

## **MSM Malaysia targets RM500m net profit at end-2018**

JOHOR BAHRU, March 28 — The country's largest sugar producer, MSM Malaysia Holdings Bhd (MSM), targets a net profit of RM500 million at end-2018.

President and Chief Executive Officer Datuk Sheikh Awab Sheikh Abod said the group is optimistic of producing 2.25 million metric tonnes a year from all its sugar refineries, including the Tanjung Langsat plant launched today, by end-2017.

MSM last month opened a trade office in Dubai — MSM Trading International DMCC — to handle sugar exports to the Middle East and North Africa, complementing the efforts of its trade office in Jakarta, Indonesia to dominate the ASEAN sugar market, he added.

“In the next 10 years, India will be the largest consumer of sugar in Asia after China, consuming 40 million tonnes from the current 25 million tonnes.

“China currently consumes about 16 million metric tonnes, rising to 26 million tonnes over the period,” he told reporters after the groundbreaking of the Tanjung Langsat plant here today.

Sheikh Awab said sugar consumption in Malaysia is expected to rise to 1.9 million metric tonnes in 10 years from 1.4 million metric tonnes currently.

“However, our target here is to grab the opportunities and become competitive, so that when the time comes, MSM will be able to meet the demand,” he said.

For the full 2015 fiscal year, the company registered a net profit of RM280.76 million, up from RM257.01 million in financial year 2014.

Earlier in his opening speech, Sheikh Awab said the Tanjung Langsat refinery will be fully commissioned by late 2017, helping MSM to position itself as one of the leading refined sugar producers in the region.

“The Tanjung Langsat complex is on a 50.63-acre (20.49-hectare) land plot and phase one is still under development. This will provide an avenue for MSM to support domestic demand and further ramp up its export sales through competitive pricing to neighbouring countries such as Singapore, Indonesia and other Asia-Pacific countries,” he said, adding that phase two will commence by 2025.

The company has invested about US\$259 million for the development, which when completed can produce 3,000 tonnes of refined sugar daily with the option to expand to 6,000 tonnes daily.

MSM's other refineries are in Seberang Prai, Penang and Chuping, Perlis.

Johor Legislative Assembly Speaker Tan Sri Mohamad Aziz, on behalf of Menteri Besar Datuk Seri Mohamed Khaled Nordin, officiated the groundbreaking ceremony, which was also attended by MSM Chairman Tan Sri Mohd Isa Abdul Samad. — Bernama –

See more at: <http://www.themalaymailonline.com/money/article/msm-malaysia-rm500m-net-profit-at-end-2018#sthash.1AhIykMB.dpuf>