

MSM wins deal to export grain sugar to China, aims to deliver 45,000 tonnes this year

By Sankita Jayanandan / theedgemalaysia.com

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KUALA LUMPUR (Aug 30): Sugar producer MSM Malaysia Holdings Bhd (KL:[MSM](#) [ASK](#) **EDGE**) announced on Friday that it has secured a deal to export grain sugar to China and targets to deliver 45,000 tonnes by the end of this year.

While it did not disclose the value of the deal, MSM said China is one of the group's top five export destinations — alongside the Philippines, Singapore, Indonesia and Vietnam. MSM exported 16,258 tonnes of sugar to China in 2022, which doubled to 32,790 tonnes in 2023, demonstrating MSM's growing market share in China's 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)," MSM said in a statement.

MSM group chief executive officer Syed Feizal Syed Mohammad said a successful trial shipment of 1,000kg of grain sugar in 2023 marked a significant milestone for the group.

"For 2024, we project exporting 45,000 tonnes of grain sugar to China. MSM has a 100,000–200,000 tonne 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," said Syed Feizal.

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

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

The new deal is expected to further boost MSM's export earnings. MSM currently exports its products to 20 countries across Asia Pacific, South Asia, the Middle East, Europe and North America, generating over RM600 million in annual export revenue.

At time of writing, MSM's share price was up three sen or 2.61% at RM1.18, valuing the group at RM822.49 million.

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