

MEDIA RELEASE
For Immediate Release

International Cement Group reports 1H2024 net profit of S\$4.0 million

- The Group recorded revenue of S\$109.6 million in 1H2024, an 11% decrease compared to S\$123.1 million in 1H2023.
- Upcoming completion of third cement plant in 2H2024 will propel the Group to become the largest dry process cement producer in Kazakhstan

S\$'000	1H2024	1H2023	Change (%)
Revenue	109,603	123,098	(11)
- Cement	104,512	119,655	(13)
- Aluminium	2,443	3,443	(29)
Gross Profit	34,037	42,822	(21)
Profit Before Tax	10,128	24,004	(58)
Profit After Tax	3,992	18,716	(79)
Net Profit Attributable to Shareholders	933	11,528	(92)
Earnings per share (cents)	0.02	0.20	(90)
Net Asset Value per share (cents)	4.39	4.26	3

SINGAPORE, 13 August 2024 – Mainboard-listed International Cement Group (“ICG” or the “Company”, and together with its subsidiaries, the “Group”), a leading cement producer and distributor in Central Asia, today announced its financial results for the half year ended 30 June 2024 (“1H2024”).

The Group recorded revenue of S\$109.6 million for 1H2024, an 11% decrease from S\$123.1 million in the preceding period, largely due to a decline in overall cement volume coupled with lower selling prices in Kazakhstan, driven by increased competition in the market. Accordingly, gross profit for the period declined by 21% to S\$34.0 million due to lower revenue and higher production related cost.

The Group's net profit attributable to shareholders was S\$0.9 million, a 92% decrease from S\$11.5 million in 1H2023. This decline was primarily due to lower revenue, higher production related costs, and foreign exchange losses of S\$5.9 million resulting from unfavourable foreign exchange losses mainly from an appreciation of the United States dollars against the Kazakhstani Tenge. These negative factors were partially offset by a S\$6.2 million accounting gain from the extension of payables repayment.

ICG's Chief Executive Officer, Mr. Zhang Zengtao, expressed optimism despite the challenges, stating, *"The outlook for our cement business remains robust as we focus on strategic growth and operational excellence. The upcoming completion of our third cement plant, Korcem, in the fourth quarter of 2024 will boost our annual production capacity to 5.5 million tonnes, establishing us the largest dry process cement producer in Kazakhstan."*

Historically, the second half of the year is stronger for our cement business, and we plan to capitalize on this with our increased capacity, strengthened distribution network, and active efforts to secure new distributors. To address increased competition, we are focusing on enhancing our capacity, fortifying our distribution network, and actively seeking new distribution partners. We are committed to driving sustainable growth and delivering long-term value to our shareholders."

As of 30 June 2024, the Group's net assets attributable to shareholders stood at S\$251.7 million, or equivalent to a NAV of 4.39 Singapore cents, compared to 4.26 cents as of 31 December 2023. The Group held cash and cash equivalents of S\$6.6 million as of 30 June 2024.

Outlook

Looking ahead, ICG anticipates robust demand for cement driven by urbanisation and infrastructure development projects in Tajikistan and Kazakhstan, supported by Chinese investments and government initiatives. Tajikistan's GDP is projected to grow by 6.5%¹ in the coming years, while Kazakhstan's GDP is expected to increase by up to 4.7% in 2025.²

The Group is focused on maintaining market share in Tajikistan through strategic collaborations and exploring export opportunities, while in Kazakhstan, efforts are being made to enhance distribution networks and expand customer bases.

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¹ Source: Information from Asian Development Bank report dated 11 April 2024
<https://www.adb.org/news/tajikistan-economy-grow-6-5-2024-and-2025-green-economy-key-sustainable-development-ADB>

² Source: Information from World Bank report published 13 February 2024
<https://www.worldbank.org/en/country/kazakhstan/publication/economic-update-winter-2023-24>

This press release is to be read in conjunction with the Company's announcement posted on the SGX website on 13 August 2024.

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About International Cement Group (www.internationalcementgroup.com)

International Cement Group Ltd. and its subsidiaries (the “Group”) is primarily involved in the production, sale and/or distribution of cement, gypsum plasterboards, and related products in the Central Asia region.

The Group owns and operates the largest cement plant in the Khatlon region of Tajikistan, with an annual production capacity of 1.2 million metric tonnes. Additionally, the Group owns and operates a grinding station in Kolkhozabad with an annual production capacity of 0.6 million metric tonnes, and a gypsum plasterboard plant in the Yovon district with an annual production capacity of 30 million square meters, which commenced commercial production in December 2023.

Beyond its operations in Tajikistan, the Group owns and operates two cement plants in Kazakhstan, located in the Almaty and East Kazakhstan regions, with annual production capacities of 1.2 million and 1.0 million metric tonnes, respectively. The Group is currently building its fourth cement plant in the Korday district, Jambyl region of Kazakhstan, which will have an annual production capacity of 1.5 million metric tonnes and is expected to be completed by end 2024.

The Group also has an established presence in the manufacturing and marketing of aluminum extrusions for the construction industry in Singapore.