

## Media Release

### MSM STRENGTHENS SUGAR SUSTAINABILITY COMMITMENT

100% Raw Sugar Sourced from Wilmar NDPE Sugar Initiative

**Kuala Lumpur, 20 January 2023** – MSM Malaysia Holdings Berhad (MSM), the national refined sugar producer is pleased to announce that 100% of raw sugar in “Gula Prai” brand products are sourced from Wilmar's NDPE Sugar Initiative. The NDPE (No Deforestation and No People Exploitation) Sugar Initiative's ambition is to make sugarcane production environmentally sustainable and to improve the livelihoods of the people involved. MSM is working together with Wilmar Sugar Pte Ltd., as part of our commitment to drive progress in increasing sustainability in sugar production.

This ambitious goal came into reality after MSM and Wilmar Sugar first embarked on joint efforts to assist and support each other in the establishment of a sustainable sugar supply chain, by entering into an agreement back in December 2021 to enable sustainable raw sugar sourcing and to protect the environment, labour and communities based on Wilmar's NDPE Sugar Policy while promoting progress in operational efficiencies and best sustainability practices.

MSM Group Chief Executive Officer, Syed Feizal Syed Mohammad, said to fully grasp the extent of supply chain visibility and traceability, one of the core attributes of the NDPE Sugar Policy ensures that sugar sourcing is mapped out to all refineries and requires specific information to be readily available. Through mapping, the full extent of supply chain visibility can be observed to enable traceability of the origin of sugar sources.

“MSM is proud that Gula Prai has been the most popular and remains the iconic choice among consumers and food and beverages industry players in Malaysia for more than half a century, since 1964. To commemorate this achievement, the new Gula Prai consumer packaging will have the NDPE Sugar logo,” said Syed Feizal.

“MSM continuously seek to enhance our Environmental, Social and Governance (ESG) commitment in food production and establish a stronger market presence locally and globally as an integrated sustainable sugar refiner. Through the collaboration with Wilmar Sugar, the world's leading player in sugar commodity and its NDPE Sugar initiative, MSM is able to signify sustainability in our operations and business, and most importantly it commences at the very first line of supply chain ecosystem of our product – raw sugar sourcing,” he added.

The NDPE Sugar Policy was launched as an initiative to improve the livelihoods of people involved in producing sugar by making sugarcane production environmentally sustainable. According to Wilmar, the NDPE Sugar Policy's development was built around expanding and developing long-term partnerships with suppliers and buyers whilst embracing various sustainability tools and programmes.

<sup>1</sup>[https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/ndpe-sugar-policy.pdf?sfvrsn=9367bb03\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/ndpe-sugar-policy.pdf?sfvrsn=9367bb03_2)



Currently, MSM operates two sugar refineries, one in Prai, Penang with an annual production capacity of 1.05 million tons of refined sugar, Malaysia's largest sugar refinery, and in Tanjung Langsat, Johor with an annual production capacity of 1 million tons of refined sugar, set to ramp up its production.

Wilmar Sugar operates an integrated sugar business across the entire value chain from sugar cane plantations to processing, merchandising and distribution of sweetener products. It operates sugar mills, cogeneration plants, ethanol distilleries and sugar refineries across the globe, linking key origins and destinations through a market-leading team.

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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 2021, MSM produced 895,222 tonnes of refined sugar, of which 246,101 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 RM900 million as at 31 December 2021. 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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