

**MEDIA RELEASE  
For Immediate Release**

## **MSM POSTS RM363 MILLION LOSS BEFORE TAX FOR 4QFY2025 ON RM360 MILLION IMPAIRMENT**

*MSM financial performance primarily impacted by non-financial assets impairment*

**KUALA LUMPUR, FEBRUARY 26, 2026** – MSM Malaysia Holdings Berhad (MSM), producer of the nation's leading refined sugar brand "Gula Prai", recorded a loss before tax (LBT) of RM363 million for the fourth quarter of the financial year ended 31 December 2025 (4QFY2025), compared to profit before tax (PBT) recorded in the same quarter last year (4QFY2024) of RM96 million.

The significant quarterly loss was primarily due to the non-cash impairment of the Group's non-financial assets, amounting to RM360 million. The review, conducted in line with accounting standards, was prompted by a reassessment of asset values based on current operating conditions. Key factors influencing the review included the increase in losses recorded by MSM Sugar Refinery (Johor) Sdn Bhd (MSM Johor), throughout the year, resulting from lower-than-expected capacity utilisation and reduced sales demand. Additionally, the industry anticipates a rationalisation of the pricing framework for sales of products subject to price control.

Group revenue for the quarter declined 17 percent to RM783.1 million from RM943.6 million a year earlier, mainly due to lower sales volume and lower average selling price (ASP). On a positive note, production costs improved by 4 percent, benefitting from a favourable foreign exchange rate and lower freight costs.

Commenting on the results, the newly appointed MSM Group Chief Executive Officer, Dr. Aini Shahar, said, "The impairment is a prudent accounting exercise to align the carrying value of MSM Johor's assets with current realities. It is non-cash adjustment, based on updated assumptions regarding incentive support and plant performance, and it ultimately strengthens the quality and transparency of our financial reporting."

Dr. Aini emphasised that the adjustment has no immediate impact on the Group's operational liquidity. "This does not have an immediate impact on our day-to-day operations or cash flow. Our focus remains firmly on execution. We are prioritising improved sales, better plant performance, and stringent cost discipline to build a more resilient and sustainable earnings profile," she added.

For the full year ended 31 December 2025 (FY2025), MSM recorded an LBT of RM375 million, primarily due to the cumulative impact of impairment and challenging operating environment. This contrasts with a PBT of RM75.0 million in FY2024. Full year revenue declined 12.7 percent to RM3.09 billion from RM3.54 billion previously.

Looking ahead, MSM anticipates the operating environment to remain challenging in 2026 amid intensified competition from imported sugar. The global oversupply in the refined sugar market has resulted in a surplus within Malaysia, contributing to a contraction in MSM's market share. In response, the Group is streamlining and optimising its operations as part of its efforts to return to profitability. Additionally, the Group is actively engaging with the Government to finalise a sustainable pricing framework, aimed at protecting national food security and securing the future of the local sugar industry.

Since 1964, MSM has firmly established itself as a leading national sugar refinery and amongst top 10 refiners in the world exporting to over 20 countries till date, providing high- quality refined sugar products to ensure Malaysia's food security. The Group remains committed to supporting Malaysia's food security while advancing sustainability through its ESG framework.

**-ENDS-**

### **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](http://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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