



**SRITRANG
GLOVES**

「 Touch Of Life™ 」



2021 Annual Registration Statement / Annual Report [Form 56-1 One Report]

Sri Trang Gloves (Thailand) Public Company Limited



**Our priority is to deliver the 「Touch of Life™」
and sustainable world.**

We are committed to conducting business with transparency and fairness to produce quality and environmentally friendly products that deserve to be called the and we care about all stakeholders in the supply chain, from upstream to downstream. Not just for the people but for every life in this beautiful world.

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ABOUT SRI TRANG GLOVES

Sri Trang Gloves (Thailand) Public Company Limited (“STGT”) is one of the world’s largest producers of examination gloves. STGT has a total installed production capacity of 40.3 billion pieces per annum from production facilities located in strategic raw material locations in Thailand. STGT offers a wide range of high quality examination gloves for medical and non-medical purposes including Natural Rubber Powdered (NRPD), Natural Rubber Powdered-Free (NRPF) and Nitrile Butadiene Rubber (NBR) gloves that are distributed to more than 170 countries worldwide. With a strong foundation, we believe that STGT will grow continuously and sustainably.



Natural Rubber
Powdered Glove



Natural Rubber
Powder Free Glove



Nitrile Butadiene
Rubber Glove

AWARDS AND RECOGNITIONS

Environment

- **Carbon Footprint for Organization Certificate**
from Thailand Greenhouse Gas Management Organization (Public Organization)
- **Green Industry Level 4 Award**
from Ministry of Industry, Trang Factory is certified Green Industry Level 4 (Green Culture) in managing the environment systematic and it becomes the culture of organization.

Social

- **Excellence in Supporting Career to Disable Person Award from Ministry of Social Development and Human Security**, it shows the determination of the Company to support disable person to have stable occupations and can access to the fundamental rights of disable person.



Governance

- Result of the Corporate Governance Assessment in the **4-Star Group or “Very Good Level”** by Thai Institute of Directors (IOD)
- **CSR-DIW Continuous AWARD 2021 (Hat Yai and Surat Thani Factory) and CSR-DIW AWARD 2021 (Trang Factory)** from Department of industrial Works, Ministry of Industry, this showcases the Company's commitment to social responsibility and the coexistence development between industry and community for sustainability.
- **Best of the Best, FDA Quality Awards (Hat Yai, Songkhla and Trang Factory)** from Food and Drug Administration, Ministry of Public Health, this shows the Company's commitment to quality, business ethics, and social responsibility.
- **Member of the Thailand Sustainability Investment Indices (THSI) or Sustainable Stock** assessed by SET.
- **Sustainability Disclosure Award from Thaipat Institute**
- Money & Banking Awards 2021, the best company in consumer goods, from Money and Banking Magazine





In life, every touch has meaning.

From the first day of our born into this world, a pair of gloves takes us to our mother's embrace.

As we move through stages of life, gloves protect us in every step of life.

Across industries, from medical to food and manufacturing of many products, gloves have become an essential part of our life.



MESSAGE FROM THE BOARD OF DIRECTORS



PROF.DR. WEERAKORN ONGSAKUL

CHAIRMAN

SRI TRANG GLOVES (THAILAND) PLC.



MS. JARINYA JIROJKUL

CHIEF EXECUTIVE OFFICER

SRI TRANG GLOVES (THAILAND) PLC.

With the mission “to deliver ‘Touch of Life’ on a global scale,” STGT delivered 27,276 million pieces of gloves to over 170 countries in 2021. And to serve the growing global demand, we completed the first phase of our expansion at the facilities in Songkla and Surat Thani. This led our annual production capacity to increase from 33 billion pieces at the end of 2020 to 40.3 billion pieces at the end of 2021, reinforcing our status among the leading producers in the global glove industry as a major player with a strong focus on latex gloves, which are our pride as a company within Sri Trang Group, the world’s largest natural rubber producer.

In 2021, STGT achieved a record profit of THB 23,704.2 million, a historical record. During the year, we were confronted with many challenges, from the allocation of products to respond to customer demand to the fire incident at the expansion part of our Surat

Thani facilities. At the same time, we had to implement stringent measures to prevent a COVID outbreak at all of our production facilities in order to ensure maximum production output and had to grapple with the container shortage and vessel congestion throughout the year. But all of us at STGT showed great resolve and fortitude and we were able to overcome all the challenges. For us, our experiences with difficulties are lessons in risk management that we learn from and that will prepare us in dealing with any challenges in the future.

In this changing world, ESG has become an integral part of a business operation. At STGT, we are not only focused on glove production and distribution. We aim to be a part of the Thai society and the global society in driving a steady, sustainable, long-term growth. To that end, we have established the following targets:

- **Environment:** We aim to reduce our green house gas emissions by no less than 10% annually and reduce our energy consumption by no less than 5% annually. In 2022, we plan to install over 6,000 square meters of solar roof that will generate 1 megawatt, bolstering our commitment to clean energy. We will also implement water reclamation, which is a process that recycles water that will be reused in the production process, thereby reducing our consumption of water, one of the most used resources in glove production.
- **Social:** At STGT, we take care of the living conditions of employees at all levels and all nationalities, from the work environment to the employee housing to ensure good living conditions during as well as outside work hours. We also take responsibility for visa and work permit fees for our foreign employees. Because of this, we have received the highest “A” rating in the Business Social Compliance Initiative (BSCI) audit for our Hat Yai and Trang facilities. Additionally, during the COVID outbreak at our facilities, we promptly secured vaccines for all employees and STGT was the first in the industry to have vaccinated all employees. We have continued to secure more vaccines for employees in order to boost morale as well as lessen the burden on the country’s healthcare system and gain the trust of the neighboring communities as well as our consumers. Throughout 2021, our “Sri Trang Group Sharing Love to Communities” project donated over 4.2 million pieces of gloves to various organizations during the COVID outbreak in Thailand.
- **Governance:** We promote diversity in gender, age and ethnicity, of our directors, management and employees and strictly adhere to the corporate good governance principles of listed companies on the Stock Exchange of Thailand and the Singapore Exchange. We intend to receive certification from the Thai Private Sector Collective Action Against Corruption (CAC) within 2022. Because of our efforts, we have already received recognitions from various organizations and have been included as sustainable stock on the ESG 100 by the Thaipat Institute as well.

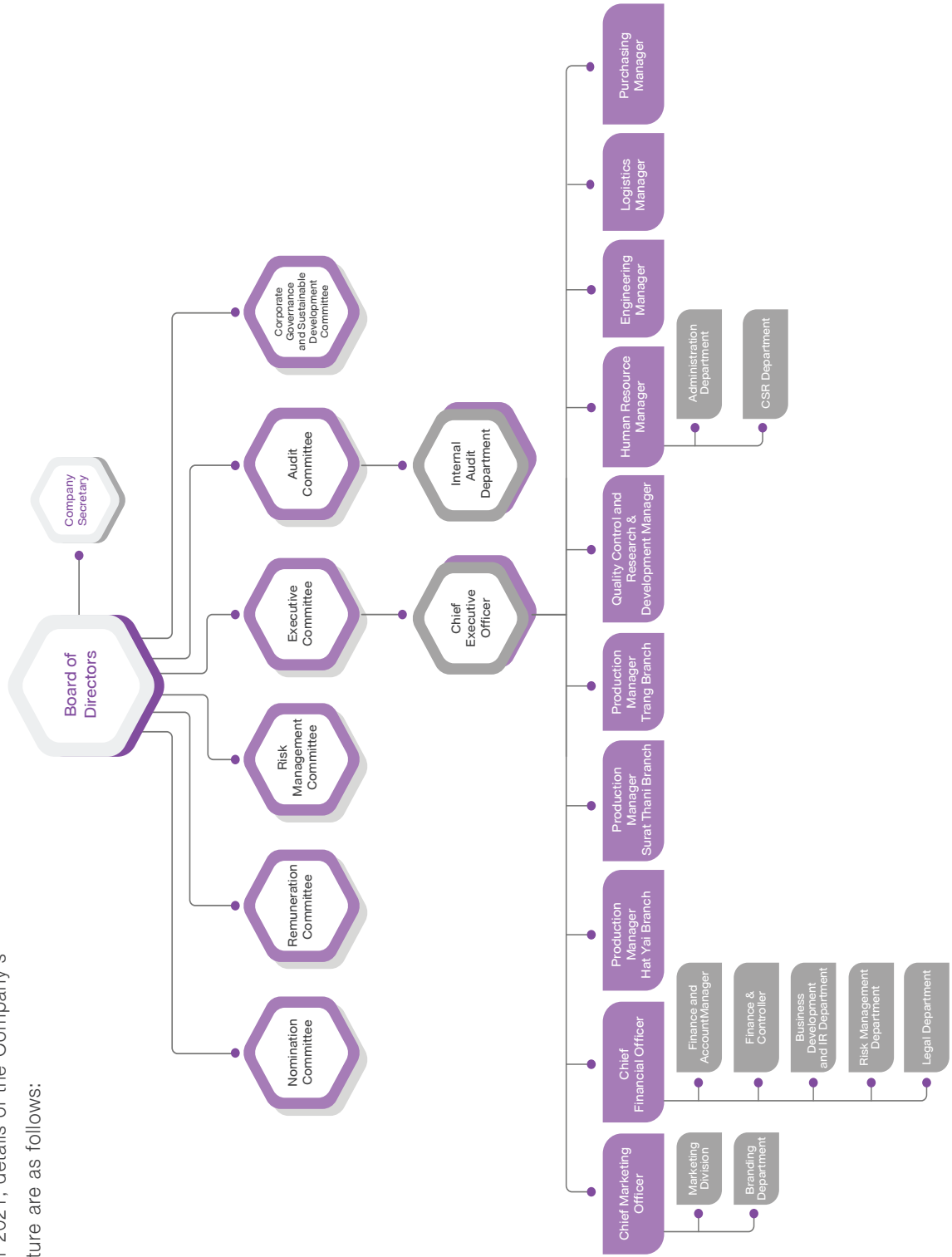
In the post-COVID world, we will remain committed to being a leading producer in the global glove industry with cutting-edge technology and a strong focus on research and innovation on natural rubber gloves. Our expansion plan to reach 80 billion pieces in annual production

capacity within 2024 and 100 billion pieces in annual production capacity within 2026 will be equipped with maximum speed and enhanced production efficiency. In 2018, we used 2.18 persons to produce 1 million pieces of gloves, but with our relentless technological research and development, we are moving toward the efficiency rate of 1.65 person per 1 million pieces of gloves in 2024, with the eventual target of 1.00 person per 1 million pieces of gloves in 2026. As for marketing, we aim to increase our market share in the developed markets through our superior quality and outstanding ESG practices. At the same time, we will broaden our customer base in the high-growth emerging markets. We aim to distribute to over 190 countries around the world and increase the percentage of products sold under our own Sri Trang brands from 28% in 2021 to 50% in the next 5 years. Additionally, in 2021, we also expanded our distribution channels by setting up subsidiaries in Singapore, Indonesia and Vietnam, using the model successfully executed in our domestic market. We intend to expand our distribution base to more countries, starting first with the Philippines in 2022, in addition to our existing offices in the US and China. Aside from that, we will continue with our research and development on natural rubber gloves, both on the molecules and protein elimination, the latter to prevent allergic reaction in users, an important development that would make natural rubber gloves more attractive to the developed markets where nitrile gloves are widely used. And in keeping with our focus on natural rubber gloves and to further broaden our customer base, we will install production lines for surgical gloves, with an initial annual production capacity of 40 million pieces, which we expect to start distributing in late 2022.

We are committed to the sustainable growth of STGT in the global glove industry. We are proud to have had a crucial role in driving the growth of Thailand’s natural rubber industry, which is an important sector of the Thai economy. We are continuously striving to produce hand protection products of the highest quality under the strictest standards with regard for the preservation of natural resources. Lastly, on behalf of the Board of Directors, management and employees of STGT, we would like to thank our shareholders and stakeholders who have been with us throughout our journey in 2021. We can assure that all of us will continue to work tirelessly to keep STGT on the path toward sustainable growth.

ORGANIZATION CHART

As of 31 December 2021, 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, and
Member of Risk Management Committee



02

Mr. Kitichai Sincharoenkul

Vice Chairman,
Member of Executive Committee,
Chairman of Nomination Committee,
and Member of Remuneration Committee



03

Dr. Viyavood Sincharoenkul

Director and Chairman of Executive
Committee



04

Ms. Jarinya Jirojkul

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



05

Mr. Veerasith Sinchareonkul

Director, Member of Executive Committee
and Chairman of Risk Management
Committee



06

Mr. Vitanath Sincharoenkul

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



07

Mr. Anan Pruksanusak

Director and Member of Executive Committee



08

Ms. Thanawan Sa-ngiamsak

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



09

Mr. Chia Chee Ping

Director



10

Mrs. Unakorn Phruithithada

Independent Director and Member of Audit Committee



11

Gen. Bundit Boonyapan

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



12

Clinical Prof. Dr. Sarana Boonbaichaiyapruk

Independent Director and Member of Remuneration Committee

EXECUTIVES



Ms. Jarinya Jirojkul

Chief Executive Officer, Acting Production Manager Trang Branch, and
Acting Quality Control and Research & Development Manager



Ms. Thanawan Sa-ngiamsak

Chief Financial Officer



Mr. Vitanath Sincharoenkul

Chief Branding Officer



Mr. Chia Chee Ping

Chief Marketing Officer



Mr. Asom Aksornnam

Production Manager Hat Yai Branch
and Acting Engineering Manager



Mr. Chalermchai Norsakul

Production Manager Surat Thani Branch



Mrs. Oralak Nakin

Finance and Account Manager,
Accountant



Mr. Somrat Thapnual

Human Resource Manager



Ms. Amornrat Awato

Purchasing Manager



Ms. Worasa Maijaidee

Logistics Manager

FINANCIAL HIGHLIGHTS



GLOVES REVENUE STRUCTURE

41.5 %

Nitrile Butadiene Rubber Glove (NBR)

33.9 %

Natural Rubber Powdered Glove (NRPD)

24.6 %

Natural Rubber Powder Free Glove (NRPF)

Gloves revenue THB **47,437.6 million**



Sales Volume
(million pieces)

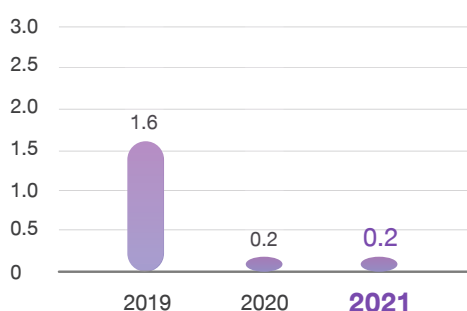
STATEMENT OF COMPREHENSIVE INCOME

(UNIT : THB million)	FY 2019	FY 2020	FY 2021
Revenue from sale of goods and services	11,994.1	30,552.4	47,550.8
EBITDA	1,707.7	17,200.1	27,251.1
Profit (loss) before tax	717.9	15,964.4	25,876.6
Profit (loss) for the year	613.9	14,415.7	23,704.2

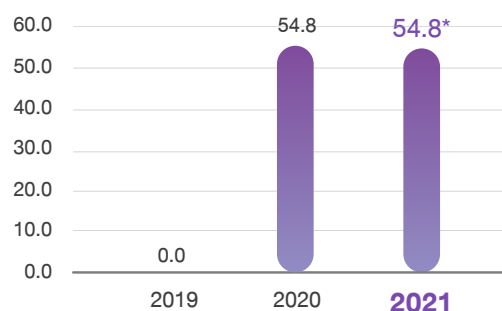
STATEMENT OF FINANCIAL POSITION

(UNIT : THB million)	FY 2019	FY 2020	FY 2021
Total assets	13,216.1	44,235.9	51,302.8
Total liabilities	8,814.1	11,975.5	13,089.7
Total equities	4,402.0	32,260.4	38,213.1

Interest Bearing Debt to Equity Ratio (times)



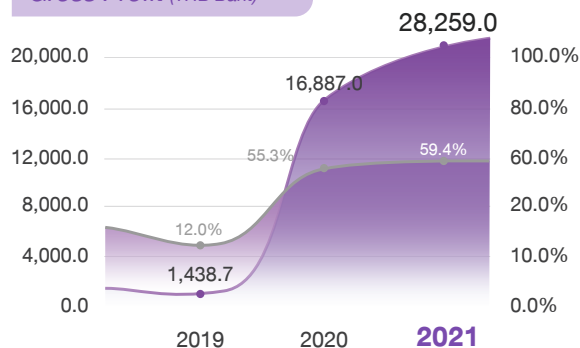
Dividend Payout Ratio (%)



Note : * Including the dividend payment proposed to the shareholders' meeting, that will be held on 7 April 2022, to approve at THB 0.65 per share.

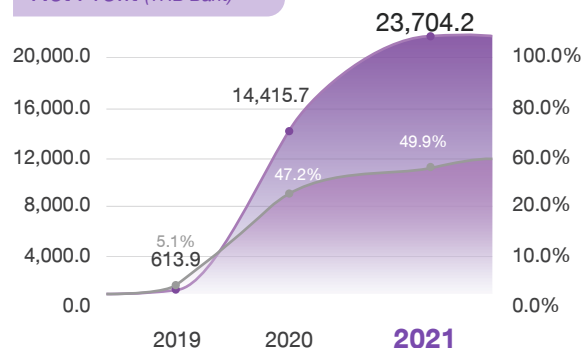


Gross Profit (THB Baht)



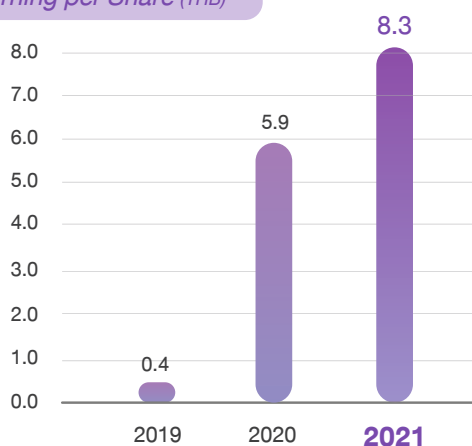
— Gross Profit (Million Baht) — Gross Profit Margin (%)

Net Profit (THB Baht)

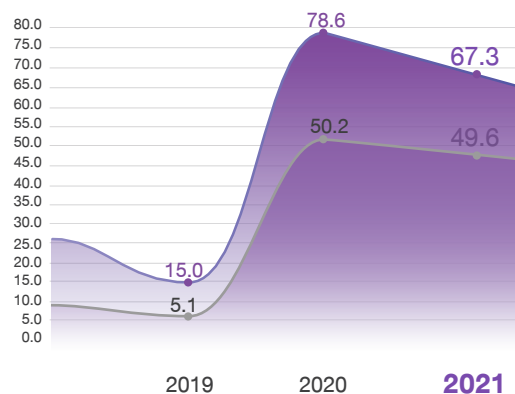


— Gross Profit (Million Baht) — Gross Profit Margin (%)

Earning per Share (THB)



Returns (%)



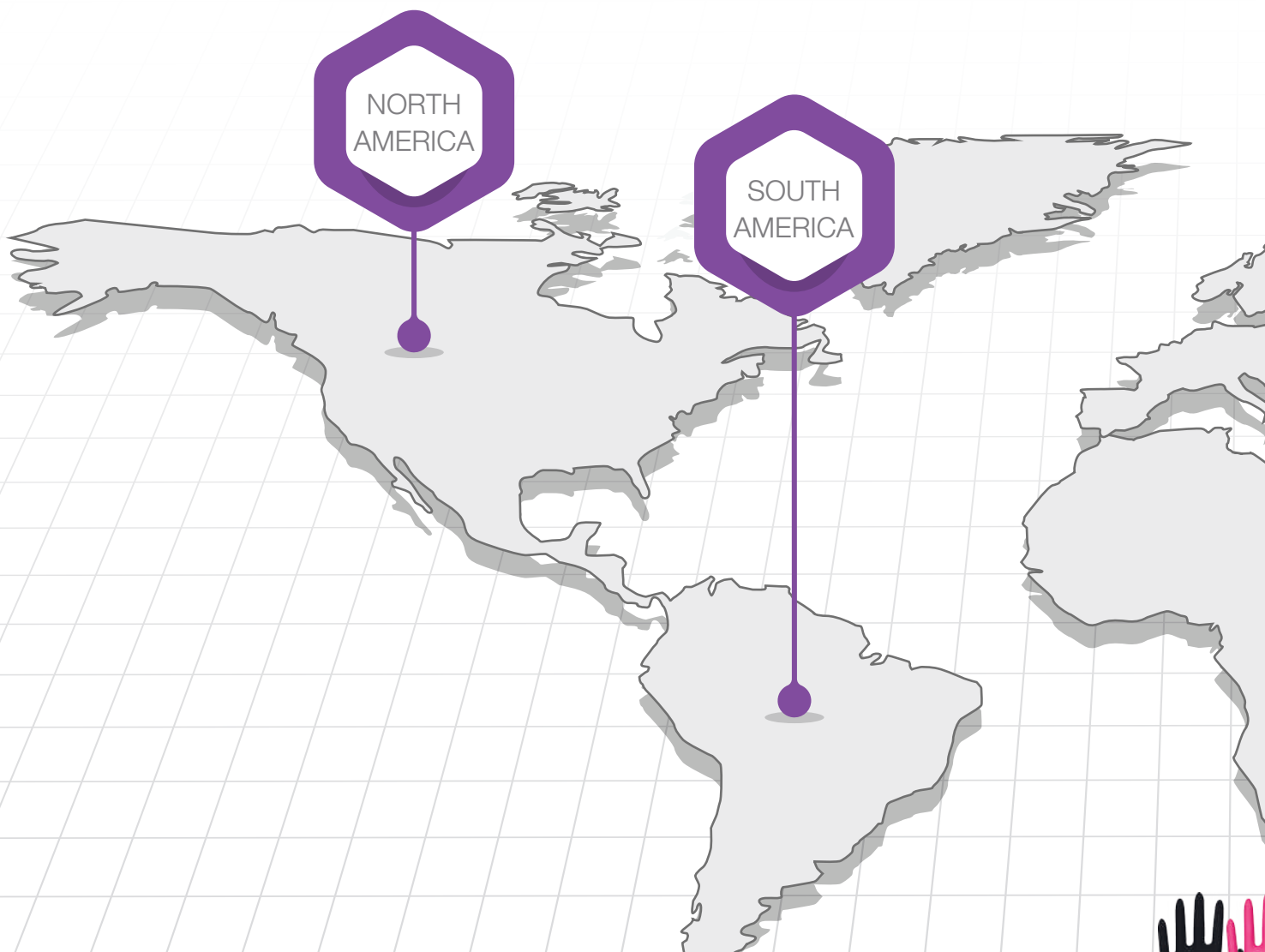
— Return on Equity (%)
— Return on Asset (%)

FINANCIAL RATIOS

	FY 2019	FY 2020	FY 2021
Gross profit margin (%)	12.0	55.3	59.4
EBITDA margin (%)	14.2	56.3	57.3
Net profit margin (%)	5.1	47.2	49.9
Net debt to equity ratio (times)	2.0	0.4	0.3
Interest bearing debt to equity ratio (times)	1.6	0.2	0.2
Return on Equity (%)	15.0	78.6	67.3
Return on Asset (%)	5.1	50.2	49.6
Dividend Payout Ratio (%)	0.0	54.8	54.8

Note: The financial ratios are calculated referred to the guideline of Form 56-1 preparation

Policy and Business Overview



Engaging business across the world



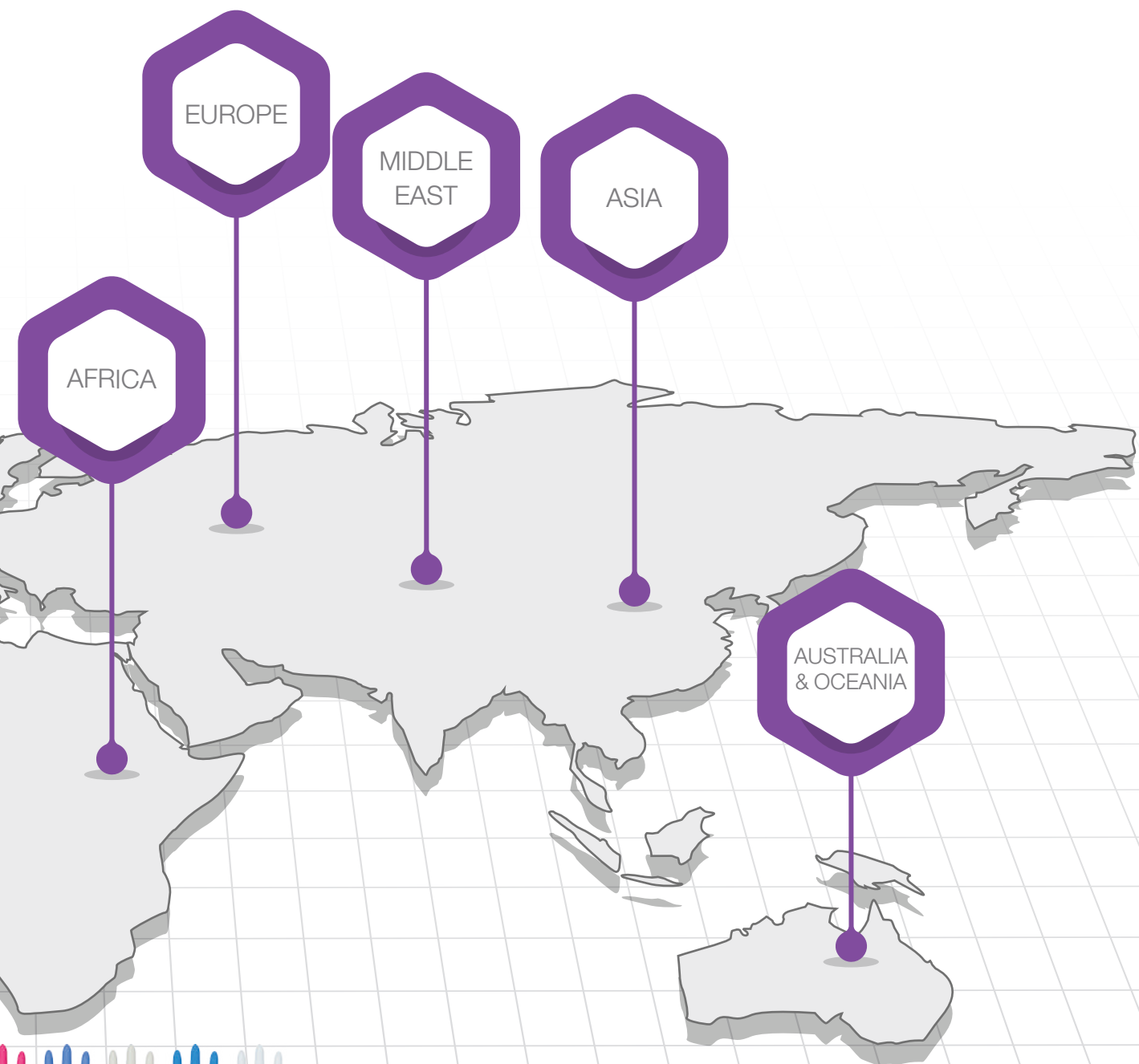
Since 1989

4 Factory locations

7%* market share

Sales volume 27,276 million pieces in 2021

Note: *The market share is calculated by the Company's sales volume to the estimated global demand for rubber gloves which referred to MARGMA Industry Brief for glove demand in 2021 at 420 billion pieces.



Thailand's Largest and 3rd largest
glove producer in the world

Export to more than 170 countries

Installed Capacity 40,300 million pieces per year

VISION, MISSION & CORE VALUE

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.



MISSION 2021



We believe such a benevolent move is a pivotal part of Corporate Social Responsibility of a large and successful corporation like Sri Trang Group.

A Changing World II

COVID-19 has changed the world. It has caused de-globalization, immobility, shutting down and locking down of the world economy and the movement of people of the world. The pandemic hits industries and economy hard and people are suffering and losing jobs in an unprecedented level. Worst still, the young and new graduates will have the least chance to get the jobs. The hardest hit will be more pronounced among those who are 20 to 24 years old. Most companies are in no rush to add in new staffs and there is a growing anxiety over job prospects among graduating students.

There comes a time when we heed a certain call, there are people suffering and there are hardship everywhere. We cannot keep on guessing day by day, someone, somewhere, somehow will soon make a change. Instead of waiting for a miracle, we should lend a helping hand and make the difference.

Though Technology is always our best friend and we are steadfast to engaging ourselves to better technology for business, we do need to unlock the potential of our new generation. As a successful organization, we could do more for the schools and the students to be part of our business enhancement.

Government has rolled out New Job Incentive Schemes for new and young graduates. We will support and participate with full force. We hope with new generation, we can push through reform and convert from agricultural base to full industrialization and incorporate AI, robotic, sensor and digitalization to advance manufacturing.

We believe such a benevolent move is a pivotal part of Corporate Social Responsibility of a large and successful corporation like Sri Trang Group of Companies.



CORE VALUE

Specialty and Teamwork
In Giving
“Touch Of Life”

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.

S | Specialist **T** | Teamwork **G** | Giving **T** | Touch of life

Business Strategy & Future Growth Plan

The Company has business strategies to achieve organization goals in each period which can be summarized as follows:

a) Continuously expand production capacity to support the growth of the rubber glove industry in the world market

The Company focuses on expanding its production capacity in order to support and meet the market demand the continuing growth of the global rubber glove market. The Company has continuously increased production capacity from the installed capacity of 15,130 million pieces per year in 2015 to a total installed capacity of 27,153 million, 32,619 million and 40,317 million pieces per year in 2019, 2020 and 2021, respectively, representing an average annual growth of 7 percent during 2015 – 2021. In addition, the Company determines the short-term goal to expand the production capacity of its rubber gloves to more than 70 billion pieces per year by 2023, the medium-term goal to expand the production capacity to more than 80 billion pieces per year by 2024, and the long-term goal to expand the production capacity to more than 100 billion pieces per year by 2026 through investment in expanding production capacity in the Company's current production plant area, other new areas, including through mergers or acquisitions in order to create stable and strong business growth. The Company's strategy to expand production focuses mainly on expanding the production capacity of natural rubber gloves while appropriately maintaining the proportionate production capacity of nitrile rubber gloves. since the Company has several factors in its favor that puts it at an advantage 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 the lower cost of concentrated latex compared to its competitors including the reduction of cost and greenhouse gas emission from transportation of raw material; (2) competitive advantage in the business of manufacturing and distributing natural rubber gloves, particularly since major rubber glove manufacturers in the region have focused mainly on expanding their production capacity and developing nitrile gloves while the Company has continuously focused on expanding production capacity and developing natural rubber gloves along with maintaining an appropriate production capacity ratio of nitrile rubber gloves; and (3) the advantage of energy cost which is main cost of rubber gloves production, the Company uses firewood from the rubber trees and

other wood as the main source of energy which is a biomass energy and it is different from using fossil energy which is a limited energy source and the cost per unit of production and greenhouse gas emission are higher than using of biomass energy. The biomass energy will help the company to reduce greenhouse gas emission from the Company's business operations. In addition, the focusing on production of natural rubber gloves of the Company has reduced greenhouse gas emission in comparison on the production of nitrile rubber gloves since the natural rubber has lower carbon footprint than synthetic rubber, and (4) the advantage of having a major shareholder who is a leading operator in the upstream and midstream business related to natural rubber products which allows the Company to participate in research and development of concentrated latex formulas to attain quality and diverse latex suitable for new products, as well as having access to information about market movements and concentrated latex price trends for the purpose of risk management and business opportunity, etc.

Besides focusing on expanding production capacity of natural rubber gloves, the Company has a strategy to design a production line that offers flexibility in the transition between the production of powder-free latex gloves and nitrile gloves to meet the global customers' diverse needs of rubber gloves.

b) 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. the Company aims to expand distribution channels of its products to emerging markets around the world especially in countries with high growth such as countries in East and South Asia, Africa and South America, 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 2020 at 4 pieces per person per year and 4 pieces per person per year, respectively, while in the United States and European countries, the consumption rate of rubber gloves per capita was 255 and 173 pieces per person per year, respectively, etc. (2) These countries have

begun to 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 in 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 expanding production capacity and developing natural rubber gloves, while maintaining an appropriate proportion of production capacity of nitrile rubber gloves.

The Company focuses on development of high-quality gloves under the commitment to maximize the efficiency of machines and production processes. Apart from increasing the efficiency of using resource and power, reducing the waste, increasing the turnover of resources and waste that can be recycled, and reducing the number of labors in production process, this also creates the advantage of production cost. which made the rubber gloves as basic Personal Protective Equipment (PPE), easily to access with attractive price as well as encouraging the consumers to use rubber gloves in their daily lives.

c) 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 16% 20% 28% in 2019, 2020 and 2021 to a minimum of 50% within the next 5 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 consequence of Covid-19 pandemic has driven the 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 substantially and 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 industries and countries.

d) Using state-of-the-art technology in the Company's production process.

The Company attaches great importance to the use of cutting-edge technology in the production process to enhance efficiency whereby it has initiated and focused on developing 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 risks and accidents, 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, namely the Company's rubber gloves factory located in Kantang District, Trang Province ("Trang Branch Factory"), capable of producing natural rubber gloves with the speed that the Company believes to be the highest speed in today's rubber glove industry. This will help increase productivity and reduce costs and make the Company's natural rubber glove manufacturing process more efficient.



HISTORY

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 2021, the Company has a total four 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, and Sadao Factory, Sadao District, Songkhla Province, with a total of 167 integrated production lines and installed capacity of 40,300 million pieces of rubber gloves per year.





KEY MILESTONES

Significant Changes and Development.

1989

- 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.



1993

- 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.

1996

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

2007

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.

2008

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

2009

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

2011

Surat Thani Branch Factory commenced commercial production operation.



2012

- Surat Thani Branch Factory was Certified ISO 9001 and ISO13485:2003 by TÜV PRODUCT SERVICE GmbH
- The Surat Thani Branch Factory completed 12 production lines.

1997

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

1999

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

2002

Acquired 100.0 percent of investment shares in Shanghai Sempermed Glove Sales Co., Ltd., a company incorporated in the People's Republic of China to operate the business of manufacturing and distributing vinyl gloves in the People's Republic of China.

2003

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

2005

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

2013

- 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.

2014

TK was incorporated with registered capital of THB 625 million.

2015

- 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

2016

- 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.



2017

- 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 TUD SUD Group



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.

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.

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 0.5 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 Branch Factory, starting with 5 production lines.



Key Milestones and Activities 2021



STGT listing on the Singapore Exchange

The Company listed its shares on the Main Board of the Singapore Exchange on 10 May 2021, using the stock symbol 'STG' for trading without issuing and offering new shares to support the expansion of the shareholder base to be more diversified, increase fundraising channels in the future and be known to investors in the region.

STGT steps up to the SET 50 index, reinforcing continued growth as well as being selected into the list of sustainable stocks by the Stock Exchange of Thailand

Since the Company has continuous growth in terms of operating results, as well as garnering growing interest among both domestic and foreign investors, in July 2021, the Company became one of the 50 listed companies in the SET 50 Index as announced by the Stock Exchange of Thailand, as well as being selected to enter the list "Sustainable Stocks" or Thailand Sustainability Investment (THIS), which reinforces its status as a listed company with sustainable business operations which places value on environmental considerations, social responsibility and is managed according to good corporate governance principles, thus achieving ESG criteria.



Continuous expansion of its customer base while strengthening the ASEAN region

In 2021, the Company continued to expand its customer base both domestically and internationally, by establishing 4 additional subsidiaries in the ASEAN region whether it is the establishment of 2 new subsidiaries in Singapore, namely **SRI TRANG GLOVES (SINGAPORE) PTE. LTD.** to distribute rubber gloves and manage research and development of new products, so as to increase competitiveness in both production and development of new product innovations of the Group to the global level, and **SRI TRANG GLOVES GLOBAL PTE. LTD.** to manage financial assets and financial investments of the Group. In addition, a company was established in Indonesia, **PT Sri Trang Gloves Indo**, to distribute rubber gloves as well as handle marketing to increase its share in Indonesian market, including the establishment of a company in Vietnam, **SRI TRANG GLOVES VIETNAM COMPANY LIMITED** which will take care of the distribution of rubber gloves products in Vietnam in order to support the expansion plans into the international market and in order to better respond to the rapidly changing consumer demands and create a competitive advantage.

Accelerate continuous expansion of rubber gloves production, set to start operating new factory machines

Due to the continuous global demand for rubber gloves because operators in various industrial sectors and the general population have changed their behavior to focus more on hygiene to prevent COVID-19 infection, the Company continued its planned expansion of investment in factories to increase production capacity to support the demand for rubber gloves both domestically and internationally that remains strong. In 2021, the Company has started operation of 3 new factories, namely Surat Thani 2 Plant, Surat Thani 3 Plant and PS Sadao Plant. These factories are equipped with modern machinery and technology for production at high speed, rendering a wide variety of products both natural rubber gloves and nitrile rubber gloves.





Expansion of new product lines, launching 'Spectrum', colorful powder-free natural latex gloves showcasing their strength of increased firmness, green properties and ability to meet the needs of a variety of industries

The Company launched a new natural powder-free rubber glove product: Model "Spectrum" that is more than a pair of normal rubber gloves. The Spectrum product line is available in a variety of colors such as blue, pink, purple, black, etc. It meets the growing demand from the medical and other industries that require safe handling and hygiene as well as being interchangeable with nitrile rubber gloves. Highlighted was the fact that the product is made from a special latex formula with increased firm-fitting properties providing a firm grip, sensitive to touch as well as being easier and more comfortable to wear. The focus is on the design, development and production process, with emphasis on the environment and sustainability. The main raw material used in the production is natural latex, thereby making these gloves an environmentally friendly product which can decompose naturally and is more helpful than other types of natural rubber gloves in reducing greenhouse gas emissions. Production is under the brand 'Sri Trang Gloves' for sale abroad and under the brand 'I'M Glove' for sale in Thailand including OEM production under the customer's brand.

Building herd immunity by completing triple vaccinations for employees, adhering to the policy of taking care of employees and society, keeping focus on operating a sustainable business

The Company proceeded to provide alternative vaccines against COVID-19 for more than 9,000 employees, completing triple inoculations to build herd immunity and giving confidence to business partners. The Company further built on the policy on employee care and corporate social responsibility according to ESG principles for sustainable business operations so as to build confidence for trading partners as well as consumers who choose the Company's rubber glove products.



Sri Trang Group Shared Love for Community Project Year 2

STA and STGT initiated the project Sri Trang Group "Shared Love with the Community" for the first time in 2020 by Veerasith Sinchareonkul, Executive Director of STA, and Jarinya Jirojkul, CEO of STGT, foreseeing the importance of health and hygiene for Thai people who have to face the threat of COVID-19 and, therefore, delivered medical rubber gloves to various relevant agencies under Shared Love for Community Project Year 2, the goal is to increase the donation of medical rubber gloves to 4.2 million pieces to various provinces this year, starting from provinces where branches and production bases of Sri Trang Group are located and Bangkok before expanding to other provinces to cover the country as much as possible. Delivery of the medical rubber gloves are channeled through the provincial governor, Ministry of Public Health and various agencies such as hospitals, field hospitals, health stations, foundations, COVID-19 vaccination stations, aid centers, temples, correctional institutions, etc. Since 2020, Sri Trang Group has delivered 7.9 million pieces of medical latex gloves, to take part in stopping the new wave of COVID-19 outbreak, ensuring better hygiene, providing support for Thai people to overcome this COVID-19 crisis and contributing to the turnaround of the Thai economy back to a stronger position.

STANDARD SYSTEM ACCREDITATION

Accreditation of ISO 22301:2019 “Business Continuity Management”

The Company realizes the importance of effective crisis management so that the organization can continue to operate efficiently and sustainably. The ISO 22301:2019 standard system is a management system for businesses to be able to operate continuously in times of crisis which may cause normal operations to be disrupted and the Company will be able to resume operations quickly and minimize the impact/damage from a crisis. The Company has applied for ISO 22301:2019 Business Continuity Management (BCM) certification, which was audited in November and approved in December 2021, becoming the first company in the rubber glove manufacturing industry to receive ISO 22301:2019 Business Continuity Management (BCM) certification.



ISO 14001:2015 Environmental Management Standard System and ISO 45001:2018 Occupational Health and Safety Management Standard System

Sri Trang Gloves (Thailand) Public Company Limited, Hat Yai Branch has passed an audit for certification of environmental management standards and occupational health and safety management standards on 18 – 23 October 2021 from TÜV SÜD PSB Pte Ltd. Details of the certification are as follows.



*** Picture of the environmental management standard system audit and occupational health and safety management Dated 18 – 23 October 2021 ***

1. ISO 14001:2015 is an environmental management standard system for which the Hat Yai Branch factory was certified on 17 December 2021, the third branch of the Company's corporate group. The Company has carried out activities and management in accordance with the requirements of the ISO 14001:2015 standard system through the Environmental System Working Group comprising representatives of all parties to achieve effective environmental management in the factory in accordance with the specified environmental goals and policies.
2. ISO 45001:2018 is an occupational health and safety management standard system for which the Hat Yai Branch factory was certified on 17 December 2021, the first factory of the corporate group. The Company has appointed the Occupational Health and Safety Working Group to be the representative of the management and the Occupational Safety, Health and Safety Committee comprising representatives of employers and employees to carry out activities according to the occupational health and safety plan as well as inspecting the performance of the employees before operations to encourage employees in the organization to be aware of safety protocols, create a good working environment. This also applies to persons under the supervision of the workplace to ensure safety in terms of both life and property.

Utilization of Increased Capital

The Company received the proceeds of increased capital after deduction of expenses from the Initial Public Offering (IPO) in the amount of THB 14,595.38 million, and the offering of newly issued ordinary shares of the Company to directors, executives and/or employees of the Company and its subsidiaries in the 1st year after the IPO under STGT ESOP in the amount of THB 212.60 million. The Company would like to report the utilization of such increased capital ended of 31 December 2021 as follows:

(Unit: THB million)

Use of Proceed	Estimated Utilization	Proceed under STGT ESOP	Actual Utilization During Period of 29 Jun 2020 – 31 Dec 2021	Balance
For latex gloves production capacity expansion and production lines improvement and investment in future projects of the Company and its subsidiaries.	11,100.00	-	4,408.88	6,691.12
For installation of the SAP system to transform operating system and database of the Company and its subsidiaries into a complete Enterprise Resource Planning (ERP) system which will be used in planning business resources for each department and throughout the organization.	150.00	-	150.00	0.00
For repayment of the Company and/or its subsidiaries loan from financial institutions with total facilities of THB 4,363.36 million.	2,278.61	-	2,278.61	0.00
For financing working capital for business operations, and for repayment of loan from financial institutions or debenture as deemed appropriate and beneficial for the Company and its subsidiaries	1,066.78	212.60	1,279.38	0.00
Total	14,595.38	212.60	8,116.87	6,691.12

Commitment

-None-

General Information

Name of company	Sri Trang Gloves (Thailand) Public Company Limited
Securities initial	STGT
Type of business	Manufacturing and distribution of natural rubber gloves and nitrile rubber gloves.
Company's registration number	0107562000106
Registered capital	THB 1,434,780,000
Paid-up capital	THB 1,431,630,705
Total number of ordinary shares outstanding	2,863,261,410 Shares
Par value	0.50 THB
Company's website	www.sritranggloves.com
Office location Head quarter	No. 110 Kanjanavanit Road, Pahtong, Hat Yai, Songkhla 90230, Thailand Tel: 074 471 471 Fax: 074 291 650
Hat Yai Branch	No. 10 Soi 10, Phetkasem Road, Hatyai, Songkhla 90110, Thailand Tel: 074 344 663 Fax: 074 344 667
Bangkok Branch	17 th Floor, Park Venture Ecoplex Unit 1701, 1707-1712 No. 57 Wireless Road, Lumpini, Pathumwan, Bangkok, 10330, Thailand Tel: 02 207 4500 Fax: 02 108 2241-44

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 2021, the Company has a total installed capacity of approximately 40,300 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.



Trang Branch Factory

Kantang District,
Trang Province

Installed Capacity

9,953 million pieces per year

Raw Materials

Concentrated Latex

Products

Powdered natural rubber gloves



Hat Yai Branch Factory

Hat Yai District, Songkhla Province

Installed Capacity

17,238 million pieces per year

Raw Materials

Concentrated Latex,
Synthetic Latex

Products

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



Surat Thani Branch Factory

Kanchanadit District,
Surat Thani Province

Installed Capacity

11,311 million pieces per year

Raw Materials

Concentrated Latex,
Synthetic Latex

Products

Powder-free natural
rubber gloves,
Nitrile rubber gloves



Sadao Branch Factory

Sadao District,
Songkhla Province

Installed Capacity

1,814 million pieces per year

Raw Materials

Concentrated Latex,
Synthetic Latex

Products

Powder-free natural
rubber gloves

Revenue Structure

The revenue from the Company's business consists of (1) revenue from the business of manufacturing and distribution of rubber gloves (2) revenue from services and (3) Other income. The Company's revenue structure can be shown as follows.

Revenue	Consolidated Financial Statements for the Year Ended 31 December					
	2019		2020 (Restated)		2021	
	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	4,270.3	34.9	10,875.9	35.1	16,066.6	33.0
• Revenue from manufacturing and distribution of NRPF gloves	3,204.8	26.2	7,306.9	23.6	11,655.0	24.0
• Revenue from manufacturing and distribution of NBR gloves	4,519.1	37.0	12,222.4	39.4	19,716.0	40.6
<i>Total revenue from the production and distribution of rubber gloves</i>	11,994.2	98.1	30,405.1	98.1	47,437.6	97.6
2. Revenue from services ⁽¹⁾	-	-	147.3	0.5	113.2	0.2
<i>Total sales revenue</i>	11,994.2	98.1	30,552.4	98.6	47,550.8	97.8
3. Other income ⁽²⁾	229.9	1.9	447.9	1.4	1,067.2	2.2
Total revenue	12,224.1	100.0	31,000.3	100.0	48,617.9	100.0

Note: ⁽¹⁾Revenue from services provided by PSE with outside the group.

⁽²⁾Other income mainly consists of 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 2019, 2020 and 2021

(Unit: million pieces)	Consolidated Financial Statements for the Year Ended 31 Dec 2019	Consolidated Financial Statements for the Year Ended 31 Dec 2020	Consolidated Financial Statements for the Year Ended 31 Dec 2021
<i>Sales Volume of NRPD, NRPF, and NBR Gloves</i>	19,891.9	27,964.8	27,275.5

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:

Manufacturing and distribution of natural rubber gloves

Natural Rubber Glove (NR) is a type of rubber glove which is produced by concentrated 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.

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 gloves 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 two main categories: rubber gloves for use in general medical examination (Examination Glove) 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 for medical use.

For the year 2021, the Company produces NR gloves and NBR in the form of OEM accounted for 72.1 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 27.9 percent of total revenue from the production and distribution of rubber gloves. The Company has produced and distributed NR gloves and NBR gloves under the trademarks (both registered and under registration) of the Company and its subsidiaries and companies in the STA group such as Sri Trang Gloves, SRI TRANG GLOVES, Satory, I'M GLOVE, Fin, Super Care, S-Gloves, WELLGUARD, Super Gard, Sriex, SRITECH, Shi-Rui-Kang and Ventyv etc. (Please consider details regarding the trademark of the Company and its subsidiaries in appendix 4 - Assets Used in Business Operation). The Company has the ability to produce NR and NBR gloves with a wide range of properties, ranging from size, weight, thickness, length, contact surface and other special properties such as low protein glove in order to meet the needs of various customers all over the world.

Example of NR glove products under the trademarks of the Company, its subsidiaries, and companies in the STA group

Brands	Products
<p>SRI TRANG GLOVES</p> 	
<p>SATORY</p> 	
<p>I'M GLOVE</p> 	
<p>FINNX</p> 	
<p>Super Care</p> 	
<p>WELLGUARD</p> 	
<p>Ventyv</p> 	
<p>Super Gard</p> 	
<p>Sriex</p> 	

Example of NBR glove products under the trademarks of the Company, its subsidiaries, and companies in the STA group

Brands	Products
<p>SRI TRANG GLOVES</p> 	
<p>Super Care</p> 	
<p>Super Gard</p> 	
<p>I'M GLOVE</p> 	
<p>SRITECH</p> 	
<p>Sriex</p> 	
<p>Ventyv</p> 	
<p>Shi-Rui-Kang</p> 	

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 Reduction from Normal Corporate Income Tax
Hat Yai factory	62-0658-0-00-0-2	2 July 2017	None
	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	None
	63-0848-1-00-1-0	3 October 2026	None
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 Factory	63-0847-1-03-1-0	17 September 2029	None

Innovation and Dissemination of Innovation

Our research and development activities are focused on the development of new products, improving the efficiency of our production processes, and reducing our energy consumption to create the innovation of product and process. Innovation for this purpose means the creation of things using new methods and may also mean the change of ideas or improvement to work procedures for added value of the business. The objective of an innovation is to cause a positive change for better and for the maximized benefit of the society. The Company adopts the following guidelines on 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 the chance of developing a 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.
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 growth.

The Company has the main objectives and goals of R&D as follows:

Innovation Development Project in Year 2021	
- To increase competitive efficiency (increase production efficiency and reduce costs)	28 projects
- To promote sustainability and environmental friendliness	1 project
- To create business opportunities and support new businesses	5 projects
Total projects	34 projects

Our research and development expenses for the year 2021 is in the amount of THB 18.23 million as follows:

Automation Project

The Company has promoted and invested in automation and smart to improve the efficiency of our production processes, reduce our reliance on manual labor, minimize factory and warehouse storage area, reduce the production costs and enhance competitive ability, including the development of automation to replace and use in various heavy-duty jobs and promote the safety of the production process such as automatic warehousing system, auto mixing system, auto packing system, a centralized Supervisory Control And Data Acquisition (SCADA) system etc.

Development of New Products Project

The Company has developed and innovated the new products to meet the needs of consumers. Rubber Gloves are used in a wide variety of industries. Apart from the medical industry, they can also be used in other industries such as the food, electronics, and beauty industries. Given the wide range of application, we seek to develop rubber gloves to meet the needs of consumers across various industries, namely reduction of raw material but the quality still remains, such as the innovation of 2.5 grams nitrile gloves for medical purpose with light weight and thinness but durability and comfort still remain, the innovation of appearance d by using different colors for variety, including the allergen-free proteins of natural rubber gloves since some natural rubber glove users have an allergic reaction to proteins in natural rubber and the innovation of surgical gloves by developing the existing machine to be able to produce such products with low production cost in order to respond to market needs. In addition, the Company seeks to continually improve the quality of our gloves in accordance with international quality standards and the particular quality standards of specific countries.

Environment Friendly Project

The Company has designed the natural rubber gloves that are clean and friendly to the consumers and environment. The manufacturing processes focus on cleanliness in all aspect i.e. reduce energy consumption, reduce energy use, reduce greenhouse gas emissions, reduce wastes, reduce chemicals usage and consumer safety according to the concept of Clean World Clean Gloves (CWCG). The Company finds the way to reduce the waste from production process and decrease the unnecessary chemical usage to reduce the environment impact and waste in factory.

For the development of intellectual property, the Company has encouraged the registration of patent with the Department of Intellectual Property and trademark for our medical rubber gloves in Thailand and abroad.

2. Marketing and Competition

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 Thailand, the United States, European countries, Japan, Germany and the People's Republic of China.

Revenue from production and distribution of natural and nitrile rubber gloves in each continent for the year ended 31 December 2019, 2020, and 2021 which can be classified according to the source of income as follows:

Revenue from production and distribution overseas distribution	FY 2019		FY 2020		FY 2021	
	THB million	Percent	THB million	Percent	THB million	Percent
Asia Pacific	4,655.5	38.8	11,096.9	36.5	13,388.8	28.2
North America	2,411.3	20.1	7,561.5	24.9	17,563.5	37.0
Europe	2,579.3	21.5	6,457.9	21.2	7,339.8	15.5
South America	1,443.5	12.0	3,041.3	10.0	5,317.0	11.2
Middle East	426.5	3.6	1,119.9	3.7	1,469.9	3.1
Africa	395.5	3.3	860.4	2.8	2,080.5	4.4
Australia and Oceania	82.6	0.7	267.2	0.9	278.0	0.6
Total	11,994.1	100.0	30,405.1	100.0	47,437.6	100.0

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 companies in the STA group; and OEM as follows:

(a) Rubber gloves under the trademark of the Company and its subsidiaries, and companies in the STA group

The Company distributes natural and nitrile rubber gloves under the trademark (both registered and under registration) of the Company, the Company's subsidiaries and STA group companies such as SRI TRANG GLOVES, Satory, I'M GLOVE, Fin, Super Care, S-Gloves, WELLGUARD, 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 and companies in the STA group. The Company is required to sell some rubber gloves through STA in 2021 due to legal restrictions on obtaining a license to allow the Company and its subsidiaries to distribute rubber gloves in some foreign countries. (Currently, the Company and its subsidiaries have directly distributed the rubber gloves to overseas except Vietnam that the Company still distributes through a subsidiary of STA, however, the Company already established a subsidiary in Vietnam in November 2021 in order to support the market expansion in Vietnam, including outstanding works that have not yet been delivered under the bidding agreement undertaken by STA in Thailand.) 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, its subsidiaries and companies in the STA group directly to customers in Thailand, the People's Republic of China, Vietnam and the United States via Modern Trade, convenience stores and online channels, as well as direct distribution of products to such customers as hospitals and drugstores, medical equipment outlets and clinics, etc.

(b) Rubber gloves under OEM

The Company distributes natural and nitrile rubber gloves that it produces under OEM through dealers in Thailand and overseas consisting of external parties and companies in the STA group (Currently, the Company and its subsidiaries have directly distributed the rubber gloves to overseas except Vietnam that the Company still distributes through a subsidiary of STA, however, the Company already established a subsidiary in Vietnam in November 2021 in order to support the market expansion in Vietnam) 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 to 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 medical equipment expos both local and abroad.

However, most of the Company's income comes from the OEM business, with revenues from the OEM and from the production and distribution of rubber gloves under the trademark of the Company, the Company's subsidiaries and STA companies for the year ended 31 December 2020 representing 80.2 percent and 19.8 percent, respectively, and for the year ended 31 December 2021 representing 72.1 and 27.9 percent of the total revenue from the production and distribution of rubber gloves, 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 for both domestic and foreign customers for the year ended 31 December 2019, 2020 and 2021 can be classified as follows:

Revenue	FY 2019		FY 2020		FY 2021	
	THB million	Percent	THB million	Percent	THB million	Percent
Revenue from production and distribution of rubber gloves under the trademark of the Company's, its subsidiaries and companies in the STA group	1,704.3	14.2	6,011.0	19.8	13,215.9	27.9
Revenue from OEM	10,289.9	85.8	24,394.1	80.2	34,221.6	72.1
Total revenue from production and distribution of rubber gloves	11,994.2	100.0	30,405.1	100.0	47,437.6	100.0

Market 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, 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)** are cheaper than surgical gloves. 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 users 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.

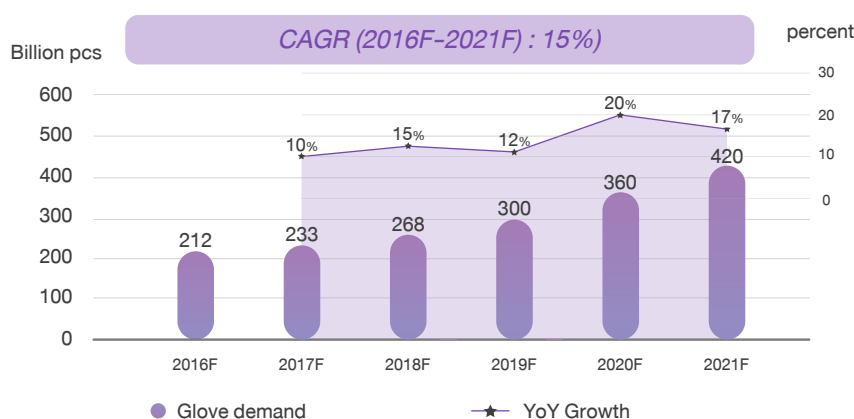
(3) Household Gloves

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

The demand for rubber gloves in all industries, especially the medical industry, continues to grow. The Malaysian Rubber Glove Manufacturers Association ("MARGMA") estimated that global demand for rubber gloves in 2018, 2019, and 2020 was 268 billion pieces, 300 billion pieces, and 360 billion pieces respectively. In 2021, the global demand for rubber gloves is expected to grow 17 percent to 420 billion pieces as shown in the Figure: estimated global demand for rubber gloves for 2016 – 2021, The growth was caused from 2 main factors (1) the growth of healthcare industry and (2) the growth in usage of hygiene-related products across the world, especially among developing countries.

Figure Estimated global demand for rubber gloves for 2016 – 2021



Source: MARGMA Industry Brief 2016, 2018, 2019 and 2021 on the Rubber Glove Industry and 2020 Market Report by HIDA Research & Analytics

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") reported that, in 2019, overall global spending on health has doubled in real terms over the past two decades, reaching USD 8.5 trillion in 2019 and 9.8% of GDP (up from 8.5% in 2020). High income countries accounted for nearly 80% of global spending on health (with the United States of America alone accounting for more than 40%), and their average spending per capita was more than four times the average GDP per capita of low income countries. In addition, WHO estimates that an additional USD 41 per person per year in health spending, on average, is needed in low and middle income countries to make progress towards the health targets by 2030.

(1.1) Growing aging 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 2019, 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 on average annual growth of 3.1 percent and 2.4 percent respectively.

(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 2021: Monitoring for Health SDGs published by the WHO, reported that the group with the highest index is the United States which has an index of 79.0 percent, while the group with the lowest index is a group of African countries which has an index value of 46.0 percent.

(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 2021 WHO report, NCDs killed an estimated 41 million people in the world and accounted for approximately 71.0 percent of the world's total death toll, whereby the major diseases among the NCDs include cardiovascular disease, cancer, respiratory disease and diabetes.

(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 end of year 2019, the world is facing another serious pandemic which is the coronavirus 2019 (COVID-19). At present, there is not be able to control, resulting in a continuous surge in the number of people infected with the virus. As of 8 February 2022, WHO reported that the virus infection has exceeded 396 million cases which is a very high number compared to the number of infections by other pandemics in the past as noted above. Although the vaccines had been initiated and developed for protecting the COVID-19 spread, the number of infections continuously increase. Moreover, the mutation of the virus has been evidenced in many countries.

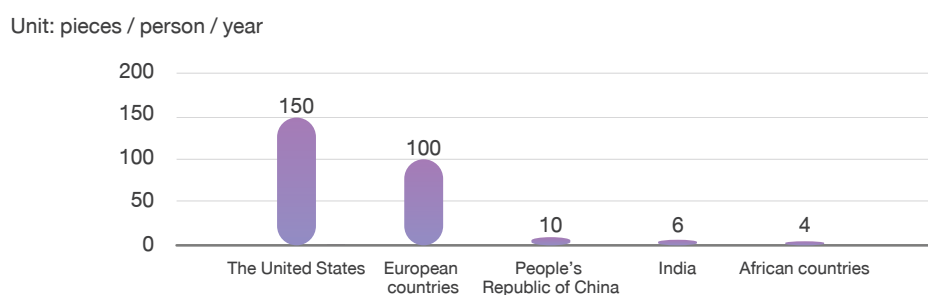
The continual increase in the number of infections is another important factor that contributes to the demand for rubber gloves, because rubber gloves are important devices using for disease screening, diagnosis, lab test, and disease treatment procedures.

(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, developing countries have shown that they are attaching increasing importance to hygiene and public health systems. In 2020, MARGMA forecasted the consumption of rubber gloves per population in developed countries

will be significantly higher than in developing countries. In 2020, the consumption of rubber gloves per population in developed countries, namely the United States and European countries stood at 150 and 100 pieces per person per year, respectively, 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, 6 and 4 pieces per person per year, respectively. In addition, the import data of these countries to their population in 2020 shown that the United States and the European countries have the glove usage per capita of 255 and 173 pieces per person per year or increase by 70% and 73%, respectively to the previous year. For developing countries, India and African countries, the data shows that the glove usage per capita is 4 pieces per person per year. 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. Figure 1.2 : Estimates of consumption of rubber gloves per population in developed countries and developing countries in 2020.

Figure 1.2 Estimates of consumption of rubber gloves per population in developed countries and developing countries in 2020



Source: MARGMA Industry Brief 2019 on the Rubber Glove Industry

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, Thailand, Indonesia and the People's Republic of China 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 has 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 percent per annum over a period of 10 years or until 2026, whichever comes first. 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 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.

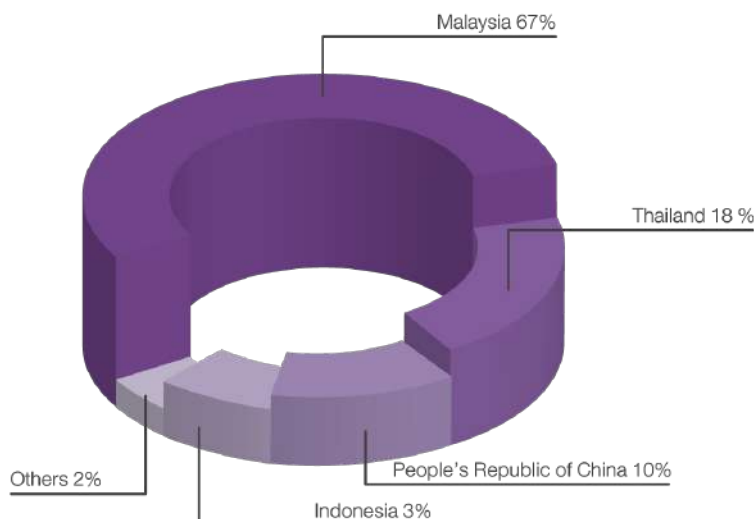
Synthetic Rubber

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.

Competition in the Rubber Glove Industry

The continuously growing demand for rubber gloves has resulted in quite high competition of the global rubber glove industry. Manufacturers and distributors of rubber gloves are concentrated in Southeast Asia and the People's Republic of China due to such regions are the main areas of rubber cultivation in the world. Therefore, the market share of rubber gloves concentrated in Southeast Asia is as much as 88.0 percent, as shown in Figure 1.3 : Estimated Market Share of Rubber Glove by Country of Manufacture in 2021.

Figure 1.3 Estimated Market Share of Rubber Glove by Country of Manufacture in 2021



Source: MARGMA Industry Brief 2021 on the Rubber Glove Industry

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

Competitive Strategy

1) Use of efficient production technology and modern production technology development.

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. With our flexibility to modify the type of products the Company produces, production at the Company's Hat Yai Branch Factory, Surat thani Branch Factory and Sadao Branch Factory can be adjusted during the production to alternate between powder-free natural rubber gloves and nitrile gloves in order to effectively accommodate the needs of customers around the world, which are changing 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 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.

2) Maintaining long-term growth with improved efficiency and increased production capacity to meet industry growth 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 four years, its production capacity has continuously increased from an estimated 15,130 million pcs per year installed capacity in 2015 to 27,153, 32,619 and 40,317 million pieces per year in 2019, 2020 and 2021 respectively, or representing an average annual growth rate of 7 percent between 2015 – 2021, and the Company also plans to expand the installed capacity in the long term to more than 70,000, 80,000 and approximately 100,000 million pieces per year in 2023, 2024 and 2026, respectively, to assure customers that the Company has enough products to meet future demand, and to meet the global rubber glove consumption growth in line with the overall industry trend. In addition, increasing production efficiency and increasing production capacity also enables 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.

In addition to improving efficiency and increasing production capacity, the Company's focus is mainly on the production and distribution of natural rubber gloves, along with increasing an optimal 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 increasing an appropriate proportion of nitrile gloves production capacity (3) 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 (4) 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. At present, the Company and the STA Group have jointly developed and invented concentrated latex that has been certified by the 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 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. 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 4 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 4 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

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 the People's Republic of China and African countries where the estimated consumption of rubber gloves per capita in 2020 stood at 4 pieces per person per year. In the U.S. and European countries, the estimated per capita consumption of rubber gloves are 255 and 173 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 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 distribution of rubber gloves via online channels to suit consumer behavior, etc.

(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. At present, the Company and the aforementioned companies in STA Group have 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 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		
	FY 2019	FY 2020	FY 2021
Amount of concentrated and synthetic latex used to produce the Company's rubber gloves	136,617.2	191,525.2	199,165.6

(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. The Company purchases chemicals that meet its specifications and at competitive prices from many local and international vendors.

(d) Packaging

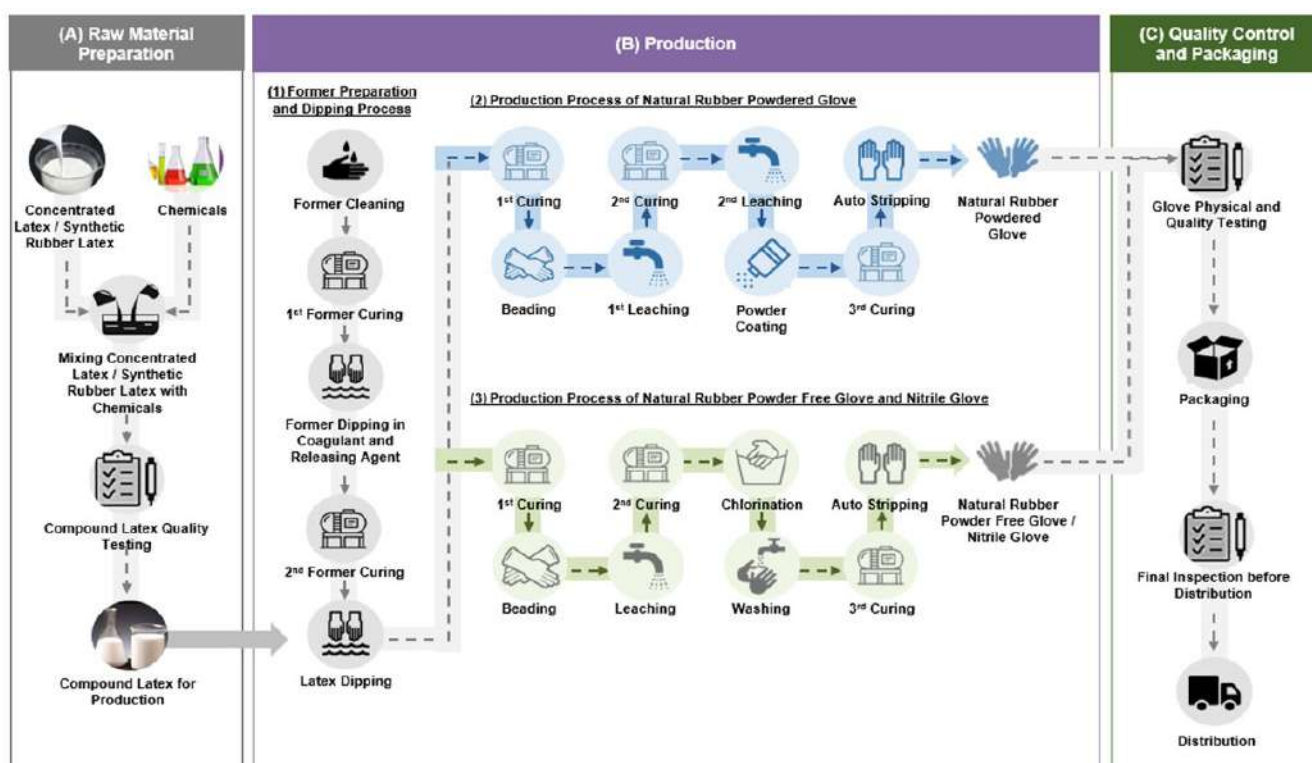
The packaging that the Company uses in its rubber glove production process is divided into 2 main categories: (1) packaging made from duplex paper (inner box) which is used for rubber glove products and (2) corrugated box which is used as outer packaging (outer box). The Company purchases packaging with 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, its subsidiaries and STA group companies.

(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. 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.

6) Manufacturing Factory and Maintenance

Manufacturing Factory

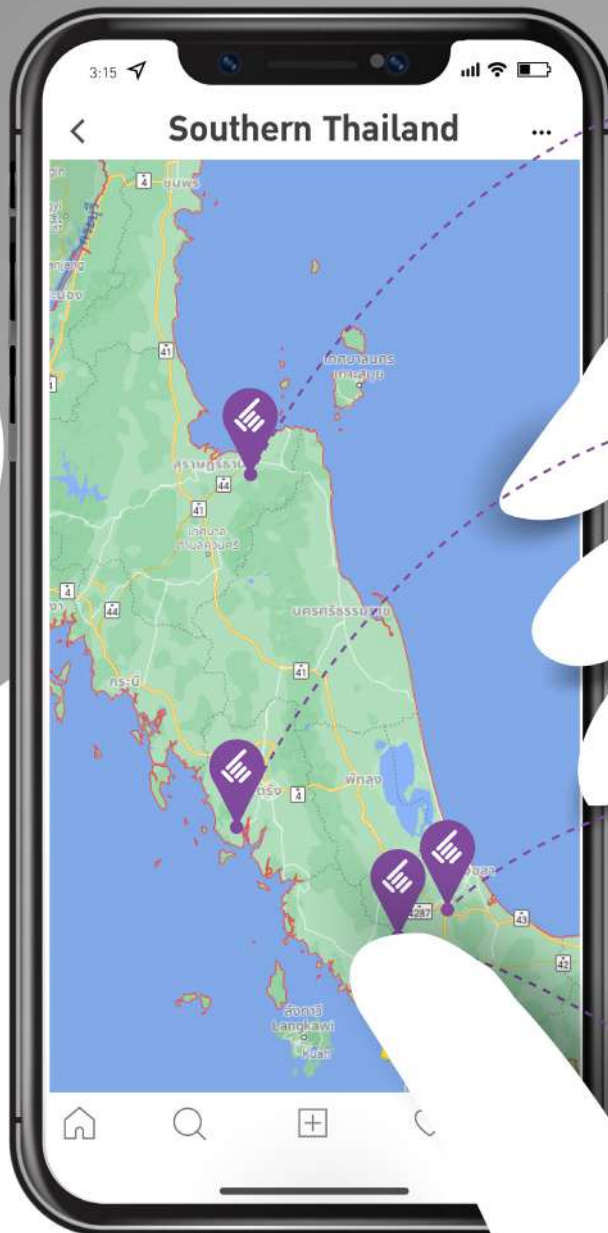
As of 31 December 2021, the Company has 4 factories that manufacture rubber gloves as follows: Hat Yai Branch Factory, Surat Thani Branch Factory, Trang Branch Factory, and Sadao Branch Factory. There are a total of 167 integrated production lines at all of its plants, with the installed capacity of rubber gloves of approximately 40,300 million pieces per year.



4 Factories

production capacity

40,300 million pieces / year



Surat Thani Branch Factory

Installed Capacity 11,311 million pcs per year

Products Powder-free natural rubber gloves
Nitrile rubber gloves



Trang Branch Factory

Installed Capacity 9,953 million pcs per year

Products Powdered natural rubber gloves



Hat Yai Branch Factory

Installed Capacity 17,238 million pcs per year

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



Sadao Branch Factory

Installed Capacity 1,814 million pcs per year

Products Nitrile rubber gloves

The total production of rubber gloves of the Company for the years ended 31 December 2019, 2020 and 2021 can be summarized as presented in the following table.

Total production of rubber gloves of the Company:

	For the year ended 31 December		
	2019	2020	2021
Installed capacity (million pieces per year) ⁽¹⁾	27,152.9	32,619.0	40,317.3
Technical capacity (million pieces) ⁽²⁾	22,666.1	30,093.8	33,566.6
Actual production (million pieces)	20,084.2	28,448.5	29,314.8
Utilization Rate (percent) ⁽³⁾	88.6	94.5	87.3

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 4 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's efforts include such energy-saving measures as the selection of energy-saving equipment as well as the use of renewable energy from biomass fuel. 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 Surat Thani branch plant; Waste to Value (waste sorting) project and the preparation of environmental monitoring, inspection, measurement and reporting plans in accordance with relevant legal and regulatory requirements, such as measuring and reporting the quality of water discharged from the factory, air emission measurement of air quality from the boiler vent, Measurement of factory-specific industrial sludge, such as sludge from wastewater treatment systems and delivery of industrial waste disposal to agencies registered with the Department of Industrial Works. The Surat Thani branch factory was the first factory to receive the ISO14001: 2015 environmental management system certification.

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 which, in 2021, Hat Yai Branch Factory and Surat Thani Branch Factory received the CSR-DIW Continuous award and Trang Branch Factory received Carbon Footprint for Organization Certificate and Green Industry Level 4 Award.

8) Certificates

As of 31 December 2021, the Company has received more than 30 certificates that has been audited by independent industrial and trade standards organizations both in the Thailand and abroad.

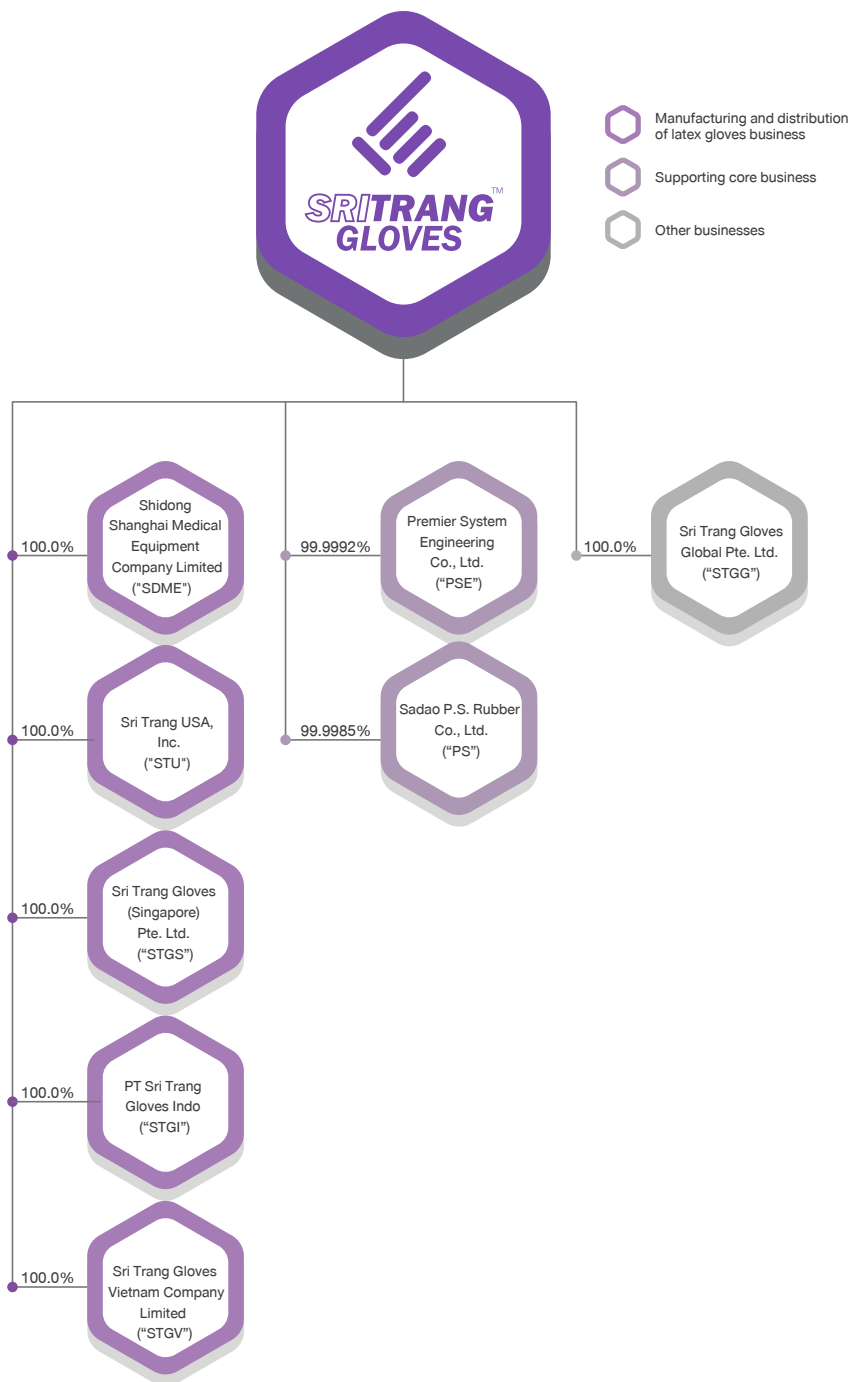
Remark:

⁽¹⁾ 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.

⁽²⁾ 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.⁽³⁾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.

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 2021, the Company has 8 subsidiaries in total. The shareholding structure is as follows:



Remark:

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 Sinchareonkul (1 share) and Mr. Kitichai Sincharoenkul (1 share).

Details of the Company's subsidiaries

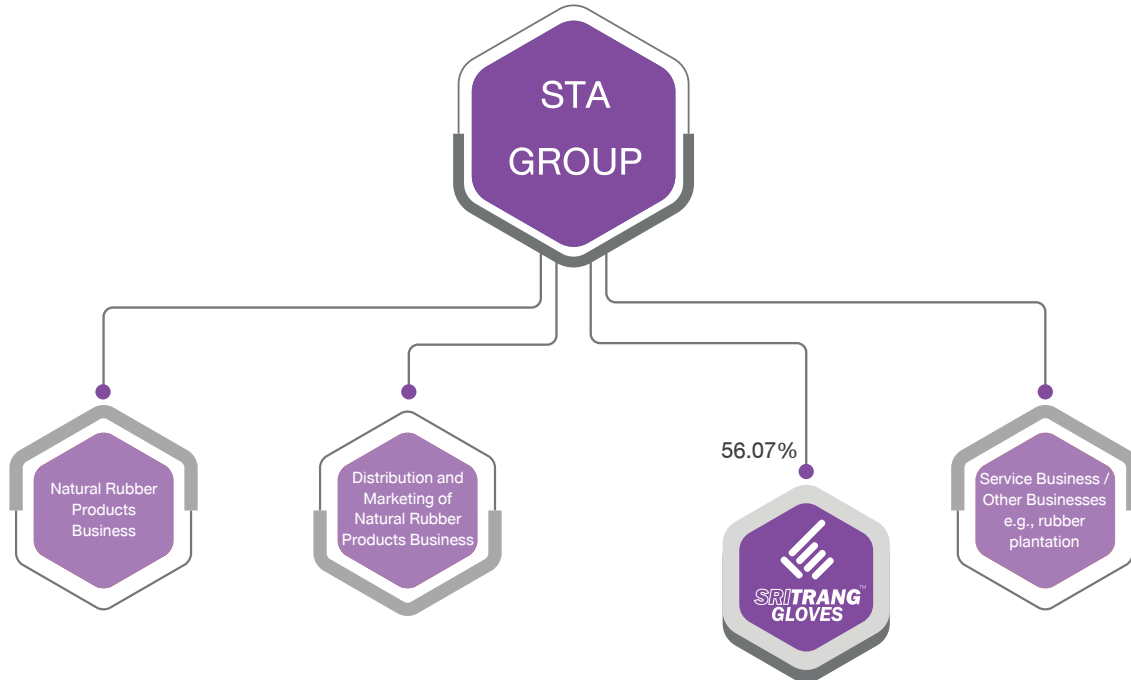
Company's Name	Type of Business	Shareholding Proportion	Registered Capital / Paid-up Capital	Total Shares / Total Paid-up Shares	Type of Share / Investment	Locations
Shidong Shanghai Medical Equipment Co., Ltd. ("SDME")	Distribution of rubber gloves in People's Republic of China	100.00%	USD 4.15 million	-	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 Pre-mium of USD 13,499,885	Ordinary share	5820 West Cypress Street, Suite H, Tampa, Florida, USA 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	99.9992%	THB 50 million	500,000 shares (with par value of THB 100 per share)	Ordinary share	123 Moo 8, Kanjanav-anit 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")	Rent its land to the Company for the construction of glove factory	99.9985%	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

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
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
Sri Trang Gloves Global Pte. Ltd. ("STGG")	Financial asset management and financial investment	100.00%	USD 100 million	20,000,000 ordinary shares and 80,000,000 preference shares (with par value of USD 1 per share)	Ordinary share and preference share	50 Raffles Place #27-01 Singapore Land Tower, Singapore Tel: 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 Tel: 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

RELATIONSHIP WITH MAJOR SHAREHOLDER'S GROUP BUSINESS

As of 31 December 2021, STA Group has shareholding proportion in the Company of 56.07 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, 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, except in the following cases:

- 1) Distribution of latex gloves currently carried out by the STA Group in the countries which the Company and/or its subsidiary have not received a distribution license to sell rubber gloves. However, since April 2021, the STA Group has ceased the distribution of rubber gloves in those countries.
- 2) Distribution of rubber gloves to the public and private sectors, both domestically and internationally, in cases where there is a condition in the tender that the original bidder must carry out the distribution and/or certain qualifications according to the qualifications of STA and/or its subsidiaries are required, and the Company and/or its subsidiaries do not meet the aforementioned qualifications. In such cases, it may be necessary to rely on the qualifications of STA and/or STA's subsidiaries. However, if the Company and its subsidiaries are fully qualified to submit the bid, STA and/or its subsidiaries will refrain from competing with the Company and/or subsidiaries of the Company. Since April 2021, the STA Group has already canceled the sale of rubber gloves to the public and private sectors in foreign countries under the above conditions except in the country where there are still two outstanding deliveries in 2022, which will be completed by December 2022.
- 3) Distribution of latex gloves to retail customers in Thailand through STA due to the Company's current accounting and inventory control systems which are not designed to support retail distribution. However, the Company has subsequently developed a SAP system that can fully support such transactions which has been installed successfully in January 2021. Therefore, since January 2021, STA and/or its subsidiaries no longer participated in the distribution of rubber gloves to retail customers in Thailand except the retail customer in country where there are still two outstanding deliveries in 2022, which will be completed by December 2022.

- 4) Distribution of rubber gloves of the Company and/or a subsidiary of the Company in the Socialist Republic of Vietnam, where the Company conducted market trials by selling latex gloves through Sri Trang Indochina (Vietnam) Company Limited (“STV”), a subsidiary of STA, which also operates the business of procuring and distributing other natural rubber products of the STA Group. However, in November 2021 the Company has established a new subsidiary in Vietnam, Sri Trang Gloves Vietnam Company Limited (“STGV”) for the distribution of rubber glove products of the Company and/or its subsidiary in the Socialist Republic of Vietnam. The Company expects that STGV will start distributing rubber gloves in Vietnam in the first quarter of 2022 and STV will stop distributing rubber gloves at the same time.

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 and has entered into a purchase agreement with companies in the STA group since 2019. In addition, the Company also has a purchase agreement for other raw materials, such as firewood to be used as fuel in the production process, from suppliers in the STA Group in 2019 as well. 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 fair market prices and trade conditions aimed at protecting the interests of the Company and shareholders of the Company.

SHAREHOLDERS as of 22 November 2021

List of Major Shareholders

No.	Name of Shareholders	Number of Shares (shares)	Shareholding Proportion (percent)
1.	STA ⁽¹⁾	1,450,074,600	50.64
2.	Sincharoenkul Group ⁽²⁾	161,912,000	5.65
3.	RBL ⁽³⁾	155,326,800	5.43
4.	Thai NVDR Co., Ltd.	116,705,216	4.08
5.	STH ⁽⁴⁾	106,753,800	3.73
6.	State Street Europe Limited	19,720,780	0.69
7.	The Central Depository (Pte) Limited-Listed Securities	14,833,300	0.52
8.	Mr. Weerapat Poonsak-udomsin	13,786,100	0.48
9.	Mr. Burana Chavalittamrong	10,200,000	0.36
10.	BNY Mellon Nominees Limited	8,451,930	0.30
	Other Shareholders	805,496,884	38.17
	Total	2,863,261,410	100.00

Remark:

⁽¹⁾ 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 22 November 2021, 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.	Mr. Viyavood Sincharoenkul	132,987,509	8.66
3.	Thai NVDR Company Limited	128,530,640	8.37
4.	Mrs. Promsuk Sinchareonkul	45,100,000	2.94
5.	Citibank Noms Spore Pte Ltd.	40,555,821	2.64
6.	South East Asia UK (Type C) Nominees Limited	25,230,594	1.64
7.	Mr. Vitchaphol Sincharoenkul	23,500,000	1.53
8.	Mr. Vitanath Sincharoenkul	22,656,500	1.48
9.	Mr. Veerasith Sincharoenkul	22,500,000	1.46
10.	The Bank of New York Mellon	20,964,300	1.36
	Total	805,815,993	52.46
	Total number of shares	1,535,999,998	100.00

Source: The Stock Exchange of Thailand

⁽²⁾ List of Sincharoenkul Group as of 22 November 2021 as follows:

No.	Top 10 Major Shareholders	Number of Shares (shares)	Shareholding Proportion (percent)
1.	Mrs. Duangjai Sincharoenkul	350,000	0.01
2.	Mr. Viyavood Sincharoenkul	123,598,400	4.88
3.	Mr. Kitichai Sincharoenkul	12,147,800	0.44
4.	Mr. Lee Paul Sumade	12,540,000	0.45
5.	Mrs. Voradi Sincharoenkul	11,308,000	0.42
6.	Mr. Veerasith Sinchareonkul	597,800	0.01
7.	Mr. Vitanath Sincharoenkul	320,000	0.00
8.	Ms. Vannisa Sincharoenkul	1,050,000	0.02
	Total number of shares	161,912,000	6.24

⁽³⁾ RBL is a limited company which operates the business of producing concentrated latex and block rubber. As of 31 December 2021, RBL has shareholders as follows:

No.	Top 10 Major Shareholders	Number of Shares (shares)	Shareholding Proportion (percent)
1.	STA	15,999,994	99.99
2.	Ms. Narisara Sincharoenkul	1	0.00
3.	Pruksa 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
	Total number of shares	16,000,000	100.00

⁽⁴⁾ STH is a limited company which conducts business by holding shares in other companies. As of 31 December 2021, the top 10 major shareholders of STH are as follows:

No.	Top 10 Major Shareholders	Number of Shares (shares)	Shareholding Proportion (percent)
1.	Mr. Viyavood Sincharoenkul	1,825,700	20.74
2.	Bradshaw Equities Holdings Limited	1,646,000	18.70
3.	Mr. Lee Paul Sumade	967,860	10.99
4.	Ms. Sukuman Sirisuwat	672,000	7.63
5.	Mrs. Promsuk Sincharoenkul	600,000	6.81
6.	Mr. Chaiyos Sincharoenkul	542,860	6.16
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	2.57
	Total number of shares held by the top 10 major shareholders.	7,806,140	88.65
	Total number of shares	8,800,000	100.00

SECURITIES AND SHAREHOLDERS INFORMATION



Amount of Registered Capital and Paid-up Capital

As of 31 December 2021, the Company had a registered capital of THB 1,434,780,000 and a paid-up capital of THB 1,431,630,705 consisting of 2,863,261,410 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).

Newly issued shares offered to directors, executives and/or employees of the Company and/or subsidiaries of the Company (STGT ESOP)

The Extraordinary General Meeting of Shareholders of the Company on 22 November 2019 has resolved to approve the issuing and offering of 10,000,000 newly issued ordinary shares at a par value of THB 1 per share of the Company to directors, executives and/or employees of the Company and its subsidiaries. Thereafter, the Extraordinary General Meeting of Shareholders of the Company on 25 December 2020 has resolved to approve the change of par value from the original value of THB 1.00 per share

to THB 0.50 per share, which resulted in the offering of the newly issued ordinary shares under STGT ESOP two more times during the first to second year after the IPO being changed from not exceeding 3,000,000 shares for each offering to not exceeding 6,000,000 shares for each offering to reflect the decrease in par value.

The objectives of the STGT ESOP are as follows:

- (a) to motivate and reward the directors, executives and employees of the Company and its subsidiaries for good performance and hard work;
- (b) to motivate the directors, executive officers and employees of the Company and its subsidiaries who have outstanding performance and are difficult to replace, to continue working with the Company in the long term to achieve business goals;
- (c) to retain employees who are knowledgeable and capable; and
- (d) to align the interests of employees and shareholders, with a view to the growth and sustainability of the Company

The preliminary details of STGT ESOP are as follows:

Securities name	Ordinary shares of Sri Trang Gloves (Thailand) Public Company Limited
Type of securities	Newly-issued ordinary shares
Duration	2 years from the date on which ordinary shares of the Company are listed on the SET (the "IPO Date"), i.e., from 2 July 2020 to 1 July 2022.
Amount of ordinary shares issued and offered	<p>Up to 10,000,000 shares with a par value of THB 1 per share, representing no more than 0.70 percent of the total number of shares sold and the total voting rights of the Company after the issuance and offering of the newly issued ordinary shares to the general public for the first time (IPO) (including the equity of the newly-issued ordinary shares offered to directors, executives and/or employees of the Company and subsidiaries of the Company under the STGT ESOP in the amount of THB 6,000,000 with a par value of THB 1 per share, for the offering in the first to the second year after IPO.</p> <p>After the change of the par value from THB 1 per share to THB 0.5 per share on 5 January 2021, the number of newly issued ordinary shares under the STGT ESOP to be offered in the first and the second year after IPO will be increased proportionately to the change in par value.</p>
Offering price per share	<p>The initial offering price per share under the STGT ESOP as of the IPO date (2 July 2020) was THB 34 per share or 90.00 percent of the initial public offering price (IPO price), at a par value of THB 1 per share.</p> <p>The offering price per share under STGT ESOP in the second tranche was THB 37.30 per share or 90.00 percent of the market price (IPO price), at the par value of THB 0.5 per share.</p> <p>The offering price per share under STGT ESOP in the third tranche will be equal to 90.00 percent of the market price, at the par value of THB 0.5 per share.</p> <p>Market price is the price as specified in the Notification of the SEC concerning the calculation of offer price of securities and determination of market price for consideration of offer for sale of newly issued shares with discount .</p> <p>Where the offering price of the newly issued ordinary shares at any one time is lower than the par value of the shares, the Company is required to offer the newly issued ordinary shares to the directors, executives and/or employees of the Company and its subsidiaries under the STGT ESOP at a price equivalent to the par value, subject to the provisions of Section 52 of the Public Limited Companies Act B.E. 2535 (as amended).</p>
Offer period	<p>The Company has offered the newly issued ordinary shares as a project, which divided to 3 offerings. The first time on 2nd July 2020 was 40.00 percent of the newly issued ordinary shares offered in the STGT ESOP not exceeding 4,000,000 shares at a par value of THB 1 per share. The Company will offer for sale newly-issued ordinary shares under the STGT ESOP in another 2 offerings, each in the amount of 30.00 percent of the number of newly issued ordinary shares offered in the STGT ESOP or not exceeding 6,000,000 shares at a par value of THB 1 per share. The Company will complete the offerings within the duration term of the project.</p>
Conditions for the allocation of newly issued ordinary shares	<p>Directors, executive and employees of the Company and its subsidiaries who meet the following conditions:</p> <ol style="list-style-type: none"> 1. as at the Record Date¹, the director, executive or employee must have been a director, executive or employee of the Company or its subsidiaries for a period of no less than three months, must not be under probation, and such director, executive or employee must remain a director, executive or employee of the Company or its subsidiaries as at each Offering Date²; and

2. each director will be entitled to an equal number of Shares, while the number of Shares to which each executive or employee may differ depending on the individual's position, experience, areas of responsibility, term of employment, performance and contributions.

In a case where there are directors, executive and/or employees of the Company or its subsidiaries who do not wish to exercise their rights to purchase new Shares, the Executive Committee of the Company and/or their delegate may determine the names of other executive and/or employees of the Company and its subsidiaries of the Company to receive the allotment instead within the offering and allotment period, in accordance with the conditions for allotment. In this regard, each executive and/or employee will be entitled to an allocation of up to 5.00 percent of the total number of Shares to be offered under the STGT ESOP.

The rules, conditions and other details of the allocation of the newly issued ordinary shares of the Company to the directors, executives and/or employees of the Company and its subsidiaries, including names of employees of the Company and its subsidiaries who have been allocated the newly issued ordinary shares of the Company, the date and details of the allocation of thereof are to be at the discretion of the Executive Committee of the Company or a person assigned by the Executive Committee of the Company to determine or make amendments as deemed appropriate and assigned the Executive Committee of the Company or a person assigned by the Executive Committee to determine the conditions and duties of the directors, executives and/or employees of the Company and its subsidiaries as well as to prescribe or amend the rules, terms, conditions and various details related to the STGT ESOP in order to comply with the rules and regulations of the relevant authorities.

For the initial offering of newly-issued shares under STGT ESOP (on 2 July 2020) in an amount of 4,000,000 shares, at the par value of THB 1 per share, the directors, executives, and employees of the Company and its subsidiaries has subscribed such newly-issued shares in full amount. The offering of newly-issued shares under STGT ESOP in the first year after IPO (on 13 and 14 July 2021) in an amount of 6,000,000 shares, at the par value of THB 0.5 per share, the directors, executives, and employees of the Company and its subsidiaries has subscribed 5,701,410 newly-issued shares in total.

Remarks

¹ "Record Date" means the date on which the Board of Directors of the Company, or their delegate, passes a resolution or approves the names of the persons who are entitled to an allotment of new Shares under the STGT ESOP. In this regard, the names of such persons will be determined based on the names of the persons entitled to the allotment of new Shares under the STGT ESOP as approved by the shareholders of the Company or the names of executive and/or employees as determined by the Executive Committee of the Company or their delegate.

² "Offering Date" means the date(s) which the Board of Directors of the Company, or their delegate, passes a resolution to approve or approves as the date(s) on which the new Shares under the STGT ESOP will be offered to the directors, executive and/or employees of the Company or its subsidiaries.

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 22 November 2021, Thai NVDR holds 116,705,216 ordinary shares of the Company or representing 4.08 percent of the total issued and paid-up capital of the Company.

Other Securities

As of 31 December 2021, the Company has not issued any other securities apart from ordinary shares. The 2021 Annual General Meeting of Shareholders on 2 April 2021 has resolved to approve the issuance and offering of debentures in the amount of not exceeding THB 8,000 million, as the alternative for fundraising to support the business growth. Currently, the Company has not yet issued and offered any of such debentures.

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.

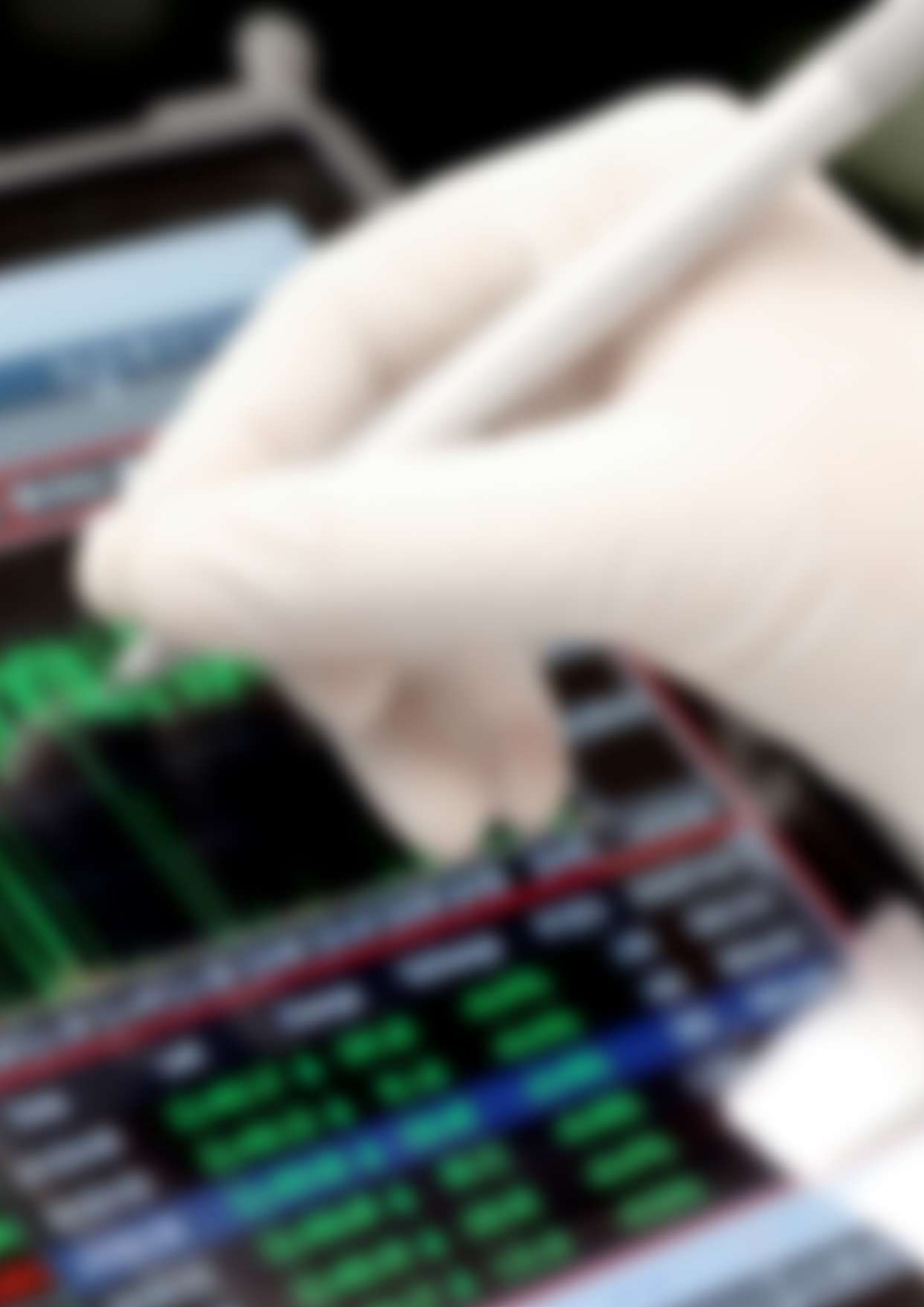
Details of dividend payment of the Company for Year 2019 – 2021 are as follows.

Detail	FY 2021	FY 2020	FY 2019
Earning per Share ⁽¹⁾	THB 8.29	THB 5.94	THB 0.42
Dividend per Share	THB 4.65	THB 2.625	-
- Interim dividend No.1	THB 1.50	THB 0.625	-
- Interim dividend No.2	THB 1.25	-	-
- Interim dividend No.3	THB 1.25	-	-
- Dividend No.4	THB 0.65 ⁽²⁾	THB 2.00	-
Total Dividend Payment	THB 13,305.61 million	THB 7,501.1 million	-
Dividend Payout Ratio (%)	54.8%	54.8%	-

Remarks:

⁽¹⁾ 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 4/2020, as if the change of par value of such ordinary shares was effective since the first day of 2019 as presented in the above table.

⁽²⁾ The Board of Directors' Meeting No. 2/2022 held on 17 February 2022, resolved to approve the dividend payment No.4 for 2021 at the rate of THB 0.65 per share. The right to receive such final dividend is uncertain until the 2022 Annual General Meeting of Shareholders has granted an approval for such dividend payment on 7 April 2022.



2. RISK MANAGEMENT



Policy and Risk Management Plan

Risk Management Policy

Due to the complexity and a rapidly changing business environment currently, these may affect the ability to achieve the goal to drive the organization for sustainable successes. Risk management is an important process that helps a company to handle business uncertainty systematically, to create business potential, to increase business opportunities, and to support the achievement of short-term and long-term organization's goals as well as to build confidence and credibility to stakeholders. To ensure that the risks are at an acceptable level according to the risk management framework as determined, the Company has prepared risk management policy which can be summarized as follows:

- The Company requires all levels of employees to be aware of possible risks associated with the performance of work within their work unit and within the organization, and to recognize the importance of risk management to keep risks at acceptable level under the internal control system.
- The Company promotes and encourages the use of risk management as an important management tool of the Company. All levels of personnel within the Company are required to understand and collaborate the use of risk management to create a good image of the Company and to promote the good corporate governance and excellent management while promoting trusts among shareholders or stakeholders of the Company.
- The Company puts in place a risk management system that is efficient and integrated in accordance with the principle of good corporate governance. Risk management matters will be efficiently reported to the Risk Management Committee to reduce possibility of risks and their impacts including uncertainties associated with the overall operations and to improve chances of success.
- The Company promotes and encourages the creation of risk management as the Company's corporate culture by requiring all parties to become aware of the

importance of risk management.

You can see more details about the risk management policy at the website www.sritranggloves.com

Organizational Risk Management Structure

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. The Committee is also responsible for supervision and support for risk management in various fields so as to achieve the Company's risk management objectives. In this matter, the Risk Management Department is in charge of performing analyses, monitoring and reporting on internal risk performance.

In addition, in order to increase flexibility in managing the various risks, the Company has assigned risk management at the business group/operational line level or specific committee level such as

Business Continuity Management Project: BCM Project which consists of Chief Executive Officer, Chief Financial officer, executives from various departments, risk management unit and all parties involved in performing business management duties and mandated to prepare a plan to deal with risks that may cause business disruption in order to enable continuous business operations and help mitigate the damage that may occur for maximum efficiency and effectiveness.

The COVID-19 Emergency Team / COVID-19 Emergency Response Team / COVID-19 Prevention Coordination Committee has responsibility for preventing and the safe handling of the pandemic situation with expedience and efficiency.

Quality, Safety and Environment Management System Coordinators (QSE) is responsible for coordinating with representatives of the management in all matters relating to quality management systems according to ISO9001, ISO13485, GMP safety management systems according



to ISO45001 standards and environmental management systems according to ISO14001 standards, as well as other related laws and standards so that various systems are operated in alignment and in accordance with the Company's standards.

Enterprise Risk Management Plan

The Company has prepared a risk management plan to achieve the overall business objectives in accordance with guidelines for sustainable business development. The Company strives to achieve said objectives by communicating, promoting and motivating all employees at all levels to realize their responsibilities in taking part in risk management to create a corporate culture. Risk management according to ERM (Enterprise Risk Management) standards consists of

- (1) Strategic Risks
- (2) Operational Risks
- (3) Compliance Risks
- (4) Financial Risks and
- (5) Emerging Risks

The 5 main risks encompass both external and internal risk factors that affect the overall business operation, including consideration of important trends that may occur in the future and providing operational support to achieve the organization's goals. The Company has applied risk management tools such as risk assessment and prioritization using Risk Map, monitoring of risk management through risk management measures (Mitigation Plan) and Key Risk Indicators (KRI) to manage corporate risk appropriately and efficiently.



In 2021, the Company established a business continuity management system. The Business Continuity Management Committee (BCM Steering Committee) and the BCM Working Team have been appointed to implement the business continuity management system whereby the corporate risks and operational risks of each

department are assessed in order to formulate business continuity management strategies and plans as well as to organize business continuity management training to build trust with customers and stakeholders to ensure that when crises occur, the Company can react and respond appropriately. This allows business operations to proceed continuously without disruption and enables timely delivery of products as per customer requirements. The Company has set clear and viable goals for the business continuity management system which can be implemented effectively and efficiently. The Company has been certified ISO 22301: 2019, the business continuity management service standard from BSI, being the first and only company in the medical rubber glove industry to receive the ISO 22301:2019 certification.

Risk Factors for the Company's Business Operations

The Company conducted analyses of the internal and external business environment, including economic, social, environmental, technology and industry trends, competitors and other related factors to determine the risk factors that are important to the Company's current and future business operations, details of which can be summarized as follows:

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

- Risk from fluctuation in prices of raw materials used in the production process affecting the selling price of the product and other trading conditions of the Company.

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, which we use in the production of nitrile gloves. namely: (1) Concentrated latex is a midstream product of the natural rubber industry that the Company uses as the main raw material in the production of both powdered and powder-free natural rubber gloves. Therefore, the volume and price of concentrated latex in the market are directly proportional to the quantity and price of natural rubber latex. However, natural latex is a commodity whose price fluctuates according to market supply and demand which depends on various factors that are beyond the control of the Company, such as economic conditions, production output of rubber in the main producing countries, government intervention and the demand for natural rubber latex in various industries such as the tire industry, etc. In addition, natural rubber prices are also influenced by speculative investments in the market.

(2) Synthetic latex is the other main raw material used by us, for the production of our nitrile gloves. It is a by-product of petroleum refining and natural gas separation processes. Therefore, the supply and price of synthetic latex often fluctuates depending on the demand and supply of crude oil and natural gas in the world market. Factors which could impact the price of synthetic latex include, without limitation: (a) political conditions in crude oil producing regions, in particular major crude oil producing countries; (b) demand for petroleum products and natural gas, which affect the volume of oil refining and natural gas separation; (c) government regulations; and (d) any shutdown or work stoppage by major oil refineries or natural gas separation plants. The prices of crude oil and natural gas, as well as natural rubber, are also affected by market speculation.

Fluctuations in the prices of our main raw materials may result in significant increases to our costs of production, which may in turn lead to significant pressure on our working capital. We may not be able to pass on increases in our costs to our customers or negotiate commercial terms with our customers in response to fluctuations in the prices of our main raw materials in a timely manner, or at all. Hence, fluctuations in the prices of our raw materials could have a material negative impact on our business. As such, in order to reduce the risks from fluctuations in raw material costs, the Company has set up a specific working group to manage the risks befitting to the situation. This includes managing the procurement of key raw materials to be in accordance with movement of market prices, for example, the price of concentrated latex that the Company purchases each month is based on a price formula that is referenced to the average daily market price, etc., in order to reduce the fluctuation of raw material prices for the production of products. In addition, the Company has set a timeline for price agreements with customers and delivery in accordance with inventory management and production periods in order to optimize the selling price with the production cost and enable the Company to maintain profitability and maintain production according to the movement of raw material prices so as to be competitive in the world market.

- Risk of uncertainty in regard to increasing demand for medical latex gloves both at present and in the future.

As a result of the ongoing coronavirus pandemic, there is a worldwide demand for personal protective equipment, including medical rubber gloves, thereby causing a shortage of latex gloves from 2020 to 2021. As evident from before the 2019 coronavirus outbreak, rubber gloves grew by about 8-12 percent in annual demand while the growing demand for rubber gloves during the pandemic

is estimated to be at an average rate of 15-20 percent in 2021. However, the Company cannot guarantee that the demand for rubber gloves would continue to remain at this higher rate. In addition, the increasing rate of vaccine distribution and vaccinations to prevent COVID-19 means



that if the spread of COVID-19 is brought under control, whether as a result of vaccinations or any other reason, the demand for medical latex gloves may not remain at the current level. The declining demand coupled with the increased supply from the growth in production capacity and the arrival of new operators could lead to oversupply and thus lower selling prices, which may have a material adverse effect on the financial position, profitability and business opportunities of the Company.

- Risk from being in a highly competitive business, competing both with major manufacturers and distributors in the same product category and manufacturers and distributors of replacement products.

The COVID-19 pandemic has caused the demand for latex gloves to increase so much that there has been a shortage of latex gloves in many countries since early 2020, resulting in many glove manufacturers, including the Company, having to increase production. There are also new glove manufacturers entering the industry to meet the demand for such products. Although demand for gloves is forecast to grow with the population, public health spending and the need to control diseases; however, if the increase in supply is higher than the demand, the rubber gloves manufacturing and distribution business may be rendered more competitive. 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.

In the latex glove business, the Company has an advantage over competitors in terms of its ability in the procurement of raw materials as well as the production process using high-efficiency machines, resulting in low production and distribution costs of its natural rubber gloves. In the nitrile glove business the Company still has to compete with other major nitrile glove manufacturers. In addition to the competition being focused on the development of new nitrile glove products, manufacturers must also strive to develop production capabilities to reduce costs to the maximum through the application of technology and innovation of the respective company. Another possible factor which may also affect the demand for rubber gloves is if the supply of other types of gloves, such as vinyl gloves, increases and the selling price is much lower than rubber gloves. Therefore, if the Company cannot maintain competitiveness in the production of rubber gloves, especially nitrile rubber gloves, it could negatively affect its business, revenue and profitability. However, the Company has not ceased its efforts in conducting research to create new innovations in various products and to increase production efficiency in order to reduce costs and maximize cost effectiveness to maintain the competitiveness of rubber gloves produced and sold to customers in the global market. 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 which the Company believes will play a role in attracting consumers who currently use nitrile latex gloves. Other examples include the invention of 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, the increase of production line of surgical gloves which is new product of the company and expected to start selling in

the second half of 2022, 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 from reliance on key trading partners in the supply of concentrated latex synthetic latex and raw materials and other services to the Company



We procure substantially all of our concentrated latex, which is the main raw material required for our production of natural rubber gloves, from companies in the STA Group, namely STA, RBL and NHR, and a significant portion of our synthetic latex from a third party supplier. In addition, we procure firewood, which we rely on as a fuel source for our production facilities, from ANV. In the event that these suppliers are not able to supply concentrated latex, synthetic latex and/or firewood to us in the quantities or at the quality that we require, we may not be able to procure sufficient quantities of concentrated latex, synthetic latex and/or firewood from alternative suppliers at commercially acceptable terms in a timely manner, or at all. We may also incur additional costs arising from increased shipping or other costs should we be required to procure raw materials from alternative sources. (as we currently benefit from our factories being located in close proximity to the STA Group's natural rubber plants)

We also rely on the STA Group for the provision of other services, such as product transportation and delivery, office space services and administrative services. While we have not encountered any material disruptions in the provision of such services by the STA Group, in the event that the STA Group is not able to provide such services to us and we are unable to find a replacement service provider in a timely manner, or at all, our business and performance may be materially and adversely affected. In this regard, the Company has a policy to reduce dependence on key trading partners and has managed such risks by allowing the Procurement Department to 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 addition to creating competition in terms of price and properties of raw materials, it also reduces the risk if the main supplier is unable to deliver the main raw material to the Company.

- Risk of not being able to obtain quality raw materials in sufficient quantities and at reasonable prices

At present, the Company mainly procures most of the concentrated latex from STA and its subsidiaries in the STA Group whereby the purchase agreements of concentrated latex with STA and its subsidiaries in the STA Group has an initial term of 3 years from 28 June 2019, and thereafter will be automatically renewed every 1 year unless either party terminates the contract under certain conditions. Under the terms of the contract, STA is obliged to supply latex of specified quality and in the quantity that the Company requires. However, the Company does have a risk that STA may not be able to comply with the conditions stipulated in the latex purchase agreement if the amount of latex required by the Company exceeds the amount STA is able to provide.

Synthetic latex is considered a commodity and is a by-product of petroleum refining and natural gas separation processes. The amount of synthetic latex in the market,



therefore, depends on the petroleum refining capacity and the production capacity of the natural gas separation plant as well as the demand for synthetic latex from key manufacturers in the synthetic rubber glove industry in the region and other industries. These variables are beyond the control of the Company. Nevertheless, a shortage of synthetic latex in the global market may affect the Company's ability to procure sufficient quantities of synthetic latex for production. Currently, the Company procures synthetic latex from many manufacturers with a goal of increasing the number of synthetic latex producer partners.

Such shortage of latex or synthetic latex may have a

material adverse effect on the Company's business and operating results. Therefore, the Company undertakes a regular review to ensure sufficient production capacity of its main suppliers in line with the expansion of the Company's production capacity. STA, as the main producer of latex for the Company, also has increased production capacity in a direction aligned with the Company's production capacity growth. As for synthetic latex, the Company procures synthetic latex from various manufacturers and distributors of synthetic latex without entering into long-term contracts. It also has a goal to continually increase the number of new synthetic latex trading partners both at home and abroad for further flexibility, increased bargaining power and control over the cost of synthetic latex prices to be at appropriate market levels.

- Risk of production disruption due to accidents and natural disasters

The Company may have general risks arising from various operations. This includes risk from a fire incident, boiler explosion, natural disaster, malfunction of machinery or equipment, improper installation and accident. Such risks can cause injury, death or property damage and may have a material adverse effect on the Company's business operations, including the risk that business may be suspended or may be subject to civil and/or criminal penalties.

It is the Company's policy to reduce risks from business operations by purchasing various insurance plans with multiple insurance companies both domestically and



internationally to cover property damage, business disruption. Moreover, in the year 2021, the Company has established a business continuity management system and appointed the Business Continuity Management Committee (BCM Steering Committee) and the BCM Working Team to implement the business continuity management system whereby assessments are conducted on corporate and operational risks of each work unit

to formulate business continuity management strategies and plans as well as to organize training on business continuity management to build trust with customers and stakeholders to ensure that when crises occur, the Company can meet the challenges and respond to crises. This allows the business to operate continuously without interruption and enables the Company to deliver products according to customer requirements.

- Risk from insufficient utilities for the Company's production process or significant price increases of utilities

Utilities that are essential to our manufacturing operations such as electricity, water and thermal energy generated



from the burning of woodchips. We procure such utilities from a number of sources, including purchasing from utility providers as well as generating our own (such as generating our own thermal energy through the burning of woodchips). In the event of a utility shortage or if we are not able to procure utilities for use in our manufacturing processes for any reason, including due to a drought, lack of groundwater or failure of or inefficiencies in our electrical systems or wastewater treatment systems, we may have to reduce our production output or stop production completely or we may face increased utility costs. While we have not encountered instances of material utility shortages in the past, there is no assurance that such events will not occur and materially and adversely impact our business, financial position and results of operations. The Company has established factories in strategic areas in the southern region of Thailand in proximity to raw material sources and utilities necessary for the production of rubber gloves, whether a water source or energy source. The Company derives energy from boilers fueled by firewood from the rubber tree that has been cut down when it reaches its age and has to be replaced according to the rubber plantation cycle, which is abundant in southern Thailand. In the past, the Company has never faced a shortage of energy sources or firewood for the production of rubber gloves. Nevertheless, the Company has a backup source of energy such as fuel oil to replace firewood if necessary to ensure that the manufacturing process is carried out

without interruption. The Company has also invested in the construction and installation of an electrical substation in its factories in Hat Yai District, Songkhla Province and in Kantang District, Trang Province to increase the stability of power supply into the production process and reduce the loss of production stoppage if there is an electrical incident caused by an event beyond the Company's control.

- Risk from labor shortage and labor disputes

The Company requires human labor for non-automated production processes such as quality checks and packing goods, etc. Therefore, it is necessary to rely on a large number of workers, including foreign migrant workers, to meet the demands of the production process. Any change in the policy of the country of origin of such workers or restrictions in Thailand, including the control of labor movement due to the 2019 Coronavirus pandemic, may affect the Company's recruitment of foreign workers and disrupt its business operations as well. Also, if there is future increase in wage rates, it may result in increased costs to the Company. Moreover, government policies related to the employment of foreign migrant workers may become more stringent in the future. In the event that the number of foreign migrant workers that the Company can recruit is reduced and/or the Company needs to recruit workers from other sources which may have higher wage rates, the Company's performance could be negatively impacted. In addition, if the Company faces a labor shortage, strike, labor unrest or labor dispute and is unable to solve such incident promptly or completely, it may also negatively impact on the business of the Company as well.

Over the past several years, the Company has invested in the development of production processes with the introduction of new technologies and innovations including various automated systems to help increase production efficiency and greatly reduce dependence on human labor. New factories of the Company are designed to use various technologies in every production process which can greatly reduce the use of human labor from what was originally required, i.e. 2.20 workers to produce 1 million pieces of glove in 2020. The aforementioned developments enabled the Company to reduce the labor consumption per production of 1 million pieces of gloves to 2.18 in 2021. The Company remains committed to bringing technology into use in different production processes and functions and has a long-term goal of using just one man to produce 1 million pieces of gloves in 2026.

- Risk from the Company's insurance policy possibly providing insufficient coverage

It is the Company's policy to reduce risks from business operations by purchasing various insurance plans with

multiple insurance companies both domestically and internationally to cover property damage, business disruption and public responsibility and product liability for the Company's business. However, the Company cannot guarantee that the Company's insurance plans will be sufficient and cover all damages or risks that may arise from all its business operations. The Company may be



at risk of liability arising from insufficient or all insurance or provisions not covered by the Company's insurance plans. In addition, the Company may not be able to renew the policy under the same or better terms if the premium increases significantly or the insurance market has a view to assess the risk related to the Company's industry differently from the original assessment.

If such insurance is insufficient to cover the liability and damage incurred in the Company's business operation, this may have a material adverse effect on the business, financial position and operating results of the Company. However, the Company has procured insurance from both domestic and international insurance companies to ensure that the Company will have optimal protection that covers assets and business risks under appropriate insurance premiums. In addition, the Company has also endeavored to acquire self-insurance by improving work and production processes, including undertaking various investments to reduce the risk to the Company's assets through BCM (Business Continuity Management) and is certified ISO 22301:2019 Business Continuity Management Service Standard from BSI, being the first and only company in the medical rubber glove industry to be certified under this standard system.

- Risk in terms of information technology systems and cyber threats

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. At present, the Company uses the Enterprise Risk Management (ERM) system for the entire organization through investment in one software that since 2020. If there are risks in managing information technology, including cyber threats, that are increasing day by day, the Company's competitiveness in the longer term may be affected, as well as adversely impacting the image, reputation and confidence of all stakeholder groups.

The Company is aware of the abovementioned risks associated with information technology and cyber threats and has invested in the development of work systems to support the new technologies and provide protection against cyber threats, such as improving 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, implementation of strict 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 to set up a backup center for emergency response to enable continuous business operations. Moreover, 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. There is also a review of the preparation of contingency plans and simulations to rehearse emergency response plans according to the Business Continuity Management system.

- Risk from reliance on key executives with expertise in the rubber glove business

One important factor affecting the Company's growth is its ability to attract and retain a team of experienced professional management and expertise in the production of rubber gloves. Therefore, the continuous success of



the Company depends on its success in retaining its management team and attracting and developing new executives. If the Company's senior management is unable or unwilling to continue working in their respective

positions, the Company may not be able to find suitable persons to replace them. This may have a negative impact on the Company's business operations. In addition, the process of recruiting new executives which has the expertise and ability as required by the Company may take a long time and may put the Company in competition with other operators. The Company may consequently not be able to recruit talent to support its business expansion plans, which may have a negative impact on its business and operating results. However, the Company has established a succession management process to plan the career advancement of employees at the management level and succession in corporate management positions. The Company encourages performance based promotion and offers appropriate remuneration, including offering newly issued ordinary shares of the Company to directors, executives and/or employees of the Company and its subsidiaries under the STGT ESOP project.

- **Risk from fluctuations in foreign exchange rates**

The Company and subsidiaries export most of our rubber gloves overseas. The Company and subsidiaries fix the price of company's products are mainly denominated in US dollars and Renminbi and accordingly, a majority of our revenue are denominated in USD and RMB. While most of our costs, including raw materials costs, salary expenses and other production costs, are transacted in THB. In addition to subsidiaries enter into loan agreement with foreign financial institutions in foreign currency such as USD. As a result, fluctuations in the exchange rates between the THB, USD, RMB or other currencies could adversely affect our business, financial condition and results of operations. Further, fluctuations in the exchange rate between the USD and the THB, when compared with the exchange rate between the USD and the MYR, IDR or RMB, could adversely affect our price competitiveness compared to other rubber glove manufacturers and distributors from Malaysia, the PRC and Indonesia.

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.

In addition, the Company and its subsidiaries have a policy to use other financial instruments to manage the risks from such exchange rate fluctuations as appropriate, 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 THB, for example.

- **Risk of not being able to comply with requirements and regulations on environmental management**

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. The various permits are generally stipulated in the license or under applicable regulations and periodic inspections by the relevant authorities may be required for obtaining or renewal of that license to ensure that the licenses the Company has obtained comply with relevant conditions and regulations. Failure to fully comply with the conditions of the license or relevant regulations may result in suspension or cancellation of the license or civil or criminal penalties. In addition, the production and distribution of rubber gloves is related to compliance with environmental control criteria such as energy management, management of residual waste from the production process, water and air pollution management, environmental claims. Failure to, or incomplete compliance with the regulations related to the environment may have a negative impact on the Company whether 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.

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. The results of the risk assessment can be classified as follows:



1. Resource management and pollution control by focusing 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.
2. Compliance with the required legal and regulatory environmental protocols: The Company has established measures for risk management such as the preparation of an operating manual (Procedure) for systematic supervision and management. Including compliance with laws/regulations both domestically and internationally, the company requires the coordinator of the Quality, Safety and Environment Working Group (QSE) to supervise by using 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

Emerging Risk

- Risk from serious emerging infectious diseases such as Coronavirus 2019 (COVID-19) that may cause the Company's business operations to slow down or stop

The COVID-19) pandemic or other serious infectious disease or epidemic that may occur in the future may impede the Company's operations if employees or workers of the Company are at risk of infection or have been infected. The Company may be ordered by the relevant government agencies or may decide there is need to temporarily close the Company's factories, in part or in whole. This may result in a slowdown or cessation of the Company's business operations, rendering it unable to deliver products to its customers according to the specified timeline which may have a significant negative impact on the Company.



The Company has prepared important resources for continuous operation such as safety and occupational health equipment, masks, hand sanitizers, and computer applications for online work including separation of work spaces to avoid congestion, rotate employees' work days to reduce congestion in the workplace and allowing some employees to work from home for agencies that can. The Company also invested in providing vaccines to immunize employees of all levels and nationalities, for example, in 2021 and 2022, the company has provided more than 23,000 doses of Sinopharm and Moderna vaccines for



employees and stakeholders. In addition, the Company has also prepared a Business Continuity Management Plan in the event of a serious emerging epidemic crisis, and has carried out emergency response drills according to the BCM guidelines as well as closely monitoring and tracking information from both domestic and international sources, such as the World Health Organization and the Ministry of Public Health. Moreover, the Company has appointed an emergency prevention team or an emergency response team responsible for establishing protocols to deal with epidemic situations to ensure expedience, safety and efficiency.

- Risk from Climate change and environment issue

The sudden disaster of climate change is a global environmental concern. In the past, measures to keep the global average surface temperature from rising to more than two degrees celsius under the Paris Agreement have not been successful. Various risks have increased in severity. For example, direct risks are namely natural disasters, drought problems, etc., and indirect risks are namely more rigid regulations, new standards, changes in consumer behavior, and changes in technology, etc. The Company, therefore, has to formulate guidelines for managing and coping with climate change to mitigate the impact that may affect production costs competitiveness and sustainability of future business operations.

The Company defines continuously implemented measures to reduce greenhouse gas (GHG) emissions and expanded its practices for the value chain in the future, as described below:

- Established policy and frameworks to support investments in low-carbon projects to elevate the Company's GHG reduction initiatives;
- Established carbon footprint project to identify significant origins and take measures to reduce the Company's GHG, such as energy management and productivity enhancement;
- Promoted the use of renewable energy;
- Joined as a Membership of Thailand Carbon Neutral Network (TCNN), established by Thailand Greenhouse Gas Management Organization (Public Organization);
- Consistently monitored progress, review GHG reduction strategies and target and improve operations; following policies, rules, regulations continuously;
- Participated in the project of the Greenhouse Gas Management Organization. (Public Organization) TGO such as T-VER, LESS.
- Installed the Solar rooftop system of 816.48 kWp to reduce the cost of electricity in the production process and promote the solar energy, which is clean energy and can be used unlimited and reduces greenhouse gas emissions from fossil fuel-generated electricity. The rubber glove factory at Kantang District, Trang Province is the first factory to implement this project.

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%.

As of 22 November 2021, 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 56.07 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 almost all the resolutions of the shareholders' meeting, 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 balances on matters proposed by the major shareholders.



3. DRIVING THE BUSINESS TOWARDS SUSTAINABILITY

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.

As for sustainability, the Company has established a “Corporate Sustainability Development Policy” aimed at creating good practice and confidence in conducting business with responsibility and participation. The guidelines cover sustainability in good corporate governance, economic, environmental and social dimensions, which consist of important guidelines. For example, guidelines on good corporate governance focus on doing business with fairness in line with business ethics, taking into account responsibility for all groups of stakeholders as a priority, including anti-corruption in all forms. For economic dimension, focus is on developing innovative products and services to meet the needs and expectations of our customers and stakeholders with minimal resources and at the lowest cost over the long term so as to optimize asset utilization and create the most worthwhile investment. In addition, focus is also placed on adapting to accommodate changes in the business that is more inclined towards the use of various technologies. For the environmental dimension, sustainable resource and environmental management is pivotal, by focusing on the use of resources for maximum benefit as well as efficient prevention and management of the environmental impacts of business operations efficiently by using technology and innovation. In the social dimension, respecting and complying with universal human rights principles for stakeholders, fair treatment of trade partners and customers as well as being

responsible for social development to help solve societal problems and improve the quality of life of the community are important social practice of the Company. (The full Corporate Sustainability Development Policy can be found on the Company's website.)

The Company has worked on sustainability by setting organizational sustainability goals in areas such as reducing energy consumption and greenhouse gas emissions from production processes, security 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, the needs and expectations of stakeholders, as follows:

1. Sustainability for Supply Chain and Fair Trade:

We focus on sustainable supply chain management according to international standards for the Company's trade partners, promoting operations in accordance with the Company's sustainability practices which take into account the management of environmental and social impacts, adherence to business ethics, labor practices and fair trade.

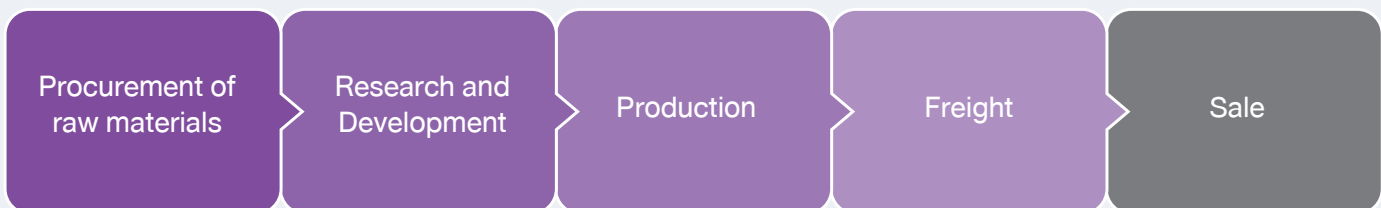
2. Human Rights: We respect and uphold the principles of human rights in our business operations and stand against all forms of human rights violations especially child labor, forced labor and slave labor and human rights violations in the workplace. We also recognize and value safe working conditions and good hygiene for all employees, as well as providing care and development of employees to enhance work skills and to develop effective work processes.

- 3. Animal Welfare:** We appreciate and love every living thing on this planet. We are very committed to "careful protection of every touch" by giving the gift of sharing and caring to those animals that are crippled, neglected or abused through donations and activities, including activities related to conservation of ecosystems on a regular and ongoing basis.
- 4. Responsibility & Sharing:** We not only produce and deliver the gloves of life to customers all over the world, but are also an organization that is dedicated and supports creation of a sharing society for a better and more sustainable world by focusing on participating in community and social development activities.
- 5. Environmentally Friendly Technologies:** In addition to paying attention to the production processes that meet international standards, we also focus on using environmentally friendly production technology with emphasis on the development of energy efficiency by using biomass and renewable energy in business processes, water management in the production process, waste management with regard to added-value and maximum utilization of all materials and reducing greenhouse gas emissions throughout the business value chain, to achieve our goals in becoming a low-carbon company, a green factory that is friendly to the environment and communities around our factories.

Managing Impacts on Stakeholders in the Business Value Chain

Business value chain

The Company places importance on key stakeholders throughout the business chain from upstream to downstream as follows:



Procurement of raw materials

The Company focuses on environmentally friendly green procurement, taking into account transparency, fairness, including respect for human rights, labor rights, avoid doing business with business partners who offer any dishonest benefits, and strictly adhere to the Code of Conduct for Business Partners and Competitors to prevent monopoly, unfair competition, prevent corruption. Moreover, the Company strongly supports the promotion of new sellers, with particular attention given to potential business partners who share the same values as the Company in regards to social and environmental responsibility. They are divided into 4 critical groups, namely: Formers, Packaging, Outsource/Service and Chemicals, with the Company using comprehensive assessment criteria, i.e. Social, Labor, Safety, Environment and Business Continuity Management Standards. After being selected in the approved list, the Company will send through a self-assessment form covering the issues of social, labor, safety, and environmental requirements for suppliers to complete

for at least 2 years. In this regard, in 2021, the Company has prepared a Business Partner Code of Conduct and Guidelines to encourage business partners to participate in social and environmental development for sustainable growth together. (The Business Partner Code of Conduct and guidelines can be found on the Company's website.)

Research and Development

The Company focuses on eco-friendly product design, reduction in the use of chemicals and refraining from harmful chemicals to enhance safety for consumers. The Company has developed rubber gloves to meet the needs of consumers in various industries, both in terms of quality, such as the thinness of rubber gloves which affects durability and comfort, and in terms of appearance, such as the use of different colors to add variety including the development of natural latex gloves that are free of allergenic proteins as some users of latex gloves are allergic to proteins in latex. In addition, the quality of the Company's gloves has been continually improved according to international quality standards and country specific quality standards such as

low protein latex gloves, the "Spectrum" model of natural rubber gloves (powder-free) that can be more than normal rubber gloves and available in a variety of colors such as blue, pink, purple, black, etc.

Production

The Company focuses on environmentally friendly production processes by using 100% biomass fuel in the production of thermal energy, reducing energy consumption, installation of efficient wastewater treatment and air pollution treatment systems, waste management using the 3Rs principle of Reduce, Reuse, Recycle, as well as the use of waste for benefits according to the Circular Economy guidelines.

Freight

For logistics and warehouse management, the focus is on reducing empty voyages and energy consumption, as well as finding new ports and transport routes that can transport goods to customers quickly and efficiently, especially in situations where there is a shortage of containers and very high freight rates whereby the Company has to manage logistics efficiently in order to generate the highest sales. In addition, the Company plans to enhance efficiency of warehouse management by using automation and programs to help facilitate the use of limited space in the factory for maximum efficiency, reduce the waiting process for Container loading and increase the turnover of inventory.

Sale

The focus is on providing accurate product information through various communication channels with customers and consumers, compliance with the Code of Conduct for Customer Relationships, systematic trading, availability of channels for receiving complaints and complaint handling procedures to provide quick and efficient response to quality issues, including maintaining customer confidentiality and providing a questionnaire for customers to evaluate the Company and give their feedback to improve the product. In addition, in recent years, the Company's customers from various countries around the world pay more attention to ESG matters and provide ESG assessment responses to such customer. To date, the Company has supported and cooperated in filling out the assessment with accurate, transparent, verifiable data and stands ready to improve the development of ESG with stakeholders.

In 2021, the Company has various measures to cope with the COVID-19 pandemic alongside stakeholders

throughout the supply chain with an efficient management system, as well as close coordination, communication with government agencies, suppliers of raw materials and customers in order to prevent and reduce the risk of contracting COVID-19 in the Company's factories and workplaces in all situations. In 2021, the Company has provided vaccines for immunization among its employees at all levels, both daily and monthly both Thai and foreigners without discrimination which, in addition to enabling the Company to continue the business without disruption to production, also was a gift encouragement to employees and their families as well as building confidence in the communities surrounding the establishment as well.

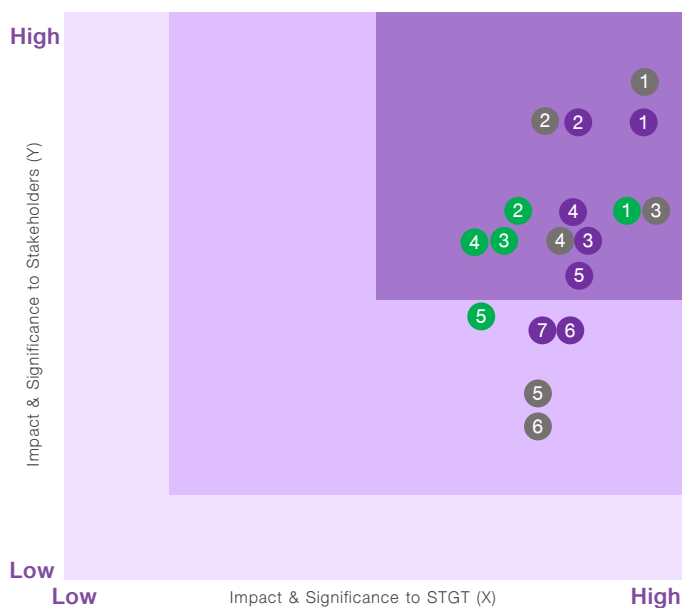
Stakeholder analysis in the business value chain

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 2021, the Company categorized stakeholders into 7 groups, arranged in order of importance as follows: customer/consumer, Shareholder/Investor/Analyst, Employee, Partner/Business Partner, government agencies/enterprises/private sectors involved, communities, creditors/banks



Key Sustainability Issues

In order to achieve the goals of the Company in terms of economic, social and environmental performance in accordance with the sustainable development approach, and appropriate and measurable response to the expectations of the stakeholders, the Company, by the various related departments, has therefore collected, evaluated and prioritized key issues affecting business operations so that the Company is able to find appropriate approaches and formulate management plans. By applying the principles of determining the content of GRI Standard whereby the key issues obtained from the analysis and ranking has been reviewed by the working group and presented to the Board of Directors for consideration and approval for disclosure in the annual sustainability report 2021. It was found that there are important issues according to the Materiality Matrix as follows:



18 Materiality topics (GRI 102-47)

Governance & Economic Dimension

- 1 Anti-corruption
- 2 Good corporate governance & code of conduct
- 3 Risk management & business continuity
- 4 Sustainable supply chain management
- 5 Business growth
- 6 Customer relationship development
- 7 Business innovation

Social Dimension

- 1 Human Rights
- 2 Complaint management
- 3 Occupational health & safety
- 4 Product & service quality and safety
- 5 Social philanthropy & community development
- 6 Employee stewardship & development

Environmental Dimension

- 1 Air emissions quality
- 2 Water & effluent management
- 3 Waste management
- 4 GHG emissions reduction
- 5 Energy consumption

(More information can be found in the 2021 Sustainability Report on the Company's website www.sritranggloves.com)

Sustainability Management in Environmental Dimensions

Environmental Policies and Guidelines

(The full Environmental Policy can be found on the Company's website.) 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 require 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, chemical vapor 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.

To ensure that environmental operations comply with the

policy and support the Sustainable Development Goals SDG6, SDG7, SDG11, SDG12, SDG13, the Company has set mid-term environmental goals as follows:

- Reduce total energy consumption per product unit by 5.5% compared to 2019 by 2024.
- Reduce electricity consumption per product unit by 10% compared to 2019 by 2024.
- Reduce the amount of greenhouse gas emissions Scope 1 and Scope 2 by 10% compared to 2021 by 2026.
- Reduce water use in production per product unit by 10% compared to 2019 by 2024.
- Reduce the amount of waste per product unit by 20% compared to 2019 by 2024.

Greenhouse gas emissions

The Company has created its organizational carbon footprint to know the amount of greenhouse gas emissions from the operations of the organization which will lead to the determination of management guidelines to effectively reduce greenhouse gas emissions. In 2021, the Trang plant registered its corporate carbon footprint with the Thailand Greenhouse Gas Management Organization and all 3 factories, namely Hat Yai Branch, Surat Thani Branch and Trang Branch have established their corporate carbon footprint which has been verified by Faculty of Energy and Environment, University of Phayao whose branch and scope of corporate greenhouse gas verification is registered with the Thailand Greenhouse Gas Management Organization.

In 2021, the Company reviewed the greenhouse gas emission calibration and set a new target to reduce greenhouse gas emissions equivalent to carbon dioxide per unit product by 10% by 2026 compared to the base year 2021.

Environmental performance

In 2021, 3 companies that have received ISO 14001: 2015 certification, are namely Surat Thani branch and Trang branch and Hat Yai branch.

Climate change and energy conservation

The Company recognizes and attaches importance to the global warming crisis that the world is facing and is committed to reducing energy consumption, improving work processes to reduce greenhouse gas emissions from corporate business operations. An energy conservation committee and a person responsible for energy at each plant have been appointed to prepare energy-saving measures and operate in accordance with the Energy Conservation Promotion Act B.E. 2535 to achieve energy conservation goals such as the selection of energy-saving equipment, using CFC-free refrigerants, using renewable energy such as biomass fuels, solar cells, etc.

In 2021, the Company has approved the investment budget for the installation of a Solar Roof covering an area of approximately 6,000 square meters with a maximum production capacity of approximately 1 megawatt at the factory area in Trang to meet the goal of increasing renewable and clean energy as well as reducing greenhouse gas emissions into the atmosphere.

Outcome:

Electricity Consumption Intensity* (Mpcs.)

UNIT	FY 2019	FY 2020	FY 2021
kWh/Mpcs.	9,512	8,670	8,754

Greenhouse gas emissions

The Company has created its organizational carbon footprint to know the amount of greenhouse gas emissions from the operations of the organization which will lead to the determination of management guidelines to effectively reduce greenhouse gas emissions. In 2021, the Trang plant registered its corporate carbon footprint with the Thailand Greenhouse Gas Management Organization and all 3 factories, namely Hat Yai Branch, Surat Thani Branch and Trang Branch have established their corporate carbon footprint which has been verified by Faculty of Energy and Environment, University of Phayao whose branch and scope of corporate greenhouse gas verification is registered with the Thailand Greenhouse Gas Management Organization.

FYI 2021: Scope 1 & Scope 2 GHG Emissions (tCO₂-eq)

Scope 1	Scope 2	Total
87,551	128,427	215,978

In 2021, the Company reviewed the greenhouse gas emission calibration and set a new target to reduce greenhouse gas emissions equivalent to carbon dioxide per unit product by 10% by 2026 compared to the base year 2021.

GHG Emissions Intensity (tCO₂-eq/Mpcs.)

FY 2019	FY 2020	FY 2021
5.75	5.66	7.42

Organizational water management

Water resource is both cost and a necessary resource for production. In addition, Thailand is currently experiencing an increasing drought. For the purpose of sustainable water management, the Company has set the following guidelines:

- Adequate water supply and suitable water quality must be provided.
- The quality and quantity of water used must be taken into account so as not to affect the communities surrounding the factory.
- Set goals for the annual increase in water efficiency, by using the 3Rs principles.
- Develop a system for producing soft water for maximum efficiency in order to reduce the use of ground water.
- Improve and develop equipment to enable optimal efficient water use



Target

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

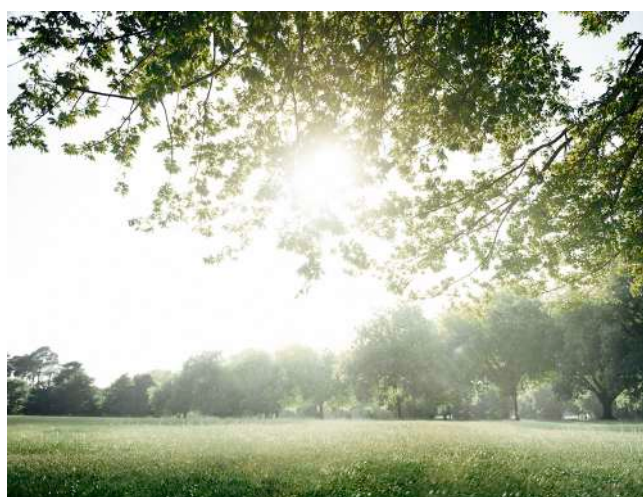
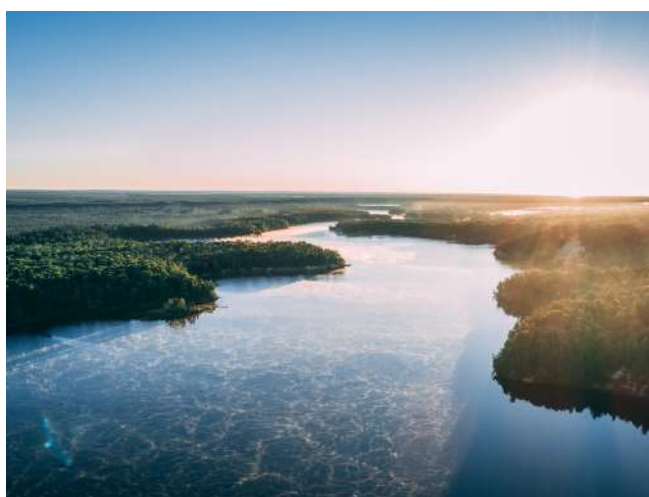
Performance

- Using recycled water in various activities
- Drawing up plans to reduce water consumption in each process through activities such as Kaizen, QCC

Outcomes:

Water consumption per product (m3 per million pieces)

FY 2019	FY 2020	FY 2021	Reduce from FY 2019
368	366	362	2%



Wastewater treatment

The Company has a standardized wastewater treatment system. Water from all processes in the production goes into the wastewater treatment system. In order to treat the water quality to meet the standards stipulated by the law, the Company has installed the BOD online system, which ensures that the water that is discharged to the public meets the legal standards.

The Company has supported the development and improvement of technology for efficient wastewater treatment and is able to reuse the water from the process to help reduce the use of groundwater with the following guidelines:

- Monitor and control the wastewater treatment system to be efficient at all times.
- Bring in technology and innovation to improve production processes to reduce water consumption.
- The treated water can be recycled back into production.
- Be prepared for any emergency situation that may arise.

Air pollution management

The Company has installed an air pollution treatment system according to the type of production process so as to reduce the impact both within the factory and nearby communities.

The Company's air pollution management are as follows:

- Biomass fuel boilers (wood chips) causes air pollution from combustion. The Company has installed two types of air pollution treatment systems:
 1. Multi Cyclone (dust and ash collection- Dry system)
 2. Wet Scrubber (dust and ash collection- Wet system)
- In using chlorine gas, the Company has installed a wet scrubber.

The results of air quality measurement from steam boiler vents passed under the Notification of the Ministry of Industry Re: Determination of the amount of contaminants in the air emitted from the factory, BE 2549 (2006) and the Notification of the Ministry of Industry Re: determination of the amount of soot contaminants in the air exhausted from the chimney of the factory boiler.

Waste management

The Company has adopted waste management systems according to the 3Rs principle (Reduce, Reuse, Recycle) as a guideline for the management of waste in the factory to be reused or recycled for use in other department in order to reduce the amount of waste disposal. Furthermore, disposal of waste is assigned only to agencies authorized by the Department of Industrial Works and the Company also conducts a campaign to raise awareness of employees about the impacts.

The Company conduct activities within the factory by the following guidelines:

- Make the utmost use of available resources by developing and creating value through sorting and reuse.
- Improve work / production processes to help minimize the amount of waste generated.

Outcome

Amount of waste per production unit (Ton/Mpcs.)

FY 2019	FY 2020	FY 2021	Reduce from FY 2019
1.62	1.34	1.51	7%

(More information can be found in the 2021 Sustainability Report on the Company's website www.sritranggloves.com)

Sustainability Management in Social Dimensions

Social Policy and Guidelines

The Company is mindful of human rights and equality and has, therefore, established social policies and guidelines that are consistent with the laws, rules and regulations related to international standards, as well as being compliant with the UN Global Compact and the Global Sustainable Development Goals (UN SDGs), which include respect for human rights throughout the value chain, such as fair treatment of labor, responsible production and service to customers, 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, suggest or lodge complaints through the channels provided by the Company.



Performance

- Sorting and storing waste / unused materials by type so that they can be further utilized or sent for legal disposal.
- Reducing and eliminating the use of foam food packaging and single-use plastic bags within the Company
- "Invention from Unused Materials Contest" project
- Exchange recycled waste for eggs activity

The Company has established guidelines for social management as follows:

Human Rights

The Company has established a human rights and non-discrimination policy in line with the UN Guiding Principles on Business and Human Rights (UNGPR) 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 non-discrimination 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.

Occupational Health and Safety

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. In addition, the Company has set up the Occupational Safety, Health and Environment Committee (CDC) and the management of safety according to the Occupational Health and Safety Management System ISO 45001 standard to create stability in safe 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.

Employees' Care

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, setting goals and plans for development of employee's potential to promote career advancement and growth, paying attention to the safety and health of employees and providing 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.

In addition to legal returns such as the Social Security Fund, Workmen's Compensation Fund, employees of the Company will be paid in the form of overtime pay, extra money for shift workers, paid vacation, annual bonus and

basic benefits for employees to have 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.

Responsibility to customers and consumers

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, 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.

Participation in community or social development

The Company and its subsidiaries operate business in accordance with the principle of good corporate governance, transparency and accountability. The Company strives towards the balance between business development and the economy, the society and the environment. The Company and its subsidiaries are committed to being the role model for the society in sustainability and to manage the business to achieve a strong growth and social recognition based on ethics and the principle of good corporate governance.

Social Performance

Human Rights

The Company realizes the importance of human rights and equality, thereby applying the Code of Conduct in accordance with BSCI standards to maximize the benefits of employees, customers, communities and the surrounding society. The Company has announced social and labor policies and established guidelines for fair treatment for employees at all levels in accordance with the framework of business ethics and Code of Conduct, including giving importance to promoting employment of disadvantaged workers and the disabled, promoting education for children and youth in the areas where

we operate, supporting the United Nations Sustainable Development Goals such as poverty eradication, quality education, decent work and reducing social inequality.

Major operations in 2021

The Company conducted human rights assessments in 2 main areas, namely the major human rights risks to employees and important human rights risks to communities and society in the area surrounding the location of the factory. Comprehensive human rights assessments are planned for the coming years.

Although the examination of the two human rights issues mentioned above found that there was no identified risk issue because there had never been an incident that had a significant impact. Nevertheless, the Company attaches great importance to issues of safety, health and hygiene (in the context of the COVID-19 pandemic) and protection of personal information. Therefore, there are measures to prevent and mitigate possible impacts from business operations as follows:

Protection of personal information

The Company has established a Committees and working group in compliance with the Personal Data Protection Act B.E. 2562 to create understanding among the operators in the preparation process of the Company and companies in the corporate group, including establishing a privacy policy, processes regarding consent, support for the exercising of rights of the owner of the data, preparation of required documents, as well as the formulation of measures to maintain the security of information, etc.

The working group has coordinated with the department manager or representatives of agencies assigned to collect information and study the processes related to the protection of personal information of the Company and the corporate group, conducting inquiries and interviews with representatives from each department in collaboration with external legal advisors to prepare gap assessment reports and to review and update documents and contracts related to the business operations of the Company and the corporate group to comply with the Personal Data Protection Act B.E. 2562.

Occupational Health

The Company's management of human rights covers emerging epidemics, especially in the case of the Covid-19 crisis, whereby the Company has set up a

working group, central communications team to formulate policies and management guidelines in the pandemic situation for the entire corporate group. All companies in the corporate group have set up emergency teams to analyze the situation, draft an emergency plan and provide necessary protective equipment such as masks, alcohol gel, including adjusting work hours appropriately for employees, contractors, and establishing additional measures to ensure safety at work.

Safety

The Company's operation is in accordance with ISO 45001 standards whereby it complies with the law on safety, occupational health and working environment, provides knowledge and training in accordance with 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 safe work environment in the operation of the Company.

The Company takes human rights of employees and communities around the area where the factory is located into careful account, details of which are as follows:

Human Rights of workers and employees

- Sufficient distribution of masks to all employees to wear to work every day during the situation of the Covid-19 pandemic.
- Making the workplace safe for everyone by spraying disinfectant and regularly wiping the surfaces and devices with rubbing alcohol.
- A temperature screening point is set up before entering the workplace, and additional hand washing stations and alcohol gel dispensers positioned around the area.
- Workplace and cafeterias are organized according to social distancing principles.
- Providing alternative Covid-19 vaccines for all employees.
- Conducting annual health examinations according to risk factors as well as random ATK testing of employees to ensure confidence in a safe workplace environment.

Human Rights of the community and society around the area where the factory is located

- Glove distribution project whereby rubber gloves were donated to the provincial public health officers and public health service units where the factory is located.
- Field visit to survey the impact of the Company's operations.
- Doing various projects with the community to generate income and improve the quality of life.

(More social dimension can be found in the 2021 Sustainability Report on the company's website. www.sritranggloves.com under the part of Sustainability)

Contributions to community or societal development

The Company and its subsidiaries have a policy to conduct business that is beneficial to the economy and society, adhere to good corporate citizenship and comply with all relevant laws and regulations. The policy encompasses promotion of knowledge creation to the community, creation of jobs and income distribution to help improve people's quality of life for sustainable social and national development, as well as tangibly supporting the organization of activities and raising awareness of social responsibility so as to play a part in driving Thai society towards sustainable social and environmental development which, in addition to helping to promote the economy and improving the quality of life of people in the community, is another important mission which the Company has carried out through various activities and projects it has initiated and developed to meet the expectations of stakeholders. In 2021, this has been carried out through activities such as



- Sufficiency Economy Organic Farming Project

The Company supports the organic farming group in Ban Lom Mum Community, Phatong Sub-district, Hat Yai District, Songkhla Province, to grow organic vegetables, grow mushrooms, make herbal juices, pit pig farming, and taking the company's unused materials, such as pallets, to make fences and vegetable plots. Such project activities aim to create a career for the community according to the Sufficiency Economy model initiated by His Majesty King Bhumibol Adulyadej. Since 2018, the project has been able to generate income for the group in the amount of THB 400,000. Members also allocate 10 percent of their income for use in taking care of the disadvantaged elderly in the community. In 2021, the project has been expanded to increase productivity and income by supporting the construction of vegetable greenhouses enabling villagers to grow vegetables all year round.

- Community Career Promotion and Support Project

The Company has a policy to promote and support the community where its factories are located by purchasing goods and services from the community to use in various activities of the Company, such as food, snacks and beverages. In 2021, the Company has hired the community to make New Year's gift baskets from Ban Yan Yao Ok community, Phatong Sub-district, Hat Yai district, Songkhla province, and woven baskets from community

enterprises in Ban To Muang, Bang Mak Sub-district, Kantang District, Trang Province, which generated income for the communities in the amount of THB 23,400 and THB 7,600, respectively.

- Weaving Love Pallet Wood Project

Sri Trang Gloves (Thailand) Public Company Limited, Surat Thani branch has organized a project to develop skills for people with disabilities at Baan Nam Hot Spring, Kanchanadit District, where the Company joins in supporting equipment and 946 pieces of wooden pallets which is a waste material from the factory, to the handicapped group in making tables and chairs, shelves and other woodwork, generating income for people with disabilities from May to December in the amount of THB 57,090.

- Employment contract renewal project and potential building for people with disabilities

In 2021 due to the pandemic situation, the Company's had to refrain from organizing New Year's activities and visiting staff with disabilities. Nonetheless, the Company was able to maintain various benefits such as providing shirts for employees and making inquiries to the employment agency regarding the development and well-being of employees on an ongoing basis. In 2021, the Company has employed 90 people with disabilities.

- "Sharing Love with Chronic Patients" Project

In 2021, the Company, together with the Social Welfare Unit, Songkhla Hospital and Tambon Health Promotion Hospital provided patients with medical rubber gloves and essential items for their treatment. Company representative joined with village health officials and volunteers to visit the area every 6

months to monitor symptoms. At present, there are 25 patients receiving assistance in the project, which can help reduce the cost for patients by THB 70,000 per year

- Supporting Volunteer Veterinary Camp and Animal Rescue Foundation

The Company supports neutering of stray cats and rabies vaccination to help reduce the growing number of stray dogs and cats that cause problems in the community. In 2021 the Company provided 2,000 gloves for this activity, valued at THB 1,400.

- 3rd Bang Mak bright road.

Sri Trang Gloves (Thailand) Public Company Limited, Trang Branch, has worked with villagers in Ban Bang Mak area to improve the landscape, strategic roads from the company to the intersection of Bang Mak and support the purchase of equipment to participate in the activities amounting to THB 4,000 on the occasion of the birthday of Her Majesty Queen Sirikit, The Queen Mother, on 12 August 2021.

- Sharing Touch of Love project

In fighting the dangers in the midst of the Covid-19 pandemic since 2020, the Company has supported medical rubber gloves to the community and various government departments for use in public health work, having delivered 7.9 million pieces of medical latex gloves to hospitals and government agencies covering 77 provinces, totaling a value of THB 5.95 mil.baht

(More details of participation in community and social development can be found in the 2021 Sustainability Report on the Company's website. www.sritranggroup.com under the topic of sustainability.)



Sufficiency Economy Organic Farming Project

Community Career Promotion and Support Project



Weaving Love Pallet Wood Project



3rd Bang Mak bright road.



Supporting Volunteer Veterinary Camp and Animal Rescue Foundation



“Sharing Love with Chronic Patients” Project



Sharing Touch of Love project



Sustainability Management in Business Disruptions

In 2021, the Company has established a business continuity management system. BCM Steering Committee and BCM Working Team were appointed, which consist of Managing Director, Chief Financial Officer and Executives from various departments, Risk management unit and all parties in performing business continuity management duties by set up corporate and operational risks assessment that may cause business disruption in order to formulate business continuity management strategies and plans as well as rehearsals to build trust with customers and stakeholders to ensure that when crises arises, the Company can enable continuous business operations and help mitigate the damage that may occur for maximum efficiency and effectiveness to deliver products to customer in time.

The Company has applied for ISO 22301:2019 Business Continuity Management (BCM) certification, which was audited in 1-3 December 2021, becoming the first company in the rubber glove manufacturing industry to receive ISO 22301:2019 Business Continuity Management (BCM) certification.

4. MANAGEMENT DISCUSSION AND ANALYSIS: MD&A

Financial Result Overview

An All-Time-High Net Profit



In FY21, we recorded an all-time-high profit after tax of THB 23,704.2 million, the highest in over 32 years of operation, increasing 64.4% YoY and representing a net profit of THB 8.29 per share, with a net profit margin of 49.9%.

In FY21, the increase in ASP, driven by robust global demand from across various sectors, led us to record an all-time-high revenue of 47,550.8 million, growing 55.6% YoY and THB 23,704.2 million in net profit, increasing 64.4% YoY, or THB 8.29 per share and a net profit margin of 49.9%.

In May 2021, we successfully became a listed company on the Singapore Exchange (SGX-ST) under the ticker “STG” without the issuance of any new shares. The listing broadened our shareholder base and opened up another channel for any future fundraising as well as enhanced our regional profile. We also successfully expanded our customer base to 170 countries around the world and expanded our distribution network to Singapore, Indonesia and Vietnam through new subsidiaries. Additionally, with excellent quality and outstanding ESG practices, we increased the percentage of products sold under our Sri Trang brands from 20% in FY20 to 28% in FY21. We also successfully increased our production capacity, with the commissioning of 3 new production facilities, which are Surat Thani Plant2 (SR2) in 2Q21 and Surat Thani Plant3 (SR3) and Sadao PS Plant in Songkla (PS) in 3Q21. Our annual installed production capacity increased from 33 billion pieces at the end of FY20 to 40 billion pieces at the end of FY21.

Going forward, we remain committed to expanding our production capacity to 48 billion pieces in 2022 and 80 billion pieces in 2024. Our unique production lines that can easily switch between producing NR and NBR

gloves afford us the flexibility to adjust our product mix and make us stand out among industry players. We will continue to expand our customer base from currently 170 countries to over 190 countries within the next 3 years. In addition, we are committing to improving our production efficiency, from currently 2.18 persons per 1 million pieces to 1.65 person and 1.0 person per 1 million pieces in 2024 and 2028, respectively. Crucially, we will continue our research and development efforts to come up with new products to further broaden our customer base and market share, starting with the installation of production lines for surgical gloves, which are in high demand globally. And to strengthen our status as a major industry player with a secure access to NR latex, we will continue with the development of NR gloves with low protein content that would prevent allergic reaction in users and would make NR gloves more attractive to markets where NBR gloves are preferred. Biodegradable NBR gloves are also in development as well. In September 2021, our “CWCG” (Clean World Clean Gloves) products, i.e, NR gloves with no detectable protein allergen, received test certificates from various labs in the US and Europe.

Extraordinary Event

1) The Extraordinary General Meeting of Shareholders of the Company No. 1/2020 which held on Friday 25 December 2020 has approved the change of par value from the original value of THB 1.00 per share to THB 0.50 per share, which was effective since 5 January 2021 onwards.

2) A shareholding restructure of Premier System Engineering and PS Sadao Rubber, where all shares held by STA were sold to Sri Trang Gloves (Thailand) Public Limited Company (STGT) to support the business expansion of STGT, in accordance with the resolution of the extraordinary meeting of shareholders of STGT on 25 December 2020, effective from 7 January 2021 onwards.

3) A fire incident at the expansion part of the Surat Thani Plant 2 (SR2) in February 2021, for which STGT received THB 50.9 million in insurance claims and which affected no more than 200 million pieces of our annual production capacity in FY21.

4) The outbreak of COVID-19 in 2Q21, which led to a temporary suspension of production for 8 days at the Surat Thani plants and for 19 days at the Trang plants in May-June and affected 800 million pieces in production output.

5) The establishment of new subsidiaries to expand our distribution channels in high-growth consumption countries in Vietnam as "STGV", Indonesia as "STGI", Singapore as "STGS" and "STGG" for a financial asset management business.

Income Statement Overview

Type	FY 2021	FY 2020 (Restated)	%YoY
Volume (in million pcs)	27,275.5	27,964.8	-2.5
Sales Revenue	47,550.8	30,552.4	55.6
COGS	(19,291.8)	(13,665.4)	41.2
Gross profit	28,259.0	16,887.0	67.3
Other income	362.5	247.1	46.7
SG&A	(2,242.8)	(1,164.9)	92.5
Gain (loss) on exchange rate, net	598.1	161.3	270.9
Other gain (loss) net	(1,079.4)	(62.4)	1630.3
Operating profit	25,897.4	16,068.0	61.2
EBITDA	27,251.1	17,200.1	58.4
EBIT	26,004.0	16,107.6	61.4
Finance income	106.5	39.6	169.1
Finance costs	(127.4)	(143.2)	-11.1
EBT	25,876.6	15,964.4	62.1
Tax	2,172.5	1,548.7	40.3
Net profit	23,704.2	14,415.7	64.4
GP margin (%)	59.4	55.3	4.2
EBITDA margin (%)	57.3	56.3	1.0
Net profit margin (%)	49.9	47.2	2.7
Financial Ratio			
Current ratio	5.23	5.50	-4.8
Cash cycle (days)	35.97	33.90	6.1
IBD/E	0.22	0.20	8.9
Interest coverage ratio	204.19	112.47	81.5
ROA (%)	49.6	50.2	-0.6
ROE (%)	67.3	78.6	-11.4

Revenue

Sales revenue in FY21 was THB 47,550.8 million, growing 55.6% YoY, driven by the ASP that rose to THB 1,739.2 (USD 54.7) per 1,000 pieces, increasing 56.5% YoY on the back of robust global demand for gloves as a personal protective equipment (PPE) from the medical as well as other sectors like food, restaurant, hospitality and aviation, for example. Sales volume, however, decreased 2.6% YoY to 27,275 million pieces as a result of the COVID-19 outbreak at our production facilities in 2Q21 as well as the global container shortage and shipping congestion that persisted throughout the year, which means that a portion of finished products could not be delivered to customers. As a result, our utilization rate decreased from 95% in FY20 to 87% in FY21.

By product, revenue from NBR gloves accounted for 41.6% of total sales revenue. Revenue from NR powdered gloves (NRPD) accounted for 33.9% of total sales revenue, while revenue from NR powder-free gloves (NRPF) made up 24.6% of total sales revenue. Our one-of-a-kind production lines that can switch between producing NRPF and NBR gloves afford us the flexibility to adjust our product mix, which is distinct from and makes us stand out from other glove producers.

Gross Profit

In FY21, we recorded THB 28,259.0 in gross profit, increasing 67.3% YoY on the back of an increase in ASP across all product types. Gross profit margin increased from 55.3% in FY20 to 59.4% in FY21, a new record. The increase in gross profit could offset the increase in raw material prices, both NR latex and NBR latex. We also recorded THB 362.5 million in other income, THB 149.6 million of which were the interest subsidy received from the Rubber Authority of Thailand (RAOT) as part of the interest rate subsidy program to support our capacity expansion and THB 50.9 million were insurance claims for the fire incident at the expansion part of SR2 in February 2020.

Selling and Administrative Expenses

SG&A increased 92.5% YoY to THB 2,242.8 million, mainly from higher ocean freight costs and an increase in products sold under the CIF incoterm, under which we bear the freight costs, which are completely passed on to customers in the selling prices. Administrative expenses also increased, corresponding to the growth in operations and capacity expansion. We recorded one-time expenses related to the listing on the Singapore Exchange (SGX), the accommodations for employees during the COVID outbreak at the production facilities

and the provision of vaccines to employees to boost confidence among all stakeholders. The percentage of SG&A to sales increased from 3.8% in FY20 to 4.7% in FY21.

Net Gains/Losses from Foreign Exchange

Our net losses from foreign exchange amounted to THB 471.2 million, which was primarily due to the loss of the derivative instruments such as, forward and option contracts that the Company entered during the FY2021.

Finance Income

Our finance income on interest earned from bank deposits increased by 169.1% from THB 39.6 million in FY2020 to THB 106.5 million in FY2021. This was primarily due to an increase in cash deposits at banks.

Finance Costs

Our finance costs decreased by 11.1% YoY, or THB 15.9 million, from THB 143.2 million in FY2020 to THB 127.4 million in FY2021. This was primarily due to a decrease in interest rates charged by financial institutions. However, such long-term loans are under the interest-subsidy program of the Rubber Authority of Thailand (RAOT).

Income Tax Expenses

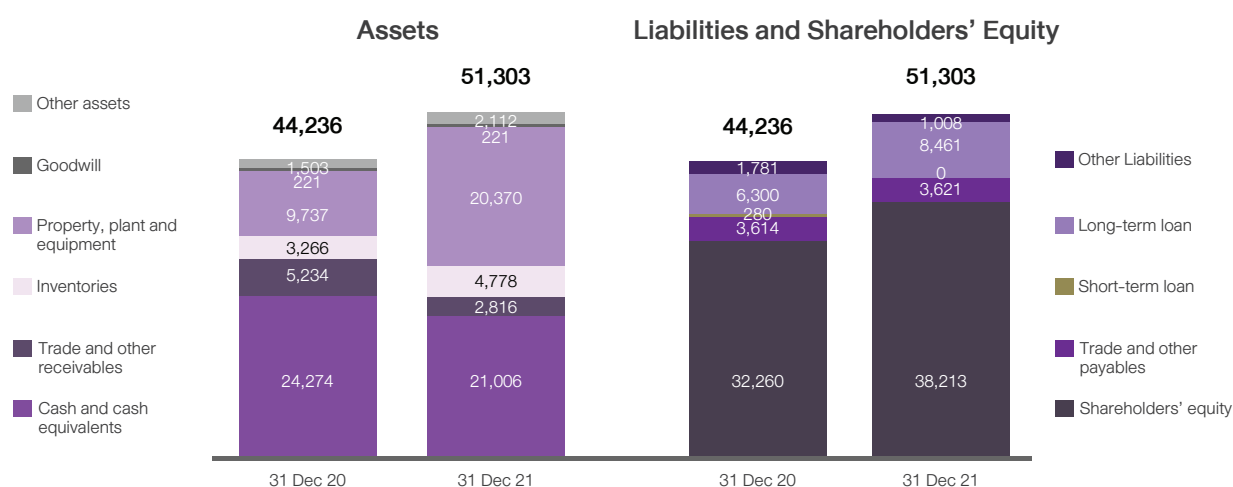
Our income tax expenses increased 40.3% YOY to THB 2,172.5 million in tandem with net profit, our effective tax rate declined from 9.7% in FY20 to 8.4% in FY21 as our capacity expansion received BOI benefits.

Net Profit

Our net profit significantly increased 64.4% YOY or THB 9,303.3 million from THB 14,415.7 million in FY2020 to THB 23,704.2 million in FY2021, with 49.9% of net profit margin.

Financial Position

(Unit : million THB)



Total Assets

Total assets as at 31 December 2021 increased by THB 7,066.9 million to THB 51,302.8 million from 31 December 2020, mainly due to property, plant and equipment increased by THB 10,632.9 million and inventory increased by THB 1,511.7 million.

Total Liabilities

Total liabilities as at 31 December 2021 increased by THB 1,114.2 million to THB 13,089.7 million from 31 December 2020, mainly due to the increase in long-term borrowing from financial institutions (minus current portions) in the amount of THB 1,602.2 million comparing to the previous year. Nearly all outstanding loans were taken under the interest rate subsidy program of the RAOT which up to 3% of interest rate is subsidized.

Total Shareholders' Equity

Total shareholders' equity as at 31 December 2021 increased by THB 5,952.7 million to THB 38,213.1 million from 31 December 2020, mainly due to the increase in the retained earnings from the operations in FY2021 offset by the interim dividend payment of THB 6,573.5 million.

Capital Expenditure and Source of Funds

In 2021, our capital expenditure was THB 11,791.8 million, up 505.5% from the previous year, which was primarily due to the capacity expansion in Surat Thani Plant 2 (SR2), Surat Thani Plant 3 (SR3), and Sadao PS Plant (PS) starting their operation in FY2021. In addition, there has been three plants under the construction process namely Trang 3 (TG3), Anwar (ANV), and Chumporn (CP). Our primary sources of funds were

cash, long-term borrowings from financial institutions, and cash from IPO proceeds of STGT.

Research and development (R&D) expenditure

In the FY2021, the Company had the expenses related to the research and development of THB 18.2 million. Such expenses are associated with the research and development in relation to product development, as well as the improvement on the efficiency on the production process, energy reduction, quality assurance, packing process, and stock or warehouse management by using new technology including the automation. The obvious result of such R&D is that we can improve our production efficiency from using 2.8 persons to produce 1 million pieces to 2.18 persons per 1 million pieces in 2021; furthermore, we have developed to achieve at 1.0 person per 1 million pieces in 2026. Also, we give the priority to the development of the new product such as low protein gloves by minimizing the protein level in order to serve the market needs.

The Ability to Service Debt and Comply with Loan Covenants

Short-term and long-term borrowings from financial institutions, debentures, and financial leases as of 31 December 2021 amounted to THB 8,531.6 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 18) with the key covenants that the Company must maintain in every quarter as follows:

Ratio	Condition (Calculated from Consolidated Financial Statements)	1Q21	2Q21	3Q21	4Q21	Results
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Long-term borrowings

DSCR	Not less than 1.1:1	28.34	42.43	39.70	27.02	Pass
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Credit Policy

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

Financial Ratios

Interest coverage ratio

For the year ending 31 December 2021, the Company had interest coverage ratio equivalent to 204.19 times, increase from the year ending 31 December 2020 that had the interest coverage ratio at 112.47 times. The main reason was the increase in EBIT which fully was offset the increase in long-term borrowings with the financial institution under the interest rate subsidy program of the RAOT which up to 3% of interest rate is subsidized.

Current ratio

Current ratio as at 31 December 2021 was 5.23 times, decreased from 31 December 2020 at 5.50 times, as the decrease in current assets resulting from spending cash to expand capacity throughout the year 2021, and the decrease in current liabilities coming from short-term borrowings from financial institutions and income tax payable.

Cash cycle

Cash cycle for the year ending 31 December 2021 was 35.97 days, decrease from the year ending 31 December 2020 at 33.90 days, mainly due to increase in finished goods and inventory days as the global container shortage and shipping congestion meant that orders could not be shipped out as planned.

Return on Assets ("ROA")

Return on assets for the year ending 31 December 2021 was 49.6%, decrease from the year ending 31 December 2020 at 50.2% due to a significant increase in the profit of the period in FY2021, and the average total assets in FY2021 increased more than the average total assets increase in FY2020 by a greater proportion than the increase in profit thanks to the proceeds from IPO which will be used under the IPO's objectives and our capacity expansion.

Return on Equity ("ROE")

The return on equity for the year ending 31 December 2021 was 67.3%, increase from the year ending 31 December 2020 at 78.6% due to a significant increase in the profit for the period in FY2021, even though, the average total shareholders' equity in FY2021 increased more than the average total shareholders' equity increase in FY2020 thanks to the increase in the retained earnings from the operations in FY2021 offset by the interim dividend payment.

Interest Bearing Debt to Equity Ratio

The interest bearing debt to equity ratio for the year ending 31 December 2021 was 0.22 times, increased from the year ending 31 December 2020 at 0.20 times, mainly due to the increase in long-term borrowings with the financial institution under the interest rate subsidy program of the RAOT.

Ratio	Unit	FY 2021	FY 2020	FY 2019
Liquidity Ratio				
Current ratio	Times	5.23	5.50	1.56
Quick ratio	Times	4.39	4.96	0.97
Cash flow liquidity ratio	Times	4.08	3.01	0.52
Account receivables turnover	Times	13.05	9.75	7.85
Days of account receivables	Days	27.58	36.92	45.84
Inventory turnover	Times	9.63	12.06	17.34
Days of Inventory	Days	37.40	29.86	20.76
Account payable turnover	Times	12.41	10.95	13.82
Days of account payables	Days	29.02	32.88	26.05
Cash Cycle	Days	35.97	33.90	40.55
Profitability Ratio				
Gross profit margin	%	59.43	55.27	11.99
Operating profit margin	%	54.46	52.59	7.56
Other income	%	0.96	0.92	1.19
Operating cash flow to operating profit ratio	%	92.95	83.62	148.05
Net profit margin	%	49.85	47.18	5.02
Return on equity holders of the company	%	67.81	79.78	18.57
Return on equity (ROE)	%	67.27	78.64	14.99
Efficiency Ratio				
Return on assets (ROA)	%	49.62	50.18	5.14
Return on non-current assets	%	165.68	169.44	19.22
Assets turnover	Times	1.02	1.08	1.02
Financial Policy Ratio				
Debt to equity ratio	Times	0.34	0.37	2.00
Interest Bearing Debt ratio	Times	0.22	0.20	1.61
Interest coverage ratio	Times	207.07	105.64	8.45
Debt Service Coverage Ratio (DSCR)	Times	27.02	15.02	2.29
Operating cash flow to total obligation (Cash basis)	Times	0.83	1.92	0.30
Dividend payout ratio	%	54.84	54.82	-

5. GENERAL AND OTHER SIGNIFICANT INFORMATION

GENERAL INFORMATION

Share Registrar



Thailand Securities Depository Company Limited
No. 93 Ratchadaphisek Road, Dindaeng Subdistrict, Dindaeng District, Bangkok 10400
Tel: (+66) 2009 9000
Fax: (+66) 2009 9991
TSD Call Center 0-2009-9999

Singapore Transfer Agent



Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623
Tel: 65-6536-5355
Fax: 65-6536-1360

Auditor



EY Office Limited
No. 193 / 163-137, Lake Ratchada Building, 33rd Floor, Ratchadaphisek Road,
Klongtoey, Bangkok 10110
Tel. (+66) 2264 9090
Fax. (+66) 2264 0789

Legal advisor



Weerawong, Chinnavat and Partners Limited
No. 540 Mercury Tower, 22nd Floor, Ploenchit Road
Lumpini Sub-district, Pathumwan District, Bangkok 10330
Tel. (+66) 2264 8000
Fax. (+66) 2657 2222

OTHER SIGNIFICANT INFORMATION

- None -

LEGAL DISPUTES

As of 31 December 2021, 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.



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.

6. CORPORATE GOVERNANCE

CORPORATE GOVERNANCE POLICY

The Company realizes the importance of good corporate governance as a significant factor that helps promote the Company's operations for efficiency and sustainable growth which will lead to the best interest of all stakeholders including employees, investors, shareholders and other stakeholders. The Company's good corporate governance policy covering important principles from the management of senior managers with clear transparency and accountability. It also approved the Board of Directors Charter and the sub-committees' regulations covering the structure, roles, duties and responsibilities to guide the organization's management, ensuring that any operations of the Company are performed with fairness and the best interests of shareholders and all stakeholders.

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 Company 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.

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 appendix of this report or the Company's website at <https://www.sriranggloves.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 employees 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.



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.
- 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 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.

Policies and Guidelines for the Board of Directors

The Board of Directors has the significant role in the business management of the Company as the leader to determine strategies, visions, missions and business policies including main goals of the Company and its subsidiaries for sustainability and oversee the business by taking into consideration all relevant stakeholders as well as allocating the material resources, assigning, and monitoring the operations of sub-committees and the management with the aim to achieve objectives and goals of creating sustainable value for the business that is for the best interests of the Company and is fair to all stakeholders in accordance with the principle of good corporate governance. The additional details on the policy and guidelines for the Board of Directors could be found in Section 7. Corporate Governance Structure and Section 8. Corporate Governance Report.

Nomination and Remuneration of Directors

The Board of Directors has the duty to ensure that the recruitment and selection of directors is transparent and clear in order to have the directors with qualifications in accordance with the defined composition and the relevant regulations. The Board of Directors has appointed the Nomination Committee to consider the criteria and methods of nominating the directors with required qualifications to ensure that the Board of Directors comprises directors with the appropriate knowledge and expertise including the experience and diversity in the structure of the Board of Directors (Board Diversity), and propose the suitable candidates to the Board of Directors' or the shareholders' meeting for further appointment (as the case may be).

For the determination of remuneration, the shareholders' meeting has the authority to approve the structure and rate of remuneration of directors, both in monetary and non-monetary terms. The Board of Directors has appointed the Remuneration Committee to consider the structure and rate of remuneration for the directors to be commensurable with their responsibilities and to motivate the Board of Directors to lead the organization to achieve both short-term and long-term goals. The remuneration of directors 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.

Nomination and Remuneration of Executives

The Board of Directors will ensure that the Chief Executive Officer and senior executives are nominated and receive necessary development trainings to have knowledge, skills, experience and qualifications that are necessary to derive the organization to achieve its objectives. The Board of Directors has delegated the Nomination Committee to consider criteria and methods of nominating qualified candidate to hold the position of the Chief Executive Officer and senior executives.

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/corporategovernance/corporate-policy>

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

Policies and Guidelines for 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 level of within the organisation 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) and it is expected that the Company will submit the application for the certification of membership of CAC within June 2022.



CODE OF CONDUCT

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 for sustainable business growth. 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.

The Company reviews the Code of Conduct on an annual basis and regularly monitors the compliance thereof, 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.

The details of "Code of Conduct" 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 Code of Conduct consist of:

Code of Conduct for Responsibilities towards 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 at every meeting including allowing shareholders to exercise their rights.

Code of Conduct for Customers' Relationship

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 and the public to make complaints about products and services as well as arranging customer satisfaction inquiries and summarizing the data for analysis by doing its best to give its customers and the public a quick response. The Company also attaches great importance to customer confidentiality by not using customer information for their own benefit and preventing wrongful use of related parties.

Code of Conduct for Relationship with Business Partners and Competitors

(1) Relationship with Suppliers

The Company pays attention to the selection of Suppliers, 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.

(2) Relations with Competitors

The Company has a policy to promote free and fair trade competition policy by competing in trade within the framework of fair 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.

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 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.

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.

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.

Code of Conduct for Intellectual Property and Copyrighted Work

The directors and senior executives shall be responsible for raising awareness among directors, senior managers, and 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.



SIGNIFICANT CHANGES AND DEVELOPMENT TO CORPORATE GOVERNANCE POLICIES, GUIDELINES, AND SYSTEM IN THE PREVIOUS YEAR

In 2021, the Company has a significant changes and developments of corporate governance system which can be summarized as follows:

1) The Company has established the Corporate Governance and Sustainable Development Committee, which is a sub-committee, in order to perform the duties of 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.

2) The Company has declared its intention to join Thai Private Sector Collective Action Against Corruption (CAC) on 26 August 2021 and it is expected that the Company will submit the application for the certification of membership of CAC within June 2022. This is to show the intention and determination of the Company to refuse all forms of corruption. To be in line with the criteria of CAC and 2017 Corporate Governance Code for Listed Companies, the Company has amended the policies in relation to Anti-corruption which consisted of Anti-corruption Policy, Whistleblowing Policy, Prevention of Conflict of Interests Policy, and Anti-Corruption Policy Guideline in order to be a guideline for personnel of the Company and other related parties to study, understand and strictly adhere to.

3) The non-executive directors held one meeting in order to allow a discussion of any issues of concern without the participation of the management.

4) The Board of Directors has reviewed and/or amended the Charter of Board of Directors and Sub-committees i.e. Charter of Audit Committee, Charter of Risk Management Committee, Charter of Nomination Committee, Charter of Remuneration Committee, Charter of Executive Committee, and Charter of Corporate Governance and Sustainable Development Committee which include:

- The amendment of Charter of the Nomination Committee regarding the Nomination of New Directors, the selection of candidate may

consider from the recommendation of other directors, the nomination by the shareholders in accordance with the criteria as determined by the Company, using of the external professional search firm, or from the director pool or other nomination procedures, as well as to consider the structure of the Board of Directors, the diversity in the structure of the Board of Directors (Board Diversity), expertise and experience, and use the Board Skill Matrix.

- The amendment of Charter of the Board of Directors regarding the Board of Directors' Meeting, at least two-thirds of the total directors must present during the voting procedure.

5) The restructure of Nomination Committee and Remuneration Committee from "such committees comprise of a majority of executive directors" to "such committees comprise of a majority of independent directors". Thus, the ratio of independent directors is more than 50 percent of total directors in such committees.

6) 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.

7) The Company has determined the Policy on Human Rights and Non-discrimination in compliance with the Universal Declaration of Human Rights of the United Nations, which is the fundamental principle in determining the guideline between the Company and the employees that employees have been equally treated on a nondiscriminatory basis, and the Company has also determined the Tax Policy which the Company adheres to the principles of integrity, transparency, and strictly complies with the laws, as well as to determine the Sustainable Development Policy as business operation guideline for the Company and its subsidiaries covering governance, economic, environment, and social aspects.



Compliance with the 2017 Corporate Governance Code for Listed Companies

The Company places an importance on the development of the Company's business operations in accordance with good corporate governance principles. In 2021, the Board of Directors has considered and reviewed the implementation of the 2017 Corporate Governance Code for Listed Companies of the SEC according to the business context for ensuring that it covers and keeps up with the significant development of good corporate governance that are constantly changing. The Company complies with such good corporate governance principles for listed companies except for some principles that the Company has not yet implemented. The details of which are as follows.

Unimplemented of CG Principle	Explanation
The Chairman of Nomination Committee should be an independence director.	The Nomination Committee comprises of 3 directors i.e. 2 independent directors and 1 executive director who is the Chairman of Nomination Committee. The Nomination Committee still comprises of a majority of independent directors. In this regard, all directors can express their opinions and perform their duties independently without any intervention from the management.
All directors and relevant executives should attend the shareholder meeting in order for the shareholders are able to inquire about any related topics.	In the 2021 Annual General Meeting of Shareholders, one director cannot attend the meeting due to the travel restriction under COVID-19 situation.

Apart from the compliance with the 2017 Corporate Governance Code for Listed Companies, the Company has also complied with other criteria i.e. the Corporate Governance Report of Thai Listed Companies and ASEAN Corporate Governance Scorecard assessed by the Thai Institute of Directors (IOD), Annual General Meeting of Shareholders (AGM) Quality Assessment assessed by Thai Investors Association, including the member of the Thailand Sustainability Investment Indices (THSI) or Sustainable Stock assessed by SET.



Other Practices following the Good Corporate Governance Principles

The Board of Directors places an importance on the disclosure of significant details of the Company in an accurate, sufficient, and timely manner following the relevant regulation, standard, and guideline for the disclosure of both financial and non-financial information, including the establishment of Investor Relations Department to communicate with shareholders and other stakeholders in equal, appropriate, and timely manner to benefit the investment decision-making. Investor Relations Department has published the key information and held several activities to provide and deliver the information to shareholders and investors domestically and internationally through various channels. The Company has organized analyst meetings on a quarterly basis, and joins local & international roadshow/ conferences hosted by the Stock Exchange, financial institutions, domestic and foreign mutual funds, including contacting Investor Relations directly throughout the year via virtual conference systems such as Microsoft Teams, Zoom, and Webex etc. In addition, Investor Relations Department has organized the meeting to provide all the data to credit rating agency, aiming to encourage analysts and investors to acknowledge and understand Sri Trang Group's direction and business opportunity. In 2021, the Company has held meetings with investors, fund managers, media/ reporters globally with a total of 50 times, which important events/ meetings are as follows:

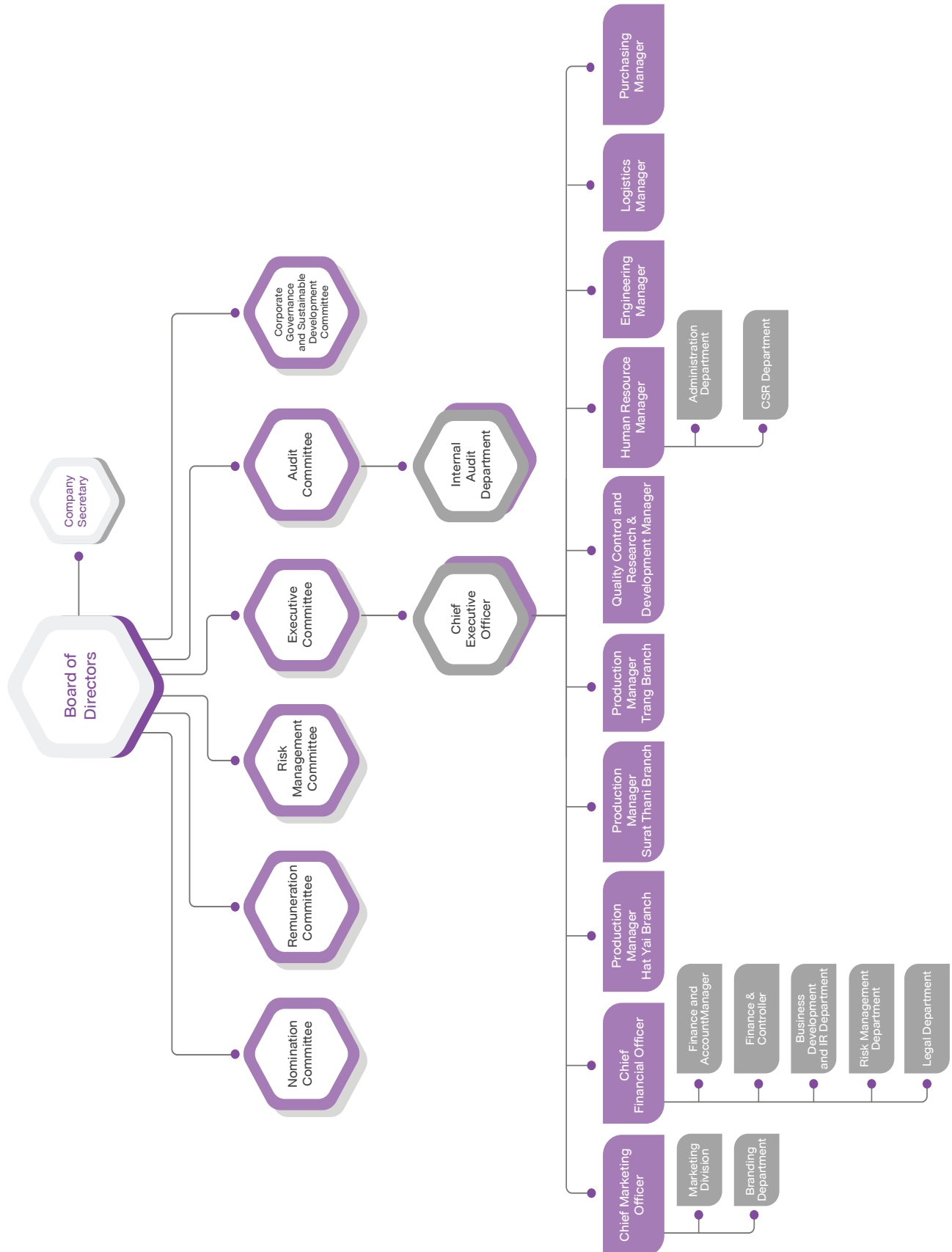
Activities	Organizer	Date
Quarterly Analyst Meetings	STA	17 February 2021 13 May 2021 11 August 2021 9 November 2021
12 th CS ASEAN Conference in collaboration with ASEAN Exchanges	Credit Suisse	7 January 2021
Corporate Day with Yuanta	Yuanta Securites (Thailand) Company Limited	12 January 2021
Thailand Investment Conference 2021	Kiatnakin Phatra Securites Company Limited	2 March 2021
CITIC-CLSA Asean Access Month	CLSA	10 March 2021
Management Meeting	TRIS Rating Co., Ltd.	23 April 2021
STGT 101 for New Analysts	STGT	20 May 2021
SIAS Corporate Connect Webinars	SGX	6 July 2021
Thai SMIDs Corporate Day	Maybank Kim Eng Securities (Thailand) Public Company Limited	26 August 2021

The detail of Investor Relations Department is as appeared in Section 7.6 Other significant information - Investor Relations Department.

7. CORPORATE GOVERNANCE STRUCTURE

COMPANY'S MANAGEMENT STRUCTURE

As of 31 December 2021, details of the Company's management structure are as follows:



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 2021, the Board of Directors comprised of 12 members that is suitable for the size and business strategy of the Company as follows.

- 4 independent directors or equivalent to 33.33 percent of all directors (which is one-third of total directors)
- 5 executive directors or equivalent to 41.66 percent of all directors.
- 7 non-executive directors or equivalent to 58.33 percent of all directors.
- 3 female directors or equivalent to 25 percent of all directors.

List of directors are as follow:

Name of directors	Age	Gender	Position	Date of Appointment
1. Professor Dr. Weerakorn Ongsakul	54	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	62	Male	Vice Chairman / Chairman of Nomination Committee / Member of Remuneration Committee / Member of Executive Committee	1 April 2019
3. Dr. Viyavood Sincharoenkul	66	Male	Director and Chairman of Executive Committee	1 April 2019
4. Ms. Jarinya Jirojkul	50	Female	Director / Member of Risk Management Committee / Member of Executive Director / Member of Corporate Governance and Sustainable Development Committee	1 April 2019
5. Mr. Veerasith Sinchareonkul	37	Male	Director / Chairman of Risk Management Committee / Member of Executive Committee	1 April 2019
6. Mr. Vitanath Sincharoenkul	31	Male	Director / Member of Executive Committee / Chairman of Corporate Governance and Sustainable Development	1 April 2019
7. Mr. Anan Pruksanusak	67	Male	Director and Member of Executive Committee	1 April 2019
8. Ms. Thanawan Sa-ngiamsak	43	Female	Director / Member of Risk Management Committee / Member of Corporate Governance and Sustainable Development Committee	1 April 2019
9. Mr. Chia Chee Ping	53	Male	Director	1 April 2019
10. Mrs. Unakorn Phruithithada	64	Female	Independent Director / Member of Audit Committee	31 May 2019
11. Gen. Bundit Boonyapan	63	Male	Independent Director / Member of Audit Committee / Member of Corporate Governance and Committee / Member of Nomination Committee / Member of Remuneration Committee	25 December 2020
12. Clinical Professor Dr. Sarana Boonbaichaiyapruk	62	Male	Independent Director / Member of Remuneration Committee	26 August 2019

- Remarks:**
- ⁽¹⁾ The Board of Directors' Meeting on 10 August 2021, resolved to approve the establishment Corporate Governance and Sustainable Development Committee, the members of which comprised of Mr. Vitanath Sincharoenkul, Chairman of Corporate Governance and Sustainability Committee and Gen. Bundit Boonyapan, Ms. Jarinya Jirojkul and Ms. Thanawan Sa-ngiamsak, members of Corporate Governance and Sustainable Development Committee, effective on 10 August 2021 onward.
- ⁽²⁾ The Board of Directors' Meeting on 23 December 2021, resolved to approve 1) the appointment of Gen. Bundit Boonyapan as the member of Nomination Committee in replace of Ms. Jarinya Jirojkul who resigned from the member of Nomination Committee 2) the appointment of Clinical Professor Dr. Sarana Boonbaichaiyapruk and Mr. Kitichai Sincharoenkul as the members of Remuneration Committee in replace of Mr. Veerasith Sinchareonkul and Ms. Jarinya Jirojkul who resigned from the member of remuneration committee, effective on 23 December 2021 onward.
- ⁽³⁾ Clinical Professor Dr. Sarana Boonbaichaiyapruk has resigned from the positions of Independent Director and the Member of Remuneration Committee of the Company due to his other business engagement, effective from 14 January 2022 onwards.
- ⁽⁴⁾ The Board of Directors' Meeting on 10 February 2022 has appointed Gen. Bundit Boonyapan to be member of Remuneration Committee of the Company in replace of Clinical Professor Dr. Sarana Boonbaichaiyapruk.

The Board of Directors comprises of the qualified members who have diversified knowledge, capability, skill, experience, and expertise beneficial to the Company's business operations as follows:

Skill Matrix of the Board of Directors													
List of Directors	Work Experience in relation to Company's Business	Educations and Experiences											
	Manufacture and Distribution of Gloves Business	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. Professor Dr. Weerakorn Ongsakul		✓		✓	✓							✓	✓
2. Mr. Kitichai Sincharoenkul	✓	✓				✓	✓					✓	✓
3. Dr. Viyavood Sincharoenkul	✓	✓			✓				✓	✓		✓	✓
4. Ms. Jarinya Jirojkul	✓	✓		✓	✓				✓	✓	✓	✓	✓
5. Mr. Veerasith Sinchareonkul	✓	✓	✓		✓				✓			✓	✓
6. Mr. Vitanath Sincharoenkul	✓	✓							✓	✓		✓	✓
7. Mr. Anan Pruksanusak	✓	✓									✓	✓	✓
8. Ms. Thanawan Sa-ngiamsak	✓	✓	✓			✓	✓					✓	✓
9. Mr. Chia Chee Ping	✓	✓	✓					✓	✓			✓	✓
10. Mrs. Unakorn Phruithithada		✓	✓									✓	✓
11. Gen. Bundit Boonyapan		✓		✓			✓					✓	✓
12. Clinical Professor Dr. Sarana Boonbaichaiyapruk		✓			✓			✓				✓	✓

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.

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.

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 2021, 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 or 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 Profile of the Board of Directors.

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 corruptions.

(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:

- a) Opinion on the accuracy, completeness and reliability of the financial reports of the Company;
- b) Opinion on the sufficiency of the internal control system of the Company;
- c) 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.
- d) Opinion on the suitability of the auditors;
- e) Opinion on transaction with possible conflict of interests;
- f) Number of meetings of the Audit Committee and attendance of each member of the Audit Committee;
- g) Opinion or overall observation of the Audit Committee in its performance of duties under the Audit Committee Charter;
- h) 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:

1. A transaction with possible conflict of interests;
2. Material fraud, irregularity or deficiency of the internal control system; or
3. 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 2021, 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

Remark:

The Board of Directors' Meeting on 23 December 2021 resolved to approve the appointment of Gen. Bundit Boonyapan as the member of Nomination Committee in replace of Ms. Jarinya Jirojkul who resigned from the member of Nomination Committee, effective from 23 December 2021 onward.

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 2021, the Remuneration Committee comprises of the majority of independent directors and has 3 members as follows

Name	Position
1. Professor Dr. Weerakorn Ongsakul	Chairman of Remuneration Committee
2. Clinical Professor Dr. Sarana Boonbaichaiyapruk	Member of Remuneration Committee
3. Mr. Kitichai Sincharoenkul	Member of Remuneration Committee
Mr. Somrat Thapnual	Secretary of Remuneration Committee

Remark:

⁽¹⁾ The Board of Directors' Meeting on 23 December 2021 resolved to approve the appointment of Clinical Professor Dr. Sarana Boonbaichaiyapruk and Mr. Kitichai Sincharoenkul as the members of Remuneration Committee in replace of Mr. Veerasith Sincharoenkul and Ms. Jarinya Jirojkul who resigned from the member of Remuneration Committee, effective from 23 December 2021 onward.

⁽²⁾ Professor Dr. Sarana Boonbaichaiyapruk has resigned from the positions of Independent Director and the Member of Remuneration Committee of the Company due to his other business engagement, effective from 14 January 2022 onwards.

⁽³⁾ The Board of Directors' Meeting on 10 February 2022 has appointed Gen. Bundit Boonyapan to be member of Remuneration Committee of the Company in replace of Clinical Professor Dr. Sarana Boonbaichaiyapruk.

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 2021, 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
Ms. Thanawan Sa-ngiamsak	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 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.
- (7) To review 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 current business strategies and environment.
- (8) 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.
- (9) To seek advisers or persons who are independent to express opinion or give recommendations as may be necessary.
- (10) 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.
- (11) 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 Directors' Meeting on 10 August 2021 has resolved to approve the appointment of Corporate Governance and Sustainability 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 2021, 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
Mr. Bhanupong Sirayobhas	Secretary of Corporate Governance and Sustainable Development Committee

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 sustainability vision, mission and strategy 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 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.

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 2021, 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 of 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 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.



DETAILS OF THE EXECUTIVES

As of 31 December 2021, there were 10 executives as follows

Name	Position
1. Ms. Jarinya Jirojkul	Chief Executive Officer, Acting Production Manager Trang Branch, and Acting Quality Control and Research and Development Manager
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. Arsom Aksornnam	Production Manager Hat Yai Branch and Acting Engineering Manager
6. Mr. Chalermchai Norsakul	Production Manager Surat Thani Branch
7. Mrs. Oralak Nakin	Finance and Account Manager and Accountant
8. Mr. Somrat Thapnual	Human Resources Manager
9. Ms. Amornrat Awato	Purchasing Manager
10. Ms. Worasa Maijaidee	Logistics Manager

The qualifications and work experience of executives appear in attachment 1 Profile of the Executives.

Report on securities holding of directors and executives of the Company as of 31 December 2021 were as follows:

No.	List of Directors and Executives	As of 31 Dec 20		As of 31 Dec 21		Change
		Number of shares (shares)	Shareholding Proportion (%)	Number of shares (shares)	Shareholding Proportion (%)	Number of shares (shares)
1	Prof. Dr. Weerakorn Ongsakul	260,000	0.01	477,500	0.02	217,500
2	Mr. Kitichai Sincharoenkul	12,497,800	0.44	12,147,800	0.42	(350,000)
3	Dr. Viyavood Sincharoenkul	139,418,400	4.88	138,104,100	4.82	(1,314,300)
4	Mr. Anan Pruksanusak	3,040,000	0.11	3,360,000	0.12	320,000
5	Mr. Veerasith Sinchareonkul	417,800	0.01	597,800	0.02	180,000
6	Mr. Vitanath Sincharoenkul	140,000	0.00	320,000	0.01	180,000
7	Ms. Jarinya Jirojkul	1,178,000	0.04	978,000	0.03	(200,000)
8	Ms. Thanawan Sa-ngiamsak	2,402,000	0.08	680,000	0.02	(1,722,000)
9	Mr. Chia Chee Ping	1,155,000	0.04	1,265,000	0.04	115,000
10	Mrs. Unakorn Phruithithada	240,000	0.01	420,000	0.015	180,000
11	Clinical Prof.Dr. Sarana Boon-baichaiyapruk	300,000	0.01	170,000	0.006	(130,000)
12	Gen. Bundit Boonyapan	-	-	10,700	0.0004	10,700
13	Mr. Asom Aksornnam	426,000	0.01	451,000	0.017	25,000
14	Mr. Chalermchai Norsakul	40,000	0.00	80,000	0.003	40,000
15	Mr. Somrat Thapnual	240,000	0.01	10,000	0.0003	(230,000)
16	Ms. Amornrat Awato	-	-	80,000	0.003	80,000
17	Mrs. Oralak Nakin	1,299,000	0.05	330,000	0.01	(969,000)
18	Ms. Worasa Maijaidee	552,200	0.02	330,200	0.02	(222,000)
Total		163,606,200	5.72	159,812,100	5.57	

Remarks:

1) The number of shares as shown above included the shares held by spouse and minor children of the Company's directors and executives.

2) The number of shares as shown above was reflected in accordance with the change of par value at THB 0.50 per share, the new par value has been trading in the SET since 5 January 2021.

Executive Remuneration

Monetary Remuneration

In 2021, the Company paid remuneration to 10 executives of the Company, which is in the form of salary and bonus at the total amount of THB 60.92 million.

In addition, the Company provides provident fund for executives by contributing 3 – 5 percent of salary. In 2021, the Company contributed a total of THB 1.07 million to the provident fund for 9 executives.

Other Remuneration

Please consider the details of STGT ESOP as described above.

Entitlements of Executives under the STGT ESOP

Entitlements of executives under the STGT ESOP is excluded the executive who is also the director of the Company. Under the share allocation condition of STGT ESOP, there are no executives of STGT who are allocated the newly-issued ordinary shares in a number exceeding 5.00 percent of the total number of shares offered under STGT ESOP. Details of the entitlements of the executive are as follows:

	First Tranche	Second Tranche	Third Tranche
Allocation Period	June 2020	July 2021	July 2022
Number of new shares to be offered to Executives	859,000 shares	490,000 shares	Approximately 840,000 shares
Offering price	THB 30.60 per share, at the par value of THB 1, or equivalent to 90.00 percent of IPO price	THB 37.30 per share, at the par value of THB 0.5, or equivalent to 90.00 percent of market price	90.00 percent of the market price

Remarks:

* Each executives will not be allotted more than 5.00 percent of the total number of Shares to be offered under the STGT ESOP.

** The market price is as determined in accordance with the Notification of the SEC 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).



DETAILS OF EMPLOYEES

Number of Employees

As of 31 December 2021, the Company and its subsidiaries have employees in total of 9,752 persons, the details are as follows:

Department	Number of Employees (person)
Production Department	5,674
Quality Control and Research & Development Department	870
Engineering Department	1,337
Logistics Department	296
Purchasing Department	181
Marketing Department	75
Human Resources, Administrative, and CSR Department	428
Finance and Account, Business Development, Investor Relations, Risk Management, and Legal Department	63
Internal Audit Department	5
Seconded from STU	25
Seconded from SDME	46
Seconded from PSE	752
Total	9,752

Employee Remuneration

Monetary Remuneration

In 2021, the Company paid remuneration to employees of the Company and its subsidiaries at the amount of THB 2,420.62 million, which is in the form of salary, bonus and other compensation such as overtime payment, shift workers and contributions to the provident fund, etc.

In addition, 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.

Other Remuneration

Please consider the details of STGT ESOP as described above.

In July 2021, the Company allocated 3.22 million newly-issued ordinary shares of second tranche to the employees under the STGT ESOP, at the price of THB 37.30 per share. The allocation of newly-issued ordinary shares of third tranche to the company's employees under the STGT ESOP will be in line with the conditions as described above.

Labor Dispute

The Company and its subsidiaries did not have any significant labor disputes in the past 3 years.

Human Capital Development

The Company has a policy to promote career development for employees and hired workers with the aim to encourage career planning of employees and hired workers, learning and assessing their aptitude and interests including competency while creating opportunities and setting goals for their future both short-term and long-term.

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.

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.

Summary of training hours and expenses of training and seminars for the development of executives and employees in 2021 is as follows:

Summary of training hours and expenses of training and seminars for the development of executives and employees in 2021 is as follows:

	Amount
Training hours for the executives and employees (hour/person/year)	44
Expenses of training and seminars for the executives and employees (million THB)	5.50

OTHER SIGNIFICANT DETAILS

DESIGNATED PERSON TO TAKE DIRECT RESPONSIBILITY FOR ACCOUNTING SUPERVISION

The Board of Directors' Meeting has appointed Mrs. Oralak Nakin 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.

Company Secretary

The Board of Directors' Meeting has resolved to appoint Ms. Kittaya Vuthipadadorn as the Company Secretary, effective on 1 September 2021 in order to comply with Section 89/15 of the Securities and Exchange Act B.E. 2535 (including amendments) ("Securities Act"). She holds a law degree and passed the key training course 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.

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.

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. Please see addition details in Head of Internal Audit under section 9.1 Internal Audit System.

Investor Relations Department

The Company places an importance on the disclosure of accurate, complete, and transparent information. The Company has established an Investor Relations Department and assigns Ms. Tipwadee Sudwayha, to be Head of Investor Relations. 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:

Sri Trang Gloves (Thailand) Public Company Limited

17th Floor, Park Venture Ecoplex Unit 1701, 1707-1712 No. 57
Wireless Road, Lumpini, Pathumwan, Bangkok, 10330, Thailand

E-mail : stgt_ir@sritranggroup.com

Tel : +66 2207 4500 Ext. 1402

AUDITOR REMUNERATION

Audit Fee

In 2021, the Company and its subsidiaries (i.e. PSE and PS) paid the audit fee for the year 2021 to EY Company Limited in the total amount of THB 4.09 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 0.43 million. In addition, the Company paid the audit fee for 2021 financial statements of subsidiaries which incorporated in aboard (i.e. SDME and STU) to local audit firms in the total amount of THB 2.37 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 2021, the Company paid BOI audit service fee to EY Company Limited in the amount of THB 0.54 million and STU paid other service fees (Non-audit Fee) to Cherry Bekaert LLP in the amount of THB 1.53 million.



8. CORPORATE GOVERNANCE PERFORMANCE REPORT

SUMMARY OF THE BOARD OF DIRECTORS' PERFORMANCE IN THE PREVIOUS YEAR

Nomination, Development, and Assessment of Performance of the Board of Directors 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 nomination by the shareholders in accordance with the criteria as determined by the Company, 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.

In addition, the minority shareholders (holding in aggregate at least five percent of total voting rights of the Company) can nominate persons to be appointed as the director of the Company by submitting a name list of nominated persons to the Nomination Committee.

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 Directors 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, 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 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 2 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 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 first appointment.

Nomination and Appointment of Top Executive

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.

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 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 regularly and ensures that the directors receive regular trainings to have necessary knowledge development and gain an experience which benefits to their performance. In 2021, the directors attend the training courses which are beneficial to their performance as follows.

Name	Training Course
1. Mr. Veerasith Sinchareonkul	Sustainable Business Operation Idea, Thaipat Institute
2. Gen. Bundit Boonyapan	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> - Director Accreditation Program (DAP) No. 184/2021 - Advanced Audit Committee Program (AACP) No. 41/2021
3. Ms. Thanawan Sa-ngiamsak	<p>The Stock Exchange of Thailand</p> <ul style="list-style-type: none"> - Sustainable Supply Chain Management - Summary of TFRSs for PAEs changing on 2021 - Risks awareness on International Trade Disputes <p>Investment Banking Club, Association of Thai Securities Companies</p> <ul style="list-style-type: none"> - Mergers and Acquisitions : Account, Law and Tax Issues - Share-based Payment : Accounting and Case Study - Impact on Financial Statements during COVID-19 Situation and Accounting Standard of 2021 - Personal Data Protection Acts on Investment Banking Business - ESG: Principal, Importance and Way Forward <p>Thai Listed Companies Association</p> <ul style="list-style-type: none"> - Economic update for CFO - COVID 19 Implications for Financial Reporting and Audit - How to Write an Effective MD&A <p>EY Thailand</p> <ul style="list-style-type: none"> - Tax Risk and Controversy for Companies Operation in Thailand (Transfer Pricing) - Tax Consideration for Outbound Investment - How companies can respond to cyber risk in the current business environment <p>PricewaterhouseCoopers Legal & Tax Consultants Ltd.</p> <ul style="list-style-type: none"> - New transfer pricing requirements and COVID-19 challenges

New Director Orientation

The Company shall organize 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. In 2021, the Company organized an orientation session for a new directors i.e. Gen. Bundit Boonyapan, a member of Audit Committee and Independent Director of the Company.

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 group evaluation and individual evaluation, as well as the assessment of the performance of the subcommittees. The assessment forms are based on the form of SET. The assessment result will be used as a framework for reviewing the performance, problems and obstacles as well as bringing the suggestions to further develop and improve their performance.

Method and Criteria of Assessment

Each form comprises of 2 parts including closed questions and open questions, each director has to complete both parts. The assessment result will be calculated in percentage to the total score following the criteria i.e. more than 85 percent = Excellent, more than 75 percent = Very Good, more than 65 percent = Good, more than 50 percent = Fair, and below 50 percent = improvement needed. The Company Secretary will collect the board self-assessment forms. 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 summarized of assessment as follows

Assessment of the Performance of the Board of Directors (Group Evaluation)

The Board of Directors uses assessment criteria consisted of 6 topics as follows: 1) Structure and Qualifications of the Board of Directors 2) Roles, Duties and Responsibilities of the Board of Directors 3) Board of Directors' Meetings 4) Performance of Directors 5) Relationships with the Management and 6) Personal Development of Directors and Executives. In 2021, the average score was in **excellent level or equivalent to 92.92 percentage**.

Assessment of the Performance of the Board of Directors (Individual Evaluation)

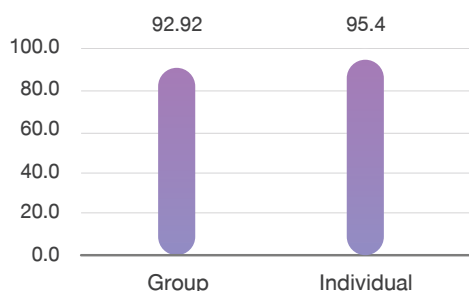
The Board of Directors uses assessment criteria consisted of 4 topics as follows: 1) Fiduciary Duty to manage the Company's business operations in the best interest of the shareholders 2) Structure and Qualifications of the Board of Directors 3) Board of Directors' Meetings and 4) Roles, Duties and Responsibilities of the Board of Directors. In 2021, the average score was in **excellent level or equivalent to 4.77 out of 5 scores**.

Assessment of the Performance of Sub-Committees

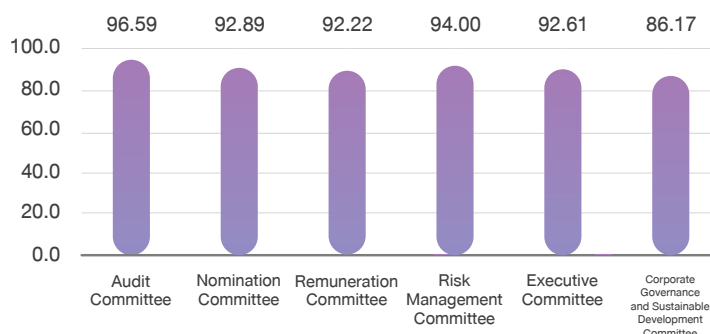
The Board of Directors assigns all subcommittees such as Audit Committee, Nomination Committee, Remuneration Committee, Risk Management Committee, Executive Committee, and Corporate Governance and Sustainable Development Committee to assess their performance and report the result to the Board of Directors on an annual basis. The assessment criteria consisted of 5 topics as follows: 1) Structure and Qualifications 2) Performance of Duties 3) Meetings 4) Roles, Duties and Responsibilities 5) Training / Source of Information. In 2021, the average score are as follows.



The assessment results of the Board of Directors



The assessment results of Sub-Committees



Performance Evaluation of Chief Executive Officer (CEO)

The Company conducts the performance evaluation of the CEO by the Board of Directors or delegated person by the Board of Directors on an annual basis using the adapted format of the SET after adjusting some information to be consistent with the Company's data for better understanding and ease of doing. The Company Secretary will collect and calculate the score, and report such score result to the Board of Directors' Meeting for acknowledgement in order to jointly consider and find the way to improve the unsatisfied part and this will be used as the guideline to improve the performance in next year. The evaluation form contains 3 sections as follows:

- Section 1 "Progress of Operation Plan" to evaluate performance against targets and business progress
- Section 2 "Performance Measurement" to determine evaluation in specified topics i.e. leadership, strategy formulation, strategy execution, financial planning and performance, relationship with the Board, external relations, human resources management/relations, succession, product and service knowledge and personal qualities
- Section 3 "Development" to evaluate key strengths of the CEO and improvement issues for next year.

In 2021, the average score was in excellent level or equivalent to 92.28 percentage.

Meeting Attendance and Remuneration

Meeting Attendance of Board of Directors and Sub-Committees

The Board of Directors has set the meeting schedule in advance in each year. In 2021, the Board of Directors held more than 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 for year 2021, and to determine the mission of the Company of 2022.

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 2021, 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	2021 Annual General Meeting of Shareholders
	Total 10 times	Total 11 times	Total 5 times	Total 2 times	Total 2 times	Total 4 times	Total 1 times	Total 1 times
1. Professor Dr. Weerakorn Ongsakul	10/10	-	5/5	2/2	2/2	4/4	-	1/1
2. Dr. Viyavood Sincharoenkul	8/10	11/11	-	-	-	-	-	1/1
3. Mr. Kitichai Sincharoenkul	10/10	11/11	-	2/2	-	-	-	1/1
4. Ms. Jarinya Jirojkul	10/10	-	-	2/2	2/2	4/4	1/1	1/1
5. Mr. Veerasith Sinchareonkul	10/10	11/11	-	-	2/2	4/4	-	1/1
6. Mr. Vitanath Sincharoenkul	10/10	-	-	-	-	-	1/1	1/1
7. Mr. Anan Pruksanusak	10/10	11/11	-	-	-	-	-	1/1
8. Ms. Thanawan Sa-ngiamsak	10/10	11/11	-	-	-	4/4	1/1	1/1
9. Mr. Chia Chee Ping	9/10	11/11	-	-	-	-	-	0/1
10. Mrs. Unakorn Phruithithada	10/10	-	5/5	-	-	-	-	1/1
11. Gen. Bundit Boonyapan	10/10	-	5/5	-	-	-	1/1	1/1
12. Clinical Professor Dr. Sarana Boonbaichaiyapruk	10/10	-	-	-	-	-	-	1/1
Average Score (Percentage)	97.5	100.0	100.0	100.0	100.0	100.0	100.0	91.7

Remarks:

1. The Board of Directors' Meeting on 23 December 2021, resolved to approve the appointment of Gen. Bundit Boonyapan as the member of Nomination Committee in replace of Ms. Jarinya Jirojkul who resigned from the member of Nomination Committee, effective on 23 December 2021 onward. Therefore, he did not attend the Meeting of Nomination Committee before 23 December 2021.
2. The Board of Directors' Meeting on 23 December 2021, resolved to approve the appointment of Clinical Professor Dr. Sarana Boonbaichaiyapruk and Mr. Kitichai Sincharoenkul as the members of Remuneration Committee in replace of Mr. Veerasith Sinchareonkul and Ms. Jarinya Jirojkul who resigned from the member of remuneration committee, effective on 23 December 2021 onward. Therefore, they did not attend the Meeting of Nomination Committee before 23 December 2021.
3. In 2021, Corporate Governance and Sustainable Development Committee held one Meeting since it was established from the Board of Directors' Meeting on 10 August 2021.
4. The Company also held one non-executive directors' meeting without the attendance or participation of the Management on 8 November 2021.

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 independent opinion to provide opinions or advice on methods for determining the remuneration of directors and executives as necessary and appropriate.

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 Year which held on 2 April 2021, passed the resolution to determine the directors' remuneration for the year 2021 in the form of monthly remuneration and meeting allowances as follows:

Position	Monthly Remuneration* (THB per month)	Meeting Allowance** (THB per meeting)
Chairman of the Board of Directors	100,000	-
Director / Independent Director	70,000	-
Chairman of the Audit Committee	100,000	-
Member of the Audit Committee	80,000	-
Chairman of the Executive Committee	100,000	-
Member of the Executive Committee	80,000	-
Member of the Nomination Committee	-	2,000
Member of the Remuneration Committee	-	2,000
Member of the Risk Management 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.

*** Other than the shares allocation to the directors under STGT ESOP, which was disclosed in this report, the directors do not receive any other remuneration other than those specified above.

The director remuneration as of 31 December 2021 are as follow:

Name	Monthly Remuneration (THB)	Meeting Allowance (THB)	Total Remuneration (THB)
1. Professor Dr. Weerakorn Ongsakul	1,200,000	16,000	1,216,000
2. Dr. Viyavood Sincharoenkul	1,200,000	-	1,200,000
3. Mr. Kitichai Sincharoenkul	960,000	-	960,000
4. Mr. Veerasith Sinchareonkul	960,000	-	960,000
5. Mrs. Unakorn Phruithithada	960,000	-	960,000
6. Ms. Jarinya Jirojkul	960,000	-	960,000
7. Ms. Thanawan Sa-ngiamsak	840,000	-	840,000
8. Mr. Vitanath Sincharoenkul	960,000	-	960,000
9. Mr. Anan Pruksanusak	960,000	-	960,000
10. Mr. Chia Chee Ping	840,000	-	840,000
11. Clinical Professor Dr. Sarana Boonbaichaiyapruck	840,000	-	840,000
12. Gen. Bundit Boonyapan	960,000	-	960,000
Total	11,640,000	16,000	11,656,000

In 2021, 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 2021.

Other Remuneration

Please consider the details of STGT ESOP as described above.

Entitlements of Directors under the STGT ESOP

Pursuant to the extraordinary general meeting of shareholders held on 22 November 2019, the shareholders of the Company approved the allotment of not more than 3,600,000 new Shares under the STGT ESOP to the Directors of the Company throughout the terms of the STGT ESOP. Under the share allocation condition of STGT ESOP, there are no directors of STGT who are allocated the newly-issued ordinary shares in a number exceeding 5.00 percent of the total number of shares offered under STGT ESOP. Details of the entitlements of the directors are as follows:

	First Tranche	Second Tranche	Third Tranche
Allocation Period	June 2020	July 2021	July 2022
Number of new shares to be offered to Directors	1,440,000 shares	1,988,000 shares	Approximately 1,988,000 shares
Offering price	THB 30.60 per share, at the par value of THB 1, or equivalent to 90.00 percent of IPO price	THB 37.30 per share, at the par value of THB 0.5, or equivalent to 90.00 percent of market price	90.00 percent of the market price

Remarks:

* The Extraordinary General Meeting of Shareholders of the Company No. 1/2020 which held on Friday 25 December 2020 has approved the change of par value from the original value of THB 1.00 per share to THB 0.50 per share, which resulted in the offering of the newly issued ordinary shares under STGT ESOP two more times during the first to second year after the IPO being changed from not exceeding 990,000 shares for each offering to not exceeding 1,988,000 shares for each offering to reflect the decrease in par value.

** the market price is as determined in accordance with the Notification of the SEC 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).

In July 2021, there were 1,988,000 newly issued shares under the second tranche allotted to the Directors of the Company as follows:

Name	No. of Shares Allotted (shares)
1. Professor Dr. Weerakorn Ongsakul	180,000
2. Dr. Viyavood Sincharoenkul	180,000
3. Mr. Kitichai Sincharoenkul	180,000
4. Mr. Veerasith Sinchareonkul	180,000
5. Mrs. Unakorn Phruithithada	180,000
6. Ms. Jarinya Jirojkul	180,000
7. Ms. Thanawan Sa-ngiamsak	180,000
8. Mr. Vitanath Sincharoenkul	180,000
9. Mr. Anan Pruksanusak	180,000
10. Mr. Chia Chee Ping	180,000
11. Clinical Professor Dr. Sarana Boonbaichaiyapruk	180,000
Total	1,988,000

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) 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.

Monitoring of compliance with the corporate governance policies and guidelines

Prevention of Conflict of Interests

The 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.
- 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.

In 2021, the directors, executives and employees strictly comply with this policy and it was not found that there was any persons performed their duties against this policy.

Prevention of the Use of Inside Information

The Company and its subsidiaries operate 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 will educate 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 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) 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 persuading 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.

In 2021, it was not found that the directors or executives traded their securities during the blackout period.

(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.

Anti-Corruption

The Company and its subsidiaries conduct 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 can be found at 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 declaration of intent on anti-corruption:

- On 26 August 2021, the Company has declared its intention to join Thai Private Sector Collective Action Against Corruption (CAC) which shows the intention and determination of the Company to operate business with honesty, integrity, transparency and fairness as well as to adhere to the principles of good corporate governance and refuse all forms of corruption. The declaration of intent to join the CAC is appeared on the company's website at www.sritranggloves.com. It is expected that the Company will submit the application for the certification of membership of CAC within June 2022.
- 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 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.

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 provide 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.

5. Organizing training session and post-training test regarding the anti-corruption policy and other relevant guidelines and procedures for the executives and employees of the Company. Such training session is in the form of e-learning which is a part of the Code of Conduct training, as well as to arrange training sessions on "Anti-Corruption policy and relating procedures" for every new employees on the orientation day.

In addition, the company also encourages employees to attend training on anti-corruption with external agencies. In the previous year, employees attended in various training courses with CAC such as Anti-Corruption the Practical

Guide (ACPG), Road to Join CAC, Road to Certify, the role of company secretary in raising the level of CG in Anti-Corruption and Thailand 11th National Conference on Collective Action Against Corruption etc.

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, 17th 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 2021, the Company and subsidiaries received 5 complaints as follows:

Category	Number of Complaints	Progress
Violation of anti-corruption policies and guidelines.	4 cases	1 case was already investigated concluded and closed, and other 3 cases are under investigation.
Other	1 case	It was found that it was not an offense according to the complaint and it was already closed.

For the complaint of violation of anti-corruption policies and guidelines that was already closed, the Company and subsidiaries did not receive any significant damage from such violation. 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.

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 in accounting and finance. The Audit Committee comprises the following:

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

The Audit Committee performs its duties within the scope of duties and responsibilities assigned by the Board of Directors. In 2021, the Audit Committee held a total of 5 meetings attended by every member of the Committee. The Audit Committee had meetings with senior management, the Head of Internal Audit and 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 2021 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 the attendance of the management, namely the Audit Committee Meeting No. 1/2022 on Thursday 17 February 2022. In 2021, the auditor did not have any material remarks.
- 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 2021, 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 the connected transactions found them to be normal conduct of business of the Company and there were no abnormal items.
- Considered and selected the appointment of auditors and proposed audit fees for the year 2021 to be presented to the Board of Directors for submission to and approval from the 2021 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.
- Considered and followed up on the progress of the Declaration of Intent to join the Thai Private Sector Collective Action against Corruption (CAC) as planned.
- 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 summary, and after careful consideration, it is the opinion of the Audit Committee that the Company's operations in the past year has 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 is in compliance with 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 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, 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:

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

Since the Committee was established in August 2021, there was a total of only 1 meeting in 2021 which was attended by all its directors. The essence of the Corporate Governance and Sustainable Development Committee's performance can be summarized as follows:

- Considered, formulated and reviewed policies and guidelines on good corporate governance principles

and business ethics as well as the Company's sustainability strategy, Sustainable Development Policy and Guidelines to be consistent with the Company's business operations.

- Considered and approved stakeholder prioritization according to the GRI Stakeholder Inclusiveness reporting principle and Materiality Matrix of the year 2021.
- Considered and approved the disclosure of information about the Company's sustainable development in the form of the sustainability report and other media as appropriate.
- Reviewed the Corporate Governance and Sustainable Development Committee Charter. Following careful consideration and review, the Committee found that its Charter remains appropriate and consistent with good practice and in accordance with the regulations of the SEC and SET.
- Assessed the performance of the Corporate Governance and Sustainable Development Committee for the year 2021 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 said duties and exercise discretion independently.

Mr. Vitanath Sincharoenkul

Chairman of Corporate Governance and Sustainable Development 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:

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

In 2021, the Executive Committee held a total of 11 meetings, each meeting attended by all members of the Executive Committee. The key aspects of the Executive Committee's performance of duties can be summarized as follows:

- Together with the management, the Executive Committee considered and formulated 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.
- Examined the feasibility of investing in new projects and considered and approved investment thereof in the form that the Executive Committee deemed viable and appropriate to carry out the business according to the objectives of the Company.
- Considered and approved the operations that are in the normal course of business 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 purchase of land for the expansion plan of an additional glove factory in Trang Province, Songkhla Province and Surat Thani Province, modification of the production lines, as well as continuous monitoring of the performance and progress of various investment projects.
- Considered and approved the names of directors, executives and/or employees of the Company. and the Company's subsidiaries entitled to receive the allocation of newly issued ordinary shares under the issuance and offering of newly issued ordinary shares of the Company to directors, executives and/or employees of the Company and the Company's subsidiaries in the 1st year after the initial public offering of the Company's newly issued ordinary shares (IPO).
- Reviewed the Executive Committee Charter and considered that it is still appropriate and consistent with good practice and in accordance with the regulations of the SEC and SET.
- Evaluated the performance of the Executive Committee for the year 2021 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.

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:

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

In 2021, the Nomination Committee held a total of 2 meetings attended by all its members. 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:

- Considered the re-nomination of directors whose tenure ended by rotation in the general meeting of shareholders, taking into account their legal qualifications and other criteria of the Company,

as well as knowledge, abilities, experience and expertise that are beneficial to the Company's operations and proposing said directors to the Board of Directors for submission to the general meeting of shareholders for consideration and re-election for another term.

- Reviewed and considered amendments to the Nomination Committee Charter by adding additional criteria for selection and nomination of directors and new directors to be in line with good corporate governance practices, whereby the selection of directors may be based on recommendations from other directors in the company, nomination by shareholders according to the criteria set by the company, recruitment by external consultants (Professional Search Firm), recruiting from the director pool of various departments or recruiting by other processes, including considering other components of the Board's structure, such as the appropriate number of directors, Board diversity, expertise and experience as well as preparation of Board Skill Matrix to determine the qualifications of directors to be nominated.
- The performance of the Nomination Committee for the year 2021 was assessed and found to be fully effective in its performance of duties in accordance with the assignment, as well as being able to perform duties and exercise discretion independently.

Mr. Kitichai Sincharoenkul

Chairman of Nomination Committee

Remark:

The Board of Directors' Meeting on 23 December 2021 resolved to approve the appointment of Gen. Bundit Boonyapan as the member of Nomination Committee in replace of Ms. Jarinya Jirojkul who resigned from the member of Nomination Committee, effective from 23 December 2021 onward.

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:

1. Professor Dr. Weerakorn Ongsakul
Chairman of Remuneration Committee
2. Clinical Professor Dr. Sarana Boonbaichaiyapruk
Member of Remuneration Committee
3. Mr. Kitichai Sincharoenkul
Member of Remuneration Committee

In 2021, the Remuneration Committee held a total of 2 meetings, each attended by all the directors. 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 appropriate remuneration for directors to be commensurate with their responsibilities and to motivate them to lead the organization in achieving both short-term and long-term goals. Compensation 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, in a manner comparable to the practice of the industry as well as other details. The Remuneration Committee's recommendation is then presented to the Board of Directors and the Annual General Meeting of Shareholders for further approval.

- Considered the compensation structure, form and criteria for the Chief Executive Officer's remuneration package and proposed an opinion to the Board of Directors for further consideration and approval.
- Considered and made recommendations on the restructuring of wages for employees with specialized skills so as to maintain high-potential employees and strengthen the personnel of the Company under reasonable compensation.
- Considered and approved a review of the Remuneration Committee Charter which found that its charter remained current, appropriate and consistent with best practice guidelines and in accordance with the regulations of the SEC and SET.
- The performance of the Remuneration Committee for the year 2021 was assessed and found to be fully effective in the performance its duties and in accordance with its assignment, as well as being able to perform duties and exercise discretion independently.

Professor Dr. Weerakorn Ongsakul

Chairman of Remuneration Committee

Remark:

⁽¹⁾ The Board of Directors' Meeting on 23 December 2021 has appointed Clinical Professor Dr. Sarana Boonbaichaiyapruk and Mr. Kitichai Sincharoenkul to be member of remuneration committee in replace of Mr. Veerasith Sinchareonkul and Ms. Jarinya Jirojkul who resigned from the member of Remuneration Committee, effective on 23 December 2021 onward.

⁽²⁾ Clinical Professor Dr. Sarana Boonbaichaiyapruk has resigned from the positions of Independent Director and the member of Remuneration Committee of the Company due to his other business engagement, effective from January 14, 2022 onwards. The Board of Directors' Meeting on 10 February 2022 has appointed Gen. Bundit Boonyapan as the member of Remuneration Committee of the Company in replace of Clinical Prof.Dr. Sarana Boonbaichaiyapruk.



REPORT OF THE RISK MANAGEMENT COMMITTEE

The Board of Directors recognizes the importance of corporate 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 and appropriately managed, enabling the Company to maintain its risks at an acceptable level and see to the effective and continuous implementation of risk management through the promotion of a corporate risk management culture in order for the organization to achieve its goals in terms of sustainable business growth as well as providing appropriate maximum benefit to all groups of stakeholders. Therefore, the Risk Management Committee has been appointed, consisting of 4 directors, with 1 independent director as follows:

1. Mr. Veerasith Sinchareonkul
Chairman of the Risk Management Committee
2. Prof. Dr. Weerakorn Ongsakul
Member of the Risk Management Committee
3. Ms. Jarinya Jirojkul
Member of the Risk Management Committee
4. Ms. Thanawan Sa-ngiamsak
Member of the Risk Management Committee

The Risk Management Committee serves to formulate policy and set the framework for risk management to promote the implementation of risk management throughout the organization, as well as overseeing the operations of corporate risk management in accordance with the organization's strategy and goals, and monitoring the overview of major operational risk control to be within the specified framework. Moreover, the Committee also provides comments and recommendations for effective risk management strategies in terms of Operations, Finance, Legal/Regulatory Compliance and emerging risks that may significantly affect business operations. In 2021, the Risk Management Committee held a total of 4 meetings attended by all Risk Management Committee members. The summary of important matters in the performance of duties are as follows:

- Considered, provided opinions, recommendations, and approval on 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 application of Key Risk Indicators: KRI, a risk index to be used in the risk management process in risk monitoring and risk reporting for management to use as the basis in determining preventive measures to pre-empt any event of damage and loss.
- Considered, provided opinions and recommendations on the implementation of the Business Continuity Management System: BCMs project so that the Company is prepared to cope with any incidents or crises, including preventing and mitigating potential impacts.
- Conducted a review of the Risk Management Committee Charter and deemed that it is still appropriate and consistent with best practice and in accordance with the regulations of the SEC and SET.
- Conducted a performance evaluation of the Risk Management Committee for the year 2021 and found that it was able to perform its duties in all respects and in accordance with the assigned duties, as well as being able to perform its duties and exercise discretion independently.

Mr. Veerasith Sinchareonkul

Chairman of the Risk Management Committee

9. INTERNAL CONTROL AND RELATED PARTY TRANSACTIONS



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 17 February 2022, 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'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 year 2021 Audit Committee

has agreed with Board of Directors' report on Internal Control System and had no comments on the internal control system. The details are provided in Attachment Report of Audit Committee. In addition, according to an independent auditor who certified the Company's financial statements for the year 2021, there was no weakness in the internal control system which will materially affect the financial statements of the Company.

In 2021, there was a significantly defective internal control system and has already been implemented as follow:

1. The amendment of anti-corruption policy including regulation to correspond with self-assessment from CAC (Thai Private Sector Collective Action Against Corruption) and organizing the training course to share knowledge related to the anti-corruption policy and practical guidelines that was determined by the company for employees to acknowledge and comply with.
2. The Company implemented Business Continuity Management (BCM) and that has been certified by ISO 22301:2019, in order to prepare necessities to tackle any crisis and manage the business effectively with continuity and least disruption in line with international standards, in order to respond to critical events efficiently and in a timely manner.
3. Preparation of written procedures and the signing of approval by the authorized person, including updating the operating procedures to be present such as the work process of the Human Resource Remuneration Department and improvement of daily worker performance measurement criteria in some positions, to be consistent and appropriate to the changing situation and environment and require that it must be reviewed at least once a year or as appropriate.
4. Creation on audit tool of Segregation of Duties Matrix for the SAP program whole the Company and its

subsidiaries, according to international standards in the framework of ISACA and S4/ HANA, which can be used in appropriate supervision and audit work. In the case of requesting permissions that do not meet the framework of international standards, there are suggestions that do not allow access or establishing control for compensation in case of necessity, such as requiring the level of department managers or assigned personnel to be reviewed and reconciled at the end of every month, etc., Including in some cases must be redesigned the authorization structure to be appropriate.

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 Board of Directors' Meeting No. 4/2019 held on 24 July 2019 approved various policies of the Company including the good corporate governance policy, code of business conduct 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.sritranggroup.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 violations manner, they will be considered to be further investigated and in disciplinary process as outlined in the work regulations.

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 int 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/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 value and support the risk management system as a business importance. Risk management committee is responsible to review the policies and supervise the efficiently 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 continuously 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.

In 2021, the company has been certified to have a Business Continuity Management (BCM) that meets the ISO 22301:2019, in order to prepare necessities 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.

3. Control Activities

The Company establishes 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. 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 are quality management system that has been certified by ISO 13485: 2016 / ISO 9001: 2015 / ISO 22000: 2005.

The Company has set the annual operating goals by determining the clear core value, vision, mission, and business growth ratio as well as appointing working team to review Key Performance Indicators (KPIs) Each factory and subsidiary. This is to ensure that the target in terms of financial outcome, operating result, fire and fatal accident risk management, etc. of each factory and subsidiary will be consistently aligned with the Company's goals the organization.

4. Information and Communication

The Company provides appropriate information technology both the Internet Website (www.sritranggloves.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.

In addition, Covid-19 has caused the Company to adapt communication through video conference in the organization, Cisco Meeting App and Microsoft Meeting. The Company also sets up detailed procedures as protocols to immediate execution without chaos to handle such crisis.

5. Monitoring Activities

In 2021, the Company had 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 to the internal audit plan. Defects 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 that problems quickly as well as follow up and report the status of such improvement to the Audit Committee and Executives. In case that the defects 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, understanding of the company's business 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 as appeared in Enclosure 3 : Details of Head of Internal Audit.

Currently, the Company's internal audit department comprises 1 departmental head and 4 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.

RELATED PARTY TRANSACTION

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 2021 are as follows:

Related Person that may have conflict of interest and Nature of Business	Relationship as of 31 Dec 2021
<p>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.</p>	<ul style="list-style-type: none"> The Company's major shareholder which is holding 50.64 percent of the Company's shares. Having directors in common i.e. Dr. Viyavood Sincharoenkul, Mr. Kitichai Sincharoenkul, and Mr. Veerasith Sinchareonkul.
<p>2. Rubberland Products Co., Ltd. (RBL) Production of concentrated latex and block rubber.</p>	<ul style="list-style-type: none"> The Company's shareholder which is holding 5.43 percent of the Company's shares. Having a major shareholder in common i.e. STA, which is holding 99.99 percent of RBL's shares. Having a director in common i.e. Mr. Veerasith Sinchareonkul.
<p>3. Nam Hua Rubber Co., Ltd. (NHR) Production and export of smoked sheet rubber, concentrated latex, and block rubber</p>	<ul style="list-style-type: none"> Having a major shareholder in common i.e. STA, which is holding 99.99 percent of NHR's shares.
<p>4. Startex Rubber Co., Ltd. (STC) Holding business in other companies which doing business of rubber and palm plantation.</p>	<ul style="list-style-type: none"> Having a major shareholder in common i.e. STA, which is holding 99.99 percent of STC's shares.
<p>5. Anwar Parawood Co., Ltd. (ANV) Lumper production and manufacture of wooden furniture.</p>	<ul style="list-style-type: none"> Having a major shareholder in common i.e. STA, which is holding 99.94 percent of ANV's shares.
<p>6. Starlight Express Transport Co., Ltd. (STL) Provision of domestic logistics service and document preparation services for import/export.</p>	<ul style="list-style-type: none"> Having a major shareholder in common i.e. STA, which is holding 99.99 percent of STL's shares. Having a director in common i.e. Mr. Veerasith Sinchareonkul.
<p>7. Premier System Engineering Co., Ltd. (PSE) Engineering services, design, produce, sell, installation and maintenance machineries.</p>	<ul style="list-style-type: none"> Subsidiary in which the Company holds 99.9992 percent of PSE's shares. Having a director in common i.e. Mr. Veerasith Sinchareonkul and Ms. Jarinya Jirojkul.

Related Person that may have conflict of interest and Nature of Business	Relationship as of 31 Dec 2021
8. Sadao P.S. Rubber Co., Ltd. (PS)/ Production of smoked sheet rubber.	<ul style="list-style-type: none"> Subsidiary which the Company holds 99.9985 percent of PS's shares. Having a director in common i.e. Mr. Veerasith Sinchareonkul, Ms. Jarinya Jirojkul and Ms. Thanawan Sa-Ngiamsak.
9. Sri Trang International Pte. Ltd. (STI) Registered in Singapore. Distribution of natural rubber and gloves in Singapore.	<ul style="list-style-type: none"> Having a major shareholder in common i.e. STA, which is holding 100.00 percent of STI's shares through STC. Having directors in common i.e. Dr. Viyavood Sincharoenkul and Mr. Kitichai Sincharoenkul.
10. Sri Trang USA , Inc. (STU) Registered in United State of America. Distribution of natural rubber and gloves in United State of America.	<ul style="list-style-type: none"> Subsidiary in which the Company holds 100.00 percent of STU's shares. Having a director in common i.e. Mr. Veerasith Sinchareonkul
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"> Having a major shareholder in common i.e. STA, which is holding 100.00 percent of SDS's shares. Having a director in common i.e. Dr. Viyavood Sincharoenkul
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 gloves in Socialist Republic of Vietnam.	<ul style="list-style-type: none"> Having a major shareholder in common i.e. STA, which is holding 100.00 percent of STV's shares through STC and STI.
13. Shi Dong 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"> Subsidiary in which the Company holds SDME's shares for 100.00 percent Having a director in common i.e. Dr. Viyavood Sincharoenkul
14. Semperflex Asia Co., Ltd. (SAC) Production of high-pressure hydraulic hoses.	<ul style="list-style-type: none"> Having a major shareholder in common i.e. STA, which is holding 42.50 percent of SAC's shares. Having directors in common i.e. Dr. Viyavood Sincharoenkul, Mr. Kitichai Sincharoenkul and Mr. Veerasith Sinchareonkul
15. Sri Trang IBC Co., Ltd. (IBC) Information technology system service provider.	<ul style="list-style-type: none"> Having a major shareholder in common i.e. STA, which is holding 100.00 percent of IBC's shares. Having directors in common i.e. Dr. Viyavood Sincharoenkul, Mr. Kitichai Sincharoenkul and Mr. Veerasith Sinchareonkul
16. Sri Trang Rubber and Plantation Co., Ltd. (SRP) Rubber plantation business.	<ul style="list-style-type: none"> Having a major shareholder in common i.e. STA, which is holding 100.00 percent of SRP's shares. Having a director in common i.e. Mr. Veerasith Sinchareonkul.

Related Person that may have conflict of interest and Nature of Business	Relationship as of 31 Dec 2021
17. PT Sri Trang Gloves Indo (STGI) Registered in Indonesia. Distribution of gloves in Indonesia.	<ul style="list-style-type: none"> Subsidiary in which the Company holds 100.00 percent of STGI's shares. Having a director in common i.e. Mr. Chai Chee Ping and Ms. Thanawan Sa-Ngiamsak
18. Provincial Electricity Authority Manufacturing and distribution of electricity.	<ul style="list-style-type: none"> Having a director in common i.e. Professor Dr. Weerakorn Ongsakul
19. Mr. Anan Pruksanusak	<ul style="list-style-type: none"> The director of the Company
20. Mrs. Woraphan Nirunsuk	<ul style="list-style-type: none"> A sister of the Company's director i.e. Mr. Anan Pruksanusak
21. Dr. Viyavood Sincharoenkul,	<ul style="list-style-type: none"> The director of the Company
22. Mr. Kitichai Sincharoenkul	<ul style="list-style-type: none"> The director of the Company
23. PT Star Rubber (PTS) Production of block rubber	<ul style="list-style-type: none"> Having a major shareholder in common i.e. STA, which is holding 99.00 percent of PTS's shares
24. PT Sri Trang Lingga Indonesia (SLI) Production of block rubber	<ul style="list-style-type: none"> Having a major shareholder in common i.e. STA, which is holding 90.00 percent of SLI's shares Having directors in common i.e. Mr. Veerasith Sinchareonkul
25. Sri Trang Ayeyar Rubber Industry (STAY) Production of block rubber.	<ul style="list-style-type: none"> Having a major shareholder in common i.e. STA, which is holding 59.00 percent of STAY's shares Having directors in common i.e. Mr. Kitichai Sincharoenkul and Mr. Veerasith Sinchareonkul
26. Thai Tech Rubber Corporation Ltd. (TRC) Production of block rubber.	<ul style="list-style-type: none"> Having a major shareholder in common i.e. STA, which is holding 42.50 percent of TRC's shares Having directors in common i.e. Dr. Viyavood Sincharoenkul, and Mr. Veerasith Sinchareonkul
27. Government Pharmaceutical Organization	<ul style="list-style-type: none"> Having directors in common i.e. Clinical Prof. Dr. Sarana Boonbaichaiyapruk

1. 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 2020 and 31 December 2021, 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 2020	Jan – Dec 2021		
STA	Major shareholder of the Company and having the same directors	The Company				
		Revenue from the sale of rubber gloves	1,543.70	52.28	<p>The Company sold rubber gloves to STA in order to distribute to certain domestic and foreign customers, due to STA has licensed to sell such products in oversea countries. All sales were transacted through purchase orders, which the selling price of the gloves was the cost of the Company plus profit as appropriate, considered from the increase/decrease in the cost of main raw material i.e. concentrated latex, production cost, exchange rate, and gloves situation in the global market. The selling price of gloves was set monthly. In this regard, the aforementioned selling price was the price considered the appropriate profit that STA deserves for the business operation of distributing gloves.</p> <p>The Company is currently applying for license to sell gloves in oversea countries, thus it was necessary to sell the some gloves through STA until the license is granted. Further, STA had participated in the bidding to domestic and international distribution of gloves to the government and public sector which results in restriction in changing the name of the gloves seller.</p>	<p>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. However, if the transaction is completely transferred from STA to the Company completely and it is expected that there will not be any similar operation as this transaction in the future.</p>
		Rental income received	3.99		<p>The Company had arranged for an agreement with STA to lease the warehouse to store goods, the usable areas of 2,772 square meters located at no 209/2 Moo 2, Phreaksa Sub-District, Mueang District, Samut Prakan Province for STA to use as an area to store the gloves for distribution to domestic customers. The lease period is 1 year, starting from 1 February 2020 until 31 January 2021. The rent is THB 120 per square meter per month, calculated rent as THB 332,640 per month which is the rate equivalent to that collected by Denchai Pak Nahm Limited Partnership which is the original lessor to STA prior to the Company purchasing the aforementioned land and building from Denchai Pak Nahm Limited Partnership on 31 January 2018.</p>	<p>The rental rate was reasonable and can be compared with the market price as well as it was the same rental rate that STA used to rent from the third parties before the Company bought such warehouse. This transaction was 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 2020	Jan – Dec 2021		
		Other services income - Marketing service	6.00		<p>The Company had income from collection of marketing services from STA by reference from the Company's shareholders' meeting no. 9/2019 on 21 November 2019. The meeting had a resolution acknowledging the STA's board of directors' meeting no 7/2019 re: guideline on the separation of the scope of business between STA and the Company. The income of the aforementioned services was calculated from the expenses relating to the sales of the Company's marketing staffs, by calculating the sales proportion between STA and the Company and began the calculations of services from the start of January 2020, which was the rate the Company considers to be appropriate and reflects the cost and the actual volume of sales proportion.</p>	<p>The aforementioned service rates were reasonable and reflect the proportion of sales volume and actual marketing costs. If the transaction of rubber gloves selling can be transferred from STA to the Company completely, it was expected that there will not be such selling transaction in the future.</p>
		Revenue from other service - Tank rental fee		3.27	<p>The Company, 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 the renter is responsible so the tank service fee reflects the related cost and appropriate profits.</p>	<p>Tank rental fees was a comprehensive rate and reflected the relevant costs and appropriate profit . This transaction was general commercial terms which considered appropriate and reasonable.</p>
		Revenue from the sale of factory materials	0.11	0.15	<p>The Company had revenue from selling fuel to STA, Trang branch, which is used with forklifts used 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>

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 2020	Jan – Dec 2021		
		Trade receivables	91.11	0.48	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	1.92	0.31	Other trade receivables resulting from the aforesaid income.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.
		Advance payment	0.00	1.05	The Company paid advance payment for Moderna vaccine to the staffs working for STA which billed according to employees who are eligible for vaccination and the company advanced payment to employees who worked for STA. In addition, the company had collected the money after the work was completed.	It was an outstanding balance according to the normal business transactions of the Company which considered appropriate and reasonable.
		Concentrated latex purchase fees	3,375.39	4,362.65	The Company purchased latex concentrate form STA and its subsidiaries of STA 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 company. Furthermore, on 28 June 2019, the Company entered into a sales purchase agreement for concentrate latex with STA and subsidiaries of STA with the trade conditions that the market price and the method to fix the referenced market price and different factors namely transportation fees, CESS and exchange rate.	Price of concentrated latex that the Company purchased from STA was the purchase price in line with the market price and the reference price that other rubber glove manufacturers use for purchasing raw materials in production process. Moreover, the 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.

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 2020	Jan – Dec 2021		
		glove purchase		47.91	The company purchased rubber gloves back from STA after the company was ready to use SAP which is a program records account and inventory control system of the company, to be sufficient and appropriate to support the distribution of rubber gloves to a domestic retail customers. SAP system was implemented on 8 January 2021, so it was able to transfer selling gloves from STA to the company wherewith all of transactions was purchase order, Which the selling price of the gloves was the cost of the company plus profit as appropriate.	The purchasing price of such transactions can be compared with the market price that STA sold rubber gloves to other customers under reasonable discount due to purchasing in bulk which is the trading price reflected a suitable reflected including general commercial term, therefore such transactions were appropriate and reasonable. In addition, it is expected that there will not be operation as this transaction in the future.
		IT Service Fees and Maintenance of SAP system	10.34	10.92	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 repairmen 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.	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	26.84	31.20	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. 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 itself.	The aforementioned service rates were reasonable comparing to the Company's costs and expenses for recruiting employees and space providing for the transaction. This transaction is 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 2020	Jan – Dec 2021		
		Factory material expenses	5.70		STA, Kanchanadit branch, sold ammonia to the Company's Surat Thani branch as STA, Kanchanadit branch, regularly orders a large amount of ammonia to be used in the production of concentrate latex. In this regard, for to save costs for the size and to increase the price bargaining power and to save cost in purchase order of ammonia which is one of the chemicals used in producing gloves and for the efficient management of inventories of the group company. It has been considered that it is reasonable if compared to the requirement to purchase and procure staffs for such works by itself.	Such a transaction was cost savings for purchasing of ammonia and inventory management as well as the economies of scale and increasing the bargaining of the Company and group comparing to employee's recruitment by ourselves. This transaction is a general commercial terms which considered appropriate and reasonable.
		Weighing service fees	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 the rate that the Company considers to be reasonable if compared to procuring equipment, maintenance and procuring staffs in such sector, including its own area.	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	19.07		The Company, Surat Thani branch paid for the service fee for the lease of latex tank from STA, Kanchanadit branch to store nitrile latex in producing nitrile gloves by calculating the tank service fee at a monthly rate per tank. The service fee for tank lease also covered the related service, namely to load 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.
		Other service - IT service fees and exhibition booth		5.45	The company paid a License SAP system and exhibition booth to STA which is actual cost incurred of STA with the charge by the amount of company's user and charge by exhibition area size.	It was an actual charge of service fees that 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 2020	Jan – Dec 2021		
		Trade payables	482.42	438.67	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		0.00	It is an accrued advertising media expense that STA advances, which will be charged according to the actual after the operation is completed.	It was an outstanding balance according to the normal business transactions of the Company which considered appropriate and reasonable.
		Investment		1,087.80	The Company will acquire ordinary share in PSE in the amount of 419,996 shares, equivalent to 83.9992 percent, total of 940,799 from STA, for the company can manage and expand its production capacity with PSE, which is ready to produce products and specialize in the design, installation, maintenance that related to the company's glove production. The Company has considered the appropriate purchase price valued by PSE's Discounted Cash Flow method which the financial advisors.	The investment in such a business was made in accordance with proper management and a future strategy to grow production capacity. The right price for the firm restructuring has been authorized by the shareholder meeting. This transaction was considered appropriate and reasonable.
					The Company will acquire ordinary share in PS in the amount of 399,994 shares, equivalent to 99.9985 percent, total of 147 million baths from STA with the main asset is land. However, Seller had propose to sell PS shares to the company due to it could be save cost of sales more than selling land with buildings of PS to company. The company brought land to builds rubber glove factory at Sadao district, Songkhla as part of Factory's Sadao branch, production capacity expansion which was considered the value of consideration basis by the PS's adjusted book value from method that had been considered and agreed on by the committee of the purchaser and the seller.	The investment in such a business was a negotiation of purchaser and seller. However, for production capacity expansion in the future and supporting the Company's Operations, The price was is an appropriate price and that was land appraisal from independent appraisers and according to book value of remaining assets and liabilities of PS. This transaction was a 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 2020	Jan - Dec 2021		
STA		Land Purchase	74.33	330.14	<p>In 2020, The Company purchased land from STA with an area of 103 rai 379 square wah according to the Company's production capacity expansion project located in Phlai Wat Sub-district, Kanchanadit District, Surat Thani Province. The property is located close to the Company's Surat Thani branch factory. As a result, this transaction is appropriate. 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. 4/2020 on 14 May 2020.</p> <p>In 2021, The Company purchased land and building from STA with an area of 334 rai 6.2 square wah located in Chaiyavart Sub-district, Pathio District, Chumphon, purchased building with an area of 77 rai 3 ngan 71.4 square wah located in Plaiwat Sub-district, Kanchanadit District, Surat Thani Province and the acquisition of land with buildings, having an area of 191 rai 59.6 square wah located in Bang Mak Sub-district, Kantang District, Trang according to project production capacity expansion. 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. 6/2020 on 13 November 2020 and No. 7/2021 on 10 August 2021.</p>	<p>The purchase was beneficial of the production capacity expansion and internal management. This transaction was reasonable and beneficial to support the Company's business operations. In addition, this transaction was considered appropriate and can be compared with the appraisal market price by independent appraiser.</p> <p>The purchase was beneficial of the production capacity expansion and internal management. This transaction was reasonable and beneficial to support the Company's business operations. In addition, this transaction was considered appropriate and can be compared with the appraisal market price by independent appraiser.</p>
	Major shareholder of the Company and having the same directors	STU (A Subsidiary of the Company)	1.55	3.13	<p>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.</p>	<p>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.</p>
		IT Service Fees and Maintenance of SAP system				

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 2020	Jan – Dec 2021		
STA	Major shareholder of the Company and having the same directors	Other payables	0.00	0.78	Other payables resulting from items cost and aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.
		SDME (A Subsidiary of the Company) IT Service Fees and Maintenance of SAP system		0.28	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 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.
STA	Major shareholder of the Company and having the same directors	PSE (A Subsidiary of the Company) Revenue from Production and installation of machinery		40.97	After the restructuring of the Company by the Company purchasing 99.99922% shares in PSE from STA and RBL on 7 January 2021 (the transaction between 1 January 2021 – 31 December 2021) PSE had revenue from design, manufacturing and installation from STA 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 does not wish for outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the same category.	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	PSE had revenue from Office building maintenance and executive residence from STA. The service was through purchase orders, in addition to the service rate that was charged by PSE and was charged follow labor cost and reasonable 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 2020	Jan – Dec 2021		
		Revenue from calibration fees		2.13	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		0.86	PSE had revenue from providing certification services and annual property maintenance according to plan such as building the crane electrical system of STA. 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 specializes in providing such services as well as having personnel with the experience and tools that were related to 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 the sale of factory materials		7.65	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.
		Rental income received		0.05	PSE charges office car rental to STA because the transfer of QA Center staff to be in accordance with appropriate actual operational responsibilities and the replacement of the contract will be completed within February 2021, the rate collected was the actual rate that occurred.	It was actual service charge that was considered appropriate and reasonable. Expectedly, it would not occur in the future.

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 2020	Jan – Dec 2021		
		Revenue from other service - Product quality inspection fees		0.10	PSE had revenue from rubber product quality inspections service to 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 revenue		0.01	PSE had other revenue from sales of STA uniform to save purchasing cost of uniform and also manage warehouse effectively. The selling price was a comprehensive rate and reflected the relevant costs and appropriate profit margins of PSE	The transaction reflected the relevance cost and appropriate profit margin. This transaction was a general commercial terms which considered appropriate and reasonable.
		Trade receivables		8.39	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		8.22	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.
		Other receivables		0.05	Other trade receivables resulting from the aforesaid income.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.
		Advance income		12.19	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 2020	Jan – Dec 2021		
		IT Service Fees and Maintenance of SAP system		9.92	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		2.06	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 procuring the staffs in such works or procuring such area, including performing the service work by itself.	The aforementioned service rates were reasonable comparing to PSE's costs and expenses for recruiting employees or providing area including self-service. This transaction is general commercial terms which considered appropriate and reasonable.
		Trade payables		0.18	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 2020	Jan – Dec 2021		
STA	A Juristic person that the major shareholder has control over and has the same directors	PS (A Subsidiary of the Company)			After the restructuring of the Company by the Company purchasing 99.9985% shares in PS from STA on 7 January 2021 (the transaction between 1 January 2021 – 31 December 2021)	
		Revenue from the sale of factory materials		0.00	PS had revenue from selling Hydraulic oil to STA, Hat Yai branch which used a forklift to manage inventory of PS and selling price 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.
RBL	A Juristic person that the major shareholder has control over and has the same directors	The Company				
		Revenue from the sale of rubber gloves		0.03	The Company sold rubber gloves to RBL 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	0.19	0.27	The Company had revenue 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 purchase order of fuel 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.

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 2020	Jan – Dec 2021		
		Other service income		0.24	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.	It was actual pay rate wage, which is a general commercial term that considered appropriate and reasonable.
		Trade receivables		0.03	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	0.02	0.04	Other trade receivables resulting from the aforesaid income.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.
		Advance payment	0.02	0.00	The Company paid advance payment for Moderna vaccine to the staffs working for RBL which billed according to employees who are eligible for vaccination and the company advanced payment to employees who worked for RBL. In addition, the company had collected the money after the work was completed	It was an outstanding balance according to the normal business transactions of the Company which considered appropriate and reasonable.
		Concentrated latex purchase fees	671.52	839.24	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 company. Furthermore, on 28 June 2019, the Company entered into a sales purchase agreement for concentrate latex with STA and subsidiaries of STA with the trade conditions that the market price and the method to fix the referenced market price and different factors namely transportation fees, CESS and exchange rate.	Price of concentrated latex that the Company purchased from RBL was the purchase prices in line with the market price and the reference price that other rubber glove manufacturers use for purchasing raw materials in production process. Moreover, the purchase price reflects the delivery conditions as well as the properties of concentrated latex that the Company required as appropriate. This transaction is 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 2020	Jan – Dec 2021		
		Rental fee	4.64	4.64	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 rent 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 is a general commercial term which considered appropriate and reasonable.
		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.
		Weighing 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 procuring staffs in such sector, including its own area.	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	10.50	3.54	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, namely load 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 2020	Jan – Dec 2021		
RBL		Trade payables	107.81	81.04	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.
		Accrued expenses	1.45	0.41	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.
		Investment		179.20	The Company purchased 80,000 shares or 16.0000% from RBL for the company can manage and expand its production capacity with PSE, which is ready to produce products and specialize in the design, installation, maintenance that related to the company's glove production. The Company has considered the appropriate purchase price valued by PSE's Discounted Cash Flow method which the financial advisors.	The investment in such a business was made in accordance with proper management and a future strategy to grow production capacity and its purpose is to assist with the company's operations. The right price for the firm restructuring has been authorized by the shareholder meeting. This transaction was considered appropriate and reasonable.
	A Juristic person that the major shareholder has control over and has the same directors	PSE (A Subsidiary of the Company)			After the restructuring of the Company by the Company purchasing 99.9922% shares in PSE from STA and RBL on 7 January 2021 (the transaction between 1 January 2021 – 31 December 2021)	
		Revenue from Production and installation of machinery		27.19	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. Additionally, the production and installation of machineries in gloves production is considered to be trade secret technology that the Conglomerate does not wish for outside parties to have knowledge of such production technology. the aforementioned rate was in line with that of the service providers in the same category.	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 2020	Jan – Dec 2021		
		Revenue from calibration fees		0.81	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		2.47	PSE had revenue from selling equipment parts, machinery equipment such as roller, rolling ball, shaft gear etc. to RBL 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.
		Revenue from maintenance service		0.03	PSE had revenue 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 costs and profits.	The transaction was a comprehensive rate that reflected the relevant costs and appropriate profit margins. This transaction was a general commercial terms which considered appropriate and reasonable.
		Revenue from other service - Verification service		0.14	PSE had revenue from providing crane certification and safety certification to 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.	The service was a service that was associated with manufacturing, installation and maintenance. PSE 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 2020	Jan – Dec 2021		
		Revenue from other service - Product quality inspection fees		0.15	PSE had revenue from rubber product quality inspections service to 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.	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.
		Accrued income		1.04	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.
		Advance income		5.03	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		0.38	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.
		The Company				
NHR	A Juristic person that the major shareholder has control over	Revenue from the sale of rubber gloves		0.01	The Company sold rubber gloves to NHR 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 2020	Jan – Dec 2021		
		Revenue from the sale of factory materials	0.01		The Company had revenue from selling obsolete second-hand blue buckets to NHR. The sales price was comparable to the market price.	This transaction was a comparable to the market price and is a general commercial terms which considered appropriate and reasonable.
		Rental income		0.33	The Company has 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 2564 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.	The 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.
		Other service income		0.06	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. 04/2562, topic company accommodation regulations (Amendment).	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		0.07	Other trade receivables resulting from the aforesaid income.	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 2020	Jan – Dec 2021		
		Concentrated latex purchase fees	236.18	706.64	<p>The Company purchased latex concentrate from NHR 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 company. Furthermore, on 28 June 2019, the Company entered into a sales purchase agreement for concentrate latex with STA and subsidiaries of STA with the trade conditions that the market price and the method to fix the referenced market price and different factors namely transportation fees, CESS and exchange rate.</p>	<p>Price of concentrated latex that the Company purchased from NHR was the purchase price in line with the market price and the reference price that other rubber glove manufacturers use for purchasing raw materials in production process. Moreover, the 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>
		Other service fees	0.10		<p>The Company had a need to use increased labor for a short period of time such as the period where the Company had purchase order of gloves that had more varied packaging characteristics or during the period that some of the foreign workers were required done foreign labor law with to various government entities resulting in the Company to not have sufficient daily labor capacity etc. Therefore, the Company hired daily worker from NHR on during such period. The wage of the Company paid to NHR was equivalent to the actual wage that Nam Hua Rubber Co., Ltd. paid to the staffs.</p>	<p>The transaction reflected the actual cost and is general commercial terms which considered appropriate and reasonable.</p>
		Other service – tank rental fees		0.49	<p>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. The management fee for tank rental calculated combined with load and offload latex by weight rate actual monthly, the service fee and management fee was the rate that the Company considers to be reasonable if compared to procuring equipment, maintenance and procuring staffs in such sector, including its own area.</p>	<p>Tank rental and management fees were a performance temporary if compared to procuring equipment, maintenance and procuring staffs in such sector, including its own area which is a general commercial term that considered appropriate and reasonable.</p>
		Trade payables	25.68	43.76	<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 2020	Jan – Dec 2021		
NHR	A Juristic person that the major shareholder has control over and has the same directors	PSE (A Subsidiary of the Company)			After the restructuring of the Company by the Company purchasing 99.99922% shares in PSE from STA and RBL on 7 January 2021 (the transaction between 1 January 2021 – 31 December 2021)	
		Revenue from Production and installation of machinery	0.02		PSE had revenue from design, manufacturing and installation 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 wish for 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		PSE had revenue 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.
		Revenue from other service - Verification service	0.09		PSE had revenue 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 specializes in providing such services as well as having personnel with the experience and tools that were related to 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 2020	Jan – Dec 2021		
		Revenue from maintenance service		0.05	PSE had revenue from electricity transformers maintenance from NHR. The service was through purchase orders, in addition to the service rate that was charged by PSE and was charged follow labor cost and reasonable 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		0.99	PSE had revenue from selling equipment 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.
		Advance income		0.93	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		0.42	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		0.01	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 2020	Jan – Dec 2021		
ANV	A Juristic person that the major shareholder has control over	The Company				
		Firewood purchase fee	1,202.54	1,436.44	<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). The 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. 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.</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>
		Other expenses	1.81		<p>The Company purchased factory license (for ngor.4) issued by the Ministry of Industry for the production of chopped wood from rubber wood and the 13 types of wood that was specifically planted, and license to establish a wood processing factory by using machineries to produce chopped woods from rubber wood and the 13 types of wood that was specifically planted to distribute to ANV. The collected expense was the price agreed in the wood processing factory sales and purchase agreement dated 12 May 2020 which the seller is the factory/ license holder (for ngor 4) and the license to establish wood processing factory by using machinery in Nor.Sor.3 No. 2073 Kanchanawich Road, Pawong Sub-District, Hat Yai District, Songkhla Province. The buyer is the producer of gloves and uses chopped wood as fuel to produce heat energy in the production process and the buyer has the intention to own the chopped wood factory and hold rights over the license to produce the relevant chopped wood, it was considered that such transaction is required under the law to be in line with the business operations of the Company and the value was reasonable as it was a transaction calculated from actual cost in obtaining such license of ANV.</p>	<p>This transaction calculated from actual cost plus operating expense. This transaction is general commercial terms and in line with the Company's business, 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 2020	Jan - Dec 2021		
		Factory material expenses	0.04		The Company purchased fuel with ANV which is used with forklifts used in the Company area, Anvar branch. The Company bought divided of the raw material in order to save costs on the purchase of fuel and efficiency of the Group. The price of fuel was referenced from the price of fuel on the transaction date reflects the related cost and appropriate 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.
		Prepaid expenses	20.00	10.34	This refers to advance payments made for the aforementioned costs, to support the increase in production capacity from January 2020 onwards.	This was the estimate amount of firewood purchasing in advance according to general commercial terms and was normal prepaid item consistent to the production quantity and increasing of firewood usage, which considered appropriate and reasonable.
		Advance payment	0.00		The Company has paid advance payment for Moderna vaccine to ANV which billed according to employees who are eligible for vaccination.	It was an outstanding balance according to the normal business transactions of the Company which considered appropriate and reasonable.
		Trade payables	9.86	1.44	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.
		Land Purchase	69.21		The Company purchased land and building from ANV with an area of 34 rai 100.7 square wah located in Samnak Kham Subdistrict, Sadao District, Songkhla Province which was part of Sadao factory's production capacity expansion. Therefore, the land sale 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. 6/2020 on 13 November 2020.	The purchase was beneficial of the production capacity expansion and internal management. This transaction was reasonable and beneficial to support the Company's business operations. In addition, this transaction was considered appropriate and can be compared with the appraisal market price by independent appraiser.

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 2020	Jan – Dec 2021		
STL	A Juristic person that the major shareholder has control over and has the same directors	The Company				
		Revenue from the sale of rubber gloves		0.00	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.
		Other service income	0.10		The Company received a compensation for fines in case of incorrect notification of container number in the Bill of Lading document from STL. The rate of fine charged was the actual fine that the Company had paid.	The fine was charged from the actual rate that the Company had to pay. This transaction was considered appropriate and reasonable.
		Advance payment		0.11	The Company has paid advance payment for Moderna vaccine to the staffs working for STL which billed according to employees who are eligible for vaccination.	It was an outstanding balance according to the normal business transactions of the Company which considered appropriate and reasonable.
		Transportation fees	77.88	76.98	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.
		Import and export document arrangement service fees	10.49	10.31	STL provided import and export document arrangement services to The Company as 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 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.

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 2020	Jan – Dec 2021		
		Other service fees	9.95	11.29	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.
		Trade payables	8.71	10.25	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	0.36		Other payables resulting from items cost and aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.
		Accrued expenses	1.46	1.60	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.

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 2020	Jan – Dec 2021		
STL	A Juristic person that the major shareholder has control over and has the same directors	PSE (A Subsidiary of the Company)	After the restructuring of the Company by the Company purchasing 99.99922% shares in PSE from STA and RBL on 7 January 2021 (the transaction between 1 January 2021 – 31 December 2021)			
		Transportation fees	0.05		PSE used transport services to STL. Due to STL operates transportation services 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.
		Import and export document arrangement service fees	0.06		PSE provided import and export document arrangement services to 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 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.
		Trade payables	0.00		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 2020	Jan – Dec 2021		
PSE	A Juristic person that the major shareholder has control over and has the same directors	The Company				
		Revenue from the sale of factory materials	6.00		The Company had revenue from selling chemicals, fuels and former cleaning equipment to PSE who is the machinery cleaner service provider of the Company. In this regards, as the Company regularly had a high purchase order of chemicals and equipment whilst PSE has a minimal use of the aforementioned raw materials and equipment. In order to save costs in the purchase order of chemicals, equipment and sufficiently manage the inventory of the group company, the Company sold parts of its raw materials and equipment to PSE at the average cost price of the Company.	This transaction was reasonable because it was overall savings on purchasing costs of the Company and the group companies. The price reflected the related costs as well as this transaction was a general commercial terms which considered appropriate and reasonable.
		Other service income	0.03		The Company collected internet service fee from PSE due to the use of such service by the staffs. The rate was same rate that TOT Public Company Limited collects from the Company.	The rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
		Other receivables	0.41	0.41	Other trade receivables resulting from the aforesaid income.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.
		Production and installation of machinery fee	508.51	0.22	The Company had hired PSE to design, produce and install as it has long term expertise in design, producing, installing and maintaining machineries and for production of gloves for the Company. An agreement was entered into for each separate project that was outsourced. Additionally, the production and installation of machineries in gloves production is considered to be trade secret technology that the Company does not wish for outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the same category.	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 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 2020	Jan – Dec 2021		
		Equipment and spare parts expenses	106.40	0.49	The Company purchased equipment parts from PSE such as motor, pump, valve, electrical equipment etc. PSE has expertise in procuring machineries and equipment to produce gloves for group companies and has a higher purchase order volume as well as having a purchase order of equipment parts that is similar to that of Sri Trang group companies. In this regards, the aforementioned rate was comparable to the market price.	PSE specializes in providing such services and the rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
		Maintenance service fee	189.25	0.19	The Company made payment for the maintenance service fee to PSE who has a long term expertise in design, installation and maintenance of machineries and equipment for the production of gloves for the Company. The service was through purchase orders, in addition the repair maintenance of the machineries used for glove production is considered to be access to trade secret technology which The Company does not intend for the outside persons to have access to. Furthermore, the hiring of PSE means that the Company does not have to procure its own staffs which would increase the burden in personnel expenses. In this regard, the rate of service fee can be comparable to that of the market price.	PSE specializes in providing such services as well as having personnel with the experience and tools that related to 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.
		Cleaning service fee	106.32	0.00	The Company made cleaning service fee payment to PSE as PSE has expertise and knowledge in equipment and machineries in glove production. The service is provided through purchase order. Additionally, the cleaning of glove production machinery is considered to be access to trade secret technology which The Company does not intend for the outside persons to have access to. The rate of the service fee was comparable to that of the market price.	PSE specializes in providing such services as well as having personnel with the experience and tools that related to 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 2020	Jan – Dec 2021		
		Calibration fee	5.92		The Company made payment for the calibration fee of various machineries to PSE. The service was provided through purchase order. 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 that related to provision of the service. The rate of service fee was comparable in the market. This transaction is general commercial terms which considered appropriate and reasonable.
		Other service fees	0.36		The Company made payment for equipment transportation service fee and asset certification service fee for crane, lift to PSE as indicated in the purchase orders, the service was provided on a case by case basis.	Such services were related to production process, machines installation, and maintenance. PSE specializes in providing such services as well as having personnel with the experience and tools that related to 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.
		Factory material expenses	1.08		The Company purchases control valve sawdust and miscellaneous equipment such as nets, shelves etc. from PSE. The purchase price was comparable to the market price.	This transaction's price was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
		Other expenses	0.17		The Company made payment to PSE for the service fee in using the place to host training to sufficiently reduce the training cost of the group company. The service fee was collected at the average cost price was PSE. The aforementioned price is comparable to that of the service fee in procuring a training place.	It was a cost saving of overall training of the Company and group companies. This transaction 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 2020	Jan – Dec 2021		
STI		Trade payables	93.52	94.69	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	0.21		Other payables resulting from items cost and aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.
	A Juristic person that the major shareholder has control over and has the same directors	The Company				
		Other service - Consultant fees	6.65	9.59	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.	As considered the qualifications and roles of the consultants to the Company, this transaction was considered appropriate and reasonable.
SDS	A Juristic person that the major shareholder has control over	SDME (A subsidiary of the Company)				
		Office service expenses	5.73	4.31	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, 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.	The aforementioned service rates were reasonable comparing to SDME's costs and expenses for recruiting employees and space providing for the transaction. This transaction is 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 2020	Jan – Dec 2021		
STV	A Juristic person that the major shareholder has control over	The Company				
		Revenue from the sale of rubber gloves	37.61	202.95	<p>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 change 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 is at an appropriate rates of a rubber gloves manufacturer business model.</p> <p>Additionally, if the Company could sell latex gloves in Vietnam for more than 10 million pairs per month for a consecutive period of 3 months or if STA and the Company considered to be appropriate, whichever occurs first, the Company shall establish a subsidiary company to sell in Vietnam by itself and not through STV any longer.</p>	<p>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.</p>
		Trade receivables	7.75	46.85	<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>
		Commission fee	0.47	2.16	<p>The Company paid for commission fees for contacting customers and coordinating the sale for STV in accordance with the quantity sold at the agreed upon rates, comparable to the commission fees that the company pays to other customers. Furthermore, The Company had set a policy its commission fees, announced on 7 February 2020.</p>	<p>The service rate was reasonable rates comparable to the commission rate that the Company paid to other customers and for the purpose of supporting the Company's business. 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 2020	Jan – Dec 2021		
SLI	A Juristic person that the major shareholder has control over and has the same directors	Trade payables	0.07	0.17	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)			After the restructuring of the Company by the Company purchasing 99.99922% shares in PSE from STA and RBL on 7 January 2021 (the transaction between 1 January 2021 – 31 December 2021)	
		Revenue from Production and installation of machinery		3.81	PSE had revenue from design, manufacturing and installation from STI 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 Company does not wish for outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the same category.	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 the sale of factory materials		0.26	PSE had revenue from selling equipment 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.

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 2020	Jan – Dec 2021		
PTS	A Juristic person that the major shareholder has control over and has the same directors	Revenue from calibration fees		0.00	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.
		Advance income		0.48	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.
		PSE (A Subsidiary of the Company)			After the restructuring of the Company by the Company purchasing 99.99922% shares in PSE from STA and RBL on 7 January 2021 (the transaction between 1 January 2021 – 31 December 2021)	
		Revenue from the sale of factory materials		0.21	PSE had revenue from selling equipment parts, machinery equipment such as rubber pressing machine control program, roller, rolling ball, shaft gear etc. to PTS 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.
		Other service income		0.01	PSE charged import document and freight costs. For products covered by the warranty to PTS. The rate was charged from the actual rate that the Company had paid.	The rate was charged from the actual rate that the Company had to pay. This transaction 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 2020	Jan – Dec 2021		
STAY	A Juristic person that the major shareholder has control over and has the same directors	Advance income		1.75	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 that of the service providers in the same business.	It was an outstanding balance based on payment criteria, which was a general commercial term that considered appropriate and reasonable.
		PSE (A Subsidiary of the Company)			After the restructuring of the Company by the Company purchasing 99.9922% shares in PSE from STA and RBL on 7 January 2021 (the transaction between 1 January 2021 – 31 December 2021)	
SAC	A Juristic person that the major shareholder has control over and has the same directors	Revenue from calibration fees		0.17	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.
		The Company				
		Revenue from the sale of factory materials	0.84	1.30	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 2020	Jan – Dec 2021		
		Other service income	4.84	5.88	The Company sold steam to SAC does not have a machine which product steam. The steam price was reference from the suitable related costs and profit of the Company.	The transaction reflected the relevance cost and appropriate profit margin. This transaction was a general commercial terms which considered appropriate and reasonable.
		Other receivables	0.48	0.66	Other trade receivables resulting from the aforesaid income.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.
		Advance payment		0.13	The company paid a room fee to use for quarantine on risk groups that did not detect the infection (Covid-19) in addition, the company paid to SAC for Moderna, Sinofarm vaccine cost which calculated from actual expenses of SAC, billed according to the number of accommodations, check-in date, and employees who are eligible for vaccination.	There was an actual room rate which was considered appropriate and reasonable.
		Other expenses	0.12	0.14	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 was general commercial terms which considered appropriate and reasonable.
		Trade payables		0.03	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 2020	Jan – Dec 2021		
SAC	A Juristic person that the major shareholder has control over and has the same directors	PSE (A Subsidiary of the Company)			After the restructuring of the Company by the Company purchasing 99.99922% shares in PSE from STA and RBL on 7 January 2021 (the transaction between 1 January 2021 – 31 December 2021)	
		Revenue from Production and installation of machinery		9.47	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 wish for outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the same category.	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.
		Cleaning Service income		1.11	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 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 2020	Jan – Dec 2021		
		Revenue from calibration fees		0.14	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		0.24	PSE had revenue from selling equipment parts, machinery equipment such as wrapping support device 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.
		Revenue from other service - Verification service		0.04	PSE had revenue from electrical system to SAC. 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 service was a service that was associated with manufacturing, installation and maintenance. PSE 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		0.18	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 accounts receivable that considered appropriate and reasonable.
		Trade receivables		2.44	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 2020	Jan – Dec 2021		
IBC	A Juristic person that the major shareholder has control over and has the same directors	The Company				
		IT Service Fees and Maintenance of SAP system	46.14	80.72	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 repairmen 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.
		Service Fees	16.97	15.20	The Company paid for service fees to IBC, which was expenses for the services of 2 personnel. There was one person who resigned in April 2021 and belong to Research Development Department. Under the secondment agreement to the Company and the marketing team and product research and development. It includes the setting of goal, vision and strategy in marketing and product research and development to be in line with the business objective of the Company. 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	8.62	12.34	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 2020	Jan – Dec 2021		
IBC	A Juristic person that the major shareholder has control over and has the same directors	STU (A subsidiary of the Company)				
		IT Service Fees and Maintenance of SAP system	0.14	0.16	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	0.01	0.01	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	A Juristic person that the major shareholder has control over and has the same directors	SDME (A subsidiary of the Company)				
		IT Service Fees and Maintenance of SAP system	0.11	0.50	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.
		Trade payables	0.11	0.40	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 2020	Jan – Dec 2021		
IBC	A Juristic person that the major shareholder has control over and has the same directors	PSE (A Subsidiary of the Company)			After the restructuring of the Company by the Company purchasing 99.99922% shares in PSE from STA and RBL on 7 January 2021 (the transaction between 1 January 2021 – 31 December 2021)	
		Office Administrative Fee Income		4.31	PSE had income from office administration to IBC which covers the service for office building, Parking , 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 itself.	Such service rates were reasonable, which was a general commercial term that considered appropriate and reasonable.
		Other receivables		0.38	Other trade receivables resulting from the aforesaid income.	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		7.47	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 repairman 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 space 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 2020	Jan – Dec 2021		
		Trade payables		0.71	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.
STC	A Juristic person that the major shareholder has control over	The Company				
		Land lease fees		0.26	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 amount 33,000 THB per month, the price was comparable to the market price in area neighborhood.	The rental rate was comparable to the market price of neighboring area. This transaction is a general commercial term which considered appropriate and reasonable.
SRP	A Juristic person that the major shareholder has control over and has the same directors	The Company				
		Revenue from the sale of rubber gloves		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.
		Other service income	0.10	0.05	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.

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 2020	Jan – Dec 2021		
TRC	A Juristic person with a joint directors	PSE (A Subsidiary of the Company)	After the restructuring of the Company by the Company purchasing 99.99922% shares in PSE from STA and RBL on 7 January 2021 (the transaction between 1 January 2021 – 31 December 2021)		After the restructuring of the Company by the Company purchasing 99.99922% shares in PSE from STA and RBL on 7 January 2021 (the transaction between 1 January 2021 – 31 December 2021)	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.
SLI	A Juristic person that the major shareholder has control over	STGI (A Subsidiary of the Company)	After the restructuring of the Company, it has been established a subsidiary of the Company on 7 January 2021 (the transaction between 7 January 2021 – 31 December 2021)		After the restructuring of the Company, it has been established a subsidiary of the Company on 7 January 2021 (the transaction between 7 January 2021 – 31 December 2021)	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.
		Land lease fees	0.01		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 IDR 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.	It was prepaid expense balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.
		Prepaid expenses	0.10		The Prepaid expenses resulting from land lease aforesaid transactions.	It was prepaid expense 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 2020	Jan – Dec 2021		
		Other payables		0.01	Other payable that occurred a aforesaid land rental	It was an outstanding balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.
Provincial Electricity Authority	A juristic person in which a director, Prof.Dr.Weerakorn Ongsakul, is also a director there.	The Company				
		High voltage system installation expenses	3.12	84.01	The Company paid for the installation of high voltage system to the Provincial Electricity Authority to expand on the electricity distribution area to be utilized in the production of products, at the same rate that the Provincial Electricity Authority collect from other operators.	Such service rates were the rates as the market price. This transaction is a general commercial terms that considered appropriate and reasonable.
		Electricity expenses	629.73	833.10	The Company paid for electricity to the Provincial Electricity Authority, used in the production process and business operation of the Company at the same rate that the Provincial Electricity Authority collect from other operators.	Such service rates were the rates as the market price. This transaction is a general commercial terms that considered appropriate and reasonable.
		Electricity system repair expenses	0.06	0.07	The Company paid for the services in the detection of hot spots or electrical fault spots, at the same rate that the Provincial Electricity Authority collect from other operators.	Such service rates were the rates as the market price. This transaction is a general commercial terms that considered appropriate and reasonable.
The Government Pharmaceutical Organization (GPO)	A juristic person in which a director, Dr.Sarana Boonbaichayapruk is also a director there	The Company				
		Revenue from the sale of rubber gloves		278.09	The Company sold rubber gloves to The Government Pharmaceutical Organization (GPO) for sell to domestic customers.It is sold through Purchase Order which is bidding price of government agency compares to the fair price by Ministry of Public Health.	The selling price of such transactions can be compared with fair price of The Government Pharmaceutical Organization 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 2020	Jan – Dec 2021		
		Trade receivables		2.68	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.
Dr.Viyavood Sincharoenkul	Director/Chairman of Executive Committee, Father and Sibling of the other directors	The Company				
		Land purchase		2.02	The Company purchased land from Dr.Viyavood Sincharoenkul with a total area of 2 rai 3 ngan 56 square wah located in Phlai Wat sub district, Kanchanadit district, Surat Thani in order to the construction of the dormitories for the employee of Surat Thani factory. The land purchase price was agreed upon between the purchaser and seller based on the appraised price by First Star Consultant Co.,Ltd. This transaction was approved by the Board of Directors Meeting No. 7/2021 on 10 August 2021.	The acquisition of land near the Company's Surat Thani branch factory for the benefit of management. As a result, this transaction was reasonable and beneficial to support the Company business operations in production capacity expansion of rubber gloves. In addition, this transaction was considered appropriate and can be compared with the appraisal market price by independent appraiser.
Mr.Kitichai Sincharoenkul	Director, Sibling of the other directors Director	The Company				
		Land purchase		11.30	The Company purchased land from Mr. Kitichai Sincharoenkul with a total area of 16 rai 56 square wah located in Phlai Wat sub district, Kanchanadit district, Surat Thani in order to the construction of the dormitories for the employee of Surat Thani factory. The land purchase price was agreed upon between the purchaser and sellers based on the appraised price by First Star Consultant Co.,Ltd. This transaction was approved by the Board of Directors Meeting No. 7/2021 on 10 August 2021.	The acquisition of land near the Company's Surat Thani branch factory for the benefit of management. As a result, this transaction was reasonable and beneficial to support the Company business operations in production capacity expansion of rubber gloves. In addition, this transaction was considered appropriate and can be compared with the appraisal market price by independent appraiser.

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 2020	Jan – Dec 2021		
Mr. Anan Pruksanusak and Mrs. Suree Pruksanusak (Deceased by Mr. Anan Pruksanusak as administrator)	Director and Member of Executive Committee	The Company				
			Land Purchase	82.10		
			<p>The Company purchased land from Mr. Anan Pruksanusak with a total area of 137 rai 1 ngan 50.8 square wah under purchasing value of THB 63,193,420 and land of Mrs. Sureeporn Pruksanusak (Mr. Anan Pruksanusak As administrator) with a total area of 41 rai 44.6 square wah under purchasing value of THB 18,911,290 in order to construct the Company's rubber glove factory in Samnakham Sub-district, Sadao District, Songkhla Province, which is located in a special economic zone promoted by the Board of Investment (BOI). The Company will receive tax exemption for 8 years and double benefit in electricity expenses for 10 years, as well as benefit in logistics due to the location is near Sadao Border. The Company will be able to transport products through Penang Port in Malaysia which will reduce the congestion of Songkhla Port and also save logistic costs. The land purchases price was agreed upon between the purchaser and seller based on the appraised price by First Star Consultant Co.,Ltd. This transaction was approved by the Board of Directors Meeting No. 5/2020 on 25 August 2020.</p>		<p>The land is located in a special economic zone promoted by the BOI, which is suitable for construct the Company's glove factory and located close to the sources of raw materials and energy facilities. This transaction was reasonable and beneficial to support the Company business operations in production capacity expansion of rubber gloves. In addition, this transaction was considered appropriate and can be compared with the appraisal market price by 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 2020	Jan – Dec 2021		
Mrs. Woraphan Nirunsuk	Sister of the Director (Mr. Anan Pruksanusak)	The Company Land Purchase	12.59		<p>The Company purchased land from Mrs. Woraphan Nirunsuk with a total area of 27 rai 1 ngan 52.1 square wah in order to construct the Company's rubber glove factory in Samnakhom Sub-district, Sadao District, Songkhla Province, which is located in a special economic zone promoted by the BOI. The Company will receive tax exemption for 8 years and double benefit in electricity expenses for 10 years, as well as benefit in logistics due to the location is near Sadao Border. The Company will be able to transport products through Penang Port in Malaysia which will reduce the congestion of Songkhla Port and also save logistic costs. The land purchase was agreed upon between the purchaser and seller based on the appraised price by First Star Consultant Co.,Ltd. This transaction was approved by the Board of Directors Meeting No. 5/2020 on 25 August 2020.</p>	<p>The land is located in a special economic zone promoted by the BOI, which is suitable for construct the Company's glove factory and located close to the sources of raw materials and energy facilities. This transaction was reasonable and beneficial to support the Company business operations in production capacity expansion of rubber gloves. In addition, this transaction was considered appropriate and can be compared with the appraisal market price by independent appraiser.</p>

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 relating to the Company or its related persons as prescribed by the Federation of Accounting Professions.

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).

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 2021 Annual Registration Statement / Annual Report (Form 56-1 One Report). The financial statement ended on 31 December 2021 was prepared in accordance with the generally accepted accounting standards by using appropriate and consistent accounting policy including careful consideration and reasonableness. 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 2021 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 satisfactorily effective and can 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 2021 are accurate, 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

Financial Statements As at 31 December 2021
Sri Trang Gloves (Thailand) Public Company Limited
and its subsidiaries



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 2021, 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 2021, 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 as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. 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 Coronavirus disease 2019 pandemic has a direct impact on the competition in the rubber glove market and 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.

Supachai Phanyawattano

Certified Public Accountant (Thailand) No. 3930

EY Office Limited

Bangkok: 17 February 2022

Statement of financial position

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

As at 31 December 2021

(Unit: Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
			(Restated)		
Assets					
Current assets					
Cash and cash equivalents	7	21,006,128,944	24,273,985,526	17,520,543,697	23,049,358,311
Trade and other receivables	8	2,816,075,380	5,234,483,987	4,111,632,712	5,571,773,099
Short-term loans to subsidiary	6	-	-	400,000,000	-
Inventories	9	4,778,091,158	3,266,357,791	3,440,325,357	2,124,389,782
Derivative financial instruments	33	24,837,308	39,554,629	24,837,308	39,554,629
Other financial assets	11	264,105,305	-	-	-
Other current assets	10	656,469,524	980,759,204	519,736,630	969,254,212
Total current assets		29,545,707,619	33,795,141,137	26,017,075,704	31,754,330,033
Non-current assets					
Other non-current financial assets	11	370,710,729	-	-	-
Investments in subsidiaries	1.2, 1.3, 12	-	-	5,064,861,147	430,487,831
Property, plant and equipment	13	20,369,667,844	9,736,817,416	19,654,760,692	9,520,664,880
Right-of-use assets	14.1	77,638,599	36,537,414	32,361,084	17,225,778
Intangible asset - computer software	15	169,230,502	105,949,210	165,125,724	98,874,281
Goodwill	16	220,884,790	220,884,790	220,884,790	220,884,790
Withholding tax deducted at source		109,977,898	69,292,748	-	-
Advance payments for fixed assets		-	164,650,257	-	175,087,017
Deferred tax assets	26	431,940,020	104,232,530	-	-
Other non-current assets		7,066,093	2,393,946	1,269,298	155,791
Total non-current assets		21,757,116,475	10,440,758,311	25,139,262,735	10,463,380,368
Total assets		51,302,824,094	44,235,899,448	51,156,338,439	42,217,710,401

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 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
			(Restated)		
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	17	3,620,736,726	3,614,497,086	3,309,574,674	3,259,625,660
Short-term borrowings from financial institutions	18	-	280,000,000	-	-
Current portions of:					
- Long-term borrowings from financial institutions	18	1,332,821,708	774,216,364	1,332,821,708	774,216,364
- Lease liabilities	14.2, 18	31,565,085	16,759,568	13,426,233	5,815,002
Income tax payable		554,614,015	1,360,396,664	550,907,892	1,196,334,631
Derivative financial instruments	33	43,085,518	45,960,950	42,665,903	45,960,950
Other current liabilities		63,614,820	57,720,094	58,769,612	19,131,918
Total current liabilities		5,646,437,872	6,149,550,726	5,308,166,022	5,301,084,525
Non-current liabilities					
Non-current portions of:					
- Long-term borrowings from financial institutions	18	7,127,733,907	5,525,490,314	7,127,733,907	5,525,490,314
- Lease liabilities	14.2, 18	39,472,105	15,319,385	15,356,187	6,588,673
Derivative financial instruments	33	21,332,231	44,471,537	21,332,231	44,471,537
Provision for retirement benefit obligations	19	168,275,296	160,031,520	132,159,809	119,969,130
Deferred tax liabilities	26	86,453,462	80,615,512	51,376,103	68,044,138
Total non-current liabilities		7,443,267,001	5,825,928,268	7,347,958,237	5,764,563,792
Total liabilities		13,089,704,873	11,975,478,994	12,656,124,259	11,065,648,317

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 2021

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
Note		2021	2020	2021	2020
			(Restated)		
Shareholders' equity					
Share capital	20				
Registered					
2,869,560,000 ordinary shares of Baht 0.5 each		1,434,780,000	1,434,780,000	1,434,780,000	1,434,780,000
Issued and fully paid					
2,863,261,410 ordinary shares					
(2020: 2,857,560,000 shares) of Baht 0.5 each		1,431,630,705	1,428,780,000	1,431,630,705	1,428,780,000
Premium on ordinary shares	20	14,463,099,736	14,243,224,859	14,463,099,736	14,243,224,859
Share-based payment reserve	21	8,181,559	8,153,441	8,181,559	8,153,441
Surplus from the amalgamation		483,694,988	483,694,988	483,694,988	483,694,988
Deficit from business combination under common control	1.2	(787,230,800)	(143,211,674)	-	-
Retained earnings					
Appropriated - statutory reserve	22	143,478,000	143,478,000	143,478,000	143,478,000
Unappropriated		21,812,503,774	15,239,044,923	21,675,295,805	14,551,958,444
Other components of shareholders' equity					
Surplus on revaluation of assets - net of income tax		397,478,497	328,349,582	311,899,172	328,349,582
Exchange differences on translation of financial statements in foreign currencies		282,206,128	1,559,573	-	-
Cash flow hedge reserve - net of income tax		(17,065,785)	(35,577,230)	(17,065,785)	(35,577,230)
Deficit on changes in fair value through other comprehensive income of investments in equity		(4,857,581)	-	-	-
Equity attributable to equity holders of the Company		38,213,119,221	31,697,496,462	38,500,214,180	31,152,062,084
Former shareholders before the restructuring	1.2	-	562,923,992	-	-
Total shareholders' equity		38,213,119,221	32,260,420,454	38,500,214,180	31,152,062,084
Total liabilities and shareholders' equity		51,302,824,094	44,235,899,448	51,156,338,439	42,217,710,401

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

For the year ended 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020 (Restated)	2021	2020
Profit or loss:					
Revenues from sales of goods and services		47,550,771,239	30,552,377,106	47,489,780,861	29,733,807,362
Cost of sales and services		(19,291,762,237)	(13,665,358,865)	(18,898,598,233)	(14,127,945,962)
Gross profit		28,259,009,002	16,887,018,241	28,591,182,628	15,605,861,400
Other income	23	362,488,915	247,065,272	328,390,435	247,835,000
Dividend income	12	-	-	-	30,665,796
Selling and distribution expenses		(1,376,214,658)	(607,949,993)	(1,154,387,102)	(470,303,354)
Administrative expenses		(866,573,284)	(556,988,559)	(665,077,888)	(396,770,141)
Gain on exchange rates		598,141,198	161,279,779	590,477,743	140,204,980
Other loss	24	(1,079,415,244)	(62,382,319)	(1,080,034,287)	(62,438,899)
Operating profit		25,897,435,929	16,068,042,421	26,610,551,529	15,095,054,782
Finance income		106,541,574	39,592,951	101,136,039	37,823,401
Finance cost		(127,352,872)	(143,212,537)	(124,461,375)	(137,810,154)
Profit before income tax		25,876,624,631	15,964,422,835	26,587,226,193	14,995,068,029
Income tax	26	(2,172,462,582)	(1,548,702,777)	(2,325,932,922)	(1,311,410,810)
Profit for the year		23,704,162,049	14,415,720,058	24,261,293,271	13,683,657,219
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements					
in foreign currencies		280,646,555	3,863,244	-	-
Gain (loss) on cash flow hedges - net of income tax		18,511,445	(7,072,137)	18,511,445	(7,072,137)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax					
		299,158,000	(3,208,893)	18,511,445	(7,072,137)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain (loss) - net of income tax		6,031,609	(7,984,112)	142,690	(6,565,947)
Loss on changes in value of equity investments designated at fair value through other comprehensive income					
		(4,857,581)	-	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax					
		1,174,028	(7,984,112)	142,690	(6,565,947)
Other comprehensive income for the year		300,332,028	(11,193,005)	18,654,135	(13,638,084)
Total comprehensive income for the year		24,004,494,077	14,404,527,053	24,279,947,406	13,670,019,135

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

For the year ended 31 December 2021

(Unit: Baht)				
	Consolidated financial statements		Separate financial statements	
<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
		(Restated)		
Profit attributable to:				
Equity holders of the Company	23,704,162,049	14,400,868,953	<u>24,261,293,271</u>	<u>13,683,657,219</u>
Former shareholders before the restructuring	-	14,851,105		
	<u>23,704,162,049</u>	<u>14,415,720,058</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	24,004,494,077	14,391,094,113	<u>24,279,947,406</u>	<u>13,670,019,135</u>
Former shareholders before the restructuring	-	13,432,940		
	<u>24,004,494,077</u>	<u>14,404,527,053</u>		
Earnings per share	28			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>8.29</u>	<u>5.94</u>	<u>8.48</u>	<u>5.64</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>8.28</u>	<u>5.93</u>	<u>8.48</u>	<u>5.64</u>

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 2021

(Unit: Baht)

	Consolidated financial statements															
	Attributable to the equity holders of the Company															
	Other components of shareholders' equity															
	Other comprehensive income															

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 2021

(Unit: Baht)

	Separate financial statements									
	Retained earnings					Other components of shareholders' equity				
	Other comprehensive income					Total other components of shareholders' equity				
	Issued and paid-up share capital	Premium on ordinary shares	Share-based payment reserve	Surplus from the amalgamation	Appropriated - statutory reserve	Unappropriated	Income tax	Cash flow/hedge reserve - net of income tax	Surplus on revaluation of assets - net of income tax	Total shareholders' equity
Balance as at 1 January 2020	990,000,000	-	-	483,694,988	64,769,469	2,722,735,081	344,973,640	(28,505,093)	316,468,547	4,577,668,085
Profit for the year	-	-	-	-	-	13,683,657,219	-	-	-	13,683,657,219
Other comprehensive income for the year	-	-	-	-	-	(6,565,947)	-	(7,072,137)	(7,072,137)	(13,638,084)
Total comprehensive income for the year	-	-	-	-	-	13,677,091,272	-	(7,072,137)	(7,072,137)	13,670,019,135
Amortisation on surplus of assets revaluation	-	-	-	-	-	16,624,058	(16,624,058)	-	-	-
Share-based payments (Note 21)	-	-	21,753,441	-	-	-	-	-	-	21,753,441
Issuance of additional ordinary shares (Note 20)	438,780,000	14,229,624,859	-	-	-	-	-	-	-	14,668,404,859
Transfer share-based payment reserve to premium on ordinary shares	-	13,600,000	(13,600,000)	-	-	-	-	-	-	-
Transferred unappropriated retained earnings to statutory reserve (Note 22)	-	-	-	-	78,708,531	(78,708,531)	-	-	-	-
Dividend paid (Note 30)	-	-	-	-	-	(1,785,783,436)	-	-	-	(1,785,783,436)
Balance as at 31 December 2020	1,428,780,000	14,243,224,859	8,153,441	483,694,988	143,478,000	14,551,958,444	328,349,582	(35,577,230)	292,772,352	31,152,062,084
Balance as at 1 January 2021	1,428,780,000	14,243,224,859	8,153,441	483,694,988	143,478,000	14,551,958,444	328,349,582	(35,577,230)	292,772,352	31,152,062,084
Profit for the year	-	-	-	-	-	24,261,293,271	-	-	-	24,261,293,271
Other comprehensive income for the year	-	-	-	-	-	142,690	-	18,511,445	18,511,445	18,654,135
Total comprehensive income for the year	-	-	-	-	-	24,261,435,961	-	18,511,445	18,511,445	24,279,947,406
Amortisation on surplus of assets revaluation	-	-	-	-	-	16,450,410	(16,450,410)	-	-	-
Share-based payments (Note 21)	-	-	10,618,118	-	-	-	-	-	-	10,618,118
Issuance of additional ordinary shares (Note 20)	2,850,705	209,811,888	-	-	-	-	-	-	-	212,662,593
Transfer share-based payment reserve to premium on ordinary shares (Note 20)	-	10,062,989	(10,590,000)	-	-	527,011	-	-	-	-
Dividends paid (Note 30)	-	-	-	-	-	(17,155,076,021)	-	-	-	(17,155,076,021)
Balance as at 31 December 2021	1,431,630,705	14,463,099,736	8,181,559	483,694,988	143,478,000	21,675,295,805	311,899,172	(17,065,785)	294,833,387	38,500,214,180

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 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
		(Restated)		
Cash flows from operating activities				
Profit before income tax	25,876,624,631	15,964,422,835	26,587,226,193	14,995,068,029
Adjustments to reconcile profit before tax to				
net cash provided by (paid from) operating activities				
Unrealised (gain) loss on exchange rates	(31,528,662)	21,948,527	(34,485,868)	23,041,331
Unrealised loss on revaluation of derivative financial instruments	11,841,889	27,284,617	11,422,274	27,284,617
Share-based payment expense	10,618,118	21,753,441	10,618,118	21,753,441
Expected credit losses	2,373,385	3,336,082	2,211,870	3,292,478
Reduction of inventory to net realisable value (reversal)	63,897,574	(36,958,712)	63,894,093	(33,238,128)
Expenses for retirement benefit obligations	16,355,755	13,941,936	13,251,042	11,033,520
Depreciation	1,235,349,538	1,086,858,603	1,193,836,592	1,060,100,900
Amortisation - intangible assets	11,808,612	5,612,427	8,759,334	1,717,124
Dividend income	-	-	-	(30,665,796)
Finance income	(106,541,574)	(39,592,951)	(101,136,039)	(37,823,401)
Finance cost	127,352,872	143,212,537	124,461,375	137,810,154
Written-off withholding tax deducted at source	-	839,850	-	-
Written-off damaged assets	51,195,141	-	51,195,141	-
Loss on disposal and written-off of machinery and equipment, right-of-use assets and intangible assets	10,103,763	6,231,458	11,142,421	6,288,038
Profit from operating activities before changes in				
operating assets and liabilities	27,279,451,042	17,218,890,650	27,942,396,546	16,185,662,307
Operating assets (increase) decrease				
Trade and other receivables	2,461,755,382	(3,599,194,710)	1,500,476,353	(3,855,088,538)
Inventories	(1,575,630,941)	(1,377,103,466)	(1,379,829,668)	(747,563,104)
Other current assets	364,994,238	(498,799,056)	450,031,682	(490,596,973)
Other non-current assets	(43,734,859)	(165,898,780)	(1,113,507)	(175,054,517)
Operating liabilities increase (decrease)				
Trade and other payables	(912,496,217)	2,232,238,992	(886,389,685)	1,893,536,388
Other current liabilities	5,864,011	38,897,950	39,637,694	5,134,737
Provision for retirement benefit obligations	(882,000)	(956,800)	(882,000)	(808,800)
Cash flows provided by operating activities	27,579,320,656	13,848,074,780	27,664,327,415	12,815,221,500
Cash received from interest income	99,812,805	20,572,569	95,585,602	18,803,019
Cash paid for interest expenses	(234,390,310)	(197,552,922)	(231,503,029)	(192,150,779)
Cash received from withholding tax deducted at source refund	53,137,865	38,073,693	-	-
Cash paid for income tax	(3,427,051,066)	(272,713,009)	(2,993,205,330)	(181,309,111)
Net cash flows provided by operating activities	24,070,829,950	13,436,455,111	24,535,204,658	12,460,564,629

The accompanying notes are an integral part of the financial statements.

Cash flow statement (continued)

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u> (Restated)	<u>2021</u>	<u>2020</u>
Cash flows from investing activities				
Cash paid for other financial assets	(639,673,615)	-	-	-
Cash paid for short-term loan to a subsidiary	-	-	(400,000,000)	-
Cash received from dividend income	-	-	-	30,665,796
Cash paid for investment in subsidiaries	(1,249,686,093)	-	(4,634,373,316)	(267,415,000)
Cash received from disposal of machinery and equipment	15,940,487	3,739,538	7,073,614	3,551,514
Cash paid for purchases of property, plant and equipment and intangible assets	(10,649,065,913)	(2,076,249,913)	(10,243,075,182)	(2,053,999,789)
Net cash flows used in investing activities	(12,522,485,134)	(2,072,510,375)	(15,270,374,884)	(2,287,197,479)
Cash flows from financing activities				
Proceeds from short-term borrowings from related party	-	170,000,000	-	-
Repayments of short-term borrowings from related party	-	(170,000,000)	-	-
Proceeds from short-term borrowings from financial institutions	-	280,000,000	-	-
Repayments of short-term borrowings from financial institutions	(280,000,000)	(274,253,875)	-	-
Proceeds from long-term borrowings from financial institutions	2,935,000,000	2,347,000,000	2,935,000,000	2,347,000,000
Repayments of long-term borrowings from financial institutions	(775,000,000)	(2,843,000,000)	(775,000,000)	(2,843,000,000)
Repayments of lease liabilities	(40,029,271)	(19,053,979)	(11,230,960)	(8,664,576)
Proceeds from increase in ordinary shares	212,662,593	14,609,276,074	212,662,593	14,609,276,074
Dividends paid	(17,155,076,021)	(1,785,783,436)	(17,155,076,021)	(1,785,783,436)
Dividend paid of the subsidiary before restructuring	-	(260,000,000)	-	-
Net cash flows provided by (used in) financing activities	(15,102,442,699)	12,054,184,784	(14,793,644,388)	12,318,828,062
Increase in translation adjustments	286,241,301	12,778,676	-	-
Net increase (decrease) in cash and cash equivalents	(3,267,856,582)	23,430,908,196	(5,528,814,614)	22,492,195,212
Cash and cash equivalents at beginning of year	24,273,985,526	843,077,330	23,049,358,311	557,163,099
Cash and cash equivalents at end of year	21,006,128,944	24,273,985,526	17,520,543,697	23,049,358,311
Supplemental cash flows information				
Non-cash transactions:				
Increase in payables from purchases of assets	560,126,669	-	616,409,030	-
Increase in retention	351,944,765	17,056,162	316,571,298	17,056,162
Purchases of assets by entering into lease agreements	73,646,838	3,815,193	27,609,705	3,012,710
Transfer of advance payments for fixed assets to assets under construction and machinery	164,650,257	-	175,087,017	-

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 2021

1. General information

1.1 Company 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.

1.2 Business combination under common control

Premier System Engineering Co., Ltd.

On 7 January 2021, the Company acquired ordinary shares of Premier System Engineering Co., Ltd. (“PSE”) 83.9992 percent from its parent company and 16.0000 percent from Rubberland Products Co., Ltd. (a subsidiary of the parent company), in accordance with a resolution of the Extraordinary General Meeting of Shareholders of the Company No. 1/2020, for a total of Baht 1,120 million (in comparison with the price in a report of an independent professional financial advisor). The Company recorded the difference of Baht 644 million between the cost of business combination under common control and the net book value of the subsidiary as “Deficit from business combination under common control” and presented it under shareholders' equity.

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

As at 7 January 2021 (acquisition date), the book value of the net assets acquired and the impact on the consolidated financial statements were as follows:

	(Unit: Thousand Baht)
	Consolidated financial statements
Cash and cash equivalents	85,231
Trade and other receivables	327,520
Inventories	232,769
Other current assets	11,505
Property, plant and equipment	215,405
Right-of-use assets	3,432
Intangible assets - computer software	6,423
Withholding tax deducted at source	69,293
Other non-current assets	(9,089)
Trade and other payables	(41,051)
Short-term borrowings from financial institutions	(280,000)
Current portions of - lease liabilities	(829)
Other current liabilities	(2,415)
Non-current portions of - lease liabilities	(2,637)
Provision for retirement benefit obligations	(40,062)
Deferred tax liabilities	(12,571)
Total	562,924
Deduct: surplus on revaluation of assets - net of income tax	(86,943)
Total net acquired assets	475,981
Deduct: cost of business combination (Note 12)	(1,120,000)
Deficit from business combination under common control	(644,019)

Because the subsidiary acquired was under the common control of the parent company before and after the acquisition, the Group has restated the consolidated financial statements presented for comparative purposes, as if the subsidiary had operated under the Group before 1 January 2020, even though the legal relationships between companies under the Group and the acquisition of the subsidiary occurred afterward.

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

The consolidated statement of financial position as at 31 December 2020, the related consolidated statements of comprehensive income and cash flow for the year then ended 31 December 2020 were adjusted to reflect the above transactions. The amounts of the adjustments affecting the restated consolidated financial statements are summarised below:

(Unit: Thousand Baht)

Consolidated statement of financial position	As at 31 December 2020		
	Effect from the business combination under common control	Effect from elimination of transactions in the consolidated financial statements	Total adjustments affecting the restated consolidated financial statements increase (decrease)
Cash and cash equivalents	85,231	-	85,231
Trade and other receivables	470,944	(143,424)	327,520
Inventories	184,776	47,993	232,769
Other current assets	11,505	-	11,505
Property, plant and equipment	253,183	(37,778)	215,405
Right-of-use assets	3,432	-	3,432
Intangible assets - computer software	6,423	-	6,423
Withholding tax deducted at source	69,293	-	69,293
Advance payments for fixed assets	-	(10,437)	(10,437)
Other non-current assets	1,348	-	1,348
Total assets	1,086,135	(143,646)	942,489
Trade and other payables	181,277	(140,226)	41,051
Short-term borrowings from financial institutions	280,000	-	280,000
Current portions of lease liabilities	829	-	829
Other current liabilities	2,415	-	2,415
Non-current portions of lease liabilities	2,637	-	2,637
Provision for retirement benefit obligations	40,062	-	40,062
Deferred tax liabilities	12,571	-	12,571
Total liabilities	519,791	(140,226)	379,565
Former shareholders before the restructuring	566,344	(3,420)	562,924
Total shareholders' equity	566,344	(3,420)	562,924
Total liabilities and shareholders' equity	1,086,135	(143,646)	942,489

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(Unit: Thousand Baht)

Consolidated statement of comprehensive income	For the year ended 31 December 2020		
	Effect from the business combination under common control	Effect from elimination of transactions in the consolidated financial statements	Total adjustments affecting the restated consolidated financial statements increase (decrease)
Revenues from sales of goods and services	1,057,394	(910,137)	147,257
Gross profit	85,554	(1,330)	84,224
Income tax	(3,100)	-	(3,100)
Profit for the year	16,181	(1,330)	14,851
Other comprehensive income for the year	(1,418)	-	(1,418)
Total comprehensive income for the year	14,763	(1,330)	13,433
Profit attributable to:			
Former shareholders before the restructuring	16,181	(1,330)	14,851
Total comprehensive income attributable to:			
Former shareholders before the restructuring	14,763	(1,330)	13,433

(Unit: Thousand Baht)

Consolidated statement of cash flows	For the year ended 31 December 2020		
	Effect from the business combination under common control	Effect from elimination of transactions in the consolidated financial statements	Total adjustments affecting the restated consolidated financial statements increase (decrease)
Net cash flows used in operating activities	(179,782)	5,615	(174,167)
Net cash flows used in investing activities	(15,522)	(5,615)	(21,137)
Net cash flows provided by financing activities	18,722	-	18,722
Net decrease in cash and cash equivalents	(176,582)	-	(176,582)

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

1.3 Asset acquisition under common control

Sadao P.S. Rubber Co., Ltd.

On 7 January 2021, the Company acquired ordinary shares of Sadao P.S. Rubber Co., Ltd. ("PS") 99.9985 percent from its parent company, in accordance with a resolution of the Extraordinary General Meeting of Shareholders of the Company No. 1/2020, for a total of Baht 147 million (in comparison with a report of an independent professional appraiser).

As a result, the status of PS became a subsidiary of the Company and it had to be included in the consolidated financial statements on 7 January 2021, which was the date on which the Company assumed control.

However, PS ceased its operations before the acquisition date. Management of the Company determined that the acquisition of the investment in this subsidiary was an asset acquisition. The Company therefore recorded the difference between the purchase price of PS shares (Baht 147,000,000) and the carrying value of the Company's proportionate share of the identifiable net assets of PS (Baht 147,003,614), amounting to approximately Baht 3,614 as a part of property, plant and equipment.

The carrying values (after adjustments) of the identifiable assets acquired and liabilities assumed of PS at the acquisition date were summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Cash and cash equivalents	17,314
Trade and other receivables	1,910
Other current assets	1,128
Property, plant and equipment (Note 13)	147,301
Withholding tax deducted at source	1,623
Trade and other payables	(261)
Other current liabilities	(31)
Provision for retirement benefit obligations (Note 19)	(310)
Deferred tax liabilities (Note 26)	(21,674)
Total net acquired assets	147,000
Cash paid for investment in subsidiary (Note 12)	147,000
Less: cash and cash equivalents of subsidiary	(17,314)
Net cash paid for investment in subsidiary	129,686

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

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 2021

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Sri Trang Gloves (Thailand) Public Company Limited and the following subsidiary companies ("the subsidiaries"):

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage	
			Currency	2021	2020	2021 (%)
Shidong Shanghai Medical Equipment Co., Ltd. ("SDME")	Distribution of gloves	China	USD	4,150,000	4,150,000	100.00
Sri Trang USA, Inc. ("STU")	Distribution of gloves	United states of America	USD	115	115	100.00
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
Sri Trang Gloves (Singapore) Pte. Ltd. ("STGS")	Distribution of gloves and research and development	Singapore	USD	1,000,000	-	100.00
Sri Trang Gloves Global Pte. Ltd. ("STGG")	Financial asset management and financial investment	Singapore	USD	100,000,000*	-	100.00
PT Sri Trang Gloves Indo ("STGI")	Distribution of gloves	Indonesia	IDR	10,000,000,000	-	100.00
Sri Trang Gloves Vietnam Company Limited. ("STGV")	Distribution of gloves	Vietnam	VND	22,670,000,000	-	100.00

*Paid-up capital of STGG is comprised of 80,000,000 ordinary shares and 20,000,000 preferred shares. (Par value of USD 1)

For reporting purposes, the Company and its subsidiaries are referred to as "the Group".

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

- 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.
- h) Equity of former shareholders before the restructuring represents the portion of profit or loss and net assets of the former shareholders before the restructuring under common control (Notes 1.2) and is presented separately in the consolidated profit or loss and under shareholders’ equity in the consolidated statements of financial position in accordance with the accounting practice guidelines for business combinations under common control.

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 and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were 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.

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

However, the Group has applied the specific hedge accounting requirements amends to TFRS 9: Financial Instruments and TFRS 7: Disclosure of Financial Instruments, which apply to all hedging relationships directly affected by interest rate benchmark reform. Consequently, the Group can continue to apply hedge accounting for those hedging relationships in the period when there is uncertainty about the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument.

The adoption of these temporary exemptions 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 2022

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 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The adoption of these financial reporting standards does not have any significant impact on the Group's 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.

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 contacts has been presented as "Unbilled receivables" under caption of trade and other receivables in the statement of financial position. The amounts recognised as unbilled receivables are reclassified to trade receivables when the Group's right to consideration is unconditional such as upon completion of services and acceptance by the customer.

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

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 as “Advance received from customers” under the caption of 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 Company 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.

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.

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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.

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 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

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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.

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.

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.

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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.

Business combinations under common control

Business combinations under common control are accounted for using the 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.

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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
Motor vehicles	3 - 5 years

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.

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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 property and plant was 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 Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group have 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.

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Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

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.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

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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 flows 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.

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.

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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 4.19 to the consolidated 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.

4.19 Derivatives and hedge accounting

The Group uses derivatives, such as foreign exchange options, forward foreign exchange contracts and interest rate swap, to hedge its foreign currency risks, and interest rate risks, respectively.

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.

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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 effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve and later reclassified to profit or loss when the hedged cash flows affect profit or loss or no longer exist.

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 relationships between the hedging instruments and hedged items, including the nature of the risks being hedged, how the Group assesses the hedge effectiveness, analysis of the causes 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.

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.

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.

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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.

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6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the year ended		For the year ended	
	31 December		31 December	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Restated)*			
Transactions with parent company				
Sales of goods	59,933	1,550,322	52,278	1,543,700
Purchases of goods	4,410,564	3,375,394	4,410,564	3,375,394
Service income	40,973	103,496	-	-
Other income	7,095	11,729	3,420	6,110
Rental income	55	3,992	-	3,992
Service expenses	63,489	76,228	48,412	62,792
Purchases of fixed assets	330,140	74,327	330,140	74,327
Transactions with subsidiaries¹				
Sales of goods	-	-	9,030,553	4,663,256
Purchases of goods	-	-	58,174	107,192
Dividend income	-	-	-	30,666
Other income	-	-	6,758	6,172
Commission expenses	-	-	-	390
Service expenses	-	-	288,539	303,101
Interest income	-	-	490	-
Purchases of fixed assets	-	-	3,996,140	508,506
Transactions with related companies				
Sales of goods	207,203	41,727	203,029	37,607
Purchases of goods	2,982,476	2,110,403	2,982,467	2,110,362
Service income	40,488	17,977	-	-
Other income	15,079	13,268	7,795	6,080
Rental income	330	-	330	-
Service expenses	227,570	201,549	215,011	188,248
Commission expenses	2,157	473	2,157	473
Purchases of fixed assets	69,210	-	69,210	-
Interest expense	-	545	-	-

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the year ended		For the year ended	
	31 December		31 December	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Restated)*			
Transactions with directors and related parties				
Purchases of fixed assets	13,320	94,700	13,320	94,700

¹ Transactions with subsidiaries in 2020 included transactions between the Company and PSE and PS.

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) Service, rental and commission income/expenses are based on contract prices.
- (3) Dividend income is made with announced payment rate.
- (4) Other income is based on contract prices or agreement prices.
- (5) Purchases of fixed assets are based on contract prices which reference to market prices.
- (6) Interest income are reference to short-term loan rates from commercial bank rates.

Outstanding balances arising from sales/purchases of goods, providing/receiving of services and other income/expenses

As at 31 December 2021 and 2020, the balances of the accounts between the Group and those related parties were as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Restated)*			
Trade accounts receivable (Note 8)				
Parent company	8,877	94,491	485	91,114
Subsidiaries ²	-	-	1,605,389	1,415,907
Related companies	50,122	11,231	46,883	7,747
	<u>58,999</u>	<u>105,722</u>	<u>1,652,757</u>	<u>1,514,768</u>
Other receivables (Note 8)				
Parent company	9,638	2,330	1,360	1,921

* Restated as described in Note 1.2 to the consolidated financial statements

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(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u> (Restated)*	<u>2021</u>	<u>2020</u>
Subsidiaries ²	-	-	15,647	1,723
Related companies	2,620	988	1,015	933
	<u>12,258</u>	<u>3,318</u>	<u>18,022</u>	<u>4,577</u>
Advance payments (Note 8)				
Related company	<u>10,438</u>	<u>20,000</u>	<u>10,340</u>	<u>20,000</u>
Trade accounts payables (Note 17)				
Parent company	438,855	482,599	438,671	482,416
Subsidiaries ²	-	-	59,594	540
Related companies	<u>144,805</u>	<u>163,704</u>	<u>143,685</u>	<u>205,357</u>
	<u>583,660</u>	<u>646,303</u>	<u>641,950</u>	<u>688,313</u>
Other payables (Note 17)				
Parent company	785	11	4	-
Subsidiaries ²	-	-	277,432	259
Related companies	<u>7,340</u>	<u>3,269</u>	<u>7,340</u>	<u>52,392</u>
	<u>8,125</u>	<u>3,280</u>	<u>284,776</u>	<u>52,651</u>
Advance receipt for goods and others (Note 17)				
Parent company	12,190	526	-	-
Subsidiaries ²	-	-	-	29,219
Related companies	<u>8,207</u>	<u>3,412</u>	<u>-</u>	<u>-</u>
	<u>20,397</u>	<u>3,938</u>	<u>-</u>	<u>29,219</u>

² Outstanding balance with subsidiaries as at 31 December 2020 included outstanding balance of the Company with PSE and PS.

* Restated as described in Note 1.2 to the consolidated financial statements

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Outstanding balances arising from loans to a subsidiary

As at 31 December 2021, the Company had the balance of a short-term loans to PSE amounting to Baht 400 million. The loans are unsecured and are repayable in February and March 2022.

As at 31 December 2021, the Company had the balance of interest receivable from a short-term loan to PSE amounting to Baht 0.49 million.

Movements in the balance of short-term loans to subsidiary during the year ended 31 December 2021 are as follows.

(Unit: Thousand Baht)

Company's name	Relationship	Separate financial statements		
		Balance as at 31 December 2020	Increase during the year	Decrease during the year
Premier System Engineering Co.,Ltd	A direct subsidiary	-	400,000	-
				400,000

Directors and management's benefits

During the years, the Group had employee benefit expenses of its directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	<u>2021</u>	<u>2021</u>	<u>2021</u>	<u>2020</u>
	(Restated)*			
Short-term employee benefits	136,322	110,124	72,849	56,810
Post-employment benefits	3,177	3,275	1,437	1,192
Share-based payment benefits	6,104	12,506	6,104	12,506
Total	145,603	125,905	80,390	70,508

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Restated)*			
Cash	240	204	175	145
Bank deposits	21,005,889	24,273,782	17,520,369	23,049,213
Total	21,006,129	24,273,986	17,520,544	23,049,358

* Restated as described in Note 1.2 to the consolidated financial statements

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As at 31 December 2021, bank deposits carried interests between 0.05 and 0.60 percent per annum (Separate financial statements: 0.05 and 0.60 percent per annum) (2020: between 0.05 and 0.60 percent per annum, Separate financial statements: 0.05 and 0.60 percent per annum).

8. Trade and other receivables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
	(Restated)*			
Trade accounts receivable - related parties (Note 6)				
Aged on the basis of due dates				
Not yet due	27,113	105,722	1,360,422	1,514,768
Past due				
Up to 30 days	6	-	260,455	-
91 - 120 days	31,880	-	31,880	-
Total trade accounts receivable - related parties	58,999	105,722	1,652,757	1,514,768
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Not yet due	2,127,064	4,372,196	1,941,123	3,748,483
Past due				
Up to 30 days	256,618	278,179	238,860	165,987
31 - 60 days	55,742	133	55,243	-
61 - 90 days	15,983	564	15,582	121
91 - 120 days	6,138	1,972	6,164	1,878
121 - 365 days	14	2,490	37	2,490
Over 365 days	1,329	3,422	1,419	3,422
Total	2,462,888	4,658,956	2,258,428	3,922,381
Less: Allowance for expected credit losses	(7,217)	(4,844)	(5,504)	(3,292)
Total trade accounts receivable - unrelated parties, net	2,455,671	4,654,112	2,252,924	3,919,089
Total trade accounts receivable - net	2,514,670	4,759,834	3,905,681	5,433,857
Other receivables				
Other receivables - related parties (Note 6)	12,258	3,318	18,022	4,577
Other receivables - unrelated parties	127,371	58,299	125,127	57,399
Advance payments - related parties (Note 6)	10,438	20,000	10,340	20,000
Prepaid expenses and advance payments				
- unrelated parties	151,338	393,033	52,463	55,940
Total other receivables	301,405	474,650	205,952	137,916
Total trade and other receivables - net	2,816,075	5,234,484	4,111,633	5,571,773

The general credit term is approximate 60 days.

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

9. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduction of cost to net realisable value		Inventories, net	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
		(Restated)*		(Restated)*		(Restated)*
Finished goods	2,401,439	1,620,492	(10,363)	(2,990)	2,391,076	1,617,502
Work in process	916,058	474,347	(64,599)	(26,135)	851,459	448,212
Raw materials, packaging, and chemicals	886,173	906,231	(21,649)	(13,356)	864,524	892,875
Spare parts and supplies	687,651	314,620	(16,619)	(6,851)	671,032	307,769
Total	<u>4,891,321</u>	<u>3,315,690</u>	<u>(113,230)</u>	<u>(49,332)</u>	<u>4,778,091</u>	<u>3,266,358</u>

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduction of cost to net realisable value		Inventories, net	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Finished goods	1,215,112	707,533	(10,256)	(590)	1,204,856	706,943
Work in process	797,402	298,858	(64,370)	(26,135)	733,032	272,723
Raw materials, packaging, and chemicals	849,856	849,459	(17,591)	(11,357)	832,265	838,102
Spare parts and supplies	686,772	313,463	(16,600)	(6,841)	670,172	306,622
Total	<u>3,549,142</u>	<u>2,169,313</u>	<u>(108,817)</u>	<u>(44,923)</u>	<u>3,440,325</u>	<u>2,124,390</u>

During the years, reduction of cost to net realisable value was summarised as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
		(Restated)*		
Reduced the amount of inventories recognised as cost of sales (reversal)	64	(37)	64	(33)

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

10. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Restated)*			
Refundable value-added tax	575,678	947,025	443,400	935,897
Prepaid withholding tax	10,135	9,621	10,135	9,621
Input tax waiting for tax invoice or not yet due	70,657	24,113	66,202	23,736
Total other current assets	<u>656,470</u>	<u>980,759</u>	<u>519,737</u>	<u>969,254</u>

11. Other non-current financial assets

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2021</u>	<u>2020</u>
Equity instruments designated at FVOCI		
Quoted equity instruments	36,063	-
Unquoted equity instruments	334,648	-
Total equity instruments designated at FVOCI	<u>370,711</u>	<u>-</u>
Financial assets at FVTPL		
Equity linked notes	264,105	-
Total financial assets at FVTPL	<u>264,105</u>	<u>-</u>
Total financial assets	<u>634,816</u>	<u>-</u>
Current	264,105	-
Non-current	370,711	-
Total financial assets	<u>634,816</u>	<u>-</u>

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

12. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements as at 31 December 2021 and 2020 are as follows:

Company's name	Cost		Dividend received during the year	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
Shidong Shanghai Medical Equipment Co., Ltd.	163	163	-	31
Sri Trang USA, Inc.	267	267	-	-
Premier System Engineering Co., Ltd. (Note 1.2)	1,120	-	-	-
Sadao P.S. Rubber Co., Ltd. (Note 1.3)	147	-	-	-
Sri Trang Gloves (Singapore) Pte. Ltd.	33	-	-	-
Sri Trang Gloves Global Pte. Ltd.	3,277	-	-	-
PT Sri Trang Gloves Indo	24	-	-	-
Sri Trang Gloves Vietnam Company Limited	34	-	-	-
Total	<u>5,065</u>	<u>430</u>	<u>-</u>	<u>31</u>

Movements of investments in subsidiaries are as follow:

In addition to investments in Premier System Engineering Co., Ltd. and Sadao PS Rubber Company Limited, as described in Notes 1.2 and 1.3 to the consolidated financial statements, during the year 2021, the Company's Board of Director Meeting passed resolutions approving the incorporation of the following new subsidiaries:

Company's name	Registered the incorporation	Payment of the called-up
		share capitals
Sri Trang Gloves (Singapore) Pte. Ltd.	August 2021	November 2021
Sri Trang Gloves Global Pte. Ltd.	August 2021	November 2021
PT Sri Trang Gloves Indo	October 2021	November 2021
Sri Trang Gloves Vietnam Company Limited	November 2021	December 2021

Apart from the above-mentioned companies, the Meeting also passed a resolution approving the incorporation of Sri Trang Gloves Philippines in the Philippines to sell and distribute rubber gloves. The process of considering and deciding on a registered share capital and registering the incorporation is still underway.



Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

13. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements					
	Revaluation basis			Cost basis		
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Assets under construction and installation
As at 1 January 2020 (Restated)*						
Cost / Revalued amount	1,178,235	1,741,867	8,837,714	359,441	198,103	2,941,941
Less: Accumulated depreciation	(127,046)	(237,342)	(5,727,968)	(242,381)	(153,665)	-
Less: Allowance for impairment	-	-	(15,530)	-	-	-
Net book value	1,051,189	1,504,525	3,094,216	117,060	44,438	2,941,941
						15,257,301
						(6,488,402)
						(15,530)
						8,753,369
For the year ended 31 December 2020 (Restated)*						
Net book value at beginning of year	1,051,189	1,504,525	3,094,216	117,060	44,438	2,941,941
Additions	180,132	15,941	85,698	27,633	12,606	1,684,864
Transfers in (out)	60,570	799,468	2,258,722	417	10,918	(3,130,095)
Transfers to intangible assets (Note 15)	-	-	-	-	-	(3,882)
Disposals and write-off, net	(92)	-	(9,669)	(125)	(85)	(9,971)
Depreciation for the year (Note 25)	(38,835)	(106,901)	(862,423)	(38,665)	(19,285)	-
Interest capitalised to assets	-	-	-	-	-	56,500
Translation adjustment, net	-	-	-	-	36	36
Net book value at end of year	1,252,964	2,213,033	4,566,544	106,320	48,628	1,549,328
						9,736,817
As at 31 December 2020 (Restated)*						
Cost / Revalued amount	1,418,824	2,557,268	11,135,141	388,299	210,874	1,549,328
Less: Accumulated depreciation	(165,860)	(344,235)	(6,553,067)	(261,979)	(162,246)	-
Less: Allowance for impairment	-	-	(15,530)	-	-	-
Net book value	1,252,964	2,213,033	4,566,544	106,320	48,628	1,549,328
						17,239,734
						(7,487,387)
						(15,530)
						9,736,817

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(Unit: Thousand Baht)

Consolidated financial statements						
	Revaluation basis		Cost basis			
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Assets under construction and installation
						Total
For the year ended 31 December 2021						
Net book value at beginning of year	1,252,964	2,213,033	4,566,544	106,320	48,628	9,736,817
Additions	488	138	42,507	72,918	20,146	11,650,777
Increase from acquisition of an subsidiary (Note 1.3)	144,522	-	36	-	-	147,301
Transfers in (out)	503,606	139,651	1,465,904	62,047	7,094	(2,178,302)
Disposals and write-off, net	-	(1,005)	(16,900)	(323)	(77)	(77,232)
Depreciation for the year (Note 25)	(40,929)	(120,148)	(955,746)	(43,104)	(37,109)	(1,197,036)
Interest capitalised to assets	-	-	-	-	-	108,737
Translation adjustment, net	-	-	-	-	304	304
Net book value at end of year	1,860,651	2,231,669	5,102,345	197,858	38,986	20,369,668
As at 31 December 2021						
Cost / Revalued amount	2,067,440	2,698,850	12,556,879	483,977	232,955	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	20,369,668
Depreciation for the year						
Included in manufacturing cost						<u>2020</u>
Included in selling and administrative expenses						1,056,521
						36,800
						1,197,036
						1,066,109



Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(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	Assets under construction and installation
As at 1 January 2020						
Cost / Revalued amount	1,038,333	1,636,843	8,756,339	338,864	144,683	2,985,407
Less: Accumulated depreciation	(125,317)	(220,861)	(5,667,446)	(222,803)	(107,809)	-
Less: Allowance for impairment	-	-	(15,530)	-	-	-
Net book value	913,016	1,415,982	3,073,363	116,061	36,874	2,985,407
						8,540,703
For the year ended 31 December 2020						
Net book value at beginning of year	913,016	1,415,982	3,073,363	116,061	36,874	2,985,407
Additions	179,032	9,009	83,399	27,395	11,279	1,677,092
Transfers in (out)	60,570	798,850	2,258,721	417	10,918	(3,129,476)
Transfers to intangible assets (Note 15)	-	-	-	-	-	(3,882)
Disposals and write-off, net	-	-	(9,666)	(126)	(48)	-
Depreciation for the year (Note 25)	(38,125)	(100,899)	(857,231)	(38,264)	(15,503)	-
Interest capitalised to assets	-	-	-	-	-	56,500
Net book value at end of year	1,114,493	2,122,942	4,548,586	105,483	43,520	1,585,641
						9,520,665
As at 31 December 2020						
Cost / Revalued amount	1,277,935	2,444,694	11,056,864	348,182	166,780	1,585,641
Less: Accumulated depreciation	(163,442)	(321,752)	(6,492,748)	(242,699)	(123,260)	-
Less: Allowance for impairment	-	-	(15,530)	-	-	-
Net book value	1,114,493	2,122,942	4,548,586	105,483	43,520	1,585,641
						9,520,665

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(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	Assets under construction and installation
For the year ended 31 December 2021						
Net book value at beginning of year	1,114,493	2,122,942	4,548,586	105,483	43,520	1,585,641
Additions	487	-	22,111	72,683	8,804	11,172,047
Transfers in (out)	503,605	138,203	1,498,099	62,047	6,514	(2,208,468)
Disposals and write-off, net	-	(1,005)	(16,867)	(323)	(21)	(51,195)
Depreciation for the year (Note 25)	(40,242)	(114,475)	(951,048)	(42,825)	(32,772)	-
Interest capitalised to assets	-	-	-	-	-	(69,411)
Net book value at end of year	1,578,343	2,145,665	5,100,881	197,065	26,045	(1,181,362)
						108,737
						19,654,761
As at 31 December 2021						
Cost / Revalued amount	1,782,027	2,581,647	12,491,515	464,446	181,764	10,606,762
Less: Accumulated depreciation	(203,684)	(435,982)	(7,375,104)	(267,381)	(155,719)	-
Less: Allowance for impairment	-	-	(15,530)	-	-	-
Net book value	1,578,343	2,145,665	5,100,881	197,065	26,045	(15,530)
						19,654,761
Depreciation for the year						
Included in manufacturing cost						2021
Included in selling and administrative expenses						2020
						1,042,832
						7,190
						1,050,022

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

The Group arranged for independent professional appraisers to appraise the value of certain assets in 2017 and 2018 on an asset-by-asset basis. The basis of the revaluation was as follows:

- Land and land improvements were 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 were revalued using 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.

The asset revaluation surplus net of applicable deferred income tax was credited to other components of shareholder's equity.

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 2021 and 2020 would have been as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Restated)*			
Land and land improvements	1,777,730	1,176,850	1,461,443	1,121,170
Buildings and structures	2,207,618	2,187,823	2,207,618	2,137,897

The Company financed its construction of new plants with a loan from a financial institution. During the years, the Company included borrowing costs in costs of new plants. These were determined by applying capitalisation rates which are the weighted average of the financial charges on total borrowings during the years as follows:

	Consolidated and Separate financial	
	statements	
	<u>2021</u>	<u>2020</u>
Balance of plants under construction (Million Baht)	10,601	1,586
Borrowing costs included in costs of plants (Million Baht)	109	57
Capitalisation rates (Percent)	2.36-3.47	2.17-3.78

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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As at 31 December 2021 and 2020, certain items of buildings and equipment had been fully depreciated but were still in use as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Restated)*			
The gross carrying amount before				
deducting accumulated depreciation				
and allowance for impairment loss	5,256	4,478	5,115	4,379

14. Leases

14.1 Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Land and land improvement	Building and structures	Motor vehicles	Total
As at 1 January 2020 (Restated)*	-	23,901	28,234	52,135
Additions	-	-	3,815	3,815
Depreciation for the year (Note 25)	-	(9,359)	(11,391)	(20,750)
Translation adjustment	-	1,337	-	1,337
As at 31 December 2020 (Restated)*	-	15,879	20,658	36,537
Additions	9,040	44,135	20,472	73,647
Written off	-	-	(388)	(388)
Depreciation for the year (Note 25)	(2,434)	(25,049)	(10,831)	(38,314)
Translation adjustment	-	6,157	-	6,157
As at 31 December 2021	6,606	41,122	29,911	77,639

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(Unit: Thousand Baht)

	Separate financial statements			
	Land and land improvement	Building and structures	Motor vehicles	Total
As at 1 January 2020	-	-	24,292	24,292
Additions	-	-	3,013	3,013
Depreciation for the year (Note 25)	-	-	(10,079)	(10,079)
As at 31 December 2020	-	-	17,226	17,226
Additions	9,040	2,358	16,212	27,610
Depreciation for the year (Note 25)	(2,434)	(373)	(9,668)	(12,475)
As at 31 December 2021	6,606	1,985	23,770	32,361

14.2 Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(Restated)*			
Lease payments	74,529	33,582	29,782	13,076
Less: Deferred interest expenses	(3,492)	(1,503)	(1,000)	(672)
Total	71,037	32,079	28,782	12,404
Less: Portion due within one year	(31,565)	(16,760)	(13,426)	(5,815)
Lease liabilities - net of current portion	39,472	15,319	15,356	6,589

14.3 Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2021	2020	2021	2020
	(Restated)*			
Depreciation expense of right-of-use assets	38,314	20,750	12,474	10,079
Interest expense on lease liabilities	2,987	1,591	761	688
Expense relating to leases of low-value assets	57,530	12,704	42,234	10,250

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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15. Intangible assets - computer software

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	(Restated)*	
As at 1 January 2020		
Cost	94,026	58,473
Less: Accumulated amortisation	(72,805)	(45,614)
Net book value	21,221	12,859
For the year ended 31 December 2020		
Net book value at beginning of year	21,221	12,859
Additions	86,432	83,850
Transfers from equipment (Note 13)	3,882	3,882
Amortisation (Note 25)	(5,612)	(1,717)
Translation adjustment	26	-
Net book value at end of year	105,949	98,874
As at 31 December 2020		
Cost	174,569	146,121
Less: Accumulated amortisation	(68,620)	(47,247)
Net book value	105,949	98,874
	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
For the year ended 31 December 2021		
Net book value at beginning of year	105,949*	98,874
Additions	75,011	75,011
Amortisation (Note 25)	(11,809)	(8,759)
Translation adjustment	80	-
Net book value at end of year	169,231	165,126
As at 31 December 2021		
Cost	247,749	221,132
Less: Accumulated amortisation	(78,518)	(56,006)
Net book value	169,231	165,126

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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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	12.53% 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

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
	(Restated)*			
Trade accounts payable - related parties (Note 6)	583,660	646,303	641,950	688,313
Trade accounts payable - unrelated parties	859,622	1,020,282	689,599	931,606
Other payables - related parties (Note 6)	8,125	3,280	284,776	52,651
Other payables - unrelated parties	1,484,191	686,283	1,105,343	582,512
Advance receipt for goods and others - related parties (Note 6)	20,397	3,938	-	29,219
Advance receipt for goods and others - unrelated parties	664,742	1,254,411	587,907	975,325
Total trade and other payables	3,620,737	3,614,497	3,309,575	3,259,626

* Restated as described in Note 1.2 to the consolidated financial statements

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Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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18. Borrowings

Movements in the borrowing account for the years ended 31 December 2021 and 2020 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	(Restated)*			
Balance at beginning of year	6,611,786*	7,103,159	6,312,110	6,811,469
Proceeds from short-term borrowings from financial institutions	-	280,000	-	-
Repayments in short-term borrowings from financial institutions	(280,000)	(274,254)	-	-
Proceeds from long-term borrowings from financial institutions	2,935,000	2,347,000	2,935,000	2,347,000
Repayments of long-term borrowings from financial institutions	(775,000)	(2,843,000)	(775,000)	(2,843,000)
Amortisation of finance fee	849	2,293	849	2,293
Increase in lease liabilities	73,647	3,815	27,610	3,013
Repayments of lease liabilities	(40,029)	(19,054)	(11,231)	(8,665)
Written-off lease liabilities	(381)	-	-	-
Translation adjustments	5,721	11,827	-	-
Balance at end of year	8,531,593	6,611,786	8,489,338	6,312,110

Short-term borrowings from financial institutions

Sri Trang USA, Inc. the subsidiary, has credit facilities with an overseas financial institution and the standby-letters of credit of a commercial bank which are guaranteed by the Company as follows:

	Consolidated financial statements			
	31 December 2021		31 December 2020	
	Million	(Equivalent)	Million	(Equivalent)
	US Dollar	Million Baht	US Dollar	Million Baht
Credit facilities	10	334	10	300
Balances of short-term borrowings	-	-	-	-

* Restated as described in Note 1.2 to the consolidated financial statements

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Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries
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Long-term loans from financial institutions

As at 31 December 2021 and 2020, the Group had entered into long-term borrowing agreements with commercial banks with details as follows.

No.	Credit facility	Borrowing periods	Interest rate (%)	Principal and interest repayment	Consolidated and Separate financial statements	
					2021	2020
1	Baht 950 Million granted in 2018	7 years 6 months	MLR less fixed rate per annum	Principal is repayable quarterly from September 2018 and interest is repayable quarterly.	686,000	810,000
2	Baht 700 Million granted in 2018	4 years 6 months	MLR less fixed rate per annum	Principal is repayable quarterly from June 2019 and interest is repayable quarterly.	271,000	427,000
3	Baht 1,623 Million granted in 2018	7 years	6M THBFX plus fixed rate per annum	Principal is repayable quarterly from December 2019 and interest is repayable quarterly.	1,153,000*	1,393,000*
4	Baht 1,445 Million granted in 2019	7 years 9 months	MLR less fixed rate per annum	Principal is repayable quarterly from March 2020 and interest is repayable quarterly.	1,145,000	1,325,000
5	Baht 1,000 Million granted in 2020	6 years	6M THBFX plus fixed rate per annum	Principal is repayable quarterly from March 2022 and interest is repayable quarterly.	1,000,000	880,000
6	Baht 2,000 Million granted in 2020	6 years 1 month	MLR less fixed rate per annum	Principal is repayable quarterly from June 2021 and interest is repayable quarterly.	1,925,000	1,467,000

(Unit: Thousand Baht)

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Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries
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No.	Credit facility	Borrowing periods	Interest rate (%)	Principal and interest repayment	Consolidated and Separate financial statements	
					2021	2020
7	Baht 1,500 Million granted in 2020	6 years 2 months	MLR less fixed rate per annum	Principal is repayable quarterly from March 2022 and interest is repayable quarterly.	1,500,000	-
8	Baht 782 Million granted in 2021	6 years	MLR less fixed rate per annum	Principal is repayable quarterly from December 2022 and interest is repayable quarterly.	782,000	-
Total					8,462,000	6,302,000
Less Deferred financial service fees					(1,444)	(2,294)
Long-term borrowings - net					8,460,556	6,299,706
Less Current portion of long-term borrowings					(1,332,822)	(774,216)
Long-term borrowings - net from current portion					7,127,734	5,525,490

* The Group manages interest rate risk of the partial credit facilities by entering into interest rate swap contracts with fixed rate per annum.

The long-term borrowing agreements of the Group contain certain covenants that, among other things, require the Group to maintain certain financial ratios.

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Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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19. Provision for retirement benefit obligations

Movements in provision for retirement benefit obligations, which represents compensation payable to employees after they retire for the years ended 31 December 2021 and 2020, was as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Restated)*			
Provision for retirement benefit obligations at beginning of year	160,032	137,066	119,969	101,537
Included in profit or loss:				
Current service cost	14,060	11,524	11,512	9,230
Interest cost	2,296	2,418	1,739	1,804
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	-	-	-
Financial assumptions changes	(20,096)	4,620	(16,222)	3,436
Experience adjustments	12,555	5,361	16,044	4,771
Acquisition of a subsidiary (Note 1.3)	310	-	-	-
Benefits paid during the year	(882)	(957)	(882)	(809)
Provision for retirement benefit obligations at end of year	<u>168,275</u>	<u>160,032</u>	<u>132,160</u>	<u>119,969</u>

The Group and the Company expects to pay Baht 1 million of long-term employee benefits during the next year (2020: Baht 1 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit was 16 years (2020: 17 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)	
	Consolidated and Separate financial statements	
	<u>2021</u>	<u>2020</u>
Discount rate	2.42	1.58
Future salary increase rate	3.0 - 4.0	3.0 - 4.0
Turnover rate	0.0 - 35.0	0.0 - 35.0

* Restated as described in Note 1.2 to the consolidated financial statements

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The result of sensitivity analysis for significant assumptions that affect the present value of the provision for retirement benefit obligations as at 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	As at 31 December 2021			
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(18,899)	22,136	(15,128)	17,771
Salary increase rate	21,629	(18,822)	17,370	(15,071)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(12,125)	14,417	(10,211)	12,220

(Unit: Thousand Baht)

	As at 31 December 2020			
	Consolidated financial statements		Separate financial statements	
	(Restated)*			
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(19,274)	22,432	(14,770)	17,268
Salary increase rate	22,013	(19,048)	16,935	(14,602)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(12,756)	15,227	(10,441)	12,577

20. Share capital

	Par value per share	Number of shares		Share capital	
		Registered	Issued and fully paid	Registered	Issued and fully paid
	(Baht)	(Million Shares)		(Million Baht)	
Share capital as at 1 January 2020	1	1,434.78	990.00	1,434.78	990.00
Increase from receipt for additional shares	1	-	438.78	-	438.78
Change in a par value	0.5	1,434.78	1,428.78	-	-
Share capital as at 31 December 2020	0.5	2,869.56	2,857.56	1,434.78	1,428.78
Increase from receipt for additional shares					
(Note 21)	0.5	-	5.70	-	2.85
Share capital as at 31 December 2021	0.5	2,869.56	2,863.26	1,434.78	1,431.63

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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Offering of newly issued ordinary shares of the Company to the directors executives and/or employees of the Group ("STGT ESOP")

On 25 June 2021, the Company's Board of Director Meeting passed a resolution approving the offering of newly issued ordinary shares under the STGT ESOP for the second allocation of 6,000,000 of new shares with a par value of Baht 0.5 each, at an offering price of Baht 37.30 per share, equivalent to 90 percent of the market price.

Subsequently, on 14 July 2021, there were 5,701,410 exercised rights. The Company received a full payment of the additional capital and then registered the increase of its issued and paid-up share capital from Baht 1,428,780,000 (2,857,560,000 ordinary shares with a par value of Baht 0.5 each) to Baht 1,431,630,705 (2,863,261,410 ordinary shares with a par value of Baht 0.5 each) with the Ministry of Commerce on 16 July 2021.

As a result of the above matters, the Company recorded premium on ordinary shares amounting to Baht 209,811,888 and transferred share-based payment reserve for the second allocation amounting to Baht 10,062,989 to premium on ordinary shares, resulting in a total premium on ordinary shares amounting to Baht 14,463,099,736 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")

Type of securities	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
Term	Two years from the date on which the ordinary shares of the Company are listed on the SET
Number of newly-issued ordinary shares to be issued and offered	Not more than 20,000,000 shares with a par value of Baht 0.5 per share
Offering price per share	<p>At the date of the IPO: 90 percent of the IPO price</p> <p>The first to second year after the IPO: 90 percent of the market price *</p> <p>* 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</p>

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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Offering period	The Company will offer the newly-issued ordinary shares through the STGT ESOP's scheme as detailed below:		
	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
Conditions of the allocation	<p>At the record date</p> <ul style="list-style-type: none"> • Being a director, executive, and/or employee of the Company and the subsidiaries no less than 3 months • Not being under a probationary period <p>At the offering date</p> <ul style="list-style-type: none"> • Remaining a director, executive, and/or employee of the Company and the subsidiaries 		

The Company recorded transfer of share-based payment reserve for the second allocation amounting to Baht 10.1 million to premium on ordinary shares on 14 July 2021.

The Company recognised share-based payment expenses amounting to Baht 10.6 million for the year ended 31 December 2021 (2020: Baht 21.8 million)

Details of option movements are as follows:

	2021	2020
	Number of options	Number of options
	(Units)	(Units)
Outstanding as at beginning of year	12,000,000	-
Issued during the year	-	20,000,000
Exercised during the year	(5,701,410)	(8,000,000)
Expired during the year	(298,590)	-
Outstanding as at ending of year	6,000,000	12,000,000

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Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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As at 31 December 2021, the fair value of remaining option granted and the inputs of the model used were summarised below.

	The second year after the IPO:
Fair value of options granted (Baht)	1.84
Dividend yield (%)	1.90
Expected stock volatility* (%)	47.94
Risk-free interest rate (%)	0.52
Expected life of share options (Years)	2.05
Model used	Monte Carlo

* The expected volatility of the share options is based on historical data of the comparable company's stock price.

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.

23. Other income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the year ended		For the year ended	
	31 December		31 December	
	2021	2020	2021	2020
	(Restated)*			
Rental income	9,782	13,134	7,527	13,134
Gain from scrap sales	62,872	53,389	62,872	53,389
Revenue from export incentive	57,209	29,623	57,209	29,623
Income from insurance claim net of damaged business assets and interruption	4,352	18,231	4,352	18,231
Compensation income received under the credit support program for rubber producers by the Rubber Authority of Thailand	149,599	78,595	149,599	78,595
Others	78,675	54,093	46,831	54,863
Total other income	362,489	247,065	328,390	247,835

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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24. Other loss

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	For the year ended		For the year ended	
	31 December		31 December	
	2021	2020	2021	2020
	(Restated)*			
Loss on derivative financial instruments	1,069,311	56,151	1,068,892	56,151
Loss on disposal and written-off of machinery and equipment, right-of-use assets and intangible assets	10,104	6,231	11,142	6,281
Total other loss	1,079,415	62,382	1,080,034	62,432

25. Expenses by nature

Significant expenses classified by nature are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	For the year ended		For the year ended	
	31 December		31 December	
	2021	2020	2021	2020
	(Restated)*			
Changes in inventories of finished goods and work in progress	(1,222,658)	(955,129)	(1,006,123)	(362,987)
Raw materials and consumables used	14,872,503	8,484,976	12,426,881	7,974,235
Reduction of inventory cost to net realisable value (reversal)	63,898	(36,959)	63,894	(33,238)
Salaries and wages and other employee benefits	2,494,269	2,267,487	1,886,652	1,781,352
Depreciation	1,235,350	1,086,859	1,193,837	1,060,101
Amortisation of intangible assets	9,923	5,612	8,759	1,717

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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26. Income tax

Income tax are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2021	2020 (Restated)*	2021	2020
Current income tax:				
Current income tax charge	2,495,345	1,499,064	2,327,398	1,265,444
Adjustment in respect of corporate income tax of previous year	19,867	(6,406)	19,867	(6,401)
Income tax directly related to shareholders' equity	-	59,129	-	59,129
Deferred tax:				
Relating to origination and reversal of temporary differences	(342,749)	(3,084)	(21,332)	(6,761)
Income tax reported in the profit or loss	2,172,463	1,548,703	2,325,933	1,311,411

The reconciliation between accounting profit and income tax is shown below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2021	2020 (Restated)*	2021	2020
Accounting profit before tax	25,876,624	15,965,753	26,587,226	14,995,068
Applicable tax rate	17 - 25%	20 - 25%	20%	20%
Accounting profit before tax multiplied by income tax rate	5,136,778	3,224,734	5,317,445	2,999,014
Adjustment in respect of income tax of previous year	19,867	(6,406)	19,867	(6,401)
Effects of:				
Promotional privileges	(3,016,657)	(1,679,867)	(3,016,657)	(1,679,867)
Income which is not taxable	-	-	-	(6,133)
Non-deductible expenses	22,303	8,015	11,954	7,175
Additional expense deductions allowed	(1,994)	(3,370)	(1,951)	(2,377)
Others	12,166	5,597	(4,725)	-
Total	(2,984,182)	(1,669,625)	(3,011,379)	(1,681,202)
Income tax reported in the profit or loss	2,172,463	1,548,703	2,325,933	1,311,411

* Restated as described in Note 1.2 to the consolidated financial statements

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Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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The movements in deferred tax assets and liabilities for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
	(Restated)*			
Deferred tax assets (liabilities)				
Balance at beginning of year	23,617	7,588	(68,044)	(85,342)
Effect from acquisition of a subsidiary (Note 1.3)	(21,674)	-	-	-
Income tax recognised in profit or loss				
- profit or loss	342,749	3,084	21,332	6,762
- other comprehensive income	(6,136)	10,890	(4,664)	10,536
Translation	6,931	2,055	-	-
Balance at end of year	<u>345,487</u>	<u>23,617</u>	<u>(51,376)</u>	<u>(68,044)</u>

The amounts of income tax relating to each component of other comprehensive income are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	For the year ended		For the year ended	
	31 December		31 December	
	2021	2020	2021	2020
	(Restated)*			
Deferred tax relating to gain on actuarial (gain) loss	(1,508)	1,996	(36)	1,642
Deferred tax relating to loss on cash flow hedges	(4,628)	8,894	(4,628)	8,894
Total	<u>(6,136)</u>	<u>10,890</u>	<u>(4,664)</u>	<u>10,536</u>

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Restated)*			
Deferred tax assets				
Loss from changes in fair value of derivative				
financial instruments	7,683	12,575	7,683	12,575
Allowance for diminution in value of inventories	9,142	4,969	8,259	4,000
Cumulative loss from assets revaluation and				
allowance for asset impairment	4,315	4,432	3,603	3,721
Provision for retirement benefit obligations	33,655	32,006	26,432	23,994
Unused tax losses	45,846	3,859	-	-
Intercompany profit in inventories	324,812	84,364	-	-
Intercompany profit in fixed assets	40,043	-	-	-
Others	30,018	16,182	7,408	653
Total	495,514	158,387	53,385	44,943
Deferred tax liabilities				
Assets revaluation surplus	120,113	124,645	98,718	102,910
Gain from changes in fair value on derivative				
financial instruments	1,989	3,167	1,989	3,167
Fair value adjustments from business acquisition	27,445	6,451	3,765	6,451
Others	480	507	289	459
Total	150,027	134,770	104,761	112,987
 Deferred tax assets	 431,940	 104,233	 -	 -
Deferred tax liabilities	86,453	80,616	51,376	68,044

* Restated as described in Note 1.2 to the consolidated financial statements

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27. Promotional privileges

The Company is granted certain privileges on its manufactures of rubber gloves pursuant to the Investment Promotion Act B.E. 2520, for the period during 2010 - 2029 totaling 11 certificates, subjected to certain imposed conditions, the privileges included among the others as follows:

- (a) Exemption from payment of import duty on imported machinery and equipment as approved by BOI committee
- (b) Exemption from payment of income tax for the periods of 5 to 8 years starting from the commencement date of the promoted business (started in 2010), 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.

The Company's operating revenues divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	For the year ended 31 December					
	Promoted operations		Non-promoted operations		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
		(Restated)*		(Restated)*		(Restated)*
Sales and service income						
Domestic sales and						
service income	861,692	1,901,908	5,448,346	477,921	6,310,038	2,379,829
Export sales	23,455,302	24,891,529	29,682,263	8,855,200	53,137,565	33,746,729
Total sales	<u>24,316,994</u>	<u>26,793,437</u>	<u>35,130,609</u>	<u>9,333,121</u>	<u>59,447,603</u>	<u>36,126,558</u>
Inter-company elimination					(11,896,832)	(5,574,181)
Total					<u>47,550,771</u>	<u>30,552,377</u>

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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(Unit: Thousand Baht)

	Separate financial statements					
	For the year ended 31 December					
	Promoted operations		Non-promoted operations		Total	
	2021	2020	2021	2020	2021	2020
Sales and service income						
Domestic sales and						
service income	861,692	1,901,908	2,468,863	477,921	3,330,555	2,379,829
Export sales	23,455,302	24,891,529	20,703,924	2,462,449	44,159,226	27,353,978
Total sales	24,316,994	26,793,437	23,172,787	2,940,370	47,489,781	29,733,807

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.

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Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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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>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
Basic earnings per share						
Profit attributable to equity holders of						
the Company						
23,704,162	14,400,869	2,860,231	2,425,973	8.29	5.94	
Effect of dilutive potential ordinary shares						
The options of newly issued ordinary						
shares under the STGT ESOP						
-	-	919	665			
Diluted earnings per share						
Profit attributable to equity holders of						
the Company assuming the conversion						
of the options to ordinary shares						
<u>23,704,162</u>	<u>14,400,869</u>	<u>2,861,150</u>	<u>2,426,638</u>	8.28	5.93	

Separate 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>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
Basic earnings per share						
Profit attributable to equity holders of						
the Company						
24,261,293	13,683,657	2,860,231	2,425,973	8.48	5.64	
Effect of dilutive potential ordinary shares						
The options of newly issued ordinary						
shares under the STGT ESOP						
-	-	919	665			
Diluted earnings per share						
Profit attributable to equity holders of						
the Company assuming the conversion						
of the options to ordinary shares						
<u>24,261,293</u>	<u>13,683,657</u>	<u>2,861,150</u>	<u>2,426,638</u>	8.48	5.64	

Notes to consolidated financial statements

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For the year ended 31 December 2021

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 rubber gloves. Whereas the engineering business and rental property business complements the manufacture of gloves
- 2) Other businesses
 - Financial asset management and financial investment

However, revenue, profit and assets of other businesses are not material to the consolidated financial statements. Therefore, such information of each segment is not presented.

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)	
	For the year ended 31 December	
	2021	2020 (Restated)*
Revenue from external customers		
United States of America	14,259,283	6,850,954
Thailand	3,442,396	1,945,008
Germany	2,952,184	1,996,860
China	2,667,912	3,007,933
Brazil	2,073,360	1,607,912
Singapore	2,051,878	34,412
Japan	1,834,986	2,938,048
Others	18,268,772	12,171,250
Total	47,550,771	30,552,377

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(Unit: Thousand Baht)

	As at 31 December	
	<u>2021</u>	<u>2020</u> (Restated)*
Non-current assets (other than financial instrument and deferred tax assets)		
Thailand	20,959,879	10,318,358
China	47,022	14,931
United States of America	1,091	3,237
Singapore	59	-
Total	<u>21,008,051</u>	<u>10,336,526</u>

Major customers

The Group has no major customer with revenue of 10 percent or more of revenues.

30. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Interim dividends for 2020	the Company's Board of Director Meeting on 13 November 2020	1,785.78	1.25
Total for 2020		<u>1,785.78</u>	
Dividends for the year 2020	Annual General Meeting of the shareholders on 2 April 2021	5,714.02	2.00
Interim dividends for 2021	the Company's Board of Director Meeting on 12 May 2021	4,285.73	1.50
Interim dividends for 2021	the Company's Board of Director Meeting on 10 August 2021	3,578.39	1.25
Interim dividends for 2021	the Company's Board of Director Meeting on 8 November 2021	3,576.94	1.25
Total for 2021		<u>17,155.08</u>	

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

31. Commitments and contingent liabilities

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Restate)*			
Capital commitments - purchase of fixed assets	7,298	3,207	19,076	3,776
Commitments from guarantees and contingent liabilities				
Bank guarantees to guarantee electricity usage	59	64	59	64
Letters of credit with overseas suppliers (USD 4 million)				
(2020: USD 17 million)	147	505	147	505
Bank guarantee for distribution of rubber gloves	15	11	15	11
The future aggregate minimum payments under non-cancellable lease and service agreements				
Not later than 1 year	33	10	33	10
Later than 1 year but not later than 5 years	2	2	2	2

32. Fair value measurements

As at 31 December 2021 and 2020, 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 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Property and plant	-	-	4,092,320	4,092,320
Derivative financial instruments	-	24,837	-	24,837
Other financial assets	36,063	598,753	-	634,816
Liabilities measured at fair value				
Derivative financial instruments	-	64,418	-	64,418

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
	(Restated)*			
Assets measured at fair value				
Property and plant	-	-	3,465,997	3,465,997
Derivative financial instruments	-	39,555	-	39,555
Liabilities measured at fair value				
Derivative financial instruments	-	90,432	-	90,432

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Property and plant	-	-	3,724,008	3,724,008
Derivative financial instruments	-	24,837	-	24,837
Liabilities measured at fair value				
Derivative financial instruments	-	63,998	-	63,998

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Property and plant	-	-	3,237,435	3,237,435
Derivative financial instruments	-	39,555	-	39,555
Liabilities measured at fair value				
Derivative financial instruments	-	90,432	-	90,432

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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33. Financial instruments

33.1 Derivatives and hedge accounting

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Derivative assets				
<i>Derivative assets not designated as hedging instruments</i>				
Foreign exchange options	-	8,953	-	8,953
Forward foreign exchange contracts	24,837	30,602	24,837	30,602
Total derivative assets	<u>24,837</u>	<u>39,555</u>	<u>24,837</u>	<u>39,555</u>
Derivative liabilities				
<i>Derivatives liabilities not designated as hedging instruments</i>				
Foreign exchange options	-	45,903	-	45,903
Forward foreign exchange contracts	43,086	58	42,666	58
<i>Derivatives liabilities designated as hedging instruments</i>				
Interest rate swap	21,332	44,471	21,332	44,471
Total derivative liabilities	<u>64,418</u>	<u>90,432</u>	<u>63,998</u>	<u>90,432</u>

Derivatives not designated as hedging instruments

The Group uses foreign exchange options and forward foreign exchange contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within 6 months.

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

Derivatives designated as hedging instruments

As at 31 December 2021, the Group had 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). The Group has established a hedge ratio of 1:1.

The impact of the hedging instruments on the statement of financial position as at 31 December 2021 and 2020 are, as follows:

	Notional amount		Carrying amount		Line item in the statement of financial position
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
	(Million Baht)		(Million Baht)		
Interest rate swap	1,153	1,393	21	44	Non-current liabilities - derivatives

There is no ineffectiveness recognised in profit or loss.

Effect from interest rate benchmark reform

The Group has exposures from certain borrowings agreements to benchmark InterBank Offered Rates ("IBORs") of its financial instruments since there is uncertainty over the timing and the methods of transition in some jurisdictions in which the Group operates. The Group anticipates that IBOR reform will impact its risk management and hedge accounting. The Group applies temporary exceptions which enable entities to continue applying hedge accounting during the period of uncertainty.

However, the Group monitors and evaluates the effect of IBORs reform and adhere to International Swaps and Derivatives Association (ISDA) protocol to transit to alternative benchmark rates after the IBORs reform. If the counterparties agree to adhere to ISDA protocol, the Company and the counterparties are not required to revise a bilateral contract.

As at 31 December 2021, the Group has interest rate swaps with nominal amounts of Baht 1,153 million that are designated as hedging instruments to hedge cash flows on loans that carry interest at floating rates based on THBFIX and mature within 2025.

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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33.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, short-term and long-term loans. 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.

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 provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by geography 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 currency risk and interest rate risk. The Group enters into a variety of derivatives to manage its risk exposure, including:

- foreign exchange options and 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 rising interest rates;

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.

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Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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As at 31 December 2021 and 2020, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Restated)*		(Restated)*		
US dollar	71.97	134.28	13.23	21.39	33.4199	30.0371

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 2021 and 2020. The Group's exposure to foreign currency changes for other currencies is not material.

Currency	Increase / (Decrease) (percent)	Effect on profit before tax (Thousand Baht)	
		<u>2021</u>	<u>2020</u>
			(Restated)*
US dollar	1.56	30,560	52,598
	(1.56)	(30,560)	(52,598)

This information is not a forecast or prediction of future market conditions and should be used with care.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, short-term and long-term borrowings. 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.

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

For the year ended 31 December 2021

As at 31 December 2021 and 2020, 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 2021							
	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				
Financial assets							
Cash and cash equivalent	7,670,160	-	-	11,875,707	1,460,262	21,006,129	0.05 - 0.60
Trade and other receivables	-	-	-	-	2,654,299	2,654,299	-
Other financial assets	264,105	-	-	-	370,711	634,816	12.00 - 15.00
Total	7,934,265	-	-	11,875,707	4,485,272	24,295,244	
Financial liabilities							
Trade and other payables	-	-	-	-	2,935,598	2,935,598	-
Long-term borrowings from financial institutions	-	-	-	8,462,000	-	8,462,000	(1) , (2)
Total	-	-	-	8,462,000	2,935,598	11,397,598	

(Unit: Thousand Baht)

Consolidated financial statements							
As at 31 December 2020 (Restated)*							
	Fixed interest rates			Floating	Non - interest		Effective
	Within	1 - 5	Over	Floating	Non - interest	Total	Effective
	1 year	years	5 years	interest rate	bearing		interest rate
							(percent per annum)
Financial assets							
Cash and cash equivalent	6,000,000	-	-	18,135,378	138,608	24,273,986	0.05 - 0.60
Trade and other receivables	-	-	-	-	5,234,484	5,234,484	-
Total	6,000,000	-	-	18,135,378	5,373,092	29,508,470	
Financial liabilities							
Trade and other payables	-	-	-	-	3,614,497	3,614,497	-
Short-term borrowings from financial institutions	280,000	-	-	-	-	280,000	1.20 - 1.41
Long-term borrowings from financial institutions	-	-	-	6,299,707	-	6,299,707	(1) , (2)
Total	280,000	-	-	6,299,707	3,614,497	10,194,204	

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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(Unit: Thousand Baht)

Separate financial statements							
As at 31 December 2021							
	Fixed interest rates						Effective interest rate (percent per annum)
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non - interest bearing	Total	
Financial assets							
Cash and cash equivalent	6,000,000	-	-	11,201,289	319,255	17,520,544	0.05 - 0.60
Trade and other receivables	-	-	-	-	4,048,830	4,048,830	-
Short-term loans to subsidiary	400,000	-	-	-	-	400,000	Note 6
Total	6,400,000	-	-	11,201,289	4,368,085	21,969,374	
Financial liabilities							
Trade and other payables	-	-	-	-	2,721,668	2,721,668	-
Long-term borrowings from financial institutions	-	-	-	8,462,000	-	8,462,000	(1) , (2)
Total	-	-	-	8,462,000	2,721,668	11,183,668	

(Unit: Thousand Baht)

Separate financial statements							
As at 31 December 2020							
	Fixed interest rates						Effective interest rate (percent per annum)
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non - interest bearing	Total	
Financial assets							
Cash and cash equivalent	6,000,000	-	-	16,910,809	138,549	23,049,358	0.05 - 0.60
Trade and other receivables	-	-	-	-	5,571,773	5,571,773	-
Total	6,000,000	-	-	16,910,809	5,710,322	28,621,131	
Financial liabilities							
Trade and other payables	-	-	-	-	3,259,626	3,259,626	-
Long-term borrowings from financial institutions	-	-	-	6,299,707	-	6,299,707	(1) , (2)
Total	-	-	-	6,299,707	3,259,626	9,559,333	

(1) MLR less fixed rate per annum

(2) 6M THBFIX plus fixed rate per annum

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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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 2021 and 2020, with all other variables held constant.

Increase / (decrease)	2021		2020	
	Effect on profit		Effect on profit	
	before tax	Effect on equity	before tax	Effect on equity
(Percent)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
0.75	(43,408)	11,613	(47,248)	23,599
(0.75)	43,408	(11,879)	47,248	(23,599)

The above analysis has been prepared assuming that the amounts of loans from financial institutions, and derivatives 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 receivable/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 and leases. 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 the 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 2021 and 2020 based on contractual undiscounted cash flows:

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Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2021			
	Less than 1 year	1 - 5 years	Over 5 years	Total
Non-derivatives				
Trade and other payables	2,935,598	-	-	2,935,598
Long-term loans from financial institution	1,555,140	7,428,929	118,431	9,102,500
Lease liabilities	33,670	40,859	-	74,529
Total non-derivatives	4,524,408	7,469,788	118,431	12,112,627
Derivatives				
Forward foreign exchange contracts	43,086	-	-	43,086
Interest rate swap	-	21,332	-	21,332
Total derivatives	43,086	21,332	-	64,418

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2020 (Restated)*			
	Less than 1 year	1 - 5 years	Over 5 years	Total
Non-derivatives				
Trade and other payables	2,356,148	-	-	2,356,148
Short-term loan from financial institution	280,506	-	-	280,506
Long-term loans from financial institution	955,404	5,644,000	246,861	6,846,265
Lease liabilities	18,638	14,944	-	33,582
Total non-derivatives	3,610,696	5,658,944	246,861	9,516,501
Derivatives				
Foreign exchange options	45,903	-	-	45,903
Forward foreign exchange contracts	58	-	-	58
Interest rate swap	-	44,471	-	44,471
Total derivatives	45,961	44,471	-	90,432

* Restated as described in Note 1.2 to the consolidated financial statements

Notes to consolidated financial statements

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

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(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2021			
	Less than 1 year	1 - 5 years	Over 5 years	Total
Non-derivatives				
Trade and other payables	2,721,668	-	-	2,721,668
Long-term loans from financial institution	1,555,140	7,428,929	118,431	9,102,500
Lease liabilities	14,068	15,714	-	29,782
Total non-derivatives	4,290,876	7,444,643	118,431	11,853,950
Derivatives				
Forward foreign exchange contracts	42,666	-	-	42,666
Interest rate swap	-	21,332	-	21,332
Total derivatives	42,666	21,332	-	63,998

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2020			
	Less than 1 year	1 - 5 years	Over 5 years	Total
Non-derivatives				
Trade and other payables	2,255,082	-	-	2,255,082
Long-term loans from financial institution	955,404	5,644,000	246,861	6,846,265
Lease liabilities	6,224	6,852	-	13,076
Total non-derivatives	3,216,710	5,650,852	246,861	9,114,423
Derivatives				
Foreign exchange options	45,903	-	-	45,903
Forward foreign exchange contracts	58	-	-	58
Interest rate swap	-	44,471	-	44,471
Total derivatives	45,961	44,471	-	90,432

Notes to consolidated financial statements

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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.

During the current year, there were no transfers within the fair value hierarchy.

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.

35. Events after the reporting period

On 17 February 2022, the Company's Board of Director Meeting passed the following resolutions.

Dividend

The Company's Board of Director Meeting passed resolutions to approve a dividend payment in respect of operating results of 2021 to shareholders of Baht 0.65 per share, totaling of Baht 1,861.12 million. The Company will propose the Company's Shareholder Annual General Meeting to approve the dividend payment within second quarter of 2022.

Share repurchase program

The Company's Board of Director Meeting passed resolutions to approve 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.

36. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Director on 17 February 2022.

ENCLOSURE 1

Profile of Directors, Executives and Company Secretary



Prof. Dr. Weerakorn Ongsakul (Age 54 Years)

Position

Chairman, Independent Director, Chairman of Audit Committee, Chairman of Remuneration Committee, Member of Nomination Committee, and Member of Risk Management Committee

Appointment Date: 31 May 2019

Year in Position : 2 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

Work Experiences

Position in Listed Company

2020 – Present

Chairman / Independent Director / Chairman of Audit Committee / Chairman of Remuneration Committee / Member of Nomination Committee / Committee, Sri Trang Gloves (Thailand) PLC.

2019 – Present

Member of Audit Committee / Member of Remuneration Committee / Member of Risk Management Committee, Sri Trang Gloves (Thailand) PLC.

Position in Non-Listed Company

2021 – Present : Director, Thai Encom Co., Ltd.

2021 – Present : Director, Salo Tech (Thailand) Co., Ltd.

2018 – Present : Director / Chairman of Risk Management and Internal Control Committee, PEA ENCOM International Co., Ltd.

2018 – Present : Chairman / Chairman of Risk Management Committee, Jitta Wealth Asset Management Co., Ltd.

2017 – Present : Professor, Asian Institute of Technology

2017 – Present : Director, Star Energy Services Co., Ltd.

2011 – Present : Director, Mittr Samphan Narathiwat Co., Ltd.

2018 – 2021 : Director, Provincial Electricity Authority

2017 – 2020 : Independent Director, Information Technology Group 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. Kitichai Sincharoenkul (Age 62 Years)

Position

Vice Chairman, Member of Executive Committee, Chairman of Nomination Committee, and Member of Remuneration Committee

Appointment Date: 1 April 2019

Year in Position : 2 Years 9 months

Shareholding Proportion : 0.42%

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

Work Experiences

Position in Listed Company

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

2019 – Present : Director, Sri Trang IBC Co., Ltd.

2014 – Present : Director, Sri Trang Ayeyar Rubber Industry Co., Ltd.

2010 – Present : Director, Shi Dong Investments Pte Ltd.

2002 – Present : Director, Sri Trang International Pte Ltd.

1996 – Present: Director, Semperflex Asia Co., Ltd.

1990 – Present : Director, Sri Trang Holdings Co., Ltd.

2004 – 2020 : Director, Pattana Agro Futures Co., Ltd.

1989 - 2019 : Executive Director, 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

- Brother of Dr. Viyavood Sincharoenkul

- Uncle of Mr. Veerasith Sinchareonkul and Mr. Vitanath Sincharoenkul



Dr. Viyavood Sincharoenkul (Age 66 Years)

Position

Director and Chairman of Executive Committee

Appointment Date: 1 April 2019

Year in Position : 2 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 -

Work Experiences

Position in Listed Company

2019 – Present

Director / Chairman of Executive Committee, Sri Trang Gloves (Thailand) PLC.

2010 – Present

Chairman, Sri Trang Agro-Industry PLC.

1993 - 2021

Managing Director, Sri Trang Agro-Industry PLC.

Position in Non-Listed Company

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, Shi Dong Shanghai Medical Equipment Co., Ltd.

2010 – Present : Director, Shi Dong Shanghai Rubber Co., Ltd.

2009 – Present : Director, Shi Dong Investments Pte 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.

2004 – 2020 : Director, Pattana Agro Futures Co., Ltd.

1989 – 2019 : Executive Director, Sri Trang Gloves (Thailand) Co., Ltd.

2013 – 2017 : Director, Sri Trang Ayeyar Rubber Industry Co., Ltd.

1999 – 2017 : Director, T.R.I Global Co., Ltd.

2010 – 2016 : Director, Tai Yang Investments Pte Ltd.

1987 – 1993 : Managing Director, Sri Trang Agro-Industry 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

- Brother of Mr. Kitichai Sincharoenkul
- Father of Mr. Veerasith Sinchareonkul and Mr. Vitanath Sincharoenkul



Ms. Jarinya Jirojkul (Age 50 Years)

Position

Director, Member of Executive Committee, Member of Risk Management Committee, Member of Corporate Governance and Sustainable Development Committee, Chief Executive Officer, Acting Production Manager Trang Branch, and Acting Quality Control and Research & Development Manager

Appointment Date: 1 April 2019

Year in Position : 2 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

Work Experiences

Position in Listed 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 / Acting Production Manager Trang Branch / Acting Quality Control and Research & Development Manager, 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

2021 – Present: Director, Premier System Engineering Co., Ltd.

2021 – Present : Director, Sadao P.S. Rubber Co., Ltd.

2011 – 2014: Project Manager, Siam Sempermed Corp., 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. Veerasith Sinchareonkul (Age 37 Years)

Position

Director, Member of Executive Committee and Chairman of Risk Management Committee

Appointment Date: 1 April 2019

Year in Position : 2 Years 9 months

Shareholding Proportion : 0.02%

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

- TLCA Executive Development Program (EDP) class 10
- Certification from Thai Institute of Directors (IOD)
- Financial Statements for Directors (FSD) class 26/2014
- Director Accreditation Program (DAP) class 85/2010

Work Experiences

Position in Listed Company

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.

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.

2020 - 2021

Member of Remuneration Committee, Sri Trang Gloves (Thailand) PLC.

2008 – 2011

Corporate Credit Analyst, Kasikornbank PLC.

Position in Non-Listed Company

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.

2018 – Present : President, Thai Rubber Glove Manufacturers Association

2017 – Present : Chairman, Sri Trang Ayeyar Rubber Industry Co., Ltd.

2016 – Present : Director, PT Sri Trang Lingga Indonesia

2016 – Present : Chairman, Sri Trang USA, Inc.

2016 – Present : Director, Thai Tech Rubber Corporation Co., Ltd.

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.

2015 – Present : Director, Sri Trang Rubber & Plantation Co., Ltd.

2017 – 2019 : Director, 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

- Son of Dr. Viyavood Sincharoenkul

- Nephew of Mr. Kitichai Sincharoenkul

- Brother of Mr. Vitanath Sincharoenkul



Mr. Vitanath Sincharoenku (Age 31 Years)

Position

Director, Member of Executive Committee, Chairman of the Corporate Governance and Sustainable Development Committee and Chief Branding Officer

Appointment Date: 1 April 2019

Year in Position : 2 Years 9 months

Shareholding Proportion : 0.01%

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

Work Experiences

Position in Listed Company

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.

2012 – 2014

Sales Marketing Executive, Sri Trang Agro-Industry PLC.

Position in Non-Listed Company

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.

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



Mr. Anan Pruksanusak (Age 67 Years)

Position

Director, Member of Executive Committee, and Price Strategist

Appointment Date: 1 April 2019

Year in Position : 2 Years 9 months

Shareholding Proportion : 0.12%

Educational Background

- Executive Micro MBA, Thammasat University

Training Program

Certification from Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) class 66/2007

Work Experiences

Position in Listed Company

2019 – Present

Director / Member of Executive Committee / Price Strategist, Sri Trang Gloves (Thailand) PLC.

2019 – 2019

Managing Director, Sri Trang Gloves (Thailand) PLC.

1993 – 2013

Director, Sri Trang Agro-Industry PLC.

Position in Non-Listed Company

2013 – Present : Director, Sup Prukha Co., Ltd.

2003 – Present : Director, Prukha Mansion Co., Ltd.

2013 – 2019 : Managing Director, 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. Thanawan Sa-ngiamsak (Age 42 Years)

Position

Director, Member of Risk Management Committee, Member of Corporate Governance and Sustainable Development Committee and Chief Financial Officer

Appointment Date: 1 April 2019

Year in Position : 2 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

Training Program

- Strategic CFO in Capital Markets class 8 from the Stock Exchange of Thailand
- Certification from Thai Institute of Directors (IOD)
- Risk Management Program for Corporate Leaders (RCL) class 21/2020
- Director Accreditation Program (DAP) class 163/2019

Work Experiences

Position in Listed Company

2021 – Present

Member of the Corporate Governance and Sustainability 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.

2005 – 2011

Assistant Manager - Investment Banking, Kasikorn Securities PCL.

2004 – 2004

Assistant Manager - Investment Banking, Kasikorn Bank PCL.

Position in Non-Listed Company

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.

2001 – 2002 : Excise Tax & Duty Planner, The Shell Company of Thailand Ltd.

2000 – 2001 : Auditor, Ernst & Young Office 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. Chia Chee Ping (Age 52 Years)

Position

Director and Chief Marketing Officer

Appointment Date: 1 April 2019

Year in Position : 2 Years 9 months

Shareholding Proportion : 0.04%

Educational Background

- Graduate ICOSA 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

Work Experiences

Position in Listed Company

2019 – Present

Director / Chief Marketing Officer,
Sri Trang Gloves (Thailand) PLC.

2007 – 2019

Chief Marketing Officer, Sri Trang Agro-Industry PLC.

Position in Non-Listed Company

2021 – Present : Director, PT Sri Trang Gloves Indo

2017 – 2019 : Director, Sri Trang Gloves (Thailand) Co., Ltd.

2002 – 2007 : Export Sales Manager, Supermax Latex Products Sdn Bhd.

1999 – 2002 : Head of Sales Division, Domestic and International Sales, Syarikat Metal Industries of Malaysia Sdn Bhd

1998 – 1999 : Senior Executive, Talam Trading Sdn Bhd

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 -



Mrs. Unakorn Phruithithada (Age 64 Years)

Position

Independent Director and Member of Audit Committee

Appointment Date: 31 May 2019

Year in Position : 2 Years 7 months

Shareholding Proportion : 0.015%

Educational Background

- Master of Accounting (1st place), Thammasat University
- Master of the Computer Application and Information System with Distinction, New York University, USA
- 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

Work Experiences

Position in Listed Company

2021 – Present

Independent Director / Chairman of Audit Committee, Principal Capital PCL.

2019 – Present

Independent Director / Member of Audit Committee, Sri Trang Gloves (Thailand) PLC.

Position in Non-Listed Company

2021 – 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.

1993 – 1994 : Senior Manager of Audit Department, PricewaterhouseCoopers Ltd.

1991 – 1993 : Chief Financial Officer, Standard Chartered Bank (Thai), Bangkok Branch

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 -



Gen. Bundit Boonyapan (Age 63 Years)

Position

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

Appointment Date: 28 December 2020

Year in Position : 1 Year

Shareholding Proportion : 0.0004%

Educational Background

- Master of Public Administration, Burapa University
- Bachelor of Engineering, Chulachomklao Royal Military Academy

Training Program

- Certification from Thai Institute of Directors (IOD)
- Director Accreditation Program (DAP) No. 184/2021
- Advanced Audit Committee Program (AACP) No. 41/2021

Work Experiences

Position in Listed Company

2022 - Present

Member of Remuneration Committee

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

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

2014 – 2017 : Director of Joint Civil Affairs, Royal Thai Armed Forces

2013 – 2014 : Adjutant General, Royal Thai Armed Forces

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 -



Clinical Prof. Dr. Sarana

Boonbaichaiyapruk (Age 62 Years)

Position

Independent Director and Member of Remuneration Committee

Appointment Date: 26 August 2019

Year in Position : 2 Years 4 months

Shareholding Proportion : 0.006%

Educational Background

- Medical specialist - Cardiac Catheterization for diagnostic and treatment, Good Samaritan Hospital, Los Angeles, California, USA
- Professional Doctorate, Medical Specialist in Internal Medicine, Kaiser Permanente Medical Center, Los Angeles, California, USA
- Residency, Los Angeles County University of Southern California Medical Center, Los Angeles, California, USA
- Medical Intern, Chulalongkorn University
- Bachelor of Medicine, Chulalongkorn University
- Bachelor of Science, Chulalongkorn University

Training Program

- Certification from Thai Institute of Directors (IOD)
- Director Accreditation Program (DAP) class 145/2018

Work Experiences

Position in Listed Company

2018 – Jan 2022

Independent Director / Chairman of the Nomination and Remuneration Committee, Praram 9 Hospital PLC.

2021 – Jan 2022

Member of Remuneration Committee, Sri Trang Gloves (Thailand) PLC.

2019 – Jan 2022

Independent Director, Sri Trang Gloves (Thailand) PLC.

Position in Non-Listed Company

2022 – Present : Director, Office of The National Broadcasting and Telecommunications Commission

2014 – 2019 : Director of Public Health Commission, The National Legislative Assembly

2014 – 2019 : Member, The National Legislative Assembly

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 (Age 54 Years)

Position

Production Manager Hat Yai Branch and Acting Engineering Manager

Appointment Date: 24 July 2019

Year in Position : 2 Years 5 months

Shareholding Proportion : 0.017%

Educational Background

- Executive Micro MBA, Thammasat University
- Bachelor of Science, General Science (Chemistry-Biology), Prince of Songkhla University

Training Program

- None -

Work Experiences

Position in Listed Company

2019 – Present

Production Manager Hat Yai Branch / 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.

2009 – 2016 : Factory Manager, Sri Trang Gloves (Thailand) Co., Ltd.

2003 – 2008 : Factory Manager, Shanghai Foremost Plastic Industrial Co., Ltd.

1998 – 2003 : Factory Manager, Siam Sempermed 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 (Age 46 Years)

Position

Production Manager Surat Thani Branch

Appointment Date: 24 July 2019

Year in Position : 2 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

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.

2005 – 2013

Factory Manager, 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 -



Mrs. Oralak Nakin (Age 47 Years)

Position

Finance and Account Manager, Accountant

Appointment Date: 24 July 2019

Year in Position : 2 Years 5 months

Shareholding Proportion : 0.01%

Educational Background

- Master of Managerial Accounting, Chulalongkorn University
- Bachelor of Accounting, Rajamangala Institute of Technology Thanyaburi

Training Program

Accounting Courses

- 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.
- Revenue from Contracts with Customers (TFRS15) and Lease Contract (TFRS16) by EY Office Co., Ltd.
- Thai Financial Reporting Standards 9 Financial Instruments by EY Office Co., Ltd.
- Business Challenges of Mergers and Acquisitions by Federation of Accounting Professions under the Royal Patronage of His Majesty the King
- Summary of the Change and Significant Issues of IFRS (revision 2018) by Federation of Accounting Professions under the Royal Patronage of His Majesty the King

Work Experiences

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.

2541 – 2013 : Account Manager, Siam Sempermed Corp., 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 (Age 47 Years)

Position

Human Resource Manager

Appointment Date: 24 July 2019

Year in Position : 2 Years 5 months

Shareholding Proportion : 0.0003%

Educational Background

- Bachelor of Liberal Arts, Ramkhamhaeng University

Training Program

- None -

Work Experiences

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.

1999 – 2013 : Head of Human Resource Department, 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 (Age 45 Years)

Position

Purchasing Manager

Appointment Date: 24 July 2019

Year in Position : 2 Years 5 months

Shareholding Proportion : 0.003%

Educational Background

- Bachelor of Economics, Thammasat University

Training Program

- None -

Work Experiences

Position in Listed Company

2021 – 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.

2002 – 2003 : International Purchaser, Sabina Fareast 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 (Age 46 Years)

Position

Logistics Manager

Appointment Date: 14 August 2020

Year in Position : 1 Years 4 months

Shareholding Proportion : 0.02%

Educational Background

- Bachelor of Industrial Engineering, Prince of Songkhla University

Training Program

- None -

Work Experiences

Position in Listed Company

2020 – Present

Logistics Manager / Customer Relations Manager / Secretary to the Executive Director, Sri Trang Gloves (Thailand) PLC.

1998 – 2001

Quality System Engineer, Sri Trang Agro-Industry PLC.

Position in Non-Listed Company

2014 – 2019 : Secretary to the Executive Director in Production Department, Sri Trang Gloves (Thailand) Co., Ltd.

2003 – 2013 : Senior Head of Technical Quality Department, Sri Trang Gloves (Thailand) Co., Ltd.

2001 – 2003 : System Engineer, 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 -

COMPANY SECRETARY INFORMATION

Ms. Kittaya Vuthipadadorn (Age 34 Years)

Position : Company Secretary

Appointment Date : 1 September 2021

Year in Position : 4 months

Shareholding Proportion : -None-

Educational Background

- Bachelor of Law, Thammasat University

Training Program

Certification from Thai Institute of Directors (IOD)

- Company Secretary Program (CSP)
- Effective Minutes Taking (EMT)

Certification from Thai Listed Companies Association (Thai LCA)

- Advance for Corporate Secretaries
- Fundamentals for Corporate Secretaries

Certification from Stock Exchange of Thailand (SET)

- Corporate Sustainability Strategy
- Preliminary to Corporate Sustainability

Work Experiences

Position in Listed Company

2021 – Present

Company Secretary, Sri Trang Gloves (Thailand) PLC.

2014 – 2021

Company Secretary Manager, BTS Group Holdings PCL.

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 -

ENCLOSURE 2 DETAILS OF THE DIRECTORS AND EXECUTIVES HELD THE POSITIONS IN COMPANY,

SUBSIDIARIES, ASSOCIATED COMPANIES, AND RELATED COMPANIES AS OF 31 DECEMBER 2021

No.	Companies	Directors and Executives	Professor Dr. Weraakorn Ongsakul	Mr. Kitchai Sinscharoenkul	Dr. Viyavood Sinscharoenkul	Mr. Veerasath Sinscharoenkul	Mr. Vitamath Sinscharoenkul	Mr. Anan Pruksanusak	Mrs. Unakorn Phruithitlada	General Prof. Dr. Suan Boonachayongsook	Gen. Bundit Boonyaspan	Ms. Jaiyaya Jitkul	Ms. Thanawan Sa-nglamsak	Mr. Chia Cree Ping	Mr. Asom Atoornam	Mr. Chalemsak Nonsakul	Mrs. Oralak Nokin	Mr. Sorrat Thapnual	Ms. Anonrat Ayalo	Ms. Worasa Majalde
1	The Company		X, /	/, //	/, //	/, //	/, //	/, //	/	/	/	/, //, //	/, //	/, //, //	/, //	/, //	/, //	/, //	/, //	/, //
2	Subsidiaries																			
	• Shi Dong 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 Glove Singapore Pte. Ltd.				/	/														
	• Sri Trang Glove Vietnam Co., Ltd.																			
	• PT Sri Trang Gloves Indo												/	/						
3	Related Companies																			
	- Sri Trang Argo-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					/														
	- PT Star Rubber																			
	- Sri Trang International Pte. Ltd.		/	/	//															
	- Shi Dong Investments Co., Ltd.		/	/	X, /															
	- Shi Dong Shanghai Rubber Co., Ltd.				/															
	- Sri Trang Indochina (Vietnam) Co., Ltd.																			
	- Sri Trang Ayeayar Rubber Industry Co., Ltd.		/			X, /														
	- Thai Tech Rubber Corporation Ltd.				/	/														
	- Semperflex Asia Co., Ltd.		/	/	/	/														

Remarks: X = Chairman, / = Director, // = Executive Director and /// = Executive



ENCLOSURE 3 HEAD OF INTERNAL AUDIT INFORMATION

Ms. Narungsri Chiranakorn (Age 46 Years)

Position : Head of Internal Audit

Appointment Date : 24 July 2019

Year in Position : 2 Years 5 months

Shareholding Proportion : -None-

Educational Background

- Bachelor of Accounting, Bangkok University
- Certified Professional Internal Audit of Thailand (CPIAT)

Training Program

- 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.

companies which potentially having conflict of interest with the Company

- None -

Illegal Record in the last 10 years

- None -

Family Relationship with Executives

- None -

ENCLOSURE 4 ASSETS USED IN BUSINESS OPERATION AND DETAILS OF ASSETS VALUATION

Assets used in Business Operation

Fixed Assets

As of 31 December 2020 and 31 December 2021, 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 9,736.8 million and THB 20,369.7 million as follows.

No.	List of Fixed Asstes	Net Book Value (THB million)		Type of Ownership	Obligations
		As of 31 Dec 20 (Restated)	As of 31 Dec 21		
1	Land and Land improvements	1,253.0	1,860.7	Ownership	None
2	Buildings and Construction	2,213.0	2,231.7	Ownership	None
3	Machine and Equipment	4,566.6	5,102.3	Ownership	None
4	Vehicle	106.3	197.9	Ownership and Hire Purchase Agreement	None
5	Furniture and Office Equipment	48.6	39.0	Ownership and Hire Purchase Agreement	None
6	Assets under Construction and Installation	1,549.3	10,938.1	Ownership	None
Total		9,736.8	20,369.7		

Goodwill

As of 31 December 2020 and 31 December 2021, 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 2020	As of 31 Dec 2021
The Company	Goodwill	220.9	220.9
Total		220.9	220.9

Intangible Assets

Computer Software

As of 31 December 2020 and 31 December 2021, 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 2020 (Restated)	As of 31 Dec 2021
The Company	Computer Software	105.9	169.2
Total		105.9	169.2

Right of Use



As of 31 December 2020 and 31 December 2021, 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 2020 (Restated)	As of 31 Dec 2021
The Company	Right of use under lease agreement	36.5	77.6
Total		36.5	77.6

Trademark

As of 31 December 2021, the Company and its subsidiaries have owned key trademarks of rubber gloves products for medical purpose as follows

Trademark	Registered Owner	Class(es)	Registration No. / Territories Covered
	The Company	9,10, 21,35 ⁽¹⁾	5657159 / USA
	The Company	10 ⁽²⁾ 10 ⁽²⁾ 10 ⁽³⁾ 10 ⁽⁴⁾ 10 ⁽³⁾ 10 ⁽²⁾ 10 ⁽²⁾ 10 ⁽²⁾ 10 ⁽²⁾ 10 ⁽²⁾	1172916 / Chile 217521 / Peru 303083580 / Hong Kong 5723167 / Japan 40-1098582 / South Korea 160102 / Morocco 21539075 / PRC 907773265 / Brazil 2014/19842 / South Africa SENADI_2019_TI_11515 / Ecuador
	The Company	10 ⁽²⁾ 10 ⁽⁵⁾ 10 ⁽⁵⁾ 10 ⁽⁵⁾ 10 ⁽⁵⁾ 10 ⁽⁵⁾ 10 ⁽⁵⁾	181122431 / Thailand 018233059 / EU 4493355 / India 919635512 / Brazil UK00003485871 / UK 40202009230V / Singapore 6365859 / USA

Trademark	Registered Owner	Class(es)	Registration No. / Territories Covered
	The Company	10 ⁽⁵⁾ 10 ⁽⁵⁾ 10 ⁽⁵⁾ 10 ⁽⁵⁾ 10 ⁽⁵⁾ 10 ⁽⁵⁾	018233058 / EU 4493354 / India UK00003485868 / UK 919635415 / Brazil 40202009228Q / Singapore 6349832 / USA 211120131 / Thailand
	The Company	10 ⁽²⁾	Kor406833 / Thailand
	The Company	10 ⁽²⁾	Kor405952 / Thailand
	SDME	9 ⁽⁶⁾	25748330 / PRC
	SDME	10 ⁽⁷⁾	11068097 / PRC
	SDME	21 ⁽⁸⁾	25756061 / PRC

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.

Remarks

- ⁽¹⁾ Class 9: disposable plastic and latex gloves for laboratory use; protective gloves for industrial use; disposable protective gloves for industrial use made of elastomers including latex, nitrile, and neoprene and thermoplasts including vinyl.
- Class 10: gloves for medical use; latex medical gloves; surgical gloves; disposable gloves for medical and surgical use made of elastomers including latex, nitrile, neoprene and thermoplasts including vinyl; gloves for medical use including medical examination gloves.
- Class 21: disposable plastic and latex gloves for general use by hairdressers.
- Class 35: distributorships in the field of medical, surgical, examination and industrial protective gloves; online ordering services in the field of medical, surgical, examination and industrial protective gloves.
- ⁽²⁾ Class 10: latex examination gloves for medical use.
- ⁽³⁾ Class 10: gloves for dental, medical, surgical and veterinary purposes, all of which made of nitrile, rubber or latex.
- ⁽⁴⁾ Class 10: rubber gloves for medical purposes; other gloves for medical purposes.
- ⁽⁵⁾ Class 10: gloves for medical purposes; examination gloves for medical purposes; rubber gloves for medical purposes; surgical gloves; disposable gloves for medical purposes; disposable gloves for dental purposes; disposable gloves for surgical purposes; disposable gloves for veterinary purposes.
- ⁽⁶⁾ Class 9: asbestos gloves for accident prevention; gloves for accident prevention; gloves for divers; X-ray gloves for industrial use; gloves resistant to acid and alkali.
- ⁽⁷⁾ Class 10: massage gloves; medical catheters; medical droppers; surgical implants (artificial materials); slings (support bandages); suture materials; masks; feeding bottles.
- ⁽⁸⁾ Class 21: household gloves, polishing gloves, gardening gloves, car wash gloves and kitchen insulation gloves.

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 the synergy for the enhanced competitiveness of the Company, and to enable 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 the potential growth and scalability or will be beneficial for the business of the Group with good return on investment. The Company will carry out feasibility of the investment including potentials and risk factors associated with the investment. The Company will follow an appropriate procedure for the investment, which shall be consented 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.

The Company currently does not have any associate companies. If the Company has invested in other company in the future which causes other company to become associate company, the Company would establish the policy with the same guideline as detailed above.

Details of Asset Valuations

-None-

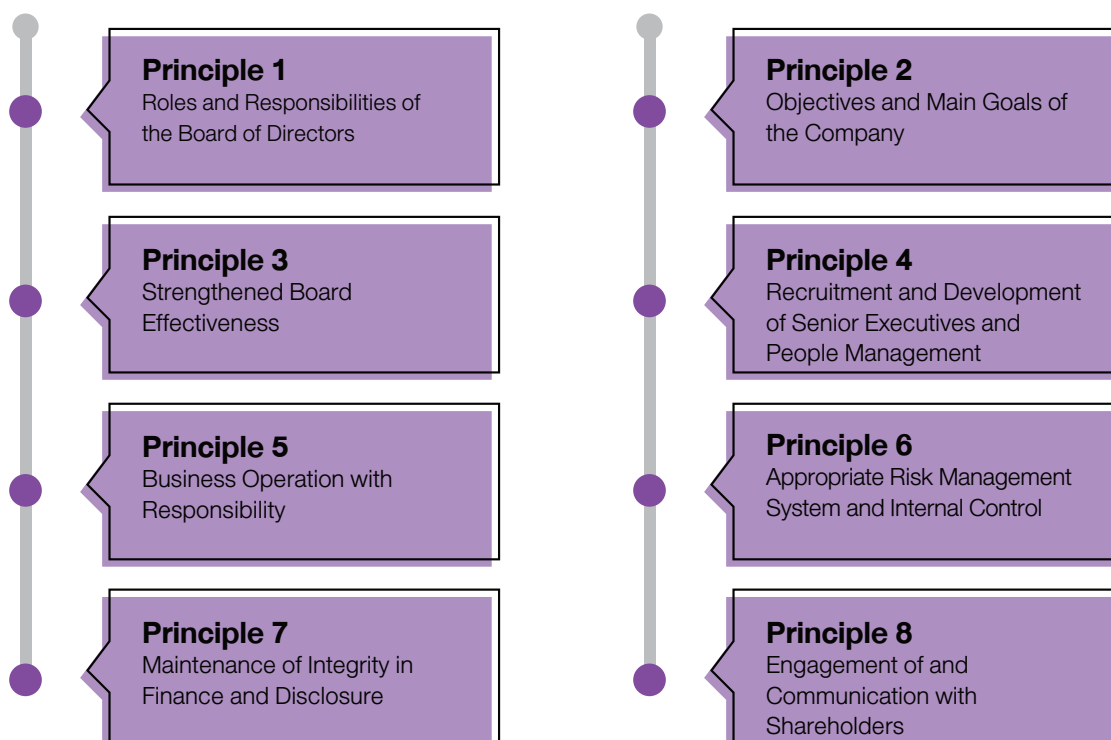
ENCLOSURE 5 CORPORATE GOVERNANCE POLICY

Sri Trang Gloves (Thailand) Public Company (the 'Company') recognises the importance of good corporate governance which is considered a significant mechanism underpinning the efficiency operations and sustainable growth. This will lead to best interests of all stakeholders including employees, investors, shareholders and all other stakeholders. Therefore, the Board of Directors considers that it is appropriate to prepare this Corporate Governance Policy to cover fundamental principles of structures, roles, duties and responsibilities of the Board of Directors and the principle of transparency and accountability of the management. This Corporate Governance Policy sets out guidelines on corporate management to ensure that all actions of the Company will be fair taking into consideration the best interests of shareholders and all stakeholders.

The Company prepares this Corporate Governance Policy to develop trusts for shareholders and all stakeholders and to achieve sustainability for the business according to the expectations of the business sector, investors, the capital market and the society in general. The policy is prepared based on the Corporate Governance Code for Listed Companies 2017 prepared by the Securities and Exchange Commission as a guideline for good corporate governance of the Company.

Corporate Governance Principles and Policies

The Board of Directors recognizes the importance of compliance with the following eight principles of corporate governance:





Principle 1: Roles and Responsibilities of the Board of Directors

- Sub-Principle 1.1 The Board of Directors will demonstrate understanding about their roles and responsibilities as the leader of the organization in putting in place the good corporate governance including:
 - (1) Defining objectives in the business operations;
 - (2) Defining strategies, policies and allocation of material resources for the achievement of objectives and goals;
 - (3) Following up, evaluating and reporting on performance
- Sub-Principle 1.2 The Board of Directors ensures that the Company achieve the governance outcomes in order to create sustainable value for the organization. These governance outcomes shall include at least the followings:
 - (1) Competitiveness and good operating results taking into consideration long-term results;
 - (2) Ethical business with respect to the rights of and responsibilities towards shareholders and stakeholders;
 - (3) Contribution to the society and reduced impacts on the environment;
 - (4) Corporate resilience to changes The Board of Directors will adhere to the following practices in supervising the Company with the aim to achieve the governance outcomes:
 - 1.2.1 The Board of Directors will consider ethics and social and environmental impacts in addition to financial operating results;
 - 1.2.2 The Board of Directors will be the role model of leading the organization based on governance and ethics;
 - 1.2.3 The Board of Directors will put in place policies for directors, executives and employees to adhere to. These policies are the written guidelines and principles of business operations, i.e. the Code of Conduct;
 - 1.2.4 The Board of Directors will put in place mechanisms to ensure that all directors, executives and employees understand and comply the above policies. The Board of Directors will also follow up on the compliance and regularly review the policies and compliance.

- Sub-Principle 1.3 The Board of Directors will ensure that all directors and executives perform their duty of care and duty of loyalty and shall ensure that the operations of the Company comply with relevant laws, rules and resolutions of the general meetings of shareholders including defined policies or guidelines. Material transactions such as material investments or material transactions, connected transactions, acquisition/ disposal of assets and dividend payments shall be subject to corporate approval procedures.
- Sub-Principle 1.4 The Board of Directors will develop understanding about their scope of duties and responsibilities and will define a clear scope of delegation of powers and responsibilities to the Chief Executive Officer, sub-committees and the management. The Board of Directors will follow up on the performance of duties by the Chief Executive Officer, sub-committees and the management.

1.4.1 The Board of Directors will have charters or governance policies prepared for reference of the Board of Directors to specify duties and responsibilities of the Board of Directors. The Board of Directors will also have such charters reviewed regularly at least once a year and will regularly review the segregation of roles and duties among the Board of Directors, the Chief Executive Officer, sub-committees and the management to ensure alignment with the directions of the organization.

1.4.2 The Board of Directors will develop understanding about its scope of duties and will delegate its managing powers to the Chief Executive Officer and the management. Such delegation to be made in writing, however, shall not discharge the Board of Directors from its duties as the Board of Directors. It shall continue to follow up on and supervise the management to ensure that they perform the delegated duties. Scope of duties of the Board of Directors, the Chief Executive Officer and the management are as follows:

Matters which require the Board of Directors to have an oversight and ensure that they are carried out These include matters for which the Board of Directors is mainly responsible to ensure that they are carried out properly. The Board of Directors may delegate the management to propose the following matters to the Board of Directors for consideration:

- a. Determination of objectives and main goals of business operations;
- b. Creation of corporate culture which adheres to ethics and acting as a role model;
- c. Supervision of composition and performance of the Board of Directors in order to efficiently

achieve the defined objectives and main goals of business operations.

Matters to be carried out together with the management These include matters to be carried out collectively by the Board of Directors, the Chief Executive Officer and the management. The management will propose the matters to the Board of Directors for approval while the Board of Directors ensures that the overall policy is in line with the defined objectives and main goals of business operations and will delegate the management to implement. The management shall then report to the Board of Directors regularly. These matters are:

- a. Determination and review of annual strategies, goals and business plans;
- b. Oversight of suitability and sufficiency of risk management and internal control;
- c. Determination of powers that are suitable for the responsibilities of the management;
- d. Determination of resources allocation framework, development and budgeting such as policy and plan for the people management and information technology management policy;
- e. Follow-up on and assessment of performance;
- f. Oversight over reliable financial disclosure and reporting and sufficient and appropriate non-financial disclosure.

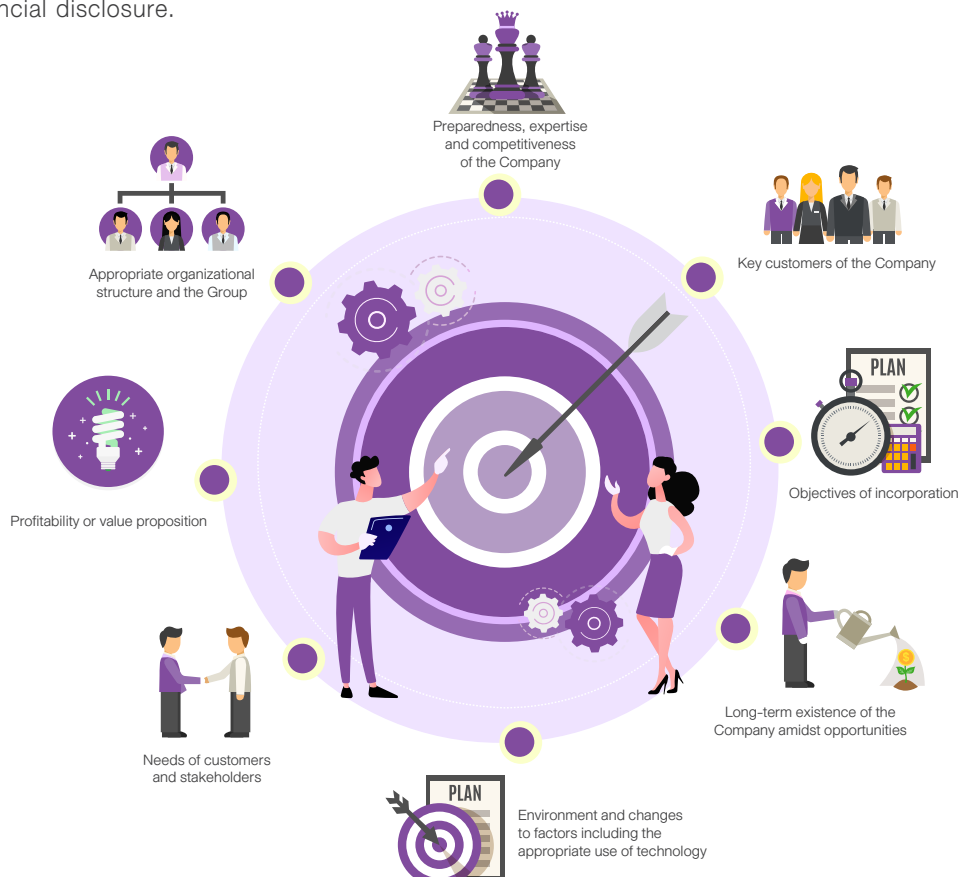
Matters which should not be undertaken by the Board of Directors These include the following matters that the Board of Directors may only supervise at the policy level and will delegate the Chief Executive Officer and the management to take the main responsibility in carrying out:

- a. Execution of strategies, policies and plans approved by the Board of Directors. The Board of Directors should allow the management to take the responsibilities in making decisions on operations, procurements, recruitments, etc. in accordance with the defined framework. The Board of Directors should only exercise oversight over these matters without interfering the decisions of the management except in case where it is necessary to do so.
- b. Matters which are subject to restrictions such as the approval for matters in which directors have an interest.



Principle 2: Objectives and Main Goals of the Company for Sustainability

- Sub-Principle 2.1 The Board of Directors will define and oversee the goals and objectives of the Company with the aim to achieve sustainability. The defined



objectives shall be in line with the creation of values for the Company, its customers, stakeholders and the society in general.

2.1.1 The Board of Directors is responsible for ensuring that the Company has clear objectives which may be used as a key concept in determining a business model which shall be communicated to all members of the organization to allow them to move towards the same direction. This may be prepared in a form of vision and values, principles and purposes or in other similar forms.

2.1.2 In achieving the objectives of the organization, the Board of Directors will use a business model which can create value for the Company, its stakeholders and the society in general by taking into consideration the followings:

- (1) Environment and changes to factors including the appropriate use of technology;
- (2) Needs of customers and stakeholders;
- (3) Preparedness, expertise and competitiveness of the Company;
- (4) Appropriate organizational structure and the Group;
- (5) Objectives of incorporation;
- (6) Key customers of the Company;
- (7) Profitability or value proposition;
- (8) Long-term existence of the Company amidst opportunities and risks which may have an impact on the Company and its stakeholders.

2.1.3 The Board of Directors will promote the corporate value of good corporate governance including accountability, integrity, transparency, due consideration of social and environmental responsibilities.

2.1.4 The Board of Directors will promote corporate culture of communications about and enhancement of objectives in all decision making and operations of all level of the Company's personnel.

- Sub-Practice 2.2 The Board of Directors will ensure that the objectives and business strategies of the Company are in line with the objectives and main goals of the Company through appropriate and safe use of technology.

2.2.1 The Board of Directors will ensure that the annual strategies and work plan of the Company are in line with the objectives and main goals of the Company taking into consideration the then circumstances including opportunities and acceptable level of risks. The Board of Directors will encourage to also have a medium-term (three to five years) objectives, goals and

strategies prepared to ensure that the annual strategies and work plans have already taken into consideration a longer term of impacts and to allow reasonable time for relevant projections to be made.

2.2.2 In determining annual strategies and work plans, the Board of Directors will ensure that environmental considerations and relevant risk factors on the stakeholders throughout the value chain including such other factors which could affect the achievement of main goals of the Company are analyzed and that there shall be a mechanism to allow the Board of Directors to truly understand the need of stakeholders.

2.2.3 In determining the strategies, the Board of Directors will promote the creation and use of innovation and technology in enhancing competitiveness and responses to the need of stakeholders based on the principle of corporate social and environmental responsibilities.

2.2.4 The Board of Directors will determine goals (financial and non-financial) to be suitable with the business environment and potentials of the Company. In addition, the Company will be aware of risks which could be associated with setting goals that lead to unlawful or unethical conducts.

2.2.5 The Board of Directors will supervise and ensure that objectives and goals are communicated throughout the organization in a form of defined strategies and work plan.

2.2.6 The Board of Directors will supervise and ensure appropriate allocation of resources and oversight and will arrange to have responsible persons follow up on the compliance with strategies and work plan annually.



Principle 3: Strengthened Board Effectiveness

- Sub-Practice 3.1 The Board of Directors is responsible for the determination and review of composition of the Board of Directors including the appropriate proportion of independent directors which is necessary for the achievement of the defined objectives and goals.

3.1.1 The Board of Directors is responsible for ensuring that the Board of Directors comprises directors with varied qualifications, skills, experience, capabilities and specific characteristics including sexes and ages that will contribute to the achievement of objectives and main goals of the organization and to ensure that the overall composition of the Board of Directors is appropriate and capable for understanding and responding to the needs of stakeholders.

3.1.2 The Board of Directors will consider the appropriate number of directors who can perform

duties with efficiency. The minimum number of directors shall be five.

3.1.3 The Board of Directors shall comprise an appropriate combination of 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 Office of the Securities and Exchange Commission and the Stock Exchange of Thailand and can perform duties with all other members of the Board of Directors with efficiency and independence.

3.1.4 The Board of Directors will disclose information on the policy of composition of the Board of Directors based on diversity, including details of members of the Board of Directors such as age, educational background, experience, shareholding within the Company, number of years of service in the office and directorship in other listed companies in the annual report and on the Company's website.

- Sub-Principle 3.2 The Board of Directors will select one suitable person to be appointed Chairman of the Board of Directors and will ensure that the composition and operations of the Board of Directors will be conducive to the independent decision.

3.2.1 If there is no clear separation between Chairman of the Board of Directors and the Chief Executive Officer, the Board of Directors will encourage a balance of power between the Board of Directors and the management by ensuring that:

- a. More than half the total number of the Board of Directors are independent directors; or
- b. One independent director is appointed to jointly determine agenda items for the Board of Directors' meetings.

3.2.2 Chairman of the Board of Directors and the Chief Executive Officer shall have different duties and responsibilities. The Board of Directors will determine a clear scope of powers and duties for 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.

3.2.3 Chairman shall have the role of leading the Board of Directors. Duties of Chairman shall include the followings:

- (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.

3.2.4 The Board of Directors will determine a policy to require independent directors to remain in office for no more than nine consecutive years to be determined from the date of first appointment. If such independent director is to be appointed for continued term of office, the Board of Directors will consider the reasonableness of such appointment.

3.2.5 To ensure that material issues are carefully considered, the Board of Directors will appoint committees to consider specific issues and to scrutinize information and guidelines before the same can be proposed to the Board of Directors for consideration and approval.

3.2.6 The Board of Directors will ensure that there is a disclosure of information relating to roles and duties of the Board of Directors and sub-committees, number of meetings and number of attendance of each director in the previous year.

- Sub-Principle 3.3 The Board of Directors shall have the duty to ensure that the recruitment and selection of directors is transparent and clear in order to have the Nomination Committee with the defined qualifications and composition.

3.3.1 The Nomination Committee shall hold meetings to consider criteria and methods of nominating candidate directors with qualifications required to ensure that the Board of Directors comprises directors with the appropriate knowledge and expertise. Background information of the candidates shall also be considered. The opinion of the committee will then be proposed to the Board of Directors before the same can be proposed to the general meeting of shareholders to proceed with the appointment of directors. In addition, the Company will provide its shareholders with sufficient information on the candidates to assist with shareholders' decision.

3.3.2 The Nomination Committee will review the criteria and methods of nominating candidates for directorship and make recommendations to the Board

of Directors before nomination can commence to identify relevant candidates to replace directors who are retiring by rotation. In cases where the Nomination Committee proposes same directors for appointment, performance of duties of such nominated persons shall also be taken into consideration.

3.3.3 If the Board of Directors appoints an adviser to the Nomination Committee. The information of such appointment of adviser shall be disclosed in the annual report, including information on the independence and non-conflict of interests of such persons.

- Sub-Principle 3.4 To propose remuneration for the Board of Directors to the general meeting of shareholders for approval, the Board of Directors shall consider the appropriate structure and rate of remuneration commensurate with the responsibilities and the necessary incentives for the Board of Directors to drive for the achievement of both long-term and short-term goal of the organization.

3.4.1 Remuneration for directors shall be in line with the long-term strategies and goals of the Company, taking into consideration the work experience and scope of duties, accountability and responsibility including the expected outcome of each directors. Such remuneration shall be comparable to the industrial practice.

3.4.2 Shareholders approve the structure and rates of remuneration for directors, both monetary and non-monetary. The Board of Directors will consider each type of remunerations including the fixed rates of remuneration (such as fixed salary or meeting allowances) and incentives based on operating results of the Company (such as bonus and commission) which are linked to the value that the Company has created for shareholders. Such rates of remuneration shall not be so high that it would lead to focus on short-term results.

3.4.3 The Board of Directors will disclose information about policy and criteria for the determination of remuneration for directors to reflect responsibilities and accountabilities of each director including types and amount of remuneration. The disclosed amount of remuneration shall include remuneration received by each director as a compensation for their directorship in subsidiaries.

3.4.4 If the Board of Directors appoints any person to be the consultant for the Remuneration Committee, the consultant's information shall be disclosed in the annual report, including information regarding independence and any conflicts of interest.

- Sub-Principle 3.5 The Board of Directors shall have the duty to ensure that all directors perform their duties and allocate sufficient time for the performance of duties.

3.5.1 The Board of Directors will ensure that there is a mechanism to allow directors to understand their roles and duties.

3.5.2 The Board of Directors will determine criteria for directors to hold directorship in other companies by taking into consideration the efficiency of such directors if they hold positions of directors in various companies. Key consideration is to ensure that they can devote sufficient time to the performance of duties for the Company. The total number of listed companies in which each director may be allowed to hold directorship shall be no more than five companies, taking into consideration the appropriateness and nature of business of the Company.

3.5.3 The Board of Directors will report on the directorship of each director held in other companies.

3.5.4 If a director or executive holds the position of director or executive in other companies, or have either direct or indirect interest in other companies which have a conflict of interests or which may give rise to the use of opportunities or information of the Company for their personal benefit, the Board of Directors shall ensure that a sufficient preventive measure is put in place and shareholders are informed of the same.

3.5.5 Each director shall attend at least three-fourths the total number of the Board of Directors' meetings held during the year unless there is a case of necessity.

- Sub-Principle 3.6 The Board of Directors shall have 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 investments.

3.6.1 The Board of Directors will determine a policy of subsidiary supervision which shall include:

- (1) The Board of Directors shall determine and approve the appointment of persons to assume the position of directors, executives or persons with controlling power in subsidiaries. Exception is in the case where the subsidiary is a small company functioning as an operating arm of the Company. In such case, the Board of Directors may assign the Chief Executive Officer to consider and approve the appointment of persons.

- (2) The Board of Directors shall consider and determine scope of duties and responsibilities of persons appointed under (1) and require that the Company's representative(s) monitor compliance with the policies of subsidiaries. If such subsidiaries also have other partner investors, the Board of Directors will determine a policy to require the Company's representative(s) to act for the best interests of the subsidiary and to be in line with the policies of the parent company of such subsidiary.
- (3) The internal control of subsidiaries shall be appropriate and strict. All transactions shall be in accordance with relevant laws and requirements.
- (4) Information on financial positions and operating results including connected transactions, acquisition or disposal of assets and such other material transactions, capital increase and decrease and dissolution of subsidiaries shall be disclosed.

3.6.2 If it is necessary, the Board of Directors may require preparation and execution of a Shareholders' Agreement or such other agreement to stipulate clear provisions relating to the management power and participation in material decisions and oversight of operations for a material investment in other business, i.e. with at least 20 percent of voting rights but not more than 50 percent of voting right and such capital investment or additional investment are significant for the Company. This is to have a basis for the preparation of financial statements of the Company that meet the standards and the required timeline.

- Sub-Principle 3.7 The Board of Directors shall ensure that there will be an assessment of collective performance of the Board of Directors and individual assessment of each director to allow review of performance, problems and obstacles encountered in each year. Recommendations from the assessment will be used for further improvement and development.
- Sub-Principle 3.8 The Board of Directors will ensure that each director understands roles and duties, nature of business operation and laws relating to the business operation and shall encourage all directors to have their skills and knowledge developed regularly for the purpose of performing duties of directors.

3.8.1 The Board of Directors will ensure that new directors will have access to recommendations and information that are useful for the discharge of their duties. This includes understanding about objectives, main goals, visions, missions and corporate value including nature of business and business directions of the Company.

3.8.2 The Board of Directors will ensure that directors receive regular trainings to have necessary knowledge development.

3.8.3 The Board of Directors will develop understanding about the law, rules, regulations, standards, risks and environments relating to the business operation of the Company and will update themselves on new developments regularly.

3.8.4 The Board of Directors will disclose in the annual report information about continuous trainings for the Board of Directors.

- Sub-Principle 3.9 The Board of Directors will ensure that the functions of the Board of Directors are orderly. Directors shall have access to necessary information. The Company Secretary shall be knowledgeable and have experience necessary to provide support to the functions of the Board of Directors.

3.9.1 The Board of Directors determines meeting schedules and agenda items in advance to allow time for directors to prepare themselves for the meeting attendance.

3.9.2 The number of the Board of Directors' meetings shall be determined to be appropriate taking into consideration duties and responsibilities of the Board of Directors and the nature of business of the Company. However, there shall be at least four meetings each year.

3.9.3 The Board of Directors shall ensure that a mechanism is put in place to allow each director and the management has the discretion to propose matters that are beneficial for the Company as an agenda item for the meetings.

3.9.4 Supporting documents for the Board of Directors meetings shall be submitted to directors at least seven days in advance of the meeting date except in case of emergency for the interest of the Company where meeting notice may be served otherwise and the date of the meeting may be determined to be shorter than initially convened.

3.9.5 The Board of Directors will encourage the Chief Executive Officer to invite senior executives to attend the Board of Directors' meetings to give additional information considering their direct involvement in the matter and to allow the Board of Directors to familiarize itself with senior executives for the purpose of succession plan.

3.9.6 The Board of Directors will seek additional information from the Chief Executive Officer or such other executives that have been assigned. If it is necessary, the Board of Directors may require independent opinions from external professionals at the expense of the Company.

3.9.7 The Board of Directors may have a policy of requiring non-executive directors to have meetings among themselves as may be necessary to allow discussion of

problems relating to the management without the participation of the management. Results of such meetings shall be notified to the Chief Executive Officer.

3.9.8 The Board of Directors will determine the required qualifications and experiences of the Company Secretary that will be suitable for the performance of duties of giving advice and recommendations to the Board of Directors on compliance with laws and requirements, management of documents for the meetings of the Board of Directors, important documents and activities of the Board of Directors, and coordination and follow-up on implementation of resolutions of the Board of Directors' meeting. In addition, the Board of Directors will disclose information about qualifications and experience of the Company Secretary in the annual report and the Company's website.

3.9.9 The Company Secretary will regularly attend knowledge development trainings as well as continuously enhance his or her knowledge for the performance of duties in certified programs at appropriate time.



Principle 4: Recruitment and Development of Senior Executives and People Management

- Sub-Principle 4.1 The Board of Directors will ensure that the Chief Executive Officer and senior executives are nominated and receive necessary development trainings to have knowledge, skills, experience and qualifications that are necessary to derive the organization to achieve its objectives.

4.1.1 The Board of Directors will consider or delegate the Nomination Committee to consider criteria and methods of nominating qualified candidate to hold the position of the Chief Executive Officer.

4.1.2 The Board of Directors will follow up and ensure that the Chief Executive Officer has a team of senior executives with appropriate qualifications. The Board of Directors or the Nomination Committee will work with the Chief Executive Officer to consider criteria for and methods of nomination and appointment of persons nominated by the Chief Executive Officer for senior executive positions.

4.1.3 The Board of Directors puts in place a succession plan for the continuity of business operations of the Company and for the succession of the Chief Executive Officer and senior executives in important positions. The Board of Directors will also ensure that the Chief Executive Officer report the performance results under the succession plan to the Board of Directors at least once a year.

4.1.4 The Board of Directors will encourage that the

Chief Executive Officer and senior executives receive trainings to develop their knowledge and experience which are beneficial for the performance of their duties.

- Sub-Principle 4.2 The Board of Directors with the advice of the Remuneration Committee will ensure that the structure of remuneration is appropriate.
- Sub-Principle 4.3 The Board of Directors will develop its understanding about the structure of and relationship with shareholders to the extent that they will have a possible impact on the management and operations of the Company.

4.3.1 The Board of Directors will develop its understanding about the structure of and relationship with shareholders, shareholders' agreement or policy of the Group parent companies which may have an impact on the control over and management of the Company.

4.3.2 The Board of Directors will ensure that agreements specified under clause 4.3.1 above will not restrict the performance of duties of the Board of Directors.

4.3.3 The Board of Directors will ensure that information on agreements that have an impact on the control over the Company will be disclosed.

- Sub-Principle 4.4 The Board of Directors will follow up on the management and development of human resources to ensure that they have the appropriate knowledge, skills, experience and incentives.

4.4.1 The Board of Directors will ensure that the human resources management is in line with the directions and strategies of the organisation and that all levels of employees have the appropriate knowledge, capabilities and incentives and are treated with fairness for the purpose of talent retention.

4.4.2 The Board of Directors will ensure that there will be a provident fund or such other mechanism in place to assist employees with savings for their retirement.



Principle 5: Business Operation with Responsibility

- Sub-Principle 5.1 The Board of Directors recognizes the importance of and promote creation of value for the business along with benefits for the Company's customers or related persons and social and environmental responsibilities.

5.1.1 The Board of Directors will recognize the importance of creating corporate culture and require that the management incorporate such culture in the review of strategies, development of improvement plans for operations and monitoring of operating results.



5.1.2 The Board of Directors will support actions to add value for the Company in the ever-changing environment. This may include devising a business model, concepts of design and development of products and services, researches and improvements to the manufacturing procedure and work process including customer management. The above actions should be for the common interests of the Company, its customers, partners, the society and the environment and should not be undertaken to promote inappropriate behaviors or unlawful or unethical activities.

- Sub-Principle 5.2 The Board of Directors will supervise and ensure that the management conduct businesses with social and environmental responsibilities and in accordance with the operational plan and that all parties within the organization comply with the objectives, main goals and strategies of the Company.
- 5.2.1 The Board of Directors will ensure 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. In light of this, a Code of Conduct has been prepared to cover the following matters:

(1) Responsibilities towards employees and hired workers Relevant laws and standards are complied with. Employees and hired workers are treated with fairness and respect for human rights. For example, remunerations and other benefits are determined with fairness at the level that is not lower than the legal requirements or higher than the legal requirements as may be appropriate. Employees and hired workers are provided with occupational health and work safety, trainings and development of potentials and career growth. Employees are also provided with an opportunity to develop other aspects of professional skills.

(2) Responsibilities towards customers Relevant laws and standards are complied with taking into consideration health, safety, fairness, confidentiality of customers, after-sale services throughout the life of products and services. There shall also be surveys on customers' satisfaction in order to improve quality of products and services. All advertisements and promotional activities shall be conducted responsibly without causing misunderstanding or abuse based on misunderstanding of customers.

(3) Responsibilities towards business partners Procurement process and terms and conditions of relevant agreements shall be fair. There shall be educational supports, enhancement of potentials and manufacturing capabilities to meet relevant standards. Business partners should be made aware of the respect for human rights and of fair treatment of their employees including social and environmental responsibilities. There shall be monitoring and assessment of business partners for the purpose of sustainable development of business relationships.

(4) Responsibilities towards communities Business knowledge and experience is used in developing projects to contribute concrete benefits to the communities. Progress and long-term success are followed up and assessed.

(5) Environmental responsibilities The Company shall take environmental responsibilities by preventing, minimizing, managing negative impacts on the environment. This includes the use of raw materials, energy, water and recycled resources, control and management of emission and waste, emission of greenhouse gas.

(6) Fair competition The Company conducts its business based on the principle of transparency and will not be involved in unfair competition.

(7) Anti-corruption The Company shall comply with all relevant laws and standards. The Company is required to put in place and make a public announcement of its anti-corruption policy. The Company may consider participating in the anti-corruption network.

- Sub-Principle 5.3 The Board of Directors will ensure that the management has efficient and effective allocation of resources in order to sustainably achieve objectives and goals.

5.3.1 The Board of Directors will consider the need for the required resources and that each type of resources has impact among themselves.

5.3.2 The Board of Directors will consider that different business models result in different impacts on resources. Therefore, it will select business models based on the possible impacts on and worthiness of resources including the principle of ethics, responsibilities and creation of sustainable value for the Company.

5.3.3 The Board of Directors will ensure that in acting to achieve objectives and main goals of the Company the management will review, develop and use resources

efficiently and effectively always taking into consideration the change of both internal and external factors.

- Sub-Principle 5.4 The Board of Directors will prepare a framework for the management of information technology system at organizational level to be in line with the need of the Company, and will use information technology in the creation of business opportunities and in the development of work process and risk management so that the Company will achieve its objectives and main goals.

5.4.1 The Board of Directors will put in place a policy on allocation and management of information technology to cover such issue as allocation of sufficient resources for the business operations and determination of guidelines of practice in case where resources cannot be allocated to meet the requirement.

5.4.2 The Board of Directors will ensure that the risk management of the Company covers the management of information technology risks.

5.4.3 The Board of Directors will put in place a policy and measure for the protection of information technology security. The framework for the monitoring and management of information technology at organizational level includes:

- (1) The Company has complied with relevant laws, rules and regulations including standards applicable to the use of information technology;
- (2) The Company has put in place a system to safeguard the security of information, confidentiality and integrity including of availability of information. There shall also be a measure to prevent unlawful use of information or unauthorized change or edits of information.
- (3) The Company has considered information technology risks and adopted a measure to manage such risks to cover such aspects the business continuity management, the incident management and the asset management.
- (4) The Company has considered the allocation and management of information technology resources, and has determined criteria and factors for the prioritization of work plans for information technology such as suitability and compatibility with strategic plans, impacts on business operations, urgency of budget requirements and human resources in information technology including compatibility with business model.



Principle 6: Appropriate Risk Management System and Internal Control

- Sub-Principle 6.1 The Board of Directors will ensure that the Company has adopted a risk management system and an internal control system to enable it to effectively achieve its objectives and to comply with the relevant laws and standards.

6.1.1 The Board of Directors will appoint a Risk Management Committee to perform the duties that are specified in writing in the Charter for the Risk Management Committee.

6.1.2 The Board of Directors will develop understanding about material risks of the Company and will approve the level of risks that is acceptable to the Board of Directors.

6.1.3 The Board of Directors will consider and approve the Risk Management Policy that is in line with objectives, main goals, strategies and the acceptable level of risks of the Company for use as a risk management framework for all parties within the organization to ensure that they strive towards the same direction of risk management. The Board of Directors will ensure there is a regular review of the Risk Management Policy.

6.1.4 The Board of Directors will ensure that the Company identifies risks taking into consideration both internal and external factors which may cause the Company to fail to achieve the defined objectives. Key risks of the Company that the Board of Directors will focus on can be divided into strategic risk, operational risk, financial risk and compliance risk, etc.

6.1.5 The Board of Directors will ensure that the Company has assessed impact and possibility of risks materializing for the purpose of prioritizing risks and identifying appropriate measures to address such risks.

6.1.6 The Board of Directors may assign the Risk Management Committee to process tasks under 6.1.2 – 6.1.5 before proposing them to the Board of Directors for consideration.

6.1.7 The Board of Directors will regularly follow up and assess effectiveness of the risk management.

6.1.8 The Board of Directors has the duty to ensure that the Company operates its business in accordance with relevant laws and standards both domestically and internationally.



6.1.9 If the Company has a subsidiary or has material investments in other business (i.e. having at least 20 percent of shareholding with voting rights but not exceeding 50 percent), the Board of Directors will use results of assessment of internal control and risk management as another aspect of consideration in accordance with Clause 6.1.2 – 6.1.8.

- Sub-Principle 6.2 The Board of Directors will set up an Audit Committee to perform duties with efficiency and independence.

6.2.1 The Board of Directors will set up an Audit Committee to comprise at least three directors all of which shall be independent directors having qualifications and duties in accordance with the requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

6.2.2 The Board of Directors will determine scope of duties of the Audit Committee in writing to contain at least duties provided under the Audit Committee Charter.

6.2.3 The Board of Directors will ensure that the Company puts in place a mechanism or tool to allow the Audit Committee to access information that is necessary for the performance of its duties such as inviting relevant persons to give information, consultations with the external auditors or seeking independent professional opinions to assist with its consideration.

6.2.4 The Board of Directors will use internal personnel or an internal audit function to independently perform the duties of developing and review efficiency of risk management system and internal control system and to report to the Audit Committee and make relevant disclosures in the annual report.

6.2.5 The Audit Committee shall opine on the sufficiency of risk management system and internal control system. Such opinion shall be disclosed in the annual report.

- Sub-Principle 6.3 The Board of Director will follow up on and manage conflict of interests which may arise between the Company, the management, the Board of Directors or shareholders, and will prevent abuse of assets, information and opportunities of the Company including inappropriate connected transactions.

6.3.1 The Board of Directors will put in place an information security system and will determine policy and practices about confidentiality, integrity and availability of information. This includes management of market sensitive information and the silence period prohibitions. In addition, the Board

of Directors will require that directors, senior executives and employees including relevant third parties such as legal advisers and financial advisers comply with the information security system.

6.3.2 The Board of Directors will ensure that 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 and will be for the interests of the Company and overall shareholders while interested parties do not participate in the decision making.

6.3.3 The Board of Directors will require directors to report their interests at least before considering relevant agenda items in the Board of Directors' meeting and shall record the same in the minutes of the Board of Directors' meeting. The Board of Directors will require directors with material interests in any matter to refrain from participating in the consideration of such matter to the extent that such material interests will cause the interested to be unable to express independent opinion in the matter.

- Sub-Principle 6.4 The Board of Directors will ensure that a clear policy and practice of anti-corruption is prepared and communicated with all level of within the organisation and with third parties to ensure that it can be implemented. The Board of Directors will also support activities that promote compliance awareness for all employees to the laws and relevant regulations.
- Sub-Principle 6.5 The Board of Directors will ensure that the Company puts in place a compliant handling mechanism and actions to be taken in relation to whistleblowing.

6.5.1 The Board of Directors will ensure that there is a mechanism and procedure to manage complaints from stakeholders and more than one convenient whistleblowing channels. Details of such channels shall be published on the Company's website or in the annual report.

6.5.2 The Board of Directors will put in place a clear policy and guideline on whistleblowing where whistleblowers can report the matter via the Company's email or independent directors or the Audit Committee. This includes verification of data, actions and reports to be made to the Board of Directors.

6.5.3 The Board of Directors will ensure that a protection measure is put in place for whistleblowers who act in good faith.



Principle 7: Maintenance of Integrity in Finance and Disclosure

- Sub-Principle 7.1 The Board of Directors is responsible for ensuring that the financial report and disclosure of material information are accurate, sufficient, timely and are in compliance with relevant rules, regulations, standards and practices.

7.1.1 The Board of Directors will require persons involved in the preparation and disclosure of information to have the knowledge, skills and experience suitable for the responsibilities and in sufficient number. Such personnel shall include senior executive in finance and accounting, internal auditors, the Company Secretary and investors relation officers.

7.1.2 In approving the disclosure of information, the Board of Directors shall consider all relevant factors. The followings shall be the minimum considerations for the financial reporting: (1) Results of assessment of internal control system; (2) Opinion of auditors on financial reports and observations of auditors relating to internal control system and observations of auditors made in other communication channels (if any); (3) Opinion of the Audit Committee; (4) Alignment with objectives, main goals, strategies and policies of the Company.

7.1.3 The Board of Directors will ensure that disclosure of information including financial statements, annual report and Form 56-1 sufficient reflects financial positions and operating results and shall encourage the Company to prepare a Management Discussion and Analysis or MD&A to support financial report in every quarter to allow investors to have and understand information on the change to financial positions and operating results of the Company in each quarter in addition to figures disclosed in the financial statements.

7.1.4 Any particular disclosure of information relating to any one specific director shall be disclosed accurately and completely by such director such as information on shareholders within the group of shareholders of such director, or disclosure of information relating to Shareholders' Agreement of such director.

- Sub-Principle 7.2 The Board of Directors will monitor sufficiency of financial liquidity and affordability ratio

7.2.1 The Board of Directors will ensure that the management monitors and assess financial position of the Company, its compliance with conditions of financial institutions or of other providers of funding.

This shall include the obligation to regularly report to the Board of Directors. The Board of Directors and the management shall work together to identify solutions without delay if there is an indicator of problem of financial liquidity and affordability ratio.

7.2.2 In approving any transactions or in expressing its opinion to the general meetings of shareholders for approval, the Board of Directors shall ensure that the transactions will not affect the continuity of business, financial liquidity or affordability ratio of the Company.

- Sub-Principle 7.3 In the financial difficulty or the threat thereof, the Board of Directors will ensure that the Company has a solution or there will be other mechanisms to solve the financial difficulty subject to consideration of stakeholders' rights.

7.3.1 If the Company has a tendency of not being able to repay its debts or having financial difficulty, the Board of Directors will closely monitor the problem and ensure that the Company operates its business with caution and comply with the disclosure requirements.

7.3.2 The Board of Directors will ensure that the Company adopts a financial solution plan taking into consideration fairness for all its stakeholders including its creditors. The Board of Directors will also monitor and require that the management report on the status of the problem regularly.

7.3.3 The Board of Directors will ensure that any decisions in relation to financial solutions of the Company will be reasonable.

- Sub-Principle 7.4 The Board of Directors will prepare a report on sustainability as may be appropriate.

7.4.1 The Board of Directors will consider the appropriateness of mandatory disclosures, compliance with the laws, Code of Conduct, the Anti-Corruption Policy, treatment for employees and stakeholders including fair treatment and respect for human rights and social and environmental responsibilities. It will consider the reporting framework which is both domestically and internationally acceptable. Such information may be disclosed in the annual report or prepared separately as a guidebook as may be appropriate.

7.4.2 The Board of Directors will disclose material information which reflects its practice of sustainable value creation.

- Sub-Principle 7.5 The Board of Directors will ensure that the management provides a specific function or responsible persons to perform the duties of investor relations by appropriately and timely communicating with shareholders and other stakeholders such as investors and analysts.



7.5.1 The Board of Directors will put in place a communication policy and a disclosure policy to ensure that communication with third parties is appropriate, equal and timely through appropriate channels to prevent abuse of confidential information and market sensitive information. There will also be communication within the organization about the compliance with these policies.

7.5.2 The Board of Directors will require persons responsible for communication with third parties to have the qualifications required for the performance of such duties, including the understanding about the Company's business, objectives, main goals and values and the capability of effectively communicating with the capital markets.

7.5.3 The Board of Directors will require the management to set out directions of and provide support for investors relation function, i.e. by putting in place a practice of giving information, the Policy for the Use of Inside Information and a clear scope of duties and responsibilities of investors relation function to ensure that the communication and disclosure of information is efficient.

- Sub-Principle 7.6 The Board of Directors will encourage the use of information technology in disseminating information.

7.6.1 In addition to the mandatory disclosure via channels provided by the Stock Exchange of Thailand, the Board of Directors will disclose information both in Thai and in English via other channels such as the Company's website to regularly disseminate information that is up to date. The Company will at a minimum disclose the following information on its website:

- (1) Vision and values of the Company;
- (2) Nature of business operations;
- (3) Name of members of the Board of Directors and executives;
- (4) Financial statements and reports on financial positions and operating results;
- (5) Downloadable form 56-1 and annual report;
- (6) Other information or documents presented to the analysts, fund managers or other media;
- (7) Both direct and indirect shareholding structure;
- (8) Company's structure including its subsidiaries, associate companies, joint ventures and special purpose enterprises/ vehicles (SPEs/SPVs);

- (9) Both direct and indirect major shareholders holding at least five percent of total issued shares with voting rights;
- (10) Both direct and indirect shareholding of directors, major shareholders and senior executives;
- (11) Notices of invitation to both annual general meetings of shareholders and extraordinary general meetings of shareholders;
- (12) Articles of Association of the Company including its Memorandum of Association;
- (13) The Corporate Governance Policy, the Anti-Corruption Policy, the Policy for the Information Technology Management Policy and the Risk Management Policy;
- (14) Charters or scope of duties and responsibilities, qualifications, term of office of the Board of Directors including matters which require approval from the Board of Directors, charters or scope of duties and responsibilities, qualifications, term of office of the Audit Committee, the Nomination Committee and the Remuneration Committee.
- (15) The Code of Conduct;
- (16) Information on contact details or persons responsible for investors relation functions, the Company Secretary, i.e. contact persons, telephone number and email.



Principle 8: Engagement of and Communication with Shareholders

- Sub-Principle 8.1 The Board of Directors will ensure that shareholders participate in decision-making on important matters of the Company.

8.1.1 The Board of Directors will ensure that all important matters including legal matters and issues which could have an impact on business directions of the Company are considered and/or approved by shareholders. Such important matters will be incorporated as agenda items for the general meetings of shareholders.

8.1.2 The Board of Directors will encourage engagement of shareholders. For example, in case the minority shareholders who hold the shares of the Company with the total voting rights of not less than five percent of the total voting rights propose additional agenda items for the general meetings, the Board of Directors will facilitate such minority shareholders and will consider whether to include the proposal in the agenda items. Any refusal to include the proposal in the agenda item shall be accompanied by justifications to the general meetings of shareholders.

8.1.3 The Board of Directors will ensure that notices of invitation to the general meetings of shareholders contain accurate, complete and sufficient information for the exercise of rights of shareholders.

8.1.4 The Board of Directors will ensure that notices of invitation to the general meetings of shareholders are distributed to shareholders including relevant supporting documents and are published on the Company's website at least 30 days in advance of the meetings.

8.1.5 Notices of invitation to general meetings of shareholders including relevant supporting documents will be prepared in English and published along with the Thai version. Notices of invitation to general meetings of shareholders will contain the followings:

- (1) Date, time and venue of the meeting;
- (2) Agenda items which will be marked as requiring acknowledgement or approval and will be clearly divided, i.e. for agenda item relating to directors will have the matter of director appointment presented in a separate agenda item from the agenda of remuneration;
- (3) Objectives and rationales including opinion of the Board of Directors for each agenda item including:
 - a. For agenda item of dividend payment: dividend policy, proposed rate of dividend payment including rationale and supporting information and justifications and supporting information in case where the Board of Directors proposes non-payment of dividends;
 - b. Director appointment: name, age, educational background and work experience, number of listed and general companies in which the candidates hold directorship, criteria and methods of recruitment and nomination, types of directors proposed for appointment

and number of meeting attendance in the previous years and date of appointment in case of reappointment of former directors for another term;

- c. Directors' remuneration: policy and criteria for determination of remuneration for each position of the directors and all types of proposed remuneration, monetary or non-monetary;
- d. Appointment of auditors: name of auditors, audit firms, work experience, independence, audit fees and non-audit fees.

(4) Proxy Forms prescribed by the Ministry of Commerce;

(5) Other supporting information such as voting procedures, vote counts and announcement of voting results, rights accorded to each class of shares, information of independent directors acting as proxies for shareholders, documents required from shareholders for the purpose of registration of attendance and proxy including map of meeting venue.

- Sub-Principle 8.2 The Board of Directors will ensure that general meetings of shareholders are conducted in good order and with transparency and efficiency to allow shareholders to exercise their rights.

8.2.1 The Board of Directors will determine date, time and venue of general meetings of shareholders by taking into consideration the convenience of shareholders such as by determining appropriate and sufficient time of the meeting to allow debate and discussion and venue that is convenient for shareholders to commute.

8.2.2 The Board of Directors will ensure that there will be no restrictions on the opportunity of shareholders to attend the meeting or to create undue burdens on shareholders such as by not requiring shareholders or their proxies to bring identification documents to the extent that they exceed the prescribed practices or guidelines of relevant regulatory authorities.

8.2.3 The Board of Directors will encourage the use of technology in handling general meetings of shareholders to cover both registration of attendance, vote counting and announcement to ensure that the meetings are fast and accurate.

8.2.4 Chairman of the Board of Directors will preside over the general meetings of shareholders to discharge the duties of ensuring that the meetings are conducted in accordance with relevant laws and regulations and

the Articles of Association of the Company. Time will be appropriately allocated for each agenda item prescribed in the notice of invitation and shareholders will be provided with the opportunity to express their opinion and ask questions in relation to the Company.

8.2.5 To allow shareholders to engage in important matters, directors in the capacity of attendants of the meeting and as shareholders will not encourage that agenda items are unnecessarily added to the meeting without an advance notice, particularly with respect to important agenda which would require shareholders to spend time in studying relevant information before making any decision.

8.2.6 All responsible directors and executives are encouraged to attend the meeting to allow shareholders to ask relevant questions.

8.2.7 At the beginning of the meeting, the Company shall inform shareholders of the number and shareholding percentage of shareholders in attendance either in persons or by proxy, meeting procedures, voting procedure and vote counts.

8.2.8 For agenda items which contain different matter for consideration, Chairman of the meeting may require separate voting for each of the matter such as in the case of director appointment where shareholders may exercise their vote on each individual candidate separately.

8.2.9 The Board of Directors encourage the use of vote ballots for important agenda items and encourage that vote count or vote validation is carried out by an independent person. Information on the votes (approval, disapproval and abstention) is disclosed for each agenda item and recorded in the minutes of meeting.

- Sub-Principle 8.3 The Board of Directors will ensure that resolutions of the meeting are disclosed and that accurate and complete minutes of meeting are prepared.

8.3.1 The Board of Directors will require the Company to disclose resolutions of the general meetings of shareholders including the voting results on the following business day via disclosure channel of the Stock Exchange of Thailand and the Company's website.

8.3.2 The Board of Directors will ensure that copy of minutes of meeting of the general meetings of shareholders are disclosed to the Stock Exchange of Thailand within 14 days from the date of the meeting.

8.3.3 The Board of Directors will ensure that minutes of meeting of the general meetings of shareholders shall at least include the following information:

- (1) Name of directors and executives in attendance and proportion of directors in attendance as compared to those who are absent from the meeting.
- (2) Voting method and vote count, resolutions of the meeting and voting results (approval, disapproval and abstention) of each agenda item;
- (3) Questions and answers given in the meeting including name of persons asking the questions and giving the answers.

The Board of Directors considered and approved this Corporate Governance Policy in the Board of Directors' meeting No. 4/2021, which was held on 12 May 2021. The policy shall come into force as from 12 May 2021.

Professor Dr. Weerakorn Ongsakul

Chairman

Sri Trang Gloves (Thailand) Public Company Limited



CODE OF CONDUCT

Sri Trang Gloves (Thailand) Public Company Limited (the 'Company') is committed to conducting its business in accordance with the principles of good corporate governance by adhering to the law, ethics and morality, transparency and responsibilities towards its stakeholders to achieve sustainable growth for the business. This Code of Conduct shall be applied to directors, executives, employees and hired workers, advisers, representatives or delegated persons to act on behalf of the Company or of the persons specified above.

1. Responsibilities towards shareholders

- 1.1 To be committed to conducting business for good operating results, continued and secured profitability in order to enhance competitiveness and long-term add value for shareholders;
- 1.2 To perform duties with honesty and fairness for all shareholders for the overall best interests;
- 1.3 To use best effort in managing business based on management knowledge and skills and to make any decisions based on transparency, carefulness and prudence;
- 1.4 To report on financial position, operating results and non-financial information of the Company to its shareholders on an equal, regular, complete and accurate basis.
- 1.5 To refrain from exploiting any non-public information of the Company either for own personal benefit or for the benefit of others, and from carrying out any act which could give rise to possible conflict of interests;
- 1.6 To ensure that shareholders have equal access to information relating to conditions and operating results of the Company;
- 1.7 To ensure that shareholders have equal share to profits in the form of dividend;
- 1.8 To ensure that shareholders have equal rights to attend general meetings by informing shareholders of the requirements relating to the rules of the general meetings, voting rights according to each class of shares, voting procedures and expression of opinions;
- 1.9 The Company shall hold an annual general meeting of shareholders, which shall be called the 'Annual General Meeting of Shareholders' or AGM or such other general meetings of shareholders as may be necessary, which shall be called the 'Extraordinary General Meeting of Shareholders or EGM;
- 1.10 The Company shall send notice of invitation to general meetings of shareholders in both Thai and English including details of agenda items and opinions of the Board of Directors to the stock exchange in advance of the general meetings in accordance with the requirements of the law, and shall publish such notice of invitation on the Company's website at least 30 days prior to the date set for the general meeting except in case where it is necessary to do otherwise. The Thailand Security Depository Company Limited (TSD) shall be appointed to act as the securities registrar of the Company with respect to the distribution of documents and information to shareholders of the Company.
- 1.11 Shareholders' rights at the general meeting of shareholders are as follows:
 - 1) Minority shareholders (holding in aggregate at least five percent of total voting rights of the Company) have the right to nominate persons to be appointed to the Board of Directors by submitting a name list of nominated persons to the Nomination Committee including background details of the nominated persons for the consideration regarding their qualifications and consents. In case such minority shareholders propose the additional agenda on appointment of director, the Board of Directors will facilitate such minority shareholders and will consider whether to include the proposal in the agenda items. Any refusal to include the proposal in the agenda item shall be accompanied by justifications to the general meetings of shareholders.
 - 2) All shareholders have the right to attend and vote on matters at any general meetings and in every agenda

item except for matters in which such shareholders have an interest and votes by such interested shareholders are prohibited by the law.

3) The Company will disseminate sufficient information about the business of the Company to its shareholders to assist with their decision at each general meeting. The dissemination of information will be made in accordance with relevant laws and guidelines of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

4) Shareholders have the right to appoint an individual candidate for directorship and to remove directors in accordance with the requirements of the law.

5) Shareholders have the right to appoint auditors.

6) Shareholders may grant a proxy for other persons to represent them in attending and voting at the general meeting of shareholders by issuing a proxy form prescribed by the law.

7) Shareholders have the right to validate information on their shareholding as on the book closure date at the Company or at the TSD.

1.12 It is the policy of the Company to require all directors to attend every general meeting of shareholders except in case where it is necessary and appropriate for such directors to be absent from the general meeting. The Company Secretary shall be responsible for ensuring that the organization of the general meeting of shareholders is orderly, transparent, efficient, convenient and facilitative for shareholders so they can exercise their rights. Details are as follows:

Date, time and venue of the general meeting

- With regards to the date, time and venue of the general meeting, the Company will organize the general meeting of shareholders within the locality of the head office of the Company or in other neighboring province. The venue of the general meeting shall be adequate to accommodate shareholders in attendance and shall be equipped with facilities and equipment necessary for the appropriate organization of the general meeting such as sound system, microphones and stationery.

Voting

- The Company will require that shareholders consider and vote for each agenda item separately. If an agenda item contains various sub-items, such sub-items shall be considered and voted on separately, e.g. agenda item on the appointment of directors.

- The Company requires the use of technology in running the general meeting of shareholders including the registration of attendance, vote counting and vote results to ensure that the organization of the general meeting is time-efficient, correct and accurate.

- Chairman of the meeting or a delegated person will report to the meeting on vote counting results which comprise votes received in advance in proxy forms and votes counted at the meeting.

- The Company will arrange to have an independent person or a volunteer shareholder to observe the vote counting procedure or vote validation at the AGM and/or EGM and shall disclose information about such independent observation to the meeting and record the same in the minutes of meeting.

Agenda items

- The Company will include in the notice of invitation to AGM and/or EGM or in relevant supporting documents clarifications and rationales for each of the agenda item or resolution. The Company shall refrain from any act which would restrict the opportunity of shareholders to review information of the Company.

- In case the minority shareholders who hold the shares of the Company with the total voting rights of not less than five percent of the total voting rights propose additional agenda items for the general meetings, the Board of Directors will facilitate such minority shareholders and will consider whether to include the proposal in the agenda items. Any refusal to include the proposal in the agenda item shall be accompanied by justifications to the general meetings of shareholders.

Preparation of minutes of meeting

- The Company will have minutes of meeting prepared after each meeting which will include number of shareholders who attend the meeting both in person and by proxy and the number of shares held including percentage of shares in attendance as compared to the total number of issued shares.

- Such minutes of meeting shall be completed within 14 days from the date of the general meeting of shareholders. The minutes shall include at least the following information: name of directors and executives in attendance and the percentage of attendance by the directors as compared to those who are absent, methods of voting and vote counting, resolutions of the meeting and voting results (approval, disapproval or abstention) of each agenda item, questions and answers at the meeting including name and surname of persons who ask the questions and respond to the questions. Shareholders may review and download copies of such minutes of meeting from the Company's website.

- The Company will make public disclosure of voting results of each agenda item for the AGM and/or EGM on the following business day in accordance with the requirements of the law.

2. Customers' relationship

2.1 The Company strives towards creating satisfaction and trust for customers that they will receive good quality products and services that meet relevant standards at a reasonable price.

2.2 The Company shall make timely, complete and accurate information about its products and services, and shall maintain good and sustainable relationship with its customers taking into consideration the interests of customers. Information on services will be communicated with customers in a transparent manner via communication channels that are easy to understand.

2.3 The Company shall strictly comply with all contractual conditions agreed with its customers and will notify its customers of any case where it cannot comply with such conditions in order to allow both parties to jointly consider and identify relevant solutions.

2.4 The Company will put in place a system to allow customers and the general public to lodge complaints regarding its products and services. The Company will also conduct survey on satisfaction of customers and analyze the results of such survey. The Company will do its best to ensure that customers and the general public can have their complaints addressed quickly.

2.5 The Company will use commercial terms that are fair for the customers.

2.6 The Company will maintain polite contact with its customers and will compose itself to earn trust from customers.

2.7 The Company will protect the confidentiality of its customers and will not abuse confidential information of customers for its own benefit and for the benefits of any related person.

2.8 The Company will not demand for, accept or pay any benefits which give rise to the implication that the acts are not in good faith in respect of Anti-corruption Policy.

3. Relationship with business partners and competitors

Relationship with business partners

1) The Company will select its business partners based on their potentials and suitability taking into consideration the missions of the Company.

2) Procurement or contracting with business partners shall comply with the procurement policy of the Company which provides procedures and requirements of selecting business partners based on fairness, transparency and accountability. The Company will avoid transacting with any business partners which offer any benefits that are not in good faith.

3) The Company will treat all business partners equally and fairly and will strictly comply with any conditions agreed with them in good faith. Any solutions will be identified based on business relationship.

4) The Company will not demand for, accept or pay any benefits that are not in good faith to business partners.

5) The Company will strictly comply with conditions agreed with its business partners.

6) The Company will notify its business partners of any case where it cannot comply with such conditions in order to allow both parties to jointly consider and identify relevant solutions based on the principle of reasonableness.

7) The Company respects the rights of its business partners in relation to treatment of their employees based on the principle of human rights and non-discrimination.

Relationship with competitors

1) The Company promotes the policy of free and fair trade competition within fair competition framework.

2) The Company will refrain from obtaining confidential information of its competitors using approaches that are unlawful, in bad faith or inappropriate. The Company will not attempt to damage reputation of its competitors by way of untrue and unfair accusations.

3) The Company may contact its competitors to exchange ideas from time to time. However, in such contacts, discussion about pricing, market approaches, sale points and targets including non-public marketing studies and confidential information shall be avoided.

4. Responsibilities towards employees

4.1 The Company shall strictly comply with all laws and regulations relating to its employees with no discrimination.

4.2 Remunerations in form of monthly salary, incentives and/or bonus for employees will be determined based on assessment of performance and key performance index (KPI) set by the Company to be in line with the labour market and operating results of the Company both in short term and long term.

4.3 The Company shall ensure that the working environments for the employees are always safe for the life and properties of employees. Safety shall be promoted as a priority. The safety, occupational health and working environment of employees shall not be lower than the requirements of the law. Appropriate welfare benefits shall be provided in the establishment in accordance with the occupational health standard.

4.4 Promotion, relocation, reward and sanctions shall be based on the principle of equality, good faith and on the merit of knowledge, capability and appropriateness.

4.5 The Company shall recognize the importance of development of potentials, knowledge and capability of employees. Employees shall be given equal and regular access to the opportunity for development.

4.6 All levels of employees shall have their opinion and recommendations listened to equally.

4.7 In the management of business, the Company shall refrain from any unfair act which could have an impact on the security of employment of its employees.

4.8 The Company shall treat its employees with politeness and respect for individualism and human dignity of such employees.

4.9 The Company shall make available channels for employees to lodge their complaints when they are treated with unfairness as opposed to the specified system and procedures.

5. Social and environmental responsibilities

5.1 The Company shall strictly comply with or ensure strict compliance with the intentions of the law and rules and regulations issued by relevant regulatory authorities, including all such regulations and standards relating to the environment, occupational health and safety.

5.2 The Company shall consider alternatives for the use of natural resources to minimize impacts on the society, the environment and the quality of life of the general public.

5.3 The Company encourages education, sports or religious projects and activities or otherwise that are beneficial for the society and the environment.

5.4 The Company shall continuously promote awareness of social and environmental responsibilities among its employees.

5.5 The Company recognizes the importance of transacting with business partners who share same value with the Company with respect to social and environmental responsibilities.

5.6 The Company shall be the leader in the promotion of efficient use and preservation of energy for the benefit of later generations.

5.7 The Company shall recognize the importance of participation in activities of the community and the society with focus on developments for the society, the community and the environment. The Company shall promote preservation efforts for the natural resources and activities done for the public interests for the empowerment of underprivileged community.

6. Treatment with political community

6.1 Directors, executives and employees shall exercise their rights as a good citizen under the Constitution and other relevant laws.

6.2 Directors, executives and employees have the right to participate in any political activities in their own name outside work hours and not in the name of the Company.

6.3 Directors, executives and employees are prohibited from participating in any activities which could cause the Company to be understood as taking parts in or providing support to any political party.

6.4 Directors, executives and employees are prohibited from using assets of the Company in providing support to any political party.

7. Respect for human rights

7.1 The Company and employees will treat each other with politeness and mutual respect. All employees shall be treated with equality wherever they are and in whatever position. All employees shall fully have the opportunity to learn and develop their potentials. They shall have the liberty to express their opinion as far as such opinion does not violate the liberty of others in accordance with the provisions of the law.

7.2 The Company shall promote, protect and encourage respect for the rights to protection and fundamental human rights at all levels. No one shall be treated with unfairness or discrimination based on race, religion, ethnicity, colors, social status, gender, age, characters or physical appearances, language, political opinion, property or such other matters that are protected under the law.

7.3 Directors, executives and employees have the duty and responsibility to promote the rights in accordance with the regulations of the society and with international rules wherever they conduct their business and shall ensure that in doing such business they do not take part in or shall refrain from any acts that violate human rights.

7.4 Employees shall inform each level of their supervisors of circumstances where they or any of their family members take part in or become shareholders in a business that competes with the Company and/or circumstances which could give rise to possible conflict of interests with the Company.

If employees are in doubt as to whether such circumstances that they are facing would give rise to the possible conflict of interests with the Company, advice shall be sought from the responsible supervisors. However, in the case of a conflict of interests which is for the benefit of the Company, the relevant transaction may be entered into as if it is entered into with a third party. Such director, executive and employees having an interest in the matter shall not have the right to vote and shall not participate in the approval process.

8. Conflict of Interests

8.1 Directors, executives and employees shall not use their Company time or resources for their own business such as to conduct searches of information or make personal contacts during work hours and shall refrain from accepting external work or activities which could reduce their efficiencies at work.

8.2 Directors, executives and employees shall avoid situations where their performance or judgement can be influenced or their honesty towards the Company can be affected such as the use of one's position within the Company to procure services from their family members, friends or their close contacts, the use of positions in the Company to create power for their own personal benefit.

8.3 Directors, executives and employees shall not seek personal benefits that are contradictory to those of the Company and shall not allow personal excuses of themselves or their family members to have influence in diverging their decisions from the principle of safeguarding the best interests of the Company.

9. Intellectual property and copyrighted work

9.1 Directors and executives have the duty to create awareness for directors, executives and all employees to respect and honor intellectual property of third parties. The Company shall seek permission from the proprietor of the intellectual property following relevant legal procedures before using such intellectual property.

9.2 Directors and executives shall encourage and promote all employees to create innovations that are relevant to the business of the Company and to avoid repetition with those under the protection of registered trademarks, copyrights or patents of others.

9.3 Directors, executives and employees shall not use intellectual property of others without the permission.

9.4 Directors, executives and employees shall not make public disclosure of information and confidential information of the Company including conceptual ideas, researches and technological knowledge relating to or occurring in the course of work of the Company irrespective of whether such information is registered in accordance with the law on intellectual property.

9.5 Directors, executives and employees shall not use intellectual property of the Company for their own personal benefits or make public disclosure of such intellectual property without the prior permission from the Company.

9.6 Directors, executives and employees shall protect intellectual properties of the Company against any infringement or unauthorized use.

9.7 Directors, executives and employees shall respect and comply with the agreements or contractual obligations bound upon the Company in relation to the use of intellectual property such as the law on copyrights, the law on patents, the law on trademarks and the law on trade secrets.

10. Breach or non-compliance with Code of Conduct

To ensure that the Code of Conduct is complied with, the Company imposes sanctions against directors, executives, employees including its hired workers, advisers, representatives or persons delegated to perform duties on behalf of the Company or of the persons specified above for non-compliance or for any act that is not in line with this Code of Conduct. The sanction measures are as follows:

- 1) Verbal or written warning;
- 2) Suspension of increase in salary or annual bonus;
- 3) Probation or suspension of work;
- 4) Dismissal, removal or termination

The Company will regularly monitor breaches of the Code of Conduct. If such breach amounts to an offence under the law, the offender may be liable for fines and criminal actions or may be required to be responsible for other legal remedies.

11. Channels for complaints

Any interested party witnessing the breach or non-compliance with the Code of Conduct may inquire or express opinions to the Secretary to the Audit Committee by:

- 1) Email at stgt_corporatesecretary@sritranggroup.com
- 2) Post at the Secretary to the Audit Committee 110 Kanjanavanit Road, Pahtong, Hatyai, Songkhla 90230, Thailand
- 3) Telephone at +6674344663 ext. 331

The Board of Directors considered and approved this Code of Conduct in the Board of Directors meeting No. 4/2021, which was held on 12 May 2021. The Code of Conduct shall come into force as from 12 May 2021.

Professor Dr. Weerakorn Ongsakul

Chairman

Sri Trang Gloves (Thailand) Public Company Limited

ENCLOSURE 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
RBL	:	Rubberland Products Company Limited
SAC	:	Semperflex Asia Corporation Limited
SDME	:	Shidong 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
STGT or The Company	:	Sri Trang Gloves (Thailand) Company Limited and/or Sri Trang Gloves (Thailand) Public Company Limited and/or Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries (as the case may be)
STGS	:	Sri Trang Gloves (Singapore) Pte. Ltd.
STGV	:	Sri Trang Gloves Vietnam Company Limited
STH	:	Sri Trang Holding Company Limited
STI	:	Sri Trang International Pte. Ltd.
STL	:	Starlight Express Transport Company Limited
STU	:	Sri Trang USA, Inc.
STV	:	Sri Trang Indochina (Vietnam) Company Limited
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
GSP	:	Generalized System of Preferences
HACCP	:	Hazard Analysis and Critical Control Point
Hat Yai Branch Factory	:	The Company's rubber glove factory located in Hat Yai District, Songkhla Province
IPO	:	Initial Public Offering
IRSG	:	International Rubber Study Group
IRSG	:	The International Rubber Study Group
KPS Audit	:	KPS Audit Company Limited
MARGMA	:	Malaysian Rubber Glove Manufacturers Association
MRB	:	Malaysian Rubber Board
MREPC	:	the Malaysian Rubber Export Council
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
OECD	:	Organization for Economic Co-operation and Development
OEM	:	Original Equipment Manufacturer
PAHO	:	The Pan American Health Organization
Sadao Branch Factory	:	The Company's rubber glove factory located in Sadao District, Songkhla Province
SEC	:	the Securities and Exchange Commission
SET	:	the Stock Exchange of Thailand
SGX	:	Singapore Exchange
Suratthani Branch Factory	:	The Company's rubber glove factory located in Kanchanadit District, Suratthani Province
Trang Branch Factory	:	The Company's rubber glove factory located in Kantang District, Trang Province
UHS	:	The Unified Health System
UN DESA	:	United Nations Department of Economic and Social Affairs
WHO	:	World Health Organization



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& sharing

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friendly technologies



Contact Us Please Scan



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