

MSC

Malaysia Smelting Corporation Berhad

[197801006055 (43072-A)]



ANNUAL REPORT 2025

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VISION



To be a successful world-class organisation in its integrated core businesses of mining, smelting, manufacturing and global marketing for tin and tin-based products delivering sustainable shareholder value through quality operations.

MISSION



Whether in the upstream or downstream sectors of the world tin industry, the name MSC will be synonymous with creativity, value, service and quality.

MSC Group will be a creative organisation, caring about its employees and its customers.

- We will provide the highest levels of service to all the Group's suppliers and customers by participating and contributing solutions and values in all stages of the world tin supply chain - mining, smelting, refining, recycling, products transformation, engineering and marketing;
- We will respond quickly and sensitively to the changing needs of the Group's suppliers and customers; and
- We aim to nurture an atmosphere of continuous self-development by emphasising on training and development while adhering to the highest standard of integrity.

MSC Group's growth strategy is to leverage on its core competencies to focus on organic growth as well as on strategic acquisitions that will broaden the Group's core businesses and strengthen its global leadership position in both upstream and downstream sectors of the world tin industry.

CORE VALUES



- Intellectual, honesty and integrity
- Adding value through innovation and continuous improvement
- Global perspective and competitive spirit
- Respect for the environment and the health and safety of its employees
- Creating sustainable shareholder value through quality operations

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Section 1

Overview

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EMBRACING A VIBRANT WORK CULTURE

We believe that our people shape our success, which is why we make every effort to ensure that they are equipped with the right resources and a conducive workplace to enable them to develop holistically.

The Group's niche expertise in tin is continually being strengthened in all areas over the entire global tin supply chain covering geology, mining, mineral processing, smelting, marketing, resource management and financing. Malaysia Smelting Corporation Berhad will pursue its growth strategy on its core business in tin through strategic acquisitions and organic growth where its core expertise, skills and capabilities can add value and make a difference particularly in increasing operating efficiencies, innovating products and services as well as forging global commercial and marketing networks to ensure its continued leadership position in the industry.

Investment opportunities will continue to be evaluated and the Group may in future decide to invest in selective projects that meet its investment criteria. Main emphasis will be on opportunities in regions where the country risks could be effectively managed and that the mines could be developed and operated with relatively lower cost structure.

Conducting
**CAREER DEVELOPMENT
PROGRAMMES**



Recognising
**EMPLOYEE
CONTRIBUTIONS**



Providing
REWARDS & INCENTIVES



Cultivating
**A SAFE WORK
ENVIRONMENT**



Corporate Profile

With roots dating back to 1887 as the smelting operations arm of The Straits Trading Company Limited (STC), Malaysia Smelting Corporation Berhad (“MSC”) of today continues to enjoy an unsurpassed global reputation as the world’s leading custom smelter and is renowned as one of the world’s largest integrated producers of tin.

With the Group’s core expertise and solid foundation of over a century of smelting excellence to its credit, the Group’s new smelting facility which uses Top Submerged Lance (“TSL”) technology will thrust the smelter to the apex of smelting excellence. This combined with a smaller carbon footprint is expected to consolidate MSC’s pole position in years to come. The Group is currently one of the world’s leading integrated producers of tin metal and tin-based products. In 2025, the Group produced 14,224 tonnes of tin metal making MSC one of the largest suppliers of tin metal in the world.

MSC has played a key and prominent role in providing the world with a continuous supply of high grade tin metal. MSC has been able to combine effectively its vast experience in state-of-the-art technological innovations to improve its smelting and refining processes. It is able to effectively convert primary, secondary and complex tin-bearing ores into high purity tin metal thanks to its efficient TSL furnace and its comprehensive refining plant and equipment comprising Crystallisers, Electrolysis Plant and Vacuum Distillation Unit which forms the backbone of MSC’s refining operation.

With a strong foundation in quality, global recognition, and sustainable practices, “Malaysia Smelting Corporation Straits Refined Tin” continues to be a benchmark in the tin industry. Backed by the expertise of MSC and produced at its advanced Pulau Indah smelting facility, this brand is registered with the London Metal Exchange (LME) and widely recognised across international markets. This brand boasts a purity ranging from Standard Grade A (99.85% Sn) to the premium-grade electrolytic tin (99.99% Sn).



◆ **THE WORLD’S
LEADING CUSTOM
SMELTER**

◆◆ **THE WORLD’S
LARGEST INTEGRATED
PRODUCERS OF TIN
METAL AND TIN-
BASED PRODUCTS**



In November 2004, MSC expanded upstream in mining through the acquisition of Rahman Hydraulic Tin Sdn. Bhd. (“RHT”), Malaysia’s long established and largest operating open-pit tin mine. Since the takeover, extensive work has been carried out covering mining, pit operation and improvement to the milling/concentrator circuits. This has transformed RHT to become a sustainable and a significant tin producer, incorporating international best mining and energy efficiency practices.

With the completion of the acquisition of Asas Baiduri Sdn. Bhd. (“Asas Baiduri”) on 4 July 2022, MSC’s immediate focus will be to further extend RHT’s existing mining pit eastward which will enable the Company to increase its daily mining output. Meanwhile, MSC will embark on the exploration and mining of tin resources within Asas Baiduri’s land in the next few years. The addition of Asas Baiduri’s 568-acre land will provide MSC with a long-term supply of tin and further extend MSC’s mining operations.

In the areas of research and development, MSC, as a cofounder and board member of International Tin Association (“ITA”), continues to support ITA’s initiatives among other things to rigorously pursue research and development to thrust tin as an environmentally friendly metal. Tin has already proven its mettle in a wide range of applications including chemical, medical, energy and others.

In order to realise its vision to reduce carbon footprint, MSC is continuously expanding its solar panel capacity at its Pulau Indah smelter to harness power from renewable sources.

MSC’s niche expertise in tin is continuously being strengthened in all areas over the entire global tin supply chain covering geology, mining, mineral processing, smelting and marketing.

MSC will pursue its growth strategy on its core business in tin through strategic acquisitions and organic growth where its core expertise can add value particularly in increasing operating efficiencies, innovating products and services to ensure its continued leadership position in the industry.

Corporate Information

BOARD OF DIRECTORS

1 MS. CHEW GEK KHIM PJG
*Chairman, Non-Independent
Non-Executive Chairman*

2 MR. YAP SENG CHONG
Independent Non-Executive Director

3 DATUK KAMARUDDIN BIN TAIB
Independent Non-Executive Director

4 DATO' ROSLINA BINTI ZAINAL
Independent Non-Executive Director

5 DATUK LIM HONG TAT
Independent Non-Executive Director

**6 DATO' DR. (IR.) PATRICK
YONG MIAN THONG**
Executive Director

**7 DATO' SERI PADUKA (TPR.) DR.
MAIMUNAH BINTI MOHD SHARIF**
Independent Non-Executive Director

AUDIT & RISK MANAGEMENT COMMITTEE

Mr. Yap Seng Chong (*Chairman*)
Datuk Kamaruddin Bin Taib
Datuk Lim Hong Tat

NOMINATING & REMUNERATION COMMITTEE

Datuk Lim Hong Tat (*Chairman*)
Dato' Roslina Binti Zainal
Mr. Yap Seng Chong

EXECUTIVE COMMITTEE

Ms. Chew Gek Khim PJG (*Chairman*)
Datuk Lim Hong Tat
Dato' Dr. (Ir.) Patrick Yong Mian Thong

ENVIRONMENTAL, SOCIAL & GOVERNANCE COMMITTEE

Dato' Roslina Binti Zainal (*Chairman*)
Datuk Lim Hong Tat
Dato' Seri Paduka (TPR.) Dr. Maimunah Binti
Mohd Sharif

KEY MANAGEMENT

Mr. Nicolas Chen Seong Lee
(*Co-Group Chief Executive Officer*)
Mr. Lam Hoi Khong
(*Co-Group Chief Executive Officer*)
En. Madzlan Bin Zam
(*Executive Director & Senior General Manager,
Rahman Hydraulic Tin Sdn. Bhd.*)

COMPANY SECRETARY

Ms. Wong Youn Kim
SSM PC No. 201908000410
(MAICSA 7018778)

REGISTERED & CORPORATE OFFICE SMELTER

Lot 6, 8 & 9, Jalan Perigi Nanas 6/1
Pulau Indah Industrial Park
West Port, Port Klang
42920 Pulau Indah
Selangor
Malaysia
Tel : (603) 3102 3083
Fax : (603) 3102 3080
Website : www.msmelt.com
Email : msc@msmelt.com

SALES & TRADING OFFICE

Unit 18-13A, Level 18
East Wing, Q Sentral
2A, Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur
Malaysia
Tel : (603) 2276 0254

AUDITORS

Ernst & Young PLT
Level 23A Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Malaysia
Tel : (603) 7495 8000
Fax : (603) 2095 5332

SHARE REGISTRARS

• MALAYSIA

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor
Malaysia
Tel No. : (603) 7890 4700
Fax No. : (603) 7890 4670
Email : bsr.helpdesk@boardroomlimited.com

• SINGAPORE

Tricor Barbinder Share Registration Services
9 Raffles Place #26-01
Republic Plaza Tower I
Singapore 048619
Tel : (65) 6236 3567
Email : sg.is.enquiry@vistra.com

PRINCIPAL BANKERS

OCBC Bank (Malaysia) Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
HSBC Bank Malaysia Berhad
Standard Chartered Bank Malaysia Berhad
United Overseas Bank (Malaysia) Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities
Berhad
Mainboard of Singapore Exchange Securities
Trading Limited

Key Financial Highlights

		Year ended 31 December				
		2025	2024	2023	2022	2021
Revenue	(RM Mil)	1,759.0	1,691.8	1,435.7	1,503.6	1,076.6
Profit before tax	(RM Mil)	138.3	132.0	128.6	143.6	158.4
Income tax expense	(RM Mil)	(42.0)	(38.5)	(31.4)	(42.2)	(39.9)
Profit attributable to the owners of the Company	(RM Mil)	82.0	79.4	85.1	98.3	118.1
Total assets	(RM Mil)	1,511.0	1,363.8	1,391.6	1,305.9	1,314.9
Net current assets	(RM Mil)	396.0	391.7	456.0	437.0	345.3
Equity attributable to the owners of the Company	(RM Mil)	731.2	709.1	754.1	719.2	580.4
Earnings per share	(sen)	9.8	9.5 ⁽¹⁾	10.1 ⁽¹⁾	11.7 ⁽¹⁾	14.1 ⁽¹⁾
Dividend per share	(sen)	8 ⁽²⁾	16 ⁽¹⁾	7 ⁽¹⁾	4 ⁽¹⁾	4 ⁽¹⁾
Net assets per share attributable to the owners of the Company	(sen)	87	84 ⁽¹⁾	90 ⁽¹⁾	86 ⁽¹⁾	69 ⁽¹⁾
Pre-tax profit on average equity attributable to the owners of the Company	%	19	18	17	22	33

⁽¹⁾ The figures have been adjusted to reflect the Bonus Issue completed on 16 July 2025 for comparative purposes.

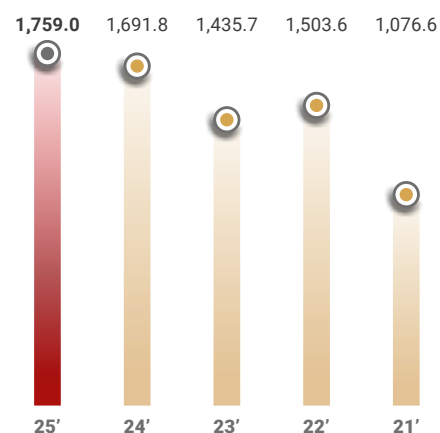
⁽²⁾ Final single-tier dividend of RM0.04 per share is subject to the approval of the members at the forthcoming Annual General Meeting.

Key Financial Highlights

REVENUE (RM MIL)

RM1,759.0

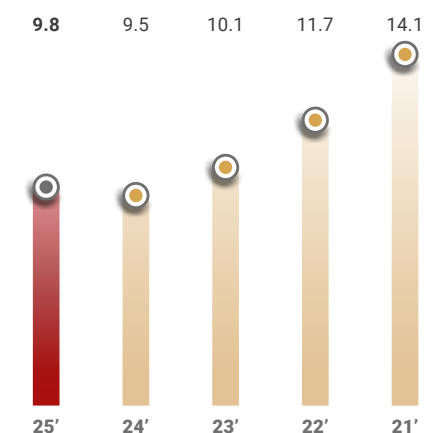
million



EARNINGS PER-SHARE (SEN)

9.8

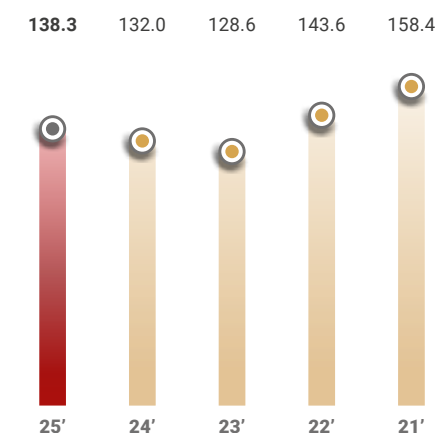
sen



PROFIT BEFORE TAX (RM MIL)

RM138.3

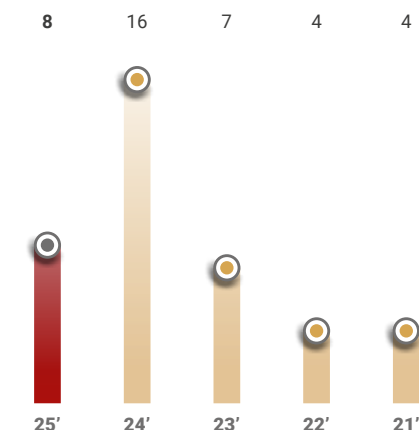
million



DIVIDEND PER SHARE (SEN)

8

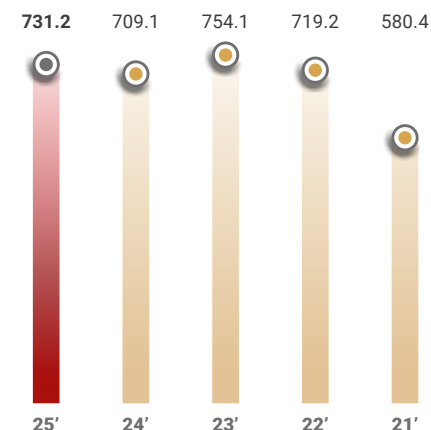
sen



EQUITY ATTRIBUTABLE TO THE OWNERS OF THE COMPANY (RM MIL)

RM731.2

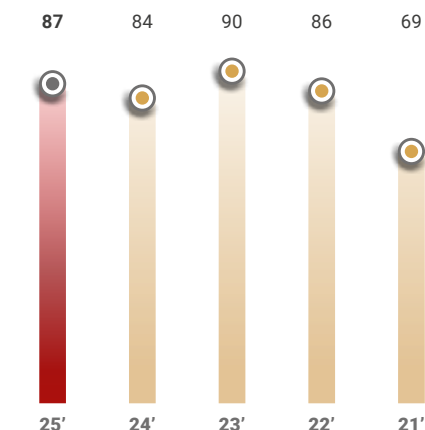
million



NET ASSETS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY (SEN)

87

sen




Profile of Directors

1

Ms. Chew Gek Khim PJG

- Non-Independent Non-Executive Chairman
- Singaporean
- 64 years Female




- LL.B (Hons), National University of Singapore
- Hon D. Litt, Nanyang Technological University

2

Mr. Yap Seng Chong

- Independent Non-Executive Director
- Malaysian
- 64 years Male



- Bachelor of Accounting from University of Malaya
- Member of Malaysian Institute of Accountants
- Member of Malaysian Institute of Certified Public Accountants

Ms. Chew Gek Khim PJG was appointed to the Board of the Company as a Non-Independent Non-Executive Director on 18 March 2016. She assumed the role as Chairman of the Company with effect from 11 May 2016. She is also the Chairman of the Executive Committee of the Company since 24 March 2021.

Ms. Chew is the Executive Chairman of the Tecity Group and The Straits Trading Company Limited. Concurrently, she is the Deputy Chairman of the Tan Chin Tuan Foundation.

She is a member of the National University of Singapore Board of Trustees, the Governing Board of Lee Kuan Yew School of Public Policy, the Board of Governors of S. Rajaratnam School of International Studies and the Wealth Management Institute.

She was awarded the Chevalier de l'Ordre National du Mérite in 2010, the Singapore Businessman of the Year 2014, and the Meritorious Service Medal in 2016. Ms. Chew was conferred an Honorary Degree of Doctor of Letters (honoris causa) by the Nanyang Technology University in 2021.

Ms. Chew does not hold any other directorship in other public companies and listed issuers in Malaysia.

Mr. Yap Seng Chong was appointed as an Independent Non-Executive Director of the Company on 31 December 2021. He was also appointed as the Chairman of the Audit & Risk Management Committee of the Company on the same date. On 25 August 2023, he was appointed as a member of the Nominating & Remuneration Committee of the Company.

Mr. Yap had his entire career with Ernst & Young Malaysia ("EY") which spanned over 35 years, two of which were with EY London office, providing various types of assurance and business advisory services. He had previously held positions in EY as Head of Assurance Practice, Professional Practice Director and ASEAN Regional and Country Independence Leader before his retirement.

Mr. Yap was also a member of the Interpretation Committee of the Malaysian Accounting Standards Board. He had previously served as Malaysian Institute of Accountants ("MIA") Council member, Chairman of the Disciplinary Committee of MIA, Member of the Accounting and Auditing Standards Board of MIA, Chairman of the Audit and Risk Committee of MIA and Member of the Public Practice Committee of MIA.

Mr. Yap is an Independent Non-Executive Director of United Plantations Berhad, Hartalega Holdings Berhad and Malayan Cement Berhad. In addition, Mr. Yap also serves as a member of Board of Trustees of both Yayasan Hartalega and Yayasan Nanyang Press.

Profile of Directors

3

Datuk Kamaruddin Bin Taib

- Independent Non-Executive Director
- Malaysian
- 68 years Male



- Bachelor of Science in Mathematics, University of Salford, United Kingdom



Datuk Kamaruddin Bin Taib was appointed as an Independent Non-Executive Director of the Company on 16 November 2018. He was appointed as a member of the Audit & Risk Management Committee on 14 February 2022 and subsequently as a member of the Environmental, Social and Governance Committee (“ESGC”) on 12 September 2023. He resigned from the ESGC on 10 March 2026.


Datuk Kamaruddin has significant experience in investment banking, corporate finance, mergers and acquisitions. His career started in 1980 with a leading merchant bank in Malaysia. Subsequently, he served as a director of several private companies, companies listed on Bursa Malaysia Securities Berhad and companies listed on the Stock Exchange of India as well as listed on Nasdaq (U.S.A.).

Datuk Kamaruddin is currently the Independent Non-Executive Chairman of HSBC Bank Malaysia Berhad, Malaysian Life Reinsurance Group Berhad, RAM Holdings Berhad and RAM Ratings Services Berhad. He also chairs FIDE FORUM and serves as Co-Chairman of the Asia School of Business – President’s Advisory Council. In addition, he is an Independent Non-Executive Director of Fraser & Neave Holdings Berhad.

4

Dato’ Roslina Binti Zainal

- Independent Non-Executive Director
- Malaysian
- 63 years Female



- Master of Business Administration, University of New England, New South Wales, Australia
- Bachelor of Electrical Engineering, Lakehead University, Canada



Dato’ Roslina Binti Zainal was appointed as an Independent Non-Executive Director of the Company on 2 August 2021. She was appointed as a member of the Nominating & Remuneration Committee and Chairman of the Environmental, Social & Governance Committee of the Company on 14 February 2022.

Dato’ Roslina started her career in Tenaga Nasional Berhad (“TNB”), the national utility of Malaysia, in 1985 as an engineer and has worked in the Distribution, Transmission and Generation Planning divisions and brings a wealth of experience in the energy sector with 33 years’ experience. As one of the top management of TNB, Dato’ Roslina has represented TNB at International Investor conferences and attended one-on-one dialogues with investors on regulations affecting the power sector. She has presented papers at international conferences and sat on panel discussions as a leading expert on energy and regulation.

She has played leading roles in the areas of Utility Economics, Regulation, Energy Procurement, Planning and Strategy. She was the lead negotiator for TNB for the Power Purchase Agreements with the Independent Power Producers (IPPs), negotiating with the Government on tariffs under the Incentive Based Regulations (IBR), negotiating gas framework and gas supply agreements. At the national level, Dato’ Roslina sat on many committees chaired by various Ministers on Energy, Gas and Tariff. She was a member of the National Gas Committee chaired by Dato’ Seri Idris Jala to address issues pertaining to gas constraint for the power sector in 2012. She was also a member of the National Committee on Planning, Development and Electricity Tariffs which consists of The Energy Commission, PETRONAS and the Economic Planning Unit, chaired by the Minister responsible for Energy.

Recognising her contributions to the industry, Dato’ Roslina was awarded ASEAN Excellence in Energy Management (Individual) during the 38th ASEAN Ministers on Energy (AMEM) on 28 October 2018 in Singapore. She was appointed as Senior Fellow of Khazanah Research & Investment Strategy (KRIS), Khazanah Nasional from 2018-2019.

Dato’ Roslina was previously appointed on the Boards of TNB, Malaysia Industry-Government Group for High Technology (MIGHT), Sapura Energy Berhad, Universiti Teknikal Malaysia Melaka (UTeM), Universiti Tenaga Nasional (“UNITEN”), TNB Fuel Services Sdn. Bhd. and Prai Power Sdn. Bhd.

Dato’ Roslina currently sits on the board of Cyberjaya Education Group Berhad which is a public listed company engaged in the provision of educational services. She sits on the Advisory Panel of Tan Sri Leo Moggie, Distinguished Chair in Energy Informatics, UNITEN in 2020.

Profile of Directors

5

Datuk Lim Hong Tat


- Independent Non-Executive Director
- Malaysian
- 66 years Male



6

Dato' Dr. (Ir.) Patrick Yong Mian Thong

- Non-Independent Executive Director
- Malaysian
- 73 years Male



- Bachelor of Economics in Business Administration (Honours), University of Malaya
- Diploma in Marketing & Selling Bank Services, Management Centre Kuala Lumpur
- Management Programme on Banking & Strategy, INSEAD, France
- Associate Member, International Academy of Retail Banking
- Advanced Management Program, Harvard Business School

- PhD (Electrical Engineering), United States of America
- BSc (Hons) Electrical & Electronics, United Kingdom
- Registered Professional Engineer Malaysia (P.Eng (Mal))
- Member of the Institution of Engineers Malaysia (MIEM)

Datuk Lim Hong Tat was appointed as an Independent Non-Executive Director of the Company on 28 January 2022. He was subsequently appointed as a member of the Audit & Risk Management Committee on 14 February 2022, and as a member of the Executive Committee on 26 May 2023. On 22 March 2025, Datuk Lim was appointed as Chairman of the Nominating & Remuneration Committee and as a member of the Environmental, Social & Governance Committee.

Datuk Lim joined Malayan Banking Berhad upon graduation from University of Malaya in 1981. Datuk Lim has more than 35 years of experience covering all aspects of banking, having managed branches, regional banking, credit card and international banking operations including holding senior management positions as Director/President and Chief Executive Officer ("CEO") of Maybank Philippines Incorporated, Head of International Banking, Head of Consumer Banking and Head of Community Financial Services, Malaysia.

Prior to serving on boards, Datuk Lim was the Group Head, Community Financial Services (CFS) and CEO of Malayan Banking Berhad, Singapore from 1 January 2014 until middle of 2018 and was responsible for driving and implementing the Banks community banking strategy across all geographies.

Datuk Lim was also a Member of the Visa Client Council for Asia Pacific, Member of the Board of the European Financial Management Association, Associate Member of International Academy of Retail Banking, Council Member of Association of Banks in Singapore and a Director of Maybank Philippines Inc., Maybank Kim Eng Holdings Ltd., Maybank Kim Eng Securities Pte. Ltd., Etiqa Insurance Pte. Ltd. and Mutiara Mortgage & Credit Sdn. Bhd., a wholly owned subsidiary of Ministry of Housing Sarawak.

Currently, he serves on the Board of Commissioners of PT Bank Maybank Indonesia and as Senior Advisor to Areca Capital Sdn. Bhd. (Asset Management). He is also an Independent Director and Chairman of the Risk Management Committee of Maybank Cambodia.

Datuk Lim does not hold any other directorship in other public companies and listed issuers in Malaysia.

Dato' Dr. (Ir.) Patrick Yong Mian Thong was appointed to the Board as a Non-Independent Executive Director since 1 June 2018. He served as the Group Chief Executive Officer from October 2016 until his retirement in December 2025. Following his retirement, he was appointed as a Senior Group Advisor to the Company. He has also been a member of the Executive Committee of the Company since 24 March 2021.

Dato' Dr. (Ir.) Patrick Yong started his career as an engineer with the National Electricity Board of Malaysia ("LLN") in 1976, fulfilling his scholarship contractual obligations. In 1989, he left LLN to pursue his career as a consultant in the field of electrical engineering.

Dato' Dr. (Ir.) Patrick Yong founded Sulfarid Technologies in 2004 and was its Managing Director. The company was later acquired by the Hup Soon Global Corporation Group in November 2007 and renamed Borid Technologies. He joined Tai Kwang Yokohama Industries Bhd. as CEO from 2007 – 2010 and was appointed as Group CEO of Yokohama Industries involving SLI battery manufacturing and secondary lead smelting from 2010 to 2015.

Throughout his line of work, Dato' Dr. (Ir.) Patrick Yong established his proficiency in electrical engineering and pursued research specialising in the field of efficiency in energy conversion and storage leading to a PhD in Electrical Engineering.

Dato' Dr. (Ir.) Patrick Yong does not hold any other directorship in other public companies and listed issuers in Malaysia.

Profile of Directors



7
Dato' Seri Paduka (TPr.) Dr. Maimunah Binti Mohd Sharif

- Independent Non-Executive Director
- Malaysian
- 64 years Female

- Master of Science in Town Planning, University of Science Malaysia
- Bachelor of Science with Honours in Town Planning, University of Wales Institute of Science and Technology

Dato' Seri Paduka (TPr.) Dr. Maimunah Binti Mohd Sharif was appointed as an Independent Non-Executive Director of the Company on 1 January 2026. Subsequently, she was appointed as a member of the Environmental, Social & Governance Committee on 10 March 2026.

Dato' Seri Paduka (TPr.) Dr. Maimunah is a Malaysian civil servant and urban planner who served as the 15th Mayor of Kuala Lumpur from August 2024 until November 2025. She also served as the Executive Director of the United Nations Human Settlements Programme (UN-Habitat) from January 2018 until January 2024, becoming the first Asian woman to serve as Executive Director of UN-Habitat. On 20 January 2022, she was re-elected by the UN General Assembly for a two-year term that ended on 19 January 2024.

From January 2019 to January 2020, Dato' Seri Paduka (TPr.) Dr. Maimunah also concurrently served as the acting Director-General of the United Nations Office at Nairobi (UNON). She holds the rank of Under-Secretary-General of the United Nations in the UN System and sits on the United Nations Chief Executives Board for Coordination and the Secretary-General's Senior Management Group.

Prior to her appointment as Executive Director of UN-Habitat, she served as the Mayor of Penang Island, Malaysia. Before assuming the mayoralty, she was the President of the Municipal Council of Seberang Perai from 2011, making history as the first woman appointed to the role.

Dato' Seri Paduka (TPr.) Dr. Maimunah does not hold any other directorship in other public companies and listed issuers in Malaysia.

Notes:

- Save for the following, none of the Directors have any family relationship with other Directors and/or major shareholders of the Company:

Ms. Chew Gek Khim is the Executive Chairman of The Straits Trading Company Limited ("STC"), the major shareholder of the Company which owns 51.96% of the equity of the Company. Her mother is Dr. Tan Kheng Lian, a substantial shareholder of STC;

- None of the Directors have any conflict of interest with the Company; and
- None of the Directors had been convicted of any offence (other than traffic offences, if any) within the past five (5) years or been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year ended 2025.

Profile of Key Management

1

Mr. Nicolas Chen Seong

53 years
Malaysian
Male

Co-Group Chief Executive Officer



- LL.B (Hons), University of London

2

Mr. Lam Hoi Khong

55 years
Malaysian
Male

Co-Group Chief Executive Officer



- Bachelor of Business Degree (Accounting), University of Southern Queensland, Australia
- Member of the CPA Australia
- Chartered Accountant (CA), Malaysian Institute of Accountants

Mr. Nicolas Chen Seong Lee was appointed as the Co-Group Chief Executive Officer of the Company on 1 January 2026. He oversees the Group's operational, corporate and institutional matters.

Mr. Chen joined MSC on 1 November 2017 as General Manager (Special Projects) in the Chief Executive Officer's Office. Prior to his current appointment, he served as the Deputy Chief Executive Officer (Administration) of the Company since 6 April 2018. In this role, he assisted the Group Chief Executive Officer in overseeing matters relating to legal, corporate, human resources, security, information technology, procurement and general administration across the MSC Group.

Mr. Chen began his career in 1997 as a tax practitioner in a top tier accounting firm in Kuala Lumpur. In 2000, he joined the Structured Finance and Corporate Banking Division of an investment bank in Kuala Lumpur. He returned to tax practice in 2002 in a top tier accounting firm in Kuala Lumpur where he remained until 2010. From 2010 to 2017, he managed an agro-based company involved in the farming and export of Malaysian-produced fruit and downstream products.

Mr. Lam Hoi Khong was appointed as the Co-Group Chief Executive Officer of the Company on 1 January 2026, with responsibility for overseeing the Group's overall financial management, treasury, sales and marketing, commercial/supply chain operations, investor relations and governance-related functions. In the interim, he will continue to serve as the Group Chief Financial Officer, a role he held since January 2019.

Mr. Lam has over 32 years of working experience in finance, accounting, corporate finance, auditing and taxation. He began his career with PricewaterhouseCoopers before assuming managerial and Financial Controller roles with a local automotive group and an international group based in Africa, respectively, from 1997 to 2003. He later assumed the position of General Manager (Finance and Administration) at Petaling Tin Berhad before being promoted to Chief Financial Officer in 2007, a position he held until January 2017.

Prior to joining MSC, Mr. Lam served as the Group Chief Financial Officer of Tien Wah Press Holdings Berhad ("TWPH") from February 2017 to November 2018, where he spearheaded the finance, corporate and risk management functions, and provided strategic direction on the commercial aspects of the Group's businesses.

Profile of Key Management

3

En. Madzlan Bin Zam

67 years
Malaysian
Male

*Executive Director & Senior General
Manager, Rahman Hydraulic Tin
Sdn. Bhd.*



- Bachelor of Science (Honours) Degree in Geology, Universiti Kebangsaan Malaysia
- Registered Professional Geologist, Board of Geologists Malaysia
- Member of the Institute of Geology Malaysia
- Member of the Geological Society of Malaysia
- Member of the Malaysian Chamber of Mines
- Member of Ikatan Ahli Geologi, Indonesia (IAGI)
- Member of the Australasian Institute of Mining and Metallurgy

En. Madzlan Bin Zam joined MSC in 2002 and was assigned as Geology Manager at PT Koba Tin in Indonesia between 2002 and 2011, and later held the President Director's post for PT MSC Indonesia and PT SRM Indonesia. During his tenure at PT Koba Tin, he passed the examination as the Pengawas Operasional Utama at the mine, which qualifies him to be as the Head of Geology & the Mine Manager in Indonesia.

He was subsequently appointed as the Head of Geology & Exploration of MSC in 2011 and was promoted to the Head of Resources & Investments of the Company in May 2015. In 2017, he assumed his current position as the Senior General Manager of Rahman Hydraulic Tin Sdn. Bhd. ("RHT"), an 80% owned subsidiary of MSC and responsible to oversee the complete operation of RHT and its tin mine at Klian Intan, Perak. At present, he sits on the board of RHT and all RHT's subsidiaries i.e. SL Tin Sdn. Bhd., Asas Baiduri Sdn. Bhd. and Alaf Tenggara Sdn. Bhd.

Prior to that, he had worked with Malaysia Mining Corporation Berhad between 1981 and 2002 as a Mining Geologist responsible in monitoring tin production from the dredges. He was incharged in tin and gold exploration and mining development projects in Malaysia as well as overseas i.e. Indonesia, Australia, New Zealand, Lao People Democratic Republic, Thailand, Myanmar, Kyrgyz Republic, Europe and Democratic Republic of Congo.

En. Madzlan has vast experiences and knowledge in both primary and alluvial tin, gold, base metals and coal; and was also in charge of managing a tin mine in Indonesia. He has experiences working with consultants recognised by the World Bank for the Bankable Feasibility Study of the Taldy-Bulak Gold Project, Kyrgyz Republic.

Notes:

1. None of the Key Management hold any directorship in public listed companies and listed issuers;
2. None of the Key Management have any family relationship with other Directors and/or major shareholders of the Company;
3. None of the Key Management have any conflict of interest with the Company; and
4. None of the Key Management had been convicted of any offence (other than traffic offences, if any) within the past five (5) years or been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year ended 2025.





Section 2

Business Overview

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STATEMENT BY THE CHAIRMAN

MS. CHEW GEK KHIM PJG
Non-Independent
Non-Executive Chairman



Revenue for
FY2025

RM1.8
BILLION



Net Profit for
FY2025

RM82.0
MILLION



Dividend per Share
for FY2025

8SEN

◆ A YEAR OF SUSTAINED VALUE CREATION

The year under review was characterised by heightened geopolitical tensions, shifting monetary policies and evolving trade dynamics. Notwithstanding these challenges, the global tin market demonstrated resilience, supported by structural demand drivers and disciplined supply conditions.

Tin prices remained relatively firm during the year. Market sentiment was influenced not only by physical supply considerations but also by a notable shift in global capital flows. We observed increased speculative activity on the Shanghai

Futures Exchange, driven in part by institutional investors rotating away from US based assets. This transition, coupled with persistent supply constraints in key producing regions, provided strong underlying support for tin prices throughout the year.

Structural demand for tin remains intact. Tin continues to play an essential role in electronics, semiconductors and industrial applications and renewable energy technologies.

Reflecting these market dynamics, the average tin price in 2025 was RM146,100/MT (USD34,100/MT), compared with RM138,500/MT (USD30,300/MT) in 2024. Against this backdrop,



Tin Tailing Scavenging Plant

Statement by the Chairman



“

On behalf of the Board of Directors (the “Board”), I am pleased to present the Annual Report and Audited Financial Statements of Malaysia Smelting Corporation Berhad (“MSC” or the “Company”) and its subsidiaries (collectively referred to as the “Group”), for the financial year ended 31 December 2025 (“FY2025”).

”

and notwithstanding a weaker USD, MSC delivered a resilient financial performance, recording revenue of RM1.8 billion and profit attributable to owners of the company (“net profit”) of RM82.0 million for FY2025.

For FY2025, the Board has proposed a final single tier dividend of 4 sen per share, subject to shareholders’ approval at the forthcoming Annual General Meeting. This follows the interim dividend of 4 sen per share paid on 9 September 2025.

Upon approval, the total dividend declared for FY2025 will amount to 8 sen per share representing a dividend payout ratio of approximately 82% of MSC’s net profit for FY2025, exceeding the Group’s dividend policy of distributing at least 30% of its net profit to shareholders.

◆ POSITIONING FOR FUTURE GROWTH

Tin continues to play an increasingly important role in the global technology ecosystem. As digitalisation accelerates, the rapid expansion of artificial intelligence applications and data centre infrastructure is expected to drive sustained demand for advanced electronic components. Tin based solder remains essential in the assembly of semiconductors, printed circuit boards and electronic systems that support these technologies. At the same time, the electrification of transport through electric vehicles and the continued growth of consumer electronics further reinforce the long-term demand outlook for tin.

Beyond digital infrastructure, tin also plays a critical role in the global energy transition. Renewable energy technologies, particularly solar photovoltaic (“PV”) systems, rely on tin solder for electrical connections within PV modules. As countries continue to expand renewable energy capacity to meet decarbonisation targets, demand for materials that enable these technologies is expected to remain robust. These structural trends highlight tin’s strategic relevance across multiple high growth sectors, including electronics, clean energy and advanced manufacturing.

Recognising these opportunities, MSC continues to strengthen its operational capabilities to support sustainable growth. The Group is constructing a new tin tailing scavenging plant to extract tin from the mine’s sandy tailings, which is expected to improve extraction efficiency and enhance overall production output. The facility is targeted to commence operations in the second quarter of 2026, beginning in April 2026.



MSC was recognised by Bursa Malaysia through its inclusion in the **FTSE4Good Bursa Malaysia Index** and the **FTSE4Good Bursa Malaysia Shariah Index**.

Statement by the Chairman

Meanwhile, the decommissioning process for the Butterworth smelting plant is ongoing and is expected to be completed by the end of the year, subject to the necessary approvals from the relevant authorities before progressing to the next stage of redevelopment.

Through these initiatives, MSC is strengthening its operational foundation and positioning the Group to capture opportunities arising from the evolving global tin market.

◆ COMMITMENT TO SUSTAINABILITY

MSC continues to integrate environmental, social and governance (“ESG”) considerations across its operations as part of its approach to responsible and sustainable growth. The Group recognises that strong governance, environmental stewardship and responsible mining practices are essential in creating long term value while maintaining the trust of its stakeholders.

The Group’s commitment to environmental stewardship is backed by action, with an investment of RM10.0 million in FY2024 to fund initiatives that reduce our carbon intensity. A key highlight is our transition to renewable energy: building on the successful 1.26 megawatt peak (“MWp”) solar PV system at Pulau Indah, we are currently progressing with a 2.5 MWp installation at the RHT Tin Mine. Once operational, this will substantially enhance our energy self-sufficiency and lower the indirect emissions of our mining operations.

The Group also achieved notable recognition in FY2025 for its commitment to responsible mining and strong governance practices. RHT received dual recognition at the Integrity, Governance and Anti-Corruption Awards 2025 and the ASEAN Mineral Awards 2025, reflecting the Group’s adherence to high standards of integrity, transparency and responsible mining practices.



8 October 2025

AWARDED PRESTIGIOUS ASEAN MINERAL AWARDS FOR BEST PRACTICES IN METALLIC MINERALS MINING

23 October 2025

AWARDED NATIONAL RECOGNITION FOR EXCELLENCE IN INTEGRITY AND GOVERNANCE AT AIGA 2025



MSC was recognised by Bursa Malaysia through its inclusion in the FTSE4Good Bursa Malaysia Index and the FTSE4Good Bursa Malaysia Shariah Index in December 2025.

Our inclusion in the FTSE4Good Bursa Malaysia Index and the FTSE4Good Bursa Malaysia Shariah Index in December 2025 expands our reach to ESG-conscious and Shariah-compliant institutional investors globally, where MSC achieved a three out of four-star ESG rating. These recognitions reflect the Group’s continued efforts to align its operations with recognised ESG standards and stakeholder expectations.

Further information on the Group’s sustainability initiatives can be found in the Sustainability Statement of this Annual Report.

Statement by the Chairman



◆ LEADERSHIP CHANGES

During the year, MSC underwent a planned leadership transition aimed at strengthening executive capacity and ensuring continuity in strategic execution. Dato' Dr. (Ir.) Patrick Yong Mian Thong retired as Group Chief Executive Officer on 31 December 2025, concluding his tenure in the role following nearly a decade of leadership and contribution to the Group's growth and operational foundations, during which period the Group saw its market capitalisation grow from around RM50 million to exceed RM1 billion. Dato' Patrick remains on MSC's Board of Directors as an Executive Director and will continue to support the Group in an advisory capacity, providing strategic guidance and oversight. We thank Dato' Patrick for his many years of devoted and committed services.

Effective 1 January 2026, MSC implemented a co-leadership model with the appointment of Mr. Nicolas Chen Seong Lee and Mr. Lam Hoi Khong as Co-Group Chief Executive Officers, reflecting the Board's intention to reinforce operational effectiveness, governance and strategic execution. Under this structure, Mr. Chen leads the Group's operational, corporate and institutional matters, while Mr. Lam oversees financial, commercial, sales/marketing and governance functions. This leadership framework is intended to leverage the complementary strengths of both executives, support sustainable growth and ensure continuity as MSC advances its strategic priorities.

◆ ACKNOWLEDGEMENT

On behalf of the Board, I would like to extend our deepest appreciation to the entire MSC team. Their unwavering dedication and operational agility were instrumental in navigating the complexities of the past year and ensuring the Group remained resilient amid a shifting global landscape.

I would also like to acknowledge my fellow Board members and the management team for their leadership and strategic guidance throughout the year. Their continued efforts in advancing the Group's modernisation initiatives have been instrumental in strengthening operational efficiency and reinforcing MSC's competitive position.

The Board is pleased to welcome Dato' Seri Paduka (TPr.) Dr. Maimunah Binti Mohd Sharif as an Independent Non-Executive Director, effective 1 January 2026. Her distinguished career across government and international organisations brings valuable expertise and we look forward to her contributions to the Group.

My appreciation also goes to our valued stakeholders, including shareholders, customers, suppliers, bankers and regulatory authorities, for their continued trust and partnership. This steadfast support remains the foundation upon which MSC continue to build its long term growth.

As the Group enters 2026, the structural opportunities within the global tin market remain encouraging. With a strengthened operational foundation and a clear emphasis on sustainable value creation, the Group remains well positioned to build on this momentum. Barring unforeseen circumstances, management remains committed to delivering continued value to all stakeholders in the year ahead.

CHEW GEK KHIM Hon D. Litt (NTU), PJG
Non-Independent Non-Executive Chairman
15 April 2026

Management Discussion & Analysis



MR. LAM HOI KHONG
Co-Group Chief Executive Officer

MR. NICOLAS CHEN SEONG LEE
Co-Group Chief Executive Officer

KEY HIGHLIGHTS



Revenue increased by
4.0% to a record-high of
RM1,759.0
million



Net Profit
Increased to
RM82.0
million



Total Dividend
Equivalent to
RM67.2
million

Management Discussion & Analysis

“ Malaysia Smelting Corporation Berhad (“MSC” or the “Company”) and its subsidiaries (collectively referred to as the “Group”) has been part of Malaysia’s tin industry’s development for well over a century, tracing its origins to 1887. ”



◆ GROUP BUSINESS OVERVIEW

Malaysia Smelting Corporation Berhad (“MSC” or the “Company”) and its subsidiaries (collectively referred to as the “Group”) has been part of Malaysia’s tin industry’s development for well over a century, tracing its origins to 1887. Building on this foundation, the Group operates through an integrated tin platform that spans upstream activities, tin metal refining and the production of tin-based materials, enabling coordinated delivery across the value chain. This operational structure is further supported by the Group’s position as the world’s largest custom toll smelter, providing customers, including third parties, with reliable processing solutions and reinforcing its participation in global tin supply networks.

Upstream supply is fully anchored by Rahman Hydraulic Tin Sdn. Bhd. (“RHT”), a subsidiary that manages the country’s largest hard rock open pit tin mining operations in Klian Intan, Perak. Ore extracted from this site undergoes systematic processing to produce tin-in-concentrates, which are channelled into the Group’s smelting operations. In 2025, RHT contributed around 19.6% of the Group’s total smelting feed, with the remaining volumes secured from artisanal sources, international ore traders and mines outside Malaysia.

On the downstream front, the Group’s smelting and refining activities are now centred at Pulau Indah, Port Klang, following the commencement of the closure in stages of the Butterworth plant in Penang in 3Q2025. The Butterworth facility is now undergoing decommissioning, with plant structures and major equipment being dismantled and removed, and the ground being rehabilitated in accordance with the Group’s and Government’s environmental and safety standards.

Tin-bearing materials processed at the Group’s facilities are smelted and refined into high purity tin ingots, including “Straits Tin” with a purity of 99.85% and even higher grades of refined tin of up to 99.99% purity, which are supplied to the London Market Exchange (“LME”) and industrial end users.

Meanwhile, MSC has been included in the FTSE4Good Bursa Malaysia Index and FTSE4Good Bursa Malaysia Shariah Index, a globally recognised benchmark, that highlights public listed companies on Bursa Malaysia Securities Berhad exhibiting exemplary Environmental, Social, and Governance (“ESG”) practices. Institutional and ESG-focused investors utilise the FTSE4Good series to evaluate sustainable business performance. This inclusion highlights the Group’s dedication to ethical business practices, enhanced ESG integration throughout its operations, and puts MSC in a position to attract a broader base of investors and long-term capital aligned with sustainability investment principles.

Management Discussion & Analysis

◆ OPERATIONAL HIGHLIGHTS

The global tin market in 2025 was marked by a tightening supply environment against a backdrop of recovering demand, resulting in sustained upward pressure on tin prices throughout the year.

Supply constraints were largely driven by developments in several key tin-producing regions. Disruptions in the Democratic Republic of Congo and export restrictions in Indonesia have reduced the volume of material available to global markets. Meanwhile, output from Myanmar was particularly affected, with prolonged suspensions and regulatory uncertainties limiting the country's tin ore output. The re-starting of mining operations in Myanmar in late 2025 were hampered by various factors including those relating to the weather and damaged infrastructure caused by the major earthquake in early 2025.

Myanmar's curtailed production had a pronounced knock-on effect on China, which typically relies heavily on Myanmar for tin ore supply. With material from its usual source unavailable, Chinese smelters were compelled to seek feedstock from alternative suppliers across the international market. This redirection of Chinese demand tightened feedstock availability for the wider industry and heightened competition among smelters worldwide, including MSC.

Global tin prices remained supported during the financial year, underpinned in part by speculative activity on the Shanghai Futures Exchange ("SHFE"), as investors diversified away from US-based assets and increased exposure to commodities.

On the demand side, conditions improved relative to 2024. Following a period of subdued consumption, demand in 2025 began to strengthen in line with the semiconductor industry's recovery, increasing deployment of artificial intelligence ("AI") related hardware and growing electronic content in new energy and electric vehicles ("EV"). These factors contributed to a firmer demand backdrop, adding further pressure to an already tight global tin market.

◆ TIN MINING SEGMENT OVERVIEW



2,455 tonnes

Tin-in-concentrates production in 2025

Ore output from RHT set the pace for the Group's upstream performance in FY2025, with average daily ore output increasing to approximately 11.5 tonnes per day, compared with 10.6 tonnes per day in the previous year.

Despite the higher daily ore output, total production was slightly lower due to operational disruptions during the year. As a result, annual tin-in-concentrates production amounted to 2,455 tonnes, compared with 2,516 tonnes in FY2024.

The segment's production performance reflected operational events during the year. Mining activities were temporarily halted from 13 November 2025 to 3 December 2025 in line with a regulatory directive, with operations resuming on 4 December 2025. This interruption reduced ore extraction during the affected period.

Separately, tin-in-concentrates production was also influenced by the RHT mine encountering a section of higher impurity tin vein, which moderated production volumes until extraction progressed past this zone.

Both factors were temporary in nature. With RHT now advancing mining into areas of improved quality, production is expected to recover accordingly.

At the same time, exploration activities at the Western Slope are ongoing. The Group continues to evaluate the potential of this area through ongoing geological assessments and exploration work.



Management Discussion & Analysis

Based on the latest JORC-compliant Mineral Resource estimate, the Group's resource profile is summarised below:-

Resource Class	Ore Volume (m ³)	Grade (KgSn/m ³)	Contained Tin (Sn) (tonnes)
Measured	1,795,328	3.33	5,985
Indicated	3,217,727	3.78	12,174
Inferred	11,168,267	1.94	21,625
Total	16,181,322	2.46	39,783

In parallel, RHT continued to implement initiatives designed to strengthen future mining performance. The commissioning of a new tin tailing scavenging plant is under way to recover residual tin from sandy tailings (low grade materials). This initiative is expected to improve overall recovery rates and increase daily ore output from approximately 11.5 tonnes to 14.0 tonnes per day, with operations targeted to commence in the second quarter of 2026.

Alongside these operational developments, RHT continued to demonstrate strong performance in ESG practices. RHT's commitment to responsible mining was recognised at both national and regional levels in FY2025. During the year, the RHT mine received national recognition for excellence in integrity and governance at the Integrity, Governance and Anti-Corruption Awards 2025, as well as regional recognition at the ASEAN Mineral Awards 2025 for best practices in metallic minerals mining.

These accolades affirm the mine's adherence to high standards of governance, operational discipline and sustainable mining practices, supporting the long-term resilience of the Group's upstream operations. In addition, RHT is exploring the installation of solar panels to support its operational energy requirements while advancing the Group's sustainability initiatives.

◆ GLOBAL TIN SMELTING DIVISION



14,224 tonnes

Refined tin production in 2025

Smelting performance during the year were affected by a 21% decline in ore feed intake, arising from tighter feedstock availability. This was partly due to increased purchases by Chinese smelters, which redirected material from suppliers that traditionally serve the wider international market, including MSC.

Operations were also impacted by the temporary interruption of gas supply following the incident at Putra Heights in 2Q2025 which resulted in approximately three months of downtime at the Pulau Indah plant. This period was used productively to carry out the Group's annual rebricking exercise, allowing essential maintenance works to be completed concurrently without disrupting subsequent operations, once gas supply was restored.

As a result, the Group's smelting facilities operated at a utilisation rate of around 50% during the year. Consequently, refined tin production amounted to 14,224 MT in FY2025, compared with 16,291 MT in FY2024.

In addition, the closure of the Butterworth facility marked the retirement of an ageing smelter that had been in operation for more than 100 years. This transition enables the Group to fully consolidate its smelting activities at the more modern Pulau Indah facility, supporting more efficient operations and a greener production footprint going forward.

Alongside these developments, the Group commissioned a new rotary furnace at Pulau Indah to provide supplementary smelting capacity, enabling the Group to sustain tin production during periods when the main Top Submerged Lance ("TSL") furnace undergoes scheduled annual maintenance. This strategic investment strengthens operational flexibility, mitigates downtime risks, and supports the Group's ability to meet customer commitments consistently while maintaining optimal plant efficiency.

Management Discussion & Analysis

◆ FINANCIAL PERFORMANCE REVIEW

Operating Overview	FY2025	FY2024
Group's revenue (RM million)	1,759.0	1,691.8
Group's profit before tax (RM million)	138.3	132.0
Group's net profit attributable to owners of the Company (RM million)	82.0	79.4
International Tin Smelter		
Production of refined tin	14,224 tonnes	16,291 tonnes
Profit before tax (RM million)	26.0	32.3
Profit after tax (RM million)	23.3	23.4
Tin Mine		
Production of tin-in concentrates	2,455 tonnes	2,516 tonnes
Profit before tax (RM million)	116.6	110.4
Profit after tax (RM million)	76.2	78.5
Tin Price		
Average tin market price ('000)		
- RM per tonne	146.1	138.5
- USD per tonne	34.1	30.3
USD:MYR exchange rate	4.3	4.6

In FY2025, the Group achieved a resilient financial performance characterised by top and bottom-line growth despite operational volume constraints. Revenue increased by 4.0% to a record-high of RM1,759.0 million (FY2024: RM1,691.8 million), primarily supported by a favourable tin price environment. The stronger pricing backdrop more than compensated for lower production volumes within certain segments. In tandem with the higher revenue, Profit Before Tax ("PBT") rose by 4.8% to RM138.3 million, compared to RM132.0 million in the preceding financial year.

The mining segment remained the primary contributor to the Group's earnings, recording a PBT of RM116.6 million in FY2025, up from RM110.4 million in 2024. The improvement was mainly attributable to higher average tin prices, which mitigated the impact of slightly lower tin production volumes during the year.

Meanwhile, the smelting segment recorded a PBT of RM26.0 million in 2025 (FY2024: RM32.3 million). Performance was principally affected by lower refined tin output, stemming from lower ore intake from suppliers and the disruption of production arising from the gas pipeline fire incident at Putra Heights in 2Q2025. This was partly offset by higher encashment of tin intermediates, which carry higher margins.

Despite the decline in output, profitability was supported by several factors, including higher sales and encashment of high-margin tin intermediates as well as gains from tantalum slag sales. In addition, meaningful cost savings were achieved following the strategic closure of the Butterworth plant, contributing to improved operational efficiency and cost optimisation across the smelting operations. Foreign exchange movements during the year also resulted in translation gains, which provided additional support to earnings.

At the Group level, profitability was impacted by higher tax expenses totalling RM42.0 million in FY2025 (FY2024: RM38.5 million), mainly due to a one-off additional tax expense of RM10.9 million incurred during the year. In addition, the Group's share of results from associate and joint venture improved to a net share profit of RM1.4 million, compared to a loss of RM0.2 million in the previous year.

As a result, net profit attributable to owners of the Company ("net profit") increased to RM82.0 million (FY2024: RM79.4 million). Overall, these results reflect the Group's ability to preserve margins and maintain stability amid market volatility and operational challenges.

Management Discussion & Analysis

Cash Flow

Net cash (used in)/from	FY2025 RM million	FY2024 RM million
Operating activities	82.7	83.9
Investing activities	(17.3)	2.9
Financing activities	(51.1)	(138.8)
Net increase/(decrease) in cash and cash equivalents	14.3	(52.1)

For the financial year ended 31 December 2025, the Group generated net cash from operating activities of RM82.7 million, compared with RM83.9 million in the previous year, reflecting the continued cash generating capability of the Group's operations.

Net cash used in investing activities amounted to RM17.3 million in FY2025, compared with net cash generated from investing activities of RM2.9 million in FY2024. The higher cash outflow in FY2025 was mainly due to higher capital expenditure and the absence of proceeds from disposal of investment securities recorded in the previous year.

Net cash used in financing activities amounted to RM51.1 million in FY2025, compared with RM138.8 million in FY2024. The lower outflow was primarily attributable to lower dividend payments to shareholders, partially offset by lower drawdown of short-term trade financing and repayments of borrowings.

Balance Sheet

Balance Sheet Highlights	FY2025 RM million	FY2024 RM million
Total assets	1,511.0	1,363.8
• Cash and bank balances	226.1	211.8
Total liabilities	709.1	588.3
• Total borrowings	380.3	371.0
Total equity	801.9	775.5
Net gearing ratio (times)*	0.19	0.21

*Net gearing ratio is calculated as total borrowings less cash and bank balances divided by total equity.

As at 31 December 2025, MSC total assets strengthened to RM1,511.0 million, representing a year-on-year increase of 11.0% from RM1,363.8 million in the preceding year. The increase was mainly driven by higher inventories, resulting from higher prevailing tin prices despite lower closing stock quantity. Higher receivables and cash and bank balances also contributed to the overall increase in total assets.

Total liabilities increased to RM709.1 million from RM588.3 million recorded in the preceding year, mainly due to higher trade and other payables. Borrowings also increased slightly as the Group utilised short term trade financing to support working capital requirements.

The Group's total equity rose to RM801.9 million from RM775.5 million previously, mainly supported by profits generated during the year, partially offset by dividend payments to shareholders.

Management Discussion & Analysis

◆ **FY2025 DIVIDEND**

For FY2025, the Board has proposed a final single-tier dividend of 4 sen per share, subject to approval by shareholders at the forthcoming Annual General Meeting. This follows the payment of an interim dividend of 4 sen per share on 9 September 2025. Upon approval, the total dividend declared for FY2025 will amount to 8 sen per share, equivalent to RM67.2 million, translating to a dividend payout ratio of 82%.

The proposed dividend is aligned with the Group's dividend policy, which targets a minimum payout of 30% of annual net profit, and reflects the Board's assessment of the Group's financial position and cash flow sustainability. In determining the final dividend, consideration was given to the availability of distributable reserves, operational and capital expenditure requirements, existing financial obligations, and the Group's strategic growth plans. These considerations are aimed at ensuring an appropriate balance between rewarding shareholders and maintaining sufficient financial flexibility to support long-term business sustainability.

◆ **CORPORATE MATTERS**

Bonus Issue of New Ordinary Shares in MSC

On 16 July 2025, the Company completed the bonus issue of 420,000,000 new ordinary shares in MSC on the basis of one (1) Bonus Share for every one (1) existing share held by shareholders. The exercise had increased the Company's total number of issued shares to 840,000,000 ordinary shares.

The bonus issue was undertaken to reward shareholders for their continued support while enabling them to participate further in the Company's future growth. The enlarged share base is also expected to enhance the trading liquidity of MSC's shares on Bursa Malaysia and enhance market participation among a broader base of investors.

Market Outlook and Strategic Growth Drivers

As we move into 2026, the global tin market is expected to remain supported by resilient demand fundamentals, particularly from renewable energy applications, including solar energy industry where the global solar energy market is projected to surpass 7 terawatts by 2030, according to SolarPower Europe. This structural demand trend underpins longer-term consumption and supports the strategic relevance of tin within the global energy transition.

At the same time, the group continues to evaluate the long-term potential to extract rare earth elements ("REE") from the tin-related processes, which could provide an additional avenue for value creation. Development of a REE value chain is an emerging focus in Malaysia, where government initiatives aim to build domestic capabilities across upstream, midstream and

downstream segments and prohibit export of raw rare earth materials to encourage local processing and higher value added activity. These policies reflect broader national priorities to support sustainable mineral utilisation, attract foreign investment in advanced processing technologies, and capture greater economic benefits within the country. This initiative remains at a preliminary evaluation stage and is subject to the development of an appropriate regulatory, technical and commercial framework before any further commitment is made.

Soldering applications remain a critical driver of tin demand. Growth in electronics production, including AI related technologies, underpins a resilient market, with tin maintaining its position as the preferred and essential material for soldering. Given the absence of commercially viable lower cost substitutes, tin continues to play an irreplaceable role in electronics manufacturing, supporting both short term demand stability and longer term sectoral relevance.

On the supply side, global tin availability has been constrained during 2024 and into 2025, primarily due to operational, regulatory and geopolitical challenges in key producing regions, including Myanmar and Indonesia. While management anticipates a gradual recovery in production as operations resume, the market is expected to remain relatively tight in the near term, contributing to ongoing price volatility. The Group continues to monitor supply developments closely and implement procurement and inventory strategies to mitigate potential disruptions and safeguard production continuity.

Looking into 2026 and beyond, the interplay between structural demand growth, emerging national resource policies and evolving supply dynamics will be a key focus of the Group's strategic planning. Management will maintain prudent execution, proactive risk management and strategic engagement with policy developments to navigate market volatility while positioning the Group to capture long term growth opportunities and deliver sustainable shareholder value.

◆ **ANTICIPATED RISKS**

Supply disruptions from major tin producing regions

Global tin supply is influenced by production developments in key producing regions such as Myanmar, Indonesia and the Democratic Republic of Congo. Disruptions to mining activities in these jurisdictions, arising from regulatory changes, environmental enforcement actions or geopolitical developments, may reduce global tin concentrate supply. This may lead to tighter market conditions, with smelters, particularly in China, increasing procurement activities across the global market. As a result, competition for tin concentrates may intensify, which could affect feedstock availability and procurement costs for the Group's smelting operations.

Management Discussion & Analysis



In response, MSC continues to diversify its sourcing of tin concentrates across a broad portfolio of suppliers and international regions, effectively insulating our operations from localised regional shocks. In addition, MSC emphasises operational efficiency and cost discipline to maintain competitiveness, particularly during periods of lower ore feed intake, ensuring resilience amid fluctuations in global tin supply.

Regulatory environment and environmental compliance in Malaysia

The Group's operations in Malaysia are subject to regulatory requirements including mining leases, environmental approvals and operational permits issued by relevant authorities. Changes in regulatory policies, licensing conditions or environmental standards may affect its operations.

To mitigate these risks, MSC maintains close engagement with relevant authorities and ensures its operations comply with applicable laws and environmental standards. The Group also continues to strengthen its environmental management and operational practices to support the sustainable conduct of its mining activities.

Volatility in tin prices

Given MSC involvement in the internationally traded tin market, MSC is inherently exposed to tin price volatility, which may affect the Group's financial performance and cash flow. Tin price movements are influenced by factors beyond the Group's control, including global supply and demand conditions, geopolitical developments and changes in trade and regulatory policies. MSC closely monitors market trends and, where appropriate, utilises hedging instruments such as forward commodity contracts to mitigate the impact of price fluctuations and support more stable financial planning.

Foreign rates fluctuations

The Group is exposed to foreign exchange risk as tin prices on the London Metal Exchange are denominated in US dollars ("USD") and a significant portion of the Group's revenue are conducted in USD. A weakening of the USD against the Malaysian Ringgit ("MYR") may reduce revenue and margins when translated into MYR.

This exposure is partly mitigated by a natural hedge, as a portion of tin concentrates purchased from international suppliers are also denominated in USD. In addition, the Group seeks to match USD receipts and payments where possible and maintains USD-denominated cash balances to support trading activities. The Group continues to monitor foreign exchange movements closely and adopts prudent treasury management practices to manage its currency exposure.

◆ ACKNOWLEDGEMENTS

We would like to express our sincere appreciation to our Chairman and the members of the Board of Directors for their continued guidance, wise counsel and leadership throughout the year.

We also extend our heartfelt thanks to our shareholders for their steadfast support and confidence in the Group's long term direction. Our appreciation goes to our business partners, customers and stakeholders for their continued collaboration and trust.

Finally, we would like to recognise the dedication and contributions of the management team and employees across the Group. Their commitment, professionalism and hard work have been instrumental in enabling the Group to navigate challenges and deliver resilient performance during the year. Together, we remain focused on strengthening the Group's position and creating sustainable value for all stakeholders.

Mr. Nicolas Chen Seong Lee
Co-Group Chief
Executive Officer

Mr. Lam Hoi Khong
Co-Group Chief
Executive Officer