

# MSM DECLARES DIVIDEND OF 3 SEN PER SHARE FOR FY2021

**KUALA LUMPUR, 10 March 2022** – MSM Malaysia Holdings Berhad has declared a final dividend of 3 sen per share for the financial year ended 31 December 2021 (FY2021) which translates into a total dividend payout of RM21,089,400 to be paid on 7 April 2022 with an ex-date of 28 March 2022.

The Board's decision for dividend payment came after taking into consideration of the level of cash, gearing, return on equity and retained earnings, expected financial performance and other relevant factors.

MSM Group Chief Executive Officer, Syed Feizal Syed Mohammad said, "The final dividend payout of 3 sen per share supported with improvements in Group's Balance Sheet in FY2021 and forecast for FY2022. The Group's cash balance as at 31 December 2021 recorded at RM194.78 million and with an improved gearing ratio against total borrowings at 0.26 times from 0.33 times in FY2020.

"The Management is in cognizance to fulfil the dividend expectation from the shareholders and investors. It is also timely to distribute the profits as a reward to the shareholders post a turnaround year 2021 and subsequent to four consecutive years of no dividend declared since 2017," Syed Feizal added.

As per the unaudited result for FY2021, the Group recorded Profit After Tax (PAT) of RM125.35 million (from Loss After Tax (LAT) RM71.23 million in FY2020) which increased the Group's Retained Earnings to RM302.23 million as at 31 December 2021. The Group also recorded higher revenue of RM2.26 billion for 12 months FY2021 as compared to RM2.18 billion in the last financial year. Operationally, the production cost for the Group increased in FY2021 driven by 18% increase in NY11, 69% increase in freight cost and lower utilisation factor (UF) due to temporary shutdowns in MSM Johor for boiler rectification works and MSM Prai for sanitisation work due to COVID-19. The increase in NY11 was outweighed by lower foreign exchange of 2%.



MSM remains cautiously optimistic on its turnaround journey and the ability to achieve sustainable growth amidst the rising trend of main production cost elements. On the domestic front, the positive development on Malaysia's transition to endemic phase of Covid-19 provides strong impetus for greater economic recovery and social-economic activities leading to more product consumption including sugar. On the export market FY2022 poses good opportunities to further grow MSM's market share from 8% in 2021 to about 12% this year within the Asia Pacific region that has a strong and growing demand. The growth in export and industry segments will be beneficial to the Group in derisking in NY11 and forex.

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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 two operating subsidiaries, MSM Prai Berhad 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 2.05 million tonnes of refined sugar. In 2020, MSM produced 1,010,215 tonnes of refined sugar, of which 270,628 tonnes are catered for the export market. Currently, MSM corroborates up to 60% 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 401 million as at 31 December 2020. 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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