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Pharmaniaga Delivers Improved Q2 PAT
Declares Second Interim Dividend of 2.5 sen per share

KUALA LUMPUR, August 23, 2019 – Pharmaniaga Berhad (Pharmaniaga) delivered an improved performance for its second quarter ended 30 June 2019. Profit after tax (PAT) grew to RM9 million compared with RM6 million in the previous year's corresponding quarter, while profit before tax (PBT) rose to RM12 million. This was achieved on the back of an increased turnover of RM602 million.

Cumulatively for the first six months ended 30 June 2019, the Group turned in a higher PAT of RM29 million and PBT of RM43 million. Revenue for the six-month period rose to RM1.4 billion.

The Logistics and Distribution Division recorded a higher PBT of RM19 million for the six-month period, reflecting a two-fold increase compared with RM9 million in last year's corresponding period. Despite higher operating costs, the improved performance was driven by better contributions from the non-concession business.

The Manufacturing Division posted a PBT of RM28 million, slightly lower than RM34 million in the same period last year. This was mainly due to reduced contributions from the concession business.

In line with the Group's commitment to enhancing shareholder value, the Board of Directors declared a second interim dividend of 2.5 sen per share, bringing to a cumulative dividend of 8.5 sen per share for the current financial year ending 31 December 2019. The second interim dividend will be paid on 11 October 2019 to shareholders on the register as at 12 September 2019.

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Dato' Farshila Emran, Managing Director of Pharmaniaga Berhad, said, "Our solid results were driven by strong contributions from the concession and non-concession businesses. The Group also benefitted from lower corporate tax expense, mitigating the impact of reduced contribution margins and higher finance costs."

"Over the long-term, we are confident that prospects for the healthcare industry are positive. The Group is poised to tap into opportunities for growth as we expand our product portfolio to cater to evolving healthcare needs via our research and development drive. Moreover, strategic marketing initiatives will enable the Group to reinforce our foothold in the private sector."

"In tandem, we continue to step up our global presence, particularly in Indonesia which remains a key growth area for the Group. We also remain focused on continuous enhancements in our operations to ensure greater efficiency and cost optimisation, in order to propel the sustainable growth of the Group," concluded Dato' Farshila.

Forward-looking statements

This release may contain certain forward-looking statements with respect to the financial conditions, results of operations and business of the Group and certain plans and objectives of Pharmaniaga Berhad with respect to these items. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

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