



MSM to increase sugar production by 36 pc

KUALA LUMPUR: MSM Malaysia Holdings Bhd is targeting to increase its sugar production by 36 per cent to 1.5 million tonnes by 2016 from 1.1 million tonnes currently.

Its Chief Executive Officer Chua Say Sin said the increased production will be used mainly for meeting the increasing demand and exploring new international markets, particularly in the Asia Pacific region.

"MSM has set aside RM220 million from the initial public offering (IPO) proceeds for internal expansion. This year, we have budgeted RM85 million for capacity and warehouse expansion, out of which RM37 million has been utilised.

"Additionally, we are also building our infrastructure, warehouse storage and handling capacity in line with our plan to expand capacity," he told reporters after the company's annual general meeting here Wednesday.

Chua said the amount used for capacity expansion is in anticipation of production growing from 3,600 tonnes to 4,600 tonnes of raw sugar melt per day.

"We also intend to increase the raw sugar storage capacity further to 37,000 tonnes from 27,000 tonnes currently," he said.

Chua said MSM targets to increase its exports to 20 per cent of output by year-end from 15 per cent recorded in 2012, with the main focus on the Asia market.

"We just ventured into the Myanmar market and we are now looking to Vietnam, due to its big population," he added. - Bernama