



12 NOV, 2019

## Malaysia Smelting Q3 profit more than doubles

The Sun, Malaysia

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# Malaysia Smelting Q3 profit more than **doubles**

➤ Better performance due to higher profit in tin-mining segment, offset by loss recorded in tin smelting

**PETALING JAYA:** Malaysia Smelting Corp Bhd posted a net profit of RM30.56 million for the third quarter ended Sept 30, more than double the RM11.66 million recorded in the previous corresponding quarter, due to higher profit in the tin-mining segment, offset by loss recorded in the tin-smelting segment.

Revenue however, declined 34% to RM204.31 million for the quarter, from RM309.43 million, as a result of lower sales to external customers for the group's tin-smelting segment.

Segmentally, the tin-smelting segment recorded a loss before tax of RM14 million compared with a profit before tax of RM7.3 million in Q3 18, mainly attributable to

inventories written down and the absence of some one-off income.

The tin-mining segment recorded a profit before tax of RM52.6 million in Q3 19 as compared with RM10 million in Q3 18, mainly on the back of the reversal of provision for tribute no longer required.

For the nine-month period ended Sept 30, Malaysia Smelting's net profit also jumped almost 2.5 times to RM46.64 million, from RM18.7 million during the same period last year.

Cumulative revenue, on the other hand, declined 19.4% to RM800.84 million, from RM993.2 million.

"Despite the challenging market conditions, the group will continue to focus

on its operational efficiencies and improve on all areas of operations, technology, manpower and logistics. Plans to commence full operations in a new plant, using newer and more efficient technology and a more productive workforce are under way," it said.

Malaysia Smelting also said that once it starts utilising its new Isasmelt furnace, which should be operational in the near future, operational and manpower costs are expected to be reduced.

"Resulting from the rationalisation of the group's business operations, we expect overheads to increase as we run two plants which will impact our financial performance. Once the move is completed, the operational inefficiencies we currently face with our aging plant in Butterworth will be eliminated.

"For our tin-mining segment, we have undertaken efforts to increase daily mining output and improve our overall mining productivity," it said.



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### SUMMARIES

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