

MEDIA STATEMENT**MISCONCEPTION ON SUBSIDY FOR LOCAL SUGAR INDUSTRY**

KUALA LUMPUR, MAY 16, 2023 – MSM Malaysia Holdings Berhad (MSM) refers to recent stories published in Berita Harian online titled “Bekas menteri cadang subsidi bersasar untuk gula pasir” and “Kewajaran henti subsidi pukal gula akan dibincang”.

MSM wishes to provide further clarification on the issue been raised. The local sugar industry has **not been receiving subsidy** from the government **since 2013** and operating in a regulated industry governed by Kementerian Perdagangan Dalam Negeri dan Kos Sara Hidup (KPDN) under “Seksyen 5 Akta Kawalan Bekalan 1961 dan dinyatakan dalam Jadual 1 Peraturan-Peraturan Kawalan Bekalan 1974”. Retail sugar price in Malaysia remains as amongst the cheapest in the world, as gazetted under the Price Control and Anti-Profiteering Act 2011 (Determination of Maximum Price – No. 2, Order 2017).

Although operating in challenging environment with high operating cost, the local sugar industry urgently requires the government’s intervention by way of a price increase or even on a floating price basis. As essential food producers, local sugar refiners ensure food security while imports are not a sustainable option and is restricted to export quotas from their countries, particularly India, that may switch off to protect domestic needs.

MSM MALAYSIA HOLDINGS BERHAD**-ENDS-**