

ANALYST BRIEFING

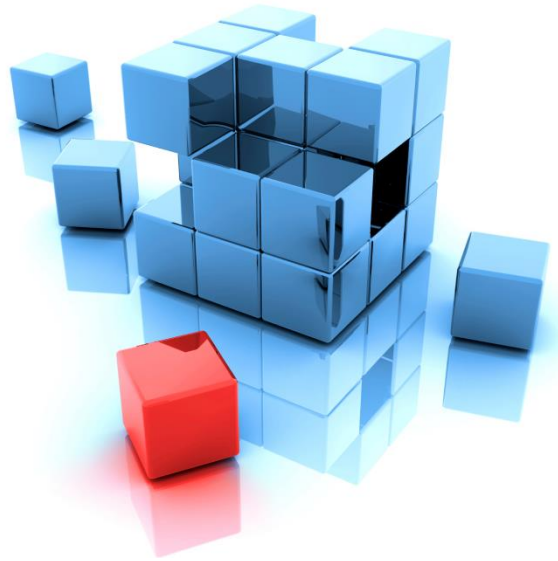
FOR THE FOURTH QUARTER 2017

FEBRUARY 2018

The logo consists of a large white triangle pointing upwards, outlined in blue. Inside this triangle, the letters 'M S M' are written in a bold, white, sans-serif font. The letters are centered horizontally and are separated by small gaps. The entire logo is positioned in the bottom right corner of the slide, overlapping the white background.

M S M

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GROUP FINANCIAL HIGHLIGHTS

FOR THE FOURTH QUARTER 2017 RESULTS



FINANCIAL HIGHLIGHT

FINANCIAL		4Q 2017	4Q 2016	Changes %	FY 2017	FY 2016	Changes %
Revenue	RM 'mill	656	838	(22) ▼	2,666	2,658	- ▲
Profit/(Loss) Before Taxation PBT/(LBT)	RM 'mill	27	24	13 ▲	(16)	148	(110) ▼
Net Profit/(Loss) PAT/(LAT)	RM 'mill	13	14	7 ▼	(33)	121	(127) ▼
Total Assets	RM 'mill	3,408	3,225	6 ▲	3,408	3,225	6 ▲
Total Liabilities	RM 'mill	1,478	1,239	19 ▲	1,478	1,239	19 ▲
Cash and Cash Equivalents	RM 'mill	207	338	(39) ▼	207	338	(39) ▼
Net Assets per Share	RM/share	2.75	2.83	(2) ▼	2.75	2.83	(2) ▼
Earning/(Loss) per Share (EPS)	sen	1.86	2.05	(9) ▼	(4.63)	17.17	(127) ▼
Gearing Ratio*	%	38	26	12 ▲	38	26	12 ▲

OPERATIONAL

Sales volume	MT	247,862	269,714	(8) ▼	997,940	1,028,266	(3) ▼
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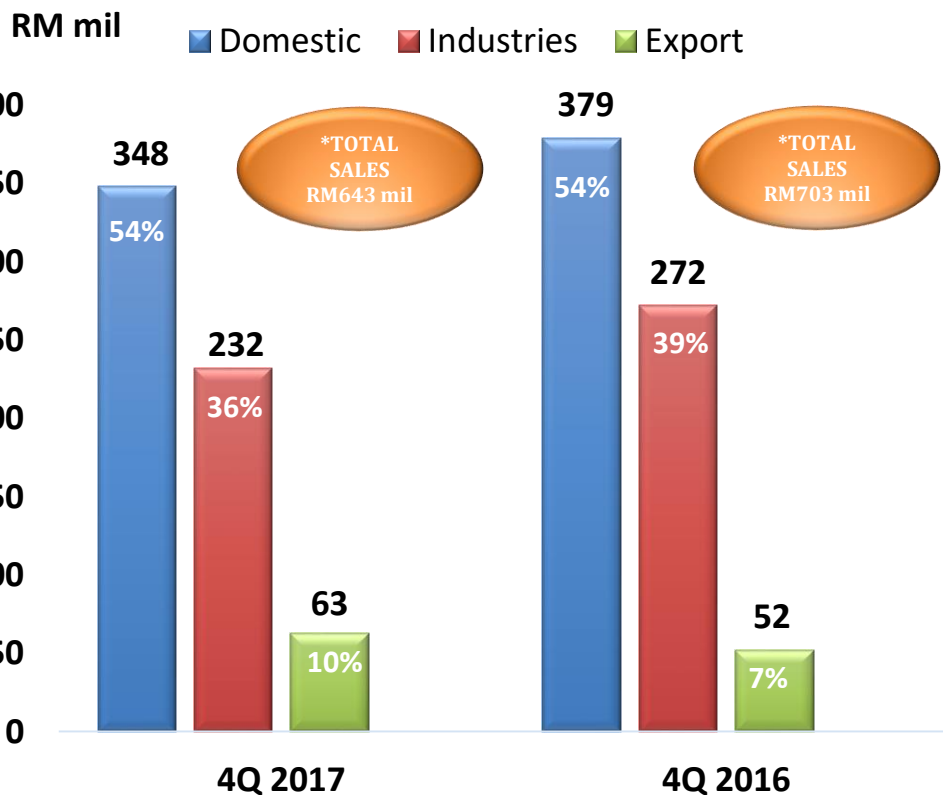
* Gearing ratio equals to net debt divided by total capital of the Group. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated statement of financial position). Total capital is calculated as 'equity attributable to owners of the Group' as shown in the consolidated statement of financial position plus the net debt of the Group.



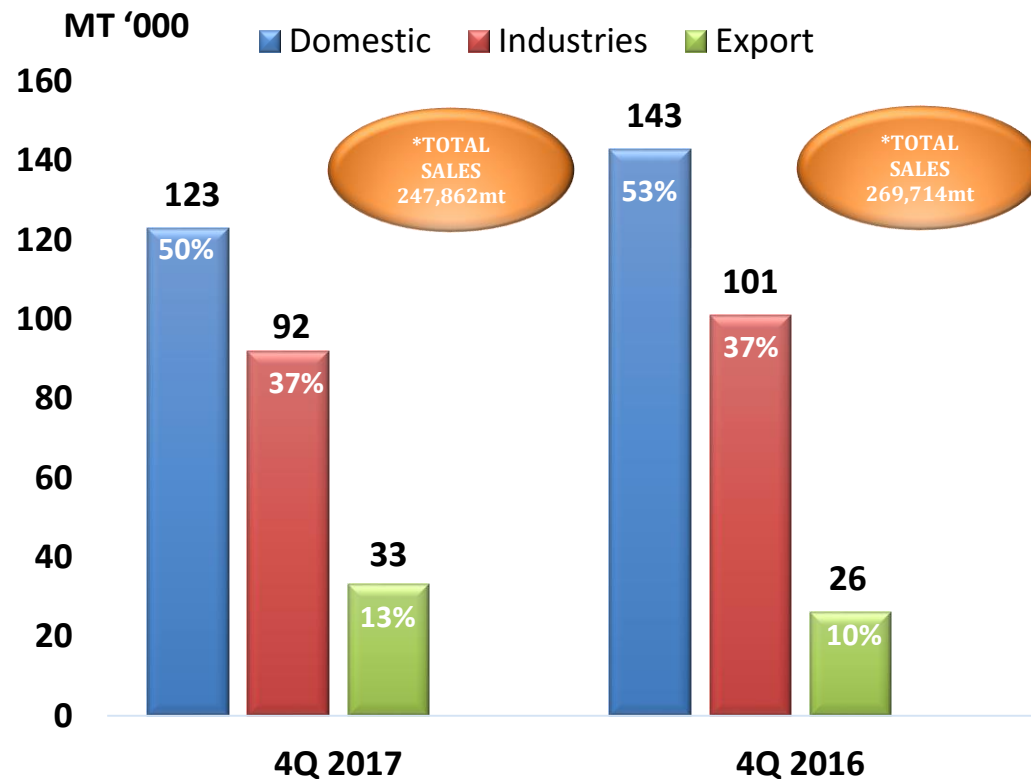
REVIEW OF SALES PERFORMANCE



SALES REVENUE 4Q 2017 vs 4Q 2016



SALES VOLUME 4Q 2017 vs 4Q 2016



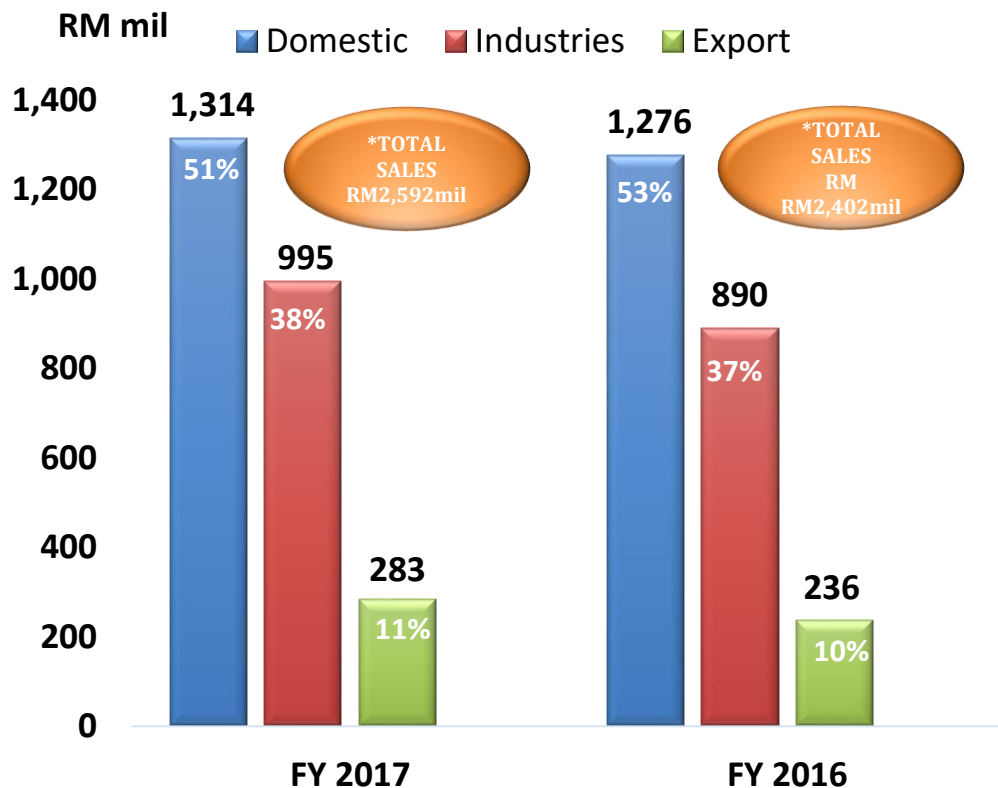
- Total sales revenue of refined sugar was RM643 mil for 4Q 2017 vs RM703 mil in 4Q 2016.
- Overall sales revenue decreased due to reduction in the overall tonnage sold for Domestic and Industries.

- Domestic sales volume down by 20,000 tons compared to 4Q 2016.

* Note:

1) Sales figure is AFTER consolidation adjustment 2) The sales figure excludes the sales of molasses

SALES REVENUE FY 2017 vs FY 2016

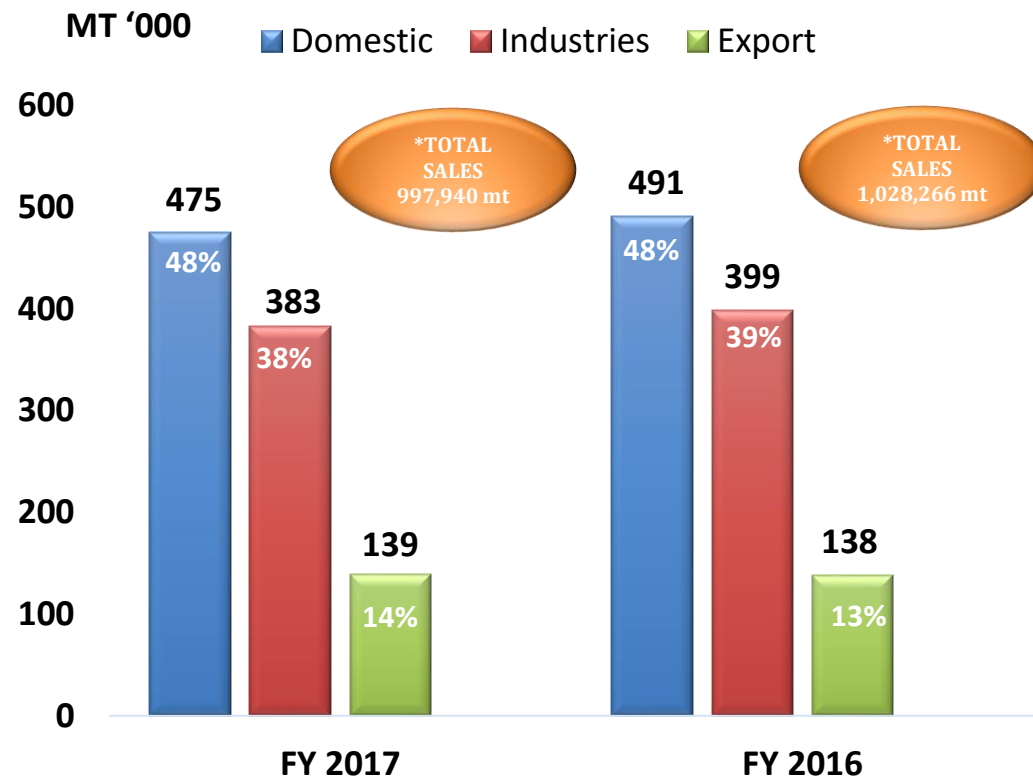


- Total sales revenue of refined sugar was RM2,592 mil vs RM2,402 mil in 2016.
- The Group sold more to Domestic consumers RM1,314 mil compared to RM1,276 mil in 2016.

* Note:

1) Sales figure is AFTER consolidation adjustment 2) The sales figure excludes the sales of molasses

SALES VOLUME FY 2017 vs FY2016



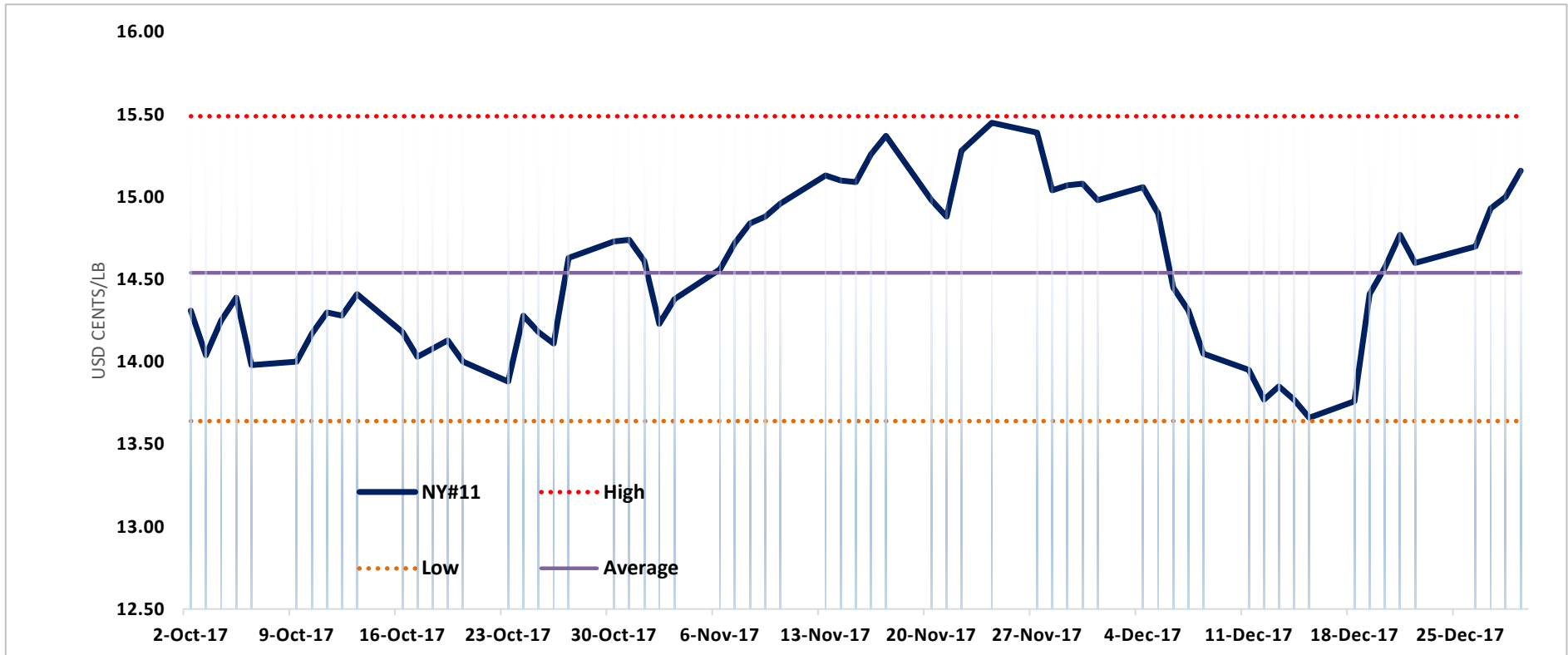
- Both Domestic and Industries sales volume down by 16,000 tons compared to 2016.



SUGAR MARKET OVERVIEW 2017

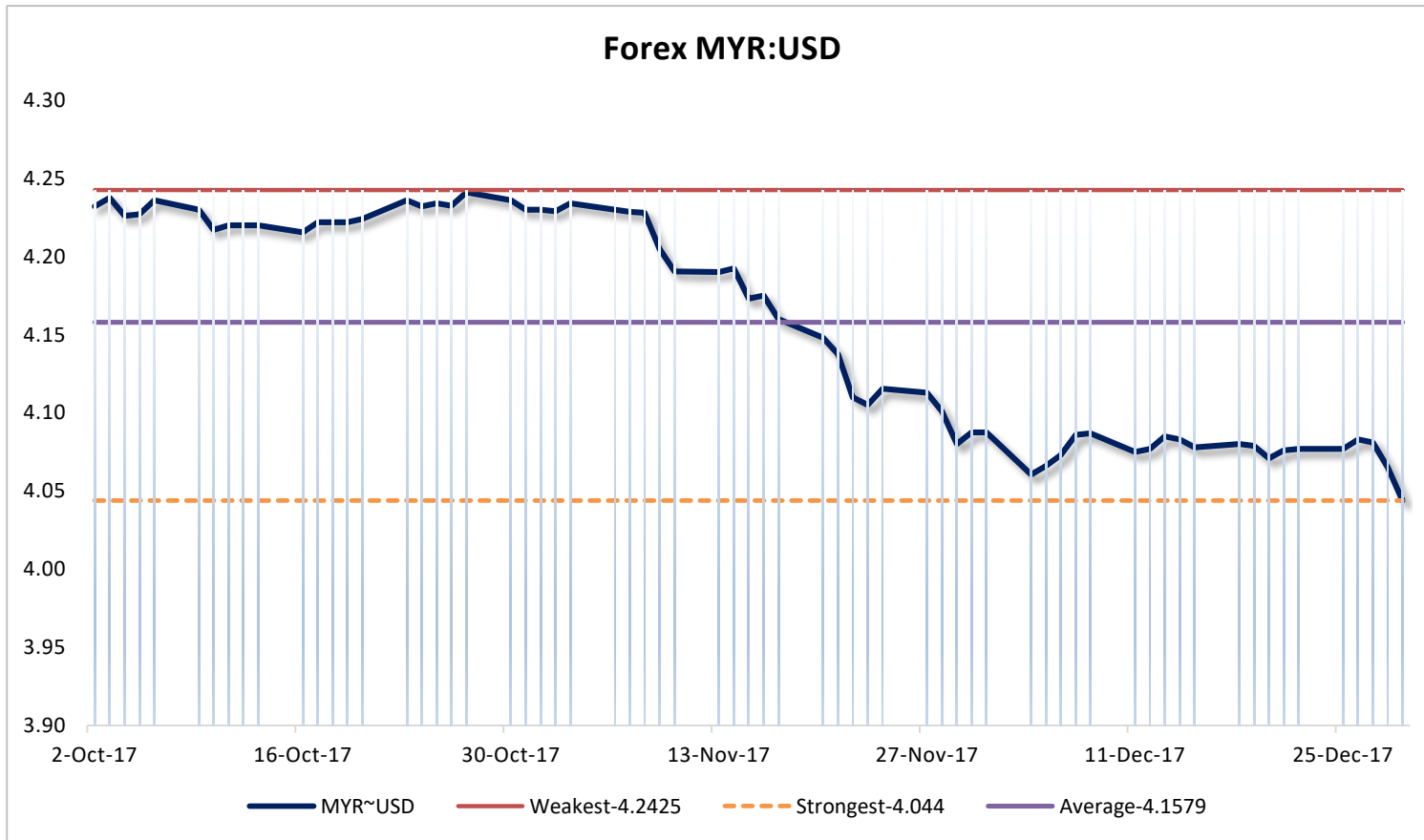
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NY11 PRICE MOVEMENT (4Q 2017)



	4Q 2017	4Q 2016	% Change
Open	\$14.10c/lb	\$22.80c/lb	-38.15%
Close	\$15.16c/lb	\$19.51c/lb	-22.29%
High	\$15.49c/lb	\$23.90c/lb	-35.18%
Low	\$13.64c/lb	\$17.84c/lb	-23.54%
Trading Range	185 points	606 points	-69.47%
Average	\$14.54c/lb	\$20.87c/lb	-30.33%

CURRENCY MARKET: MYR TO USD (4Q 2017)



MYR has strengthen against dollar as global trade recovery is seen and a pickup in domestic buying.

WORLD SUGAR MARKET – HIGHLIGHTS AND OUTLOOK

- Brazilian mills are moving to ethanol for 2018-19 season this may lead to a decline of almost 5 million tonnes in sugar production.
- Even with the decline in Brazil the market is well balanced as sugar production is on a rise in EU, Pakistan, India and Thailand.
- Pakistan government is allowing a subsidy of US\$100/mt on exports to control the stock piling, the country is expected to export 2mmt for 2017-18 a steep rise from last season 500kmt.
- Large funds/Spec shorts are at a record net short position at an estimate 198k lots.
- Indian crushing season 2017-18 is moving strongly with ISMA forecasting sugar production at 26.1 million tonnes, whereas sugar consumption will be around 24-25 million tonnes.
- As market is fundamentally well placed NY raw sugar futures have been trading range bound \$13-15 for quite a while.

THANK YOU

