


MSC first-quarter earnings jump to RM8.6mil

BUSINESS NEWS

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PETALING JAYA: [Malaysia Smelting Corp](#)  Bhd (MSC) registered a year-on-year net profit growth of 87.6% to RM8.6mil for the first quarter of the financial year ending December 31, 2019.

This was mainly attributed to a stronger performance from the group's tin smelting and mining divisions.

In a press release yesterday, MSC said its tin mining division continued to be the main contributor to the group's earnings.

Since mid-July last year, mining operations at Malaysia's largest tin mine Rahman Hydraulic Tin, have been recording higher daily output of tin-in concentrates.

The improved production output coupled with a rise in average tin prices in Ringgit terms, led the tin mining division to record a 31% year-on-year increase in net profit to RM9.4mil during the quarter under review, from RM7.2mil previously.

It was the appreciation of the US dollar against the ringgit during the quarter which led to the higher average tin prices.

According to the Kuala Lumpur Tin Market, average tin prices in the first quarter of FY19 remained relatively unchanged at US\$21,001 per tonne as compared to US\$21,007 per tonne in the same quarter last year.

MSC group CEO Datuk Dr Patrick Yong said while it was a good start to the year with both business segments posting strong growth, the group is cognisant of the challenging business landscape through enhancing its operational and cost efficiencies in order to remain competitive.

"We continue to make progress on the upgrading of our smelting plant at Pulau Indah, Port Klang, as part of our internal rationalisation efforts.

"Initial testing and commissioning works are currently being carried out at the Pulau Indah smelter.

"The facility is expected to be fully-operational by 2020 with the ISASMELT technology, where we expect to significantly improve our recovery yields with lower manpower costs.

"Until then, there will be duplication of expenses as we operate two plants concurrently, with only the

Butterworth smelting plant generating revenue," he said in a press release.

As for MSC's tin mining operations, the group's focus will be on increasing mining productivity, while exploring new tin deposits to support the smelting operations.