

Afarak Group PLC

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Afarak publishes annual report, amidst temporary mine closures and weak pricing environment

Afarak Group PLC (LON:AFRK) said it has temporarily shut all its mines in response to a lock-down order from the South African government which went out last week.

Some sites, however, like Stellite and Zeerust, continue to treat tailings and to undertake toll treatment for third parties, it added.

The move follows a difficult 2019 for the company, in which chrome prices were low.

"2019 was a bad year for the complete ferrochrome industry, particularly so, in South Africa," Afrarak chief executive Guy Konsbruck said in a statement accompanying its financial results for last year.

"Whereas our specialty segment performed very well, and our implemented resilience strategies worked out to counterbalance falling market prices, our ferrochrome segment has been struggling," he added.

Konsbruck cited falling prices, unfavourable rand-dollar exchange rates, very expensive energy and continuous disruptions of energy supply as causes for the heavily losses the group incurred in 2019.

"Afarak, as the smallest of the remaining producers resisted better than others, but heavy losses have been incurred, in spite of huge cost-cutting efforts, including lay-offs and capacity reductions," he added.

Price: 20

Market Cap: £47.7 m

1 Year Share Price Graph



Share Information

Code: AFRK

Listing: LSE

52 week High Low
35 30

Sector: General mining & base metals

Website: afarak.com

Company Synopsis:

Afarak is a growing global organization that supplies world leading companies with speciality alloys. Operating from mines and plants across South Africa, Turkey and Germany; Afarak is a vertically-integrated producer of specialist and critical alloys. The production units are supported by administrative offices in London, Helsinki and Malta.

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