



## Communiqué

The Board of Directors wishes to inform the Company's shareholders and the public in general that:

- On 27 February 2023, the Ministry of Commerce and Protection of Consumers (the "Ministry") announced in a Communiqué that it has put in place a system to control the price of cement. The Consumer Protection (Control of Price of Taxable and Non Taxable Goods) Regulations 1998 has been amended so as to enable the Ministry to determine the maximum price of cement in bags, based on the current price of the types of cement that are most commonly sold in Mauritius. The fixed prices are set out in its Communiqué.
- The Company was neither consulted prior to nor officially informed that maximum prices were being imposed before the Ministry's Communiqué was issued to the general public. It has been taken by surprise and is concerned by this decision.
- In common with all Mauritians, Kolos Cement Ltd is impacted by the adverse economic conditions prevailing worldwide, resulting from high inflation, high costs of imported raw materials and diesel gasoline, and high packaging and finance costs.
- The new maximum prices have created a situation of inequality, unfairness and discrimination between the two cement suppliers on the Mauritian market, in as much as different maximum prices have been set for each company. This will distort the competitive dynamics of the market.
- Immediately upon becoming aware of the Ministry's Communiqué, the Company has reached out to the Ministry and other stakeholders to fully apprise them of the competitive, commercial, financial and other implications resulting not only from maximum prices having been imposed but also from unfair and discriminatory discrepancies in the set of prices.

The Board of Directors will ensure that the Company takes appropriate actions as it may be advised in fulfilling its duties and responsibilities towards all its stakeholders, namely its shareholders, employees, business partners and the general public.

Further Communiqués shall be issued as and when necessary.

By order of the Board

Gamma Corporate Services Ltd  
Company Secretary

Date: 6 March 2023

*This Communiqué is issued pursuant to DEM Rule 21.1 and the Securities Act 2005. The Board of Directors of Kolos Cement Ltd accepts full responsibility for the accuracy of the information contained in this Communiqué.*

BRN: C06017125