



MEDIA RELEASE

MSC reports net profit of RM18.2 million for 1QFY24

Kuala Lumpur and Singapore, 24 May 2024 – Tin miner and metal producer, Malaysia Smelting Corporation Berhad (“MSC” or “the Group”) has today announced the financial results for its first quarter ended 31 March 2024 (“1QFY24”).

During the quarter under review, MSC’s net profit attributable to owners of the company (“net profit”) surged by 93.6% quarter-on-quarter (“QoQ”) to RM18.2 million, from RM9.4 million in the previous corresponding quarter (“4QFY23”). The upward trend was primarily driven on the back of a rise in average tin prices in 1QFY24 (1QFY24: RM124,900/tonne vs 4QFY23: RM116,000/tonne).

The Group’s tin smelting arm recorded a net profit of RM9.9 million in 1QFY24, from a net loss of RM2.2 million in 4QFY23. The earnings turnaround was attributed to favourable tin price movements and foreign exchange gain during the quarter.

Similarly, net profit for MSC’s tin mining operations also grew by 19.3% QoQ to RM14.2 million in 1QFY24 (4QFY23: RM11.9 million), benefiting from the stronger tin prices.

Meanwhile, MSC’s revenue stood at RM362.5 million in 1QFY24 (4QFY23: RM404.6 million). Despite higher tin prices, the Group’s performance was impacted by the shortage of tin ore, which resulted in lower refined tin sales and smelting revenue in 1QFY24. However, we believe that the situation in tin ore producing countries like Myanmar and Indonesia which has affected the toll smelting business of MSC will improve.

Commenting on the Group's performance, **Dato' Dr. Patrick Yong, Group Chief Executive Officer of MSC** said, "Our 1QFY24 performance demonstrated resilience as we navigated a challenging global landscape characterised by ongoing inflation, tightening monetary policies and supply chain disruptions. Against this backdrop, we remain committed to securing a reliable supply chain, and executing our long-term growth plans."

"For the tin smelting business, the relocation of our entire smelting operations from the Group's smelter in Butterworth to the newer Pulau Indah smelter is almost completed. The Butterworth smelter will be decommissioned by 2025. On our tin mining side, we are working to enhance daily output and overall productivity by expanding mining activities and exploring new tin resources."

"Looking ahead, our commitment to sustainable growth ensures a brighter future for MSC, allowing us to not only weather current challenges but become stronger in the global market. We are confident in our ability to unlock new opportunities and solidify our position as one of the industry's leaders within the tin industry."

As at 31 March 2024, total borrowings decreased 17.4% to RM297.3 million, from RM359.8 million as at 31 December 2023, due to repayment of borrowings. This resulted in an improved gearing ratio of 0.35x as at 31 March 2024.

On a year-on-year ("YoY") basis, MSC's revenue grew by 6.6% to RM362.5 million from RM340.1 million on the back of favourable tin price movements. Tin prices averaged 7.6% higher at RM124,900/tonne in 1QFY24 (1QFY23: RM116,100/tonne).

Meanwhile, the Group's smelting division posted a net profit of RM9.9 million in 1QFY24, as compared to RM24.6 million in the same corresponding quarter a year ago ("1QFY23"). The slower performance is mainly due to the absence of sale of refined tin derived from processed tin intermediates and sale of by-

products, as well as lower smelting revenue. As for the tin mining segment, 1QFY24 net profit amounted to RM14.2 million (1QFY23: RM17.5 million) attributable to lower tin production quantity.

ABOUT MALAYSIA SMELTING CORPORATION BERHAD

The MSC Group is currently one of the world's leading integrated producers of tin metal and tin-based products and a global leader in custom tin smelting since 1887. MSC which is a subsidiary of The Straits Trading Company Limited of Singapore is listed both on the Main Market of Bursa Malaysia and the Main Board of Singapore Exchange.

-end-

Released on behalf of Malaysia Smelting Corporation Berhad by Capital Front Investor Relations.

For media enquiries, kindly contact:

Name: Keow Mei-Lynn
Email: meilynn@capitalfront.biz
Tel: 012-250 5575