MEDIA RELEASE
For Immediate Release

MSM RECORDS RM35 MILLION PBT IN 2Q 2026 AMID LOWER REVENUE

Improved margins and lower operating expenses support profitability, while lower selling prices and sales volume weigh on revenue.

KUALA LUMPUR, 24 AUGUST 2026 – MSM Malaysia Holdings Berhad ("MSM" or "the Group"), producer of Malaysia's leading refined sugar brand "Gula Prai", returned to profitability in the second quarter ended 30 June 2026 (2Q 2026), recording a profit before tax (PBT) of RM35 million, compared with a loss before tax (LBT) of RM23 million in the corresponding quarter last year. Revenue for 2Q 2026 decreased to RM608 million from RM813 million in 2Q 2025, mainly due to lower average selling prices and sales volume. The Group also recorded a profit after tax (PAT) of RM23 million, compared with a loss after tax (LAT) of RM30 million in 2Q 2025.

For the six months ended 30 June 2026 (1H 2026), the Group recorded a PBT of RM23 million, reversing the LBT of RM15 million recorded in 1H 2025. The Group also recorded PAT of RM5 million, compared with LAT of RM26 million in 1H 2025. The improved performance was primarily driven by higher margins and lower other operating expenses.

The Group's total revenue for 1H 2026 stood at RM1.16 billion, compared with RM1.56 billion in the corresponding period last year, mainly attributable to lower average selling price (ASP) and lower sales volume. Despite the lower revenue, gross profit margin improved year-on-year, supported by a more favourable sales mix focusing on higher-margin products, which helped mitigate the impact of lower ASP.

Operationally, MSM continued to apply its produce-to-demand approach by aligning production with market demand and margin considerations. Accordingly, the Group's utilisation factor stood at 39% in 1H 2026, compared with 48% in 1H 2025. The Group also benefited from lower raw sugar prices, favourable foreign-exchange movements and lower freight costs.

Commenting on the Group's performance, MSM Group Chief Executive Officer, Dr. Aini Shahar, said, "While the return to profitability in 2Q 2026 represents an improvement, revenue and utilisation remained below the corresponding period last year, and the operating environment continues to be challenging. We have prioritised higher-margin sales, aligned production with demand and maintained tight cost discipline. Our immediate focus is to preserve margins and sustain profitability."

"We will continue to prioritise higher-margin products in the domestic market while optimising our product mix and sales strategy. Maintaining profitability will depend on continued discipline and our ability to respond to market and cost pressures," Dr. Aini added.

Looking ahead, the sugar industry is expected to remain challenging for the remainder of 2026, with continued cost pressure and competition from imported sugar in the domestic market weighing on margins.

MSM continues to engage with the Government to finalise a sustainable pricing framework that will safeguard national food security and support the viability of the domestic sugar industry over time.

Against this backdrop, MSM will remain focused on margin protection, cost discipline and operational efficiency.

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

At present, MSM's annual production capacity is up to 2,050,000 tonnes of refined sugar. In 2025, MSM produced 1,028,283 MT of refined sugar, of which 216,038 MT was supplied to the export market. MSM accounts for up to 60% of the domestic market. Listed on the Main Market of Bursa Malaysia Securities Berhad since 28 June 2011, 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 keywords 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. MSM neither intends to nor assumes 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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