

PRESS METAL SETS SIGHT ON EXPANSION GROWTH

24 February 2020, Kuala Lumpur - Press Metal Aluminium Holdings Berhad (PMETAL-8869), the largest Aluminium smelter in South East Asia announced its financial results for twelve months ended 31 December 2019 (FY2019). Press Metal is on track to increase capacity in aluminium production and plans for further market expansions in 2020.

On a quarter-on-quarter basis, revenue increased by 0.6% to RM2.13 billion in 4Q2019 while profit after tax and minority interest (PATMI) outpaced revenue growth, increasing by 8.2% to RM131.53 million. The improved profitability was attributable to lower alumina and carbon anode prices which started normalising since the third quarter onwards.

On a full year basis, revenue of RM8.56 billion for FY2019 was a slight decline of 6.7% compared to RM9.17 billion in FY2018. PATMI contracted by 23.9% to RM471.03 million compared to RM618.93 million in the preceding year due to higher raw material prices registered in the first half of the year.

Commenting on this result, Group Chief Executive Officer Tan Sri Paul Koon stated: "Facing turbulent market conditions in 2019 arising from macroeconomic uncertainties and trade wars, we acted to further strengthen the group's core business with various significant investments. Our Phase 3 smelter is currently on-schedule to meet targeted commissioning in 4Q2020. This will increase our total capacity by up to 42% from 760,000 up to 1,080,000 tonnes per annum. The progress of our investment in an alumina refinery in Bintan is moving as planned and we expect Phase 1 commissioning by end of 2020.

The coronavirus outbreak that has been ongoing since January 2020 is causing a temporary disruption to global economic activities and dampening aluminium prices. There should be a recovery in prices if the situation improves.

Press Metal has plans to further expand its presence in Southeast Asia as this region is poised to enjoy growth with strong inflows of foreign investment. Strengthening our foothold here is advantageous due to our close proximity and experience in this region. With additional capacity coming on-stream and contributions from strategic investments, we expect improvements in our performance for this coming year", he added.

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 current 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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