

MSM secures export deals for grain sugar into China

By Bernie Yeo | 30/08/2024 | in Business , Top



MSM Malaysia Holdings Berhad has announced its expanded market reach with grain sugar export deal into China, one of the top five export destinations for MSM alongside the Philippines, Singapore, Indonesia and Vietnam.

In 2022, MSM's sugar exports to China stood at 16,258 MT. This figure has more than doubled to 32,790 MT in 2023, highlighting MSM's robust production capabilities and reinforcing its reputation for delivering products that meet international standards.

This significant increase further demonstrates MSM's growing market share in the China sugar market.

MSM's trade relations with China began in 2019 with the supply of liquid sugar to a prominent Chinese state-owned food and agriculture enterprise. This partnership has now expanded to include the export of grain sugar.

Under this partnership, MSM will export high-quality grain sugar to China through China Food Trading (COFCO), reflecting both companies' commitment to excellence and sustainable practices.

“The successful trial shipment of 1,000kg of grain sugar in 2023 was a significant milestone for MSM. For 2024, we project exporting 45,000 MT of grain sugar to China,” said MSM group CEO Syed Feizal Syed Mohammad.

“MSM has a 100,000–200,000 MT per annum target in the medium term for China with available capacity headroom from MSM Johor refinery through an ongoing ramp-up programme.

“This landmark agreement underscores MSM’s strategic focus on international expansion and further solidifies our strong acceptance into the Chinese market.”

Syed Feizal said MSM Johor has hosted several delegations from China at the company since last year, and the visit showcased MSM Johor’s extensive capacity, facilities and capabilities as it continues to strive towards becoming a world-class sugar refining centre.

With the addition of two new refined sugar warehouses, MSM Johor is poised to expand its internal storage capacity, install additional packing lines, and reduce reliance on external warehouse rentals and achieving better supply chain cost efficiencies.

MSM Johor location is geo-strategic to meet growing demand in China and further its goal of becoming an integrated sugar refining centre including offering value-added products such as liquid sugar and premix.

MSM presently exports to 20 countries in Asia Pacific, South Asia, Middle East, Europe and recently North America earning export revenues of over RM600 mil per annum. Export earnings are expected to grow year-on-year. – Aug 30, 2024

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