

Financial Results for the Six Months Ended 31 December 2019 ("HY20")

- Revenue of \$56.4m, up 12.7% on same period last year
- Remain on track to meet FY20 operating EBITDA guidance of \$12.0-13.0m, an increase of 30-40% on FY19

Bisalloy Steel Group Limited (ASX:BIS) (**Bisalloy**) today reported operating EBITDA of \$4.7m for HY20 (HY19: \$4.8m).

The first half of FY20 has seen strong performance in the domestic Australian market with Bisalloy increasing market share as well as increasing the margin per tonne of product sold. Bisalloy expects the second half to be even better as the positive result from the increased anti-dumping measures which came into effect on 6 November 2019 flow through¹.

In FY19, Bisalloy successfully completed the supply for the first trial and the first qualification heat for the future submarine program. Bisalloy expects to supply two further qualification heats in the second half of FY20. Supply relating to this qualification process is commercially rewarding.

International trading has been affected by weaker demand in China and Indonesia. Demand in Thailand remains stable.

In February 2019, our Chinese co-operative joint venture (CJV) partner, Shandong Steel, began the commissioning of its state of the art steel making plant at Rizhao, Shandong province. The overall result from this plant will be positive in the long term, but has been compressed in the short term.

Bisalloy continues to invest in the defence market. While sales of armour grade steels were down in HY20, strong returns are projected over the next five years.

Bisalloy remain on track to meet FY20 operating EBITDA guidance with the weaker overseas result being offset by a strong performance in Australia. The coronavirus (COVID-19) did not impact operations in HY20. Our current view is that the virus is not expected to have a material impact on our second half result. Our trading in the first two months of the second half supports this view.

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Bisalloy is Australia's only manufacturer of high-strength structural, wear-resistant and armour steel plates using quenched and tempered steel. Bisplate is used in the mining, construction, general fabrication and defence sectors. Bisalloy has an extensive distribution network across Australasia, Indonesia, Thailand and the People's Republic of China, Dubai and South Africa. See our website at www.bisalloy.com.au.

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¹ Anti-Dumping Notice No. 2019/113

HY20 Financial Headlines

Revenue	\$56.4M
EBITDA	\$4.7M
Profit after tax	\$2.2M
Earnings per share (cents)	4.6c