MSM Malaysia Holdings Berhad

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GULA PRAI

MEDIA RELEASE
For Immediate Release

MSM RECORDED A LOSS BEFORE TAX OF RM23 MIL FOR 2QFY2025

Remains cautious on higher production cost

KUALA LUMPUR, AUGUST 25, 2025 – MSM Malaysia Holdings Berhad (MSM), the producer of the leading national refined sugar brand "Gula Prai", recorded a loss before tax (LBT) in the second quarter of its financial year ending 31 December 2025 (2QFY2025) of RM23 million, lower compared to the same quarter last year (2QFY2024) of RM32 million, attributed to bigger reduction in production cost of 18 percent driven by lower NY11, freight costs and foreign exchange.

Revenue for 2QFY2025 stood at RM813 million, 2 percent lower than RM833 million in 2QFY2024. The decline in revenue was mainly attributable to lower Average Selling Price (ASP) notably in the industrial and export categories, despite recording higher sales volume.

The Group reported a lower capacity utilisation factor (UF) of 49 percent in the 2QFY2025, compared to 50 percent in 2QFY2024 due to production curtailment to manage inventory in both refineries but sustained by consistency in efficiency yield.

MSM Acting Group Chief Executive Officer, Hasni Ahmad said, “The sugar industry is expected to remain challenging in 2025, driven by sustained high input costs, volatile raw sugar prices due to fluctuating global production volumes.”

“Despite these headwinds, domestic sugar demand is expected to peak towards year-end, supported by festive consumption trends. The Group continues to reinforce our domestics footprint and mitigate export pricing challenges albeit steady demand and exploit value added products market opportunities. Furthermore, the Group streamlining and optimising our operations to ensure profitability, “said Hasni.

MSM remains actively engaged with the Government via the Joint-Sugar Industry platform to finalise a sustainable pricing framework and to implement import controls on refined sugar – measures deemed critical in safeguarding national food security and ensuring the long-term viability of Malaysia’s sugar industry.

MSM is listed on the FTSE4Good Bursa Malaysia Index (F4GBM) and FTSE4GOOD Bursa Malaysia Shariah (F4GBMS), having heightened its Environmental, Social and Governance (ESG) initiatives recognised by Russel FTSE UK rating threshold.

Since 1964, MSM has firmly established itself as a leading national sugar refinery and ranks among the top 10 refiners globally. MSM's growth is underpinned by a robust ESG framework fully integrated into the business and operations. MSM is advancing a circular economy through its waste-to-green or 4R initiatives and are actively reducing its carbon footprint. MSM aims to achieve carbon neutrality ahead of 2030.

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About MSM Malaysia Holdings Berhad (MSM)

MSM Malaysia Holdings Berhad (MSM) is Malaysia's leading refined sugar producer and one of the biggest sugar refiners in Asia. MSM is involved in producing, marketing and selling refined sugar products under the "Gula Prai" brand. The company conducts its business principally through two operating subsidiaries, MSM Prai Berhad and MSM Sugar Refinery (Johor) Sdn Bhd. In addition, MSM also operates a logistics company – MSM Logistics Sdn Bhd.

At present, MSM's annual production capacity is up to 2.05 million tonnes of refined sugar. In 2024, MSM produced 1,104,290 MT of refined sugar, of which 258,932 MT are catered for the export market. Currently, MSM corroborates up to 60% of the domestic market share. Listed on the Main Market of Bursa Malaysia Securities Berhad since 28 June 2011 with a market capitalisation of RM830 million as at 31 December 2024, MSM combines economic success with environmental protection and social responsibility for a sustainable future.

MSM 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. MSM also sells molasses, a by-product of the refining process, to distilleries and producers of ethanol, animal feed and yeast, among other products. Aside from household consumers, 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, hotels, restaurants and food outlets.

For more information, please visit www.msmsugar.com

Forward Looking Statements

Certain statements in this media release regarding MSM's operations may constitute forward-looking statements. These statements can be identified by key words such as "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "plans", "outlook" and other words of similar meaning in connection with a discussion of future operating or financial performance. These statements relate to the plans, objectives, goals, strategies, future operations and performance of MSM. Actual results and outcomes may differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither intend to nor assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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