

MEDIA RELEASE

For Immediate Release

International Cement Group enters JV to build new US\$150M Kazakh cement plant



Artist's impression of the proposed new cement plant located in Korday District, Jambyl Region, Kazakhstan

SINGAPORE, 27 September 2021 – Mainboard-listed **International Cement Group** (“**ICG**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), a cement producer and distributor in the Central Asia region, today announced that its wholly-owned subsidiary, International Cement Korday Pte. Ltd. (“**ICKorday**”), has entered into a joint venture agreement with Mr Nurzhan Shakirov (“**Mr Shakirov**”), to construct a cement plant in the Korday District, Jambyl Region in Kazakhstan. The joint venture would be implemented through Korcem LLP (the “**JVCo**”).

Mr Shakirov is a long-standing strategic partner of the Group's two existing cement plants in Kazakhstan, namely Alacem LLP and Sharcem LLP.

Said ICG's Chairman Mr Ma Zhaoyang, *"We are very pleased to be working with Mr Shakirov once again, to build another cement plant in Kazakhstan through Korcem LLP, following the successful collaboration on the Alacem and Sharcem cement plants. With our accumulated capabilities and experiences in the cement industry in Central Asia, as well as Mr Shakirov's extensive local expertise in Kazakhstan, we are confident that this joint venture will be another success."*

Under the agreement, ICKorday will acquire 262,500 JVCo shares from Mr Shakirov for a cash consideration of KZT 262,500 (approximately SGD 1,000). ICKorday will thereafter hold an 87.5% stake in the JVCo, while Mr Shakirov will hold the remaining 12.5%.

The JVCo currently has no business activities and only owns the land use rights for 50 hectares of land, as well as the mining rights for 11 hectares of land in Korday District, Jambyl Region in Kazakhstan.

ICKorday will be responsible for the management of the day-to-day operations of the JVCo, and will lead and manage the construction of the new cement plant, which includes the design of the plant, installation of equipment, and provision of technical services for the construction.

Mr Shakirov will provide the land for the construction of the cement plant, land-use rights, as well as exploration and mining rights for the limestone quarry. He will also assist to obtain all the licenses and permits from the relevant authorities for the operations of the JVCo.

Korcem LLP – Construction of New Cement Plant

The JVCo will construct the new cement plant, specifically, a dry process cement clinker production line, with a daily production of 3,500 metric tonnes of clinker, in the Korday District of the Jambyl Region in Kazakhstan. Construction is slated to commence by end of 2021 and is expected to be completed within 18 to 24 months. Upon completion, the JVCo will be engaged in the production and distribution of cement.

Added Mr Ma Zhaoyang, “We are excited to continue expanding our footprint in the Central Asia region with the establishment of this joint venture. With the recent commencement of our Alacem operations and acquisition of the Sharcem cement plant, this joint venture will further deepen our presence in Kazakhstan, as we continue to seek opportunities to expand our capacities in this region.”

With a total investment of approximately US\$150 million, the addition of this plant will boost the Group’s current annual cement production capacity by 1.5 million tonnes, to 5.5 million tonnes in total. Located in a strategically important region in the southeastern part of Kazakhstan, with direct export routes to Kyrgyzstan, the new plant will complement the Group’s existing operations in the southeastern region. It will also strengthen the Group’s ability to meet the demand for cement in Kazakhstan and contribute towards increasing its market share within the domestic market.

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This press release is to be read in conjunction with the Company’s announcement posted on the SGX website on 27 September 2021.

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About International Cement Group (www.internationalcementgroup.com)

International Cement Group Ltd. and its subsidiaries (the “Group”) is a cement producer with operations in the Central Asia region. The Group owns and operates the largest cement plant in the Khatlon Region in Tajikistan in Central Asia, with an annual production capacity of 1.2 million metric tonnes. The Group also owns and operates a grinding station in Kolkhozabad, Tajikistan, with an annual production capacity of 0.6 million metric tonnes.

In addition to its Tajikistan operations, the Group also owns and operates a cement plant in the Almaty region of Kazakhstan. The plant, which has an annual production capacity of 1.2 million metric tonnes, commenced commercial production in April 2020.

Formerly listed as Compact Metal Industries Ltd on the Mainboard of SGX-ST, the Group also has an established business in manufacturing and marketing aluminum extrusions used for the construction industry.