Dear Customers, Business Partners, Employees, the Governance unit, and Shareholders,

The year 2023 provided both opportunities and represented threats to Golden Lime PLC and its subsidiaries, due to the general economic environment both in Thailand and key export markets providing only limited growth, that was however more than compensated by a stabilizing energy and maritime freights market, and selected segments showing high growth in offtake of our products and services, resulting a consolidated financial performance on operational level that surpassed the previous years (EBITDA normalized 251mTHB)

First, the economy : The performance of the industry segment Golden Lime operates in, limestone and burnt quicklime production, shows historically a strong correlation with general economic growth (GDP). Primary reason for this is the diversified nature of application of our products : steel, paper, sugar, construction, chemical industry, and many more segments in aggregate represent a basket of markets, that is not far from the general economy, and this is especially so in economies with strong reliance on manufacturing like Thailand. The Thailand GDP estimates for the year 2023 were initially high 3 to 4 % that was later gradually reduced to only 1.5% by the end of the year, limiting organic growth opportunities.

Second, the consequence of the energy and international maritime freight market stabilization acted as a driver of more stable cost structure, resulting in improvement and more stability in the specific profitability indicators. This positive impact compensated the volume impact from underperformance in certain market segments. However, the energy price normalization has shown its limits, in the second half of 2023 we have seen a flat market that settled at a significantly higher plateau (+ 50-80%) over the 2018-2020 previous relatively stable era, with the consequence that the energy cost pressure of the 2021-2022 period to value our products also at a higher level, did not ease, foreshadowing that the H2 2023 levels are projected to represent a new normal.

Third, the segment performance has shown high volatility. Steel, our No1 market segment, was weak all through 2023, as domestic producers in Thailand were facing import competition intensifying in both of semi and finished goods, curtailing production volumes, and idling plants, one market player shut down permanently. Sugar had another weak year with total cane processing well below (around 65%) of 2019 peak performance. Paper & Pulp offtake is flat, with no improvement nor decline vs previous periods. The Chemical market is one of the bright spots, showing steady good performance and organic growth. Construction was one of the well performing segment of the economy, that was visible also in rapid volume growth in this segment, impacting not only the market-specific burnt products of Golden Lime, but also the aggregate and marble volumes saw improvement throughout the year. Export was adequate and also saw improving market access due to declining freight rates in container shipment. All in all, the volume impact was however negative (primarily due to steel) resulting burnt product sales volumes below of previous years, compensated by higher value, resulting a virtually flat revenue in 1.5bn THB range.

The **year 2023 ended with a consolidated sales and services revenue of 1,428 million Baht,** similar to 2022 year 1,478 million Baht (both way above the 1,186 million Baht revenue of 2021) as a result of lower volumes, but higher vale per unit sold. The generated consolidated statutory EBITDA reached 226 million Baht, also flat vs 227 million Baht in 2023, while the normalized EBITDA was at all time high 251mTHB, vs previous year's 227mTHB. The statutory net profit was at 46million vs previous year 89 million Baht, **the normalized net result was 87m Baht in 2023,** vs. previous year normalized net result of 58m, thus **removing one-off impacts, in 2023 the net result generation improved significantly.**

Going forward, we expect 2024 to be a better year for the economy in Thailand with GDP +3%, a stabilizing steel segment, adequate performance in Paper & Pulp and Chemical industry, growing Sugar and Construction offtake, resulting improving sales volumes in 2024 vs 2023. Also, the new products launched in 2020 (for the steel segment) and 2022 (for the construction segment) will boost our sales volumes further. However, as from current perspective (contrary to the more optimistic view in Q1 2023) we do not yet see quicklime sales volume prospects above the 2018-2020 levels, the capacity addition project (one of the objectives of the February-2023 capital increase, with 90mTHB to be allocated to a brownfield capacity addition) remains idled for the time being until further consideration. The performance of the non-core marble and ground-calcium-carbonate businesses will continue to see improvement as the target construction markets are on the growth, consequentially we do target capacity addition to boost the output of these product lines.

Key undertakings (GRI: 2-22)

Environmental performance

Solar Farms

The Solar Farm III for additional 1.5 MW capacity has been revised to align with future electricity consumption to ensure capital expenditure optimization hence divided into 3 phases of 0.5 MW each, with the first phase starting in 2024.

Low-carbon fuels

SUTHA also advanced the biofuel project, with the objective of a pilot production line to be commissioned in the coming years, converting 15-30% of production capacity to “Green lime” for the first time in Thailand, with zero (non-calcination related) combustion CO2 emission. The biofuel initiative is making progress toward its goal, we, however, still are progressing with various trials and pursuing stable supply security for production continuity.

Safe operation for all stakeholders

H&S: Improved health and safety record in 2023; however, further improvement is still implemented for zero accidents.

Product and Services Responsibility: Relentless focus on quality consistency, further extending product portfolio with customized products for individual customers.

Organization development: investing in employee development creates long-term business sustainability, systematically strengthen the leadership and middle management teams, and training programs in association with the Carmeuse Group.

Good Governances for long term Growth

Good Corporate Governances: SUTHA integrates good governance to fosters sustainability, create sustainable values through the supervision of the Board of Directors

Technology and new innovation driven by technology to excel products and services to support infrastructure, comprehensive and sustainable industrial development.

New Products: The new product for the AAC industry was finally launched in 2023 whereby its revenue can be realized as a new prospect for SUTHA's long-term growth as well as a new success of product and market expansion after the successful dolomitic lime launch in 2020.

Downstream service projects: multiple initiatives (Milk-of-lime, electric-arc-furnace injection pursued) that, once realized, add a new service business segment to the Golden Lime product portfolio

Our long-term vision remains the same:

We will develop SUTHA into a leading South East Asian lime producer.

"We contribute to a better world"
is established and aligned with our vision.

In the year ahead in 2024, we will improve the profitability of our core operations, add further new products, focus on export markets, diversify, and secure raw materials, driving the topline, operational margins, and bottom line to new heights.

We are looking forward together with all stakeholders of SUTHA to a great 2024!

Date: 23th February 2024

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Mr. Geza Emil Perlaki
Managing Director and
Chairman of the Executive Committee

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Mr. Sripop Sarasas
Chairman of the Board of Directors