

10 January 2019

Steppe Cement Ltd

Preliminary Update for the Year ended 31 December 2018

Steppe Cement Ltd (“Steppe Cement”) recorded revenue for the year ended 31 December 2018 of 28,342 million Tenge (“KZT”), which was 32% higher than the KZT 21,443 million recorded for the corresponding year ended 31 December 2017. In 2018 cement sales volume was 1,720,629 tonnes, a 6% increase over the 1,630,230 tonnes for the previous year. The average price (ex - VAT) for delivered cement was KZT 16,480 per tonne in 2018, a 25% increase compared with KZT 13,153 per tonne in 2017. The average ex-factory price in 2018 stood at KZT 13,354 per tonne (23% above 2017) representing USD 39 per tonne based on 2018’s average exchange rate of USD/KZT 345 vs 326 in 2017.

In 2018, the cement market consumption in Kazakhstan decreased by 4% at 8.6 million tonnes.

Steppe Cement’s local market share increased to 17.5% while exports increased by 50% from 146,000 tonnes in 2017 to 220,000 tonnes in 2018. Overall, Kazakhstan imported 0.65 million tonnes of cement, the same as the previous year, and exported 2 million tonnes (vs 0.9 million in 2017).

The full results and audited accounts denominated in USD are expected to be published in April 2019.

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

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