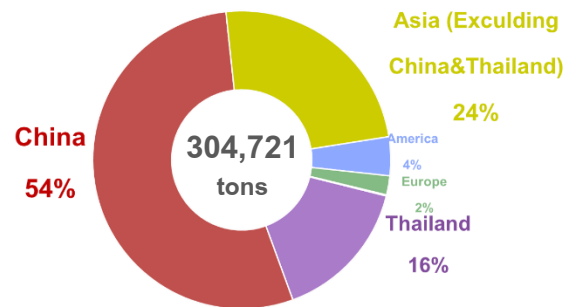
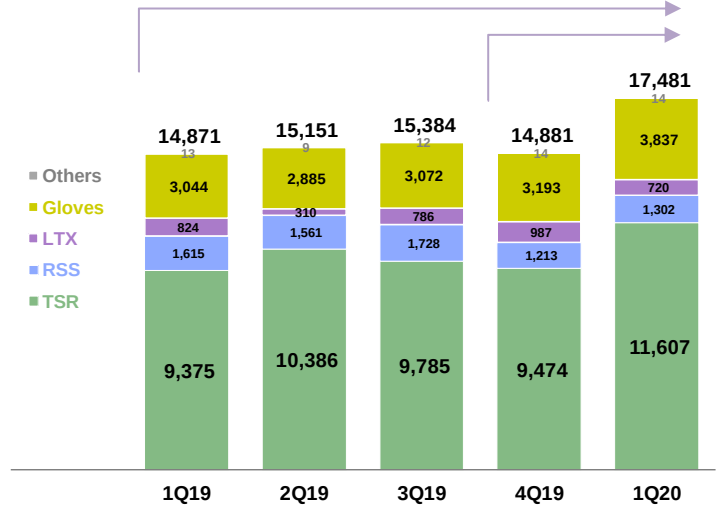


Financial Result Overview

Throughout 1Q20, NR prices moved in the same direction as the global economy and commodity prices. Prior to the outbreak of COVID-19, the price of TSR 20 on SICOM reached the quarterly high of 152.4 cent/kg. However, upon news of the outbreak of COVID-19 in China in the third week of January, prices of commodities including NR prices started to progressively decline on concerns about weakened demand. At the end of 1Q20, the price of TSR20 was down to 103.8 cent/kg, the lowest level since 2004. The average price of TSR 20 in 1Q20 was 133.5 cent/kg, down 2.5% QoQ and 4.2% YoY.

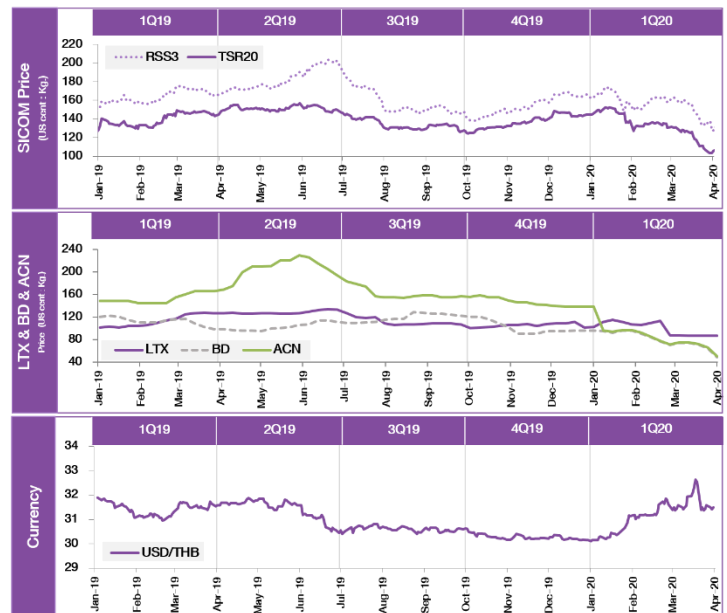
Because of NR price movements that reflected the fundamentals and a more friendly industry landscape as well as the successful execution of our selective selling strategy, sales volume for **our NR business in the midstream** rose by 6.8% YoY and 6.7% QoQ to 304,721 tons and profitability also improved. For **our glove business in the downstream**, our sales volume grew 29.2% YoY and 14.5% QoQ to 6,277 million pieces as a result of our continuous capacity expansion since 2017 and an increase in global demand since February 2020 following the outbreak of COVID-19. The depreciation Thai baht against US dollar also contributed to an increase in revenue. **As a result, in 1Q20 we had a total revenue of baht 17,481.1 million and recorded a net profit of baht 854.1 million while gross profit margin was 14.1% and net profit margin was 4.9%.**

Revenues by Product (THB million)



Key Financial Ratios

	1Q20	FY19	FY18 (Restated)
Gross profit margin	14.1%	8.1%	9.8%
Adjusted gross profit margin**	16.4%	7.7%	11.4%
EBITDA margin	10.7%	5.4%	7.9%
Net profit margin	4.9%	-0.2%	2.8%
Current ratio (times)	1.01	1.00	1.15
Net D/E ratio (times)	1.16	1.20	1.05
Fixed asset turnover (times)*	2.34	2.06	2.69
Inventory Turnover (days)*	80.83	84.25	79.98
Collection Period (days)*	27.03	29.51	28.10
Payment Period (days)*	6.68	7.75	7.58



ABBREVIATIONS

RSS: Ribbed smoked sheet
LTX: Concentrated Latex

TSR: Technically specified rubber, which includes STR and SIR
BD: Butadiene
ACN: Acrylonitrile



Statements of Comprehensive Income

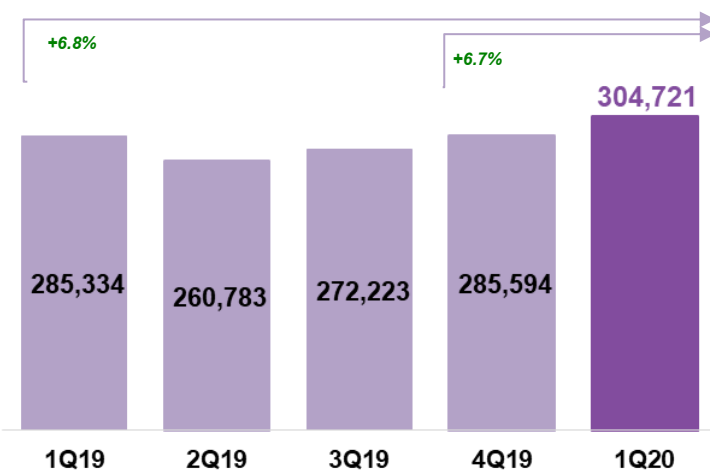
(Unit : THB million)	1Q20	1Q19 (Restated)	%YoY	4Q19 (Restated)	%QoQ
Revenue from sales of goods and services	17,481.1	14,870.7	17.6%	14,880.9	17.5%
Cost of sales and services	(15,015.4)	(13,817.9)	8.7%	(13,502.1)	11.2%
Gross profit (loss)	2,465.6	1,052.9	134.2%	1,378.7	78.8%
SG&A	(1,257.7)	(1,164.9)	8.0%	(1,204.6)	4.4%
Other income and dividend income	29.2	29.2	0.3%	95.4	-69.3%
Gains (loss) on exchange rate, net	(37.0)	131.7	N/A	162.7	-122.8%
Other gains (loss)	(92.3)	(482.7)	-80.9%	(246.9)	-62.6%
Operating profit (loss)	1,108.6	(433.8)	N/A	185.4	498.1%
Share of profit (loss) from investments in JV	99.5	37.2	167.5%	36.7	171.1%
EBITDA	1,870.6	179.8	940.4%	857.4	118.2%
EBIT	1,208.1	(396.6)	N/A	222.1	444.0%
Finance costs, net	(200.5)	(227.7)	-12.0%	(188.5)	6.3%
Income tax (expense)	(80.5)	10.5	N/A	75.9	N/A
Net Profit (loss) for the periods	927.1	(613.8)	N/A	109.5	746.7%
Attributed to owners of the parent	854.1	(627.7)	N/A	74.0	1053.9%
Attributed to non-controlling interests	73.0	9.5	668.4%	35.5	105.7%
Attributed to former interests before restructuring of the subsidiary	-	4.3	N/A	-	-

Total revenue from products and services in 1Q20 was Baht 17,481.1 million, growing 17.6% YoY and 17.5% QoQ. Revenue from NR products rose 15.4% YoY and 16.8% QoQ to Baht 13,630.0 million because of an increase in sales volume and the higher average selling price, even though NR prices on the global markets moved lower. Revenue from gloves was Baht 3,837.2 million, growing 26.1% YoY and 20.2% QoQ on the back of sales volume that rose alongside our capacity expansion and a surging demand. The average selling price also moved higher to reflect demand. The depreciation of Thai baht against US dollar also had a positive impact as over 75.0% of our revenue came from exports. Revenue from other products and services came in at Baht 13.9 million.

Sales volume for NR products in 1Q20 grew 6.8% YoY and 6.7% QoQ to 304,721 tons. The increase in sales volume was driven by higher TSR exports to China, the world's largest NR consumer, because we were able to increase our market share in the country after several of our major competitors had to cease or suspend operation. Geographically, China accounted for 53.9% of our total sales volume, followed by other countries in Asia at 24.2% of total sales volume. Thailand made up 15.5% of total sales volume. The Americas and Europe constituted 4.2% and 2.1% of total sales volume respectively. Other countries accounted for 0.1% of total sales volume.

Sales volume for gloves in 1Q20 rose 29.2% YoY and 14.5% QoQ to 6,277 pieces following our capacity expansion and because of a surge in demand for both latex and nitrile gloves since February 2020 following the outbreak of COVID-19. We were also able to broaden our customer base beyond medical and industrial uses. The proportion of sales volume between latex and nitrile gloves in 1Q20 was 69:31. Geographically, Asia accounted for 44.5% of total sales volume, followed by Europe at 19.0%. North America and Latin America accounted for 14.8% and 12.7% of total sales volume, respectively. Africa and the Middle East constituted 4.1% and 4.0% of total sales volume, respectively. The Oceania made up 0.9% of total sales volume.

NR Sales Volume (tons)



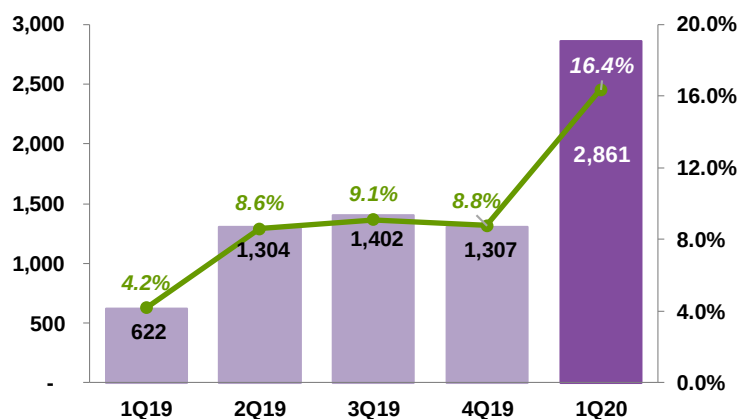
Revenue by Product (THB million)

	1Q20	1Q19	% YoY	4Q19	% QoQ
TSR	11,607.4	9,374.6	23.8%	9,474.1	22.5%
%	66.4%	63.0%		63.7%	
Gloves	3,837.2	3,043.9	26.1%	3,193.5	20.2%
%	22.0%	20.5%		21.5%	
RSS	1,302.5	1,614.9	-19.3%	1,212.6	7.4%
%	7.5%	10.9%		8.1%	
LTX	720.1	824.4	-12.7%	986.9	-27.0%
%	4.1%	5.5%		6.6%	
Other*	13.9	12.9	7.6%	13.7	1.3%
%	0.1%	0.1%		0.1%	
Total	17,481.1	14,870.7	17.6%	14,880.8	17.5%

Note*: Comprised revenue from (i) the sale of rubber wood and wood packing product and (ii) the provision of certain services (such as logistics, research and development and information technology services) to our associates and a joint venture entity as well as other third parties.

Gross profit in 1Q20 was baht 2,465.6 million, up from baht 1,052.9 million in 1Q19 and baht 1,378.7 million in 4Q19 or 134.2% YoY and 78.8% QoQ. The growth in gross profit can be attributed to 2 factors: 1) in our NR operations, we were able to more effectively manage raw material costs after several of our major competitors had to cease or suspend operation and were able to successfully execute our selective selling strategy. As a result, gross profit margin improved significantly; and 2) in our glove operations, the depreciation of Thai baht against US dollar had a positive impact on our competitiveness. Our capacity expansion and the surge in demand for gloves also contributed to improved profitability. As a result, gross profit increased to 14.1% in 1Q20, a marked improvement over 7.1% in 1Q19 and 9.3% in 4Q19. However, toward the end of 1Q20, NR prices started to progressively decline. At the end of 1Q20, the price of TSR 20 was at 103.8 cent/kg and the price of RSS 3 was at 137.3 cent/kg. As a result, we had to record an allowance of inventory to net realizable value (NRV) in accordance with the accounting principles in the amount of baht 168.6 million. Taking account of realized gains from hedging transactions of baht 226.7 million, our adjusted gross profit margin increased to 16.4% from 4.2% in 1Q19 and 8.8% in 4Q19.

Adjusted GP and GPM* (Unit : THB million)



Note: *Adjusting for (reversal) allowance of inventory cost and realised items from hedging activities

Operating profit in 1Q20 was baht 1,108.6 million and operating profit margin was 6.3%, a substantial improvement over an operating loss of baht 433.8 million in 1Q19 and an operating profit of baht 185.4 million in 4Q19 thanks to the increased profitability of our NR and gloves operations, despite baht 37.0 million in currency losses and baht 92.3 million in other losses. Administrative and selling expenses accounted for 7.2% of total revenue, down from 7.8% in 1Q19 and 8.1% in 4Q19, largely because administrative expenses decreased as a result of more effective cost control. But selling expenses increased in tandem with sales volume for both NR and gloves. We also recorded baht 942.9 million* in gains from the net realizable value of our inventory at the end of 1Q20. *Note: Inventory of TSR, RSS and LTX is stated at lower of cost or net realizable value.

Under the Thai Financial Reporting Standards, inventory gains or losses cannot be recognized until the time of actual sale. The value of inventory varies over time, until it is stated at the actual selling price at the time of sale.

Share of profits from investments in associates and joint ventures in 1Q20 was baht 99.5 million, up 167.5% YoY and 171.1% QoQ because of substantially increased profits from NR joint ventures.

Net profit in 1Q20 was baht 854.1 million, a considerable improvement over a net loss of baht 627.7 million in 1Q19 and a net profit of Baht 74 million in 4Q19. The improvement in net profit was a result of increased profitability in our NR operations thanks to effective raw material costs management coupled with the growth and improved profitability of our glove business. Financing costs in 1Q20 went down 14.6% YoY to baht 204.7 million as a result of lower interest rate on loans from financial institutions. However, financing costs went up 4.8% QoQ due to an increase in short-term borrowings for working capital for the purchase of NR raw materials.

In our NR operations, we remain committed to the selective selling strategy and focused on profitability rather than sales volume. In our glove operations, after having been expanding our production capacity since 2017, at the end of March 2020, we had 33 billion pieces in installed production capacity, making us the world's third largest glove producer by production capacity and well-equipped to fulfill the growing global demand for gloves.

Lastly, Sri Trang Group fully supports the government's economic recovery policy and is committed to maintaining our employment of over 15,000 people in our organization to allow our employees to continue to be steadily compensated and enjoy their employment benefits as usual.



Business Segmentation Analysis



Technically Specified Rubber (TSR)

Revenue from TSR accounted for 66.4% of total revenue and rose 23.8% YoY and 22.5% QoQ.

The YoY and QoQ growth in revenue was driven by sales volume that rose 16.0% YoY and 13.4% QoQ, a result of higher export volume. Export volume to China especially increased after several of our major competitors suspended or ceased operation. The average selling price also rose 6.7% YoY and 8.0% QoQ, in contrast to movements of NR prices on the global markets.

As a result, gross profit margin for TSR more than doubled from 1Q19 and substantially increased compared with 4Q19.



Gloves

Revenue from gloves accounted for 22.0% of total revenue and rose 26.1% YoY and 20.2% QoQ.

The YoY and QoQ growth in revenue was driven by sales volume that rose by 29.2% YoY and 14.5% QoQ on the back of our capacity expansion and a surging worldwide demand since February 2020. The average selling price was 2.5% lower than in 1Q19 because raw material costs at the time were higher than in 1Q20. However, compared with 4Q19, the average selling price was 5.0% higher as a result of an increase in demand. In addition, the depreciation of Thai baht against US dollar in 1Q20 contributed to improved competitiveness compared with 1Q19 and 4Q19.

As a result, gross profit margin for gloves improved considerably compared with 1Q19 and 4Q19.

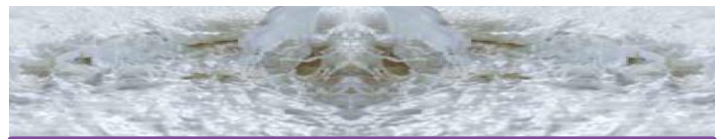


Ribbed Smoked Sheet (RSS)

Revenue from RSS accounted for 7.5% of total revenue and fell 19.3% YoY but rose 7.4% QoQ.

The YoY drop in revenue resulted from sales volume that went down 23.2% as a result of lower demand, particularly from the tire industry, where new production technology means that RSS has largely been replaced by TSR. But the average selling price rose 5.0% alongside the average selling prices of TSR and LTX. The QoQ growth in revenue was because the average selling price went up 8.7% while sales volume dropped 1.2%.

Gross profit margin for RSS nearly doubled from 1Q19 and substantially increased compared with 4Q19.



Concentrated Latex (LTX)

Revenue from LTX accounted for 4.1% of total revenue and fell 12.7% YoY and 27.0% QoQ.

The YoY and QoQ drop in revenue resulted from sales volume that went down 27.2% YoY and 33.1% QoQ because of lower sales volume to customers outside of Sri Trang Group. By contrast, internal consumption within the Group rose 27.5% YoY and 24.8% QoQ. However, sales among companies within the Group constitute connected transactions and are not stated in the consolidated financial statements. The average selling price went up 19.9% YoY and 9.1% QoQ, in line with the average selling prices of TSR and RSS.

Gross profit margin for LTX significantly increased from 1Q19 and substantially increased compared with 4Q19.



Natural Rubber Industry Outlook

Throughout 1Q20, NR prices moved in the same direction as the global economy and commodity prices, starting in January, when NR prices continued to climb from the previous month. In the second week of January, the price of TSR 20 on SICOM reached the quarterly high of 152.4 cent/kg on concerns that NR supply could be affected by the drought. However, the outbreak of COVID-19 in China in the third week of January caused commodity prices including NR prices to move down on concerns about demand. The drop by more than 50% in oil prices toward the end of March also led NR prices to go down as well, although not to the same extent. The price of TSR 20 on SICOM at the end of 1Q20 was 103.8 cent/kg, the lowest level since 2004. The average price during 1Q20 was 133.5 cent/kg, down 2.5% QoQ and 4.2% YoY.

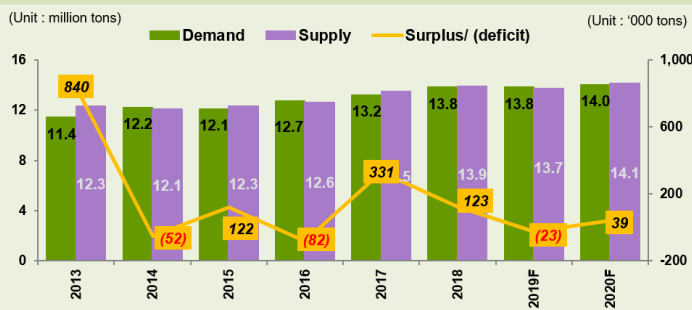
NR prices during 2Q20 will be affected by demand that has weakened alongside the global economy and by the lockdown measures in many countries. Demand for TSR and RSS especially is being affected by the fact that many tire manufacturers had to temporarily close their factories in Europe, the US and in some other countries for 2-3 weeks to comply with the lockdown measures. By contrast, demand from Chinese tire manufacturers has started to pick up as the outbreak has subsided in China. Globally, the drop in demand from tire manufacturers has been partially offset by a significant increase in demand for concentrated latex, which has been growing alongside the demand for gloves, one of the basic personal protective equipment (PPE). The IRSG estimates that NR demand from industries other than the tire industry will grow by 4.3%, driven by increased demand for latex for glove production. The Shanghai Futures Exchange (SHFE) inventory at the end of March 2020 was at 242,000 tons, slightly down from 251,000 tons at the end of December 2019.

Note:

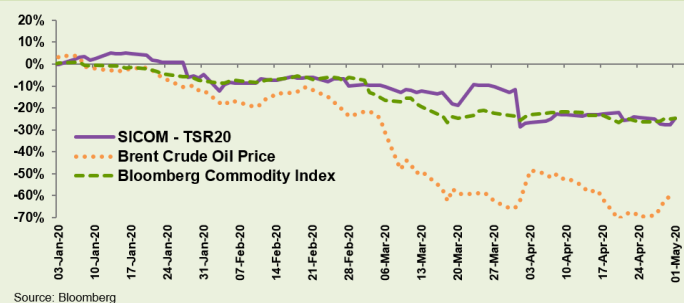
* International Rubber Study Group (IRSG), *The World Rubber Industry Outlook, Review and Prospects to 2028, December 2019*

** There has not been any report on Qingdao's natural rubber and compound rubber inventory since November 2018.

Demand and Supply of NR (Before COVID-19)



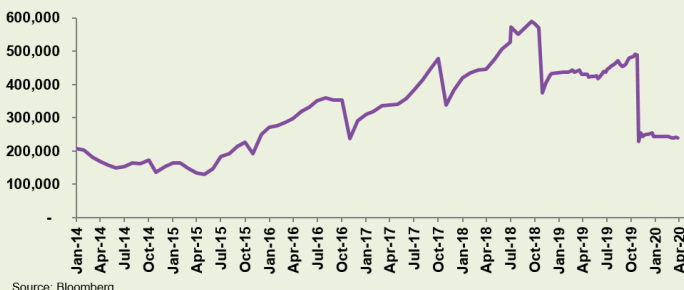
Commodity Price Movement



TSR20 Price at SICOM (2004 - present)



NR and CR Stocks at SHFE, China (tons)



Progress of Our Business Growth Plan throughout the Supply Chain

Upstream Business – approximately 7,200 hectares of rubber plantations

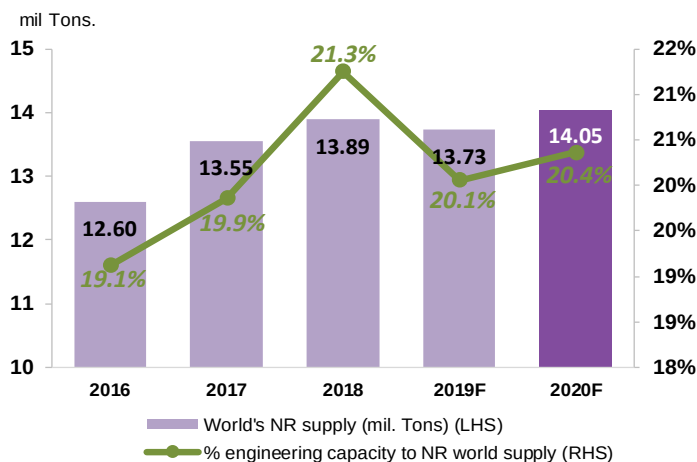
As of 31 March 2020, we had approximately 7,200 hectares of rubber plantations in 19 provinces of Thailand, with the majority located in the north and northeast. Some of the rubber trees on our plantations have been providing yields since 2015, facilitating the raw material sourcing in our core midstream operations. We estimate that in 2020, the rubber trees that can be tapped will make up around 25% of total rubber trees, up from 11% in 2019.

We have received Forest Management Certification and Chain-of-Custody Certification from the Forest Stewardship Council (FSC), making us **the world's first fully integrated NR producer to be recognized by the FSC throughout the supply chain.**

Midstream Business – maintaining profitability and moving toward “STA 20”

As of 31 March 2020, we had 2.86 million tons per annum in installed production capacity from 36 production facilities (32 Thailand, 3 in Indonesia, and 1 in Myanmar). We plan to introduce more automation to our production process in order to improve efficiency, reduce energy consumption and become more environmentally friendly. We have launched the application “**STA Friends**” to facilitate raw material procurement. In the long run, we have focused on maintaining relationships with our existing customers as well as cultivating new ones like tire manufactures from overseas who have set up production base in Thailand and consumers of concentrated latex worldwide. We intend to eventually achieve “**STA 20,**” or to capture a market share of 20% of “**global NR consumption.**” (In 2019, our market share was 8% of global NR consumption.)

Proportion of STA Capacity to NR Global Supply



Downstream Business – reaching an annual installed production capacity of 50 billion pieces by 2025 and 65 billion pieces by 2028

We are focused on capitalizing on our competitive advantage over competitors in latex glove production, which is our ready access to quality concentrated latex at favorable prices. We will continue to produce nitrile gloves to fulfill customer demand from all over the world, for both medical and lifestyle uses. In 2019, our market share was 7% of global glove consumption.

As of 31 March 2020, we had an installed production capacity of **33 billion pieces per annum.** We will continue to expand our production capacity to keep up with demand for gloves, which is growing by 10-12% per annum*. **In the long term, we aim to be a major producer of medical and non-medical gloves with an annual production capacity of 50 billion pieces by 2025, 65 billion pieces by 2028 and 100 billion by 2032.** *Source: MARGMA Industry Brief 2019 on the Rubber Glove Industry

The initial public offering (IPO) of newly issued shares of STGT is progressing as planned and is expected to be completed in 3Q20. The IPO shares will not exceed 31% of STGT's total paid-up capital.

During COVID-19, we donated over 3,500,000 pieces of medical gloves to Thailand's, China's and Vietnam's health ministries, Thailand's COVID Prevention Center and Thai Rubber Glove Association as well as public and private organizations that were in need of gloves. We still plan to donate an additional 500,000 pieces of gloves to organizations within the vicinity of our production facilities to support the country's public health policy, in accordance with our slogan to “deliver ‘**Touch of Life**’ on a global scale.”



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