

## ***NEWS RELEASE***

### **Pharmaniaga Enters into JV with Saudi Group *To Construct Pharmaceutical Plant in Saudi Arabia***

**KUALA LUMPUR, May 20, 2013** – Pharmaniaga Berhad (Pharmaniaga) inked a Joint Venture (JV) agreement with Modern Healthcare Solutions Company Limited (Modern), to set up a JV company which will construct and manage a pharmaceutical manufacturing plant in Sudair Economic City, Riyadh in the Kingdom of Saudi Arabia.

Modern is a subsidiary of Modern Industrial Investment Holding Group (Modern Group), a Saudi based diversified industrial company that is mainly engaged in the petrochemicals, mining, healthcare, and telecommunications sectors.

The agreement was signed by Mr. Abdulaziz F Barakat Al-Hamwah, Vice Chairman & Chief Executive Officer of Modern while Pharmaniaga was represented by its Chief Operating Officer, Mr. Mohamed Iqbal Abdul Rahman. The signing was witnessed by YBhg Tan Sri Dato' Seri Lodin Wok Kamaruddin, Chairman, Pharmaniaga Berhad and HRH Prince Turki bin Abdulrahman bin Abdulaziz Al Saud, Chairman of Modern.

Apart from the construction of the pharmaceutical manufacturing plant, the JV company will also produce, market and supply healthcare products and services to countries in the Middle East and North Africa region.

Managing Director of Pharmaniaga Berhad, Dato' Farshila Emran said, "This joint venture is part of Pharmaniaga's long-term strategy to accelerate growth plans for our international pharmaceutical business by capitalising on the rapidly growing opportunities within the MENA (Middle East and North Africa) region."

HRH Prince Turki bin Abdulrahman bin Abdulaziz Al Saud, the Chairman of Modern, said "The principal aim of this Joint Venture would be to significantly accelerate our joint capabilities to better serve the fast growing Saudi and the greater Middle East market".

The agreement is subject to conditions precedents, amongst them, completion of a feasibility study and due diligence conducted by the shareholders.

#### **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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