

14 November 2025

**Steppe Cement Ltd**

(“Steppe Cement” or the “Company”)

**Proposed Reduction & Repayment of Capital and Notice of EGM**

Steppe Cement (AIM: STCM), the AIM-traded Kazakh cement producer, is pleased to announce the Proposed Capital Repayment of approximately 1.5 pence per Ordinary Share, effected by way of Capital Reduction pursuant to Section 53(9A) of the Labuan Companies Act 1990, and its Notice of EGM.

The Proposed Capital Repayment requires Shareholder approval of the Special Resolution to be proposed at an Extraordinary General Meeting of the Company to be held at Suite 10.1, 10th Floor, West Wing, Rohas Perkasa, 8 Jalan Perak, Kuala Lumpur, Malaysia on Friday, 5 December 2025 at 4.00 p.m. MYT.

Subject to the approval of the Special Resolution at the EGM, the Capital Reduction will have the effect of reducing the Company’s share capital from USD 65,399,924 (divided into 219,000,000 Ordinary Shares) to USD 61,049,924 (divided into 219,000,000 Ordinary Shares), and that such reduction be effected by the capital repayment of USD 4,350,000 in cash, which will be paid in GBP, and is expected to equate to approximately 1.5 pence per Ordinary Share, to Entitled Shareholders at the Record Date. The number of outstanding Ordinary Shares will remain the same at 219,000,000.

A copy of the Circular containing more information in relation to the Capital Reduction and Proposed Capital Repayment, and Notice of EGM, will today be posted to Shareholders and will shortly be available on the Company’s website at <https://www.steppecement.com/investors/rnsannouncements/>

Terms used in this announcement, but which are otherwise undefined shall have the same meanings as set out in the Circular. This announcement and the summary of the Capital Reduction and Proposed Return of Capital should be read in conjunction with the Circular.

For further information, please contact:

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*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended by virtue of the Market Abuse (Amendment) (EU Exit) Regulations 2019.*

**Key extracts from the Circular are set out below:**

## **Details of the Proposed Capital Repayment by way of Capital Reduction and Notice of Extraordinary General Meeting**

### **1. INTRODUCTION**

Steppe Cement operates the Karaganda cement factory in Kazakhstan. The Company has a 100% subsidiary in Malaysia that in turns owns a 100% subsidiary in Netherlands that holds 100% of three Kazakh companies. It has a current annual production capacity of 2 million tonnes of cement. In the year ended 31 December 2024, the Company made a net profit of circa USD 1 million or approximately 0.4 pence per ordinary share with a turnover 4% higher than in 2023. On 2 January 2025, the Company made a capital repayment of approximately 1.5 pence per ordinary share of no par value each effected by way of capital reduction.

### **2. RATIONALE FOR THE PROPOSED CAPITAL REPAYMENT**

Steppe Cement and the subsidiaries in its structure in Malaysia and the Netherlands have sufficient capital to maintain their operations and pay their expenses together with making all currently foreseeable investments in plant and machinery. The Capital Reduction will allow the Company to return excess capital to its shareholders while maintaining adequate reserves for future development. A distribution via a dividend would potentially incur tax charges in numerous jurisdictions, whilst distribution via a share buy-back, the possibility of which has been explored, was found to be logistically inefficient. Accordingly, the Proposed Capital Repayment is considered by the Board to be the most effective and economical method of return of capital to shareholders and the Board believes that the proposed Capital Reduction is worth the extra time and expense. The Board would like to have the full support and participation of the shareholders of the Company as the resolution requires a 75% approval ratio.

For the avoidance of doubt, the number of shares outstanding after the Capital Reduction has taken effect will remain the same.

### **3. EFFECTS OF THE PROPOSED CAPITAL REPAYMENT**

#### **3.1. Share Capital**

If the Special Resolution is approved at the EGM, the Capital Reduction will have the effect of reducing the Company's share capital by USD 4,350,000 (approximately £3,285,000) from USD 65,399,924 to USD 61,049,924 by cancelling and extinguishing capital to the extent of 2.0 US cents per share (being the reduction in the stated capital of USD 4,350,000 divided by the 219,000,000 Ordinary Shares in issue) on each fully paid up ordinary share of no par value each in the Company and the amount by which the stated capital is so cancelled will be distributed (in GBP) to Shareholders from the Group's existing cash resources.

In accordance with Section 53(9A) of the Labuan Companies Act 1990, the reduction of share capital by way of a special resolution, may be made without confirmation by the court so long as the Directors declare by way of a Declaration of Solvency.

The Capital Reduction shall in no way affect the validity of the Shareholders' existing share certificates or CREST holdings.

The effects of the Proposed Capital Reduction on the Company's issued and paid-up share capital are as follows:

	Unaudited as of 30 June 2025*	Capital Reduction pursuant to Proposed Capital Repayment	After Proposed Capital Repayment
Share capital (USD)	65,399,924	(4,350,000)	61,049,924
Number of shares outstanding	219,000,000	-	219,000,000

*\*Being the most recent half year date prior to publication of the Circular.*

### **3.2. Funding**

The Proposed Capital Repayment will be funded via the Group's existing cash balances.

### **3.3. Earnings per Share**

The Proposed Capital Repayment will not affect the Earnings per Share of the Company as the number of shares outstanding remains unchanged after the Proposed Capital Repayment.

### **3.4. Shareholders' Interests**

The Proposed Capital Repayment will not have any effect on the percentage shareholdings of the substantial shareholders of Steppe Cement Ltd as disclosed on the Company's website or any other shareholders' interests.

## **4. TAXATION**

Shareholders who are in any doubt as to their tax position should consult an appropriate professional tax adviser.

## **5. EXPECTED TIMEFRAME FOR COMPLETION**

The Proposed Capital Repayment is expected to be completed by the end of 2025, with further announcements, including the Record Date, to be made as appropriate by the Company.

## **6. PAYMENT OF THE PROPOSED CAPITAL REPAYMENT**

Depository Interest holders will receive payment directly to their CREST payment account by way of an assured payment obligation through the CREST system. Certificated Shareholders will receive payment to their mandated bank or building society account as recorded by the Registrar, or by cheque if no such mandate is registered. Shareholders who are recorded in the books of the Registrar as "gone away" will not have their cheque issued until they contact the Registrar for security reasons.

## 7. EGM AND ACTION TO BE TAKEN

Shareholders will find the Notice of EGM and the accompanying notes at the end of the Circular. The Special Resolution requires at least 75 per cent of votes in favour for it to be carried.

## 8. BOARD'S RECOMMENDATION

**The Board unanimously recommends that Shareholders vote in favour of the Special Resolution to be proposed at the Extraordinary General Meeting.**

### Expected Timetable of Principal Events

Publication and posting of the Circular, the Notice of EGM and the relevant Form(s) of Proxy/Instruction	Friday, 14 November 2025
EGM	4.00 p.m. (MYT) on Friday, 5 December 2025
RNS Announcement on Capital Repayment On or around dates	Thursday, 11 December 2025

### Definitions

<b>"AIM"</b>	the AIM market operated by the London Stock Exchange.
<b>"Board"</b>	the board of directors of Steppe Cement.
<b>"Capital Reduction"</b>	the reduction of share capital of the Company from USD 65,399,924 divided into 219,000,000 ordinary shares of no par value each to USD 61,049,924 divided into 219,000,000 ordinary shares of no par value each.
<b>"Certificated"</b>	an ordinary share recorded on a company's share register as being held in certificated form (namely, not in CREST).
<b>"Company or Steppe Cement"</b>	Steppe Cement Ltd (Company number LL04433).

<b>“Circular”</b>	this Circular dated 13 November 2025.
<b>“CREST”</b>	the system (as defined in the CREST Regulations) for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & International Limited.
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No 01/3755)
<b>“Declaration of Solvency”</b>	a declaration of solvency by the directors of a Labuan company or foreign Labuan company, as and when required by the provisions of the Labuan Companies Act 1990, and is deemed to be a statutory declaration within the meaning and effect under the *Statutory Declarations Act 1960 [Act 60] and the Penal Code [Act 574];
<b>“Depository Interests”</b>	depository interests in respect of Ordinary Shares.
<b>“Director”</b>	the directors of the Company as at the date of this document.
<b>“EGM”</b>	the Extraordinary General Meeting to be held online at the office of Steppe Cement Ltd, Suite 10.1, 10 <sup>th</sup> Floor, West Wing, Rohas Perkasa, 8 Jalan Perak, Kuala Lumpur, Malaysia on Friday, 5 December 2025 at 4.00 p.m. MYT.
<b>“Entitled Shareholders”</b>	persons who are registered as holders of Ordinary Shares (Certificated Shareholders) on the Record Date and persons who are registered as holders of Depository Interests holders on the Record Date.
<b>“Existing Ordinary Shares”</b>	the 219,000,000 Ordinary Shares of no par value each in the capital of the Company in issue at the date of this document.
<b>“Group”</b>	Steppe Cement and its subsidiary undertakings
<b>“London Stock Exchange”</b>	London Stock Exchange plc.
<b>“Labuan Companies Act”</b>	the Labuan Companies Act 1990 of Federal Territory of Labuan, Malaysia.
<b>“Labuan FSA”</b>	the Labuan Financial Services Authority; the central regulatory, supervisory and enforcement authority of the international business and financial services industry in Labuan.
<b>“Notice of EGM”</b>	The Notice of EGM as set out on page [11] of this Circular.
<b>“Ordinary Shares”</b>	Ordinary Shares of no par value each in the capital of the Company.

<b>“Proposed Capital Repayment”</b>	the Capital Repayment of, in aggregate, USD 4,350,000 in cash which will be paid in GBP (expected to equate to approximately 1.5 pence per ordinary share of no par value each) to be made to entitled Shareholders at the Record Date, to be effected by way of Capital Reduction pursuant to Section 53(9A) of the Labuan Companies Act 1990.
<b>“Record Date”</b>	date for Entitled Shareholders to receive the Proposed Capital Repayment, and which will be announced in due course by the Board, assuming the Special Resolution is approved.
<b>“Registrar”</b>	Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE.
<b>“RNS”</b>	Regulatory News Service of London Stock Exchange.
<b>“Shareholders”</b>	the holders of any issued Ordinary Shares in the share capital of the Company (or Depositary Interests in respect of Ordinary Shares in the share capital of the Company) from time to time.
<b>“Special Resolution”</b>	the special resolution in relation to the Proposed Capital Repayment to be tabled in the EGM that requires a majority of not less than three fourths (75%) of such shareholders votes to be approved.
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland.
<b>“£”, “pence” and “GBP”</b>	the currency of the UK.
<b>“USD”</b>	the currency of the United States of America.