

10 July 2019

Steppe Cement Ltd

Market update for the first half of 2019

In the first half of 2019, Steppe Cement Ltd (“Steppe Cement” or the “Company”) sold 780,315 tonnes of cement for 14,079 million Tenge, compared with 738,228 tonnes of cement for 10,539 million Tenge in the first half of 2018. This represents an increase of 6% in volume and an increase of 34% in turnover over the same period in 2018.

The average price for the current period for delivered cement was 18,042 Tenge per tonne (ex-VAT), compared with 14,276 Tenge per tonne in the corresponding period of 2018.

The ex-factory price for the current period was 15,148 Tenge per tonne, compared with 11,560 Tenge per tonne in the corresponding period of 2018.

The cement market in Kazakhstan was reduced by 3% during the first half of 2019 compared with the same period last year. Shipments of cement from local companies followed the same trend. Imports represented 8% of the local market, remaining stable, and exports from Kazakhstan were reduced by 5% to 0.87 million tonnes.

Steppe Cement’s local market share increased slightly to 17% in the first half of 2019 from 16% in the same period of 2018 and exported 11% of its sales compared with 12% in 2018.

The Company currently estimates country consumption at 8.6 million tonnes for 2019.

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

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