

Highlight


MSM in talks with govt on sugar pricing framework as margin squeeze keeps it in the red

By Syafiqah Salim / theedgemalaysia.com

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KUALA LUMPUR (May 26): Refined sugar producer MSM Malaysia Holdings Bhd (KL:MSM ) said it is working with the government to finalise a sustainable pricing framework, as margin pressures continued to weigh on its financial performance.

“MSM continues to actively engage with the government to finalise a sustainable pricing framework to safeguard national food security and support the long-term viability of the domestic sugar industry,” the group said in a statement on Tuesday.

MSM said its performance was weighed down by persistent margin pressures, mainly due to lower selling prices, competition from imported sugar and lower utilisation rates.

The 51%-owned subsidiary of FGV Holdings Bhd reported a net loss of RM18.85 million for the first quarter ended March 31, 2026, marking its fourth consecutive quarterly loss. The group had logged a net profit of RM3.73 million in the same quarter last year.

Revenue for the quarter fell 26.26% to RM552.81 million from RM749.68 million a year earlier.

No dividend was declared. The group last paid a dividend of three sen per share in FY2021.

MSM said it has taken steps to strengthen margin discipline, align production with demand and optimise costs across the group.

"Ongoing geopolitical uncertainties may continue to drive volatility in commodity prices, freight costs and foreign currency exchange," said group CEO Dr Aini Shahr.

"Against this backdrop, our focus is clear — to protect cash flow, improve operating discipline and restore profitability through tighter commercial controls, production optimisation and disciplined capital allocation," she said.

Shares of MSM ended half a sen or 0.63% higher at 80 sen on Tuesday, giving it a market capitalisation of RM562.38 million.

Edited By S Kanagaraju

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