


*The* **Star**

## MSM to ensure stable supply chain

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PETALING JAYA: [MSM Malaysia Holdings Bhd](#)  (MSM) aims to explore upstream integration, with plans to secure raw sugar sustainably to meet long-term operational demands.

In a statement, the group said the initiative highlighted the company's dedication to ensuring a stable supply chain and driving sustainable business practices.

"MSM is also focused on downstream value-added products such as liquid sugar and premix, aiming to capitalise on market demand and enhance revenue streams.

“As of June 2024, MSM has reported a significant increase in market capitalisation, accompanied by share price growth registering 94.7% gain in 2023 and 59% gain from the start of this year based on yesterday’s closing price RM2.56.”

Despite encountering challenges inherent in the local sugar industry’s economic landscape, MSM said it had sustained notable profitability.

“This success can be attributed to the government’s sugar industry incentives, which have played a necessary role in stabilising the sector in addressing the anomaly in low consumer retail prices and supporting the joint local sugar industry,” it said.

Comparing 2023 with 2022, MSM group chief executive officer Syed Feizal Syed Mohammad said the group recorded a 15% increase in production costs due to higher raw sugar prices and weak ringgit.

Additionally, the cost of natural gas had surged by 15%, it added.

“As previously highlighted, the spike in natural gas prices in 2023 has propelled refining costs upwards, resulting in a significant overall cost escalation for the group.”

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