SRITRANG™ GLOVES

「Touch Of Life™」

Greener Protection
Cleaner Planet



2022 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™」
with a sustainability mindset.

We are committed to conducting business with transparency and integrity and to producing quality products that are friendly to the environment. We have regard for all stakeholders throughout the supply chain, from upstream to downstream. Our desire to protect all lives on this planet makes our products truly the “Gloves of Life.”

TABLE OF CONTENT

About Sri Trang Gloves		4
Touch of Life		8
Message from the Board of Directors		10
Board of Directors		13
Financial Highlights		16
1 Part Business Overview and Performance	1. Business Structure and Operations	20
	2. Risk Management	75
	3. Driving the Business Towards Sustainability	110
	4. Management Discussion and Analysis : MD&A	130
	5. General and Other Significant Information	138
2 Part Corporate Governance	6. Corporate Governance Policy	142
	7. Corporate Governance Structure	155
	8. Corporate Governance Performance Report	179
	9. Internal Control and Related Party Transactions	205
3 Part Financial Statements	Financial Statements	275
4 Part Enclosure	Enclosure	363
	Enclosure 1: Profile of Directors, Executives and Company Secretary	364
	Enclosure 2: Details of the Directors and Executives Held the Positions in Company, Subsidiaries, Associated Companies, and Related Companies	380
	Enclosure 3: Details of Head of Internal Audit	381
	Enclosure 4: Assets used in Business Operation and Details of Assets Valuation	382
	Enclosure 5: Corporate Governance Policy / Code of Conduct	385
	Enclosure 6: Defined Terms and Abbreviations	409

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 52.5 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.




SRITRANG
Touch Of Life™
SRITRANG
GLOVES
TM

Awards and Recognitions

Social

- **The Company received the 2022 Outstanding Organization in Supporting the Disabled Award** from the Ministry of Social Development and Human Security.
- **The Company was recognized in 2022 with the Sustainability Model Organization Award** in the Thai Capital Market for Outstanding Support for Persons with Disabilities by the Securities and Exchange Commission.
- In 2022, Sri Trang Gloves (Thailand) Public Company Limited, Sadao PS Branch, Songkhla Province received **the Award for being a model establishment for implementation of the Bubble and Seal Measures to prevent and control the spread of COVID-19 from the Ministry of Public Health.**
- **Sri Trang Gloves (Thailand) Public Company Limited, Sadao PS Branch, Songkhla Province "Exchange for a better Quality of Life" award** for the development of rehabilitation services and assistive devices for the disabled in Songkhla Province.

Environmental

- Sri Trang Gloves (Thailand) Public Company Limited Surat Thani Branch was **certified Level 4 Green Industry by the Ministry of Industry.**
- Sri Trang Gloves (Thailand) Public Company Limited, Sadao PS Branch, Songkhla Province received **the 2022 Environmental Good Governance Evaluation Award from the Ministry of Industry.**



Governance and Economy

- **The 2022 FDA Quality Award in the Best of the Best category of medical device establishments consecutively for the 11th year** from the Food and Drug Administration given to enterprises with proven socially responsible operations which produce safe quality products for customers.
- **Thailand Sustainability Investment (THSI) award or recognition on the list of "sustainable stocks" for the year 2022.** The second year that the Company has participated in the evaluation and was selected by the Stock Exchange of Thailand following it being listed on the SET in 2020, reinforcing the fact of being a listed company that adopt ESG principles into responsible and sustainable business operations that take into account the environment, social responsibility and corporate governance.
- **Sustainability Disclosure Award.** It is the second consecutive year that the Company has joined the Sustainability Disclosure Community: SDC established by Thaipat Institute to encourage listed companies and SDC member organizations to raise awareness and prioritize dissemination of operational information covering economic, social, environmental, or ESG (Environmental, Social and Governance) issues and responses to the Sustainable Development Goals (SDGs), goal 12.6, which has been upgraded this year from the Recognition level to Award level.
- **2022 Money & Banking Award** Sri Trang Gloves (Thailand) Public Company Limited received the 2022 Best Company of the Year Award in the consumer products category organized by Money and Banking Magazine. The award is testament to the Company's achievement in the past year in terms of performance and product output as well as demonstrating its readiness to support success, create incentives to develop potential to be ready for strong competition in the regional and global rubber gloves markets to render national economic, financial and investment benefits for society and the public.
- **The 2022 Thailand Top Company Awards in the category of Fast Growing Company** Organized by the Thai Chamber of Commerce University and Business+ magazine, the Company was selected from companies with excellent performance and rapid growth over the past 3 years to promote the image of an organization with strong and sustainable growth.
- **The Industrial Factory Promotion Project for Sustainable Social and Community Responsibility awarded the 2022 CSR-DIW Continuous Award** to Sri Trang Gloves (Thailand) Public Company Limited, Trang Branch and Surat Thani Branch.
- **2022 Business Partner Award in the category of Gold Award** Sri Trang Gloves (Thailand) Public Company Limited received a score of 98.00% out of a full score of 100% from Thai Beverage Public Company Limited at the 2022 SX Partnership for the Goals: TSCN Business Partner Conference at Queen Sirikit National Convention Center Bangkok.
- **The Company received a 5-star or "excellent" rating** on corporate governance in the Corporate Governance Survey of Thai Listed Companies (CGR) for the year 2022 from the Thai Institute of Directors Association.







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

STGT is the number 1 manufacturer and distributor of rubber gloves in Thailand and 1 of the top 5 in the world, thereby rendering STGT as one of the most trusted choices among customers, both in terms of quality and variety of products to meet the needs of different applications, whether nitrile rubber gloves or natural latex gloves.



Professor Dr. Weerakorn Ongsakul
Chairman
Sri Trang Gloves (Thailand) PLC.

Ms. Jarinya Jirojkul
Chief Executive Officer
Sri Trang Gloves (Thailand) PLC.

The past year has been a challenging year for the global rubber glove industry due to the abatement of the Covid-19 pandemic situation compounded by the huge and rapid increase in the supply resulting from the soaring price of rubber gloves during the contagion. As a result, each manufacturer in the industry has had to struggle and adapt to survive by adopting various different business models.

The Company believes that competition during this recalibration of the market, or this normalization phase, may cause small entrepreneurs with not much financial strength, or insufficient expertise in the production of rubber gloves, or even those who are unable to adapt to this challenge to lose out to other operators and necessitate an exit of the market.

However, this challenging situation is not new to the Company. For more than 30 years **STGT has gone through cycles of fluctuating demand, including several waves of similar increase in supply in this manner, such as the outbreak of HIV, SARS, avian influenza (H1N1/H5N1), MERS, Ebola, and Covid-19.** Overcoming these unfavorable situations call for strength in terms of production, management, finance, flexibility to adapt and the initiative to try new things which require the cooperation as well as the patience and courage of all executives and employees collectively.

STGT is the number 1 manufacturer and distributor of rubber gloves in Thailand and 1 of the top 5 in the world, thereby rendering STGT as one of the most trusted choices among customers, both in terms of quality and variety of products to meet the needs of different applications, whether nitrile rubber gloves or natural latex gloves. These are products which the Company has cost advantages and strong supply chain management from being a subsidiary of Sri Trang Agro-Industry Public Company Limited (STA). The Company is also a leader in the production of quality rubber gloves using the world's most efficient machinery. In addition, STGT also chooses to use woodchip, a fuel that results in lower production costs and less volatility compared with other competitors who use gas or coal as fuel in production, while also being environmentally friendly with significantly lower greenhouse gas emissions than fossil-based fuels. Moreover, STGT adheres to international standards of labor recruitment and treatment of workers which has won the Company highest awards and ratings from various institutions.

STGT's financial status remains strong and ready to cope with challenging situations. As at the end of 2022, the Company has cash of over THB 14,400 million and a net interest bearing debt to equity ratio of only -0.15 (Cash and cash equivalent is greater than Interest bearing debt.), which is better than many competitors in the market.

Strategically, in the midst of challenging situations, STGT has focused on cost reduction to increase competitiveness with the aim to expand market share to potential new markets, as well as increasing the variety of products such as low-protein natural latex gloves, surgical gloves and other specialty gloves in order to meet all the needs of users and further expand its market.

In terms of business operations, STGT has always recognized the importance of environment, social responsibility and corporate governance along with business operations according to ESG principles. In addition to the achievements in 2022, as evidenced by a significant increase in the ESG Score from S&P Global, the Company remains committed to continuing its focus on conducting business with ESG values and is determined to be a leader in the rubber glove industry in all aspects of ESG.

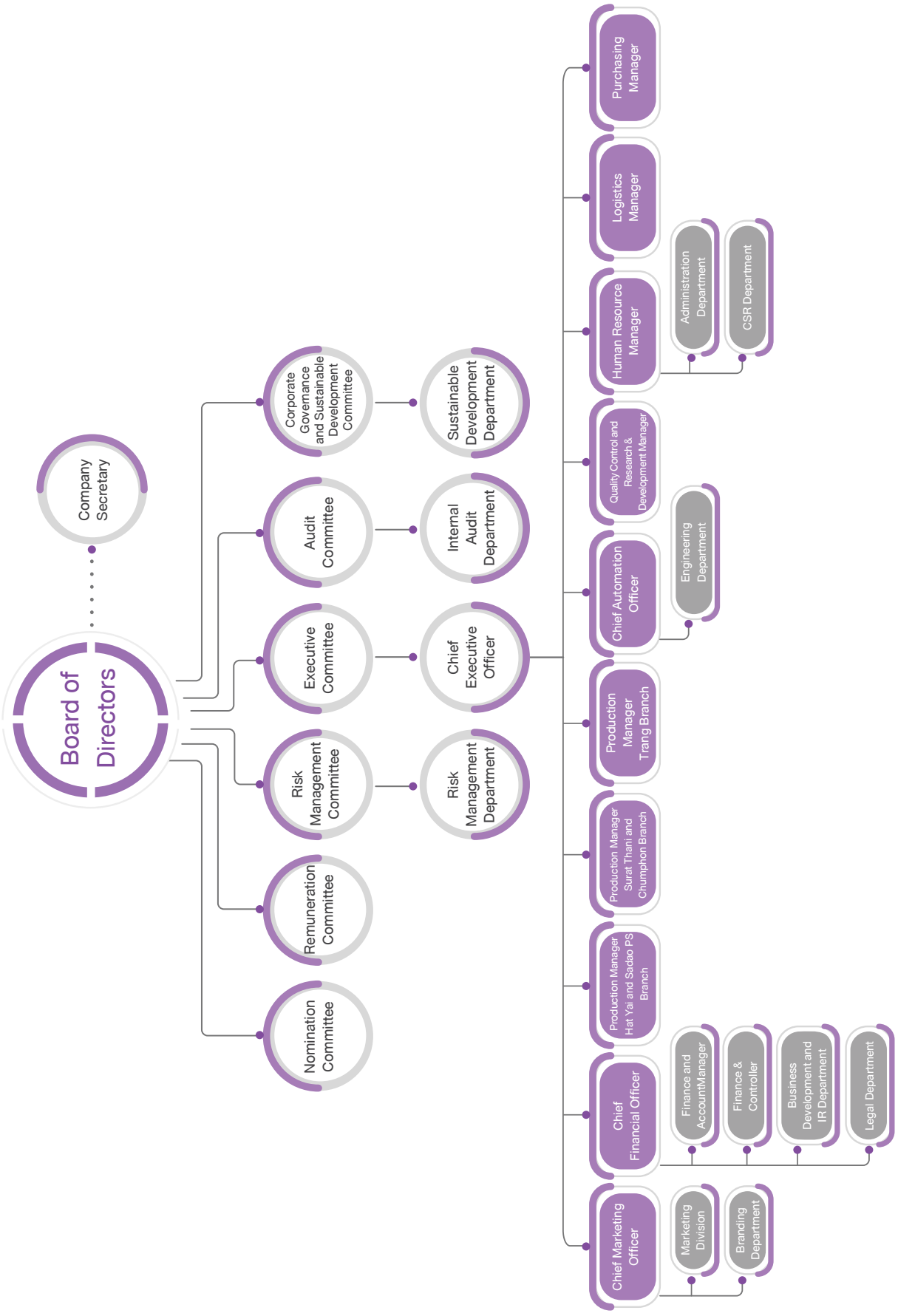
- **Environment:** In addition to producing gloves using environmentally friendly energy as mentioned, in 2022 STGT also issued its first green bond with an amount of THB 1,500 million to promote environmental projects. This has been well received by investors, reflecting the confidence of investors towards the Company.
- **Social:** STGT recognizes and takes into account human rights and well-being of employees at all levels without discrimination. This has also been extended to surrounding communities for sustainable coexistence between businesses and communities.
- **Governance:** It is with great pride that STGT has upgraded its corporate governance score to 5 stars or excellent for the first time this year, while also still being selected as 1 of the Sustainable Stocks (THSI) for the 2nd consecutive year.

With STGT's experience, expertise and competitive advantages over competitors, whether in terms of products, supply chain, outstanding ESG strength, financial strength and the drive to never stop developing, the Company believes that it will definitely be able to get through this challenging time.

STGT would like to thank all stakeholders for providing steadfast support to the Company and we sincerely hope to receive continued support from all parties in the coming years so that we can achieve sustainable growth together.

Organization Chart

As of 31 December 2022, details of the Company's management structure are as follows:



Board of Directors



Professor Dr. Weerakorn Ongsakul

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



Mr. Kitichai Sincharoenkul

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



Dr. Viyavood Sincharoenkul

Director /
Chairman of Executive Committee



Mr. Anan Pruksanusak

Director /
Member of Executive Committee



Mr. Veerasith Sinchareonkul

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



Mr. Vitanath Sincharoenkul

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



Ms. Jarinya Jirojkul

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



Ms. Thanawan Sa-ngiamsak

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



Mr. Chia Chee Ping

Director



Mrs. Unakorn Phruithithada

Independent Director /
Member of Audit Committee



Gen. Bundit Boonyapan

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



Mr. Thanatip Upatising

Independent Director

Executives



Ms. Jarinya Jirojkul
Chief Executive Officer
Acting Production Manager Trang Branch
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. Phanlert Wangsuphadilok*
Chief Automation Officer



Mr. Asom Aksornnam
Production Manager Hat Yai Branch



Mr. Chalermchai Norsakul
Production Manager
Surat Thani Branch



Ms. Oralak Thinnakornsutibut
Finance and Account Manager / Accountant



Mr. Somrat Thapnual
Human Resource Manager



Ms. Amornrat Awato
Purchasing Manager



Ms. Worasa Maijaidee
Logistics Manager

* The appointment effective on 1 January 2023.

Financial Highlights

Gloves revenue THB 22,896.3 million

37.2 %



Natural Rubber Powdered Glove (NRPD)

39.5 %



Natural Rubber Powder Free Glove (NRPF)

23.3 %



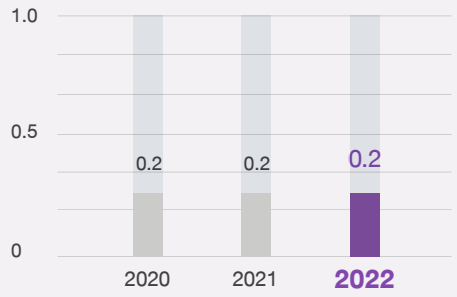
Nitrile Butadiene Rubber Glove (NBR)

(UNIT : THB million)	FY 2020	FY 2021	FY 2022
STATEMENT OF COMPREHENSIVE INCOME			
Revenue from sale of goods and services	30,552.4	47,550.8	**23,304.8**
EBITDA	17,200.1	27,251.1	**3,519.9**
Profit (loss) before tax	15,964.4	25,876.6	**1,883.5**
Profit (loss) for the year	14,415.7	23,704.2	**1,652.1**
STATEMENT OF FINANCIAL POSITION			
Total assets	44,235.9	51,302.8	**48,528.5**
Total liabilities	11,975.5	13,089.7	**11,717.8**
Total equities	32,260.4	38,213.1	**36,810.7**
FINANCIAL RATIOS			
Gross profit margin (%)	55.3	59.4	**18.3**
EBITDA margin (%)	56.3	57.3	**15.1**
Net profit margin (%)	47.2	49.9	**7.1**
Net debt to equity ratio (times)	(1.0)	(0.4)	**(0.1)**
Net Interest bearing debt to equity ratio (times)	0.2	0.2	**0.2**
Return on Equity (%)	78.6	67.3	**4.4**
Return on Asset (%)	50.2	49.6	**3.3**
Dividend Payout Ratio (%)	54.8	54.8	**147.2**

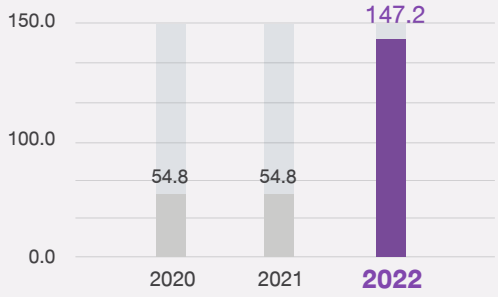
Sales Volume (million pieces)



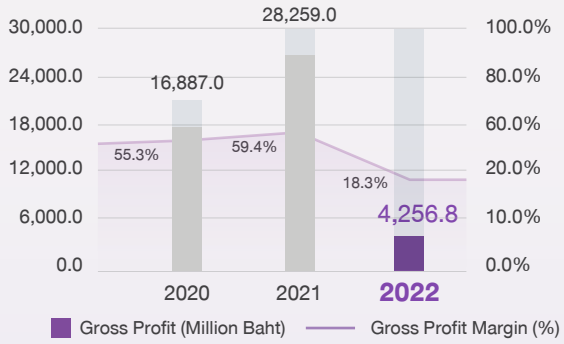
Interest Bearing Debt to Equity Ratio (times)



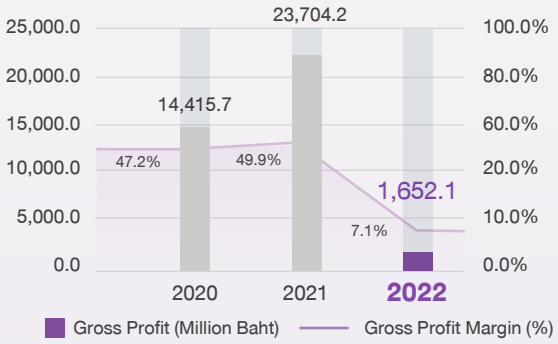
Dividend Payout Ratio (%)



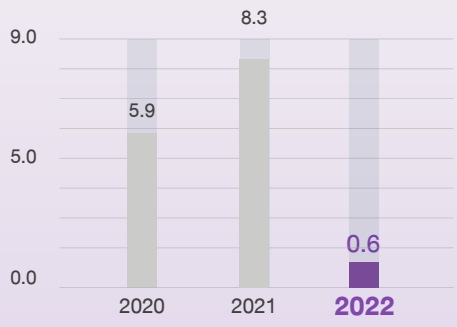
Gross Profit (THB million)



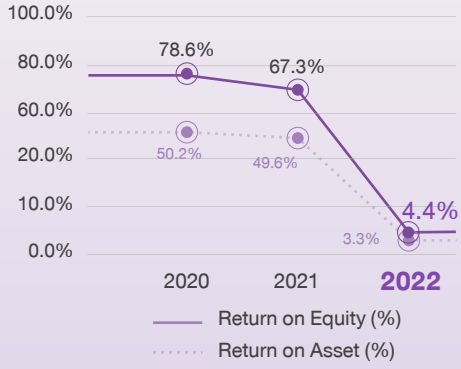
Net Profit (THB million)



Earning per Share (THB)



Returns (%)





1

Business Overview and Performance

1 Business Structure and Operations

Policy and Business Overview

Engaging business across the world



Thailand's Largest and 1 in 5 largest glove producer in the world



Since 1989

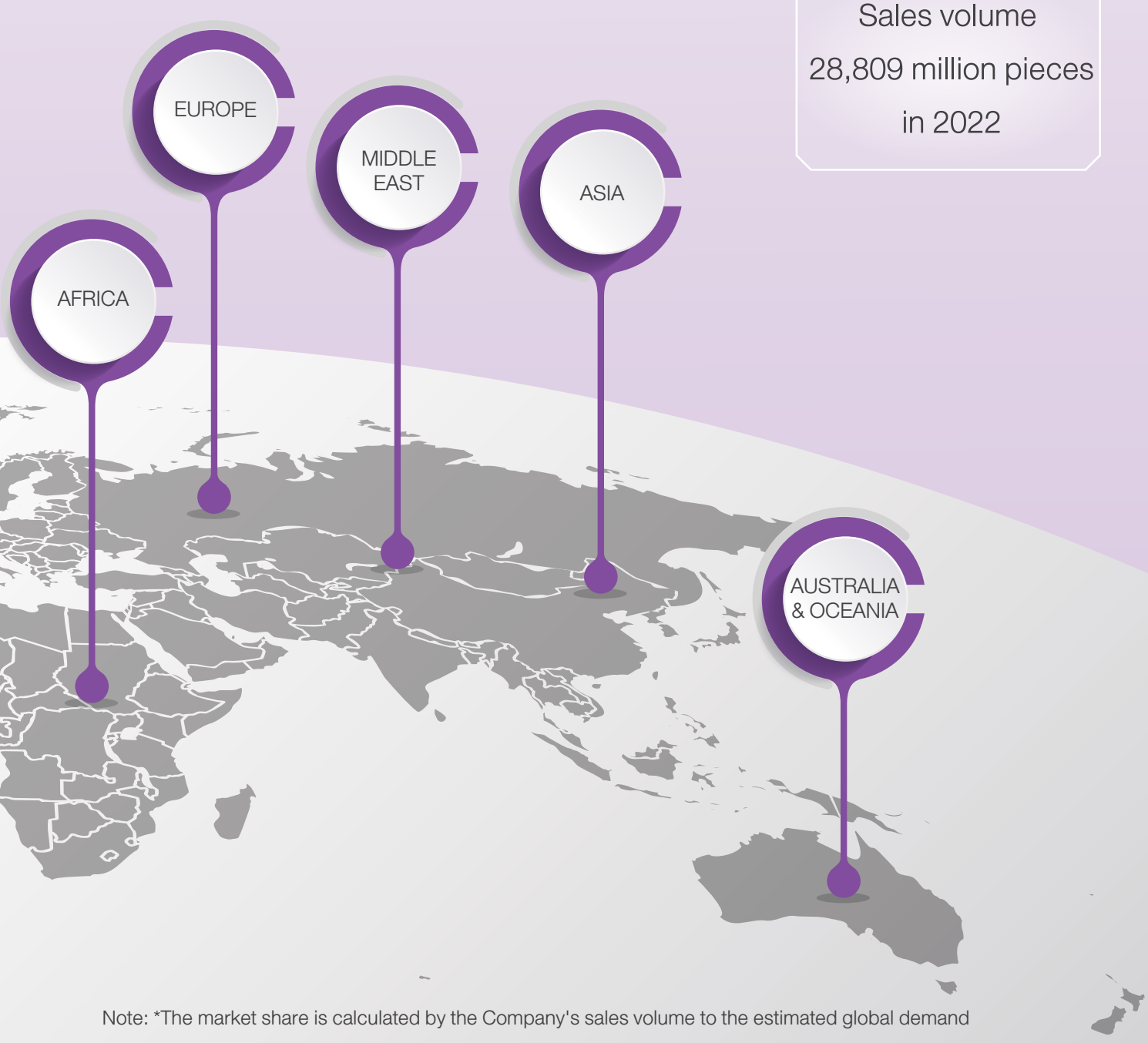
7.2%*
market share

6
Factory locations

Installed Capacity
52,500 million pieces
per year

Export to more than
170 countries

Sales volume
28,809 million pieces
in 2022



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 2022 at 399 billion pieces.

Vision, Mission and Core Value

1.1.1 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.



1.1.2 Mission

2021 was the best ever in the history of Sri Trang Group and it will not be the last.

Covid-19 will still be with us for a while and we are learning how to manage and live with it either through vaccination or adopting to different types of behavior. More than 90% of our people have been vaccinated with 2 doses and we are still starting with 3rd booster dose and the whole exercise should be completed by January 2022. We will do whatever it takes to make our people safe and healthy.

Having able stay healthy and strong, we will use this opportunity to speed up and to scale up our operation and expansion into the next level.

1.1.3 Core value

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.



"Specialty and Teamwork In Giving "Touch Of Life"

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

1.1.4 Business Strategy & Future Growth Plan

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

(a) 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 32,619 million, 40,317 million and 52,527 million pieces per year in 2020, 2021 and 2022, respectively, representing an average annual growth of 19% during 2015 – 2022. In addition, the Company has adjusted capacity expansion plan of its rubber gloves to a total installed capacity of approximate 56 billion pieces per year by 2024, through investment in expanding production capacity in the Company's current production plant area. 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 2022 at 4 pieces per person per year and 6 pieces per person per year, respectively, while in the United States and European countries, the consumption rate of rubber gloves per capita was 233 pieces per person per year and 93 pieces per person per year respectively, etc. (2) These countries start focus on the development of public health and sanitation systems in the country. (3) The

purchasing power in these countries tend to increase continuously as can be seen from the rate of gross domestic product per capita, which is significantly higher than the developed countries. and (4) such countries are predominantly using natural rubber gloves which are of the quality that meets their intended use and are cheaper than nitrile gloves, thereby being in line with the strategy of the Company in expanding production capacity by focusing mainly on expanding production capacity and developing natural rubber gloves, while maintaining an appropriate proportion of production capacity of nitrile rubber gloves.

The Company has continuously expanded its retail distribution of rubber gloves in various countries around the world in order to increase the proportion of sales of its branded products. In 2022, the Company established an additional subsidiary in the Philippines, namely Sri Trang Gloves Philippines Inc., to meet domestic consumption needs, as well as to increase brand awareness of the Company's products, adding to existing markets such as the People's Republic of China, the United States of America, Vietnam, Singapore and Indonesia, etc.

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.

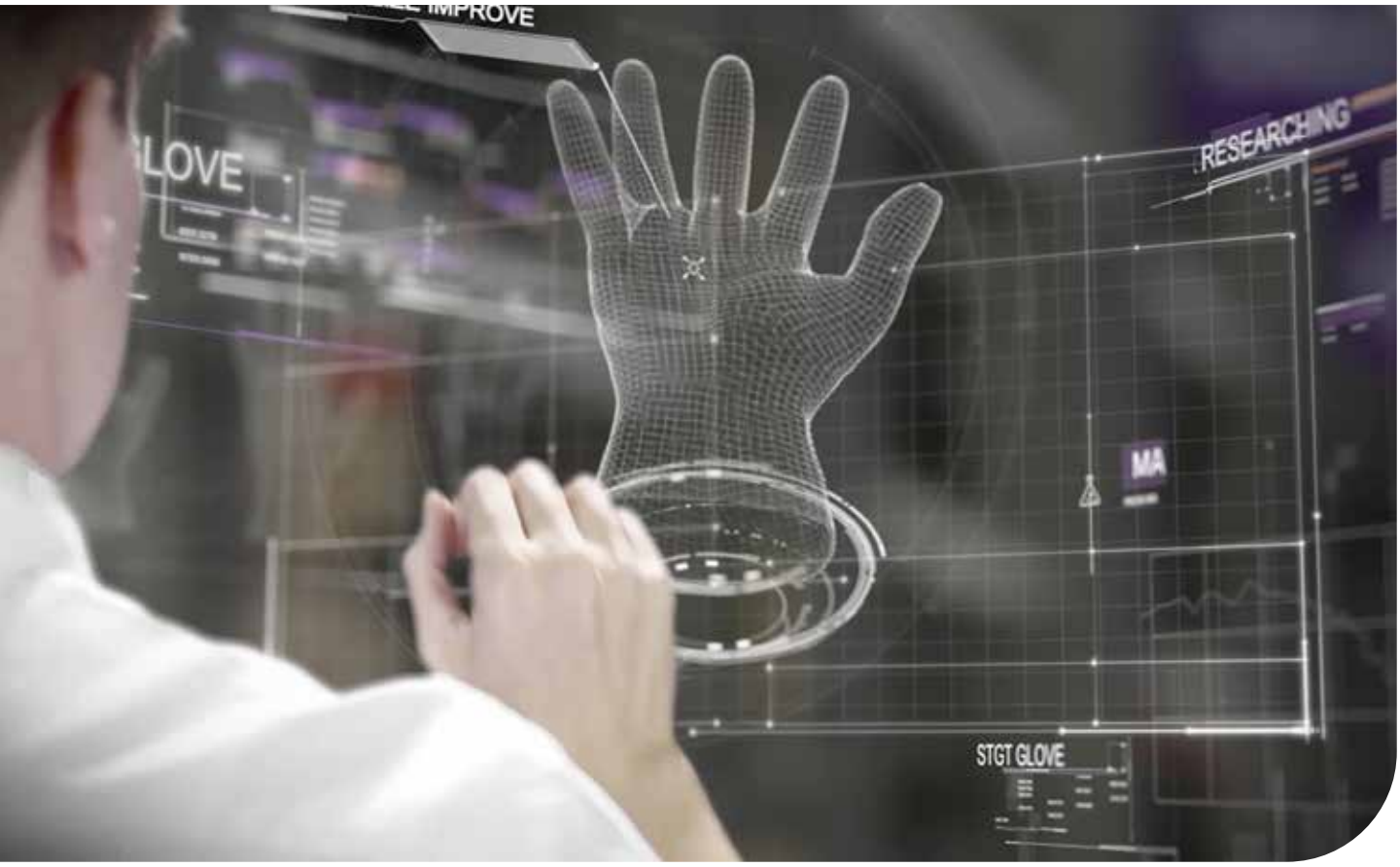
(c) Increasing the proportion of OBM as well as expanding the business to a new base of customers

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 20%, 28%, and 26% in 2020, 2021 and 2022 to a minimum of 50% within the next 4 years. Not only to promote the products under the trademarks of the Company, selling more OBM will also reduce costs relating to less complexity of production and packaging arrangement.

In addition, the 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 industry and country.

(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.



(e) Introducing new products

The Company attaches great importance to research and development of various innovations to meet the needs of consumers, such as Non-Detectable Protein Gloves which are free from proteins that cause allergies and have been available in select countries throughout 2022. Also, the Company sees an opportunity for surgical gloves to meet growing demand, both domestically and internationally. Because consumption of surgical gloves in Thailand is currently 100% imported, the Company therefore plans to produce this type of gloves for sale first within Thailand with the sales target set at 20 million pairs per year. In the past year, the Company has already secured licenses from various organizations and is expected to start selling from the first quarter of 2023 onwards. Long cuff gloves are another product slated by the Company to penetrate new markets that are interested in its application in other new industries aside from the medical industry and protein allergy-free gloves under the concept of Clean World Clean Gloves (CWCG), to reinforce the model of an environmentally and friendly rubber glove manufacturer and an exemplar of a major global green organization.

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

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

1) sustainable sourcing that focuses on procuring quality raw materials from production sources or suppliers with ESG practices, operating with environmental and social responsibility whereby there is an effective environmental management system and standards to prevent and mitigate environmental impacts, including the conservation of forests and areas with high conservation value. There must also be safety management standards, fair labor practices, respect for human rights, compliance with legal and regulatory requirements, as well as various international standards of best practice. For example, the Company uses concentrated latex from Sri Trang Agro-Industry Public Company Limited, which is selected from legal rubber sources and has an environmentally friendly production process.

2) Emphasis is placed on environmentally and friendly manufacturing using 100% renewable energy from biomass fuel to produce heat from the boiler and installing solar panels for the production process in order to reduce greenhouse gas emissions. There are also effective systems to prevent air pollution and provide efficient water and waste management, as well as focusing on adding value to waste or unused materials according to the circular economy principle including logistics management from the selection of factory locations close to the source of raw materials to manage transport routes efficiently, reduce unnecessary transportation as well as reducing fuel consumption in transporting raw materials and products so as to help minimize greenhouse gas emissions from transportation activities.

3) Adherence to human dignity and social responsibility by promoting employee diversity, respecting human rights in business operations, promoting comprehensive human rights checks and cultivating a culture of safety in the workplace as well as implementing social programs in various forms to help solve social problems.

As for the concept of "Clean Gloves", the Company focuses on producing quality gloves that are clean and reflect responsibility for the environment and consumers through performance in 2 main areas, namely



1) clean optimization which focuses on reducing the use of chemicals in the production process and strives to innovate and develop natural latex glove production technology by minimizing key allergenic proteins which, to date, has resulted in no sensitizing protein value being detected in the natural latex gloves in compliance with international medical standards and food hygiene standards; and



2) production of clean natural products whereby the Company focuses on using renewable raw materials to produce low-carbon glove products.

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

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



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

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

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

ARE

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

The Company has set its sustainability goals as follows.

The Environment

- Reduce total greenhouse gas emissions (scope 1 and 2) per product unit by 10% from the base year 2021 by 2026.
- Reduce electricity consumption per product unit by 10% from the base year 2019 by 2024.
- Reduce water consumption per product unit by 10% compared to the base year 2019 by 2024.
- Reduce total waste per product unit by 20% from the base year 2019 by 2024.

Social

- The number of fatalities at work of employees and contractors is zero.
- The number of employees suffering from occupational diseases is zero.

Further information on sustainability guidelines and performance can be found in the 2022 Sustainability Report.



History and Corporate Structure

1.2.1 History

Our Company was formed on 1 April 2019 through the Amalgamation of Sri Trang Gloves (Thailand) Co., Ltd. and Thaikong 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 2022, the Company has a total six rubber gloves factories located in Thailand i.e. Hat Yai Factory located at Hai Yai District, Songkhla Province, Surat Thani Factory, Kanchanadit District, Surat Thani Province, Trang Factory, Kantang District, Trang Province, Sadao PS Factory, Sadao District, Songkhla Province, Anvar Factory, Sadao District, Songkhla Province, and Chumphon Factory, Pathio District, Chumphon Province with a total of 205 integrated production lines and installed capacity of 52,500 million pieces of rubber gloves per year.




SGX


SGX

1.2.2 Key Milestones

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.

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.

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 registered with the registered capital of THB 625.00 million.

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 in Indonesia.
- The Company has established new subsidiary in Vietnam named SRI TRANG GLOVES VIETNAM COMPANY LIMITED, for the purpose of distribution of gloves in Vietnam.
- 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.

2022

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

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.

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.

2005

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

2003

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

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 TÜD SUD Group

2020

- Hat Yai Branch Factory increased its production lines by another 6, completing a total of 100 production lines.
- Trang Branch Factory increased its production lines by another 7, completing a total of 24 production lines.
- The Company has been listed to the Stock Exchange of Thailand (SET).
- The Company has been changed of par value from THB 1.00 per share to THB 0.5 per share according to the shareholders' approval.

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.

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.

Key Milestones and Activities 2022

STGT goes green as it debuts the first green bond and receives an overwhelming response, and has been awarded "Best New Green Bond" from The Asset Triple A Awards

The Company received the notable success of the Company's first green bond issuance which received an overwhelming response with 2.39 times oversubscriptions. The successful issuance is in the collaboration with Bank of Ayudhya PCL. The green bond issued and offered by STGT is name-registered, senior and unsecured, and with bondholders' representative. It is offered to institutional and/or high-net-worth investors in the total amount of THB 1,500 million, much higher than the original target of THB 1,000 million due to strong interest from the investors. In addition, the Company has been awarded "Best New Green Bond" from The Asset Triple A Awards, emphasizing the achievement of our first green bond.

The issuance of green bond is the first time of the company. The proceeds from bond issuance will be used to invest in or refinance part or all of the new or existing projects which have been initiated not exceeding 2 years before the offering date of the green bond. The environmental projects of the company include: 1) Renewable Energy; 2) Pollution Prevention and Control; 3) Energy Efficiency; 4) Sustainable Water and Wastewater Management; and 5) Clean Transportation. In this regard, the Company received a credit rating of "A" with "Stable" Outlook by TRIS Rating Company Limited.







STGT was rated THSI Sustainable Stock for the second consecutive year with a set goal to further develop and elevate sustainability for the organization

With the selection of the Company as "THSI Sustainable Stock" or Thailand Sustainability Investment 2022 in the category of consumer products for the second consecutive year by the Stock Exchange of Thailand, it is evident that the Company conducts business with regard to ESG principles, namely the environment, society and corporate governance, alongside business management to generate profits with a focus on environmentally friendly business processes and social responsibility.

Developing "CWCG" Product (Clean World Clean Gloves) or Non- Detectable Protein Gloves by focusing on environmentally friendly production processes

The Company attaches great importance to continuous research and development of various innovations and has developed new products such as CWCG (Clean World Clean Glove) gloves or protein-free gloves (Non-Detectable Protein Gloves), which has been certified by research institutes in many countries and has commenced sale in some countries throughout the year 2022 and most importantly, CWCG gloves are products that have an environmentally-friendly manufacturing process using 100% renewable energy from biomass fuel to reduce greenhouse gas emissions and to reinforce the model of an environmentally-friendly rubber glove manufacturer, an exemplar of a major global green organization.

Continuous expansion of its customer base while strengthening in Asia and America

In 2022, the Company continued to expand its customer base both domestically and internationally, by establishing 2 additional subsidiaries in aboard i.e. **SRI TRANG GLOVES PHILIPPINES INC.**, a company established in Philippines, **SRI TRANG RESPONSIBLE GLOVES SUPPLY INC.**, a company established in United States, to distribute rubber gloves in those countries 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.

1.1.3

(a) Utilization of Proceeds from the Equity Instrument

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 and 2nd year after the IPO under STGT ESOP in the amount of THB 241.46 million. The Company would like to report the utilization of such increased capital ended of 31 December 2022 as follows:

(Unit: THB Million)

Use of Proceed	Estimated Utilization	Proceed under STGT ESOP	Actual Utilization During Period of 29 Jun 2020 – 31 Dec 2022	Balance
1. For latex gloves production capacity expansion and production lines improvement and investment in future projects of the Company and its subsidiaries.	11,100.00	-	11,100.00	0.00
2. 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
3. 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
4. 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	241.46	1,308.24	0.00
Total	**14,595.38**	**241.46**	**14,836.85**	**0.00**

(b) Utilization of Proceeds from the Debt Instrument

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

Utilization	Approximate Amount (THB Million)	Approximate Period	Details / Progress
For investment in the environmental projects in relevant to the business operation	1,500	Within 2027	As of 31 December 2022, the Company has utilized the proceeds from green debentures issuance in the amount of THB 281.19 million for the investment in environmental projects of the company include: 1) Renewable Energy; 2) Pollution Prevention and Control; 3) Energy Efficiency; 4) Sustainable Water and Wastewater Management; and 5) Clean Transportation.

1.1.4 Commitment

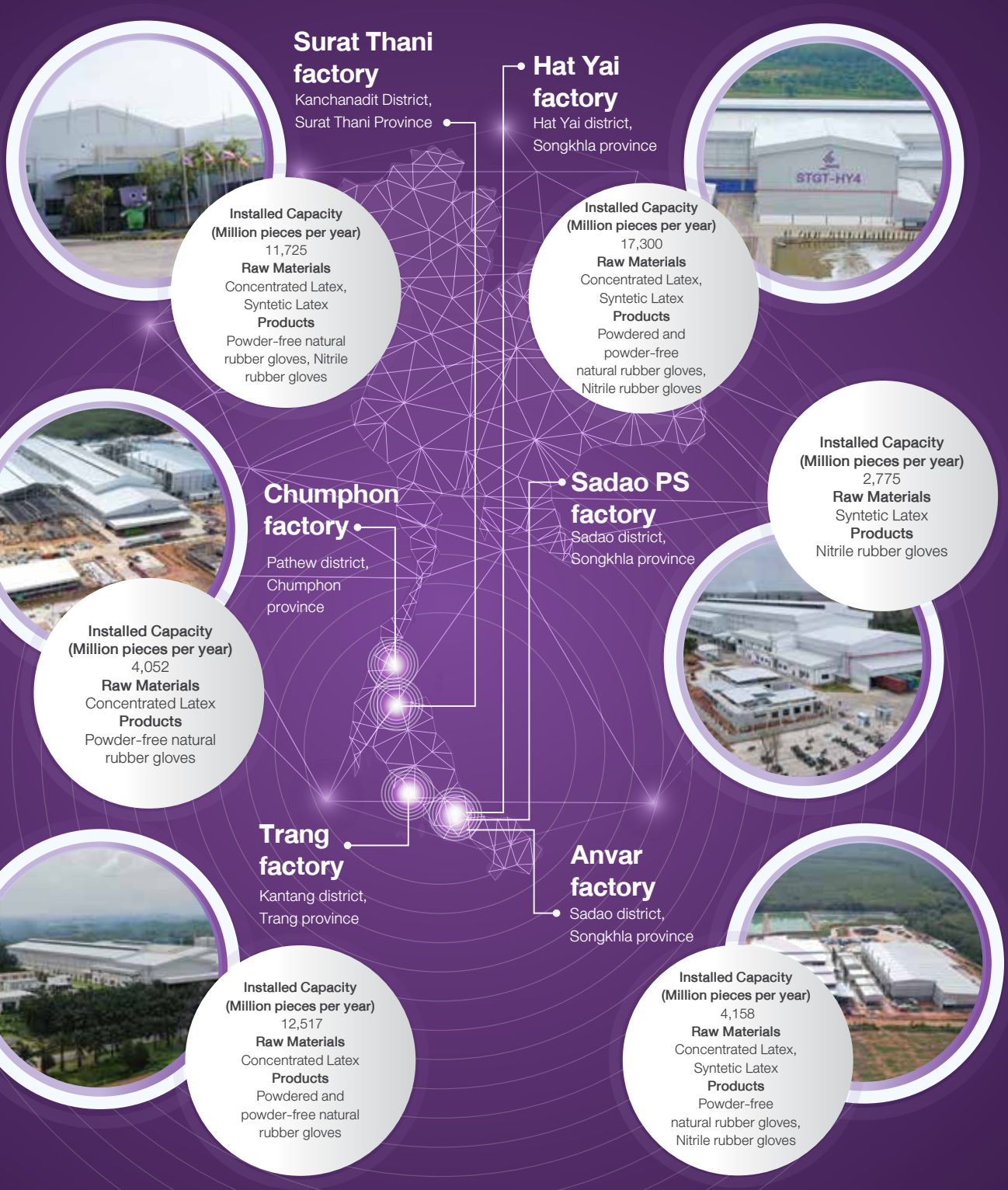
-None-

1.1.5 General Information

Name of company	:	บริษัท ศรีตรังโกลฟส์ (ประเทศไทย) จำกัด (มหาชน)
	:	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 1,432,589,955
Total number of ordinary shares outstanding	:	2,865,179,910 Shares
Par value	:	THB 0.50
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	:	17th 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

1.2 Nature of Business

The Company operates the business of manufacturing and distributing rubber gloves for medical use and in other industries. The main products are natural rubber powdered gloves (NRPD), natural rubber powder free gloves (NRPF) and nitrile butadiene rubber gloves (NBR). Most of the rubber gloves that the Company manufacture and distribute are under medical specifications. As of 31 December 2022, the Company has a total installed capacity of approximately 52,500 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.



1.2.1 Revenue Structure

The revenue from the Company's business consists of (1) revenue from the business of manufacturing and distribution of NRPD and NRPF gloves (2) revenue from the business of producing and distributing NBR gloves and (3) other income. The Company's revenue structure can be shown as follows.

Revenue	Consolidated Financial Statements for the Year Ended 31 December					
	2020 (Restated)		2021		2022	
	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	10,875.9	35.1	16,066.6	33.0	8,543.6	35.9
• Revenue from manufacturing and distribution of NRPF gloves	7,306.9	23.6	11,655.0	24.0	9,090.2	38.2
• Revenue from manufacturing and distribution of NBR gloves	12,222.4	39.4	19,716.0	40.6	5,356.2	22.5
Effect from cash flow hedge accountings	-	-	-	-	*(93.6)*	*(0.4)*
Total revenue from the production and distribution of rubber gloves	*30,405.1*	*98.1*	*47,437.6*	*97.6*	*22,896.3*	*96.3*
2. Revenue from services[1]	147.3	0.5	113.2	0.2	408.5	1.7
Total sales revenue	*30,552.4*	*98.6*	*47,550.8*	*97.8*	*23,304.8*	*98.0*
3. Other income[2]	447.9	1.4	1,067.2	2.2	471.9	2.0
Total revenue	**31,000.3**	**100.0**	**48,617.9**	**100.0**	**23,776.7**	**100.0**

Note:

[1] *Revenue from services between PSE and company (which is not under our Group).*

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

Details of sales volume of rubber gloves of the Company (including NRPD, NRPF, and NBR gloves) for the year ended 31 December 2020, 2021 and 2022

(Unit: million pieces)	Consolidated Financial Statements for the Year Ended 31 Dec 2020	Consolidated Financial Statements for the Year Ended 31 Dec 2021	Consolidated Financial Statements for the Year Ended 31 Dec 2022
Sales Volume of NRPD, NRPF, and NBR Gloves	27,964.8	27,275.5	28,808.9

1.2.2 Details of Products

1) Products and Services

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

(1) Manufacturing and distribution of natural rubber gloves

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

(1.1) Natural Rubber Powdered Glove (NRPD): These are NR gloves that are coated with powder on the inside for donning comfort. In most cases, corn flour is used as the raw material as it does not contain any harmful substance and is food safe. In addition, the production process for NRPD is less complex than NRPF and NBR, resulting in NRPD being cheaper than the other types of rubber gloves.

(1.2) Natural Rubber Powder Free Glove (NRPF): It is an alternative product developed by using technology to coat the contact surfaces inside the rubber gloves to provide ease in wearing without cornstarch.

(2) Manufacturing and distribution of nitrile butadiene rubber gloves

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

NR gloves and NBR gloves that the Company produces and sells can be classified according to the nature of use into 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 latex gloves for medical use.

For the year 2022, the Company produces NR gloves and NBR in the form of OEM accounted for 74.4 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 25.6 percent of total revenue from the production and distribution of rubber gloves. The Company has produced and distributed natural rubber gloves and NBR gloves under the trademarks (both registered and under registration) of the Company and its subsidiaries such as Sri Trang Gloves, SRI TRANG GLOVES, Satory, I'M GLOVE, Fin, Super Care, S-Gloves, Sriex, SRITECH, Shi-Rui-Kang and Ventyv etc. The Company has the ability to produce natural and NBR gloves with a wide range of properties, ranging from size, weight, thickness, length, contact surface and other special properties such as 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 and its subsidiaries.

















Example of NBR glove products under the trademarks of the Company and its subsidiaries.

SRITRANG™ GLOVES



SRITECH



Ventyv™



SRITRANG SATORY



I'M GLOVE™



Sriex™



Super Care™



GLOVES



Tax Benefit

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

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

Innovation and Dissemination of Innovation

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 which is not limited to creation of new product but including the change of ideas or improvement to work procedures for added value and/or reduce costs and using resources of the business. The objective of an innovation is to cause a positive change for better. The Company adopts the following guidelines on 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, chance and develop a new business innovation.

(2) New innovations that are beneficial for the society and the environment are disclosed to the public to encourage other business operators to follow and to strengthen and expand the social and environment responsibility in wide range.

(3) Solutions will be analyzed, and innovations will be regularly and continuously studied to increase the chance of new innovations being developed to respond to the need of the customers and business growth.

The Company has the main objectives and goals of R&D 3 parts as follows:

Innovation Development Project in Year 2022	
- To increase competitive efficiency (increase production efficiency and reduce costs)	44 projects
- To promote sustainability and environmental friendliness	3 projects
- To create business opportunities and support new businesses	3 projects
Total projects *	**50 projects**

**Including 19 continue project from last year*

Our research and development expenses for the year 2022 is in the amount of **THB 15.3 million**

Development of New Products Project

Rubber glove consumer have a various usage to protect the hand and product contamination in medical, industrial, and household field to meet the needs of consumers. The Company has developed and innovated the new products to meet the requirement of consumers across various usage such as Surgical natural rubber glove, Low protein natural rubber glove, Natural and Nitrile glove length 300 mm, Nitrile Accelerator-free glove, Nitrile Silicone-free glove and Natural and Nitrile Black color Non-detectable PAHs. In year 2022, the company has new product sale THB 1.16 billion. In addition, the Company seeks to continually improve the quality of our gloves in accordance with international quality standards and the country specific quality standards.





Automation Project

The Company has promoted and invested in automation and digitalization to improve productivity, the production process have more efficiency, maximize efficiency the limited of resource, reduce our reliance on manual labor, reduce the production costs, easy to access the information to make quick decision and enhance competitive ability such as warehouse management system of stock packaging, chemical online control, auto packing (auto stacking and layering, auto inner box, auto cartoning and sealing), Glove Vision Defect Detection, Auto Mixing, SCADA, IoT of production, customer relationship management program, web content management system, etc.

Environment Friendly Project

The company have the idea about “Clean World Clean Glove” and designed the new glove with clean and friendly to the consumers. The Company develop new product from natural rubber with environment process and meet the customer requirement. This new designed rubber glove is made from natural rubber, non-detectable allergen protein, non-sensitizer and irritant, no heavy metal and chemical residue on glove, safe to use with food, no chlorination process, no chloride residue, biodegradation, Reduce Carbon Footprint, Biomass Fuel Used (No synthetic Oil) and reduce the chemical usage.

The Company has promoted and invested the digitization technology to converting the information from “Analog” to “Digital” of working process and document such as Electronic Approval program that can reduce the paper usage 60% in year 2022.

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 Competitions

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

Revenue from production and distribution of natural and nitrile rubber gloves in each continent for the year ended 31 December 2020, 2021, and 2022 which can be classified according to the source of income as follows:

Revenue from production and overseas distribution	2020		2021		2022	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Asia Pacific	11,096.9	36.5	13,388.8	28.2	9,530.0	41.5
North America	7,561.5	24.9	17,563.5	37.0	4,618.0	20.1
Europe	6,457.9	21.2	7,339.8	15.5	3,752.3	16.3
South America	3,041.3	10.0	5,317.0	11.2	3,214.2	14.0
Middle East	1,119.9	3.7	1,469.9	3.1	780.8	3.4
Africa	860.4	2.8	2,080.5	4.4	941.5	4.1
Australia and Oceania	267.2	0.9	278.0	0.6	153.1	0.7
Total	**30,405.1**	**100.0**	**47,437.6**	**100.0**	**22,990.0**	**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 OEM contract manufacturing as follows:

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

The Company distributes natural and nitrile rubber gloves under the trademark (both registered and under registration) of the Company and the Company's subsidiaries such as SRI TRANG GLOVES, Satory, I'M GLOVE, Fin, Super Care, S-Gloves, Sriex, Shi Rui Kang and Ventyv in Thailand and overseas. Most are distributed through dealers with high potential in each country which includes both third-party distributors and subsidiaries of the Company. (The Company is required to sell some rubber gloves through STA in 2022 due to the outstanding works that have not yet been delivered under the bidding agreement undertaken by STA in Thailand since 2020.) In this regard, the distributors will distribute products to consumers through various channels such as hospitals, pharmacies and medical equipment outlets, clinics and restaurants, etc.

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



(b) Rubber gloves under OEM contracted manufacturing

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

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

However, most of the Company's income comes from the OEM contracted production of rubber gloves, with revenues from the OEM production of rubber gloves and from the production and distribution of rubber gloves under the trademark of the Company and the Company's subsidiaries for the year ended 31 December 2021 representing 72.1% and 27.9%, respectively, of total revenue from the production and distribution of rubber gloves, and for the year ended 31 December 2022 representing 74.4% and 25.6% of the total income, respectively.

Revenue from (1) manufacturing and distributing rubber gloves under the trademark of the Company, its subsidiaries and companies in the STA group and (2) OEM contracted manufacturing of rubber gloves for both domestic and foreign customers for the year ended 31 December 2020, 2021 and 2022 can be classified as follows:

Revenue	2020		2021		2022	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Revenue from production and distribution of rubber gloves under the trademark of the Company's and its subsidiaries	6,011.0	19.8	13,215.9	27.9	5,896.4	25.6
Revenue from OEM contracted manufacturing	24,394.1	80.2	34,221.6	72.1	17,093.6	74.4
Total revenue from production and distribution of rubber gloves	**30,405.1**	**100.0**	**47,437.6**	**100.0**	**22,990.0**	**100.0**

Industry and Competition

Overview of the rubber glove industry



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

(1) Medical Gloves

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

- **Latex gloves for surgical use (Surgical Glove) are single-use,** disposable rubber gloves that are sturdy, of elbow length, produce in both left- and right-hand feature, and must be sterilised by gamma rays. The production of surgical gloves requires relatively advanced technology as a higher degree of cleanliness and quality is necessary as compared to rubber gloves used in general examinations. Surgical gloves are generally made of natural rubber.
- **Latex gloves used in general examinations (Examination Glove) 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 wearers who are allergic to natural rubber and/or powder.

(2) Industrial Gloves

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

(3) Household Gloves

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

Demand of the Rubber Glove Industry

In the past, the demand for rubber gloves has grown steadily in all industries, averaging between 8% and 12% per year. Whether it is the medical industry, which is the main industry that drives the demand for rubber gloves in the past, and from other industries that are growing in both variety of applications and demand volumes. Such as, food production and processing industry, electronics, restaurants, beauty treatments, and any services with hand touches. During the outbreak of the Coronavirus 2019 (COVID-19), the market demand for rubber gloves has grown exponentially, which is considered to be above-average growth in general compared to the period before the outbreak. However, the Company believes that the demand for the rubber glove industry continues to grow at an average rate between 8% and 12% per year compared to the base year before the Coronavirus 2019 (COVID-19) outbreak. The growth was caused from 2 main factors (1) the growth of healthcare industry and other industries and (2) the growth in usage of hygiene-related products across the world, especially among developing countries.

(1) Growth in the Healthcare Industry

Growth of the healthcare industry is a key factor supporting global demand for rubber gloves since latex gloves are essential in every stage of a medical service, such as disease screening, diagnosis laboratory tests and disease treatment procedures including the provision of other medical services. Global expenditure on health: Rising to the pandemic's challenges by World Health Organization ("WHO") reported that, in 2020, overall global spending on health has doubled in real terms over the past two decades, reaching USD 9 trillion or 10.8% of GDP (up from 9.8% in 2019). High income countries accounted for nearly 80% of global spending on health (with the United States of America alone accounting for 43.5%) which is just 15.3% of the world population. For the upper class of middle-income countries, the heath spending accounted for 16% of global health spending which coming from 33% of the world population. 8% of the world population is the lower class of middle-income countries that spent less than 4% of the global health



spending. In 2020, which was the pandemic year of the COVID-19, their average healthcare spending per capita of high income countries was up to USD 3,708 per person per year which more than low income countries of USD 39 per person per year by nearly hundred times. In addition, WHO estimates that an addition in health spending, on average, is needed for middle-income countries. In 2020, the average spending on this was between USD 125 and USD 515 per person per year.

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

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

Global access to healthcare is a growing opportunity for the medical industry, with the World Health Statistics 2022: Monitoring for Health SDGs published by the WHO, reported that the group with the highest Universal Health Coverage ("UHC") Service Coverage index is in the America region which has an index of 77.0%, while the group with the lowest UHC Service Coverage index

is a group of African countries which has an index value of 46.0%. Every year, there will be a growth on this global access to healthcare.

(1.3) The increase rate of non-communicable diseases ("NCDs")

The increasing rate of NCDs (Non-communicable Diseases) around the world is also a key factor contributing to the growth of the medical industry, resulting in constantly increasing demand for rubber gloves. According to a 2021 WHO report, NCDs killed an estimated 41 million people in the world and accounted for approximately 71.0% 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 ended of year 2019, the world is facing another serious pandemic which is the coronavirus 2019 (COVID-19). Although we are unable to control the spreading at present and the number of infected with the virus is still remaining, the severe cases and death rates are falling.

The current number of infections is still a factor that contributes to the growth of the demand for rubber gloves, because rubber gloves are important devices using for disease screening, diagnosis, lab test, and disease treatment procedures.

(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 2019, MARGMA forecasted the consumption of rubber gloves per population in developed countries will be significantly higher than in developing countries. In 2019, the consumption of rubber gloves per population in developed countries, namely the United States and European countries stood at 150 pieces per person per year and 100 pieces per person per year, respectively. However, the latest estimation from MARGMA in 2022, the United States alone consumes more than 200 pieces per person per year, while the consumption of rubber gloves per population in developing countries, namely the People's Republic of China, India and African countries are at 10 pieces per person per year, 6 pieces per person per year and 4 pieces per person per year, respectively. According to the import data of rubber gloves of these countries comparing with their population in 2022, it found that United States stood at 233 pieces per person per year or increasing more than 55% from 2019, while developing countries, namely People's Republic of China, India, and African countries, stood at 13 pieces per person per year, 4 pieces per person per year, and 6 pieces per person per year, respectively. From such details, it concludes that the consumption of rubber gloves per population increased by leaps and bounds during the Covid-19 situation. Also, It can be seen that consumption of rubber gloves in the developing countries has the potential to grow significantly due to their economic growth, increasing awareness of the importance of sanitation systems and the use of rubber gloves is still significantly lower than in developed countries. Growth in the use of rubber gloves is not limited to only for medical use, but also includes the use of rubber gloves in other industries, such as the widespread use of rubber gloves in the household, in the food industry, beauty industry and electronics industry as well as the use of rubber gloves in agriculture, etc.

Supply of Rubber Gloves Industry

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



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

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

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



(2) The adequacy and price of raw materials

The sufficiency and price of raw materials used in the manufacture of rubber gloves is another factor affecting the supply of rubber gloves 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.

(3) Rapid expansion of the gloves manufacturers in the past 2-3 years

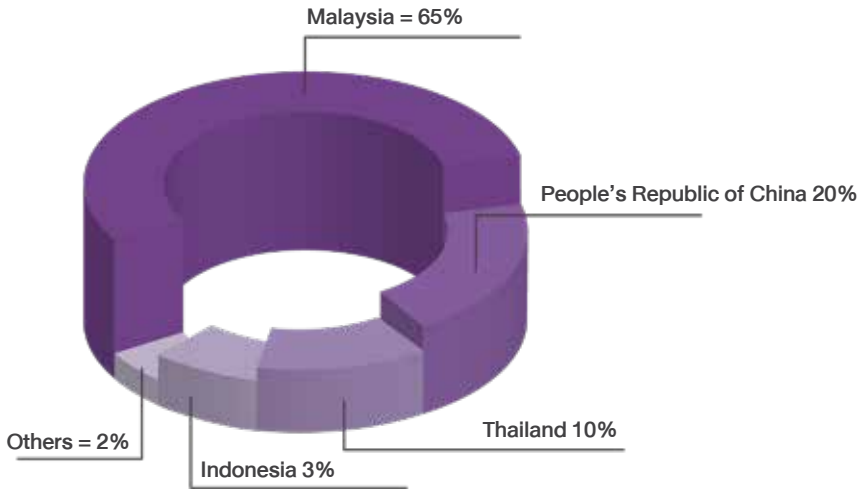
Since 2020, the demand of rubber gloves has increased rapidly during the pandemic of COVID-19. As a result, the capacity from current manufacturers cannot be served this sudden demand worldwide. The gloves manufacturers both domestic and overseas had been aware of this opportunity, so they had accelerated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

Competition in the Rubber Glove Industry

The continuously growing demand for rubber gloves during the COVID-19 pandemic has resulted in the acceleration of the production, not only from the current players but also the entrants, in order to capture the high demand. This causes a high competition of the global rubber gloves industry.

In 2022, the spread of COVID-19 persists and shows no sign of slowing down but the severity has reduced. This affects the gloves consumption to grow at a steady pace. This will cause an imbalance of the demand and supply, as a result, price competition. Most of the 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%, as shown in Figure 1.3: Estimated Market Share of Rubber Glove by Country of Manufacture in 2022.

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



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

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. Our flexible machine could be modified to match the type of products the Company produces, in order to effectively accommodate the needs of customers around the world, which could be changed according to consumer behavior. The ability to modify such production also helps promote the Company's competitive advantage compared to its major competitors in the region, especially those in Malaysia as most of the rubber glove manufacturing companies in Malaysia focus on producing and growing nitrile rubber gloves.

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

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

The Company plans to continually invest, develop and expand the production of rubber gloves, to increase production efficiency by adopting more modern production technology and to increase its production capacity of rubber gloves. During the past seven years, its installed capacity has continuously increased from an estimated 15,130 million pcs per year in 2015 to 32,619 40,317 and 52,527 million pieces per year in 2020, 2021 and 2022 respectively, or representing an average annual growth rate of 19% between 2015 – 2022. In order to response with the imbalance of the demand and supply of the gloves industry, the Company has revised the expansion plan to be 56,000 million pieces per year by 2024. In addition, increasing production efficiency and targeting the right products on the right customers will also enable the Company to maintain its leadership in the manufacture and distribution of rubber gloves and to increase its share in the global market to support the Company's long-term goals in remaining in the top 5 largest manufacturers and distributors of rubber gloves in the world.

In addition to improving efficiency, the Company's focus is mainly on the production and distribution of natural rubber gloves, along with maintaining proportion of nitrile glove production capacity as another important strategy because the Company has several advantages over its major competitors, such as (1) cost advantages from having a strategic location in key rubber plantation sites in Thailand and in the region, resulting in its cost of concentrated latex being lower than that of its competitors; (2) competitive advantage in the business of manufacturing and distributing natural rubber gloves particularly as the major rubber glove manufacturers in the region focus on expanding their production capacity and developing nitrile gloves whereas the Company has continuously focused on expanding production capacity and developing natural rubber gloves while maintaining an appropriate proportion of nitrile gloves production capacity (3) the 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. The Company and the STA Group have also 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 by sourcing from both domestic and overseas to assure the quality of the nitrile gloves will be the same or equivalent regardless of suppliers in order to meet customer needs.

4) Efficient management of production costs and transportation expenses

(a) Production cost

The Company attaches importance to production cost management since this is the main factor affecting its profitability, using a strategy for studying and experimenting to find ways to continuously reduce its production costs. One factor in the design of the Company's production process that gives it an advantage over competitors is the use of firewood, which can be easily procured in the area of the Company's production plants, as fuel to produce thermal energy for use in production while its main competitors in aboard 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 6 of the Company's factory locations 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 competitive advantage in terms of

transportation cost of concentrated latex compared to other competitors. In addition, all 6 factory locations 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 India and African countries where the estimated consumption of rubber gloves per capita in 2022 stood at 4 pieces per person per year and 6 pieces per person per year, respectively. In the U.S. and European countries, the estimated per capita consumption of rubber gloves are 233 pieces per person per year and 93 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 (1) overseas distribution focusing on retail business to gain more shares with the Company's brands. In 2022, Sri Trang Gloves Philippines Inc. has been established as another location to serve the demand locally and to give more awareness to the brands. This newly subsidiary is the addition from other subsidiaries that had been incorporated such as People's Republic of China, United States of America, Vietnam, Singapore, and Indonesia, and (2) distribution of rubber gloves via online channels to suit consumer behavior, etc.

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

The Company produces quality products both in the form of contract manufacturing (Original Equipment Manufacturing "OEM") and under the Company's and its subsidiaries' trademarks (Original Brand Manufacturing "OBM") which are distributed through a variety of suitable and different distribution channels in each market, namely distribution through the Company's subsidiaries, or through distributors, agents, including direct sales to large users such as private and public hospital groups in various countries. The Company has set a medium-term goal to increase the proportion of production and distribution under OBM from 20, 28 and 26 percent in 2020, 2021 and 2022, respectively, to 50 percent in the next 4 years. In addition to promoting products under the Company's trademarks, increasing the proportion of OBM also reduces costs and simplifies production and procurement of packaging.

7) Adding new products

The Company places importance on research and development of innovations such as allergen-free gloves or Non-Detectable Protein Gloves under the concept of

Clean World Clean Gloves (CWCG) to reinforce being an exemplar environmentally-friendly rubber glove manufacturer and a major global green organization, that have already begun to be sold in some countries throughout the year 2022. In addition to responding to the increasing demand for surgical gloves, both domestically and internationally, the Company as a leading global rubber glove manufacturer, sees an opportunity as total consumption of surgical gloves is currently 100% imported. The Company aims to initially sell within Thailand as the first country with sales target set at 20 million pairs per year. In the past year, the Company has already secured licenses from various organizations and expects to start selling from the first quarter of 2023 onward. The long-cuff glove is another product which the Company intends to bring to new markets that are interested for use in new industries besides the medical industry.

(3) Sourcing

1) Sourcing Raw Materials

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

(a) Concentrated Latex

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

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

(b) Synthetic Latex

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

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

	For the year ended 31 December		
(Unit: Ton)	2020	2021	2022
Amount of concentrated and synthetic latex used to produce the Company's rubber gloves	191,525.2	200,692.8	186,986.7

(c) Chemicals

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

(d) Packaging

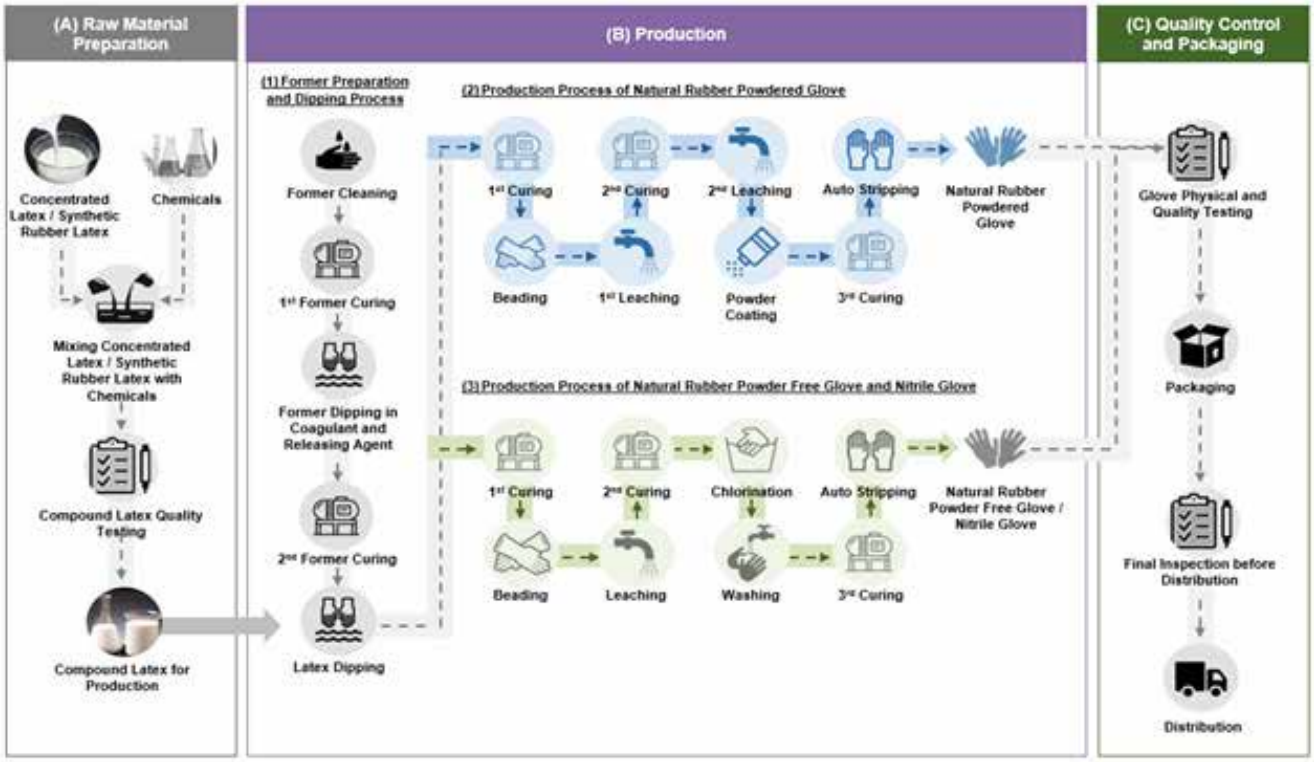
The packaging that the Company uses in its rubber glove packaging process is divided into 2 main categories: (1) packaging made from duplex paper (inner box) which is used for rubber glove products and (2) corrugated box which is used as outer packaging (outer box). The Company purchases packaging with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

(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 2022, the Company has 6 factories that manufacture rubber gloves as follows: Hat Yai Factory, Surat Thani Factory, Trang Factory, Sadao PS Factory, Anvar Factory, and Chumphon Factory. There are a total of 205 integrated production lines at all of its plants, with the installed capacity of rubber gloves of approximately 52,500 million pieces per year.

Manufacturing Factories	Products	Number of Production Lines	Installed Capacity (million pieces per year)
Hat Yai Factory	Powdered and powder-free natural rubber gloves Nitrile rubber gloves	100	17,300
Surat Thani Factory	Powdered and powder-free natural rubber gloves Nitrile rubber gloves	39	11,725
Trang Factory	Powdered and powder-free natural rubber gloves	34	12,517
Sadao PS Factory	Nitrile rubber gloves	8	2,775
Anvar Factory	Powder-free natural rubber gloves Nitrile rubber gloves	12	4,158
Chumphon Factory	Powder-free natural rubber gloves Nitrile rubber gloves	12	4,052

The total production of rubber gloves of the Company for the years ended 31 December 2020, 2021 and 2022 can be summarized as presented in the following table.

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

	For the year ended 31 December		
	2020	2021	2022
Installed capacity (million pieces per year)[1]	32,619.0	40,317.3	52,527.1
Technical capacity (million pieces per year)[2]	30,093.8	33,566.6	43,061.3
Actual production (million pieces)	28,448.5	29,314.8	27,920.1
Utilization Rate (percent)[3]	94.5	87.3	64.8

Remarks:

(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.*

Maintenance

Maintenance of the Company's rubber glove factories is planned and budgeted on an annual basis in advance. Such maintenance consists of checking the machinery condition, cleaning and scheduled replacement of parts to ensure machinery and devices work efficiently, thus reducing the risk of shutdown as well as for the safety of the operators,

whereby the Company hired Premier System Engineering Co., Ltd. (“PSE”), a subsidiary in the Company group specializing in equipment and machinery in the manufacture of rubber gloves, to provide maintenance, cleaning and inspection services of the Company's 6 branch factories which is a one-time hiring according to a predetermined plan at a service rate comparable to market prices.

7) Environment

The Company realizes and values the importance of business operation together with caring for the environment by not only producing quality products which are safe for consumers, but also committed to producing products with environmentally friendly technology, as evident from its announcement of an environmental policy and application of the ISO14001 environmental management standard system. The Company also pays attention to resource and energy conservation which is a factor affecting the emission of carbon dioxide that causes global warming. The Company’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 Factory; Waste to Value (waste sorting) project and the waste separation project, Reduce Usage = Reduce Waste, at Hat Yai Branch; the Waste Recycling Bank for Eggs project, Invention from Waste Material Contest Project, From Waste Pallets to Charcoal project, Save the World: From Ashes to Bricks Project and ceramic scraps project at Trang Branch all have the objective to campaign for employees to help find ways to reduce the use of various resources and reduce the amount of waste. As for reducing greenhouse gas emissions, the Company has initiated the T-VER project using Solar Rooftop to save electricity. Furthermore, the Company has established a Carbon footprint Organization and Carbon footprint Product aimed at reducing carbon dioxide emissions from 2021 by 10% by 2026.

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

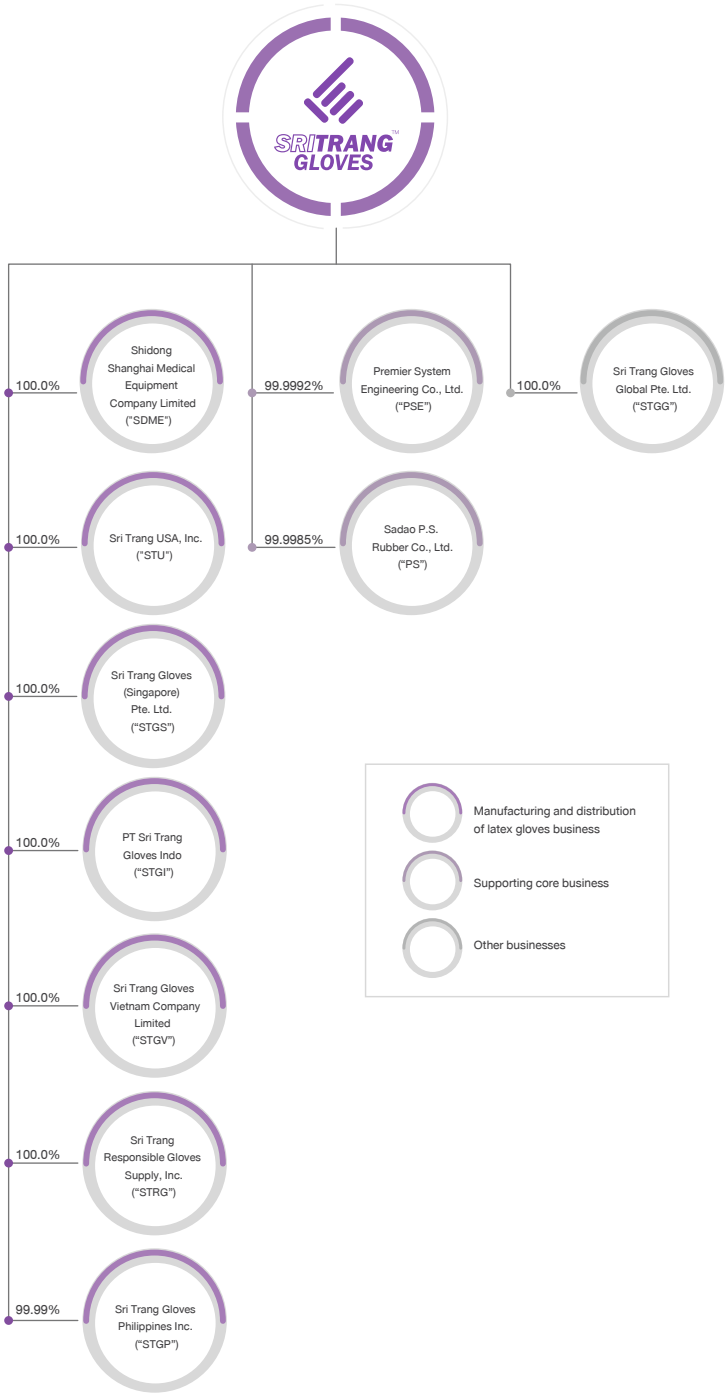
In addition to monitoring, auditing and measuring the environment within the factory and nearby areas, the Company has conducted surveys of the nearby communities to learn of and collaborate with them to solve problems. Moreover, the Company also participates in various projects of the government that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

8) Certificates

As of 31 December 2022, the Company has received more than 60 certificates that has been audited by independent industrial and trade standards organizations both domestic and overseas.

1.3 Shareholding Structure of the Group

The Company mainly engages in the business of manufacturing and distributing rubber gloves for medical and industrial purposes consisting of Natural Rubber Powdered (NRPD), Natural Rubber Powdered-Free (NRPF), and Nitrile Butadiene Rubber (NBR) gloves, as well as other businesses to support core business. As of 31 December 2022, the Company has 10 subsidiaries in total. The shareholding structure is as follows:



Remarks:

1. *The total shares of PSE are held by the Company of 99.9992 percent shares, Mr. Panlert Eangsupadilok (3 shares) and Mr. Aram Sirisuwat (1 share).*
2. *The total shares of PS are held by the Company of 99.9985 percent shares, Mr. Anek Pruksanusak (1 share), Mr. Chaiyadech Pruksanusak (1 share), Mr. Viyavood Sincharoenkul (1 share), Mr. Somwang Sincharoenkul (1 share), Mrs. Promsuk Sinchareonkul (1 share) and Mr. Kitichai Sincharoenkul (1 share).*
3. *The total shares of STGP are held by the Company of 99.99 percent shares, Mr. Veerasith Sinchareonkul (1 share), Mr. Kitichai Sincharoenkul (1 share), Ms. Thanawan Sa-ngiamsak (1 share), Mr. Chia Chee Ping (1 share).*

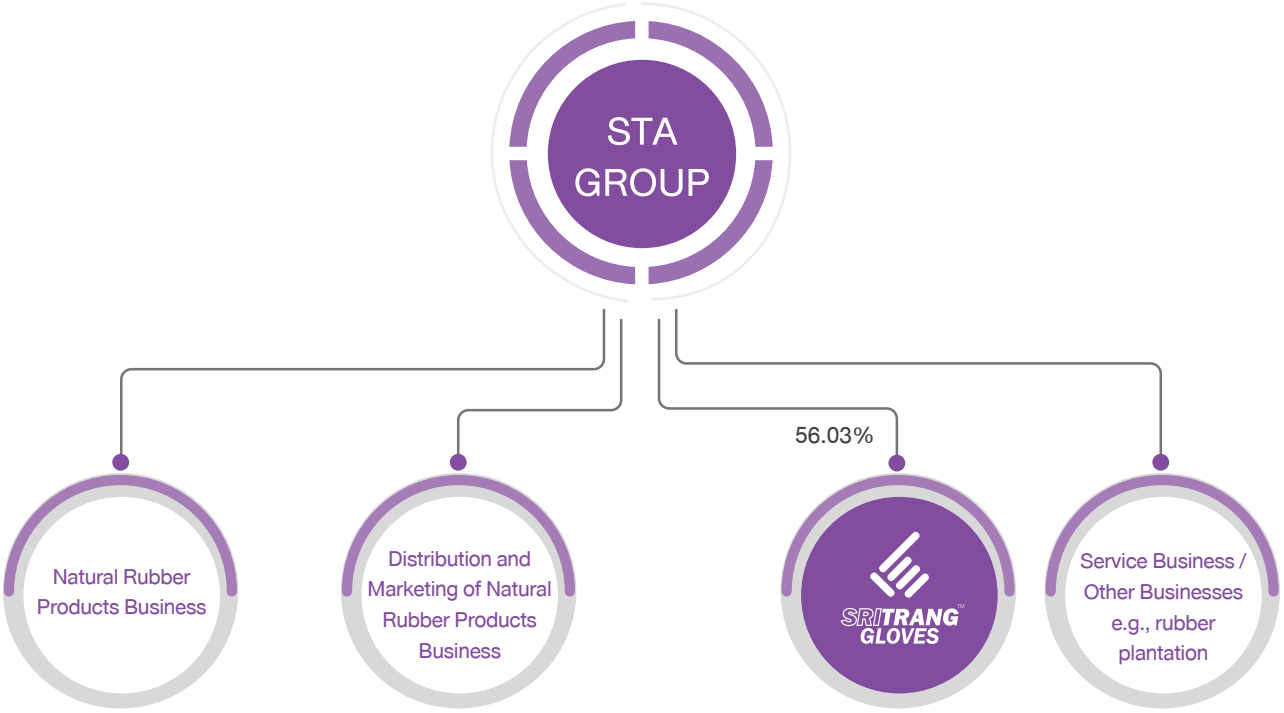
Details of the Company's subsidiaries

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

Company's Name	Type of Business	Shareholding Proportion	Registered Capital / Paid-up Capital	Total Shares / Total Paid-up Shares	Type of Share / Investment	Locations
Sri Trang Gloves Global Pte. Ltd. ("STGG")	Financial asset management and financial investment	100.00%	USD 180 million	20,000,000 ordinary shares and 160,000,000 preference shares (with par value of USD 1 per share)	Ordinary share and preference share	50 Raffles Place #27-01 Singapore Land Tower, Singapore Telephone: 65-6532-5210
PT Sri Trang Gloves Indo ("STGI")	Distribution of rubber gloves in Indonesia	100.00%	IDR 10,000 million	1,000,000 shares (with par value of IDR 10,000 per share)	Ordinary share	Jalan TPA2, RT.26 & 29 Keramasan, Palembang, South Sumatera, Palembang, 30259, Indonesia Telephone: 62-711-445-666 Fax: 62-711-445-222
Sri Trang Gloves Vietnam Company Limited ("STGV")	Distribution of rubber gloves in Vietnam	100.00%	USD 1 million	-	Investment	Room No. 7.01A, 7th Floor, Vietnam Business Center Building, 57-59 Ho Tung Mau Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam Tel: 848-3821-6869 Fax: 848-3821-6877
Sri Trang Responsible Gloves Supply, Inc. ("STRG")	Distribution of rubber gloves in the United State of America	100%	Registered Capital of USD 1 million / Paid-up Capital of USD 500,000	5,000 shares (with par value of USD 1 per share)	Ordinary share	100 Saunders rd ste 150 lake forest, IL 60045-2526 Tel: (847) 340-3487
Sri Trang Gloves Philippines Inc. ("STGP")	Distribution of rubber gloves in Philippines	99.99%	Registered Capital of PHP 104,662,400 / Paid-up Capital of PHP 10,470,180.47	104,701 shares (with par value of PHP 100 per share)	Ordinary share	32nd Floor, Unit 3207, Robinsons Equitable Tower, ADB Avenue corner Poveda Street, Ortigas Center, Pasig City, Philippines. Tel: 639190006533

Relationship with Major Shareholder's Group Business

As of 31 December 2022, STA Group has shareholding proportion in the Company of 56.03 percent in total. The relationship between the Company and STA group can be shown as follows.



Following its restructuring according to the plan to list in the SET since 2020, the Company and STA have clearly separated their scope of business whereby the Company is the flagship company of the STA Group engaged in the production and sale of latex gloves, while STA is engaged in the business of producing and distributing latex and other natural rubber products such as rubber sheets, 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 the transactions occurred in 2022 as follows:

1) 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 completely delivers in December 2022, and there is no such transaction in 2023.



2) 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 starts distributing rubber gloves in Vietnam in the first quarter of 2022 and STV stops distributing natural 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 under the concentrated latex purchase agreement with companies in the STA group. In addition, the Company also purchases other raw materials, such as firewood to be used as fuel in the production process from companies in the STA group under the firewood purchase agreement with companies in the STA group. In addition, the STA Group also provides other business support to the Company, such as intercompany transportation services, renting of warehouses, equipment, offices, and others, as well as information technology services, etc. Such inter-company transactions with the STA Group are based on fair market prices and trade conditions aimed at protecting the interests of the Company and shareholders of the Company.

Shareholders

List of Major Shareholders as of 24 August 2022 (totaling 66,524 shareholders)

No.	Name of Shareholders	Number of Shares (shares)	Shareholding Proportion (Percent)
1.	STA [1]	1,450,074,600	50.61
2.	Sincharoenkul Group [2]	174,787,700	6.10
3.	RBL [3]	155,326,800	5.42
4.	Thai NVDR Co., Ltd.	135,908,734	4.74
5.	STH [4]	106,753,800	3.73
6.	South East Asia UK (Type C) Nominees Limited	32,760,497	1.14
7.	State Street Europe Limited	15,854,313	0.55
8.	The Central Depository (Pte) Limited-Listed Securities	14,868,300	0.52
9.	Mr. Weerapat Poonsak-udomsin	11,438,400	0.40
10.	Mr. Boonchai Kasamvilas	10,216,400	0.36
	Other Shareholders	757,190,366	26.43
	Total	**2,865,179,910**	**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 24 August 2022, 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	131,173,363	8.54
4.	The Central Depository (Pte) Limited-Listed Securities	99,972,806	6.51
5.	Mrs. Promsuk Sinchareonkul	45,300,000	2.95
6.	Mr. Vitanath Sincharoenkul	24,856,500	1.62
7.	Mr. Vitchaphol Sincharoenkul	23,500,000	1.53
8.	Mr. Veerasith Sincharoenkul	22,500,000	1.46
9.	Mr. Sompob Tingthanathikul	22,000,000	1.43
10.	Citigroup Global Markets Limited-PB Client-NRBS Collateral	21,126,635	1.38
	Other Shareholders	668,792,556	43.54
	Total number of shares	**1,535,999,998**	**100.00**

Source: The Stock Exchange of Thailand

(2) List of Sincharoenkul Group as of 24 August 2022 as follows:

No.	Sincharoenkul Group	Number of Shares (shares)	Shareholding Proportion (Percent)
1.	Mrs. Duangjai Sincharoenkul	260,000	0.01
2.	Mr. Viyavood Sincharoenkul	138,024,100	4.82
3.	Mr. Kitichai Sincharoenkul	12,327,800	0.43
4.	Mr. Lee Paul Sumade	12,740,000	0.44
5.	Mrs. Voradi Sinchareonkul	9,108,000	0.32
6.	Mr. Veerasith Sinchareonkul	777,800	0.03
7.	Mr. Vitanath Sincharoenkul	500,000	0.02
8.	Ms. Vannisa Sincharoenkul	1,050,000	0.04
	Total number of shares	**174,787,700**	**6.10**

(3) RBL is a limited company which operates the business of producing concentrated latex and block rubber. As of 31 December 2022, RBL has shareholders as follows:

No.	Shareholders	Number of Shares (shares)	Shareholding Proportion (Percent)
1.	STA	15,999,994	99.99
2.	Ms. Narisara Sincharoenkul	1	0.00
3.	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 2022, the top 10 major shareholders of STH are as follows:

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

1.4 Securities and shareholders Information



Amount of Registered Capital and Paid-up Capital

As of 31 December 2022, the Company had a registered capital of THB 1,434,780,000 and a paid-up capital of THB 1,432,589,955 consisting of 2,865,179,910 paid-up 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	Up to 10,000,000 shares with a par value of THB 1 per share, representing no more than 0.7 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. 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.
Offering price per share	The initial offering price per share under the STGT ESOP as of the IPO date (2 July 2020) was THB 30.60 per share or 90.00 percent of the initial public offering price (IPO price), at a par value of THB 1 per share. 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. The offering price per share under STGT ESOP in the third tranche was THB 15.07 per share or 90.00 percent of the market price, at the par value of THB 0.5 per share. 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. 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).

Offer period	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 0.5 per share. The Company will complete the offerings within the duration term of the project.
Conditions for the allocation of newly issued ordinary shares	Directors, executive and employees of the Company and its subsidiaries who meet the following conditions: 1. as at the Record Date, 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 Date[2]; 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 5.0 percent of the total number of Shares to be offered under the STGT ESOP.

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.

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.

STGT ESOP has ended on 1 July 2022, the allocation of newly-issued ordinary shares to the directors, executives, and employees of the Company under STGT ESOP totaling of 3 tranches could be summarized as follows.

	First Tranche	Second Tranche	Third Tranche
Offering date	2 July 2020	13 and 14 July 2021	1 July 2022
Offering price	THB 30.60	THB 37.30	THB 15.07
Amount of issued and offered shares	4,000,000 shares	6,000,000 shares	6,000,000 shares
Amount of subscribed shares	4,000,000 shares	5,701,410 shares	1,918,500 shares
Amount of remaining shares	-	298,590 shares	4,081,500 shares

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 24 August 2022, Thai NVDR holds 135,908,734 ordinary shares of the Company or representing 4.74 percent of the total issued and paid-up capital of the Company.

1.5 Other Securities



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

Details	No. 1/2022		
	Tranche 1	Tranche 2	Tranche 3
Offering to	Institutional and High Net Worth Investors		
Type of Debentures	Unsubordinated and unsecured debentures with a debenture holders' representative		
Principal Amount of Debentures	THB 550 million	THB 400 million	THB 550 million
Interest rate	Fixed interest rate at 2.97% per annum	Fixed interest rate at 3.91% per annum	Fixed interest rate at 4.25% per annum
Interest Payable	Semi-annually		
Term	3 years	7 years	10 years
Maturity Date	28 September 2025	28 September 2029	28 September 2032
Credit Rating	"A" outlook "Stable" by Tris Rating Co., Ltd. (as of 8 August 2022)		

1.6 Dividend Payment Policy

The Company has a dividend policy to pay dividend distributions to shareholders at least 50 percent of its net profit based on the Company's separate financial statements after deductions of corporate income tax and allocation of all types of reserves in accordance with the Company's Articles of Association and applicable laws. The dividend distributions to be made shall not exceed the Company's retained earnings as appeared in the separate financial statements. Dividend payment shall be made by taking into consideration relevant factors such as the Company's financial position, operating results, cash flow and the ability of the Company's subsidiaries to make dividend payments including the projected capital requirements for future growth, economic conditions, possible impacts from external factors on the operations of the Company and such other considerations as our Board of Directors may consider appropriate.

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

Details of dividend payment of the Company for Year 2020 – 2022 are as follows.

	2020	2021	2022
Earning per Share[1]	THB 5.94	THB 8.29	THB 0.58
Dividend per Share	THB 2.625	THB 4.65	THB 0.75
- Interim dividend No.1	THB 0.625	THB 1.50	THB 0.50
- Interim dividend No.2	-	THB 1.25	-
- Interim dividend No.3	-	THB 1.25	-
- Final Dividend	THB 2.00	THB 0.65	THB 0.25[2]
Total Dividend Payment	THB 7,501.1 million	THB 13,305.61 million	THB 2,148.88 million
Dividend Payout Ratio (%)[3]	54.8%	54.8%	147.2%

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 3/2020, as if the change of par value of such ordinary shares was effective since the first day of 2020 as presented in the above table.

[2] The Board of Directors' Meeting No. 1/2022 held on 17 February 2023, resolved to approve the final dividend payment for 2022 at the rate of THB 0.25 per share. The right to receive such final dividend is uncertain until the 2023 Annual General Meeting of Shareholders has granted an approval for such dividend payment on 10 April 2023.

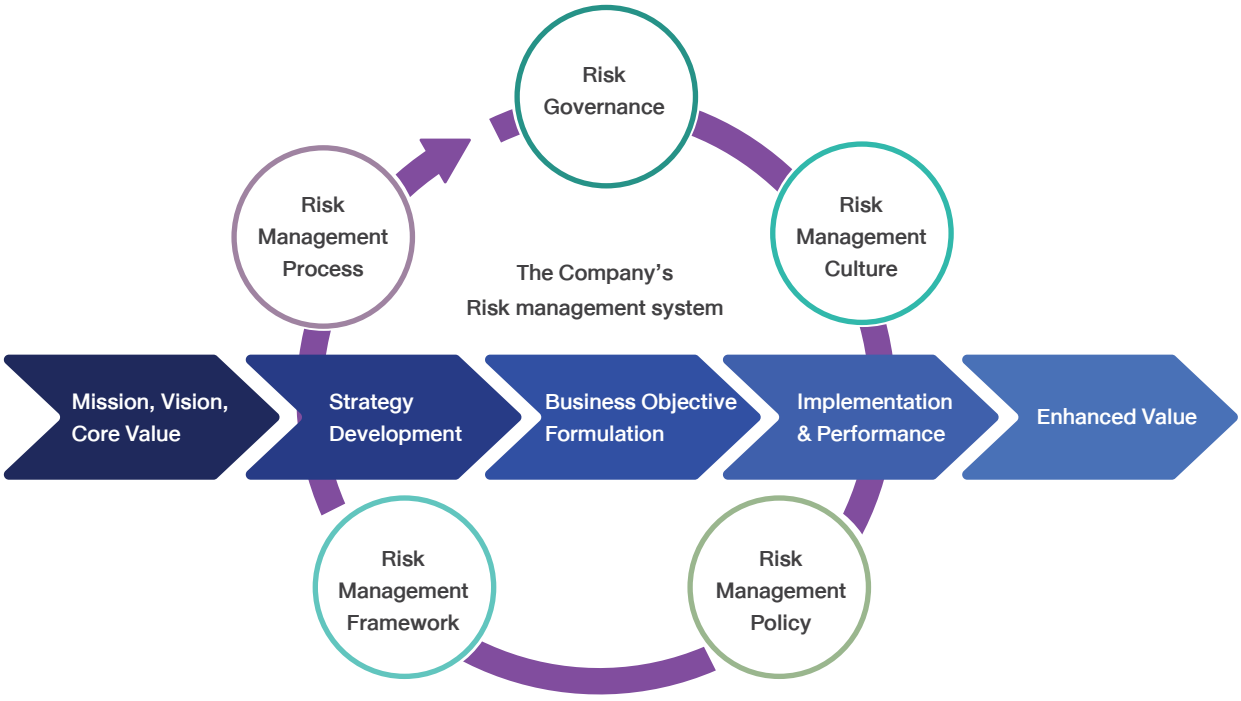
[3] Dividend Payout Ratio (%) is calculated from profit of the Company's separate financial statements.

2 Risk Management

2.1 Policy and Risk Management Plan

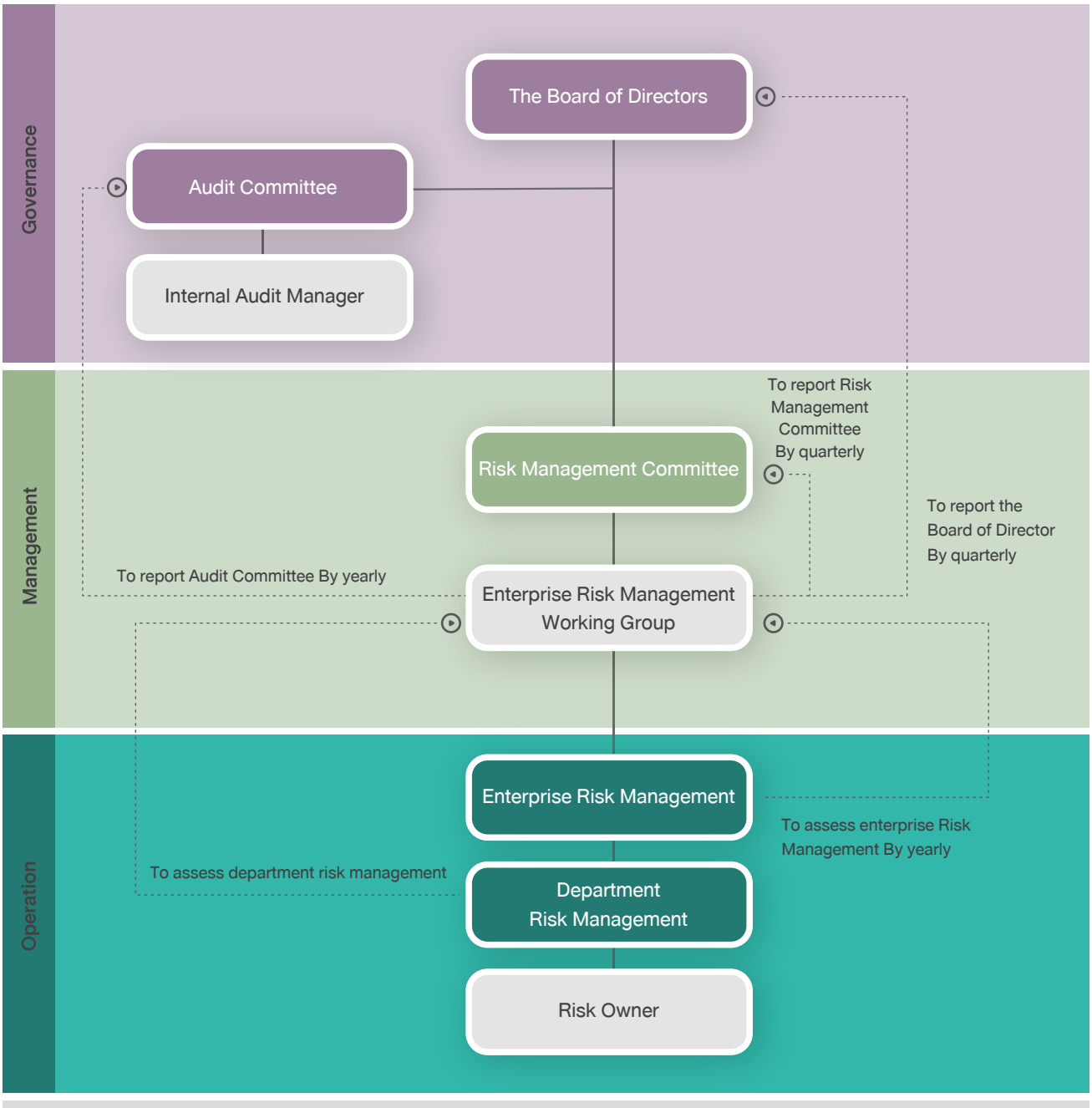
Due to the complexity and a rapidly changing business environment currently, these are the major causes risks to business operations and may affect the ability to achieve the goal to drive the organization for sustainable successes. The Company recognizes the importance of risk management for the overall managing efficient and the most effectiveness. Risk management is an important process that helps a company to handle business uncertainty systematically, to prepare for dealing with new risks that may arise in the future, to create business potential, to increase business opportunities, and to support the achievement of short-term and long-term organization's goals, to reduce the volatility of the operations, to optimize the use of limited resources as well as to build confidence and credibility to stakeholders.

The company is committed to risk management throughout the organization with the concept of Enterprise Risk Management which is in accordance with the international risk management standards; ISO 31000 : 2018 and COSO ERM : 2017. The company established the Risk Management Committee together with the Risk Management Department with the responsible for managing risks that arise and relevant to the company to be the most appropriate by the development of Enterprise Risk Management framework for systematically managing corporate risks to be ensured that all risk management activities shall be regularly audited, monitored, and assessed in the aspect for the effect of the achievement of objectives, visions, goals and strategies of the organization. The Company's risk management system is detailed as following.



Risk Governance

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



Risk Governance Structure

To increase the flexibility in managing the various risks, the Company has set up risk management at the business group/operational line level or specific committee level by considering the appropriateness according to the situation 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 to reduce the impact that may occur for maximum efficiency and effectiveness.

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.

Risk Management Culture

The Company is aware of good and thorough risk management which can be established by pushing all employees to know the benefits of risk management via the corporate culture. Therefore, the Company is determined to continuously create and promote the risk management culture in a concrete manner with can be measured. All employees are expected to be aware of the importance of risks in performing their duties and can be responsible to manage properly to the benefit in overall enterprise risk management and enhance to the sustainable good performance of the company.

The Board of Directors meeting

- Risk Management Department reports to the Board of Directors for the result of risk management in the significant risk management issues by quarterly.

Risk Management Committee meeting

- Risk Management Department reports to the Risk Management Committee for the result of enterprise risk management by quarterly.

Audit Committee meeting

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

Risk Management Awareness Training

- Risk Management Department conducts the Risk Management Awareness training for every employee at least once a year, to enhance the understanding of the risk assessment and manage risks incurred in each business unit for the most efficient risk management.

Risk Management Policy communications

- To communicate the Risk Management policy for all level of employee at least once a year via the corporate culture with the collaboration by Risk Management Department and Internal Communications Department.

Awareness creation of the importance of Risk Management

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

Risk Management Policy

To provide a clear risk management and support the organization driven towards the sustainability success which is an important part of the business's stable growth and increase the chances for the opportunity to gain the profit with the readiness to cope with the changing conditions that the company are always facing. The Company develops the Risk Management Policy to set the direction and support the risk management in accordance with the Company's strategies and objectives via the internal communications to all employee for being practice in the same way. The Company has prepared risk management policy which can be summarized as follows.



- The Company considers risks is the main factor on business operations, from strategic planning and business plans as well as daily operation. The aim is to manage risks to an acceptable level which effectively consume resource with the most-effectiveness.
- 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, by participating and involved in the integrated risk management in every step to keep risks at acceptable level under the systematic 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 has established a risk management policy to cover various risks in the operation as well as pushing them to be a part of the organization's culture through raising awareness of the importance of risk management in all levels of employees.
- All employees have the duties to comply with risk management system and procedures at the level of the organization, work units and at operational level in accordance with the direction given by the Risk Management Committee.
- The Risk Management Committee and executives monitor, follow up and evaluate the appropriate implementation of risk management system of the company through the written evidence of corporate risk management.



Risk Management Policy was published in the section of "Risk Management Policy" at www.sritranggloves.com **

Risk Management Framework

The Company is determined the Enterprise Risk Management in accordance with international risk management standards with the integration of the well-known 2 standards; ISO 31000:2018 and COSO ERM:2017. The Company's risk management framework consists of 5 sections which are the following.



Section 1: Governance, Culture, and Context

The Company realizes the importance of the development of risk management structure to embed the effective risk management throughout the organization. The company appoints the Risk Management Committee to perform risk supervision duties which is mainly structure for risk management operations by assigning the Risk Management Department as the primary focus of all risk management activities throughout the organization. In addition, the company also considers the rapid changes of the environment, both outside and inside the organization and take that context as an important part of improving it as part of building core values for the organization through corporate culture for emphasizing all employee to realize the importance and can manage their related risks to be the most effectiveness.

Section 2: Strategy and Objective

Due to the rapid change of business's environment, the company, therefore, consider both the external and internal environment which may affect the risk of the organization by considering the level of the acceptance risk. Which lead to be considered for the strategy selection that are consistent with the management's appropriate risk management following the continuously always changing of the environment.

Section 3: Performance and Risk management

The company has identified the risks that arise at the organizational level and include the emerging risk assessment along with risk cause and severity level analysis which led to prioritize the importance of each risk. This is in order to consider ways to manage risks in each issue appropriately and with maximum efficiency.

Section 4: Review, Revision, Recording, and Monitoring

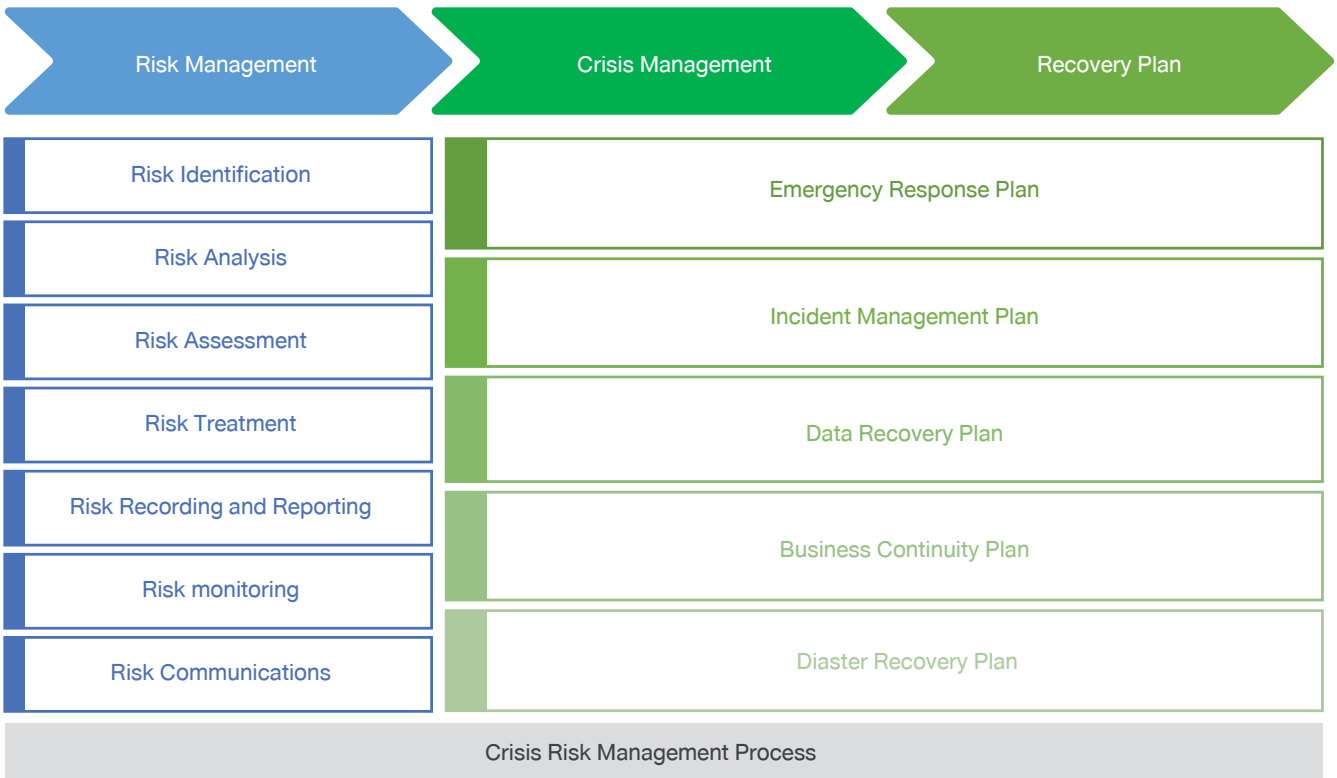
The company has regularly audit in risk management activities to consider the ability and risk management results to add value to the organization by analyzing the existing significant changing in business which may possibility to affect the potential risks and being an important part in affecting the achievement of the main company's objectives. In this regard, the amendment and improvement about information of risks has been recorded in the enterprise risk register for further monitoring and evaluation in accordance with the principles of risk management governance.

Section 5: Information system and Communications

The company enhance the enterprise risk management by using the appropriate information system to be used in reporting for risk management activities that shall be reported to any relevant committee to acknowledge. The company also communicate the risk management to all level of employee to establish the awareness in risk management. This is to ensure that the entire risk management system is managed with the most effective.

Risk Management Process

In order to ensure that the risks incurred in the business will be given priority and well managed to reduce the violence and is the best benefit to the organization with completely in risk management. The Company has prepared and reviewed corporate risks at least once a year and determined appropriate risk indicators in order to monitor and formulate action plans to respond various risks including proceeding in accordance with established measures in a timely and appropriate manner. In addition, The Company has considered risk management together with crisis management, by the collaboration with the Risk Management Department and Quality Department, which details are as follows.



Crisis Risk Management Process

Enterprise Risk Management

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 these following.



These 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.

The Company also 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.

2.2 Risk Factors for the Company's Business Operations

The Company conducted the internal and external business environment analysis, 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. Therefore, besides to the risk factors listed, there may be other risks, which may or may not be identified at this time or that is a risk that the Company considered not material to the operation at the moment. But it could be a potential and important risk factor in the future.

The Company divided risk for managing by considering the importance of the sustainability issue into 5 groups covering sustainability risk (ESG risk), details as follows:

Strategic Risk

1. Risk from being in a highly competitive business, competing both with major manufacturers and distributors in the same product category and substitute products
2. Risk from fluctuation in selling prices which do not reflect to the production cost
3. Risk from reliance on key trading partners in the supply of concentrated latex synthetic latex and raw materials and other services to the Company
4. Risk of uncertainty in medical latex gloves' demand

Operational Risk

1. Risk of production disruption due to accidents and natural disasters
2. Risk from insufficient utilities for the Company's production process or significant price increases of utilities
3. Risks related to management of key personnel at the management level
4. Risk from labor shortage and labor disputes
5. Risk of corruption
6. Risk from the Company's insurance policy insufficient coverage
7. Risk in terms of information technology systems
8. Risk for Occupational, Safety, and Health of employee

Financial Risk

1. Risk from fluctuations in foreign exchange rates
2. Liquidity risk from accepting debt payments from customers

Compliance Risk

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

Emerging Risk

1. Risk from serious emerging infectious diseases
2. Risk from natural resource and climate change, and environment issue
3. Risk from change and technological advancement which may replace human work

	Strategic Risk	Operational Risk	Financial Risk	Compliance Risk	Emerging Risk
Environment		• Risk of production disruption due to accidents and natural disasters			• Risk from natural resources and climate change, environment issue and regulations on climate change, such as Carbon Border Adjustment Mechanism of European Union, which have impact on business operations and business opportunities
Social		• Risk from labor shortage and labor disputes • Risk of corruption • Risk for Occupational, Safety, and Health of employee			• Risk from the serious emerging infectious diseases • Risk from change and technological advancement which may replace human work
Governance and Economics	• Risk from being in a highly competitive business, competing both with major manufacturers and distributors in the same product category and substitute products • Risk from fluctuation in selling prices which do not reflect to the production cost • Risk from reliance on key trading partners in the supply of concentrated latex synthetic latex and raw materials and other services to the Company • Risk of uncertainty in medical latex gloves' demand	• Risk from insufficient utilities for the Company's production process or significant price increases of utilities • Risks related to management of key personnel at the management level • Risk from the Company's insurance policy insufficient coverage • Risk in terms of information technology systems	• Risk from fluctuations in foreign exchange rates • Liquidity risk from accepting debt payments from customers	• Risk from noncompliance with the requirements, rules, and regulations on the relevant agencies	

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

Strategic Risk

Risk Factor	Risk Description
Risk from being in a highly competitive business, competing both with major manufacturers and distributors in the same product category and substitute 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. Currently, there are PVC gloves which can be the substitute product form natural rubber gloves or synthetic rubber gloves for some consumer groups, and including the new technology for hand protection to be replaced the existing product. The changing in substitute product trends may significantly resulting in reducing market share for the company. However, 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.

2022 Assessed risk level

Very High

Risk Causes

- New technology of Competitors in industry
- Cost reduction competition
- The increasing of new competitors
- Oversupply in rubber gloves
- Change in customer's behavior in the aspect of personal protection equipment

Risk Factor	Possibility impact from risk
Risk from being in a highly competitive business, competing both with major manufacturers and distributors in the same product category and substitute products	• Disadvantages in cost competition and sale volume • Loss of market share • The Company's profit may decrease and not reach the target as expected.

Risk Management

- The Company is still continuously research and develop in many elements to compete among competitors such as to invest in human capital with personnel specialized consultants are hired, increase production technology as well as continuously surveying and researching the needs of both domestic and international markets such innovation includes the invention of low protein natural latex gloves in response to some consumers who may be at risk of protein allergy in natural rubber latex which the Company believes will play a role in attracting consumers who currently use nitrile latex gloves
- Increasing in finding new customers, both domestic and international, such as food, beauty, electronics, etc., which is to increase sales volume and expanding in a wider market
- Expand new product line; surgical gloves, which is a new product of the company and start selling in the second half of 2022, which is to increase new opportunity to entering to new market and possibility generate additional revenue for the company
- Consider controlling the production cost and increase the effectiveness of working processes to be more competitive in the existing market together with adjust the production plan to be more quality and benefit in the competition, especially with substitute products e.g., innovate a rubber glove manufacturing machine that can produce powdered natural rubber gloves at high speed, the creation of low weight nitrile rubber gloves rendering an advantage in lower costs and more competitive selling prices, or even the application of artificial intelligence into the production process, which can reduce production costs in the long run and significantly reduce the use of human labor

Risk Factor	Risk Description
Risk from fluctuation in selling prices which do not reflect to the production cost	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 that are the main cost of the company. In event that the Company can't sell products at the selling prices that correspond to the change of main production costs, it may affect the Company's profits and performance.

2022 Assessed risk level

High

Risk Causes

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

Possibility impact from risk

- The Company cannot maintain profitability
- The Company's profit may decrease and not reach the target as expected.

Risk Management

- The Company 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
- The Company has set up a specific working group to manage the risks befitting to the situation
- To manage the raw material purchasing follow the current situation in term of fluctuation market price e.g., acquire the latex according to the price formular that is referenced to the average daily market price to reduce fluctuations in the price of raw materials used

Risk Factor	Risk Description
Risk of uncertainty in medical latex gloves' demand	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. Currently, the increasing rate of vaccine distribution and vaccinations to prevent COVID-19 continues to grow globally with the spread of COVID-19 under control in many areas, However, the Company cannot guarantee that the demand for rubber gloves would continue to remain at this higher rate in 2019 and 2020. In addition, the declining demand coupled with the increased supply from the growth in production capacity and the arrival of new competitors 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. The company are constantly adjusted business strategies to keep up with the situation to help in reducing the impact from risks in this uncertain market condition.

2022 Assessed risk level

High

Risk Causes

- Expected growth less than the demand.
- Consumers' level of focus on personal protective equipment has shifted in a downward trend
- The amount of inventories in the market is still high. As a result, new orders are slowing down.

Possibility impact from risk

- Machine utilization rates is decrease, higher production costs, the rate of return on investment in capacity expansion did not meet the target.
- Need to adjust the production plan to reflect the current situation
- Affect the overall revenue of the Company.

Risk Management

- The marketing department is committed to increasing other distribution channels regularly by finding new markets for the existing products or new products that company is able to adjust the production capacity to suit which are under the research and development in progress
- The management is closely monitoring selling result and also including the evaluation of demand continuously in order to adjust the sales strategies to suit in each situation
- Considering costing management to be more efficient by follow-up meeting and take action on the relevant part on a regular basis

Risk Factor	Risk Description
Risk from reliance on key trading partners in the supply of concentrated latex synthetic latex and raw materials and other services to the Company	The Company acquires concentrated latex, which is the main raw material required for our production of natural rubber gloves, from companies in the STA Group, namely STA, RBL and NHR, and a significant portion of our synthetic latex from a third party supplier. This is including other service which are important for the production that the Company shall rely to main suppliers. • Engineering service from PSE • Woodchip for primary fuel source for production facilities from ANV • Information Technology service from IBC • Transportation service from STL In the event that, the STA Group or these suppliers are not able to supply main raw material or mandatory service from main suppliers, in the quantities or at the quality that we required, we may face the additional acquisition cost from alternative suppliers at commercially acceptable terms in a timely manner, or at all (we currently benefit from our factories being located in close proximity to the STA Group's natural rubber plants). It also increases the likelihood of having a significant negative impact on the business and operating results of the Company.

2022 Assessed risk level

Low

Risk Causes

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

Possibility impact from risk

- Business disruption
- Unable to meet the customer expectation and unable to delivery on time
- The Company's profit may decrease and not reach the target as expected.

Risk Management

- 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 order to reduce the reliance on and procure of raw materials from key trading partners that are limited.
- Set up of Safety Stock policy to maintain the level of raw material for the readiness of using
- BCP (Business Continuity Plan) in placed for the suitable calculation of raw material required for the production
- R&D Department continuously researches on the topic of alternative raw materials that may be substituted in the production

Operational Risk

Risk Factor	Risk Description
Risk of production disruption due to accidents and natural disasters	The Company may have risks arising from various operations. This includes risk from a fire incident, boiler explosion, natural disaster, malfunction of machinery or equipment, improper installation, accident, and natural disaster whether it is a flood, a storm or an earthquake, which from all events These are all risks that affect the normal operations of the Company. 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.

2022 Assessed Risk Level

High

Risk Causes

- Natural Disasters
- Accidents may be caused by defects in machinery or equipment, improper installation including long service life of the relevant machinery that has been in use for a long time

Possibility impact from risk

- Operation disruption, Loss of business opportunity
- Operational staff injuries
- Company's assets damaged
- Serious incident may cause the loss reputation for the Company
- The financial impact of increasing the cost of restoring production processes to normal
- Impacts on the Company's revenue and profit

Risk Management

- Purchasing various insurance plans with multiple insurance companies both domestically and internationally to cover property damage, business disruption
- 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 and able to deliver products to the customer's expectation in time

Risk Factor	Risk Description
Risk in terms of information technology systems	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. From this technology advancement, this may cause to risk in the management of the information technology system 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 disruption of business, the image and reputation of the Company.

2022 Assessed Risk Level

High

Risk Causes

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

Risk Factor	Possibility impact from risk
Risk in terms of information technology systems	• In case of severe cyber threat happened, that may affect to the competitiveness of the Company in the long run. If there is the leakage of confidential data or sensitive personal information that may affect the reputation and confidence of all stakeholders • Loss of reputational • Competitive disadvantage, when the important and confidential information of the Company is leaked

Risk Management

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

Risk Factor	Risk Description
The Risk of product quality not meeting specification	The Company mainly produces products for medical use whereby product quality is an important factor that affects the Company's growth. However, the complex production process may have certain steps or factors that cause problems and may affect the quality of manufactured products which, if the product does not meet the required specifications, it may render increased operating costs, increased waste disposal requirement, including reduced profit of the Company. In addition, if the products delivered to customers are not up to standard or do not meet customer requirements, it will directly affect customer satisfaction and impact on the reputation of the Company as well.

2022 Assessed Rick Level

High

Risk Causes

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

Possibility impact from risk

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

Risk Management

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

Risk Factor	Risk Description
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. The Company acquired 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, the Company may have to reduce the production or stop production completely and may resulting in the increasing of production costs.

2022 Assessed Risk Level

Low

Risk Causes

- Drought, shortage of groundwater
- Power failure or inefficiency of wastewater treatment system and/or other important systems for the operation
- Significant changed in major utilities' price according to global market and out of control by the Company
- Non-readiness of operational equipment or malfunction of equipment

Possibility impact from risk

- Operation disruption
- The increment in utilities procuring's costs
- Impact on the Company's revenue and profit

Risk Management

- 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
- Due to the environment's consideration, 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 from rubber plantation cycle
- The Company has a backup energy source such as fuel to replace firewood, if necessary, to ensure that the manufacturing process is still going without disruption.
- Invested in the construction and installation of an electrical substation 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 production disruption loss if there is an electrical incident

Risk Factor	Risk Description
Risks related to management of key personnel at the management level	The competent human resources are the one of important factor for growing of sustainable and effectively business. The management and development of human resources to support the business growth required the competence people with skills, expertise, and experience. 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.

2022 Assessed Risk Level

Low

Risk Causes

- Shortage of expertise executive with specific skills
- Highly competitive in key personal labor market
- Rapidly expansion in business that it is unable to find personnel with specialized expertise in time

Possibility impact from risk

- The management direction disruption
- The increasing in human resource costs especially in recruiting and training cost for the expertise of key personnel
- Policy advocacy or the vision of the company is not going to be continuous as a planned

Risk Management

- Consider in the process of recruiting new executives who shall have the expertise and ability as the company
- 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 according to human rights principle
- The company offered newly issued ordinary shares of the Company to directors, executives and/or employees of the Company and its subsidiaries under the STGT ESOP project for employee's motivation

Risk Factor	Risk Description
Risk from labor shortage and labor disputes	The Company requires human labor in many functions for non-automated production processes such as quality checks, packing goods, maintenance machines 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. If there is any labor management problem that may cause an overall impact to the Company. In case of the shortage of manpower, the Company may face the rising in labor costs problem. In the other hand, if the Company faces the over-manpower problem, that may cause in labor costs problem that the company need to pay unnecessarily, inevitably. The Company considers and realizes the principles of human rights, by providing the opportunity to the group of people with disabilities to get employment and earn from the Company. It has developed suitable working styles to support this employment. The Company has formulated and reviewed human rights policy as a guideline for executives and all level of employees to perform duties with respect to labor laws and also strictly adhere to the principles of human rights both nationally and international including to not support any activities that violate all human rights principles. Moreover, the Company has also communicated guidelines related to human rights respect to the Company's business partners to operate in the same direction.

2022 Assessed Risk Level

Low

Risk Causes

- Unable to manage the labor for the production following to the rapid business expansion
- The production plan was suddenly changed that made it impossible to manage the proper amount of production labor

Risk Factor	Possibility impact from risk
Risk from labor shortage and labor disputes	• If necessary to increase the rate of wages adjustment that may result in the increasing of operation cost • The operational costs may be increasing from the need to increase wages rate • To recruit the additional workers to be replaced which may cause the company need to get from other sources with higher wage rates and adversely affect the Company's performance • In case of 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

Risk Management

- 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 which can greatly reduce the use of human labor from what was originally required, from 2.18 person to produce 1 million pieces in year 2021. The aforementioned developments enabled the Company to reduce the use of human labor per production of 1 million pieces of gloves to 2.14 person in Quarter 4/2022. 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

- In case of over-manpower, the Company apply switch-to-pause working policy to production's labor with the strongly consideration in human rights by accepting the feedback from employee to reduce the possibility of disputes

Risk Factor	Risk Description
Risk of corruption	In normal operation, that may have some opportunities for employee to refrain from performing their duties or abuse to work in ethical in order to obtain unreasonable benefits to the organization, themselves, or relevant. If such an event occurs will inevitably negative affect the credibility, image and reputation of the Company and may affect to business operations with partners. The Company realizes the importance of good corporate governance along with preventing corruption in every step of the work for every level of employees, from the management level to the operational level. This is for the benefit in transparent business operations and reduce the impact of potential legal disputes.

2022 Assessed Risk Level

Low

Risk Factor	Risk Causes
Risk of corruption	• Fraud detection systems may not be sufficient and comprehensive • Incentives for corruption in duty

Possibility impact from risk

- Loss of benefits
- If there is a legal dispute related to corruption in the organization that may directly affect the Company's reputation
- Cost of legal disputes arising from corruption

Risk Management

- To prevent corruption in duties and to balance powers, the Company has established a charter that clearly states the duties of each committee
- Apply anti-corruption policy for all level of employee to check and prevent corruption as the entity level. The anti-corruption policy is also communicated to employees through online training every year to raise awareness of the importance of transparent operating principles
- Annually review anti-corruption policy which is both for employee and related suppliers
- With the collaboration by the Internal Audit and Human Resource department, there was a regular monitoring on any possible corruption case and also has a role to investigate and perform clear penalties
- To develop the Code of Conduct manual for all level of employee to be upheld and adopted as a guideline for transparency audit
- The Company has Whistle-Blowing policy to be a complaint channel for all stakeholders to report clues and complaints in case of fraudulent behavior in order to investigate and protect the human rights for whom to report clues and complaints
- The Company participated to join the Collective Action Coalition Against Corruption (CAC) to emphasize the Company's position in anti-corruption

Risk Factor	Risk Description
Risk from the Company's insurance policy insufficient coverage	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.

2022 Assessed Risk Level

Low

Risk Causes

- Insufficient insurance coverage to overall damages or risks that may arise from business operations
- The overlook of insurance in new business activities which may change from the original. As a result, the amount of damage incurred is not covered by insurance performed

Possibility impact from risk

- In case of insufficient insurance to cover incident's loss and damage incurred, this may have a material adverse effect on the business, financial position and operating results of the Company
- Loss of reputation and creditability in business

Risk Management

- 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
- 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
- Closely monitoring on the operation's situation and compared to the insurance coverage, this is improved to suit the changing situation
- The insurance department is continuously study on insurance trend which may relate to the changing in business operation. To be well prepared on finding the suitable insurance package to serve that changed for example, the cyber insurance

Risk Factor	Risk Description
Risk for Occupational, Safety, and Health of employee	The Company is aware of the safety, occupational health and working environment due to the employee's operation. This can lead to loss, injury, and sickness of employees and may affect to disrupt the business continuity which is including the impact on the community, society and environment, respectively. Therefore, if the employees are nor aware for the safety when they are working on duty, that will occur in the workplace. This may difficulty for the safety risk control to achieve the goal. This risk will directly affect the health and occupational health of employees and moreover may affect to the Company's reputation and confidence for stakeholders as well.

2022 Assessed Risk Level

Low

Risk Causes

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

Possibility impact from risk

- Employee's accident
- Loss of reputational and creditability for the Company
- Employee's welfare costs and expense will be significantly increasing

Risk Management

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

Financial Risk

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

2022 Assessed Risk Level

High

Risk Causes

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

Possibility impact from risk

- this may result in liquidity problems and loss bad debts reserve or may be loss affect the Company's profit

Risk Management

- The Company considers to the additional measurement of analyzing and considering in giving credit to both new and existing customers in order to increase the efficiency of the credit system providing to customers
- The credit term will be regularly reviewed to ensure the customer's financial status is still ready to pay debts to the company in accordance with the regulations
- To adjust the collection method to reflect to the customer's current situation that may are unable to pay their debts according to the terms, for example by dividing the debt into portion and allow customer not to pay for whole amount, etc.
- Insurance for the risk of debt default with insurance company.

Risk Factor	Risk Description
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 products are mainly denominated in USD and accordingly, most of our revenue are denominated in USD. However, most of our costs, including raw materials costs, salary expenses and other production costs, are transacted in Thai Bath. Fluctuations in foreign exchange rates affect to our price competitiveness compared to other rubber glove manufacturers and distributors from Malaysia, China and Indonesia. In addition, the subsidiaries enter into loan agreement with foreign financial institutions in foreign currency such as US dollar. As a result, fluctuations in the exchange rates between the THB, USD, or other currencies could adversely affect our business, financial condition and results of operations.

2022 Assessed Risk Level

Low

Risk Causes

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

Possibility impact from risk

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

Risk Management

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

Compliance Risk

Risk Factor	Risk Description
Risk from noncompliance with the requirements, rules, and regulations on the relevant agencies	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. 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.

2022 Assessed Risk Level

Intermediate

Risk Causes

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

Risk Factor	Possibility impact from risk
Risk from noncompliance with the requirements, rules, and regulations on the relevant agencies	• May be considered to suspend or cancel, revoke or not renew the license. If that certificate is renewed not in time. it has a major impact on the reliability of the business. If the license is renewed not in time, it will affect the production and the distribution of products, respectively, such as the license of the FDA, etc. • the license or relevant regulations may result in suspension or cancellation of the license or civil or criminal penalties • If it is a license or certifications related to the production process this may cause the disruption in operation • Legal disputes causing the civil or criminal penalties • The reputational damage or impact on the Company's operations such as payment of damages or fines, significant higher costs of operations or the cessation of business operations, etc.

Risk Management

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

Emerging Risk

Risk Factor	Risk Description
Risk from change and technological advancement which may replace human work	In the future, if there is a change in the technology advancement in the production process or related processes which may affect the labor that the company has, this is including the resulting to the quality of products. The emerging technology which has directly impact to the current working process which need to be adjusted to keep up with the changes. The Company is now currently adapting to ready for the Digital Disruption era, with developments in response to advanced technologies such as • To apply more artificial intelligence (AI) into the production process including being used to analyze the marketing data • To modify sales model by adding more E-Commerce sales channels, the adaptation in line with the technological advancement that may have a significant effect on the organization' adjustment or restructuring in the future.

2022 Assessed Risk Level

Intermediate

Risk Causes

- Technology advancement
- The leader in technology adaptation of the competitors

Possibility impact from risk

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

Risk Management

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

Risk Factor	Risk Description
Risk from serious emerging infectious diseases	Our world may be experiencing epidemic problems which may rise and spread rapidly and cannot be controlled in a timely manner. The 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 factories of the Company, 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.

2022 Assessed Risk Level

Low

Risk Causes

- The emerging of serious epidemic affected the Company's operation

Possibility impact from risk

- Operation disruption due to the reduction of production labor from the epidemic infection
- Company's reputation, as a result of the efficiency in preventing of epidemic spread among employees
- Decrease in revenue and profit, but increase in expense.

Risk Management

- The Company has 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 to prepare for the emerging pandemic which may occur in the future. 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
- To be more considered on the epidemic concerns for the supplier assessment prior perform the trade agreement

Risk Factor	Risk Description
Risk from natural resource and climate change, and environment issue	The sudden disaster of climate change is a global environmental concern which cannot be avoided. Almost producers in every industry supply chain focus on reducing emissions and increasing production efficiency for maximum environmental friendliness. In the past, strict rules and new standards from various agencies such as Carbon Border Adjustment Mechanism of European Union, this may have an impact on loss of business opportunities for drive changes in consumer behavior and production to be more attentive to such matters. In terms of natural environment changes that directly affects the upstream raw materials in the company's production process such as the rubber tree which producing the main raw material for the Company's production, if the nature has been changed and significantly affect to the growth of rubber tree and latex quality. This may the important factor of the ongoing of business operation. As for the normal production operation which normally provide production waste from the system whether dust, wastewater or other chemicals. However, if the control is not effective, it would directly affect the environment including the communities surrounding the factory.

2022 Assessed Risk Level

Low

Risk Causes

- Pollution caused by the company's production processes such as dust, wastewater, leakage chemicals

Possibility impact from risk

- If the Company is unable to respond to stakeholders' needs for climate change awareness, this may affect to overall confidence and the ability to compete and operate the sustainability business for the future
- Fines or compensation for damage incurred. In case of pollution from the company's operations affect the surrounding community
- Pollution resolving costs is increasing

Risk Factor	Risk Management
Risk from natural resource and climate change, and environment issue	• 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 as the following 1. Established policy and frameworks to support investments in low-carbon projects to elevate the Company's GHG reduction initiatives. 2. Established carbon footprint project to identify significant origins and take measures to reduce the Company's GHG, such as energy management and productivity enhancement 3. Promoted the use of renewable energy 4. Joined as a Membership of Thailand Carbon Neutral Network (TCNN), established by Thailand Greenhouse Gas Management Organization (Public Organization) 5. Participated in the project of the Greenhouse Gas Management Organization. (Public Organization) TGO such as T-VER, LESS 6. Consistently monitored progress, review GHG reduction strategies and target and improve operations; following policies, rules, regulations continuously 7. Installed the Solar rooftop system of 999.53 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 • Focus on the continuously management on emissions of greenhouse gases from the production process to be more efficient and also enhance the awareness for the employee and surrounding community to protect the environment by focusing on building a sustainable society through the GHG reduction projects such as reforestation. etc. • The Company has an emergency plan to handle in case of the spillage of chemicals which use for the production. This is to reduce the risk concerning to the environmental

2.2.2 Risks Relating to Investment in Our Shares

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

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

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

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

As of 24 August 2022 Sri Trang Agro-Industry Public Company Limited and its subsidiaries has total shareholding in the Company amounting to 1,605,401,400 shares, equivalent to 56.03 of the total number of shares sold of the Company. Therefore, the group of companies of Sri Trang Agro-Industry Public Company Limited is able to control 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.

2.2.3 Risk of investing in foreign securities

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

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



3 Driving The Business Towards Sustainability

3.1 Sustainability Management Policies and Goals

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

The Company has established a **"Corporate Sustainability Development Policy"** aimed at creating good practices and confidence in responsible and participatory business operations with practical guidelines covering all 3 dimensions of sustainability, which include the following key aspects, for the **Good Corporate Governance and Economic Dimension,** the Company focuses on conducting business in accordance with good corporate governance principles in line with business ethics. The Company attaches great importance to its responsibility to all groups of stakeholders, opposition to fraud and corruption in all forms, focus on developing innovations, products and services to meet the needs and expectations of customers by ultimately using the least amount of resources and at the lowest cost, optimizing asset utilization and maximizing investment value encompassing risk management in the supply chain, as well as business adaptation that focuses more on the use of various technologies. For the **Environmental Dimension,** the Company places importance on sustainable management of resources and the environment through the implementation of an environmental management standard system which focuses on optimizing resource utilization and energy management, and management of waste and unused materials according to the circular economy principle, promoting renewable energy to support the reduction of greenhouse gas emissions that cause global climate change, as well as preventing and managing environmental impacts by conducting business efficiently using technology and innovation. In the **Social Dimension,** the Company attaches great importance to occupational health and safety in the workplace for both employees and those who come to work in the organization, with an emphasis on employee care and development, respect for and compliance with international human rights principles towards stakeholders, fair treatment of business partners and customers, as well as participating in social responsibility and development to help solve societal problems and improve the quality of life of the community. These are considered the key social practice of the company. *(The full Corporate Sustainability Development Policy can be found on the Company's website.)*

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

Therefore, the Company has formulated a sustainability strategy, **"SHARE"**, for its operations in response to stated corporate sustainability goals, 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.

3.2 Managing Impacts on Stakeholders in the Business Value Chain

3.2.1 Business value chain

The Company places importance on key stakeholders throughout the business chain from upstream to downstream.

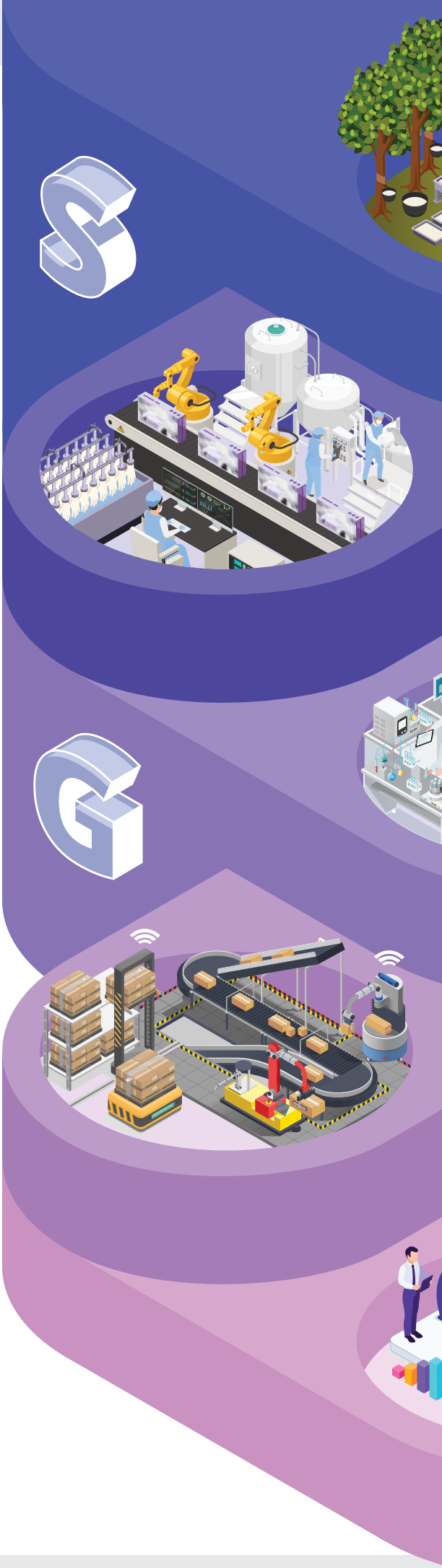
The Company's main activities are divided into 5 areas as follows:

2. Production

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

4. Storage and Transport of Goods

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





1. Procurement of Raw Materials and Services

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

(The Business Partner Code of Conduct and guidelines can be found on the Company's website.)



3. Research and Development

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



5. Sale

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

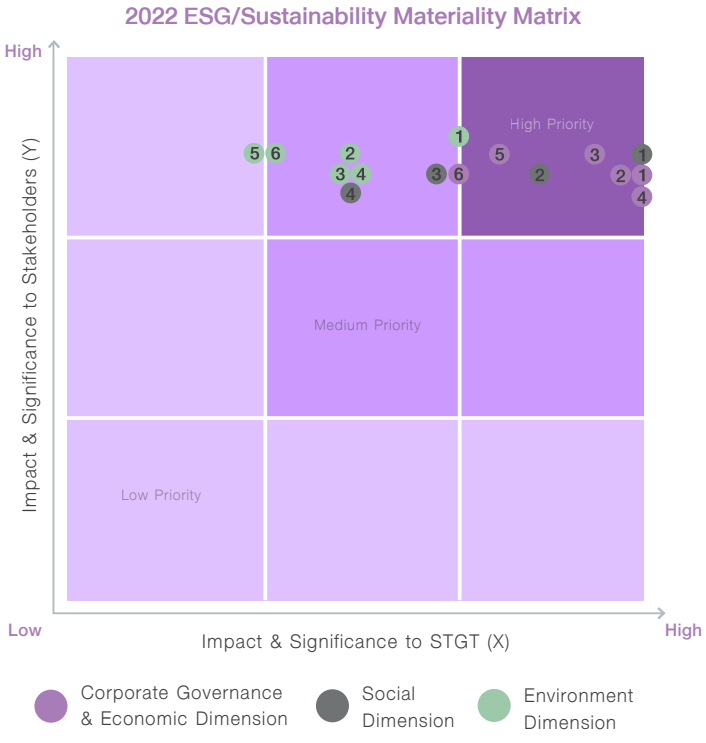
3.2.2 Stakeholder analysis in the business value chain

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

For operations in 2022, 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 and creditors/ banks.** The methods of communicating and engaging with each stakeholder group are different, for example: annual general meeting, customer satisfaction survey, annual visit and assessment of trading partner, monthly company meetings, complaint channels and organizing activities with the communities or government agencies, etc. (The detail of stakeholders engagement can be found in the 2022 Sustainability Report on the Company's website www.sritranggloves.com)

Key Sustainability Issues

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



Corporate Governance & Economic Dimension

1. Good performance with consistent dividends
2. Risk management and business continuity
3. Good Corporate Governance and Anti-corruption
4. Research & development and innovation
5. Products/Service Development and customer relationship development
6. Sustainable Supply chain management

Social Dimension

1. Occupational Health and Safety
2. Human Rights and Non-discrimination
3. Employees' care and development
4. Support and participation in community development

Environment Dimension

1. Environmental management system
2. Water and effluent management
3. GHG emissions reduction and Air quality management
4. Energy management
5. Ecosystems and Biodiversity
6. Waste management

3.3 Sustainability Management in Environmental Dimensions

3.3.1 Environmental Policies and Guidelines

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

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

> **Conserve environment to heed and preserve**
> **Sri Trang will develop and introduce value to our society.**

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



(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 requires disposal, reducing the amount of water used in the factory, etc. In addition, the Company has set up an environmental monitoring plan to assess the effectiveness of activities such as water and air quality measurements. In the event that the measured value does not pass the standard or the control value set within the Company, corrective actions will be taken according to the standard system laid down. To date, it has never detected any measurements that do not meet industry standards. The company has established short-term environmental goals according to the ISO 14001 standard and the company's annual KPIs, as well as long-term goals to ensure that environmental performance aligns with the company's policy and supports the Sustainable Development Goals (SDGs). The long-term goals are as follows:



Towards

zero

of non-hazardous waste to landfill

by 2026

Reduce the amount of greenhouse gas emissions Scope 1 and Scope 2 per product unit by

CO_2 10%

compared to 2021 by 2026

Reduce total energy consumption per product unit by

5.5%

Reduce electricity consumption per product unit by

10%

Reducing water consumption per product unit by

10%

Reduce the amount of total waste per product unit by

20%

compared to 2019 by 2024

Building a Green Culture

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

Taking into account the Ecosystem and Biodiversity

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

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

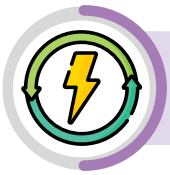
(More information is available on Participation in Community and Social Development on the Environment, in the 2022 Sustainability Report.)

3.3.2 Environmental Performance

Environmental Management System

Three branches that have been certified for the environmental management system ISO 14001:2015 are Suratthani Branch, Trang Branch and Hat Yai Branch, representing 50% of all branches in Thailand, and there is a plan to request for certification of the Sadao P.S. Branch in 2023.

The Company organizes an annual knowledge review and environmental training courses for employees according to the internal and external training plans, as well as systematic on-the-job training totaling **196** courses such as Environmental Aspect assessment courses, ISO14001:2015 Requirements and Internal Audit courses for operators and environmental operators within the organization, courses on sustainable industrial waste management guidelines with eco-industrial standards and greenhouse gas management courses on such topics as greenhouse gas reduction goals, reduction guidelines, reporting and compensation, ISO 14064-1 preparation and verification of greenhouse gas emissions for the organization, etc., with training formats including Online training, learning through video media (Video learning), self-learning through the system of the HR Department (program @core) internally within the Company. In this regard, 98 percent of the employees involved in environmental operations participated in the training courses for employees to have better knowledge and understanding about the Company's environmental practices and operations.



Energy Management

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

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

Guidelines for energy management

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

Target



Reduce total energy consumption per product unit by 5.5% compared to 2019 by 2024

Outcome



Total Energy Consumption	Unit	FY 2019	FY 2020	FY 2021	FY 2022
Amount of total energy consumption per product unit	GJ/Mpcs	653	633	648	647
Reduced amount of total energy consumption per product unit	percentage	Base year	3.2	0.8	1.0

Target

Reduce electricity consumption per product unit by 10% compared to 2019 by 2024

Outcome

Electricity Consumption	Unit	FY 2019	FY 2020	FY 2021	FY 2022
Amount of electricity consumption per product unit	kilowatts-hour/ Mpcs	9,512	8,670	8,754	8,751
Reduced amount of electricity consumption per product unit	percentage	Base year	9	8	8

Reducing Greenhouse Gas Emissions

Global warming remains a significant crisis that the world is facing, and its impacts are becoming increasingly severe. The company recognizes the risks and potential impacts that climate change may have on its business operations. As a result, it has designated it as a key sustainability issue. The Company has set goals to reduce greenhouse gas emissions from its business processes and established management practices that respond to the global sustainable development goals - SDG 13 and the Company's long-term goal of becoming a low-carbon company through various greenhouse gas emission reduction projects and carbon offset activities to mitigate impacts that may affect production costs, competitiveness and the sustainability of business operations in the future. The Company has been proactive in the search for significant sources of greenhouse gas emissions and taking action to reduce greenhouse gas emissions through **the CFO (Carbon Footprint for Organization) assessment,** leading to the determination of management guidelines managed to effectively reduce greenhouse gas emissions, of all 3 factories, namely Hat Yai Branch, Trang Branch and Suratthani Branch in 2022.

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

In 2022, the Company installed a solar rooftop power generation system at Trang Branch, covering an area of approximately 6,000 square meters with a total capacity of 999.53 kW. The system is designed to operate 365 days per year, and the electricity generated will be used in production processes and offices. The system is expected to produce an average of 1,360,812 units of electrical energy per year, which will reduce the organization's greenhouse gas emissions scope 2 from purchased electricity approximately 615 tCO2e/ year. This project has been registered with the Thailand Voluntary Emission Reduction Program (T-VER).

The Company has received Carbon Footprint of Product (CFP) certification for a total of 26 products from Thailand Greenhouse Gas Management Organization (Public Organization), and duly verified for 4 indicators on greenhouse gases according to the requirements for calculating and reporting the carbon footprint of the organization in the year 2022 by LRQA (Thailand) Co., Ltd.



Target

Reduce the amount of greenhouse gas emissions
Scope 1 and Scope 2 per product unit by 10% compared to 2021 by 2026

Outcome

Greenhouse gas emission	Unit	FY 2021	FY 2022
Greenhouse gas emission Scope 1	tCO2e	87,553	45,407
Greenhouse gas emission Scope 2	tCO2e	128,429	113,082
Total scope 1 and 2 greenhouse gas emission	tCO2e	215,982	158,489
Greenhouse gas emissions intensity (Scope 1 and 2)	tCO2e / Mpcs	7.42	6.14
Reduced amount greenhouse gas emissions intensity (Scope 1 and 2)	percentage	Base year	17.3

Air pollution management

Accordingly, the production process may cause air pollution that may affect employees and surrounding communities around the factory location, the Company has developed a management plan to control air quality, both inside and outside the factory, as well as around its vicinity. This includes regular measurements and monitoring to ensure that the air quality is in compliance with legal and regulatory standards. In addition to measuring the air quality from the vents according to the law, the Company has organized a working group to periodically survey and measure the air quality in nearby communities as well.

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

For the biomass fuel heating boiler (chopped wood), the Company installed two types pf pollution treatment systems:

1. Multi Cyclone (dry dust and ash capture system)

2. Wet Scrubber (wet dust and ash collection system)
The Company has improved and developed the system to be more efficient by using the bag filter system for the new boiler to be installed.

The chlorine gas production process is equipped with a wet scrubber.

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

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

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

(The results of air quality measurement from the vents can be found in the GRI Table of Environmental Performance on Sustainability Report 2022.)

Water management and Wastewater management

The Company is aware of the risks associated with using water from various sources in the production process and discharging post-production water out of the factory, both in terms of quantity and quality-related water risks, the risks of water-related regulatory changes and pricing structure, including risks from water-related stakeholder conflicts. In order to put forward preventative and mitigation measures, the Company analyzed the situation of water resource sufficiency of all 6 factories, located in Hat Yai District of Songkhla Province, Kantang District of Trang Province, Kanchanadit District of Surat Thani Province, Pathio District of Chumphon Province and Sadao District of Songkhla Province, using the World Resources Institute (WRI) Aqueduct Water Risk Atlas tool, and found that the Company's factories are not located in an area where water scarcity may occur or areas with water stress. The company has set a target to increase the efficiency of water use in the production process which supports the Sustainable Development Goal 6 (SDG 6) and the 20-year Water Resources Management Master Plan of Thailand.

Operating guidelines

- Provide adequate water supply and quality suitable for the production process.
- Consider the quality and quantity of water used in order not to affect the communities surrounding the factory.
- Set goals for effective water management every year using the 3Rs principle.
- Develop a soft water production system for maximum efficiency in order to reduce the use of groundwater.
- Promote invention and improvement to reduce water consumption in each process with Kaizen and QCC activities.

Target

Reducing water consumption per product unit by 10% compared to 2019 by 2024.

Outcome

Water consumption management	Unit	FY 2019	FY 2020	FY 2021	FY 2022
Amount of water consumption per product	M^3/Mpcs	368	366	362	378
Reduced amount of water consumption per product	Percentage	Base year	1	2	-3

Wastewater management

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

The Company has developed and improved technology for effective wastewater treatment, focusing on reusing the treated water in production according to the 3Rs principle with guidelines defined as follows:

- Monitor and control the wastewater treatment system to be fully effective at all times.
- Bring in technology and innovation to improve production processes to reduce water consumption.
- Improving and developing water treatment systems to recycle at least 5% of the water used in production.
- Be prepared for any emergency situation that may arise.
- Installation of Pre-Treatment system to increase the efficiency of wastewater treatment.

(The results of water discharge quality can be found in the GRI Table of Environmental Performance in Sustainability Report 2022.)

Waste management

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

Implemented projects and results:

- **Reduce Waste = Reduce Use Project, Hat Yai Branch** was able to reduce the use of paper by 108 reams per year and reduced the use of used cloth (oil stained) by 150 kilograms per year.
- **Waste Recycling Bank in Exchange Eggs Project at the Trang Branch,** was able to separate 2,893 kilograms of recyclable waste.



- **"Production of Good Quality Soil Ingredients" project** was able to hand over 20 tons of bark soil to organic compost groups, market communities to produce quality soil ingredients instead of disposal by landfill.

- **Cooperation with Suppliers of Chemical Raw Materials Project**

was able to modify incoming chemical packaging to reduce hazardous waste from chemical containers by 333 kilograms.

- **Waste Former to Refractory Project,**

is a collaboration between STGT and SRIC, a subsidiary of SCG, and involves sending STGT's end-of-life ceramic glove molds to be substituted raw material for SRIC's refractory mortar production. In 2022, the project was able to reduce 277 tons of former landfill.



Reduce the amount of total waste per product unit by 20% compared to 2019 by 2024.
Towards zero of non-hazardous waste to landfill by 2030



Waste management	Unit	FY 2019	FY 2020	FY 2021	FY 2022
Amount of waste per product	Ton / Mpcs.	1.62	1.34	1.51	1.04
Reduced amount of waste per product	Percentage	Base year	17	7	36
Amount of non-hazardous waste per product	Ton	26,680	27,679	31,044	7,541

(Details of environmental performance can be found in the 2022 Sustainability Report of the Company's website. www.sritranggloves.com under the topic of sustainability)

3.4 Sustainability Management in Social Dimensions

3.4.1 Social Policy and Guidelines

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

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

The Company has established guidelines for social management as follows:

1. Occupational Health and Safety

Safety, occupational health and work environment are prominent issues of sustainability, the management of which the Company attaches great importance in order to prevent risks, incidence and impacts on its business and stakeholders. These are also important corporate management issues of interest to stakeholders of the Company, especially among employees, partners/ contractors and communities around the factory, in its business operation. Therefore, the Company has formulated the Occupational Health & Safety Policy and the Announcement on Company Rules for Contractors as a guideline for all employees and contractors by assigning duties and responsibilities regarding safety, both for individual workers and their colleagues, in compliance with laws and standards on occupational safety and health. This is under the responsibility of the Occupational Safety, Health and Working Environment Committee which requires the occupational health and safety management system ISO 45001 to be applied to create stability in business operations.

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

The Company sets two objectives as follows:

- Fatality as a result of Work-Related Injury at zero
- Occupational Illness Frequency Rate at zero

2. Human Rights

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

In addition, the company has adopted ILO standards as a reference in its operations and has obtained accreditation through the BSCI SMETA and Force Labor standard systems. The main topics that the company has implemented following ILO standards, such as the absence of forced labor: slave labor, debt bondage, etc.

International Labour Organization : Pass

Sedex : Pass

amfori BSCI Trade with purpose

AAAA



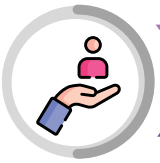
3. Employees' Care

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. The Company has established a **Human Resource Development Policy** whereby employees at all levels will receive on-the-job training and development systematically and continuously to achieve learning, practice skills, build attitudes to be able to work properly according to the job requirements, while at the same time creating awareness of social and environmental responsibility. In addition, the Company also sets goals and plans for the development of employees' potential to promote career progression, growth and stability.

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

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

- Target of employee engagement at 85%
- The target of training hours at 40 hours per person per year



4. 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, setting product recall policy, including providing warranties for products and services under reasonable time conditions, organizing systems and communication channels so that customers can access products and services, as well as being responsible for maintaining customer records and confidentiality. In the past 3 years, the Company has had no significant complaints, whether related to product quality or non-compliance with the relevant matter.

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



5. Participation in Community and Social Development

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

In this regard, the Company has set goals in terms of community satisfaction with its social development projects and activities 80% as an indicator of the Company's performance of participation in community and social development.

3.4.2 Social Performance

Occupational Health and Safety

The Company's operation is following ISO45001:2018 standards whereby it complies with the law on safety, occupational health and working environment, provides knowledge and training under the operating safety regulations, provides personal protective equipment, as well as applying modern protective equipment and technology to reduce potential risks in the workplace. In addition, the Company provides annual health checks based on risk factors and daily basic health checks before work for all employees in the Company. Furthermore, the Company also provides training on occupational safety for its partners to create a safe work environment in the operation of the Company, including annual emergency preparedness training such as fire evacuation drills, response to chemical spills, etc.,

Performance

- Fatality as a result of Work-Related Injury at zero
- Occupational Illness Frequency Rate at zero

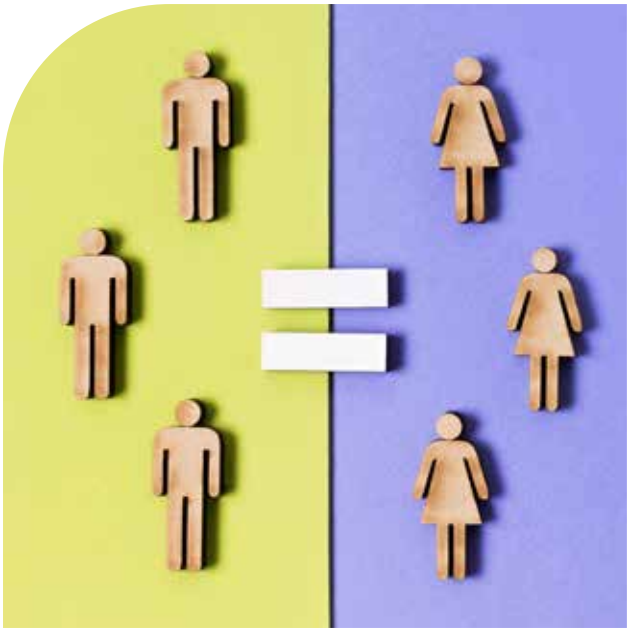
In this regard, the Company has been certified for ISO45001:2018 occupational health and safety management standard system in 3 branch factories, representing 50% of the branch factories in Thailand.

Human Rights

The Company has reviewed and improved a human rights and non-discrimination policy in line with the UN Guiding Principles on Business and Human Rights (UNGP), the Universal Declaration of Human Rights (UDHR), the Children Rights and Business Principles (CRBP) and the UN Global Compact. Furthermore, on November 9, 2022, the Company conducted a training course on human rights and non-discrimination, by human rights experts as a speaker, for its employees to raise awareness and enhance the understanding of human rights practices that are involved in business operations.

In this regard, the Company has revised its human rights risk checklist related to its business and conducted comprehensive human rights investigations. The human rights audit and risk assessment has been expanded to cover business processes involving all 8 groups of stakeholders: employees, migrant workers, temporary workers, business partners, contractors, customers and consumers, communities, society and the environment surrounding the operation area, including areas for business expansion and mergers and acquisitions, covering 100 percent of the Company's business operations. The result of the assessment found that there were no complaints or violations of human rights in the organization and the supply chain from the Company's operations.

(More social dimension can be found in the 2022 Sustainability Report on the company's website. www.sritranggloves.com under the part of Sustainability)



Employees' Care

In 2022, the Company provided COVID-19 vaccinations to all employees and their families to prevent the spread of the virus. It also supplied protective equipment such as masks and hand sanitizers to ensure the safety of employees. In addition to legal benefits, the Company provides its employees with various basic benefits to maintain a good quality of life, such as employee uniforms, rent subsidy, accommodation, per diem, health and accident insurance, Provident Fund, retirement payment, emergency aid, organizing Happy Workplace activities and study visits, etc.

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

Employee development, the Company has organized a project to develop employees' skills and abilities including the potential in various fields of employees to prepare for succession of management level of the organization (Successor Project), which is a group of employees at the level of assistant manager level 5 or a group of outstanding employees at level 4 of each department, which has a total of 20 people. The project allows all participants exchange their knowledge through study visit in various fields within the group of companies, external agencies and business partner.

In 2022, the Company conducted a survey of employee engagement, representing 83.5% of employees, with results and goals as follows:

Employees' Care Indicator	Unit	Target	FY 2022
Employee engagement	Percentage	85	88
Training Hours	Hours/Person	40	42

Participation in Community and Social Development

The Company and its subsidiaries have a policy to conduct business that is beneficial to the economy and society, adherence to being a good citizen and full compliance with relevant laws and regulations. It has a policy to promote the creation of knowledge to the community, creating jobs and distributing income to help improve the quality of life of the people for sustainable social and national development, including supporting activities and instilling awareness of social responsibility in a concrete way so as to contribute to driving Thai society towards sustainable social and environmental development which, not only helps to promote the economy, but also improves the quality of life of people in the community. This is another important mission the Company has carried out through various activities and projects, both self-initiated and purposely originated in response to stakeholders' expectations. In 2022, the activities included the following:

- **Weaving Love Pallet Wood Project (CSR-DIW Continuous) 2nd consecutive year**

  Suratthani Branch has organized a skill development project for people with disabilities at the Ban Bor Num Ron Village, Kanchanadit District, gleaned from community discussions, whereby the Company provided 1,200 pieces of wooden pallets which are unused materials from the factory for people with disabilities to make tables, chairs, shelves, baskets and various woodwork products. This is in line with the circular economy approach and can help reduce production costs for the Disabled Sports Association of Suratthani Province by 60% and generate income for the disabled amounting to

THB 12,000. The Company also participated in helping to expand the building area to increase the workspace to produce products from wood pallets to meet the market demand, which will continue to expand in 2023.

- **Support for veterinarian volunteers and animal rescue foundations**

  The Company continuously supports animal rescue foundations and university veterinary volunteer camps every year whereby 18,000 pieces of gloves are donated to carry out rabies vaccination activities, sterilization surgery for stray dogs and cats in order to prevent their propagation that could cause further problems for society.

- **COVID-19 vaccine delivery project**

  Headquarters and Sadao P.S. Branch jointly delivered 6,000 doses of Moderna vaccine to the Sadao District Public Health Office in the 3rd vaccination campaign to support equal access to vaccines among citizens.

- **Production of Good Quality Soil Ingredients Project**

  The Company linked the circular economy concept to business operations by using waste materials from biomass fuel production to create economic benefits (Waste Utilization) in the form of compost for organic farming in the market community of Pha Tong Sub-district, Hat Yai District, Songkhla Province, 20 tons bark soil to be used to produce good quality soil ingredients for personal use and distribution which was able to generate income for the group after deducting expenses in the amount of THB 108,000.

- **Sri Trang Family Members Plant Trees for the Community**

  The Company organized a tree planting activity to increase green space for the community in collaboration with Phatong Sub-district Municipality and the Market Community, represented by 43 volunteers of the Company's Hat Yai Branch to plant 200 Tongurai trees at the U-Tapao Canal Bank Protection Dam, Phatong Sub-district, Hat Yai District, Songkhla Province to increase green space and raise environmental awareness in the community.

- **Planting of Mangrove Forest "Planting Trees for the Community, Planting Trees for the Future" Project**

  The Company places importance on biodiversity of marine resources and, therefore, established a mangrove planting project, "Planting Trees for the Community, Planting Trees for the Future" project, in the vicinity of Village No. 3, Baan Nai Ram, Plaiwas Sub-district, Kanchanadit District, Suratthani Province, whereby 30 Suratthani Branch employees participated in planting 400 mangrove trees to conserve and restore the fertile mangrove forest and aquatic animal nursery in a sustainable way.

- **Waste Sorting Campaign**

  The Company is mindful of the pollution of the environment from the solid waste in the community and has therefore organized a waste separation campaign in the Ban Lob Mum Village whereby 36 volunteer employees of the Company's Hat Yai Branch jointly collected 257 kilograms of waste within the community and separated each type of waste for proper disposal.

- **Project to Develop Community Areas for Wellbeing**

  The Company contributed THB 64,000 to develop community areas and promote the living environment of the community in various aspects, for example: landscaping on both sides of the strategic road on the Na Po side to facilitate traffic and make it more convenient for employees and the general public; dredging of Ban Bang Mak Noi Canal in Khuan Thani Sub-district, which had become shallow to restore water sources and provide good drainage in the rainy season; and digging groundwater wells in Ban Khlong Pratu community in Patong Sub-district, Hat Yai District, Songkhla Province.

(More details of participation in community and social development can be found in the 2022 Sustainability Report on the Company's website. www.sritranggroup.com under the topic of sustainability.)



Weaving Love Pallet Wood Project
(CSR-DIW Continuous) 2nd consecutive year



Production of Good
Quality Soil Ingredients Project



Sri Trang Family Members
Plant Trees for the Community



Planting of Mangrove Forest
"Planting Trees for the Community,
Planting Trees for the Future" Project



Support for veterinarian
volunteers and animal
rescue foundations



COVID-19 vaccine
delivery project



Waste Sorting Campaign



Project to Develop
Community Areas for Wellbeing

4 Management Discussion and Analysis: MD&A

4.1 Financial Result Overview

> *Amid numerous challenges throughout the year, we recorded a profit after tax of* ***THB 1,652 million.***

In FY2022, we had THB 23,304.8 million in revenue, decreasing 51.0% YoY as the ASP continued to decline due to the fact that supply in the global market has increased substantially while demand has normalized after COVID-19 was under control. Sales volume was 28,809 million pieces, grew 5.6% YoY amid intense competition in the market. Thanks to a focus on NR gloves and a product mix of 76.7% of NR gloves and 23.3% of NBR gloves that differentiates us from our peers. In FY2022, we recorded a net profit of THB 1,652.1 million or THB 0.58 per share, with a net profit margin of 7.1%.

Going forward, our business strategy will focus on

1) maintaining our position as a leading producer and distributor of natural rubber gloves, which we have a competitive advantage over competitors in cost, quality, and access to raw materials;
2) increasing production of specialty gloves that respond to specific customer demand, e.g. non-detectable protein gloves, surgical gloves, diamond textured gloves that are used in the industrial sector;
3) growing our market share to over 190 countries, from currently over 170 countries, within the next 2 years;
4) managing utilization rate and profitability to create reasonable returns in the long run while the glove industry is going through the normalization period;
5) improving efficiency with the use of automation and technology to minimize costs and labor;
6) maintaining our ESG leadership and commitment to social and environmental responsibility and corporate governance with a view to sustainability.

Extraordinary Event in 2022

1) The establishment of new subsidiaries to expand our distribution channels in high-growth consumption countries in the United States as “STRG”, and in the Philippines as “STGP”.

Income Statement Overview

(Unit: million THB)	FY22	FY21	%YoY
Volume (in million pcs)	28,808.9	27,275.5	5.6%
Sales Revenue	23,304.8	47,550.8	-51.0%
COGS	(19,048.0)	(19,291.8)	-1.3%
Gross profit	**4,256.8**	**28,259.0**	**-84.9%**
Other income	209.3	362.5	-42.3%
SG&A	(2,401.1)	(2,242.8)	7.1%
Gain (loss) on exchange rate, net	101.7	598.1	-83.0%
Other gains, net	(257.2)	(1,079.4)	-76.2%
Operating profit (loss)	**1,909.5**	**25,897.4**	**-92.6%**
EBITDA	3,519.9	27,251.1	-87.1%
EBIT	2,070.3	26,004.0	-92.0%
Finance income	160.8	106.5	51.0%
Finance costs	(186.8)	(127.4)	46.7%
EBT	1,883.5	25,876.6	-92.7%
Tax	(231.5)	(2,172.5)	-89.3%
Net profit	**1,652.1**	**23,704.2**	**-93.0%**
GP margin	18.3%	59.4%	-41.2%
EBITDA margin	15.1%	57.3%	-42.2%
Net profit margin	7.1%	49.9%	-42.8%
Financial Ratio			
Current ratio	4.62	5.23	-11.8%
Cash cycle (days)	49.63	35.97	38.0%
IBD/E	0.24	0.22	8.1%
Interest coverage ratio	24.11	207.07	-88.4%
ROA	3.3%	49.6%	-46.3%
ROE	4.4%	67.3%	-62.9%

Revenue from sales and services

Sales revenue in FY2022 was THB 23,304.8 million, decreasing 51.0% YoY, because of the decline in ASP at 54.1% YoY to THB 798 (USD 22.9) per 1,000 pieces, from THB 1,739 (USD 54.7) in FY2021. Sales volume in FY2022 grew 5.6% YoY to 28,809 million pieces amid intense competition in the market and a rapid increase in global supply. Our utilization rate in FY2022 was 64.8%, down from 87.3% in FY2021. By product, latex powder-free gloves (NRPF) contributed the largest proportion of sales revenue at 39.5%, followed by latex powdered gloves (NRPD) at 37.2% of sales revenue, while nitrile gloves (NBR) contributed 23.3% of sales revenue as we continued to keep our focus on NR gloves because of our competitive advantage in production from the access to raw material and lower transportation costs. Crucially, we can efficiently alter our production lines to adjust the proportion of NRPF and NBR gloves to ensure an optimum product mix.

Gross Profit

We recorded THB 4,256.8 in gross profit in FY2022, decreasing 84.9% YoY because of the decline in ASP at 54.1% YoY as a result of the intense competition in the market due to substantial increase in global supply, leading to an ongoing oversupply situation that will take some time to rebalance. Meanwhile, sales volume grew 5.6% YoY. Raw material prices decreased 45.7% YoY for NBR latex and 10.4% for NR latex. The significant decline in ASP had an effect on our gross profit margin, which decreased from 59.4% in FY2021 to 18.3% in FY2022.

Selling and Administrative Expenses

SG&A increased by 7.1% to THB 2,401.1 million. The increase in selling expenses can be attributed to higher inland transportation costs as part of an attempt to ship out products from ports in more distant locations and to higher oil prices during the Russia-Ukraine war. The increase in administrative expenses can be attributed to depreciation that increased alongside production capacity while the utilization rate decreased as well as an increase in debt allowance. The percentage of SG&A to sales revenue increased from 4.7% in FY2021 to 10.3% in FY2022 because of lower sales revenue.

Net Gains/Losses from Foreign Exchange

Our net losses from foreign exchange amounted to THB 156.6 million, which was primarily due to the loss of the derivative instruments such as forward and option contracts.

Finance Income

Our finance income on interest earned from bank deposits increased by 51.0% from THB 106.5 million in FY2021 to THB 160.8 million in FY2022. This was primarily due to an increase in cash deposits at banks following the increase of policy rates.

Finance Costs

Our finance costs increased by 46.7%, or THB 59.4 million, from THB 127.4 million in FY2021 to THB 186.8 million in FY2022. This was primarily due to the issuance of debentures and an increase in interest rates. However, such long-term loans are under the interest-subsidy program of the Rubber Authority of Thailand (RAOT).

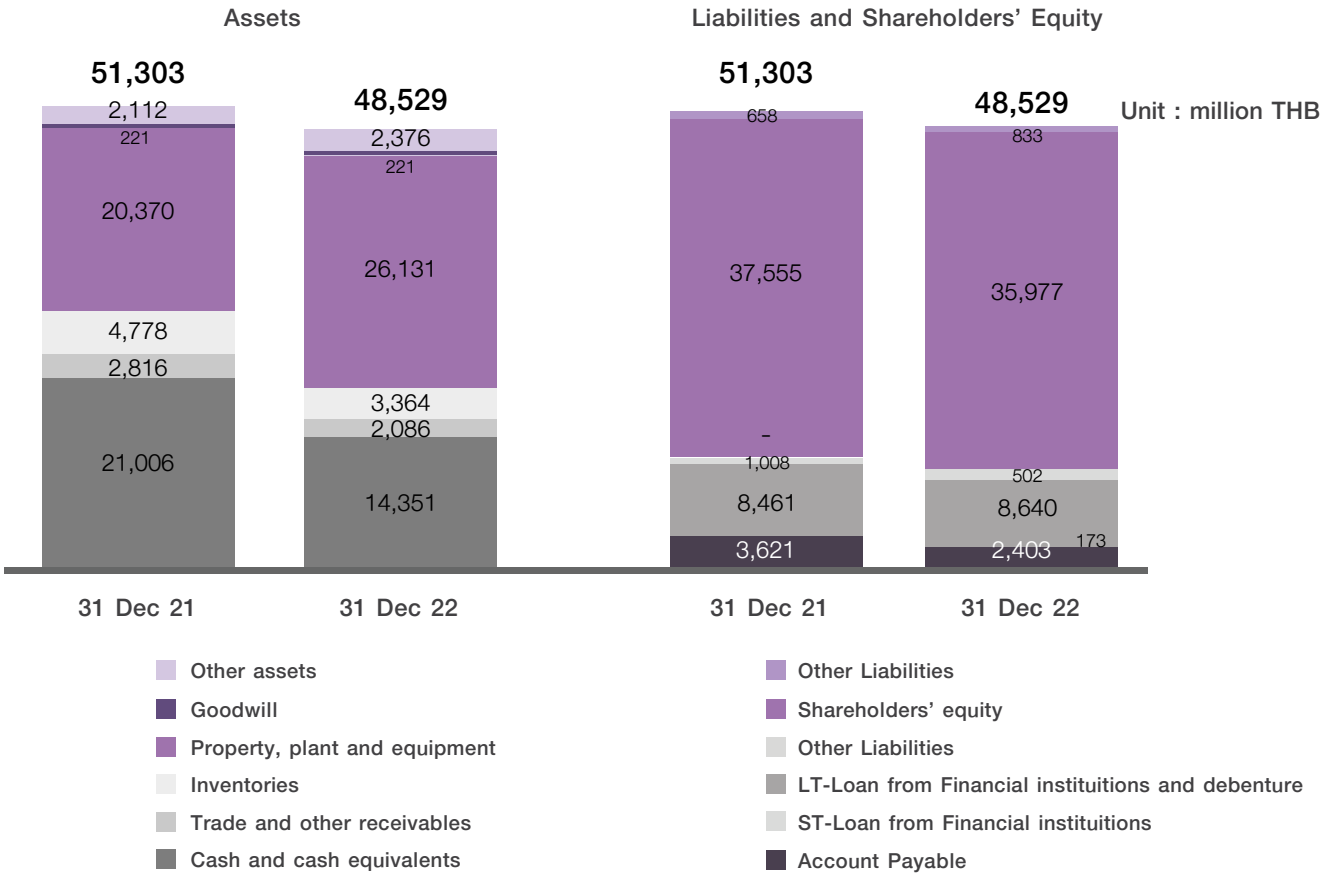
Income Tax Expenses

Our income tax expenses decreased 89.3% to THB 231.5 million in tandem with net profit, our effective tax rate increased from 8.4% in FY21 to 12.3% in FY22.

Net Profit

Our net profit significantly decreased by 93.0% or THB 22,052.1 million from THB 23,704.2 million in FY2021 to THB 1,652.1 million in FY2022, with a 7.1% of net profit margin.

Financial Position



Total Assets

Total assets as at 31 December 2022 decreased by THB 2,774.3 million to THB 48,528.5 million from 31 December 2021, mainly due to the decrease of cash and cash equivalent and inventory of THB 6,655.4 million and THB 1,414.0 million, respectively. On the other hand, property, plant and equipment increased by THB 5,761.1 million as a result of the capacity expansion.

Total Liabilities

Total liabilities decreased by THB 1,371.9 million from 31 December 2021 to THB 11,717.8 million as at 31 December 2022. The decrease was mainly due to a decline in long-term borrowing from financial institutions (minus current portions) in the amount of THB 1,715.8 million compared to the previous year, nearly all outstanding loans were taken under the interest rate subsidy program of the RAOT which was up to 3% of interest rate is subsidized, along with trade and other payables which decreased by THB 1,217.5 million. Meanwhile, the Company recorded additional liabilities of THB 1,498.3 million from the first issuance of green debentures of THB 1,500 million in the third quarter of 2022.

Total Shareholders' Equity

Total shareholders' equity as at 31 December 2022 decreased by THB 1,402.4 million from 31 December 2021 to THB 36,810.7 million. The decrease was mainly due to a decrease in the retained earnings net with the interim dividend payment during the year.

Capital Expenditure and Source of Funds

In 2022, the capital expenditure was THB 10,284.2 million, which decreased by 12.8% from the previous year, which was primarily due to the capacity expansion. The primary sources of funds were cash, long-term borrowings from financial institutions, and cash from the IPO proceeds of STGT.

Research and development (R&D) expenditure

In 2022, the Company had research and development expenses of THB 15.3 million. The expenses were mainly for developing a variety of products to meet the needs of consumers in the medical and various industries, with an emphasis on developing natural rubber gloves, which are environmentally friendly and competitive products to cover customers' requirements. In addition, the Company also promoted and invested in applying various knowledge and technologies within the organization, particularly in the areas of automation and digitalization to increase productivity and efficiency, reduce labor and production costs, and make the most of limited resources.

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 2022 amounted to THB 8,885.8 million (Please find details about payment term, interest rate, and ending balance in each foreign currency in Note to the Consolidated and Separate Financial Statements under Item 18) with the key covenants that the Company must maintain in every quarter as follows:

Ratio	Condition (Calculated from Consolidated Financial Statements)	1Q22	2Q22	3Q22	4Q22	Results
Long-term borrowings						
DSCR	Not less than 1.1:1	15.56	7.79	3.79	2.21	Pass
Debentures						
Net Debt to Equity**	Not greater than 3:1	(0.26)	(0.18)	(0.16)	(0.15)	Pass

From January 2023 onwards, the financial covenant will be changed from DSCR to net debt to equity ratio.

***Net debt means interest bearing debt, excluding lease liabilities, net cash and cash equivalent and short term investment.*

Credit Policy

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

Financial Ratios

Interest coverage ratio

For the year ending 31 December 2022, the Company had an interest coverage ratio equivalent to 24.11 times, which decreased from the year ending 31 December 2021 which had an interest coverage ratio of 207.07 times. The main reason was a decrease in cash flows from operating activities; while, the interest expenses increased in line with the rising interest rates, as well as the first issuance of green debenture of THB 1,500 million in the quarter 3/2022. The long-term borrowings with the financial institution are under the interest rate subsidy program of the RAOT which up to 3% of the interest rate is subsidized.

Current ratio

Current ratio as at 31 December 2022 was 4.62 times, decreased from 31 December 2021 at 5.23 times, as the decrease in current assets resulting from cash spending in capacity expansion throughout the year 2022, together with a decrease in inventory. Though, the current liabilities declined along with a decrease in trade and other payables and income tax payable. The decrease in current liabilities is proportionately lower than the decrease in current assets.

Cash cycle

Cash cycle for the year ending 31 December 2022 was 49.63 days, an increase from the year ending 31 December 2021 at 35.97 days, mainly due to the longer Days Sales Outstanding (DSO), together with the shorter Days Payables Outstanding (DPO) that changed along with the proportion of raw materials purchased from suppliers with shorter credit term.

Return on Assets ("ROA")

Return on assets for the year ending 31 December 2022 was 3.3%, which decreased from 49.6% for the year ending 31 December 2021 due to a decrease in the profit and an increase in average total assets in 2022 compared to the previous year.

Return on Equity ("ROE")

The return on equity for the year ending 31 December 2022 was 4.4%, a decrease from 67.3% for the year ending 31 December 2021 due to a decrease in the profit for 2022. Meanwhile, the average total shareholders' equity in 2022 decreased from the average total shareholders' equity in 2021 but with a lesser proportion compared to the decrease in the profit.

Interest Bearing Debt to Equity Ratio

The interest bearing debt to equity ratio for the year ending 31 December 2022 was 0.24 times, which increased slightly from 0.22 times, mainly due to an increase in green debentures of THB 1,500 million issued in the quarter 3/2022; while, the shareholders' equity declined.

Financial Ratios

Ratio	Unit	2022	2021	2020
Liquidity Ratio				
Current ratio	Time	4.62	5.23	5.50
Quick ratio	Time	3.85	4.39	4.96
Cash flow liquidity ratio	Time	0.81	4.08	3.01
Account receivables turnover	Time	10.41	13.05	9.75
Days of account receivables	Day	34.58	27.58	36.92
Inventory turnover	Time	9.36	9.63	12.06
Days of Inventory	Day	38.45	37.40	29.86
Account payable turnover	Time	15.38	12.41	10.95
Days of account payables	Day	23.41	29.02	32.88
Cash Cycle	Day	49.63	35.97	33.90
Profitability Ratio				
Gross profit margin	%	18.27	59.43	55.27
Operating profit margin	%	8.19	54.46	52.59
Other income (%)	%	1.54	0.96	0.92
Operating cash flow to operating profit ratio	%	213.93	92.95	83.62
Net profit margin	%	7.09	49.85	47.18
Return on equity holders of the company	%	4.40	67.81	79.78
Return on equity (ROE)	%	4.40	67.27	78.64
Efficiency Ratio				
Return on assets (ROA)	%	3.31	49.62	50.18
Return on non-current assets	%	13.25	165.68	169.44
Assets turnover	Time	0.48	1.02	1.08
Financial Policy Ratio				
Debt to equity ratio	Time	0.32	0.34	0.37
Interest Bearing Debt ratio	Time	0.24	0.22	0.20
Interest coverage ratio	Time	24.11	207.07	105.64
Debt Service Coverage Ratio (DSCR)	Time	1.81	19.97	16.06
Operating cash flow to total obligation (Cash basis)	Time	0.35	0.83	1.92
Dividend payout ratio	%	147.18*	54.84	54.82

**Refer to the Board of Director's resolution to approve the interim dividend payment of 0.50 baht per share from the Company's operating result for the six-month period ended 30 September 2022. Moreover, On 17 February 2023, the Board of Directors resolved to approve the second dividend payment from the 2022 operating result at the rate of 0.25 baht per share. However, the right to receive such dividend is still not definite as it is subject to the approval of the 2023 Annual General Meeting of Shareholders which will be held on 10 April 2023.*

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

The Company aims to create good practices that cover sustainable issues and is committed to continuous development in order to create excellence in ESG aspects for all stakeholders.

Environmental (E)

The Company is committed to being a low-carbon company, within 2026, to reduce our greenhouse gas emissions by no less than 10% compared with 2021 and, by 2024, reduce our energy consumption per unit by 5.5% compared with 2019, including our electricity consumption per unit by no less than 10% compared with 2019. Presently, we utilize wood chips, which are considered biomass and have a significantly lower emission factor than fossil fuels, as fuel for boilers in production and plan to increase the use of renewable and clean energy. We completed the installation of solar panels that generate electricity and help to reduce greenhouse gas emissions by 615 carbon dioxide tons per year at our Trang facilities in June 2022. In 2022, we also reviewed the utility of the solar roof to apply for registration in Thailand Voluntary Emission Reduction Program (T-VER) in January 2022. We also implement a water reclamation system, whereby wastewater gets recycled and reused in the production process, thereby reducing our consumption of water, one of the essential resources in glove production. On waste management, we have set a goal of zero waste to landfill and recently signed an MOU on environmental management under the principles of the circular economy with a third party company and have started to reuse disused ceramic glove molds, which were previously sent to landfill, as raw material to produce fire-resistant bricks.

Social (S)

The Company has announced human rights and anti-discrimination policies and thoroughly conducted a human rights evaluation. Our labor practices are well known as the “best-in-class workforce treatment” and have received the top A rating in the Business Social Compliance Initiative (BSCI) audit by Amfori for our facilities in Hat Yai, Sadao, Trang, and Surat Thani. In 2022, we have been certified under SMETA and ILO forced labor standards, e.g, no forced or slave labor or debt bondage. Additionally, we have continued to organize various CSR projects that benefit the local communities and accord with the principles of the circular economy.

Governance (G)

The Company is committed to promoting diversity, including gender, age, and ethnicity diversity, among our workforce and conducting our business under good governance principles with transparency and accountability. Corruption prevention is also our focus and we have been certified by Thailand’s Private Sector Collective Action Coalition against Corruption (CAC) on June 30, 2022. We encourage our suppliers to likewise declare their anti-corruption stance. We have received accolades from many organizations such as the level 4 Green Industry Certification from the Ministry of Industry for our facilities in Trang and Surat Thani. Moreover, we have been included on the ESG100 index by the Thaipat Institute for the second consecutive year and on the list of Thailand Sustainability Investment (THSI) and on the SETTHSI index by the Stock Exchange of Thailand.

5 General and Other Significant Information

5.1 General Information

Share Registrar

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

Singapore Transfer Agent

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue, Keppel Bay Tower #14-07,
Singapore 098632
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

5.2 Other Significant information

None

5.3 Legal Disputes

As of 31 December 2022, the Company and its subsidiaries have no legal disputes which may have a negative impact on the assets exceeding 5% of shareholders' equity or a significant impact on the business operations of the Company and its subsidiaries.

5.4 Secondary Market

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

5.5 Financial Institutions

1. Bank of Ayudhya Public Company Limited

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

2. Kasikornbank Public Company Limited

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

3. Siam Commercial Bank Public Company Limited

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





2

Corporate Governance

6 Corporate Governance

6.1 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 and this policy is required to be reviewed on an annual basis.

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

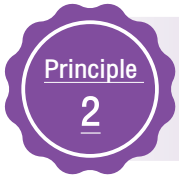
Corporate Governance Principles and Policy

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



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.



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.



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.



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.



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.

6.1.1 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 sharehoders' 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

6.1.2 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) since August 2021 and has been certified as a member of Thai Private Sector Collective Action Against Corruption (CAC) on 30 June 2022, which is valid for a period of 3 years.

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

- Communicated the Code of Conduct to all directors and requested their acknowledgment in written, including creating awareness on this matter, which covered 100 percent.
- Provided an e-learning programme on Code of Conduct together with a test for the executives and employees at all levels of the Company, including new employee orientation, which covered 100 percent.
- In 2022, it was not found that there was any persons performed their duties against the Code of Conduct.

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

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

The 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. Moreover, the Company has used technology in the meeting such as the Barcode system.

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 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 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 Trading Partner

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

(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. In this regard, there was no legal dispute between the Group and its competitors in the previous year.

Code of Conduct for Treatment of Creditors

The Company adheres to the guideline on treatment of creditors with fairness, responsibility, transparency, and equality. The Company must strictly conform to the terms and conditions of the agreements and financial obligations, in respect to the repayment of principal and interest in accuracy and on time, capital management, and maintenance of collateral under relevant agreements, including not utilizing the loan proceeds in any way that is contrary to the objectives and not concealing any information and facts that may cause damage to the creditors. In the event that the Company is unable to comply with any terms, conditions, or obligations under the agreements, the Company shall inform the creditors without delay in order to jointly find a solution.

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.

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

In 2022, the Company has a significant changes and developments of corporate governance system which can be summarized as follows:

1) The Company has passed the assessment and has been certified as a member of Thai Private Sector Collective Action Against Corruption (CAC) for the first time on 30 June 2022, which is valid for a period of 3 years. This demonstrates the intention and determination of the Company to refuse all forms of corruption.
2) The non-executive directors held 2 meetings in order to allow a discussion of any issues of concern without the participation of the management and further informed the result to the Chief Executive Officer.
3) The Board of Directors has reviewed the Charter of Board of Directors and Sub-committees i.e. Nomination Committee, Remuneration Committee, Executive Committee, and Corporate Governance and Sustainable Development Committee have reviewed the charter of each committee and viewed that the charters were appropriate and consistent with the relevant criteria, and thus no amendment was required. However, the charter of Audit Committee under topic of Meetings of Audit Committee has been amended to be in line with the current practice, and the charter of Risk Management Committee and risk management policy have been amended to cover and be in line with the objective and strategy of enterprise risk management.
4) The Board of Directors has reviewed and amended the Corporate Governance Policy as follow: (1) to determine the policy on directorship in other company of the Chief Executive Officer that the Chief Executive Officer may serve as a director in other company besides the Company's subsidiaries and associated companies only if it must not be an obstacle to performance as the Chief Executive Officer of the Company and such company must not operate business in the same nature or in competition with the Company's business, provided that it must be approved by the Board of Directors prior to taking such position in other company, (2) to add the responsibility towards creditors in principle 5.2 that the Company must strictly conform to the terms and conditions of the agreements and financial obligations, in respect to the repayment of principal and interest in accuracy and on time, management of loan in accordance with its objectives, including not concealing any information and facts that may cause damage to the creditors. In the event that the Company is unable to comply with any terms, conditions, or obligations under the agreements, the Company shall inform the creditors without delay in order to jointly find a solution.
5) The Board of Directors has reviewed the Code of Conduct and added code of conduct for the treatment of creditors by specifying the treatment of creditors with fairness and responsibility, including guideline on creditors which covers the compliance with the terms and conditions of the agreements strictly, capital management and measures to prevent loan default.
6) The Board of Directors has reviewed and amended the policies and guidelines regarding corporate governance principle which cover (1) the amendment of policy on human rights and non-discrimination for more clarity and coverage with the international principles according to the guidelines of the United Nations and emphasizing our commitment to conduct business with responsibility while upholding human rights and non-discrimination in adherence to international principles and guidelines and (2) the amendment of policy on the prevention of conflict of interests for more clarity in preparing the conflict of interest reports by the directors and executives that the Company shall keep, maintain, and submit such report to the Chairman of the Board of Directors and the Chairman of the Audit Committee for further use in the verification and monitoring of conflicts of interest.
7) The increase of complaints channel for employees through HR Employees Relation System, the complaints through this system are not detectable the source of complainant and appropriate remedial actions are taken accordingly.



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 2022, 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 sand 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 2022 Annual General Meeting of Shareholders, one director cannot attend the meeting due to the quarantine during the Pandemic Situation of Coronavirus Disease 2019 (COVID-19).

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

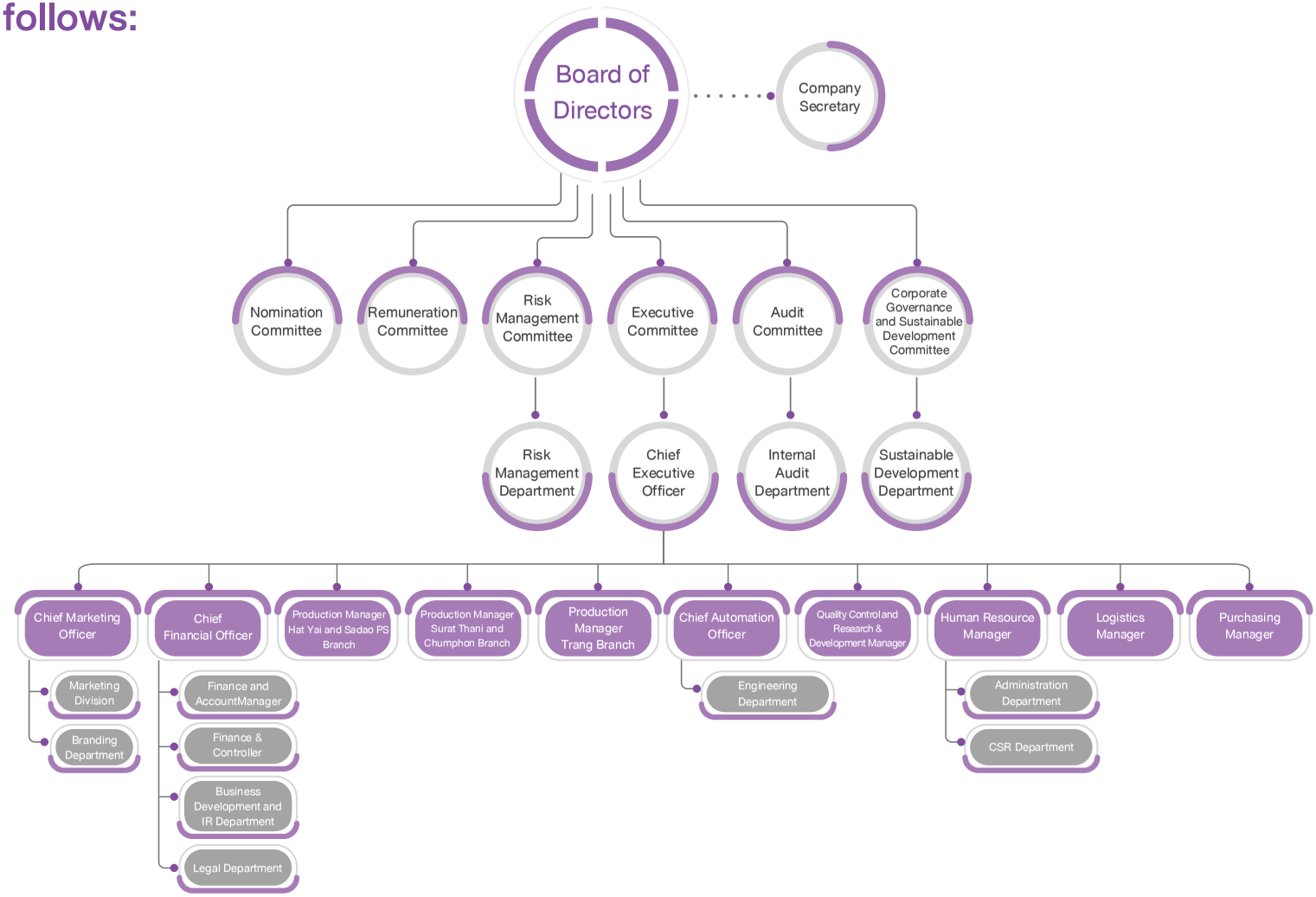


The Board of Directors places an importance on the disclosure of significant details of the Company in an accurate, sufficient, and timely manner following the relevant regulation, standard, and guideline for the disclosure of both financial and non-financial information, including the establishment 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 2022, the Company has held meetings with investors, fund managers, media/ reporters globally with a total of 14 times, which important events/ meetings are as follows:

Activities	Organizer	Date
Quarterly Analyst Meetings	STGT	18 February 2022 10 May 2022 11 August 2022 9 November 2022
STGT Green Bond Roadshow	STGT and Bank of Ayudhya Public Company Limited	17 August 2022
Management Meeting	TRIS Rating Co., Ltd.	23 April 2022

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

7.1 As of 31 December 2022, details of the Company's management structure are as follows:



***Remarks:**

(1) The Nomination Committee's Meeting resolved to approve the appointment of Mr. Phanlert Wangsuphadilok to hold the position of Chief Automation Officer, effective on 1 January 2023 onwards.

(2) The Board of Directors' Meeting resolved to approve the restructuring of management structure, the Risk Management Department shall directly report to the Risk Management Committee, effective on 17 February 2023 onwards.

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 2022, the Board of Directors comprised of 12 members that is suitable for the size and business strategy of the Company as follows.

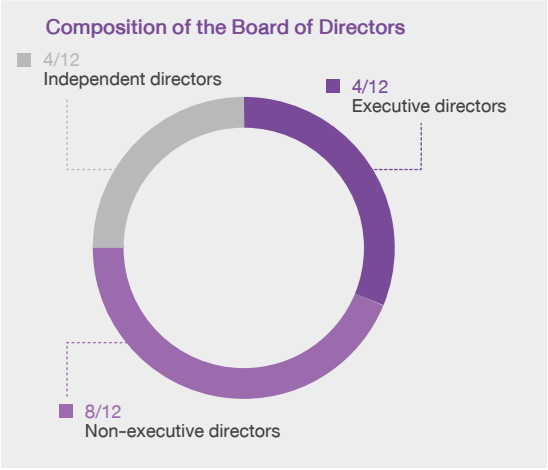
- 4 independent directors or equivalent to 33.33 percent of all directors (which is one-third of total directors)
- 4 executive directors or equivalent to 66.67 percent of all directors.
- 8 non-executive directors or equivalent to 33.33 percent of all directors.
- 3 female directors or equivalent to 25 percent of all directors.

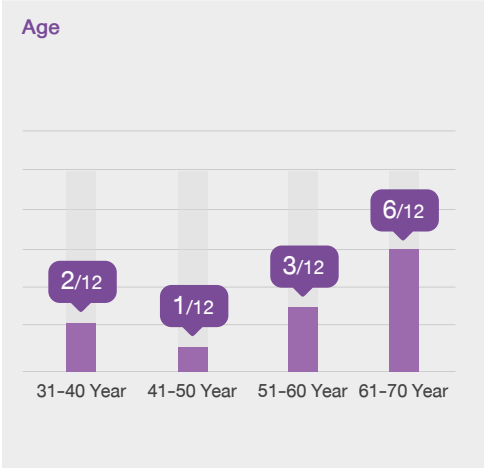
List of directors are as follow:

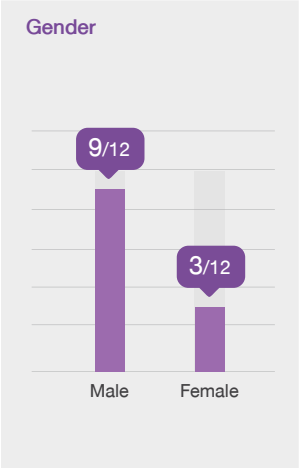
Name of directors	Age	Gender	Position	Date of Appointment
1. Professor Dr. Weerakorn Ongsakul	55	Male	Chairman / Independent Director / Chairman of Audit Committee / Chairman of Remuneration Committee / Member of Nomination Committee / Member of Risk Management Committee	31 May 2019
2. Mr. Kitichai Sincharoenkul	63	Male	Vice Chairman / Chairman of Nomination Committee / Member of Remuneration Committee / Member of Executive Committee	1 April 2019
3. Dr. Viyavood Sincharoenkul	67	Male	Director / Chairman of Executive Committee	1 April 2019
4. Mr. Anan Pruksanusak	68	Male	Director / Member of Executive Committee	1 April 2019
5. Mr. Veerasith Sinchareonkul	38	Male	Director / Chairman of Risk Management Committee / Member of Executive Committee	1 April 2019
6. Mr. Vitanath Sincharoenkul	32	Male	Director / Member of Executive Committee / Chairman of Corporate Governance and Sustainable Development Committee	1 April 2019
7. Ms. Jarinya Jirojkul	51	Female	Director / Member of Risk Management Committee / Member of Corporate Governance and Sustainable Development Committee / Member of Executive Committee	1 April 2019
8. Ms. Thanawan Sa-ngiamsak	44	Female	Director / Member of Risk Management Committee / Member of Corporate Governance and Sustainable Development Committee	1 April 2019
9. Mr. Chia Chee Ping	54	Male	Director	1 April 2019
10. Mrs. Unakorn Phruithithada	65	Female	Independent Director / Member of Audit Committee	31 May 2019
11. Gen. Bundit Boonyapan	64	Male	Independent Director / Member of Audit Committee / Member of Corporate Governance and Sustainable Development Committee / Member of Nomination Committee / Member of Remuneration Committee	25 December 2020
12. Mr. Thanatip Upatising	62	Male	Independent Director	7 April 2022

Remarks: (1) Clinical Professor Dr. Sarana Boonbaichaiyapruck resigned from the position of independent director of the Company due to his other business engagement, effective from 14 January 2022 onwards.

(2) The 2022 Annual General Meeting of Shareholders on 7 April 2022 resolved to appoint Mr. Thanatip Upatising to be independent director of the Company, effective from 7 April 2022 onwards.





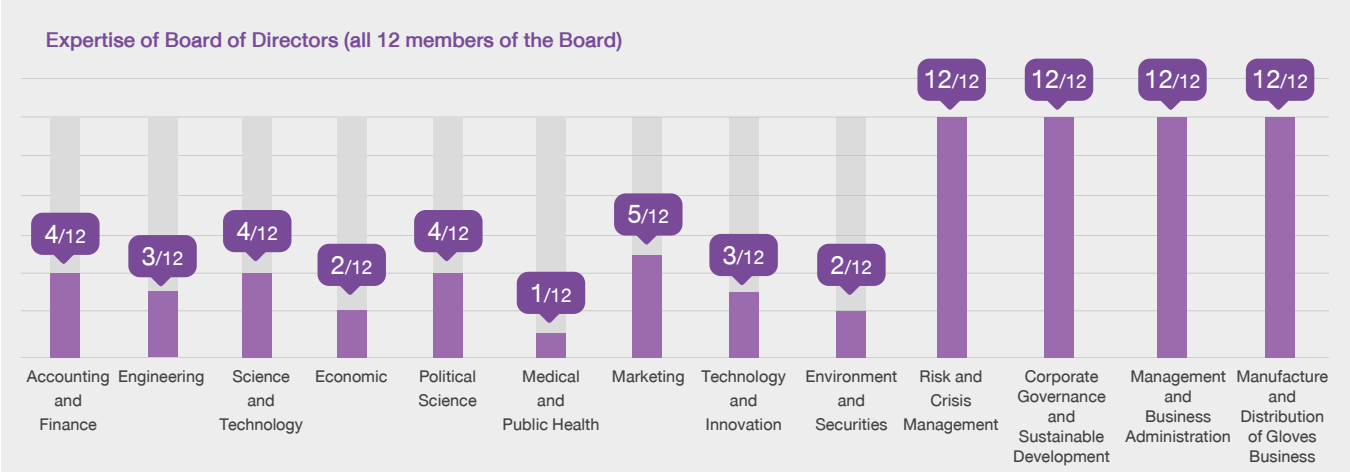


Average Tenure of Directors in 2022 = 3.32 years.

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. Mr. Anan Pruksanusak	√	√									√	√	√
5. Mr. Veerasith Sinchareonkul	√	√	√		√				√			√	√
6. Mr. Vitanath Sincharoenkul	√	√							√	√		√	√
7. Ms. Jarinya Jirojkul	√	√		√	√				√	√	√	√	√
8. Ms. Thanawan Sa-ngiamsak	√	√	√			√	√					√	√
9. Mr. Chia Chee Ping	√	√	√					√	√			√	√
10. Mrs. Unakorn Phruithithada		√	√									√	√
11. Gen. Bundit Boonyapan		√		√			√					√	√
12. Mr. Thanatip Upatising		√					√					√	√



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

Authorized directors

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

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

Duties and Responsibilities of the Board of Directors

(1) To perform the duties with responsibility, have duty of care and duty of loyalty and ensure that the business of the Company and its subsidiaries complies with the law, objective, the articles of association, Charter of the board of directors, resolution of the board of directors' meeting and the general meeting of shareholders for the best interest of the Company.

(2) To ensure that the Company and its subsidiaries comply with all such law relating to the business operations of the Company and its subsidiaries including the law on anti-corruption.

(3) To put in place a written policy for good corporate governance and effectively implement such policy to ensure that the company is accountable to and acts in fairness to all stakeholders.

(4) To develop visions, mission and business policies including main goals of the Company and its subsidiaries for sustainability, and to consider and approve policies and direction for business proposed by the management and to supervise and ensure that the management comply with such vision, missions and business policies including main goal of the Company and its subsidiaries with the aim to achieve added economic value for shareholders taking into consideration all relevant stakeholders.

(5) To ensure the preparation of strategies, annual work plan and annual budget of the Company and its subsidiaries are in line with the main objective and goals of the Company, encourage preparation or review of business objectives, goals and strategies in mid-term ranging from three to five

years, and to encourage to appropriate and safe use of innovations and technology and to exercise monitoring control of information technology.

(6) To exercise the monitoring and supervision power over the management to ensure effective compliance with the defined policies, work plans and budgets.

(7) To approve investments in and divestments of equity instruments and/or debt instruments as may be appropriate.

(8) To regularly follow up on operating results, financial positions and sufficiency of financial liquidity and affordability ratio of the Company and its subsidiaries to ensure compliance with relevant business plan and budgets.

(9) To have financial statements prepared for the Company and its subsidiaries at the end of each accounting period to be proposed to the general meeting of shareholders at each Annual General Meeting for consideration and approval.

(10) To have an annual report prepared for the Company and to be responsible for the preparation and disclosure of consolidated financial statements to present information on financial positions and operating results of the Company and its subsidiaries in the previous year which shall be proposed to the general meeting of shareholders for consideration and approval.

(11) To hold an Annual General Meeting of shareholders within four months from the end of the financial year of the Company.

(12) To consider and approve appointment of qualified persons who do not possess characteristics prohibited under the Public Limited Company Act, B.E. 2535 (as amended), the Securities and Exchange Act, B.E. 2535 (as amended) including notifications, regulations and/or relevant rules to be new directors or to replace former directors whose office becomes vacant due to other reasons than retirement by rotation, or to propose to the general meeting of shareholders to consider and approve the appointment of directors who retire by rotation and to determine remuneration for directors based on the advice of the Nomination Committee and the Remuneration Committee for consideration and approval by the general meeting of shareholders.

(13) To consider, appoint or amend composition of sub-committees including the Executive Committee, the Audit Committee, the Risk Management Committee, the Nomination Committee, the Remuneration Committee, and the Corporate Governance and Sustainable Development Committee to assist and support functions of the Board of Directors as may be appropriate and to determine remuneration for sub-committee (within the limits approved by the general meeting of shareholders).

(14) To consider, determine and change name list of authorized directors.

(15) To consider and appoint directors or executives of subsidiaries at least in proportion of the Company's shareholding percentage in such subsidiaries and to determine clear scope of powers and responsibilities for such directors and executives in subsidiaries. This includes determination of clear scope of powers for directors and executives to exercise their votes in the Board of Directors' meetings of subsidiaries, material transactions which require prior approval from the Board of Directors in order to ensure that the management is in accordance with the Company's policies and the law in such areas as complete and accurate disclosure of financial information, operating results, related party transactions and acquisition or disposal of material assets.

(16) The Board of Directors may authorize and/or delegate other persons to perform specific tasks on its behalf. Such authorization or sub-delegation of power shall be within the scope of powers under the relevant Power of Attorney and/or in accordance with the rules, regulations or instructions given by the Board of Directors and/or the Company.

The assignment of powers, duties and responsibilities of the Board of Directors shall not result in the delegation and sub-delegation which allows the Board of Directors and/or its delegated persons to approve transactions in which they or persons with possible conflict of interests (as defined under the Notification of the SEC and/or the Notifications of the Capital Market Supervisory Board and/or the

SET and/or relevant regulatory authorities) may have a conflict of interests or may benefit in any way or may have such other conflict of interests with the Company or its subsidiaries. Exception is in case where the approval is for transactions that are in compliance with the policies and requirements approved by the general meeting of shareholders or the Board of Directors of the Company, which are for the normal course of business and have normal commercial terms in compliance with the Notifications of the SEC and/or the Notifications of the Capital Market Supervisory Board and/or the SET and/or relevant regulatory authorities.

(17) To determine organizational structure and management structure.

(18) To appoint a Company Secretary who has the necessary and appropriate knowledge and experience to support functions of the Board of Directors and to provide scope of powers and duties of the Company Secretary.

(19)To appoint a Chief Executive Officer based on the proposal from the Nomination Committee and to carry out performance assessment of and determine remuneration for the Chief Executive Officer based on the proposal from the Remuneration Committee.

(20) To approve the nomination and selection of auditors for the Company and its subsidiaries and to determine appropriate level of auditors' fees before proposing the matter to the Annual General Meeting of shareholders to consider and approve.

(21)To ensure that the Company and its subsidiaries maintain an appropriate and efficient accounting system, reliable financial reporting and auditing, including sufficient and effective internal control and internal audit and to regularly carry out an assessment of the appropriateness of the internal control of the Company and its subsidiaries.

(22)To approve the Risk Management Policy and the Internal Control Policy that are appropriate and are in line with the objectives, main goals and strategies of the organization and to ensure that risk management procedures are put in place to appropriately mitigate impacts on the business of the Company and its subsidiaries and to follow up on the performance of the Risk Management Committee.

(23)To consider and approve connected transactions between the Company/ its subsidiaries and connected persons in accordance with the provisions under the Securities and Exchange Act, B.E. 2535 (as amended) including relevant rules and regulations of the SET and the SEC, and to consider and approve principles of arms' length basis for transactions between the Company/ its subsidiaries with directors, executives or related persons to provide a framework within which the management may enter into this type of transaction in accordance with relevant laws and regulations.

(24) To supervise management and operations of the Company and its subsidiaries to ensure compliance with policies of the Company, securities law including relevant notification and regulations of the Capital Market Supervisory Board, the Office of the SEC and the SET in such matters as connected transactions and acquisition and disposal of material assets so far as it is not contradictory to or inconsistent with other laws, and to put in place sufficient and appropriate internal control and internal audit system.

(25) To consider and approve incorporation, merger or dissolution of subsidiaries.

(26)To consider and approve payment of interim dividends to shareholders when the Board of Directors considers that the Company's profits justify such payment of interim dividends and shall report to the subsequent general meeting of shareholders of the interim dividend payment.

(27) To ensure that the Company makes appropriate, accurate, complete and timely disclosure of information to stakeholders, persons with conflict of interests and related persons.

(28) To seek professional opinion from third parties when it is necessary for the Board of Directors to make an appropriate decision.

(29) To ensure that the Company puts in place a clear policy and guideline on how complaints are handled and require that the Company prepare and improve its complaints handling policy to be in line with

relevant rules and regulations and the changing circumstances.

(30) To ensure that the management of the Company provides persons who are responsible for investors relation to perform the duties of communicating with each group of shareholders and other stakeholders such as investors and analysts.

(31) To review and revise the Charter for the Board of Directors at least once a year.

Separation of the Chairman and the Chief Executive Officer Positions

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

Duties and Responsibilities of the Chairman

(1) Oversee, follow up on and ensure that the Board of Directors performs its duties efficiently and in accordance with the objectives and main goals of the organization;

(2) Ensure that all directors participate in the promotion of corporate culture of ethics and good corporate governance;

(3) Set out agenda items for the Board of Directors' meetings in consultation with the Chief Executive Officer and put in place a mechanism to include material issues in the agenda items for the meetings;

(4) Allocate sufficient time for the management to propose and have a careful debate of the material issues. This includes encouraging directors to exercise careful discretion and express their independent opinions; and

(5) To promote good relationships among executive and non-executive directors and between the Board of Directors and the management.

Independence of the Chairman

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

Duties and Responsibilities of Chief Executive Officer

(1) To set out visions and directions for business, business policies and strategies, business targets including work plan and annual budgets for the Company and its subsidiaries and to determine management structure and powers to be proposed to the Executive Committee and/or the Board of Directors for further approval;

(2) To communicate visions and directions for business, business policies and strategies that have been approved by the Board of Directors for the senior executives of the Company to adopt them as a framework in devising work plan and in managing business of each work unit;

(3) To supervise the business operations of the Company to be in compliance with work plans and laws, rules and regulations of relevant regulatory agencies including regulations and the Company's Articles of Association and to achieve both targeted financial and non-financial operating results;

(4) To follow up on, monitor and supervise operating results of the Company, its subsidiaries and to report the same to the Board of Directors of the Company in every quarter, and to identify new business opportunities and to be in charge of business development of the Company and its subsidiaries;

(5) To approve expenses and remunerations payable under the budget, work plan and framework approved by the Executive Committee and/or the Board of Directors and the Table of Authority that has been approved by the Board of Directors of the Company;

(6) To have the power to issue orders, regulations, announcements, memorandum and rules to ensure compliance with policies for the benefit of the Company and to maintain work disciplines within the organization;

(7) To ensure that the Company puts in place an appropriate internal control system in accordance with guidelines given by the Audit Committee and/or the Board of Directors of the Company;

(8) To ensure that the Company puts in place an appropriate risk management and control in accordance with guidelines given by the Risk Management Committee and/or the Audit Committee and/or the Board of Directors of the Company;

(9) To be in charge of the overview of human resources management of the Company;

(10) To consider and approve the employment, termination of employment, promotion, disciplinary action, relocation, adjustment to work ranking, increase in salary or adjustment to salary rates, to consider merits of the Company's employees and to be responsible for the management of these persons in accordance with the directions given by the Executive Committee subject to the budget approved by the Board of Directors of the Company;

(11) To approve the engagement of advisers that are necessary for the operations of the Company's business in accordance with the Table of Authority that has been approved by the Board of Directors of the Company and to comply with the requirements of the SEC and the SET;

(12) To represent the Company in the public relations of the Company particularly with respect to the enhancement of networks and good image of the organization both nationally and internationally;

(13) To promote appropriate and regular communication with shareholders and to ensure that disclosures of the Company are transparent and meet relevant standards;

(14) To have the power to sub-delegate and/or to assign other persons to perform certain task on behalf of the Chief Executive Officer. Such sub-delegation and/or assignment shall be within the scope of powers provided under the relevant Powers of Attorney and/or shall be in accordance with rules, regulations or orders given by the Board of Directors and/or sub-committee and/or by the Company.

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

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

7.2 Details of the Sub-Committees

The Audit Committee

The Board of Directors has appointed the audit committee to perform the duties in overseeing the operations and management to be standardized and are in accordance with the principle of accuracy, transparency and have reliable financial reporting system for the best interests of all relevant parties.

The Audit Committee comprises of 3 independent directors who meet all the qualifications under the Securities and Exchange Law, Notification of the Capital Market Supervisory Board, including notifications, regulations and/or regulations of the SET with the criteria according to the announcement of the Capital Market Supervisory Board and the SET. At least 1 member of the Audit Committee is required to have knowledge or experience in accounting and finance who can review the reliability of the financial statements. The members of Audit Committee must hold the following qualifications:

(1) Having the qualifications as specified in the SET announcement on qualifications and scope of work of the Audit Committee.

(2) Having the qualifications as that of an independent director who has the qualifications as specified in the Capital Market Supervisory Board Notification and related stock exchange announcements.

(3) Not being a director assigned by the Board of Directors to make decisions on the business operations of the Company, parent company, subsidiaries, associate companies, major shareholders or the Company's regulator.

(4) Having other complete and appropriate qualifications, in accordance with law or requirements of government agencies.

(5) Not having any other characteristics that make him/her incapable of expressing independent opinions with regard to the Company's operations.

As of 31 December 2022, 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 2022, the Nomination Committee comprises of the majority of independent directors and has 3 members as follows:

Name	Position
1. Mr. Kitichai Sincharoenkul	Chairman of Nomination Committee
2. Professor Dr. Weerakorn Ongsakul	Member of Nomination Committee
3. Gen. Bundit Boonyapan	Member of Nomination Committee
Mr. Somrat Thapnual	Secretary of Nomination Committee

Duties and Responsibilities of the Nomination Committee

(1) To consider and propose structure, composition and qualifications of the Board of Directors of the Company including sub-committees.

(2) To consider criteria and procedure of recruitment and nomination of suitable candidates for directorship and members of sub-committees, the Chief Executive Officer and senior executives upon expiration of term of office or when the positions become vacant or such other executive positions as the Board of Directors may assign and propose the same to the Board of Directors before it is proposed to the Board of Directors meeting and/or the general meeting of shareholders (as the case may be).

(3) To supervise the recruitment of directors, members of sub-committees, the Chief Executive Officer and senior executives of all business lines within the organization, and to develop trusts for the organization that the succession plan for senior executives, executives in significant positions and succession slate will be regularly considered and reviewed.

(4) To consider and determine criteria for the assessment of performance and carry out performance assessment of directors, members of sub-committee and the Chief Executive Officer to review their work products, problems and obstacles encountered each year so that the results of the assessment can be used in developing and improving each stream of work and to propose the same to the Board of Directors to consider, and to prepare a knowledge development programme for directors, to improve knowledge and understanding of existing directors and new directors about the business and their roles and duties as directors.

(5) To consider, review and revise the Charter for the Nomination Committee at least once a year and propose the same to the Board of Directors for consideration and approval.

(6) To seek advisers or persons who are independent to express opinion or give recommendations as may be necessary.

(7) To perform other tasks as may be assigned by the Board of Directors meeting by and with the consent from the Nomination Committee.

The Remuneration Committee

The Board of Directors has appointed the Remuneration Committee to perform the duties of considering remunerations for directors, members of sub-committees and the Chief Executive Officer based on fairness and reasonableness in accordance with the corporate governance policy with the aim to develop trusts for stakeholders and to create added value and sustainable growth of the Company.

As of 31 December 2022, the Remuneration Committee comprises of the majority of independent directors and the Chairman of Remuneration Committee is independent director and has 3 members as follows

Name	Position
1. Professor Dr. Weerakorn Ongsakul	Chairman of Remuneration Committee
2. Mr. Kitichai Sincharoenkul	Member of Remuneration Committee
3. Gen. Bundit Boonyapan	Member of Remuneration Committee
Mr. Somrat Thapnual	Secretary of Remuneration Committee

Remarks: [1] Professor Dr. Sarana Boonbaichaiyapruck 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.

[2] 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 Boonbaichaiyapruck.

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 Directors 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 2022, 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 (Acting)

Duties and Responsibilities of the Risk Management Committee

(1) To determine the overall risk management policy and framework for the Company to cover material risks and to require the management to put in place a protective and corrective measures and risk elimination that are appropriate.

(2) To prepare risk management policy to cover overall aspects of risk management and to include key risks that are in line with the objectives, main goals, strategies and acceptable level of risks for use as a unified risk management framework for all parties in the organization and for submission to the Board of Directors for consideration. The Risk Management Committee shall supervise and ensure that the Company and its subsidiaries identify risks that could cause the Company and its subsidiaries to fail to achieve the defined objectives, taking into consideration both internal and external factors.

(3) To review and ensure that the risk management policy is appropriate and efficient and prepare a report of the Risk Management Committee to be proposed to the Board of Directors as may be appropriate or when requested.

(4) To draw up strategies for use in managing risks in accordance with the risk management policy approved by the meeting of the Board of Directors and to analyse, assess and follow up on the compliance with the defined risk management policy.

(5) To follow up, assess and supervise risk management procedures of the management to ensure that it has the appropriate level and is in accordance with the defined policy.

(6) To consider and approve the determination of an acceptance risk level (Risk Appetite) and a deviation of the organization's risk tolerance (Risk tolerance) prior presenting to the Board of Directors to consider and approve, including the opinion given on the guidelines and risk management measures and the action or mitigation plan to manage the residual risk to ensure that there is adequate and appropriate risk management.

(7) To provide suggestion and support to the Board of Directors and the management on the Enterprise Risk Management, including promoting and supporting to the continually and regularly risk management system improvement.

(8) The Risk Management Committee has the authority to empower all departments to collaborate with risk management departments to clarify information in writing or inviting executives or employees in the relevant departments to attend the meeting with Risk Management Committee for providing the required information in accordance with the responsibilities as the Risk Management Committee deems appropriate. It is deemed that being invited, asked, or requested information is considering as the duty of all level of employees to collaborate with the Risk Management Committee.



(9) The Risk Management Committee has the authority to request any business unit under the Group of company to take action or act as is necessary to enable the performance of the responsibilities set forth in this Charter or any other special duties as assigned by the Board of Directors to perform additional duties.

(10) To be in charge of supervising and providing support to ensure success of the Enterprise Wide Risk Management with the focus on raising risk awareness for the management and employees, and to promote risk management culture as a key factor in making any decisions relating to the use of resources or in taking any actions. The Risk Management Committee shall also have the duty to provide support to the function of the risk management sub-committee and/or the Risk Manager.

(11) To support for reviewing the sufficiency of the risk management policy of the Company and its subsidiaries including the effectiveness of the system and compliance and propose the same to the Board of Directors at least once a year to ensure that the risk management policy is in line with and suitable for the overall current business strategies and environment.

(12) To advise the Board of Directors on actions to be taken and improved to be in line with the policies and strategies defined by the Board of Directors.

(13) To seek advisers or persons who are independent to express opinion or give recommendations as may be necessary.

(14) To consider, review and revise Charter for the Risk Management Committee at least once a year and propose to the Board of Directors for consideration and approval.

(15) To perform other tasks as may be assigned by the Board of Directors meeting by and with the consent from the Risk Management Committee.

Corporate Governance and Sustainable Development Committee

The Board of Directors has appointed the Corporate Governance and Sustainable Development Committee to perform the duties in considering and determining the policies and guidelines in relation to principles of good corporate governance, business ethics, anti-corruption, social responsibility, and sustainable development, which will establish a management governance system with transparency and fairness in order to develop trusts for stakeholders, create added value and enhance competitiveness for the sustainable growth of the Company.

As of 31 December 2022, 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 2022, the Executive Committee comprises of 6 members as follows:

Name	Position
1. Dr. Viyavood Sincharoenkul	Chairman of Executive Committee
2. Mr. Kitichai Sincharoenkul	Member of Executive Committee
3. Mr. Veerasith Sinchareonkul	Member of Executive Committee
4. Mr. Vitanath Sincharoenkul	Member of Executive Committee
5. Mr. Anan Pruksanusak	Member of Executive Committee
6. Ms. Jarinya Jirojkul	Member of Executive Committee
Ms. Worasa Maijaidee	Secretary to Executive Committee

Duties and Responsibilities of the Executive Committee

(1) To carry out and manage businesses of the Company and its subsidiaries in accordance with relevant objectives, Articles of Association, policies, rules, regulations, orders and resolutions of the Board of Directors meeting for the best interest of the Company.

(2) To consider and develop business policies, directions and strategies including work plan, financial targets and annual budgets and to exercise executive power to manage businesses of the Company and its subsidiaries in conjunction with the management before proposing the matter to the Board of Directors for approval.

(3) To supervise business operations of the Company and its subsidiaries to ensure that they comply with the business policies, directions and strategies including work plan, financial targets and annual budgets approved by the Board of Directors and that they are efficient and contribute to the nature of business. The Executive Committee shall also have the duty to advise senior executives on the management matters.

(4) To consider and approve businesses that are conducted as the normal course of business of the Company based on investment budgets or budgets that are approved by the Board of Directors. The limits for each transaction shall be as prescribed under the Table of Authority approved by the Board of Directors. The Executive Committee shall also have the duty with regard to the entry into relevant agreements.

(5) To study feasibility for new investment projects and to have the power to consider and approve that the Company and its subsidiaries invest in or enter into joint investments with any individuals, juristic persons or such other business entities in the form deemed appropriate by the Executive Committee for the purpose of complying with the objectives of the Company and its subsidiaries. The Executive Committee shall also consider and approve payments for the purpose of such investments, the entry into agreements and/or any relevant acts until completion within the budget limit prescribed under the Table of Authority approved by the Board of Directors and/or in accordance with the relevant laws and regulations and/or the Articles of Association of the Company and its subsidiaries.

(6) To follow up on operating results and progress of investment projects of each business and report results and problems or obstacles encountered including relevant solutions to the Board of Directors.

(7) To consider profits and loss of the Company and its subsidiaries and advise on payment of dividends to be proposed to the Board of Directors.

(8) To consider and approve financial transactions to be entered into with financial institutions for the purpose of obtaining loans, credits, pledge, mortgage, guarantee or otherwise, including trading and registration of title over lands in accordance with the objectives for the purpose of businesses of the Company and its subsidiaries, and the entry into agreements, submission of applications and

offers, making contacts or entry into agreements with the government agencies to obtain rights of the Company and its subsidiaries and/or to carry out such other acts relating to such matter until completion within the budget limit prescribed under the Table of Authority approved by the Board of Directors and/or in accordance with the relevant laws and regulations and/or the Articles of Association of the Company and its subsidiaries.

(9) To approve the appointment of management sub-committees to support functions of the Executive Committee. For this purpose, the management sub-committees shall have the powers, duties and responsibilities as provided under the charter for the management.

(10) To approve incorporation of subsidiaries, capital increase or decrease or to seek new financial resources for subsidiaries, restructure of shareholding for the subsidiaries and the entry into transactions by subsidiaries in accordance with the resolutions of the Board of Directors.

(11) To approve the appointment of delegated person for directorship and/or membership of sub-committees in the subsidiaries who have qualifications approved by the Board of Directors and in accordance with the law and resolutions of the Board of Directors.

(12) To consider and approve rules, regulations, management policies and business operations of the Company and its subsidiaries or to take such other steps to bind the Company and its subsidiaries in accordance with the limits provided in the Table of Authority approved by the Board of Directors.

(13) To determine organizational structure and management structure that is efficient and to propose the same to the Board of Directors for approval.

(14) To consider and approve employment, termination, promotion, disciplinary actions, relocation, adjustment to salary ranking or adjustment to salary rate and to consider such other merits of employees to the extent that these are out of the scope of powers of the Nomination Committee and the Remuneration Committee. The Executive Committee may authorize the Chief Executive Officer to consider and approve the matter subject to the budgets approved by the Board of Directors.

(15) To supervise, monitor and approve matters relating to business operations of the Company and may appoint and/or delegate any one person(s) to carry out any act within the scope of powers of the Executive Committee or as it may consider appropriate and within the period that the Executive Committee may consider appropriate. The Executive Committee may cancel, change or amend such authorization as it may consider appropriate.

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

(16) To ensure that executives and management or employees attend the meeting of the Executive Committee or prepare and give information about the matter to be discussed at the Executive Committee meeting.

(17) To have the powers and duties as may be assigned or as may be in accordance with the policy received from time to time from the Board of Directors.

(18) To seek advisers or persons who are independent to express opinion or give recommendations as may be necessary.

(19) To consider, review and revise the Charter for the Executive Committee at least once a year and propose the same to the Board of Directors for consideration and approval.

(20) To perform other tasks as may be assigned by the Board of Directors meeting by and with the consent from the Executive committee.

7.3 Details of the Executives

As of 31 December 2022, there were 11 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. Phanlert Wangsuphadilok*	Chief Automation Officer
6. Mr. Arsom Aksornnam	Production Manager Hat Yai Branch
7. Mr. Chalermchai Norsakul	Production Manager Surat Thani Branch
8. Ms. Oralak Thinnakornsutibut	Finance and Account Manager and Accountant
9. Mr. Somrat Thapnual	Human Resources Manager
10. Ms. Amornrat Awato	Purchasing Manager
11. Ms. Worasa Maijaidee	Logistics Manager

***Remark:** Mr. Phanlert Wangsuphadilok has appointed to hold the position of Chief Automation Officer, effective on 1 January 2023.

In addition, 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 2022 were as follows:

No.	List of Directors and Executives	As of 31 Dec 21			As of 31 Dec 22			Change
		Number of shares (shares)		Share holding Proportion (%)	Number of shares (shares)		Share holding Proportion (%)	Number of shares (shares)
		Direct	Indirect		Direct	Indirect		
1.	Professor Dr. Weerakorn Ongsakul	462,500	15,000	0.02	539,000	25,000	0.02	86,500
2.	Mr. Kitichai Sincharoenkul	12,147,800	-	0.42	10,997,800	-	0.38	(1,150,000)
3.	Dr. Viyavood Sincharoenkul	138,104,100	-	4.82	138,024,100	-	4.82	(80,000)
4.	Mr. Anan Pruksanusak	3,360,000	-	0.12	600,000	-	0.02	(2,760,000)
5.	Mr. Veerasith Sinchareonkul	597,800	-	0.02	777,800	-	0.03	180,000
6.	Mr. Vitanath Sincharoenkul	320,000	-	0.01	500,000	-	0.02	180,000
7.	Ms. Jarinya Jirojkul	978,000	-	0.03	978,000	-	0.03	0
8.	Ms. Thanawan Sa-ngiamsak	680,000	-	0.02	680,000	-	0.02	0
9.	Mr. Chia Chee Ping	1,265,000	-	0.04	1,265,000	-	0.04	0
10.	Mrs. Unakorn Phruithithada	420,000	-	0.02	600,000	-	0.02	180,000
11.	Gen. Bundit Boonyapan	10,700	-	0.0004	10,700	-	0.0004	0
12.	Mr. Thanatip Upatising	-	-	-	-	-	-	-
13.	Mr. Asom Aksornnam	451,000	-	0.02	471,000	-	0.02	20,000
14.	Mr. Chalermchai Norsakul	80,000	-	0.003	100,000	-	0.003	20,000

No.	List of Directors and Executives	As of 31 Dec 21			As of 31 Dec 22			Change
		Number of shares (shares)		Share holding Proportion (%)	Number of shares (shares)		Share holding Proportion (%)	Number of shares (shares)
		Direct	Indirect		Direct	Indirect		
15.	Mr. Somrat Thapnual	10,000	-	0.0003	10,000	-	0.0003	0
16.	Ms. Amornrat Awato	80,000	-	0.003	80,000	-	0.003	0
17.	Ms. Oralak Thinnakornsutibut	330,000	-	0.01	30,000	-	0.001	(300,000)
18.	Ms. Worasa Maijaidee	330,200	-	0.02	212,200	-	0.007	(118,000)
	Total	**159,627,100**	**15,000**	**5.57**	**155,875,600**	**25,000**	**5.44**	

Remarks:

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

(2) Mr. Phanlert Wangsuphadilok has appointed to hold the position of Chief Automation Officer, effective on 1 January 2023, therefore, he did not have the obligation to report on the change in securities holding as of 31 December 2022. As of 1 January 2023, he does not directly or indirectly hold any securities of the Company.

Executive Remuneration

Monetary Remuneration

In 2022, the Company paid remuneration to 11 executives of the Company, which is in the form of salary and bonus at the total amount of THB 54.13 million.

In addition, the Company provides provident fund for executives by contributing 3 – 5 percent of salary. In 2022, the Company contributed a total of THB 1.13 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	2 July 2020	13-14 July 2021	1 July 2022
Number of newly-issued ordinary shares to be offered to Executives	859,600 shares	490,000 shares	140,000 shares
Offering price	THB 30.6 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**	THB 15.07 per share, at the par value of THB 0.5, or equivalent to 90.00 percent of market price**

Remarks: * Each executive 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).

7.4 Details of Employees

Number of Employees

As of 31 December 2022, the Company and its subsidiaries have employees in total of 8,180 persons, the details are as follows:

Department	Number of Male Employees (person)	Number of Female Employees (person)	Number of Total Employees (person)
Chief Executive Officer	0	1	1
Production Department	1,750	2,886	4,636
Quality Control and Research & Development Department	66	619	685
Engineering Department	1,750	102	1,852
Logistics Department	148	88	236
Purchasing Department	97	69	166
Marketing Department	24	47	71
Human Resources, Administrative, and CSR Department	203	189	392
Finance and Account, Business Development, Investor Relations, Risk Management, and Legal Department	10	52	62
Internal Audit Department	0	3	3
Subsidiaries in Abroad	37	39	76
Total	**4,085**	**4,095**	**8,180**

Employee Remuneration

Monetary Remuneration

In 2022, the Company paid remuneration to employees of the Company and its subsidiaries at the amount of THB 2,422.30 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. In 2022, as of 31 December 2022 the proportion of employee participating in the provident fund compared to the total of employees are as follows:

Amount of employees participating in the provident fund (Person)	The proportion of employee participating in the provident fund of the total of eligible employees (%)
1,305 persons	76.95%

Other Remuneration

Please consider the details of STGT ESOP as described below.

In July 2022, the Company allocated 0.66 million newly-issued ordinary shares of Third tranche to the employees under the STGT ESOP, at the price of THB 15.07 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 related to their line of work, such as additional study, training and seminars, both internal and external, as well as on-the-job training. The assessment programme is also considered when modifying the job specifications and adjusting the compensation rate for employees according to their performance in relation to their works.

Career Planning of the employees and hired workers forms part of the annual assessment where supervisors, employees and hired workers will talk about their Career Planning and annual achievements, career goal and self-development plan of employees and hired workers will be determined/ reviewed at the beginning of the year.

In 2022, the Company organized training courses for employees to develop basic knowledge and improve the skill and competency that are necessary for their works including leadership development in total of 2,695 courses, including but not limited to corporate governance policy and code of conduct, occupational health and safety management system, business continuity management standards, anti-corruption, corporate social responsibility, ESG and sustainable development issues, and executive development.

Summary of training hours and expenses of training and seminars for the development of executives and employees in 2022 is as follows:

	Amount
Training hours for the executives and employees (hour/person/year)	42
Expenses of training and seminars for the executives and employees (Million THB)	5.36

7.5 Other Significant Details

Designated Person to take Direct Responsibility for Accounting Supervision

The Board of Directors' Meeting has appointed Ms. Oralak Thinnakornsutibut as the Company's accountant effective on 24 July 2019, to be in compliance with disclosure guidelines of the SEC and the SET regarding the person with the highest responsibility for accounting supervision. The qualifications and work experience appear in attachment 1 Profile of Executives.

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 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. Apinya Assavasrisilp, 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

Address : 17th Floor, Park Venture Ecoplex Unit 1701, 1707-1712

No. 57 Wireless Road, Lumpini, Pathumwan, Bangkok, 10330

E-mail : stgt_ir@sritranggroup.com

Telephone : +66 2207 4500 ext 1402

7.6 Auditor Remuneration



Audit Fee

In 2022, the Company and its subsidiaries (i.e. PSE, PS, SDME, STGG and STGS) paid the audit fee for the year 2022 to EY Company Limited in the total amount of THB 6.22 million, consisting of the audit fee of the Company in the amount of THB 3.66 million and the audit fee of subsidiaries in the amount of THB 2.56 million. In addition, the Company paid the audit fee for 2022 financial statements of subsidiaries which incorporated in abroad (i.e. STU, STGI, STGP, and STGV) to local audit firms in the total amount of THB 1.10 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 2022, the Company paid BOI audit service fee to EY Company Limited in the amount of THB 0.66 million. In addition, STU and STGP paid tax consultation service fee to local auditors in the amount of THB 0.98 million and THB 0.03 million respectively. The Board of Directors viewed that such service fees are necessary and reasonable.

8 Corporate Governance Performance Report

8.1 Summary of the Board of Directors' Performance in the Previous Year

8.1.1 Nomination, Development, and Assessment of Performance of the Board of Directors

Nomination of Directors and Top Executives

Nomination of New Directors

The Nomination Committee will be responsible for nomination and screening for potential candidates and propose to the Board of Directors' or the shareholders' meeting (as the case may be). The selection of candidate may consider from the recommendation of other directors, the 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 2022, the Nomination Committee selected the person who had the suitable qualifications and experience to hold the independent director position of the Company by nominated Mr. Thanatip Upatising, to hold such position because the Nomination Committee viewed that he had knowledge, capability, experience, skill that would be beneficial to the Company's operation and in consistent with the business strategy of the Company, and he had full qualifications and did not have any prohibited characteristics under the law. Therefore, it was proposed to the Board of Directors' Meeting for further propose to the Annual General Meeting of Shareholders to consider the election of the Company's independent director which was approved by the 2022 Annual General Meeting of Shareholders held on 7 April 2022.

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 Director which corresponds with the criteria of SET and SEC as follows.

1) Holding no exceeding 1 percent of the total number of voting shares of the Company, its parent companies, subsidiaries, associate companies, major shareholders or persons with controlling power of the Company. For this purpose, 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 staring from three percent of the net tangible assets of the Company or from THB 20 million baht or more, whichever amount is lower. Such indebtedness shall be calculated in accordance with the method for calculating the value of related party transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Execution of Related Party Transactions, mutatis mutandis. In any case, the consideration of such indebtedness shall include the indebtedness incurred during the period of one year prior to the date of establishing the business relationship with the related person.

5) Not being or having been an auditor of the Company, its parent company, subsidiary, associate company, majority shareholder, or controlling person, and not being a significant shareholder, person with controlling power, or partner of the audit firm which employs the auditor of the Company, its parent company, subsidiary, associate company, majority shareholder, or person of controlling power, except where such relationship has terminated not less than two years.

6) Not being or having been a provider of professional services, including legal advisory services or financial advisory services earning a service fee of more than THB two million per year from the Company, its parent company, subsidiary, associated company, majority shareholder, or person with controlling power, and not being a significant shareholder, person with controlling power, or partner of such provider of professional services, except where such relationship has terminated not less than two years.

7) Not being a director who is appointed as the representative of directors of the Company, major shareholder, or shareholder who is a connected person of a major shareholder.

8) Not undertaking any business of the same nature and in significant competition with that of the Company or its subsidiary, or not being a significant partner in a partnership, or an executive director, employee, hired worker, adviser earning regular monthly salary, or holding more than one percent of the voting shares of another company that undertakes a business of the same nature and in significant competition with that of the Company or its subsidiary.

9) Not being a director assigned by the Board of Directors to make decisions regarding business operations of the Company, its parent company, subsidiary, associated company, majority shareholder, or person with controlling power.

10) Not being a director of parent company, subsidiary or same-level subsidiary, which are listed companies.

11) Having other complete and appropriate qualifications required by the law or in accordance with the requirements of government agencies.

12) Not having any other characteristics that could cause the independent directors to express their independent opinion about 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. At present, there were no independent directors who remained in such position for more than nine years as specified.

Nomination and Appointment of Top Executives

In selection of the Chief Executive Officer of the Company, the Nomination Committee is responsible for selecting qualified persons to serve as the Chief Executive Officer of the Company and the Remuneration Committee is responsible for considering the remuneration structure, work compensation models and criteria, including the determination of compensation, awards, bonuses and salary increases for the Chief Executive Officer for recommendation to the Board of Directors for further approval.

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 2022, the directors attend the training courses which are beneficial to their performance as follows.

Name	Training Course
1. Ms. Jarinya Jirojkul	Director's Briefing Topic Geopolitical Risk and Opportunity, Thai Institute of Directors (IOD)
2. Mr. Veerasith Sinchareonkul	2022 Thailand Carbon Neutral Network Seminar, Thailand Greenhouse Gas Management Organization (Public Organization) or TGO
3. Gen. Bundit Boonyapan	Financial Statements for Directors (FSD) No. 47/2022, Thai Institute of Directors (IOD)
4. Ms. Thanawan Sa-ngiamsak	The Stock Exchange of Thailand - The Global Economic Situation, Thailand Economic and Performance Trends of Listed Company - Understanding of Digital Assets, Perspective and Implementation of Digital Assets for listed companies - Accounting Issues on Digital Assets and Direction of Financial Reporting Standards - Executive sharing & Discussion: Blockchain & Digital Asset - Cyber Risks & Resilience Plan - Apply Blockchain to Unlock your Business - Digital Assets and Business Growth Opportunity (New S-Curve) of Listed Company - Business and GHG Emission Reduction - Techniques to Increase Value for Listed Company from Security Analysts' View - Summary of Financial Reporting Standards TFRS in 2023 Thaipat Institute - ESG Credit Project Investment Banking Club, Association of Thai Securities Companies - Accounting Issues on Key Practice of Each Business - ESG Disclosure in Form 69-1 for FA Singapore Exchange (SGX) - SGX's Sustainability Reporting Digital Portal "ESGenome"– Demonstration and Navigation of ESGenome Thai Bond Market Association (ThaiBMA) - Sustainable Bond Conference 2022 - financing a decarbonized and fair society through Sustainable Bonds Bank of Ayudhya Public Company Limited - Thailand's Decarbonization Mechanism and ESG Finance Trend University of Oxford - Leading Sustainable Corporation Program EY Thailand - Accounting Treatments for Foreign Currency Risk Management - Pillar 2 Awareness and Direction of International Income Tax Policy

At present, there are 11 directors or equivalent to 91.67 percent of all directors in the board attended training courses related to the performance of directors such as Director Certification Program (DCP) and Director Accreditation Program (DAP) organized by the Thai Institute of Directors Association. In addition, the directors attended the annual meeting of Sri Trang Group and it presented business overview of the Group Company, performance of previous year together with business outlook of all business units for next year, and sustainable business operations (ESG).

New Director Orientations

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 2022, the Company organized an orientation session for a new director i.e. Mr. Thanatip Upatising, Independent Director of the Company and presented the documents and information which are useful for performing his duty such as the Annual Report (Form 56-1 One Report), covered various topics including but not limited to business overview of the Group Company, background and key milestones, previous performance, charter of Board of Directors and relevant policies, minutes of meeting and meeting schedule.

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 2022, the average score was in excellent level or equivalent to 95.09 percentage.**

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

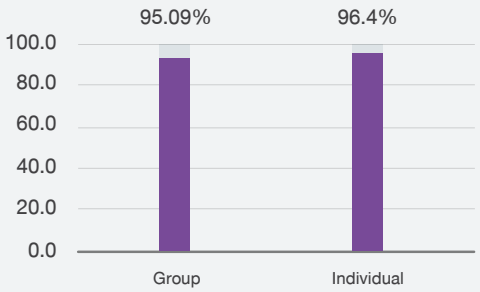
The Board of Directors uses assessment criteria consisted of 4 topics as follows: 1) Fiduciary Duty to manage the Company's business operations in the best interest of the shareholders 2) Structure and Qualifications of the Board of Directors 3) Board of Directors' Meetings and 4) Roles, Duties and Responsibilities of the Board of Directors. **In 2022, the average score was in excellent level or equivalent to 4.82 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 2022, the average score are as follows.

Audit Committee	The average score was in excellent level	equivalent to	97.07
Nomination Committee	The average score was in excellent level	equivalent to	97.67
Remuneration Committee	The average score was in excellent level	equivalent to	97.33
Risk Management Committee	The average score was in excellent level	equivalent to	97.13
Executive Committee	The average score was in excellent level	equivalent to	94.44
Corporate Governance and Sustainable Development Committee	The average score was in excellent level	equivalent to	95.17

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 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 high-level executives and improvement issues for next year.

In 2022, the average score was in excellent level or equivalent to 91.32 percentage.

8.1.2 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 2022, 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 2022, and to determine the mission of the Company of 2023.

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 2022, 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		2022 Annual General Meeting of Shareholders
	Total 8 times		Total 5 times		Total 4 times		Total 3 times		Total 2 times		Total 4 times		Total 2 times		Total 1 times
	Physical	Electronic	Physical	Electronic	Physical	Electronic	Physical	Electronic	Physical	Electronic	Physical	Electronic	Physical	Electronic	
1. Professor Dr. Weerakorn Ongsakul	-	8/8	-	-	-	4/4	1/1	2/2	-	2/2	-	4/4	-	-	1/1
2. Dr. Viyavood Sincharoenkul	-	8/8	-	5/5	-	-	-	-	-	-	-	-	-	-	1/1
3. Mr. Kitichai Sincharoenkul	-	8/8	-	5/5	-	-	1/1	2/2	-	-	-	-	-	-	1/1
4. Mr. Veerasith Sinchareonkul	-	8/8	-	5/5	-	-	-	-	-	2/2	-	4/4	-	-	1/1
5. Mr. Anan Pruksanusak	-	8/8	-	5/5	-	-	-	-	-	-	-	-	-	-	1/1
6. Ms. Jarinya Jirojkul	-	8/8	-	5/5	-	-	-	-	-	-	-	4/4	-	2/2	1/1
7. Ms. Thanawan Sa-ngiamsak	-	8/8	-	-	-	-	-	-	-	-	-	4/4	-	2/2	1/1
8. Mr. Vitanath Sincharoenkul	-	8/8	-	5/5	-	-	-	-	-	-	-	-	-	2/2	1/1
9. Mr. Chia Chee Ping	-	8/8	-	-	-	-	-	-	-	-	-	-	-	-	1/1
10. Mrs. Unakorn Phruithithada	-	8/8	-	-	-	4/4	-	-	-	-	-	-	-	-	1/1
11. Gen. Bundit Boonyapan	-	8/8	-	-	-	4/4	1/1	2/2	-	2/2	-	-	-	2/2	0/1
12. Mr. Thanatip Upatising	-	8/8	-	-	-	-	-	-	-	-	-	-	-	-	-
Average Score (Percentage)	**100.0**		**100.0**		**100.0**		**100.0**		**100.0**		**100.0**		**100.0**		**90.91**

Remarks: 1. Gen. Bundit Boonyapan could not attend the 2022 Annual General Meeting of Shareholders due to the quarantine during the Pandemic Situation of Coronavirus Disease 2019 (COVID-19).

2. The 2022 Annual General Meeting of Shareholders on 7 April 2022 resolved to appoint Mr. Thanatip Upatising to be independent director of the Company, effective from 7 April 2022. therefore, he could not attend the 2022 Annual General Meeting of Shareholders.

In addition, the non-executive directors held 2 meetings without the participation of the management on 8 November 2022 and 27 December 2022, in order to allow a discussion of any issues of concern which included the business overview and outlook of rubber glove industry and further informed the result to the Chief Executive Officer.

Due to the Coronavirus 2019 (COVID-19) epidemic situation, the Company was aware and concerned the health of shareholders attended the meeting and relevant stakeholders organized the meeting. To prevent and reduce the risk of the spread of such disease, the Company organized the 2022 Annual General Meeting of Shareholders through electronic conferencing (E-AGM) in accordance with the Emergency Decree on Electronic Meetings, B.E. 2563 (2020) and other related laws and regulations. The details are as follows.

Meeting date	7 April 2022
Meeting format	Electronic Conferencing (E-AGM)
Date of publication of invitation on the company's website	4 March 2022
Date of dispatch of the invitation via registered mail	15 March 2022
Date of announcement on newspaper	21 22 and 23 March 2022
Commencement of register	8.00 a.m.
Meeting time	10.05 a.m.
Number of directors attended the meeting	11/12 members or equivalent to 90.91 percent of all directors.
Number of shareholders attended the meeting in person and by proxy at the beginning of the meeting	205 shareholders or representing 70.2095 percent of the total issued shares of the Company, a quorum was duly formed pursuant to law.
Inspector and witness to the vote counting	Mr. Visarut Meakha – Aphirak, Independent Legal Advisor from Siam Premier International Law Office Limited

Remuneration of Directors and Executives

Policy and Method of Remuneration and Structure of Remuneration for Directors and Executives

The Board of Directors at recommendation of the Remuneration Committee is to consider the structure and rate of remuneration for the directors and executives to be commensurable with their responsibilities and to motivate and lead the organization to achieve both short-term and long-term goals. Moreover, the remuneration must be in line with the Company's long-term strategy and goals, as well as their experience, duties, scope of roles, accountability and responsibility, including the benefits expected to be received from each director in a manner comparable to the level practiced in the industry. In this regard, the shareholders will approve the structure and rate of remuneration of directors, both in monetary and non-monetary terms. The Board of Directors, as advised by the Remuneration Committee, will consider the appropriate type of compensation in connection with the value that the Company created for shareholders but not at a level that is too high to focus on short-term earnings. The Remuneration Committee will establish remuneration criteria that reflect the duties and responsibilities of each director. The Remuneration Committee may recruit an advisor or a person with independent opinion to provide opinions or advice on methods for determining the remuneration of directors and executives as necessary and appropriate.

1) Director Remuneration

Monetary Remuneration

The Remuneration Committee has considered the directors' remuneration to be in accordance with the Company's performance result, meeting attendance, and performance, and concluded that it is in line with the same industry standards as well as sufficient to motivate and retain quality directors to work with the Company, and further purpose to the Annual General Meeting of Shareholders for consideration and approval in an annual basis. In this regard, the Annual General Meeting of Shareholders Year which held on 7 April 2022, passed the resolution to determine the directors' remuneration for the year 2022 to increase of monthly remuneration for each position but meeting allowance remains the same. Details are as follows:

Monthly Remuneration	(per month / person) (THB)
Chairman of the Board of Directors	110,000
Director / Independent Director	80,000
Chairman of the Audit Committee	110,000
Member of the Audit Committee	90,000
Chairman of the Executive Committee	110,000
Member of the Executive Committee	90,000
Meeting Allowance	**(per attendance / person) (THB)**
Board of Directors	None
Audit Committee	None
Executive Committee	None
Nomination Committee	2,000
Remuneration Committee	2,000
Risk Management Committee	2,000
Corporate Governance and Sustainable Development Committee	2,000

Remarks: * The director will receive the highest monthly remuneration from only one of the positions he holds.

** Only independent directors, who hold any positions in the sub-committees as mentioned above, will be paid according to the actual attendance.

*** 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 2022 are as follow:

Name	Monthly Remuneration (THB)	Meeting Allowance (Pay for attending the meeting only)						Total Remuneration (THB)
	Board of Directors	Executive Committee	Audit Committee	Nomination Committee	Remuneration Committee	Risk Management Committee	Corporate Governance and Sustainable Development Committee	
1. Professor Dr. Weerakorn Ongsakul	1,320,000	-	-	8,000	6,000	4,000	-	1,338,000
2. Dr. Viyavood Sincharoenkul	1,320,000	-	-	-	-	-	-	1,320,000
3. Mr. Kitichai Sincharoenkul	1,080,000	-	-	-	-	-	-	1,080,000
4. Mr. Veerasith Sinchareonkul	1,080,000	-	-	-	-	-	-	1,080,000
5. Mr. Anan Pruksanusak	1,080,000	-	-	-	-	-	-	1,080,000
6. Ms. Jarinya Jirojkul	1,080,000	-	-	-	-	-	-	1,080,000
7. Ms. Thanawan Sa-ngiamsak	960,000	-	-	-	-	-	-	960,000
8. Mr. Vitanath Sincharoenkul	1,080,000	-	-	-	-	-	-	1,080,000
9. Mr. Chia Chee Ping	960,000	-	-	-	-	-	-	960,000
10. Mrs. Unakorn Phruithithada	1,080,000	-	-	-	-	-	-	1,080,000
11. Clinical Professor Dr. Sarana Boonbaichaiyapruck	40,000	-	-	-	-	-	-	40,000
12. Gen. Bundit Boonyapan	1,080,000	-	-	-	6,000	4,000	4,000	1,094,000
13. Mr. Thanatip Upatising	701,333.33	-	-	-	-	-	-	701,333.33
Total	**12,861,333.33**	**-**	**-**	**8,000**	**12,000**	**8,000**	**4,000**	**12,893,333.33**

Remarks:
1. Clinical Professor Dr. Sarana Boonbaichaiyapruck has resigned from the positions of independent director of the Company due to his other business engagement, effective from 14 January 2022 onwards.
2. The 2022 Annual General Meeting of Shareholders on 7 April 2022 resolved to appoint Mr. Thanatip Upatising to be independent director of the Company, effective from 7 April 2022.



In 2022, 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 2022.

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:

Allocation Period	First Tranche June 2020	Second Tranche July 2021	Third Tranche July 2022
Number of newly issued ordinary shares to be offered to Directors	1,440,000 shares	1,988,000 shares*	1,988,000 shares*
Number of newly issued ordinary shares under subscription of the directors	1,440,000 shares	1,988,000 shares	1,260,000 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***	THB 15.07 per share, at the par value of THB 0.5, or equivalent to 90.00 percent of 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 1,9880,000 shares for each offering to reflect the decrease in par value.

** Under the share allocation of third tranche, there were 7 directors, consisting of 1) Professor Dr. Weerakorn Ongsakul 2) Dr. Viyavood Sincharoenkul 3) Mr. Kitichai Sincharoenkul 4) Mr. Veerasith Sinchareonkul 5) Mrs. Unakorn Phruithithada 6) Mr. Vitanath Sincharoenkul 7) Mr. Anan Pruksanusak fully subscribed the shares (180,000 shares per person) totaling 1,260,000 shares.

*** 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).

8.1.3 Supervision and Governance of Subsidiaries and Associate Companies

The Company establishes a corporate governance policy for the supervision and management of subsidiary and associate companies. The objective is to define direct and indirect measures and mechanisms for the Company to be able to supervise and manage the affairs of its subsidiaries and associate companies, including monitoring and supervising their compliance with said measures and mechanisms as if they are the Company's own units, and in accordance with the Company's policy Including public company laws, the Civil and Commercial Code, Securities Law and other related laws and notices, relate rules and regulations of the Capital Market Supervisory Board, the SEC and the SET in order to protect the interests of the Company's investments in such subsidiaries and associate companies, details of which are as follows:

(1) The Company will assign someone to represent the Company as a director in each subsidiary and/or associate company according to the percentage of shareholding in each company to supervise said subsidiaries and/or associate companies to act in accordance with the relevant laws, good corporate governance policy, as well as other policies of the Company. Such assignment in each subsidiary and/or associate company must be considered and approved by the Board of Directors' meeting, taking into account the suitability of each company.

(2) If entering into the transaction or any operation of a subsidiary falls into or is deemed an acquisition or disposition of assets under the Notification on Acquisition or Disposition of Assets or a connected transaction according to the relevant connected transaction announcements, the Company has the duty to seek approval from the Board of Directors' meeting and/or seek approval from the shareholders' meeting of the Company, or seek approval from the relevant authorities according to the law before entering into the transaction. Therefore, subsidiaries may enter into the transaction or proceed with said operation only upon the completion of the approval process of the Board of Directors' meeting and/or the shareholders' meeting of the Company and/or related agencies (as the case may be).

In addition, if in entering into the transaction or there is any event of the subsidiary resulting in the Company having to disclose information to the Stock Exchange of Thailand in accordance with the rules prescribed in the relevant notifications thereof, directors representing the Company on the board of directors of the said subsidiary have a duty to notify the Company's management immediately upon becoming aware that the subsidiary plans to enter into the transaction or if such an event occurs.

(3) The board of directors and management of each subsidiary and/or associate company will have the scope of important authority and responsibility under the relevant laws that require such acts as disclosing information on financial status and operating results to the Company. In this regard, the relevant announcements of the Capital Market Supervisory Board and the notifications of the Stock Exchange of Thailand shall apply mutatis mutandis. Also required is disclosure and submission of information on personal interests and interests of related persons to the Board of Directors so that it is aware of the relationship and transactions with the Company, subsidiaries and/or associate companies that may create a conflict of interest and avoid such transactions that may lead to conflicts of interest.

(4) 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.

8.1.4 Monitoring of compliance with the corporate governance policies and guidelines

Prevention of Conflict of Interests

The Group Company has determined the Policy for the Prevention of Conflict of Interests based on the principle that the decisions of entering into any transactions must be conducted in the best interests of the Company and its shareholders. All actions with possible conflict of interests with those of the Company shall be avoided. In principle, the directors, executives and employees of the Company who are involved in or have interests in transactions being considered shall notify the Company of the nature of relationship or their interests in the transactions and shall not participate in the consideration or have any authority in the approval of the transaction.

Guidelines

(1) Directors, executives and employees of the Company shall refrain from conducting business, either directly or indirectly, having nature that is similar to and in competition with the business of the Company or its subsidiaries either for their own benefit or for others' which may cause damage to the Company.

(2) Directors, executives and employees of the Company shall disclose information about their personal business or business of their family members or relatives or dependents which may result in a conflict of interests with those of the Company or its subsidiaries.

(3) Directors, executives and employees shall not use confidential information of the Company or its subsidiaries and they are required to strictly comply with the Inside Information Policy.

(4) Directors, executives and employees shall refrain from holding shares in the competitors of the Company or its subsidiaries to the extent where such shareholding is material or before the Company or its subsidiaries have engaged in the business, or shareholding that is acquired as an estate shall be notified to their supervisor immediately.

(5) Directors, executives and related persons shall ensure that the Company has complied with the requirements and methods of disclosure of information on related party transactions and refrain from entering into related party transactions with themselves or with related persons/ juristic persons which would cause possible conflict of interests with those of the Company.

If related party transactions are not entered into on general commercial terms in accordance with the principle approved by the Board of Directors, or where the nature and size of the transaction is not within the authority of the management to approve, such transactions shall be reviewed and are subject to the opinion of the Audit Committee before they can be proposed to the Board of Directors or the general meeting of shareholders for approval.

If it is necessary to enter into a related party transaction, the transaction shall be on general commercial terms in accordance with the principles approved by the Board of Directors, which shall be transparent and fair as would have been entered into with third parties taking into consideration the best interest of the Company.

(6) Directors, executives and employees shall strictly comply with the Policy for the Use of Inside Information. It is the policy of the Company to put in place an organizational structure where there is a separation of work and responsibilities among work units and employees whose duties, responsibilities or nature of would give rise to the possible conflict of interests.

(7) Directors, executives and employees shall not be involved in the consideration of transactions in which they have a conflict of interests and have to disclose their conflict of interests or report their interest in each transaction as follows.

- Directors have to report their interests prior to the Board of Directors' Meeting has considered the meeting agenda and it has to be recorded in the minutes of such Board of Directors' Meeting in order that the directors, who have significant interests and are unable to provide an opinion independently, should abstain from considering such meeting agenda.
- Directors and executives have to prepare conflict of interest report of themselves and their related persons, dividing into (1) first

reporting at the time of appointment, (2) annual reporting, and (3) reporting in case of any changes during the year. The Company Secretary shall keep, maintain, and submit such report to the Chairman of the Board of Directors and the Chairman of the Audit Committee for further use in the verification and monitoring of conflicts of interest.

- Employees in all levels have the duties to prepare a conflict of interest report in an annual basis. If they found that they or their related persons have any interests that may conflict with their performance, they have to report supervisor immediately.

2022 Key Performance

- All directors, executives, and employees strictly complied with this policy and it was not found that there was any persons performed their duties against the Prevention of Conflict of Interests Policy.
- All directors and executives acknowledged the Prevention of Conflict of Interests Policy and annually submitted a conflict of interest report.
- The Company published the Prevention of Conflict of Interests policy through the Company's internal communication system (Intranet) and monitored all levels of employees to submit the annual conflict of interest report through the system (or equivalent to 100 percent).

Prevention of the Use of Inside Information

The Group Company operates their business with transparency and realize the importance of the use of inside information. In order to comply with the Securities and Exchange Act, including various regulatory requirements, the Company has set policies for the use of inside information and methods to prevent directors, executives including those holding executive positions in accounting or finance who are department managers or higher or equivalent, and employees of the Company and subsidiaries from using confidential and/or inside information of the Company and subsidiaries which has not been disclosed to the public, for their personal benefit or the benefit of others, either directly or indirectly, and regardless of whether they are rewarded or not, including the use of such information for trading in the Company's securities.

Guidelines

(1) The Company educates its directors and executives regarding the obligation to prepare and disclose reports on holding and changing securities holding of (a) themselves, (b) their spouse or common law partner, (c) minor children, and (d) any juristic person that they, their spouse or common law partner and underage children hold shares in aggregate more than 30.0 percent of the total voting rights of such juristic person and such shareholding is the largest proportion in that juristic person, to the SEC under Section 59 of the Securities and Exchange Act, and related SEC notifications, as well as providing knowledge on reporting the acquisition or disposal of securities under Section 246 of the Securities and Exchange Act and the relevant Capital Market Supervisory Board announcements.

(2) The Company requires its directors and executives to prepare and submit reports on the holding and changing securities holding of (a) themselves, (b) their spouse or common law partner, (c) underage children, and (d) any juristic person which they, their spouse or common law partner and underage children hold shares in aggregate of more than 30.0 percent of the total voting rights of such juristic person, and such shareholding is the largest portion in that juristic person according to the Securities Holding and Changing of Securities Holding Report under the format specified by the SEC. Such 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 persuade other persons to buy, sell, offer to buy or offer for sale of the Company's securities, either directly or indirectly, in the period before the release of the financial statements, annual and quarterly financial results or information about the Company's financial position and status until the Company has been able to disclose such information to the public. The Company will notify in writing to directors and executives and related workers, including others who are presumed to know or possess inside information, that trading in the Company's securities is not allowed for at least 1 month prior to public disclosure and they should wait at least 24 hours after the information is disclosed to the public to be able to proceed with the above transactions. This written notification will also prohibit the disclosure of such material information to other persons by any means.

(4) The Company requires the directors, executives and employees of the Company and its subsidiaries to keep commercial-in-confidence and/or inside information of the Company and its subsidiaries confidential, as well as the confidential information of the Company's trade partners and subsidiaries which have become known to them from their duties. Moreover, they are prohibited from taking advantage of said information in any way, even though the disclosure thereof will not cause any damage to the Company, its subsidiaries or business partners.

(5) The Company prohibits directors, executives and employees of the Company and its subsidiaries from disclosing inside information of the Company and its subsidiaries, and from using their positions in the Company and/or its subsidiaries to wrongfully exploit by any means the inside information or information that is material to the operation which has become known to them while working in the Company and/or its subsidiaries that has not been disclosed to the public, or disclose said confidential information to third parties for their own benefit or for someone else's benefit, either directly or indirectly, regardless of whether the person receives any benefit in return or not.

(6) The Company has established a procedure for punishing personnel who fail to comply with its policy on inside information usage. If there is a violation of the use of inside information for one's personal benefit or for the benefit of others, either directly or indirectly, and whether it will entail either direct or indirect reward or not, will be considered a disciplinary offense according to the regulations set by the Company or a legal offense punishable by law, whereby the penalty will be based on the intent of the action and the seriousness of the offense.

2022 Key Performance

- All directors, executives, and employees strictly comply with this policy, and it was not found that there was any persons performed against the Policy for the Use of Inside Information.
- All directors, executives and related persons did not trade their securities during the blackout period
- All directors, executives and employees agreed and signed an acknowledgement, including acknowledgement through the electronic system, that they would strictly comply with the Policy for the Use of Inside Information, the details of acknowledgement are as follows:

Directors	100 percentage
Executives	100 percentage
Employees	100 percentage

Anti-Corruption

The Group Company conducts its business with integrity by adhering to the principle of corporate social responsibility and respect for all stakeholders based on the good corporate governance and its Code of Business Ethics including policies and guidelines on treatment of stakeholders. The Company is committed and aspired to combat all types of corruption. To ensure that the Company puts in place a policy which sets out appropriate accountability, practices and regulations of actions to be taken to prevent corruption in all business activities of the Company and to ensure that all business decisions and operations which are exposed to corruption risks are treated and implemented with prudence, the Company prepared this 'Anti-corruption Policy' as a written guideline on clear business practices and corporate development towards sustainability. The Anti-corruption Policy shall apply to the subsidiaries, associated companies, other companies which the Company has the controlling power, and business representatives. This policy has been approved by the Board of Directors. The addition details of the anti-corruption policy and practices as the anti-corruption policy can be found at www.sritranggloves.com.

In addition, the Company has used communication channels within the organization to create accurate knowledge, understanding and raise awareness in this matter to the Company's personnel and the related persons, which will lead to the creation of corporate culture that opposes all aspects of corruptions. Such corporate culture will serve as a robust foundation crucial to sustainable business organization developments going forward.

The significant performance and development of anti-corruption are as follows:

1. The Company was certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) on 30 June 2022, with a validity of 3 years. Therefore, the Company would like to be part of the communication for public relations campaigns and jointly solving the problems of corruption as well as promoting and inviting the Company's business partners to join the declaration of intent and become a member of the CAC through the company's website at www.sritranggloves.com. In addition, The Company has sent out "Letter of intent on Anti-corruption for Business Partners" to each business partner who wishes to share the same intention with the Company to jointly prevent and strictly refuse all forms of corruption.
2. Setting up the anti-corruption policy and various guidelines which covers the hospitality and entertainment, expenses receiving gifts, assets, or any other benefits, charitable donations or supports to other agencies or organizations, guideline on political contributions, guideline on facilitation fee, and guideline on employment of government officers including promoting "No-Gift Policy" before new year's festival through internal and external communication channels such as dissemination of media in various areas of all factories and the company's website at www.sritranggroup.com for showing an intent and communicate to all groups of stakeholders including business partners, customers, affiliated companies and third parties.
3. Setting up the whistleblowing policy and channel to receive complaints from the third parties and employees. The Company has announced the whistleblowing channel for the third parties on the Company's website and also provided the protection for whistleblowers.
4. Setting up the risk assessment procedure. The corruption risk is assessed in an annual basis and such assessment results are reported to the relevant committee for acknowledgement.
5. Organizing training session and post-training test regarding the anti-corruption policy and other relevant guidelines and procedures for the executives and all employees of the Company. Such training session is in the form of e-learning which is a part of the Code of Conduct training and 100% of the Company's employees have passed the 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 CAC, National Conference 2022 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, Lumphini 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 2022, the Company and subsidiaries received 2 complaints as follows:

Category	Number of Complaints	Progress
1. Violation of the Code of conduct • Treatment with stakeholders • Social and environmental • Political community • Human rights • Conflict of interests • Intellectual property and copyrighted works	- None -	- None -
2. Violation of anti-corruption policies and guidelines.	- None -	- None -
3. Other	2 Cases	To prevent the recidivism, the Company was already warned employee and it was already closed. For another case, it was found that it was not an offense according to the complaint and it was already closed.
4. Damage and Penalties • Damage value • Penalties • Layoff or termination of employment • Other	 Insignificance - None - 2 Cases	 Refer to Item 3

The above complaints that were already closed, the Company and subsidiaries did not receive any significant damage from such complaints. The Board of Directors and the Audit Committee place an importance on anti-corruption policies and guidelines to create good consciousness and core value in the organization and continue to provide various, concise and efficient channels for further receiving complaint including promote processes of improvement to prevent recurrence.

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 2022, the Audit Committee held a total of 4 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 2022 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. 1/2023 on Friday 17 February 2023. In 2022, 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 2022, 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 2022 to be presented to the Board of Directors for submission to and approval from the 2022 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 approved the submission of application for the certification of membership of Thai Private Sector Collective Action Against Corruption (CAC) and on 30 June 2022, the company was certified as a member of Thai Private Sector Collective Action Against Corruption (CAC), such certification valid for 3 years from the date of approval.
- 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 SEC and SET.
- In October 2022, the Audit Committee visited the Company, Trang branch, together with senior executives according to the annual plan and in accordance with the principles of good corporate governance. Moreover, the company can consider applying the suggestions for maximum benefit to the organization.

In summary, 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 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 2022, the Executive Committee held a total of 5 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.
- 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 procurement of credit facilities from banks, the opening of securities trading accounts for the share repurchase (treasury stock) program, the sale of land in Surat Thani Province, including continuous monitoring of the performance and progress of various investment projects, as well as the adjustment of investment plan to be suitable for the circumstance of the Company and industry.
- 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 2nd year after the initial public offering of the Company's newly issued ordinary shares (IPO).
- Reviewed the charter of Executive Committee and considered that it is still appropriate and consistent with good practice and in accordance with the regulations of the SEC and SET.
- Evaluated the performance of the Executive Committee for the year 2022 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 Risk Management Committee

The Board of Directors recognizes the importance of enterprise risk management and the need to have a systemic and efficient risk control regimen under the changing conditions and continuous expansion of the business to ensure that the organization's risks are adequately continuously and appropriately managed and maintained under the acceptance level through the effective and continuous implementation of risk management with 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. Professor 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. In addition, the Committee also provides comments and recommendations for effective risk management strategies in terms of Operational, Finance, Legal/Regulatory Compliance and Emerging risks that may significantly affect business operations. In 2022, 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 in the risk management process in the function of risk monitoring and risk reporting which purpose for the management to use as the early warning 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 various incidents or crises, including preventing and mitigating potential impacts for the continuously operate as normal as possible.
- Conducted a review of the Risk Management Committee Charter and amended the authorities, duties and responsibilities of the Risk Management Committee to cover and be in line with the objectives and strategies of enterprise risk management. This is including the review and improve risk management policy to be in line with the current situation which will be useful in the overall risk management.
- Appointed the Enterprise Risk Management Working Group which aimed to evaluate and oversee the risk management in organization level linked to the relevant departments level under the indicators that mutually determined and appropriately reviewed. This aims to manage the risk in timely manner and to reduce the impact which may occur with the organization.
- Conducted a performance evaluation of the Risk Management Committee for the year 2022 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 Risk Management 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 2022, the Nomination Committee held a total of 3 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 annual 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 proposed such directors to the Board of Directors for further propose the same to the annual general meeting of shareholders for consideration and re-election for another term.
- Considered the selection and nominated Mr. Thanatip Upatising to hold the position of independent director of the Company by considered the structure, size, and composition of the Board of Directors, the diversity in the structure of the Board of Directors (Board Diversity), the appropriateness of the qualifications and skills of the director that is necessary but lacking in the Board of Directors (Board Skill Matrix), including having full qualifications and not having any prohibited characteristics in accordance with the laws and other criteria of the Company, and proposed such person to the Board of Directors for further propose the same to the annual general meeting of shareholders for consideration and appointment as the new director of the Company.
- Considered the selection and appointed Mr. Phanlert Wangsuphadilok to hold the position of Chief Automation Officer of the Company since he had knowledge, capability, experience, and expertise in automation and engineering that would be beneficial to the Company's operation, and he had full qualifications and did not have any prohibited characteristics under the laws and other criteria of the Company.
- Reviewed the charter of Nomination Committee and considered that it is still appropriate and consistent with good practice and in accordance with the regulations of the SEC and SET.
- The performance of the Nomination Committee for the year 2022 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

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 Sustainability Development Committee
4. Ms. Thanawan Sa-ngiamsak	Member of Corporate Governance and Sustainable Development Committee

In 2022, there were two Corporate Governance and Sustainable Development Committee meetings which were attended by all its directors. The essence of the Corporate Governance and Sustainable Development Committee's performance can be summarized as follows:

- Considered and approved stakeholder prioritization and materiality topics of the year 2022.
- Tracked sustainability progresses and performance of the year 2022
- Tracked ESG assessments and ratings of SET-Thailand Sustainability Investment (THSI) and Corporate Sustainability Assessment (CSA) of S&P Global
- Tracked the registration progress of Solar Rooftop Project at Trang branch factory for the Thailand Voluntary Emission Reduction Program (T-VER)
- Considered and approved the establishment of Sustainable Development Working Group which consists of five working groups, including Corporate Governance, Fair Operations (customers and suppliers), Human Rights and Labor Practices, Environments, and Community Inclusiveness and Development.
- 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 2022 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 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. Mr. Kitichai Sincharoenkul	Member of Remuneration Committee
3. Gen. Bundit Boonyapa	Member of Remuneration Committee

In 2022, 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. Remuneration must be consistent with the Company's long-term strategy and goals, directors' experience and obligations, as well as accountability and responsibility, including expectations placed on each director, in a manner comparable to the practice of the industry as well as other details. In 2022, the Remuneration Committee deemed it appropriate to increase the monthly remuneration in each position, but the meeting allowance should remain at the same rate, and proposed such remuneration to the Board of Directors and further propose the same to the annual general meeting of shareholders for consideration and approval.
- Considered and made recommendations on the restructuring of wages for employee.
- Considered and approved a review of the charter of Remuneration Committee 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 2022 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) Clinical Professor Dr. Sarana Boonbaichaiyapruck 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.

(2) 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 Professor Dr. Sarana Boonbaichaiyapruck.

9 Internal Control and Risk Management

9.1.1 Internal Control and Risk Management

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 2023, 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 2022 the 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 2022, there was no weakness in the internal control system which will materially affect the financial statements of the Company.

In 2022, the Company has developed and elevated important the internal control system as following:

1. The Company management also realizes the significance of reinforcing Anti-Corruption Policy. The Internal Audit Department is responsible for auditing and reviewing the performance; and promoting a good internal control environment. On 30 June 2022, the company was certified as a member of Thai Private Sector Collective Action Against Corruption (CAC), such certification valid for 3 years from the date of approval.

2. The Internal audit Department has developed its processes to ensure sustainable and continuous added value by developing the Audit Command Audit (ACL) program into the auditing process. It is using data analytics to inspect its business operations for any irregularities in Purchasing and stock process, the results of the analysis can be used to create a preventive work system or reduce risks. Including to inspection work that must be done continuously and saves time in performing inspection work.
3. The Internal audit Department aims to have an integrated auditing process; this means they set up an operational audit team and an information system audit team to conduct joint audits to improve work processes and pre-empt any abnormalities that may occur.
4. The Company has established a Disaster Recovery Plan (DRP) to cope with any risks and potential crises and ensure that the Company's key operations will continue to operate without any disruption.

The Company has evaluated the internal control system based on the international standards of COSO 2013 (The Committee of Sponsoring Organization of Treadway Commission), which defines key five components for internal control as follows:

1) Control Environment

The Company has encouraged and supported the good internal control environment by establishing 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 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 values and supports 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.

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.

In 2022, the Company has reviewed and assessed ERM (Enterprise Risk Management) and reprioritized the corporate risks to align with the business status and various environmental factors that occurred between 2021-2022 as well as established the effective risk management plan to align with the results of the ERM assessment, which will promptly mitigate the negative affect of various risks. In addition, the training for employees and executives on risk management is conducted in order to employees and executives at all levels aware to the importance, necessities, and actions, both in overview and individual involved to reduce and/or manage the risks that occur to have the least negative impact on the Company. Moreover, in 2022 the Risk Management Committee has appointed the Enterprise Risk Management Working Group in order to assess and oversee the risk management at corporate level through the relevant departments based on mutually defined indicators and appropriately reviewed with the aim to managing risks in a timely manner and minimizing the impact on the organization, including the amendment to the charter of Risk Management Committee Charter to be consistent with the actual operation and effective risk management practice as well.

3) Control Activities

The Company has established internal controls at all levels of the organization including the establishment of delegation of authority as well as duties and responsibilities of the Board of Directors and the Executive Committee. There are organizational structure and management structure to define a chain of command, set appropriate authority and level of authorization. The subsidiaries have separated the duties that may facilitate corruption. 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: 2018.

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 set up of each factory and subsidiaries be consistently aligned with the Company and Corporate's goals, whether the target in terms of financial outcome, operating result, fire and fatal accident risk management, etc.

4) Information and Communication

Information and communication plays an important role in the Company. Information technology has been deployed in order to manage information and analyze data to support management's decision making process. The Company has supported employees to develop innovations; in order to increase work efficiency, decrease costs and expenses, Including the company also realizes and gives importance to information security by providing information security policies and guidelines, establishing a strategic plan for security. There is a data security system to maintain confidentiality, integrity and availability including Cyber Security and Personal Data Protection to prevent the use of information in the wrong way or unauthorized alteration of information by requiring that the directors, executives and employees as well as third parties involved are aware to the importance of duties, accountabilities and practices. Those who have the right to access the information must go through the channels specified by the company, install software and various protection systems for example, a firewall system is installed to prevent unauthorized persons from the company's internet network from accessing

the information system. An Antivirus system is installed to protect against viruses, worms, and spam mails. A Proxy Serve system is installed to filter the information that comes on the Website, providing various record keeping management for verification Including setting up the Disaster Recovery Site to manage business continuity in important processes to support emergencies and disasters that may result in failure of the information technology system.

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

5) Monitoring Activities

In 2022, the Company has adopted the monitoring and evaluation system by using the Key Performance Indicators (KPIs) as the performance measurement tools in each business unit in order to ensure that each department continuously aligned with the Company's goals throughout the organization and have regularly and continuous follow up.

Furthermore, the Company specified that the internal audit department, which directly report to the Audit Committee, responsible to audit and evaluate internal control of the Company and its subsidiaries to be aligned with the internal audit plan. Nonconformities or problems in the internal control systems of the Company and its subsidiaries should be directly reported to the Audit Committee in order to improve or solve those problems quickly as well as follow up and report the status of such improvement to the Audit Committee and Executives. In case that the nonconformities or problems cannot be solved as recommendations of the internal audit department or the Audit Committee, the internal audit department will consult with the executives to set another direction in internal control systems that can solve such problems.

Head of the Company's Internal Audit Department

The Audit Committee meeting on 19 July 2019 has approved the appointment of Ms. Narungsri Chiranakorn as Head of the Internal Audit Department and stated its opinion that Ms. Narungsri Chiranakorn is suitable to perform the duties as the head of the Company's internal audit department effectively due to having educational background, operational experience and having received training in courses related to the performance of internal auditing.

In this regard, the appointment, transfer and dismissal of the head of the Company's internal audit department must be approved by the Audit Committee. The qualifications of the head of the Company's internal audit department as appeared in topic of Directors and Executives Information.

Currently, the Company's internal audit department comprises 1 departmental head and 2 internal audit staff members. Two of our internal audit personnel have already earned Certified Professional Internal Audit of Thailand (CPIAT) and one of our internal audit personnel have already registered for the Information Technology Professionals Examination program (ITPE) and the Personal Data Protection Certificate (PDPC) Module: ICDL Data Protection. In addition, to ensure the internal audit plan of the Company efficiently covers the internal audit of the Company and its subsidiaries, the internal audit department will report its audit results according to the internal audit plan to the Audit Committee at least once in a quarterly basis.

9 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 2022 are as follows:

	Related Person that may have conflict of interest and Nature of Business	Relationship as of 31 Dec 2022
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.	• The Company's major shareholder which is holding 50.61 percent of the Company's shares. • Having directors in common i.e. Dr. Viyavood Sincharoenkul, Mr. Kitichai Sincharoenkul, and Mr. Veerasith Sinchareonkul.
2.	Rubberland Products Co., Ltd. (RBL) Production of concentrated latex and block rubber.	• The Company's shareholder which is holding 5.42 percent of the Company's shares. • Having a major shareholder in common i.e. STA, which is holding 99.9 percent of RBL's shares. • Having a director in common i.e. Mr. Veerasith Sinchareonkul.
3.	Nam Hua Rubber Co., Ltd. (NHR) Production and export of smoked sheet rubber, concentrated latex, and block rubber.	• Having a major shareholder in common i.e. STA, which is holding 99.9 percent of NHR's shares.
4.	Startex Rubber Co., Ltd. (STC) Holding business in other companies which doing business of rubber and palm plantation.	• Having a major shareholder in common i.e. STA, which is holding 99.9 percent of STC's shares.
5.	Anwar Parawood Co., Ltd. (ANV) Lumper production and manufacture of wooden furniture.	• Having a major shareholder in common i.e. STA, which is holding 99.9 percent of ANV's shares.
6.	Starlight Express Transport Co., Ltd. (STL) Provision of domestic logistics service and document preparation services for import/export.	• Having a major shareholder in common i.e. STA, which is holding 99.9 percent of STL's shares. • Having a director in common i.e. Mr. Veerasith Sinchareonkul.
7.	Premier System Engineering Co., Ltd. (PSE) Engineering services, design, produce, sell, installation and maintenance machineries.	• Subsidiary in which the Company holds 99.9992 percent of PSE's shares. • Having a director in common i.e. Mr. Veerasith Sinchareonkul, Ms. Jarinya Jirojkul and Ms. Thanawan Sa-Ngiamsak.

Related Person that may have conflict of interest and Nature of Business	Relationship as of 31 Dec 2022
8. Sadao P.S.Rubber Co., Ltd. (PS) Provision land rental services to the Company to build gloves factory.	• 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.	• Having a major shareholder in common i.e. STA, which is holding 100.0 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 gloves in United State of America.	• Subsidiary in which the Company holds 100.0 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.	• Having a major shareholder in common i.e. STA, which is holding 100.0 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 latex gloves in Socialist Republic of Vietnam.	• Having a major shareholder in common i.e. STA, which is holding 100.0 percent of STV's shares through STC and STI.
13. Shidong Shanghai Medical Equipment Co., Ltd. (SDME) Registered in People's Republic of China. Distribution of gloves in People's Republic of China.	• Subsidiary in which the Company holds SDME's shares for 100.0 percent • Having a director in common i.e. Dr. Viyavood Sincharoenkul
14. Semperflex Asia Co., Ltd. (SAC) Production of high-pressure hydraulic hoses.	• Having a major shareholder in common i.e. STA, which is holding 42.5 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.	• Having a major shareholder in common i.e. STA, which is holding 100.0 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.	• 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 2022
17. PT Sri Trang Gloves Indo (STGI) Registered in Indonesia. Distribution of gloves in Indonesia.	• Subsidiary in which the Company holds 100.0 percent of STGI's shares. • Having a director in common i.e. Mr. Chai Chee Ping and Ms. Thanawan Sa-Ngiamsak
18. Dr. Viyavood Sincharoenkul	• Director of the Company
19. Mr. Kitichai Sincharoenkul	• Director of the Company
20. PT Star Rubber Indonesia (PTS) Production of block rubber	• Having a major shareholder in common i.e. STA, which is holding 99.0 percent of PTS's shares
21. PT Sri Trang Lingga Indonesia (SLI) Production of block rubber	• Having a major shareholder in common i.e. STA, which is holding 90.0 percent of SLI's shares • Having directors in common i.e. Mr. Veerasith Sinchareonkul
22. Sri Trang Ayeyar Rubber Industry (STAY) Production of block rubber.	• Having a major shareholder in common i.e. STA, which is holding 59.0 percent of STAY's shares • Having directors in common i.e. Mr. Kitichai Sincharoenkul and Mr. Veerasith Sinchareonkul
23. Thai Tech Rubber Corporation Ltd. (TRC) Production of block rubber.	• 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
24. Sri Trang Gloves Philippines Inc. (STGP) Registered in Philipphine. Distribution of gloves in Philipphine.	• Subsidiary in which the Company holds STGP's shares for 99.99 percent • Having a director in common i.e. Mr. Veerasith Sinchareonkul, Mr. Kitichai Sincharoenkul, Ms. Thanawan Sa-Ngiamsak and Mr. Chai Chee Ping.
25. Sri Trang Gloves Vietnam Co., Ltd. (STGV) Registered in Vietnam. Distribution of gloves in Vietnam.	• Subsidiary in which the Company holds STGV's shares for 100.00 percent

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 2021 and 31 December 2022, 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 2021	Jan – Dec 2022		
STA	Major shareholder of the Company and having the same directors	**The Company**				
		Revenue from the sale of rubber gloves	52.28	0.20	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 latex gloves.	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.
		Revenue from other service - Tank rental fee	3.27	3.24	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 is responsible by the renter. So the tank service fee relects the related cost and appropriate profits.	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.

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 2021	Jan – Dec 2022		
		Revenue from the sale of factory materials	0.15	0.14	The Company had revenue from selling fuel to STA, Trang branch, which is used for forklifts in the RBL area. As the Company had to use such raw materials in large quantities, it can purchase it in discounted price whilst STA uses such raw materials in small quantities, the Company thus sold such raw material to STA to efficiently reduce cost in the purchase order of fuels for the group of companies. The fuel price was referenced from the fuel price at the date of sale and reflects the appropriate related costs and profit.	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	0.48	0.08	The trade receivables resulting from the aforesaided 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	0.31	0.30	Other trade receivables resulting from the aforesaided income transactions.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.
		Advance payment	1.05	2.87	The company paid an advance payment for Moderna vaccine to STA, which will be collected according to the number of employees and the third parties who have the right to vaccinate to promote CSR activities and promote a good image for the organization. Including advance payments to employees who worked for STA, which will be charged later when the work is completed.	It was an outstanding balance according to the normal business transactions of the Company 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 2021	Jan – Dec 2022		
		Concentrated latex purchase fees	4,362.65	4,892.12	The Company purchased concentrate latex from STA and their subsidiaries which those are the producers of the concentrate latex which can reach the specific quality to the Company's requirement and the concentrate latex can be delivered in the quantity and quality in accordance with the stipulated criteria to company. Furthermore, on 28 June 2019, the Company entered into a purchase agreement for concentrate latex with STA and their subsidiaries 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 and the company entered into an amendment to the concentrated latex purchase agreement (1st Amendment) with the addition of the right to purchase concentrate latex at the agreed price between the buyer and the seller (Spot Price) and entered into an agreement amendment to the concentrated latex purchase agreement (2nd Amendment) dated 20 December 2020 with the adjustment to the price formula and it still in accordance with the market price.	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.
		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 purchasinging in bulk which is reflected the suitable trading price 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.

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 2021	Jan – Dec 2022		
		IT Service Fees and Maintenance of SAP system	10.92	12.72	The Company used services relating to IT services and maintenance of SAP system from STA, namely computer lease fee, hardware services fee, software services fee etc. As STA had equipment and staffs that are ready to perform the aforementioned services. The service fee according to a type of communications can be compared with other service providers such as notebook lease that has a monthly service fee per Notebook compared with the other service providers in charging the same fee, and the hardware service fee, examination fee, equipment repairment fee, the service fee charged per machinery per month can be compared with other service providers that provide service in similar characteristics which may differ in detail of the space, type and equipment used to provide the service.	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	31.20	30.60	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 recruiting 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 or space providing area including self-service. 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 2021	Jan – Dec 2022		
		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 recruiting staffs in such sector, including the area by their own.	The weighing service was a monthly payment rate which comparing that the Company should have to supply equipment, maintenance and staff as well as area space by ourselves. This transaction is a general commercial terms which considered appropriate and reasonable.
		Other service	5.45	9.27	The company paid a License SAP system, service fee for organizing the 2022 Annual Meeting and exhibition booth for 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.
		Trade payables	438.67	314.19	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	0.01	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.

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 2021	Jan – Dec 2022		
		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 million baths 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 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 made in accordance with proper management and a future strategy for the production capacity expansion and supporting 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. The investment in such a business was made in accordance with the negotiation of purchaser and seller. However, for production capacity expansion in the future and supporting the Company's Operations, The price was appropriate with the 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 2021	Jan – Dec 2022		
		Land purchase	330.14		In 2021, The Company purchased land and building from STA with an area of 334 rai 6.2 square wah located in Chaiyarat Sub-district, Pathio District, Chumphon, purchased land and 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.	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.
STA	Major shareholder of the Company and having the same directors	**STU (A Subsidiary of the Company)**				
		IT Service Fees and Maintenance of SAP system	3.18	2.37	STA provided IT service and maintenance of SAP system to STU, namely License SAP, Server SAP, Maintenance License SAP etc. As STA has the equipment and personnel that was ready to perform such services. The rate of the services was as stipulated by the type of communications which can be compared with other service providers that provides the service in a similar manner but may differ in the details of the area and type of equipment used in the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable..

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 2021	Jan – Dec 2022		
		Other payables	0.78		Other payables resulting from the aforesaided expenses transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.
STA	Major shareholder of the Company and having the same directors	**SDME (A Subsidiary of the Company)**				
		IT Service Fees and Maintenance of SAP system	0.28	0.39	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)**			**After the restructuring of the Company by the Company purchasing 99.99922% shares in PSE from STA and RBL on 7 January 2021 (The transactions between 1 January 2021 – 31 December 2021 and 1 January 2022 – 31 December 2022)**	

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 2021	Jan – Dec 2022		
		Revenue from Production and installation of machinery	40.97	267.65	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 and service contract as deem necessary. Additionally, the production and installation of machineries in gloves production is considered to be trade secret technology that the Conglomerate does not require the outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the same business.	PSE specializes in providing such services as well as having personnel with the experience, the rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from maintenance service	0.57	0.57	PSE had revenue from Office building maintenance and executive residence from STA. The service was through purchase orders, in addition to the service rates charged by PSE are base on reasonable labor cost and profit.	The transaction was a comprehensive rate that reflected the relevant costs and appropriate profit margins. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from calibration fees	2.13	3.21	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.

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 2021	Jan – Dec 2022		
		Revenue from other service - Verification service	0.86	0.87	PSE had revenue from providing certification services and annual property maintenance according to plan such as building, the crane and electrical system of STA. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The aforesaid service was a service that associated with manufacturing, installation and maintenance. PSE has specializes in providing such services as well as having personnel with the experience and tools that were related the provision of the service at the PSE's cost plus related operating costs and reasonable profit. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from the sale of factory materials	7.65	9.95	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 2021	Jan – Dec 2022		
		Revenue from other service - Product quality inspection fees	0.10	0.42	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 selling of STA uniform to save purchasing cost of uniform and also inventory management 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	35.15	The trade receivables resulting from the aforesaided 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	33.84	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.

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 2021	Jan – Dec 2022		
		Accrued guarantee		0.08	It is the accrued job performance guarantee income arising from the aforementioned income from the production and installation of the machinery.	It was an outstanding balance based on payment criteria, which was a general commercial term which considered appropriate and reasonable.
		Other receivables	0.05	0.01	Other trade receivables resulting from the aforesaided income transactions.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.
		IT Service Fees and Maintenance of SAP system	9.92	9.90	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.

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 2021	Jan – Dec 2022		
		Office service expenses	2.06	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 recruiting the staffs in such works or procuring such area, including performing the service work by their own.	The aforementioned service rates were reasonable comparing to PSE's costs and expenses for recruiting employees or space providing area including self-service. This transaction is general commercial terms that considered appropriate and reasonable.
		Other service fees		0.31	PSE paid for the 2022 Annual Meeting service fee to STA. The rate charged is an actual expense rate based on the number of employees attending the meeting.	It was an actual charge of service fees that was considered appropriate and reasonable.
		Advance income	12.19	30.20	The advance income resulting from income aforesaid transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term that considered appropriate and reasonable.
		Trade payables	0.18	0.51	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 2021	Jan – Dec 2022		
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 and 1 January 2022 – 31 December 2022)**	
		Revenue from the sale of factory materials	0.005		PS had revenue from selling Hydraulic oil to STA, Hat Yai branch which using for 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	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.

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 2021	Jan – Dec 2022		
		Revenue from the sale of factory materials	0.27	0.23	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 fuel purchasing for the group company. The price of fuel was referenced from the price of oil on the transaction date, reflecting the related cost and appropriate profit and price of the chemical reflects the related cost and appropriate profits.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
		Other service income	0.24	0.35	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 paid wage rate, which is a general commercial term that considered appropriate and reasonable.
		Trade receivables	0.03	0.03	The trade receivables resulting from the aforesaided 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	0.04	0.05	Other trade receivables resulting from the aforesaided income transactions.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2021	Jan – Dec 2022		
		Advance payment	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	839.24	477.65	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 and the company entered into an amendment to the concentrated latex purchase agreement (1st Amendment) with the addition of the right to purchase concentrate latex at the agreed price between the buyer and the seller (Spot Price) and entered into an agreement amendment to the concentrated latex purchase agreement (2nd Amendment) dated 20 December 2020 with the adjustment to the price formula and it still in accordance with the market price.	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 2021	Jan – Dec 2022		
		Rental fee	4.64	0.19	The Company paid rental fee for housing to RBL to provide accommodation for the Company's staffs as the location of the Company's factory is located next to RBL. The service fee fixed by the Company to pay to RBL was the monthly fee for all types of buildings for 645 rooms. Furthermore, RBL also directly collected from the Company's staffs who rents the room at the value similar. The two rental fees combined were equivalent to the rate comparable to the rental fees of rooms in nearby area.	The rental rate was comparable to the market price of monthly dormitories in neighboring area. This transaction 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 recruiting staffs in such sector, including the area by their own.	The weighing service was a monthly payment rate which comparing that the Company should have to supply equipment, maintenance and staff as well as area space by ourselves. This transaction is a general commercial terms which considered appropriate and reasonable.

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 2021	Jan – Dec 2022		
		Other service - tank rental fees	3.54	2.17	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.
		Electricity and groundwater expenses		3.58	The Company has used electricity and groundwater of RBL for the employees domitories locatedat Phatong Sub-district, Hat Yai District, Songkhla Province, by paying the electricity per unit rate charged by the Provincial Electricity Authority and paying the groundwater fee at the rate per unit comparable to the Office of Natural Resources and Environment directly charged from RBL, which at present the ownership has been transferred to the Company already and such items will not be available in the future.	Such service rates are rates charged at reasonable rates. Can be compared with the rates that the Provincial Electricity Authority and the Office of Natural Resources and Environment charged directly from the Company, including general commercial terms therefore consider that Such transactions are appropriate and reasonable. However, after the transfer of ownership of the said electric transformer and groundwater system to the Company This list will not be available in the future.
		Trade payables	81.04	15.94	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 2021	Jan – Dec 2022		
		Accrued expenses	0.41		Accrued latex tank rental 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 for the production capacity expansion. The right price for the firm restructuring has been authorized by the shareholder meeting. This transaction was considered appropriate and reasonable.
		Land purchase		104.56	The Company purchased land with buildings from RBL, having an area of 29 rai 1 ngan 41.3 square wah with the buildings which compose of canteen, staff domitories, and other buildings which located at Phatong Sub-district, Hat Yai District, Songkhla Province. The land purchase price was agreed upon between the purchaser and seller based on the appraised price by First Star Consultant Co.,Ltd. which was approved by the Board of Directors Meeting No. 7/2021 on 10 August 2020.	For the entering into the Acquisition of Land with Buildings from RBL, it is currently the dormitories for the employees of Hat Yai Factory in which the Company has rented from RBL. The Company has plan to renovate and construct the dormitories for the employees on such rental land. However, the Company viewed that the cost of investment in renovation and construction of dormitories for the employees is quite high.Therefore, it is more appropriate to invest in the land that the Company has owned rather than leased it. Moreover, the value of such land is deemed reasonable in comparison with the size and location and the offering price of other land surrounding the Company's factory. In addition, this transaction has considered that the selling price of such land is appropriate and comparable to the market value of the land appraised by an independent appraiser.

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 2021	Jan – Dec 2022		
RBL	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 and 1 January 2022 – 31 December 2022)**	
		Revenue from Production and installation of machinery	27.19	77.49	PSE had revenue from design, manufacturing and installation from RBL due to PSE has expertise in design, installation, machine and instrument maintenance. The service was through purchase orders and service contract as deem necessary. Additionally, the production and installation of machineries in gloves production is considered to be trade secret technology that the Conglomerate does not require the outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the same business.	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	0.81	0.71	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.

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 2021	Jan – Dec 2022		
		Revenue from the sale of factory materials	2.47	4.68	PSE had revenue from selling spare 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 has specialized in installation, machine maintenance and instrument. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
		Revenue from maintenance service	0.03	0.02	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 base on reasonable labor cost and profit.	The transaction was a comprehensive rate that reflected the relevant costs and appropriate profit margins. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from other service - Verification service	0.14	0.09	PSE had revenue from providing certification services and annual property maintenance according to plan such as building, the crane and electrical system of RBL. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The service was a service that was associated with manufacturing, installation and maintenance. PSE has specializes in providing such services as well as having personnel with the experience and tools that were related the provision of the service at the PSE's cost plus related operating costs and reasonable profit. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from 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.

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 2021	Jan – Dec 2022		
		Accrued income	1.04	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.
		Advance income	5.03	23.13	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	11.72	The trade receivables resulting from the aforesaided 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.
NHR	A Juristic person that the major shareholder has control over	**The Company**				
		Revenue from the sale of rubber gloves	0.01	0.01	The Company sold rubber gloves to NHR which is a service through purchasing order. In addition,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 2021	Jan – Dec 2022		
		Rental income received	0.33	0.36	The Company had rental income from NHR for leasing part of the land, Title deed No. 38592, Land No. 78, Survey Page 3192, Samnak Kham Sub-district, Sadao District, Songkhla Province, used as an employee accommodation. There was a land lease agreement in term 3 years, starting from 1 February 2021 till 31 January 2024 at the monthly rental rate: 30,000 Bath. The rate price was agreed between the lessor and lessee based on land lease agreement.	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	0.11	The Company had income from providing water and electricity services in employee accommodation of NHR. The service fee was collected the cost of utilities base on actual unit in Company's rate that was prescribed by company regulations no. 04/2019, topic company accommodation regulations (Amendment).	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	0.01	The trade receivables resulting from the aforesaided 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	0.01	Other trade receivables resulting from the aforesaided income transactions.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2021	Jan – Dec 2022		
		Concentrated latex purchase fees	706.64	453.47	The Company purchased concentrate latex from STA and their subsidiaries which those are the producers of the concentrate latex which can reach the specific quality to the Company's requirement and the concentrate latex can be delivered in the quantity and quality in accordance with the stipulated criteria to company. Furthermore, on 28 June 2019, the Company entered into a purchase agreement for concentrate latex with STA and their subsidiaries 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 and the company entered into an amendment to the concentrated latex purchase agreement (1st Amendment) with the addition of the right to purchase concentrate latex at the agreed price between the buyer and the seller (Spot Price) and entered into an agreement amendment to the concentrated latex purchase agreement (2nd Amendment) dated 20 December 2020 with the adjustment to the price formula and it still in accordance with the market price.	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.

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 2021	Jan – Dec 2022		
		Other service - tank rental fees	0.49	0.02	The Company paid for the service fee for the rental of latex tank 500 tons from NHR to store nitrile latex in producing nitrile gloves which were temporary rental tank, By charging tank service at the rate per tank per day according to different sizes. Including charged fee for management of latex combined with load and offload latex by calculated from the actually weight received in each month. The service fee and management fee was the rate that the Company considers to be reasonable if compared to procuring equipment, maintenance and recruiting staffs in such sector, including its own area.	Tank rental service and latex management fees were temporary performed. If compared to procuring equipment, maintenance and recruiting staffs in such sector, including the area by their own which is a general commercial term that considered appropriate and reasonable.
		Weighing service fees		0.03	The Company paid for weighing service fee to NHR for weighing the log wood truck in-out the factory. However this service was temporary performed. Due to the company during install the weighing machine. The service fees were calculated by the actually weighing times by type of trucks. The rate was comparable with the market price.	The weighing service was temporary performed and can be compared to the market price with the same kind of services. This transaction was a general commercial term which considered appropriate and reasonable.
		Trade payables	43.76	12.40	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 2021	Jan – Dec 2022		
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 and 1 January 2022 – 31 December 2022)**	
		Revenue from Production and installation of machinery	0.02	3.76	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 require the outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the same business.	PSE specializes in providing such services as well as having personnel with the experience, the rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from calibration fees	0.22	0.22	PSE had 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.

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 2021	Jan – Dec 2022		
		Revenue from other service - Verification service	0.09	0.10	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 has specializes in providing such services as well as having personnel with the experience and tools that were related the provision of the service at the PSE's cost plus related operating costs and reasonable profit. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from maintenance service	0.05	0.07	PSE had revenue from electricity transformers maintenance from NHR. The service was through purchase orders, in addition to the service rates charged by PSE are base on reasonable labor cost and profit.	The transaction was a comprehensive rate that reflected the relevant costs and appropriate profit margins. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from the sale of factory materials	0.99	0.43	PSE had revenue from selling spare parts, machinery equipment such as roller, rolling ball ,shaft gear etc. to NHR to used with block rubber production machine. Due to service provider who specializes in installation, machine maintenance and instrument. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2021	Jan – Dec 2022		
		Revenue from other service - Product quality inspection fees		0.05	PSE had revenue from rubber product quality inspections service to NHR. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.
		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	0.81	The trade receivables resulting from the aforesaided 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	0.03	PSE bought a field latex from NHR to used for research and development to reduce protein in natural latex. The trading was provided through purchase orders. In addition, The sales price was comparable to the market price.	The transaction was comparable to the market price and was general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2021	Jan – Dec 2022		
ANV	A Juristic person that the major shareholder has control over	**The Company**				
		Firewood purchase fee	1,436.44	1,377.25	The Company purchased of its firewood from ANV as ANV has expertise in the business of procuring and distribution of rubber wood, with a 30 years experience and staffs that are ready to provide such and has the ability to procure firewood in the quantity required by the Company which there is a necessity to use a large quantity of firewood to produce energy to produce gloves. In this regards, on 2 September 2019, the Company entered into a long term sales and purchase agreement for logs with ANV by determining the price of the logs sold at the cost of ANV plus the operating fee of ANV. And the company entered into a new firewood purchase contract in August 10, 2022. Each transactions was done through a purchase order. The value of the firewood price was the purchase price of ANV at the date of the transaction, together with the operational costs which the Company considers and finds to be appropriate if compared to the Company having to proceed by itself which will result in increased cost, as well as the ability to procure and collect firewood by the Company which is currently not in the capacity to procure sufficient amount of firewood to use for the overall use by the Company.	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.

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 2021	Jan – Dec 2022		
		Factory material expenses	0.04		The Company purchased fuel with ANV which is used with forklifts in the Company area, Anvar branch. The Company bought part of the raw material,in order to save costs on the purchase of fuel and efficently of the Group Company. 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	10.34		This refers to advance payments made for the aforementioned costs, to support the increasing in production capacity from January 2020 onwards.	This was the estimate amount of firewood purchasing in advance according to general commercial terms and it was normal prepaid item which 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 the staffs working for 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	1.44	4.53	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 2021	Jan – Dec 2022		
		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.
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	0.01	The Company sold rubber gloves to STL which is a service through purchasing order. In addition,The purchase price was the cost price of the Company plus the related processing costs and appropriate profit.	The selling price of such transactions can be compared with the market price that the Company sold rubber gloves to other customers and the selling price reflected a suitable business model including general commercial term, therefore such transactions were appropriate and reasonable.
		Other service income		0.01	The company had compensation income for damaged goods during transportation from STL, by the rate charged was the actual value of the damaged goods.	The rate was charged from actually of damaged goods value, which is a general commercial term that considered appropriate and reasonable.
		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.

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 2021	Jan – Dec 2022		
		Transportation fees	76.98	76.97	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	10.31	10.58	STL provided import and export document arrangement services to The Company as STL has more than 20 years experience in the business of arranging import and export documents service, and has the expertise and personnel available to provide such services. For service was provided through purchase order and the fee rate of the import and export of documents was calculated per set of documents which was the rate comparable to the market price for the same characteristics of business.	STL is specialist in transportation services, as well as import and export document arrangement services. The service rate was reasonable and reflected the operational costs of this company compared to other provider in the same kind of business. This transaction was general commercial terms and consistent with the company business operation, which was considered appropriate and reasonable.

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 2021	Jan – Dec 2022		
		Other service fees	11.29	9.63	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	10.25	8.23	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	1.60	1.80	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 2021	Jan – Dec 2022		
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 1 and January 2022 – 31 December 2022)**	
		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.
		Transportation fees	0.05	0.54	PSE used transport services from STL . Due to STL operates transportation arrangement services, and has equipment and personnel available to provide the aforementioned services and has experience in the business more than 20 years. The service was through purchase order and the rate of service fee was determined by the market price and adjusted according to the change in the oil price at different periods.	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 2021	Jan – Dec 2022		
		Import and export document arrangement service fees	0.06	0.03	PSE got the import and export document arrangement services from STL. Due to STL had more than 20 years experience in the business of arranging import and export documents service, and has expertise and personnel available to provide such services. For service was provided through purchase order and the fee rate of the import and export of documents was charged per set of documents which was the rate comparable to the market price for the same characteristics of business.	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	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.
PSE	A Juristic person that the major shareholder has control over and has the same directors	**The Company**			**Before the restructuring of Sri Trang Gloves (Thailand) Public Company Limited (Transaction between January 1, 2021 – January 6, 2021)**	
		Other receivables	0.41		Other trade receivables resulting from the aforesaided income transactions.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2021	Jan – Dec 2022		
		Production and installation of machinery fee	0.22		The Company had hired PSE to design, produce and install as PSE has long term expertise in design, producing, installing and maintaining machineries of gloves production 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 require 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.
		Equipment and spare parts expenses	0.49		The Company purchased equipment parts from PSE such as motor, pump, valve, electronical 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 has 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	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 has 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 2021	Jan – Dec 2022		
		Cleaning service fee	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 has 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.
		Trade payables	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.
STI	A Juristic person that the major shareholder has control over and has the same directors	**The Company**				
		Other service - Consultant fees	9.59	12.50	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.

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 2021	Jan – Dec 2022		
SDS	A Juristic person that the major shareholder has control over	**SDME (A subsidiary of the Company)**				
		Office service expenses	4.31	5.06	SDME paid for the office service expenses to SDS, which provide human resource management service, accounting service, and branding service. The rates for such services were as agreed upon on 15 September 2019 and set out for a reconsideration every year, as set out in the terms of the contract. The rates which SDME had considered to be appropriate when comparing with the efforts to find employees for such services or finding the location or carry out such service themselves.	The aforementioned service rates were reasonable comparing to SDME's costs and expenses for recruiting employees or space area providing including self-service. This transaction is general commercial terms that considered appropriate and reasonable.

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 2021	Jan – Dec 2022		
STV	A Juristic person that the major shareholder has control over	**The Company**				
		Revenue from the sale of rubber gloves	202.95	(0.33)	In 2021,The Company sold rubber gloves to STV for distribution to the customers in Vietnam by a way of purchase orders. The rubber gloves price sold was the cost price of the Company plus the appropriate profit, considered by the changes in price of the main. raw material which is concentrate latex, production cost, exchange rate and global market situation of gloves. In setting the purchase price of gloves such price was set monthly. Furthermore,such sale price has considered on the profit ration that STV received at an appropriate rates of a rubber gloves manufacturer business model In 2022, the Company has reduced the price of rubber gloves sales to STV for the rubber gloves sold in 2021 for the Nitrile powder free examination gloves in accordance with the market situation of the glove price in the world market that has decreased. This is a discount through a credit note. However, the selling price after the reduction is still higher than the production cost of the Company at that time	Due to the downturn in glove prices throughout the industry since the second half of 2021, some of the Company's customers, including STV, are unable to sell certain products. Therefore, the company considered to reducing the debt for some such customers, including STV, in order to the customers be able to sell their products and continue to buy rubber gloves from the Company normally. Therefore, the Audit Committee considered that the transaction was reasonable. with the situation of the industry and the company.

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 2021	Jan – Dec 2022		
		Trade receivables	46.85		The trade receivables resulting from the aforesaided 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.
		Commission fee	2.16		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 compamy pays to other customers. Furthermore, The Company had set a policy its commission fees, announced on 7 February 2020.	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.
		Trade payables	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.

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 2021	Jan – Dec 2022		
SLI	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 and 1 January 2022 – 31 December 2022)**	
		Revenue from Production and installation of machinery	3.81	1.45	PSE had revenue from design, manufacturing and installation from SLI due to PSE have expertised in design, installation, machine and instrument maintenance. The service was through purchase orders. Additionally, the production and installation of machineries in gloves production is considered to be trade secret technology that the Conglomerate does not require the outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the 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 the sale of factory materials	0.26	1.20	PSE had revenue from selling spare parts, machinery equipment such as spring device, roller, rolling ball, shaft gear etc. to SLI to used with block rubber production machine. Due to service provider who specializes in installation, machine maintenance and instrument. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.

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 2021	Jan – Dec 2022		
		Revenue from calibration fees	0.00		PSE had revenue for the calibration fee of various machinery from SLI. 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	2.99	The advance income resulting from revenue aforesaid transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term that considered appropriate and reasonable.
		Trade receivables		1.00	The trade receivables resulting from the aforesaided 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 2021	Jan – Dec 2022		
PTS	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 and 1 January 2022 – 31 December 2022)**	
		Revenue from Production and installation of machinery		2.07	PSE had revenue from design, manufacturing and installation from PTS due to PSE have expertised in design, installation, machine and instrument maintenance. The service was through purchase orders. Additionally, the production and installation of machineries in gloves production is considered to be trade secret technology that the Conglomerate does not require the outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the 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 the sale of factory materials	0.21		PSE had revenue from selling spare parts, machinery equipment such as rubber molding 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.

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 2021	Jan – Dec 2022		
		Other service income	0.01		PSE charged a fee for preparing the goods import and transporrting documents. For products under warranty to PTS, the rates charged are actual expenses incurred.	The rate was charged from the company actually rate paid. This transaction was considered appropriate and reasonable.
		Advance income	1.75	1.20	PSE had advance income from design, manufacturing and installation to PTS due to having expertise in design, installation, machine and instrument maintenance. The service was through purchase orders, the aforementioned rate was in line with the other service providers in the same category.	It was an outstanding balance based on payment criteria, which was a general commercial term that considered appropriate and reasonable.
STAY	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 and 1 January 2022 – 31 December 2022)**	
		Revenue from calibration fees	0.17	0.12	PSE had revenue for the calibration fee of various machinery from STAY. The service was provided through purchase orders. As PSE received the ISO IEC17025 certification for the calibration standard and has equipment and personnel available to provide service that is accessible in case of an emergency. The rate of the service fee was stipulated in accordance with the type of equipment which the rate of service fee was comparable to the market price of other calibrations of other outsiders.	PSE specializes in providing such services as well as having personnel with the experience and tools related to the provision of the service. The rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.

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 2021	Jan – Dec 2022		
SAC	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 SAC which is a service through purchasing order. In addition, The purchase price was the cost price of the Company plus the related processing costs and appropriate profit.	The selling price of such transactions can be compared with the market price that the Company sold rubber gloves to other customers and the selling price reflected a suitable business model including general commercial term, therefore such transactions were appropriate and reasonable.
		Revenue from the sale of factory materials	1.30	0.72	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 2021	Jan – Dec 2022		
		Other service income	5.88	5.66	The company sells steam and provides wastewater treatment and waste disposal services with SAC. Due to SAC does not have its own machine to produce steam, waste water treatment and waste disposal. The steam rates, wastewater treatment and waste disposal fees reflect the relevant costs and reasonable profits of the Company. It also charged employees hospitalizations under Factory Accommodation Isolation (FAI) disease control measures and the quarantine of high-risk workers who did not detect COVID-19 in Factory Quarantine (FQ) from SAC at the actual cost incurred as SAC does not have a treatment and detention area for employees.	The transaction was a comprehensive rates and reflect the relevant costs and reasonable margins. In addition, the cost of treatment and detention of employees is the actual rate charged. including general commercial terms therefore considered that the said transaction was appropriate and reasonable.
		Other receivables	0.66	0.57	Other trade receivables resulting from the aforesaided income transactions.	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, Sinofharm vaccine cost which calculated from actual expenses of SAC, billed according to the number of accommodations, check-in date, employees who are eligible for vaccination.	There was an actual room rental rates 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 2021	Jan – Dec 2022		
		Other expenses	0.14	0.03	The Company purchased hydraulic hoses from SAC via purchase orders to maintain and repair machinery. The hydraulic hoses price was reference from the market price.	This transaction was reasonable rates comparable to the market price including the general commercial terms which considered appropriate and reasonable.
		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.
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 and 1 January 2022 – 31 December 2022)**	
		Revenue from Production and installation of machinery	9.47	9.81	PSE had revenue from design, manufacturing and installation from SAC due to PSE having expertise in design, installation, machine and instrument maintenance. The service was through purchase orders. Additionally, the production and installation of machineries in gloves production is considered to be trade secret technology that the Conglomerate does not require the outside parties to have knowledge of such production technology, the aforementioned rate was in line with that of the service providers in the same business.	PSE specializes in providing such services as well as having personnel with the experience, the rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2021	Jan – Dec 2022		
		Cleaning Service income	1.11	1.31	PSE had income from cleaning machine with SAC due to PSE having expertise in equipment and machinery. The service was through purchase orders. Additionally, the cleaning of machineries access to trade secret technology which SAC does not intend for the outside persons to have access to, the aforementioned rate was in line with that of the service providers in the same category	PSE has specializes in providing such services as well as having personnel with the experience. The rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.
		Revenue from calibration fees	0.14	0.28	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	0.35	PSE had revenue from selling spare parts, machinery equipment such as fabric corner adjuster, warp etc. to SAC, used with hydraulic pipe production machine. Due to service provider who specializes in installation, machine maintenance and instrument. The service was provided through purchase orders. In addition, the service rate was the cost price of the company plus the related operating expenses and appropriate profit.	The transaction was a comprehensive rate and reflected the relevant costs and appropriate profit margins. This transaction was transacted under general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2021	Jan – Dec 2022		
		Revenue from other service - Verification service	0.04	0.02	PSE had revenue from the electrical system safety certification 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 has specializes in providing such services as well as having personnel with the experience and tools that were related the provision of the service at the PSE's cost plus related operating costs and reasonable profit. This transaction is a general commercial terms which considered appropriate and reasonable.
		Accrued income	0.18	0.03	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		0.46	The advance income resulting from revenue aforesaid transactions.	It was an outstanding balance based on payment criteria, which was a general commercial term that considered appropriate and reasonable.
		Trade receivables	2.44	1.07	The trade receivables resulting from the aforesaided 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 2021	Jan – Dec 2022		
		Other expenses		0.02	The Company purchased hydraulic hoses from SAC via purchase orders to maintain and repair machinery. The hydraulic hoses price was reference from the market price.	This transaction was reasonable rates comparable to the market price including the general commercial terms which considered appropriate and reasonable.
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	80.72	96.08	The Company used services relating to IT Services and maintenance of SAP system from IBC, namely computer lease fee, hardware services fee, software services fee etc. As IBC has equipment and staffs that are ready to perform the aforementioned services. The service fee according to type of information technology which can be compared with other service providers such as notebook lease that has a monthly service fee charged per notebook compared with the other service providers in charging the same fee, and the hardware service fee, examination fee, equipment repairment fee, the service fee charged per machinery per month can be compared with other service providers that provides service in similar characteristics which may differ in detail of the space, type and equipment used to provide the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2021	Jan – Dec 2022		
		Service Fees	15.20	14.39	The Company paid for service fees to IBC, which was expenses for the services of 2 personnel under the secondment agreement to the Company including the marketing team and product research and development together with the goal setting, vision and strategy in marketing, product research and development to be in line with the business objective of the Company (There was one person who belong to Research Development Department was resigned in April 2021). Considering to the knowledge, capabilities, experiences and qualities, the aforesaid service fees were suitable.	Even if, Service charge was unable to compare service rate with market price, but when considered to the qualification of each advisor, it was considered to be appropriate and reasonable.
		Trade payables	12.34	13.04	Trade payables from the aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.
IBC	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	0.16	0.75	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..

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 2021	Jan – Dec 2022		
		Trade payables	0.01	0.09	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	0.50	0.72	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	0.40	0.00	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	**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 and 1 January 2022 – 31 December 2022)**	

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 2021	Jan – Dec 2022		
		Office Administrative Fee income	4.31	4.31	PSE had income from serviced office fee to IBC such as office building, Parking lots, human resource services on monthly fee basis. Moreover, PSE and IBC had been reviewed all type of service and agreed on new service rates to be the reflection of reasonable service which the agreement staring 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 themself.	Such service rates were reasonable, which was a general commercial term that considered appropriate and reasonable.
		Other receivables	0.38	0.38	Other trade receivables resulting from the aforesaided income transactions.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2021	Jan – Dec 2022		
		IT Service Fees and Maintenance of SAP system	7.47	11.34	PSE used services relating to IT Services and maintenance of SAP system from IBC, namely computer lease fee, hardware services fee, software services fee etc. As IBC had equipment and staffs that are ready to perform the aforementioned services. The service fee according to type of information technology which can be compared with other service providers such as notebook lease that has a monthly service fee charged per notebook compared with the other service providers in charging the same fee, and the hardware service fee, examination fee, equipment repairment fee, the service fee charged per machinery per month which can be compared with other service providers that provides the service in a similar manner but may differ in the details of the area and type of equipment used in the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable..
		Trade payables	0.71	0.96	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 2021	Jan – Dec 2022		
STC	A Juristic person that the major shareholder has control over	**The Company**				
		Land lease fees	0.26	0.40	The Company paid rental fees for land Title Deed No.9875 Land No.53 Survey page 915 area 3 ngan 43 Square wah and Title Deed No.9883 LandI No.54 Survey page 973 area 11 Rai 2 Ngan 32 Square wah, Khuan Thanee Sub District, Kantang District, Trang province in order to build locate pumping station and pipeline installation. The total rental area is 12 Rai 1 Ngan 75 Square wah. Rental period is 1 year from May 1, 2021 to April 30, 2022 with 33,000 THB per month, the price was comparable to the market price of neighboring area. And in May 1, 2022, an additional amendment memorandum was made and attached with the original contract. The rental period is from May 1, 2022 to December 31, 2022 (total of 8 months) and the rental rate is the same as the original contract.	The rental rate was comparable to the market price of neighboring area. This transaction is a general commercial term which considered appropriate and reasonable
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	0.03	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.

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 2021	Jan – Dec 2022		
		Other service income	0.05	0.01	The Company had income from the sale of obsolete second-hand blue buckets to SRP, the price was comparable to the market price.	The transaction was market price and can be compared with selling price to other customers. Including general commercial terms, it was considered appropriate and reasonable.
		Other receivables		0.01	Other trade receivables resulting from the aforesaided income transactions.	It was an outstanding balance based on payment criteria, which is a general commercial term that considered appropriate and reasonable.
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 and 1 January 2022 – 31 December 2022)**	
		Revenue from calibration fees	0.02	0.03	PSE had revenue for the calibration fee of various machinery from TRC. The service was provided through purchase orders. As PSE received the ISO IEC17025 certification for the calibration standard and has equipment and personnel available to provide service that is accessible in case of an emergency. The rate of the service fee was stipulated in accordance with the type of equipment which the rate of service fee was comparable to the market price of other calibrations of other outsiders.	PSE specializes in providing such services as well as having personnel with the experience and tools related to the provision of the service. The rate of service fee was comparable in the market. This transaction is a general commercial terms which considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2021	Jan – Dec 2022		
SLI	A Juristic person that the major shareholder has control over	**STGI (A Subsidiary of the Company)**			**After the restructuring of the Company, STGI has been established as a subsidiary of the Company on 7 October 2021 (the transaction between 7 October 2021 – 31 December 2021 and 1 January 2022 – 31 December 2022)**	
		Land lease fees	0.01	0.11	The company has leased land no 04.01.13.05.01860 land survey number 21-12-2017, area 5,950 square meters. The area is located at Keramasan, Kertapati, Palembang, South-Sumatra, Indonesia intended for warehouse. There is a land lease agreement and the period is 5 years, starting from 1 December 2021 until 1 December 2026 by paying rent annually 45,696,000 IDR per year or 228,480,000 per 5 years. The land rental rate was a price agreement between the renter and the landlord without adjusting the rental rates during the year which refer to the appraised price of Indonesia. This rental rate was reasonable.	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.
		Advance payment	0.10	0.09	The Prepaid expenses resulting from land rental aforesaid transactions.	It was prepaid expense based on payment criteria, which was a general commercial term. The aforesaid transaction was considered that appropriate and reasonable.
		Other payables	0.01	0.12	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.

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 2021	Jan – Dec 2022		
IBC	A Juristic person that the major shareholder has control over	**STGV (A Subsidiary of the Company)**			**After the restructuring of the Company, STGV has been established as a subsidiary of the Company on 26 December 2021 (the transaction between 26 December 2021 – 31 December 2021 and 1 January 2022 – 31 December 2022)**	
		IT Service Fees		0.09	STGV has used information system services from IBC, including hardware service fees, software service fees, etc. As IBC has equipment and staffs that are ready to perform the aforementioned services. The service fee according to type of information technology which can be compared with other service providers such as computer and notebook lease that has a monthly service fee charged per notebook compared with the other service providers in charging the same fee, and the hardware service fee, examination fee, equipment repairment fee, the service fee charged per machinery per month can be compared with other service providers that provides service in similar characteristics which may differ in detail of the space, type and equipment used to provide the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable.
		Trade payables		0.09	Trade payables resulting from items cost and aforesaid expenses.	It was an outstanding balance based on payment criteria, which was a general commercial term and list of normal trade payable that considered appropriate and reasonable.

Ordinary Person / Juristic Person that may have conflicting interest	Relationship	Characteristics of the Connected Transactions	Value of the transaction in the consolidated financial statements (THB Million)		Necessity / Reasons for the Transaction	Opinion(s) of the Audit Committee
			Jan – Dec 2021	Jan – Dec 2022		
IBC	A Juristic person that the major shareholder has control over	**STGI (A Subsidiary of the Company)**			**After the restructuring of the Company, STGI has been established as a subsidiary of the Company on 7 October 2021 (the transaction between 7 October 2021 – 31 December 2021 and 1 January 2022 – 31 December 2022)**	
		IT Service Fees		0.02	STGI has used information system services from IBC, including hardware service fees, software service fees, etc. As IBC has equipment and staffs that are ready to perform the aforementioned services. The service fee according to type of information technology which can be compared with other service providers such as computer and notebook lease that has a monthly service fee charged per notebook compared with the other service providers in charging the same fee, and the hardware service fee, examination fee, equipment repairment fee, the service fee charged per machinery per month can be compared with other service providers that provides service in similar characteristics which may differ in detail of the space, type and equipment used to provide the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable.
		Trade payables		0.02	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 2021	Jan – Dec 2022		
IBC	A Juristic person that the major shareholder has control over	**STGP (A Subsidiary of the Company)**			**After the restructuring of the Company, STGP has been established as a subsidiary of the Company on 2 August 2022 (the transaction between 2 August 2022 – 31 December 2022)**	
		IT Service Fees		0.00	STGP has used information system services from IBC, including hardware service fees, software service fees, etc. As IBC has equipment and staffs that are ready to perform the aforementioned services. The service fee according to type of information technology which can be compared with other service providers such as computer and notebook lease that has a monthly service fee charged per notebook compared with the other service providers in charging the same fee, and the hardware service fee, examination fee, equipment repairment fee, the service fee charged per machinery per month can be compared with other service providers that provides service in similar characteristics which may differ in detail of the space, type and equipment used to provide the service.	Such service rates were reasonable and can be compared to the market price with the same kind of services. This transaction was transacted under general commercial terms that considered appropriate and reasonable..
		Trade payables		0.00	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 2021	Jan – Dec 2022		
Provincial ElectricityAuthority	A juristic person in which a director, Prof.Dr.Weerakorn Ongsakul, is also a director there.	**The Company**			**Prof.Dr. Weerakorn Ongsakul resigned from the Director of the Provincial Electricity Authority in June 26, 2021 (transactions between January 1, 2021 - June 30, 2021).**	
		High voltage system installation expenses	27.95		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 entrepreneurs.	Such service rates were the rates as the market price. This transaction is a general commercial terms that considered appropriate and reasonable.
		Electricity expenses	390.63		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 entrepreneurs.	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 Boonbaichaiyapruck is also a director there	**The Company**			**Dr.Sarana Boonbaichaiyapruck resigned from the director of the Company in January 14, 2022 (transactions between January 1, 2021 - December 31, 2021).**	

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 2021	Jan – Dec 2022		
		Revenue from the sale of rubber gloves	278.09		The Company sold latex gloves to The Government Pharmaceutical Organization (GPO) for retails distribution to local clients Via Purchase Order which is bidding price by 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.
		Trade receivables	2.68		The trade receivables resulting from the aforesaided 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 for the benefit of management. As a result, this transaction was reasonable and beneficial to support the Company 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 2021	Jan – Dec 2022		
Mr,Kitichai Sincharoenkul	Director, Sibling of the other directors	**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 purchaes 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 for the benefit of management. As a result, this transaction was reasonable and beneficial to support the Company business operations. In addition, this transaction was considered appropriate and can be compared with the appraisal market price by independent appraiser.

12.3 Measures and Approval Procedures for Related Party Transactions

In entering into related party transactions and connected transactions of the Company and its subsidiaries, the Company will comply with the requirements under the Securities and Exchange Act, B.E. 2535 (as amended), the Company's Articles of Association, notifications, orders and relevant requirements of the Capital Market Supervisory Board and/or the Securities and Exchange Commission and/or the Stock Exchange of Thailand including the disclosure requirements on related party transactions in the notes to financial statements audited by auditors of the Company and its subsidiaries and the Annual Statement (Form 56-1 One Report).

Measures and Approval Procedures for Related Party Transactions and Connected Transactions

- The Board of Directors will put in place a consideration procedure for related party transactions and connected transactions in accordance with the work procedures of the Company and its subsidiaries subject to the framework of ethics and scrutiny of the Audit Committee taking into consideration the interests of the Company and its shareholders. The Board of Directors will ensure compliance with the Company's Articles of Association, relevant notifications, orders and requirements of the Capital Market Supervisory Board, the SEC and the SET. The Board of Directors will also ensure that the disclosure requirements on related party transactions and connected transactions are complied with to ensure accurate and complete public disclosure of information.
- Price suitability and reasonableness of transactions will be taken into consideration in approving the transactions. Conditions of the transactions shall be in line with the normal business within relevant industry and/or will be compared with prices offered by third parties and/or market price and/or shall be comparable to the prices or conditions offered by third parties and/or shall demonstrate reasonable or fair price or conditions. The Company will also monitor transactions that are entered into.
- In approving related party transactions or connected transactions with major shareholders, directors, executives or persons with possible conflict of interests or connected persons of the Company, it is prohibited for interested directors and/or directors who are connected persons to attend the meeting and to have the rights to vote on the approval for the transactions. This is to ensure that the transactions will not amount to the relocation or siphon of interests of the Company but will be entered into for the best interests of the Company and its shareholders.
- The Company or its subsidiaries will enter into related party transactions or connected transactions with directors, executives or connected persons once the transactions are approved in accordance with the requirements of the SET and the SEC. Such transactions shall have the characteristics as prescribed under the Company's policy except for transactions with arms' length terms and conditions without the negotiating power or influence of such directors, executives or connected persons, as the case may be and shall have the terms and conditions that have already been approved in principle by the Board of Directors.
- The Company may arrange for experts or specialists such as independent specialists, auditors or independent price valuers to express their opinion on the related party transactions or connected transactions in order to assist on the consideration of the Audit Committee and/or the Board of Directors and/or the general meetings of shareholders (as the case may be).
- The Company will prepare a report to summarize related party transactions and connected transactions for reporting at the quarterly meetings of the Audit Committee and the Board of Directors in order to comply with the law on securities and exchange, the Company's Articles of Association, relevant notifications, orders or requirements of the SEC, the Capital Market Supervisory Board and the SET.
- The Company by the department of internal audit will carry out audits of related party transactions or connected transactions in accordance with the

Company's audit plan and will report to the Audit Committee. There will be measures for the control and audit to allow random check on the transactions to ensure that they are correct and in accordance with the agreements or the defined policies.

Related Party Transaction Policy

Transactions with General Commercial Terms

The management team may approve related party transactions or connected transactions which contain general commercial terms or transactions which support normal business of the Company including recurring transactions in the future if such transactions contain general commercial terms with directors, executives, connected persons or persons with possible conflict of interests in accordance with the requirements of the SET, the Capital Market Supervisory Board and the SEC, and such business terms are on an arms' length basis without the negotiating power or influence of directors, executives, connected persons or persons with possible conflict of interests (as the case may be), and will not result in the siphon of benefits and/or could demonstrate reasonable or fair prices or conditions which have already been approved in principle by the Board of Directors or are in accordance with the principles approved by the Board of Directors.

Transactions without General Commercial Terms

Related party transactions or connected transactions without general commercial terms may be entered into subject to consideration and approval from the Audit Committee who shall approve based on the necessity of such transactions and the appropriateness of the pricing of the transactions, taking into consideration conditions that are in line with the normal course of business within the industry and/or will be compared with prices offered by third parties and/or market price and/or shall be comparable to the prices or conditions offered by third parties and/or shall demonstrate reasonable or fair price or conditions. The transactions shall be proposed to the Board of Directors for consideration and approval. However, if the transaction size is considered material in accordance with the requirements of the SET, the Capital Market Supervisory Board and the SEC, after the transactions have been approved by the Board of Directors, they shall be further proposed to the general meeting of shareholders for approval.

Policy for Related Party Transactions and Connected Transaction in the Future

When the Company has completed its public offering of shares and has become a listed company on the SET, its related party transactions and connected transactions shall be in accordance with the following principles:

- The Company will comply with its policy, the law on securities and exchange, the Company's Articles of Association, relevant notifications, orders or requirements of the Capital Market Supervisory Board, the SEC and/or the SET. Such related party transactions or connected transactions shall not amount to the relocation or siphon of benefits between the Company or its shareholders but shall be for the best interests of the Company and all shareholders.
- If transactions are entered into in the normal course of business or for the support of the normal business of the Company and are expected 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.



12.4 Related Party Transaction Trend in the Future

The Company expects that there will still be related transactions with persons who may have conflict of interests in the future which are normal business transactions and regular business support transaction as follows

- Normal business transactions such as selling rubber gloves, purchase of latex and other raw materials such as firewood etc. The Company will purchase latex from STA, RBL and NHR and purchase firewood from ANV with normal prices and general commercial terms, whereby the Company has entered into a contract relating to such transaction.
- Normal business support transaction such as engineering, maintenance, cleaning and calibration services between the Company and PSE, logistic services between the Company and STL, rental for warehouse, office equipment and others between the Company and STA and information technology service between the Company and IBC at a normal price and general commercial terms or with reasonable characteristics and qualifications.

In the future, if the Company Group enters into related party transactions other than the aforementioned transactions, the Company will comply with the regulations of the Securities and Exchange Act, and the announcement of the Capital Market Supervisory Board No. TorChor 21/2551 regarding rules on connected transactions, in addition to the announcement of the SET regarding disclosure of information and operations of listed companies on connected transactions, including various related rules of the SEC and the SET, as well as compliance with the disclosure of related party transactions in the notes to the financial statements audited by the Company's auditor and the Annual Registration Statement (form 56-1 One Report).

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 2022 Annual Registration Statement / Annual Report (Form 56-1 One Report). The financial statement ended on 31 December 2022 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 2022 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 2022 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

3

Financial Statements



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 2022, 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 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond for the matter are described below.

Revenue recognition

Revenue from sales of goods is significant to the financial statements. The competition in the rubber glove market has a direct impact on selling prices of rubber gloves. Moreover, the Group has a large number of customers under a variety of conditions. As a result, revenue from sale of goods is a significant account which directly affects the Group's operating results.

I assessed and tested the effectiveness of the Group's internal controls relating to the revenue cycle, examining supporting documents on a sampling basis for actual sale transactions occurring during the year, expanding the scope of audit near the end of the reporting

period and testing sale transactions with respect to the accuracy and timing of revenue recognition. I also examined credit notes issued by the Group after the period end and performed analytical procedures on disaggregated data, including reconciliation of sales to cash receipts, to detect possible irregularities in sale transactions throughout the period, particularly accounting entries made through journal vouchers.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matter. I describe this matter in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Supachai Phanyawattano
Certified Public Accountant (Thailand) No. 3930

EY Office Limited
Bangkok: 17 February 2023

Statement of financial position

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents	*7*	14,350,701,692	21,006,128,944	8,790,234,346	17,520,543,697
Trade and other receivables	*8*	2,086,243,236	2,816,075,380	2,300,301,760	4,111,632,712
Short-term loans to subsidiary	*6*	-	-	150,000,000	400,000,000
Inventories	*9*	3,364,087,806	4,778,091,158	2,210,895,173	3,440,325,357
Derivative financial instruments	*33.1*	241,881,401	24,837,308	241,868,680	24,837,308
Other current financial assets	*11*	-	264,105,305	-	-
Other current assets	*10*	300,498,897	656,469,524	223,680,891	519,736,630
Total current assets		20,343,413,032	29,545,707,619	13,916,980,850	26,017,075,704
Non-current assets					
Derivative financial instruments	*33.1*	1,997,355	-	1,997,355	-
Other non-current financial assets	*11*	1,023,867,815	370,710,729	-	-
Investments in subsidiaries	*12*	-	-	8,008,453,507	5,064,861,147
Property, plant and equipment	*13*	26,130,759,427	20,369,667,844	25,754,604,391	19,654,760,692
Right-of-use assets	*14.1*	72,734,636	77,638,599	21,567,790	32,361,084
Intangible asset - computer software	*15*	195,115,268	169,230,502	193,069,736	165,125,724
Goodwill	*16*	220,884,790	220,884,790	220,884,790	220,884,790
Withholding tax deducted at source		157,690,066	109,977,898	-	-
Deferred tax assets	*26*	374,509,260	431,940,020	-	-
Other non-current assets		7,561,294	7,066,093	1,756,941	1,269,298
Total non-current assets		28,185,119,911	21,757,116,475	34,202,334,510	25,139,262,735
Total assets		48,528,532,943	51,302,824,094	48,119,315,360	51,156,338,439

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 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	*17*	2,403,222,674	3,620,736,726	2,046,931,481	3,309,574,674
Short-term borrowings from financial institutions	*18.1*	172,812,000	-	-	-
Current portions of:					
- Long-term borrowings from financial institutions	*18.2*	1,715,714,709	1,332,821,708	1,715,714,709	1,332,821,708
- Debentures	*18.3*	13,953,423	-	13,953,423	-
- Lease liabilities	*14.2*	39,443,271	31,565,085	11,627,976	13,426,233
Income tax payable		31,688,890	554,614,015	31,512,108	550,907,892
Derivative financial instruments	*33.1*	15,510,719	43,085,518	-	42,665,903
Other current liabilities		14,863,949	63,614,820	12,069,257	58,769,612
Total current liabilities		4,407,209,635	5,646,437,872	3,831,808,954	5,308,166,022
Non-current liabilities					
Non-current portions of:					
- Long-term borrowings from financial institutions	*18.2*	5,411,982,152	7,127,733,907	5,411,982,152	7,127,733,907
- Debentures	*18.3*	1,498,265,078	-	1,498,265,078	-
- Lease liabilities	*14.2*	33,622,298	39,472,105	8,010,068	15,356,187
Derivative financial instruments	*33.1*	1,126,858	21,332,231	1,126,858	21,332,231
Provision for retirement benefit obligations	*19*	176,412,391	168,275,296	140,338,791	132,159,809
Deferred tax liabilities	*26*	189,209,104	86,453,462	139,485,963	51,376,103
Total non-current liabilities		7,310,617,881	7,443,267,001	7,199,208,910	7,347,958,237
Total liabilities		11,717,827,516	13,089,704,873	11,031,017,864	12,656,124,259

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 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
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					
2,865,179,910 ordinary shares					
(2021: 2,863,261,410 shares) of Baht 0.5 each		1,432,589,955	1,431,630,705	1,432,589,955	1,431,630,705
Premium on ordinary shares	*20*	14,494,582,321	14,463,099,736	14,494,582,321	14,463,099,736
Share-based payment reserve	*21*	-	8,181,559	-	8,181,559
Surplus on the amalgamation		483,694,988	483,694,988	483,694,988	483,694,988
Deficit on business combination under common control		(787,230,800)	(787,230,800)	-	-
Retained earnings					
Appropriated - statutory reserve	*22*	143,478,000	143,478,000	143,478,000	143,478,000
Unappropriated		20,210,346,086	21,812,503,774	19,873,457,838	21,675,295,805
Other components of shareholders' equity					
Surplus on revaluation of assets - net of income tax		723,299,958	397,478,497	584,196,071	311,899,172
Exchange differences on translation of					
financial statements in foreign currencies		238,748,019	282,206,128	-	-
Cash flow hedge reserve - net of income tax		76,298,323	(17,065,785)	76,298,323	(17,065,785)
Deficit on changes in fair value through					
other comprehensive income of investments in equity		(205,101,423)	(4,857,581)	-	-
Total shareholders' equity		36,810,705,427	38,213,119,221	37,088,297,496	38,500,214,180
Total liabilities and shareholders' equity		48,528,532,943	51,302,824,094	48,119,315,360	51,156,338,439

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 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit or loss:					
Revenues from sales of goods and services		23,304,819,683	47,550,771,239	21,540,900,522	47,489,780,861
Cost of sales and services		(19,048,019,604)	(19,291,762,237)	(18,128,798,981)	(18,898,598,233)
Gross profit		4,256,800,079	28,259,009,002	3,412,101,541	28,591,182,628
Other income	*23*	204,572,243	362,488,915	204,904,419	328,390,435
Dividend income	*12*	4,741,865	-	23,999,640	-
Selling and distribution expenses		(1,332,515,853)	(1,376,214,658)	(1,054,957,697)	(1,154,387,102)
Administrative expenses		(1,068,562,987)	(866,573,284)	(891,189,803)	(665,077,888)
Gain on exchange rates		101,695,960	598,141,198	170,045,453	590,477,743
Other (gain) loss	*24*	(257,241,719)	(1,079,415,244)	(141,062,769)	(1,080,034,287)
Operating profit		1,909,489,588	25,897,435,929	1,723,840,784	26,610,551,529
Finance income		160,847,413	106,541,574	69,021,006	101,136,039
Finance cost		(186,806,428)	(127,352,872)	(179,314,156)	(124,461,375)
Profit before income tax		1,883,530,573	25,876,624,631	1,613,547,634	26,587,226,193
Income tax	*26*	(231,479,073)	(2,172,462,582)	(153,550,106)	(2,325,932,922)
Profit for the year		1,652,051,500	23,704,162,049	1,459,997,528	24,261,293,271

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 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Other comprehensive income:					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods					
Exchange differences on translation of financial statements					
in foreign currencies		(43,458,109)	280,646,555	-	-
Gain on cash flow hedges - net of income tax		93,364,108	18,511,445	93,364,108	18,511,445
Other comprehensive income to be reclassified to					
profit or loss in subsequent periods - net of income tax		49,905,999	299,158,000	93,364,108	18,511,445
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods					
Changes in revaluation of assets - net of income tax	*13*	347,075,104	-	291,274,286	-
Actuarial gain - net of income tax		7,377,364	6,031,609	5,207,227	142,690
Loss on changes in value of equity investments					
designated at fair value through other comprehensive income		(197,063,928)	(4,857,581)	-	-
Other comprehensive income not to be reclassified to					
profit or loss in subsequent periods - net of income tax		157,388,540	1,174,028	296,481,513	142,690
Other comprehensive income for the year		207,294,539	300,332,028	389,845,621	18,654,135
Total comprehensive income for the year		**1,859,346,039**	**24,004,494,077**	**1,849,843,149**	**24,279,947,406**
Earnings per share	*28*				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.58	8.29	0.51	8.48
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.58	8.28	0.51	8.48

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 2022

	Consolidated financial statements															
	Attributable to the equity holders of the Company															
								Other components of shareholders' equity								
								Other comprehensive income								
	Issued and paid-up share capital	Premium on ordinary shares	Share-based payment reserve	Surplus on the amalgamation	Deficit on business combination under common control	Retained earnings: Appropriated - statutory reserve	Retained earnings: Unappropriated	Surplus on revaluation of assets - net of income tax	Exchange differences on translation of financial statements in foreign currencies	Cash flow hedge reserve - net of income tax	Deficit on changes in fair value through other comprehensive income of investments in equity	Total other components of shareholders' equity	Total equity attributable to the equity holders of the Company	Former shareholders before restructuring of the subsidiary	Total shareholders' equity
Balance as at 1 January 2021	1,428,780,000	14,243,224,859	8,153,441	483,694,988	(143,211,674)	143,478,000	15,239,044,923	328,349,582	1,559,573	(35,577,230)	-	294,331,925	31,697,496,462	562,923,992	32,260,420,454
Profit for the year	-	-	-	-	-	-	23,704,162,049	-	-	-	-	-	23,704,162,049	-	23,704,162,049
Other comprehensive income for the year	-	-	-	-	-	-	6,031,609	-	280,646,555	18,511,445	(4,857,581)	294,300,419	300,332,028	-	300,332,028
Total comprehensive income for the year	-	-	-	-	-	-	23,710,193,658	-	280,646,555	18,511,445	(4,857,581)	294,300,419	24,004,494,077	-	24,004,494,077
Amortisation on surplus on revaluation of assets	-	-	-	-	-	-	17,814,203	(17,814,203)	-	-	-	(17,814,203)	-	-	-
Business combination under common control	-	-	-	-	(644,019,126)	-	-	86,943,118	-	-	-	86,943,118	(557,076,008)	(562,923,992)	(1,120,000,000)
Share-based payment (Note 21)	-	-	10,618,118	-	-	-	-	-	-	-	-	-	10,618,118	-	10,618,118
Issuance of additional ordinary shares (Note 20)	2,850,705	209,811,888	-	-	-	-	-	-	-	-	-	-	212,662,593	-	212,662,593
Transfer share-based payment reserve to premium on ordinary shares	-	10,062,989	(10,590,000)	-	-	-	527,011	-	-	-	-	-	-	-	-
Dividends paid (Note 30)	-	-	-	-	-	-	(17,155,076,021)	-	-	-	-	-	(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	(787,230,800)	143,478,000	21,812,503,774	397,478,497	282,206,128	(17,065,785)	(4,857,581)	657,761,259	38,213,119,221	-	38,213,119,221
Balance as at 1 January 2022	1,431,630,705	14,463,099,736	8,181,559	483,694,988	(787,230,800)	143,478,000	21,812,503,774	397,478,497	282,206,128	(17,065,785)	(4,857,581)	657,761,259	38,213,119,221	-	38,213,119,221
Profit for the year	-	-	-	-	-	-	1,652,051,500	-	-	-	-	-	1,652,051,500	-	1,652,051,500
Other comprehensive income for the year	-	-	-	-	-	-	7,377,364	347,075,104	(43,458,109)	93,364,108	(197,063,928)	199,917,175	207,294,539	-	207,294,539
Total comprehensive income for the year	-	-	-	-	-	-	1,659,428,864	347,075,104	(43,458,109)	93,364,108	(197,063,928)	199,917,175	1,859,346,039	-	1,859,346,039
Amortisation on surplus on revaluation of assets	-	-	-	-	-	-	21,253,643	(21,253,643)	-	-	-	(21,253,643)	-	-	-
Share-based payment (Note 21)	-	-	2,858,441	-	-	-	-	-	-	-	-	-	2,858,441	-	2,858,441
Issuance of additional ordinary shares (Note 20)	959,250	27,952,545	-	-	-	-	-	-	-	-	-	-	28,911,795	-	28,911,795
Transfer share-based payment reserve to premium on ordinary shares (Note 20)	-	3,530,040	(11,040,000)	-	-	-	7,509,960	-	-	-	-	-	-	-	-
Diposal of other financial assets	-	-	-	-	-	-	3,179,914	-	-	-	(3,179,914)	(3,179,914)	-	-	-
Dividends paid (Note 30)	-	-	-	-	-	-	(3,293,530,069)	-	-	-	-	-	(3,293,530,069)	-	(3,293,530,069)
Balance as at 31 December 2022	1,432,589,955	14,494,582,321	-	483,694,988	(787,230,800)	143,478,000	20,210,346,086	723,299,958	238,748,019	76,298,323	(205,101,423)	833,244,877	36,810,705,427	-	36,810,705,427

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 2022

(Unit: Baht)

	Separate financial statements									
							Other components of shareholders' equity			
							Other comprehensive income			
					Retained earnings					
	Issued and paid-up share capital	Premium on ordinary shares	Share-based payment reserve	Surplus on the amalgamation	Appropriated - statutory reserve	Unappropriated	Surplus on revaluation of assets - net of income tax	Cash flow hedge reserve - net of income tax	Total other components of shareholders' equity	Total shareholders' equity
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 on revaluation of assets	-	-	-	-	-	16,450,410	(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	-	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
Balance as at 1 January 2022	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
Profit for the year	-	-	-	-	-	1,459,997,528	-	-	-	1,459,997,528
Other comprehensive income for the year	-	-	-	-	-	5,207,227	291,274,286	93,364,108	384,638,394	389,845,621
Total comprehensive income for the year	-	-	-	-	-	1,465,204,755	291,274,286	93,364,108	384,638,394	1,849,843,149
Amortisation on surplus on revaluation of assets	-	-	-	-	-	18,977,387	(18,977,387)	-	(18,977,387)	-
Share-based payments (Note 21)	-	-	2,858,441	-	-	-	-	-	-	2,858,441
Issuance of additional ordinary shares (Note 20)	959,250	27,952,545	-	-	-	-	-	-	-	28,911,795
Transfer share-based payment reserve to premium on ordinary shares (Note 20)	-	3,530,040	(11,040,000)	-	-	7,509,960	-	-	-	-
Dividends paid (Note 30)	-	-	-	-	-	(3,293,530,069)	-	-	-	(3,293,530,069)
Balance as at 31 December 2022	1,432,589,955	14,494,582,321	-	483,694,988	143,478,000	19,873,457,838	584,196,071	76,298,323	660,494,394	37,088,297,496

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 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before income tax	1,883,530,573	25,876,624,631	1,613,547,634	26,587,226,193
Adjustments to reconcile profit before tax to				
net cash provided by (paid from) operating activities				
Unrealised (gain) loss on exchange rates	65,517,555	(31,528,662)	56,407,307	(34,485,868)
Unrealised (gain) loss on revaluation of derivative financial instruments	(162,435,844)	11,841,889	(177,514,227)	11,422,274
Loss on disposal of derivative financial instruments	1,682,521	-	-	-
Loss on conversion of derivative instruments to				
underlying equity instruments	83,848,169	-	-	-
Share-based payment expense	2,858,441	10,618,118	2,858,441	10,618,118
Expected credit losses	103,586,830	2,373,385	103,025,432	2,211,870
Reduction of inventory to net realisable value	156,187,926	63,897,574	52,576,273	63,894,093
Expenses for retirement benefit obligations	18,745,133	16,355,755	15,757,016	13,251,042
Depreciation	1,428,658,288	1,235,349,538	1,385,556,447	1,193,836,592
Amortisation - intangible assets	20,891,607	11,808,612	18,237,471	8,759,334
Impairment loss from assets revaluation	4,013,294	-	5,795,655	-
Dividend income	(4,741,865)	-	(23,999,640)	-
Finance income	(160,847,413)	(106,541,574)	(69,021,006)	(101,136,039)
Finance cost	186,806,428	127,352,872	179,314,156	124,461,375
Write-off for assets under construction from fire incident	-	51,195,141	-	51,195,141
Loss (gain) on disposal and write-off for machinery				
and equipment, right-of-use assets and intangible assets	(1,092,689)	10,103,763	(949,779)	11,142,421
Profit from operating activities before changes in				
operating assets and liabilities	3,627,208,954	27,279,451,042	3,161,591,180	27,942,396,546
Operating assets (increase) decrease				
Trade and other receivables	575,548,414	2,461,755,382	1,627,967,897	1,500,476,353
Inventories	1,257,815,426	(1,575,630,941)	1,176,853,911	(1,379,829,668)
Other current assets	355,585,764	364,994,238	285,920,474	450,031,682
Other non-current assets	681,729	(43,734,859)	689,287	(1,113,507)
Operating liabilities increase (decrease)				
Trade and other payables	(834,753,084)	(912,496,217)	(715,640,147)	(886,389,685)
Other current liabilities	(48,750,871)	5,864,011	(46,700,355)	39,637,694
Provision for retirement benefit obligations	(1,386,333)	(882,000)	(1,069,000)	(882,000)
Cash flows provided by operating activities	4,931,949,999	27,579,320,656	5,489,613,247	27,664,327,415
Cash received from interest income	155,706,801	99,812,805	93,009,856	95,585,602
Cash paid for interest expenses	(257,577,791)	(234,390,310)	(250,085,925)	(231,503,029)
Cash received from withholding tax deducted at source refund	29,597,911	53,137,865	6,054,938	-
Cash paid for income tax	(774,661,220)	(3,427,051,066)	(665,897,749)	(2,993,205,330)
Net cash flows provided by operating activities	4,085,015,700	24,070,829,950	4,672,694,367	24,535,204,658

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 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Cash received from dividend income	4,183,563	-	23,999,640	-
Cash received from disposal of other financial assets	27,754,495	-	-	-
Cash paid for other financial assets	(693,287,175)	(639,673,615)	-	-
Cash received from disposal of derivative financial instruments	357,205	-	-	-
Cash paid for purchases of derivative financial instruments	(2,039,726)	-	-	-
Cash received from repayment of short-term loan to subsidiary	-	-	250,000,000	-
Cash paid for short-term loan to a subsidiary	-	-	-	(400,000,000)
Cash paid for investment in subsidiaries	-	(1,249,686,093)	(2,943,592,360)	(4,634,373,316)
Cash paid for advance payment fixed assets	(1,176,930)	-	(1,176,930)	-
Cash received from disposal of machinery and equipment	5,132,856	15,940,487	4,899,641	7,073,614
Cash paid for purchases of property, plant and equipment and intangible assets	(7,074,650,322)	(10,649,065,913)	(7,624,642,181)	(10,243,075,182)
Net cash flows used in investing activities	(7,733,726,034)	(12,522,485,134)	(10,290,512,190)	(15,270,374,884)
Cash flows from financing activities				
Proceeds from short-term borrowings from related party	171,726,000	-	-	-
Repayments of short-term borrowings from financial institutions	-	(280,000,000)	-	-
Proceeds from long-term borrowings from financial institutions	-	2,935,000,000	-	2,935,000,000
Repayments of long-term borrowings from financial institutions	(1,333,550,000)	(775,000,000)	(1,333,550,000)	(775,000,000)
Proceeds from issuance of debentures	1,500,000,000	-	1,500,000,000	-
Repayments of lease liabilities	(38,703,076)	(40,029,271)	(14,323,254)	(11,230,960)
Proceeds from increase in ordinary shares	28,911,795	212,662,593	28,911,795	212,662,593
Dividends paid	(3,293,530,069)	(17,155,076,021)	(3,293,530,069)	(17,155,076,021)
Net cash flows used in financing activities	(2,965,145,350)	(15,102,442,699)	(3,112,491,528)	(14,793,644,388)
Increase (decrease) in translation adjustments	(41,571,568)	286,241,301	-	-
Net decrease in cash and cash equivalents	(6,655,427,252)	(3,267,856,582)	(8,730,309,351)	(5,528,814,614)
Cash and cash equivalents at beginning of year	21,006,128,944	24,273,985,526	17,520,543,697	23,049,358,311
Cash and cash equivalents at end of year	14,350,701,692	21,006,128,944	8,790,234,346	17,520,543,697
Supplemental cash flows information				
Non-cash transactions:				
Increase in payables from purchases of assets	-	560,126,669	-	616,409,030
Increase in retention	96,707,894	351,944,765	70,528,995	316,571,298
Purchases of assets by entering into lease agreements	44,842,186	73,646,838	5,178,878	27,609,705
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.

1. General information

Sri Trang Gloves (Thailand) Public Company Limited ("the Company") is a public company incorporated domiciled in Thailand. The parent company is Sri Trang Agro-Industry Public Company Limited ("parent company"), which is incorporated in Thailand. The Company is principally engaged in the manufacture and distribution of rubber gloves. The registered office of the Company is at 110 Kanjanavanit Road, Pahtong, Hat Yai, Songkhla, Thailand.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

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	2022	2021	2022	2021
						(%)	(%)
Premier System Engineering Co., Ltd. ("PSE")	Providing engineering services	Thailand	Baht	50,000,000	50,000,000	99.99	99.99
Sadao P.S. Rubber Co., Ltd. ("PS")	Providing rental services of real estate	Thailand	Baht	40,000,000	40,000,000	99.99	99.99
Shidong Shanghai Medical Equipment Co., Ltd.("SDME")	Distribution of gloves	China	USD	4,150,000	4,150,000	100.00	100.00
Sri Trang Gloves (Singapore) Pte. Ltd. ("STGS")	Distribution of gloves and research and development	Singapore	USD	1,000,000	1,000,000	100.00	100.00
Sri Trang Gloves Global Pte. Ltd. ("STGG")	Financial asset management and financial investment	Singapore	USD	180,000,000*	100,000,000*	100.00	100.00
PT Sri Trang Gloves Indo ("STGI")	Distribution of gloves	Indonesia	IDR	10,000,000,000	10,000,000,000	100.00	100.00
Sri Trang Gloves Vietnam Company Limited. ("STGV")	Distribution of gloves	Vietnam	VND	22,670,000,000	22,670,000,000	100.00	100.00
Sri Trang Gloves Philippines Inc. ("STGP")	Distribution of gloves	Philippines	PHP	10,470,100	-	99.99	-
Sri Trang USA, Inc. ("STU")	Distribution of gloves	United states of America	USD	115	115	100.00	100.00
Sri Trang Responsible Gloves Supply Inc. ("STRG")	Distribution of gloves	United states of America	USD	500,000	-	100.00	-

*Paid-up capital of STGG is comprised of 20,000,000 ordinary shares and 160,000,000 preferred shares (2021: 20,000,000 ordinary shares and 80,000,000 preferred shares) par value of USD 1.

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

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 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 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 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.

However, the Group has adopted the temporary reliefs in accordance with TFRS 9 Financial Instruments and TFRS 7 Disclosure of Financial Instruments, which apply to transactions directly affected by interest rate benchmark reform, including changes to contractual cash flows or hedging relationships arising from the replacement of the referenced interest rate benchmark with an alternative benchmark rate.

The adoption of these temporary reliefs 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 2023

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 2023. These financial reporting standards are aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will 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.

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 Group recognises those government grants as income in profit or loss, included in other income.

4.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.4 Inventories

Inventories are valued at the lower of cost or net realisable value. Cost is determined by weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, or rebates.

The cost of finished goods and work in process are measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads based on the normal operating capacity, but excluding borrowing costs. Raw materials, chemicals, spare parts and factory supplies are charged to production costs whenever consumed.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Allowance is made for obsolete, slow-moving and defective inventories.

4.5 Investments in subsidiaries

Investments in subsidiaries in the separate financial statements are stated at cost net of allowance for impairment loss (if any).

4.6 Property, plant and equipment and depreciation

Land and building are stated at revalued amount. Other assets are stated at cost less accumulated depreciation and allowance for loss on impairment of asset (if any).

Such subsequent cost may include the cost of replacing part of the buildings and equipment, only when it is probable that future economic benefits are expected from its use will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in profit or loss as incurred.

Land and buildings are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

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

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 on the initial recognition date.

Goodwill is carried at cost less allowance for impairment loss (if any). Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of group of cash-generating unit that is expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each group of cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss and will not be reversed in future periods.

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.

Depreciation of right-of-use assets is calculated by reference to their costs on the straight-line basis over the lease term or estimated useful lives of the asset, if ownership of the leased asset is transferred to the Group at the end of the lease term as follows.

Land and land improvement	2 - 3	years
Buildings and structures	3	years
Motor vehicles	3 - 5	years

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.

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 Group'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.

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.

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.

Classification and measurement of financial liabilities

The Group's financial liabilities are initially recognised at fair value net of transaction costs and classified as financial liabilities to be subsequently measured at amortised cost, except for derivative liabilities as described in Note 33.1 to the financial statements. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Group applies a simplified approach in calculating ECLs. The Group recognises a loss based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

4.19 Derivatives and hedge accounting

The Group has entered into contacts of derivative financial instruments as follows.

- Forward foreign exchange contracts to hedge its foreign currency risks
- Interest rate swaps to hedge its interest rate risks
- Equity accumulators for investment activity

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets or financial liabilities by considering the fair value of the derivatives.

Derivatives are presented as non-current assets or liabilities and current assets or liabilities by considering the remaining maturity with more than or less than 12 months respectively.

Hedge accounting for cash flow hedges

The Group prepares formal documentation on the date that hedge accounting is applied, and provides regular updates regarding the risk management objectives and strategies and the hedging relationships.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

The Group considers of the hedge effectiveness by comparing the critical terms between hedging instruments and hedged items. If the critical terms match, the hedging relationship is expected to be highly effective. The effective portion of the gain or loss from changes in fair value of hedge instruments is recognised as cash flow hedge reserve in other comprehensive income. The reserve will subsequently transfer to profit or loss. While any ineffective portion is recognised immediately in profit or loss.

4.20 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows.

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows.

Property, plant and equipment

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Group measures land and buildings at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land and the replacement cost approach for buildings. The valuation involves certain assumptions and estimations.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

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 financial statements		Separate financial statements	
	2022	2021	2022	2021
Transactions with parent company				
Sales of goods	10,152	59,933	198	52,278
Purchases of goods	4,892,117	4,410,564	4,892,117	4,410,564
Service income	267,646	40,973	-	-
Other income	8,438	7,095	3,372	3,420
Rental income	-	55	-	-
Service expenses	68,226	63,489	53,435	48,412
Purchases of fixed assets	-	330,140	-	330,140
Transactions with subsidiaries				
Sales of goods	-	-	3,515,661	9,030,553
Purchases of goods	-	-	32,697	58,174
Dividend income	-	-	24,000	-
Other income	-	-	8,963	6,758
Commission expenses	-	-	2,141	-
Service expenses	-	-	314,482	288,539
Interest income	-	-	2,588	490
Purchases of fixed assets	-	-	1,904,400	3,996,140

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Transactions with related companies				
Sales of goods	6,405	207,203	-	203,029
Purchases of goods	2,308,450	2,982,476	2,308,402	2,982,467
Service income	94,591	40,488	-	-
Other income	14,407	15,079	7,096	7,795
Rental income	360	330	360	330
Service expenses	247,141	227,570	228,486	215,011
Commission expenses	-	2,157	-	2,157
Purchases of fixed assets	104,560	69,210	104,560	69,210
Transactions with directors and related parties				
Purchases of fixed assets	-	13,320	-	13,320

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 income, service expenses, rental income and commission 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 significant business transactions

As at 31 December 2022 and 2021, the balances of the accounts between the Group and those related parties were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade accounts receivable (Note 8)				
Parent company	35,236	8,877	84	485
Subsidiaries	-	-	665,310	1,605,389
Related companies	14,637	50,122	37	46,883
	49,873	58,999	665,431	1,652,757
Other receivables (Note 8)				
Parent company	37,104	9,638	3,170	1,360
Subsidiaries	-	-	3,289	15,647
Related companies	1,320	2,620	632	1,015
	38,424	12,258	7,091	18,022
Advance payments (Note 8)				
Related company	-	10,438	-	10,340
Trade accounts payables (Note 17)				
Parent company	314,701	438,855	314,188	438,671
Subsidiaries	-	-	24,320	59,594
Related companies	55,310	144,805	54,142	143,685
	370,011	583,660	392,650	641,950
Other payables (Note 17)				
Parent company	77	785	5	4
Subsidiaries	-	-	56,289	267,101
Related companies	1,918	7,340	1,802	7,340
	1,995	8,125	58,096	274,445

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Retention payables (Note 17)				
Subsidiaries	-	-	20,140	10,331
Advance receipt for goods and others (Note 17)				
Parent company	30,205	12,190	-	-
Related companies	27,788	8,207	-	-
	57,993	20,397	-	-

Short-term loans to subsidiaries

As at 31 December 2022, the Company had the balance of a short-term loans to PSE amounting to Baht 150 million. The loans are unsecured and are repayable in March 2023.

As at 31 December 2022, the Company had the balance of interest receivable from a short-term loan to PSE amounting to Baht 0.07 million (2021: Baht 0.49 million).

Movements in the balance of short-term loans to subsidiary during the year ended 31 December 2022 are as follows.

(Unit: Thousand Baht)

	Separate financial statements
Balance as at 1 January 2022	400,000
Decrease	(250,000)
Balance as at 31 December 2022	150,000

Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses of its directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2022	2022	2021
Short-term employee benefits	108,187	136,322	61,713	72,849
Post-employment benefits	2,927	3,177	1,447	1,437
Share-based payment benefits	1,643	6,104	1,643	6,104
Total	112,757	145,603	64,803	80,390

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiary, as described in Note 18.1 to the financial statements.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash	255	240	195	175
Bank deposits	14,350,447	21,005,889	8,790,039	17,520,369
Total	14,350,702	21,006,129	8,790,234	17,520,544

As at 31 December 2022, bank deposits carried interests between 0.05 and 8.50 percent per annum (Separate financial statements: 0.05 and 0.60 percent per annum) (2021: 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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade accounts receivable - related parties (Note 6)				
Aged on the basis of due dates				
Not yet due	49,860	27,113	424,592	1,360,422
Past due				
Up to 30 days	13	6	88,463	260,455
31 - 60 days	-	-	112,682	-
61 - 90 days	-	-	39,694	-
91 - 120 days	-	31,880	-	31,880
Total trade accounts receivable - related parties	49,873	58,999	665,431	1,652,757
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Not yet due	1,519,903	2,127,064	1,294,859	1,941,123
Past due				
Up to 30 days	132,893	256,618	104,020	238,860
31 - 60 days	18,048	55,742	17,495	55,243
61 - 90 days	50,155	15,983	50,150	15,582
91 - 120 days	10,874	6,138	10,871	6,164
121 - 365 days	168,239	14	168,233	37
Over 365 days	5,139	1,329	5,139	1,419
Total	1,905,251	2,462,888	1,650,767	2,258,428
Less: Allowance for expected credit losses	(110,804)	(7,217)	(108,530)	(5,504)
Total trade accounts receivable - unrelated parties, net	1,794,447	2,455,671	1,542,237	2,252,924
Total trade accounts receivable - net	1,844,320	2,514,670	2,207,668	3,905,681
Other receivables				
Other receivables - related parties (Note 6)	38,424	12,258	7,091	18,022
Other receivables - unrelated parties	105,655	127,371	67,877	125,127
Advance payments - related parties (Note 6)	-	10,438	-	10,340
Prepaid expenses and advance payments - unrelated parties	97,844	151,338	17,666	52,463
Total other receivables	241,923	301,405	92,634	205,952
Total trade and other receivables - net	2,086,243	2,816,075	2,300,302	4,111,633

The general credit term is approximate 60 days.

9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduction of cost to net realisable value		Inventories, net	
	2022	2021	2022	2021	2022	2021
Finished goods	1,811,427	2,401,439	(133,198)	(10,363)	1,678,229	2,391,076
Work in process	457,583	916,058	(57,909)	(64,599)	399,674	851,459
Raw materials, packaging, and chemicals	548,443	886,173	(25,113)	(21,649)	523,330	864,524
Spare parts and supplies	816,053	687,651	(53,198)	(16,619)	762,855	671,032
Total	3,633,506	4,891,321	(269,418)	(113,230)	3,364,088	4,778,091

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduction of cost to net realisable value		Inventories, net	
	2022	2021	2022	2021	2022	2021
Finished goods	733,589	1,215,112	(25,606)	(10,256)	707,983	1,204,856
Work in process	340,040	797,402	(57,909)	(64,370)	282,131	733,032
Raw materials, packaging, and chemicals	483,499	849,856	(24,680)	(17,591)	458,819	832,265
Spare parts and supplies	815,160	686,772	(53,198)	(16,600)	761,962	670,172
Total	2,372,288	3,549,142	(161,393)	(108,817)	2,210,895	3,440,325

During the years ended 31 December 2022 and 2021, reduction of cost to net realisable value was summarised as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Reduced the amount of inventories recognised as cost of sales	156	64	53	64

10. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Refundable value-added tax	286,677	575,678	217,022	443,400
Prepaid withholding tax	5,670	10,135	-	10,135
Input tax waiting for tax invoice or not yet due	8,152	70,657	6,659	66,202
Total other current assets	300,499	656,470	223,681	519,737

11. Other financial assets

(Unit: Thousand Baht)

	Consolidated financial statements	
	2022	2021
Equity instruments designated at FVOCI		
Quoted equity instruments	572,153	36,063
Unquoted equity instruments	451,715	334,648
Total equity instruments designated at FVOCI	1,023,868	370,711
Financial assets at FVTPL		
Equity linked notes	-	264,105
Total financial assets at FVTPL	-	264,105
Total other financial assets	1,023,868	634,816
Current	-	264,105
Non-current	1,023,868	370,711
Total other financial assets	1,023,868	634,816

During the current year, an oversea subsidiary redeemed its equity linked notes with the carrying amount of USD 11 million (or approximately Baht 376 million) to equity instruments designated at fair value through other comprehensive income according to term and condition in the related agreement. The subsidiary recorded the fair value of the equity instruments on the redemption date of USD 9 million (or approximately Baht 320 million) in its account and loss of USD 2 million (or approximately Baht 56 million) in profit or loss.

12. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements as at 31 December 2022 and 2021 are as follows:

Company's name	Cost		Dividend received during the year	
	2022	2021	2022	2021
	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Shidong Shanghai Medical Equipment Co., Ltd.	163,073	163,073	-	-
Sri Trang USA, Inc.	267,415	267,415	-	-
Premier System Engineering Co., Ltd.	1,120,000	1,120,000	-	-
Sadao P.S. Rubber Co., Ltd.	147,000	147,000	24,000	-
Sri Trang Gloves (Singapore) Pte. Ltd.	32,820	32,820	-	-
Sri Trang Gloves Global Pte. Ltd.	6,196,124	3,277,053	-	-
PT Sri Trang Gloves Indo	24,000	24,000	-	-
Sri Trang Gloves Vietnam Company Limited	33,500	33,500	-	-
Sri Trang Responsible Gloves Supply Inc.	17,655	-	-	-
Sri Trang Gloves Philippines Inc.	6,867	-	-	-
Total	8,008,454	5,064,861	24,000	-

Movements of investments in subsidiaries are as follow:

Sri Trang Responsible Gloves Supply Inc.

On 9 May 2022, a meeting of the Company's Board of Directors passed a resolution approving the incorporation of a new subsidiary, Sri Trang Responsible Gloves Supply Inc., in the United States of America to sell and distribute rubber gloves. The Company plans to invest in STRG amounting to USD 1,000,000. The STRG's registered share capital is USD 10,000 (10,000 ordinary shares with a par value of USD 1 per share). The Company holds a 100% interest in STRG.

STRG already registered the incorporation in June 2022. STRG issued and called up for 5,000 ordinary shares at USD 100 per share, totaling USD 500,000, or approximately Baht 18 million. The Company paid for the ordinary shares in June 2022.

Sri Trang Gloves Philippines Inc.

On 19 July 2021, a meeting of the Company's Board of Directors passed a resolution approving the incorporation of a new subsidiary, Sri Trang Gloves Philippines Inc., in the Philippines to sell and distribute rubber gloves. The STGP's registered share capital is PHP 104,662,400 (1,046,624 ordinary shares with a par value of PHP 100 per share), or approximately Baht 249 million. The Company holds 99.99% interest in STGP.

STGP already registered the incorporation in August 2022. STGP issued and called up for 104,701 ordinary shares at PHP 100 per share, totaling PHP 10,470,100, or approximately Baht 7 million. The Company paid for the ordinary shares in August 2022.

Sri Trang Gloves Global Pte. Ltd.

On 2 September 2022, a meeting of the Company's Board of Directors passed a resolution approving the increase in investment in STGG amounting to USD 80,000,000 in preferred shares. As a result of increase an investment, STGG has a registered share capital of USD 180,000,000, comprising of 20,000,000 ordinary shares and 160,000,000 preferred shares, with a par value of USD 1 per share.

The Company paid for the shares of USD 80,000,000, or approximately Baht 2,919 million and STGG already registered its share capital increase in September 2022.

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	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	1,549,328	9,736,817
Additions	488	138	42,507	72,918	20,146	11,514,580	11,650,777
Increase from acquisition of an subsidiary	144,522	-	36	-	-	2,743	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)	(58,927)	(77,232)
Depreciation for the year	(40,929)	(120,148)	(955,746)	(43,104)	(37,109)	-	(1,197,036)
Interest capitalised to assets	-	-	-	-	-	108,737	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	10,938,159	20,369,668
As at 31 December 2021							
Cost / Revalued amount	2,067,440	2,698,850	12,556,879	483,977	232,955	10,938,159	28,978,260
Less: Accumulated depreciation	(206,789)	(467,181)	(7,439,004)	(286,119)	(193,969)	-	(8,593,062)
Less: Allowance for impairment	-	-	(15,530)	-	-	-	(15,530)
Net book value	1,860,651	2,231,669	5,102,345	197,858	38,986	10,938,159	20,369,668

(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 2022							
Net book value at beginning of year	1,860,651	2,231,669	5,102,345	197,858	38,986	10,938,159	20,369,668
Additions	2,775	12,277	49,692	64,933	31,734	6,474,575	6,635,986
Transfers in (out)	235,998	692,375	2,599,102	115,982	19,108	(3,662,565)	-
Transfers from Right-of-use assets (Note14)	-	-	-	1,250	-	-	1,250
Additions of assets revaluation	319,749	121,788	-	-	-	-	441,537
Reductions of assets revaluation	(657)	(11,049)	-	-	-	-	(11,706)
Disposals and write-off, net	-	-	(3,937)	-	(200)	-	(4,137)
Depreciation for the year	(47,189)	(136,170)	(1,097,547)	(82,171)	(21,350)	-	(1,384,427)
Interest capitalised to assets	-	-	-	-	-	83,656	83,656
Translation adjustment, net	(73)	(706)	-	-	(289)	-	(1,068)
Net book value at end of year	2,371,254	2,910,184	6,649,655	297,852	67,989	13,833,825	26,130,759
As at 31 December 2022							
Cost / Revalued amount	2,455,728	3,080,545	15,094,216	656,215	263,143	13,833,825	35,383,672
Less: Accumulated depreciation	(84,474)	(170,361)	(8,429,031)	(358,363)	(195,154)	-	(9,237,383)
Less: Allowance for impairment	-	-	(15,530)	-	-	-	(15,530)
Net book value	2,371,254	2,910,184	6,649,655	297,852	67,989	13,833,825	26,130,759

(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
Depreciation for the year						2022	2021
Included in manufacturing cost						1,212,224	1,160,236
Included in selling and administrative expenses						172,203	36,800
						1,384,427	1,197,036

(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	Total
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	9,520,665
Additions	487	-	22,111	72,683	8,804	11,172,047	11,276,132
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)	(69,411)
Depreciation for the year	(40,242)	(114,475)	(951,048)	(42,825)	(32,772)	-	(1,181,362)
Interest capitalised to assets	-	-	-	-	-	108,737	108,737
Net book value at end of year	1,578,343	2,145,665	5,100,881	197,065	26,045	10,606,762	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	28,108,161
Less: Accumulated depreciation	(203,684)	(435,982)	(7,375,104)	(267,381)	(155,719)	-	(8,437,870)
Less: Allowance for impairment	-	-	(15,530)	-	-	-	(15,530)
Net book value	1,578,343	2,145,665	5,100,881	197,065	26,045	10,606,762	19,654,761

(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	Total
For the year ended 31 December 2022							
Net book value at beginning of year	1,578,343	2,145,665	5,100,881	197,065	26,045	10,606,762	19,654,761
Additions	1,326	108	47,367	64,093	26,060	6,892,471	7,031,425
Transfers in (out)	233,712	694,406	2,598,551	115,982	19,050	(3,661,701)	-
Transfers from Right-of-use assets (Note14)	-	-	-	1,250	-	-	1,250
Additions of assets revaluation	272,948	95,126	-	-	-	-	368,074
Reductions of assets revaluation	(657)	(9,120)	-	-	-	-	(9,777)
Disposals and write-off, net	-	-	(3,937)	-	(13)	-	(3,950)
Depreciation for the year	(45,849)	(129,087)	(1,097,208)	(81,803)	(16,888)	-	(1,370,835)
Interest capitalised to assets	-	-	-	-	-	83,656	83,656
Net book value at end of year	2,039,823	2,797,098	6,645,654	296,587	54,254	13,921,188	25,754,604
As at 31 December 2022							
Cost / Revalued amount	2,122,963	2,963,700	15,026,001	637,473	208,619	13,921,188	34,879,944
Less: Accumulated depreciation	(83,140)	(166,602)	(8,364,817)	(340,886)	(154,365)	-	(9,109,810)
Less: Allowance for impairment	-	-	(15,530)	-	-	-	(15,530)
Net book value	2,039,823	2,797,098	6,645,654	296,587	54,254	13,921,188	25,754,604

(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	Total
Depreciation for the year						2022	2021
Included in manufacturing cost						1,201,120	1,147,925
Included in selling and administrative expenses						169,715	33,437
						1,370,835	1,181,362

The Group arranges to have its land and building revalued by independent professional appraisers (who were approved by The Securities and Exchange Commission). Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value. The methods of the asset revaluation are as follows.

- Land and land improvements are revalued using the market approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as spaces, location, environment, and highest best use. The most significant input into this valuation approach is price per Rai and size of land.
- Buildings and structures are revalued the depreciated replacement cost approach. Replacement value is calculated from construction prices in the market to build the similar characteristics of properties in close proximity and adjusted for depreciation which calculated from utilised period and remaining expected useful lives. The most significant input into this valuation approach is construction price per square meter, utility spaces and useful lives of buildings.

During the current year, in accordance with the Group's accounting policies, therefore the Group arranged to have its assets revalued by independent professional appraisers. Based on the reports of the independent professional appraisers, the Group already reflected the results of these revaluations into its financial statements for the year ended 31 December 2022 as follows.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Asset revaluation surplus net of applicable deferred income tax regcognised in other comprehensive income	347,075	291,274
Loss on asset revaluation regcognised in profit or loss	(4,013)	(5,796)

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 2022 and 2021 would have been as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Land and land improvements	1,933,584	1,777,730	1,654,973	1,461,443
Buildings and structures	2,852,360	2,207,618	2,460,990	2,207,618

The Company financed its construction of new plants with a loan from a financial institution. The Company included borrowing costs in costs of new plants as follows:

	Consolidated and Separate financial statements	
	2022	2021
Balance of plants under construction (Million Baht)	13,921	10,601
Borrowing costs included in costs of plants (Million Baht)	84	109
Capitalisation rates (Percent)	2.36 - 3.97	2.36 - 3.47

As at 31 December 2022 and 2021, certain items of buildings and equipment had been fully depreciated but were still in use as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss	5,812	5,256	5,694	5,115

14. Leases

14.1 Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land and land improvement	Building and structures	Motor vehicles	Total
As at 1 January 2021	-	15,879	20,658	36,537
Additions	9,040	44,135	20,472	73,647
Written off	-	-	(388)	(388)
Depreciation for the year	(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
Additions	85	35,709	9,048	44,842
Transfer to Property, plant and equipment (Note 13)	-	-	(1,250)	(1,250)
Written off	-	(1,813)	(432)	(2,245)
Depreciation for the year	(3,088)	(27,571)	(13,572)	(44,231)
Translation adjustment	-	(2,020)	-	(2,020)
As at 31 December 2022	3,603	45,427	23,705	72,735

(Unit: Thousand Baht)

	Separate financial statements			
	Land and land improvement	Building and structures	Motor vehicles	Total
As at 1 January 2021	-	-	17,226	17,226
Additions	9,040	2,358	16,212	27,610
Depreciation for the year	(2,434)	(373)	(9,668)	(12,475)
As at 31 December 2021	6,606	1,985	23,770	32,361
Additions	85	-	5,094	5,179
Transfer to Property, plant and equipment (Note 13)	-	-	(1,250)	(1,250)
Written off	-	-	-	-
Depreciation for the year	(3,088)	(786)	(10,848)	(14,722)
As at 31 December 2022	3,603	1,199	16,766	21,568

14.2 Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Lease payments	76,215	74,529	20,161	29,782
Less: Deferred interest expenses	(3,149)	(3,492)	(523)	(1,000)
Total	73,066	71,037	19,638	28,782
Less: Portion due within one year	(39,443)	(31,565)	(11,628)	(13,426)
Lease liabilities - net of current portion	33,623	39,472	8,010	15,356

Movements of the lease liability account during the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Balance at beginning of year	71,037	32,079	28,782	12,404
Additions	44,842	73,647	5,179	27,609
Accretion of interest	(2,342)	(381)	-	-
Repayments	(38,703)	(40,029)	(14,323)	(11,231)
Translation	(1,768)	5,721	-	-
Balance at end of year	73,066	71,037	19,638	28,782

A maturity analysis of lease payments is disclosed in Note 33.2 to the financial statements under the liquidity risk.

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Depreciation expense of right-of-use assets	44,231	38,314	14,722	12,474
Interest expense on lease liabilities	2,453	2,987	541	761
Expense relating to leases of low-value assets	45,207	57,530	28,578	42,234

15. Intangible assets - computer software

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
As at 1 January 2021		
Cost	174,569	146,121
Less: Accumulated amortisation	(68,620)	(47,247)
Net book value	105,949	98,874
For the year ended 31 December 2021		
Net book value at beginning of year	105,949	98,874
Additions	75,011	75,011
Amortisation	(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
For the year ended 31 December 2022		
Net book value at beginning of year	169,231	165,126
Additions	46,806	46,181
Amortisation	(20,892)	(18,237)
Translation adjustment	(30)	-
Net book value at end of year	195,115	193,070
As at 31 December 2022		
Cost	265,944	238,765
Less: Accumulated amortisation	(70,828)	(45,696)
Net book value	195,115	193,070

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	10.15 % per annum

The management determines the forecasted operations and future cash flow projections based on factors including historical operating results, expected market growth and economic growth. The discount rate is a pre-tax rate that reflects the risks specific to cash generating unit.

The management determines that goodwill is not impaired.

17. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade accounts payable - related parties (Note 6)	370,011	583,660	392,650	641,950
Trade accounts payable - unrelated parties	663,738	859,622	605,228	689,599
Other payables - related parties (Note 6)	1,995	8,125	58,096	274,445
Other payables - unrelated parties	694,162	1,494,616	464,354	1,115,674
Retention payables - related parties (Note 6)	-	-	20,140	10,331
Retention payables - unrelated parties	283,923	138,652	197,750	138,746
Advance receipt for goods and others - related parties (Note 6)	57,993	20,397	-	-
Advance receipt for goods and others - unrelated parties	331,401	515,665	308,713	438,830
Total trade and other payables	2,403,223	3,620,737	2,046,931	3,309,575

18. Borrowings

18.1 Short-term borrowings from financial institutions

Sri Trang USA, Inc. a subsidiary, has credit facilities with an overseas financial institution which are guaranteed by the Company as follows:

	Consolidated financial statements			
	31 December 2022		31 December 2021	
	Million US Dollar	(Equivalent) Million Baht	Million US Dollar	(Equivalent) Million Baht
Credit facilities	10	346	10	334
Balances of short-term borrowings	5	173	-	-

18.2 Long-term loans from financial institutions

As at 31 December 2022 and 2021, the Group had entered into long-term borrowing agreements with commercial banks with details as follows.

(Unit: Thousand Baht)

No.	Credit facility	Borrowing periods	Interest rate (%)	Principal and interest repayment	Consolidated and Separate financial statements	
					2022	2021
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.	518,000	686,000
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.	115,000	271,000
3	Baht 1,623 million granted in 2018	7 years	6M THBFIX plus fixed rate per annum	Principal is repayable quarterly from December 2019 and interest is repayable quarterly.	883,000*	1,153,000*
4	Baht 1,445 million granted in 2019	7 years 9 months	MLR less fixed rate per annum	Principal is repayable quarterly from March 2021 and interest is repayable quarterly.	905,000	1,145,000
5	Baht 1,000 million granted in 2021	6 years	6M THBFIX plus fixed rate per annum	Principal is repayable quarterly from March 2022 and interest is repayable quarterly.	900,000	1,000,000
6	Baht 2,000 million granted in 2021	6 years 1 month	MLR less fixed rate per annum	Principal is repayable quarterly from June 2022 and interest is repayable quarterly.	1,725,000	1,925,000
7	Baht 1,500 million granted in 2021	6 years 2 months	MLR less fixed rate per annum	Principal is repayable quarterly from March 2022 and interest is repayable quarterly.	1,320,000	1,500,000

(Unit: Thousand Baht)

No.	Credit facility	Borrowing periods	Interest rate (%)	Principal and interest repayment	Consolidated and Separate financial statements	
					2022	2021
8	Baht 782 million granted in 2022	6 years	MLR less fixed rate per annum	Principal is repayable quarterly from December 2022 and interest is repayable quarterly.	762,450	782,000
Total					7,128,450	8,462,000
Less: Deferred financial service fees					(753)	(1,444)
Long-term borrowings - net					7,127,697	8,460,556
Less: Current portion of long-term borrowings					(1,715,715)	(1,332,822)
Long-term borrowings - net from current portion					5,411,982	7,127,734

* 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 covenants and restrictions on the Group, pertaining to matters such as the maintenance of a certain debt to equity ratio.

Movements of Long-term loans from financial institutions during the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated and Separate financial statements	
	2022	2021
Balance at beginning of year	8,460,556	6,299,707
Proceeds from long-term borrowings from financial institutions	-	2,935,000
Repayments of long-term borrowings from financial institutions	(1,333,550)	(775,000)
Amortisation of finance fee	691	849
Balance at end of year	7,127,697	8,460,556

18.3 Debentures

On 2 April 2021, the Company's Shareholder Annual General Meeting passed resolutions approving the issuance and offering debentures at the amount not exceeding Baht 8,000 million.

During the year 2022, the Company issued and offered green debentures No. 1/2022, which were unsubordinated and unsecured debentures with debenture holders' representative to institutional investors and high-net-worth investors totaling Baht 1,500 million as detailed below:

Debenture	Term (years)	Maturity date	Fixed discount rate (Percent per annum)	Interest repayment term	Quantity (Units)	Par value (Baht per unit)	Amount (Million Baht)
STGT259A	3	28 September 2025	2.97	Every 6 months	550,000	1,000	550
STGT299A	7	28 September 2029	3.91	Every 6 months	400,000	1,000	400
STGT329A	10	28 September 2032	4.25	Every 6 months	550,000	1,000	550
Total							1,500

The debenture agreements contain covenants and restrictions on the Company, pertaining to matters such as the maintenance of a certain debt to equity ratio.

Movements of debenture during the years ended 31 December 2022 are summarised below:

	(Unit: Thousand Baht) Consolidated and Separate financial statements
Balance at beginning of year	-
Issuance	1,500,000
Increase in accrued interest expenses	14,407
Increase in deferred expenses of issuing debentures	(2,306)
Amortisation of deferred expenses of issuing debentures	118
Balance at end of year	1,512,219

19. Provision for retirement benefit obligations

Movements in provision for retirement benefit obligations, which represent compensation payable to employees after they retire for the years ended 31 December 2022 and 2021, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Provision for retirement benefit obligations at beginning of year	168,275	160,032	132,160	119,969
Included in profit or loss:				
Current service cost	15,077	14,060	12,845	11,512
Interest cost	3,668	2,296	2,912	1,739
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	(2,633)	-	(2,109)	-
Financial assumptions changes	(14,993)	(20,096)	(12,285)	(16,222)
Experience adjustments	8,404	12,555	7,885	16,044
Acquisition of a subsidiary	-	310	-	-
Benefits paid during the year	(1,386)	(882)	(1,069)	(882)
Provision for retirement benefit obligations at end of year	176,412	168,275	140,339	132,160

The Group and the Company expect to pay Baht 1 million of long-term employee benefits during the next year (2021: Baht 1 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit was 16 years (2021: 16 years).

Significant actuarial assumptions are summarised below:

(Unit: percent per annum)

	Consolidated and Separate financial statements	
	2022	2021
Discount rate	3.06	2.42
Future salary increase rate	3.0 - 4.0	3.0 - 4.0
Turnover rate	0.0 - 35.0	0.0 - 35.0

The result of sensitivity analysis for significant assumptions that affect the present value of the provision for retirement benefit obligations as at 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	As at 31 December 2022			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(19,171)	22,409	(15,560)	18,240
Salary increase rate	22,008	(19,205)	17,921	(15,593)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Turnover rate	(11,355)	13,339	(9,663)	11,414

(Unit: Thousand Baht)

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

20. Share capital

	Consolidated and Separate financial statements				
		Number of shares		Share capital	
	Par value per share	Registered	Issued and fully paid	Registered	Issued and fully paid
	(Baht)	(Million Shares)		(Million Baht)	
Share capital as at 1 January 2021	0.5	2,869.56	2,857.56	1,434.78	1,428.78
Increase from receipt for additional shares	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
Increase from receipt for additional shares	0.5	-	1.92	-	0.96
Share capital as at 31 December 2022	0.5	2,869.56	2,865.18	1,434.78	1,432.59

Share repurchase program

On 17 February 2022, a meeting of the Company's Board of Directors passed a resolution approving the share repurchase program for financial management purpose in the maximum amount not exceeding Baht 3,600 million and the number of the shares to be repurchased not exceeding 120,000,000 shares (par value of Baht 0.5 each) or equivalent to 4.2 percent of the total issued shares. The repurchase period covers the duration of 6 months, starting from 7 March 2022 to 6 September 2022. In this regard, the Company intends to repurchase the shares on the Stock Exchange of Thailand only. The share resales period will be determined after 6 months from the completion date not later than 3 years.

The share repurchase program for financial management purpose ended on 6 September 2022. The Company did not repurchase any shares from the program.

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

On 24 June 2022, a meeting of the Company's Board of Directors passed a resolution approving an offer of newly issued ordinary shares under the STGT ESOP for the third allocation of 6,000,000 of new shares with a par value of Baht 0.50 each, at an offering price of Baht 15.07 per share, which is equivalent to 90 percent of the market price.

Subsequently, on 5 July 2022, there were 1,918,500 exercised rights to acquire. The Company received full payment of the additional capital and then registered the increase of its issued and paid-up share capital from Baht 1,431,630,705 (2,863,261,410 ordinary shares with a par value of Baht 0.5 each) to Baht 1,432,589,955 (2,865,179,910 ordinary shares with a par value of Baht 0.5 each) with the Ministry of Commerce in July 2022. In addition, the STGT ESOP expired for offering of the newly issued ordinary shares.

As a result of the above matters, the Company recorded premium on ordinary shares amounting to Baht 27,952,545 and transferred share-based payment reserve for the third allocation amounting to Baht 3,530,040 to premium on ordinary shares, resulting in a total premium on ordinary shares amounting to Baht 14,494,582,321 after this offering of newly issued ordinary shares.

21. Share-based payments

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

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	At the date of the IPO: 90 percent of the IPO price The first to second year after the IPO: 90 percent of the market price * * As specified under the notification of the Office of the Securities and Exchange Commission regarding the calculation of offer price of securities and determination of market price for consideration of offer for sale of newly-issued shares with discount
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	At the record date • Being a director, executive, and/or employee of the Company and the subsidiaries no less than 3 months • Not being under a probationary period At the offering date • Remaining a director, executive, and/or employee of the Company and the subsidiaries

The Company recognised share-based payment expenses amounting to Baht 2.9 million for the year ended 31 December 2022 (2021: Baht 10.6 million)

Details of option movements are as follows:

(Units)

	Number of options	Number of options
	2022	2021
Outstanding as at beginning of year	6,000,000	12,000,000
Exercised during the year	(1,918,500)	(5,701,410)
Expired during the year	(4,081,500)	(298,590)
Outstanding as at ending of year	-	6,000,000

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 financial statements		Separate financial statements	
	2022	2021	2022	2021
Rental income	11,238	9,782	8,889	7,527
Gain from scrap sales	23,288	62,872	23,288	62,872
Revenue from export incentive	25,774	57,209	25,774	57,209
Income from insurance claim net of damaged business assets and interruption	5,388	4,352	5,388	4,352
Compensation income received under the credit support program for rubber producers by the Rubber Authority of Thailand	91,980	149,599	91,980	149,599
Others	46,904	78,675	49,585	46,831
Total other income	204,572	362,489	204,904	328,390

24. Other gain (loss)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Loss on derivative financial instruments	(258,335)	(1,069,311)	(142,013)	(1,068,892)
Gain (loss) on disposal and written-off of machinery and equipment, right-of-use assets and intangible assets	1,093	(10,104)	950	(11,142)
Total other loss	(257,242)	(1,079,415)	(141,063)	(1,080,034)

25. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Changes in inventories of finished goods and work in progress	1,048,487	(1,222,658)	938,886	(1,006,123)
Raw materials and consumables used	12,221,708	14,872,503	9,693,722	12,426,881
Reduction of inventory cost to net realisable value	156,188	63,898	52,576	63,894
Salaries and wages and other employee benefits	2,535,049	2,494,269	1,888,975	1,886,652
Depreciation	1,428,658	1,235,350	1,385,556	1,193,837
Amortisation of intangible assets	20,892	11,809	18,237	8,759

26. Income tax

Income tax is made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Current income tax:				
Current income tax charge	173,294	2,495,345	150,607	2,327,398
Adjustment in respect of corporate income tax of previous year	374	19,867	(25)	19,867
Deferred tax:				
Relating to origination and reversal of temporary differences	57,811	(342,749)	2,968	(21,332)
Income tax reported in the profit or loss	231,479	2,172,463	153,550	2,325,933

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Deferred tax relating to changes in revaluation of assets	86,769	-	72,818	-
Deferred tax relating to gain on actuarial gain	1,844	1,508	1,302	36
Deferred tax relating to gain on cash flow hedges	11,022	4,628	11,022	4,628
Total	99,635	6,136	85,142	4,664

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Accounting profit before tax	1,883,531	25,876,624	1,613,548	26,587,226
Applicable tax rate	17 - 25%	17 - 25%	20%	20%
Accounting profit before tax multiplied by income tax rate	396,046	5,136,778	322,710	5,317,445
Adjustment in respect of income tax of previous year	374	19,867	(25)	19,867
Effects of:				
Promotional privileges	(169,534)	(3,016,657)	(169,534)	(3,016,657)
Income which is not taxable	-	-	(4,800)	-
Non-deductible expenses	10,807	22,303	10,338	11,954
Additional expense deductions allowed	(5,267)	(1,994)	(5,173)	(1,951)
Corporate income tax exemption (a)	5,739	-	-	-
Others	(6,686)	12,166	34	(4,725)
Total	(164,941)	(2,984,182)	(169,135)	(3,011,379)
Income tax reported in the profit or loss	231,479	2,172,463	153,550	2,325,933

Additional information

a) STGG is awarded the lifetime of Enhanced-Tier Fund Tax Incentive Scheme under section 13U from The Monetary Authority of Singapore (MAS). Under this scheme, upon specified terms and conditions, specific income derived by designated investments is exempted from corporate income tax in Singapore. Withholding tax on interest and dividend under the scheme paid by STGG is also exempted. In addition, the Fund can obtain a remission of Goods and Services Tax ("GST") incurred on expenses.

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Deferred tax assets				
Loss from changes in fair value of derivative financial instruments	225	7,683	225	7,683
Allowance for diminution in value of inventories	213,205	9,142	8,706	8,259
Cumulative loss from assets revaluation and allowance for asset impairment	5,351	4,315	4,640	3,603
Provision for retirement benefit obligations	35,282	33,655	28,068	26,432
Unused tax losses	77,306	45,846	-	-
Intercompany profit in inventories	4,579	324,812	-	-
Intercompany profit in fixed assets	69,291	40,043	-	-
Others	28,234	30,018	8,425	7,408
Total	433,473	495,514	50,064	53,385
Deferred tax liabilities				
Assets revaluation surplus	201,491	120,113	166,715	98,718
Gain from changes in fair value on derivative financial instruments	19,768	1,989	19,768	1,989
Fair value adjustments from business acquisition	26,596	27,445	2,916	3,765
Others	318	480	151	289
Total	248,173	150,027	189,550	104,761
Deferred tax assets	374,509	431,940	-	-
Deferred tax liabilities	189,209	86,453	139,486	51,376

The movements in deferred tax assets and liabilities for the years ended 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Deferred tax assets (liabilities)				
Balance at beginning of year	345,487	23,617	(51,376)	(68,044)
Effect from acquisition of a subsidiary	-	(21,674)	-	-
Income tax recognised in profit or loss				
- profit or loss	(57,811)	342,749	(2,968)	21,332
- other comprehensive income	(99,635)	(6,136)	(85,142)	(4,664)
Translation	(2,741)	6,931	-	-
Balance at end of year	185,300	345,487	(139,486)	(51,376)

27. Promotional privileges

The Company is granted certain privileges on its manufactures of rubber gloves pursuant to the Investment Promotion Act B.E. 2520, subjected to certain imposed conditions, the privileges included among the others as follows:

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, 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 Group's operating revenues for the years ended 31 December 2022 and 2021, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	2022	2021	2022	2021	2022	2021
Sales and service income						
Domestic sales and service income	997,666	861,692	3,612,542	5,448,346	4,610,208	6,310,038
Export sales	12,001,456	23,455,302	12,387,736	29,682,263	24,389,192	53,137,565
Total sales	12,999,122	24,316,994	16,000,278	35,130,609	28,999,400	59,447,603
Inter-company elimination					(5,694,580)	(11,896,832)
Total					23,304,820	47,550,771

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	2022	2021	2022	2021	2022	2021
Sales and service income						
Domestic sales and service income	997,666	861,692	1,039,815	2,468,863	2,037,481	3,330,555
Export sales	12,001,456	23,455,302	7,501,964	20,703,924	19,503,420	44,159,226
Total sales	12,999,122	24,316,994	8,541,779	23,172,787	21,540,901	47,489,781

28. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that dilutive potential ordinary shares shall be deemed to have been converted into ordinary shares at the date of the issue of the options to purchase newly issued ordinary shares without considering the exercise date.

The following tables set forth the computation of basic and diluted earnings per share:

	Consolidated financial statements					
	For the year ended 31 December					
	Profit for the year (Thousand Baht)		Weighted average number of ordinary shares (Thousand Shares)		Earnings per share (Baht per Share)	
	2022	2021	2022	2021	2022	2021
Basic earnings per share						
Profit attributable to equity holders of the Company	1,652,052	23,704,162	2,864,208	2,860,231	0.58	8.29
Effect of dilutive potential ordinary shares						
The options of newly issued ordinary shares under the STGT ESOP	-	-	304	919		
Diluted earnings per share						
Profit attributable to equity holders of the Company assuming the conversion of the options to ordinary shares	1,652,052	23,704,162	2,864,512	2,861,150	0.58	8.28

	Separate financial statements					
	For the year ended 31 December					
	Profit for the year (Thousand Baht)		Weighted average number of ordinary shares (Thousand Shares)		Earnings per share (Baht per Share)	
	2022	2021	2022	2021	2022	2021
Basic earnings per share						
Profit attributable to equity holders of the Company	1,459,998	24,261,293	2,864,208	2,860,231	0.51	8.48
Effect of dilutive potential ordinary shares						
The options of newly issued ordinary shares under the STGT ESOP	-	-	304	919		
Diluted earnings per share						
Profit attributable to equity holders of the Company assuming the conversion of the options to ordinary shares	1,459,998	24,261,293	2,864,512	2,861,150	0.51	8.48

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 complement the manufacture of gloves

2) Other businesses

   - Financial asset management and financial investment

Financial information by products and services for the years ended 31 December 2022 and 2021 is presented as follows.

The Group's financial information by segments for the year ended 31 December 2022 and 2021

(Unit: Thousand Baht)

	Gloves		Others		Elimination		Consolidated financial statements	
	2022	2021	2022	2021	2022	2021	2022	2021
Revenues								
Revenues from external customers	23,304,820	47,550,771	-	-	-	-	23,304,820	47,550,771
Inter-segment revenues	-	-	-	-	-	-	-	-
Total revenues	23,304,820	47,550,771	-	-	-	-	23,304,820	47,550,771
Other income and expenses								
Depreciation and amortisation	(1,449,550)	(1,247,158)	-	-	-	-	(1,449,550)	(1,247,158)
Finance income	70,217	104,821	90,630	1,721	-	-	160,847	106,542
Finance cost	(186,806)	(127,353)	-	-	-	-	(186,806)	(127,353)
Segment profit								
Profit before income tax	1,917,291	25,877,012	(33,760)	(387)	-	-	1,883,531	25,876,625
Income tax	(231,479)	(2,172,463)	-	-	-	-	(231,479)	(2,172,463)
Profit (loss) for the year	1,685,812	23,704,549	(33,760)	(387)	-	-	1,652,052	23,704,162
Total assets	48,719,192	51,241,472	6,005,465	3,338,405	(6,196,124)	(3,277,053)	48,528,533	51,302,824

Geographic information

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

(Unit: Thousand Baht)

	For the year ended 31 December	
	2022	2021
Revenue from external customers		
United States of America	4,013,390	14,259,283
China	3,092,340	2,667,912
Thailand	2,445,906	3,442,396
Brazil	1,676,480	2,073,360
Germany	1,515,057	2,952,184
Japan	1,137,625	1,834,986
Turkey	924,083	1,255,787
Others	8,499,939	19,064,863
Total	23,304,820	47,550,771

(Unit: Thousand Baht)

	As at 31 December	
	2022	2021
Non-current assets (other than financial instrument and deferred tax assets)		
Thailand	26,717,632	20,959,879
China	41,909	47,022
Indonesia	14,392	-
United States of America	7,713	1,091
Others	3,099	59
Total	26,784,745	21,008,051

Major customers

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

30. Dividends

Dividends	Approved by	Total dividends	Dividend per share
		(Million Baht)	(Baht)
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		17,155.08	
Dividends for the year 2021	Annual General Meeting of the shareholders on 7 April 2022	1,860.95	0.65
Interim dividends for 2022	the Company's Board of Director Meeting on 10 August 2022	1,432.59	0.50
Total for 2022		3,293.54	

On 17 February 2023, a meeting of the Company's Board of Directors passed resolutions approving a dividend payment in respect of retained earnings and operating results of 2022 to shareholders of Baht 0.75 per share, totaling of Baht 2,148.88 million. The Company made the payment of interim dividend of Baht 0.50 per share, or approximately Baht 1,432.59 million. The payment of remaining dividend of Baht 0.25 per share, or approximately Baht 716.29 million. The Company will propose the Company's Shareholder Annual General Meeting to approve the dividend payment within second quarter of 2023.

31. Commitments and contingent liabilities

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Capital commitments - purchase of fixed assets	3,256	7,298	6,741	19,076
Commitments from guarantees and contingent liabilities				
Bank guarantees to guarantee electricity usage	141	59	141	59
Letters of credit with overseas suppliers				
2022: Nil (2021: USD 4 million)	-	147	-	147
Bank guarantee for distribution of rubber gloves	9	15	9	15
The future aggregate minimum payments under non-cancellable lease and service agreements				
Not later than 1 year	2	33	2	33
Later than 1 year but not later than 5 years	1	2	1	2

32. Fair value measurements

As at 31 December 2022 and 2021, 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 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Property and plant	-	-	5,281,438	5,281,438
Derivative financial instruments	-	243,879	-	243,879
Other financial assets	572,153	451,715	-	1,023,868
Liabilities measured at fair value				
Derivative financial instruments	-	16,638	-	16,638
Liabilities for which fair value are disclosed				
Debentures	-	1,572,300	-	1,572,300

(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

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Property and plant	-	-	4,836,921	4,836,921
Derivative financial instruments	-	243,866	-	243,866
Liabilities measured at fair value				
Derivative financial instruments	-	1,127	-	1,127
Liabilities for which fair value are disclosed				
Debentures	-	1,572,300	-	1,572,300

(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

During the current year, there are no transfer within the fair value hierarchy.

33. Financial instruments

33.1 Derivatives and hedge accounting

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Derivative assets				
Derivative assets not designated as hedging instruments				
Forward foreign exchange contracts	-	24,837	-	24,837
Equity accumulators	13	-	-	-
Derivative assets designated as hedging instruments				
Forward foreign exchange contracts	241,869	-	241,869	-
Interest rate swap	1,997	-	1,997	-
Total derivative assets	243,879	24,837	243,866	24,837
Derivative liabilities				
Derivatives liabilities not designated as hedging instruments				
Forward foreign exchange contracts	-	42,666	-	42,666
Equity accumulators	15,511	420	-	-
Derivatives liabilities designated as hedging instruments				
Interest rate swap	1,127	21,332	1,127	21,332
Total derivative liabilities	16,638	64,418	1,127	63,998

Derivatives not designated as hedging instruments

The Group uses equity accumulators for investment activity.

Derivatives designated as hedging instruments

Interest rate risk

The Group has an interest rate swap agreement to hedge the exposure to cash flow volatility which the Group has to pay. The Group receives a variable rate of interest and pays fixed rate of interest.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the variable interest rate loan (i.e., interest rate, notional amount, maturity and payment dates). There is no ineffectiveness portion of such hedge.

(Unit: Million Baht)

	Consolidated and Separate financial statements	
	2022	2021
Carrying amount of interest rate swap		
Assets	2	-
Liabilities	(1)	(21)
Notional amount	883	1,153
Hedge ratio	1:1	1:1
Maturity date	June 2023 to March 2025	June 2023 to March 2025
Changes in fair value of the hedging instruments		
used for measuring ineffectiveness	22	24
Effectiveness recognised in other comprehensive income	22	24
Ineffectiveness recognised in profit or loss	-	-
Cash flow hedge reserve, net of tax	1	(17)

Foreign currency risk

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast sales in US dollar. These forecast transactions are highly probable. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

In addition, hedge ineffectiveness can arise from changes to the forecasted amount of cash flows of hedged items and hedging instruments.

(Unit: Million Baht)

	Consolidated and Separate financial statements
	2022
Carrying amount of the foreign exchange forward contracts	
Assets	242
Notional amount (Million USD)	117
Hedge ratio	1:1
Maturity date	February 2023 to July 2023
Changes in fair value of the hedging instruments	
used for measuring ineffectiveness	242
Effectiveness recognised in other comprehensive income	208
Ineffectiveness recognised in profit or loss	34
Cash flow hedge reserve, net of tax	75

Impact of hedging on equity

Set out below is a reconciliation of each component of equity and analysis of other comprehensive income:

(Unit: Million Baht)

	Cash flow hedge reserve
	Consolidated and Separate financial statements
As at 1 January 2021	(36)
Effective portion of changes in fair value arising from derivatives designated as hedging instruments for cash flow hedges	2
Amount reclassified to profit or loss	22
Tax effect	(5)
As at 31 December 2021	(17)
Effective portion of changes in fair value arising from derivatives designated as hedging instruments for cash flow hedges	250
Amount reclassified to profit or loss	(146)
Tax effect	(11)
As at 31 December 2022	76

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 keeps monitoring and evaluating the effect of this matter. At present, the Group is in the process of transition to alternative benchmark rates.

As at 31 December 2022, the Group had interest rate swaps with nominal amounts of Baht 883 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.

33.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, short-term loans, long-term loans and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

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 based on past experience updated with future forecast information. The Group classifies customer into different segments by geography, product type, customer type and customer rating.

Cash deposits and financial instruments

The credit risk on cash deposits and financial instruments are limited because the Group has a policy to consider and approve credit limits assigned to each counterparty by the Group's Board of Director. The counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising currency risk and interest rate risk. The Group enters into a variety of derivatives to manage its risk exposure, including:

- forward foreign exchange contracts to hedge the foreign currency risk arising on the export or import of goods;
- interest rate swaps to mitigate the risk of 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.

As at 31 December 2022 and 2021, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

	Consolidated financial statements					
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	38.91	71.97	2.98	13.23	34.5624	33.4199

	Separate financial statements					
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	58.15	119.53	2.98	12.98	34.5624	33.4199

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 2022 and 2021.The Group's exposure to foreign currency changes for other currencies is not material.

		Effect on profit before tax (Thousand Baht)			
Currency	Increase / (Decrease)	Consolidated financial statements		Separate financial statements	
	(percent)	2022	2021	2022	2021
US dollar	1.93	23,965	36,803	37,886	68,724
	(1.93)	(23,965)	(36,803)	(37,886)	(68,724)

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, loan to subsidiaries, short-term and long-term borrowings from financial institutions and debentures. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2022 and 2021, 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 2022						
	Fixed interest rates						
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non - interest bearing	Total	Effective interest rate (percent per annum)
Financial assets							
Cash and cash equivalent	4,974,702	-	-	9,302,390	73,610	14,350,702	0.05 - 8.50
Trade and other receivables	-	-	-	-	2,099,203	2,099,203	-
Other financial assets	-	-	-	-	1,023,868	1,023,868	-
Total	4,974,702	-	-	9,302,390	3,196,681	17,473,773	
Financial liabilities							
Trade and other payables	-	-	-	-	2,013,829	2,013,829	-
Short-term borrowings from financial institutions	172,812	-	-	-	-	172,812	(1)
Long-term borrowings from financial institutions	-	-	-	7,128,450	-	7,128,450	(2) , (3)
Debentures	-	550,000	950,000	-	14,406	1,514,406	2.97 - 4.25
Total	172,812	550,000	950,000	7,128,450	2,028,235	10,829,497	

(Unit: Thousand Baht)

	Consolidated financial statements as at 31 December 2021						
	Fixed interest rates						
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non - interest bearing	Total	Effective interest rate (percent per annum)
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	(2) , (3)
Total	-	-	-	8,462,000	2,935,598	11,397,598	

(Unit: Thousand Baht)

	Separate financial statements as at 31 December 2022						
	Fixed interest rates						
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non - interest bearing	Total	Effective interest rate (percent per annum)
Financial assets							
Cash and cash equivalent	-	-	-	8,760,658	29,576	8,790,234	0.05 - 0.60
Trade and other receivables	-	-	-	-	2,391,166	2,391,166	-
Short-term loans to subsidiary	150,000	-	-	-	-	150,000	(1)
Total	150,000	-	-	8,760,658	2,420,742	11,331,400	
Financial liabilities							
Trade and other payables	-	-	-	-	1,738,218	1,738,218	-
Long-term borrowings from financial institutions	-	-	-	7,128,450	-	7,128,450	(2) , (3)
Debentures	-	550,000	950,000	-	14,406	1,514,406	2.97 - 4.25
Total	-	550,000	950,000	7,128,450	1,752,624	10,381,074	

(Unit: Thousand Baht)

	Separate financial statements as at 31 December 2021						
	Fixed interest rates						
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non - interest bearing	Total	Effective interest rate (percent per annum)
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	(1)
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	(2) , (3)
Total	-	-	-	8,462,000	2,721,668	11,183,668	

(1) Fixed rate

(2) MLR less fixed rate per annum

(3) 6M THBFIX plus fixed rate per annum

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans from financial institutions affected as at 31 December 2022 and 2021, with all other variables held constant.

	Consolidated and Separate financial statements			
	2022		2021	
Increase / (decrease)	Effect on profit before tax	Effect on equity	Effect on profit before tax	Effect on equity
(Percent)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
0.75	(46,841)	7,903	(43,408)	11,613
(0.75)	46,841	(7,994)	43,408	(11,879)

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, leases and debentures. The Group's management assessed the risk relating to its ability to repay as low since the Group has access to sufficient and varied sources of funding and ability to request an extension to the repayment period for debts due within 12 months. Moreover, the management of the Group considers that there is sufficient working capital to 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 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2022			
	Less than 1 year	1 - 5 years	Over 5 years	Total
Non-derivatives				
Trade and other payables	2,013,829	-	-	2,013,829
Short-term loans from financial institution	173,679	-	-	173,679
Long-term loans from financial institution	1,932,975	5,707,930	-	7,640,905
Debentures	55,350	734,568	1,088,385	1,878,303
Lease liabilities	40,914	33,941	-	74,855
Total non-derivatives	4,216,747	6,476,439	1,088,385	11,781,571
Derivatives				
Equity accumulators	-	15,511	-	15,511
Interest rate swap	-	1,127	-	1,127
Total derivatives	-	16,638	-	16,638

(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				
Foreign exchange options	42,666	-	-	42,666
Equity accumulators	420	-	-	420
Interest rate swap	-	21,332	-	21,332
Total derivatives	43,086	21,332	-	64,418

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2022			
	Less than 1 year	1 - 5 years	Over 5 years	Total
Non-derivatives				
Trade and other payables	1,738,218	-	-	1,738,218
Long-term loans from financial institution	1,932,975	5,707,930	-	7,640,905
Debentures	55,350	734,568	1,088,385	1,878,303
Lease liabilities	11,978	8,183	-	20,161
Total non-derivatives	3,738,521	6,450,681	1,088,385	11,277,587
Derivatives				
Interest rate swap	-	1,127	-	1,127
Total derivatives	-	1,127	-	1,127

(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

33.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The methods and assumptions used by the Grouping estimating the fair value of financial instruments are as follows:

a) The fair value of derivatives has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Group has considered counterparty credit risk when determining the fair value of derivatives.

b) The fair value of fixed rate debentures is estimated by discounting expected future cash flow by the current market interest rate of debentures with similar terms and conditions.

c) The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

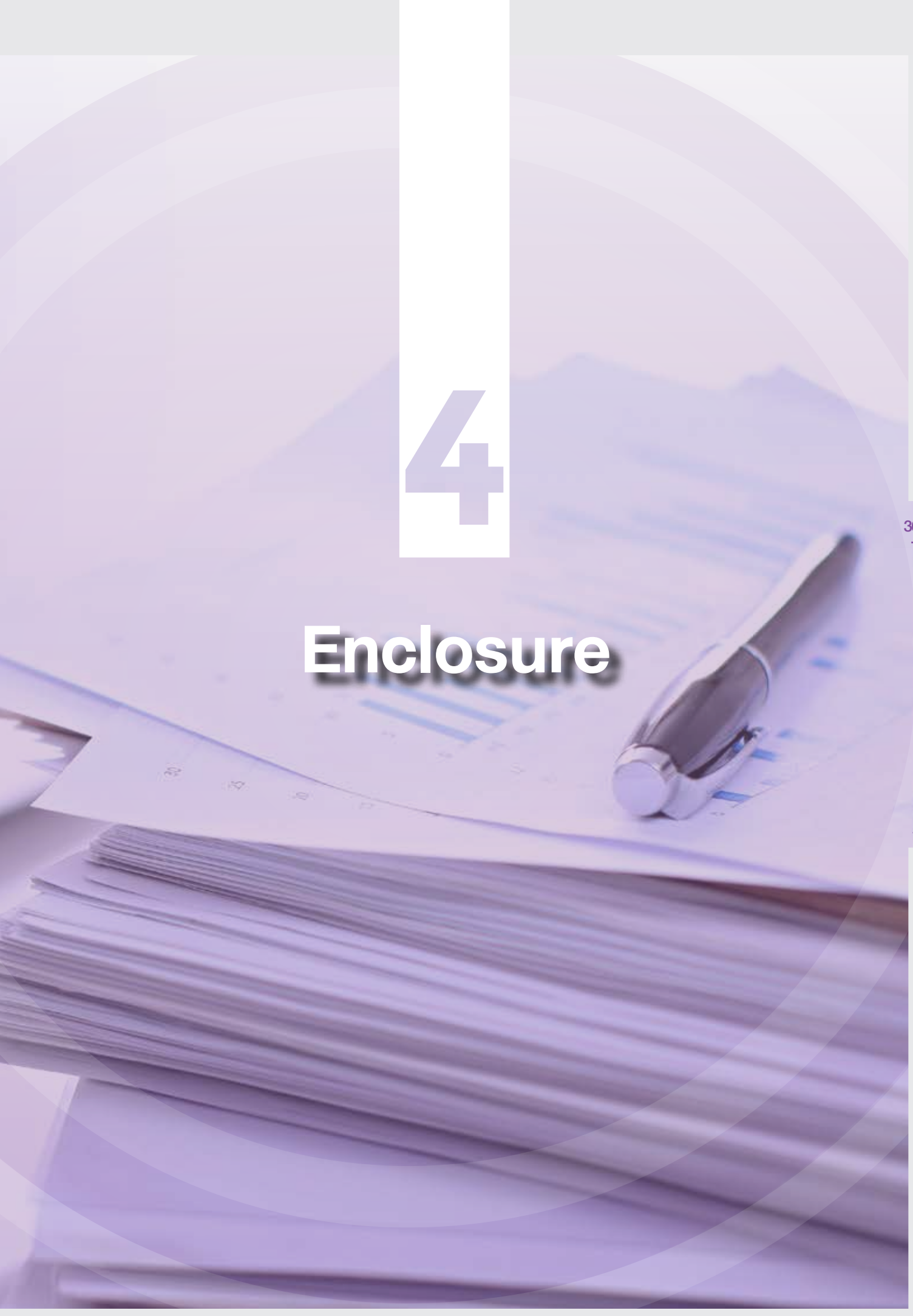
During the current year, there are no transfers within the fair value hierarchy.

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 and it meets financial covenants attached to the loan agreements and debentures. The Group has complied with these covenants throughout the reporting periods.

35. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Director on 17 February 2023.



4

Enclosure

Enclosure 1

The Board of Directors



Professor Dr. Weerakorn Ongsakul

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

Age : 55 Years

Appointment Date : 31 May 2019

Year in Position : 3 Years 7 months

Shareholding Proportion : 0.02%

Educational Background

- Ph.D. Electrical Engineering, Texas A&M University
- Master of Science, Electrical Engineering, Texas A&M University
- Bachelor of Engineering, Electrical Engineering, Chulalongkorn University

Training Program

Certification from Thai Institute of Directors (IOD)

- Director Certification Program (DCP) Class 272/2019
- Director Accreditation Program (DAP) Class 21/2004

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- None

Work Experiences

• Position in Listed Company

2022 – Present
- Independent Director / Chairman of Risk Management Committee, NFC PLC.

2020 – Present
- Chairman / Independent Director / Chairman of Audit Committee / Chairman of Remuneration Committee / Member of Nomination 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, Salo Tech (Thailand) 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, Mitr Samphan Narathiwat Co., Ltd.

2021 – 2022
- Director, Thai Encom Co., Ltd.

2018 – 2022
- Director / Chairman of Risk Management and Internal Control Committee, PEA ENCOM International Co., Ltd.

2018 – 2021
- Director, Provincial Electricity Authority

2017 – 2020
- Independent Director, Information Technology Group Co., Ltd.



Mr. Kitichai Sincharoenkul

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

Age : 63 Years

Appointment Date : 1 April 2019

Year in Position : 3 Years 9 months

Shareholding Proportion : 0.38%

Educational Background

- Master of Business Administration, Indiana State University, USA
- Bachelor of Economics, Thammasat University

Training Program

SGX Listed Companies Development Programme:
Understanding the Regulatory Environment in Singapore: What Every Director Ought to Know
Certification from Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) Class 67/2007

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- Brother of Dr. Viyavood Sincharoenkul
- Uncle of Mr. Veerasith Sinchareonkul and Mr. Vitanath Sincharoenkul

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.

1988 – 2006
- Branch Manager, Sri Trang Agro-Industry PLC. (Bangkok Branch)

• Position in Non-Listed Company

2022 – Present
- Director, Sri Trang Gloves Philippines Inc.

2019 – Present
- Director, Sri Trang IBC Co., Ltd.

2016 – Present
- Director, PT Thaitech Rubber Indonesia

2014 – Present
- Director, Sri Trang Ayeyar Rubber Industry Co., Ltd.

2010 – Present
- Director, Shi Dong Investments Pte. Ltd.

2002 – Present
- Director, Sri Trang International Pte. Ltd.

1996 – Present
- Director, Semperflex Asia Co., Ltd.

1990 – Present
- Director, Sri Trang Holdings Co., Ltd.

2021
- Director, Sri Trang Gloves Global Pte. Ltd.

2021
- Director, Sri Trang Gloves (Singapore) Pte. Ltd.

2004 – 2020
- Director, Pattana Agro Futures Co., Ltd.

1989 – 2019
- Executive Director, Sri Trang Gloves (Thailand) Co., Ltd.

1984 – 1987
- Credit Department, Citibank



Dr. Viyavood Sincharoenkul

Director / Chairman of Executive Committee

Age : 67 Years

Appointment Date : 1 April 2019

Year in Position : 3 Years 9 months

Shareholding Proportion : 4.82%

Educational Background

- Ph.D. in Chemistry, Queen Elizabeth's College, University of London
- Bachelor's Degree in Chemistry (1st Class Honor), Queen Elizabeth's College, University of London

Training Program

- None

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- Brother of Mr. Kitichai Sincharoenkul
- Father of Mr. Veerasith Sinchareonkul and Mr. Vitanath Sincharoenkul

Work Experiences

• Position in Listed Company

2019 – Present
- Director / Chairman of Executive Committee, Sri Trang Gloves (Thailand) PLC.

2010 – Present
- Chairman / Chairman of Executive Committee, Sri Trang Agro-Industry PLC.

1993 - 2021
- Managing Director, Sri Trang Agro-Industry PLC.

• Position in Non-Listed Company

2021 – Present
- Director, Sri Trang Gloves Global Pte. Ltd.

2021 – Present
- Director, Sri Trang Gloves (Singapore) Pte. Ltd.

2019 – Present
- Director, Sri Trang IBC Co., Ltd.

2017 – Present
- Director, Planet Earth Capital Pte. Ltd.

2017 – Present
- Director, Shidong Shanghai Medical Equipment Co., Ltd.

2010 – Present
- Director, Shi Dong Shanghai Rubber Co., Ltd.

2009 – Present
- Director, Shi Dong Investments Pte. Ltd.

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 – 2012
- Director, Tai Yang Investments Pte. Ltd.

1987 – 1993
- Managing Director, Sri Trang Agro-Industry Co., Ltd.

1985 – 1987
- General Manager, Yang Thai Paktai Co., Ltd.



Mr. Anan Pruksanusak

Director / Member of Executive Committee / Price Strategist

Age : 68 Years

Appointment Date : 1 April 2019

Year in Position : 3 Years 9 months

Shareholding Proportion : 0.02%

Educational Background

- Executive Micro MBA, Thammasat University

Training Program

Certification from Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) Class 66/2007

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- None

Work Experiences

• Position in Listed Company

2019 – Present
- Director / Member of Executive Committee / Price Strategist, Sri Trang Gloves (Thailand) PLC.

2019
- Managing Director, Sri Trang Gloves (Thailand) PLC.

1993 – 2013
- Director, Sri Trang Agro-Industry PLC.

• Position in Non-Listed Company

2013 – Present
- Director, Sup Pruksa Co., Ltd.

2003 – Present
- Director, Pruksa Mansion Co., Ltd.

2013 – 2019
- Managing Director, Sri Trang Gloves (Thailand) Co., Ltd.



Mr. Veerasith Sinchareonkul

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

Age : 38 Years

Appointment Date : 1 April 2019

Year in Position : 3 Years 9 months

Shareholding Proportion : 0.03%

Educational Background

- Master of Business Administration (Finance and Marketing), Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Bachelor of Computer Science and Cybernetics, University of Reading, United Kingdom

Training Program

Certification from Thai Institute of Directors (IOD)

- Financial Statements for Directors (FSD) Class 26/2014
- Director Accreditation Program (DAP) Class 85/2010 Thai Listed Companies Association
- TLCA Executive Development Program (EDP) class 10

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- Son of Dr. Viyavood Sincharoenkul
- Nephew of Mr. Kitichai Sincharoenkul
- Brother of Mr. Vitanath Sincharoenkul

Work Experiences

• 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

2022 – Present
- Chairman, Sri Trang Africa SA.

2022 – Present
- Chairman, Sri Trang Gloves Philippines Inc.

2021 – Present
- Director, Sri Trang Gloves Global Pte. Ltd.

2021 – Present
- Director, Sri Trang Gloves (Singapore) Pte. Ltd.

2021 – Present
- Director, Sadao P.S.Rubber Co., Ltd.

2019 – Present
- Director, Sri Trang IBC Co., Ltd.

2018 – Present
- President, Thai Rubber Glove Manufacturers Association

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.

2016 – Present
- Director, PT Thaitech Rubber Indonesia

2015 – Present
- Director, Semperflex Asia Co., Ltd.

2015 – Present
- Director, Rubberland Products Co., Ltd.

2015 – Present
- Director, Premier System Engineering Co., Ltd.

2015 – Present
- Director, Starlight Express Transport Co., Ltd.

2015 – Present
- Director, Sri Trang Rubber & Plantation Co., Ltd.

2018 – 2022
- Director, The Federation of Thai Industries

2017 – 2019
- Director, Sri Trang Gloves (Thailand) Co., Ltd.



Mr. Vitanath Sincharoenkul

Director / Member of Executive Committee / Chairman of Corporate Governance and Sustainable Development Committee / Chief Branding Officer

Age : 32 Years

Appointment Date : 1 April 2019

Year in Position : 3 Years 9 months

Shareholding Proportion : 0.02%

Educational Background

- Bachelor of Arts, Industrial and Product Design, Raffles College of Design and Commerce

Training Program

Certification from Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) Class 163/2019

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- Son of Dr. Viyavood Sincharoenkul
- Nephew of Mr. Kitichai Sincharoenkul
- Brother of Mr. Veerasith Sinchareonkul

Work Experiences

• Position in Listed Company

2021 – Present
- Chairman of 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

2022 – Present
- Director, Sri Trang Responsible Gloves Supply, Inc.

2020 – Present
- Vice President, Thai Rubber Glove Manufacturers Association

2018 – 2020
- Director, Thai Rubber Glove Manufacturers Association

2017 – 2019
- Director, Sri Trang Gloves (Thailand) Co., Ltd.



Ms. Jarinya Jirojkul

Director / Member of Executive Committee / Member of Risk Management Committee / Member of Corporate Governance and Sustainable Development Committee / Chief Executive Officer / Acting Production Manager Trang Branch / Acting Quality Control and Research & Development Manager

Age : 51 Years

Appointment Date : 1 April 2019

Year in Position : 3 Years 9 months

Shareholding Proportion : 0.03%

Educational Background

- Master of Engineering in Food Engineering, King Mongkut's University of Technology Thonburi
- Bachelor of Science in Agro-industry, Prince of Songkhla University

Training Program

Certification from Thai Institute of Directors (IOD)

- Risk Management Program for Corporate Leaders (RCL) Class 21/2020
- Director Accreditation Program (DAP) Class 163/2019

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- None

Work Experiences

• 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.

• Position in Non-Listed Company

2022 – Present
- Director, Sri Trang Responsible Gloves Supply, Inc.

2021 – Present
- Director, Premier System Engineering Co., Ltd.

2021 – Present
- Director, Sadao P.S.Rubber Co., Ltd.

2017 – 2019
- Director, Thaikong PLC.

2015 – 2019
- Managing Director, Thaikong PLC.

2011 – 2014
- Project Manager, Sri Trang Gloves (Thailand) Co., Ltd.



Ms. Thanawan Sa-ngiamsak

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

Age : 44 Years

Appointment Date : 1 April 2019

Year in Position : 3 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

Stock Exchange of Thailand

- Strategic CFO in Capital Markets class 8

Certification from Thai Institute of Directors (IOD)

- Risk Management Program for Corporate Leaders (RCL) Class 21/2020
- Director Accreditation Program (DAP) Class 163/2019

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- None

Work Experiences

• Position in Listed Company

2021 – Present
- Member of Corporate Governance and Sustainable Development Committee, Sri Trang Gloves (Thailand) PLC.

2019 – Present
- Director / Member of Risk Management Committee / Chief Financial Officer, Sri Trang Gloves (Thailand) PLC.

2011 - 2017
- Vice President - Business Development and Investor Relations, Sri Trang Agro-Industry PLC.

2005 – 2011
- Assistant Manager - Investment Banking, Kasikorn Securities PCL.

2004
- Assistant Manager - Investment Banking, Kasikorn Bank PCL.

• Position in Non-Listed Company

2022 – Present
- Director, Sri Trang Gloves Philippines Inc.

2022 – Present
- Director, Sri Trang Responsible Gloves Supply, Inc.

2022 – Present
- Director, Premier System Engineering Co., Ltd.

2021 – Present
- Director, PT Sri Trang Gloves Indo

2021 – Present
- Director, Sadao P.S.Rubber Co., Ltd.

2017 – 2019
- Director / Chief Financial Officer, Sri Trang Gloves (Thailand) Co., Ltd.

2001 – 2002
- Excise Tax & Duty Planner, The Shell Company of Thailand Ltd.

2000 – 2001
- Auditor, Ernst & Young Office Ltd.



Mr. Chia Chee Ping

Director / Chief Marketing Officer

Age : 54 Years

Appointment Date : 1 April 2019

Year in Position : 3 Years 9 months

Shareholding Proportion : 0.04%

Educational Background

- Graduate ICSA Business Administration, The Institute of Chartered Secretaries & Administrators, United Kingdom
- Diploma in Commerce (Business Management) Tunku Abdul Rahman College, Malaysia

Training Program

Certification from Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) Class 166/2019

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- None

Work Experiences

• 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

2022 – Present
- Director, Sri Trang Gloves Philippines Inc.

2022 – Present
- Director, Sri Trang Responsible Gloves Supply, Inc.

2021 – Present
- Director, PT Sri Trang Gloves Indo

2017 – 2019
- Director, Sri Trang Gloves (Thailand) Co., Ltd.

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



Mrs. Unakorn Phruithithada

Independent Director / Member of Audit Committee

Age : 65 Years

Appointment Date : 31 May 2019

Year in Position : 3 Years 7 months

Shareholding Proportion : 0.02%

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

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- None

Work Experiences

• Position in Listed Company

2022 – Present
- Independent Director / Chairman of Audit Committee, ICBC (Thai) Bank PLC.

2021 – Present
- Independent Director / Chairman of Audit Committee, Principal Capital PLC.

2019 – Present
- Independent Director / Member of Audit Committee, Sri Trang Gloves (Thailand) PLC.

• Position in Non-Listed Company

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



Gen. Bundit Boonyapan

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

Age : 64 Years

Appointment Date : 28 December 2020

Year in Position : 2 Years

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)

- Financial Statements for Directors (FSD) Class 47/2022
- Director Accreditation Program (DAP) Class 184/2021
- Advanced Audit Committee Program (AACP) Class 41/2021

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- None

Work Experiences

• Position in Listed Company

2022 – Present
- Member of Remuneration Committee, Sri Trang Gloves (Thailand) PLC.

2021 – Present
- Member of Corporate Governance and Sustainable Development Committee / Member of Nomination Committee, Sri Trang Gloves (Thailand) PLC.

2020 – Present
- Independent Director / Member of Audit Committee, Sri Trang Gloves (Thailand) PLC.

• Position in Non-Listed Company

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



Mr. Thanatip Upatising

Independent Director

Age : 62 Years

Appointment Date : 7 April 2022

Year in Position : 8 months

Shareholding Proportion : None

Educational Background

- Master of Art (History, Philosophy and Politics), Macquarie University, Australia
- Bachelor of Arts (International Relations), Chulalongkorn University
- Corporate Leadership Development Program under Globalization Fiscal Policy Research Institute, in collaboration with The Kellogg School of Management, The Schulich School of Business and The Maxwell School of Citizenship and Public Affairs of Management

Training Program

Certification from Thai Institute of Directors (IOD)

- Director Certification Program (DCP) Class 301/2021

The National Defence Course Class 2009

The Civil Service Executive Development Program Class 38, Office of the Civil Service Commission (OCSC)

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- None

Work Experiences

• Position in Listed Company

2022 – Present
- Independent Director, Sri Trang Gloves (Thailand) PLC.

2022 – Present
- Member of Corporate Governance Committee, Sri Trang Agro-Industry PLC.

2021 – Present
- Independent Director, Sri Trang Agro-Industry PLC.

2021 – Present
- Chairman / Independent Director, Sky Tower PLC.

• Position in Non-Listed Company

2018 - 2020
- Ambassador, Moscow, Russia, Ministry of Foreign Affairs of the Kingdom of Thailand

2015 - 2018
- Ambassador, Manila, Philippines, Ministry of Foreign Affairs of the Kingdom of Thailand

2012 - 2015
- Ambassador, Tokyo, Japan, Ministry of Foreign Affairs of the Kingdom of Thailand

2010 - 2012
- Ambassador, Jakarta, Indonesia, Ministry of Foreign Affairs of the Kingdom of Thailand

2008
- Director, Exim Bank (By the position of Director General of the Department of International Economic Affairs Ministry of Foreign Affairs)

2006 - 2007
- Director, Neighbouring Countries Economic Development Cooperation Agency, NEDA

The Executives



Mr. Phanlert Wangsuphadilok

Chief Automation Officer

Age : 51 Years

Appointment Date : 1 January 2023

Year in Position : -

Shareholding Proportion : None

Educational Background

- Executive Micro MBA, Thammasat University
- Master of Engineering, Energy Management, King Mongkut's University of Technology Thonburi
- Bachelor of Engineering, Industrial Engineering, Kasem Bundit University

Training Program

- None

Work Experiences

• Position in Listed Company

2023 - Present
- Chief Automation Officer, Sri Trang Gloves (Thailand) PLC.

2010 – 2019
- Engineering Manager, Sri Trang Agro-Industry PLC.

• Position in Non-Listed Company

2015 - Present
- Director, Premier System Engineering Co., Ltd.

2009 - Present
- Technical Factory Manager, Premier System Engineering 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

- None



Mr. Asom Aksornnam

Production Manager Hat Yai Branch

Age : 55 Years

Appointment Date : 24 July 2019

Year in Position : 3 Years 5 months

Shareholding Proportion : 0.016%

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, Sri Trang Gloves (Thailand) PLC.

2019 – 2022
- Acting Engineering Manager, Sri Trang Gloves (Thailand) PLC.

2008 – 2019
- Production Manager, Sri Trang Agro-Industry PLC.

• Position in Non-Listed Company

2018 - 2019
- Production Manager Surat Thani Branch, Sri Trang Gloves (Thailand) Co., Ltd.

2017 – 2019
- Director, Songkhla Provincial Industry Council

2017 – 2019
- Director, Sri Trang Gloves (Thailand) Co., Ltd.

2016 – 2019
- Production Manager Hat Yai Branch, Sri Trang Gloves (Thailand) Co., Ltd.

2009 – 2016
- Factory Manager, Sri Trang Gloves (Thailand) Co., Ltd.

2003 – 2008
- Factory Manager, Shanghai Foremost Plastic Industrial Co., Ltd.

1998 – 2003
- Factory Manager, Sri Trang Gloves (Thailand) Co., Ltd.

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- None



Mr. Chalermchai Norsakul

Production Manager Surat Thani Branch
Age : 47 Years
Appointment Date : 24 July 2019
Year in Position : 3 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



Ms. Oralak Thinnakornsutibut

Finance and Account Manager, Accountant
Age : 48 Years
Appointment Date : 24 July 2019
Year in Position : 3 Years 5 months
Shareholding Proportion : 0.001%

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
- IFRS in 2022 by Federation of Accounting Professions under the Royal Patronage of His Majesty the King
- Focus on Significant Issues of Financial Statement Audit by Dharmniti Seminar and Training Co., Ltd.

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.

1998 – 2013
- Account Manager, Sri Trang Gloves (Thailand) Co., Ltd.

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- None



Mr. Somrat Thapnual

Human Resource Manager
Age : 48 Years
Appointment Date : 24 July 2019
Year in Position : 3 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

Purchasing Manager
Age : 46 Years
Appointment Date : 24 July 2019
Year in Position : 3 Years 5 months
Shareholding Proportion : 0.003%

Educational Background
- Bachelor of Economics, Thammasat University

Training Program
- None

Work Experiences
• Position in Listed Company
2019 – Present
- Purchasing Manager, Sri Trang Gloves (Thailand) PLC.

2001 – 2002
- Brand Manager, Big C Supercenter PLC.

• Position in Non-Listed Company
2003 – 2019
- Purchasing Manager, Sri Trang Gloves (Thailand) Co., Ltd.

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

Logistics Manager
Age : 47 Years
Appointment Date : 14 August 2020
Year in Position : 2 Years 4 months
Shareholding Proportion : 0.007%

Educational Background

- Bachelor of Industrial Engineering, Prince of Songkhla University

Training Program

- None

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- None

Work Experiences

• Position in Listed Company

2020 – Present
- Logistics Manager / Customer Relations Manager / Secretary to the Executive Committee, 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.

Ms. Kittaya Vuthipadadorn

Company Secretary
Age : 35 Years
Appointment Date : 1 September 2021
Year in Position : 1 Year 4 months
Shareholding Proportion : None

Educational Background

- Bachelor of Law, Thammasat University

Position in other companies which potentially having conflict of interest with the Company

- None

Illegal Record in the last 10 years

- None

Family Relationship with Executives

- None

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)
- Professional Development Program for Company Secretary
- 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.

Enclosure 2

Details of the Directors and Executives Held the Positions in Company, Subsidiaries, Associated Companies, and Related Companies as of 31 December 2022

Companies / Directors and Executives	Professor Dr. Weerakorn Ongsakul	Mr. Kitichai Sincharoenkul	Dr. Viyavood Sincharoenkul	Mr. Anan Pruksanusak	Mr. Veerasith Sinchareonkul	Mr. Vitanath Sincharoenkul	Ms. Jarinya Jirojkul	Ms. Thanawan Sa-ngiamsak	Mr. Chia Chee Ping	Mrs. Unakorn Phruithithada	Gen. Bundit Boonyapan	Mr. Thanatip Upatising	Mr. Phanlert Wangsuph-adilok	Mr. Asom Aksornnam	Mr. Chalerm-chai Norsakul	Ms. Oralak Thinnakorn-sutibut	Mr. Somrat Thapnual	Ms. Amornrat Awato	Ms. Worasa Maijaidee
The Company	X, /	/, //	/, //	/, //	/, //	/, //	/, //, ///	/. ///	/, ///	/	/	/	///	///	///	///	///	///	///
Subsidiaries																			
• Shidong Shanghai Medical Equipment Co.,Ltd.			/																
• Sri Trang USA, Inc.					X, /														
• Sadao P.S.Rubber Co., Ltd.					/		/	/											
• Premier System Engineering Co., Ltd.					/		/	/					/, ///						
• Sri Trang Gloves Global Pte. Ltd.			/		/														
• Sri Trang Gloves (Singapore) Pte. Ltd.			/		/														
• Sri Trang Gloves Vietnam Co., Ltd.																			
• PT Sri Trang Gloves Indo								/	/										
• Sri Trang Responsible Gloves Supply, Inc.						/	/	/	/										
• Sri Trang Gloves Philippines Inc.		/			X, /			/	/										
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 Indonesia					/														
- PT Star Rubber Indonesia																			
- Sri Trang International Pte. Ltd.		/	/, //																
- Shi Dong Investments Pte. Ltd.		/	X, /																
- Shi Dong Shanghai Rubber Co., Ltd.			/																
- Sri Trang Indochina (Vietnam) Co., Ltd.																			
- Sri Trang Ayeyar Rubber Industry Co., Ltd.		/			X, /														
- Sri Trang Africa SA.					X, /														
- Thai Tech Rubber Corporation Ltd.			/		/														
- Semperflex Asia Co., Ltd.		/	/		/														

Remarks: X = Chairman, / = Director, // = Executive Director and /// = Executive

Enclosure 3

Head of Internal Audit

Ms. Narungsri Chiranakorn

Head of Internal Audit
Age : 47 Years
Appointment Date : 24 July 2019
Year in Position : 3 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.

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 4

Assets used in Business Operation and Details of Assets Valuation

Assets used in Business Operation

1) Fixed Assets

As of 31 December 2021 and 31 December 2022, 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 20,369.7 million and THB 26,130.8 million as follows.

No.	List of Fixed Assets	Net Book Value (THB Million)		Type of Ownership	Obligations
		As of 31 Dec 21	As of 31 Dec 22		
1	Land and Land improvements	1,860.7	2,371.3	Ownership	None
2	Buildings and Construction	2,231.7	2,910.2	Ownership	None
3	Machine and Equipment	5,102.3	6,649.7	Ownership	None
4	Vehicle	197.9	297.8	Ownership and Hire Purchase Agreement	None
5	Furniture and Office Equipment	39.0	68.0	Ownership and Hire Purchase Agreement	None
6	Assets under Construction and Installation	10,938.1	13.8	Ownership	None
	Total	**20,369.7**	**26,130.8**		

2) Goodwill

As of 31 December 2021 and 31 December 2022, 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 2021	As of 31 Dec 2022
The Company	Goodwill	220.9	220.9
	Total	**220.9**	**220.9**

3) Intangible Assets

3.1 Computer Software

As of 31 December 2021 and 31 December 2022, 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 2021	As of 31 Dec 2022
The Company	Computer Software	169.2	195.1
	Total	**169.2**	**195.1**

3.2 Right of Use

As of 31 December 2021 and 31 December 2022, 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 2021	As of 31 Dec 2022
The Company	Right of use under lease agreement	77.6	72.7
	Total	**77.6**	**72.7**

Trademark

As of 31 December 2022, the Company and its subsidiaries have owned key trademarks of rubber gloves products for medical purpose as follows

Trademark	Territories Covered
Super Care™	Brazil / Chile / The People's Republic of China / Ecuador / Hong Kong / South Korea / Morocco / Peru / Japan / South Africa
SRITRANG GLOVES THAILAND	Brazil / EU / India / Malaysia / Singapore / USA / UK / Thailand
SRITRANG™ GLOVES	Brazil / The People's Republic of China / EU / India / Israel / Japan / Laos / Malaysia / Morocco / Peru / Singapore / South Africa / Turkiye / USA / UK / Thailand

In general, the validity period of a trademark registration of the Company and its subsidiaries is 10 years, and such registration can be renewed indefinitely at the end of each ten-year period.

In addition, the Company has submitted the application for the registration of the above important trademarks in abroad which is pending approval from relevant authorities in each country.



Policy for the investment in subsidiaries and associate companies

The Company has a policy to invest in companies in accordance with its goals, visions and strategy on growth in order to enhance operating results or profitability. The Company intends to invest in 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.

Enclosure 5

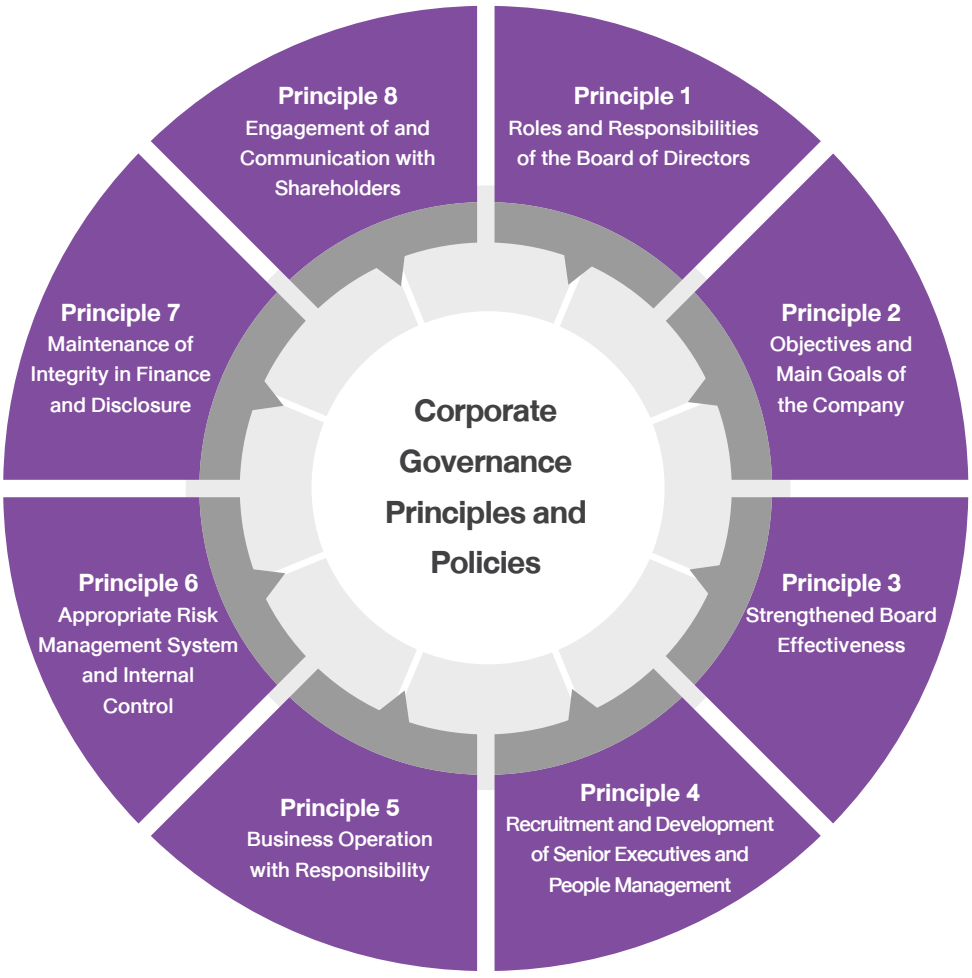
Corporate Governance Policy

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 polices 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;

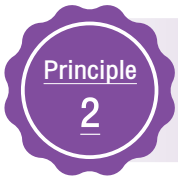
f. Oversight over reliable financial disclosure and reporting and sufficient and appropriate non-financial disclosure.

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.



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.



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.

4.1.5 The Chief Executive Officer may serve as a director in other company besides the Company's subsidiaries and associated companies only if it must not be an obstacle to performance as the

Chief Executive Officer of the Company and such company must not operate business in the same nature or in competition with the Company's business, provided that it must be approved by the Board of Directors prior to taking such position in other company.

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 creditors The Company shall strictly conform to the terms and conditions of the agreements, in respect to the repayment of principal and interest in accuracy and on time, management of loan in accordance with its objectives, including not concealing any information and facts that may cause damage to the creditors. In the event that the Company is unable to comply with any terms, conditions, or obligations under the agreements, the Company shall inform the creditors without delay in order to jointly find a solution.

(5) 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.

(6) 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.

(7) Fair competition The Company conducts its business based on the principle of transparency and will not be involved in unfair competition.

(8) 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. 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;

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 Corporate Governance Policy shall apply to the subsidiaries. The Board of Directors considered and approved the amendment of this policy in the Board of Directors' meeting No. 1/2023, which was held on 17 February 2023. The policy shall come into force as from 17 February 2023.

Prof.Dr. Weerakorn Ongsakul
Chairman of the Board of Directors
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:

1) 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.

2) 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.

3) 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.

4) 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

3.1 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.

3.2 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. Relationship towards creditors

4.1 The Company shall adhere to the guideline on treatment of creditors with fairness, responsibility, transparency, and equality.

4.2 The Company shall strictly conform to the terms and conditions of the agreements and financial obligations, in respect to the repayment of principal and interest in accuracy and on time, capital management, and maintenance of collateral under relevant agreements.

4.3 The Company shall not utilize the loan proceeds in any way that is contrary to the objectives and not concealing any information and facts that may cause damage to the creditors.

4.4 In the event that the Company shall be unable to comply with any terms, conditions, or obligations under the agreements, the Company shall inform the creditors without delay in order to jointly find a solution.

5. Responsibilities towards employees

5.1 The Company shall strictly comply with all laws and regulations relating to its employees with no discrimination.

5.2 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.

5.3 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.

5.4 Promotion, relocation, reward and sanctions shall be based on the principle of equality, good faith and on the merit of knowledge, capability and appropriateness.

5.5 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.

5.6 All levels of employees shall have their opinion and recommendations listened to equally.

5.7 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.

5.8 The Company shall treat its employees with politeness and respect for individualism and human dignity of such employees.

5.9 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.

6. Social and environmental responsibilities

6.1 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.

6.2 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.

6.3 The Company encourages education, sports or religious projects and activities or otherwise that are beneficial for the society and the environment.

6.4 The Company shall continuously promote awareness of social and environmental responsibilities among its employees.

6.5 The Company recognizes the importance of transacting with business partners who share same value with the Company with respect to social and environmental responsibilities.

6.6 The Company shall be the leader in the promotion of efficient use and preservation of energy for the benefit of later generations.

6.7 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.

7. Treatment with political community

7.1 Directors, executives and employees shall exercise their rights as a good citizen under the Constitution and other relevant laws.

7.2 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.

7.3 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.

7.4 Directors, executives and employees are prohibited from using assets of the Company in providing support to any political party.

8. Respect for human rights

8.1 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.

8.2 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.

8.3 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.

8.4 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.

9. Conflict of Interests

9.1 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.

9.2 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.

9.3 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.

10. Intellectual property and copyrighted work

10.1 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.

10.2 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.

10.3 Directors, executives and employees shall not use intellectual property of others without the permission.

10.4 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.

10.5 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.

10.6 Directors, executives and employees shall protect intellectual properties of the Company against any infringement or unauthorized use.

10.7 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.

11. 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.

12. Channels for complaints

Any interested party witnessing the breach or non-compliance with the Code of Conduct may inquire or express opinions, and 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, Lumphini 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. By E-mail

Contact Person: The Company Secretary or the Secretary to the Audit Committee
E-mail address: stgt_corporatesecretary@sritranggroup.com or anticorruption@sritranggroup.com

3. By 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 or HR Employees Relation system.

The Code of Conduct shall apply to the subsidiaries. The Board of Directors considered and approved the amendment of the Code of Conduct in the Board of Directors' meeting No. 1/2023, which was held on 17 February 2023. The policy shall come into force as from 17 February 2023.

Prof.Dr. Weerakorn Ongsakul
Chairman of the Board of Directors
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
STGP	:	Sri Trang Gloves Philippines Inc.
STGS	:	Sri Trang Gloves (Singapore) Pte. Ltd.
STGT or The Company	:	Sri Trang Gloves (Thailand) Company Limited and/or Sri Trang Gloves (Thailand) Public Company Limited (as the case may be)
STGV	:	Sri Trang Gloves Vietnam Co., Ltd.
STH	:	Sri Trang Holding Company Limited
STI	:	Sri Trang International Pte. Ltd.
STL	:	Starlight Express Transport Company Limited
STRG	:	Sri Trang Responsible Gloves Supply, Inc.
STU	:	Sri Trang USA, Inc.
STV	:	Sri Trang Indochina (Vietnam) Co., Ltd.
TK	:	Thaikong Company Limited and/or Thaikong Public Company Limited (as the case may be)
TKG	:	Thaikong Group Company Limited
TRC	:	Thai Tech Rubber Corporation Limited
Group Company	:	Sri Trang Gloves (Thailand) Public Company Limited and its Subsidiaries and/or The Company and its Subsidiaries (as the case may be)
Sri Trang Group / STA Group	:	Sri Trang Agro-Industry Public Company Limited and its subsidiaries and/or STA and subsidiaries of STA

General

Anvar Branch Factory	:	The Company's rubber glove factory located in Sadao District, Songkhla Province
BOI	:	Thailand Board of Investment
CESS	:	Centre for Experimental Social Sciences
Chumphon Branch Factory	:	The Company's rubber glove factory located in Pathew District, Chumphon Province
FSC	:	Forest Stewardship Council
GMP	:	Good Manufacturing Practice
Hat Yai Branch Factory	:	The Company's rubber glove factory located in Hat Yai District, Songkhla Province
IPO	:	Initial Public Offering
MARGMA	:	Malaysian Rubber Glove Manufacturers Association
NBR	:	Nitrile Butadiene Rubber Glove
NCDs	:	Non-communicable Diseases
NRPD	:	Natural Rubber Powdered Glove
NRPF	:	Natural Rubber Powder Free Glove
OBM	:	STGT's Own Brands and its subsidiaries' and STA Group's brands
OEM	:	Original Equipment Manufacturer
SGX	:	Singapore Exchange
Sadao PS 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
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
WHO	:	World Health Organization

“Clean World Clean Gloves”

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

Contact Us Please Scan

SRI TRANG GLOVES (THAILAND) PUBLIC COMPANY LIMITED

No. 110, Kanjanavanit Road, Pahtong, Hat Yai, Songkhla 90230 Thailand
Tel: (66) 74-471-471 Fax: (66) 74-291-650
www.sritranggloves.com