



MSM'S HALF YEAR PROFIT BEFORE TAX ROSE BY 11.9%

KUALA LUMPUR, 19 AUGUST 2015 – MSM Malaysia Holdings Berhad (MSM), the country's largest refined sugar producer, recorded an increase of 11.9% in its first half of FY2015 profit before tax (PBT) from RM175 million to RM195.8 million.

Revenue for the first half of FY2015 was RM1.097 billion compared to RM1.094 billion previously, an increase of 0.3%.

Q2 FY2015 registered a profit before tax (PBT) of RM105.5 million, a 2.5% rise compared to RM102.9 million in the same period last year while profit after tax (PAT) gains a modest growth of 0.5% from RM78.7 million to RM79.1 million.

Despite a slight slip in revenue of 1.2% to RM588.3 million from RM595.4 million in Q2 last year, gross profit margin recorded an increase by 4.0% to RM149.9 million from RM144.2 million mainly due to reduction in cost of sales.

The company's robust performance is further contributed to cost savings initiatives and company-wide cost optimisation.

MSM remains in control of 64% of the domestic sugar market share even though operating in a challenging environment including the strengthening of the USD on its financial performance.

"Although, the market and economic instability is presenting us with a considerable amount of challenges, it is our solid financial policy which is characterised by a strategic Forex hedging mechanism and raw sugar procurement, has helped us navigate through many uncertainties this past six months and we hope to maintain this for the rest of the year," said MSM's President and Group Chief Executive Officer, Dato' Sheikh Awab Sheikh Abod.

"Moving forward, MSM would like to strengthen its market and customer focus. This will allow us to pursue growth in our core business and global expansion. We are eyeing sugar-hungry regional markets and fast-growing countries for synergistic joint ventures or partnerships," explained Sheikh Awab.



Currently, the development of MSM's new refinery in Tanjung Langsat, Johor targeted to operate in 2017 is well underway.

MSM is poised to strengthen its competitiveness in the domestic and export markets, and move closer towards its goal of becoming the top three sugar player in ASEAN and the top 10 global sugar player by 2020.

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About MSM Malaysia Holdings Berhad (MSM)

MSM Malaysia Holdings Berhad (MSM), incorporated on 10 March 2011, is Malaysia's leading sugar producer. It was listed on the Main Market of Bursa Malaysia Securities Berhad on 28 June 2011 and is one of the top 60 companies listed on Bursa Malaysia with a market capitalization of RM 3.5 billion (as at 2014).

Principally, MSM operates the sugar business of Felda Global Ventures Holdings Berhad (FGV). MSM produces, markets and sells refined sugar products. The company conducts its business principally through two operating subsidiaries, MSM Prai Berhad (*formerly known as Malayan Sugar Manufacturing Company Bhd.*) and MSM Perlis Sdn. Bhd. (*formerly known as Kilang Gula Felda Perlis Sdn. Bhd.*) which were established in 1959 and 1971 respectively. Additionally, MSM also operates its own logistics company – MSM Logistics Sdn. Bhd. Through its subsidiaries, MSM has an impressive combined annual production capacity of 1.1 million tonnes of refined sugar. In 2014, MSM produced 986,115 tonnes of refined sugar, approximately 64% of the domestic market share.

The company offers a variety of products ranging from white refined sugar of various grain sizes to soft brown sugar. These are marketed and sold in a variety of packaging options under its flagship brand - "Gula Prai". The company also sells molasses, a by-product of the refining process, to distilleries and producers of ethanol, animal feed and yeast, among other products. MSM sells to a wide range of customers in Malaysia and in other countries directly and indirectly through traders, wholesalers and distributors. Its customers include major companies in the beverage and confectionery industries, pharmaceuticals, hotels, restaurants, food outlets and household consumers.

For more information, please visit www.msmsugar.com