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MSM's Q2 loss widens to RM32.4mil despite 12pct higher revenue

By **Diyana Isamudin** - August 22, 2024 @ 6:14pm



Members of the Board of Directors and Management of the MSM Group

KUALA LUMPUR: MSM Malaysia Holdings Bhd recorded a wider net loss of RM32.4 million in the second quarter of financial year 2024 (2Q 2024) than the RM20.8 million net loss in the same period last year.

In a filing with Bursa Malaysia, the refined sugar producer said the weaker earnings were affected by higher input costs mainly raw sugar, freight and weakening of ringgit despite better capacity utilisation.

Group revenue, however, increased 12 per cent to RM833 million from RM746 million due to higher average selling price and incentive received for certain packed sugar sold in the domestic market despite lower sales volume.

In the first half of financial year 2024, MSM recorded a net profit of RM9.3 million versus a net loss of RM56.7 million in the same period a year ago, while its revenue jumped 30 per cent to RM1.7 billion from RM1.3 billion.

"The sugar industry continues to face with elevated input costs, driven by persistently high global freight and natural gas prices," said its group chief executive officer Syed Feizal Syed Mohammad.

He added that the raw sugar price is volatile mainly due to fluctuating global production volume.

"Amid these challenges, the group remains committed to strengthening our domestic sales while also enhancing our efforts in export markets till date to 20 countries," he said.

With the addition of two newly-launched refined sugar warehouses, the company said it aims to expand MSM Johor's internal storage capacity, install an additional coarse grain sugar packing line and ultimately reduce reliance on external warehouse rentals.

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