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## RESPONSE TO SGX-ST QUERIES

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The Board of Directors of International Cement Group Ltd. (the “Company”, and together with its subsidiaries, collectively the “Group”) refers to the queries raised by Singapore Exchange Securities Trading Limited (“SGX-ST”) and would like to provide further information in relation to the Third Quarter Results Announcement for the period ended 30 September 2019:

### SGX’s Queries

- 1) Please elaborate on the factors that resulted in the more significant increase in sales to domestic customer and to provide breakdown of aging schedule in bands of 3 months (with upper limit specified).
- 2) In relation to the shareholders’ loan amounting to \$13.6 million:
  - a. Please provide identity of the shareholder and repayment terms of the loans.
  - b. Please disclose the use of proceeds from these loans.

### Company’s Replies

1. Domestic sales (by volume) in Tajikistan increased from 57% in FY2018 to 66% of total sales in the first nine months of 2019. There has been an increase in demand for cement in Tajikistan where the construction sector in Tajikistan has grown by approximately 6% in 2019. The Group has also gained a bigger market share in Tajikistan with its stronger brand name as the cement plant is now in its third year of operations.

Aging of the Group’s trade receivables as at 30 September 2019 is as follows:

	<b>Current, not past due \$’000</b>	<b>1 to 30 days \$’000</b>	<b>31 to 120 days \$’000</b>	<b>More than 120 days \$’000</b>	<b>Total \$’000</b>
Trade receivables, net of impairment loss allowance	14,712	1,177	1,369	137	17,395
<i>% by aging category</i>	<i>84%</i>	<i>7%</i>	<i>8%</i>	<i>1%</i>	<i>100%</i>

2. In relation to the shareholders' loans amounting to \$13.6 million:
  - a. The shareholder is Victory Gate Ventures Limited. The tenure of the shareholders' loans is one year.
  - b. These loans are used for the payment to the EPC contractor for the construction of the cement plant in Kazakhstan, mainly for the purchase and installation of property, plant and equipment.

On behalf of the Board  
**INTERNATIONAL CEMENT GROUP LTD.**

Ma Zhaoyang  
Chairman

25 November 2019