

MEDIA RELEASE

MSM JOHOR AIMS TO BE A WORLD CLASS SUGAR REFINING CENTRE

Completes technical turnaround programme ready for higher production, products varieties and green energy

PASIR GUDANG, MAY 22, 2023 – MSM Sugar Refinery (Johor) Sdn Bhd (MSM Johor), a wholly-owned subsidiary of MSM Malaysia Holdings Berhad (MSM) reported today that it has completed its second boiler change out works for sustainable refinery reliability and availability. MSM Johor will have unimpeded ability to produce at its effective design production capacity of 1 million tonnes per annum.

The work and procedures have been certified to be fully compliant with standard industry requirements and policies, particularly with regard to safety and quality. All necessary approvals from relevant authorities and regulatory bodies have been obtained, as a result two boilers can operate legally without any prohibition from the Department of Occupational Safety and Health Johor (DOSH Johor). With the completion of the second boiler rectification work, MSM Johor is expected to achieve UF rate of minimum 50 percent as the near term target with increased local market demand inclusive of added varieties and exports.

MSM Group Chief Executive Officer, Syed Feizal Syed Mohammad said, “For added mitigation, MSM Johor is in the initial phase of third boiler procurement to further strengthen operations sustainability. The planned improvement programme aims to not only boost the production utilisation factor (UF) but also align with MSM Johor’s vision of becoming a world-class sugar refining centre. There is tremendous headroom to grow the exports with an over 4.0 million tonnes per year market in Asia Pacific where MSM Johor has a geo-strategic advantage in the supply chain of retail and industry. MSM’s export market share in the Asia-Pacific (APAC) region for 2022 is around 6 percent with Vietnam, Pacific Islands, Singapore, Korea and Pakistan being among the top export destinations. MSM intends to grow the export footprint further between 12-15 percent in the near term. Global sugar prices have been bullish due to food security concerns and global demand outstripping production. The export market attractiveness will spur MSM volumes into China, Philippines and Indonesia.”

“Since 1964, MSM has firmly established itself as a leading national sugar refinery, providing high-quality refined sugar products to ensure Malaysia’s food security. Over the years, we have developed a strong foundation and continually refine our business model to enhance production efficiency, capacity, and sustainability. Among future plans for MSM Johor is to



incorporate green energy initiatives such as biomass from palm oil empty fruit bunch and added value products,” Syed Feizal said.

“Supported by the vision of the new government economic leadership MSM looks forward to the green energy realization while reducing fossil fuel dependency. On raw sugar security, MSM is exploring supporting via offtakes upstream cultivation of sugar cane under a large-scale initiative driven by a multitude of smallholders seeking to improve socio-economic outcomes. Plans are still in the very early phase of exploration,” Syed Feizal further added.

As the largest sugar producer in the country, MSM will continue to provide food security to the nation amidst various challenges of high input costs mainly raw sugar, freight and natural gas.

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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 refiners 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 2022, MSM produced 946,834 tonnes of refined sugar, of which 230,903 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 RM598 million as at 30 December 2022. 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

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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