



MEDIA RELEASE

MSC delivers strong 1QFY22 results driven by high tin prices

- *Net profit climbed almost 3x YoY to RM64.3 million in 1QFY22*

Kuala Lumpur and Singapore, 18 May 2022 – Tin miner and metal producer, Malaysia Smelting Corporation Berhad (“MSC” or “the Group”) today reported yet another strong set of financial results for its first quarter ended 31 March 2022 (“1QFY22”).

During the period under review, MSC’s net profit climbed almost 3-fold to RM64.3 million from RM22.1 million in the previous year’s corresponding quarter (“1QFY21”). The improved performance was primarily on the back of positive movement in average tin prices, which increased by 80% to RM180,006 from RM100,115 per metric tonne (“MT”) in 1QFY21. Group revenue grew 30.3% year-on-year (“YoY”) to RM359.5 million from RM275.9 million a year ago.

The Group’s tin smelting segment posted a net profit of RM27.7 million in 1QFY22, representing an almost 3-fold increase against RM10.4 million in 1QFY21. The growth was driven by improved margins from the sale of refined tin derived from the processed tin intermediates, as well as higher average tin prices in 1QFY22.

The tin mining operations also benefitted from the high tin prices as net profit grew more than 2-fold to RM43.7 million from RM19.6 million in 1QFY21.

Commenting on the Group’s performance, **Dato’ Dr. Patrick Yong, Group Chief Executive Officer of MSC** said, “We are pleased that we are off to a good start for FY2022, building upon our operational progress from the previous year. Tin prices also continued to trend upwards in 1QFY22 as a

consequence of the Russia-Ukraine invasion. However, we are now seeing commodity prices, including tin, softening as fears over supply disruptions eased on the back of rising inventories. We expect tin prices to stabilise in the short to medium term, albeit at higher prices against pre-pandemic levels.”

“In the long run, we remain optimistic on the future prospects of tin. Demand is expected to outpace supply in line with increasing consumption of consumer electronics and rising tin application for various usages including solar photovoltaic installations and electric vehicles, among others.”

“At our Pulau Indah smelting facility, we are running at 75% capacity and expect to achieve full capacity in 2022. We look forward to higher extractive yields and operational efficiencies, along with lower operational and manpower costs upon full commissioning of the Pulau Indah plant. It is our plan to de-commission the Butterworth plant in the next few years.”

“By concurrently operating both smelters at Butterworth and Pulau Indah, we were in a better position to fulfill our tolling obligations which were suspended during the pandemic. We have also commenced processing our inventory of tin intermediates.”

“As for our tin mining division, we are continuously exploring new methods to raise our overall mining productivity at the Rahman Hydraulic Tin (“RHT”) mine in Klian Intan. At the same time, we continue to strengthen our sustainability efforts as we plan to upgrade the mini hydro plant at the mine to 5.0 MW from the current 0.75 MW. This will contribute towards achieving net zero carbon emissions for our RHT mine.”

“As we move forward, we endeavour to remain competitive and be well-equipped to face a rapidly changing operating environment. With our strategic plans underway, we remain confident of delivering value and growth to our shareholders.”

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.

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

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