

11 October 2023

**Steppe Cement Ltd**  
**("Steppe Cement" or the "Company")**

**Trading Update for the Third Quarter ended 30 September 2023**

The Company is pleased to announce the following trading update for the third quarter ended 30 September 2023 (Q3 2023). All numbers referenced below are unaudited.

- Steppe Cement generated revenue of KZT 14,116 million in Q3 2023 which was 8% higher than revenue of KZT 13,071 million achieved in Q3 2022.
- For the nine months ended 30 September 2023, Steppe Cement recorded revenue of KZT 31,093 million compared with KZT 32,651 million in the corresponding nine-month period in 2022 (a 5% decrease).
- The increased revenue in the 3 months to 30 September 2023 was largely attributable to the sales volume of 593,352 tonnes, a 9% increase from the third quarter in 2022 due to improved production levels in the factory as well as an average 5% price reduction applied to products sold.
- For the first 9 months of 2023, the sales volume decreased by 1% to 1,342,386 tonnes from 1,362,407 tonnes in the corresponding period in 2022.
- The average price (ex-VAT) for delivered cement was KZT 23,163 per tonne in the first 9 months compared with KZT 23,965 per tonne in the corresponding period in 2022. For the first 9 months of 2023, the ex-factory price stood at KZT 19,810 per tonne, a decrease of 6% from KZT 21,023, the corresponding price in 2022.
- The Company expects that EBITDA for the year ended 31 December 2023 will be lower than in 2022 principally due to a lower pricing environment and the impact of inflation on energy and other input prices.
- Steppe Cement has cash and cash equivalents of USD 10 million as at 10 October 2023.

For the first nine months of 2023, the cement market in Kazakhstan was 9.1 million tonnes, 2% less than the corresponding period in 2022. In the first 9 months of 2023, imports into Kazakhstan decreased to 4.6% of total consumption down from 6% in the corresponding period in 2022, while exports from Kazakhstan were 0.85 million tonnes in the 9 months to 30 September 2023. The current estimate of the cement market for the full year in 2023 is 11.3 million tonnes or 2% below 2022, with Steppe Cement's market share expected to be at or around 15%.

Javier del Ser Perez, Chief Executive Officer of Steppe Cement, commented:

"It is pleasing to report increased revenues for the third quarter this year, with improved volumes being driven by adjusted pricing. Despite a slightly smaller domestic cement market so far in 2023, we remain confident that the Company will continue deliver strong sales figures going forwards and look forward to providing updates in due course".

For further information, please contact:

**Steppe Cement Limited**  
Javier del Ser Pérez, Chief Executive Officer

[www.steppecement.com](http://www.steppecement.com)  
Tel: +(603) 2166 0361

**Strand Hanson Limited (Nominated & Financial Adviser and Broker)**  
James Spinney / Ritchie Balmer / Robert Collins

[www.strandhanson.co.uk](http://www.strandhanson.co.uk)  
Tel: +44 20 7409 3494

*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.*

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