



MALAYSIA SMELTING CORPORATION BERHAD

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

Malaysia Smelting Corporation Berhad (197801006055 (43072-A))
Interim Financial Report
For the First Quarter ended 31 March 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

		As at 31.03.2025 Unaudited RM'000	As at 31.12.2024 Audited RM'000
Assets	Note		
Non-current assets			
Property, plant and equipment		187,881	183,246
Right-of-use assets		4,085	4,175
Land held for development		78,654	78,654
Mining rights		141,842	141,874
Corporate club memberships		415	417
Investments in associate and joint venture		30,875	30,517
Investment securities		12,324	26,981
Mining assets		13,539	13,191
Deferred tax assets		6,038	4,125
		475,653	483,180
Current assets			
Inventories		649,525	615,844
Trade receivables	B5	21,483	8,137
Other receivables		34,052	23,750
Trade prepayments		2,250	3,015
Other prepayments		4,558	3,238
Tax recoverable		8,964	14,789
Derivative financial instruments		-	37
Cash, bank balances and deposits		216,280	211,848
		937,112	880,658
Total assets		1,412,765	1,363,838
Equity and liabilities			
Current liabilities			
Provisions		16,529	16,529
Borrowings	B6	362,239	343,236
Trade and other payables		159,267	124,579
Lease liabilities		246	273
Current tax payable		8,637	4,385
		546,918	489,002
Net current assets		390,194	391,656
Non-current liabilities			
Provisions		59,874	59,303
Deferred tax liabilities		8,250	8,212
Borrowings	B6	24,444	27,778
Lease liabilities		3,784	4,003
		96,352	99,296
Total liabilities		643,270	588,298
Net assets		769,495	775,540
Equity attributable to owners of the Company			
Share capital		237,194	237,194
Other reserves		27,730	42,326
Retained earnings		437,345	429,624
		702,269	709,144
Non-controlling interests		67,226	66,396
Total Equity		769,495	775,540
Total equity and liabilities		1,412,765	1,363,838
Net assets per share attributable to owners of the Company (RM)		1.67	1.69

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 2024 and the accompanying explanatory notes attached to the Interim Financial Report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 31 MARCH 2025**

		1 st Quarter		Year to Date	
		3 months ended		3 months ended	
	Note	31.03.2025	31.03.2024	31.03.2025	31.03.2024
		RM'000	RM'000	RM'000	RM'000
Revenue	A8	369,771	362,483	369,771	362,483
Operating profit		30,934	31,443	30,934	31,443
Finance costs		(4,588)	(4,399)	(4,588)	(4,399)
Share of results of associate and joint venture		307	439	307	439
Profit before tax	B2	26,653	27,483	26,653	27,483
Income tax expense	B3	(18,102)	(7,249)	(18,102)	(7,249)
Profit net of tax		8,551	20,234	8,551	20,234
Attributable to:					
Owners of the Company		7,721	18,235	7,721	18,235
Non-controlling interests		830	1,999	830	1,999
		8,551	20,234	8,551	20,234
Earnings per share attributable to owners of the Company (sen):					
Basic and diluted	B12	1.8	4.3	1.8	4.3

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 2024 and the accompanying explanatory notes attached to the Interim Financial Report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2025**

	1 st Quarter		Year to Date	
	3 months ended		3 months ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Profit net of tax	8,551	20,234	8,551	20,234
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Net fair value changes in quoted investments at Fair Value through Other Comprehensive Income ("FVOCI")	(14,657)	1,023	(14,657)	1,023
Items that may be subsequently reclassified to profit or loss:				
Foreign currency translation	1	(4)	1	(4)
Share of foreign currency translation of associate and joint venture	60	59	60	59
	61	55	61	55
Other comprehensive (loss)/income for the period, net of tax	(14,596)	1,078	(14,596)	1,078
Total comprehensive (loss)/income for the period	(6,045)	21,312	(6,045)	21,312
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(6,875)	19,313	(6,875)	19,313
Non-controlling interests	830	1,999	830	1,999
	(6,045)	21,312	(6,045)	21,312

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 2024 and the accompanying explanatory notes attached to the Interim Financial Report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2025**

		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
At 1 January 2025		237,194	22,255	1,248	17,117	1,706	429,624	709,144	66,396	775,540
Profit for the period		-	-	-	-	-	7,721	7,721	830	8,551
Other comprehensive income/(loss)		-	-	61	(14,657)	-	-	(14,596)	-	(14,596)
Total comprehensive income/(loss)		-	-	61	(14,657)	-	7,721	(6,875)	830	(6,045)
At 31 March 2025		237,194	22,255	1,309	2,460	1,706	437,345	702,269	67,226	769,495
At 1 January 2024		237,194	19,426	1,221	24,205	1,706	470,378	754,130	62,327	816,457
Profit for the period		-	-	-	-	-	18,235	18,235	1,999	20,234
Other comprehensive income		-	-	55	1,023	-	-	1,078	-	1,078
Total comprehensive income		-	-	55	1,023	-	18,235	19,313	1,999	21,312
At 31 March 2024		237,194	19,426	1,276	25,228	1,706	488,613	773,443	64,326	837,769

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 2024 and the accompanying explanatory notes attached to the Interim Financial Report.



Malaysia Smelting Corporation Berhad (197801006055 (43072-A))
Interim Financial Report
For the First Quarter ended 31 March 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2025

	3 months ended	
	31.03.2025	31.03.2024
	RM'000	RM'000
Operating activities		
Operating cash flows before changes in working capital	33,841	32,782
Increase in inventories	(33,681)	(13,092)
Increase in receivables	(24,534)	(11,204)
Decrease in trade prepayments	765	2,153
Increase in other prepayments	(1,500)	(1,613)
Increase in payables	34,934	12,818
Decrease in amount due to an associate	(296)	(445)
Cash generated from operations	9,529	21,399
Income tax paid	(9,904)	(11,663)
Interest paid	(3,774)	(3,475)
Net cash (used in)/generated from operating activities	(4,149)	6,261
Investing activities		
Dividend received from an associate	9	28
Interest received	1,285	1,812
Payment for deferred mine exploration and evaluation expenditures and mine properties	(547)	(79)
Purchase of property, plant and equipment	(7,830)	(3,407)
Net cash used in investing activities	(7,083)	(1,646)
Financing activities		
Dividend paid to a non-controlling shareholder of a subsidiary	-	(8,168)
Drawdown/(Repayment) of short term trade borrowings	20,411	(55,885)
Repayment of term loan	(4,444)	(6,667)
Payment of lease liabilities	(252)	(254)
Net cash generated from/(used in) financing activities	15,715	(70,974)
Net increase/(decrease) in cash and cash equivalents	4,483	(66,359)
Effect of changes in foreign exchange rates	(51)	136
Cash and cash equivalents as at 1 January	211,848	264,222
Cash and cash equivalents as at 31 March	216,280	197,999

Reconciliation of liabilities arising from financing activities:

	← Non-cash changes →			
	Carrying amount as at 1 January 2025 RM'000	Cash flows RM'000	Accrued interests RM'000	Foreign exchange movement RM'000
Lease liabilities	4,276	(252)	6	-
Short term trade borrowings	328,792	20,411	-	(298)
Term loan	42,222	(4,444)	-	-
Total liabilities from financing activities	375,290	15,715	6	(298)

	← Non-cash changes →			
	Carrying amount as at 1 January 2024 RM'000	Cash flows RM'000	Accrued interests RM'000	Foreign exchange movement RM'000
Lease liabilities	4,602	(254)	8	-
Short term trade borrowings	290,876	(55,885)	-	46
Term loan	68,889	(6,667)	-	-
Total liabilities from financing activities	364,367	(62,806)	8	46

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 2024 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 2024.

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 2024.

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 2024 except for the adoption of the pronouncement that became effective from 1 January 2025.

Description

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates (*Lack of Exchangeability*)

The adoption of the above pronouncement 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 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:	1 January 2026
<ul style="list-style-type: none"> • MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards • MFRS 7 Financial Instruments: Disclosures • MFRS 9 Financial Instruments • MFRS 10 Consolidated Financial Statements • MFRS 107 Statement of Cash Flows 	
Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures (<i>Contracts Referencing Nature-dependent Electricity</i>)	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.

A5. Significant Changes in Estimates

There were no significant changes in estimates that have had a material effect during the current quarter.

A6. Debt and Equity Securities

There were no issuance and repayment of debts and equity securities during the current quarter.

A7. Dividend Paid

There was no dividend paid during the current quarter and previous year corresponding quarter.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

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 RM'000	Tin Mining RM'000	Sub-total RM'000	Eliminations RM'000	Total RM'000
For 3 months ended 31 March 2025					
Major products or services:					
Sale of tin	361,026	79,317	440,343	(79,317)	361,026
Smelting revenue	1,949	-	1,949	-	1,949
Sale of tin bearing slag	6,448	-	6,448	-	6,448
Others	348	-	348	-	348
	<u>369,771</u>	<u>79,317</u>	<u>449,088</u>	<u>(79,317)</u>	<u>369,771</u>
For 3 months ended 31 March 2024					
Major products or services:					
Sale of tin	357,536	68,467	426,003	(68,467)	357,536
Smelting revenue	4,608	-	4,608	-	4,608
Others	339	-	339	-	339
	<u>362,483</u>	<u>68,467</u>	<u>430,950</u>	<u>(68,467)</u>	<u>362,483</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 Smelting	Tin Mining	Others	Sub-total	(Eliminations)/ Adjustments	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Results for 3 months ended 31 March 2025						
Revenue						
Sales to external customers	369,771	-	-	369,771	-	369,771
Inter-segment sales	-	79,317	-	79,317	(79,317)	-
Total revenue	369,771	79,317	-	449,088	(79,317)	369,771
Results						
Operating profit/(loss)	9,627	29,965	(3)	39,589	(8,655)	30,934
Finance costs	(3,878)	(622)	(88)	(4,588)	-	(4,588)
Share of results of associate and joint venture	-	-	307	307	-	307
Profit/(Loss) before tax	5,749	29,343	216	35,308	(8,655)	26,653
Income tax (expense)/credit	(1,623)	(18,556)	-	(20,179)	2,077	(18,102)
Profit/(Loss) net of tax	4,126	10,787	216	15,129	(6,578)	8,551
Results for 3 months ended 31 March 2024						
Revenue						
Sales to external customers	362,483	-	-	362,483	-	362,483
Inter-segment sales	-	68,467	-	68,467	(68,467)	-
Total revenue	362,483	68,467	-	430,950	(68,467)	362,483
Results						
Operating profit/(loss)	16,913	19,982	(9)	36,886	(5,443)	31,443
Finance costs	(3,648)	(578)	(173)	(4,399)	-	(4,399)
Share of results of associate and joint venture	-	-	439	439	-	439
Profit/(Loss) before tax	13,265	19,404	257	32,926	(5,443)	27,483
Income tax (expense)/credit	(3,385)	(5,170)	-	(8,555)	1,306	(7,249)
Profit/(Loss) net of tax	9,880	14,234	257	24,371	(4,137)	20,234

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A9. Segmental Reporting (cont'd)

	Tin Smelting RM'000	Tin Mining RM'000	Others RM'000	Sub-total RM'000	(Eliminations)/ Adjustments RM'000	Total RM'000
Assets and Liabilities as at 31 March 2025						
Assets						
Segment assets	1,015,337	372,856	12,332	1,400,525	(18,635)	1,381,890
Investments in associate and joint venture	-	-	30,875	30,875	-	30,875
Total assets	1,015,337	372,856	43,207	1,431,400	(18,635)	1,412,765
Liabilities						
Segment liabilities	545,324	97,785	161	643,270	-	643,270
Assets and Liabilities as at 31 December 2024						
Assets						
Segment assets	962,302	356,088	26,989	1,345,379	(12,058)	1,333,321
Investments in associate and joint venture	-	-	30,517	30,517	-	30,517
Total assets	962,302	356,088	57,506	1,375,896	(12,058)	1,363,838
Liabilities						
Segment liabilities	492,498	95,641	159	588,298	-	588,298

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 2024.

A11. Event After the Reporting Period

There was no material event subsequent to end of the current quarter, except as disclosed in Note B4.

A12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter.

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 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, trial dates are fixed 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 and a sufficiently reliable estimate of the financial effect cannot be made due to the lack of particulars and evidence in respect of the claim.

- 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 RM31.3 million 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 had earlier lodged the Notice of Appeal (Form Q) to the Special Commissioners of IRB on 25 July 2024, and the matter was referred to IRB's Dispute Resolution Panel for both parties to negotiate for an amicable settlement.

Subsequently, IRB issued Notices of Reduced Assessment for YA 2019, YA 2021 and YA 2022 on 21 May 2025, effectively reducing the additional tax from RM31.3 million to RM14.1 million. The tax impact has been adjusted to the Interim Financial Report for the current quarter.

A14. Capital Commitments

Capital commitments of the Group as at 31 March 2025 are as follows:

	31.03.2025 RM'000	31.12.2024 RM'000
Approved and contracted for	9,993	7,853
Approved but not contracted for	12,668	4,074
	22,661	11,927

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 2024.

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	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
At 31 March 2025				
Assets measured at fair value:				
Land and buildings	-	-	76,215	76,215
Investment securities	12,324	-	-	12,324
At 31 December 2024				
Assets measured at fair value:				
Land and buildings	-	-	76,708	76,708
Investment securities	26,981	-	-	26,981
Derivative financial instruments - current	-	37	-	37

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.

**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 2024 was unqualified.

B2. Profit/(Loss) Before Tax

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

	3 months ended 31.03.2025 RM'000	3 months ended 31.03.2024 RM'000
<i>After charging/(crediting):</i>		
Depreciation and amortisation	3,519	3,070
Interest income	(1,285)	(1,812)
Net fair value loss in forward currency contracts	37	-
Net foreign exchange loss/(gain)	2,276	(2,132)
Other income	(1,097)	(397)

Save as disclosed above, there was no material impairment of assets recognised as a loss during the current quarter.

B3. Income Tax (Expense)/Credit

Income tax (expense)/credit comprises the following:

	3 months ended 31.03.2025 RM'000	3 months ended 31.03.2024 RM'000
Income tax		
- Current provision	(9,032)	(7,763)
- Under provision in prior years	(10,948)	-
	(19,980)	(7,763)
Deferred tax		
- Relating to origination and reversal of temporary differences	1,878	514
Total income tax expense	(18,102)	(7,249)

For the current quarter, the effective tax rate for the Group was higher than the statutory tax rate in Malaysia mainly due to additional tax from RHT as disclosed in Note A13(ii), certain non-tax deductible expenses, and the absence of Group tax relief.

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

B4. Corporate Proposal

There was no corporate proposal announced but not completed as at 20 May 2025, being the latest practicable date which is not earlier than 7 days from the issuance date of this Interim Financial Report except for the following:

On 4 March 2025, the Company announced a proposed bonus issue on the basis of one bonus share for every one existing share held by the shareholders of the Company whose names appear in the Company's Record of Depositors on the entitlement date to be determined later. The proposed bonus issue will increase the total number of issued shares of the Company from 420,000,000 shares to 840,000,000 shares.

On 4 April 2025, the listing application in relation to the proposed bonus issue was submitted to Bursa Malaysia Securities Berhad ("Bursa Securities").

On 10 April 2025, Bursa Securities has resolved to approve the listing of and quotation for 420,000,000 new bonus shares to be issued pursuant to the proposed bonus issue, subject to the conditions as detailed in the Company's announcement dated 10 April 2025.

B5. Trade Receivables

The age analysis of trade receivable of the Group as at 31 March 2025 is as follows:

	Not past due RM'000	< 30 days RM'000	30 to 60 days RM'000	Past due 61 to 90 days RM'000	91 to 120 days RM'000	>120 days RM'000	Total RM'000
Trade receivables as at 31.03.2025	21,479	-	3	1	-	-	21,483
Trade receivables as at 31.12.2024	8,137	-	-	-	-	-	8,137

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 RM4,000 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 31 March 2025 are as follows:

	As at 31.03.2025 RM'000	As at 31.12.2024 RM'000
Short Term Borrowings		
Unsecured:		
Short term trade financing	103,772	86,962
Bankers' acceptances / Trust receipts	245,133	241,830
Secured term loan	13,334	14,444
	362,239	343,236
Long Term Borrowings		
Secured term loan	24,444	27,778
	386,683	371,014

Amount denominated in foreign currency	'000	'000
Short term trade financing (US dollars)	23,412	19,498

During the 3 months ended 31 March 2025, the Group increased its total borrowings by approximately 4% from RM371.0 million as at 31 December 2024 to RM386.7 million as at 31 March 2025. The gearing ratio of the Group are 0.50 as at 31 March 2025 and 0.48 as at 31 December 2024 respectively. Gearing ratio is defined as total bank borrowings over total equity.

The weighted average interest rate of short term borrowings excluding term loan as at 31 March 2025 for the Group was 4.4% (2024: 4.4%) per annum.

The secured term loan as at 31 March 2025 bears interest rate of 5.1% (2024: 5.1%) 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 31 March 2025, there was no outstanding forward currency contract.

B8. Material Litigation

There was no material litigation as at 20 May 2025, 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

	Current Quarter 31.03.2025 RM'000	Immediate Preceding Quarter 31.12.2024 RM'000	Changes %
Revenue	369,771	448,451	(18%)
Operating Profit	30,934	55,605	(44%)
Profit Before Interest and Tax	31,241	55,085	(43%)
Profit Before Tax	26,653	49,964	(47%)
Profit After Tax	8,551	33,043	(74%)
Profit Attributable to Owners of the Company	7,721	30,176	(74%)

1Q 2025 vs. 4Q 2024 (QoQ)

The Group recorded revenue of RM369.8 million in 1Q 2025 as compared with RM448.5 million in 4Q 2024. This was mainly due to lower sales quantity of refined tin in 1Q 2025, despite higher average tin price of RM142,000 (1Q 2025) as compared with RM133,700 (4Q 2024) per metric tonne.

The Group recorded a profit before tax of RM26.7 million in 1Q 2025 as compared with RM50.0 million in 4Q 2024.

The tin smelting segment recorded a profit before tax of RM5.7 million in 1Q 2025 as compared with RM26.6 million in 4Q 2024. This was mainly due to unfavourable impact from persist low incoming feed because of China's accumulation and stockpiling of tin ore, export restrictions in Myanmar and Indonesia, geopolitical and rebel conflicts, and lower sales of refined tin derived from the processed tin intermediates.

The tin mining segment recorded a profit before tax of RM29.3 million in 1Q 2025 as compared with RM27.1 million in 4Q 2024. This was mainly due to higher 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 1Q 2025 as compared with a net share loss of RM0.5 million in 4Q 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

	Individual Period (1 st quarter)		Changes %
	Current Year Quarter	Preceding Year Corresponding Quarter	
	31.03.2025 RM'000	31.03.2024 RM'000	
Revenue	369,771	362,483	2%
Operating Profit	30,934	31,443	(2%)
Profit Before Interest and Tax	31,241	31,882	(2%)
Profit Before Tax	26,653	27,483	(3%)
Profit After Tax	8,551	20,234	(58%)
Profit Attributable to Owners of the Company	7,721	18,235	(58%)

1Q 2025 vs. 1Q 2024 (YoY)

Group revenue was RM369.8 million in 1Q 2025 as compared with RM362.5 million in 1Q 2024. This was mainly due to higher average tin price of RM142,000 (1Q 2025) as compared with RM124,900 (1Q 2024) per metric tonne.

The Group recorded a profit before tax of RM26.7 million in 1Q 2025 as compared with RM27.5 million in 1Q 2024.

The tin smelting segment recorded a profit before tax of RM5.7 million in 1Q 2025 as compared with RM13.3 million in 1Q 2024. This was mainly due to unfavourable impact from persist low incoming feed because of China's accumulation and stockpiling of tin ore, export restrictions in Myanmar and Indonesia, geopolitical and rebel conflicts.

The tin mining segment recorded a profit before tax of RM29.3 million in 1Q 2025 as compared with RM19.4 million in 1Q 2024. This was mainly due to higher average tin price as stated above and higher tin production quantity in 1Q 2025.

The Group's share of results of associate and joint venture recorded a net share profit of RM0.3 million in 1Q 2025 as compared with RM0.4 million in 1Q 2024.

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

B11. Prospects

Global economic outlook for 2025 remains fragile with ongoing challenges from US President Trump's tariffs, trade and geopolitical tensions. This in turn led to retaliatory tariffs between major economies; causing structural economic shifts and disrupting global supply chains. The fragmentation in global trade and investment flows will result in overall increased costs for businesses and consumers.

With the ongoing headwinds, the Group remains cautious and continues to emphasize 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's near-term focus will be on the planned closure of its old plant at Butterworth. The Group expects 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 and processing methodology and participating in potential new mining joint ventures.

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

	3 months ended 31.03.2025	3 months ended 31.03.2024
Profit net of tax attributable to owners of the Company (RM'000)	7,721	18,235
Weighted average number of ordinary shares in issue ('000)	420,000	420,000
Basic and diluted earnings per share (sen)	1.8	4.3



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

B13. Dividend

The Board of Directors has recommended, for approval at the forthcoming Annual General Meeting, payment of a final single-tier dividend of 7.0 sen per share amounting to RM29,400,000 for the financial year ended 31 December 2024.

The final dividend will be paid to shareholders on 26 June 2025. The entitlement date for the final dividend shall be on 16 June 2025.

There was no dividend declared for the current quarter.

Authorised for Issue

The Interim results was authorised for issue by the Board in accordance with a resolution of the Directors on 26 May 2025.