5% within 2024 compared to 2019 (base year)



### Performance

Total energy consumption intensity (GJ/Mpcs)



Reducing total energy consumption intensity

(base year) 3 Percentage 1 Percentage 1 Percentage 1 Percentage



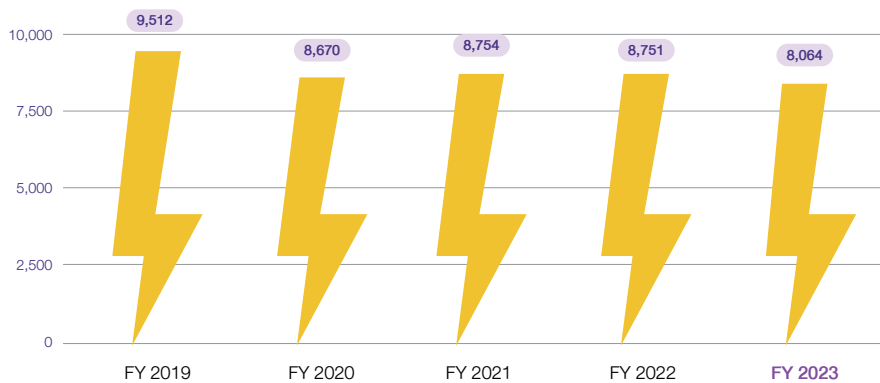
### Target

Reducing electricity consumption per product unit by 10% within 2024 compared to 2019 (base year)



### Performance

Electricity consumption intensity (kWh/Mpcs)



Reducing electricity consumption intensity

(base year) 9 Percentage 8 Percentage 8 Percentage 15 Percentage



## Reducing greenhouse gas emissions

The Company is aware of the risks and impacts of climate change that poses physical risks, such as floods, droughts, and extreme weather events, as well as transition risks, such as changes in regulations and standards that become more rigorous or carbon tax. These risks may affect business operations in terms of increased production costs, competitiveness and sustainability of business operations in the future. In addition, greenhouse gas emissions from business operations are issues that stakeholders, especially customers, are interested in and prioritized.

Therefore, the Company has set targets to reduce greenhouse gas emissions from business processes and adopted management approaches that respond to the Global Sustainable Development Goals - **SDG 13** and the goal of becoming a **low-carbon company** through various greenhouse gas emission reduction projects and carbon offset activities whereby the Company has proactively identified significant sources of greenhouse gas emissions and reduced greenhouse gas emissions through **Carbon Footprint** Assessment, which will lead to the determination of management guidelines to effectively reduce greenhouse gas emissions.

In 2023, 5 factories: Hat Yai Branch, Surat Thani Branch, Trang Branch, Chumphon Branch and Sadao P.S. Branch have created and registered **Carbon Footprint of Products (CFP)** for **13 products** with the Greenhouse Gas Management Public Organization, for which 4 greenhouse gas indicators have been verified according to the requirements for calculating and reporting the organization's carbon footprint (**Carbon Footprint for Organization: CFO**) in 2023 by **LRQA (Thailand) Company Limited**.

The Company has established guidelines and action plans to reduce energy consumption and improve work processes to reduce greenhouse gas emissions from the business operations of the organization focusing on renewable energy such as biomass energy, solar energy etc.

In order for the Company to be able achieve short-term, medium-term and long-term energy conservation

goals and support the goal of reducing greenhouse gas emissions from business operations, the Board of Directors approved the investment budget for the project to install a solar energy production system in 2023-2024.

In 2023, the Company have highlight project as follows

*The installation of **solar power generation systems (Solar Rooftop)** at **Hat Yai, Sadao P.S. and Chumphon branches** with a capacity of **1 megawatt** per branch. The installation projects are planned to operate 365 days per year. The average electricity production for **each branch is 1,368 megawatt-hours per year (MWh/year)** and **4,104 MWh/year for all three branches**. The generated electricity will be used in the production processes and offices. Thus, the installation projects will be reduced greenhouse gas emissions approximately **653 tons of carbon dioxide equivalent per year (tCO<sub>2</sub>e/year)** per branch and **1,959 tCO<sub>2</sub>e/year for all three branches**.*



Solar rooftop at factory's  
Sadao P.S. Branch



Solar rooftop at employee dormitory's  
Chumphon Branch



## Target

- Reducing greenhouse gas emissions per product unit by 40% within 2026 compared to 2021 (base year)
- Carbon Neutrality by 2030
- Net Zero by 2050



## Performance

Greenhouse gas emissions	Unit	FY 2021	FY 2022	FY 2023
Greenhouse gas emissions Scope 1	tCO <sub>2</sub> e	87,553	45,407	57,272
Greenhouse gas emissions Scope 2	tCO <sub>2</sub> e	128,429	113,082	131,422
Total greenhouse gas emissions (Scope 1 and 2)	tCO <sub>2</sub> e	215,982	158,489	188,694
Greenhouse gas emission intensity (Scope 1 and 2)	tCO <sub>2</sub> e /Mpcs	7.42	6.14	5.83
Reducing greenhouse gas emission intensity (Scope 1 and 2)	Percentage	(base year)	17	22

## Air Quality Management

The Company attaches great importance to air quality management resulting from its operations as the production process may cause air pollution. This may affect employees and surrounding communities around the factory location. The Company, therefore, has developed a management plan to control air quality, both inside and outside the factory, as well as around its vicinity, whereby there are regular measurements and monitoring to ensure that the air quality is in accordance with the legal and regulatory required standards. In addition to measuring the air quality from the vents, the Company has organized a working group to periodically survey and measure the air quality in nearby communities as well.

the Company has installed air pollution treatment systems according to the type of production process so as to reduce the impact both within the factory premises and around nearby communities as follows:





- **For the biomass fuel heating boiler (chopped wood), the Company installed three types of pollution treatment systems:**
  1. *Single Cyclone and Multi Cyclone (dry dust and dry ash collection system)*
  2. *Wet Scrubber (dry dust and wet ash collection system)*
  3. *Bag filter (collector that removes with high efficiency)*
- **The chlorine gas production process is equipped with a wet scrubber**

The Company has set a goal for zero environmental complaints and established operating guidelines to achieve the following:

- Use of clean fuels in the production process;
- Examine and measure the operation of the system and the air quality from the air ducts according to the annual work plan;
- Visit the site to survey the impact and measure the air quality in nearby communities regularly according to the plan;

- Communicate environmental quality to communities and the public.

The Company has set up a plan to monitor, monitor and measure the environment for the past 3 years. It was not found that the measured value of air quality emitted from the vent did not pass the standard or control value specified.

(The results of air quality measurement from the vents can be found in the Table of Environmental Performance on the page 189 in 2023 Sustainability Report on the Company's website <https://www.sritranggloves.com/en/downloads/sd-report>

## Water and Effluent Management

### Water management

Water is another main resource used in the glove production process and may affect the quality of the gloves. In some parts of the production process, quite a lot of water is used. The Company is therefore aware of the risks associated with bringing water from various sources to be used, in terms of risks--both quantity and quality-related, risks related to water-related regulatory changes and pricing structure, including water-related stakeholder conflicts. In 2022, the Company began to analyze and assess the risk situation pertaining to sufficiency of water resources of all factories located in Hat Yai District, District, Songkhla Province, Kantang District, Trang Province, Kanchanadit, Surat Thani Province and Pathio District, Chumphon Province by using the Aqueduct Water Risk Atlas tool of the World Resources Institute (WRI) and setting the frequency of analysis every 2 years. Results from the 2022 assessment of all the Company's factories found that they are not located in an area where water shortages may occur or in water-stressed areas. Although the Company uses groundwater and



surface water from ponds dug to store water to improve water quality for use in production and some water from the wastewater treatment system is reused, the Company has set guidelines for increasing efficiency of water use in the production process, in support of Sustainable Development Goal 6 (SDG 6) and Thailand's 20-year water resources management master plan to reduce the impact of water shortages in the future as follows:



## Guidelines for operation

- Provide water for use in sufficient quantity and of suitable quality for the production process without affecting the community
- Set goals for effective water management every year using the 3Rs principle
- Develop a soft water production system for maximum efficiency in order to reduce the use of groundwater
- Provide surface water sources and replenish groundwater in the areas surrounding the plant to help prevent flooding or drought
- Promote invention and improvement to reduce water consumption in each process with Kaizen and QCC activities



## Target

Reducing water consumption per product unit by 10% within 2024 compared to 2019 (base year)



## Performance

Water management	Unit	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Water consumption intensity	m <sup>3</sup> /Mpcs	368	366	362	378	405
Reducing water consumption intensity	Percentage	(base year)	1	2	-5	-10*

Remark: \*Due to product quality control, the Company in 2023 used quite a lot more water in production, causing the amount of water used in the production process to increase.

## Effluent management

The Company has a standard wastewater treatment system as Aerated Lagoon whereby wastewater generated from production processes and activities will enter the wastewater treatment system and treated so that the water quality passes the legally required standards for the control of sewage from a factory, considered as the minimum effluent quality standard. The Company has installed a BOD (Biochemical Oxygen Demand: BOD) online system that measures the amount of oxygen needed by microorganisms to decompose organic substances in wastewater and sends BOD measurement results in real time to the Department of Industrial Works. This ensures that the quality of effluent water discharged to public water sources meets legal standards.

The Company has developed and improved technology for effective wastewater treatment, focusing on reusing the treated water in production according to the 3Rs

principle with guidelines defined as follows:

- Monitor and control the wastewater treatment system to be fully effective at all times
- Use of technology and innovation to improve and control the operation of the wastewater treatment system to increase efficiency and reduce energy consumption
- Improvement and development of the water treatment systems so that at least 5 percent of the water can be reused in production
- Maintaining preparedness for potential emergencies such as power outages and floods
- Installation of pre-treatment systems to increase the efficiency of wastewater treatment

(The results of water discharge quality can be found in Table of Environmental Performance on page 192 of the 2023 Sustainability Report on the Company's website <https://www.sritranggloves.com/en/downloads/sd-report>)

## Management of Waste and Unused Materials

The Company follows the 3Rs (Reduce, Reuse & Recycle) principle in waste management as a guideline for managing waste and unused materials in the factory, whereby its focus is on reuse or use as a replacement in other agencies/units to reduce waste disposal and adopt a circular economy that focuses on cost-effectiveness by choosing sustainable materials, such as natural materials, recycled materials, or create added value through the use of innovation and technology in order to use resources for maximum efficiency reduce the use of new resources, including raising awareness among employees about the problem of waste that cannot be recycled. Proper waste sorting and encourage employees to invent and create innovations from discarded materials that can create value for the organization and the community through various activities and projects as follows:

### Implemented projects and results:

- **Reduce Waste = Reduce Use Project, Hat Yai Branch, save cost 450,000 Baht per year**  
Example of waste reduction types:

- Reduce paper usage by 245 kilograms per year
- Reduce plastic former usage by 2,014 kilograms per year
- Reduce lubricant oil usage by 115 kilograms per year
- Reduce stretch film usage by 1,036 kilograms per year

- **The Recycling Waste Bank in Exchange for Eggs Activity**
  - Hat Yai Branch was able to separate **5,295 kilograms of recyclable waste**
  - Trang Branch was able to separate **3,739 kilograms of recyclable waste**
- **Cooperation with Suppliers of Chemical Raw Materials Project** was able to modify incoming chemical packaging to reduce hazardous waste from chemical containers by 1,446,432 kilograms
- **Waste Former to Refractory Project** is a collaboration between STGT and SRIC, a subsidiary of SCG, and involves sending STGT's end-of-life ceramic glove molds to be substituted raw material for SRIC's refractory mortar production. In 2023, the project was able to reduce 1,140.45 tons per year of former landfill and the cost of disposal by THB 2,030,000 per year.
- **Waste to Value Project** collaborate with Saint-Gobain Weber Company Limited purchased fly ash, which is waste from the steam production process from STGT-TG to be used as an ingredient in the company's products. This reduced the amount of flying ash required to be sent out for disposal by 330 tons/year, thereby reducing the cost of sending out for disposal by THB 131,840 per year and increasing the value of waste by THB 32,960 per year.



### Target

Reducing waste per product unit by 20% within 2024 compared to 2019 (base year)  
Reducing the amount of non-hazardous waste from the production process that is disposed in landfills to 0 by 2030



### Performance

Waste management	Unit	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Waste intensity	ton/Mpcs	1.56	1.32	0.65	1.04	0.89
Reducing waste intensity	Percentage	(base year)	15.38	60.26	33.33	43.95
Amount of non-hazardous waste was disposed to landfills	Ton	26,680	27,678	7,213	7,864	9,052*

Remark: \*The amount of non-hazardous waste from production that is sent to landfill has increased because in 2023, there will be reports on the operating results of 2 additional factory branches, namely the Chumphon and Sadao P.S. branches.

(Details of Management of Waste and Unused Materials: Environment Dimension can be found on page 163 in the 2023 Sustainability Report on the Company's website <https://www.sritranggloves.com/en/downloads/sd-report>)

## 3.4 Sustainability Management in Social Dimensions

### 3.4.1 Social Policy and Guidelines

The Company is aware of human rights and equality by applying the Code of Conduct according to the BSCI standard for the utmost benefit of employees, employees, customers, communities and surrounding societies. The Company established social policies and guidelines that are consistent with the amfori BSCI guidelines, the laws, rules and regulations related to international standards, as well as being compliant with the UN Global Compact, which includes respect for human rights throughout the value chain, such as employees' care, fair treatment of labor, responsible production and service to customers, promoting employment of underprivileged and disabled workers and participation in community and social development.

In addition, the Company and its subsidiaries provide opportunities for the community, society or stakeholders who are significantly and truly impacted by the operations of the Company and/or its subsidiaries to communicate truthfully, suggest or lodge complaints through the channels provided by the Company.

The Company has established guidelines for social management as follows:



#### 1. Occupational Health and Safety in the Workplace

Safety, occupational health and work environment are prominent issues of sustainability, the management of which the Company attaches great importance in order to prevent risks, incidence and impacts on its business and stakeholders. These are also important corporate management issues of interest to stakeholders of the Company, especially among employees, partners/contractors and communities around the factory, in its business operation. Therefore, the Company has formulated the Occupational Health & Safety Policy and the Announcement on Company Rules for Contractors as a guideline for all employees and contractors by assigning duties and responsibilities regarding safety, both for individual workers and their colleagues, in compliance with laws and standards on

occupational safety and health. This is under the responsibility of the Occupational Safety, Health and Working Environment Committee which requires the occupational health and safety management system ISO 45001 to be applied to create stability in business operations.

**In terms of promotion of safety**, the Company has training, communication, and activities to provide knowledge and understanding of safety in order to raise awareness and develop the potential of officials and related agencies to be able to formulate plans to inspect areas that are at risk of accidents, plans to prevent accidents and enhance preparedness to respond to and suppress emergencies more efficiently.

The Company sets two objectives as follows:

- Zero number of fatal accidents from work
- Zero number of occupational illnesses for all workers



#### 2. Human Rights

The Company has established a human rights and nondiscrimination policy in line with the UN Guiding Principles on Business and Human Rights (UNGP) on the implementation of a "Protect, Respect and Remedy" framework when there is impact from human rights violations, as well as the Children's Rights and Business Principles (CRBP), as a declaration of our intention to conduct business with responsibility, respect for human rights and nondiscrimination against any person. The policy also adopted Human Rights Due Diligence (HRDD) in business processes, human rights risk and impact assessment and establishing preventive and remedial measures in the event of human rights violations.

In addition, the company has adopted ILO standards as a reference in its operations and has obtained accreditation through the BSCI SMETA and Force Labor standard systems. The main topics that the



company has implemented following ILO standards, such as the absence of forced labor: slave labor, debt bondage, etc.



### 3. Caring for and Developing Employees' Skills

Employees are the most important resource in driving operations and leading the organization to success. The Company therefore attaches importance to building a good human resource management system from recruitment of new employees, standardizing compensation management. The Company has established a **Human Resource Development Policy** whereby employees at all levels will receive on-the-job training and development systematically and continuously to achieve learning, practice skills, build attitudes to be able to work properly according to the job requirements, while at the same time creating awareness of social and environmental responsibility. In addition, the Company also sets goals and plans for the development of employees' potential to promote career progression, growth and stability.

The Company provides freedom and respect for employees' rights to represent, assemble, the key instrument is negotiation whereby a welfare committee is established consisting of representatives of employers and elected representatives of employees to hold discussions on other welfare issues beyond the basic required by law and doing various activities within the company, as well as hearing opinions and suggestions from employees at all levels equally and equitably through various channels such as feedback boxes, meetings, questionnaires, etc.

The company has set performance indicators for employee care and development as follows:

- The employees satisfaction greater than 85% (The proportion of employees who respond to the assessment greater than or equals 85% of all employees)
- 40 hr/person/year of training hours average

### 4. Customers and Consumers Responsibility

The sales and marketing department of the Company complies with the **Code of Conduct for Relationships with Customers** by striving to create satisfaction and confidence for our customers to get good quality products and services at an affordable price, with complete and accurate disclosure of information about products and services and timely delivery of products, setting product recall policy, including providing warranties for products and services under reasonable time conditions, organizing systems and communication channels so that customers can access products and services, as well as being responsible for maintaining customer records and confidentiality. In the past 3 years, the Company has had no significant complaints, whether related to product quality or non-compliance with the relevant matter.

In addition, the Company has set a target of customer satisfaction equals 80%.

### 5. Support and Participation with the Community

The Company operates under the framework of good corporate governance and is committed to business development alongside creating economic, societal and environmental balance. It is determined to maintain itself as a good role model for society in conducting sustainable business operation, demonstrating the ability to manage stable business growth and be accepted in society. The Company has a policy to promote knowledge, create jobs and distribute income to the community thereby helping to improve the quality of life of the people for the sustainable development of society and the country, as well as supporting activities and instilling awareness of social responsibility in a concrete way so as to be part of driving Thai society towards sustainable social and environmental development.

In this regard, the Company has set goals in terms of community satisfaction with its social development projects and activities as an indicator of the Company's performance of participation in community and social development.

### 3.4.2 Social Performance

#### Occupational Health and Safety in the Workplace

The Company's operation is following ISO 45001:2018 standards whereby it complies with the law on safety, occupational health and working environment, provides knowledge and training under the operating safety regulations, provides personal protective equipment, as well as applying modern protective equipment and technology to reduce potential risks in the workplace. In addition, the Company provides annual health checks based on risk factors and daily basic health checks before work for all employees in the Company. Furthermore, the Company also provides training on occupational safety for its partners to create a safe work environment in the operation of the Company, including annual emergency preparedness training such as fire evacuation drills, response to chemical spills, etc.

##### Performance

- Zero number of fatal accidents from work
- Zero number of occupational illnesses for all workers

In 2023, the Company has 4 factories that have been certified with ISO 45001: 2018, namely Hat Yai Branch, Trang Branch, Surat Thani Branch and Sadao P.S. Branch, representing 67% of the branch factories in Thailand.

#### Human Rights

The Company has reviewed and improved a human rights and non-discrimination policy in line with the UN Guiding Principles on Business and Human Rights (UNGPR), the Universal Declaration of Human Rights (UDHR), the Children Rights and Business Principles (CRBP) and the UN Global Compact.

In this regard, the Company has revised its **human rights risk checklist related to its business** and conducted comprehensive human rights investigations. The human rights audit and risk assessment has been expanded to cover business processes involving all 8 groups of stakeholders: employees, migrant workers, temporary workers, business partners, contractors, customers and consumers, communities, society and

the environment surrounding the operation area, including areas for business expansion and mergers and acquisitions, covering 100 percent of the Company's business operations. **The result of the assessment found that there were no complaints or violations of human rights in the organization and the supply chain from the Company's operations.**

(Details of human rights can be found page 105-112 in the 2023 Sustainability Report of the Company's website. [www.sritranggloves.com](http://www.sritranggloves.com) under the topic of sustainability)

#### Caring for and Developing Employees' Skills

The Company provides its employees with various basic benefits to maintain a good quality of life, such as employee uniforms, rent subsidy, accommodation, per diem, health and accident insurance, Provident Fund, retirement payment, emergency aid, organizing Happy Workplace activities and study visits, etc.

Furthermore, the Company has applied for Sedex Members Ethical Trade Audit (SMETA) and Forced Labor standard certification to demonstrate its commitment to taking care of its employees' well-being and quality of life.

The Company has surveyed training needs, developed employees' skills annually and integrated findings and lessons learnt into the annual personnel training and development plan. The Company has carried out personnel development by organizing training to provide knowledge, develop skills and abilities for employees at all levels continuously in the form of activities such as classroom training, working on the job training, self-learning, counseling and mentoring system, doing activities and doing special project assignments, including site visits to leading companies, partner companies and companies within the Sri Trang Group of Companies etc. in order to continuously prepare and equip employees for increased competition, including changes in various aspects in the business world.

In the annual performance evaluation, the Company also has a process for evaluating knowledge and the need for training and skills development of each position for all 100 percent of employees which will be evaluated by the employee's direct supervisor.

The Company has conducted a 2023's survey of employees' well-being and commitment to the organization and communicated with the proportion of employees who respond to the assessment greater than or equals 88% of all employees.



## Performance

Indicator	Unit	Target	FY 2023
Employee engagement	Percentage	> 85	89
The proportion of employees who respond to the assessment	Hour	40	30*

Remark: \*Due to the adjustment in the format of training hour counting, the Human Resources department has communicated this to all branches. This communication aims to ensure consistency in recording training data.



## Support and Participation with the Community

The Company and its subsidiaries have a policy to conduct business that is beneficial to the economy and society, adherence to being a good citizen and full compliance with relevant laws and regulations. It has a policy to promote the creation of knowledge to the community, creating jobs and distributing income to help improve the quality of life of the people for sustainable social and national development, including supporting activities and instilling awareness of social responsibility in a concrete way so as to contribute to driving Thai society towards sustainable social and environmental development which, not only helps to promote the economy, but also improves the quality of life of people in the community. This is another important mission the Company has carried out through various activities and projects, both self-initiated and purposely originated in response to stakeholders' expectations. In 2023, the activities included the following:



### Samrak Pallet Wood project (CSR-DIW Continuous) for the third consecutive year

Surat Thani Branch has organized a skill development project for people with disabilities at the Ban Bor Num Ron Village, Kanchanadit District, the Company provided wooden pallets which are unused materials from the factory for people with disabilities to make tables, chairs, shelves, baskets and various woodwork products. This is in line with the circular economy approach and can help reduce production costs for the Disabled Sports Association of Surat Thani Province by 60% and generate income for the disabled. The Company also participated in helping to expand the building area to increase the workspace to produce products from wood pallets to meet the market demand. The operating results of the project are as follows:

Reduce the storage space and disposal of unused pallets in the tory (units)	Number of products (type)	Sales (unit)	Income of disability group in the community (Baht)	Community satisfaction assessment (percentage)
1,300	6	230	130,350	98



### Breakfast for Youngsters project

Hat Yai Branch is place the importance of developing children and youth in the area, it was found from on-site surveys that 70% of students in each class at Wat Thung Lung School do not receive breakfast due to various constraints, including family income and time limitations. Most parents are rubber plantation workers, thus lacking time to prepare breakfast. The lack of breakfast for children significantly impacts their development and the community's youth. The Company supports school to schools to have sustainable sources for producing breakfast for their own cooking under the 2023 CSR-DIW with a total 143 of teachers and students which produce vegetable cultivation plots, mushroom nursery and Hen house with 10 laying hens. This project was able to reduce breakfast management expenses by approximately THB 20,000 per academic year. The result of satisfaction assessment is 88% with 113 people response for assessment.







### Safety School project

Hat Yai and Sadao P.S. branches carried out the Safety School project to provide training and knowledge of fire prevention and basic use of fire extinguishers to school personnel and students, encompassing both theoretical and practical training whereby there will be demonstration and the chance for participants to try using a fire extinguisher. The project organized by the Hat Yai Branch has a total of 40 students and teachers participating in the project and the project participants were 98 percent satisfied.



### Planting Trees project

Trang Branch collaborated with the executives and various departments within the organization, planted 100 trees, consisting of Payom and Yang Na trees to mark the occasion of His Majesty King Maha Vajiralongkorn's 71st Birthday Anniversary. His Majesty King Vajiralongkorn, His Majesty the King Rama X at the area of the wall behind the factory. The projects was able increased greenery and promote biodiversity according to the company's environmental policy.



### World Soil Day for the second consecutive year

Sadao P.S. Branch carried out a project to raise awareness on World Soil Day for the second year in a row, whereby this year it joined with Sadao Municipality in bringing students under the municipality to join the project. There was a demonstration of making bio-fermented water and compost, and planting acacia trees which are 120 perennial trees with properties that help improve soil at the Waste Management Center Sadao Municipality.



(Details of support and participation with the community can be found on the 2023 Sustainability Report on page 135-149 on Company's website <https://www.sritranggloves.com/en/downloads/sd-report>)

# 4 | Management Discussion and Analysis: MD&A



## Financial Result Overview

In FY2023, we had THB 19,665.2 million in revenue, decreasing THB 3,639.6 million or 15.6% YoY. In 2023, the Company had the highest sales volume since the Company was founded at 31,384 million pieces, contrary to the resolution of COVID-19, which had an average selling price for the whole year 2023 at THB 605 thousand pieces (USD 17.46), decreased 24.2% YoY; this is because 2023 is still a year in which the rubber glove industry is in a period of adjusting the balance of excess supply, continuing from the previous year. Excluding special expenses in the 4th quarter of 2023 related to the impairment of certain fixed assets and certain one-time administrative expenses, the company will have a profit before tax of THB 477 million. In FY2023, STGT recorded a net profit of THB 152.7 million, down 90.8% YoY, with a net profit margin of 0.8%.

## Extraordinary Event in 2023

- 1) Dissolution of Sri Trang Responsible Gloves Supply, Inc. (STRG), a subsidiary in which the Company holds 100% of its shares located in the United States, conducted the business of distributing rubber gloves in the United States and other countries as a result of consecutive operating losses.
- 2) Because the production lines at our new plants yield higher efficiency with lower production costs, we have decided to decommission some production lines at our Hat Yai and Surat Thani plants that together accounted for approximately 4,500 million pieces per year in installed capacity, resulting in an impairment loss in 4Q/2023.

## Income Statement Overview

	FY23	FY22	%YoY
Volume (in million pcs)	31,384.0	28,808.9	8.9%
Sales Revenue	19,665.2	23,304.8	-15.6%
COGS	(17,516.3)	(19,048.0)	-8.0%
<b>Gross profit</b>	<b>2,148.8</b>	<b>4,256.8</b>	<b>-49.5%</b>
Other income	228.3	209.3	9.1%
SG&A	(2,217.1)	(2,401.1)	-7.7%
Gain (loss) on exchange rate, net	(10.9)	101.7	-110.7%
Other gains, net	(33.2)	(257.2)	-87.1%
<b>Operating profit (loss)</b>	<b>115.8</b>	<b>1,909.5</b>	<b>-93.9%</b>
EBITDA	2,333.0	3,519.9	-33.7%
EBIT	476.9	2,070.3	-77.0%
Finance income	361.0	160.8	124.5%
Finance costs	(306.2)	(186.8)	63.9%
EBT	170.7	1,883.5	-90.9%
Tax	(18.0)	(231.5)	-92.2%
<b>Net profit</b>	<b>152.7</b>	<b>1,652.1</b>	<b>-90.8%</b>
GP margin	10.9%	18.3%	-7.3%
EBITDA margin	11.9%	15.1%	-3.2%
Net profit margin	0.8%	7.1%	-6.3%
<b>Financial Ratio</b>			
Current ratio	3.63	4.62	-21.4%
Cash cycle (days)	50.40	49.63	1.6%
IBD/E	(0.07)	(0.15)	127.1%
Interest coverage ratio	6.56	24.11	-72.8%
ROA	0.3%	3.3%	-3.0%
ROE	0.4%	4.4%	-4.0%

## Revenue from sales and services

Total revenue in FY2023 amounted to THB 19,665.2 million, decreasing THB 3,639.6 million or 15.6% YOY. In FY2023, 39% of sales revenue came from latex powdered gloves (NRPD), 39% from latex powder-free gloves (NRPF) and 22% from nitrile gloves (NBR), similar to FY2022. The ASP in FY2023 was THB 605 (USD 17.46) per 1,000 pieces, declining 24.2% YoY because of the ongoing oversupply situation. The Thai baht (THB) has slightly strengthened by 0.7% YoY against the US dollar (USD). Sales volume in FY2023 totaled 31,384 million pieces, growing 8.9% YoY across all products, with NRPD growing at 7.8%, NRPF at 10.6% and NBR at 8.6%. The growth in sales volume was driven by our diversified customer base and strong presence in Asia, Africa and South America, where there is strong consumption growth and a preference for latex gloves, of which we have competitive advantages in production efficiency, costs and quality. We were able to maintain our utilization rate in FY2023 at 64.2%, compared with 64.8% in FY2022 in order to support the growth of higher international sales.

## Gross Profit

Gross profit in FY2023 totaled THB 2,148.8 million, decreasing 49.5% YoY, with a gross profit margin of 10.9%, down by 7.3% from the previous year. This comes from the average selling price which decreased by 24.2 percent, adjusted by a ratio that decreased more than the cost of sales for 2023, which was THB 17,516.3 million, decreasing by 8.0% YoY. as a result of raw material prices decreased 17.6% YoY for NBR latex and 25.6% YoY for NR latex. Although offset by the continuous increase in efficiency in the production process, costs other than latex decreased YoY.

## Selling and Administrative Expenses

Selling and Administrative Expenses in FY2023 totaled THB 2,217.1 million, decreasing 7.7% YoY. Excluding non-recurring items in 4Q/2023, SG&A in FY2023 would amount to THB 1,911.2 million, decreasing 20.4% YoY because of lower (1) freight rates and improved logistical management in the transport of products to ports leading to lower transportation costs; (2) lower staff expenses as a result of a restructuring; (3) decreased account receivables; and (4) lower brokerage fees as a result of lower selling prices, despite an increase in professional fees and depreciation. In FY2024, the percentage of SG&A to sales revenue would be 9.7% down from 10.3% in FY2022 following the elimination of one-time extraordinary items in 4Q/2023.

## Net Gains (Losses) from Foreign Exchange

In FY2023, we recorded THB 44.1 million in net currency exchange loss, narrowing 71.6% YoY from derivative transactions such as forward.

## Finance Income

Our finance income increased by 124.5% YoY from THB 160.8 million in FY2022 to THB 361.0 million in FY2023. This was primarily due to an increase in cash deposits at banks following the increase of policy rates.

## Finance Costs



Finance costs in FY2023 totaled THB 306.2 million, increasing 63.9% YoY because of higher interest rates from financial institutions following the benchmark rate increase and full-year interest payments on debentures in 2023. However, such long-term loans are under the interest-subsidy program of the Rubber Authority of Thailand (RAOT).

### Income Tax Expenses

Tax expenses in FY2023 totaled THB 18.0 million, decreasing THB 213.5 million because of lower pre-tax profit. The effective tax rate in FY2023 was 10.5%, compared with 12.3% in FY2022.

### EBITDA

EBITDA for FY2023 totaled THB 2,333.0 million, decreasing 33.7% YoY. EBITDA margin was 11.9%, down from 15.1% in FY2022 because of lower operating profit.

### Net Profit

In FY2023, STGT recorded a net profit of THB 152.7 million, down 90.8% YoY, with a net profit margin of 0.8%.

### Financial Position



## Total Assets

As of 31 December 2023, total assets stood at THB 46,582.1 million, decreasing 4.0% from 31 December 2022, and chiefly consisted of THB 4,230.1 million in cash, THB 5,213.1 million in current financial assets (fixed deposits of over 3 months), THB 2,390.1 million in accounts receivable, THB 3,840.2 million in inventory, THB 4,686.2 million in non-current financial assets and THB 24,971.6 million in PPE. The decrease in total assets is attributable to loan repayment, dividend payment and depreciation in PPE and non-tangible assets.

## Total Liabilities

As of 31 December 2023, total liabilities stood at THB 9,745.2 million, decreasing 16.8% from 31 December 2022, and mainly consisted of THB 2,415.6 million in accounts payable, THB 67.1 million in short-term loans, THB 5,412.0 million in long-term loans under the interest rate subsidy program of the RAOT\* and THB 1,512.7 million in debentures.

## Total Shareholders' Equity

Total equity stood at THB 36,837.0 million, increasing 0.1% from 31 December 2022 from net profit and profit from investments in financial assets which are recorded in other comprehensive income (OCI).

## Capital Expenditure and Source of Funds

In 2023, the capital expenditure was THB 9,183.8 million, which decreased by 18.2% from the previous year, which was primarily due to investments in other financial assets and the capacity expansion. The primary sources of funds were cash, long-term borrowings from financial institutions, and cash from the IPO proceeds of STGT.

## Research and development (R&D) expenditure

In 2023, the Company had research and development expenses of THB 32.5 million. The expenses were mainly for developing a variety of products to meet the needs of consumers in the medical and various industries, with an emphasis on developing natural rubber gloves, which are environmentally friendly and competitive products to cover customers' requirements. In 2023, the Company produced natural latex surgical gloves and began distributing them domestically and internationally. The Company was able to generate sales for such products in THB 19 million. In addition, the Company continuously improves the quality of the gloves by following international quality standards and each country-specific quality standards. In addition, the Company also promoted and invested in applying various knowledge and technologies within the organization, particularly in the areas of automation and digitalization to increase productivity and efficiency, reduce labor and production costs, and make the most of limited resources. In 2023, the Company has been completed a total reduction in production costs of THB 79 million.

## The Ability to Service Debt and Comply with Loan Covenants

As of 31 December 2023, short-term and long-term borrowings from financial institutions, debentures, and financial leases amounted to THB 7,034.8 million (Please find details about payment term, interest rate, and ending balance in each foreign currency in Note to the Consolidated and Separate Financial Statements under Item 14 and 18) with the key covenants that the Company must maintain in every quarter as follows:

Ratio	Condition (Calculated from Consolidated Financial Statements)	1Q23	2Q23	3Q23	4Q23	Results
<b>Long-term borrowings</b>						
Net Debt to Equity Ratio	Not greater than 3:1*	(0.10)	(0.08)	(0.06)	(0.07)	Pass

\* Excluding Lease Liabilities

## Credit Policy

STGT defines the criteria for setting the credit and payment terms for each customer according to their risk profile, taking into account various factors such as the size of the business, nature of the business, financial position, historical payment, credit limit, etc. Our credit term given to the customers is generally up to 60 days.

## Financial Ratios

### Interest Coverage Ratio

Interest Coverage Ratio in FY2023 stood at 6.56, decreasing from 24.11 in FY2022 because of a decrease in cash flow from operations, coupled with higher interest expenses following the benchmark rate increase and full-year interest payments on debentures in 2023.

### Current ratio

Current Ratio as of 31 December 2023 stood at 3.63, decreasing from 4.62 as of 31 December 2022, because of a decrease in current assets, which went down because of a decrease in cash following investments in financial assets. Current liabilities, on the other hand, increased in tandem with an increase in accounts payable.

### Cash cycle

Cash Conversion Cycle in FY2023 stood at 50.40 days, increasing from 49.63 days in FY2022 because days sales outstanding (DSO) increased in tandem with accounts receivable and extension of credit terms to high-quality customers. Days inventory outstanding (DIO) decreased following lower inventory, while days payables outstanding (DPO) slightly increased in tandem with the proportion of raw materials with long payment terms.

### Return on Assets ("ROA")

Return on assets for the year ending 31 December 2023 was 0.3%, which decreased from 3.3% for the year ending 31 December 2022 due to a decrease in the profit and an increase in average total assets in 2023 compared to the previous year.

### Return on Equity ("ROE")

The return on equity for the year ending 31 December 2023 was 0.4%, a decrease from 4.4% for the year ending 31 December 2022 due to a decrease in the profit for 2023. Meanwhile, the average total shareholders' equity in 2023 decreased from the average total shareholders' equity in 2022 but with a lesser proportion compared to the decrease in the profit.

### Net Interest Bearing Debt Ratio "Net IBD" to Equity

Net Interest Bearing Debt to Equity "IBD" Ratio to Equity as of 31 December 2023 was (0.07)\*, increased from (0.15)\* as of 31 December 2022, mainly because of a decrease in short-term and long-term loans which were payable in FY2023 less than a decrease in cash following investments in financial and fixed assets while equity increased 0.1%.

\*Remark: Including other current financial assets of fixed deposits over than 3 months that included as short-term investment.

Ratio	Unit	2023	2022	2021
<b>Liquidity Ratio</b>				
Current ratio	Time	3.63	4.62	5.23
Quick ratio	Time	2.76	3.85	4.39
Cash flow liquidity ratio	Time	0.38	0.81	4.08
Account receivables turnover	Time	9.30	10.41	13.05
Days of account receivables	Day	38.71	34.58	27.58
Inventory turnover	Time	10.18	9.36	9.63
Days of Inventory	Day	35.35	38.45	37.40
Account payable turnover	Time	15.21	15.38	12.41
Days of account payables	Day	23.66	23.41	29.02
Cash Cycle	Day	50.40	49.63	35.97
<b>Profitability Ratio</b>				
Gross profit margin	%	10.93	18.27	59.43
Operating profit margin	%	0.59	8.19	54.46
Other income	%	2.84	1.54	0.96
Operating cash flow to operating profit ratio	%	1,453.28	213.93	92.95
Net profit margin	%	0.78	7.09	49.85
Return on equity holders of the company	%	0.41	4.40	67.81
Return on equity (ROE)	%	0.41	4.40	67.27
<b>Efficiency Ratio</b>				
Return on assets (ROA)	%	0.32	3.31	49.62
Return on non-current assets	%	7.06	13.25	165.68
Assets turnover	Time	0.43	0.48	1.02
<b>Financial Policy Ratio</b>				
Debt to equity ratio	Time	0.26	0.32	0.34
Interest Bearing Debt ratio	Time	(0.07)	(0.15)	(0.33)
Net Interest Bearing Debt to Equity ratio	Time	(0.07)	(0.15)	(0.33)
Debt Service Coverage Ratio (DSCR)	Time	6.56	24.11	207.07
Debt Service Coverage Ratio	Time	1.13	2.21	27.02
Operating cash flow to total obligation (Cash basis)	Time	0.47	0.35	0.83
Dividend payout ratio	%	NM*	147.18	54.84

\*Reference to the resolution of the Board of Directors' meeting on 16 February 2024, approving the dividend payment from the Company's unappropriated retained earnings at the rate of THB 0.50 per share. The right to receive such dividends remains uncertain until the approval at the 2024 Annual General Meeting of Shareholders, which will be held on 9 April 2024. This is because the Company recorded a net loss of THB 45.30 million in the separate financial statements for FY2023, resulting in the dividend payment rate impossible to compute in 2023.



## Factors or Events That May Significantly Affect the Financial Position or Operations in the Future

As a result of the COVID-19 outbreak in 2020-2021, the production capacity of rubber gloves has grown rapidly both from existing rubber glove manufacturers that have been in this business for a long time and from new players from various countries around the world. As the COVID-19 disease situation eases, although the demand for rubber gloves has grown compared to 2019, which was the year before the COVID-19 outbreak, with the growth of production capacity greatly increasing, and the adjustment of the demand for rubber gloves back to a normal growth base has caused the natural rubber glove production and distribution industry to be in a state of higher supply than demand from 2022 onwards. As a result of this condition, the following occur:

- 1) Price competition from all manufacturers for all types of rubber gloves, both nitrile rubber gloves and natural rubber gloves, especially the production capacity of nitrile rubber gloves, which is a type of glove that has expanded production capacity very high during that period.
- 2) Inadequate use of production capacity by each manufacturer: This can be seen from the capacity utilization rates of most manufacturers (including the Company) in 2022 onwards has a lower rate than before the COVID-19 outbreak.
- 3) The situations occurring in points 1) and 2) result in a rebalancing of the industry, with supply being

reduced by small and medium-sized manufacturers. In addition, many large manufacturers have reduced production capacity by canceling production lines from existing machines, both permanently and temporarily, and writing off the impairment of assets that have been discontinued. This causes the overall production capacity to decrease and the capacity utilization rate to increase.

The Company raised funds from the initial public offering of common shares on the Stock Exchange of Thailand in July 2020 in the amount of THB 14,600 million. 76 percent or approximately THB 11,100 million of the said funding has been used by the Company to expand production capacity from the installed production capacity of 32,619 million pieces in March 2020. The goal is to expand production capacity to over 70,000 million pieces in 2024 and approximately 100,000 million pieces in 2032.

However, the impact of the rapid growth of production capacity from manufacturers around the world during the COVID-19 outbreak, as mentioned above, has forced the Company to adjust its production expansion plans to keep up with the changes in the industry. During 2023, the Company delayed and canceled production expansion in some projects and permanently canceled production in old factories with low production efficiency and high production costs. As of 31 December 2023, the Company has an installed production capacity of 50,785 million pieces per year. The production capacity from various factories is as follows:

Factory	Location	Installed Capacity (Million pieces per year)	Raw Materials	Products
Hat Yai factory	Hat Yai district, Songkhla province	14,641	Concentrated Latex Syntetic Latex	Powdered and powder-free natural rubber gloves, Nitrile rubber gloves
Surat Thani factory	Kanchanadit District, Surat Thani Province	9,603	Concentrated Latex Syntetic Latex	Powder-free natural rubber gloves, Nitrile rubber gloves
Trang factory	Kantang district, Trang province	12,510	Concentrated Latex	Powdered and powder-free natural rubber gloves
Sadao P.S. factory	Sadao district, Songkhla province	2,775	Syntetic Latex	Nitrile rubber gloves
Anvar factory	Sadao district, Songkhla province	7,031	Concentrated Latex Syntetic Latex	Powder-free natural rubber gloves, Nitrile rubber gloves
Chumphon factory	Pathew district, Chumphon province	4,225	Concentrated Latex	Powder-free natural rubber gloves

While adjusting to the equilibrium point of the industry (Normalization), the Company must maintain its competitive potential with various strategies, including increasing market share in new countries and expanding the group of rubber glove users to cover industries other than medical as much as possible.

## Important factors that will affect maintaining and increasing competitive potential, which will affect the operating results and financial position of the Company include:

- 1) Increasing production efficiency and creating an advantage in lower production costs than competitors. Although the product structure of the company focuses on the production of natural rubber gloves with a strong value chain from having a large company that is the leader in natural rubber production in the world. As a result, the Company has an advantage in access to raw materials, raw material costs, and the movement of raw material prices. However, the Company does not stop developing its cost competitiveness by seeking and improving production processes to continually increase efficiency; as well as changing the work process to be flexible, reduce complex steps, and increase the speed of receiving orders until delivering products to customers continuously.
- 2) Maintaining product diversity to meet the needs of customers from various industries and countries, requires the company to create flexibility in the production process to produce a variety of products and export them under customer packaging, and more than 76.5% are still OEMs for customers of various brands around the world in order to maintain cost competitiveness. In addition, the Company continues to innovate new products that respond to the needs of customers from many categories, whether it be food business operators (Specific Chemical Free) or heavy use in other industries (Diamond Textured); by improving the production line from the existing machinery to create as much variety in product types as possible including inventing new products and creating new ideas for the industry to change glove consumption behavior, such as inventing low protein natural rubber gloves. (Non-detectable Proteins) so that more customers turn to using natural rubber gloves without worrying about protein allergies and also enhancing environmental friendliness.
- 3) Increasing flexibility in adapting to the demand for rubber gloves (Resilience to Switching in Demand) in terms of changing production capacity between natural rubber gloves and nitrile rubber gloves. The Company's new machines are flexible in changing the use of raw materials to produce a variety of rubber gloves with low downtime and similar production efficiency. In addition, the Company has also committed to changing the production technology and operations of the company to move towards more intelligent mechanisms (Automation and AI), both in the production process that has brought in various types of automation to support the production process and product quality inspection, including investments in AI in the future that will play a role in increasing work efficiency and reducing reliance on labor in many departments even more.
- 4) Focusing on being a sustainable glove manufacturer (Green Glove Manufacturer) by growing the business while maintaining and developing a cleaner environment under equal, equality, and fairness social care including adhering to the highest good governance practices in business operations to drive the industry and the country towards a sustainable low-carbon society. This factor will continually increase the importance of maintaining relationships in the value chain. The Company believes that the importance and selection of buyers and sellers in the rubber glove business value chain will become a key issue not only in countries with strong ESG commitments, such as the European Union, but almost every country around the world is likely to adopt similar practices to select value chain players who are committed and verifiable in their ESG practices.

## Sustainable Business Operation (Environmental, Social, and Governance: ESG)

STGT gives the importance to sustainable business operations throughout the business value chain with the concept of “Clean World Clean Gloves” which focuses on product quality, taking ESG into consideration and dealing with business and emerging risks, and determine to create business values and trust for customers, consumers, and stakeholders. STGT operates its sustainable business through “SHARE” Approach which is comprised of 1) Sustainability for supply chain and fair trade 2) Human rights 3) Animal welfare 4) Responsibility & sharing touch of love and 5) Environmentally friendly technologies. In 2023, STGT had significant ESG operations as the following.



- STGT set the targets of achieving carbon neutrality by 2030 and the Net-Zero Emissions by 2050 compared to base year 2021 covering scope 1 and scope 2 greenhouse gas (GHG) emissions through three main strategies which are energy efficiency and process improvement, low-carbon technologies and renewable energy, and carbon offsetting and sequestration.
- STGT assessed and registered Carbon Footprint of Products (CFP) for its 13 additional glove product groups of latex and nitrile gloves. Until now, the Company has had its 18 glove product groups in total which have been registered for CFP with Thailand Greenhouse Gas Management Organization (Public Organization) or TGO.
- STGT has installed solar power generation projects with a production capacity of 1 megawatt (MW) at Trang Branch which completed in 2023 and expanded to 3 branches at Hat Yai, Sadao P.S. and Chumphon. These projects will enable STGT to generate total electricity from solar energy with 5,472.6 megawatt-hours per year (MWh/year) by April, 2024.
- STGT has implemented Circular Economy projects in collaboration with leading private companies as follows: 1) SRIC under SCG Group for the second consecutive year, by sending expired STGT ceramic glove molds as substituted raw materials for SRIC's fire-resistant cement production. The company's waste materials sent in 2023 reduced waste to landfill by 1,140.45 tons per year and decreased disposal costs by THB 2,030,000 per year. 2) Saint-Gobain Weber Co., Ltd. purchased fly ashes which is a waste product from steam production processes at the Trang Branch, to use as a component in Saint-Gobain Weber's products. This allowed the company to reduce fly ashes by 330 tons per year, decreased disposal costs by THB 131,840 per year and adding value to the waste by THB 32,960 per year. 3) SCleco collaborated with STGT to jointly investigate the advantageous repurposing of waste materials by analyzing the calorific value of rubber sludge from wastewater passing through Filter Press at various moisture levels. This enables mixing with refuse derived fuel (RDF) for use as fuel combustion in cement plant kilns. This project has driven towards the STGT's goal to achieve Zero Waste to Landfill.



## Social

- STGT's Chumphon branch factory has been amfori BSCI certified with A grade. The Chumphon branch factory is the 5th glove factory of the Company that received such standard. As a result, STGT still maintains A grade of amfori BSCI standard certification for every factory receiving amfori BSCI audits reflecting the international standards of labor and safety of the Company.
- STGT has 4 factories that have been certified with ISO 45001: 2018, namely Hat Yai Branch, Trang Branch, Surat Thani Branch and Sadao P.S. Branch and will expand the results of the application for certification in all branches. Thus, in 2024, the Chumphon Branch and Anvar Branch will be certified.
- STGT places importance on community and social development by supporting academic and management systems to establish a care system through the 'Miracle of the First 1,000 Days' project. This aims to develop and enhance the potential of pregnant women and newborns up to six years old for collaborative learning, leading to continuous development of children and families.
- STGT conducts community and social development projects continuously. Our Trang and Surat Thani Branch factories continue to carry out the San Rak wood pallet project for the third consecutive year. The said project is in line with the circular economy guidelines whereby the Company provides support in the form of donated pallets, which are unused materials from the factory to the Surat Thani Provincial Disabled Sports Association, thus reducing production costs by up to 60% for the recipient.
- STGT received an award (at excellent level) for outstanding organization of 2023, for the second consecutive year, that promotes employment of

people with disability from the Ministry of Social Development and Human Security and received the 2023 CSR-DIW Award from the Ministry of Industry, in recognition of commitment to operating with social responsibility, environmental awareness and promotion of sustainable living with the community.



## Governance & Economic

- STGT received SET ESG Ratings ("AAA") (THSI; third consecutive year) for the year 2023 in the Consumer Products business and the SET Awards 2023 for Sustainability Excellence (Highly Commended Sustainability Awards) for the first time from the Stock Exchange of Thailand, a testament to our equal commitment to business growth and community engagement and the environment under the principles of good corporate governance.
- STGT received the 2023 Business Partner Award (Gold Award level) and the special Sustainability Award from Thai Beverage Public Company Limited at the SX Partnerships for the Goals: TSCN Business Partner Conference 2023. This is an honor given to partners with excellent performance in terms of product quality, price, delivery, service, innovation, and operations that focus on sustainability awareness. It is an award that reflects the confidence and acceptance of business partners, as well as the collaboration to deliver value to consumers and enhance sustainability of the industry.
- STGT received the Quality Award (in the category of medical devices) from the Food and Drug Administration in 2023 for the 12th consecutive year.



# 5 | General and Other Significant Information



## 5.1 General Information of the Company

<b>Listed Company</b>	: Sri Trang Gloves (Thailand) Public Company Limited (STGT)
<b>Registered Number</b>	: 0107562000106
<b>Type of business</b>	: The Company operates the business of manufacturing and distributing rubber gloves for medical use and non-medical uses in other industries. The main products are natural rubber powdered gloves, natural rubber powder free gloves and nitrile butadiene rubber gloves.
<b>Head quarter</b>	: 110 Kanjanavanit Road, Tambon Phatong, Amphoe Hat Yai, Songkhla 90230
<b>Bangkok Office</b>	: 17th Floor, Park Venture Ecoplex Unit 1701, 1707-1712 No. 57 Wireless Road, Lumpini, Pathumwan, Bangkok
<b>Telephone</b>	: Head Office 0-7447-1471, Bangkok Office 0-2207-4500 (Investor Relation Department ext. 1402 and 1404)
<b>Fax</b>	: Head Office 0-7429-1650, Bangkok Office 0-2108-2241-44
<b>E-mail</b>	: stgt_ir@sritranggroup.com
<b>Website</b>	: www.sritranggloves.com
<b>Registered Capital</b>	: THB 1,434,780,000
<b>Issued and Paid-up Capital</b>	: THB 1,432,589,955

<b>Number of shares and type(s) of shares</b>	: 2,865,179,910 Common Shares
<b>Par Value</b>	: THB 0.50
<b>Share Registrar</b>	: Thailand Securities Depository Co., Ltd. 93 The Stock Exchange of Thailand Building Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400 Tel: 0-2009-9000 Fax. 0-2009-9991 TSD Call Center 0 2009 9999
<b>Auditor</b>	: EY Office Limited 33rd Floor, Lake Rajada Office Complex, 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110 Tel: 0-2264-9090 Website: <a href="https://www.ey.com/en_th">https://www.ey.com/en_th</a>
<b>Legal Advisor</b>	: Weerawong, Chinnavat and Partners Limited No. 540 Mercury Tower, 22nd Floor, Ploenchit Road Lumpini Sub-district, Pathumwan District, Bangkok 10330 Tel. 0 2264 8000 Fax. 0 2657 2222
<b>Singapore Transfer Agent</b>	: Boardroom Corporate & Advisory Services Pte. Ltd. 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 Tel: 65 6536 5355 Fax: 65 6536 1360
<b>Whistle Blowing and Suggestion Channel</b>	: Contact the Secretary to the Audit Committee by sending a letter at the Company Address above, by phone 0 7434 4663 ext. 331, or via E-mail: <a href="mailto:anticorruption@sritranggroup.com">anticorruption@sritranggroup.com</a>

## 5.2 Other Significant information

- None -

## 5.3 Legal Disputes

As of 31 December 2023, the Company and its subsidiaries have no legal disputes which may have a negative impact on the assets exceeding 5% of shareholders' equity or a significant impact on the business operations of the Company and its subsidiaries.



## 5.4 Secondary Market

On 2 July 2020, the Company has been primary listed on the SET under the stock code "STGT". Thereafter, on 10 May 2021, the Company has been listed on the Main Board of the Singapore Exchange (SGX-ST) (Secondary Listing by way of Introduction), without issuing and offering new shares, under the stock code "STG", in order to expand and diversify the Company's shareholder base, which will assist the Company in having an additional source of funds.

## 5.5 Financial Institutions

### 1. BANK OF AYUDHYA PUBLIC COMPANY LIMITED

1222 Rama III Road, Bang Phongphang Sub-district,  
Yan Nawa District, Bangkok 10120  
Tel. (+66) 2296 2000 and (+66) 2683 1000

### 2. KASIKORNBANK PUBLIC COMPANY LIMITED

400/22 Phahon Yothin Road, Sam Sen Nai  
Sub-district, Phaya Thai District, Bangkok 10400  
Tel. (+66) 2222 0000

### 3. SIAM COMMERCIAL BANK PUBLIC COMPANY LIMITED

9 Ratchadapisek Road, Jatujak Sub-district,  
Jatujak District, Bangkok 10900  
Tel. (+66) 2777 7777





A background image of a business meeting with three people sitting around a table, overlaid with a semi-transparent purple filter. The number '2' is centered in the upper half of the image.

# 2

## Corporate Governance



# 6 | Corporate Governance Policy



In 2023, the Board of Directors considered and reviewed the good corporate governance policy, as well as the policies and practices related to the principles of good corporate governance, and deemed that the current version of the policy is still consistent with the said guidelines issued by the SEC Office and international standards, as well as continuing to efficiently and effectively support the work in such areas and the overall business operations of the Company.

## 6.1 Overview of corporate governance policies and practices

The Company realizes the importance of good corporate governance as a significant mechanism that helps promote the Company's operations for efficiency and sustainable growth which will lead to the best interest of stakeholders including employees, investors, shareholders, and other stakeholders. The content of the Company's good corporate governance policy covers important principles in recruiting and determining remuneration for directors, sub-committees and executives; independence of the Board of Directors, Director development and evaluation of the performance of duties of directors and sub-committees, including supervision of subsidiaries. In addition, it also contains policies and guidelines regarding shareholders and stakeholders, encompassing care and fair treatment of shareholders, promoting the exercising of shareholders' rights, prevention of use of inside information, preventing conflicts of interest, promoting responsibility to stakeholders and anti-corruption, and providing a mechanism for receiving complaints and taking action in the event of whistleblowing. There are also principles for managing the work of executives in a transparent, clear and accountable manner.

To make the Company accountable to all shareholders and stakeholders and for the benefit of creating sustainable business value in line with the expectations of both the business sector and investors, as well as the capital market and society as a whole, the Board of Directors has established a good corporate governance policy based on the 2017 principles of good corporate governance for listed companies prepared by the Securities and Exchange Commission (SEC) as a guideline for corporate governance of the Company and this policy is required to be reviewed on an annual basis.

In addition, the Board of Directors shall determine to monitor the implementation of the good corporate governance policy, and to communicate such policy to the directors, executives and all employees through various channels such as new employee orientations, e-learning programme with an online test, announcements on intranet system and the Company's website, and written acknowledgement.

## Corporate Governance Principles and Policy

The Board of Directors pays much attention to compliance with the good corporate governance policy, encompassing 8 principles, which can be summarized as follows. The details of “Corporate Governance Policy” could be found in the Company’s website at <https://www.sritranggloves.com/en/corporate-info/corporate-governance/corporate-policy>

### Principle 1

#### Role and Responsibilities of the Board of Directors

including

- The Board of Directors shall endeavour to understand and be mindful of its leadership role and responsibilities who must supervise the organization's good governance covering (1) setting business objectives and goals (2) setting strategies, operating policy as well as allocation of important resources to achieve objectives and goals (3) monitoring, evaluating, and supervising of performance reporting.
- The Board of Directors shall supervise and lead the Company to good governance outcomes so as to create sustainable value for the business.
- The Board of Directors shall ensure that all directors and senior executives perform their duties with duty of care and duty of loyalty towards the organization and shall ensure that operations are in accordance with laws, regulations and resolutions of the shareholders' meeting as well as policies or guidelines that have been defined. The Board of Directors shall also ensure there will be a process for approving important operations such as investment, transaction that affect the Company significantly, transaction with related parties, acquisition or disposition of asset and dividend payment, etc.
- The Board of Directors shall endeavour to understand the scope of duties and responsibilities of the Board of Directors and set the scope of assignment of duties and responsibilities to sub-committees, Chief Executive Officer, and senior executives clearly, as well as monitoring the sub-committees, Chief Executive Officer and senior executives to perform their duties as assigned.

### Principle 2

#### Objectives and Main Goals of the Company

including

- The Board of Directors shall determine or supervise the objectives and main goals of the Company consistent with promotion of sustainable value creation value for the Company, customers, stakeholders and society as a whole.
- The Board of Directors shall supervise the Company's objectives, goals and business strategy to be in line with their achievements by using appropriate and safe technology.

### Principle 3

#### Strengthened Board Effectiveness

including

- The Board of Directors shall be responsible for defining and reviewing the board structure in terms of both size and composition, as well as the proportions of independent directors as appropriate and necessary to lead the organization to its stated objectives and goals.
- The Board of Directors shall select an appropriate person to be the Chairman of the Board and shall ensure that the composition and operation of the Board of Directors is conducive to the exercise of independent judgment in making decisions.
- The Board of Directors shall be responsible for overseeing the nomination and selection of directors with a transparent and clear process to attain the Board of Directors with qualifications consistent with the specified elements.
- In proposing the remuneration of the Board of Directors to the shareholders for approval, the Board of Directors shall consider the structure and remuneration to be

suitable for their responsibilities and to motivate the Board of Directors to lead the organization to achieve both short-term and long-term goals.

- The Board of Directors shall be responsible for ensuring that all directors are responsible for performing their duties and allocate sufficient time to perform their duties.
- The Board of Directors shall be responsible for ensuring that there is a framework and mechanism for governance of policies and operations of subsidiaries and other businesses that the Company has invested in significantly at the level appropriate for each business and the subsidiaries and other businesses in which the Company has invested must have the same understanding as well.
- The Board of Directors shall arrange for an assessment of the performance of the entire Board of Directors including assessing the performance of individual directors so as to consider and review the performance, problems and obstacles each year to be used to develop and improve performance in various aspects.
- The Board of Directors shall ensure that the Board of Directors and each director have knowledge and understanding of their roles and duties, the nature of business and relevant laws pertaining to business operation as well as regularly encouraging all directors to acquire skills and knowledge for their performance of duties.
- The Board of Directors shall ensure that the operations of the Board of Directors are carried out successfully and that access to necessary information is effective by having a Company secretary who has the necessary and appropriate knowledge and experience to support the Board of Directors' operations.

#### **Principle 4** **Recruitment and Development of Senior Executives and People Management**

including

- The Board of Directors shall ensure that the Chief Executive Officer and senior executives are recruited and developed to have the knowledge, skills, experience and qualifications necessary to drive the organization towards its goals.

- The Board of Directors shall supervise the formulation of an appropriate compensation and evaluation structure through the recommendation and scrutiny of the Nomination Committee and the Remuneration Committee.
- The Board of Directors shall endeavour to understand the structure and relationship of shareholders that may affect the management and operation of the Company.
- The Board of Directors shall monitor the executives and development of personnel to have appropriate knowledge, skills, experience and motivation.

#### **Principle 5** **Business Operation with Responsibility**

including

- The Board of Directors shall give importance to and support operations that create business value along with creating benefits for customers or related parties and have social and environmental responsibility.
- The Board of Directors shall monitor and supervise the executives to operate the business with social and environmental responsibility and reflected in the operational plan to ensure that all departments of the organization operate in accordance with the objectives, main goals, and strategies of the Company.
- The Board of Directors shall monitor and supervise the executives to allocate and manage resources efficiently and effectively in order to be able to achieve objectives and main goals sustainably.
- The Board of Directors shall provide a framework for corporate governance and management of information technology that is in line with the needs of the Company and shall ensure that information technology is used to increase business opportunities and improve operations and risk management so that the Company is able to achieve its objectives and main goals.

**Principle**  
**6**

**Appropriate Risk Management  
System and Internal Control**

including

- The Board of Directors shall ensure that the Company has a system of risk management and internal control to achieve the objectives effectively and put such systems into practice in accordance with relevant laws and standards.
  - The Board of Directors shall establish an Audit Committee that can perform duties efficiently and independently.
  - The Board of Directors shall monitor and manage any conflicts of interest that may arise among the Company, the executives, Board of Directors, or shareholders. This includes the prevention of improper use of the Company's property, information and opportunities and conducting transactions with those who have a connected relationship with the Company in an inappropriate manner.
  - The Board of Directors shall supervise the formulation of a clear anti-corruption policy and code of conduct, which is communicated at all levels of the organization and to outsiders for practical implementation. This includes supporting activities that promote and instill in all employee's compliance with the relevant law and regulations.
  - The Board of Directors shall supervise the Company to have a mechanism for receiving complaints and procedures to deal with cases when reported.
- In the event that the Company experiences financial problems or is likely to have problems, the Board of Directors shall ensure that the Company has a plan to resolve the problem or there are other mechanisms to resolve financial problems, bearing in mind the rights of stakeholders.
  - The Board of Directors shall prepare a sustainability report as appropriate or at least reveal such information in the annual report of the Company.
  - The Board of Directors shall supervise the management team to establish a unit or person in charge of investor relations to serve as a function of communicating with shareholders and other stakeholders such as investors and analysts in an appropriate, equitable and timely manner.
  - The Board of Directors shall promote the use of information technology to disseminate the Company's important information, in addition to disseminating information according to the specified criteria through channels of the Stock Exchange of Thailand, for example through the Company's website.

**Principle**  
**7**

**Maintenance of Integrity  
in Finance and Disclosure**

including

- The Board of Directors shall be responsible for ensuring that the financial reporting system and the disclosure of important information of the Company are correct, adequate, timely, in accordance with relevant rules, standards and practices.
- The Board of Directors shall monitor the sufficiency of financial liquidity and debt servicing ability in order not to affect the continuity of the business of the Company.

**Principle**  
**8**

**Engagement of and  
Communication with Shareholders**

including

- The Board of Directors shall ensure that the shareholders participate in considering and making decisions on important matters of the Company in accordance with the rights of shareholders.
- The Board of Directors shall ensure that the proceedings of the shareholders' meeting are held properly, transparently, efficiently and shall facilitate the shareholders to exercise their rights.
- The Board of Directors shall ensure that the disclosure of the meeting resolutions and preparation of the minutes of the shareholders' meeting are correct and complete.





For the determination of remuneration, the Board of Directors, at recommendation of the Remuneration Committee, shall supervise the formulation of an appropriate compensation and evaluation structure. The remuneration must be in line with the Company's long-term strategy and goals, as well as experience, duties, scope of roles, accountability, and responsibility.

### **Independence of Directors from Management**

The Board of Directors comprises of an appropriate combination between executive and non-executive directors to demonstrate appropriate balance of powers where independent directors are in the number and are qualified in accordance with the requirements of the SEC and SET. Also, the independent directors can perform their duties with other members of the Board of Directors efficiently and express their opinions independently.

### **Development of Directors**

The Board of Directors shall supervise and ensure that each director understands roles and duties, nature of business operation and laws relating to the business operation and encourage all directors to have their skills and knowledge developed regularly for the purpose of performing duties of directors, as well as ensuring that the directors receive regular trainings to have necessary knowledge development.

### **Assessment of Directors' Performance**

The Company has arranged for the assessment of performance of the Board of Directors on an annual basis, both individual evaluation and group evaluation, as well as an evaluation of the performance of the subcommittees, in order to consider and review the performance, problems and obstacles in each year to be used to develop and improve their performance in various aspects.

### **Supervision and Governance of Subsidiaries and Associate Company**

The Board of Directors has the duty to ensure that there is a framework and a mechanism to supervise the policies and operations of subsidiaries and such other businesses in which the Company has material investments. The level of supervision shall be appropriate

for the nature of business of each subsidiary. There shall be a common understanding about such supervision among the Company, subsidiaries, and other businesses in which the Company has the investment. The Company has determined the Policy for the Investment in and Governance of Subsidiaries and Associate Companies in written. The additional details of which can be found in the Company's website at <https://www.sritranggloves.com/en/corporate-info/corporate-governance/corporate-policy>

The additional details on the policy and guidelines for the Board of Directors can be found in Section 7. Corporate Governance Structure and Section 8. Corporate Governance Performance Report.

### **6.1.2 Policies and guidelines regarding shareholders and stakeholders**

The Board of Directors places an importance on the rights of stakeholders and ensures that a mechanism is put in place to require the Company to conduct its business based on ethics and social and environmental responsibilities without violation of stakeholders' rights. All parties within the organization may use this as a guideline to achieve the objectives, main goals and the sustainability. Therefore, the Company has determined the relevant policies and guidelines in Corporate Governance Policy, Code of Conduct, and other significant policies in order for the directors, executives and employees to adhere and comply with. The additional details on the policy and guidelines for the Board of Directors could be found in Section 3. Driving Business for Sustainability and Section 8. Corporate Governance Performance Report.

### **Equitable Treatment of Shareholders and Support the Exercise of Rights of Shareholders**

The Board of Directors ensures that shareholders participate in decision-making on important matters of the Company including legal matters and issues which could have an impact on business directions of the Company are considered and/or approved by shareholders. The Company shall encourage and facilitate the shareholders



to exercise their rights including the equitable treatment of shareholders as well as encouraging the engagement of shareholders and communication with shareholders in order for the shareholders receive the correct, complete, and sufficient information.

### Prevention of Use of Inside Information

The Board of Directors puts in place the management of market sensitive information and the silence period prohibitions. In this regard, the Company sets out the Policy for the Use of Inside Information and measures to prevent the disclosure or use of confidential and/or non-public inside information of the Company by directors and executives including those holding an executive position in accounting or finance at the level of division manager or higher including employees of the Company and its subsidiaries for their own benefit or for others' benefit, either directly or indirectly and irrespective of whether such disclosure or use of confidential and/or inside information would be for consideration. This also extends to the use of inside information for the purpose of securities trading.

### Prevention of Conflict of Interests

The Board of Directors ensures that the conflict of interests is managed and monitored and will put in place guidelines on practices for such transactions to be in compliance with procedures and disclosure requirements under the law while interested parties do

not participate in the decision making. In this regard, the Company sets out the Policy for the Prevention of Conflict of Interests based on the principle that the decisions of entering into any transactions must be conducted in the best interests of the Company and its shareholders. All actions with possible conflict of interests with those of the Company shall be avoided. The directors, executives and employees are required to strictly comply with such policy.

### Anti-Corruption

The Board of Directors ensures that a clear policy and practice of anti-corruption is prepared and communicated with all levels of within the organization and with third parties to ensure that it can be implemented. The Board of Directors also supports activities that promote compliance awareness for all employees to the laws and relevant regulations. The Company has already declared its intention to join Thai Private Sector Collective Action Against Corruption (CAC) since August 2021 and has been certified as a member of Thai Private Sector Collective Action Against Corruption (CAC) on 30 June 2022, which is valid for a period of 3 years.

## 6.2 Business ethics

The Company has established a code of conduct in business operation to show its intention to operate the business according to the principles of good corporate governance by adhering to the law, morality and to manage work with transparency and responsibility for stakeholders to create business sustainability and confidence to shareholders, investors, and all stakeholders. Persons required to comply with this code of conduct are directors, senior executives, employees and workers, consultants, agents, or persons assigned to act on behalf of the Company or for the person mentioned above.

Moreover, the Board of Directors regularly promotes and monitors the results of the compliance thereof, including communicating and creating awareness on the Code of Conduct to directors, executives and employees as well as providing an e-learning programme on the Code of Conduct together with a test for the executives and employees at all levels of the Company and its subsidiaries in order to communicate knowledge and understanding as regards the Code of Conduct as follow:

- Communicated the Code of Conduct to all directors and requested their acknowledgment in written, including creating awareness on this matter, which covered 100 percent.
- Provided an e-learning programme on Code of Conduct together with a test for the executives and employees at all levels of the Company, including new employee orientation, which covered 100 percent.
- In 2023, it was not found that there was any persons performed their duties against the Code of Conduct.

In addition, the Company has determined the Supplier Code of Conduct and Guideline with the intention to promote suppliers to operate business sustainably and in accordance with the Company's business practices. It is also an opportunity for the Company and suppliers to participate in social and environmental development to create sustainable growth together.

The details of "Code of Conduct" and "Supplier Code of Conduct and Guidelines" could be found in the appendix of this report or the Company's website at <https://www.sritranggloves.com/en/corporate-info/corporate-governance/corporate-policy>

*The Company's Board of Directors has reviewed the Code of Business Ethics on an annual basis. In 2023, the Board of Directors' meeting which considered and reviewed the Code, found that the current version of the Business Ethics Code remains consistent with the principles and goals of its business operation, as well as continues to effectively support the performance in said area and the business operations of the Company.*



*In 2023, the Company respected the basic rights of shareholders as defined by the law, regulations and the Company's code of conduct by treating all shareholders equally, having in place a mechanism that provide confidence to shareholders that they will receive accurate and appropriate information, as well as fair compensation according to the Company's dividend payment policy, internal control measures governing connected transactions, measures to prevent conflicts of interest and the use of inside information whereby directors, executives and employees who receive such confidential information are prohibited from using said information of the Company and its subsidiaries for personal benefit. They (directors, executives and employees) are also prohibited from acquiring or disposing of the Company's securities during the period of 1 month prior to the releasing of the Company's financial statements to the public and not less than 24 hours after the publishing of the financial statements. In addition, the Company also reports the operating results of the business on a quarterly basis and discloses transactions with related persons on the same terms as with outsiders through the news system of the Stock Exchange, SGX, and the Company's website as well.*

The Code of Conduct consist of:

### **Code of Ethics on Responsibility to Shareholders**

The Company realizes the importance of protecting the rights of all shareholders, whereby no action would be taken that would violate or infer the rights of shareholders. The Company is further committed to conducting business to create added value for shareholders in the long term and treating all shareholders fairly and equitably. The Company has thus set a policy and disclosed to the public through various media of the Company to promote, support and facilitate shareholders to exercise their rights in various matters as appropriate. This includes basic legal rights and the right to receive important information, right to propose the agenda of the shareholders' meeting and nominating persons who should be elected as directors of the Company as well as the right to attend and vote in the shareholders' meeting. The guidelines for exercising such rights are regularly revised and developed for the best interests of shareholders.

The Company has a policy for all directors to have the duty to attend every shareholder meeting unless there is a reasonable necessity and assigns the Company Secretary to be responsible for the proceedings of the shareholders' meeting to be held properly, transparently, and efficiently to facilitate the shareholders equally at every meeting including allowing shareholders to exercise their rights. Moreover, the Company has used technology in the meeting such as the Barcode system or via electronic media whereby shareholders can attend the meeting from any location both domestically and abroad.

### **Code of Ethics on Customer Relations**

The Company is committed to creating satisfaction and confidence to its customers in getting good products and services to meet desired quality and standards at an affordable price and to disclose complete, correct and timely news and information about products and services as well as to maintain a good and sustainable relationship and strict compliance with various conditions of customers.

In addition, the Company has set a system for customers to make complaints about products and services as well as arranging customer satisfaction inquiries and summarizing the data for analysis.

*In 2023, complaints and suggestions from customers were analyzed to identify the causes and appropriate corrective actions to be undertaken, followed up on and adapted so that similar occurrences can be prevented. Best efforts are also made to provide customers with a quick response. In evaluating customer satisfaction, the Company has set goals to improve and develop products and services in the future, including engagement in sustainable business operations in environmental dimensions, social dimensions, and corporate governance (ESG) dimensions. Details of goal setting and customer satisfaction assessment results appear in the Sustainability Report, Section "Social Operations", under the topic "Responsibility towards Customers and Consumers" at the company website <https://www.sritranggloves.com/th/downloads/sd-report>*

Moreover, the Company also places importance on maintaining customer confidentiality whereby customer information is not unlawfully used for personal gain or for the benefit of others who may have access or are involved in handling such information.

## Code of Ethics on Relationships with Trade Partners and Competitors

### (1) Relationship with Trade Partners

The Company pays attention to the selection of trading partners, whereby the Company considers selecting potential and suitable suppliers according to the mission of the Company and dealing with all of them fairly and equitably following various conditions strictly, transparently, and accountably. This includes avoiding doing business with suppliers that offer any dishonest interests, seeking solutions based on business relationships. In the event that conditions cannot be met, the Company shall promptly notify trading partners in advance to jointly consider finding solutions based on reasonable principles.

*In 2023, the Company complied with the trade terms and conditions and provided accurate information thereof, including where procurement is concerned whereby all transactions were transparent, fair and non-discriminatory with consideration given to the quality, standards, and prices of products and services, including other important procurement criteria. The Company also has in place a procurement process that emphasizes Green Procurement, whereby trading partners are encouraged to conduct business sustainably in line with the Company's business methods, through promotion of knowledge and understanding for trading partners to be socially responsible and willing to work together to care for the environment. The Company has implemented a supplier assessment form in the BSCI Code of Conduct, SMETA system that covers both social and environmental aspects which is also applied to the annual performance assessment of important trading partners. The Company focuses on building good relationships and understanding with its trading partners, including not soliciting or accepting property, or any other benefits which is outside of the trade agreement, resulting in there being no complaints or findings of any audit that the Company had breached the anti-corruption policy.*

*The Company has formalized a policy to protect the personal information of external parties which covers the protection of customer personal information in accordance with the Personal Data Protection Act, whereby the purpose of processing personal data is clearly specified, such as to carry out transactions, to be used as information for preparing contracts, to process payments, to process orders/payments and use them as supporting evidence of receipt/payment of money, etc., as well as stipulating the legal rights of customers as owners of their personal data. Further details are available under "Personal Data Protection Policy for Third Parties" on the Company's website <https://www.sritranggloves.com/th/privacy-notice>*

### (2) Relations with Competitors

The Company promotes free and fair-trade competition policy by competing in trade within the framework of fair competition. The Company has no agreement with competitors or other business operators that monopolize or reduce market competition. The Company shall not seek the competitor's confidential information through illegal, dishonest or improper means and shall not try to destroy the reputation of its competitors by making false accusation, being untruthful or unfair.

*In the past year, there were no legal disputes between the Company and any of its competitors.*

*In 2023, the Company complied with the conditions required by trade creditors and financial institution creditors as agreed in the respective contract. In fact, the Company has no history of any dispute regarding creditors.*

### Code of Conduct for Treatment of Creditors

The Company adheres to the guidelines on treatment of creditors with fairness, responsibility, transparency, and equality. The Company must strictly conform to the terms and conditions of the agreements and financial obligations, in respect to the repayment of principal and interest in accuracy and on time, capital management, and maintenance of collateral under relevant agreements, including not utilizing the loan proceeds in any way that is contrary to the objectives and not concealing any information and facts that may cause damage to the creditors. In the event that the Company is unable to comply with any terms, conditions, or obligations under the agreements, the Company shall inform the creditors without delay in order to jointly find a solution and prevent damage. In addition, the Company has operated its business to ensure creditors' financial status and good debt repayment ability as well as reporting financial information that is accurate, complete, and consistent.

### Code of Conduct for Responsibilities towards Employees

The Company pays attention to the development of potential, knowledge transfer and competence of employees by giving employees thorough and consistent opportunities, providing fair compensation and benefits to employees by taking their performance assessment into consideration. This includes the consideration of appointment, transfer, reward and punishment of employees which must be done with equality, honesty and based on knowledge, capability and suitability. The Company shall listen to opinions and suggestions from employees at all levels equally and equitably and strictly comply with various laws and regulations involving employees without discrimination and with respect to human dignity. In addition, the Company also supports and promotes the use of innovation and modern technology in its operations.

*The Company is aware that human resources management is a matter of great importance to business success and sustainable growth of the Company. The Group has set directions for personnel development and management of the organization continuously from the management level to the operational level. In 2023 the Company has carried out various tasks related to the treatment of employees, the details of which are available in Section 7, Corporate Governance Structure, Section 7.5, Information about Employees, and in the Sustainability Report, in the section "Social Operations", topic "Employee Care and Development" at <https://www.sritranggloves.com/th/downloads/sd-report>*

## Code of Conduct for Social and Environmental Responsibilities

The Company has a policy to operate business with social and environmental responsibility by practicing and cooperating or control to strictly perform according to the spirit of the law and regulations issued by regulators as well as regulations and standards related to the environment, occupational health, and safety. The Company shall consider alternatives to natural resource utilization with the least impact on the damage to society, the environment, and the quality of life of the people and shall support the development of projects and activities that benefit society and the environment and shall continuously cultivate the awareness of social and environmental responsibility among employees at all levels.

In addition, the Company gives importance to transactions with trading partners who share the same intentions as the Company in regard to social and environmental responsibility. The Company is also a leader in promoting efficient use and conservation of energy for the benefit of future generations and gives importance to participation in community and social activities focusing on social, community and environmental development.

## Code of Conduct for Treatment with Political Community

The Board of Directors, senior managers and employees should exercise their rights as good citizens in accordance with the constitution and other relevant laws. Everyone has the right to engage in political activities on his own behalf outside of office hours and not on behalf of the Company. The Company therefore has a requirement that directors, senior managers and employees are prohibited from participating in any activities that may lead to the understanding that the Company is involved in or supports a political party in any way, and it is prohibited to use the Company's property for support of any political party.

*In 2023, the Company has established safety guidelines and organized safety activities for employees, including the establishment of a workplace committee on safety, occupational health and the environment, recruiting representatives of operational employees to join the said committee. In addition, the Company has the set goal of reducing the number of work-related deaths of employees and contractors to zero, and the number of employees who develop work-related diseases to zero as well. Statistics of work-related accidents, which have decreased, and performance in the field of occupational health and safety are disclosed in the Sustainability Report, in the section "Social Operations", under the topic "Occupational Health and Safety" at <https://www.sritranggloves.com/en/downloads/sd-report>*

*In addition, the Company also encourages employees to use resources efficiently and conserve energy, as well as promoting waste management through various activities within the organization, such as the recycled waste in exchange for eggs project, in order to increase awareness and create mindfulness of environmental protection, including continuous responsibility towards the community and society, details of which are disclosed in the Company's Sustainability Report.*



*In addition, the Company has prepared and regularly reviewed policies on human rights and non-discrimination. It also complies with human rights principles in caring for labor welfare according to international standards. The Group's performance in these areas is disclosed in the Sustainability Report, section "Social Operations", under the topic "Human Rights Operations". <https://www.sritranggloves.com/th/downloads/sd-report>*

### Code of Conduct for Respect for Human Rights

The Company realizes the importance of respect for human rights and the Company and employees will treat each other with courtesy, respect, and equality. Everyone has the opportunity to learn and develop to their fullest potential and has the liberty of expressing opinions so long as it does not infringe on the personal freedom of others. Therefore, directors, senior managers and employees have duties and responsibilities in promoting rights in accordance with social and international regulations in every respect where the Company conducts business to ensure that the operation of such business does not include any actions or omissions which violate human rights.

### Code of Conduct for Conflict of Interests

The Company has a requirement that directors, senior executives and employees must not spend time or the Company's resources for personal business benefit and must avoid situations that may influence work or decision making or it may affect the loyalty that the person should have with the Company, for example, the use of a position in the Company for purchasing or hiring a family member, friend, or someone close to them and the use of positions in the Company to influence personal business interests, etc.

*The Corporate Group requires employees at all levels to review and answer the electronic Conflict of Interest Report form every year. In 2023, 100 percent of all directors and executives (according to the definition of the Capital Market Supervisory Board) of the Company responded to the form. Furthermore, every director and executive has also prepared their own Interest Report form as part of the annual review as well.*

### Code of Conduct for Intellectual Property and Copyrighted Work

The directors and senior executives shall be responsible for raising awareness among all employees to honor and respect the intellectual property rights of others. The Company shall obtain permission from a person who legally owns the intellectual property prior to the use of said intellectual property of such person. The Company also aims to promote and support all employees to create innovations related to the business in new forms, having no duplicate works with trademarks, copyrights, or patents of others. Employees shall be careful not to disclose or publish information and the Company's confidentiality to outsiders as well as not taking the Company's intellectual property to use for personal benefit or publicize without permission from the Company.

## 6.3 Significant changes and development to corporate governance policies, guidelines, and system in the previous year

In 2023, the Company has a significant changes and developments of corporate governance system which can be summarized as follows:

- 1) The Company's Non-Executive Directors ("NED") met amongst themselves 1 time on 29 November 2023 to discuss the domestic and international industry, investment and political situation that may impact or have bearing on business operations, including the role and duty of the Audit Committee in examining the use of funds according to the Company's fundraising objectives, according to the circular letter of the SEC Office concerning good practices of the Audit Committee to prevent and suppress inappropriate behavior of listed companies. A report was submitted to the Chief Executive Officer (CEO) to acknowledge the results of the said meeting.
- 2) The Board of Directors has considered and reviewed the Charter of the Board of Directors, as well as sub-committees namely the Audit Committee, Risk Management Committee and executive committee and found that the current version is still appropriate and consistent with relevant guidelines, as well as continues to effectively support efficient operation. Therefore, no further amendment is required at this time. The charters of the Nomination Committee and the Remuneration Committee have been revised in the parts pertaining to the term of office and sending meeting notices to ensure clarity in interpretation and flexibility in operation. In addition, amendments were also approved to the charters of the Corporate Governance and Sustainable Development committees in terms of duties and responsibilities, so as to be consistent with international standards IFRS S1 and IFRS S2, which focus on roles and duties in considering, setting, and reviewing goals, strategies, risks, and opportunities related to the Company's sustainable development. as well as supervising, inspecting, and following up on corporate governance performance, sustainability development and management related to climate change, including defining, reviewing, and improving related policies and/or practices, and managing such climate risks as well as considering and setting guidelines and operational strategies and activities to reduce greenhouse gas emissions.
- 3) The Board of Directors has considered and reviewed the organizational strategy and approved the addition of organizational flexibility (Enhanced Resilience) to the "Best Performance" strategy in accordance with IFRS S1 standards in order to reflect the organization's agile adaptability in the midst of a rapid-changing world which includes adapting to the arrival of new technology and innovations that will change the business environment.
- 4) The Company's Board of Directors has approved the setting of sustainability goals in the corporate governance dimension (Governance: G) i.e. conducting business with the principles of good governance and business ethics, which continually receives excellent corporate governance evaluations (Excellent CG Scoring) from the project to survey corporate governance of listed companies (Corporate Governance Report for Thai Listed Companies: CGR) of the Thai Institute of Directors Association with an overall average score equal to or higher than last year. Including requiring the continuous awarding of the anti-corruption certification from the Anti-Corruption Coalition Project of the Thai Private Sector Collective Action Against Corruption or CAC.
- 5) The Company has appointed a person responsible for compliance to oversee compliance with laws, regulations, requirements and standard policies. In addition to the Company's internal legal department, the Company also appointed a legal audit and review committee on February 23, 2023, consisting of officials from the Human Resources Department, Occupational Health and Safety Department, Engineering Department, Information Technology Department, Legal Department, Quality System Division and Regulatory & Standard Division, etc.,

with duties and responsibilities as follows:

- Consider the consistency of laws related to business operations. When the law is revised
- Communicate changed legal information to relevant parties to enable them to practice correctly
- Review and update legal information to always be current and in line with the Company's regulations, requirements and standard policies.

## Applying the 2017 Principles of Good Corporate Governance for Listed Companies

Since the Company attaches great importance to the development of its operating guidelines in line with the principles of good corporate governance, in 2023 the Board of Directors considered and reviewed the application of the Principles of Good Corporate Governance for Listed Companies of 2017 (Corporate Governance Code) of the SEC Office to determine whether said application/implementation is appropriate for the business context of the Company in terms of encompassing and keeping up with key developments regarding the principles of good corporate governance that change regularly, the Company has followed the corporate governance code for listed companies except in certain provisions which the Company still is not able to put into practice, the details of which are as follows.

Provision not yet put into practice	Explanation
The chairman of the Nomination Committee should be an independent director	The Nomination Committee consists of 3 directors, 2 of whom are independent directors and 1 executive director who is the committee's chairman. However, independent directors are the majority in the current composition of the Committee and all directors are independent in expressing their opinions and performing their duties without any intervention from the management.
The stipulation that Cumulative Voting is used as the voting method for electing directors	Under the Company's articles of association, the shareholders' meeting has been assigned to elect company directors using majority vote as a meeting resolution, and requires that one shareholder have votes equal to the number of shares he or she holds. Therefore, the Company has not adopted and implemented this voting method. However, the Company has determined and has other methods for taking care of the rights of minor shareholders as required by law, such as the rights of shareholders in presenting the meeting agenda for shareholders, etc.
Preparation and disclosure of the remuneration policy for the Chief Executive Officer or equivalent position	The Company has disclosed policies and criteria for remuneration of senior executives, including the rate of compensation and provident fund contributions of senior executives, which includes the remuneration of the Chief Executive Officer (CEO). The remuneration of executives and employees is consistent with both short-term and long-term business goals, including the use of performance-based evaluation of the Chief Executive Officer (CEO), executives, and employees.

In addition to complying with the 2017 Corporate Governance Code, the Company has also complied with other criteria, whether it be the criteria according to the project to survey corporate governance of Thai listed companies and listed companies at the ASEAN level which is assessed by the Thai Institute of Directors Association (IOD), the assessment of the quality of annual general meeting of shareholders (AGM Checklist) which is assessed by the Thai Investors Association, including the criteria for evaluating SET ESG Ratings by the Stock Exchange of Thailand.

### Practice in other matters according to the principles of good corporate governance

The Board of Directors places importance on disclosing important information of the Company in a correct, adequate, timely and equitable manner in accordance with the rules, standards and guidelines related to the disclosure of financial and non-financial information. Such care in the matter extends to the establishment of an investor relations department to perform the duty of communicating with shareholders and stakeholders in an appropriate, equitable and timely manner to be useful in making investment decisions. The Company's investor relations department have published important information and various activities to regularly provide information to shareholders and investors, both domestic and international, both in the form of analyst meetings held on a quarterly basis and meetings with institutional investors both in the country and abroad (Local & International Roadshow/ Conference) which are held continuously throughout the year. Through the communication channels of the Stock Exchange of Thailand, financial institutions and securities companies, both domestic and international. Moreover, direct contact with the investor relations department is also an option through the virtual conference system using Microsoft Team, Zoom, and Webex, etc. In addition, the investor relations department also has activities and meetings to provide information to credit rating agencies with the goal of letting analysts and investors know the direction and opportunities of the Company's business operations. In 2023, the Company organized total of 13 meeting activities with investors, fund managers, media, both domestic and international, of which the important activities are as follows:

Activities	Hosted by	Date of Activity
4 quarterly Analyst Meetings	The Company	21 February 2023
		16 May 2023
		22 August 2023
		16 November 2023
9 Meetings with foreign analysts and fund managers	The Company	

In addition, the Company also communicates with stakeholders through various other channels, such as contacting for information by telephone and e-mail, press releases, and disclosing company information. through the news system of the Stock Exchange of Thailand, etc.

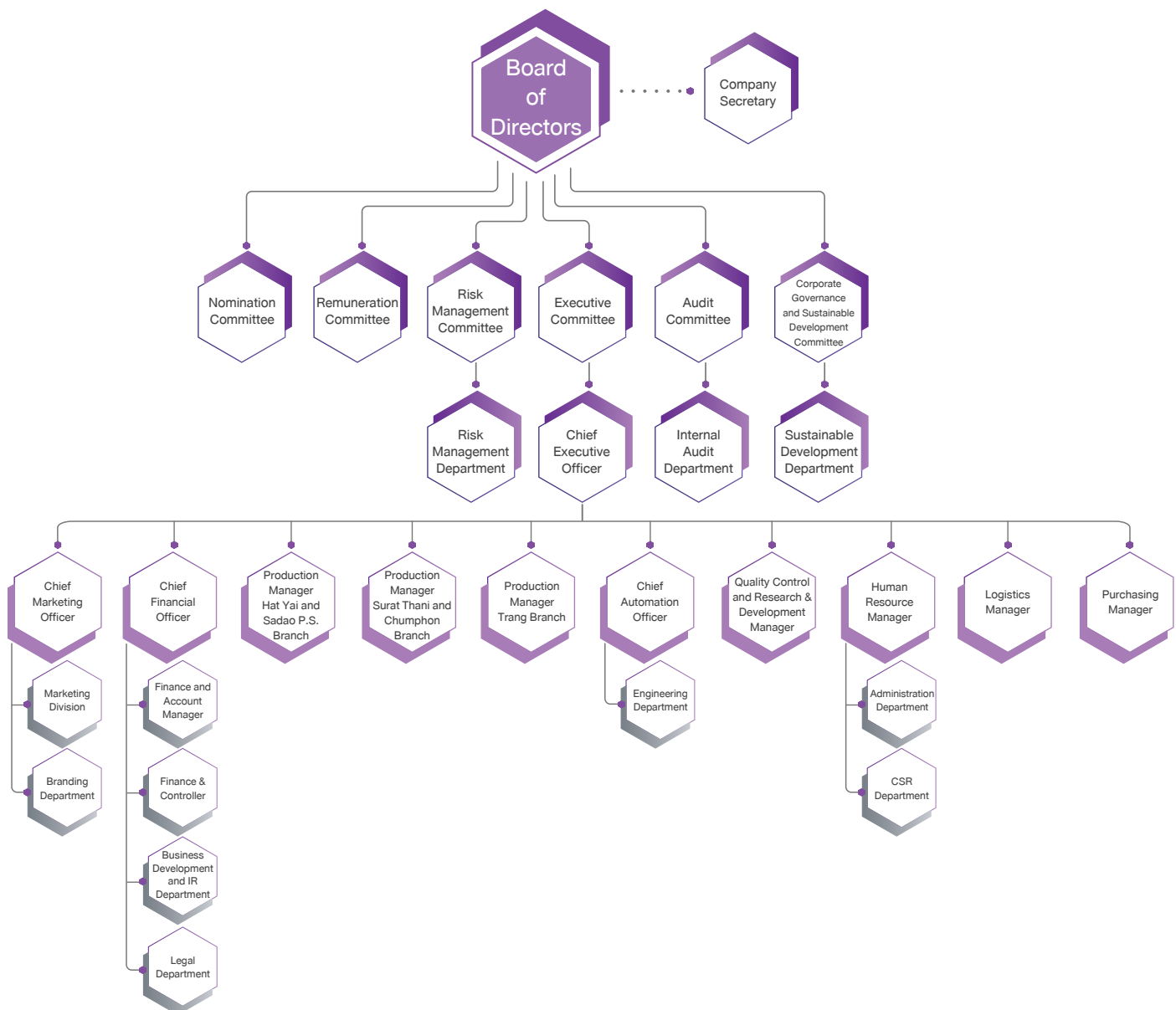
Details of the Company's investor relations department appear in 7.6 Other significant information - Investor Relations Department.



# 7

## Corporate Governance Structure and Material Facts concerning the Board of Directors, Sub-committees, management, employees, and others.

### 7.1 Corporate Governance Structure as of 31 December 2023



## The Board of Directors

The Board of Directors consists of the members who have knowledge, capability, experience beneficial to the Company and diversified skills necessary for the Company's business, being loyal, honest, and having the integrity in business operations, including devoting sufficient time to perform their duties for the Company, as well as to possess all qualifications and do not have the prohibited characteristics under the laws.

As of 31 December 2023, the Board of Directors comprised of 12 members that is suitable for the size and business strategy of the Company as follows. In the past year, no independent directors and non-executive directors resigned due to corporate governance issues, and neither the entire group of independent directors nor audit committee resigned. Furthermore, no director committed any misconduct due to ethical difficulties, and there was no news or case of being penalized, accused, or taking civil action by regulatory agencies against corruption.

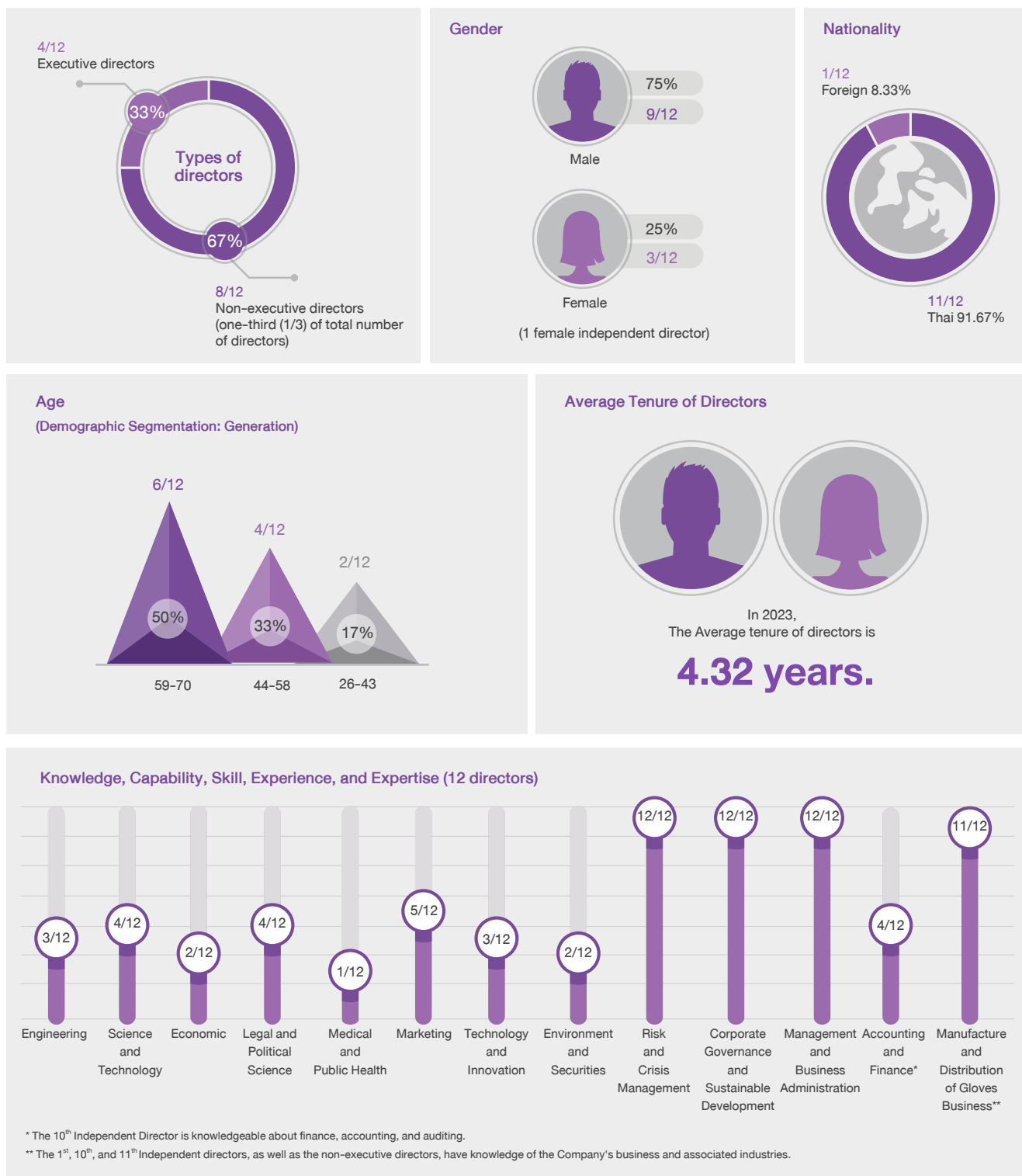
Name of directors	Age	Gender	Position	Date of Appointment
1. Professor Dr. Weerakorn Ongsakul	56	Male	Chairman / Independent Director / Chairman of Audit Committee / Chairman of Remuneration Committee / Member of Nomination Committee / Member of Risk Management Committee	31 May 2019
2. Mr. Kitichai Sincharoenkul	64	Male	Vice Chairman / Chairman of Nomination Committee / Member of Remuneration Committee / Member of Executive Committee (Authorized Director)	1 April 2019
3. Dr. Viyavood Sincharoenkul	68	Male	Director and Chairman of Executive Committee (Authorized Director)	1 April 2019
4. Mr. Anan Pruksanusak	69	Male	Director and Member of Executive Committee (Authorized Director)	1 April 2019
5. Mr. Veerasith Sinchareonkul	39	Male	Director / Chairman of Risk Management Committee / Member of Executive Committee (Authorized Director)	1 April 2019
6. Mr. Vitanath Sincharoenkul	33	Male	Director / Member of Executive Committee / Chairman of Corporate Governance and Sustainable Development Committee (Authorized Director)	1 April 2019
7. Ms. Jarinya Jirojkul	52	Female	Director / Member of Risk Management Committee / Member of Corporate Governance and Sustainable Development Committee / Member of Executive (Authorized Director)	1 April 2019
8. Ms. Thanawan Sa-ngiamsak	45	Female	Director / Member of Risk Management Committee / Member of Corporate Governance and Sustainable Development Committee (Authorized Director)	1 April 2019
9. Mr. Chia Chee Ping	55	Male	Director (Authorized Director)	1 April 2019
10. Mrs. Unakorn Phruithithada	66	Female	Independent Director / Member of Audit Committee	31 May 2019
11. Gen. Bundit Boonyapan	65	Male	Independent Director / Member of Audit Committee / Member of Corporate Governance and Sustainable Development Committee / Member of Nomination Committee / Member of Remuneration Committee	25 December 2020
12. Mr. Thanatip Upatising	63	Male	Independent Director	7 April 2022

Remarks: The directors No.2 – 9 are authorized to sign on behalf of the Company. Two out of the aforementioned eight directors jointly sign and affix the Company seal.

## Board Skill Matrix and Board Diversity

List of Directors	Gender	Age	Work Experience in relation to Company's Business	Educations and Experiences											
				Management and Business Administration	Accounting and Finance	Engineering	Science and Technology	Economic	Legal and Political Science	Medical and Public Health	Marketing	Technology and Innovation	Environment and Securities	Risk and Crisis Management	Corporate Governance and Sustainable Development
1. Prof.Dr. Weerakorn Ongsakul	M	56	●	●		●	●							●	●
2. Mr. Kitichai Sincharoenkul	M	64	●	●				●	●					●	●
3. Dr. Viyavood Sincharoenkul	M	68	●	●			●				●	●		●	●
4. Mr. Veerasith Sinchareonkul	M	39	●	●	●		●				●			●	●
5. Mr. Anan Pruksanusak	M	69	●	●									●	●	●
6. Mr. Vitanath Sincharoenkul	M	33	●	●							●	●		●	●
7. Ms. Jarinya Jirojkul	F	52	●	●		●	●				●	●	●	●	●
8. Ms. Thanawan Sa-ngiamsak	F	45	●	●	●			●	●					●	●
9. Mr. Chia Chee Ping	M	55	●	●	●					●	●			●	●
10. Mrs. Unakorn Phruithithada	F	66	●	●	●									●	●
11. Gen. Bundit Boonyapan	M	65	●	●		●			●					●	●
12. Mr. Thanatip Upatising	M	63	●	●					●					●	●

## Board Skill Matrix and Board Diversity



In addition, the Company places importance on the diversity in the structure of the Board of Directors (Board Diversity), including but not limited to, race, religion, national origin and gender, the expertise and experience are useful and consistent with the Company's business operations. The Company believes that a diverse structure will broaden perspectives and increase efficiency in the Board of Directors' performance, and also supports the contribution of women on the board of directors by setting the target for the composition of Board of Directors that the board should consist of at least 2 female directors. Currently, the Board of Directors of the Company is still consistent with the specified target.

## Authorized Directors

The Board of Directors have authority to approve relevant matters of the Company in accordance with the scope of duties as defined by law, the articles of association, charter of the board of directors, resolution of the shareholders' meeting and the board of directors' meeting which the number and name of the authorized directors of the Company according to the company's affidavit as follows:

Mr. Viyavood Sincharoenkul, Mr. Anan Pruksanusak, Mr. Kitichai Sincharoenkul, Mr. Veerasith Sinchareonkul, Ms. Thanawan Sa-ngiamsak, Mr. Chia Chee Ping, Mr. Vitanath Sincharoenkul, Ms. Jarinya Jirojkul; two of these eight authorized directors may jointly sign and affix with the Company's seal.

## Charter of the Board of Directors

The Board of Directors' Charter is reviewed annually. Last year, there was a resolution to approve the review of the Charter formalize and compile the composition, appointment, and qualifications of the Board of Directors, including terms of office and retirement from office, meetings, performance evaluations. and other related matters as well as reviewing the scope and authority of the Board of Directors to keep up with the current situation and serve as guidelines for the Board of Directors.

In addition, the Board of Directors has also reviewed the charters of sub-committees, including the Audit Committee, Risk Management Committee, Nomination Committee, Remuneration Committee, the Corporate Governance and Sustainable Development Committee and the Executive Committee. Furthermore, the scope of authority and duties of the Chief Executive Officer has also been redefined. The full charter is available on the Company's website in the "Corporate info" section, access by selecting the topic "Corporate Governance" in the "Charter for the Board of Directors" section at <https://www.sritranggloves.com/en/corporate-info/corporate-governance/committee-charter>

## Authority, Duties, and Responsibilities of the Board of Directors

- (1) To perform the duties with responsibility, have duty of care and duty of loyalty and ensure that the business of the Company and its subsidiaries complies with the law, objective, the articles of association, Charter of the board of directors, resolution of the board of directors' meeting and the general meeting of shareholders for the best interest of the Company.
- (2) To ensure that the Company and its subsidiaries comply with all such law relating to the business operations of the Company and its subsidiaries including the law on anti-corruption.
- (3) To put in place a written policy for good corporate governance and effectively implement such policy to ensure that the company is accountable to and acts in fairness to all stakeholders.
- (4) To develop visions, mission and business policies including main goals of the Company and its subsidiaries for sustainability, and to consider and approve policies and direction for business proposed by the management and to supervise and ensure that the management comply with such vision, missions and business policies including main goal of the Company and its subsidiaries with the aim to achieve added economic value for shareholders taking into consideration all relevant stakeholders.
- (5) To ensure the preparation of strategies, annual work plan and annual budget of the Company and its subsidiaries are in line with the main objective and goals of the Company, encourage preparation or review of business objectives, goals and strategies in mid-term ranging from three to five years, and to encourage to appropriate and safe use of innovations and technology and to exercise monitoring control of information technology.
- (6) To exercise the monitoring and supervision power over the management to ensure effective compliance with the defined policies, work plans and budgets.
- (7) To approve investments in and divestments of equity instruments and/or debt instruments as may be appropriate.



- (8) To regularly follow up on operating results, financial positions and sufficiency of financial liquidity and affordability ratio of the Company and its subsidiaries to ensure compliance with relevant business plan and budgets.
- (9) To have financial statements prepared for the Company and its subsidiaries at the end of each accounting period to be proposed to the general meeting of shareholders at each Annual General Meeting for consideration and approval.
- (10) To have an annual report prepared for the Company and to be responsible for the preparation and disclosure of consolidated financial statements to present information on financial positions and operating results of the Company and its subsidiaries in the previous year which shall be proposed to the general meeting of shareholders for consideration and approval.
- (11) To hold an Annual General Meeting of shareholders within four months from the end of the financial year of the Company.
- (12) To consider and approve appointment of qualified persons who do not possess characteristics prohibited under the Public Limited Company Act, B.E. 2535 (as amended), the Securities and Exchange Act, B.E. 2535 (as amended) including notifications, regulations and/or relevant rules to be new directors or to replace former directors whose office becomes vacant due to other reasons than retirement by rotation, or to propose to the general meeting of shareholders to consider and approve the appointment of directors who retire by rotation and to determine remuneration for directors based on the advice of the Nomination Committee and the Remuneration Committee for consideration and approval by the general meeting of shareholders.
- (13) To consider, appoint or amend composition of sub-committees including the Executive Committee, the Audit Committee, the Risk Management Committee, the Nomination Committee, the Remuneration Committee, and the Corporate Governance and Sustainable Development Committee to assist and support functions of the Board of Directors as may be appropriate and to determine remuneration for

sub-committee (within the limits approved by the general meeting of shareholders).

- (14) To consider, determine and change name list of authorized directors.
- (15) To consider and appoint directors or executives of subsidiaries at least in proportion of the Company's shareholding percentage in such subsidiaries and to determine clear scope of powers and responsibilities for such directors and executives in subsidiaries. This includes determination of clear scope of powers for directors and executives to exercise their votes in the Board of Directors' meetings of subsidiaries, material transactions which require prior approval from the Board of Directors in order to ensure that the management is in accordance with the Company's policies and the law in such areas as complete and accurate disclosure of financial information, operating results, related party transactions and acquisition or disposal of material assets.
- (16) The Board of Directors may authorize and/or delegate other persons to perform specific tasks on its behalf. Such authorization or sub-delegation of power shall be within the scope of powers under the relevant Power of Attorney and/or in accordance with the rules, regulations or instructions given by the Board of Directors and/or the Company.

The assignment of powers, duties and responsibilities of the Board of Directors shall not result in the delegation and sub-delegation which allows the Board of Directors and/or its delegated persons to approve transactions in which they or persons with possible conflict of interests (as defined under the Notification of the SEC and/or the Notifications of the Capital Market Supervisory Board and/or the SET and/or relevant regulatory authorities) may have a conflict of interests or may benefit in any way or may have such other conflict of interests with the Company or its subsidiaries. Exception is in case where the approval is for transactions that are in compliance with the policies and requirements approved by the general meeting of shareholders or the Board of Directors of the Company, which are for the normal course of business and have normal

commercial terms in compliance with the Notifications of the SEC and/or the Notifications of the Capital Market Supervisory Board and/or the SET and/or relevant regulatory authorities.

- (17) To determine organizational structure and management structure.
- (18) To appoint a Company Secretary who has the necessary and appropriate knowledge and experience to support functions of the Board of Directors and to provide scope of powers and duties of the Company Secretary.
- (19) To appoint a Chief Executive Officer based on the proposal from the Nomination Committee and to carry out performance assessment of and determine remuneration for the Chief Executive Officer based on the proposal from the Remuneration Committee.
- (20) To approve the nomination and selection of auditors for the Company and its subsidiaries and to determine appropriate level of auditors' fees before proposing the matter to the Annual General Meeting of shareholders to consider and approve.
- (21) To ensure that the Company and its subsidiaries maintain an appropriate and efficient accounting system, reliable financial reporting and auditing, including sufficient and effective internal control and internal audit and to regularly carry out an assessment of the appropriateness of the internal control of the Company and its subsidiaries.
- (22) To approve the Risk Management Policy and the Internal Control Policy that are appropriate and are in line with the objectives, main goals and strategies of the organization and to ensure that risk management procedures are put in place to appropriately mitigate impacts on the business of the Company and its subsidiaries and to follow up on the performance of the Risk Management Committee.
- (23) To consider and approve connected transactions between the Company/ its subsidiaries and connected persons in accordance with the provisions under the Securities and Exchange Act, B.E. 2535 (as amended) including relevant rules and regulations of the SET and the SEC, and to

consider and approve principles of arms' length basis for transactions between the Company/ its subsidiaries with directors, executives or related persons to provide a framework within which the management may enter into this type of transaction in accordance with relevant laws and regulations.

- (24) To supervise management and operations of the Company and its subsidiaries to ensure compliance with policies of the Company, securities law including relevant notification and regulations of the Capital Market Supervisory Board, the Office of the SEC and the SET in such matters as connected transactions and acquisition and disposal of material assets so far as it is not contradictory to or inconsistent with other laws, and to put in place sufficient and appropriate internal control and internal audit system.
- (25) To consider and approve incorporation, merger or dissolution of subsidiaries.
- (26) To consider and approve payment of interim dividends to shareholders when the Board of Directors considers that the Company's profits justify such payment of interim dividends and shall report to the subsequent general meeting of shareholders of the interim dividend payment.
- (27) To ensure that the Company makes appropriate, accurate, complete and timely disclosure of information to stakeholders, persons with conflict of interests and related persons.
- (28) To seek professional opinion from third parties when it is necessary for the Board of Directors to make an appropriate decision.
- (29) To ensure that the Company puts in place a clear policy and guideline on how complaints are handled and require that the Company prepare and improve its complaints handling policy to be in line with relevant rules and regulations and the changing circumstances.
- (30) To ensure that the management of the Company provides persons who are responsible for investors relation to perform the duties of communicating with each group of shareholders and other stakeholders such as investors and analysts.
- (31) To review and revise the Charter for the Board of Directors at least once a year.

## Separation of the Chairman and the Chief Executive Officer Positions

The Board of Directors shall determine a clear scope of powers and duties for the Chairman and the Chief Executive Officer to prevent cases where anyone of these two positions to have unlimited power. The Company will have different persons hold the positions of Chairman and Chief Executive Officer. The Chairman will not participate in managing day-to-day operation which is the responsibility of the Chief Executive Officer. This is for the balance of power between the Board of Directors and the management.

## Duties and Responsibilities of the Chairman

- (1) Oversee, follow up on and ensure that the Board of Directors performs its duties efficiently and in accordance with the objectives and main goals of the organization;
- (2) Ensure that all directors participate in the promotion of corporate culture of ethics and good corporate governance;
- (3) Set out agenda items for the Board of Directors' meetings in consultation with the Chief Executive Officer and put in place a mechanism to include material issues in the agenda items for the meetings;
- (4) Allocate sufficient time for the management to propose and have a careful debate of the material issues. This includes encouraging directors to exercise careful discretion and express their independent opinions; and
- (5) To promote good relationships among executive and non-executive directors and between the Board of Directors and the management.

## Independence of the Chairman

The Chairman has an important role as the leader of the Board of Directors. It views that independence is an important factor for election of the Chairman. At present, Professor Dr. Weerakorn Ongsakul, an independent director, holds the position of Chairman of Board of Directors.

## Duties and Responsibilities of Chief Executive Officer

- (1) To set out visions and directions for business, business policies and strategies, business targets including work plan and annual budgets for the Company and its subsidiaries and to determine management structure and powers to be proposed to the Executive Committee and/or the Board of Directors for further approval;
- (2) To communicate visions and directions for business, business policies and strategies that have been approved by the Board of Directors for the senior executives of the Company to adopt them as a framework in devising work plan and in managing business of each work unit;
- (3) To supervise the business operations of the Company to be in compliance with work plans and laws, rules and regulations of relevant regulatory agencies including regulations and the Company's Articles of Association and to achieve both targeted financial and non-financial operating results;
- (4) To follow up on, monitor and supervise operating results of the Company, its subsidiaries and to report the same to the Board of Directors of the Company in every quarter, and to identify new business opportunities and to be in charge of business development of the Company and its subsidiaries;
- (5) To approve expenses and remunerations payable under the budget, work plan and framework approved by the Executive Committee and/or the Board of Directors and the Table of Authority that has been approved by the Board of Directors of the Company;
- (6) To have the power to issue orders, regulations, announcements, memorandum and rules to ensure compliance with policies for the benefit of the Company and to maintain work disciplines within the organization;
- (7) To ensure that the Company puts in place an appropriate internal control system in accordance with guidelines given by the Audit Committee and/or the Board of Directors of the Company;
- (8) To ensure that the Company puts in place an appropriate risk management and control in accordance with guidelines given by the Risk Management Committee and/or the Audit Committee and/or the Board of Directors of the Company;



- (9) To be in charge of the overview of human resources management of the Company;
- (10) To consider and approve the employment, termination of employment, promotion, disciplinary action, relocation, adjustment to work ranking, increase in salary or adjustment to salary rates, to consider merits of the Company's employees and to be responsible for the management of these persons in accordance with the directions given by the Executive Committee subject to the budget approved by the Board of Directors of the Company;
- (11) To approve the engagement of advisers that are necessary for the operations of the Company's business in accordance with the Table of Authority that has been approved by the Board of Directors of the Company and to comply with the requirements of the SEC and the SET;
- (12) To represent the Company in the public relations of the Company particularly with respect to the enhancement of networks and good image of the organization both nationally and internationally;
- (13) To promote appropriate and regular communication with shareholders and to ensure that disclosures of the Company are transparent and meet relevant standards;
- (14) To have the power to sub-delegate and/or to assign other persons to perform certain task on behalf of the Chief Executive Officer. Such sub-delegation and/or assignment shall be within the scope of powers provided under the relevant Powers of Attorney and/or shall be in accordance with rules,

regulations or orders given by the Board of Directors and/or sub-committee and/or by the Company.

The assignment of powers, duties and responsibilities of the Chief Executive Officer or any persons delegated by the Chief Executive Officer shall not result in the Chief Executive Officer or persons delegated by the Chief Executive Officer being able to approve transactions in which they or persons with possible conflict of interests (as defined under the Notification of the SEC and/or the Notifications of the Capital Market Supervisory Board and/or the SET and/or relevant regulatory authorities) may have a conflict of interests or may benefit in any way or may have such other conflict of interests with the Company or its subsidiaries. Exception is in case where the approval is for transactions that are in compliance with the policies and requirements approved by the meeting of shareholders or the Board of Directors of the Company, which are for the normal course of business and have normal commercial terms in compliance with the Notifications of the SEC and/or the Notifications of the Capital Market Supervisory Board and/or the SET and/or relevant regulatory authorities.

- (15) To perform such other tasks and duties that are assigned by the Board of Directors and/or sub-committees subject to rules and regulations and the Articles of Association of the Company, securities law and relevant notifications, regulations and requirements of the Capital Market Supervisory Board, the SEC and the SET.

## 7.2 Details of the Sub-Committees

### The Audit Committee

The Board of Directors has appointed the audit committee to perform the duties in overseeing the operations and management to be standardized and are in accordance with the principle of accuracy, transparency and have reliable financial reporting system for the best interests of all relevant parties.

The Audit Committee comprises of 3 independent directors who meet all the qualifications under the Securities and Exchange Law, Notification of the Capital Market Supervisory Board, including notifications, regulations and/or regulations of the SET with the criteria according to the announcement of the Capital Market Supervisory Board and the SET. At least 1 member of the Audit Committee is required to have knowledge or experience in accounting and finance who can review the reliability of the financial statements. The members of Audit Committee must hold the following qualifications:

- (1) Having the qualifications as specified in the SET announcement on qualifications and scope of work of the Audit Committee.
- (2) Having the qualifications as that of an independent director who has the qualifications as specified in the Capital Market Supervisory Board Notification and related stock exchange announcements.
- (3) Not being a director assigned by the Board of Directors to make decisions on the business operations of the Company, parent company, subsidiaries, associate companies, major shareholders, or the Company's regulator.
- (4) Having other complete and appropriate qualifications, in accordance with law or requirements of government agencies.
- (5) Not having any other characteristics that make him/her incapable of expressing independent opinions with regard to the Company's operations.

As of 31 December 2023, the Audit Committee comprises of 3 independent directors as follows:

Name	Position
1. Professor Dr. Weerakorn Ongsakul	Chairman of Audit Committee
2. Mrs. Unakorn Phruithithada	Member of Audit Committee
3. Gen. Bundit Boonyapan	Member of Audit Committee
Ms. Narungsri Jiranakorn	Secretary of Audit Committee

In addition, Mrs. Unakorn Phruithithada is a director who has knowledge and sufficient experience in accounting, finance, or auditing to perform their duty in reviewing the reliability of the Company's financial statements. The qualifications and work experience appear in attachment 1 Details of Directors and Executives.





### Duties and Responsibilities of the Audit Committee

- (1) To review and approve a charter for the Department of Internal Audit and to review the suitability of such charter at least once a year.
- (2) To review and ensure that the financial report of the Company and its subsidiaries is accurate, reliable, and sufficient in accordance with the financial reporting standard by coordinating with external auditors and the management responsible for the preparation of the financial statements. In the course of the audit of the Company and its subsidiaries, the Audit Committee may advise the auditor to review or audit any matters deemed to be significant and necessary.
- (3) To review and ensure that the Company and its subsidiaries have put in place an internal control and internal audit that is suitable and efficient, to consider independence of the internal audit and to approve the appointment, relocation or termination of Head of Internal Audit or such other work units responsible for the internal audit.
- (4) To review and ensure that the risk management system is strict, suitable and efficient to ensure that there is a suitable and sufficient control to prevent possible corruption.
- (5) To review operations of the Company to ensure compliance with the Securities and Exchange Act, B.E. 2535 (as amended), the requirements of the SET and such other laws relevant to the business of the Company.
- (6) To consider, select and nominate independent persons to perform the duties of auditors of the Company and to propose rate of remuneration for such persons. The Audit Committee shall also attend at least one meeting a year with the auditors without any management in attendance.
- (7) To consider connected transactions or transactions which could give rise to conflict of interests to ensure compliance with the law and the requirements of the SET and to ensure that the transactions are reasonable and are for the best interests of the Company.

- (8) To prepare the report of the Audit Committee to be disclosed in the annual report of the Company. The report shall be signed by the Chairman of the Audit Committee and shall at least consist of the following information:
- Opinion on the accuracy, completeness and reliability of the financial reports of the Company;
  - Opinion on the sufficiency of the internal control system of the Company;
  - Opinion on the compliance with the Securities and Exchange Act, B.E. 2535 (as amended), the requirements of the SET and such other laws relevant to the business of the Company.
  - Opinion on the suitability of the auditors;
  - Opinion on transaction with possible conflict of interests;
  - Number of meetings of the Audit Committee and attendance of each member of the Audit Committee;
  - Opinion or overall observation of the Audit Committee in its performance of duties under the Audit Committee Charter;
  - Such other information deemed necessary for shareholders and investors subject to the scope of duties and responsibilities assigned by the Board of Directors.
- (9) To review and express opinion on the internal audit plan and the performance of duties of the Department of Internal Audit;
- (10) To have the power to invite the management, executives or employees of the Company to express their opinion, attend meetings or submit documents as the Audit Committee may consider necessary for the performance of its duties within the scope and power.
- (11) If it is found or suspected during the course of its duties that a transaction has been entered into or any of the following acts have been taken with possible material impact on the financial position and operating results of the Company, the Audit Committee shall report the same to the Board of Directors to ensure that appropriate actions can be taken to remedy the situation within the period of time that the Audit Committee considers appropriate:
- A transaction with possible conflict of interests;
  - Material fraud, irregularity or deficiency of the internal control system; or
  - Violation of the Securities and Exchange Act, B.E. 2535 (as amended), the requirements of the SET or other laws relating to the business of the Company. If the Board of Directors or executives do not implement the remedy within the period specified above, any one member of the Audit Committee may report the matter to the Office of the Securities and Exchange Commission or to the SET.
- (12) To consider, review and revise the Audit Committee Charter at least once a year and propose the revision to the Board of Directors for approval.
- (13) To perform such other tasks as may be assigned by the Board of Directors with the consent of the Audit Committee.
- In performing the above duties, the Audit Committee shall be directly liable to the Board of Directors which shall remain liable to third parties for the operations of the Company.
- The Board of Directors shall have the power to vary and amend the definition and qualifications of independent directors and the Audit Committee Charter to correspond with the responsibilities of the Audit Committee in accordance with the requirements of the Office of the Securities and Exchange Commission, the SET, the Capital Market Supervisory Board and/or provisions of other relevant laws.

## The Nomination Committee

The Board of Directors has appointed the Nomination Committee to perform the duties in considering and determining criteria and methods of recruitment and selection of candidates for nomination as directors, members of sub-committees and the Chief Executive Officer based on transparency and in accordance with the Corporate Governance Policy with the aim to develop trusts for stakeholders and to create added value and sustainable growth of the Company.

As of 31 December 2023, the Nomination Committee comprises of the majority of independent directors and has 3 members as follows:

Name	Position
1. Mr. Kitichai Sincharoenkul	Chairman of Nomination Committee
2. Professor Dr. Weerakorn Ongsakul	Member of Nomination Committee
3. Gen. Bundit Boonyapan	Member of Nomination Committee
Mr. Somrat Thapnual	Secretary of Nomination Committee

## Duties and Responsibilities of the Nomination Committee

- (1) To consider and propose structure, composition and qualifications of the Board of Directors of the Company including sub-committees.
- (2) To consider criteria and procedure of recruitment and nomination of suitable candidates for directorship and members of sub-committees, the Chief Executive Officer and senior executives upon expiration of term of office or when the positions become vacant or such other executive positions as the Board of Directors may assign and propose the same to the Board of Directors before it is proposed to the Board of Directors meeting and/or the general meeting of shareholders (as the case may be).
- (3) To supervise the recruitment of directors, members of sub-committees, the Chief Executive Officer and senior executives of all business lines within the organization, and to develop trusts for the organization that the succession plan for senior executives, executives in significant positions and succession slate will be regularly considered and reviewed.
- (4) To consider and determine criteria for the assessment of performance and carry out performance assessment of directors, members of sub-committee and the Chief Executive Officer to review their work products, problems and obstacles encountered each year so that the results of the assessment can be used in developing and improving each stream of work and to propose the same to the Board of Directors to consider, and to prepare a knowledge development programme for directors, to improve knowledge and understanding of existing directors and new directors about the business and their roles and duties as directors.
- (5) To consider, review and revise the Charter for the Nomination Committee at least once a year and propose the same to the Board of Directors for consideration and approval.
- (6) To seek advisers or persons who are independent to express opinion or give recommendations as may be necessary.
- (7) To perform other tasks as may be assigned by the Board of Directors meeting by and with the consent from the Nomination Committee.

## The Remuneration Committee

The Board of Directors has appointed the Remuneration Committee to perform the duties of considering remunerations for directors, members of sub-committees and the Chief Executive Officer based on fairness and reasonableness in accordance with the corporate governance policy with the aim to develop trusts for stakeholders and to create added value and sustainable growth of the Company.

As of 31 December 2023, the Remuneration Committee comprises of the majority of independent directors and the Chairman of Remuneration Committee is independent director and has 3 members as follows

Name	Position
1. Professor Dr. Weerakorn Ongsakul	Chairman of Remuneration Committee
2. Mr. Kitichai Sincharoenkul	Member of Remuneration Committee
3. Gen. Bundit Boonyapan	Member of Remuneration Committee
Mr. Somrat Thapnual	Secretary of Remuneration Committee

## Duties and Responsibilities of the Remuneration Committee

- (1) To consider and advise on monetary remunerations and non-monetary remuneration of the Board of Directors, members of the sub-committee, the Chief Executive Officers and senior executives including such other benefits including remuneration at fixed rate (such as fixed salary and meeting allowance) and remuneration paid based on operating results of the Company (such as bonus and commission) to be in line with long-term strategies and goals of the Company and commensurate with experience, duties and scope of roles and responsibilities including benefits expected from members of each committee. Remuneration for directors shall be comparable to the practice of the industry and shall be proposed to the Board of Directors meeting and/or the general meeting of shareholders (as the case may be).
- (2) To disclose the policy and requirements about remuneration for directors to reflect duties and responsibilities of each director including type and amount of remuneration. The amount of monetary remuneration that is disclosed shall also include remuneration received by such directors for their directorship in subsidiaries.
- (3) To consider terms and conditions of an offering of newly issued securities or share options to directors and employees in order to create added value in the long-term for shareholders. Personnel who are truly qualified shall be recruited. Such terms and conditions shall also be fair to shareholders.
- (4) To consider, review and revise the Charter for the Remuneration Committee at least once a year and propose the same to the Board of Directors for consideration and approval.
- (5) To seek advisers or persons who are independent to express opinion or give recommendations as may be necessary.
- (6) To perform other tasks as may be assigned by the Board of Directors meeting by and with the consent from the Remuneration Committee.

## The Risk Management Committee

The Board of director has appointed the Risk Management Committee to perform the duties in determining a risk management policy and framework to be adopted as a guideline within the Group, and to encourage training about risk management and monitoring of risks in order to have awareness and understanding about risk management and implement to create trusts and reliability for stakeholders for added value and sustainable growth of the Company.

As of 31 December 2023, the Risk Management Committee comprises of 4 members as follows:

Name	Position
1. Mr. Veerasith Sinchareonkul	Chairman of Risk Management Committee
2. Ms. Jarinya Jirojkul	Member of Risk Management Committee
3. Ms. Thanawan Sa-ngiamsak	Member of Risk Management Committee
4. Professor Dr. Weerakorn Ongsakul	Member of Risk Management Committee
Mr. Phattarakrith Charoensatit	Secretary of Risk Management Committee

## Duties and Responsibilities of the Risk Management Committee

- (1) To determine the overall risk management policy and framework for the Company to cover material risks and to require the management to put in place a protective and corrective measures and risk elimination that are appropriate.
- (2) To prepare risk management policy to cover overall aspects of risk management and to include key risks that are in line with the objectives, main goals, strategies and acceptable level of risks for use as a unified risk management framework for all parties in the organization and for submission to the Board of Directors for consideration. The Risk Management Committee shall supervise and ensure that the Company and its subsidiaries identify risks that could cause the Company and its subsidiaries to fail to achieve the defined objectives, taking into consideration both internal and external factors.
- (3) To review and ensure that the risk management policy is appropriate and efficient and prepare a report of the Risk Management Committee to be proposed to the Board of Directors as may be appropriate or when requested.
- (4) To draw up strategies for use in managing risks in accordance with the risk management policy approved by the meeting of the Board of Directors and to analyse, assess and follow up on the compliance with the defined risk management policy.
- (5) To follow up, assess and supervise risk management procedures of the management to ensure that it has the appropriate level and is in accordance with the defined policy.
- (6) To consider and approve the determination of an acceptance risk level (Risk Appetite) and a deviation of the organization's risk tolerance (Risk tolerance) prior presenting to the Board of Directors to consider and approve, including the opinion given on the guidelines and risk management measures and the action or mitigation plan to manage the residual risk to ensure that there is adequate and appropriate risk management.
- (7) To provide suggestion and support to the Board of Directors and the management on the Enterprise Risk Management, including promoting and supporting to the continually and regularly risk management system improvement.





- (8) The Risk Management Committee has the authority to empower all departments to collaborate with risk management departments to clarify information in writing or inviting executives or employees in the relevant departments to attend the meeting with Risk Management Committee for providing the required information in accordance with the responsibilities as the Risk Management Committee deems appropriate. It is deemed that being invited, asked, or requested information is considering as the duty of all level of employees to collaborate with the Risk Management Committee.
- (9) The Risk Management Committee has the authority to request any business unit under the Group of company to take action or act as is necessary to enable the performance of the responsibilities set forth in this Charter or any other special duties as assigned by the Board of Directors to perform additional duties.
- (10) To be in charge of supervising and providing support to ensure success of the Enterprise Wide Risk Management with the focus on raising risk awareness for the management and employees, and to promote risk management culture as a key factor in making any decisions relating to the use of resources or in taking any actions. The Risk Management Committee shall also have the duty to provide support to the function of the risk management sub-committee and/or the Risk Manager.
- (11) To support for reviewing the sufficiency of the risk management policy of the Company and its subsidiaries including the effectiveness of the system and compliance and propose the same to the Board of Directors at least once a year to ensure that the risk management policy is in line with and suitable for the overall current business strategies and environment.
- (12) To advise the Board of Directors on actions to be taken and improved to be in line with the policies and strategies defined by the Board of Directors.
- (13) To seek advisers or persons who are independent to express opinion or give recommendations as may be necessary.
- (14) To consider, review and revise Charter for the Risk Management Committee at least once a year and propose to the Board of Directors for consideration and approval.
- (15) To perform other tasks as may be assigned by the Board of Directors meeting by and with the consent from the Risk Management Committee.



### Corporate Governance and Sustainable Development Committee

The Board of director has appointed the Corporate Governance and Sustainable Development Committee to perform the duties in considering and determining the policies and guidelines in relation to principles of good corporate governance, business ethics, anti-corruption, social responsibility, and sustainable development, which will establish a management governance system with transparency and fairness in order to develop trusts for stakeholders, create added value and enhance competitiveness for the sustainable growth of the Company.

As of 31 December 2023, the Corporate Governance and Sustainable Development Committee comprises of 4 members as follows:

Name	Position
1. Mr. Vitanath Sincharoenkul	Chairman of Corporate Governance and Sustainable Development Committee
2. Gen. Bundit Boonyapan	Member of Corporate Governance and Sustainable Development Committee
3. Ms. Jarinya Jirojkul	Member of Corporate Governance and Sustainable Development Committee
4. Ms. Thanawan Sa-ngiamsak	Member of Corporate Governance and Sustainable Development Committee
Ms. Preenaphan Tanteerapolchai	Secretary of Corporate Governance and Sustainable Development Committee (Acting)

## Duties and Responsibilities of the Corporate Governance and Sustainable Development Committee

- (1) To consider, determine, and review policies and guidelines in relation to principles of good corporate governance and business ethics to be in line with the international standard practices and to propose to the Board of Directors for consideration and approval.
- (2) To consider, determine, and review the Corporate Social Responsibility (CSR) Policy and Anti-Corruption Policy and to propose to the Board of Directors for consideration and approval.
- (3) To consider, determine, and review the vision, mission, objectives, strategies, risks, and opportunities related to sustainable development of the Company, including the policies and guidelines for sustainable development to be in line with business operation of the Company and to propose to the Board of Directors.
- (4) To suggest, promote, and support business operation of the Company in accordance with the principles of good corporate governance, business ethics and other related policies of the Company completely and efficiently.
- (5) To promote and communicate the awareness and understanding of policies and guidelines regarding principles of good corporate governance, business ethics, social responsibility, and other related policies to the directors, executives, employees, and related persons, as well as to monitor the implementation of such policies and guidelines.
- (6) To supervise and monitor performance related to corporate governance and development for sustainability, as well as to take care of reporting and oversee the disclosure of the information of the Company's sustainable development in the form of sustainability report or other media as appropriate.
- (7) To consider, review and revise the Charter for the Corporate Governance and Sustainable Development Committee at least once a year and propose the same to the Board of Directors for consideration and approval.



- (8) To seek advisers or persons who are independent to express opinion or give recommendations as may be necessary.
- (9) To perform other tasks as may be assigned by the Board of Directors with the consent from the Corporate Governance and Sustainable Development Committee.
- (10) To supervise, inspect, and follow up on the Company's management operations related to climate change, including setting, reviewing, and improving related policies and/or guidelines, and managing said climate risks as well as giving consideration in setting guidelines and strategies for operations and activities to reduce greenhouse gas emissions.

## The Executive Committee

The Board of Directors has appointed the Executive Committee to perform the duties in supporting the performance of Board of Directors to be in accordance with the policies, directions, goals, business strategies and business plan of the Company for maximizing efficiency and the best interest of the Company.

As of 31 December 2023, the Executive Committee comprises of 6 members as follows:

Name	Position
1. Dr. Viyavood Sincharoenkul	Chairman of Executive Committee
2. Mr. Kitichai Sincharoenkul	Member of Executive Committee
3. Mr. Veerasith Sinchareonkul	Member of Executive Committee
4. Mr. Vitanath Sincharoenkul	Member of Executive Committee
5. Mr. Anan Pruksanusak	Member of Executive Committee
6. Ms. Jarinya Jirojkul	Member of Executive Committee
Ms. Worasa Maijaidee	Secretary to Executive Committee

## Duties and Responsibilities of the Executive Committee

- (1) To carry out and manage businesses of the Company and its subsidiaries in accordance with relevant objectives, Articles of Association, policies, rules, regulations, orders and resolutions of the Board of Directors meeting for the best interest of the Company.
- (2) To consider and develop business policies, directions and strategies including work plan, financial targets and annual budgets and to exercise executive power to manage businesses of the Company and its subsidiaries in conjunction with the management before proposing the matter to the Board of Directors for approval.
- (3) To supervise business operations of the Company and its subsidiaries to ensure that they comply with the business policies, directions and strategies including work plan, financial targets and annual budgets approved by the Board of Directors and that they are efficient and contribute to the nature of business. The Executive Committee shall also have the duty to advise senior executives on the management matters.
- (4) To consider and approve businesses that are conducted as the normal course of business of the Company based on investment budgets or budgets that are approved by the Board of Directors. The limits for each transaction shall be as prescribed under the Table of Authority approved by the Board of Directors. The Executive Committee shall also have the duty with regard to the entry into relevant agreements.
- (5) To study feasibility for new investment projects and to have the power to consider and approve that the Company and its subsidiaries invest in or enter into joint investments with any individuals, juristic persons or such other business entities in the form deemed appropriate by the Executive Committee for the purpose of complying with the objectives of the Company and its subsidiaries. The Executive Committee shall also consider and approve payments for the purpose of such investments, the entry into agreements and/or any relevant acts until completion within the budget limit prescribed under the Table of Authority approved by the Board of Directors and/or in accordance with the relevant laws and regulations and/or the Articles of Association of the Company and its subsidiaries.
- (6) To follow up on operating results and progress of investment projects of each business and report results and problems or obstacles encountered including relevant solutions to the Board of Directors.
- (7) To consider profits and loss of the Company and its subsidiaries and advise on payment of dividends to be proposed to the Board of Directors.
- (8) To consider and approve financial transactions to be entered into with financial institutions for the purpose of obtaining loans, credits, pledge, mortgage, guarantee or otherwise, including trading and registration of title over



lands in accordance with the objectives for the purpose of businesses of the Company and its subsidiaries, and the entry into agreements, submission of applications and offers, making contacts or entry into agreements with the government agencies to obtain rights of the Company and its subsidiaries and/or to carry out such other acts relating to such matter until completion within the budget limit prescribed under the Table of Authority approved by the Board of Directors and/or in accordance with the relevant laws and regulations and/or the Articles of Association of the Company and its subsidiaries.

- (9) To approve the appointment of management sub-committees to support the functions of the Executive Committee. For this purpose, the management sub-committees shall have the powers, duties and responsibilities as provided under the charter for the management.
- (10) To approve incorporation of subsidiaries, capital increase or decrease or to seek new financial resources for subsidiaries, restructure of shareholding for the subsidiaries and the entry into transactions by subsidiaries in accordance with the resolutions of the Board of Directors.
- (11) To approve the appointment of delegated person for directorship and/or membership of sub-committees in the subsidiaries who have qualifications approved by the Board of Directors and in accordance with the law and resolutions of the Board of Directors.
- (12) To consider and approve rules, regulations, management policies and business operations of the Company and its subsidiaries or to take such other steps to bind the Company and its subsidiaries in accordance with the limits provided in the Table of Authority approved by the Board of Directors.
- (13) To determine organizational structure and management structure that is efficient and to propose the same to the Board of Directors for approval.
- (14) To consider and approve employment, termination, promotion, disciplinary actions, relocation, adjustment to salary ranking or adjustment to salary rate and to consider such other merits of employees to the extent that these are out of the scope of powers of the Nomination Committee and the Remuneration Committee. The Executive Committee may authorize the Chief Executive Officer to consider and approve the matter subject to the budgets approved by the Board of Directors.
- (15) To supervise, monitor and approve matters relating to business operations of the Company and may appoint and/or delegate any one person(s) to carry out any act within the scope of powers of the Executive Committee or as it may consider appropriate and within the period that the Executive Committee may consider appropriate. The Executive Committee may cancel, change, or amend such authorization as it may consider appropriate. The assignment of powers, duties and responsibilities of the Executive Committee shall not result in the delegation or sub-delegation which allows the Executive Committee and/or its delegated persons to consider and approve transactions in which they or persons with possible conflict of interests may have a conflict of interests or may benefit in any way or may have such other conflict of interests with the Company or its subsidiaries (as defined under the Notification of the SEC and/or the Notifications of the Capital Market Supervisory Board and/or the SET and/or relevant regulatory authorities). Exception is in case where the approval is for transactions that are in compliance with the policies and requirements approved by the general meeting of shareholders or the Board of Directors of the Company, which are for the normal course of business and have normal commercial terms in compliance with the Notifications of the SEC and/or the Notifications of the Capital Market Supervisory Board and/or the SET and/or relevant regulatory authorities.
- (16) To ensure that executives and management or employees attend the meeting of the Executive Committee or prepare and give information about the matter to be discussed at the Executive Committee meeting.
- (17) To have the powers and duties as may be assigned or as may be in accordance with the policy received from time to time from the Board of Directors.
- (18) To seek advisers or persons who are independent to express opinion or give recommendations as may be necessary.
- (19) To consider, review and revise the Charter for the Executive Committee at least once a year and propose the same to the Board of Directors for consideration and approval.
- (20) To perform other tasks as may be assigned by the Board of Directors meeting by and with the consent from the Executive committee.





## 7.3 Details of the Executives

As of 31 December 2023, there were 11 executives as follows:

Name	Position
1. Ms. Jarinya Jirojkul	Chief Executive Officer
2. Ms. Thanawan Sa-ngiamsak	Chief Financial Officer
3. Mr. Chia Chee Ping	Chief Marketing Officer
4. Mr. Vitanath Sincharoenkul	Chief Branding Officer
5. Mr. Phanlert Wangsuphadilok	Chief Automation Officer
6. Mr. Arsom Aksornnam	Production Manager Hat Yai Branch
7. Mr. Chalermchai Norsakul	Production Manager Surat Thani Branch
8. Ms. Oralak Thinnakornsutibut	Finance and Account Manager and Accountant
9. Mr. Somrat Thapnual	Human Resources Manager
10. Ms. Amornrat Awato	Purchasing Manager
11. Ms. Worasa Maijaidee	Logistics Manager

In addition, the details of the qualifications and work experience of executives appear in attachment 1 Details of Directors and Executives.

## Appointment and Scope of Authority and Duties of the Chief Executive Officer (CEO)

In selecting the Chief Executive Officer (CEO), the Nomination Committee is responsible for selecting individuals with all appropriate qualifications, namely having knowledge, abilities, skills, and experience that are beneficial to the Company's operations and possessing a good understanding of the Company's business, including being able to manage work to achieve the objectives and goals set by the Board of Directors. In addition, the Remuneration Committee is responsible for considering the remuneration structure, forms, and criteria for compensation, including determining compensation rate, rewards, bonuses and salary increases for the Chief Executive Officer together with their opinion to be presented to the Board of Directors for further consideration and approval.

In addition, the Board of Directors also determines and regularly reviews the scope of authority, duties, and responsibilities of the Chief Executive Officer, as well as conducts performance evaluations, of which the criteria and results of the 2023 evaluation of the Chief Executive Officer, including compensation and other details, can be found in section 8. Corporate Governance Performance Report.

Report on securities holding of directors and executives of the Company as of 31 December 2023 were as follows:

No.	List of Directors and Executives	Shareholding Information As of 31 December 2022			Shareholding Information As of 31 December 2023			Change
		Number of shares (shares)		Share- holding Proportion (%)	Number of shares (shares)		Share- holding Proportion (%)	Number of shares (shares)
		Direct	Indirect		Direct	Indirect		
1.	Prof. Dr. Weerakorn Ongsakul	539,000	25,000	0.02	596,000	25,000	0.02	57,000
2.	Mr. Kitichai Sincharoenkul	10,997,800	-	0.38	8,097,800	-	0.28	(2,900,000)
3.	Dr. Viyavood Sincharoenkul	138,204,100	-	4.82	138,204,100	-	4.82	0
4.	Mr. Anan Pruksanusak	600,000	-	0.02	600,000	-	0.02	0
5.	Mr. Veerasith Sinchareonkul	777,800	-	0.03	777,800	-	0.03	0
6.	Mr. Vitanath Sincharoenkul	500,000	-	0.02	500,000	-	0.02	0
7.	Ms. Jarinya Jirojkul	978,000	-	0.03	978,000	-	0.03	0
8.	Ms. Thanawan Sa-ngiamsak	680,000	-	0.02	680,000	-	0.02	0
9.	Mr. Chia Chee Ping	1,265,000	-	0.04	1,265,000	-	0.04	0
10.	Mrs. Unakorn Phruithithada	600,000	-	0.02	600,000	-	0.02	0
11.	Gen. Bundit Boonyapan	10,700	-	0.0004	20,700	-	0.0007	10,000
12.	Mr. Thanatip Upatising	-	-	-	-	50,000	0.0017	50,000
13.	Mr. Phanlert Wangsuphadilok	-	-	-	-	-	-	-
14.	Mr. Asom Aksornnam	471,000	-	0.02	431,000	-	0.02	40,000
15.	Mr. Chalermchai Norsakul	100,000	-	0.003	100,000	-	0.003	-
16.	Mr. Somrat Thapnual	10,000	-	0.0003	10,000	-	0.0003	-
17.	Ms. Amornrat Awato	80,000	-	0.003	80,000	-	0.003	-
18.	Ms. Oralak Thinnakornsutibut	30,000	-	0.001	30,000	-	0.001	-
19.	Ms. Worasa Maijaidee	212,200	-	0.007	212,200	-	0.007	-
Total		156,055,600	25,000	5.44	153,182,600	75,000	5.34	

### Remarks:

- The number of indirect shares as shown above included the shares held by spouse and minor children of the Company's directors and executives.
- The number of shares of Dr. Viyavood Sincharoenkul as of 31 December 2022 has been adjusted from 138,024,100 to 138,204,100 due to the allocation of 180,000 STGT ESOP project shares in July 2022.
- During the past 3 years, there have been no cases of stock trading using inside information by directors, executives, and employees of the Company.

## 7.4 Details of Employees

The Company realizes that personnel are an extremely important resource in developing and leading the organization to sustainable success according to its goals. The Company has therefore established a policy that focuses on promoting and developing personnel to have knowledge and professionalism, carrying out their work with honesty and responsibility according to organizational values to build confidence and deliver good products and services to customers as well as keeping in mind stakeholders and participating in helping society.

In addition, the Company has established a **Workplace Welfare Committee whose members are elected from employees in the organization, consisting of 8 employees, both Thais and foreigners. The establishment of the committee provides opportunities for employees to discuss directly with their employers**, which promotes systematic communication process and bilateral working relationship, in addition to authority in holding consultations with employers to provide necessary and appropriate welfare to employees. This committee also has the duty to provide advice and suggestions to employers, as well as performing duties of inspecting, controlling and taking care of welfare matters, including presenting opinions and guidelines on said matters to the Labor Welfare Committee of the Department of Labor Protection and Welfare, Ministry of Labor as well.

### Number of Employees

As of 31 December 2023, the Company and its subsidiaries have employees in total of 9,399 persons, the details are as follows:

Department	Number of Male Employees (person)	Number of Female Employees (person)	Number of Employees (person)
Chief Executive Officer	0	1	1
Production Department	2,077	3,602	5,679
Quality Control and Research & Development Department	76	749	825
Engineering Department	1,233	34	1,267
Logistics Department	172	57	229
Purchasing Department	114	79	193
Marketing Department	25	48	73
Human Resources, Administrative, and CSR Department	201	217	418
Finance and Account, Business Development, Investor Relations, Risk Management, and Legal Department	8	50	58
Internal Audit Department	1	3	4
Seconded from STU	10	4	14
Seconded from SDME	21	31	52
Seconded from PSE	511	58	569
Seconded from STGS	0	2	2
Seconded from STGI	5	1	6
Seconded from STGV	3	5	8
Seconded from STGP	1	0	1
<b>Total</b>	<b>4,458</b>	<b>4,941</b>	<b>9,399</b>

The above number of employees has a similar proportion of female to male employees. There are slightly more female than male employees at about 2-3 percent since 2018. Details regarding the number of employees classified by gender, religion, age, hometown, and work level can be found in the section summarizing operating results at the end of the Sustainability Report on the Company's website at: <https://www.sritrangeloves.com/en/downloads/sd-report>





## Significant changes in the number of employees over the past 3 years

### Significant changes in the number of employees over the past 3 years

Over the past 3 years, the company has not had any significant changes in the number of employees. However, at the end of 2023, the Group hired employees to support additional expansion of the production line at the Anwar branch factory. As a result, the number of employees increased slightly although the increase is within the amount specified according to the Company's structural plan.

The Company has organized an annual employee engagement survey for the organization. In 2023, more than 85 percent of personnel in the organization responded to the survey on well-being and employee engagement with the organization. The Company has formalized a plan to build employee engagement and drive various activities within the organization, such as setting appropriate compensation, providing convenience in the workplace, adopting various welfare benefits that the Company has extended to all its employees, including organizing training seminars to

promote the potential of employees and hosting various activities such as off-site New Year's activities and parties, the "Happy Workplace" project to build good relationships between executives and employees, and international Songkran activities as well as arranging CSR activities such as the project to shine light in the heart of the community by installing solar cell lights at the Lim Mum Community Hall office, Phatong Subdistrict, Hat Yai District, Songkhla Province, to provide illumination at night so as to reduce accidents and crime risks in the community while also reducing carbon dioxide emissions, etc.

For details on the proportion of employee satisfaction and engagement in terms of both goals and performance, bonding activities to build stronger engagement, as well as employee turnover rates; please access the social operations section under the topic: Employee care and development and the summarized operating results at the end of the Sustainability Report on the Company's website at <https://www.sritranggloves.com/en/downloads/sd-report>



## Employee Remuneration

The compensation of the Company's employees and affiliated companies is at a level appropriate to the labor market's remuneration rate. **In 2023, the Company paid remuneration to employees of the Company and its subsidiaries at the amount of THB 2,320.40 million**, which is in the form of salary, bonus, and other compensation such as overtime payment, shift workers, allowances, social security contributions and provident fund contributions, etc.

In addition to the aforementioned monetary compensation, the Company has also allocated additional common shares to the Company's personnel in the STGT ESOP project, which ended in July 2022, in order to reward and retain knowledgeable and capable personnel to work with the Company in the longer term and to provide incentives and motivation for employees to work together to develop the Company to grow sustainably and feel a sense of shared ownership.

The Company has a policy of paying fair compensation through performance evaluation on an annual basis according to the performance evaluation form of the Human Resources Department, whereby performance indicators or success of work according to organizational goals or KPI: Key Performance Indicator are taken into account at the organizational level, including consideration of the Company's operating results and other factors (if any). The above criteria will be used in evaluating position adjustments, annual salary increase and also bonuses.

By paying equal compensation to female and male employees, no discrimination or gender conditions are factored into the consideration. As for the proportion of employee compensation rates between females and males which is divided according to work level, the information can be found in the performance summary at the end of the Sustainability Report on the Company's website at <https://www.sritranggloves.com/en/downloads/sd-report>



## Welfare

The Company has provided a work structure that can create stability and opportunities for career advancement, including providing various types of welfare to provide convenience, enhance academic knowledge potential, and create a safe environment, rendering a good level of well-being and health for employees. The Company also provides incentives for those who join the Company, such as health insurance, accident insurance, annual health examinations, benefits, and other amenities such as uniforms, employee housing, and house rental assistance, etc. **In 2023, the Company has considered paying bonuses and annual salary adjustments, and adjusting the position appropriately according to the company's operating results and employee performance.**

In terms of promoting long-term savings and creating financial security for employees, the Company supports the providence fund committee in selecting providence fund manager who perform the duty in accordance with Investment Governance Code : "I Code", as practice for fund management in accordance with international approaches and manages investment with responsibility by taking into the environment, society and governance (ESG), which will lead to efficient investment with consideration on returns and utmost benefits of the members of the Company's provident fund in the long run. In 2023, as of 31 December 2023 the proportion of employee participating in the provident fund compared to the total of employees are as follows:

Amount of contributions to the provident fund (Baht)	Amount of employees participating in the provident fund (Person)	The proportion of employee participating in the provident fund of the total of employees (%)
18,067,340 Baht	1,111 persons	65.39%

## Promotion of Health and Safety

The Company is aware of the importance of health and safety of the Company's stakeholders. Therefore, strict compliance with the laws related to health and safety is compulsory. Additionally, the Company also develops and elevates the quality of its performance in said aspects to the level consistent with various international standards. **In 2023, Sadao P.S. branch factory received ISO 45001:2018 occupational health and safety management system certification, which is the fourth factory to receive such standard certification.**

In addition, the Company has also prepared and reviewed its Occupational Health & Safety Policy at all times and has established a Workplace Safety, Occupational Health and Environment Committee (Cor.Por.) to perform supervisory duties and continually improve operations in these areas. In order to ensure efficient operation and achieve success,

**the Company has therefore determined sustainability goals in the social dimension, setting the number of fatal work-related accidents of employees and business partners at zero and the number of occupational illnesses among all workers at zero as well.**

Information on guidelines, goals, occupational health and safety performance results, accident statistics/accidental injury and illnesses, the rate of time off work from accidents, including campaign and safety promotion activities and training activities to provide knowledge and actual practice in such matters, can be found in the Social Operations section under the topic of Occupational Health and Safety and the summary of operating results at the end of the Sustainability Report on the Company's website at <https://www.sritranggloves.com/en/downloads/sd-report>



## Labor Dispute

The Company and its subsidiaries did not have any significant labor disputes in the past 3 years.

## Human Capital Development

Human resource development is one of the goals of sustainable business operations of the corporate Group. The Company has established a personnel development policy to encourage employees to develop the knowledge, skills, and potential needed to perform their jobs both at present and in the future as the Company recognizes that human resources are a valuable asset in running a business. As such, there should be continuous and long-term investment in the concept of personnel development. The Company has committed to promoting career development for employees and hired workers and encourage career planning of employees.

To ensure that the employees and hired workers can achieve their targeted growth, the Company puts in place an Employee Competency Assessment to allow each of the employees and hired workers to be aware of gaps in their competency by checking against the expected competency and the Employee Competency Model set by the Company. Then the relevant employees and hired workers can use assessment results in creating a self-development plan related to their line of work, such as additional study, training and seminars, both internal and external, as well as on-the-job training.

The assessment programme is also considered when modifying the job specifications and adjusting the compensation rate for employees according to their performance in relation to their works.

Career Planning of the employees and hired workers forms part of the annual assessment where supervisors, employees and hired workers will talk about their Career Planning and annual achievements, career goal and self-development plan of employees and hired workers will be determined/ reviewed at the beginning of the year.

**In 2023, the Company organized training courses for employees to develop basic knowledge and improve the skill and competency that are necessary for their works including leadership development in total of 2,279 courses**, including the training and review of corporate governance policy and code of conduct, occupational health and safety management system, business continuity management standards, anti-corruption, corporate social responsibility, ESG and sustainable development issues, and executive development.

Summary of training hours and expenses of training and seminars for the development of executives and employees in 2023 is as follows:

Training hours and costs	Amount
Training hours for the executives and employees (hour/person/year)	30 hours/person/year
Expenses of training and seminars for the executives and employees (Million THB)	THB 12.77 million

To promote knowledge to employees regarding environmental management, the Company has organized training in the form of in-house training by inviting speakers to provide information, such as the training course “Getting to know EUDR” (EU Deforestation Free Products Regulation), which is a regulation prohibiting the import or export of products related to deforestation into the EU market, for which lecturers from STA Company were invited. The Company also organized self-training through the e-learning system (@Core system) along with allowing employees to take training tests for a total of 15 training courses, such as the training course “ISO 14001:2015 Environmental Management System Requirements” and “Guidelines for reducing greenhouse gases to reach Net Zero Emission”,

in which 5,200 employees will have attended environmental training in 2023. In addition, the Company also publicizes and provides environmental knowledge through creating infographics distributed via email within the organization, e.g. Things You Should Know!, Toward Sustainability in Sri Trang, Part 3 “4 Green Strategies, Path to Environmental Sustainability” and “Clean World Clean Gloves”.

Information on the guidelines, goals, and operational results for employee development and activities promoting innovation can be found in the Social Operations section, Employee Development topics and summary of the operating results at the end of the Sustainability Report on the Company's website at <https://www.sritranggloves.com/en/downloads/sd-report>

## Human rights and labor

The Company has strictly complied with the Thai labor standards law. In addition, operations are carried out in accordance with international labor standards and customer standards. Moreover, we are aware of the importance of respecting human rights and labor rights. Therefore, a policy on human rights and non-discrimination has been established, including the code of ethics regarding respect for human rights as the guidelines for strict adherence by personnel in the organization.

By 2023, the Chumphon branch factory Amfori Business Social Compliance Initiative (BSCI) has received Grade A certification, making it the fifth factory to receive such certification following the Hat Yai, Trang, Surat Thani and Sadao P.S. branches, all of which have received Grade A certification. This standard is a standard related to inspection and assessment of workplaces in industrial supply chains around the world with the goal to provide

care for labor and safety issues, to strengthen social responsibility and safety in the work process within the organization. The Company having the certification of such standards enhances its profile in being accepted and thought of first in terms of quality and ethics by customers, both in Thailand and overseas, and reflects systematic attention to care for labor issues according to international standards, thereby rendering a good quality of life for workers.

Details regarding the guidelines, goals, and performance results on human rights and labor, number of disabled people employed, respect for children's rights, and comprehensive human rights due diligence (HRDD) can be found in the social operations section, under the topic of human rights operations in the Sustainability Report on the Company's website at <https://www.sritranggloves.com/en/downloads/sd-report>

## 7.5 Other Significant Details

### 1. Designated Person to take Direct Responsibility for Accounting Supervision

The Board of Directors' Meeting has appointed Ms. Oralak Thinnakornsutibut as the Company's accountant effective on 24 July 2019, to be in compliance with disclosure guidelines of the SEC and the SET regarding the person with the highest responsibility for accounting supervision. The qualifications and work experience appear in attachment 1 Profile of Executives.

### 2. Company Secretary

The Board of Directors' Meeting has resolved to appoint Ms. Patcharee Kosanam as the Company Secretary, effective on 22 September 2023 in order to comply with Section 89/15 of the Securities and Exchange Act B.E. 2535 (including amendments) ("Securities Act"). She passed the key training courses of the Thai Institute of Directors as well as attending various training courses and seminars organized by the SEC and the SET. The qualifications and work experience appear in attachment 1 Profile of Company Secretary.

**In 2023, the Company Secretary attended various training/ seminars to review good corporate governance, relevant rules and ESG matters such as "The Role of the Company Secretary in Driving ESG" organized by the Thai Institute of Directors (IOD), "Guidelines for Disclosing ESG Information in One Report" and knowledge of related rules and laws in the Preparation of Reports on Interests and Policies on the Use of Inside Information organized by the Thai Listed Companies Association (TLCA), as well as training courses such as "Get to know the EUDR" (EU Deforestation Free Products Regulation), which is a regulation prohibiting the import or export of products involved in deforestation into the EU market organized by the Company's Human Resources Department (In-house training) which invited speakers from STA Company. The qualifications and work experience appear in attachment 1 Details of Directors and Executives.**



### Duties and responsibilities of Company Secretary

- (1) To provide initial information and recommendations to the Company's directors and executives on and monitor compliance with the laws relating to the business operations of the Company, rules, regulations, and the Company's Articles of Association and to report to the directors and executives any material changes to the laws and regulations.
- (2) To follow up on and ensure disclosure of relevant information as required under the rules, regulations and notifications of the SET, the SEC, and the Capital Market Supervisory Board.
- (3) To summarize and report to the Board of Directors meeting for acknowledgement in every six months the securities holding and the change thereto of the directors, manager and executives of the Company including their spouses or de facto partners, minor children including juristic entities more than 30 percent of total voting rights of which are held by the relevant directors, managers and executives, their spouses or de facto partners and minor children.

- (4) To prepare and maintain a register of directors, annual reports of the Company, notices of invitation to meetings of shareholders and Board of Directors meetings, minutes of shareholders' meetings and Board of Directors meetings.
- (5) To follow up and ensure that the meetings of shareholders and the Board of Directors meetings are held in accordance with the law, the Company's Articles of Association and relevant practices and to follow up on the compliance with the resolutions of the meetings of shareholders and the Board of Directors meetings.
- (6) To maintain reports on interests and a certificate of independence prepared by the Company's directors or executives and to submit the copy thereof to the Chairman of the Board of Directors and the Chairman of the Audit Committee within seven days from the date on which the Company has received the report.
- (7) To promote knowledge of and understanding about good corporate governance practices and to ensure that the Company puts in place these practices of good corporate governance.
- (8) To ensure that activities of the Board of Directors and such other acts are undertaken in accordance with the laws and/or rules and regulations provided by the Capital Market Supervisory Board and/or in accordance with the directions given by the Board of Directors.

### 3. Head of Internal Audit

The Audit Committee has appointed Ms. Narungsri Chiranakorn as head of internal audit on 19 July 2019 and viewed that she is suitable for performing the duties efficient since she has educational qualifications, work experience and trained in courses related to internal audit operations. Qualifications and work experience appear on attachment 3 information of head of internal audit under section 9.1 internal audit system.

### 4. Investor Relations Department

The Company places an importance on the disclosure of accurate, complete, transparent, and equal information. The Company has established an Investor Relations Department and assigns Ms. Thanawan Sa-Ngiamsak, Chief Financial Officer, to be Head of Investor Relations (Acting). Investor Relations Department is acting as a center of information disclosure to shareholders and investors both domestically and internationally including financial information such as operating results, financial statements, Management Discussion and Analysis: MD&A, strategies, and outlook of the Company through the Company's publications and activities regularly. In addition, the shareholders, investors and interested persons who have any suggestions or questions can contact at:



#### Investor Relations Contact

Sri Trang Gloves (Thailand) Public Company Limited

Address : 17<sup>th</sup> Floor, Park Venture Ecoplex  
Unit 1701, 1707-1712 No. 57 Wireless Road,  
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E-mail : stgt\_ir@sritranggroup.com

Telephone : +66 2207 4500 ext 1402



## 5. Auditor Remuneration

### Audit Fee

In 2023, the Company and its subsidiaries (i.e. PSE, PS, SDME, STGG and STGS ) paid the audit fee for the year 2023 to EY Company Limited in the total amount of THB 6.21 million, consisting of the audit fee of the Company in the amount of THB 3.66 million and the audit fee of subsidiaries in the amount of THB 2.55 million. In addition, the Company paid the audit fee for 2023 financial statements of subsidiaries which incorporated in aboard (i.e. STU, STGI, STGP, and STGV) to local audit firms in the total amount of THB 1.75 million.

In this regard, persons or businesses related to the auditors and audit firms that the auditors are affiliated with above are not persons or businesses related to the Company and subsidiaries according to the accounting standard on disclosure of related persons or businesses.

### Non-audit Fee

In 2023, the Company paid BOI audit service fee to EY Company Limited in the amount of THB 0.72 million. In addition, STU and STGV paid tax consultation service fee to local auditors in the amount of THB 1.39 million and THB 0.07 million respectively. The Board of Directors viewed that such service fees are necessary and reasonable.

Details	2022 (Million THB)	2023 (Million THB)
<strong>1. Audit Fee</strong>		
• The Company	3.66	3.66
• Subsidiaries, EY Company Limited	2.56	2.55
• Subsidiaries, overseas local auditors	1.10	1.75
<strong>2. Non-audit fee</strong>		
• The Company	0.66	0.72
• Subsidiaries, EY Company Limited	-	-
• Subsidiaries, overseas local auditors	1.01	1.46
<strong>Total</strong>	<strong>8.99</strong>	<strong>10.14</strong>

# 8 | Corporate Governance Performance Report



## 8.1 Summary of the Board of Directors' Performance in the Previous Year

### 8.1.1 Nomination, Development, and Assessment of Performance of the Board of Directors

#### Nomination of Directors and Top Executives

##### Nomination of New Directors

The Nomination Committee will be responsible for nomination and screening for potential candidates and propose to the Board of Directors' or the shareholders' meeting (as the case may be). The selection of candidate may consider from the recommendation of other directors, the agenda proposal for nominating directors by the shareholders in accordance with the law, using of the external professional search firm, or from the director pool or other nomination procedures as the Nomination Committee considers appropriate.

The nomination of new directors, apart from considering qualifications of directors to be in line with relevant laws and regulations, the Nomination Committee has to consider the structure of the Board of Directors, such as the number of directors that is suitable for the size and business strategy of the Company, the diversity in the structure of the Board of Directors (Board Diversity), including but not limited to, race, religion, national origin and gender, the appropriateness of the qualifications and skills of the director(s) that are necessary but lacking in the Board of Directors. The Board Skill Matrix will be used to identify the required qualifications.

## Nomination of Independent Director

In case of nomination of independent director, such nominated person shall possess the qualifications and must be independent as defined in the Charter of Audit Committee and Corporate Governance Policy by the Board of Director which corresponds with the criteria of SET and SEC as follows.

- 1) Holding no exceeding 1 percent of the total number of voting shares of the Company, its parent companies, subsidiaries, associate companies, major shareholders, or persons with controlling power of the Company. For this purpose, the shareholding of related persons of such independent directors shall be accumulated with the shareholding of the independent directors.
- 2) Not being or not having been directors involved in the management, employees, hired workers, advisers earning fixed salary or persons with controlling power of the Company, its parent companies, subsidiaries, associate companies and same-level subsidiaries, major shareholders or persons with controlling power of the Company except where such status has terminated at least two years before the date on which he or she has assumed the position of a member of the Audit Committee. This prohibited status shall, however, exclude the case where the independent director used to be a government official or adviser of a governmental agency, which is a major shareholder or the controlling person of the Company.
- 3) Not being a person who is related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child of other directors, executives, major shareholders, controlling person or person to be nominated as director, executive or controlling person of the Company or its subsidiaries.
- 4) Not having or having had a business relationship with the Company, its parent company, subsidiary, associate company, major shareholder or controlling person in a manner that may interfere with independent judgement. This prohibition shall also include cases where the independent is or has been a significant shareholder or the controlling person of any person having a business relationship with the

Company, its parent company, subsidiary, associate company, major shareholder or controlling person except where such relationships have terminated at least two years.

The business relationship described above shall include normal business transactions, rental or lease of immovable property, transactions relating to assets or services or granting or receipt of financial assistance by way of acceptance or provision of loan, guarantee, use of assets as collateral, and such other similar actions, which result in the Company or the counterparty being subject to indebtedness payable to the other party in an amount starting from three percent of the net tangible assets of the Company or from THB 20 million baht or more, whichever amount is lower. Such indebtedness shall be calculated in accordance with the method for calculating the value of related party transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Execution of Related Party Transactions, mutatis mutandis. In any case, the consideration of such indebtedness shall include the indebtedness incurred during the period of one year prior to the date of establishing the business relationship with the related person.

- 5) Not being or having been an auditor of the Company, its parent company, subsidiary, associate company, majority shareholder, or controlling person, and not being a significant shareholder, person with controlling power, or partner of the audit firm which employs the auditor of the Company, its parent company, subsidiary, associate company, majority shareholder, or person of controlling power, except where such relationship has terminated not less than two years.
- 6) Not being or having been a provider of professional services, including legal advisory services or financial advisory services earning a service fee of more than THB two million per year from the Company, its parent company, subsidiary, associated company, majority shareholder, or person with controlling power, and not being a significant shareholder, person with controlling power, or partner of such provider of professional services, except where such relationship has terminated not less than two years.

- 7) Not being a director who is appointed as the representative of directors of the Company, major shareholder, or shareholder who is a connected person of a major shareholder.
- 8) Not undertaking any business of the same nature and in significant competition with that of the Company or its subsidiary, or not being a significant partner in a partnership, or an executive director, employee, hired worker, adviser earning regular monthly salary, or holding more than one percent of the voting shares of another company that undertakes a business of the same nature and in significant competition with that of the Company or its subsidiary.
- 9) Not being a director assigned by the Board of Directors to make decisions regarding business operations of the Company, its parent company, subsidiary, associated company, majority shareholder, or person with controlling power.
- 10) Not being a director of parent company, subsidiary, or same-level subsidiary, which are listed companies.
- 11) Having other complete and appropriate qualifications required by the law or in accordance with the requirements of government agencies.
- 12) Not having any other characteristics that could cause the independent directors to express their independent opinion about the business operations of the Company.

In this regard, the tenure of independent directors shall not exceed a cumulative term of nine years from the date of the first appointment. At present, there are no independent directors who have remained in such position for more than nine years as specified.

### **Nomination and Appointment of Top Executives**

In selection of the Chief Executive Officer of the Company, the Nomination Committee is responsible for selecting qualified persons to serve as the Chief Executive Officer of the Company and the Remuneration Committee is responsible for considering the remuneration structure, work compensation models and criteria, including the determination of compensation, awards, bonuses, and salary increases for the Chief Executive Officer for recommendation to the Board of Directors for further approval.

In this regard, the Chief Executive Officer can hold director positions in companies other than the Company's subsidiaries and associated companies, but this must not be an obstacle to the performance of duties as the Company's the Chief Executive Officer. and that business must not be the same type of business or in competition with the Company's business provided that prior approval from the Board of Directors is received before assuming directorship positions in other companies.

**In 2023, the Nomination Committee reviewed policies, criteria, formats, and processes for selecting and recruiting directors, independent directors, and senior executives, including reviewing the structure, size and composition of the Board of Directors so as to be appropriate for the Company and consistent with the changing business situation, the situation within the country and global society. It also took into account diversity in the structure of the Company's Board of Directors (Board Diversity) and saw that the current structure and number of directors are suitable for the size of the organization. Moreover, directors also have knowledge, skills, expertise and experience covering all aspects that are beneficial to development and consistent with the Company's business strategies and goals. In addition, there is diversity in both age range and gender. The composition of the Board of Directors includes 3 female directors (1 is an independent director) representing 25 percent of the total number of directors. Moreover, independent directors are independent as defined according to the criteria set by the Company and the selection and recruitment criteria, form, and process are also in accordance with the principles of good corporate governance.**

### **Succession Plan**

The Company has set a career progression plan for employees at the management level, i.e. employees in executive positions as defined in the SEC Notification No. Kor Jor. 17/2551 regarding the Definition of the Issuance and Offering of Securities and employees in critical positions. This process is referred to as "Succession Management" through 2 main steps as follows:

- (1) In designating or proposing successors, an evaluation will be conducted in 2 important parts:

1) Performance appraisal and 2) Assessment of potential based on leadership competency and behavior consistent with the Core Value of the organization. Successful candidates who pass the evaluation will be regarded as High Potential Talent and will be developed appropriately so as to be prepared to be in leadership roles of the organization in the future. Selection of candidates from existing employees is given priority; however, if a successor cannot be obtained from within the Company, it will recruit suitable persons from outside.

(2) Succession Slate, All critical positions will have at least 1 potential successor. Such a designated

person must have similar qualifying traits or qualifications which match the critical position and a readiness to assume such position immediately and/or will be ready in the next 1-2 years.

(3) Development Plan, The Company has set a career development plan and individual development plan which consist of leadership development, migration of jobs, duties and responsibilities, and a special project assignment to ensure that this successor pool is ready to replace incumbent position holders in the designated position. This successor slate will be reviewed annually.

## Director Development

The Company encourages the directors to develop their personal skills and knowledge, as well as to attend training courses on a regular basis, and ensures that the directors receive regular trainings to have necessary knowledge development and gain an experience which benefits to their effectiveness of performance. The Company Secretary will prepare the annual training plan for the following year in advance at the end of each year in conjunction with the Human Resources Department so that the Board of Directors can be made aware of the training courses necessary to perform their duties before implementation. It also encourages directors to participate in seminars held by the Stock Exchange of Thailand, the SEC Office, and various related agencies or organizations to increase operational knowledge as well.

In 2023, all directors attended the Internal and external training courses which are beneficial to their performance as follows.

Name	Training Course
1. Prof.Dr. Weerakorn Ongsakul	<ul style="list-style-type: none"> <li>Corporate Governance 2023, Self-Learning program, Sri Trang Gloves Thailand PCL.</li> </ul>
2. Dr. Viyavood Sincharoenkul	<ul style="list-style-type: none"> <li>Corporate Governance 2023, Self-Learning program, Sri Trang Gloves Thailand PCL.</li> </ul>
3. Mr. Kitichai Sincharoenkul	<ul style="list-style-type: none"> <li>Corporate Governance 2023, Self-Learning program, Sri Trang Gloves Thailand PCL.</li> </ul>
4. Ms. Jarinya Jirojkul	<ul style="list-style-type: none"> <li>Leadership Sharing, SCG Packaging PLC</li> <li>AI Essentials for Executives Workshop, King Mongkut's University of Technology Thonburi</li> <li>DiSC &amp; Senior Leadership Development Workshop, ENPEO</li> <li>Leaning about EUDR, Sri Trang Agro-Industry PCL.</li> <li>The 7 Habits of Highly Effective People, Paclim Leadership Center Co., Ltd.</li> <li>ISO 14971:2019 Risk Management for Medical Devices, K.S.F. Consulting and Services Co., Ltd</li> <li>Awareness of Cybersecurity and Privacy for general users of information technology., Self-Learning (e-Learning) program "@core", Sri Trang Gloves Thailand PCL.</li> </ul>



Name	Training Course
5. Ms. Thanawan Sa-ngiamsak	<p><u>The Stock Exchange of Thailand</u></p> <ul style="list-style-type: none"> <li>- Impact Investing-Strategy for Achieving Sustainability Goal</li> <li>- Train the Trainer (Coaching)</li> <li>- Carbon Footprint of Organization: CFO</li> <li>- Thai Financial Reporting Standards (TFRS) in 2023 and interesting accounting issues for listed companies.</li> <li>- Climate Fresk and Sharing COP28 Activities</li> </ul> <p><u>CFA Institute</u></p> <ul style="list-style-type: none"> <li>- Certificate in ESG Investing</li> </ul> <p><u>Federation of Accounting Professions Thailand</u></p> <ul style="list-style-type: none"> <li>- ESG Risk Management: Practical challenges</li> </ul> <p><u>Investment Banking Club, Association of Thai Securities Companies</u></p> <ul style="list-style-type: none"> <li>- Alternative methods of Capital Fundraising: Digital Tokens and Venture Capital</li> <li>- Regulatory trends &amp; Learning from the issuance and offering for sale of debt securities</li> </ul> <p><u>Thai Listed Companies Association</u></p> <ul style="list-style-type: none"> <li>- RPA (Robotic Process Automation) in finance</li> <li>- Governance System for Fraud Detection</li> <li>- Guidelines on issuing and offering for sale of debt securities for protecting the environment</li> <li>- Economic Update for CFO</li> </ul> <p><u>Thai Bond Market Association (ThaiBMA)</u></p> <ul style="list-style-type: none"> <li>- Enable ESG Bond Issuance: Investor Demand, Corporate Experiences, and New Funding Support</li> <li>- Enable ESG Bond Issuance Seminar # 2: Global Dynamic &amp; Thailand Framework Development</li> </ul> <p><u>Bank of Thailand</u></p> <ul style="list-style-type: none"> <li>- Thailand Taxonomy), ENPEO Consulting</li> <li>- Building High Performance Organization in "Senior Leadership Development Program"</li> </ul> <p><u>EY Thailand</u></p> <ul style="list-style-type: none"> <li>- Reinvent supply chains to be fit for the future</li> <li>- Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two) – OECD</li> </ul> <p><u>TGO</u></p> <ul style="list-style-type: none"> <li>- Carbon Neutrality and Net Zero Emission</li> </ul> <p><u>FranklinCovey</u></p> <ul style="list-style-type: none"> <li>- Senior Leadership Development Program "The 7 Habits of Highly Effective People</li> </ul> <p><u>SMU Academy: Singapore Management University</u></p> <ul style="list-style-type: none"> <li>- Master Class- Environment, Social and Governance (ESG) and Climate Change Reporting</li> </ul> <p><u>Tilleke &amp; Gibbins</u></p> <ul style="list-style-type: none"> <li>- Past, Present, Future of IP Protection</li> </ul>
6. Mr. Chia Chee Ping	<ul style="list-style-type: none"> <li>• DiSC &amp; Senior Leadership Development Workshop, ENPEO</li> </ul>
7. Mr. Anan Pruksanusak	<ul style="list-style-type: none"> <li>• Corporate Governance 2023, Self-Learning program (e-Learning) "@core", Sri Trang Gloves Thailand PCL.</li> </ul>
8. Mr. Veerasith Sinchareonkul	<ul style="list-style-type: none"> <li>• DiSC &amp; Senior Leadership Development Workshop, ENPEO</li> <li>• AI Essentials for Executives Workshop, King Mongkut's University of Technology Thonburi</li> <li>• The 7 Habits of Highly Effective People, Paclim Leadership Center Co., Ltd.</li> </ul>

Name	Training Course
9. Mr. Vitanath Sincharoenkul	<ul style="list-style-type: none"> <li>• DiSC &amp; Senior Leadership Development Workshop, ENPEO</li> <li>• AI Essentials for Executives Workshop, King Mongkut's University of Technology Thonburi</li> <li>• The 7 Habits of Highly Effective People, Paclim Leadership Center Co., Ltd.</li> </ul>
10. Mrs. Unakorn Phruithithada	<ul style="list-style-type: none"> <li>• Financial Statement Decoration for committing corruption in the Thai capital market, Sustainability during the economic downturn and Measures to mitigate Global warming, EY Company Limited</li> <li>• Corporate Governance 2023, Self-Learning program, Sri Trang Gloves Thailand PCL.</li> </ul>
11. Gen. Bundit Boonyapan	<ul style="list-style-type: none"> <li>• Financial Statement Decoration for committing corruption in the Thai capital market, Sustainability during the economic downturn and Measures to mitigate Global warming, EY Company Limited</li> <li>• Corporate Governance 2023, Self-Learning program, Sri Trang Gloves Thailand PCL.</li> </ul>
12. Mr. Thanatip Upatising	<ul style="list-style-type: none"> <li>• B2B Marketing Strategies in Action Course, Rethink Academy</li> <li>• Corporate Governance 2023, Self-Learning program, Sri Trang Gloves Thailand PCL.</li> </ul>

At present, there are 11 directors or equivalent to 91.67 percent of all directors in the board attended training courses related to the performance of directors such as Director Certification Program (DCP) and Director Accreditation Program (DAP) organized by the Thai Institute of Directors Association. And, the directors attended the annual meeting of Sri Trang Group and it presented business overview of the Group Company, performance of previous year together with business outlook of all business units for next year, and sustainable business operations (ESG).

### 2024 Training Programs for the Board of Directors and Sub-Committees.

2024 TRAINING LIST		
No.	Course	Institute
1	Risk Management Program for Corporate Leaders (RCL) or How to Develop a Risk Management Plan (HRP)	IOD
2	Cyber security	N/A
3	ESG, Sustainability or Carbon footprint and Carbon credit such as tax, carbon, trading system and relevant laws.	N/A
4	Prevention of the Use of Inside Information and Prevention of Conflict of Interests	STGT Self e-learning

In addition, the Company has continuously encouraged the company secretary to participate in various trainings and seminars in order to increase knowledge that is beneficial to supporting the work of the Board of Directors. In 2023, the Company Secretary attended training courses related to the performance of duties of a Company Secretary, including a seminar on the Sustainable Development Goals Guide for Thai listed companies, and SDG impact standards organized by the SEC, stakeholder reporting courses and insider information use policies. organized by the Thai Listed Companies Association and the Company Secretary Forum 2023: The Role of Company Secretaries in Driving ESG, organized by the Thai Institute of Directors Association, etc.

## New Director Orientations

The Company shall organize a new director orientation. The new directors will have access to recommendations and information that are useful for performing their duties. This includes understanding about objectives, main goals, visions, missions, and corporate value including nature of business and business directions of the Company, as well as principles of good corporate governance and business ethics to promote better understanding of the role and scope of authority and duties of the Board of Directors, ethics in operations and use of inside information, etc.

In 2023, the Company did not organize orientation for directors because there were no new directors during said year.

## Assessment of the Performance of the Board of Directors

To be in line with the good corporate governance principle, the Board of Directors conducts an assessment of its annual performance through both individual evaluation (Self-assessment) and group evaluation (As a Whole), as well as the assessment of the performance of the subcommittees and Chief Executive Officer. The assessment forms are based on the form of SET and designed for the Company's business. The assessment result will be used as a framework for reviewing the performance, problems and obstacles as well as bringing suggestions to further develop and improve their performance while taking into account director remuneration.

## Method and Criteria of Assessment

### Assessment Topics

Assessment of the Performance of the Board of Directors (Group Evaluation)	Assessment of the Performance of the Board of Directors (Individual Evaluation)	Assessment of the Performance of Sub-Committees
1. Structure and Qualifications of the Board of Directors	1. Fiduciary Duty to manage the Company's business operations in the best interest of the shareholders	1. Structure and Qualifications
2. Roles, Duties and Responsibilities of the Board of Directors	2. Structure and Qualifications of the Board of Directors	2. Performance of Duties
3. Board of Directors' Meetings	3. Board of Directors' Meetings	3. Meetings
4. Performance of Directors	4. Roles, Duties and Responsibilities of the Board of Directors	4. Roles, Duties and Responsibilities
5. Relationships with the Management		5. Training / Source of Information
6. Personal Development of Directors and Executives		

## Scoring Criteria

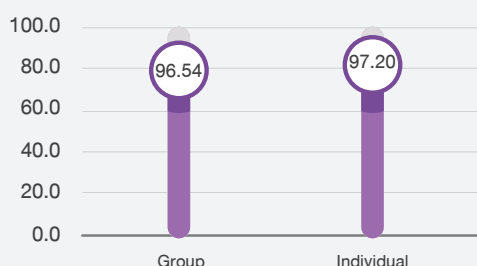
Score	Remark
1	Strongly disagree or never conducted
2	Disagree or seldom conducted
3	Agree or moderately conducted
4	Mostly agree or well conducted
5	Strongly agree or excellently conducted

## Assessment criteria

Average Score (%)	Remark
> 85	Excellent
> 75	Very Good
> 65	Good
> 50	Fair
< 50	improvement needed

The Company Secretary will provide and collect the self-assessment forms of the Board of Directors, Sub-Committees, and Chief Executive Officer. After receiving the assessment result of each director, it will be calculated for total average score and report such result to the Board of Directors' Meeting for acknowledgement.

### The assessment results of the Board of Directors



### The assessment results of Sub-Committees



The summarized assessment results of Chief Executive Officer for the year 2023. The average score was in excellent level or equivalent to 94.10 percentage. The evaluation form contains 3 sections as follows:

## Assessment Topics

**Section 1: Progress of Operation Plan” to evaluate performance against targets and business progress**

### Section 2: Performance Measures

1. Leadership
2. Strategy Formulation
3. Strategy Execution
4. Financial Planning/Performance
5. Relationships with the Board
6. External Relations
7. Human Resources Management / Relations
8. Succession
9. Product/Service Knowledge
10. Personal Qualities

**Section 3: Development to evaluate key strengths of the CEO and high-level executives and improvement issues for next year**



## 8.1.2 Meeting Attendance and Remuneration

### Meeting Attendance of Board of Directors and Sub-Committees

The Board of Directors schedules annual meetings in advance whereby a meeting calendar is prepared for the Board of Directors and sub-committees, whereby directors and executives are notified within December of every year before the following year's meetings so that directors and executives can plan to allocate time to attend such meetings.

In 2023, the Board of Directors held at least 6 meetings. Pursuant to the good corporate governance principle, the Company promotes and encourages each director to attend the Board of Directors' meeting at least 75 percent of the total number of meetings in each fiscal year and supports to provide the meeting materials to the directors in advance at least 7 days prior to the meeting except in case of necessity. In addition, the non-executive directors will hold a meeting at least once a year in order to allow a discussion on any issues of concern without the attendance from the management as well as holding an extra meeting to consider, review, and follow up the performance in accordance with vision, mission, core value, and strategy of the Company, and to determine the mission of the Company for next year.

In addition, the Board of Directors has established a policy regarding the minimum number of quorums in the meeting of the Board of Directors while voting at the meeting requires no less than two-thirds of the total number of directors.

As regards the subcommittees, the Audit Committee will hold a meeting on a quarterly basis and may call additional meetings as necessary and appropriate, including an extraordinary meeting with the auditor of the Company without the executives in attendance at least once a year. The Nomination Committee, the Remuneration Committee, the Corporate Governance and Sustainable Development Committee, and the Risk Management Committee will hold at least two meetings in each fiscal year and may call additional meetings as necessary and appropriate. The Executive Committee will hold its meetings regularly as it deems appropriate.



In 2023 the details of meeting attendance of directors are as follows.

List of Directors	Board of Directors		Executive Committee		Audit Committee		Nomination Committee		Remuneration Committee		Risk Management Committee		Corporate Governance and Sustainable Development Committee		2023 Annual General Meeting of Shareholders
	Total 6 times		Total 4 times		Total 5 times		Total 2 times		Total 2 times		Total 2 times		Total 3 times		
	Physical	Electronic	Physical	Electronic	Physical	Electronic	Physical	Electronic	Physical	Electronic	Physical	Electronic	Physical	Electronic	
1. Professor Dr. Weerakorn Ongsakul	-	6/6	-	-	-	5/5	-	2/2	-	2/2	-	2/2	-	-	1/1
2. Dr. Viyavood Sincharoenkul	-	6/6	-	4/4	-	-	-	-	-	-	-	-	-	-	1/1
3. Mr. Kitichai Sincharoenkul	-	5/6	-	4/4	-	-	-	2/2	-	2/2	-	-	-	-	1/1
4. Mr. Veerasith Sinchareonkul	-	6/6	-	4/4	-	-	-	-	-	-	-	2/2	-	-	1/1
5. Mr. Anan Pruksanusak	-	6/6	-	4/4	-	-	-	-	-	-	-	-	-	-	1/1
6. Ms. Jarinya Jirojkul	-	6/6	-	4/4	-	-	-	-	-	-	-	2/2	-	3/3	1/1
7. Ms. Thanawan Sa-ngiamsak	-	6/6	-	-	-	-	-	-	-	-	-	2/2	-	3/3	1/1
8. Mr. Vitanath Sincharoenkul	-	6/6	-	4/4	-	-	-	-	-	-	-	-	-	3/3	1/1
9. Mr. Chia Chee Ping	-	6/6	-	-	-	-	-	-	-	-	-	-	-	-	1/1
10. Mrs. Unakorn Phruithithada	-	6/6	-	-	-	5/5	-	-	-	-	-	-	-	-	1/1
11. Gen. Bundit Boonyapan	-	6/6	-	-	-	5/5	-	2/2	-	2/2	-	-	-	3/3	1/1
12. Mr. Thanatip Upatising	-	6/6	-	-	-	-	-	-	-	-	-	-	-	-	1/1
Average Score (Percentage)		98.61	100.0		100.0		100.0		100.0		100.0		100.0		100.0

In addition, the non-executive directors held 1 meeting without the participation of the management on 29 November 2023, in order to allow a discussion of any issues of concern which included the business overview and outlook of rubber glove industry, including industry situations, investment, and politics, both domestic and abroad, that may affect or affect business operations, and the role and duties of the Audit Committee regarding the inspection of the use of funds according to the Company's fundraising objectives according to the circular letter of the SEC Office concerning good practices of the Audit Committee to prevent and suppress inappropriate behavior of listed companies. The Chief Executive Officer was informed of the results of said meeting so that the comments and suggestions thereof may be used to further develop and improve the Company's operations.

The Company organized the 2023 Annual General Meeting of Shareholders through electronic conferencing (E-AGM) in accordance with the Emergency Decree on Electronic Meetings, B.E. 2563 (2020) and other related laws and regulations because it was seen as a meeting method that facilitates all shareholders to be able to attend the meeting from anywhere in the country and abroad as well as being a good measure to prevent and reduce the risk of the spread of the COVID-19 as well.

Meeting date	10 April 2023
Meeting format	Electronic Conferencing (E-AGM)
Date of publication of invitation on the company's website	8 March 2023
Date of dispatch of the invitation via registered mail	17 March 2023
Date of announcement on newspaper	21 22 and 23 March 2023
Commencement of register	8.00 a.m.
Meeting time	10.00 a.m.
Number of directors attended the meeting	12/12 members or equivalent to 100.00 percent of all directors.
Number of shareholders attended the meeting in person and by proxy at the beginning of the meeting	120 shareholders or representing 69.5662 percent of the total issued shares of the Company, a quorum was duly formed pursuant to law.
Inspector and witness to the vote counting	Mr. Visarut Meakha – Aphirak, Independent Legal Advisor from Siam Premier International Law Office Limited

## Remuneration of Directors and Executives

### Policy and Method of Remuneration and Structure of Remuneration for Directors and Executives

The Board of Directors at recommendation of the Remuneration Committee is to consider the structure and rate of remuneration for the directors and executives to be commensurable with their responsibilities and to motivate and lead the organization to achieve both short-term and long-term goals. Moreover, the remuneration must be in line with the Company's long-term strategy and goals, as well as their experience, duties, scope of roles, accountability, and responsibility, including the benefits expected to be received from each director in a manner comparable to the level practiced in the industry. In this regard, the shareholders will approve the structure and rate of remuneration of directors, both in monetary and non-monetary terms. The Board of Directors, as advised by the Remuneration Committee, will consider the appropriate type of compensation in connection with the value that the Company created for shareholders but not at a level that is too high to focus on short-term earnings. The Remuneration Committee will establish remuneration criteria that reflect the duties and responsibilities of each director. The Remuneration Committee may recruit an advisor or a person with an independent opinion to provide opinions or advice on methods for determining the remuneration of directors and executives as necessary and appropriate.

## 1) Director Remuneration

### Monetary Remuneration

The Remuneration Committee has considered the directors' remuneration to be in accordance with the Company's performance result, meeting attendance, and performance, and concluded that it is in line with the same industry standards as well as sufficient to motivate and retain quality directors to work with the Company, and further purpose to the Annual General Meeting of Shareholders for consideration and approval in an annual basis. In this regard, the Annual General Meeting of Shareholders which held on 10 April 2023, passed the resolution to determine the directors' remuneration for the year 2023, whereby directors' remuneration both monthly compensation and meeting allowances being at the same rate as last year because it was considered that the current remuneration of directors is still appropriate. Details are as follows:

Monthly Remuneration*	(per month / person)
Chairman of the Board of Directors	110,000
Director / Independent Director	80,000
Chairman of the Audit Committee	110,000
Member of the Audit Committee	90,000
Chairman of the Executive Committee	110,000
Member of the Executive Committee	90,000
Meeting Allowance**	(per attendance / person)
Board of Directors	None
Audit Committee	None
Executive Committee	None
Nomination Committee	2,000
Remuneration Committee	2,000
Risk Management Committee	2,000
Corporate Governance and Sustainable Development Committee	2,000

**Remarks:**

- \* The director will receive the highest monthly remuneration from only one of the positions he holds.
- \*\* Only independent directors, who hold any positions in the sub-committees as mentioned above, will be paid according to the actual attendance.
- \*\*\* The directors do not receive any other remuneration other than those specified above.

The director remuneration as of 31 December 2023 are as follow:

Name	Monthly Remuneration (THB)	Meeting Allowance (Pay for Independent Directors attending the meeting only)						Total Remuneration (THB)
		Executive Committee	Audit Committee	Nomination Committee	Remuneration Committee	Risk Management Committee	Corporate Governance and Sustainable Development Committee	
1. Professor Dr. Weerakorn Ongsakul	1,320,000	-	-	4,000	4,000	4,000	-	1,332,000
2. Dr. Viyavood Sincharoenkul	1,320,000	-	-	-	-	-	-	1,320,000
3. Mr. Kitichai Sincharoenkul	1,080,000	-	-	-	-	-	-	1,080,000
4. Mr. Veerasith Sinchareonkul	1,080,000	-	-	-	-	-	-	1,080,000
5. Mr. Anan Pruksanusak	1,080,000	-	-	-	-	-	-	1,080,000
6. Ms. Jarinya Jirojkul	1,080,000	-	-	-	-	-	-	1,080,000
7. Ms. Thanawan Sa-ngiamsak	960,000	-	-	-	-	-	-	960,000
8. Mr. Vitanath Sincharoenkul	1,080,000	-	-	-	-	-	-	1,080,000
9. Mr. Chia Chee Ping	960,000	-	-	-	-	-	-	960,000
10. Mrs. Unakorn Phruithithada	1,080,000	-	-	-	-	-	-	1,080,000
11. Gen. Bundit Boonyapan	1,080,000	-	-	-	4,000	4,000	6,000	1,094,000
12. Mr. Thanatip Upatising	960,000	-	-	-	-	-	-	960,000
<b>Total</b>	<b>13,080,000</b>	<b>-</b>	<b>-</b>	<b>4,000</b>	<b>8,000</b>	<b>8,000</b>	<b>6,000</b>	<b>13,106,000</b>

In 2023, the Company has no policy to pay directors remuneration in the form of directors' gratuity or any compensation which varies according to the performance of the Company. The directors will receive monetary remuneration in the form of monthly remuneration and meeting allowances only. No compensation has been paid to directors of subsidiaries in 2023.

#### Other Remuneration

- None -



## 2) Executive Remuneration

Policies and methods for determining remuneration including the compensation structure of the Company's executives will be determined in comparison with other companies in the same industry, taking into account assigned duties and responsibilities and varying according to the Company's operating results as well as other criteria as specified by the Company.

### Monetary Remuneration

In 2023, the Company paid monetary compensation to 11 executives of the Company in the form of salary and bonuses, totaling THB 53.01 million.

In addition, the Company has provided a provident fund for executives, with the Company contributing at a percentage rate of 3 – 5% of salary. In 2023, the Company paid contributions to the provident fund for 9 executives, amounting to THB 1.22 million.

### Other Remuneration

In addition to the aforementioned monetary compensation, the Company has also allocated additional common shares to the Company's personnel, in the STGT ESOP project, which ended in July 2022, in order to reward and retain knowledgeable and capable personnel to work with the Company in the long term and to create incentives to work together to develop the Company to grow sustainably and foster a sense of shared ownership. In 2023, there were no other type of compensation other than monetary and company benefits.

From the above information on executive compensation, the compensation of Ms. Jarinya Jirojkul, the Chief Executive Officer (CEO), has been included. Ms. Jarinya Jirojkul received remuneration commensurate with her performance, both short-term and long-term, in the form of salary, bonus, provident fund, and benefits, as well as being allocated additional common shares in the STGT ESOP project according to the same rights as other employees. In addition, Ms. Jarinya Jirojkul also received remuneration from being a director as shown in item 1) Director Remuneration as well.

The remuneration of directors, sub-committee members and executives of the Company appears in points 1) - 2) representing accrued compensation or benefits for the most recent year which includes the remuneration of the previous year, thereby reflecting the actual current year's remuneration. This is because there were no significant appointments of new directors and executives. In addition, the Board of Directors and the Nomination and Remuneration Committee has considered that the compensation structure as well as the criteria thereof remain appropriate to the directors' responsibilities and continue to effectively motivate directors and executives to lead the organization to operate according to both short-term and long-term goals, while also being comparable to the level practiced in the same industry as the compensation and benefits are at a level that is competitive with the labor market.



### 8.1.3 Supervision and Governance of Subsidiaries and Associate Companies

The Company establishes a corporate governance policy for the supervision and management of subsidiary and associate companies. The objective is to define direct and indirect measures and mechanisms for the Company to be able to supervise and manage the affairs of its subsidiaries and associate companies, including monitoring and supervising their compliance with said measures and mechanisms as if they are the Company's own units, and in accordance with the Company's policy Including public company laws, the Civil and Commercial Code, Securities Law and other related laws and notices, relate rules and regulations of the Capital Market Supervisory Board, the SEC and the SET in order to protect the interests of the Company's investments in such subsidiaries and associate companies, details of which are as follows:

- (1) The Company will assign someone to represent the Company as a director in each subsidiary and/or associate company according to the percentage of shareholding in each company to supervise said subsidiaries and/or associate companies to act in accordance with the relevant laws, good corporate governance policy, as well as other policies of the Company. Such assignment in each subsidiary and/or associate company must be considered and approved by the Board of Directors' meeting, taking into account the suitability of each company.
- (2) If entering into the transaction or any operation of a subsidiary falls into or is deemed an acquisition or disposition of assets under the Notification on Acquisition or Disposition of Assets or a connected transaction according to the relevant connected transaction announcements, the Company has the duty to seek approval from the Board of Directors' meeting and/or seek approval from the shareholders' meeting of the Company, or seek approval from the relevant authorities according to the law before entering into the transaction. Therefore, subsidiaries may enter into the transaction or proceed with said operation only upon the completion of the approval process of the Board of Directors' meeting and/or the shareholders' meeting of the Company and/or related agencies (as the case may be).

In addition, if in entering into the transaction or there is any event of the subsidiary resulting in the Company

having to disclose information to the Stock Exchange of Thailand in accordance with the rules prescribed in the relevant notifications thereof, directors representing the Company on the board of directors of the said subsidiary have a duty to notify the Company's management immediately upon becoming aware that the subsidiary plans to enter into the transaction or if such an event occurs.

- (3) The board of directors and management of each subsidiary and/or associate company will have the scope of important authority and responsibility under the relevant laws that require such acts as disclosing information on financial status and operating results to the Company. In this regard, the relevant announcements of the Capital Market Supervisory Board and the notifications of the Stock Exchange of Thailand shall apply mutatis mutandis. Also required is disclosure and submission of information on personal interests and interests of related persons to the Board of Directors so that it is aware of the relationship and transactions with the Company, subsidiaries and/or associate companies that may create a conflict of interest and avoid such transactions that may lead to conflicts of interest.
- (4) (1) The Company will set up a plan and take necessary actions to ensure that the subsidiaries and/or affiliates disclose information on operating results and financial status to the Company and the Company will take necessary actions and monitor the subsidiary and/or associate companies to have an information disclosure and internal control systems that are adequate and appropriate in their business operations.

In addition, the Company will closely monitor the operating results and operations of the said subsidiary and/or associate company and present the results of analysis as well as express opinions or recommendations to the Board of Directors of the Company and the board of directors of the subsidiary or associate company for use in considering policy formulation or enhancement to promote the business of subsidiaries and/or associate companies for continuous development and growth.

To ensure that shareholders are confident that the Company has a transparent and auditable operating structure, the Company has clearly disclosed the shareholding structure in its subsidiaries in this report and on the Company's website <https://www.sritranggloves.com/en/corporate-info/management-structure/shareholding-structure-of-the-group>.

### 8.1.4 Monitoring of compliance with the corporate governance policies and guidelines

In overseeing and monitoring the Company's compliance with the good corporate governance policy and business ethics. **In 2023, it does not appear that directors, executives, and employees have committed actions that are considered to be in violation of the rules specified in any such policy and code of conduct.**

#### Prevention of Conflict of Interests

The Group Company has determined the Policy for the Prevention of Conflict of Interests based on the principle that the decisions of entering into any transactions must be conducted in the best interests of the Company and its shareholders. All actions with possible conflict of interests with those of the Company shall be avoided. In principle, the directors, executives and employees of the Company who are involved in or have interests in transactions being considered shall notify the Company of the nature of relationship or their interests in the transactions and shall not participate in the consideration or have any authority in the approval of the transaction.

#### Guidelines

- (1) Directors, executives and employees of the Company shall refrain from conducting business, either directly or indirectly, having nature that is similar to and in competition with the business of the Company or its subsidiaries either for their own benefit or for others' which may cause damage to the Company
- (2) Directors, executives and employees of the Company shall disclose information about their personal business or business of their family members or relatives or dependents which may result in a conflict of interests with those of the Company or its subsidiaries.
- (3) Directors, executives and employees shall not use confidential information of the Company or its subsidiaries and they are required to strictly comply with the Inside Information Policy.
- (4) Directors, executives and employees shall refrain from holding shares in the competitors of the Company or its subsidiaries to the extent where such

shareholding is material or before the Company or its subsidiaries have engaged in the business, or shareholding that is acquired as an estate shall be notified to their supervisor immediately.

- (5) Directors, executives and related persons shall ensure that the Company has complied with the requirements and methods of disclosure of information on related party transactions and refrain from entering into related party transactions with themselves or with related persons/ juristic persons which would cause possible conflict of interests with those of the Company.

If related party transactions are not entered into on general commercial terms in accordance with the principle approved by the Board of Directors, or where the nature and size of the transaction is not within the authority of the management to approve, such transactions shall be reviewed and are subject to the opinion of the Audit Committee before they can be proposed to the Board of Directors or the general meeting of shareholders for approval.

If it is necessary to enter into a related party transaction, the transaction shall be on general commercial terms in accordance with the principles approved by the Board of Directors, which shall be transparent and fair as would have been entered into with third parties taking into consideration the best interest of the Company.

- (6) Directors, executives and employees shall strictly comply with the Policy for the Use of Inside Information. It is the policy of the Company to put in place an organizational structure where there is a separation of work and responsibilities among work units and employees whose duties, responsibilities or nature of would give rise to the possible conflict of interests.
- (7) Directors, executives and employees shall not be involved in the consideration of transactions in which they have a conflict of interests and have to disclose their conflict of interests or report their interest in each transaction as follows.
  - Directors have to report their interests prior to the Board of Directors' Meeting has considered the meeting agenda and it has to be recorded in

the minutes of such Board of Directors' Meeting in order that the directors, who have significant interests and are unable to provide an opinion independently, should abstain from considering such meeting agenda.

- Directors and executives have to prepare conflict of interest report of themselves and their related persons, dividing into (1) first reporting at the time of appointment, (2) annual reporting, and (3) reporting in case of any changes during the year. The Company Secretary shall keep, maintain, and submit such report to the Chairman of the Board of Directors and the Chairman of the Audit Committee for further use in the verification and monitoring of conflicts of interest.
- Employees in all levels have the duties to prepare a conflict of interest report in an annual basis. If they found that they or their related persons have any interests that may conflict with their performance, they have to report supervisor immediately.

### 2023 Key Performance

- All directors, executives, and employees strictly complied with this policy, and it was not found that there were any persons performed their duties against the Prevention of Conflict of Interests Policy.
- The Board of Directors reviewed the policy on an annual basis, however, no amendment was required. last year.
- All directors and executives acknowledged and agreed that will comply with the Prevention of Conflict of Interests Policy and annually submitted a conflict of interest report to the Company Secretary to report the Chairman and Chairman of Audit Committee for acknowledgement.
- Employees at all levels have reviewed and responded to the electronic conflict of interest report form on an annual basis, whereby participation of executives and employees in the said report process accounted for 100 percent.
- The Company published the Prevention of Conflict of Interests policy through the Company's internal communication system (Intranet) and monitored all

levels of employees to submit the annual conflict of interest report through the system (or equivalent to 100 percent).

- The Company provides knowledge to directors, executives and employees about preventing conflicts of interest whereby training through the Company's Self Learning (e-Learning) system is organized as well as conducting tests to assess knowledge and understanding of which the following are the details:

Directors	100 percentage
Executives	100 percentage
Employees	100 percentage

- In addition, in order to prevent conflicts of interest, the Company has established a clear policy to take care of items that may cause conflicts of interest, whereby the process for approving connected transactions between the companies or persons who may have conflicts is specified in writing. In the event that there is a director who has a vested interest in any agenda, that director will not have the right to vote on that agenda. In terms of approval of related transactions, the responsible agency will initially evaluate said items, provide information and analysis as to whether the said transaction is reasonable, whether it would benefit of the Company and if the price is fair. They may hire external experts to give additional opinions Then it is presented according to the prescribed procedure through the approval process. Any executives or directors who have a vested interest in said matter will not be involved in approving said transactions. In addition, the Audit Committee will jointly consider if such related transactions are necessary and at a fair price.

### Prevention of the Use of Inside Information

The Group Company operates their business with transparency and realize the importance of the use of inside information. In order to comply with the Securities and Exchange Act, including various regulatory requirements, the Company has set policies for the use of inside information and methods to prevent directors, executives including those holding executive positions in accounting or finance who are department managers

or higher or equivalent, and employees of the Company and subsidiaries from using confidential and/or inside information of the Company and subsidiaries which has not been disclosed to the public, for their personal benefit or the benefit of others, either directly or indirectly, and regardless of whether they are rewarded or not, including the use of such information for trading in the Company's securities.

### Guidelines

- (1) The Company educates its directors and executives regarding the obligation to prepare and disclose reports on holding and changing securities holding of (a) themselves, (b) their spouse or common law partner, (c) minor children, and (d) any juristic person that they, their spouse or common law partner and underage children hold shares in aggregate more than 30.0 percent of the total voting rights of such juristic person and such shareholding is the largest proportion in that juristic person, to the SEC under Section 59 of the Securities and Exchange Act, and related SEC notifications, as well as providing knowledge on reporting the acquisition or disposal of securities under Section 246 of the Securities and Exchange Act and the relevant Capital Market Supervisory Board announcements.
- (2) The Company requires its directors and executives to prepare and submit reports on the holding and changing securities holding of (a) themselves, (b) their spouse or common law partner, (c) underage children, and (d) any juristic person which they, their spouse or common law partner and underage children hold shares in aggregate of more than 30.0 percent of the total voting rights of such juristic person, and such shareholding is the largest portion in that juristic person according to the Securities Holding and Changing of Securities Holding Report under the format specified by the SEC. Such a report is required to be provided to the Company Secretary every time on the same day as the date of submission of the said report to the SEC. The preparation and timing and method for submitting said report shall conform to the criteria specified in the Securities and Exchange Act and related SEC announcements. The company secretary will prepare a report to the Board of Directors on a quarterly basis.

- (3) (1) The Company prohibits directors, executives and related workers, including persons who are presumed to know or possess inside information under the Securities and Exchange Act who have access to inside information that has not yet been disclosed to the public and are aware that said information may affect the price or value of the securities, or may affect investors' decision to buy or sell the Company's securities, or may cause damage to investors who wish to invest in the Company's securities, from using the aforementioned information for buying, selling, offering to buy, offering for sale, or persuading others to buy, sell, offer to buy or offer to sell the Company's securities, either directly or indirectly. Such actions (in exploiting insider information), regardless of whether they were done to gain any benefits for themselves or others, or whether disclosure of such information to allow others to do so rendered benefits in return or not. Moreover, directors and executives and related employees, including their spouse or common law partner and the underage child of such person must suspend the purchase, sale, offer to purchase or offer for sale or persuade other persons to buy, sell, offer to buy or offer for sale of the Company's securities, either directly or indirectly, in the period before the release of the financial statements, annual and quarterly financial results or information about the Company's financial position and status until the Company has been able to disclose such information to the public. The Company will notify in writing to directors and executives and related workers, including others who are presumed to know or possess inside information, that trading in the Company's securities is not allowed for at least 1 month prior to public disclosure and they should wait at least 24 hours after the information is disclosed to the public to be able to proceed with the above transactions. This written notification will also prohibit the disclosure of such material information to other persons by any means.
- (4) The Company requires the directors, executives and employees of the Company and its subsidiaries to keep commercial-in-confidence and/or inside information of the Company and its subsidiaries confidential, as well as the confidential information of the Company's



trade partners and subsidiaries which have become known to them from their duties. Moreover, they are prohibited from taking advantage of said information in any way, even though the disclosure thereof will not cause any damage to the Company, its subsidiaries or business partners.

- (5) The Company prohibits directors, executives and employees of the Company and its subsidiaries from disclosing inside information of the Company and its subsidiaries, and from using their positions in the Company and/or its subsidiaries to wrongfully exploit by any means the inside information or information that is material to the operation which has become known to them while working in the Company and/or its subsidiaries that has not been disclosed to the public, or disclose said confidential information to third parties for their own benefit or for someone else's benefit, either directly or indirectly, regardless of whether the person receives any benefit in return or not.
- (6) The Company has established a procedure for punishing personnel who fail to comply with its policy on inside information usage. If there is a violation of the use of inside information for one's personal benefit or for the benefit of others, either directly or indirectly, and whether it will entail either direct or indirect reward or not, will be considered a disciplinary offense according to the regulations set by the Company or a legal offense punishable by law, whereby the penalty will be based on the intent of the action and the seriousness of the offense.

## 2023 Key Performance

- All directors, executives, and employees strictly comply with this policy, and it was not found that there were any persons performed against the Policy for the Use of Inside Information.
- The Board of Directors reviewed the policy on an annual basis; however, no amendment was required last year.
- All directors, executives and related persons did not trade their securities during the blackout period, and it was not found that there were no trading using Inside Information.
- All directors, executives and employees have agreed and signed their acknowledgment, including acknowledgment through the electronic system that the use of inside information policy will be strictly followed, accounting for 100 percent.
- The Company provides knowledge to directors, executives, and employees about preventing unlawful use of inside information by organizing training through the Company's e-Learning system as well as conducting tests to assess knowledge and understanding, which has the following details:

Directors	100 percentage
Executives	100 percentage
Employees	100 percentage



## Anti-Corruption

The Group Company conducts its business with integrity by adhering to the principle of corporate social responsibility and respect for all stakeholders based on the good corporate governance and its Code of Business Ethics including policies and guidelines on treatment of stakeholders. The Company is committed and aspired to combat all types of corruption. To ensure that the Company puts in place a policy which sets out appropriate accountability, practices and regulations of actions to be taken to prevent corruption in all business activities of the Company and to ensure that all business decisions and operations which are exposed to corruption risks are treated and implemented with prudence, the Company prepared this 'Anti-corruption Policy' as a written guideline on clear business practices and corporate development towards sustainability. The Anti-corruption Policy shall apply to the subsidiaries, associated companies, other companies which the Company has the controlling power, and business representatives. This policy has been approved by the Board of Directors. The addition details of the anti-corruption policy and practices as the anti-corruption policy can be found at [www.sritranggloves.com](http://www.sritranggloves.com).

In addition, the Company has used communication channels within the organization to create accurate knowledge, understanding and raise awareness in this matter to the Company's personnel and the related persons, which will lead to the creation of corporate culture that opposes all aspects of corruptions. Such corporate culture will serve as a robust foundation crucial to sustainable business organization developments going forward.

The significant performance and development of anti-corruption are as follows:

1. The Company was certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) on 30 June 2022, with a validity of 3 years. Therefore, the Company would like to be part of the communication for public relations campaigns and jointly solving the problems of corruption as well as promoting and inviting the Company's business

partners to join the declaration of intent and become a member of the CAC through the company's website at [www.sritranggloves.com](http://www.sritranggloves.com). In addition, The Company has sent out "Letter of intent on Anti-corruption for Business Partners" to each business partner who wishes to share the same intention with the Company to jointly prevent and strictly refuse all forms of corruption.

2. Setting up the anti-corruption policy and various guidelines which covers the hospitality and entertainment, expenses receiving gifts, assets, or any other benefits, charitable donations or supports to other agencies or organizations, guideline on political contributions, guideline on facilitation fee, and guideline on employment of government officers including promoting "No-Gift Policy" before new year's festival through internal and external communication channels such as dissemination of media in various areas of all factories and the company's website at [www.sritranggroup.com](http://www.sritranggroup.com) for showing an intent and communicate to all groups of stakeholders including business partners, customers, affiliated companies and third parties.
3. Setting up the whistleblowing policy and channel to receive complaints from the third parties and employees. The Company has announced the whistleblowing channel for the third parties on the Company's website and also provided the protection for whistleblowers.
4. Setting up the risk assessment procedure. The corruption risk is assessed in an annual basis and such assessment results are reported to the relevant committee for acknowledgement.
5. Organizing training session and post-training test regarding the anti-corruption policy and other relevant guidelines and procedures for the executives and all employees of the Company. Such training session is in the form of e-learning which is a part of the Code of Conduct training and 100% of the Company's executives and employees have passed the training as well as to arrange training sessions on "Anti-Corruption policy and relating procedures" for every new employee on the orientation day.

In addition, in the past year the directors have signed their acknowledgment and agreement that they will comply with the anti-corruption policy. They also undertook training to review said policy through the Company's e-Learning system and taking tests to assess their knowledge and understanding. All committee members took part in the training, accounting for 100 percent.

6. Following-up the assessment of compliance with anti-corruption policy and assigning an Chief Internal Audit Officer, who is independent and directly reports to the audit committee, shall have the duty and responsibility to audit and review compliance with policies, guidelines, table of authority, rules, regulation, and laws including requirements of relevant regulatory authorities to ensure that the control system is appropriate and sufficient to address possible anti-corruption risks and report to the Audit Committee.

## Whistleblowing

The Company provides channel through which all groups of stakeholders may report any violation of the law, rules and regulations of the Company, the Code of Business Ethics and the Code of Conduct including any financial misreporting and deficiency in internal control system of the Company. The report to the Company shall be made based on facts without any unsubstantiated accusation. The Company also provides protection for whistleblowers who act in good faith.

Whistleblowers may report complaints or incidents to the Board of Directors through the Company Secretary or the Audit Committee through the Secretary to the Audit Committee via any of the following channels as they consider appropriate for the circumstances:

1. By postage

Contact Person: The Company Secretary  
Address: Park Ventures Ecoplex, Unit 1701, 1707-1712, 17<sup>th</sup> Floor No. 57 Witthayu Road, Lumpini District, Pathum Wan Sub-district, Bangkok 10330

Contact Person: The Secretary to the Audit Committee  
Address: 110 Kanjanavanich Road, Pah Tong Sub-district, Hat Yai District, Songkhla Province 90230

2. Email

Contact Person: The Company Secretary or the Secretary to the Audit Committee

Email address: stgt\_corporatesecretary@sritranggroup.com or anticorruption@sritranggroup.com

3. Telephone

Contact Person: The Company Secretary

Telephone no: +66 2207 4500 ext. 1406

Contact Person: The Secretary to the Audit Committee

Telephone no: +6674344663 ext. 331

4. Complaint box at the Company factories and branches

## Protection for Whistleblowers, Witnesses and Related Persons

To protect whistleblowers who act in good faith, the Company, by persons performing duties in relation to the complaints will keep confidential the information about the whistleblowers and persons giving information. Whistleblowers will have appropriate protections, i.e. there will be no change to nature of work, work location, positions held. Nor will there be threatening, termination of employment or such other unfair practices against the whistleblowers until steps are completed in accordance with this policy even if such action will cause the Company to lose its business opportunity.

Persons being informed of the complaints, or the information thereof, will keep such complaints and information confidential and undisclosed to others unless it is required to be disclosed under the law. If there is any intentional disclosure of information, the Company will impose sanctions in accordance with the regulations of the Company and/or commence legal proceedings, as the case may be.

## Procedures

1. Admission of complaints and notification of schedules of complaints handling to the whistleblowers  
Whistleblowing Coordinators are required to register any complaints received and the schedule within which the progress of complaint handling will be notified to the whistleblowers. Any incidents that could have a materially adverse impact on the reputation of the Company shall be handled immediately while other cases of complaints may be handled quickly.
2. Fact finding and procedures  
If it is found that the matter of the complaints is true and to have caused damage to the Company, the Whistleblowing Monitors shall advise related persons on the appropriate behaviors or practices. Any acts that amount to a disciplinary breach will be reported to the Human Resources Department for further actions in accordance with the rules and regulations of the Company. Information on fact finding, actions taken or sanctions that are imposed will be forwarded to each level of supervisor until the Chief Executive Officer for acknowledgement or further actions. If the subject of the complaints did not commit the breach as accused in the complaint, the procedure shall be closed.
3. Notification of results and summary of complaints  
Whistleblowing Coordinators shall notify the whistleblower of the results and prepare a summary report on the details of actions taken in relation to the complaints for submission to the Audit Committee on a quarterly basis.

## Complaints Statistic

In 2023, the Company and subsidiaries received 1 complaint as follows:

Types of Complaints	Number of Complaints	Progress
1. Violation of the Code of conduct <ul style="list-style-type: none"> <li>• Treatment with stakeholders Ex. Customer Privacy Data</li> <li>• Social and environmental</li> <li>• Political community</li> <li>• Human rights Ex. Discrimination or Harassment</li> <li>• Conflicts of Interest</li> <li>• Intellectual property and copyrighted works</li> </ul>	- None -	- None -
2. Corruption or Bribery	- None -	- None -
3. Money Laundering or Insider trading	- None -	- None -
4. Others	1 Case	Under investigation
5. Damage and Penalties <ul style="list-style-type: none"> <li>• Damage value</li> <li>• Penalties <ul style="list-style-type: none"> <li>• Layoff or termination of employment</li> <li>• Others</li> </ul> </li> </ul>	Insignificance  - None - 1 Case	   Refer to Item 4

The above complaints were already closed, the Company and subsidiaries did not receive any significant damage from such complaints. The Board of Directors and the Audit Committee place an importance on anti-corruption policies and guidelines to create good consciousness and core value in the organization and continue to provide various, concise, and efficient channels for further receiving complaint including promote processes of improvement to prevent recurrence.

## Rights and equal treatment of shareholders

The Company recognizes and attaches importance to the basic rights of shareholders, including their rights to buy, sell or transfer securities, to receive adequate information on the Company and its subsidiaries to attend meetings and to exercise voting rights at meetings. Shareholders regarding important changes of the Company, etc. The Board of Directors has therefore determined various operational guidelines to preserve the rights of shareholders. Including promoting and facilitating the exercise of shareholders' rights. *See section 8.1.2 Meeting Attendance and Compensation for more information.*

## Disclosure of information and transparency

The Company places importance on information that must be reported to the Stock Exchange, the SEC, shareholders, and related agencies. In 2023, the Company disclosed important information accurately, completely, transparently, and equally as follows.

- Disclose financial information, acquisition and disposition items, related transactions and other important information related to the business and operating results that are true, complete, adequate, and timely. The financial statements must be reviewed or audited by an auditor to ensure that they are correct according to accounting standards which are generally accepted and approved by the Audit Committee and by the Board of Directors before publication to the SEC Office, the Stock Exchange, shareholders, and related agencies.
- Disclose information through various channels, including the Company's website, news notification system of the Stock Exchange (SETLink) and the SEC Office so that shareholders and those involved are thoroughly informed of the corporate group's information.
- Establish a dedicated investor relations department to perform the duty of contacting and providing information to shareholders, retail investors, institutional investors and analysts, including related agencies.

## Other important responsibilities of directors

The Board of Directors is responsible to shareholders regarding business operations, corporate governance

in accordance with the law, objectives, and company regulations and resolutions of the shareholders' meeting. The Board carries out its duties with honesty and caution, taking into account the importance of benefits to the corporate group. The Board has an important role in guiding the Company's operations, monitoring and supervising the work of the management, establishing a policy of good corporate governance and ethics in conducting business, including complying with various related laws or regulations for the highest benefit of the Group and its shareholders. **In 2023, it does not appear that the Company has done the following:**

- Any act of corruption or unethical conduct.
- Any act that seriously violates regulations according to the regulations of the SEC Office and the Stock Exchange.
- A case where a non-executive director resigns due to the issue of corporate governance of the company.
- A case of the Company's negative reputation due to any failure of the Board of Directors to perform their duty of supervision.



As a result of its commitment to conducting business with good governance, the Company has received evaluation rating for good corporate governance at the Excellent CG Scoring level or the 5 star level symbol for the second consecutive year, from participating in the assessment project for a period of 3 years, with an average score of 105 percent, which has improved sequentially from 2021 and 2022, which were 87 percent and 93 percent, respectively. In addition, when compared to the average score of Thai listed companies as a whole, which is 81 percent, and the companies with the highest market capital in the top 100 (SET100), which averages 93 percent, it can be considered that the Company has good corporate governance standards that are higher than the overall average.

## Report of the Audit Committee

The Audit Committee, by appointment of the Board of Directors, consists of 3 independent directors who are qualified, one of whom must have knowledge of accounting and finance. The Audit Committee comprises the following:

Name-Surname	Position	Number of Attendance
1. Professor Dr. Weerakorn Ongsakul	Chairman of Audit Committee	5/5
2. Mrs. Unakorn Phruithithada	Member of Audit Committee	5/5
3. Gen. Bundit Boonyapan	Member of Audit Committee	5/5

The Audit Committee performs its duties within the scope of duties and responsibilities assigned by the Board of Directors. In 2023, the Audit Committee held a total of 5 meetings. Every meeting was attended by all members of the Audit Committee, representing 100 percent. The Audit Committee had meetings with senior management and the Head of Internal Audit, as well as the auditor on their respective relevant agenda, as well as supervising various matters, of which the key points can be summarized as follows:

- Ensured accuracy and completeness of financial information: reviewed quarterly financial reports and financial statements for the year 2023 in accordance with generally accepted accounting standards whereby the Committee attended meetings with the certified public accountant, Director of Accounting and Finance Division (CFO) and the Company's management to review the information, the accuracy of the financial statements of the Company and its subsidiaries with a focus on the main issues, listening to clarifications and asking questions and exchanging opinions on various matters before giving its approval to propose said financial statements to the Board of Directors for approval. In addition, the Audit Committee held a meeting with the auditor without attendance of the management, namely the Audit Committee Meeting

No. 1/2024 on Friday 16 February 2024. In 2023, the auditor did not have any material remarks.

- Considered and reviewed non-audit services to ensure compliance with the principles of good corporate governance regarding the appropriateness and independence of the auditor.
- Considered, reviewed, and approved the internal audit plan prepared by the Internal Audit Department on the basis of risk assessment and reviewed the internal audit report every quarter, including giving suggestions on how to improve the internal audit process to increase efficiency and effectiveness as well as continually monitoring the progress of the management's improvement plans.
- Reviewed the internal control system to assess its sufficiency and effectiveness and, when considering the internal audit report for the year 2023, which covers the important work systems of the Company, the Audit Committee is of the opinion that the Company's internal control system is sufficient and appropriate.
- Monitored the Company's compliance with relevant legal and regulatory requirements and good corporate governance principles, whereby it has provided oversight and supervision with regard to compliance with the Company's regulations, requirements of the SEC and SET, including relevant laws and good corporate governance principles as well as ensuring sufficient and transparent disclosure of information.
- Reviewed the connected transactions of the Company and disclosure of information regarding the connected transactions of the Company with related companies to ensure that the Company has operated in accordance with the business conditions and the prescribed rules of the Stock Exchange of Thailand and the Securities and Exchange Commission. The Audit Committee has assigned the Internal Audit Department to review the connected transactions of the Company and report to the Audit Committee. The review of connected transactions was found to be the normal





conduct of business of the Company, entering into a commercial agreement in the same way that a reasonable person would do with a general contracting party in similar circumstances. The size and type of connected transactions required to be disclosed in accordance with the specified regulations have been disclosed completely, correctly, and sufficiently in compliance with the rules and announcements by the SEC office and the Stock Exchange of Thailand.

- Considered and selected the appointment of auditors and proposed audit fees for the year 2023 to be presented to the Board of Directors for submission to and approval from the 2023 Annual General Meeting of Shareholders, whereby the Audit Committee based its consideration on their performance and independence as well as the appropriateness of the remuneration.
- Conducted annual review of the Audit Committee Charter and updated as appropriate, with consideration on its alignment with best practices and the regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand, and the Capital Market Supervisory Board.
- In October 2023, the Audit Committee visited the Company, Hat Yai branch, Sadao P.S. branch, and Anvar branch together with senior executives according to the annual plan and in accordance with the principles of good corporate governance. Moreover, the company can consider applying the

suggestions by the Audit Committee for maximum benefit to the organization.

- Considered the Enterprise Risk Management Assessment, along with risk management guidelines to ensure that risk management is consistent and effective, and assigned the Internal Audit department to plan the internal auditor's activities to be in accordance with the assessment results.
- Conducted annual performance evaluation in accordance with the good governance principle of the Stock Exchange of Thailand. In 2023, the evaluation result was 96.79 percent. The Audit Committee performed its duties effectively and in accordance with the scope of duties and responsibilities according to the good governance principle.

In summary, and after careful consideration, it is the opinion of the Audit Committee that the Company's operations in the past year have been subject to adequate and appropriate internal control and risk management systems. Financial information reports have been prepared in accordance with generally accepted accounting principles. The Company follows the law on securities and exchange, regulations of the Stock Exchange of Thailand, as well as laws related to the Company's business. In this matter, no restrictions were placed on the Audit Committee in accessing all the relevant information.

**Professor Dr. Weerakorn Ongsakul**  
Chairman of Audit Committee

## Report of the Executive Committee

The Board of Directors has appointed the Executive Committee to support the Board of Directors' performance in accordance with the policies, direction, goals, business strategies and the Company's operational plans for maximum efficiency and benefits so as to build confidence in the sustainable growth of the Company for stakeholders. The Executive Committee consists of 6 members as follows:

Name-Surname	Position	Number of Attendance
1. Dr. Viyavood Sincharoenkul	Chairman of Executive Committee	4/4
2. Mr. Kitichai Sincharoenkul	Member of Executive Committee	4/4
3. Mr. Veerasith Sinchareonkul	Member of Executive Committee	4/4
4. Mr. Vitanath Sincharoenkul	Member of Executive Committee	4/4
5. Mr. Anan Pruksanusak	Member of Executive Committee	4/4
6. Ms. Jarinya Jirojkul	Member of Executive Committee	4/4

In 2023, the Executive Committee held a total of 4 meetings. Every meeting was attended by all members of the Executive Committee, representing 100 percent. The key performance of the Executive Committee can be summarized as follows:

- Together with the management, the Executive Committee considered, formulated, and reviewed policies, direction, business strategies, action plan, financial goals, annual budget and administrative powers of the Company and its subsidiaries to propose to the Board of Directors for approval.
- In 2023, considered the revision to the Company's mission to "Sustainability & Intelligence" with a focus on sustainable business operations, the use of modern technology, the use of natural rubber latex as raw materials that are

not associated with deforestation according to EU Deforestation Regulation (EUDR), Carbon footprint and Carbon credit, Data center setup, data management technology, and Advancement in Artificial Intelligence (AI), as well as research and development of the Company's products in order to provide variety to meet the demands of all groups of customers and add value to such products. In addition, determined the "8 Best Strategy" with a focus on excellence in all 8 areas: "Best Quality", "Best Cost", "Best Process", "Best Service", "Best Innovation", "Best Sustainability", "Best Culture" and "Best Performance."

- Considered and approved the operations that are in the normal course of the Company according to the investment budget or budget within the framework of powers approved by the Board of Directors, including entering into various contracts related to such matters, such as the improvement of production line structure, including continuous monitoring of the performance and progress of various investment projects, as well as the adjustment of investment plan to be suitable and consistent with the circumstance of the Company and industry.
- Reviewed the charter of the Executive Committee and considered that it is still appropriate and consistent with good practice and in accordance with the regulations of the SEC and SET, as well as effectively supporting its activities. As a result, there are no amendments.
- Evaluated the performance of the Executive Committee for the year 2023. The evaluation result was 95 percent, representing that the Executive Committee has the ability to perform its duties fully and efficiently in accordance with its assignment of the Executive Committee Charter.

**Dr. Viyavood Sincharoenkul**  
Chairman of Executive Committee

## Report of the Nomination Committee

The Board of Directors has appointed the Nomination Committee to consider and determine the criteria and selection format for the nomination and selection of persons to be appointed as directors, members of various sub-committees and Chief Executive Officer with transparency in accordance with good corporate governance policy to build confidence and credibility among stakeholders, promote added value and sustainable growth of the Company. The Nomination Committee consists of 3 directors as follows:

Name-Surname	Position	Number of Attendance
1. Mr. Kitichai Sincharoenkul	Chairman of Nomination Committee	2/2
2. Professor Dr. Weerakorn Ongsakul	Member of Nomination Committee	2/2
3. Gen. Bundit Boonyapan	Member of Nomination Committee	2/2

In 2023, the Nomination Committee held a total of 2 meetings. Every meeting was attended by all members of the Nomination Committee, representing 100 percent. The outcomes of the meetings are reported to the Board of Directors for acknowledgment on a regular basis in compliance with the principles of good corporate governance. The key performance of the Nomination Committee can be summarized as follows:

- The Nomination Committee has performed duties to select suitable candidates to replace a director whose position is vacated upon the expiration term of service in consideration of proper qualifications, education, knowledge, expertise, skill, competence, experience in related business of the Company, leadership, vision, as well as righteous career background, integrity and ethics in line with the good corporate governance, and the ability to dedicate enough time for their responsibilities, including no characteristics prohibited by laws, articles of association and/or related regulations. Thus, the independent directors have to possess the qualified independence pursuant to the notification

of the Securities and Exchange Commission, the independence criteria for the Board of Directors, the definition of the independent directors, and other specified requirements. The Company uses the Board Skill Matrix to decide the qualifications to be sought after, with consideration given to the necessary and missing skills to complement the Board of Directors' composition to ensure effective business operations. As required by law, all shareholders can propose the agenda, nomination of director. However, none of the shareholders proposed the agenda, nomination of director last year.

- Considered and approved the review of the policy, criteria, form, and process for selection and nomination independent directors, committee members, and senior management.
- Considered and approved the review of the structure, size, and composition of the Board of Directors to ensure that they were appropriate for the Company. Considered and reviewed Board Skill Matrix and Board Diversity to ensure that the information is up to date with each director's work experience and training course.
- Considered and approved the training plan for directors for the year 2024. Specified training plan of directors and committees for the year 2024 in order to support their effectiveness of performance.
- Considered and approved the review of performance evaluation for the Board of Directors, Sub-Committees, and Chief Executive Officer.
- Considered and approved the review of the Charter of Nomination Committee. There is an amendment to the term of office and sending notice of invitation to the meeting in order to offer clarification in interpretation and flexibility in work.
- Evaluated the performance of the Nomination Committee for the year 2023. The assessment result was 98.99 percent and found that it was fully effective in the performance of its duties in accordance with its assignment, as well as being able to perform duties and exercise discretion independently.

**Mr. Kitichai Sincharoenkul**  
Chairman of Nomination Committee

## Report of the Remuneration Committee

The Board of Directors has appointed the Remuneration Committee to consider the remuneration of directors, members of various sub-committees and Chief Executive Officer with fairness and reasonableness in accordance with the good corporate governance policy to build confidence and credibility to the stakeholders, as well as to promote added value and sustainable growth of the Company. The Remuneration Committee consists of 3 directors as follows:

Name-Surname	Position	Number of Attendance
1. Professor Dr. Weerakorn Ongsakul	Chairman of Remuneration Committee	2/2
2. Mr. Kitichai Sincharoenkul	Member of Remuneration Committee	2/2
3. Gen. Bundit Boonyapan	Member of Remuneration Committee	2/2

In 2023, the Remuneration Committee held a total of 2 meetings. Every meeting was attended by all members of the Remuneration Committee, representing 100 percent. The outcomes of the meetings are reported to the Board of Directors for acknowledgment on a regular basis in compliance with the principles of good corporate governance. The key performance of the Remuneration Committee can be summarized as follows:

- Considered and reviewed the policy, criteria, and form for determining compensation or other benefits for the Board of Directors and Sub-Committees. Also, considered appropriate remuneration for directors to be at the level commensurate with their responsibilities and to motivate them to lead the organization in achieving both short-term and long-term goals. Remuneration must be consistent with the Company's long-term strategy and goals, directors' experience, and obligations, as well as accountability and responsibility, including expectations placed on each director comparable

to other companies in the same industry/business as well as other details. In this regard, the remuneration was paid in its previous form as follows:

- 1) The director would receive the highest monthly remuneration from only one of the positions he/she held.
  - 2) Only independent directors, who held any positions in the sub-committees as mentioned above, would be paid according to their actual attendance.
  - 3) The directors would not receive any other benefit.
- Considered and approved a review of the charter of Remuneration Committee. There is an amendment to the term of office and sending notice of invitation to the meeting in order to offer clarification in interpretation and flexibility in work.
  - Conducted a performance evaluation of the Remuneration Committee for the year 2023. The evaluation result was 96%. It was found to be fully effective in the performance its duties and in accordance with its assignment, as well as being able to perform duties with discretion, caution, and independence in accordance with the principles of good corporate governance in order to make the nomination and remuneration process transparent and build confidence in shareholders and all stakeholders. Remuneration of the Board of directors, Sub-committees, the Chief Executive Officer (CEO), and senior management is disclosed and presented in this report.

**Professor Dr. Weerakorn Ongsakul**  
Chairman of Remuneration Committee

## Report of the Corporate Governance and Sustainable Development Committee

The Board of Directors has appointed the Corporate Governance and Sustainable Development Committee to consider and determine policies and guidelines in relation to good corporate governance principles, the codes of conduct on business ethics, anti-corruption, social responsibility, and sustainable development. This leads to a corporate management system that is transparent and fair, generating trust among stakeholders, including rendering added value and promoting the Company's competitiveness for sustainable growth. The Corporate Governance and Sustainable Development Committee consist of 4 directors as follows:

Name-Surname	Position	Number of Attendance
1. Mr. Vitanath Sincharoenkul	Chairman of Corporate Governance and Sustainable Development Committee	3/3
2. Gen. Bundit Boonyapan	Member of Corporate Governance and Sustainable Development Committee	3/3
3. Ms. Jarinya Jirojkul	Member of Corporate Governance and Sustainability Development Committee	3/3
4. Ms. Thanawan Sa-ngiamsak	Member of Corporate Governance and Sustainable Development Committee	3/3

In 2023, the Corporate Governance and Sustainable Development Committee held a total of 3 meetings. Every meeting was attended by all members of the Corporate Governance and Sustainable Development Committee, representing 100 percent. The essence of the Corporate Governance and Sustainable Development Committee's performance can be summarized as follows:

- Considered and approved stakeholder engagement and material topics of the year 2023.
- Established the objectives for the Corporate Governance and Sustainability Development plan that conform to the Company's circumstances, the industry, global goals, and related regulations, whether applicable or optional application.
- Tracked sustainability progresses and performance of the year 2023.
- Tracked ESG assessments and ratings of SET ESG Ratings (Former name: THSI) and Corporate Sustainability Assessment (CSA) of S&P Global and other organizations by comparing the evaluation results, analyzing several criteria, and explore methods to enhance the outcomes of ESG assessments.
- Considered the review of the sustainability policy to be compatible with the business operations.
- Acknowledged the outcomes of the Company's stakeholder-participatory activities for the year 2023.
- Monitored the activities of Sustainable Development Working Group in relation to corporate governance, fair treatment of customers and business partners, human rights and labor practices, environment, and community participation and development.





- Reviewed the vision, mission, philosophy, values, and strategies (business goals) to promote corporate governance and serve as a guideline for sustainable business operations of the Company and its subsidiaries.
- Considered, approved, and reviewed sustainability goals to cover corporate governance, economy, environment, and society.
- Reviewed the Corporate Governance and Sustainable Development Committee Charter. Following careful consideration and review, the Committee approved revising tenure and meeting notices for the purpose of clarity and work flexibility as well as the duties and responsibilities so as to comply with IFRS S1 and IFRS S2, which center on roles and responsibilities for considering, determining, and reviewing objectives, strategies, risks, and opportunities related to sustainability development of the Company. Oversaw, investigated, and followed up on the performance of corporate governance, sustainability development and climate change management, Determined, reviewed, and revised related policies and/or practices and managed climate risks as well as considering developing a guideline and strategy for activities to reduce greenhouse gas emissions.
- Considered and reviewed the application of the principles of good corporate governance for Listed Companies 2017 (Corporate Governance Code) of the SEC Office to apply with business in order to cover and stay updated on key developments in good corporate governance principles.
- Considered and reviewed the application of the criteria of the Corporate Governance Report of Thai Listed Companies at the ASEAN level by the Thai Institute of Directors Association (IOD), AGM Checklist by the Thai Investors Association, etc.
- Conducted the performance evaluation of the Corporate Governance and Sustainable Development Committee for the year 2023. The evaluation result was 93.83%, representing that it was fully effective in the performance of its duties in accordance with its assignment, as well as being able to perform said duties and exercise discretion independently.

**Mr. Vitanath Sincharoenkul**  
**Chairman of Corporate Governance and**  
**Sustainable Development Committee**

## Report of the Risk Management Committee

The Board of Directors recognizes the importance of enterprise risk management and the need to have a systemic and efficient risk control regimen under the changing conditions and continuous expansion of the business to ensure that the organization's risks are adequately continuously and appropriately managed and maintained under the acceptance level through the effective and continuous implementation of risk management and the promotion of a corporate risk management culture. To achieve the organization's goals and sustainable business growth including providing appropriate maximum benefits to all groups of stakeholders. Therefore, the Risk Management Committee has been appointed, consisting of 4 directors, with 1 independent director as follows:

Name-Surname	Position	Number of Attendance
1. Mr. Veerasith Sinchareonkul	Chairman of the Risk Management Committee	2/2
2. Prof. Dr. Weerakorn Ongsakul	Member of the Risk Management Committee	2/2
3. Ms. Jarinya Jirojkul	Member of the Risk Management Committee	2/2
4. Ms. Thanawan Sangiamsak	Member of the Risk Management Committee	2/2

The Risk Management Committee serves to formulate risk management policy framework and guidelines, promotes the implementation of risk management throughout the organization, oversees the operations of corporate risk management in accordance with the organization's strategy and goals, and monitors the overview of major risk control to be within the risk appetite. In addition, the Committee also provides comments and recommendations for the most effective

risk management strategies in terms of Operational, Finance, Legal/Regulatory Compliance, Emerging, and ESG risks that may significantly affect business operations. In 2023, the Risk Management Committee held a total of 2 meetings. Every meeting was attended by all members of the Risk Management Committee, representing 100 percent. The summary of important matters in the performance of duties are as follows:

- Considered, provided opinions, recommendations, and approval on overall risk management matters, including the preparation of the annual Enterprise Risk Management (ERM) corporate plan in accordance with the strategic plan, mission, and goals of the organization.
- Considered the progress report on corporate risks using Key Risk Indicators: KRI in order for the management to make recommendation in determining preventive measures to prevent any event of damage and loss.
- Conducted a review of the Risk Management Committee Charter and Risk Management Policy to ensure that they cover and align with the objectives, strategies of enterprise risk management in the current situation and will be more useful in the overall risk management.
- Provided opinions, recommendations, and promoted reporting on sustainability matters that have significant impact on the organization, including an overall evaluation of sustainability risks, in order to develop strategies and follow up on sustainability risks that prevent any event of damage and loss in a timely manner.
- Conducted a performance evaluation of the Risk Management Committee for the year 2023. The evaluation result was 98.58%, representing that it was able to perform its duties in all respects and in accordance with the Charter with the assigned duties, as well as being able to perform its duties effectively and exercise discretion independently.

**Mr. Veerasith Sinchareonkul**  
Chairman of the Risk Management Committee

# 9 | Internal Control

## 9.1 Internal Control

### Opinions of the Board of Directors on the internal control system of the Company and its subsidiaries

The Company recognizes the importance of the internal control system. Therefore, the Board of Directors has appointed the Audit Committee as an independent committee to support and act on behalf of the Board of Directors, regarded as an important tool for good corporate governance to ensure that the operations of the organization are compliant with legal and regulatory requirements and in line with the code of conduct, as well as maintaining an effective internal control system without conflicts of interest and corruption. The Company has set up a process to review and follow up on the effectiveness of its internal control system and provided sufficient personnel for the implementation of the said system, including monitoring and supervising the operations of the Company and its subsidiaries to ensure that the Company and its subsidiaries have appropriate internal control and internal audit systems that are efficient and effective.

At the Board of Directors' meeting on 16 February 2024, attended by 3 members of the Audit Committee of the Company, the Company considered and assessed the adequacy of the current internal control system of the Company and its subsidiaries according to the sufficiency assessment form of the internal control system of the SEC including inquiring information from the management and related departments of the Company and its subsidiaries regarding the adequacy of the Company group's internal control system. The Board of Directors gave the opinion that the Company and its subsidiaries have internal control and internal audit systems that are appropriate and sufficient for the size of the business, able to protect the assets of the Company and its subsidiaries from loss or use by unauthorized persons, able to handle significant risks and assist in accounting

and financial reporting of the Company and subsidiaries to ensure accuracy, that information disclosure thereof is correct, complete, adequate and reliable, and that management and employees of the Company and its subsidiaries adhere to the established internal control system. In 2023, the Audit Committee has agreed with Board of Directors' report on Internal Control System and had no comments on the internal control system. Additional details can be found in Section 8.2 Report of Audit Committee. In addition, according to an independent auditor who certified the Company's financial statements for the year ended 31 December 2023, there was no weakness in the internal control system which will materially affect the financial statements of the Company.

In 2023, the Company has developed and elevated important the internal control system as following:

1. The Management team also realizes the significance of reinforcing Anti-Corruption Policy. The Internal Audit Department is responsible for auditing and reviewing performance; and promoting a good internal control environment. On 30 June 2022, the company was certified as a member of Thai Private Sector Collective Action Against Corruption (CAC), such certification valid for 3 years from the date of approval.
2. The Internal audit Department has developed its processes to ensure sustainable and continuous added value by developing the Audit Command Language (ACL) program into the auditing process. It is using data analytics to inspect its business operations for any irregularities in Purchasing and stock process, the results of the analysis can be used to create a preventive work system or reduce risks.



Including inspection work that must be done continuously and saves time in performing inspection work.

3. The Internal audit Department, in collaboration with the Product Control Department and the Quality Control Department (QC), have increased the efficiency of preparing Inventory Product report by developing the Audit Command Language (ACL) program, which can be used as a tool to inspect data irregularities, as well as to analyze and prepare reports for the Product Control Department. This program can help them in saving time when performing tasks prior to providing information to the Logistics Department, the Planning Department when planning for production, the Logistics Department and the Customer Relations Department when planning for sales with the Marketing Department, and the Packing Department when planning for product packing, including monitoring the status on gloves of Sri Trang Gloves (Thailand) Public Company Limited, Hat Yai Branch.
4. The Internal audit Department aims to have an integrated auditing process; this means they set up an operational audit team and an information system audit team to conduct joint audits to improve work processes and pre-empt any abnormalities that may occur.

The Company has evaluated the internal control system based on the international standards of COSO 2013 (The Committee of Sponsoring Organization of Treadway Commission), which defines key five components for internal control as follows:

### 1) Control Environment

The Company has encouraged and supported the good internal control environment by establishing a good corporate governance policy, code of business conduct, policy for the prevention of conflict of interests and anti-corruption policy in writing. In this regard, there are guidelines related to ethics, transparency, fair treatment of all related persons, anti-corruption as well as the best practices of directors, executives and employees in the aforementioned policies and reviewed at least once a year which published through the Company's communication channels such as e-mail, announcements, and Microsoft Office 365 system and appear on the company's website ([www.sritranggloves.com](http://www.sritranggloves.com)), etc. Also, there is a whistle blowing policy, which defines the process, method and channel to make complaints to the Company including protective measures for claimer who is in good faith. This will be a tool that enables violations or breach policies, rules and regulations, the laws, the principle of good corporate governance, the Code of Business Ethics or such other regulations of the Company to be detected within the appropriate time. If it is found that any executives or employees behave in a violate manner, they will be considered to further investigated and in disciplinary process as outlined in the work regulations.

The Company conducts a knowledge review and test under the topic of "Good Corporate Governance" at least once a year in order to ensure that employees at all levels comprehend and recognize its importance, as well as the ability to behave correctly. Employees at



all levels are additionally required to submit a report of Conflict of Interest in electronic form on an annual basis.

The Company has established roles, duties and responsibilities of the Board of Directors, Audit Committee and Chief Executive Officer in writing under the charter of the Board of Directors Charter, the Audit Committee and scope of duties and responsibilities of the Chief Executive Officer.

In addition, human capital development policy and succession plans which The Company requires employees at the executive level to also prepare their Career Planning. The employees at the executive level means the employees in the executive level under the definition of the Notification of the Securities and Exchange Commission No.Kor.Chor.17/2551 Re: Determination of Definition in Notifications relating to Issuance and Offer for Sale of Securities including and amendments thereto and the employees performing duties in critical position of the Company as well as designated the Human Resources Department in order to manage human resources of the Company systematically, determine and review the success of the work, career path and development plans for employees and workers in each year.

## 2) Risk Assessment

The Board of Directors concretely values and supports the risk management system as a business importance. Risk management committee is responsible to review the policies and supervise the efficiency of the company's risk management to align with the overall operation for both at the corporate and operational level. The risk management also consider for both internal and external environment that may cause business at risk and negative impacts to the Company. Therefore, the continuous risk assessment and monitoring is required to identify risk and the mitigation plan to manage them. The Key Risk Indicators (KRI) were identified as a Risk Management tool for Risk monitoring and Risk Reporting for the management to use as the information in determining the preventive measures prior damage or loss in timely manner. In addition, there is a regular management meeting to evaluate the situation and select

appropriate strategies to cope with any possible risks that may occur continuously.

Furthermore, the Company has been certified to have a Business Continuity Management (BCM) that meets the ISO 22301:2019, in order to certify that the Company has prepared to tackle any crisis and manage the business effectively with continuity and least disruption in line with international standards. This is also to ensure all stakeholders that the Company would be able to deal with any crisis and continue to deliver its products as committed without the disruption or least impact to the overall business operation.

In 2023, the Company has reviewed and assessed ERM (Enterprise Risk Management) and reprioritized the corporate risks to align with the business status and various environmental factors that occurred between 2023-2024 as well as established the effective risk management plan to align with the results of the ERM assessment, which will promptly mitigate the negative affect of various risks. The Risk Management Committee assigned the Secretary of the Risk Management Committee to report the results of such operations to the Audit Committee for acknowledgement at least once a year. In addition, the training for employees and executives on risk management is conducted in order to promote awareness among employees and executives at all levels of the importance, necessities, and actions, both in organizational overview and individual involved to reduce and/or manage the risks that occur to have the least negative impact on the Company.

Moreover, in 2023 the Risk Management Committee supported and prioritized the management of Sustainability risks that could have a significant impact on the Company; consequently, it was resolved to report on sustainability issues, and an overview of sustainability risk assessments, in order to determine risk management measures and monitoring of sustainability risks that are appropriate, effective and consistent with business operational strategies. This will help reduce the possibility and/or severity of damage promptly. The charter of Risk Management Committee and Risk Management Policy were also amended to be consistent with the actual operation and effective risk management practice at least once a year.



### 3) Control Activities

The Company has established internal controls at all levels of the organization including the establishment of delegation of authority as well as duties and responsibilities of the Board of Directors and the Executive Committee. There are organizational structure and management structure to define a chain of command, set appropriate authority and level of authorization. The subsidiaries have separated the duties that may facilitate corruption. Moreover, the Company has controlled access to information technology systems by regulating access to information at each level, setting passwords, and storing data that can be traced and examined. There are employee regulations and work manual / regulations that are important to each department. The department manager is responsible for controlling the implementation to be accordance to the internal control system. Moreover, there is quality management system that has been certified by ISO 13485: 2016, ISO 9001: 2015, and ISO 22000: 2005, among others, to demonstrate confidence that various work regulations have been certified in compliance with international standards.

The Company has set the annual operating goals by determining the clear core value, vision, mission, strategy and business growth ratio as well as appointing working team to review Key Performance Indicators (KPIs) in each factory and subsidiary. This is to ensure that the target set up of each factory and subsidiaries be consistently aligned with the Company and Corporate's goals, whether the target in terms of financial cost, operating result, fire and fatal accident risk management, etc.

### 4) Information and Communication

Information and communication play an important role in the Company. Information technology has been deployed in order to manage information and analyze data to support management's decision-making process. The Company has supported employees to develop innovations; in order to increase work efficiency, decrease costs and expenses, Including the Company also realizes and gives importance to information security by providing information security policies and guidelines, establishing a strategic plan for security. There is a data

security system to maintain confidentiality, integrity and availability including Cyber Security and Personal Data Protection to prevent the use of information in the wrong way or unauthorized alteration of information by requiring that the directors, executives and employees as well as third parties involved are aware to the importance of duties, accountabilities and practices. Those who have the right to access the information must go through the channels specified by the company, install software and various protection systems for example, a firewall system is installed to prevent unauthorized persons from the company's internet network from accessing the information system. An Antivirus system is installed to protect against viruses, worms, and spam mails. A Proxy Serve system is installed to filter the information that comes on the Website, providing various record keeping management for verification, including setting up the Backup Data and Disaster Recovery Site to manage business continuity in important processes to support emergencies and disasters that may result in failure of the information technology system.

The Company provides appropriate information technology both the Internet Website ([www.srtranggloves.com](http://www.srtranggloves.com)) and the Company's Microsoft Office 365. The Internet Website is a communications channel for shareholders, investors, and other external parties to receive the Company's significant information regularly as well as be another channel for shareholders, investors, and other external parties to ask questions or give comment. For Microsoft Office 365, it is internal communication within the group company, which make communication accurately, quickly, and thoroughly as well as to publish or share any knowledge that enhance the Company's operation to be effective and efficient.

Apart from formulating policies and guidelines to serve as a framework for activities such as investment and development of information technology systems to be stable, secure, and effective, the Company plans to further enhance the aforementioned fields by allocating IT resources and an annual budget adequately and appropriately to support the Company's information technology operations and developments.

## 5) Monitoring Activities

In 2023, the Company has adopted the monitoring and evaluation system by using the Key Performance Indicators (KPIs) as the performance measurement tools in each business unit in order to ensure that each department continuously aligned with the Company's goals throughout the organization and have regularly and continuous follow up.

Furthermore, the Company specified that the internal audit department, which directly report to the Audit Committee, responsible to audit and evaluate internal control of the Company and its subsidiaries to be aligned with the internal audit plan. Nonconformities or problems in the internal control systems of the Company and its subsidiaries should be directly reported to the Audit Committee in order to improve or solve those problems quickly as well as follow up and report the status of such improvement to the Audit Committee and Executives. In case that the nonconformities or problems cannot be solved as recommendations of the internal audit department or the Audit Committee, the internal audit department will consult with the executives to set another direction in internal control systems that can solve such problems.

### Head of the Company's Internal Audit Department

The Audit Committee meeting on 19 July 2019 has approved the appointment of Ms. Narungsri Chiranakorn as Head of the Internal Audit Department and stated its opinion that Ms. Narungsri Chiranakorn is suitable to perform the duties as the head of the Company's internal audit department effectively due to having educational background, operational experience and having received training in courses related to the performance of internal auditing.

In this regard, the appointment, transfer and dismissal of the head of the Company's internal audit department must be approved by the Audit Committee. The qualifications of the head of the Company's internal audit department can be found in the Attachment 3 Details of Head of Internal Audit.

In 2023, the Company's internal audit department comprises 1 departmental head and 3 internal audit staff members. Two of our internal audit personnel have already earned Certified Professional Internal Audit of Thailand (CPIAT) and one of our internal audit personnel have already registered for the Information Technology Professionals Examination program (ITPE) and the Personal Data Protection Certificate (PDPC) Module: ICDL Data Protection. In addition, to ensure the internal audit plan of the Company efficiently covers the internal audit of the Company and its subsidiaries, the internal audit department will report its audit results according to the internal audit plan to the Audit Committee at least once in a quarterly basis.

## 9.2 Related party transaction

### 1) Related Person that may have conflict of interest and Relationship

The related person that may have conflict of interest and entered into transactions with the Company and its subsidiaries for the year ended 31 December 2023 are as follows:

Related Person that may have conflict of interest and Nature of Business	Relationship as of 31 December 2023
1. Sri Trang Argo-Industry Plc. (STA) Production and distribution of natural rubber products such as smoked sheet rubber, concentrated latex, and block rubber etc.	<ul style="list-style-type: none"> <li>The Company's major shareholder which is holding 50.61 percent of the Company's shares.</li> <li>Having directors in common i.e. Dr. Viyavood Sincharoenkul, Mr. Kitichai Sincharoenkul, Mr. Veerasith Sinchareonkul, and Mr. Thanatip Upatising.</li> </ul>
2. Rubberland Products Co., Ltd. (RBL) Production of concentrated latex and block rubber.	<ul style="list-style-type: none"> <li>The Company's shareholder which is holding 5.42 percent of the Company's shares.</li> <li>Having a major shareholder in common i.e. STA, which is holding 99.99 percent of RBL's shares.</li> <li>Having a director in common i.e. Mr. Veerasith Sinchareonkul.</li> </ul>
3. Nam Hua Rubber Co., Ltd. (NHR) Production and export of smoked sheet rubber, concentrated latex, and block rubber.	<ul style="list-style-type: none"> <li>Having a major shareholder in common i.e. STA, which is holding 99.99 percent of NHR's shares.</li> </ul>
4. Startex Rubber Co., Ltd. (STC) Holding business in other companies which doing business of rubber and palm plantation.	<ul style="list-style-type: none"> <li>Having a major shareholder in common i.e. STA, which is holding 99.99 percent of STC's shares.</li> </ul>
5. Anwar Parawood Co., Ltd. (ANV) Lumper production and manufacture of wooden furniture.	<ul style="list-style-type: none"> <li>Having a major shareholder in common i.e. STA, which is holding 99.94 percent of ANV's shares.</li> </ul>
6. Starlight Express Transport Co., Ltd. (STL) Provision of domestic logistics service and document preparation services for import/export.	<ul style="list-style-type: none"> <li>Having a major shareholder in common i.e. STA, which is holding 99.99 percent of STL's shares.</li> <li>Having a director in common i.e. Mr. Veerasith Sinchareonkul.</li> </ul>
7. Premier System Engineering Co., Ltd. (PSE) Engineering services, design, produce, sell, installation and maintenance machineries.	<ul style="list-style-type: none"> <li>Subsidiary in which the Company holds 99.99 percent of PSE's shares.</li> <li>Having a director in common i.e. Mr. Veerasith Sinchareonkul, Ms. Jarinya Jirojkul and Ms. Thanawan Sa-Ngiamsak.</li> </ul>
8. Sadao P.S.Rubber Co., Ltd. (PS) Provision land rental services to the Company to build gloves factory.	<ul style="list-style-type: none"> <li>Subsidiary which the Company holds 99.99 percent of PS's shares.</li> <li>Having a director in common i.e. Mr. Veerasith Sinchareonkul, Ms. Jarinya Jirojkul and Ms. Thanawan Sa-Ngiamsak.</li> </ul>

Related Person that may have conflict of interest and Nature of Business		Relationship as of 31 December 2023
9.	Sri Trang International Pte. Ltd. (STI) Registered in Singapore. Distribution of natural rubber and gloves in Singapore.	<ul style="list-style-type: none"> <li>• Having a major shareholder in common i.e. STA, which is holding 99.99 percent of STI's shares through STC.</li> <li>• Having directors in common i.e. Dr. Viyavood Sincharoenkul and Mr. Kitichai Sincharoenkul.</li> </ul>
10.	Sri Trang USA , Inc. (STU) Registered in United State of America. Distribution of gloves in United State of America.	<ul style="list-style-type: none"> <li>• Subsidiary in which the Company holds 100.0 percent of STU's shares.</li> <li>• Having a director in common i.e. Mr. Veerasith Sinchareonkul.</li> </ul>
11.	Shi Dong Shanghai Co., Ltd. (SDS) Registered in People's Republic of China. Distribution of natural rubber in People's Republic of China.	<ul style="list-style-type: none"> <li>• Having a major shareholder in common i.e. STA, which is holding 100.0 percent of SDS's shares.</li> <li>• Having a director in common i.e. Dr. Viyavood Sincharoenkul.</li> </ul>
12.	Sri Trang Indochina (Vietnam) Co., Ltd. (STV) Registered in Socialist Republic of Vietnam Distribute of natural rubber from Socialist Republic of Vietnam to various customers and distribute latex gloves in Socialist Republic of Vietnam.	<ul style="list-style-type: none"> <li>• Having a major shareholder in common i.e. STA, which is holding 100.0 percent of STV's shares through STC and STI.</li> </ul>
13.	Shidong Shanghai Medical Equipment Co., Ltd. (SDME) Registered in People's Republic of China. Distribution of gloves in People's Republic of China.	<ul style="list-style-type: none"> <li>• Subsidiary in which the Company holds SDME's shares for 100.0 percent.</li> <li>• Having a director in common i.e. Dr. Viyavood Sincharoenkul.</li> </ul>
14.	Semperflex Asia Co., Ltd. (SAC) Production of high-pressure hydraulic hoses.	<ul style="list-style-type: none"> <li>• Having a major shareholder in common i.e. STA, which is holding 42.50 percent of SAC's shares.</li> <li>• Having directors in common i.e. Dr. Viyavood Sincharoenkul, Mr. Kitichai Sincharoenkul and Mr. Veerasith Sinchareonkul.</li> </ul>
15.	Sri Trang IBC Co., Ltd. (IBC) Information technology system service provider.	<ul style="list-style-type: none"> <li>• Having a major shareholder in common i.e. STA, which is holding 99.99 percent of IBC's shares.</li> <li>• Having directors in common i.e. Dr. Viyavood Sincharoenkul, Mr. Kitichai Sincharoenkul and Mr. Veerasith Sinchareonkul.</li> </ul>
16.	Sri Trang Rubber and Plantation Co., Ltd. (SRP) Rubber plantation business.	<ul style="list-style-type: none"> <li>• Having a major shareholder in common i.e. STA, which is holding 99.99 percent of SRP's shares.</li> <li>• Having a director in common i.e. Mr. Veerasith Sinchareonkul.</li> </ul>
17.	PT Sri Trang Gloves Indo (STGI) Registered in Indonesia. Distribution of gloves in Indonesia.	<ul style="list-style-type: none"> <li>• Subsidiary in which the Company holds 100.0 percent of STGI's shares.</li> <li>• Having a director in common i.e. Mr. Chai Chee Ping and Ms. Thanawan Sa-Ngiamsak.</li> </ul>
18.	Dr. Viyavood Sincharoenkul	<ul style="list-style-type: none"> <li>• The director of the Company.</li> </ul>
19.	Mr. Kitichai Sincharoenkul	<ul style="list-style-type: none"> <li>• The director of the Company.</li> </ul>

Related Person that may have conflict of interest and Nature of Business		Relationship as of 31 December 2023
20.	PT Star Rubber Indonesia (PTS) Production of block rubber	<ul style="list-style-type: none"> <li>Having a major shareholder in common i.e. STA, which is holding 99.18 percent of PTS's shares.</li> </ul>
21.	PT Sri Trang Lingga Indonesia (SLI) Production of block rubber	<ul style="list-style-type: none"> <li>Having a major shareholder in common i.e. STA, which is holding 90.0 percent of SLI's shares.</li> <li>Having directors in common i.e. Mr. Veerasith Sinchareonkul.</li> </ul>
22.	Sri Trang Ayeyar Rubber Industry (STAY) Production of block rubber.	<ul style="list-style-type: none"> <li>Having a major shareholder in common i.e. STA. STA holds STAY's shares through holding 59.0 percent of STC and STI's shares.</li> <li>Having directors in common i.e. Mr. Kitichai Sincharoenkul and Mr. Veerasith Sinchareonkul.</li> </ul>
23.	Thai Tech Rubber Corporation Ltd. (TRC) Production of block rubber.	<ul style="list-style-type: none"> <li>Having a major shareholder in common i.e. STA, which is holding 42.50 percent of TRC's shares.</li> <li>Having directors in common i.e. Dr. Viyavood Sincharoenkul, and Mr. Veerasith Sinchareonkul.</li> </ul>
24.	Sri Trang Gloves Philippines Inc. (STGP) Registered in Philipphine. Distribution of gloves in Philipphine.	<ul style="list-style-type: none"> <li>Subsidiary in which the Company holds STGP's shares for 99.99 percent.</li> <li>Having a director in common i.e. Mr. Veerasith Sinchareonkul, Mr. Kitichai Sincharoenkul, Ms. Thanawan Sa-Ngiamsak and Mr. Chai Chee Ping.</li> </ul>
25.	Sri Trang Gloves Vietnam Co., Ltd. (STGV) Registered in Republic of Vietnam. Distribution of gloves in Republic of Vietnam.	<ul style="list-style-type: none"> <li>Subsidiary in which the Company holds STGV's shares for 100.0 percent.</li> </ul>

The related party transactions disclosed in this report were during the year 2022 – 2023. A comparison of related party transactions information over the past three years can be found on the Company's website <https://www.sritranggloves.com/en/investor-relations/downloads/yearly-reports> under the topic "Investor Relations", by selecting "Publications and Download", and then selecting Annual Report (Form 56-1 One Report 2022)



## 2) Benefits or related transactions including related transactions with the Company and the directors, management and shareholders, both direct and indirect, holding 10 percent or more of shareholding

The Company and subsidiaries entered into connected transactions with persons with conflicting interest for the period ending 31 December 2022 and 31 December 2023, can be summarized as follows:

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
STA	The Company					
	Major shareholder of the Company and having the same directors	Revenue from the sale of rubber gloves	0.20	0.80	In 2022, the Company sold rubber gloves to STA for distribution to public sectors. As STA has participated in the auction to distribute rubber gloves to the public sector, there are restrictions on changing the name of the rubber glove supplier and a contract for product delivery remains outstanding. All sales were made through purchase orders, and the sale and purchase price of the gloves was the cost of the Company plus profit as appropriate, taking into account the increase/decrease in the cost of main raw material, i.e. concentrated latex, production cost, exchange rate, and the global market situation for gloves. the sale and purchase of gloves was set on a monthly basis. In this regard, the aforementioned sale and purchase price was considered the appropriate profit that STA deserves in accordance with the rubber glove distributor's business model.  In 2023, the Company sold rubber gloves to STA through purchase orders alone. The selling price of the gloves was the cost of the Company plus profit as appropriate.	Such selling price was comparable in the market that the Company sold rubber gloves to other customers and the selling price reflected a suitable business model. This transaction was general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Revenue from other service	3.24	22.49	<p>In 2022 - 2023, Trang branch had income from the service fee for the lease of latex tank form to STA, Trang branch, to store concentrated latex in producing rubber gloves by calculating tank service fee at a monthly rate per tank so it not covered that related services such as load and offload latex, including the cleaning maintenance of the tank which is responsible by the renter. Therefore, the tank service fee reflects the related cost and appropriate profits.</p> <p>In 2023, the Company, Surat Thani branch, had income from using electricity to build a latex tank of STA, Kanchanadit branch. The rate charged is the unit rate actually charged by the Provincial Electricity Authority plus related operating costs.</p> <p>In 2023, the Company had income from consulting in general management, support work and business management by establishing a service contract for 1 year starting from 1 January 2023 to 31 December 2023 at the rate that is agreed upon between the service provider and the service recipient.</p>	<p>Income from such services was a comprehensive rate and reflected the relevant costs and appropriate profit. This transaction was general commercial terms which considered appropriate and reasonable.</p>

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Revenue from the sale of factory materials	0.14	0.13	<p>The Company had income from selling fuel to STA, Trang branch, which is used for forklifts in the RBL area. As the Company had to use such raw materials in large quantities, it can purchase it in discounted price whilst STA uses such raw materials in small quantities, the Company thus sold such raw material to STA to efficiently reduce cost in the purchase order of fuels for the group of companies. The fuel price was referenced from the fuel price at the date of sale and reflects the appropriate related costs and profit.</p> <p>The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.</p>	
	Land for sale		0.99		<p>The Company sold land to STA for 2 rai 62.5 square wah. The land is located in Plaiwat Sub-district, Kanchanadit District, Surat Thani Province. The transaction aimed to increase the production capacity of STA's latex factory in Kanchanadit branch. According to the appraised price from First Star Consulting Company Limited, the Company did not lose any benefit in the business opportunity at the sale and purchase price agreed between the buyer and seller. This transaction was approved by the Board of Directors Meeting No. 7/2021 on 10 August 2021.</p> <p>Selling land to STA for expanding production capacity at Kanchanadit branch latex factory of STA, which is the Company's land adjacent to Kanchanadit branch latex factory of STA, is therefore reasonable. Furthermore, it was considered that the sale and purchase price of the aforementioned land was reasonable and could be compared to the evaluated market value according to a land appraisal by an independent appraiser.</p>	

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Forklifts for sale		1.86	The Company sold 3-ton diesel forklifts and new forklifts (gasoline type) that were no longer in use to STA through purchase orders. The purchase and sale price representing the Company's cost price obtained from the buyer, which was comparable in the market.	The transaction was a selling price that is comparable in the market. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
		Container for sale		0.22	The Company offered (second-hand) office containers to STA through a purchase order. Sale and purchase price was determined by the condition of use after depreciation, which accurately reflected the related costs.	The transaction was a sale and purchase price based on usage conditions and reflected appropriate related costs. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
		Trade receivables	0.08	0.04	The trade receivables resulting from the aforesaid revenue transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade receivables that considered appropriate and reasonable.
		Advance payment	2.87	0.07	In 2022-2023, the Company paid an advance payment to employees who worked for STA, which will be charged later after the operation is completed.  In 2023, the Company paid an advance payment for STA's trainings, which will be charged later on actual expenses.	It was an outstanding balance according to the normal business transactions of the Company which considered appropriate and reasonable.
		Other receivables	0.30	2.06	Other trade receivables resulting from the aforesaid income transactions.	It was an outstanding balance based on payment criteria.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Concentrated latex purchase fees	4,892.12	4,683.61	<p>The Company purchased concentrate latex from STA and their subsidiaries which those are the producers of the concentrate latex which can reach the specific quality to the Company's requirement and the concentrate latex can be delivered in the quantity and quality in accordance with the stipulated criteria to Company. The sale and purchase price was comparable in the market and reflected the amount and consistency of latex purchased from the seller.</p>	<p>The price of concentrated latex purchased from STA was comparable in the market and reflected the amount and consistency of latex purchased from the seller. Moreover, the sale and purchase price reflected the delivery conditions as well as the properties of concentrated latex that the Company required as appropriate. This transaction is a general commercial terms that considered appropriate and reasonable.</p>
	IT Service Fees and Maintenance of SAP system		12.72	12.74	<p>The Company used services relating to IT services and maintenance of SAP system from STA, namely computer lease fee, hardware services fee, software services fee etc. As STA had equipment and staffs that are ready to perform the aforementioned services. The service fee according to a type of communications can be compared with other service providers such as notebook lease that has a monthly service fee per Notebook compared with the other service providers in charging the same fee, and the hardware service fee, examination fee, equipment repairment fee, the service fee charged per machinery per month can be compared with other service providers that provide service in similar characteristics which may differ in detail of the space, type and equipment used to provide the service.</p>	<p>Such service rates were reasonable and comparable in the market with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable.</p>



Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Office service expenses	30.60	36.91	The Company paid office administrative service fee and service fee to STA which covers the service for the server room, office area, warehouse area, legal, insurance, finance, human resource, branding and Corporate Social Responsibility. The calculation for the aforementioned service fees was a monthly basis. In this regard, the Company and STA had reviewed all the aforementioned services and agreed on the new service fee to reflect the appropriate and reasonable work and services. For contract, it has been effected from January 2020 till December 2022. The new contract effective from January 2023 - December 2023 was prepared. The aforementioned rate was the rate that the Company considered to be reasonable if compared with recruiting the staffs in such works or procuring such area, including performing the service work by itself.	Such service rates were reasonable comparing to the Company's costs and expenses for recruiting employees or space providing area including self-service. This transaction is general commercial terms that considered appropriate and reasonable.
			0.84	0.84	The Company, Surat Thani branch paid weighing service fee to STA as the Company does not have the equipment to weigh the truck carrying all types of goods that is imported and exported from the factory such as concentrate latex ingredients, chemicals, logs, and finished products etc. The service fee was fixed as a monthly service fee. The rate was that the Company considered to be reasonable if compared to procuring equipment, maintenance and recruiting staffs in such sector, including the area by their own.	The weighing service was a monthly payment rate which comparing that the Company should have to supply equipment, maintenance and staff as well as area space by ourselves. This transaction was a general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee	
			Jan – Dec 2022	Jan – Dec 2023			
		Other service	9.27	7.85	In 2022 - 2023, The Company paid a License SAP system for STA which was actual cost incurred of STA with the charge by the number of company's users.  In 2022, The Company paid a service fee for organizing the 2022 Annual Meeting which is actual cost incurred of STA with the charge by the number of Company's meeting participants.	It was an actual charge of service fees, which was a general commercial term which considered appropriate and reasonable.	
		Trade payables	314.19	455.65	Trade payables resulting from items cost and aforesaid expenses.		It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.
		Other payables	0.01	0.01	In 2022, it was an accrued advertising media expense.  In 2023, it was a Corporate Social Responsibility (CSR) activity that STA advanced, which will be charged at the actual rate after the operation is completed.		
STA	STU (A Subsidiary of the Company)						

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
	Major shareholder of the Company and having the same directors	IT Service Fees and Maintenance of SAP system	2.37	2.39	STA provided IT service and maintenance of SAP system to STU, namely License SAP, Server SAP, Maintenance License SAP etc. As STA has the equipment and personnel that was ready to perform such services. The rate of the services was as stipulated by the type of communications which can be compared with other service providers that provides the service in a similar manner but may differ in the details of the area and type of equipment used in the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable.
<b>STA</b>						
			<b>SDME (A Subsidiary of the Company)</b>			
	Major shareholder of the Company and having the same directors	IT Service Fees and Maintenance of SAP system	0.39	0.36	STA provided IT service and maintenance of SAP system to SDME, namely Maintenance License SAP etc. As STA has the equipment and personnel that was ready to perform such services. The rate of the services was as stipulated by the type of communications which can be compared with other service providers that provides the service in a similar manner but may differ in the details of the area and type of equipment used in the service.	Such service rates were reasonable and comparable in the market with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable..
		Other service		0.09	SDME paid a service fee for organizing the 2023 Annual Meeting for STA, which is actual cost incurred of STA with the charge by the number of Company's meeting participants.	It was charged at the actual service rate, therefore it was considered that the transaction was appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Other payables	0.08		Other payable that occurred due to the aforesaid transaction.	It was an outstanding balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.
STA	PSE (A Subsidiary of the Company)					
	Major shareholder of the Company and having the same directors	Revenue from Production and installation of machinery	267.65	314.08	PSE had income from designing, manufacturing and installing from STA due to PSE has expertise in design, installation, machine and instrument maintenance. The service was through purchase orders and service contract as deem necessary. Additionally, the production and installation of machineries in gloves production is considered to be trade secret technology that the Conglomerate does not require the outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the same business.	PSE specializes in providing such services as well as having personnel with the experience, the rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
	Revenue from maintenance service		0.57	0.55	PSE had revenue from Office building maintenance and executive residence from STA. The service was through purchase orders, in addition to the service rates charged by PSE are base on reasonable labor cost and profit.	The transaction was a comprehensive rate that reflected the relevant costs and appropriate profit margins. This transaction is a general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Revenue from calibration fees	3.21	3.08	PSE had revenue for the calibration fee of various machinery from STA. The service was provided through purchase orders. As PSE received the ISO IEC17025 certification for the calibration standard and has equipment and personnel available to provide service that is accessible in case of an emergency. The rate of the service fee was stipulated in accordance with the type of equipment which the rate of service fee was comparable to the market price of other calibrations of other outsiders.	PSE specializes in providing such services as well as having personnel with the experience and tools related to the provision of the service. The rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from other service - Verification service	0.87	0.99	PSE had revenue from providing certification services and annual property maintenance according to plan such as building, the crane and electrical system of STA. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The aforesaid service was a service that associated with manufacturing, installation and maintenance. PSE has specializes in providing such services as well as having personnel with the experience and tools that were related the provision of the service at the PSE's cost plus related operating costs and reasonable profit. This transaction is a general commercial terms which considered appropriate and reasonable.



Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Revenue from the sale of factory materials	9.95	12.12	PSE had revenue from selling equipment parts, machinery, equipment such as roller, rolling ball, shaft gear etc. to STA, used with block rubber production machine. Due to service provider who specializes in installation, machine maintenance and instrument. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
		Revenue from other service - Product quality inspection fees	0.42	0.01	PSE had income from rubber product quality inspections service in 2022 and shipping raw materials and chemicals services in 2023 for STA. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
		Other Income		0.002	The Company had income from selling saw blades. The purchase price is the cost price of PSE plus an appropriate profit.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
		Rental income received		0.02	PSE collects office vehicle rental fees from STA as a result of the transfer of research and development staffs to be in compliance with their actual responsibilities during the contract change period. It will be charged later on actual expenses.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Trade receivables	35.15	10.65	The trade receivables resulting from the aforesaid revenue transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade receivables that considered appropriate and reasonable.
		Accrued income	33.84	9.01	The accrued income resulting from revenue aforesaid transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade accounts receivable that considered appropriate and reasonable.
		Accrued guarantee	0.08		It is the accrued job performance guarantee income arising from the aforementioned income from the production and installation of the machinery.	It was an outstanding balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.
		Other receivables	0.01		Other trade receivables resulting from the aforesaid income transactions.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
	IT Service Fees and Maintenance of SAP system	IT Service Fees and Maintenance of SAP system	9.90	9.96	PSE used services relating to IT Services and maintenance of SAP system from STA, namely hardware and software service fee, License SAP etc. As STA has the equipment and personnel that was ready to perform such services. The rate of the services was as stipulated by the type of information technology which can be compared with other service providers such as Hardware service rate, inspection service, repair equipment. The service fee charged per machinery per month which can be compared with other service providers that provides the service in a similar manner but may differ in the details of the area and type of equipment used in the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable.
	Office service expenses	Office service expenses	2.06	2.01	PSE paid office administrative service fee and service fee to STA which covers the service for the server room, office area, warehouse area, legal, insurance, finance, human resource, branding and Corporate Social Responsibility. The calculations for the aforementioned service fees were a monthly basis. In this regards, PSE and STA had reviewed all the aforementioned services and agreed on the new service fee to reflect the appropriate and reasonable work and services. For contract, it has been effected from January 2020 till December 2022. In this regard, the policy has been stipulated to every 3 years review of the price. The aforementioned rate was the rate that the Company considers to be reasonable if compared with recruiting the staffs in such works or procuring such area, including performing the service work by their own.	Such service rate was reasonable comparing to PSE's costs and expenses for recruiting employees or space providing area including self-service. This transaction was general commercial terms that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Other service	0.31	0.38	In 2022 - 2023, PSE paid for the 2022 and 2023 Annual Meeting service fee to STA. It was charged at the actual service which was calculated by the number of employees attending the meeting.  In 2023, PSE purchased belts from STA by trading via a purchase order. The sale and purchase price was comparable to the market price.	It was charged at the actual service and comparable to the market price. This transaction was general commercial terms that considered appropriate and reasonable.
		Trade payables	0.51	0.52	Trade payables resulting from items cost and aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.
		Other payables		0.06	Other payable that occurred due to aforesaid transaction.	It was an outstanding balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.
		Advance income	30.20	5.06	The advance income resulting from income aforesaid transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term that considered appropriate and reasonable.
RBL	The Company					

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
	A Juristic person that the major shareholder has control over and has the same directors.	Revenue from the sale of rubber gloves	0.03	0.04	The Company sold rubber gloves to RBL which is a service through purchasing order. In addition, The sale and purchase price was the cost price of the Company plus the related processing costs and appropriate profit.	The selling price of such transactions can be compared with the market price that the Company sold rubber gloves to other clients and the selling price reflected a suitable business model. This transaction was general commercial terms that considered appropriate and reasonable.
			0.23	0.21	The Company had income from selling fuel to RBL as the Company had to use a large quantity of such raw materials so it can purchase at a discounted price whilst RBL used the product at a small amount. The Company sold part of the raw material to RBL to efficiently reduce the cost of fuel purchasing for the group company. The price of fuel was referenced from the price of oil on the transaction date, reflecting the related cost and appropriate profit and price of the chemical reflects the related cost and appropriate profits.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
		Revenue from other service	0.35	0.32	In 2022 - 2023, the Company had income from providing security staff to RBL. However, the wage rate was equivalent to the actual wage that the company paid to the staffs.  In 2023, the Company had income from organizing training for RBL in order to reduce effectively training costs of the Company's group with the charge by the number of RBL's training participants.	It was actual paid wage rate, which is a general commercial term that considered appropriate and reasonable.



Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Trade receivables	0.03	0.01	The trade receivables resulting from the aforesaid revenue transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade receivables that considered appropriate and reasonable.
		Other receivables	0.05	0.10	Other trade receivables resulting from the aforesaid income transactions.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.
		Concentrated latex purchase fees	477.65	417.12	The Company purchased latex concentrate from RBL which STA and subsidiaries of STA is the producer of the latex concentrate which can produce concentrate latex of the quality specific to the Company's requirement and the concentrate latex can be delivered in the quantity and quality in accordance with the stipulated criteria to the Company. The sale and purchase price was comparable to the market price and reflected the amount of latex purchased from the seller.	The price of concentrated latex purchased from RBL was comparable to the market price and reflected the amount of latex purchased from the seller. Moreover, the purchase price reflected the delivery conditions as well as the properties of concentrated latex that the Company required as appropriate. This transaction was general commercial terms that considered appropriate and reasonable.
		Rental fee	0.19		The Company paid rental fee for housing to RBL to provide accommodation for the Company's staffs as the location of the Company's factory is located next to RBL. The service fee fixed by the Company to pay to RBL was the monthly fee for all types of buildings for 645 rooms. Furthermore, RBL also directly collected from the Company's staffs who rents the room at the value similar. The two rental fees combined were equivalent to the rate comparable to the rental fees of rooms in nearby area.	The rental rate was comparable to the market price of monthly dormitories in neighboring area. This transaction was a general commercial term which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
	Land lease fees		1.08	1.08	The Company leased land to store wood logs to be used in producing energy in production of the gloves. The total area leased was 5.42 rai, title deed no. 250477 at an annual rental rate which can be compared to the service fee for rent in the nearby area of Ban Phru Sub-District, Hat Yai District, Songkhla Province.	The rental rate was comparable to the market price of neighboring area. This transaction is a general commercial term which considered appropriate and reasonable.
	Weighting service fees		0.86	0.86	The Company paid weighing service fee to RBL as the Company does not have the equipment to weigh the truck carrying all types of goods that is imported and exported from the factory such as concentrate latex ingredients, chemicals, logs, and finished products etc. The service fee was fixed as a monthly service fee. The rate was the rate that the Company considers to be reasonable if compared to procuring equipment, maintenance and recruiting staffs in such sector, including the area by their own.	The weighing service was a monthly payment rate which comparing that the Company should have to supply equipment, maintenance and staff as well as area space by ourselves. This transaction is a general commercial terms which considered appropriate and reasonable.
	Other service – tank rental fees		2.17	1.26	The Company paid for the service fee for the lease of latex tank 100 tons and 250 tons from RBL to store nitrile latex in producing nitrile gloves By charging tank service at the rate per tank per month according to different sizes. The service fee for tank lease also covered the related service, namelyload and offload latex, including the cleaning maintenance of the tank. The rate was compared to the market price of the tank of similar size or altered to be similar.	Tank rental fees were comparable to the market price. This transaction is a general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Electricity and groundwater expenses	3.58	3.27	The Company has used electricity and groundwater of RBL for the employees domitories located at Phatong Sub-district, Hat Yai District, Songkhla Province, by paying the electricity per unit rate charged by the Provincial Electricity Authority and paying the groundwater fee at the rate per unit comparable to the Office of Natural Resources and Environment directly charged from RBL, which at present the ownership has been transferred to the Company already and such items will not be available in the future.	Such service rates are rates charged at reasonable rates. Can be compared with the rates that the Provincial Electricity Authority and the Office of Natural Resources and Environment charged directly from the Company, including general commercial terms therefore consider that such transactions are appropriate and reasonable. However, after the transfer of ownership of the said electric transformer and groundwater system to the Company This list will not be available in the future.
	Trade payables		15.94	45.26	Trade payables resulting from items cost and aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
	Land purchase		104.56		<p>The Company purchased land with buildings from RBL, having an area of 29 rai 1 ngan 41.3 square wah with the buildings which compose of canteen, staff dormitories, and other buildings which located at Phatong Sub-district, Hat Yai District, Songkhla Province. The land purchase price was agreed upon between the purchaser and seller based on the appraised price by First Star Consultant Co.,Ltd. which was approved by the Board of Directors Meeting No. 7/2021 on 10 August 2020.</p> <p>For the entering into the Acquisition of Land with Buildings from RBL, it is currently the dormitories for the employees of Hat Yai Factory in which the Company has rented from RBL. The Company had plan to renovate and construct the dormitories for the employees on such rental land. However, the Company viewed that the cost of investment in renovation and construction of dormitories for the employees is quite high. Therefore, it is more appropriate to invest in the land that the Company has owned rather than leased it. Moreover, the value of such land is deemed reasonable in comparison with the size and location and the offering price of other land surrounding the Company's factory. In addition, this transaction has considered that the selling price of such land is appropriate and comparable to the market value of the land appraised by an independent appraiser.</p>	
RBL	PSE (A Subsidiary of the Company)					
	A Juristic person that the major shareholder has control over and has the same directors	Revenue from Production and installation of machinery	77.49	239.59	<p>PSE had revenue from design, manufacturing and installation from RBL due to PSE has expertise in design, installation, machine and instrument maintenance. The service was through purchase orders and service contract as deem necessary. Additionally, the production and installation of machineries in gloves production is considered to be trade secret technology that the Conglomerate does not require the outside parties to have knowledge of such production technology. the aforementioned rate was in line with that of the service providers in the same business.</p> <p>PSE specializes in providing such services as well as having personnel with the experience, the rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.</p>	

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Revenue from calibration fees	0.71	0.87	PSE had revenue for the calibration fee of various machinery from RBL. The service was provided through purchase orders. As PSE received the ISO IEC17025 certification for the calibration standard and has equipment and personnel available to provide service that is accessible in case of an emergency. The rate of the service fee was stipulated in accordance with the type of equipment which the rate of service fee was comparable to the market price of other calibrations of other outsiders.	PSE specializes in providing such services as well as having personnel with the experience and tools related to the provision of the service. The rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from the sale of factory materials	4.68	10.84	PSE had revenue from selling spare parts, machinery equipment such as roller, rolling ball, shaft gear etc. to RBL to use with block rubber production machine. Due to service provider who has specialized in installation, machine maintenance and instrument. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
		Revenue from maintenance service	0.02	0.03	PSE had income from electricity transformers maintenance from RBL. The service was through purchase orders, in addition to the service rates charged by PSE are based on reasonable labor cost and profit.	The transaction was a comprehensive rate that reflected the relevant costs and appropriate profit margins. This transaction is a general commercial terms which considered appropriate and reasonable.



Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Revenue from other service	0.09	0.11	<p>In 2022, PSE had income from providing certification services and annual property maintenance according to plan such as building, the crane and electrical system of RBL. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.</p> <p>In 2023, PSE charged RBL for shipping costs. The rates charged are the actual costs incurred.</p>	<p>The service was a service that was associated with manufacturing, installation and maintenance. PSE has specializes in providing such services as well as having personnel with the experience and tools that were related the provision of the service at the PSE's cost plus related operating costs and reasonable profit. This transaction is a general commercial terms which considered appropriate and reasonable.</p>
		Accrued income	0.18	7.10	<p>The accrued income resulting from the revenue aforesaid transactions.</p>	<p>It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade accounts receivable that considered appropriate and reasonable.</p>
		Accrued guarantee		1.90	<p>This results from insurance money of performance resulting from production and installation of the aforementioned machinery.</p>	<p>It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade accounts receivable that considered appropriate and reasonable.</p>
		Trade receivables	11.72	5.28	<p>The trade receivables resulting from the aforesaid revenue transactions.</p>	<p>It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade receivables that considered appropriate and reasonable.</p>
		Advance income	23.13	6.96	<p>The advance income resulting from revenue aforesaid transactions.</p>	<p>It was an outstanding balance based on payment criteria, which was a general commercial term that considered appropriate and reasonable.</p>

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
NHR	The Company					
	A Juristic person that the major shareholder has control over	Revenue from the sale of rubber gloves	0.01	0.01	The Company sold rubber gloves to NHR which is a service through purchasing order. In addition, purchase price was the cost price of the Company plus the related processing costs and appropriate profit.	The selling price of such transactions can be compared with the market price that the Company sold rubber gloves to other customers and the selling price reflected a suitable business model. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
		Rental income received	0.36	0.36	The Company had rental income from NHR for leasing part of the land, Title deed No. 38592, Land No. 78, Survey Page 3192, Samnak Kham Sub-district, Sadao District, Songkhla Province, used as an employee accommodation. There was a land lease agreement in term 3 years, starting from 1 February 2021 till 31 January 2024 at the monthly rental rate: 30,000 Bath. The rate price was agreed between the lessor and lessee based on land lease agreement.	Such rental rate was agreed price between lessor and lessee based on land lease agreement. This transaction was a general commercial term which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Revenue from other service	0.11	0.21	<p>In 2022 - 2023, the Company had income from providing water and electricity services in employee accommodation of NHR. The service fee was collected the cost of utilities base on actual unit in Company's rate that was prescribed by company regulations no. 04/2019, topic company accommodation regulations (Amendment).</p> <p>In 2023, the Company had income from selling blue plastic buckets (second hand), which are unused packaging, to NHR. The purchase price is comparable to the market price, and there is income from training NHR in order to effectively reduce training costs of the Company's group by charging service fees which is the actual cost incurred with the charge by the number of NHR training participants.</p>	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
	Trade receivables		0.01		The trade receivables resulting from the aforesaid revenue transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade receivables that considered appropriate and reasonable.
	Other receivables		0.01	0.12	Other trade receivables resulting from the aforesaid income transactions.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Concentrated latex purchase fees	453.47	408.75	The Company purchased concentrate latex from STA and their subsidiaries which those are the producers of the concentrate latex which can reach the specific quality to the Company's requirement and the concentrate latex can be delivered in the quantity and quality in accordance with the stipulated criteria to Company. The sale and purchase price was comparable in the market price and reflected the amount and consistency of latex purchased from the seller.	The price of concentrated latex tha purchased from NHR was comparable in the market price and reflected the amount and consistency of latex purchased from the seller. Moreover, the sale and purchase price reflected the delivery conditions as well as the properties of concentrated latex that the Company required as appropriate. This transaction is a general commercial terms that considered appropriate and reasonable.
		Other service – tank rental fees	0.02		The Company paid for the service fee for the rental of latex tank 500 tons from NHR to store nitrile latex in producing nitrile gloves which were temporary rental tank. By charging tank service at the rate per tank per day according to different sizes. Including charged fee for management of latex combined with load and offload latex by calculated from the actually weight received in each month. The service fee and management fee was the rate that the Company considers to be reasonable if compared to procuring equipment, maintenance and recruiting staffs in such sector, including its own area.	Tank rental service and latex management fees were temporary performed. If compared to procuring equipment, maintenance and recruiting staffs in such sector, including the area by their own which is a general commercial term that considered appropriate and reasonable.
		Weighing service fees	0.03		The Company paid for weighing service fee to NHR for weighing the log wood truck in-out the factory. However this service was temporary performed. Due to the company during install the weighing machine. The service fees were calculated by the actually weighing times by type of trucks. The rate was comparable with the market price.	The weighing service was temporary performed and can be compared to the market price with the same kind of services. This transaction was a general commercial term which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Trade payables	12.40	28.80	Trade payables resulting from items cost and aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.
PSE (A Subsidiary of the Company)						
NHR	A Juristic person that the major shareholder has control over and has the same directors	Revenue from Production and installation of machinery	3.76	0.68	PSE had income from designing, manufacturing and installing from NHR due to PSE has expertise in design, installation, machine and instrument maintenance. The service was through purchase orders. Additionally, the production and installation of machineries in gloves production is considered to be trade secret technology that the Conglomerate Company does not require the outside parties to have knowledge of such production technology. the aforementioned rate was in line with that of the service providers in the same business.	PSE specializes in providing such services as well as having personnel with the experience, the rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from calibration fees	0.22	0.22	PSE had income for the calibration fee of various machinery from NHR. The service was provided through purchase orders. As PSE received the ISO IEC17025 certification for the calibration standard and has equipment and personnel available to provide service that is accessible in case of an emergency. The rate of the service fee was stipulated in accordance with the type of equipment which the rate of service fee was comparable to the market price of other calibrations of other outsiders.	PSE specializes in providing such services as well as having personnel with the experience and tools related to the provision of the service. The rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.



Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Revenue from other service - Verification service	0.10	0.04	PSE had income from providing certification services and annual property maintenance according to plan such as the crane to NHR. It was a service according to the agreement that was specified in the purchase order. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The service was a service that was associated with manufacturing, installation and maintenance. PSE has specializes in providing such services as well as having personnel with the experience and tools that were related the provision of the service at the PSE's cost plus related operating costs and reasonable profit. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from maintenance service	0.07		PSE had revenue from electricity transformers maintenance from NHR. The service was through purchase orders, in addition to the service rates charged by PSE are base on reasonable labor cost and profit.	The transaction was a comprehensive rate that reflected the relevant costs and appropriate profit margins. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from the sale of factory materials	0.43	0.03	PSE had income from selling spare parts, machinery equipment such as roller, rolling ball ,shaft gear etc. to NHR to used with block rubber production machine. Due to service provider who specializes in installation, machine maintenance and instrument. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Revenue from other service - Product quality inspection fees	0.05		PSE had income from rubber product quality inspections service to NHR. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
		Trade receivables	0.81	0.02	The trade receivables resulting from the aforesaid revenue transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade receivables that considered appropriate and reasonable.
		Field latex purchase fees	0.03		PSE bought a field latex from NHR to used for research and development to reduce protein in natural latex. The trading was provided through purchase orders. In addition, The sales price was comparable to the market price.	The transaction was comparable to the market price and was general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
ANV	The Company					
	A Juristic person that the major shareholder has control over	Firewood purchase fee	1,377.25	1,530.09	<p>The Company purchased of its firewood from ANV as ANV has expertise in the business of procuring and distribution of rubber wood, with a 30 years experience and staffs that are ready to provide such and has the ability to procure firewood in the quantity required by the Company which there is a necessity to use a large quantity of firewood to produce energy to produce gloves. In this regards, on 2 September 2019, the Company entered into a long term sales and purchase agreement for logs with ANV by determining the price of the logs sold at the cost of ANV plus the operating fee of ANV. And the company entered into a new firewood purchase contract in August 10, 2022. Each transactions was done through a purchase order. The value of the firewood price was the purchase price of ANV at the date of the transaction, together with the operational costs which the Company considers and finds to be appropriate if compared to the Company having to proceed by itself which will result in increased cost, as well as the ability to procure and collect firewood by the Company which is currently not in the capacity to procure sufficient amount of firewood to use for the overall use by the Company.</p> <p>Purchase prices for firewood are market prices plus a reasonable operating cost. However, with the very high volume of firewood that the Company requires, it may be difficult to compare with the market prices due to factors of sourcing, volume and freight. But if considering the data, it was evident that the price was comparable to other firewood suppliers. Furthermore, the price was reasonable if compared with the Company procurement by ourselves which would entail increased costs. In addition, this transaction is a general commercial terms which considered appropriate and reasonable.</p>	

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Other service		0.22	The Company paid fees and expenses for proceeding to renew a license to set up a wood processing factory using machinery to produce wood chips from rubber wood and 13 types of specially grown wood to ANV because the Company is in the process of transferring ownership. The charge rate is the actual cost of acquiring the ANV license plus any related administrative costs.	Such transactions are calculated from actual expenses plus operating expenses, including general trade conditions and consistent with the Company's business operations. The Company therefore considers that the said transaction is appropriate and reasonable. The Company has already received the transfer of ownership of the license since November in 2022. Such transaction will not continue in the future.
		Trade payables	4.53	11.06	Trade payables resulting from items cost and the aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.
STL	The Company					
	A Juristic person that the major shareholder has control over and has the same directors	Revenue from the sale of rubber gloves	0.01	0.01	The Company sold rubber gloves to STL which is a service through purchasing order. In addition, The purchase price was the cost price of the Company plus the related processing costs and appropriate profit.	The selling price of such transactions can be compared with the market price that the Company sold rubber gloves to other customers and the selling price reflected a suitable business model including general commercial term, therefore such transactions were appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Revenue from other service	0.01	0.01	The Company had compensation income for damaged goods during transportation from STL, by the rate charged was the actual value of the damaged goods.	The rate was charged from actually of damaged goods value, which is a general commercial term that considered appropriate and reasonable.
					In 2022, the Company had compensation income for damaged goods during transportation from STL, by the rate charged was the actual value of the damaged goods.	
					In 2023, the Company had compensation income for delayed return of container from STL, by the rate charged was the actual value of the damaged goods.	
		Transportation fees	76.97	88.85	STL provided transport services to the Company as STL operates transportation services and import and export document arrangement services, and has equipment and personnel available to provide the aforementioned services and has experience in the business more than 20 years. The service was through purchase order and the rate of service fee was determined by the market price and adjusted according to the change in the oil price at different periods.	STL is specialist in transportation services, as well as import and export document arrangement services. The service rate was reasonable and reflected the operational costs of this company compared to other provider in the same kind of business. This transaction was general commercial terms and consistent with the company business operation, which was considered appropriate and reasonable.



Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Import and export document arrangement service fees	10.58	11.38	STL provided import and export document arrangement services to The Company as STL has more than 20 years experience in the business of arranging import and export documents service, and has the expertise and personnel available to provide such services. For service was provided through purchase order and the fee rate of the import and export of documents was calculated per set of documents which was the rate comparable to the market price for the same characteristics of business.	STL is specialist in transportation services, as well as import and export document arrangement services. The service rate was reasonable and reflected the operational costs of this company compared to other provider in the same kind of business. This transaction was general commercial terms and consistent with the company business operation, which was considered appropriate and reasonable.
	Other service		9.63	5.68	STL provided transport services to the Company as STL has expertise and personnel available to provide such service. For service was provided through purchase order by calculating the trailer service fee in the time surplus of the free time per day per trailer which was a comparable market price of the car that provides overnight parking services.  The Company paid transport service fee and management of car pool fee with STL as STL has expertise and personnel available for the aforementioned services and has the capability to support the goods to be couriered to the to meet the demand of the customers when compared with the increase in the volume of exports from the expansion of the organization and thus was considered as a service rate that was reasonable.	STL is specialist in transportation services, as well as import and export document arrangement services. The service rate was reasonable and reflected the operational costs of this company compared to other provider in the same kind of business. This transaction is a general commercial terms and consistent with the company business operation, which was considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Trade payables	8.23	9.25	Trade payables resulting from items cost and the aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.
		Accrued expenses	1.80	1.05	Accrued transport expenses resulting from the aforesaid transactions.	It was an outstanding balance based on payment criteria, which was general commercial term and general accrued expenses which considered appropriate and reasonable.
STL	PSE (A Subsidiary of the Company)					
	A Juristic person that the major shareholder has control over and has the same directors	Revenue from calibration fees	0.001		PSE had revenue for the calibration fee of various machinery from STL. The service was provided through purchase orders. As PSE received the ISO IEC17025 certification for the calibration standard and has equipment and personnel available to provide service that is accessible in case of an emergency. The rate of the service fee was stipulated in accordance with the type of equipment which the rate of service fee was comparable to the market price of other calibrations of other outsiders.	PSE specializes in providing such services as well as having personnel with the experience and tools related to the provision of the service. The rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Transportation fees	0.54	0.09	<p>PSE used transport services from STL. As STL operates transportation arrangement services, and has equipment and personnel available to provide the aforementioned services and has experience in the business more than 20 years. The service was through purchase order and the rate of service fee was determined by the market price and adjusted according to the change in the oil price at different periods.</p>	<p>STL is specialist in transportation services, as well as import and export document arrangement services. The service rate was reasonable and reflected the operational costs of this company compared to other provider in the same kind of business. This transaction was general commercial terms and consistent with the company business operation, which was considered appropriate and reasonable.</p>
		Import and export document arrangement service fees	0.03	0.04	<p>PSE got the import and export document arrangement services from STL. Due to STL had more than 20 years experience in the business of arranging import and export documents service, and has expertise and personnel available to provide such services. For service was provided through purchase order and the fee rate of the import and export of documents was charged per set of documents which was the rate comparable to the market price for the same characteristics of business.</p>	<p>STL is specialist in transportation services, as well as import and export document arrangement services. The service rate was reasonable and reflected the operational costs of this company compared to other provider in the same kind of business. This transaction was general commercial terms and consistent with the company business operation, which was considered appropriate and reasonable.</p>
		Trade payables	0.004	0.005	<p>Trade payables resulting from items cost and aforesaid expenses.</p>	<p>It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.</p>

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
STI	The Company					
	A Juristic person that the major shareholder has control over and has the same directors	Other service - Consultant fees	12.50	2.68	<p>The Company paid a fee for consultants recruiting service to STI by considering the appropriate qualifications according to the Company's criteria under the Service Agreement. The business advisor has a role and responsibilities to perform the jobs in line with the business objectives of the Company. Considering to the complete knowledge, capability, experience and qualifications of the consultant, the advisory service rates are reasonable.</p>	<p>As considered the qualifications and roles of the consultants to the Company, this transaction was considered appropriate and reasonable.</p>
SDS	SDME (A subsidiary of the Company)					
	A Juristic person that the major shareholder has control over	Office service expenses	5.06	5.26	<p>SDME paid for the office service expenses to SDS, which provide human resource management service, accounting service, and branding service. The rates for such services were as agreed upon on 15 September 2019 and set out for a reconsideration every year, as set out in the terms of the contract. The rates which SDME had considered to be appropriate when comparing with the efforts to find employees for such services or finding the location or carry out such service themselves.</p>	<p>The aforementioned service rates were reasonable comparing to SDME's costs and expenses for recruiting employees or space area providing including self-service. This transaction is general commercial terms that considered appropriate and reasonable.</p>

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
STV	The Company					
	A Juristic person that the major shareholder has control over	Revenue from the sale of rubber gloves	(0.33)		In 2021, The Company sold rubber gloves to STV for distribution to the customers in Vietnam by a way of purchase orders. The rubber gloves price sold was the cost price of the Company plus the appropriate profit, considered by the changes in price of the main raw material which is concentrate latex, production cost, exchange rate and global market situation of gloves. In setting the purchase price of gloves such price was set monthly. Furthermore, such sale price has considered on the profit ratio that STV received at an appropriate rates of a rubber gloves manufacturer business model.	Due to the downturn in glove prices throughout the industry since the second half of 2021, some of the Company's customers, including STV, are unable to sell certain products. Therefore, the company considered to reducing the debt for some such customers, including STV, in order to the customers be able to sell their products and continue to buy rubber gloves from the Company normally. Therefore, the Audit Committee considered that the transaction was reasonable, with the situation of the industry and the company.
					In 2022, the Company has reduced the price of rubber gloves sales to STV for the rubber gloves sold in 2021 for the Nitrile powder free examination gloves in accordance with the market situation of the glove price in the world market that has decreased. This is a discount through a credit note. However, the selling price after the reduction is still higher than the production cost of the Company at that time.	



Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
SLI	SDME (A subsidiary of the Company)					
	A Juristic person that the major shareholder has control over	Rubber gloves purchase	6.72		SDME repurchased rubber gloves from STV through purchase orders. The purchase price is comparable to the market price.	The said transaction was a selling price that was comparable to the market price at which the Company sells rubber gloves to other customers and was a selling price that reflected an appropriate business model including general trade conditions. Therefore, it was considered that the said transaction was appropriate and reasonable.
SLI	PSE (A Subsidiary of the Company)					
	A Juristic person that the major shareholder has control over and has the same directors	Revenue from Production and installation of machinery	1.45	3.15	PSE had income from designing, manufacturing and installing from SLI due to PSE have expertise in design, installation, machine and instrument maintenance. The service was through purchase orders. Additionally, the production and installation of machineries in gloves production is considered to be trade secret technology that the Conglomerate does not require the outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the same business.	PSE specializes in providing such services as well as having personnel with the experience, the rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Revenue from the sale of factory materials	1.20	0.68	PSE had revenue from selling spare parts, machinery equipment such as spring device, roller, rolling ball, shaft gear etc. to SLI to used with block rubber production machine. Due to service provider who specializes in installation, machine maintenance and instrument. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
		Advance Income	2.99		The advance income resulting from revenue aforesaid transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term that considered appropriate and reasonable.
		Trade receivables	1.00		The trade receivables resulting from the aforesaid revenue transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade receivables that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
PTS	PSE (A Subsidiary of the Company)					
	A Juristic person that the major shareholder has control over and has the same directors	Revenue from Production and installation of machinery	2.07	1.58	PSE had revenue from designing, manufacturing and installing from PTS due to PSE have expertised in design, installation, machine and instrument maintenance. The service was through purchase orders. Additionally, the production and installation of machineries in gloves production is considered to be trade secret technology that the Conglomerate does not require the outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the samebusiness.	PSE specializes in providing such services as well as having personnel with the experience, the rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from thesale of factory materials		0.05	PSE has revenue from selling spare parts for machinery such as spring pushers, etc., to PTS for using with machinery for producing rubber blocks as they are a service provider with expertise in installation. and maintaining and repairing machinery and equipment for a long time by providing services through purchase orders. The purchase price is PSE's cost price plus related operating costs and a reasonable profit.	The said transaction was a comprehensive rate and reflected related costs and appropriate profit margins as well as general commercial conditions. Therefore, it was considered that the said transaction was appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Advance income	1.20		PSE had advance income from design, manufacturing and installation to PTS due to having expertise in design, installation, machine and instrument maintenance. The service was through purchase orders, the aforementioned rate was in line with the other service providers in the same category.	It was an outstanding balance based on payment criteria, which was a general commercial term that considered appropriate and reasonable.
<b>PSE (A Subsidiary of the Company)</b>						
STAY						
	A Juristic person that the major shareholder has control over and has the same directors	Revenue from calibration fees	0.12		PSE had revenue for the calibration fee of various machinery from STAY. The service was provided through purchase orders. As PSE received the ISO IEC17025 certification for the calibration standard and has equipment and personnel available to provide service that is accessible in case of an emergency. The rate of the service fee was stipulated in accordance with the type of equipment which the rate of service fee was comparable to the market price of other calibrations of other outsiders.	PSE specializes in providing such services as well as having personnel with the experience and tools related to the provision of the service. The rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
	Revenue from other service		0.01		PSE has revenue from transferring employees to survey the area to design and install machines for STAY. The rates charged are the actual expenses incurred.	It was the actual service charge rate including general commercial conditions. Therefore, it was considered that the said transaction was appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
SAC	The Company					
	A Juristic person that the major shareholder has control over and has the same directors	Revenue from the sale of rubber gloves	0.001	0.002	The Company sold rubber gloves to SAC which is a service through purchasing order. In addition, The purchase price was the cost price of the Company plus the related processing costs and appropriate profit.	The selling price of such transactions can be compared with the market price that the Company sold rubber gloves to other customers and the selling price reflected a suitable business model including general commercial term, therefore such transactions were appropriate and reasonable.
		Revenue from the sale of factory materials	0.72	0.41	The Company distributed chemical and fuel to SAC since the Company order those materials in a big lot while SAC consumes those materials in small amounts. To save cost of those materials and to enhance inventory management of the Group, the Company therefore sells chemical and fuel by referring to fuel price as at trading day in order to reflect related costs and appropriate profit of the Company and the price of the chemicals, which reflects the related costs and the appropriate profit of the company.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.



Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
	Revenue from other service		5.66	3.36	<p>The Company sells steam and provides wastewater treatment and waste disposal services with SAC. Due to SAC does not have its own machine to produce steam, waste water treatment and waste disposal. The steam rates, wastewater treatment and waste disposal fees reflect the relevant costs and reasonable profits of the Company. It also charged employees hospitalizations under Factory Accommodation Isolation (FAI) disease control measures and the quarantine of high-risk workers who did not detect COVID-19 in Factory Quarantine (FQ) from SAC at the actual cost incurred as SAC does not have a treatment and detention area for employees.</p>	<p>The transaction was a comprehensive rates and reflect the relevant costs and reasonable margins. In addition, the cost of treatment and detention of employees is the actual rate charged. Including general commercial terms therefore considered that the said transaction was appropriate and reasonable.</p>
	Trade receivables			0.003	<p>The trade receivables resulting from the aforesaid revenue transactions.</p>	<p>It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade receivables that considered appropriate and reasonable.</p>
	Other receivables		0.57	0.28	<p>Other trade receivables resulting from the aforesaid income transactions.</p>	<p>It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.</p>
	Advance payment			0.08	<p>The Company paid advance payment for organizing training for SAC, which will be charged later</p>	<p>It is an outstanding balance according to normal business transactions of the Company, therefore, it is considered that such transactions are appropriate and reasonable.</p>

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Other expenses	0.03	0.04	The Company purchased hydraulic hoses from SAC via purchase orders to maintain and repair machinery. The hydraulic hoses price was reference from the market price.	This transaction was reasonable rates comparable to the market price including the general commercial terms which considered appropriate and reasonable.
		Other payables		0.002	Other payable that occurred due to the aforesaid transaction.	It was an outstanding balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.
SAC	PSE (A Subsidiary of the Company)					
	A Juristic person that the major shareholder has control over and has the same directors	Revenue from Production and installation of machinery	9.81	12.05	PSE had revenue from design, manufacturing and installation from SAC due to PSE having expertise in design, installation, machine and instrument maintenance. The service was through purchase orders. Additionally, the production and installation of machineries in gloves production is considered to be trade secret technology that the Conglomerate does not require the outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the same business.	PSE specializes in providing such services as well as having personnel with the experience, the rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Cleaning Service income	1.31	0.62	PSE had income from cleaning machine with SAC due to PSE having expertise in equipment and machinery. The service was through purchase orders. Additionally, the cleaning of machineries access to trade secret technology which SAC does not intend for the outside persons to have access to, the aforementioned rate was in line with that of the service providers in the same category	PSE has specializes in providing such services as well as having personnel with the experience. The rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from calibration fees	0.28	0.27	PSE had revenue for the calibration fee of various machinery from SAC. The service was provided through purchase orders. As PSE received the ISO IEC17025 certification for the calibration standard and has equipment and personnel available to provide service that is accessible in case of an emergency. The rate of the service fee was stipulated in accordance with the type of equipment which the rate of service fee was comparable to the market price of other calibrations of other outsiders.	PSE specializes in providing such services as well as having personnel with the experience and tools related to the provision of the service. The rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from the sale of factory materials	0.35	0.07	PSE had revenue from selling spare parts, machinery equipment such as fabric corner adjuster, warp etc. to SAC, used with hydraulic pipe production machine. Due to service provider who specializes in installation, machine maintenance and instrument. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Revenue from other service - Verification service	0.02	0.02	PSE had revenue from the electrical system safety certification toSAC. The service was provided through purchase orders.	The service was a service that was associated with manufacturing, installation and maintenance. PSE has specializes in providing such services as well as having personnel with the experience and tools that were related the provision of the service at the PSE's cost plus related operating costs and reasonable profit. This transaction is a general commercial terms which considered appropriate and reasonable.
		Accrued income	0.03		In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade accounts receivable that considered appropriate and reasonable.
		Trade receivables	1.07	1.18	The accrued income resulting from revenue aforesaid transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade receivables that considered appropriate and reasonable.
		Other expenses	0.02		The trade receivables resulting from the aforesaid revenue transactions.	This transaction was reasonable rates comparable to the market price including the general commercial terms which considered appropriate and reasonable.
		Advance income	0.46		The advance income resulting from revenue aforesaid transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
IBC	The Company					
	A Juristic person that the major shareholder has control over and has the same directors	Revenue from other service	0.01		The Company had revenue from organizing training for IBC in order to effectively reduce training costs for the Company group, which is actual cost incurred with the charge by the number of company's training participants.	It is the actual service charge rate, therefore it is considered that the said transaction is appropriate and reasonable.
		Advance payment	0.003		The Company paid an advance payment to employees who worked for IBC, which will be charged later after the operation is completed.	It was an outstanding balance according to normal business transactions of the Company, therefore, it was considered that such transactions are appropriate and reasonable.
		IT Service Fees and Maintenance of SAP system	96.08	105.47	The Company used services relating to IT Services and maintenance of SAP system from IBC, namely computer lease fee, hardware services fee, software services fee etc. As IBC has equipment and staffs that are ready to perform the aforementioned services. The service fee according to type of information technology which can be compared with other service providers such as notebook lease that has a monthly service fee charged per notebook compared with the other service providers in charging the same fee, and the hardware service fee, examination fee, equipment repairment fee, the service fee charged per machinery per month can be compared with other service providers that provides service in similar characteristics which may differ in detail of the space, type and equipment used to provide the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable.



Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Service Fees	14.39	18.88	The Company paid for service fees to IBC, which was expenses for the services of 2 personnel under the secondment agreement to the Company including the marketing team and product research and development together with the goal setting, vision and strategy in marketing, product research and development to be in line with the business objective of the Company (There was one person who belong to Research Development Department was resigned in April 2021). Considering to the knowledge, capabilities, experiences and qualities, the aforesaid service fees were suitable.	Even if, Service charge was unable to compare service rate with market price, but when considered to the qualification of each advisor, it was considered to be appropriate and reasonable.
		Trade payables	13.04	11.90	Trade payables from the aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
IBC	STU (A subsidiary of the Company)					
	A Juristic person that the major shareholder has control over and has the same directors	IT Service Fees and Maintenance of SAP system	0.75	0.53	STU used services relating to the maintenance of SAP system from IBC, as IBC has equipment and staffs that are ready to perform the aforementioned services. The service fee according to type of information technology which can be compared with other service providers that provides service in similar characteristics which may differ in detail of the space, type and equipment used to provide the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable..
		Trade payables	0.09	0.04	Trade payables from the aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.
IBC	SDME (A subsidiary of the Company)					
	A Juristic person that the major shareholder has control over and has the same directors	IT Service Fees and Maintenance of SAP system	0.72	0.98	SDME used services relating to the maintenance of SAP system from IBC , as IBC has equipment and staffs that are ready to perform the aforementioned services. The service fee according to type of information technology which can be compared with other service providers that provides service in similar characteristics which may differ in detail of the space, type and equipment used to provide the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Trade payables	0.002	0.05	Trade payables from the aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.
<b>PSE (A Subsidiary of the Company)</b>						
IBC	A Juristic person that the major shareholder has control over and has the same directors	Office Administrative Fee income	4.31	4.19	PSE had income from serviced office fee to IBC such as office building, Parking lots, human resource services on monthly fee basis. Moreover, PSE and IBC had been reviewed all type of service and agreed on new service rates to be the reflection of reasonable service which the agreement starting from January 2020 to December 2022. In this regard, the policy has been stipulated to every 3 years review of the price. The aforementioned rate was the rate that the Company considers to be reasonable if compared with procuring the staffs in such works or procuring such area, including performing the service work by themselves.	Such service rates were reasonable, which was a general commercial term that considered appropriate and reasonable.
		Revenue from other service		0.002	PSE had income from transferring employees to work for IBC. The rates charged are the actual expenses incurred.	It was the actual service charge rate, therefore it is considered that the said transaction is appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
	Trade receivables		0.002		The trade receivables resulting from the aforesaid revenue transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade receivables that considered appropriate and reasonable.
	Other receivables		0.38	0.37	Other trade receivables resulting from the aforesaid income transactions.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.
	IT Service Fees and Maintenance of SAP system		11.34	12.39	PSE used services relating to IT Services and maintenance of SAP system from IBC, namely computer lease fee, hardware services fee, software services fee etc. As IBC had equipment and staffs that are ready to perform the aforementioned services. The service fee according to type of information technology which can be compared with other service providers such as notebook lease that has a monthly service fee charged per notebook compared with the other service providers in charging the same fee, and the hardware service fee, examination fee, equipment repairment fee, the service fee charged per machinery per month which can be compared with other service providers that provides the service in a similar manner but may differ in the details of the area and type of equipment used in the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Trade payables	0.96	1.17	Trade payables resulting from items cost and the aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.
<b>STGV (A Subsidiary of the Company)</b>						
IBC	A Juristic person that the major shareholder has control over	IT Service Fees	0.09	0.22	STGV has used information system services from IBC, including hardware service fees, software service fees, etc. As IBC has equipment and staffs that are ready to perform the aforementioned services. The service fee according to type of information technology which can be compared with other service providers such as computer and notebook lease that has a monthly service fee charged per notebook compared with the other service providers in charging the same fee, and the hardware service fee, examination fee, equipment repairment fee, the service fee charged per machinery per month can be compared with other service providers that provides service in similar characteristics which may differ in detail of the space, type and equipment used to provide the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable.
		Trade payables	0.09		Trade payables resulting from items cost and aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.



Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
IBC	STGI (A Subsidiary of the Company)					
	A Juristic person that the major shareholder has control over	IT Service Fees	0.02	0.05	STGI has used information system services from IBC, including hardware service fees, software service fees, etc. As IBC has equipment and staffs that are ready to perform the aforementioned services. The service fee according to type of information technology which can be compared with other service providers such as computer and notebook lease that has a monthly service fee charged per notebook compared with the other service providers in charging the same fee, and the hardware service fee, examination fee, equipment repairment fee, the service fee charged per machinery per month can be compared with other service providers that provides service in similar characteristics which may differ in detail of the space, type and equipment used to provide the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable.
		Trade payables	0.02	0.03	Trade payables resulting from items cost and aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
IBC	STGP (A Subsidiary of the Company)					
	A Juristic person that the major shareholder has control over	IT Service Fees	0.004	0.01	STGP has used information system services from IBC, including hardware service fees, software service fees, etc. As IBC has equipment and staffs that are ready to perform the aforementioned services. The service fee according to type of information technology which can be compared with other service providers such as computer andnotebook lease that has a monthly service fee charged per notebook compared with the other service providers in charging the same fee, and the hardware service fee, examination fee, equipment repairment fee, the service fee charged per machinery per month can be compared with other service providers that provides service in similar characteristics which may differ in detail of the space, type and equipment used to provide the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable.
		Trade payables	0.004		Trade payables resulting from items cost and aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
STC	The Company					
	A Juristic person that the major shareholder has control over	Land lease fees	0.40	0.40	The Company paid rental fees for land Title Deed No.9875 Land No.53 Survey page 915 area 3 ngan 43 Square wah and Title Deed No.9883 Landl No.54 Survey page 973 area 11 Rai 2 Ngan 32 Square wah, Khuan Thanee Sub District, Kantang District, Trang province in order to build locate pumping station and pipeline installation. The total rental area is 12 Rai 1 Ngan 75 Square wah. Rental period is 1 year from May 1, 2021 to April 30, 2022 with 33,000 THB per month, the price was comparable to the market price of neighboring area. And in May 1, 2022, an additional amendment memorandum was made and attached with the original contract. The rental period is from May 1, 2022 to December 31, 2022 (total of 8 months) and the rental rate is the same as the original contract.	The rental rate was comparable to the market price of neighboring area. This transaction is a general commercial term which considered appropriate and reasonable.
	Other payables		0.03		Other payable that occurred due to the aforesaid transaction.	It was an outstanding balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
SRP	The Company					
	A Juristic person that the major shareholder has control over and has the same directors	Revenue from the sale of rubber gloves	0.03	0.04	The Company sold natural rubber gloves to SRP which is a service through purchasing order. In addition, The purchase price was the cost price of the Company plus the related processing costs and appropriate profit.	The selling price of such transactions can be compared with the market price that the Company sold rubber gloves to other customers and the selling price reflected a suitable business model including general commercial term, therefore such transactions were appropriate and reasonable.
		Revenue from other service	0.01	0.01	The Company had income from the sale of obsolete second-hand blue buckets to SRP, the price was comparable to the market price.	The transaction was market price and can be compared with selling price to other customers, including general commercial terms, it was considered appropriate and reasonable.
		Other receivables	0.01	0.003	Other trade receivables resulting from the aforesaid income transactions.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
TRC	PSE (A Subsidiary of the Company)					
	A juristic person with a joint directors	Revenue from calibration fees	0.03	0.03	<p>PSE had income for the calibration fee of various machinery from TRC. The service was provided through purchase orders. As PSE received the ISO IEC17025 certification for the calibration standard and has equipment and personnel available to provide service that is accessible in case of an emergency. The rate of the service fee was stipulated in accordance with the type of equipment which the rate of service fee was comparable to the market price of other calibrations of other outsiders.</p> <p>PSE specializes in providing such services as well as having personnel with the experience and tools related to the provision of the service. The rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.</p>	
SLI	STGI (A Subsidiary of the Company)					
	A Juristic person that the major shareholder has control over	Land lease fees	0.11	0.10	<p>The Company has leased land no 04.01.13.05.01860 land survey number 21-12-2017, area 5,950 square meters. The area is located at Keramasan, Kertapati, Palembang, South-Sumatra, Indonesia intended for warehouse. There is a land lease agreement and the period is 5 years, starting from 1 December 2021 until 1 December 2026 by paying rent annually 45,696,000 IDR per year or 228,480,000 per 5 years. The land rental rate was a price agreement between the renter and the landlord without adjusting the rental rates during the year which refer to the appraised price of Indonesia. This rental rate was reasonable.</p> <p>The warehouse rental rate was a reference from the land appraisal given by Indonesia. This transaction is a general commercial term which considered to be appropriate and reasonable.</p>	



Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Advance payment	0.09		The prepaid expenses resulting from land rental aforesaid transactions.	It was prepaid expense based on payment criteria, which was a general commercial term. The aforesaid transaction was considered that appropriate and reasonable.
		Other payables	0.12	0.003	Other payable that occurred due to the aforesaid land rental.	It was an outstanding balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.
STGG (A Subsidiary of the Company)						
PCMS	A Juristic person that the major shareholder has control over	Management fee	7.49	6.34	STGG has entered into an Portfolio Management Agreement and PCMS with the objective of enabling PCMS to manage the assets under investment management for investing in Financial Securities with a contract period of 2 years from the contract date of 18 October 2021 and a fee is paid at the rate of 0.75 percent per year of the value of assets under investment. Payment is made on a quarterly basis. PCMS is a professional and experienced investment advisor and asset management firm that has been licensed by Singapore's appropriate authorities and is ready to function immediately. Furthermore, the fee rate that PCMS offers to STGG at 0.75 percent per year is quite low compared to the average market rate of 0.80-2.40 percent per year and is subject to general trading conditions when compared to other firms that conduct business in the same manner.	This transaction is reasonable and most beneficial to the Company's business. The Company is able to use excess liquid assets in the form of cash to manage in order to create appropriate returns for the Company under the benefit of tax exemption. In addition, we have considered that the investment asset management fees are appropriate and lower than the market price when compared to the fees of other companies in the same industry in Singapore.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2022	Jan – Dec 2023		
		Other payables	1.89	2.50	Other payable that occurred due to the aforesaid transaction.	It was an outstanding balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.

### 3) Measures and Approval Procedures for Related Party Transactions

In entering into related party transactions and connected transactions of the Company and its subsidiaries, the Company will comply with the requirements under the Securities and Exchange Act, B.E. 2535 (as amended), the Company's Articles of Association, notifications, orders and relevant requirements of the Capital Market Supervisory Board and/or the Securities and Exchange Commission and/or the Stock Exchange of Thailand including the disclosure requirements on related party transactions in the notes to financial statements audited by auditors of the Company and its subsidiaries and the Annual Statement (Form 56-1 One Report).

#### Measures and Approval Procedures for Related Party Transactions and Connected Transactions

- The Board of Directors will put in place a consideration procedure for related party transactions and connected transactions in accordance with the work procedures of the Company and its subsidiaries subject to the framework of ethics and scrutiny of the Audit Committee taking into consideration the interests of the Company and its shareholders. The Board of Directors will ensure compliance with the Company's Articles of Association, relevant notifications, orders and requirements of the Capital Market Supervisory Board, the SEC and the SET. The Board of Directors will also ensure that the disclosure requirements on related party transactions and connected transactions are complied with to ensure accurate and complete public disclosure of information.
- Price suitability and reasonableness of transactions will be taken into consideration in approving the transactions. Conditions of the transactions shall be in line with the normal business within relevant industry and/or will be compared with prices offered by third parties and/or market price and/or shall be comparable to the prices or conditions offered by third parties and/or shall demonstrate reasonable or fair price or conditions. The Company will also monitor transactions that are entered into.
- In approving related party transactions or connected

transactions with major shareholders, directors, executives or persons with possible conflict of interests or connected persons of the Company, it is prohibited for interested directors and/or directors who are connected persons to attend the meeting and to have the rights to vote on the approval for the transactions. This is to ensure that the transactions will not amount to the relocation or siphon of interests of the Company but will be entered into for the best interests of the Company and its shareholders.

- The Company or its subsidiaries will enter into related party transactions or connected transactions with directors, executives or connected persons once the transactions are approved in accordance with the requirements of the SET and the SEC. Such transactions shall have the characteristics as prescribed under the Company's policy except for transactions with arms' length terms and conditions without the negotiating power or influence of such directors, executives or connected persons, as the case may be and shall have the terms and conditions that have already been approved in principle by the Board of Directors.
- The Company may arrange for experts or specialists such as independent specialists, auditors or independent price valuers to express their opinion on the related party transactions or connected transactions in order to assist on the consideration of the Audit Committee and/or the Board of Directors and/or the general meetings of shareholders (as the case may be).
- The Company will prepare a report to summarize related party transactions and connected transactions for reporting at the quarterly meetings of the Audit Committee and the Board of Directors in order to comply with the law on securities and exchange, the Company's Articles of Association, relevant notifications, orders or requirements of the SEC, the Capital Market Supervisory Board and the SET.
- The Company by the department of internal audit will carry out audits of related party transactions or connected transactions in accordance with the Company's audit plan and will report to the Audit Committee. There will be measures for the control and audit to allow random check on the transactions to ensure that they are correct and in accordance with the agreements or the defined policies.

## Related Party Transaction Policy

### Transactions with General Commercial Terms

The management team may approve related party transactions or connected transactions which contain general commercial terms or transactions which support normal business of the Company including recurring transactions in the future if such transactions contain general commercial terms with directors, executives, connected persons or persons with possible conflict of interests in accordance with the requirements of the SET, the Capital Market Supervisory Board and the SEC, and such business terms are on an arms' length basis without the negotiating power or influence of directors, executives, connected persons or persons with possible conflict of interests (as the case may be), and will not result in the siphon of benefits and/or could demonstrate reasonable or fair prices or conditions which have already been approved in principle by the Board of Directors or are in accordance with the principles approved by the Board of Directors.

### Transactions without General Commercial Terms

Related party transactions or connected transactions without general commercial terms may be entered into subject to consideration and approval from the Audit Committee who shall approve based on the necessity of such transactions and the appropriateness of the pricing of the transactions, taking into consideration conditions that are in line with the normal course of business within the industry and/or will be compared with prices offered by third parties and/or market price and/or shall be comparable to the prices or conditions offered by third parties and/or shall demonstrate reasonable or fair price or conditions. The transactions shall be proposed to the Board of Directors for consideration and approval. However, if the transaction size is considered material in accordance with the requirements of the SET, the Capital Market Supervisory Board and the SEC, after the transactions have been approved by the Board of Directors, they shall be further proposed to the general meeting of shareholders for approval.

## Policy for Related Party Transactions and Connected Transaction in the Future

When the Company has completed its public offering of shares and has become a listed company on the SET, its related party transactions and connected transactions shall be in accordance with the following principles:

- The Company will comply with its policy, the law on securities and exchange, the Company's Articles of Association, relevant notifications, orders or requirements of the Capital Market Supervisory Board, the SEC and/or the SET. Such related party transactions or connected transactions shall not amount to the relocation or siphon of benefits between the Company or its shareholders but shall be for the best interests of the Company and all shareholders.
- If transactions are entered into in the normal course of business or for the support of the normal business of the Company and are expected to be regularly recurring in the future, the Company will comply with the relevant requirements and guidelines with respect to transactions with general commercial terms. Pricing and conditions of the transactions shall be appropriate, fair, reasonable and transparent. The transactions shall be entered into based on the principles for transactions with general commercial terms that have already been approved by the Board of Directors of the Company. For this purpose, the management shall prepare reports to summarize details of such transactions to be submitted to the quarterly meetings of the Audit Committee in preparation for the Annual Registration Statement (Form 56-1 One Report).
- Disclosures on related party transactions or connected transactions of the Company shall be in accordance with the law and regulations prescribed by the SEC and the SET and the accounting standards regarding the disclosure of information on related persons or businesses prescribed by the Federation of Accounting Professions.



#### 4) Related Party Transaction Trend in the Future

The Company expects that there will still be related transactions with persons who may have conflict of interests in the future which are normal business transactions and regular business support transaction as follows

- Normal business transactions such as selling rubber gloves, purchase of latex and other raw materials such as firewood etc. The Company will purchase latex from STA, RBL and NHR and purchase firewood from ANV with normal prices and general commercial terms, whereby the Company has entered into a contract relating to such transaction.
- Normal business support transaction such as engineering, maintenance, cleaning and calibration services between the Company and PSE, logistic services between the Company and STL, rental for warehouse, office equipment and others between

the Company and STA and information technology service between the Company and IBC at a normal price and general commercial terms or with reasonable characteristics and qualifications.

In the future, if the Company Group enters into related party transactions other than the aforementioned transactions, the Company will comply with the regulations of the Securities and Exchange Act, and the announcement of the Capital Market Supervisory Board No. TorChor 21/2551 regarding rules on connected transactions, in addition to the announcement of the SET regarding disclosure of information and operations of listed companies on connected transactions, including various related rules of the SEC and the SET, as well as compliance with the disclosure of related party transactions in the notes to the financial statements audited by the Company's auditor and the Annual Registration Statement (form 56-1 One Report)





# 3

## Financial Statements



## Report on the Board of Director's Responsibility for the Financial Reports

The Board of Directors is responsible for the stand-alone financial statements of Sri Trang Gloves (Thailand) Public Company Limited and the consolidated financial statements of Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries as well as the financial information stated in the Company's 2023 Annual Registration Statement / Annual Report (Form 56-1 One Report). The financial statement ended on 31 December 2023 was prepared in accordance with the generally accepted accounting standards by using appropriate and consistent accounting policy including careful consideration and reasonableness. Moreover, the important information was adequately disclosed in the notes to the financial statements to transparently reflect the actual financial position, operating results, and cash flow for the understanding of shareholders and investors. The financial statements have been audited by EY Office Limited and all the related information was provided to the auditors for supporting their opinion in accordance with the auditing standards.

The Board of Directors recognized their duties and responsibilities for supervising the efficient preparation of financial report and have instituted risk management system and appropriate internal control system for both operation and related information systems to ensure the accuracy and completeness of the financial information and to prevent fraud or mismanagement and to protect the Company's assets.

In this regard, the Board of Directors also appointed an Audit Committee to review the accuracy and reliability of the financial reports, the effectiveness of the internal audit and internal control system as well as the risk management system, along with the appropriateness and completeness of information disclosure regarding related party transactions and to state their opinion in the Audit Committee Report in the 2023 Annual Registration Statement / Annual Report (Form 56-1 One Report).

From the corporate governance practices mentioned above, the Board of Directors is of the opinion that the overall internal control system of the Company is effective and can also provide reasonable assurance that the stand-alone financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2023 are accurate, fair, and reliable and in compliance with generally accepted accounting practices and all the relevant legal guidelines and policies.

**Prof. Dr. Weerakorn Ongsakul**  
Chairman of the Board of Directors

## Independent Auditor's Report

To the Shareholders of Sri Trang Gloves (Thailand) Public Company Limited

### Opinion

I have audited the accompanying consolidated financial statements of Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Sri Trang Gloves (Thailand) Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries and of Sri Trang Gloves (Thailand) Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities* for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond for the matter are described below.

### Revenue recognition

Revenue from sales of goods is significant to the financial statements. The competition in the rubber glove market has a direct impact on selling prices of rubber gloves. Moreover, the Group has a large number of customers under a variety of conditions. As a result, revenue from sale of goods is a significant account which directly affects the Group's operating results.

I assessed and tested the effectiveness of the Group's internal controls relating to the revenue cycle, examining supporting documents on a sampling basis for actual sale transactions occurring during the year, expanding the scope of audit near the end of the reporting

period and testing sale transactions with respect to the accuracy and timing of revenue recognition. I also examined credit notes issued by the Group after the period end and performed analytical procedures on disaggregated data, including reconciliation of sales to cash receipts, to detect possible irregularities in sale transactions throughout the period, particularly accounting entries made through journal vouchers.

### Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matter. I describe this matter in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report

**Krongkaew Limkittikul**  
**Certified Public Accountant (Thailand) No. 5874**

**EY Office Limited**  
**Bangkok: 16 February 2024**

# Statement of financial position

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	4,230,142,884	14,350,701,692	2,237,359,500	8,790,234,346
Trade and other receivables	8	2,390,113,813	2,086,243,236	2,476,925,137	2,300,301,760
Inventories	9	3,840,186,360	3,364,087,806	2,746,466,939	2,210,895,173
Short-term loan to subsidiary	6	-	-	-	150,000,000
Derivative financial instruments	33.1	73,921,287	241,881,401	73,543,345	241,868,680
Other current financial assets	11	5,213,142,212	-	-	-
Other current assets	10	287,414,973	300,498,897	225,261,160	223,680,891
<b>Total current assets</b>		<b>16,034,921,529</b>	<b>20,343,413,032</b>	<b>7,759,556,081</b>	<b>13,916,980,850</b>
<b>Non-current assets</b>					
Derivative financial instruments	33.1	1,516,396	1,997,355	1,516,396	1,997,355
Other non-current financial assets	11	4,686,232,395	1,023,867,815	-	-
Investments in subsidiaries	12	-	-	12,328,238,968	8,008,453,507
Property, plant and equipment	13	24,971,643,350	26,130,759,427	25,088,508,538	25,754,604,391
Right-of-use assets	14.1	46,963,009	72,734,636	12,746,658	21,567,790
Intangible asset - computer software	15	175,570,306	195,115,268	174,386,606	193,069,736
Goodwill	16	220,884,790	220,884,790	220,884,790	220,884,790
Withholding tax deducted at source		116,541,697	157,690,066	27,061,306	-
Deferred tax assets	26	320,162,536	374,509,260	-	-
Other non-current assets		7,689,753	7,561,294	585,311	1,756,941
<b>Total non-current assets</b>		<b>30,547,204,232</b>	<b>28,185,119,911</b>	<b>37,853,928,573</b>	<b>34,202,334,510</b>
<b>Total assets</b>		<b>46,582,125,761</b>	<b>48,528,532,943</b>	<b>45,613,484,654</b>	<b>48,119,315,360</b>

The accompanying notes are an integral part of the financial statements.

# Statement of financial position (continued)

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	17	2,415,559,769	2,403,222,674	2,229,547,696	2,046,931,481
Short-term borrowings from financial institutions	18.1	67,139,387	172,812,000	-	-
Current portions of long-term liabilities:					
- Long-term borrowings from financial institutions	18.2	1,884,604,188	1,715,714,709	1,884,604,188	1,715,714,709
- Debentures	18.3	13,952,222	13,953,423	13,952,222	13,953,423
- Lease liabilities	14.2	25,026,042	39,443,271	6,978,726	11,627,976
Income tax payable		167,423	31,688,890	-	31,512,108
Derivative financial instruments	33.1	537,465	15,510,719	537,465	-
Other current liabilities		10,728,904	14,863,949	9,474,063	12,069,257
Total current liabilities		4,417,715,400	4,407,209,635	4,145,094,360	3,831,808,954
Non-current liabilities					
Derivative financial instruments	33.1	-	1,126,858	-	1,126,858
Long-term liabilities, net of current portions:					
- Long-term borrowings from financial institutions	18.2	3,527,377,855	5,411,982,152	3,527,377,855	5,411,982,152
- Debentures	18.3	1,498,717,481	1,498,265,078	1,498,717,481	1,498,265,078
- Lease liabilities	14.2	18,023,248	33,622,298	4,915,222	8,010,068
Provision for retirement benefit obligations	19	172,724,884	176,412,391	137,767,567	140,338,791
Deferred tax liabilities	26	110,596,386	189,209,104	71,046,885	139,485,963
Total non-current liabilities		5,327,439,854	7,310,617,881	5,239,825,010	7,199,208,910
Total liabilities		9,745,155,254	11,717,827,516	9,384,919,370	11,031,017,864

The accompanying notes are an integral part of the financial statements.

# Statement of financial position (continued)

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Shareholders' equity</b>					
Share capital	20				
Registered					
2,869,560,000 ordinary shares of Baht 0.5 each		<u>1,434,780,000</u>	<u>1,434,780,000</u>	<u>1,434,780,000</u>	<u>1,434,780,000</u>
Issued and fully paid					
2,865,179,910 ordinary shares of Baht 0.5 each		1,432,589,955	1,432,589,955	1,432,589,955	1,432,589,955
Premium on ordinary shares	20	14,494,582,321	14,494,582,321	14,494,582,321	14,494,582,321
Surplus on the amalgamation		483,694,988	483,694,988	483,694,988	483,694,988
Deficit on business combination under common control		(787,230,800)	(787,230,800)	-	-
Retained earnings					
Appropriated - statutory reserve	22	143,478,000	143,478,000	143,478,000	143,478,000
Unappropriated		19,681,328,439	20,210,346,086	19,140,128,561	19,873,457,838
Other components of shareholders' equity					
Surplus on revaluation of assets - net of income tax		653,969,765	723,299,958	518,734,899	584,196,071
Surplus (deficit) on changes in fair value through					
other comprehensive income of investments in equity		616,060,981	(205,101,423)	-	-
Cash flow hedge reserve - net of income tax		15,356,560	76,298,323	15,356,560	76,298,323
Exchange differences on translation of					
financial statements in foreign currencies		<u>103,140,298</u>	<u>238,748,019</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>		<u>36,836,970,507</u>	<u>36,810,705,427</u>	<u>36,228,565,284</u>	<u>37,088,297,496</u>
<b>Total liabilities and shareholders' equity</b>		<u>46,582,125,761</u>	<u>48,528,532,943</u>	<u>45,613,484,654</u>	<u>48,119,315,360</u>
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

The accompanying notes are an integral part of the financial statements.

# Statement of comprehensive income

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Profit or loss:</b>					
Revenues from sales of goods and services	27	19,665,175,405	23,304,819,683	18,307,789,533	21,540,900,522
Cost of sales and services		(17,516,348,753)	(19,048,019,604)	(16,531,202,212)	(18,128,798,981)
<b>Gross profit</b>		2,148,826,652	4,256,800,079	1,776,587,321	3,412,101,541
Other income	23	214,372,287	204,572,243	207,050,078	204,904,419
Dividend income	11, 12	13,898,330	4,741,865	-	23,999,640
Selling and distribution expenses		(948,331,548)	(1,332,515,853)	(660,953,012)	(1,054,957,697)
Administrative expenses		(1,268,799,936)	(1,068,562,987)	(1,127,468,325)	(891,189,803)
Gain (loss) on exchange rates		(10,904,627)	101,695,960	4,863,959	170,045,453
Other loss	24	(33,213,211)	(257,241,719)	(55,844,282)	(141,062,769)
<b>Operating profit</b>		115,847,947	1,909,489,588	144,235,739	1,723,840,784
Finance income		361,022,900	160,847,413	66,627,748	69,021,006
Finance cost		(306,204,916)	(186,806,428)	(293,946,505)	(179,314,156)
<b>Profit (loss) before income tax</b>		170,665,931	1,883,530,573	(83,083,018)	1,613,547,634
Income tax	26	(17,977,141)	(231,479,073)	37,782,814	(153,550,106)
<b>Profit (loss) for the year</b>		<u>152,688,790</u>	<u>1,652,051,500</u>	<u>(45,300,204)</u>	<u>1,459,997,528</u>

The accompanying notes are an integral part of the financial statements.

The accompanying notes are an integral part of the financial statements.



# Statement of comprehensive income (continued)

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Other comprehensive income:					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods					
Exchange differences on translation of					
financial statements in foreign currencies					
		(135,607,721)	(43,458,109)	-	-
Gain (loss) on cash flow hedges - net of income tax					
		(60,941,763)	93,364,108	(60,941,763)	93,364,108
Other comprehensive income to be reclassified to					
profit or loss in subsequent periods - net of income tax					
		(196,549,484)	49,905,999	(60,941,763)	93,364,108
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods					
Changes in revaluation of assets - net of income tax	13	(43,529,754)	347,075,104	(43,529,754)	291,274,286
Actuarial gain - net of income tax	19	8,783,706	7,377,364	6,330,091	5,207,227
Gain (loss) on changes in value of equity investments					
designated at fair value through					
other comprehensive income					
		821,162,404	(197,063,928)	-	-
Other comprehensive income not to be reclassified to					
profit or loss in subsequent periods - net of income tax					
		786,416,356	157,388,540	(37,199,663)	296,481,513
Other comprehensive income for the year		589,866,872	207,294,539	(98,141,426)	389,845,621
Total comprehensive income for the year		742,555,662	1,859,346,039	(143,441,630)	1,849,843,149
Earnings per share		28			
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company					
		0.05	0.58	(0.02)	0.51
Diluted earnings per share					
Profit (loss) attributable to equity holders of the Company					
		0.05	0.58	(0.02)	0.51

The accompanying notes are an integral part of the financial statements.

# Statement of changes in shareholders' equity

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements						
	Issued and paid-up share capital	Premium on ordinary shares	Share-based payment reserve	Surplus on the amalgamation	Deficit		Total other components of shareholders' equity
					on business combination under common control	Appropriated - statutory reserve	
<b>Balance as at 1 January 2022</b>	1,431,630,705	14,483,099,736	8,181,559	483,694,988	(787,230,800)	143,478,000	657,761,259
Profit for the year	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-
Amortisation on surplus on revaluation of assets	-	-	-	-	-	-	-
Share-based payment	-	-	2,858,441	-	-	-	-
Issuance of additional ordinary shares	959,250	27,952,545	-	-	-	-	-
Transfer share-based payment reserve to premium on ordinary shares	-	3,530,040	(11,040,000)	-	-	-	-
Dividend paid (Note 30)	-	-	-	-	-	-	-
Disposal of other financial assets	-	-	-	-	-	-	-
<b>Balance as at 31 December 2022</b>	<b>1,432,589,955</b>	<b>14,494,582,321</b>	<b>-</b>	<b>483,694,988</b>	<b>(787,230,800)</b>	<b>143,478,000</b>	<b>833,244,877</b>
<b>Balance as at 1 January 2023</b>	<b>1,432,589,955</b>	<b>14,494,582,321</b>	<b>-</b>	<b>483,694,988</b>	<b>(787,230,800)</b>	<b>143,478,000</b>	<b>833,244,877</b>
Profit for the year	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-
Amortisation on surplus on revaluation of assets	-	-	-	-	-	-	-
Dividend paid (Note 30)	-	-	-	-	-	-	-
<b>Balance as at 31 December 2023</b>	<b>1,432,589,955</b>	<b>14,494,582,321</b>	<b>-</b>	<b>483,694,988</b>	<b>(787,230,800)</b>	<b>143,478,000</b>	<b>1,388,527,604</b>

The accompanying notes are an integral part of the financial statements.

# Statement of changes in shareholders' equity

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2023

Details of other components of shareholders' equity:

	Consolidated financial statements					(Unit: Baht)
	Other components of shareholders' equity					
	Other comprehensive income					
	Surplus (deficit) on changes in fair value through other comprehensive income of investments in equity	Cash flow hedge reserve - net of income tax	Exchange differences on translation of financial statements in foreign currencies	Total other components of shareholders' equity		
	Surplus on revaluation of assets - net of income tax					
Balance as at 1 January 2022	397,478,497	(4,857,581)	(17,065,785)	282,206,128	657,761,259	
Profit for the year	-	-	-	-	-	
Other comprehensive income for the year	347,075,104	(197,063,928)	93,364,108	(43,458,109)	199,917,175	
Total comprehensive income for the year	347,075,104	(197,063,928)	93,364,108	(43,458,109)	199,917,175	
Amortisation on surplus on revaluation of assets	(21,253,643)	-	-	-	(21,253,643)	
Disposal of other financial assets	-	(3,179,914)	-	-	(3,179,914)	
Balance as at 31 December 2022	723,299,958	(205,101,423)	76,298,323	238,748,019	833,244,877	
Balance as at 1 January 2023	723,299,958	(205,101,423)	76,298,323	238,748,019	833,244,877	
Profit for the year	-	-	-	-	-	
Other comprehensive income for the year	(43,529,754)	821,162,404	(60,941,763)	(135,607,721)	581,083,166	
Total comprehensive income for the year	(43,529,754)	821,162,404	(60,941,763)	(135,607,721)	581,083,166	
Amortisation on surplus on revaluation of assets	(25,800,439)	-	-	-	(25,800,439)	
Balance as at 31 December 2023	653,969,765	616,060,981	15,356,560	103,140,298	1,388,527,604	

The accompanying notes are an integral part of the financial statements.

# Statement of changes in shareholders' equity

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Baht)

	Separate financial statements						
	Issued and paid-up share capital	Premium on ordinary shares	Share-based payment reserve	Surplus on the amalgamation	Retained earnings		Total other components of shareholders' equity
					Appropriated - statutory reserve	Unappropriated	
<b>Balance as at 1 January 2022</b>	1,431,630,705	14,463,099,736	8,181,559	483,694,988	143,478,000	21,675,295,805	294,833,387
Profit for the year	-	-	-	-	-	1,459,997,528	-
Other comprehensive income for the year	-	-	-	-	-	5,207,227	384,638,394
Total comprehensive income for the year	-	-	-	-	-	1,465,204,755	384,638,394
Amortisation on surplus on revaluation of assets	-	-	-	-	-	18,977,387	(18,977,387)
Share-based payment	-	-	2,858,441	-	-	-	-
Issuance of additional ordinary shares	959,250	27,952,545	-	-	-	-	-
Transfer share-based payment reserve to premium on ordinary shares	-	3,530,040	(11,040,000)	-	-	7,509,960	-
Dividend paid (Note 30)	-	-	-	-	-	(3,293,530,069)	-
<b>Balance as at 31 December 2022</b>	1,432,589,955	14,494,582,321	-	483,694,988	143,478,000	19,873,457,838	660,494,394
<b>Balance as at 1 January 2023</b>	1,432,589,955	14,494,582,321	-	483,694,988	143,478,000	19,873,457,838	660,494,394
Profit (loss) for the year	-	-	-	-	-	(45,300,204)	-
Other comprehensive income for the year	-	-	-	-	-	6,330,091	(104,471,517)
Total comprehensive income for the year	-	-	-	-	-	(38,970,113)	(104,471,517)
Amortisation on surplus on revaluation of assets	-	-	-	-	-	21,931,418	(21,931,418)
Dividend paid (Note 30)	-	-	-	-	-	(716,290,582)	-
<b>Balance as at 31 December 2023</b>	1,432,589,955	14,494,582,321	-	483,694,988	143,478,000	19,140,128,561	534,091,459
							37,088,297,496
							(45,300,204)
							(98,141,426)
							(143,441,630)
							-
							(716,290,582)
							36,228,565,284

The accompanying notes are an integral part of the financial statements.

# Statement of changes in shareholders' equity (continued)

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

Details of other components of shareholders' equity:

(Unit: Baht)

	Separate financial statements		
	Other components of shareholders' equity		
	Other comprehensive income		
	Surplus on		
	revaluation of assets	Cash flow hedge reserve	Total other components
	- net of income tax	- net of income tax	of shareholders' equity
<b>Balance as at 1 January 2022</b>	311,899,172	(17,065,785)	294,833,387
Profit for the year	-	-	-
Other comprehensive income for the year	291,274,286	93,364,108	384,638,394
Total comprehensive income for the year	291,274,286	93,364,108	384,638,394
Amortisation on surplus on revaluation of assets	(18,977,387)	-	(18,977,387)
<b>Balance as at 31 December 2022</b>	<u>584,196,071</u>	<u>76,298,323</u>	<u>660,494,394</u>
<b>Balance as at 1 January 2023</b>	584,196,071	76,298,323	660,494,394
Profit for the year	-	-	-
Other comprehensive income for the year	(43,529,754)	(60,941,763)	(104,471,517)
Total comprehensive income for the year	(43,529,754)	(60,941,763)	(104,471,517)
Amortisation on surplus on revaluation of assets	(21,931,418)	-	(21,931,418)
<b>Balance as at 31 December 2023</b>	<u>518,734,899</u>	<u>15,356,560</u>	<u>534,091,459</u>

The accompanying notes are an integral part of the financial statements.



# Cash flow statement

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities</b>				
Profit (loss) before income tax	170,665,931	1,883,530,573	(83,083,018)	1,613,547,634
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities				
Unrealised loss on exchange rates	11,456,974	65,517,555	5,614,273	56,407,307
Unrealised (gain) loss on revaluation of derivative financial instruments	86,178,438	(162,435,844)	102,054,377	(177,514,227)
Loss on disposal of derivative financial instruments	-	1,682,521	-	-
Loss (gain) on conversion of derivative instruments to underlying equity instruments	(6,560,620)	83,848,169	-	-
Share-based payment expense	-	2,858,441	-	2,858,441
Expected credit losses	20,495,064	103,586,830	20,273,859	103,025,432
Reduction of inventory cost to net realisable value	96,207,889	156,187,926	77,554,010	52,576,273
Expenses for retirement benefit obligations	11,092,326	18,745,133	7,968,923	15,757,016
Depreciation	1,649,960,722	1,428,658,288	1,612,757,644	1,385,556,447
Amortisation on intangible assets	24,114,635	20,891,607	23,181,422	18,237,471
Impairment loss from assets revaluation	-	4,013,294	-	5,795,655
Impairment loss	182,016,955	-	199,555,939	-
Finance income	(361,022,900)	(160,847,413)	(66,627,748)	(69,021,006)
Finance cost	306,204,916	186,806,428	293,946,505	179,314,156
Dividend income	(13,898,330)	(4,741,865)	-	(23,999,640)
Loss (gain) on disposal and write-off for machinery and equipment, right-of-use assets and intangible assets	(3,791,924)	(1,092,689)	(3,597,413)	(949,779)
Profit from operating activities before changes in operating assets and liabilities	2,173,120,076	3,627,208,954	2,189,598,773	3,161,591,180
Operating assets (increase) decrease				
Trade and other receivables	(307,428,093)	575,548,414	(205,513,746)	1,627,967,897
Inventories	(304,252,533)	1,257,815,426	(613,125,776)	1,176,853,911
Other current assets	18,075,836	355,585,764	(1,580,269)	285,920,474
Other non-current assets	(1,305,389)	681,729	(5,300)	689,287
Operating liabilities increase (decrease)				
Trade and other payables	148,077,466	(834,753,084)	298,704,759	(715,640,147)
Other current liabilities	(4,135,045)	(48,750,871)	(2,595,194)	(46,700,355)
Provision for retirement benefit obligations	(3,800,200)	(1,386,333)	(2,627,533)	(1,069,000)
Cash flows provided by operating activities	1,718,352,118	4,931,949,999	1,662,855,714	5,489,613,247
Interest received	334,773,295	155,706,801	65,876,366	93,009,856
Interest paid	(343,330,138)	(257,577,791)	(331,076,777)	(250,085,925)
Withholding tax deducted at source refunded	91,034,488	29,597,911	-	6,054,938
Income tax paid	(117,236,879)	(774,661,220)	(74,709,001)	(665,897,749)
<b>Net cash flows provided by operating activities</b>	<b>1,683,592,884</b>	<b>4,085,015,700</b>	<b>1,322,946,302</b>	<b>4,672,694,367</b>

The accompanying notes are an integral part of the financial statements.

# Cash flow statement

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from investing activities</b>				
Increase in other current financial assets	(5,213,142,212)	-	-	-
Dividends received	13,855,504	4,183,563	-	23,999,640
Cash received from disposal of other financial assets	-	27,754,495	-	-
Cash paid for purchases of other financial assets	(2,894,963,232)	(693,287,175)	-	-
Cash received from disposal of derivative financial instruments	-	357,205	-	-
Cash paid for purchases of derivative financial instruments	-	(2,039,726)	-	-
Cash received from repayment of short-term loan to subsidiary	-	-	150,000,000	250,000,000
Cash paid for investments in subsidiaries	-	-	(4,337,324,445)	(2,943,592,360)
Cash paid for advance payment for fixed assets	-	(1,176,930)	-	(1,176,930)
Cash received from disposal of machinery and equipment	24,034,566	5,132,856	20,047,441	4,899,641
Cash paid for purchases of property, plant and equipment and intangible assets	(1,075,651,842)	(7,074,650,322)	(1,262,968,578)	(7,624,642,181)
<b>Net cash flows used in investing activities</b>	<u>(9,145,867,216)</u>	<u>(7,733,726,034)</u>	<u>(5,430,245,582)</u>	<u>(10,290,512,190)</u>
<b>Cash flows from financing activities</b>				
Cash received from short-term borrowings from financial institutions	-	171,726,000	-	-
Repayments of short-term borrowings from financial institutions	(106,678,463)	-	-	-
Repayments of long-term borrowings from financial institutions	(1,716,200,000)	(1,333,550,000)	(1,716,200,000)	(1,333,550,000)
Proceeds from issuance of debentures	-	1,500,000,000	-	1,500,000,000
Payment of principal portion of lease liabilities	(47,616,510)	(38,703,076)	(13,084,984)	(14,323,254)
Proceeds from increase in ordinary shares	-	28,911,795	-	28,911,795
Dividends paid	(716,290,582)	(3,293,530,069)	(716,290,582)	(3,293,530,069)
<b>Net cash flows used in financing activities</b>	<u>(2,586,785,555)</u>	<u>(2,965,145,350)</u>	<u>(2,445,575,566)</u>	<u>(3,112,491,528)</u>
<b>Decrease in translation adjustments</b>	<u>(71,498,921)</u>	<u>(41,571,568)</u>	-	-
<b>Net decrease in cash and cash equivalents</b>	<u>(10,120,558,808)</u>	<u>(6,655,427,252)</u>	<u>(6,552,874,846)</u>	<u>(8,730,309,351)</u>
Cash and cash equivalents at beginning of the year	<u>14,350,701,692</u>	<u>21,006,128,944</u>	<u>8,790,234,346</u>	<u>17,520,543,697</u>
<b>Cash and cash equivalents at end of the year</b>	<u>4,230,142,884</u>	<u>14,350,701,692</u>	<u>2,237,359,500</u>	<u>8,790,234,346</u>
	-	-	-	-
<b>Supplemental cash flows information</b>				
Non-cash transactions:				
Purchases of assets by entering into lease agreements	18,963,950	44,842,186	5,340,888	5,178,878
Increase in retention	90,983,663	96,707,894	-	70,528,995

The accompanying notes are an integral part of the financial statements.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 1. General information

Sri Trang Gloves (Thailand) Public Company Limited (“the Company”) is a public company incorporated domiciled in Thailand. The parent company is Sri Trang Agro-Industry Public Company Limited (“parent company”), which is incorporated in Thailand. The Company is principally engaged in the manufacture and distribution of rubber gloves. The registered office of the Company is at 110 Kanjanavanit Road, Pahtong, Hat Yai, Songkhla, Thailand.

## 2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

## Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

### 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Sri Trang Gloves (Thailand) Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") (collectively as "the Group"):

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage	
			Currency	2023	2022	
Premier System Engineering Co., Ltd.	Providing engineering services	Thailand	Baht	50,000,000	50,000,000	99.99
Sadao P.S. Rubber Co., Ltd.	Providing rental services of real estate	Thailand	Baht	40,000,000	40,000,000	99.99
Shidong Shanghai Medical Equipment Co., Ltd.	Distribution of gloves	China	USD	4,150,000	4,150,000	100.00
Sri Trang Gloves (Singapore) Pte. Ltd.	Distribution of gloves and research and development	Singapore	USD	1,000,000	1,000,000	100.00
Sri Trang Gloves Global Pte. Ltd.	Financial asset management and financial investment	Singapore	USD	305,000,000*	180,000,000*	100.00
PT Sri Trang Gloves Indo	Distribution of gloves	Indonesia	IDR	10,000,000,000	10,000,000,000	100.00
Sri Trang Gloves Vietnam Company Limited.	Distribution of gloves	Vietnam	VND	22,670,000,000	22,670,000,000	100.00
Sri Trang Gloves Philippines Inc.	Distribution of gloves	Philippines	PHP	10,470,100	10,470,100	99.99
Sri Trang USA, Inc.	Distribution of gloves	United states of America	USD	115	115	100.00
Sri Trang Responsible Gloves Supply Inc.	Distribution of gloves	United states of America	USD	500,000	500,000	100.00

\*Paid-up capital of STGG is comprised of 20,000,000 ordinary shares and 285,000,000 preferred shares (2022: 20,000,000 ordinary shares and 160,000,000 preferred shares) par value of USD 1 each.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

2.3 The separate financial statements present investments in subsidiaries under the cost method net of allowance for impairment loss (if any).

## 3. New financial reporting standards

### 3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards are aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements.

### 3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards are aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.



# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements except for the following standard, which involves changes to key principles, as summarised below.

## **TAS 12, Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction**

The amendment narrows the scope of the initial recognition exception, so that deferred tax related to assets and liabilities arising from a single transaction that give rise to equal taxable and deductible temporary differences such as leases and decommissioning obligations shall be recognised.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented.

The management of the Group is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

## **TAS 12, Income Taxes - International Tax Reform - Pillar Two Model Rules**

The amendment requires that entities shall neither recognise nor disclose information about deferred taxes related to Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). This mandatory temporary exemption applies immediately.

The amendment also includes disclosure requirements for affected entities to help users of financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date. These disclosure requirements apply for annual reporting periods beginning on or after 1 January 2024, but not for any interim periods ending on or before 31 December 2024.

The management of the Group is currently in the process of assessing the potential exposure to Pillar Two income taxes on the financial statements.

## **4. Significant accounting policies**

### **4.1 Revenue and expense recognition**

#### *Sales of goods*

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax of goods supplied after deducting returns and discounts.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## *Rendering of services*

Service revenue is recognised over time when services have been rendered taking into account the stage of completion, measuring based on information provided by the Group's engineers or project managers.

The recognised revenue which is not yet due per the contracts has been presented under caption of "Unbilled receivables" included in trade and other receivables in the statement of financial position. The amounts recognised as unbilled receivables are reclassified to other receivables when the Group's right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented under the caption of "Advance received from customers" included in trade and other payables in the statement of financial position. Advance received from customers is recognised as revenue when the Group performs under the contract.

## *Dividends*

Dividends are recognised when the right to receive the dividends is established.

## *Finance income*

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the carrying amount of a financial asset net of allowance the expected credit loss (if any).

## *Finance cost*

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

## **4.2 Government Grants**

The Group recognises government grants when all attached conditions are met and there is reasonable assurance that the grants will be received. The Group recognises those government grants as income in profit or loss, included in other income.

## **4.3 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 4.4 Inventories

Inventories are valued at the lower of cost or net realisable value. Cost is determined by weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, or rebates.

The cost of finished goods and work in process are measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads based on the normal operating capacity, but excluding borrowing costs. Raw materials, chemicals, spare parts and factory supplies are charged to production costs whenever consumed.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Allowance is made for obsolete, slow-moving and defective inventories.

## 4.5 Investments in subsidiaries

Investments in subsidiaries in the separate financial statements are stated at cost net of allowance for impairment loss (if any).

## 4.6 Property, plant and equipment and depreciation

Land and building are stated at revalued amount. Other assets are stated at cost less accumulated depreciation and allowance for loss on impairment of asset (if any).

Such subsequent cost may include the cost of replacing part of the buildings and equipment, only when it is probable that future economic benefits are expected from its use will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in profit or loss as incurred.

Land and buildings are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Surplus on revaluation of assets". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Surplus on revaluation of assets" in respect of the same asset.

The surplus is amortised to retained earnings on a straight-line basis over the remaining useful lives of the related assets and can neither be offset against deficit nor used for dividend payment.

Depreciation of plant and equipment is calculated by reference to their costs or the revalued amount, on the straight-line basis over the following estimated useful lives:

Land improvements	3 - 50	years
Buildings and structures	5 - 50	years
Machinery and equipment	2 - 20	years
Furniture, fixtures and office equipment	3 - 10	years
Motor vehicles	2 - 5	years

Depreciation is included in profit or loss.

No depreciation is provided on land and assets under construction and installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

The assets will be tested for impairment whenever there is an indication.

The residual values and useful lives of assets are reviewed at each reporting period, and adjusted if appropriate.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

## 4.8 Intangible assets - computer software

Computer software is recognised at cost. Following the initial recognition, the computer software is carried at cost less accumulated amortisation and accumulated allowance for impairment loss (if any).

Computer software with finite useful lives of 3 - 10 years is amortised on the straight-line basis over the economic useful lives and tested for impairment whenever there is an indication that the computer software may be impaired. The amortisation period and the amortisation method of such computer software are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

No amortisation is provided on computer software under installation.

## 4.9 Business combinations and goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss on the initial recognition date.

Goodwill is carried at cost less allowance for impairment loss (if any). Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of group of cash-generating unit that is expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each group of cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss and will not be reversed in future periods.



# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## ***Business combinations under common control***

Business combinations under common control are accounted for using the similar to pooling of interests method, with the cost of the business combinations under common control being the fair value, at the date of exchange, of the consideration transferred to obtain control. The assets and liabilities of the entities pooled are recognised based on their book values, in proportion to the interests previously under common control.

Differences between the cost of the business combination under common control and the acquirer's proportionate interests in the book value of the pooled entities is presented as "Surplus (deficit) on business combination under common control" in shareholders' equity.

Costs relating to business combinations under common control are accounted for as expenses in the period in which the business combination occurred.

## **4.10 Leases**

At inception of contract, the Group assesses whether the contract is a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **The Group as a lessee**

The Group recognises right-of-use assets and lease liabilities for all leases. At the date the underlying asset is available for use (the commencement date of the lease). However, the Group recognises rental expenses on a straight-line basis over the lease term not more than 12 months or leases of low-value assets.

### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, allowance for impairment losses (if any), and adjusted for remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease.

Depreciation of right-of-use assets is calculated by reference to their costs on the straight-line basis over the lease term or estimated useful lives of the asset, if ownership of the leased asset is transferred to the Group at the end of the lease term as follows.

Land and land improvement	2 - 3	years
Buildings and structures	3	years
Motor vehicles	3 - 5	years

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term, which discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and is remeasured if there is a change in the lease.

## **The Group as a lessor**

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

## **4.11 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

## **4.12 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gain and loss on exchange are included in profit or loss.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 4.13 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right of use assets and computer software whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss. However, in cases where land and building were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, a reversal of that impairment loss is recognised in profit or loss but shall not exceed the impairment loss was previously recognised in profit or loss, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

## 4.14 Employee benefits

### Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

### Post-employment benefits

#### *Defined contribution plans*

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

#### *Defined benefit plans*

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law of each country. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the entity recognises restructuring-related costs.

## 4.15 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

## 4.16 Share-based payments with equity-settled transactions

The Company recognises share-based payment transactions on the date on which the options are granted, based on the fair value of the options. They are recorded to expenses over the expected lives of the vesting period, and a capital reserve for share-based payment transactions is presented in shareholders' equity.

Estimating the fair value of share-based payment transactions requires the exercise of judgement to make valuations, as well as appropriate assumptions regarding various matters, such as the expected life of the share options, share price volatility and dividend yield.

## 4.17 Income tax

Income tax represents the sum of corporate income tax and deferred tax.

### Current income tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

### Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

The Group reviews and reduces the carrying amount of deferred tax assets every year, or there are indicators that future taxable profits may not be sufficient to allow whole or partial utilisation of the deferred tax assets.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

## 4.18 Financial instruments

### Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

#### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect cash flows with the contractual terms. The cash flows are solely payments of principal and interest on the principal amount outstanding complied with the period specified in the contract.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Moreover, equity instruments designated at FVOCI are not subject to impairment assessment.



# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## **Financial assets at FVTPL**

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivative financial instruments and equity linked notes, which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Returns on the financial assets at FVTPL are recognised as other income in profit or loss.

## **Classification and measurement of financial liabilities**

The Group's financial liabilities are initially recognised at fair value net of transaction costs and classified as financial liabilities to be subsequently measured at amortised cost, except for derivative liabilities as described in Note 33.1 to the financial statements. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

## **Derecognition of financial instruments**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

## **Impairment of financial assets**

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Group applies a simplified approach in calculating ECLs. The Group recognises a loss based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 4.19 Derivatives and hedge accounting

The Group has entered into contracts of derivative financial instruments as follows.

- Forward foreign exchange contracts to hedge its foreign currency risks
- Interest rate swaps to hedge its interest rate risks
- Equity accumulators for investment activity

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets or financial liabilities by considering the fair value of the derivatives.

Derivatives are presented as non-current assets or liabilities and current assets or liabilities by considering the remaining maturity with more than or less than 12 months respectively.

### ***Hedge accounting for cash flow hedges***

The Group prepares formal documentation on the date that hedge accounting is applied, and provides regular updates regarding the risk management objectives and strategies and the hedging relationships.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

The Group considers of the hedge effectiveness by comparing the critical terms between hedging instruments and hedged items. If the critical terms match, the hedging relationship is expected to be highly effective. The effective portion of the gain or loss from changes in fair value of hedge instruments is recognised as cash flow hedge reserve in other comprehensive income. The reserve will subsequently transfer to profit or loss. While any ineffective portion is recognised immediately in profit or loss.

## 4.20 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows.

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## 5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows.

### Property, plant and equipment

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Group measures land and buildings at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land and the replacement cost approach for buildings. The valuation involves certain assumptions and estimations.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 6. Related party transactions

During the years, the Group has significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and are concluded on commercial terms and bases agreed upon between the Group and those related parties.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Transactions with parent company</b>				
Sales of goods	12,924	10,152	802	198
Purchases of goods	4,683,611	4,892,117	4,683,611	4,892,117
Service income	314,077	267,646	-	-
Other income	27,251	8,438	22,622	3,372
Rental income	25	-	-	-
Service expenses	73,251	68,226	58,339	53,435
<b>Transactions with subsidiaries</b>				
Sales of goods	-	-	2,024,035	3,515,661
Purchases of goods	-	-	19,691	32,697
Dividend income	-	-	-	24,000
Other income	-	-	11,346	8,963
Commission expenses	-	-	2,558	2,141
Service expenses	-	-	294,119	314,482
Interest income	-	-	1,555	2,588
Purchases of fixed assets	-	-	355,170	1,904,400
<b>Transactions with related companies</b>				
Sales of goods	11,775	6,405	92	-
Purchases of goods	2,362,728	2,308,450	2,356,010	2,308,402
Service income	257,040	94,591	-	-
Other income	10,944	14,407	4,528	7,096
Rental income	360	360	360	360
Service expenses	259,727	247,141	240,055	228,486
Purchases of fixed assets	-	104,560	-	104,560

The pricing policies of the Group are as follows.

- 1) Sales/purchases of goods are made at market prices or reference to market prices.
- 2) Income/expenses of service, rental and commission are based on prices or conditions specified in contract.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

- 3) Dividend income is made with announced payment rate.
- 4) Other income is based on contract prices or agreement prices.
- 5) Interest income is referred to rates of short-term loan from commercial bank.
- 6) Purchases of fixed assets are based on contract prices which reference to market prices.

## Outstanding balances arising from significant business transactions

As at 31 December 2023 and 2022, the balances of the accounts between the Group and those related parties were as follows.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2023	2022	2023	2022
<b>Trade accounts receivable</b>				
(Note 8)				
Parent company	10,688	35,236	36	84
Subsidiaries	-	-	480,251	665,310
Related companies	6,489	14,637	9	37
	<u>17,177</u>	<u>49,873</u>	<u>480,296</u>	<u>665,431</u>
<b>Other receivables (Note 8)</b>				
Parent company	11,132	37,104	2,126	3,170
Subsidiaries	-	-	4,698	3,289
Related companies	9,951	1,320	581	632
	<u>21,083</u>	<u>38,424</u>	<u>7,405</u>	<u>7,091</u>
<b>Trade accounts payables</b>				
(Note 17)				
Parent company	456,174	314,701	455,653	314,188
Subsidiaries	-	-	41,945	24,320
Related companies	107,339	55,310	106,041	54,142
	<u>563,513</u>	<u>370,011</u>	<u>603,639</u>	<u>392,650</u>
<b>Other payables (Note 17)</b>				
Parent company	146	77	6	5
Subsidiaries	-	-	10,598	56,289
Related companies	1,313	1,918	1,310	1,802
	<u>1,459</u>	<u>1,995</u>	<u>11,914</u>	<u>58,096</u>



# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Retention payables (Note 17)</b>				
Subsidiaries	-	-	15,487	20,140
<b>Advance receipt for goods and others (Note 17)</b>				
Parent company	5,061	30,205	-	-
Related companies	6,956	27,788	-	-
	<u>12,017</u>	<u>57,993</u>	<u>-</u>	<u>-</u>

## Short-term loan to subsidiary

Movements in the balance of short-term loans to Premier System Engineering Co., Ltd. during the years ended 31 December 2023 and 2022 are as follows.

	(Unit: Thousand Baht)	
	Separate financial statements	
	<u>2023</u>	<u>2022</u>
Balance at beginning of year	150,000	400,000
Decrease	(150,000)	(250,000)
Balance at end of year	<u>-</u>	<u>150,000</u>
Interest rates per annum (%)	1.85	1.20 - 1.85
Collateral	Unsecured	Unsecured
Repayment term	August 2023	March 2023

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses of its directors and management as below.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2023	2022	2023	2022
Short-term employee benefits	95,968	108,187	54,883	61,713
Post-employment benefits	4,407	2,927	2,544	1,447
Share-based payment benefits	-	1,643	-	1,643
Total	100,375	112,757	57,427	64,803

## Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiary, as described in Note 18.1 to the financial statements.

## 7. Cash and cash equivalents

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2023	2022	2023	2022
Cash	243	255	175	195
Bank deposits	4,229,900	14,350,447	2,237,185	8,790,039
Total	4,230,143	14,350,702	2,237,360	8,790,234
Interest rate (percent per annum)	0.01 - 6.70	0.05 - 8.50	0.50 - 2.35	0.05 - 0.60

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 8. Trade and other receivables

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Trade accounts receivable</b>				
<b>- related parties</b> (Note 6)				
Aged on the basis of due dates				
Not yet due	17,170	49,860	457,690	424,592
Past due				
Up to 30 days	7	13	17,979	88,463
31 - 60 days	-	-	2,730	112,682
61 - 90 days	-	-	1,897	39,694
Total trade accounts receivable				
- related parties	<u>17,177</u>	<u>49,873</u>	<u>480,296</u>	<u>665,431</u>
<b>Trade accounts receivable</b>				
<b>- unrelated parties</b>				
Aged on the basis of due dates				
Not yet due	1,729,012	1,519,903	1,502,757	1,294,859
Past due				
Up to 30 days	312,466	132,893	264,225	104,020
31 - 60 days	43,437	18,048	39,943	17,495
61 - 90 days	11,267	50,155	10,997	50,150
91 - 120 days	-	10,874	-	10,871
121 - 365 days	2,377	168,239	-	168,233
Over 365 days	<u>157,847</u>	<u>5,139</u>	<u>157,847</u>	<u>5,139</u>
Total	<u>2,256,406</u>	<u>1,905,251</u>	<u>1,975,769</u>	<u>1,650,767</u>
Less: Allowance for expected credit losses	<u>(131,299)</u>	<u>(110,804)</u>	<u>(128,804)</u>	<u>(108,530)</u>
Total trade accounts receivable - unrelated parties, net	<u>2,125,107</u>	<u>1,794,447</u>	<u>1,846,965</u>	<u>1,542,237</u>
Total trade accounts receivable - net	<u>2,142,284</u>	<u>1,844,320</u>	<u>2,327,261</u>	<u>2,207,668</u>

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Other receivables</b>				
Other receivables - related parties (Note 6)	21,083	38,424	7,405	7,091
Other receivables - unrelated parties	187,119	105,655	129,802	67,877
Prepaid expenses and advance payments				
- unrelated parties	39,628	97,844	12,457	17,666
Total other receivables	<u>247,830</u>	<u>241,923</u>	<u>149,664</u>	<u>92,634</u>
Total trade and other receivables - net	<u>2,390,114</u>	<u>2,086,243</u>	<u>2,476,925</u>	<u>2,300,302</u>

The general credit term is approximate 60 days.

## 9. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Reduction of cost to net					
	Cost		realisable value		Inventories, net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Finished goods	1,900,633	1,811,427	(139,227)	(133,198)	1,761,406	1,678,229
Work in process	706,886	457,583	(107,586)	(57,909)	599,300	399,674
Raw materials, packaging, and chemicals	879,960	548,443	(70,302)	(25,113)	809,658	523,330
Spare parts and supplies	718,333	816,053	(48,511)	(53,198)	669,822	762,855
Total	<u>4,205,812</u>	<u>3,633,506</u>	<u>(365,626)</u>	<u>(269,418)</u>	<u>3,840,186</u>	<u>3,364,088</u>

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Thousand Baht)

	Separate financial statements					
			Reduction of cost to net			
	Cost		realisable value		Inventories, net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Finished goods	1,124,629	733,589	(59,518)	(25,606)	1,065,111	707,983
Work in process	539,164	340,040	(107,586)	(57,909)	431,578	282,131
Raw materials, packaging						
and chemicals	604,037	483,499	(23,332)	(24,680)	580,705	458,819
Spare parts and supplies	<u>717,584</u>	<u>815,160</u>	<u>(48,511)</u>	<u>(53,198)</u>	<u>669,073</u>	<u>761,962</u>
Total	2,985,414	2,372,288	(238,947)	(161,393)	2,746,467	2,210,895

For the years ended 31 December 2023 and 2022, reduction of cost to net realisable value was summarised as follows.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Recorded amount is included in cost of sales	96	156	78	53

## 10. Other current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Refundable value-added tax	264,540	286,677	214,191	217,022
Current tax assets	10,662	5,670	-	-
Input tax waiting for tax invoice or not yet due	12,213	8,152	11,070	6,659
Total other current assets	<u>287,415</u>	<u>300,499</u>	<u>225,261</u>	<u>223,681</u>

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 11. Other financial assets

(Unit: Thousand Baht)		
Consolidated financial statements		
	<u>2023</u>	<u>2022</u>
<b>Financial assets at amortised cost</b>		
Fixed deposits due later than 3 months	5,213,142	-
<b>Equity instruments designated at fair value through other comprehensive income</b>		
Quoted equity instruments		
Overseas listed companies	1,415,561	572,153
Unquoted equity instruments		
Paragon Alpha VCC	3,270,671	451,715
Total other financial assets	<u>9,899,374</u>	<u>1,023,868</u>
Current	5,213,142	-
Non-current	<u>4,686,232</u>	<u>1,023,868</u>
	<u>9,899,374</u>	<u>1,023,868</u>

Movements in the balances of other financial assets during the years ended 31 December 2023 and 2022 are as follows.

(Unit: Thousand Baht)		
Consolidated financial statements		
	<u>2023</u>	<u>2022</u>
Net book value as at beginning of year	1,023,868	634,816
Increase from investing	8,114,666	609,439
Disposal	-	(27,754)
Unrealised gain (loss) on changes in fair value	819,560	(198,936)
Unrealised gain on exchange rate	1,602	1,872
Translation adjustment	(60,322)	4,431
Net book value as at end of year	<u>9,899,374</u>	<u>1,023,868</u>

As at 31 December 2023, an overseas subsidiary had fixed deposits due later than 3 months of Baht 5,213 million, which bore a fixed interest rate at 5 - 6 percent per annum. They will mature in January to May 2024.

During the current year, the Group received dividends in the equivalent amount of approximately Baht 14 million (2022: Baht 5 million) from overseas listed companies.



# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 12. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements as at 31 December 2023 and 2022 are as follows:

Company's name	Cost		(Unit: Thousand Baht) Dividend received during the year	
	2023	2022	2023	2022
Shidong Shanghai Medical Equipment Co., Ltd.	163,073	163,073	-	-
Sri Trang USA, Inc.	267,415	267,415	-	-
Premier System Engineering Co., Ltd.	1,120,000	1,120,000	-	-
Sadao P.S. Rubber Co., Ltd.	147,000	147,000	-	24,000
Sri Trang Gloves (Singapore) Pte. Ltd.	32,820	32,820	-	-
Sri Trang Gloves Global Pte. Ltd.	10,533,448	6,196,124	-	-
PT Sri Trang Gloves Indo	24,000	24,000	-	-
Sri Trang Gloves Vietnam Co., Ltd.	33,500	33,500	-	-
Sri Trang Responsible Gloves Supply Inc.	17,655	17,655	-	-
Sri Trang Gloves Philippines Inc.	6,867	6,867	-	-
Total	12,345,778	8,008,454	-	24,000
Less: allowance for impairment	(17,539)	-		
Total investments in subsidiaries, net	12,328,239	8,008,454		

### 12.1 Sri Trang Gloves Global Pte. Ltd. ("STGG")

On 9 May 2023, the meeting of the Company's Board of Directors passed a resolution approving the increase in its investment in STGG amounting to USD 100 million in preferred shares. As a result of the increase in this investment, STGG has the registered share capital of USD 280 million, comprising of 20,000,000 ordinary shares and 260,000,000 preferred shares, with a par value of USD 1 per share.

The Company paid for the shares of USD 100 million, or approximately Baht 3,433 million and STGG already registered its share capital increase in May 2023.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

Subsequently on 22 September 2023, the meeting of the Company's Board of Directors passed a resolution approving the increase in its investment in STGG amounting to USD 25 million in preferred shares. As a result of the increase in this investment, STGG has the registered share capital of USD 305 million, comprising of 20,000,000 ordinary shares and 285,000,000 preferred shares, with a par value of USD 1 per share.

The Company paid for the shares of USD 25 million, or approximately Baht 905 million and STGG already registered its share capital increase in October 2023.

## **12.2 Sri Trang Responsible Gloves Supply Inc. (“STRG”)**

On 24 November 2023, the meeting of the Company's Board of Directors passed a resolution approving the dissolution of STRG due to recurring losses from the operation. The Company is in the process of dissolving and liquidating STRG. Therefore, the Company recognised the allowance for impairment of investment in STRG in the 2023 separate financial statements.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 13. Property, plant and equipment

	Consolidated financial statements						(Unit: Thousand Baht)
	Revaluation basis		Cost basis				
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Advance payments and assets under construction and installation	Total
<b>As at 1 January 2022</b>							
Cost / Revalued amount	2,067,440	2,698,850	12,556,879	483,977	232,955	10,938,159	28,978,260
Less: Accumulated depreciation	(206,789)	(467,181)	(7,439,004)	(286,119)	(193,969)	-	(8,593,062)
Less: Allowance for impairment	-	-	(15,530)	-	-	-	(15,530)
Net book value	1,860,651	2,231,669	5,102,345	197,858	38,986	10,938,159	20,369,668
<b>For the year ended 31 December 2022</b>							
Net book value at beginning of year	1,860,651	2,231,669	5,102,345	197,858	38,986	10,938,159	20,369,668
Additions	2,775	12,277	49,692	64,933	31,734	6,474,575	6,635,986
Transfers in (out)	235,998	692,375	2,599,102	115,982	19,108	(3,662,565)	-
Transfers from Right-of-use assets (Note14)	-	-	-	1,250	-	-	1,250
Additions of assets revaluation	319,749	121,788	-	-	-	-	441,537
Reductions of assets revaluation	(657)	(11,049)	-	-	-	-	(11,706)
Disposals and write-off, net	-	-	(3,937)	-	(200)	-	(4,137)
Depreciation for the year	(47,189)	(136,170)	(1,097,547)	(82,171)	(21,350)	-	(1,384,427)
Interest capitalised to assets	-	-	-	-	-	83,656	83,656
Translation adjustment, net	(73)	(706)	-	-	(289)	-	(1,068)
Net book value at end of year	2,371,254	2,910,184	6,649,655	297,852	67,989	13,833,825	26,130,759

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2023

(Unit: Thousand Baht)

	Consolidated financial statements					
	Revaluation basis	Cost basis			Advance payments and assets under construction	
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Total
<b>As at 31 December 2022</b>						
Cost / Revalued amount	2,455,728	3,080,545	15,094,216	656,215	263,143	35,383,672
Less: Accumulated depreciation	(84,474)	(170,361)	(8,429,031)	(358,363)	(195,154)	(9,237,383)
Less: Allowance for impairment	-	-	(15,530)	-	-	(15,530)
Net book value	2,371,254	2,910,184	6,649,655	297,852	67,989	26,130,759
<b>For the year ended 31 December 2023</b>						
Net book value at beginning of year	2,371,254	2,910,184	6,649,655	297,852	67,989	26,130,759
Additions	158	231	15,716	19,025	9,231	933,364
Transfers in (out)	284,573	1,353,505	2,295,237	28,070	60,735	-
Transfer to other types of assets	-	-	-	-	-	(268,162)
Disposals and write-off, net	(465)	(244)	(5,286)	(1,501)	(3,946)	(20,297)
Depreciation for the year	(65,286)	(177,101)	(1,241,071)	(95,036)	(28,335)	(1,606,829)
Loss on impairment	-	(63,666)	(172,763)	-	-	(236,429)
Interest capitalised to assets	-	-	-	-	-	39,203
Translation adjustment, net	9	68	-	-	(43)	34
Net book value at end of year	2,590,243	4,022,977	7,541,488	248,410	105,631	24,971,643

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Thousand Baht)

	Consolidated financial statements					
	Revaluation basis	Cost basis			Advance payments and assets under construction and installation	
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Total
<b>As at 31 December 2023</b>						
Cost / Revalued amount	2,740,000	4,432,688	17,244,561	669,692	322,406	35,872,241
Less: Accumulated depreciation	(149,757)	(346,045)	(9,514,780)	(421,282)	(216,775)	(10,648,639)
Less: Allowance for impairment	-	(63,666)	(188,293)	-	-	(251,959)
Net book value	2,590,243	4,022,977	7,541,488	248,410	105,631	24,971,643
<b>Depreciation for the year</b>						
Included in manufacturing cost					2023	2022
					1,347,535	1,212,224
Included in selling and administrative expenses					259,294	172,203
					1,606,829	1,384,427

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2023

(Unit: Thousand Baht)

	Separate financial statements						
	Revaluation basis		Cost basis				
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Advance payments and assets under construction and installation	Total
<b>As at 1 January 2022</b>							
Cost / Revalued amount	1,782,027	2,581,647	12,491,515	464,446	181,764	10,606,762	28,108,161
Less: Accumulated depreciation	(203,684)	(435,982)	(7,375,104)	(267,381)	(155,719)	-	(8,437,870)
Less: Allowance for impairment	-	-	(15,530)	-	-	-	(15,530)
Net book value	1,578,343	2,145,665	5,100,881	197,065	26,045	10,606,762	19,654,761
<b>For the year ended 31 December 2022</b>							
Net book value at beginning of year	1,578,343	2,145,665	5,100,881	197,065	26,045	10,606,762	19,654,761
Additions	1,326	108	47,367	64,093	26,060	6,892,471	7,031,425
Transfers in (out)	233,712	694,406	2,598,551	115,982	19,050	(3,661,701)	-
Transfers from Right-of-use assets (Note14)	-	-	-	1,250	-	-	1,250
Additions of assets revaluation	272,948	95,126	-	-	-	-	368,074
Reductions of assets revaluation	(657)	(9,120)	-	-	-	-	(9,777)
Disposals and write-off, net	-	-	(3,937)	-	(13)	-	(3,950)
Depreciation for the year	(45,849)	(129,087)	(1,097,208)	(81,803)	(16,888)	-	(1,370,835)
Interest capitalised to assets	-	-	-	-	-	83,656	83,656
Net book value at end of year	2,039,823	2,797,098	6,645,654	296,587	54,254	13,921,188	25,754,604



# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Thousand Baht)

	Separate financial statements						
	Revaluation basis	Cost basis				Advance payments and assets under construction	Total
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment		
<b>As at 31 December 2022</b>							
Cost / Revalued amount	2,122,963	2,963,700	15,026,001	637,473	208,619	13,921,188	34,879,944
Less: Accumulated depreciation	(83,140)	(166,602)	(8,364,817)	(340,886)	(154,365)	-	(9,109,810)
Less: Allowance for impairment	-	-	(15,530)	-	-	-	(15,530)
Net book value	2,039,823	2,797,098	6,645,654	296,587	54,254	13,921,188	25,754,604
<b>For the year ended 31 December 2023</b>							
Net book value at beginning of year	2,039,823	2,797,098	6,645,654	296,587	54,254	13,921,188	25,754,604
Additions	158	-	13,020	18,787	5,335	1,109,102	1,146,402
Transfers in (out)	284,572	1,353,505	2,290,593	28,069	60,682	(4,017,421)	-
Transfer to other types of assets	-	-	-	-	-	(225)	(225)
Disposals and write-off, net	(465)	(244)	(5,285)	(1,501)	(101)	(8,854)	(16,450)
Depreciation for the year	(62,937)	(168,378)	(1,248,550)	(94,611)	(24,120)	-	(1,598,596)
Interest capitalised to assets	-	-	-	-	-	39,203	39,203
Loss on impairment	-	(63,666)	(172,763)	-	-	-	(236,429)
Net book value at end of year	2,261,151	3,918,315	7,522,669	247,331	96,050	11,042,993	25,088,509

**Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries**  
**For the year ended 31 December 2023**

Separate financial statements							(Unit: Thousand Baht)
	Revaluation basis		Cost basis			Advance payments and assets under construction and installation	Total
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment		
<b>As at 31 December 2023</b>							
Cost / Revalued amount	2,407,228	4,315,563	17,163,687	650,939	274,460	11,042,993	35,854,870
Less: Accumulated depreciation	(146,077)	(333,582)	(9,452,725)	(403,608)	(178,410)	-	(10,514,402)
Less: Allowance for impairment	-	(63,666)	(188,293)	-	-	-	(251,959)
Net book value	2,261,151	3,918,315	7,522,669	247,331	96,050	11,042,993	25,088,509
<b>Depreciation for the year</b>							
Included in manufacturing cost						<u>2023</u>	<u>2022</u>
Included in selling and administrative expenses						1,344,137	1,201,120
						254,459	169,715
						1,598,596	1,370,835

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

The Group arranges to have its land and building revalued by independent professional appraisers (who are approved by The Securities and Exchange Commission). Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value. The methods of the asset revaluation are as follows.

- Land and land improvements are revalued using the market approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as spaces, location, environment, and highest best use. The most significant input into this valuation approach is price per Rai and size of land.
- Buildings and structures are revalued the depreciated replacement cost approach. Replacement value is calculated from construction prices in the market to build the similar characteristics of properties in close proximity and adjusted for depreciation which calculated from utilised period and remaining expected useful lives. The most significant input into this valuation approach is construction price per square meter, utility spaces and useful lives of buildings.

Had the land, land improvement, building and structures been carried in the financial statements on a historical cost basis, their net book value as of 31 December 2023 and 2022 would have been as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land and land improvements	2,261,744	1,933,584	2,261,151	1,654,973
Buildings and structures	3,917,002	2,852,360	3,918,315	2,460,990

As at 31 December 2023 and 2022, the Company's construction of new plants has been financed by loans from financial institutions. Borrowing costs are capitalised with details as follows.

	Consolidated and Separate	
	financial statements	
	<u>2023</u>	<u>2022</u>
Outstanding balance of new plants		
under construction (Million Baht)	11,043	13,921
Borrowing costs included in costs of plants		
(Million Baht)	39	84
Capitalisation weighted average rates		
(percent per annum)	3.13 - 5.27	2.36 - 3.97

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

As at 31 December 2023 and 2022, certain items of buildings and equipment had been fully depreciated but were still in use of which the amounts were as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
	<u>2023</u>	<u>2022</u>
The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss	6,725	5,812
	6,610	5,694

In November 2023, the meeting of the Company's Board of Directors passed a resolution approving the recognition of the allowance for impairment of certain buildings and machinery with net book values as at 31 October 2023 amounting to Baht 236 million, which the Company planned to permanently stop using. The Company recognised impairment loss on assets amounting to Baht 182 million included in profit or loss, and decrease in surplus on revaluation of assets (net of income tax) amounting to Baht 44 million included in other comprehensive income.

## 14. Leases

### 14.1 Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Land and land improvement	Building and structures	Motor vehicles	Total
As at 1 January 2022	6,606	41,122	29,911	77,639
Additions	85	35,709	9,048	44,842
Transfer to Property, plant and equipment (Note 13)	-	-	(1,250)	(1,250)
Written off	-	(1,813)	(432)	(2,245)
Depreciation for the year	(3,088)	(27,571)	(13,572)	(44,231)
Translation adjustment	-	(2,020)	-	(2,020)
As at 31 December 2022	3,603	45,427	23,705	72,735
Additions	1,119	13,623	4,221	18,963
Written off	-	(206)	(195)	(401)
Depreciation for the year	(3,446)	(27,239)	(12,446)	(43,131)
Translation adjustment	-	(1,203)	-	(1,203)
As at 31 December 2023	1,276	30,402	15,285	46,963

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Thousand Baht)

	Separate financial statements			
	Land and land improvement	Building and structures	Motor vehicles	Total
As at 1 January 2022	6,606	1,985	23,770	32,361
Additions	85	-	5,094	5,179
Transfer to Property, plant and equipment (Note 13)	-	-	(1,250)	(1,250)
Depreciation for the year	(3,088)	(786)	(10,848)	(14,722)
As at 31 December 2022	3,603	1,199	16,766	21,568
Additions	1,119	-	4,222	5,341
Depreciation for the year	(3,446)	(786)	(9,930)	(14,162)
As at 31 December 2023	1,276	413	11,058	12,747

## 14.2 Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease payments	44,572	76,215	12,324	20,161
Less: Deferred interest expenses	(1,523)	(3,149)	(430)	(523)
Total	43,049	73,066	11,894	19,638
Less: Portion due within one year	(25,026)	(39,443)	(6,979)	(11,628)
Lease liabilities - net of current portion	18,023	33,623	4,915	8,010

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	73,066	71,037	19,638	28,782
Additions	18,964	44,842	5,341	5,179
Accretion of interest	(455)	(2,342)	-	-
Repayments	(47,617)	(38,703)	(13,085)	(14,323)
Translation	(909)	(1,768)	-	-
Balance at end of year	<u>43,049</u>	<u>73,066</u>	<u>11,894</u>	<u>19,638</u>

A maturity analysis of lease payments is disclosed in Note 33.2 to the financial statements under the liquidity risk.

## 14.3 Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	43,131	44,231	14,162	14,722
Interest expense on lease liabilities	2,076	2,453	487	541
Expense relating to leases of low-value assets	49,786	45,207	12,787	28,578



# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 15. Intangible asset - Computer software

	(Unit: Thousand B)	
	Consolidated financial statements	Separate financial statements
<b>As at 1 January 2022</b>		
Cost	247,749	221,132
Less: Accumulated amortisation	(78,518)	(56,006)
Net book value	169,231	165,126
<b>For the year ended 31 December 2022</b>		
Net book value at beginning of year	169,231	165,126
Additions	46,806	46,181
Amortisation	(20,892)	(18,237)
Translation adjustment	(30)	-
Net book value at end of year	195,115	193,070
<b>As at 31 December 2022</b>		
Cost	265,944	238,765
Less: Accumulated amortisation	(70,828)	(45,696)
Net book value	195,115	193,070
<b>For the year ended 31 December 2023</b>		
Net book value at beginning of year	195,115	193,070
Additions	4,366	4,389
Amortisation	(24,115)	(23,181)
Transfer from other assets	225	109
Translation adjustment	(21)	-
Net book value at end of year	175,570	174,387
<b>As at 31 December 2023</b>		
Cost	261,706	243,264
Less: Accumulated amortisation	(86,136)	(68,877)
Net book value	175,570	174,387

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 16. Goodwill

For the propose of annual impairment testing for goodwill, the Group determines the recoverable amount of the cash generating units based on value in use, with the cash flow projections derived from financial budgets approved by management. The projections cover a five-year period. The cash flow projections after the fifth-year period are extrapolated using the estimated growth rates stated below. The terminal growth rate does not exceed the long-term average growth rate for the business in which the cash generating units operate.

Key assumptions used in the value in use calculation of the cash generating units are summarised below:

Terminal growth rate at the year-end that the projection was prepared.	0.00% per annum
Pre-tax discount rate	14.14% per annum

The management determines the forecasted operations and future cash flow projections based on factors including historical operating results, expected market growth and economic growth. The discount rate is a pre-tax rate that reflects the risks specific to cash generating unit.

The management determines that goodwill is not impaired.

## 17. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade accounts payable				
- related parties (Note 6)	563,513	370,011	603,639	392,650
Trade accounts payable				
- unrelated parties	705,538	663,738	665,355	605,228
Other payables - related parties (Note 6)	1,459	1,995	11,914	58,096
Other payables - unrelated parties	571,588	694,162	455,378	464,354
Retention payables				
- related parties (Note 6)	-	-	15,487	20,140
Retention payables - unrelated parties	189,758	283,923	123,547	197,750
Advance receipt for goods and others				
- related parties (Note 6)	12,017	57,993	-	-
Advance receipt for goods and others				
- unrelated parties	371,687	331,401	354,228	308,713
Total trade and other payables	<u>2,415,560</u>	<u>2,403,223</u>	<u>2,229,548</u>	<u>2,046,931</u>

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 18. Borrowings

### 18.1 Short-term borrowings from financial institutions

Movements in account of the short-term borrowing from financial institutions for the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2023</u>	<u>2022</u>
Balance at beginning of year	172,812	-
Increase (Decrease), net	(106,678)	171,726
Translation adjustment	1,005	1,086
Balance at end of year	<u>67,139</u>	<u>172,812</u>

Sri Trang USA, Inc., a subsidiary, has credit facilities with an overseas financial institution which are guaranteed by the Company as follows:

	Consolidated financial statements			
	31 December 2023		31 December 2022	
	Million	(Equivalent)	Million	(Equivalent)
	US Dollar	Million Baht	US Dollar	Million Baht
Credit facilities	10	342	10	346
Balances of short-term borrowings	1	43	5	173

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 18.2 Long-term loans from financial institutions

As at 31 December 2023 and 2022, the Company had entered into long-term borrowing agreements with commercial banks with details as follows.

No.	Credit facility	Borrowing periods	Interest rate (%) per annum	Principal and interest are repayable quarterly from	(Unit: Thousand Baht)	
					2023	2022
1	Baht 950 million granted in 2018	7 years 6 months	MLR less fixed rate	September 2018	350,000	518,000
2	Baht 700 million granted in 2018	4 years 6 months	MLR less fixed rate	June 2019	-	115,000
3	Baht 1,623 million granted in 2019	7 years	THOR (2022: 6M THBFIX) plus fixed rate*	December 2019	518,000**	883,000**
4	Baht 1,445 million granted in 2019	7 years 9 months	MLR less fixed rate	March 2020	605,000	905,000
5	Baht 1,000 million granted in 2020	6 years	THOR (2022: 6M THBFIX) plus fixed rate*	March 2022	750,000	900,000
6	Baht 2,000 million granted in 2020	6 years 1 month	MLR less fixed rate	June 2021	1,425,000	1,725,000
7	Baht 1,500 million granted in 2021	6 years 2 months	MLR less fixed rate	March 2022	1,080,000	1,320,000

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

No.	Credit facility	Borrowing periods	Interest rate (%) per annum	Principal and interest are repayable quarterly from	(Unit: Thousand Baht)	
					Consolidated and Separate financial statements	
					2023	2022
8	Baht 782 million granted in 2021	6 years	MLR less fixed rate	December 2022	684,250	762,450
Total					5,412,250	7,128,450
Less: Deferred financial service fees					(268)	(753)
Long-term borrowings - net					5,411,982	7,127,697
Less: Current portion of long-term borrowings					(1,884,604)	(1,715,715)
Long-term borrowings - net from current portion					3,527,378	5,411,982

\* During the current year, the Company amended its long-term borrowing agreements and related interest rate swap agreements, in which the interest rate benchmark was changed from 6M THBFIX to THOR becoming effective from March and December 2023 onwards. As a result, the Company can continue to apply the hedge accounting.

\*\* The Company manages interest rate risk of the partial credit facilities by entering into interest rate swap contracts with fixed rate per annum.

In addition, the long-term borrowing agreements of the Company contain certain covenants that, among other things, require the Company to maintain financial ratios.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

Movements of Long-term loans from financial institutions during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2023</u>	<u>2022</u>
Balance at beginning of year	7,127,697	8,460,556
Repayments	(1,716,200)	(1,333,550)
Amortisation of finance fee	485	691
Balance at end of year	<u>5,411,982</u>	<u>7,127,697</u>



# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 18.3 Debentures

As at 28 September 2022, The Company issues senior unsecured green debentures, interest is payable semi-annually starting from 28 March 2023. Details of the debentures are summarised below:

Debenture	Term (years)	Maturity date	Quantity (Thousand Units)	Par value (Baht per unit)	Fixed interest rate (Percent per annum)	Final interest payment due	(Unit: Thousand Baht)	
							Consolidated and Separate financial statements	
							2023	2022
STGT259A	3	28 September 2025	550	1,000	2.97	28 September 2025	550,000	550,000
STGT299A	7	28 September 2029	400	1,000	3.91	28 September 2029	400,000	400,000
STGT329A	10	28 September 2032	550	1,000	4.25	28 September 2032	550,000	550,000
Total							1,500,000	1,500,000
Add accrued interest expenses							14,407	14,407
Less deferred expenses of issuing debentures							(1,737)	(2,188)
Debentures - net							1,512,670	1,512,219
Less current portion							(13,952)	(13,953)
Debentures, net of current portion							1,498,717	1,498,265
Fair value							1,545,854	1,572,300

The debenture agreements contain covenants and restrictions on the Company, pertaining to matters such as the maintenance of a certain debt to equity ratio.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

Movements of debentures during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2023</u>	<u>2022</u>
Balance at beginning of year	1,512,219	-
Issuance	-	1,500,000
Increase in accrued interest expenses	-	14,407
Increase in deferred expenses of issuing debentures	-	(2,306)
Amortisation of deferred expenses of issuing debentures	451	118
Balance at end of year	<u>1,512,670</u>	<u>1,512,219</u>

## 19. Provision for retirement benefit obligations

Movements of provision for retirement benefit obligations, which represent compensation payable to employees after they retire, during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	176,412	168,275	140,339	132,160
Included in profit or loss:				
Current service cost	14,995	15,077	12,846	12,845
Interest cost	4,940	3,668	3,966	2,912
Past service cost	(8,843)	-	(8,843)	-
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	(2,633)	-	(2,109)
Financial assumptions changes	(18,386)	(14,993)	(14,535)	(12,285)
Experience adjustments	7,407	8,404	6,623	7,885
Benefits paid during the year	<u>(3,800)</u>	<u>(1,386)</u>	<u>(2,628)</u>	<u>(1,069)</u>
Balance at end of year	<u>172,725</u>	<u>176,412</u>	<u>137,768</u>	<u>140,339</u>

The Group expects to pay Baht 3 million (2022: Baht 2 million) of long-term employee benefits during the next year.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit was 15 years (2022: 16 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)	
	Consolidated and Separate financial statements	
	<u>2023</u>	<u>2022</u>
Discount rate	3.1	3.1
Future salary increase rate	3.0	3.0 - 4.0
Turnover rate	0.0 - 35.0	0.0 - 35.0

The result of sensitivity analysis for significant assumptions that affect the present value of the provision for retirement benefit obligations as at 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	As at 31 December 2023			
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(17,288)	20,066	(14,111)	16,429
Future salary increase rate	19,883	(17,457)	16,281	(14,251)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(10,073)	11,885	(8,634)	10,243

	As at 31 December 2022			
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(19,171)	22,409	(15,560)	18,240
Future salary increase rate	22,008	(19,205)	17,921	(15,593)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(11,355)	13,339	(9,663)	11,414

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 20. Share capital

	Consolidated and Separate financial statements				
	Par value per share (Baht)	Number of shares		Share capital	
		Registered	Issued and fully paid	Registered	Issued and fully paid
		(Million Shares)		(Million Baht)	
<b>Share capital as at 1 January 2022</b>	0.5	2,869.56	2,863.26	1,434.78	1,431.63
Increase from receipt for additional shares	0.5	-	1.92	-	0.96
<b>Share capital as at 31 December 2022</b>	0.5	2,869.56	2,865.18	1,434.78	1,432.59
<b>Share capital as at 31 December 2023</b>	0.5	2,869.56	2,865.18	1,434.78	1,432.59

### Share repurchase program

On 17 February 2022, the meeting of the Company's Board of Directors passed a resolution approving the share repurchase program for financial management purpose in the maximum amount not exceeding Baht 3,600 million and the number of the shares to be repurchased not exceeding 120,000,000 shares (par value of Baht 0.5 each) or equivalent to 4.2 percent of the total issued shares. The repurchase period covers the duration of 6 months, starting from 7 March 2022 to 6 September 2022. In this regard, the Company intends to repurchase the shares on the Stock Exchange of Thailand only. The share resales period will be determined after 6 months from the completion date not later than 3 years.

The share repurchase program for financial management purpose ended on 6 September 2022. The Company did not repurchase any shares from the program.

### Offering of newly issued ordinary shares of the Company to the directors executives and/or employees of the Group ("STGT ESOP")

On 24 June 2022, the meeting of the Company's Board of Directors passed a resolution approving an offer of newly issued ordinary shares under the STGT ESOP for the third allocation of 6,000,000 of new shares with a par value of Baht 0.50 each, at an offering price of Baht 15.07 per share, which is equivalent to 90 percent of the market price.

Subsequently, on 5 July 2022, there were 1,918,500 exercised rights to acquire. The Company received full payment of the additional capital and then registered the increase of its issued and paid-up share capital from Baht 1,431,630,705 (2,863,261,410 ordinary shares with a par value of Baht 0.5 each) to Baht 1,432,589,955 (2,865,179,910 ordinary shares with a par value of Baht 0.5 each) with the Ministry of Commerce in July 2022. In addition, the STGT ESOP expired for offering of the newly issued ordinary shares.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

As a result of the above matters, the Company recorded premium on ordinary shares amounting to Baht 27,952,545 and transferred share-based payment reserve for the third allocation amounting to Baht 3,530,040 to premium on ordinary shares, resulting in a total premium on ordinary shares amounting to Baht 14,494,582,321 after this offering of newly issued ordinary shares.

## 21. Share-based payments

Options to purchase newly-issued ordinary shares of the Company offered to the directors executives and/or employees of the Group ("STGT ESOP")

<b>Type of securities</b>	Newly-issued ordinary shares of the Company to be offered to the directors, executives, and/or employees of the Company and the Company’s subsidiaries											
<b>Term</b>	Two years from the date on which the ordinary shares of the Company are listed on the SET											
<b>Number of newly-issued ordinary shares to be issued and offered</b>	Not more than 20,000,000 shares with a par value of Baht 0.5 per share											
<b>Offering price per share</b>	At the date of the IPO: 90 percent of the IPO price  The first to second year after the IPO: 90 percent of the market price *  * As specified under the notification of the Office of the Securities and Exchange Commission regarding the calculation of offer price of securities and determination of market price for consideration of offer for sale of newly-issued shares with discount											
<b>Offering period</b>	The Company will offer the newly-issued ordinary shares through the STGT ESOP’s scheme as detailed below:  <table><tr><td>The first allocation</td><td>The date of the IPO:</td><td>Not more than 40 percent or 8,000,000 shares</td></tr><tr><td>The second allocation</td><td>The first year after the IPO:</td><td>Not more than 30 percent, or 6,000,000 shares</td></tr><tr><td>The third allocation</td><td>The second year after the IPO:</td><td>Not more than 30 percent, or 6,000,000 shares</td></tr></table>			The first allocation	The date of the IPO:	Not more than 40 percent or 8,000,000 shares	The second allocation	The first year after the IPO:	Not more than 30 percent, or 6,000,000 shares	The third allocation	The second year after the IPO:	Not more than 30 percent, or 6,000,000 shares
The first allocation	The date of the IPO:	Not more than 40 percent or 8,000,000 shares										
The second allocation	The first year after the IPO:	Not more than 30 percent, or 6,000,000 shares										
The third allocation	The second year after the IPO:	Not more than 30 percent, or 6,000,000 shares										

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

<b>Conditions of the allocation</b>	At the record date
	<ul style="list-style-type: none"> <li>• Being a director, executive, and/or employee of the Company and the subsidiaries no less than 3 months</li> <li>• Not being under a probationary period</li> </ul>
	At the offering date
	<ul style="list-style-type: none"> <li>• Remaining a director, executive, and/or employee of the Company and the subsidiaries</li> </ul>

For the year ended 31 December 2023, there were no share-based payment expenses which the Company needed to recognise (2022: Baht 2.9 million).

Details of option movements are as follows:

	Number of option units	
	<u>2023</u>	<u>2022</u>
Outstanding as at beginning of year	-	6,000,000
Exercised during the year	-	(1,918,500)
Expired during the year	-	(4,081,500)
Outstanding as at ending of year	-	-

## 22. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.



# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 23. Other income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Compensation income received under the credit support program for rubber producers by the Rubber Authority of Thailand	76,753	91,980	76,753	91,980
Revenue from export incentive	20,700	25,774	20,700	25,774
Revenue from scrap sales	19,139	23,288	19,138	23,288
Rental income	13,709	11,238	11,300	8,889
Income from insurance claim net of damaged business assets and interruption	2,122	5,388	2,122	5,388
Others	81,949	46,904	77,037	49,585
Total other income	<u>214,372</u>	<u>204,572</u>	<u>207,050</u>	<u>204,904</u>

## 24. Other loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Loss on derivative financial instruments	(37,005)	(258,335)	(59,441)	(142,013)
Gain on disposals and write-off for machinery, equipment, right of use and intangible asset	3,792	1,093	3,597	950
Total other loss, net	<u>(33,213)</u>	<u>(257,242)</u>	<u>(55,844)</u>	<u>(141,063)</u>

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 25. Expenses by nature

Significant expenses classified by nature are as follows:

	Consolidated financial statements		(Unit: Thousand Baht)	
			Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Changes in inventories of finished goods and work in progress	(338,509)	1,048,487	(590,164)	938,886
Raw materials and consumables used	9,739,680	12,221,708	9,210,438	9,693,722
Reduction of inventory cost to net realisable value	96,208	156,188	77,554	52,576
Salaries and wages and other employee benefits	2,320,396	2,535,049	1,710,656	1,888,975
Depreciation	1,649,961	1,428,658	1,612,758	1,385,556
Amortisation of intangible assets	24,115	20,892	23,181	18,237
Loss on impairment of fixed assets	182,017	-	182,017	-
Loss on Impairment of investment in subsidiary	-	-	17,539	-

## 26. Income tax

Income tax for the years ended 31 December 2023 and 2022 is made up as follows.

	Consolidated financial statements		(Unit: Thousand Baht)	
			Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Current income tax:</b>				
Current income tax charge	31,163	173,294	16,585	150,607
Adjustment in respect of corporate income tax of previous year	(450)	374	(450)	(25)
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(12,736)	57,811	(53,918)	2,968
<b>Income tax reported in the profit or loss</b>	<u>17,977</u>	<u>231,479</u>	<u>(37,783)</u>	<u>153,550</u>

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax relating to				
Gain (loss) on revaluation of assets	(10,882)	86,769	(10,882)	72,818
Gain on actuarial gain	2,196	1,844	1,582	1,302
Gain (loss) on cash flow hedges	(5,221)	11,022	(5,221)	11,022
	<u>(13,907)</u>	<u>99,635</u>	<u>(14,521)</u>	<u>85,142</u>

The reconciliation between accounting profit and income tax is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit (loss) before tax	<u>170,666</u>	<u>1,883,531</u>	<u>(83,083)</u>	<u>1,613,548</u>
Applicable tax rate	17 - 25%	17 - 25%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	39,642	396,046	(16,617)	322,710
Adjustment in respect of income tax of previous year	(180)	374	(450)	(25)
Unused tax losses and deductible temporary difference were not recognised during the year	2,447	-	-	-
Write-off deferred tax assets	65,618	-	-	-
Effects of:				
Promotional privileges (Note 27)	(463)	(169,534)	-	(169,534)
Exempted income	(526)	-	(526)	(4,800)
Non-deductible expenses	25,282	10,807	25,169	10,338
Additional expense deductions allowed	(51,929)	(5,267)	(51,686)	(5,173)
Corporate income tax exemption (a)	(53,099)	5,739	-	-
Others	(8,815)	(6,686)	6,327	34
Total	<u>(89,550)</u>	<u>(164,941)</u>	<u>(20,716)</u>	<u>(169,135)</u>
Income tax reported in the profit or loss	<u>17,977</u>	<u>231,479</u>	<u>(37,783)</u>	<u>153,550</u>

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## Additional information

- (a) STGG is awarded the lifetime of Enhanced-Tier Fund Tax Incentive Scheme under section 13U from The Monetary Authority of Singapore (MAS). Under this scheme, upon specified terms and conditions, specific income derived by designated investments is exempted from corporate income tax in Singapore. Withholding tax on interest and dividend under the scheme paid by STGG is also exempted. In addition, the Fund can obtain a remission of Goods and Services Tax ("GST") incurred on expenses.

The components of deferred tax assets and deferred tax liabilities are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2023	2022	2023	2022
<b>Deferred tax assets</b>				
Loss from changes in fair value of derivative financial instruments	43	225	43	225
Allowance for diminution in value of inventories	83,211	213,205	11,720	8,706
Cumulative loss from assets revaluation and allowance for asset impairment	5,587	5,351	4,520	4,640
Provision for retirement benefit obligations	34,546	35,282	27,554	28,068
Unused tax losses	188,819	77,306	-	-
Allowance for investment in subsidiary	-	-	3,508	-
Intercompany profit in inventories	-	4,579	-	-
Intercompany profit in fixed assets	69,422	69,291	-	-
Others	45,239	28,234	40,264	8,425
<b>Total</b>	<b>426,867</b>	<b>433,473</b>	<b>87,609</b>	<b>50,064</b>
<b>Deferred tax liabilities</b>				
Assets revaluation surplus	163,492	201,491	129,684	166,715
Gain from changes in fair value on derivative financial instruments	6,193	19,768	6,193	19,768
Fair value adjustments from business acquisition	46,406	26,596	22,726	2,916
Others	1,210	318	53	151
<b>Total</b>	<b>217,301</b>	<b>248,173</b>	<b>158,656</b>	<b>189,550</b>
<b>Deferred tax assets (liabilities) presented in the statements of financial position:</b>				
Deferred tax assets	320,162	374,509	-	-
Deferred tax liabilities	(110,596)	(189,209)	(71,047)	(139,486)
	<b>209,566</b>	<b>185,300</b>	<b>(71,047)</b>	<b>(139,486)</b>

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

The movements in deferred tax assets and liabilities for the years ended 31 December 2023 and 2022 are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	185,300	345,487	(139,486)	(51,376)
Deferred tax recognised in				
profit or loss	12,736	(57,811)	53,918	(2,968)
other comprehensive income	13,907	(99,635)	14,521	(85,142)
Translation adjustment	(2,377)	(2,741)	-	-
Balance at end of year	<u>209,566</u>	<u>185,300</u>	<u>(71,047)</u>	<u>(139,486)</u>

The Group has the unused tax losses amounting to Baht 270 million (2022: Nil) which have no expiration.

## 27. Promotional privileges

The Company is granted certain privileges on its manufactures of rubber gloves pursuant to the Investment Promotion Act B.E. 2520, subjected to certain imposed conditions, the privileges included among the others as follows:

- Exemption from payment of import duty on imported machinery and equipment as approved by BOI committee
- Exemption from payment of income tax for the periods of 5 - 8 years starting from the commencement date of the promoted business, and 50 percent reduced from the normal income tax rate for the next 3 to 5 years after the period of exemption from payment of income tax is expired

As a promoted industry, the Company must comply with certain conditions and restrictions provided for in the promotional certificates.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

The Group's operating revenues for the years ended 31 December 2023 and 2022, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	2023	2022	2023	2022	2023	2022
Sales and service income						
Domestic sales and service income	920,629	997,666	2,249,692	3,612,542	3,170,321	4,610,208
Export sales	11,114,030	12,001,456	8,111,899	12,387,736	19,225,929	24,389,192
Total sales	12,034,659	12,999,122	10,361,591	16,000,278	22,396,250	28,999,400
Inter-company elimination					(2,731,075)	(5,694,580)
Total					19,665,175	23,304,820

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	2023	2022	2023	2022	2023	2022
Sales and service income						
Domestic sales and service income	920,629	997,666	911,521	1,039,815	1,832,150	2,037,481
Export sales	11,114,030	12,001,456	5,361,610	7,501,964	16,475,640	19,503,420
Total sales	12,034,659	12,999,122	6,273,131	8,541,779	18,307,790	21,540,901

## 28. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that dilutive potential ordinary shares shall be deemed to have been converted into ordinary shares at the date of the issue of the options to purchase newly issued ordinary shares without considering the exercise date.



# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

The following tables set forth the computation of basic and diluted earnings per share:

Consolidated financial statements						
For the year ended 31 December						
		Weighted average				
Profit for the year		number of ordinary shares		Earnings per share		
(Thousand Baht)		(Thousand Shares)		(Baht per Share)		
<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company						
152,689	1,652,052	2,865,180	2,864,208	0.05	0.58	
<b>Effect of dilutive potential ordinary shares</b>						
The options of newly issued ordinary shares under the STGT ESOP						
-	-	-	304			
<b>Diluted earnings per share</b>						
Profit attributable to equity holders of the Company assuming the conversion of the options to ordinary shares						
<u>152,689</u>	<u>1,652,052</u>	<u>2,865,180</u>	<u>2,864,512</u>	0.05	0.58	
Separate financial statements						
For the year ended 31 December						
		Weighted average				
Profit (loss) for the year		number of ordinary shares		Earnings per share		
(Thousand Baht)		(Thousand Shares)		(Baht per Share)		
<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<b>Basic earnings per share</b>						
Profit (loss) attributable to equity holders of the Company						
(45,300)	1,459,998	2,865,180	2,864,208	(0.02)	0.51	
<b>Effect of dilutive potential ordinary shares</b>						
The options of newly issued ordinary shares under the STGT ESOP						
-	-	-	304			
<b>Diluted earnings per share</b>						
Profit (loss) attributable to equity holders of the Company assuming the conversion of the options to ordinary shares						
<u>(45,300)</u>	<u>1,459,998</u>	<u>2,865,180</u>	<u>2,864,512</u>	(0.02)	0.51	

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 29. Segment information

The chief operating decision-maker has been identified as the Chief Executive Officer. The Chief Executive Officer reviews the Group's internal reporting regularly in order to assess performance and allocate resources. The Chief Executive Officer measures the business based on a measure of segment profit, which is derived on a basis consistent with the measurement of profit for the year in the consolidated financial statements.

Operating segments are defined as components of the Group for which separate financial statements available on a company basis are evaluated regularly by the chief operating decision-maker.

There are two reportable segments as follows:

- 1) Gloves: this segment also includes the manufacture and sale of powdered, powder-free, and nitrile latex gloves.
- 2) Other businesses
  - Engineering business: This is engaged in the engineering services including research and development of machinery and production processes, and also providing information system services.
  - Financial asset management and financial investment

**Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries**  
**For the year ended 31 December 2023**

(Unit: Million Baht)

Consolidated

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Million Baht)	
	For the year ended 31 December	
	<u>2023</u>	<u>2022</u>
Revenue from external customers		
United States of America	3,235	4,013
Brazil	1,968	1,677
Thailand	1,831	2,446
China	1,380	3,092
Japan	1,057	1,138
Turkey	902	924
Germany	846	1,515
Others	8,446	8,500
Total	<u>19,665</u>	<u>23,305</u>
Non-current assets (other than financial instrument and deferred tax assets)		
Thailand	25,486	26,718
China	34	42
Indonesia	13	14
United States of America	4	8
Others	2	3
Total	<u>25,539</u>	<u>26,785</u>

## Major customers

The Group has no major customer with revenue of 10 percent or more of revenues.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 30. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Dividends for the year 2021	Annual General Meeting of the shareholders on 7 April 2022	1,860.95	0.65
Interim dividends for 2022	the Company's Board of Director Meeting on 10 August 2022	1,432.59	0.50
Total dividend paid in 2022		3,293.54	
Dividends for the year 2022	Annual General Meeting of the shareholders on 10 April 2023	716.29	0.25
Total dividend paid in 2023		716.29	

On 16 February 2024, the meeting of the Company's Board of Directors passed resolutions approving a dividend payment in respect of retained earnings and operating results of 2023 to shareholders of Baht 0.5 per share, totaling of Baht 1,432.59 million. The Company will propose the Company's Shareholder Annual General Meeting to approve the dividend payment within second quarter of 2024.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 31. Commitments and contingent liabilities

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Capital commitments - purchase of fixed assets</b>	625	3,256	3,269	6,741
<b>Commitments from guarantees and contingent liabilities</b>				
Bank guarantees to guarantee electricity usage	144	141	144	141
Bank guarantee for distribution of rubber gloves	5	9	5	9
<b>The future aggregate minimum payments under non-cancellable lease and service agreements</b>				
Not later than 1 year	4	2	4	2
Later than 1 year but not later than 5 years	1	1	1	1

## 32. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows.

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	As at 31 December 2023			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets measured at fair value</b>				
Land and building	-	-	6,613,220	6,613,220
Derivative financial instruments	-	75,437	-	75,437
Other financial assets	1,415,561	-	3,270,671	4,686,232
<b>Liabilities measured at fair value</b>				
Derivative financial instruments	-	537	-	537
<b>Liabilities for which fair value are disclosed</b>				
Debentures	-	1,545,854	-	1,545,854



# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Land and building	-	-	5,281,438	5,281,438
Derivative financial instruments	-	243,879	-	243,879
Other financial assets	572,153	451,715	-	1,023,868
<b>Liabilities measured at fair value</b>				
Derivative financial instruments	-	16,638	-	16,638
<b>Liabilities for which fair value are disclosed</b>				
Debentures	-	1,572,300	-	1,572,300

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Land and building	-	-	6,179,466	6,179,466
Derivative financial instruments	-	75,059	-	75,059
<b>Liabilities measured at fair value</b>				
Derivative financial instruments	-	537	-	537
<b>Liabilities for which fair value are disclosed</b>				
Debentures	-	1,545,854	-	1,545,854

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Land and building	-	-	4,836,921	4,836,921
Derivative financial instruments	-	243,866	-	243,866
<b>Liabilities measured at fair value</b>				
Derivative financial instruments	-	1,127	-	1,127
<b>Liabilities for which fair value are disclosed</b>				
Debentures	-	1,572,300	-	1,572,300

During the current year, there are no transfer within the fair value hierarchy.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## 33. Financial instruments

### 33.1 Derivatives and hedge accounting

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Current derivative assets</b>				
<i>Derivative assets not designated as hedging instruments</i>				
Equity accumulators	378	13	-	-
<i>Derivative assets designated as hedging instruments</i>				
Forward foreign exchange contracts	73,543	241,869	73,543	241,869
Total current derivative assets	73,921	241,882	73,543	241,869
<b>Non - current derivative assets</b>				
<i>Derivative assets designated as hedging instruments</i>				
Interest rate swap	1,516	1,997	1,516	1,997
Total non - current derivative assets	1,516	1,997	1,516	1,997
<b>Total derivative assets</b>	<u>75,437</u>	<u>243,879</u>	<u>75,059</u>	<u>243,866</u>
<b>Current derivative liabilities</b>				
<i>Derivatives liabilities not designated as hedging instruments</i>				
Equity accumulators	-	15,511	-	-
<i>Derivatives liabilities designated as hedging instruments</i>				
Forward foreign exchange contracts	537	-	537	-
Total current derivative liabilities	537	15,511	537	-
<b>Non - current derivative liabilities</b>				
<i>Derivatives liabilities designated as hedging instruments</i>				
Interest rate swap	-	1,127	-	1,127
Total non - current derivative liabilities	-	1,127	-	1,127
<b>Total derivative liabilities</b>	<u>537</u>	<u>16,638</u>	<u>537</u>	<u>1,127</u>

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## Derivatives not designated as hedging instruments

The Group uses equity accumulators for investment activity.

## Derivatives designated as hedging instruments

### Interest rate risk

The Group has an interest rate swap agreement to hedge the exposure to cash flow volatility which the Group has to pay. The Group receives a variable rate of interest and pays fixed rate of interest.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the variable interest rate loan (i.e., interest rate, notional amount, maturity and payment dates). There is no ineffectiveness portion of such hedge.

	(Unit: Million Baht)	
	Consolidated and Separate financial statements	
	<u>2023</u>	<u>2022</u>
Carrying amount of interest rate swap		
Assets	2	2
Liabilities	-	(1)
Notional amount	259	883
Hedge ratio	1:1	1:1
Maturity date	March 2025	June 2023 to March 2025
Changes in fair value of the hedging instruments		
used for measuring ineffectiveness	1	22
Effectiveness recognised in		
other comprehensive income	1	22
Ineffectiveness recognised in profit or loss	-	-
Cash flow hedge reserve, net of tax	1	1

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## Foreign currency risk

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast sales in US dollar. These forecast transactions are highly probable. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

In addition, hedge ineffectiveness can arise from changes to the forecasted amount of cash flows of hedged items and hedging instruments.

	(Unit: Million Baht)	
	Consolidated and Separate	
	financial statements	
	<u>2023</u>	<u>2022</u>
Carrying amount of the foreign exchange forward contracts		
Assets	74	242
Liabilities	(1)	-
Notional amount (Million USD)	85	117
Hedge ratio	1:1	1:1
Maturity date	January 2024 to July 2024	February 2023 to July 2023
Changes in fair value of the hedging instruments used for measuring ineffectiveness	(169)	242
Effectiveness recognised in other comprehensive income	(169)	208
Ineffectiveness recognised in profit or loss	-	34
Cash flow hedge reserve, net of tax	14	75

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## Impact of hedging on equity

Set out below is a reconciliation of each component of equity and analysis of other comprehensive income:

	(Unit: Million Baht)
	Cash flow hedge reserve
	Consolidated and Separate
	financial statements
<b>As at 1 January 2022</b>	(17)
Effective portion of changes in fair value arising from derivatives designated as hedging instruments for cash flow hedges	250
Amount reclassified to profit or loss	(146)
Tax effect	(11)
<b>As at 31 December 2022</b>	76
Effective portion of changes in fair value arising from derivatives designated as hedging instruments for cash flow hedges	(168)
Amount reclassified to profit or loss	102
Tax effect	5
<b>As at 31 December 2023</b>	15

## 33.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, short-term loans, long-term loans and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

### Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The allowance rates are based on days past due for groupings of various customer segments with similar credit risks based on past experience updated with future forecast information. The Group classifies customer into different segments by geography, product type, customer type and customer rating.

## Cash deposits and financial instruments

The credit risk on cash deposits and financial instruments are limited because the Group has a policy to consider and approve credit limits assigned to each counterparty by the Group's Board of Director. The counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

## **Market risk**

There are two types of market risk comprising foreign currency risk and interest rate risk. The Group enters into a variety of derivatives to manage its risk exposure, including:

- forward foreign exchange contracts to hedge the foreign currency risk arising on the export or import of goods;
- interest rate swaps to mitigate the risk of volatility of interest rates;



# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange options and forward foreign exchange contracts when it considers appropriate. Generally, the forward contracts mature within 6 months.

As at 31 December 2023 and 2022, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	51.39	38.91	9.23	2.98	34.2233	34.5624

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	65.42	58.15	9.23	2.98	34.2233	34.5624

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities as at 31 December 2023 and 2022. The Group's exposure to foreign currency changes for other currencies is not material.

Currency	Increase / (Decrease)	Effect on profit before tax (Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
	(percent)	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
US dollar	2.89	50,766	23,965	50,761	37,886
	(2.89)	(50,766)	(23,965)	(50,761)	(37,886)

This information is not a forecast or prediction of future market conditions and should be used with care.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, loan to subsidiaries, short-term and long-term borrowings from financial institutions and debentures. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate were summarised in the table below, with those financial assets and liabilities that carried fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Thousand Baht)

Consolidated financial statements as at 31 December 2023							
	Fixed interest rates			Floating interest rate	Non - interest bearing	Total	Effective interest rate (percent per annum)
	Within 1 year	1 - 5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalent	2,545,606	-	-	1,427,667	256,869	4,230,143	0.125 - 6.7
Trade and other receivables	-	-	-	-	2,350,486	2,350,486	-
Other financial assets	5,213,142	-	-	-	4,686,232	9,899,374	5.0 - 6.0
Total	<u>7,758,748</u>	<u>-</u>	<u>-</u>	<u>1,427,667</u>	<u>7,293,587</u>	<u>16,480,003</u>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	2,031,856	2,031,856	-
Short-term borrowings from financial institutions	67,139	-	-	-	-	67,139	(1)
Long-term borrowings from financial institutions	-	-	-	5,412,250	-	5,412,250	(2) , (4)
Debentures	-	550,000	950,000	-	14,407	1,514,407	2.97 - 4.25
Total	<u>67,139</u>	<u>550,000</u>	<u>950,000</u>	<u>5,412,250</u>	<u>2,046,263</u>	<u>9,025,652</u>	

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Thousand Baht)

Consolidated financial statements as at 31 December 2022							
	Fixed interest rates			Floating interest rate	Non - interest bearing	Total	Effective interest rate (percent per annum)
	Within 1 year	1 - 5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalent	4,974,702	-	-	9,302,390	73,610	14,350,702	0.05 - 8.50
Trade and other receivables	-	-	-	-	2,099,203	2,099,203	-
Other financial assets	-	-	-	-	1,023,868	1,023,868	-
<b>Total</b>	<b>4,974,702</b>	<b>-</b>	<b>-</b>	<b>9,302,390</b>	<b>3,196,681</b>	<b>17,473,773</b>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	2,013,829	2,013,829	-
Short-term borrowings from financial institutions	172,812	-	-	-	-	172,812	(1)
Long-term borrowings from financial institutions	-	-	-	7,128,450	-	7,128,450	(2) , (3)
Debentures	-	550,000	950,000	-	14,406	1,514,406	2.97 - 4.25
<b>Total</b>	<b>172,812</b>	<b>550,000</b>	<b>950,000</b>	<b>7,128,450</b>	<b>2,028,235</b>	<b>10,829,497</b>	

(Unit: Thousand Baht)

Separate financial statements as at 31 December 2023							
	Fixed interest rates			Floating interest rate	Non - interest bearing	Total	Effective interest rate (percent per annum)
	Within 1 year	1 - 5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalent	1,105,430	-	-	991,912	140,018	2,237,360	0.12 - 0.70
Trade and other receivables	-	-	-	-	2,464,468	2,464,468	-
<b>Total</b>	<b>1,105,430</b>	<b>-</b>	<b>-</b>	<b>991,912</b>	<b>2,604,485</b>	<b>4,701,828</b>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	1,736,286	1,736,286	-
Long-term borrowings from financial institutions	-	-	-	5,412,250	-	5,412,250	(2) , (4)
Debentures	-	550,000	950,000	-	14,407	1,514,407	2.97 - 4.25
<b>Total</b>	<b>-</b>	<b>550,000</b>	<b>950,000</b>	<b>5,412,250</b>	<b>1,750,693</b>	<b>8,662,943</b>	

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Thousand Baht)

## Separate financial statements as at 31 December 2022

	Fixed interest rates			Floating interest rate	Non - interest bearing	Total	Effective interest rate (percent per annum)
	Within 1 year	1 - 5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalent	-	-	-	8,760,658	29,576	8,790,234	0.05 - 0.60
Trade and other receivables	-	-	-	-	2,391,166	2,391,166	-
Short-term loans to subsidiary	150,000	-	-	-	-	150,000	(1)
<b>Total</b>	<b>150,000</b>	<b>-</b>	<b>-</b>	<b>8,760,658</b>	<b>2,420,742</b>	<b>11,331,400</b>	

## Financial liabilities

Trade and other payables	-	-	-	-	1,738,218	1,738,218	-
Long-term borrowings from financial institutions	-	-	-	7,128,450	-	7,128,450	(2) , (3)
Debentures	-	550,000	950,000	-	14,406	1,514,406	2.97 - 4.25
<b>Total</b>	<b>-</b>	<b>550,000</b>	<b>950,000</b>	<b>7,128,450</b>	<b>1,752,624</b>	<b>10,381,074</b>	

(1) Fixed rate

(2) MLR less fixed rate per annum

(3) THBFX6M plus fixed rate per annum

(4) THOR plus fixed rate per annum

## Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans from financial institutions affected as at 31 December 2023 and 2022, with all other variables held constant.

Increase / (decrease)	Consolidated and Separate financial statements	
	Effect on profit before tax	
	2023	2022
(Percent)	(Thousand Baht)	(Thousand Baht)
1.00	(48,943)	(46,841)
(1.00)	48,943	46,841

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

The above analysis has been prepared assuming that the amounts of long-term loans from financial institutions, and derivatives on which interest is charged at floating rates and all other variables remain constant over one year. Moreover, the floating legs of loans from financial institutions and derivatives are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

## Liquidity risk

The Group implements liquidity risk management procedures through the use of loan from financial institution, leases and debentures. The Group's management assessed the risk relating to its ability to repay as low since the Group has access to sufficient and varied sources of funding and ability to request an extension to the repayment period for debts due within 12 months. Moreover, the management of the Group considers that there is sufficient working capital to meet the cash flows to be paid in the near future.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)				
Consolidated financial statements				
31 December 2023				
	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	1,842,098	-	-	1,842,098
Short-term loans from financial institution	67,438	-	-	67,438
Long-term loans from financial institution	2,105,926	2,114,313	1,588,247	5,808,486
Debentures	55,350	718,233	1,049,370	1,822,953
Lease liabilities	27,854	17,310	3,201	48,364
<b>Total non-derivatives</b>	<b>4,098,666</b>	<b>2,849,856</b>	<b>2,640,818</b>	<b>9,589,339</b>
<b>Derivatives</b>				
Forward foreign exchange contracts	537	-	-	537
<b>Total derivatives</b>	<b>537</b>	<b>-</b>	<b>-</b>	<b>537</b>

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2022			
	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	2,013,829	-	-	2,013,829
Short-term loans from financial institution	173,679	-	-	173,679
Long-term loans from financial institution	1,932,975	5,707,930	-	7,640,905
Debentures	55,350	734,568	1,088,385	1,878,303
Lease liabilities	40,914	33,941	-	74,855
<b>Total non-derivatives</b>	<b>4,216,747</b>	<b>6,476,439</b>	<b>1,088,385</b>	<b>11,781,571</b>
<b>Derivatives</b>				
Equity accumulators	-	15,511	-	15,511
Interest rate swap	-	1,127	-	1,127
<b>Total derivatives</b>	<b>-</b>	<b>16,638</b>	<b>-</b>	<b>16,638</b>

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2023			
	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	1,736,286	-	-	1,736,286
Long-term loans from financial institution	2,105,926	2,114,313	1,588,247	5,808,486
Debentures	55,350	718,233	1,049,370	1,822,953
Lease liabilities	7,217	3,224	1,883	12,324
<b>Total non-derivatives</b>	<b>3,904,779</b>	<b>2,835,770</b>	<b>2,639,500</b>	<b>9,380,049</b>
<b>Derivatives</b>				
Forward foreign exchange contracts	537	-	-	537
<b>Total derivatives</b>	<b>537</b>	<b>-</b>	<b>-</b>	<b>537</b>



# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2022			
	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	1,738,218	-	-	1,738,218
Long-term loans from financial institution	1,932,975	5,707,930	-	7,640,905
Debentures	55,350	734,568	1,088,385	1,878,303
Lease liabilities	11,978	8,183	-	20,161
<b>Total non-derivatives</b>	<b>3,738,521</b>	<b>6,450,681</b>	<b>1,088,385</b>	<b>11,277,587</b>
<b>Derivatives</b>				
Interest rate swap	-	1,127	-	1,127
<b>Total derivatives</b>	<b>-</b>	<b>1,127</b>	<b>-</b>	<b>1,127</b>

## 33.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The methods and assumptions used by the Grouping estimating the fair value of financial instruments are as follows:

- The fair value of derivatives has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, the respective currencies, interest rate and commodity price. The Group has considered counterparty credit risk when determining the fair value of derivatives.
- The fair value of fixed rate debentures is estimated by discounting expected future cash flow by the current market interest rate of debentures with similar terms and conditions.
- The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.
- The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.

During the current year, there are no transfers within the fair value hierarchy.

# Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

## **34. Capital management**

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements and debentures. The Group has complied with these covenants throughout the reporting periods.

## **35. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Director on 16 February 2024.



**4**

**Attachment**

# Attachment 1

## The Board of Directors



### Professor Dr. Weerakorn Ongsakul

Chairman, Independent Director / Chairman of Audit Committee / Chairman of Remuneration Committee / Member of Nomination Committee / Member of Risk Management Committee

Age : 56 Years

Appointment Date : 31 May 2019

Year in Position : 4 Years 7 months

Shareholding Proportion : 0.02%



#### Educational Background

- Ph.D. Electrical Engineering, Texas A&M University
- Master of Science, Electrical Engineering, Texas A&M University
- Bachelor of Engineering, Electrical Engineering, Chulalongkorn University



#### Training Program

- Certification from Thai Institute of Directors (IOD)
- Director Certification Program (DCP) Class 272/2019
  - Director Accreditation Program (DAP) Class 21/2004



#### Position in other companies which potentially having conflict of interest with the Company

- - None -



#### Illegal Record in the last 10 years

- - None -



#### Family Relationship with Executives

- - None -



#### Work Experiences (5-Year Past Experience)

##### • Position in Listed Company (2 Companies)

###### 2022 – Present

- Independent Director / Chairman of Risk Management Committee / Chairman of the Nomination and Remuneration Committee, NFC PLC.

###### 2020 – Present

- Chairman / Independent Director / Chairman of Audit Committee / Chairman of Remuneration Committee / Member of Nomination Committee / Member of Risk Management Committee, Sri Trang Gloves (Thailand) PLC.

###### 2019 – 2020

- Member of Audit Committee / Member of Remuneration Committee / Member of Risk Management Committee, Sri Trang Gloves (Thailand) PLC.

##### • Position in Non-Listed Company (Currently, 5 companies)

###### 9/01/2024 – Present

- Director, Metropolitan Electricity Authority

###### 2021 – 2023

- Director, Salo Tech (Thailand) Co., Ltd.

###### 2021 – 2022

- Director, Thai Encom Co., Ltd.

###### 2018 – 2022

- Director / Chairman of Risk Management and Internal Control Committee, PEA ENCOM International Co., Ltd.

###### 2018 – 2021

- Director, Provincial Electricity Authority

###### 2018 – Present

- Chairman / Chairman of Risk Management Committee, Jitta Wealth Asset Management Co., Ltd.

###### 2017 – 2020

- Independent Director, Information Technology Group Co., Ltd.

###### 2017 – Present

- Professor, Asian Institute of Technology

###### 2017 – Present

- Director, Star Energy Services Co., Ltd.

###### 2011 – Present

- Director, Mitr Samphan Narathiwat Co., Ltd.



## Mr. Kitichai Sincharoenkul

Vice Chairman / Member of Executive Committee /  
Chairman of Nomination Committee / Member of  
Remuneration Committee

Age : 64 Years

Appointment Date : 1 April 2019

Year in Position : 4 Years 9 months

Shareholding Proportion : 0.28%



### Educational Background

- Master of Business Administration, Indiana State University, USA
- Bachelor of Economics, Thammasat University



### Training Program

SGX Listed Companies Development Programme:

Understanding the Regulatory Environment in Singapore: What  
Every Director Ought to Know

Certification from Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) Class 67/2007



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- Brother of Dr. Viyavood Sincharoenkul
- Uncle of Mr. Veerasith Sincharoenkul and  
Mr. Vitanath Sincharoenkul



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company (2 Companies)

##### 2021 – Present

- Member of Remuneration Committee,  
Sri Trang Gloves (Thailand) PLC.

##### 2019 – Present

- Vice Chairman / Member of Executive Committee / Chairman of  
Nomination Committee, Sri Trang Gloves (Thailand) PLC.

##### 2011 – Present

- Executive Director, Sri Trang Agro-Industry PLC.(Bangkok Branch)

##### 2010 – Present

- Member of Nomination Committee / Group Manager of Legal &  
Administration, Sri Trang Agro-Industry PLC.

##### 1995 – Present

- Director, Sri Trang Agro-Industry PLC.

#### • Position in Non-Listed Company (Currently, 8 companies)

##### 2022 – Present

- Director, Sri Trang Gloves Philippines Inc.

##### 2019 – Present

- Director, Sri Trang IBC Co., Ltd.

##### 2021

- Director, Sri Trang Gloves Global Pte. Ltd.

##### 2021

- Director, Sri Trang Gloves (Singapore) Pte. Ltd.

##### 2016 – Present

- Director, PT Thaitech Rubber Indonesia

##### 2014 – Present

- Director, Sri Trang Ayeyar Rubber Industry Co., Ltd.

##### 2010 – Present

- Director, Shi Dong Investments Pte Ltd.

##### 2004 – 2020

- Director, Pattana Agro Futures Co., Ltd.

##### 2002 – Present

- Director, Sri Trang International Pte Ltd.

##### 1996 – Present

- Director, Semperflex Asia Co., Ltd.

##### 1990 – Present

- Director, Sri Trang Holdings Co., Ltd.

##### 1989 – 2019

- Executive Director, Sri Trang Gloves (Thailand) Co., Ltd.



## Dr. Viyavood Sincharoenkul

Director and Chairman of Executive Committee

Age : 68 Years

Appointment Date : 1 April 2019

Year in Position : 4 Years 9 months

Shareholding Proportion : 4.82%



### Educational Background

- Ph.D. in Chemistry, Queen Elizabeth's College, University of London
- Bachelor's Degree in Chemistry (1st Class Honor), Queen Elizabeth's College, University of London



### Training Program

- - None -



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- Brother of Mr. Kitichai Sincharoenkul
- Father of Mr. Veerasith Sinchareonkul and Mr. Vitanath Sincharoenkul



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company (2 Companies)

##### 2019 – Present

- Director / Chairman of Executive Committee, Sri Trang Gloves (Thailand) PLC.

##### 2010 – Present

- Chairman / Chairman of Executive Committee, Sri Trang Agro-Industry PLC.

##### 1993 – 2021

- Managing Director, Sri Trang Agro-Industry PLC.

#### • Position in Non-Listed Company (Currently, 11 companies)

##### 2021 – Present

- Director, Sri Trang Gloves Global Pte. Ltd.

##### 2021 – Present

- Director, Sri Trang Gloves (Singapore) Pte. Ltd.

##### 2019 – Present

- Director, Sri Trang IBC Co., Ltd.

##### 2017 – Present

- Director, Planet Earth Capital Pte Ltd.

##### 2017 – Present

- Director, Shidong Shanghai Medical Equipment Co., Ltd.

##### 2010 – Present

- Director, Shi Dong Shanghai Rubber Co., Ltd.

##### 2009 – Present

- Director, Shi Dong Investments Pte Ltd.

##### 2004 – 2020

- Director, Pattana Agro Futures Co., Ltd.

##### 2002 – Present

- Director, Sri Trang International Pte Ltd.

##### 1996 – Present

- Director, Semperflex Asia Co., Ltd.

##### 1990 – Present

- Director, Thai Tech Rubber Corporation Co., Ltd.

##### 1990 – Present

- Director, Sri Trang Holdings Co., Ltd.

##### 1989 – 2019

- Executive Director, Sri Trang Gloves (Thailand) Co., Ltd.





## Mr. Anan Pruksanusak

Director / Member of Executive Committee / Price Strategist

Age : 69 Years

Appointment Date : 1 April 2019

Year in Position : 4 Years 9 months

Shareholding Proportion : 0.02%



### Educational Background

- Executive Micro MBA, Thammasat University



### Training Program

Certification from Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) Class 66/2007



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- - None -



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company (1 Company)

##### 22019 – Present

- Director / Member of Executive Committee / Price Strategist, Sri Trang Gloves (Thailand) PLC.

##### 2019

- Managing Director, Sri Trang Gloves (Thailand) PLC.

##### 1993 – 2013

- Director, Sri Trang Agro-Industry PLC.

#### • Position in Non-Listed Company (Currently, 2 companies)

##### 2013 – Present

- Director, Sup Prukso Co., Ltd.

##### 2003 – Present

- Director, Prukso Mansion Co., Ltd.

##### 2013 – 2019

- Managing Director, Sri Trang Gloves (Thailand) Co., Ltd.



## Mr. Veerasith Sinchareonkul

Director / Member of Executive Committee /

Chairman of Risk Management Committee

Age : 39 Years

Appointment Date : 1 April 2019

Year in Position : 4 Years 9 months

Shareholding Proportion : 0.03%



### Educational Background

- Master of Business Administration (Finance and Marketing), Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Bachelor of Computer Science and Cybernetics, University of Reading, United Kingdom



### Training Program

Certification from Thai Institute of Directors (IOD)

- Financial Statements for Directors (FSD) Class 26/2014
  - Director Accreditation Program (DAP) Class 85/2010
- Thai Listed Companies Association
- TLCA Executive Development Program (EDP) class 10



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- Son of Dr. Viyavood Sincharoenkul
- Nephew of Mr. Kitichai Sincharoenkul
- Brother of Mr. Vitanath Sincharoenkul



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company (2 Companies)

##### 2022 – Present

- Chairman of the Sustainable Development Committee / Member of Corporate Governance Committee, Sri Trang Agro-Industry PLC.

##### 2021 – Present

- Managing Director, Sri Trang Agro-Industry PLC.

##### 2020 – 2021

- Member of Remuneration Committee, Sri Trang Gloves (Thailand) PLC.

##### 2019 – Present

- Director / Member of Executive Committee / Chairman of Risk Management Committee, Sri Trang Gloves (Thailand) PLC.

##### 2013 – Present

- Chairman of Risk Management Committee, Sri Trang Agro-Industry PLC.

##### 2010 – Present

- Director, Sri Trang Agro-Industry PLC.

#### • Position in Non-Listed Company (Currently, 17 Companies)

##### 2022 – Present

- Chairman, Sri Trang Africa SA.

##### 2022 – Present

- Director, Sri Trang Gloves Philippines Inc.

##### 2021 – Present

- Director, Sri Trang Gloves Global Pte. Ltd.

##### 2021 – Present

- Director, Sri Trang Gloves (Singapore) Pte. Ltd.

##### 2021 – Present

- Director, Sadao P.S. Rubber Co., Ltd.

##### 2019 – Present

- Director, Sri Trang IBC Co., Ltd.

##### 2018 – Present

- President, Thai Rubber Glove Manufacturers Association

##### 2018 – 2022

- Director, The Federation of Thai Industries

##### 2017 – 2019

- Director, Sri Trang Gloves (Thailand) Co., Ltd.

##### 2017 – Present

- Chairman / Director, Sri Trang Ayeyar Rubber Industry Co., Ltd.

##### 2016 – Present

- Director, PT Sri Trang Lingga Indonesia

##### 2016 – Present

- Chairman / Director, Sri Trang USA, Inc.

##### 2016 – Present

- Director, Thai Tech Rubber Corporation Co., Ltd.

##### 2016 – Present

- Director, PT Thaitech Rubber Indonesia

##### 2015 – Present

- Director, Semperflex Asia Co., Ltd.

##### 2015 – Present

- Director, Rubberland Products Co., Ltd.

##### 2015 – Present

- Director, Premier System Engineering Co., Ltd.

##### 2015 – Present

- Director, Starlight Express Transport Co., Ltd.



## Mr. Vitanath Sincharoenkul

Director / Member of Executive Committee / Chairman of the Corporate Governance and Sustainable Development Committee / Chief Branding Officer

Age : 33 Years

Appointment Date : 1 April 2019

Year in Position : 4 Years 9 months

Shareholding Proportion : 0.02%



### Educational Background

- Bachelor of Arts, Industrial and Product Design, Raffles College of Design and Commerce



### Training Program

- Certification from Thai Institute of Directors (IOD)
- Director Accreditation Program (DAP) Class 163/2019



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- Son of Dr. Viyavood Sincharoenkul,
- Nephew of Mr. Kitichai Sincharoenkul
- Brother of Mr. Veerasith Sinchareonkul



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company (2 Companies)

##### 2021 – Present

- Chairman of the Corporate Governance and Sustainable Development Committee, Sri Trang Gloves (Thailand) PLC.

##### 2020 – Present

- Chief Branding Officer, Sri Trang Gloves (Thailand) PLC.

##### 2019 – Present

- Director / Member of Executive Committee, Sri Trang Gloves (Thailand) PLC.

##### 2018 – 2020

- Strategic Branding Manager, Sri Trang Agro-Industry PLC.

##### 2014 – 2018

- Strategic Branding Executive, Sri Trang Agro-Industry PLC.

#### • Position in Non-Listed Company (Currently, 2 Companies)

##### 2022 – Present

- Director, Sri Trang Responsible Gloves Supply, Inc.

##### 2020 – Present

- Vice President, Thai Rubber Glove Manufacturers Association

##### 2018 – 2020

- Director, Thai Rubber Glove Manufacturers Association

##### 2017 – 2019

- Director, Sri Trang Gloves (Thailand) Co., Ltd.

## Ms. Jarinya Jirojkul

Director / Member of Executive Committee / Member of Risk Management Committee / Member of Corporate Governance and Sustainable Development Committee / Chief Executive Officer

Age : 52 Years

Appointment Date : 1 April 2019

Year in Position : 4 Years 9 months

Shareholding Proportion : 0.03%



### Educational Background

- Master of Engineering in Food Engineering, King Mongkut's University of Technology Thonburi
- Bachelor of Science in Agro-industry, Prince of Songkhla University



### Training Program

Certification from Thai Institute of Directors (IOD)

- Risk Management Program for Corporate Leaders (RCL) Class 21/2020
- Director Accreditation Program (DAP) Class 163/2019



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- - None -



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company (1 Company)

##### 2021 – Present

- Member of Corporate Governance and Sustainable Development Committee, Sri Trang Gloves (Thailand) PLC.

##### 2019 – Present

- Director / Member of Executive Committee / Member of Risk Management Committee / Chief Executive Officer, Sri Trang Gloves (Thailand) PLC.

##### 2019 – 2021

- Member of Nomination Committee / Member of Remuneration Committee, Sri Trang Gloves (Thailand) PLC.

##### 2017 – 2019

- Director, Thaikong PLC.

##### 2015 – 2019

- Managing Director, Thaikong PLC

#### • Position in Non-Listed Company (3 Companies)

##### 2022 – Present

- Director, Sri Trang Responsible Gloves Supply, Inc.

##### 2021 – Present

- Director, Premier System Engineering Co., Ltd.

##### 2021 – Present

- Director, Sadao P.S. Rubber Co., Ltd.



## Ms. Thanawan Sa-ngiamsak

Director / Member of Risk Management Committee /  
Member of Corporate Governance and Sustainable Development  
Committee / Chief Financial Officer

Age : 45 Years

Appointment Date : 1 April 2019

Year in Position : 4 Years 9 months

Shareholding Proportion : 0.02%



### Educational Background

- Master of Science in Finance (Honor), University of Strathclyde, United Kingdom
- Bachelor of Science in Accounting (1st Class Honor), Thammasat University



### Accounting Training Hours

- 20 Hours in 2023



### Training Program

The Stock Exchange of Thailand

- Strategic CFO in Capital Markets class 8

CFA Institute

- Certificate in ESG Investing

Certification from Thai Institute of Directors (IOD)

- Risk Management Program for Corporate Leaders (RCL) Class 21/2020

- Director Accreditation Program (DAP) Class 163/2019



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- - None -



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company (1 Company)

##### 2021 – Present

- Member of the Corporate Governance and Sustainable Development Committee, Sri Trang Gloves (Thailand) PLC.

##### 2019 – Present

- Director / Member of Risk Management Committee / Chief Financial Officer, Sri Trang Gloves (Thailand) PLC.

##### 2011 – 2017

- Vice President - Business Development and Investor Relations, Sri Trang Agro-Industry PLC.

#### • Position in Non-Listed Company (Currently, 5 Companies)

##### 2022 – Present

- Director, Sri Trang Gloves Philippines Inc.

##### 2022 – 2023

- Director, Sri Trang Responsible Gloves Supply, Inc.

##### 2022 – Present

- Director, Premier System Engineering Co., Ltd.

##### 2021 – Present

- Director, PT Sri Trang Gloves Indo

##### 2021 – Present

- Director, Sadao P.S. Rubber Co., Ltd.

##### 2017 – 2019

- Director / Chief Financial Officer, Sri Trang Gloves (Thailand) Co., Ltd.



## Mr. Chia Chee Ping

Director / Chief Marketing Officer

Age : 55 Years

Appointment Date : 1 April 2019

Year in Position : 4 Years 9 months

Shareholding Proportion : 0.04%



### Educational Background

- Graduate ICASA Business Administration, The Institute of Chartered Secretaries & Administrators, United Kingdom
- Diploma in Commerce (Business Management)  
Tunku Abdul Rahman College, Malaysia



### Training Program

Certification from Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) Class 166/2019



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- - None -



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company (1 Company)

##### 2019 – Present

- Director / Chief Marketing Officer,  
Sri Trang Gloves (Thailand) PLC.

##### 2007 – 2019

- Senior Vice President Marketing, Sri Trang Agro-Industry PLC.

#### • Position in Non-Listed Company (Currently, 3 Companies)

##### 2022 – Present

- Director, Sri Trang Gloves Philippines Inc.

##### 2022 – Present

- Director, Sri Trang Responsible Gloves Supply, Inc.

##### 2021 – Present

- Director, PT Sri Trang Gloves Indo

##### 2017 – 2019

- Director, Sri Trang Gloves (Thailand) Co., Ltd.





## Mrs. Unakorn Phruithithada

Independent Director / Member of Audit Committee

Age : 66 Years

Appointment Date : 31 May 2019

Year in Position : 3 Years 7 months

Shareholding Proportion : 0.02%



### Educational Background

- Master of the Computer Application and Information System with Distinction, New York University, USA
- Master of Accounting (1st place), Thammasat University
- Bachelor of Accounting (1st Class Honors), Thammasat University
- U.S. CPA, New York City, USA
- CPA, Federation of Accounting Professions under the Royal Patronage of His Majesty the King
- ASEAN CPA, Federation of Accounting Professions under the Royal Patronage of His Majesty the King



### Training Program

Certification from Thai Institute of Directors (IOD)

- Advanced Audit Committee Program (AACP) Class 37/2020
- Director Examination (Exam) Class 14/2004
- Director Certification Program (DCP) Class 48/2004
- Risk Management Program for Corporate Leaders (RCL) Class 30/2023



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- - None -



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company (3 Companies)

##### 2022 – Present

- Independent Director / Chairman of Audit Committee, CIMB Thai Bank PLC.

##### 2021 – Present

- Independent Director / Chairman of Audit Committee, Principal Capital PLC.

##### 2019 – Present

- Independent Director / Member of Audit Committee, Sri Trang Gloves (Thailand) PLC.

#### • Position in Non-Listed Company (Currently, 2 Companies)

##### 2022 – Present

- Chairperson of the Subcommittee to Conduct Feasibility Study for the Preparation of Accounting Standards for Digital Assets

##### 2020 – Present

- Chairperson of the Subcommittee to study and follow the development of International Financial Reporting Standards (IFRS), Federation of Accounting Professions under the Royal Patronage of His Majesty the King

##### 2017 – 2020

- Member of Accounting Standard Setting Committee, Federation of Accounting Professions under the Royal Patronage of His Majesty the King

##### 1994 – 2018

- Auditor (Partner), PricewaterhouseCoopers Ltd.



## Gen. Bundit Boonyapan

Independent Director / Member of Audit Committee / Member of Corporate Governance and Sustainable Development Committee / Member of Nomination Committee / Member of Remuneration Committee

Age : 65 Years

Appointment Date : 28 December 2020

Year in Position : 3 Years

Shareholding Proportion : 0.0007%



### Educational Background

- Master of Public Administration, Burapa University
- Bachelor of Engineering, Chulachomklao Royal Military Academy



### Training Program

Certification from Thai Institute of Directors (IOD)

- Financial Statements for Directors (FSD) Class 47/2022
- Director Accreditation Program (DAP) Class 184/2021
- Advanced Audit Committee Program (AACP) Class 41/2021



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- - None -



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company (1 Company)

##### 2022 – Present

- Member of Remuneration Committee, Sri Trang Gloves (Thailand) PLC.

##### 2021 – Present

- Member of Corporate Governance and Sustainable Development Committee / Member of Nomination Committee, Sri Trang Gloves (Thailand) PLC.

##### 2020 – Present

- Independent Director / Member of Audit Committee, Sri Trang Gloves (Thailand) PLC.

#### • Position in Non-Listed Company (Currently, 1 Company)

##### 2019 – Present

- Advisor of Tourism Commission, Senate

##### 2018 – 2019

- Deputy Chief of Defence Forces, Royal Thai Armed Forces

##### 2017 – 2018

- Director, Royal Development Projects and Security Coordination Centre



## Mr. Thanatip Upatising

Independent Director

Age : 63 Years

Appointment Date : 7 April 2022

Year in Position : 1 Year 8 months

Shareholding Proportion : 0.0017% (held by his spouse)



### Educational Background

- Master of Art (History, Philosophy and Politics), Macquarie University, Australia
- Bachelor of Arts (International Relations), Chulalongkorn University
- Thailand Corporate Leadership Development Program under Globalization Fiscal Policy Research Institute, in collaboration with The Kellogg School of Management, The Schulich School of Business and The Maxwell School of Citizenship and Public Affairs of Management



### Training Program

Certification from Thai Institute of Directors (IOD)

- Director Certification Program (DCP) Class 301/2021

The National Defence Course Class 2008

The Civil Service Executive Development Program Class 38,  
Office of the Civil Service Commission (OCSC)



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- - None -



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company (3 Companies)

##### 2022 – Present

- Independent Director, Sri Trang Gloves (Thailand) PLC.

##### 2022 – Present

- Member of Corporate Governance Committee, Sri Trang Agro-Industry PLC.

##### 2021 – Present

- Independent Director, Sri Trang Agro-Industry PLC.

##### 2021 – Present

- Chairman / Independent Director, Sky Tower PLC.

#### • Position in Non-Listed Company (Currently, 1 Company)

##### 2018 – 2020

- Ambassador of the Russian Federation in Moscow, Russia, Ministry of Foreign Affairs of the Kingdom of Thailand

##### 2015 – 2018

- Ambassador, Manila, Philippines, Ministry of Foreign Affairs of the Kingdom of Thailand

## The Executives



### Mr. Phanlert Wangsuphadilok

Chief Automation Officer

Age : 52 Years

Appointment Date : 1 January 2023

Year in Position : 1 Year

Shareholding Proportion : - None -



#### Educational Background

- Executive Micro MBA, Thammasat University
- Master of Engineering, Energy Management, King Mongkut's University of Technology Thonburi
- Bachelor of Engineering, Industrial Engineering, Kasem Bundit University



#### Training Program

- - None -



#### Work Experiences (5-Year Past Experience)

- **Position in Listed Company**  
**2023 – Present**
  - Chief Automation Officer, Sri Trang Gloves (Thailand) PLC.
- **2010 – 2019**
  - Engineering Manager, Sri Trang Agro-Industry PLC.
- **Position in Non-Listed Company**  
**2017 – 2019**
  - Director, Sri Trang Gloves (Thailand) Co., Ltd
- **2015 – Present**
  - Director, Premier System Engineering Co., Ltd.
- **2009 – Present**
  - Technical Factory Manager, Premier System Engineering Co., Ltd.



#### Position in other companies which potentially having conflict of interest with the Company

- - None -



#### Illegal Record in the last 10 years

- - None -



#### Family Relationship with Executives

- - None -



### Mr. Asom Aksornnam

Production Manager Hat Yai Branch

Age : 56 Years

Appointment Date : 24 July 2019

Year in Position : 4 Years 5 months

Shareholding Proportion : 0.02%



#### Educational Background

- Executive Micro MBA, Thammasat University
- Bachelor of Science, General Science (Chemistry-Biology), Prince of Songkhla University



#### Training Program

- - None -



#### Work Experiences (5-Year Past Experience)

- **Position in Listed Company**  
**2019 – Present**
  - Production Manager Hat Yai Branch, Sri Trang Gloves (Thailand) PLC.
- **2019 – 2022**
  - Acting Engineering Manager, Sri Trang Gloves (Thailand) PLC.
- **2008 – 2019**
  - Production Manager, Sri Trang Agro-Industry PLC.
- **Position in Non-Listed Company**  
**2018 – 2019**
  - Production Manager Surat Thani Branch, Sri Trang Gloves (Thailand) Co., Ltd.
- **2017 – 2019**
  - Director, Songkhla Provincial Industry Council
- **2017 – 2019**
  - Director, Sri Trang Gloves (Thailand) Co., Ltd.
- **2016 – 2019**
  - Production Manager Hat Yai Branch, Sri Trang Gloves (Thailand) Co., Ltd.



#### Position in other companies which potentially having conflict of interest with the Company

- - None -



#### Illegal Record in the last 10 years

- - None -



#### Family Relationship with Executives

- - None -



## Mr. Chalermchai Norsakul

Production Manager Surat Thani Branch

Age : 48 Years

Appointment Date : 24 July 2019

Year in Position : 4 Years 5 months

Shareholding Proportion : 0.003%



### Educational Background

- Micro Master of Business Administration, National Institute of Development Administration
- Master of Engineering, Industrial Management, Prince of Songkhla University
- Executive Micro MBA, Thammasat University
- Bachelor of Engineering, Industrial Engineering, Prince of Songkhla University



### Training Program

- - None -



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company

##### 2019 – Present

- Production Manager Surat Thani Branch, Sri Trang Gloves (Thailand) PLC.

##### 2013 – 2019

- Production Manager, Supervise Block Rubber Plant in the Northeast Region, Sri Trang Agro-Industry PLC.

#### • Position in Non-Listed Company

##### 2002 – 2005

- Factory Manager, Sadao P.S. Rubber Co., Ltd.



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- - None -



## Ms. Oralak Thinnakornsutibut

Finance and Account Manager, Accountant

Age : 49 Years

Appointment Date : 24 July 2019

Year in Position : 4 Years 5 months

Shareholding Proportion : 0.001%



### Educational Background

- Master of Managerial Accounting, Chulalongkorn University
- Bachelor of Accounting, Rajamangala Institute of Technology Thanyaburi



### Accounting Training Hours

- 12 Hours



### Training Program

Dharmniti Seminar and Training and Training Co., Ltd.

- Focus on Significant Issues of Financial Statement Audit
- Management Accounting for Planning and Decision
- Making Creative Accounting by DBMT Co., Ltd.
- Business Management for Accountant by Accounting Coach (Thailand) Co., Ltd.
- Deferred Tax and Employee Benefit by CPD Tutor Co., Ltd.
- Cash Flow Statement Preparation (Step-by-Step) by Accounting Coach (Thailand) Co., Ltd.
- Consolidated Financial Statement Preparation by CPD Tutor Co., Ltd. EY Office Co., Ltd.
- Revenue from Contracts with Customers (TFRS15) and Lease Contract (TFRS16)
- Thai Financial Reporting Standards 9 Financial Instruments Federation of Accounting Professions under the Royal Patronage of His Majesty the King
- Business Challenges of Mergers and Acquisitions
- Summary of the Change and Significant Issues of IFRS (revision 2018) IFRS in 2022



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company

##### 2019 – Present

- Finance and Account Manager / Accountant, Sri Trang Gloves (Thailand) PLC.

#### • Position in Non-Listed Company

##### 2017 – 2019

- Director / Account Manager, Sri Trang Gloves (Thailand) Co., Ltd.

##### 2014 – 2017

- Group Account Manager, Sri Trang Gloves (Thailand) Co., Ltd.



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- - None -



## Mr. Somrat Thapnual

Human Resource Manager

Age : 49 Years

Appointment Date : 24 July 2019

Year in Position : 4 Years 5 months

Shareholding Proportion : 0.0003%



### Educational Background

- Bachelor of Liberal Arts, Ramkhamhaeng University



### Training Program

- - None -



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company

**2019 – Present**

- Human Resource Manager, Sri Trang Gloves (Thailand) PLC.

#### • Position in Non-Listed Company

**2013 – 2019**

- Human Resource Manager, Sri Trang Gloves (Thailand) Co., Ltd.



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- - None -



## Ms. Amornrat Awato

Purchasing Manager

Age : 47 Years

Appointment Date : 24 July 2019

Year in Position : 4 Years 5 months

Shareholding Proportion : 0.003%



### Educational Background

- Bachelor of Economics, Thammasat University



### Training Program

- - None -



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company

**2019 – Present**

- Purchasing Manager, Sri Trang Gloves (Thailand) PLC.

**2001 – 2002**

- Brand Manager, Big C Supercenter PLC.

#### • Position in Non-Listed Company

**2003 – 2019**

- Purchasing Manager, Sri Trang Gloves (Thailand) Co., Ltd.



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- - None -





## Ms. Worasa Maijaidee

Logistics Manager

Age : 47 Years

Appointment Date : 14 August 2020

Year in Position : 3 Years 4 months

Shareholding Proportion : 0.007%



### Educational Background

- Bachelor of Industrial Engineering, Prince of Songkhla University



### Training Program

- Executive Micro MBA, Thammasat University



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- - None -



### Work Experiences (5-Year Past Experience)

#### • Position in Listed Company

##### Present

- Logistics Division Manager and Customer Relations Manager, Sri Trang Gloves (Thailand) PLC.

##### 2020 – 2023

- Logistics Manager / Customer Relations Manager / Secretary to the Executive Director, Sri Trang Gloves (Thailand) PLC.

#### • Position in Non-Listed Company

##### 2014 – 2019

- Secretary to the Executive Director in Production Department, Sri Trang Gloves (Thailand) Co., Ltd.

## Ms. Patcharee Kosanam

Company Secretary

Age : 37 Years

Appointment Date : 22 September 2023

Year in Position : 4 months

Shareholding Proportion : - None -



### Educational Background

- Bachelor of Arts (Second-Class Honor), Silpakorn University



### Position in other companies which potentially having conflict of interest with the Company

- - None -



### Illegal Record in the last 10 years

- - None -



### Family Relationship with Executives

- - None -



### Work Experiences (5-Year Past Experience)

#### 2023 – Present

- Company Secretary, Sri Trang Gloves (Thailand) PLC.

#### 2015 – 2023

- Director Office Manager, Company Secretary Manager and Investor Relations, Buriram Sugar PCL.



### Training Program

Certification from Thai Institute of Directors (IOD)

- Company Secretary Program (CSP), Class 50/2013
- Board Reporting Program (BRP), Class 10/2013
- Effective Minute Taking (EMT), Class 25/2013
- Company Reporting Program (CRP), Class 5/2013
- Corruption Risk & Control: Technical Update CRC 2/2019
- Refreshment Training Program (RFP) Class 4/2021

Certification from Thai Listed Companies Association (Thai LCA)

- Advances for Corporate Secretaries, Class 2/2016

## Details of the Directors and Executives Held the Positions in Company, Subsidiaries, Associated Companies, and Related Companies as of 31 December 2023

Companies	Professor Dr. Weerakorn Ongsakul	Mr. Kittichai Sinchaoenkul	Dr. Vaywood Sinchaoenkul	Mr. Anan Proksanueak	Mr. Veerasith Sinchaoenkul	Mr. Vitaneth Sinchaoenkul	Ms. Jaiyaa Jirojkul	Ms. Thirawan Sa-nglamsak	Mr. Chia Chee Ping	Mrs. Unakorn Pruithitlada	Gen. Bundit Boonyepan	Mr. Thanatip Upatasing	Mr. Phaniet Wangapha- dikul	Mr. Asom Aksornm	Mr. Chalerchai Norsakul	Ms. Ojalak Thinnakom- sulbut	Mr. Somrat Thapnual	Ms. Anonrat Awato	Ms. Worasa Majalde
The Company	X	/, //	/, //	/, //	/, //	/, //	/, //, ///	/, ///	/, ///	/	/	/	/, ///	/, ///	/, ///	/, ///	/, ///	/, ///	/, ///
Subsidiaries			/																
• Shidong Shanghai Medical Equipment Co., Ltd.			/																
• Sri Trang USA, Inc.					X		/	/											
• Sadao P.S. Rubber Co., Ltd.					/		/	/											
• Premier System Engineering Co., Ltd.					/		/	/					/, ///						
• Sri Trang Gloves Global Pte. Ltd.			/		/		/	/											
• Sri Trang Gloves (Singapore) Pte. Ltd.			/		/		/	/											
• Sri Trang Gloves Vietnam Co., Ltd.								/	/										
• PT Sri Trang Gloves Indo							/	/	/										
• Sri Trang Responsible Gloves Supply, Inc.					/	/	/	/	X, /										
• Sri Trang Gloves Philippines Inc.	/				/		/	/	/										
Related Companies																			
- Sri Trang Ago-Industry Plc.	/, //		X, //		/, //							/							
- Rubberland Products Co., Ltd.					/														
- Nam Hua Rubber Co., Ltd.																			
- Anwar Parawood Co., Ltd.																			
- Startex Rubber Co., Ltd.																			
- Starlight Express Transport Co., Ltd.					/														
- Sri Trang Rubber and Plantation Co., Ltd.					/														
- Sri Trang IBC Co., Ltd.	/		/		/														
- PT Sri Trang Lingga Indonesia					/														
- PT Star Rubber Indonesia																			
- Sri Trang International Pte. Ltd.	/		/, //																
- Shi Dong Investments Pte. Ltd.	/		X, /																
- Shi Dong Shanghai Rubber Co., Ltd.			/																
- Sri Trang Indochina (Vietnam) Co., Ltd.																			
- Sri Trang Ayeyar Rubber Industry Co., Ltd.	/				X, /														
- Sri Trang Africa SA					X, /														
- Thai Tech Rubber Corporation Ltd.			/		/														
- Semperflex Asia Co., Ltd.	/		/		/														

**Remarks :** X = Chairman, / = Director, // = Executive Director and /// = Executive

- On 28 November 2023, the Shareholder meeting of Sri Trang Responsible Gloves Supply, Inc. (STRG) resolved to approve the dissolution of the Company. It is expected to be completed by 2024.

## Head of Internal Audit

### Miss Narungsri Chiranakorn

Head of Internal Audit

Age 48 Years

Appointment Date : 24 July 2019

Year in Position : 4 Years 5 months

Shareholding Proportion : - None -

#### Educational Background

- Bachelor of Accounting, Bangkok University
- Certified Professional Internal Audit of Thailand (CPIAT)

#### Training Program

- Top Risks for Internal Audit 2023 in 2023
- Business Continuity Management System, ISO 22301:2019 in 2021
- Corporate Governance in 2019
- Fraud Risk Prevention & Control in 2018
- SAP ERP System Audit in 2017
- ACL Data Integrity & Verification Workshop and ACL Scripting Fundamental in 2014
- Internal audit planning (Preliminary survey to prepare Audit Program) in 2014
- Audit Manager Tools and Techniques in 2012
- Certified Professional Internal Audit of Thailand (CPIAT) class 9/2008
- Risk Management in 2007
- Control Self-Assessment in 2005

#### Work Experiences

##### • Position in Listed Company

###### 2019 – Present

- Head of Internal Audit, Sri Trang Gloves (Thailand) PLC.

###### 2012 – 2019

- Internal Audit Manager, Sri Trang Agro-Industry PLC.

###### 2011 – 2012

- Division Head Internal Audit, Sri Trang Agro-Industry PLC.

###### 2002 – 2010

- Section Head Internal Audit, Sri Trang Agro-Industry PLC.

##### • Position in Non-Listed Company

###### 2000 – 2001

- Assistant Manager of Account Department,  
Nam Hua Rubber Co., Ltd.

###### 1997 – 2000

- Audit Assistant, KPMG Audit (Thailand) Co., Ltd.

#### Position in other companies which potentially having conflict of interest with the Company

- - None -

#### Illegal Record in the last 10 years

- - None -

#### Family Relationship with Executives

- - None -

# Attachment 4

## Assets used in Business Operation and Details of Assets Valuation

### Assets used in Business Operation

#### 1. Fixed Assets

As of 31 December 2022, and 31 December 2023, the Company has fixed assets to operate its business consisting of land and land improvements, buildings and construction, machinery and equipment, vehicle, furniture and office equipment, assets under construction and installation. The net book value of which after deduction accumulated depreciation and impairment losses shown in the consolidated financial statements is in the amount of THB 26,130.8 million and THB 24,971.6 million as follows.

No.	List of Fixed Assets	Net Book Value (THB Million)		Type of Ownership	Obligations
		As of 31 Dec 2022	As of 31 Dec 2023		
1	Land and Land improvements	2,371.3	2,590.2	Ownership	None
2	Buildings and Construction	2,910.2	4,023.0	Ownership	None
3	Machine and Equipment	6,649.7	7,541.5	Ownership	None
4	Vehicle	297.8	248.4	Ownership and Hire Purchase Agreement	None
5	Furniture and Office Equipment	68.0	105.6	Ownership and Hire Purchase Agreement	None
6	Assets under Construction and Installation	13,833.8	10,426.9	Ownership	None
	<b>Total</b>	<b>26,130.8</b>	<b>24,971.6</b>		

#### 2. Goodwill

As of 31 December 2022, and 31 December 2023, the net book value of goodwill in the consolidated financial statements is as follows.

Company	Details	Net Book Value (THB Million)	
		As of 31 Dec 2022	As of 31 Dec 2023
The Company	Goodwill	220.9	220.9
	<b>Total</b>	<b>220.9</b>	<b>220.9</b>

### 3. Intangible Assets

#### 3.1 Computer Software

As of 31 December 2022, and 31 December 2023, the net book value of computer software in the consolidated financial statements is as follows.

Company	Details	Net Book Value (THB Million)	
		As of 31 Dec 2022	As of 31 Dec 2023
The Company	Computer Software	195.1	175.6
	<b>Total</b>	<b>195.1</b>	<b>175.6</b>

#### 3.2 Right of Use

As of 31 December 2022, and 31 December 2023, the net book value of right of use in the consolidated financial statements is as follows.

Company	Details	Net Book Value (THB Million)	
		As of 31 Dec 2022	As of 31 Dec 2023
The Company	Right of use under lease agreement	72.7	47.0
	<b>Total</b>	<b>72.7</b>	<b>47.0</b>

### 4. Trademark

As of 31 December 2023, the Company and its subsidiaries have owned key trademarks of rubber gloves products for medical purpose as follows:

Trademark	Territories Covered
	Argentina, Bangladesh, People's Republic of China, Egypt, European Union, India, Indonesia, Israel, Japan, Kenya, South Korea, Laos, Morocco, Pakistan, Peru, Philippines, Qatar, Singapore, Tunisia, Turkey, United States, Uganda, United Kingdom, and Thailand
	Argentina, Bangladesh, Brazil, People's Republic of China, Egypt, European Union, India, Indonesia, Israel, Japan, Kenya, South Korea, Laos, Malaysia, Morocco, Pakistan, Peru, Philippines, Qatar, Singapore, South Africa, Tunisia, Turkey, United States, United Kingdom, and Thailand
	Brazil, Chile, People's Republic of China, Ecuador, Hong Kong, Israel, Japan, South Korea, Morocco, Peru, and South Africa

In general, the validity period of a trademark registration of the Company and its subsidiaries is 10 years, and such registration can be renewed indefinitely at the end of each ten-year period.

In addition, the Company has submitted the application for the registration of the above important trademarks in abroad which is pending approval from relevant authorities in each country.



## Policy for the investment in subsidiaries and associate companies

The Company has a policy to invest in companies in accordance with its goals, visions and strategy on growth in order to enhance operating results or profitability. The Company intends to invest in synergy for the enhanced competitiveness of the Company, and to enable the achievement of the goal of becoming a leader in the core business of the Company. The Company, its subsidiaries and/or associate companies may consider an investment in additional businesses that have potential growth and scalability or will be beneficial for the business of the Group with a good return on investment. The Company will carry out feasibility of the investment including potential and risk factors associated with the investment. The Company will follow an appropriate procedure for the investment, which shall be consented to and/or approved by the meeting of the Executive Committee, the Board of Directors or the general meeting of shareholders (as the case may be). The approval for the investment in subsidiaries and/or associate companies shall be in accordance with the relevant notifications of the Capital Market Supervisory Board and Board of Governors of the Stock Exchange of Thailand.

In the present, the Company does not have any associate companies. If the Company invests in another company in the future which causes other company to become associate company, the Company will establish the policy using the same guidelines as the above policy.

More details about the Policy for the investment in subsidiaries and associate companies can be found on the Company's website <https://www.sritranggloves.com/en/corporate-info/corporate-governance/corporate-policy>



## Corporate Governance Policy and Guidelines, Code of Conduct, and Committee Charters



The Company has prepared Corporate Governance Policy and Guidelines and Code of Conduct which covers the following key aspects:

- (1) Nomination and Remuneration of Directors and Executives, Independence of the Board of Directors, Development of Directors, and Assessment of Directors' Performance, as well as Supervision and Governance of Subsidiaries.
- (2) Caring for Shareholders, Equitable Treatment of Shareholders, Support the Exercise of Rights of Shareholders Prevention of Use of Inside Information, Prevention of Conflict of Interests, Responsibilities to Stakeholders, Anti-Corruption and Mechanism for receiving and acting on complaints.
- (3) Code of Conduct
- (4) Other related information

In this regard, the full version of Corporate Governance Policy and Guidelines and Code of Conduct could be found on the Company's website under the heading **"Corporate Info"** in Section **"Corporate Governance"** and then selecting the topic **"Corporate Policy"** <https://www.sritranggloves.com/en/corporate-info/corporate-governance/corporate-policy>

In addition, the Company has prepared the Board and Sub-Committee Charters, namely Audit Committee, Risk Management Committee, Nomination Committee, Remuneration Committee, Corporate Governance and Sustainable Development Committee, and Executive Committee. The full version of Committee Charters could be found on the Company's website under the heading **"Corporate Info"** in Section **"Corporate Governance"** and then selecting the topic **"Committee Charter"** <https://www.sritranggloves.com/en/corporate-info/corporate-governance/committee-charter>

# Attachment 6

## Defined Terms and Abbreviations

### Our Group Companies and Other Entities

ANV	:	Anvar Parawood Company Limited
IBC	:	Sri Trang IBC Company Limited
NHR	:	Nam Hua Rubber Company Limited
PS	:	Sadao P.S. Rubber Company Limited
PSE	:	Premier System Engineering Company Limited
PTS	:	PT Star Rubber Indonesia
RBL	:	Rubberland Products Company Limited
SAC	:	Semperflex Asia Corporation Limited
SDME	:	Shi Dong Shanghai Medical Equipment Company Limited
SDS	:	Shi Dong Shanghai Rubber Company Limited
SLI	:	PT Sri Trang Lingga Indonesia
SRP	:	Sri Trang Rubber & Plantation Company Limited
STA	:	Sri Trang Agro-Industry Public Company Limited
STAY	:	Sri Trang Ayeyar Rubber Industry
STC	:	Startex Rubber Corporation Limited
STGG	:	Sri Trang Gloves Global Pte. Ltd.
STGI	:	PT Sri Trang Gloves Indo
STGP	:	Sri Trang Gloves Philippines Inc.
STGS	:	Sri Trang Gloves (Singapore) Pte. Ltd.
STGT or The Company	:	Sri Trang Gloves (Thailand) Company Limited and/or Sri Trang Gloves (Thailand) Public Company Limited (as the case may be)
STGV	:	Sri Trang Gloves Vietnam Co., Ltd.
STH	:	Sri Trang Holding Company Limited
STI	:	Sri Trang International Pte. Ltd.
STL	:	Starlight Express Transport Company Limited
STRG	:	Sri Trang Responsible Gloves Supply, Inc.
STU	:	Sri Trang USA, Inc.
STV	:	Sri Trang Indochina (Vietnam) Co., Ltd.
TK	:	Thaikong Company Limited and/or Thaikong Public Company Limited (as the case may be)
TKG	:	Thaikong Group Company Limited
TRC	:	Thai Tech Rubber Corporation Limited
Group Company	:	Sri Trang Gloves (Thailand) Public Company Limited and its Subsidiaries and/or The Company and its Subsidiaries (as the case may be)
Sri Trang Group / STA Group	:	Sri Trang Agro-Industry Public Company Limited and its subsidiaries and/or STA and subsidiaries of STA

## General

BOI	:	Thailand Board of Investment
CESS		Centre for Experimental Social Sciences
FSC	:	Forest Stewardship Council
GMP		Good Manufacturing Practice
IPO	:	Initial Public Offering
MARGMA	:	Malaysian Rubber Glove Manufacturers Association
NBR		Nitrile Butadiene Rubber Glove
NCDs	:	Non-communicable Diseases
NRPD	:	Natural Rubber Powdered Glove
NRPF	:	Natural Rubber Powder Free Glove
OBM	:	STGT's Own Brands and its subsidiaries' and STA Group's brands
OEM	:	Original Equipment Manufacturer
SGX	:	Singapore Exchange
WHO	:	World Health Organization
Chumphon Branch Factory	:	The Company's rubber glove factory located in Pathew District, Chumphon Province
Trang Branch Factory	:	The Company's rubber glove factory located in Kantang District, Trang Province
Sadao P.S. Branch Factory	:	The Company's rubber glove factory located in Sadao District, Songkhla Province
Suratthani Branch Factory	:	The Company's rubber glove factory located in Kanchanadit District, Suratthani Province
Hat Yai Branch Factory	:	The Company's rubber glove factory located in Hat Yai District, Songkhla Province
Anvar Branch Factory	:	The Company's rubber glove factory located in Sadao District, Songkhla Province
SET	:	The Stock Exchange of Thailand
SEC	:	the Securities and Exchange Commission



## “Clean World Clean Gloves”

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



Contact Us Please Scan



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