

**MEDIA RELEASE**  
For Immediate Release**MSM RECORDED A LOSS BEFORE TAX OF RM32 MIL FOR  
2QFY2024**

YTD 1H 2024 remains profitable with RM34 mil PBT

**KUALA LUMPUR, AUGUST 22, 2024** – MSM Malaysia Holdings Berhad (MSM), the producer of the leading national refined sugar brand "Gula Prai", recorded a loss before tax (LBT) of RM32 million for the second quarter (2Q) of the financial year ending December 2024 (FY2024), impacted by higher operating costs and lower non-operational gains compared to LBT recorded in the same quarter last year (2QFY2023) of RM14 million. MSM maintains a profitable outlook for the year with a Year-to-Date (YTD) 1H 2024 of RM34 million profit before tax (PBT). In addition, there are also accounting provisions of around RM18 million for potential reversal in 2H 2024.

Revenue for 2QFY2024 rose to RM833 million, a 12 percent higher compared to RM746 million for 2QFY2023 and the Group achieved a higher utilisation factor (UF) of 50 percent in 2QFY2024 compared to 48 percent in 2QFY2023. Additionally, there was an improvement in efficiency yield, reaching 95.6 percent in 2QFY2024, up from 94.9 percent in 2QFY2023. However, production cost increased by 14 percent driven by 12 percent higher NY11, 18 percent freight cost and 5 percent higher foreign exchange, despite lower refining cost following an improved UF.

MSM Group Chief Executive Officer, Syed Feizal Syed Mohammad said, "The sugar industry continues to face with elevated input costs, driven by persistently high global freight and natural gas prices. Moreover, raw sugar price is volatile mainly due to fluctuating global production volume".

"Amidst these challenges, the Group remains committed to strengthening our domestic sales while also enhancing our efforts in export markets till date to 20 countries," Syed Feizal added.

While MSM Prai has matured efficiency as one of the best sugar refineries in Asia, MSM Johor has significant opportunities to move towards being a world class integrated sugar refining centre, offering value-added products and downstream solutions to meet demand in the ASEAN region. With the addition of two newly launched refined sugar warehouses, MSM Johor aims to expand its internal storage capacity, install an additional CGS packing line, and ultimately reduce reliance on external warehouse rentals.



The Group remains cautious about the risks posed by escalating geopolitical tensions, which could impact input costs and financial performance. The Joint Sugar Industry continues to engage with the Government to finalise a sustainable pricing mechanism for the domestic retail segment and to regulate imported refined sugar to avoid dumping practices, aiming to ensure food security and the long-term sustainability of the industry.

MSM is listed on the FTSE4Good Bursa Malaysia Index (F4GBM) and FTSE4GOOD Bursa Malaysia Shariah (F4GBMS), having heightened its Environmental, Social and Governance (ESG) initiatives recognised by Russel FTSE UK rating threshold. MSM is advancing a circular economy through its waste-to-green or 4R initiatives and are actively reducing its carbon footprint. MSM aims to achieve carbon neutrality ahead of 2030.

Since 1964, MSM has firmly established itself as a leading national sugar refinery and ranks among the top 10 refiners globally. MSM's growth is underpinned by a robust ESG framework fully integrated into the business and operations.

**-ENDS-**

#### **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 2023, MSM produced 992,000 tonnes of refined sugar, of which 242,077 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 RM2.24 billion as of 22 April 2024. 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.

*For media enquiries, please contact:*

**Siti Noorbaya Mohd Yunus**  
+6016 677 6118  
[noorbaya.my@msmsugar.com](mailto:noorbaya.my@msmsugar.com)

**Syahidah Ismail**  
+6019 225 9705  
[syahidah.i@msmsugar.com](mailto:syahidah.i@msmsugar.com)