

MSM commences maiden break bulk shipping of refined sugar to China

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KUALA LUMPUR, April 26 (Bernama) -- FGV Holdings Bhd's subsidiary, MSM Malaysia Holdings Bhd has commenced its maiden break bulk shipping of refined sugar from MSM Johor which set off to China with 7,000 tonnes of refined sugar.

Fully commissioned in November 2018, MSM Johor provides an avenue for MSM Group, Malaysia's leading refined sugar producer, to support domestic demand and further ramps up its export sales at a competitive pricing as it is strategically located at the Tanjung Langsat Port, MSM said in a statement today.

MSM Johor is also anticipated to reduce cost across the value chain following the strategic port facilities which contribute towards cost-efficiency, as well as reducing manpower intensive through the use of state-of-art machines with better technology and fully automated system.

"Break bulk shipping reduces the cost of our logistic as it requires cargoes to be transported in unitized form such as crated, bundled, or palletised to which our refined sugar are carried in a 1.5 tonne jumbo

bag that eases the process of loading.

"Besides that, break bulk shipping also allows goods to directly enter minimally-developed ports as some of them cannot accommodate large container ships," it said.

MSM said the break bulk operations through Tanjung Langsat Port's jetty involves cooperation between MSM Johor and FGV Transport Services Sdn Bhd.

"MSM is targeting to export more than 300,000 tonnes of refined sugar and other sugar-related products potentially to the Asia-Pacific region in view of our Business Plan 2019-2021 that includes exporting to the Asian market as part of our priorities to maintain market leadership towards becoming one of the top 10 sugar players in the world by 2020.

"However, MSM will continue to be selective on its export markets with a focus on high premium markets due to the challenging prices as a result of global sugar glut," it added.

MSM group chief executive officer Datuk Khairil Anuar Aziz said the break bulk shipping is a part of MSM new business model which focuses on maintaining cost discipline and operational efficiency in its business activities which include raw sugar procurement, external warehouse, as well as cost for freight, refining and finance.

"The advantage of our strategic standalone refinery in Johor together with the break bulk shipping initiative provides an opportunity for us to export our refined sugar at a very competitive price.

"With our Johor refinery in place, we have the capacity to fulfill domestic demand and expand our market share on the export front, while exploring additional revenue stream," he added.

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