

ANALYST BRIEFING

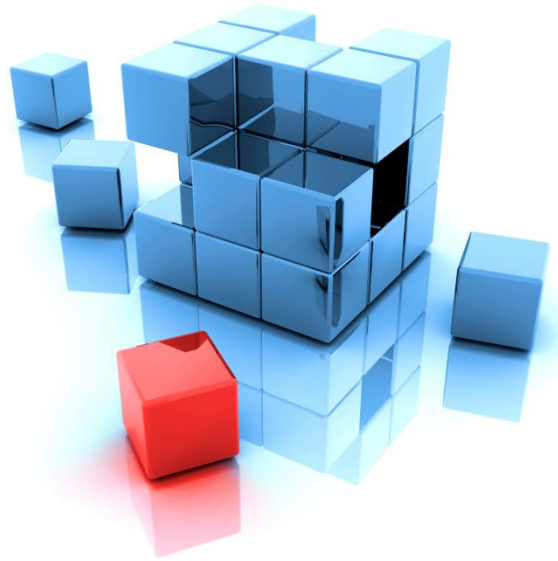
FOR THE FIRST QUARTER 2017

24 MAY 2017

The logo consists of a white triangle with a blue border, containing the letters 'M S M' in blue. The triangle is positioned in the bottom right corner of the slide, partially overlapping the white background.

MSM

CONTENTS



- 01 Group Financial Highlights**
- 02 Performance Review**
- 03 Sugar Market Overview**
- 04 Ongoing Initiatives**
- 05 Q&A Session**

The logo for MSM (Malaysia Sugar) is located in the bottom right corner. It features a large blue triangle pointing upwards, with a white border. Inside the triangle, the letters 'M S M' are written in a bold, blue, sans-serif font, stacked vertically.

MSM



GROUP FINANCIAL HIGHLIGHTS

FOR THE FIRST QUARTER 2017 RESULTS



FINANCIAL HIGHLIGHT

FINANCIAL		Q1 2017	Q1 2016	Changes %	YTD 31 Mar 2017	YTD 31 Mar 2016	Changes %
Revenue	RM 'mill	649	553	17.32 ▲	649	553	17.32 ▲
Loss From Operations (LBT)	RM 'mill	(40)	61	(165) ▼	(40)	61	(165) ▼
Net Loss (LAT)	RM 'mill	(35)	59	(158) ▼	(35)	59	(158) ▼
Total Assets	RM 'mill	3,298	3,225	2.24 ▲	3,298	3,225	2.24 ▲
Total Liabilities	RM 'mill	1,341	1,239	8.27 ▲	1,341	1,239	8.27 ▲
Cash and Cash Equivalents	RM 'mill	389	338	15.13 ▲	389	338	15.13 ▲
Net Assets per Share	RM/share	2.78	2.83	(1.51) ▼	2.78	2.83	(1.51) ▼
Earning/(Loss) per Share (EPS)	sen	(4.93)	8.44	(158) ▼	(4.93)	8.44	(158) ▼
Gearing Ratio*	%	35.78	25.82	9.96 ▲	35.78	25.82	9.96 ▲
OPERATIONAL							
Sales volume	MT	238,611	237,050	0.66 ▲	238,611	237,050	0.66 ▲

* 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.



1ST QUARTER PERFORMANCE FOR 2017

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1ST QUARTER 2017 PERFORMANCE

(RM mil)	Q1 2017	Q1 2016	QoQ%	Q4 2016	Preceding %
Revenue	649	553	17.32	838	22.55
<i>GP margin</i>	<i>0.47%</i>	<i>18.81%</i>	<i>(18.34)</i>	<i>7.64%</i>	<i>(7.17)</i>
Expenses	(689)	(492)	40.04	(814)	(15.36)
Loss From Operations (LBT)	(40)	61	(165)	24	(266)
Net Loss (LAT)	(35)	59	(158)	14	(350)
<i>Net (loss)/profit margin</i>	<i>(5.39%)</i>	<i>10.73%</i>	<i>(16.06)</i>	<i>1.67%</i>	<i>(7.06)</i>
Earning/(Loss) per Share (EPS)	(4.93)	8.44	(158)	2.05	(340)
Attributable to Shareholders					
- ROE	(1.77%)	2.88%	(4.61)	0.72%	(2.49)
- Net Asset per Share (RM/Share)	2.78	2.83	(1.51)	2.83	(1.77)

REVENUE

QoQ

The Group recorded a total revenue RM 649 million in the current quarter compared to the same period last year of RM 553 million.

Preceding quarter

Lower revenue compared to the preceding quarter of RM 838 million on the back of lower demand of refined sugar from the domestic and industries market.

PROFIT BEFORE TAX (PBT) AND PROFIT AFTER TAX (PAT)

QoQ

The Group recorded Net Loss of RM 35 million as compared to profit after tax (PAT) of RM 59 million in the previous corresponding period.

Preceding quarter

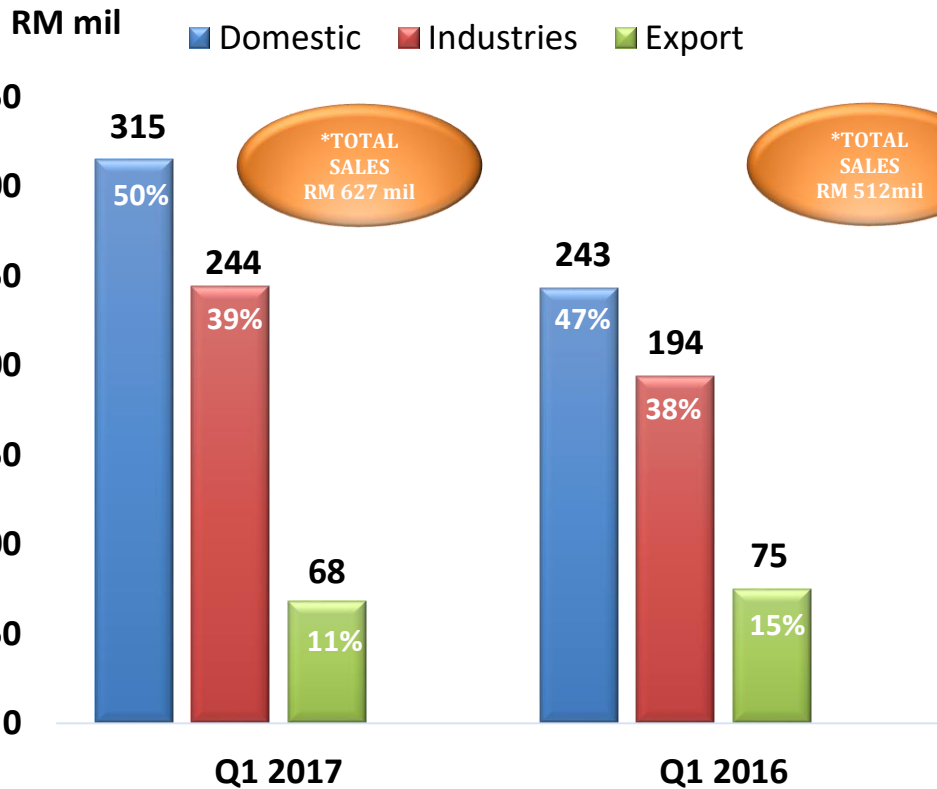
Net Loss of RM 35 million for the three (3) months period ended 31 March 2017 compared to the preceding quarter PAT of 14 million due to the higher raw material costs and weakening Ringgit.



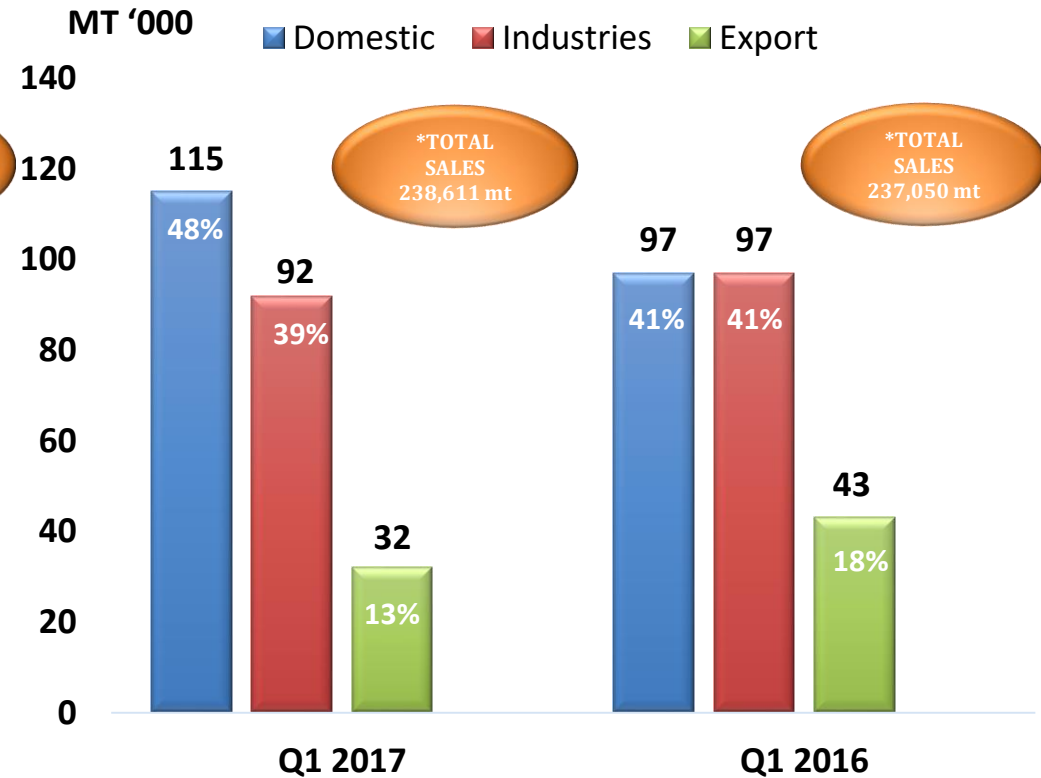
REVIEW OF SALES PERFORMANCE



SALES REVENUE Q1 2017 vs Q1 2016



SALES VOLUME Q1 2017 vs Q1 2016



- Total sales revenue of refined sugar was RM 627 mil for Q1 2017 vs RM 512 mil in Q1 2016.
- The Group sold more to Domestic consumers at 50% of total sales compared to 47% in Q1 2016.

- The Group sold more to Domestic consumers at 48% of total sales compared to Q1 2016 of 41%
- Industries sales volume down by 5,000 tons compared to Q1 2016.

* Note:

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

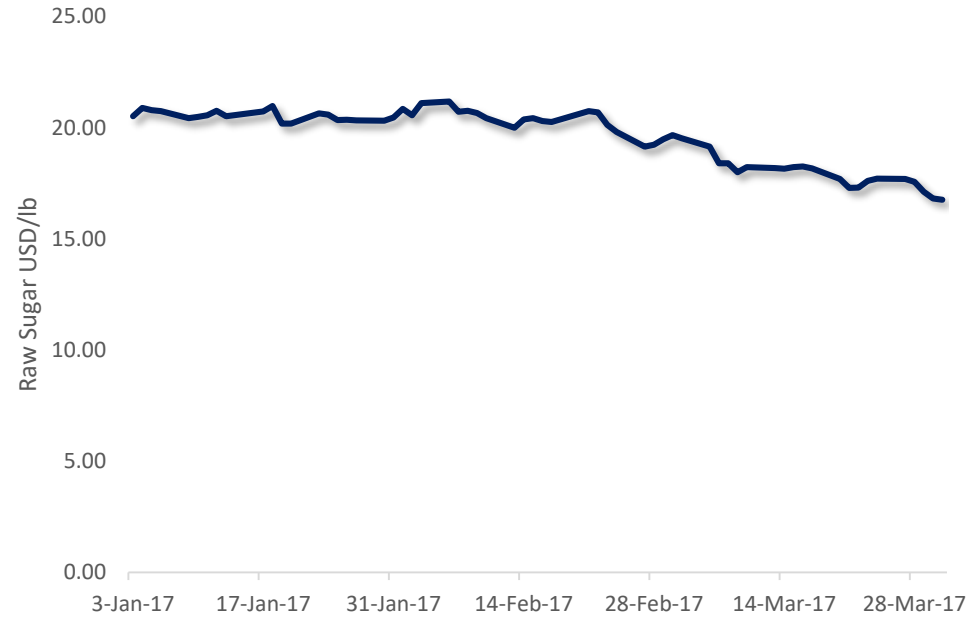


SUGAR MARKET OVERVIEW 2017

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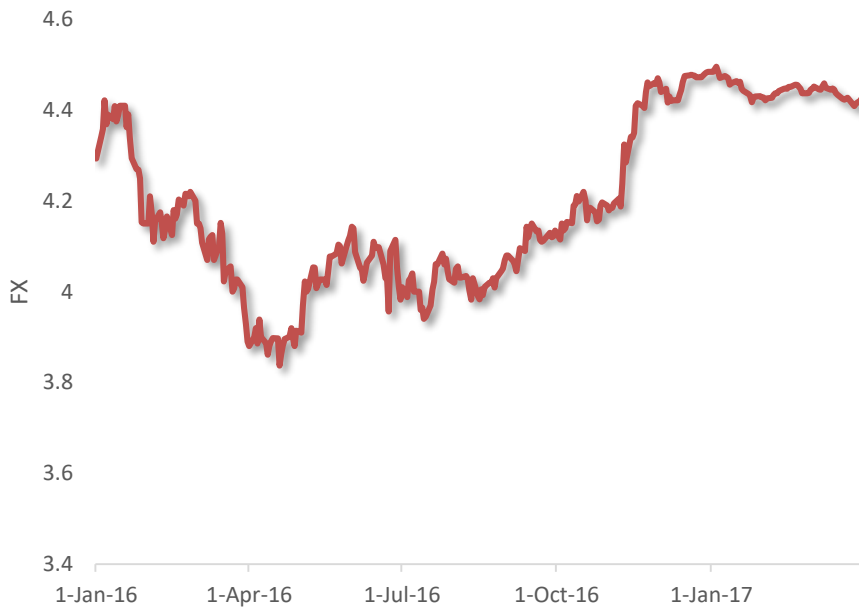
NY11 PRICE MOVEMENT (Q1-17)

Raw Sugar Price
Q1-17



CURRENCY MARKET: MYR TO USD (2016-current)

MYR~USD



	Q1 2017	Q1 2016	% Change
Open	19.63	15.18	27.99 ▲
Close	16.76	15.35	9.18 ▲
High	21.49	16.75	28.29 ▲
Low	16.58	12.87	28.82 ▲
Trading Range	491	388	26.54 ▲
Average	19.57	14.38	36.09 ▲

WORLD SUGAR MARKET – HIGHLIGHTS AND OUTLOOK

- The funds reduce their net long position to a 19-month low.
- India the world's largest sugar consumer allowed 500k of raw sugar imports, the production would likely fall to 20MMT compared with last year of 25MMT.
- Crude price falls pushed the overall commodity market lower, as indicated by the 0.8% decrease in the CRB Index.
- May NY expired with a total of 1.5MMT delivered.
- In Australia, cyclone Debbie caused major damage to the cane field with an estimates to be as high as 20 percent.
- Market has not reached to consensus on Brazilian crop currently range 570-605MMT , however we expect it to be around 600MMT.

THANK YOU

