

MEDIA RELEASE
For Immediate Release

MSM RECORDED RM13 MILLION LOSS BEFORE TAX IN 1QFY2026 AMID MARGIN PRESSURE

Group accelerates operational streamlining and optimisation efforts to strengthen margins and restore profitability.

KUALA LUMPUR, MAY 26, 2026 – MSM Malaysia Holdings Berhad (“MSM” or “the Group”), producer of Malaysia’s leading refined sugar brand "Gula Prai", recorded a loss before tax (LBT) of RM13 million for the first quarter ended 31 March 2026 of the financial year ended 31 December 2026 (1QFY2026). This compares with a profit before tax (“PBT”) of RM8 million in the corresponding quarter last year.

The performance was primarily affected by lower average selling prices, reduced sales volume and lower plant utilisation, which increased unit refining cost despite lower input-related production costs.

The Group’s total revenue for the quarter stood at RM552.8 million, a decrease of RM196.9 million or 26.3% compared to RM749.7 million in 1QFY2025. The decline was mainly attributed to a lower average selling price (ASP) and reduced sales volume.

On the operational front, production cost fell by 7% year-on-year, supported by lower NY11, foreign exchange rates, and freight cost. However, this was partially offset by a 17% increase in refining cost due to lower utilisation factor (UF).

Commenting on the results, MSM Group Chief Executive Officer, Dr. Aini Shahar, said, “The 1QFY2026 results reflect the continued margin pressure facing the domestic sugar industry, particularly from lower selling prices, imported sugar competition and lower utilisation.”

While the operating environment remains challenging, Management has taken immediate actions 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. 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,” Dr. Aini added.

MSM continues to actively engage with the Government to finalise a sustainable pricing framework to safeguards national food security and supports the long-term viability of the domestic sugar industry.

Since 1964, MSM played a central role in Malaysia’s sugar industry. Today, as one the world’s top 10 refiners, the Group is doubling down on operational excellence, sustainability, and food security, while taking decisive steps to strengthen long-term resilience.

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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 2025, MSM produced 1,028,283 MT of refined sugar, of which 216,038 MT was supplied 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 RM654 million as at 31 December 2025, 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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