

RM7.06M NET LOSS

## MSM slips into the red in Q1

**KUALA LUMPUR:** MSM Malaysia Holdings Bhd posted a net loss of RM7.06 million in the first quarter ended March 31, compared with a RM15.81 million net profit a year ago.

Group revenue declined 12 per cent to RM485.62 million, it said in a statement yesterday.

The country's leading refined sugar producer attributed the weak results to lower sugar prices, a 15 per cent increase in the issuance of approved import permits and a sharp drop in exports.

"The decline in revenue was largely due to an 11 and 15 per cent decrease in the average selling price for MSM's domestic and industry sectors, respectively," it added.

The company's financial performance

was also affected by the decline of the ringgit against the US dollar.

During the quarter, MSM produced 217,880 tonnes of refined sugar, one per cent lower than the 218,976 tonnes in the previous corresponding period.

However, during the quarter under review, the production cost of refined sugar increased by 12 per cent as a result of scheduled operational maintenance, higher packing material costs, increased gas price and lower production volumes, it added.

MSM group chief executive officer Datuk Khairil Anuar Aziz said the market expected the ringgit to continue to weaken against the greenback over the next few months, but the situation should improve in the fourth quarter.