

REVALUATION IN COMPLIANCE WITH GROUP ACCOUNTING POLICY

1. INTRODUCTION

The Board of Directors of Malaysia Smelting Corporation Berhad (MSC) is pleased to announce that the Board had on 27 February 2017 approved the incorporation of the net gain arising from the fair value adjustment of the land and buildings to the financial statements of MSC Group.

2. PURPOSE OF VALUATION

The valuation was carried out pursuant to MSC Group's accounting policy.

3. AMOUNT OF INCREASE IN VALUE

The net gain arising from fair value adjustment of the land and buildings was RM2.9 million.

4. EFFECTS OF VALUATION

The recognition of the net gain arising from fair value adjustment of the land and buildings will increase the net assets per share of MSC Group by 2.9 sen for the financial year ended 31 December 2016.

5. DATE OF VALUATION

The valuation was dated 31 December 2016.

6. NAME OF VALUER

The valuation was carried out by independent valuers, Messrs Knight Frank and Messrs Khong & Jaafar.

7. VALUE PLACED ON THE LAND AND BUILDINGS

The fair value placed on the land and buildings was RM83.8 million.

8. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the valuation report may be inspected at the registered office of the Company at B-15-11, Block B, 15th Floor, Unit 11, Megan Avenue II, 12 Jalan Yap Kwan Seng, 50450 Kuala Lumpur during normal office hours from Monday to Friday (except public holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 27 February 2017.

By order of the Board
Tan Ai Ning
Joint Secretary