

STRONG PERFORMANCE

Lower material cost, forex sweetens MSM Q3 results

KUALA LUMPUR: Sugar producer MSM Malaysia Holdings Bhd's net profit rose to RM15.88 million in its third quarter ended September 30, compared with RM10.42 million in the same period last year, driven by lower raw material costs and favourable foreign exchange (forex) rate.

The positive performance was backed by a 22.5 per cent lower raw sugar cost, compared with the third quarter 2017, and an eight per cent improvement in the ringgit.

The results were also attributed to prudent cost management, continuous review on all consumables and reprioritising outsourcing contracts across

the group.

Revenue, however, declined to RM562.05 million from RM667.11 million previously, hampered by a four per cent reduction in the overall tonnage sold and lower average selling price.

"With full support from our board, management and employees, we remain confident of our ability to achieve the full-year target," said MSM executive director Datuk Khairil Anuar Aziz in a statement yesterday.

It recorded a net profit of RM46.01 million for the nine-month period, compared with a net loss of RM45.66 million in the same period last year, also due to lower raw sugar costs and the favourable forex rate.