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**PHARMANIAGA EMBRACING CAUTIOUSLY BUSINESS PROSPECTS IN FY2022 AMIDST THE UNCERTAIN GLOBAL MARKET**

**SHAH ALAM, 19 MAY 2022** – Malaysia’s leading pharmaceutical company, Pharmaniaga Berhad (Pharmaniaga) continues to record growth during the first quarter ended 31 March 2022 (Q1FY2022), despite the challenges in the current uncertain world economic situation and the recovery from the impact of COVID-19 pandemic.

The Group’s Profit After Taxation and Zakat during the quarter grew by 26.4% to RM28.9 million from RM22.8 million a year ago, while its Profit Before Taxation and Zakat increased by 18.8% to RM37.4 million from RM31.5 million previously. The higher bottom-line came on the back of revenue rising by 21.3% to RM962.2 million from RM793.5 million in the previous corresponding quarter.

The improved results were mainly attributable to higher contribution by the Logistics and Distribution Division as new products were added into the Ministry of Health Malaysia’s Approved Products Purchase List, and coupled with the Indonesian Division returning to the black. The accomplishment of both divisions was recorded due to the Group’s reorganisation and restructuring plans and an increase in digitalisation to enhance operational efficiency.

Pharmaniaga Group Managing Director Datuk Zulkarnain Md Eusope said the Group was also in the midst of finalising the logistics and distribution contract extension agreement with the Ministry of Health, slated to be completed by the third quarter of 2022.

He also added that the Indonesian Division has also successfully staged a swift turnaround. Datuk Zulkarnain said, “This highlights the effectiveness of the reorganisation of the Indonesian business to enhance its operational efficiency through an ongoing stock optimisation exercise and aggressive payment collection.

“Going forward, we are strengthening our business footprint in Indonesia as it has huge untapped potential. We will revamp the current business model of our logistics and distribution arm here, PT. Millennium Pharmacon International Tbk and increase the products portfolio of our manufacturing arm, PT Errita Pharma. With strategic business and marketing plans in place, we are focusing to double up the revenue for the Indonesian division.

“Being cognisance of global market sentiments impacted by the ongoing Russia-Ukraine conflict as well as the increased inflationary pressures and supply chain disruptions, we remain cautiously optimistic of our business growth going forward.

“Malaysia has begun transitioning into the endemic phase amid its high vaccination rates, and the Group is moving alongside the nation to focus on growing its core businesses of logistics concession of medical supply, as well as manufacturing of generic pharmaceutical and consumer healthcare products,” he said.

The Group is also collaborating with Malaysia Healthcare Travel Council to supply and distribute the Hepatitis C drug, Ravidasvir, Sinovac COVID-19 vaccine as well as other vaccines to participating hospitals and healthcare centres.

Datuk Zulkarnain said “We will assist in the development of the platform and system for the vaccination programme. This collaboration is expected to provide Pharmaniaga with another recurring income stream and contribute to the Group’s bottom line going forward.

“Meanwhile, as part of our efforts to establish the Group as a major international biopharmaceutical player, we have entered into several collaborations and strategic partnerships in Thailand, India, and the United Arab Emirates as previously announced and would be expanding to the United Kingdom, Turkey and Middle & North Africa (MENA) market.”

“With the Group’s construction of the world’s first Halal vaccine and insulin facilities progressing on track for commercialisation by 2025 and leveraging on our proven track record in handling and distributing vaccines, we are committed to bringing our experience and expertise to other developing countries. This would enhance and expedite these countries’ vaccination programmes.”

The Group declared its first interim dividend in respect of FY2022 of 0.80 sen per share, which will be paid on 6 July 2022 to shareholders on the register as of 8 June 2022.

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### **About Pharmaniaga Berhad (Pharmaniaga)**

Pharmaniaga is the leading pharmaceutical company of Boustead Holdings Berhad Group of Companies, which together with the Armed Forces Fund Board, are the major shareholders of Pharmaniaga. Listed on the Main Market of Bursa Malaysia Securities Berhad, Pharmaniaga’s core businesses are generic pharmaceuticals manufacturing; research and development; marketing and sales; warehousing and distribution of pharmaceutical and medical products; supply, trading and installation of medical and hospital equipment as well as community pharmacy.

With a vision to be the premier Malaysian pharmaceutical company, Pharmaniaga is guided by its philosophy of ‘Do It Right Always’ and empowered by its motto of Passion for Patients. Strengthened by eight manufacturing plants, nationwide logistics and distribution in Malaysia and Indonesia as well as products registered in 15 countries,



Pharmaniaga is positioned to be a regional player in the international pharmaceutical arena.

For more information, please log on to <https://pharmaniaga.com/>.

**Issued by Imej Jiwa Communications Sdn. Bhd. on behalf of Pharmaniaga Berhad**

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