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# **MALAYSIA SMELTING CORPORATION BERHAD**

## **INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

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MALAYSIA SMELTING CORPORATION BERHAD (197801006055 (43072-A))

15 NOVEMBER 2024



**Malaysia Smelting Corporation Berhad (197801006055 (43072-A))**  
**Interim Financial Report**  
**For the Third Quarter ended 30 September 2024**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2024**

|  | Note | As at<br>30.09.2024<br>Unaudited<br>RM'000 | As at<br>31.12.2023<br>Audited<br>RM'000 |
|--|------|--|--|
| <b>Assets</b>  |      |  |  |
| <b>Non-current assets</b>  |      |  |  |
| Property, plant and equipment  |      | 176,886                                    | 171,415                                  |
| Right-of-use assets  |      | 4,270                                      | 4,546                                    |
| Land held for development  |      | 78,654                                     | 78,654                                   |
| Mining rights  |      | 141,912                                    | 142,005                                  |
| Corporate club memberships   |      | 419  | 425                                      |
| Investments in associate and joint venture                             |      | 31,013                                     | 30,756                                   |
| Investment securities  |      | 41,490                                     | 36,243                                   |
| Mining assets  |      | 13,431                                     | 13,685                                   |
| Deferred tax assets  |      | 5,840                                      | 5,349                                    |
|  |      | 493,915                                    | 483,078                                  |
| <b>Current assets</b>  |      |  |  |
| Inventories  |      | 610,494                                    | 595,240                                  |
| Trade receivables  | B5   | 33,139                                     | 6,885                                    |
| Other receivables  |      | 10,276                                     | 2,965                                    |
| Trade prepayments  |      | 41,648                                     | 31,659                                   |
| Other prepayments  |      | 4,410                                      | 2,184                                    |
| Tax recoverable  |      | 18,781                                     | 5,391                                    |
| Cash, bank balances and deposits                                       |      | 221,049                                    | 264,222                                  |
|  |      | 939,797                                    | 908,546                                  |
| <b>Total assets</b>  |      | 1,433,712                                  | 1,391,624                                |
| <b>Equity and liabilities</b>  |      |  |  |
| <b>Current liabilities</b>   |      |  |  |
| Provisions   |      | 886  | 1,641                                    |
| Borrowings   | B6   | 408,251                                    | 317,543                                  |
| Trade and other payables   |      | 85,014                                     | 127,692                                  |
| Dividend payable   |      | 29,400                                     | -  |
| Lease liabilities  |      | 309  | 319                                      |
| Current tax payable  |      | 3,044                                      | 5,350                                    |
|  |      | 526,904                                    | 452,545                                  |
| <b>Net current assets</b>  |      | 412,893                                    | 456,001                                  |
| <b>Non-current liabilities</b>   |      |  |  |
| Provisions   |      | 71,743                                     | 70,165                                   |
| Deferred tax liabilities   |      | 7,684                                      | 5,952                                    |
| Borrowings   | B6   | -  | 42,222                                   |
| Lease liabilities  |      | 3,973                                      | 4,283                                    |
|  |      | 83,400                                     | 122,622                                  |
| <b>Total liabilities</b>   |      | 610,304                                    | 575,167                                  |
| <b>Net assets</b>  |      | 823,408                                    | 816,457                                  |
| <b>Equity attributable to owners of the Company</b>                    |      |  |  |
| Share capital  |      | 237,194                                    | 237,194                                  |
| Other reserves   |      | 51,818                                     | 46,558                                   |
| Retained earnings  |      | 460,825                                    | 470,378                                  |
|  |      | 749,837                                    | 754,130                                  |
| <b>Non-controlling interests</b>                                       |      | 73,571                                     | 62,327                                   |
| <b>Total Equity</b>  |      | 823,408                                    | 816,457                                  |
| <b>Total equity and liabilities</b>                                    |      | 1,433,712                                  | 1,391,624                                |
| <b>Net assets per share attributable to owners of the Company (RM)</b> |      | 1.79                                       | 1.80                                     |

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited annual financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the Interim Financial Report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

|  | Note       | 3 rd Quarter   |            | Year to Date   |            |
|--|------------|----------------|------------|----------------|------------|
|  |            | 3 months ended |            | 9 months ended |            |
|  |            | 30.09.2024     | 30.09.2023 | 30.09.2024     | 30.09.2023 |
|  |            | RM'000         | RM'000     | RM'000         | RM'000     |
| <b>Revenue</b>   | <b>A8</b>  | 470,053        | 364,022    | 1,243,323      | 1,031,093  |
| Operating profit   |            | 32,441         | 24,796     | 95,874         | 127,285    |
| Finance costs  |            | (5,157)        | (4,888)    | (14,122)       | (13,876)   |
| Share of results of associate and joint venture                        |            | 254            | 497        | 287            | 848        |
| <b>Profit before tax</b>   | <b>B2</b>  | 27,538         | 20,405     | 82,039         | 114,257    |
| Income tax expense   | <b>B3</b>  | (7,124)        | (5,102)    | (21,548)       | (29,408)   |
| <b>Profit net of tax</b>   |            | 20,414         | 15,303     | 60,491         | 84,849     |
| <b>Attributable to:</b>  |            |                |            |                |            |
| Owners of the Company  |            | 14,293         | 11,824     | 49,247         | 75,683     |
| Non-controlling interests  |            | 6,121          | 3,479      | 11,244         | 9,166      |
|  |            | 20,414         | 15,303     | 60,491         | 84,849     |
| <b>Earnings per share attributable to owners of the Company (sen):</b> |            |                |            |                |            |
| Basic and diluted  | <b>B12</b> | 3.4            | 2.8        | 11.7           | 18.0       |

The unaudited condensed consolidated statement of profit or loss should be read in conjunction with the audited annual financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the Interim Financial Report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

|   | 3 rd Quarter   |              | Year to Date   |               |
|---|----------------|--------------|----------------|---------------|
|   | 3 months ended |              | 9 months ended |               |
|   | 30.09.2024     | 30.09.2023   | 30.09.2024     | 30.09.2023    |
|   | RM'000         | RM'000       | RM'000         | RM'000        |
| <b>Profit net of tax</b>  | 20,414         | 15,303       | 60,491         | 84,849        |
| <b>Other comprehensive income:</b>  |                |              |                |               |
| <b>Items that will not be reclassified to profit or loss:</b>   |                |              |                |               |
| Net fair value changes in quoted investments at Fair Value through Other Comprehensive Income ("FVOCI") | (719)          | (5,930)      | 5,247          | 2,164         |
| <b>Items that may be subsequently reclassified to profit or loss:</b>                                   |                |              |                |               |
| Foreign currency translation  | 19             | (1)          | 15             | (9)           |
| Share of foreign currency translation of associate and joint venture                                    | (58)           | 24           | (2)            | 160           |
|   | (39)           | 23           | 13             | 151           |
| <b>Other comprehensive (loss)/income for the period, net of tax</b>                                     | (758)          | (5,907)      | 5,260          | 2,315         |
| <b>Total comprehensive income for the period</b>  | <b>19,656</b>  | <b>9,396</b> | <b>65,751</b>  | <b>87,164</b> |
| <b>Total comprehensive income attributable to:</b>  |                |              |                |               |
| Owners of the Company   | 13,535         | 5,917        | 54,507         | 77,998        |
| Non-controlling interests   | 6,121          | 3,479        | 11,244         | 9,166         |
|   | <b>19,656</b>  | <b>9,396</b> | <b>65,751</b>  | <b>87,164</b> |

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited annual financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the Interim Financial Report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

|  |      | Attributable to owners of the Company |                      |                                       |                |                 |                   |                |                           |                |  |
|--|------|---------------------------------------|----------------------|---------------------------------------|----------------|-----------------|-------------------|----------------|---------------------------|----------------|--|
|  |      | ← Non - Distributable                 |                      |                                       |                | Distributable → |                   |                |                           |                |  |
| RM'000   | Note | Share capital                         | Revaluation reserves | Foreign currency translation reserves | FVOCI reserves | Other reserve   | Retained earnings | Total          | Non-controlling interests | Total equity   |  |
| <b>At 1 January 2024</b>                       |      | 237,194                               | 19,426               | 1,221                                 | 24,205         | 1,706           | 470,378           | 754,130        | 62,327                    | 816,457        |  |
| Profit for the period                          |      | -                                     | -                    | -                                     | -              | -               | 49,247            | 49,247         | 11,244                    | 60,491         |  |
| Other comprehensive income                     |      | -                                     | -                    | 13                                    | 5,247          | -               | -                 | 5,260          | -                         | 5,260          |  |
| Total comprehensive income                     |      | -                                     | -                    | 13                                    | 5,247          | -               | 49,247            | 54,507         | 11,244                    | 65,751         |  |
| <b>Transaction with owners of the Company:</b> |      |                                       |                      |                                       |                |                 |                   |                |                           |                |  |
| Dividend on ordinary shares                    | A7   | -                                     | -                    | -                                     | -              | -               | (58,800)          | (58,800)       | -                         | (58,800)       |  |
| <b>At 30 September 2024</b>                    |      | <b>237,194</b>                        | <b>19,426</b>        | <b>1,234</b>                          | <b>29,452</b>  | <b>1,706</b>    | <b>460,825</b>    | <b>749,837</b> | <b>73,571</b>             | <b>823,408</b> |  |
| <b>At 1 January 2023</b>                       |      | 237,194                               | 14,264               | 1,042                                 | 20,847         | 1,706           | 444,127           | 719,180        | 58,316                    | 777,496        |  |
| Profit for the period                          |      | -                                     | -                    | -                                     | -              | -               | 75,683            | 75,683         | 9,166                     | 84,849         |  |
| Other comprehensive income                     |      | -                                     | -                    | 151                                   | 2,164          | -               | -                 | 2,315          | -                         | 2,315          |  |
| Total comprehensive income                     |      | -                                     | -                    | 151                                   | 2,164          | -               | 75,683            | 77,998         | 9,166                     | 87,164         |  |
| <b>Transaction with owners of the Company:</b> |      |                                       |                      |                                       |                |                 |                   |                |                           |                |  |
| Dividend on ordinary shares                    | A7   | -                                     | -                    | -                                     | -              | -               | (58,800)          | (58,800)       | -                         | (58,800)       |  |
| <b>At 30 September 2023</b>                    |      | <b>237,194</b>                        | <b>14,264</b>        | <b>1,193</b>                          | <b>23,011</b>  | <b>1,706</b>    | <b>461,010</b>    | <b>738,378</b> | <b>67,482</b>             | <b>805,860</b> |  |

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited annual financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the Interim Financial Report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

|   | 9 months ended  |                 |
|---|-----------------|-----------------|
|   | 30.09.2024      | 30.09.2023      |
|   | RM'000          | RM'000          |
| <b>Operating activities</b>   |                 |                 |
| Operating cash flows before changes in working capital                                | 100,366         | 132,777         |
| Increase in inventories   | (15,254)        | (62,579)        |
| (Increase)/Decrease in trade and other receivables                                    | (34,931)        | 12,137          |
| (Increase)/Decrease in trade prepayments  | (9,989)         | 46,312          |
| Increase in other prepayments   | (1,943)         | (1,037)         |
| (Decrease)/Increase in payables   | (34,015)        | 20,785          |
| Decrease in amount due to an associate  | (1,026)         | (449)           |
| <b>Cash generated from operations</b>   | <u>3,208</u>    | <u>147,946</u>  |
| Income tax paid   | (36,005)        | (7,197)         |
| Interest paid   | (12,148)        | (11,259)        |
| Payment for retrenchment compensation   | (875)           | -               |
| <b>Net cash (used in)/generated from operating activities</b>                         | <u>(45,820)</u> | <u>129,490</u>  |
| <b>Investing activities</b>   |                 |                 |
| Dividend received from an associate   | 28              | 75              |
| Dividend received from investment securities  | 1,181           | 2,303           |
| Interest received   | 5,195           | 3,606           |
| Payment for deferred mine exploration and evaluation expenditures and mine properties | (292)           | (810)           |
| Purchase of property, plant and equipment   | (14,518)        | (12,836)        |
| <b>Net cash used in investing activities</b>  | <u>(8,406)</u>  | <u>(7,662)</u>  |
| <b>Financing activities</b>   |                 |                 |
| Dividend paid to shareholders   | (29,400)        | (58,800)        |
| Dividend paid to a non-controlling shareholder of a subsidiary                        | (8,168)         | (8,168)         |
| Drawdown of short term trade borrowings   | 68,944          | 19,905          |
| Repayment of term loan  | (20,000)        | (4,444)         |
| Payment of lease liabilities  | (320)           | (173)           |
| <b>Net cash generated from/(used in) financing activities</b>                         | <u>11,056</u>   | <u>(51,680)</u> |
| <b>Net (decrease)/increase in cash and cash equivalents</b>                           | <u>(43,170)</u> | <u>70,148</u>   |
| Effect of changes in foreign exchange rates   | (3)             | 84              |
| <b>Cash and cash equivalents as at 1 January</b>                                      | <u>264,222</u>  | <u>151,221</u>  |
| <b>Cash and cash equivalents as at 30 September</b>                                   | <u>221,049</u>  | <u>221,453</u>  |

**Reconciliation of liabilities arising from financing activities:**

|  | ← Non-cash changes →                 |               |                  |           |                           |                |
|--|--------------------------------------|---------------|------------------|-----------|---------------------------|----------------|
|  | Carrying amount as at 1 January 2024 | Cash flows    | Accrued interest | Additions | Foreign exchange movement |                |
|  | RM'000                               | RM'000        | RM'000           | RM'000    | RM'000                    | RM'000         |
| Lease liabilities                                  | 4,602                                | (320)         | -                | -         | -                         | 4,282          |
| Short term trade borrowings                        | 290,876                              | 68,944        | -                | -         | (458)                     | 359,362        |
| Term loan  | 68,889                               | (20,000)      | -                | -         | -                         | 48,889         |
| <b>Total liabilities from financing activities</b> | <u>364,367</u>                       | <u>48,624</u> | <u>-</u>         | <u>-</u>  | <u>(458)</u>              | <u>412,533</u> |

|  | ← Non-cash changes →                 |               |                  |            |                           |                |
|--|--------------------------------------|---------------|------------------|------------|---------------------------|----------------|
|  | Carrying amount as at 1 January 2023 | Cash flows    | Accrued interest | Additions  | Foreign exchange movement |                |
|  | RM'000                               | RM'000        | RM'000           | RM'000     | RM'000                    | RM'000         |
| Lease liabilities                                  | 4,914                                | (173)         | 181              | 601        | -                         | 5,523          |
| Short term trade borrowings                        | 257,865                              | 19,905        | -                | -          | 16                        | 277,786        |
| Term loan  | 80,000                               | (4,444)       | -                | -          | -                         | 75,556         |
| <b>Total liabilities from financing activities</b> | <u>342,779</u>                       | <u>15,288</u> | <u>181</u>       | <u>601</u> | <u>16</u>                 | <u>358,865</u> |

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited annual financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the Interim Financial Report.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1. Basis of Preparation**

This condensed consolidated Interim Financial Report has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, *Interim Financial Reporting* in Malaysia and with IAS 34, *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023.

These explanatory notes attached to the Interim Financial Report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

**A2. Changes in Accounting Policies**

**i) Amendments and Annual Improvements adopted by the Group**

The significant accounting policies adopted in the preparation of the Interim Financial Report are consistent with those used in the preparation of the Group's audited financial statements for the financial year ended 31 December 2023 except for the adoption of the pronouncements that became effective from 1 January 2024.

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***Description***

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Amendments to MFRS 16 Leases (*Lease Liability in a Sale and Leaseback*)

Amendments to MFRS 101 Presentation of Financial Statements (*Non-current Liabilities with Covenants*)

Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures (*Supplier Finance Arrangements*)

The adoption of the above pronouncements did not have a material impact on the financial statements of the Group.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A2. Changes in Accounting Policies (cont'd)**

**ii) Standards, Amendments and Annual Improvements issued but not yet effective**

The Group has not adopted the following pronouncements that have been issued but not yet effective:

| <i>Description</i>  | <i>Effective for annual periods beginning on or after</i> |
|---|---|
| Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates ( <i>Lack of Exchangeability</i> )  | 1 January 2025  |
| Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures ( <i>Amendments to the Classification and Measurement of Financial Instruments</i> )   | 1 January 2026  |
| Annual Improvements to MFRS Accounting Standards – Volume 11: <ul style="list-style-type: none"> <li>• MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards</li> <li>• MFRS 7 Financial Instruments: Disclosures</li> <li>• MFRS 9 Financial Instruments</li> <li>• MFRS 10 Consolidated Financial Statements</li> <li>• MFRS 107 Statement of Cash Flows</li> </ul> | 1 January 2026  |
| MFRS 18 Presentation and Disclosure in Financial Statements   | 1 January 2027  |
| MFRS 19 Subsidiaries without Public Accountability: Disclosures   | 1 January 2027  |
| Amendments to MFRS 10 and MFRS 128 Consolidated Financial Statements: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture   | Deferred  |

**A3. Seasonal or Cyclical Factors**

There were no significant seasonal or cyclical factors affecting the business operations of the Group.

**A4. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flow during the current quarter and financial year-to-date ended 30 September 2024.

**A5. Significant Changes in Estimates**

There were no significant changes in estimates that have had a material effect during the current quarter and financial year-to-date ended 30 September 2024.

**A6. Debt and Equity Securities**

There were no issuance and repayment of debts and equity securities during the current quarter and financial year-to-date ended 30 September 2024.



**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A7. Dividend Paid**

The following dividends were declared and paid by the Company.

|   | 30.09.2024       | 30.09.2023        |
|---|------------------|-------------------|
| <b>Single-tier interim dividend:</b>                          |                  |                   |
| For financial year ending                                     | 31 December 2024 | 31 December 2023  |
| Date paid   | 24 October 2024  | 29 September 2023 |
| Number of ordinary shares on which dividends were paid ('000) | 420,000          | 420,000           |
| Dividend per share  | 7.0 sen          | 7.0 sen           |
| Dividend paid   | RM29,400,000     | RM29,400,000      |
| <b>Final single-tier dividend:</b>                            |                  |                   |
| For financial year ended                                      | 31 December 2023 | 31 December 2022  |
| Date paid   | 28 June 2024     | 27 June 2023      |
| Number of ordinary shares on which dividends were paid ('000) | 420,000          | 420,000           |
| Dividend per share  | 7.0 sen          | 7.0 sen           |
| Dividend paid   | RM29,400,000     | RM29,400,000      |

**A8. Revenue**

**Disaggregation of revenue**

The following table illustrates the Group's revenue as disaggregated by major products or services and provides a reconciliation of the disaggregated revenue with the Group's two business segments as disclosed in Note A9. The Group's timing of revenue recognition is at a point in time.

|   | Tin Smelting<br>RM'000 | Tin Mining<br>RM'000 | Sub-total<br>RM'000 | Eliminations<br>RM'000 | Total<br>RM'000 |
|---|------------------------|----------------------|---------------------|------------------------|-----------------|
| <b>For 3 months ended 30 September 2024</b> |                        |                      |                     |                        |                 |
| <b>Major products or services:</b>          |                        |                      |                     |                        |                 |
| Sale of tin                                 | 455,492                | 82,796               | 538,288             | (82,796)               | 455,492         |
| Smelting revenue                            | 4,478                  | -                    | 4,478               | -                      | 4,478           |
| Sale of by-products                         | 9,754                  | -                    | 9,754               | -                      | 9,754           |
| Others                                      | 329                    | -                    | 329                 | -                      | 329             |
|   | <u>470,053</u>         | <u>82,796</u>        | <u>552,849</u>      | <u>(82,796)</u>        | <u>470,053</u>  |
| <b>For 3 months ended 30 September 2023</b> |                        |                      |                     |                        |                 |
| <b>Major products or services:</b>          |                        |                      |                     |                        |                 |
| Sale of tin                                 | 357,144                | 74,280               | 431,424             | (74,280)               | 357,144         |
| Smelting revenue                            | 6,157                  | -                    | 6,157               | -                      | 6,157           |
| Sale of by-products                         | 299                    | -                    | 299                 | -                      | 299             |
| Others                                      | 422                    | -                    | 422                 | -                      | 422             |
|   | <u>364,022</u>         | <u>74,280</u>        | <u>438,302</u>      | <u>(74,280)</u>        | <u>364,022</u>  |

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A8. Revenue (cont'd)**

|   | Tin<br>Smelting<br>RM'000 | Tin<br>Mining<br>RM'000 | Sub-total<br>RM'000 | Eliminations<br>RM'000 | Total<br>RM'000  |
|---|---------------------------|-------------------------|---------------------|------------------------|------------------|
| <b>For 9 months ended 30 September 2024</b> |                           |                         |                     |                        |                  |
| <b>Major products or services:</b>          |                           |                         |                     |                        |                  |
| Sale of tin                                 | 1,219,053                 | 235,180                 | 1,454,233           | (235,180)              | 1,219,053        |
| Smelting revenue                            | 13,492                    | -                       | 13,492              | -                      | 13,492           |
| Sale of by-products                         | 9,754                     | -                       | 9,754               | -                      | 9,754            |
| Others                                      | 1,024                     | -                       | 1,024               | -                      | 1,024            |
|   | <u>1,243,323</u>          | <u>235,180</u>          | <u>1,478,503</u>    | <u>(235,180)</u>       | <u>1,243,323</u> |
| <b>For 9 months ended 30 September 2023</b> |                           |                         |                     |                        |                  |
| <b>Major products or services:</b>          |                           |                         |                     |                        |                  |
| Sale of tin                                 | 992,352                   | 217,169                 | 1,209,521           | (217,169)              | 992,352          |
| Smelting revenue                            | 25,080                    | -                       | 25,080              | -                      | 25,080           |
| Sale of by-products                         | 12,344                    | -                       | 12,344              | -                      | 12,344           |
| Others                                      | 1,317                     | -                       | 1,317               | -                      | 1,317            |
|   | <u>1,031,093</u>          | <u>217,169</u>          | <u>1,248,262</u>    | <u>(217,169)</u>       | <u>1,031,093</u> |

**A9. Segmental Reporting**

The revenue of the Group is derived from tin mining and smelting of tin concentrates and tin bearing materials, the production of various grades of refined tin metal and the sale and delivery of refined tin metal and by-products.

For management purposes, the Group is organised into three reportable operating segments as follows:

**(a) Tin Smelting**

Tin smelting includes the smelting of tin concentrates and tin bearing materials, the production of various grades of refined tin metal and the sale and delivery of refined tin metal and by-products.

**(b) Tin Mining**

Tin mining includes activities involving exploration for and mining of tin.

**(c) Others**

These include investments in other metal and mineral resources to form a reportable operating segment.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A9. Segmental Reporting (cont'd)**

The following tables provide an analysis of the Group's revenue, results, assets, liabilities and other information by operating segments:

|   | Tin<br>Smelting<br>RM'000 | Tin<br>Mining<br>RM'000 | Others<br>RM'000 | Sub-total<br>RM'000 | (Eliminations)/<br>Adjustments<br>RM'000 | Total<br>RM'000 |
|---|---------------------------|-------------------------|------------------|---------------------|--|-----------------|
| <b>Results for 3 months ended 30 September 2024</b> |                           |                         |                  |                     |  |                 |
| <b>Revenue</b>                                      |                           |                         |                  |                     |  |                 |
| Sales to external customers                         | 470,053                   | -                       | -                | 470,053             | -  | 470,053         |
| Inter-segment sales                                 | -                         | 82,796                  | -                | 82,796              | (82,796)                                 | -               |
| <b>Total revenue</b>                                | <b>470,053</b>            | <b>82,796</b>           | <b>-</b>         | <b>552,849</b>      | <b>(82,796)</b>                          | <b>470,053</b>  |
| <b>Results</b>                                      |                           |                         |                  |                     |  |                 |
| Operating (loss)/profit                             | (9,309)                   | 31,030                  | (6)              | 21,715              | 10,726                                   | 32,441          |
| Finance costs                                       | (4,357)                   | (578)                   | (222)            | (5,157)             | -  | (5,157)         |
| Share of results of associate<br>and joint venture  | -                         | -                       | 254              | 254                 | -  | 254             |
| (Loss)/Profit before tax                            | (13,666)                  | 30,452                  | 26               | 16,812              | 10,726                                   | 27,538          |
| Income tax credit/(expense)                         | 3,359                     | (7,909)                 | -                | (4,550)             | (2,574)                                  | (7,124)         |
| <b>(Loss)/Profit net of tax</b>                     | <b>(10,307)</b>           | <b>22,543</b>           | <b>26</b>        | <b>12,262</b>       | <b>8,152</b>                             | <b>20,414</b>   |
| <b>Results for 3 months ended 30 September 2023</b> |                           |                         |                  |                     |  |                 |
| <b>Revenue</b>                                      |                           |                         |                  |                     |  |                 |
| Sales to external customers                         | 364,022                   | -                       | -                | 364,022             | -  | 364,022         |
| Inter-segment sales                                 | -                         | 74,280                  | -                | 74,280              | (74,280)                                 | -               |
| <b>Total revenue</b>                                | <b>364,022</b>            | <b>74,280</b>           | <b>-</b>         | <b>438,302</b>      | <b>(74,280)</b>                          | <b>364,022</b>  |
| <b>Results</b>                                      |                           |                         |                  |                     |  |                 |
| Operating profit/(loss)                             | 764                       | 24,374                  | (11)             | 25,127              | (331)                                    | 24,796          |
| Finance costs                                       | (4,202)                   | (562)                   | (124)            | (4,888)             | -  | (4,888)         |
| Share of results of associate<br>and joint venture  | -                         | -                       | 497              | 497                 | -  | 497             |
| (Loss)/Profit before tax                            | (3,438)                   | 23,812                  | 362              | 20,736              | (331)                                    | 20,405          |
| Income tax credit/(expense)                         | 757                       | (5,938)                 | -                | (5,181)             | 79                                       | (5,102)         |
| <b>(Loss)/Profit net of tax</b>                     | <b>(2,681)</b>            | <b>17,874</b>           | <b>362</b>       | <b>15,555</b>       | <b>(252)</b>                             | <b>15,303</b>   |

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A9. Segmental Reporting (cont'd)**

|   | Tin<br>Smelting  | Tin<br>Mining  | Others       | Sub-total        | (Eliminations)/<br>Adjustments | Total            |
|---|------------------|----------------|--------------|------------------|--------------------------------|------------------|
|   | RM'000           | RM'000         | RM'000       | RM'000           | RM'000                         | RM'000           |
| <b>Results for 9 months ended 30 September 2024</b> |                  |                |              |                  |                                |                  |
| <b>Revenue</b>                                      |                  |                |              |                  |                                |                  |
| Sales to external customers                         | 1,243,323        | -              | -            | 1,243,323        | -                              | 1,243,323        |
| Inter-segment sales                                 | -                | 235,180        | -            | 235,180          | (235,180)                      | -                |
| <b>Total revenue</b>                                | <b>1,243,323</b> | <b>235,180</b> | <b>-</b>     | <b>1,478,503</b> | <b>(235,180)</b>               | <b>1,243,323</b> |
| <b>Results</b>                                      |                  |                |              |                  |                                |                  |
| Operating profit/(loss)                             | 17,585           | 85,095         | (28)         | 102,652          | (6,778)                        | 95,874           |
| Finance costs                                       | (11,798)         | (1,733)        | (591)        | (14,122)         | -                              | (14,122)         |
| Share of results of associate<br>and joint venture  | -                | -              | 287          | 287              | -                              | 287              |
| Profit/(Loss) before tax                            | 5,787            | 83,362         | (332)        | 88,817           | (6,778)                        | 82,039           |
| Income tax (expense)/credit                         | (1,502)          | (21,673)       | -            | (23,175)         | 1,627                          | (21,548)         |
| <b>Profit/(Loss) net of tax</b>                     | <b>4,285</b>     | <b>61,689</b>  | <b>(332)</b> | <b>65,642</b>    | <b>(5,151)</b>                 | <b>60,491</b>    |
| <b>Results for 9 months ended 30 September 2023</b> |                  |                |              |                  |                                |                  |
| <b>Revenue</b>                                      |                  |                |              |                  |                                |                  |
| Sales to external customers                         | 1,031,093        | -              | -            | 1,031,093        | -                              | 1,031,093        |
| Inter-segment sales                                 | -                | 217,169        | -            | 217,169          | (217,169)                      | -                |
| <b>Total revenue</b>                                | <b>1,031,093</b> | <b>217,169</b> | <b>-</b>     | <b>1,248,262</b> | <b>(217,169)</b>               | <b>1,031,093</b> |
| <b>Results</b>                                      |                  |                |              |                  |                                |                  |
| Operating profit/(loss)                             | 62,929           | 72,461         | (16)         | 135,374          | (8,089)                        | 127,285          |
| Finance costs                                       | (11,623)         | (1,714)        | (539)        | (13,876)         | -                              | (13,876)         |
| Share of results of associate<br>and joint venture  | -                | -              | 848          | 848              | -                              | 848              |
| Profit/(Loss) before tax                            | 51,306           | 70,747         | 293          | 122,346          | (8,089)                        | 114,257          |
| Income tax (expense)/credit                         | (13,075)         | (18,181)       | -            | (31,256)         | 1,848                          | (29,408)         |
| <b>Profit/(Loss) net of tax</b>                     | <b>38,231</b>    | <b>52,566</b>  | <b>293</b>   | <b>91,090</b>    | <b>(6,241)</b>                 | <b>84,849</b>    |

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A9. Segmental Reporting (cont'd)**

|   | Tin<br>Smelting<br>RM'000 | Tin<br>Mining<br>RM'000 | Others<br>RM'000 | Sub-total<br>RM'000 | (Eliminations)/<br>Adjustments<br>RM'000 | Total<br>RM'000  |
|---|---------------------------|-------------------------|------------------|---------------------|--|------------------|
| <b>Assets and Liabilities as at 30 September 2024</b> |                           |                         |                  |                     |  |                  |
| <b>Assets</b>   |                           |                         |                  |                     |  |                  |
| Segment assets  | 985,197                   | 385,683                 | 41,498           | 1,412,378           | (9,679)                                  | 1,402,699        |
| Investments in associate<br>and joint venture         | -                         | -                       | 31,013           | 31,013              | -  | 31,013           |
| <b>Total assets</b>                                   | <b>985,197</b>            | <b>385,683</b>          | <b>72,511</b>    | <b>1,443,391</b>    | <b>(9,679)</b>                           | <b>1,433,712</b> |
| <b>Liabilities</b>                                    |                           |                         |                  |                     |  |                  |
| Segment liabilities                                   | <b>518,743</b>            | <b>91,417</b>           | <b>144</b>       | <b>610,304</b>      | -  | <b>610,304</b>   |
| <b>Assets and Liabilities as at 31 December 2023</b>  |                           |                         |                  |                     |  |                  |
| <b>Assets</b>   |                           |                         |                  |                     |  |                  |
| Segment assets  | 956,073                   | 373,070                 | 36,252           | 1,365,395           | (4,527)                                  | 1,360,868        |
| Investments in associate<br>and joint venture         | -                         | -                       | 30,756           | 30,756              | -  | 30,756           |
| <b>Total assets</b>                                   | <b>956,073</b>            | <b>373,070</b>          | <b>67,008</b>    | <b>1,396,151</b>    | <b>(4,527)</b>                           | <b>1,391,624</b> |
| <b>Liabilities</b>                                    |                           |                         |                  |                     |  |                  |
| Segment liabilities                                   | <b>483,219</b>            | <b>91,784</b>           | <b>164</b>       | <b>575,167</b>      | -  | <b>575,167</b>   |

**A10. Property, Plant and Equipment**

The same valuation of land and buildings has been brought forward from the previous audited financial statements for the year ended 31 December 2023.

**A11. Event After the Reporting Period**

There was no material event subsequent to end of the current quarter.

**A12. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial year-to-date ended 30 September 2024.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A13. Changes in Contingent Liabilities and Contingent Assets**

There were no changes in contingent liabilities or contingent assets during the current quarter and financial year-to-date ended 30 September 2024 except for the following:

- i. In respect of the suit against the Company with claim amount of RM2,152,533 for the purported breach of a sale and purchase agreement to supply 60,000 MT of tin slag, the trial was vacated on 11 September 2024. On 12 September 2024, the Court was informed that the lead counsel for the Plaintiff was unable to continue representing the Plaintiff due to a conflict of interest. As the Plaintiff was unable to appoint another solicitor before the next trial date on 18 September 2024, the trial could not proceed. The Court fixed new trial dates on 27-28 August 2025.

The Company's legal counsel is of the view that the Company has an arguable case to contend that it did not breach the Agreement. Pursuant to this, the Company's legal counsel had sent an official response to the Plaintiff's solicitor denying that there has been any breach of the Agreement.

- ii. On 27 June 2024, the Inland Revenue Board ("IRB") issued Notices of Additional Assessment with penalties for YA 2019, YA 2021 and YA 2022 ("Notices") totalling RM31,327,414.69 to Rahman Hydraulic Tin Sdn. Bhd. ("RHT"), an 80% owned subsidiary of the Company. The Notices were raised pursuant to the disallowance of past tribute payments incurred from YA 2010 to YA 2017, and related legal and professional fees incurred by RHT in YA 2021 and YA 2022.

The subsidiary company has lodged the Notice of Appeal (Form Q) to the Special Commissioners of IRB on 25 July 2024.

Based on tax and legal advice obtained from the tax consultant and tax solicitors, the Group is of the view that there are fair and reasonable grounds to defend against the Notices. The Directors are of the view that no provision is required in the condensed consolidated financial statements at this juncture.

**A14. Capital Commitments**

Capital commitments of the Group as at 30 September 2024 are as follows:

|                                 | <b>30.09.2024</b> | <b>31.12.2023</b> |
|---------------------------------|-------------------|-------------------|
|                                 | <b>RM'000</b>     | <b>RM'000</b>     |
| Approved and contracted for     | 6,063             | 7,680             |
| Approved but not contracted for | 7,912             | 7,061             |
|                                 | <b>13,975</b>     | <b>14,741</b>     |

**A15. Related Party Transactions**

There were no significant transactions with related party in addition to the related party transactions disclosed in the audited financial statements for the year ended 31 December 2023.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A16. Fair Value of Assets and Liabilities**

The Group classified fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices), and

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The Group held the following financial assets and liabilities that are measured at fair value:

|                                       | Level 1<br>RM'000 | Level 2<br>RM'000 | Level 3<br>RM'000 | Total<br>RM'000 |
|---------------------------------------|-------------------|-------------------|-------------------|-----------------|
| <b>At 30 September 2024</b>           |                   |                   |                   |                 |
| <b>Assets measured at fair value:</b> |                   |                   |                   |                 |
| Land and buildings                    | -                 | -                 | 69,687            | 69,687          |
| Investment securities                 | 41,490            | -                 | -                 | 41,490          |
| <b>At 31 December 2023</b>            |                   |                   |                   |                 |
| <b>Assets measured at fair value:</b> |                   |                   |                   |                 |
| Land and buildings                    | -                 | -                 | 65,908            | 65,908          |
| Investment securities                 | 36,243            | -                 | -                 | 36,243          |

There has been no transfer between any levels of the fair value hierarchy and there was no change in the purpose of any financial assets/liabilities that may subsequently result in a different classification of those assets/liabilities during the current quarter and financial year-to-date ended 30 September 2024.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2023 was unqualified.

**B2. Profit/(Loss) Before Tax**

The following items have been included in arriving at the profit/(loss) before tax:

|   | 3 <sup>rd</sup> Quarter ended 30.09.2024<br>RM'000 | 3 <sup>rd</sup> Quarter ended 30.09.2023<br>RM'000 | 9 months ended 30.09.2024<br>RM'000 | 9 months ended 30.09.2023<br>RM'000 |
|---|--|--|-------------------------------------|-------------------------------------|
| <b>After charging/(crediting):</b>        |  |  |                                     |                                     |
| Bad debts recovered                       | -  | -  | (3,807)                             | -                                   |
| Depreciation and amortisation             | 3,420  | 3,448  | 9,674                               | 10,154                              |
| Dividend income                           | -  | (1,175)  | (1,181)                             | (2,303)                             |
| Interest income                           | (1,702)  | (1,469)  | (5,195)                             | (3,606)                             |
| Net foreign exchange loss/(gain)          | 5,515  | (1,169)  | 3,418                               | (5,707)                             |
| Other income                              | (897)  | (766)  | (5,980)                             | (1,509)                             |
| Property, plant and equipment written off | 296  | 61   | 296                                 | 61                                  |

Save as disclosed above, there was no material impairment of assets recognised as a loss during the current quarter and financial year-to-date ended 30 September 2024.

**B3. Income Tax (Expense)/Credit**

Income tax (expense)/credit comprises the following:

|   | 3 <sup>rd</sup> Quarter ended 30.09.2024<br>RM'000 | 3 <sup>rd</sup> Quarter ended 30.09.2023<br>RM'000 | 9 months ended 30.09.2024<br>RM'000 | 9 months ended 30.09.2023<br>RM'000 |
|---|--|--|-------------------------------------|-------------------------------------|
| Income tax  |  |  |                                     |                                     |
| - Current provision   | (3,790)  | (4,994)  | (20,916)                            | (28,271)                            |
| - Over provision in prior years                                 | 607  | 450  | 607                                 | 450                                 |
|   | (3,183)  | (4,544)  | (20,309)                            | (27,821)                            |
| Deferred tax  |  |  |                                     |                                     |
| - Relating to origination and reversal of temporary differences | (3,852)  | (883)  | (1,150)                             | (1,912)                             |
| - (Under)/Over provision in prior years                         | (89)   | 325  | (89)                                | 325                                 |
|   | (3,941)  | (558)  | (1,239)                             | (1,587)                             |
| <b>Total income tax expense</b>                                 | <b>(7,124)</b>                                     | <b>(5,102)</b>                                     | <b>(21,548)</b>                     | <b>(29,408)</b>                     |



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B3. Income Tax (Expense)/Credit (cont'd)**

For the current financial year-to-date ended 30 September 2024, the effective tax rate for the Group was higher than the statutory tax rate in Malaysia mainly due to certain non-tax deductible expenses and the absence of Group tax relief.

**B4. Corporate Proposal**

There was no corporate proposal announced but not completed as at 9 November 2024, being the latest practicable date which is not earlier than 7 days from the issuance date of this Interim Financial Report.

**B5. Trade Receivables**

The age analysis of trade receivable of the Group as at 30 September 2024 is as follows:

|                                       | ←               | Past due     |                  |                  |                   | →            |        |
|---------------------------------------|-----------------|--------------|------------------|------------------|-------------------|--------------|--------|
|                                       | Not past<br>due | < 30<br>days | 30 to 60<br>days | 61 to 90<br>days | 91 to 120<br>days | >120<br>days | Total  |
|                                       | RM'000          | RM'000       | RM'000           | RM'000           | RM'000            | RM'000       | RM'000 |
| Trade receivables<br>as at 30.09.2024 | 33,137          | -            | 2                | -                | -                 | -            | 33,139 |
| Trade receivables<br>as at 31.12.2023 | 6,875           | -            | 9                | 1                | -                 | -            | 6,885  |

The Group's normal trade credit terms granted to related and non-related parties range from cash term to 90 days. Other credit terms are assessed and approved on a case-by-case basis.

The Group has trade receivables amounting to RM2,000 that are past due at the reporting date but not impaired. Although these balances are unsecured in nature, they are from creditworthy customers.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS  
OF BURSA MALAYSIA SECURITIES BERHAD**

**B6. Loans and Borrowings**

Details of the Group's loans and borrowings as at 30 September 2024 are as follows:

|                                       | As at<br>30.09.2024<br>RM'000 | As at<br>31.12.2023<br>RM'000 |
|---------------------------------------|-------------------------------|-------------------------------|
| <b>Short Term Borrowings</b>          |                               |                               |
| Unsecured:                            |                               |                               |
| Short term trade financing            | 23,708                        | 1,476                         |
| Bankers' acceptances / Trust receipts | 335,654                       | 279,400                       |
| Revolving credit                      | -                             | 10,000                        |
| Secured term loan                     | 48,889                        | 26,667                        |
|                                       | 408,251                       | 317,543                       |
| <b>Long Term Borrowings</b>           |                               |                               |
| Secured term loan                     | -                             | 42,222                        |
|                                       | <b>408,251</b>                | <b>359,765</b>                |

| Amount denominated in foreign currency  | '000  | '000 |
|---|-------|------|
| Short term trade financing (US dollars) | 5,469 | 321  |

During the 9 months ended 30 September 2024, the Group increased its total borrowings by approximately 13% from RM359.8 million as at 31 December 2023 to RM408.3 million as at 30 September 2024. The gearing ratio of the Group are 0.50 as at 30 September 2024 and 0.44 as at 31 December 2023 respectively. Gearing ratio is defined as total bank borrowings over total equity.

The weighted average interest rate of short term borrowings excluding revolving credit and term loan as at 30 September 2024 for the Group was 4.2% (2023: 4.0%) per annum.

The secured term loan as at 30 September 2024 bears interest rate of 5.1% (2023: 5.2%) per annum.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS  
OF BURSA MALAYSIA SECURITIES BERHAD**

**B7. Derivative Financial Instrument**

**Foreign Exchange**

The Group has exposure to fluctuations in foreign exchange rates in both the investment in foreign entities and business transactions. The Group's foreign exchange risk exposure is mainly in United States Dollar.

Due to the concentration of its purchases and sales in United States Dollar, there is a natural hedge and the exposure to United States Dollar foreign exchange risk for business transactions is minimised. The Group also uses forward currency contracts to manage foreign exchange risk.

As at 30 September 2024, there was no outstanding forward currency contract.

**B8. Material Litigation**

There was no material litigation as at 9 November 2024, being the latest practicable date which is not earlier than 7 days from the issuance date of this Interim Financial Report, except as disclosed in Note A13.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS  
OF BURSA MALAYSIA SECURITIES BERHAD**

**B9. Material Change in the Quarterly Results as Compared with the Preceding Quarter**

Financial review for current quarter compared with immediate preceding quarter

|   | <b>Current Quarter<br/>30.09.2024<br/>RM'000</b> | <b>Immediate<br/>Preceding Quarter<br/>30.06.2024<br/>RM'000</b> | <b>Changes<br/>%</b> |
|---|--|--|----------------------|
| Revenue   | 470,053  | 410,787  | 14%                  |
| Operating Profit                                | 32,441   | 31,990   | 1%                   |
| Profit Before Interest and Tax                  | 32,695   | 31,584   | 4%                   |
| Profit Before Tax                               | 27,538   | 27,018   | 2%                   |
| Profit After Tax                                | 20,414   | 19,843   | 3%                   |
| Profit Attributable to Owners<br>of the Company | 14,293   | 16,719   | (15%)                |

3Q 2024 vs. 2Q 2024 (QoQ)

The Group recorded revenue of RM470.1 million in 3Q 2024 as compared with RM410.8 million in 2Q 2024. This was mainly due to higher sales quantity of refined tin in 3Q 2024, despite lower average tin price of RM141,500 (3Q 2024) as compared with RM153,400 (2Q 2024) per metric tonne.

The Group recorded a profit before tax of RM27.5 million in 3Q 2024 as compared with RM27.0 million in 2Q 2024.

The tin smelting segment recorded a loss before tax of RM13.7 million in 3Q 2024 as compared with a profit before tax of RM6.2 million in 2Q 2024. Loss in 3Q 2024 was mainly due to trading and foreign exchange losses from the impact of the strengthened Ringgit against the US Dollar in August and September 2024, and lower smelting performance.

The tin mining segment recorded a profit before tax of RM30.5 million in 3Q 2024 as compared with RM33.5 million in 2Q 2024. This was mainly due to lower average tin price as stated above.

The Group's share of results of associate and joint venture recorded a net share profit of RM0.3 million in 3Q 2024 as compared with a net share loss of RM0.4 million in 2Q 2024.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B10. Review of Performance**

Financial review for current quarter and financial year to date

|   | Cumulative Period<br>(9 months) |   | Changes<br>% | Individual Period<br>(3 <sup>rd</sup> quarter) |  | Changes<br>% |
|---|---------------------------------|---|--------------|--|--|--------------|
|   | Current<br>Year To-<br>date     | Preceding Year<br>Corresponding<br>Period |              | Current<br>Year<br>Quarter                     | Preceding Year<br>Corresponding<br>Quarter |              |
|   | 30.09.2024<br>RM'000            | 30.09.2023<br>RM'000                      |              | 30.09.2024<br>RM'000                           | 30.09.2023<br>RM'000                       |              |
| Revenue   | 1,243,323                       | 1,031,093                                 | 21%          | 470,053  | 364,022                                    | 29%          |
| Operating Profit                                | 95,874                          | 127,285                                   | (25%)        | 32,441   | 24,796                                     | 31%          |
| Profit Before Interest and Tax                  | 96,161                          | 128,133                                   | (25%)        | 32,695   | 25,293                                     | 29%          |
| Profit Before Tax                               | 82,039                          | 114,257                                   | (28%)        | 27,538   | 20,405                                     | 35%          |
| Profit After Tax                                | 60,491                          | 84,849                                    | (29%)        | 20,414   | 15,303                                     | 33%          |
| Profit Attributable to Owners<br>of the Company | 49,247                          | 75,683                                    | (35%)        | 14,293   | 11,824                                     | 21%          |

9M 2024 vs. 9M 2023 (YoY)

Group revenue was RM1.2 billion in the 9 months of the current financial year (9M 2024) as compared with RM1.0 billion in 9M 2023. This was mainly due to higher average tin price of RM140,100 (9M 2024) as compared with RM118,800 (9M 2023) per metric tonne and higher sales quantity of refined tin in 9M 2024.

The Group recorded a profit before tax of RM82.0 million in 9M 2024 as compared with RM114.3 million in 9M 2023.

The tin smelting segment recorded a profit before tax of RM5.8 million in 9M 2024 as compared with RM51.3 million in 9M 2023. This was mainly due to the lower incoming feed because of China buying feed directly from MSC's suppliers, lower sales of refined tin derived from the processed tin intermediates, trading and foreign exchange losses from the impact of the strengthened Ringgit against the US Dollar in August and September 2024, and lower smelting performance.

The tin mining segment recorded a profit before tax of RM83.4 million in 9M 2024 as compared with RM70.7 million in 9M 2023. This was mainly due to higher average tin price in 9M 2024 as stated above.

The Group's share of results of associate and joint venture recorded a net share profit of RM0.3 million in 9M 2024 as compared with RM0.8 million in 9M 2023.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS  
OF BURSA MALAYSIA SECURITIES BERHAD**

**B10. Review of Performance (cont'd)**

3Q 2024 vs. 3Q 2023 (YoY)

Group revenue was RM470.1 million in 3Q 2024 as compared with RM364.0 million in 3Q 2023. This was mainly due to higher average tin price of RM141,500 (3Q 2024) as compared with RM123,800 (3Q 2023) per metric tonne and higher sales quantity of refined tin in 3Q 2023.

The Group recorded a profit before tax of RM27.5 million in 3Q 2024 as compared with RM20.4 million in 3Q 2023.

The tin smelting segment recorded a loss before tax of RM13.7 million in 3Q 2024 as compared with a loss before tax of RM3.4 million in 3Q 2023. Loss in 3Q 2024 was mainly due to trading and foreign exchange losses from the impact of the strengthened Ringgit against the US Dollar in August and September 2024, and lower smelting performance.

The tin mining segment recorded a profit before tax of RM30.5 million in 3Q 2024 as compared with RM23.8 million in 3Q 2023. This was mainly due to higher average tin price in 3Q 2024 as stated above.

The Group's share of results of associate and joint venture recorded a net share profit of RM0.3 million in 3Q 2024 as compared with RM0.5 million in 3Q 2023.

**B11. Prospects**

Global economic prospects remain uncertain with escalation of trade sanctions, restrictions and imposition of tariffs between US and China. This trade fragmentation risk could further hamper global trade networks and growth. Ongoing geopolitical conflicts in the Middle East and the Russian/Ukraine war have affected the trade supply chain, leading to volatile commodity prices and further upward inflationary risk. Recent global climatic shifts and extreme weather conditions have also disrupted the world supply of a range of commodities including mining of minerals and tin ore.

The Group remains cautious, with emphasis placed on business competitiveness, operational efficiencies, improvements on operations, technology, manpower, logistics and potential new business developments in its smelting and mining segments.

Having successfully commissioned the Pulau Indah ("PI") plant operation, the Group will now focus on the planned closure of its old plant at Butterworth in the near term. The Group expects approximately 30% cost savings from the planned closure, while benefiting from higher efficiencies of the PI plant with lower operational and manpower costs, and energy saving initiatives, while reducing overall carbon footprint.

For the tin mining segment, the Group continues to focus on improving and increasing daily mining output and overall mining productivity. This includes expanding its mining activities and mine resources, adopting new cost-effective mining methodology and participating in new mining joint ventures.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS  
OF BURSA MALAYSIA SECURITIES BERHAD**

**B12. Earnings/(Loss) Per Share Attributable to Owners of the Company**

|  | <b>3<sup>rd</sup> Quarter<br/>ended<br/>30.09.2024</b> | <b>3<sup>rd</sup> Quarter<br/>ended<br/>30.09.2023</b> | <b>9 months<br/>ended<br/>30.09.2024</b> | <b>9 months<br/>ended<br/>30.09.2023</b> |
|--|--|--|--|--|
| Profit net of tax attributable to owners of the Company (RM'000) | 14,293   | 11,824   | 49,247                                   | 75,683                                   |
| Weighted average number of ordinary shares in issue ('000)       | 420,000  | 420,000  | 420,000                                  | 420,000                                  |
| <b>Basic and diluted earnings per share (sen)</b>                | <b>3.4</b>   | <b>2.8</b>   | <b>11.7</b>                              | <b>18.0</b>                              |

**B13. Dividend**

On 25 September 2024, the Board of Directors declared an interim single-tier dividend of 7.0 sen per share amounting to RM29,400,000 for the financial year ending 31 December 2024.

The interim dividend was paid to shareholders on 24 October 2024. The entitlement date for the interim dividend was 10 October 2024.

The Board of Directors is pleased to declare a second interim single-tier special dividend of 17.0 sen per share amounting to RM71,400,000 for the financial year ending 31 December 2024, as a reward to loyal shareholders.

The second interim special dividend will be paid to shareholders on 23 December 2024. The entitlement date for the second interim special dividend is 2 December 2024.

Total dividend declared for the current financial period is 24.0 sen per share.

**Authorised for Issue**

The Interim results was authorised for issue by the Board in accordance with a resolution of the Directors on 15 November 2024.