

## PRESS METAL ANNOUNCES RM739 MILLION UPSTREAM ACQUISITION TO ENHANCE COMPETITIVE POSITION

Kuala Lumpur, 17 October 2018 - Press Metal Aluminium Holdings Berhad (PMETAL-8869), the largest aluminium smelter in South East Asia has proposed to acquire 50% equity interest in Japan Alumina Associates (Australia) Pty. Ltd. ("**JAA**") via its 80% owned subsidiary, Press Metal Bintulu Sdn. Bhd., for a purchase consideration of Australian Dollars (AUD) 250 million (or approximately RM739 million).

JAA holds 10% participation interest in the Worsley Alumina Unincorporated Joint Venture which owns and operates the Worsley Alumina Project, one of the world's **largest, longest life and lowest cost** alumina producers. This proposed acquisition will provide Press Metal the opportunity to access 5% of the annual production of the Worsley Alumina Project which amounts to 230,000 metric tonnes of alumina per annum. The acquisition is an effective approach towards ensuring Press Metal's long-term access to raw material and reduces its exposure and reliance on third party suppliers. The proposed acquisition is expected to be completed by the first quarter of 2019.

**Chief Executive Officer Tan Sri Paul Koon** expressed, "This acquisition forms part of our strategies to strengthen our operations vertically and to partially secure long-term supply of alumina for our smelting operations with expectations of cost savings. The Worsley Alumina Project, one of the lowest cost alumina producers in the world, represents a good entry into upstream alumina refinery for Press Metal. Through this proposed acquisition, Press Metal also stands to gain some industrial knowledge in the alumina refinery business.

We are moving in to mitigate alumina price volatilities by securing the supply of certain volume of alumina obtained through JAA, instead of third parties. With this and our joint venture with Sunstone Development Co., Ltd in China for the manufacturing of pre-baked carbon anodes (which is expected to be operational by year end), Press Metal has moved to gain direct access to the most essential raw material and consumable for aluminium production, being alumina and carbon anodes."

Please refer to our full announcement on even date for further details of the proposed acquisition.

### About Press Metal Aluminium Holdings Berhad

Press Metal Aluminium Holdings Berhad is a Malaysian-based aluminium company with an extensive global presence. From a modest beginning as a privately-owned local aluminium extrusion company in 1986, it has grown into a globally integrated aluminium corporation. With a smelting capacity of 760,000 tonnes and an extrusion capacity of 210,000 tonnes per annum, Press Metal Aluminium Holdings Berhad is the largest integrated aluminium producer in South East Asia.

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For more information, please contact:

For Media Enquiries Press Metal Aluminium Holdings Berhad	For Media Enquiries iBES Advisory Sdn Bhd (Investor Relations)
Ms. HC Foo, Corporate Affairs Manager Tel: +603 3362 2188 E-mail address: ir@pressmetal.com	Hon Boon Hui, Managing Partner Ng Sem Guan, Managing Partner Sandy Yap, CEO Tel: +603 2712 1862 Email address: ir@ibes-advisory.com