

MSM's PBT rise 125 per cent to RM81 million for FY21

KUCHING: MSM Malaysia Holdings Bhd (MSM) posted a profit before tax (PBT) of RM81 million for the 12 months ended December 31, 2021 (FY21), against PBT of RM36 million in the corresponding period last year, although operating in a challenging environment with rising production cost, higher NY11 and freight cost.

During FY21, gain from disposal of MSM Perlis Sdn Bhd amounting to RM92 million has contributed to the Group recording a total consolidated PBT of RM170 million.

The group also recorded higher revenue of RM2.26 billion for 12 months FY21 compared to RM2.18 billion in the last financial year.

The improved revenue for the quarter under review, RM642 million for 4Q21 compared to RM630 million for 4Q20 is mainly contributed by higher premium but hampered by lower volume due to reduced demand as consumption have not recovered to pre-Covid level. During the quarter under review, the flash floods on 18 and 19 December affected major parts of Selangor.

The group's temporary refined

sugar warehouse located at Kota Kemuning was also affected by the floods and has initiated insurance claim in respect of the affected inventories.

Currently, for full assessment of damages is in progress.

"MSM has made good progress on its turnaround plans in 2021 amidst the rising trend of main production cost elements," MSM group chief executive officer Syed Feizal Syed Mohammad said.

"On the domestic front, the positive development of the National Recovery Plan has

provided strong impetus for greater economic recovery and socio-economic activities leading to more product consumption including sugar."

Operationally, the production cost for the Group increased as compared to the previous year driven by 18 per cent increase in NY11, 69 per cent increase in freight cost and lower utilisation factor (UF) due to temporary shutdown in MSM Johor for boiler rectification works and MSM Prai for sanitisation work due to Covid-19 as required by the Ministry of Health.

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