

## **MSM CONTINUES TO IMPORT RAW SUGAR FROM INDIA**

**KUALA LUMPUR, JANUARY 23, 2020** – Malaysia’s leading refined sugar producer, MSM Malaysia Holdings Berhad (MSM) announced today that they have procured their 1Q 2020 raw sugar requirement from one of the world top sugar producers, India, and is expecting the arrival of three shipments between January and February, bearing approximately 130,000 tonnes of raw sugar worth nearly RM 200 million.

“Over 900,000 metric tonnes of raw sugar has been imported in 2019 from various top producing countries which include India. We will continue to import raw sugar from top producing countries such as India, Brazil, Thailand and others whilst ensuring the raw sugar cost consistency in the benchmark of NY#11 and deliberately select our raw sugar suppliers to ensure minimal compromise in quality for our end product,” said MSM Group Chief Executive Officer, Dato’ Khairil Anuar Aziz.

India is ranked among the largest world’s sugar producers alongside Brazil and Thailand. India’s raw sugar production was reported to be slower for FY19/20 due to drier weather. However, for FY20/21, India’s production is expected to recover due to improving rainfall in Maharashtra. Whilst production in Brazil is forecasted to be stable but millers are more attracted to produce ethanol due to attractive pricing. In Thailand, production for FY19/20 has been lower due to poor rainfall in key planting areas.

Manoeuvring towards operational excellence, the acceptable quality and competitive freight cost of raw sugar produced from India, provides added-value and advantages for MSM to ensure a sustainable supply of best quality raw sugar stock for all of its refineries and facilitating efficient raw sugar procurement as part of cost-savings and operational improvement strategies.

Moving forward, MSM is all geared up to ensure a long-term sustainable and competitive business at local and international market. MSM also committed in the execution of its strategic growth plan to maintain cost discipline and redefining business by expanding new products



development, increasing operational efficiency and reducing refining cost, stringent and effective raw sugar procurement process.

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#### **About MSM Malaysia Holdings Berhad (MSM)**

MSM Malaysia Holdings Berhad (MSM) is Malaysia's leading refined sugar producer and one of the biggest sugar refiner in Asia. MSM is involved in producing, marketing and selling refined sugar products under the "Gula Prai" brand. The company conducts its business principally through three operating subsidiaries, MSM Prai Berhad, MSM Perlis Sdn Bhd, and MSM Sugar Refinery (Johor) Sdn Bhd. In addition, MSM also operates a logistics company – MSM Logistics Sdn Bhd.

At present, MSM's annual production capacity is up to 2.25 million tonnes of refined sugar. In 2018, MSM produced 987.467 tonnes of refined sugar, of which 109,613 tonnes are catered for the export market. Currently, MSM corroborates up to 59% of the domestic market share. MSM has been listed on the Main Market of Bursa Malaysia since 2011 and has a market capitalisation of RM 618.6 million as at 31 December 2019. MSM combines economic success with environmental protection and social responsibility for a sustainable future.

MSM offers a variety of products ranging from white refined sugar of various grain sizes to soft brown sugar. These are marketed and sold in a variety of packaging options under its flagship brand - Gula Prai. MSM also sells molasses, a by-product of the refining process, to distilleries and producers of ethanol, animal feed and yeast, among other products. Aside from household consumers, MSM sells to a wide range of customers in Malaysia and in other countries directly and indirectly through traders, wholesalers and distributors. Its customers include major companies in the beverage and confectionery industries, hotels, restaurants and food outlets.

For more information, please visit [www.msmsugar.com](http://www.msmsugar.com)

#### **Forward Looking Statements**

Certain statements in this media release regarding MSM's operations may constitute forward-looking statements. These statements can be identified by key words such as "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "plans", "outlook" and other words of similar meaning in connection with a discussion of future operating or financial performance. These statements relate to the plans, objectives, goals, strategies, future operations and performance of MSM. Actual results and outcomes may differ materially from those projected in any forward looking statements due to various events, risks, uncertainties and other factors. We neither intend to nor assume any obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

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