



MEDIA RELEASE

For Immediate Release

**International Cement Group delivers
FY2020 net profit of S\$9.0 million, which
includes S\$10.7 million in forex losses**

- *Excluding foreign exchange losses, the Group would have registered a net profit attributable to shareholders of S\$19.7 million in FY2020, compared to S\$15.7 million a year ago*
- *Group revenue rose 8% to S\$141.6 million in FY2020 driven by strong demand for cement in Tajikistan, as well as the commencement of sales in 2H20 at its new cement plant in Kazakhstan*

SGD\$'000	2H2020	2H2019	Change (%)	FY2020	FY2019	Change (%)
Revenue	78,534	73,225	7	141,626	131,229	8
- Cement	73,764	63,506	16	132,923	113,935	17
- Aluminium	4,770	9,719	(51)	8,703	17,294	(50)
Profit Before Tax	12,633	20,591	(39)	26,229	33,405	(21)
Profit After Tax	7,698	17,811	(57)	18,894	28,381	(33)
Net Profit Attributable to Shareholders	3,009	10,843	(72)	9,010	15,730	(43)

SINGAPORE, 25 February 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 posted net profit attributable to shareholders of S\$9.0 million for the full year ended 31 December 2020 (“**FY2020**”).

This was 43% lower year-on-year as the Group’s performance was affected by significant foreign exchange losses of S\$10.7 million caused by the depreciation of Kazakhstani tenge (“**KZT**”) against the United States dollar (“**USD**”) and Chinese yuan (“**CNY**”), as well as the depreciation of Tajikistan somoni (“**TJS**”) against the USD.

Kazakhstan’s economy, being highly dependent on the export of oil, was greatly affected by the steep and prolonged decline in oil prices in FY2020 due to the COVID-19 pandemic. This resulted in the KZT’s significant depreciation against the USD and CNY since March 2020, which it has yet to fully recover from. The Group’s Kazakhstan operations is particularly vulnerable to such foreign exchange movements due to payables to inter-companies as well as transactions for its engineering, procurement and construction activities. Additionally, due to a reduction in remittances caused by the COVID-19 pandemic, the National Bank of Tajikistan made a correction to harmonise official and black-market exchange rates in November 2020, causing a 10% depreciation of the TJS against the USD. This development also led to significant foreign exchange losses for the Group, as the Group has significant foreign currency exposure in Tajikistan due to its inter-company balances.

Excluding the foreign exchange losses, the Group would have registered a net profit attributable to shareholders of S\$19.7 million in FY2020, compared to S\$15.7 million a year ago.

Despite the adverse effect of the COVID-19 pandemic, the Group’s revenue rose by 8% to S\$141.6 million in FY2020. This was due to higher revenue contribution from the cement segment, boosted by the strong demand for cement in Tajikistan, as well as the commencement of sales in 2H2020 at its new cement plant in Kazakhstan. However, the overall increase was partially offset by a decline in revenue from the Group’s aluminium segment mainly due to the suspension of construction activities as a result of the COVID-19 pandemic and its related countermeasures, as well as the cessation of the aluminium extrusion business in Malaysia since the end of 2019.

In its latest full-year results, the Group posted earnings per share of 0.16 Singapore cents, down from 0.28 Singapore cents in the previous year. For the half year ended 31 December 2020, the Group's net profit attributable to shareholders dropped by 72% to S\$3.0 million, despite an increase of 7% in revenue to S\$78.5 million.

Financial Position

As at 31 December 2020, the Group's net assets attributable to owners of the Company was S\$192.1 million, which translates into a net asset value per share of 3.35 Singapore cents, compared with 3.58 Singapore cents a year ago. Cash and cash equivalents stood at S\$10.1 million as at year's end.

Said the Group's Chairman Mr Ma Zhaoyang, *"Despite disruptions to our operations as a result of the COVID-19 pandemic, overall, the Group delivered a steady performance. Moreover, the Group also reached a new milestone with the commencement of production and sales at our new cement plant in Kazakhstan during the year. We are encouraged by our FY2020 results, especially in the face of challenging global conditions, and will continue to work towards achieving sustainable growth in the years ahead."*

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This press release is to be read in conjunction with the Company's announcement posted on the SGX website on 25 February 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. In addition, the Group 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.