THE EDGE MALAYSIA

MSM to turn Tg Langsat factory into sugar export hub, eyes new markets

By Bernama / Bernama

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KUALA LUMPUR (March 20): MSM Malaysia Holdings Bhd (KL:MSM), the country's leading refined sugar producer, plans to transform its Tanjung Langsat factory in Johor into an export hub within the next two to three years.

Group chief executive officer Syed Feizal Syed Mohammad said the move aligns with efforts to increase the factory's utilisation rate to 80% from about 50% currently.

"The Tanjung Langsat factory, which has been operating since 2018, is improving its manufacturing efficiency and production levels to match our first factory in Perai, Penang," he told *Bernama*.

"MSM's Perai factory operates at up to 97% efficiency, compared to 94% to 95% at Tanjung Langsat. Although the difference is small, every percentage point translates into profit. We aim to reach 97%," he said.

MSM currently exports to 22 countries, with export sales contributing about 20% of its revenue.

The company is now looking to expand into the Middle East and Africa to tap into rising sugar consumption.

"There is a global sugar deficit. The Middle East and Africa are high-growth markets with rapidly increasing per capita consumption.

"While the region has its own sugar factories, production is insufficient to meet demand. MSM is developing a strategy to enter this market," he said.

On raw materials, Syed Feizal said MSM remains fully reliant on sugarcane imports from Thailand, Brazil and India. The company is exploring alternative sources, including coconut sugar and nipah palm sugar.

"While production of these sugars may not be large-scale, they cater to consumers who prefer alternative sweeteners," he said.

To enhance food security and mitigate risks from global sugar price fluctuations, MSM is also exploring a return to sugarcane cultivation.

"MSM previously operated about 4,000 hectares of sugarcane plantations in Chuping, Perlis, since the 1970s, but the scale was not economical, leading to its closure," he said.

The company is now evaluating potential sites in Sarawak and northern Peninsular Malaysia for large-scale sugarcane cultivation to support industry needs.

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