

8 October 2021

Steppe Cement Ltd

Market Update for the Third Quarter ended 30 September 2021

Third quarter 2021 revenue of KZT 12,045 million was 8% higher than revenue of KZT 11,114 million achieved in the corresponding quarter in 2020. For the 9 months ended 30 September 2021, Steppe Cement Ltd ("Steppe Cement") recorded revenue of KZT 28,812 million compared with KZT 24,804 million in the corresponding 9-month period in 2020, representing a 16% increase.

A sales volume of 535,200 tonnes was achieved during the third quarter, a 4% decrease from the third quarter of 2020 due to prioritising price vs volume in the third quarter. For the first 9 -months of 2021, the sales volume increased by 4% to 1,375,464 tonnes from 1,316,509 tonnes in the corresponding 9-month period in 2020.

The average price (ex-VAT) for delivered cement was KZT 20,947 per tonne in the first 9 months compared with KZT 18,841 per tonne last year. For the first 9 months of 2021, the ex-factory price stood at KZT17,930 per tonne, an increase of 13% over KZT15,919 in 2020.

For the first 9 months of 2020, the cement market in Kazakhstan was 9.2 million tonnes, 24% higher than in 2020. Imports stood at 7% of total consumption similar to 2020. Exports from Kazakhstan were 1.4 million tonnes. Current estimate of the cement market for 2021 is 11.3 million tonnes or 24% above 2020, with Steppe Cement's market share at 14%.

Steppe Cement's AIM nominated adviser and broker is RFC Ambrian Limited.

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