

PRESS RELEASE
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**PHARMANIAGA EXPAND DISTRIBUTION CAPACITY IN
NORTHERN REGION**

PENANG, 6 JANUARY 2023 – Pharmaniaga Logistics Sdn Bhd (PLSB), a wholly-owned subsidiary of Malaysia's leading pharmaceutical company Pharmaniaga Berhad (Pharmaniaga) has officially opened its new distribution centre in Penang.

Located in Kawasan Perindustrian Prai, Fasa 4, Penang, the new distribution centre is also part of PLSB's management office relocation as well as warehouse expansion which have been initiated since April 2021.

Pharmaniaga Group Managing Director Datuk Zulkarnain Md Eusope said this new centre is targeted to increase the Group's distribution capacity coverage and to buffer the stock readiness as well as to cater to the increasing demand from the northern region clientele, especially amongst the Ministry of Health facilities in Perlis, Kedah, Penang and Perak.

"We target to increase our current distribution capacity significantly which is in line with our business growth, whilst improving PLSB's existing logistics services level and fulfilling customers' orders in a timely manner across the northern region.

"The new distribution centre boasts a total of 3,500 pallets of warehouse space for controlled medicine and medical device."

Datuk Zulkarnain said PLSB is currently adopting the Oracle Transport Management System (OTM) to manoeuvre the Group's logistics services, and it is also part of strategic growth towards the automation and digitalisation strategy for continuous improvement in operations.

"Moving forward, we intend to increase our storage capacity to cater to the demand from more private hospitals and clinics in addition to the Government's healthcare facilities in the northern region.

"Currently, we are in the midst of conducting a feasibility study to develop our own warehouse in Sungai Petani, Kedah with higher capacity to cater to the current and future business expansion needs.

"With this new expansion, our northern region distribution centre capacity for the year 2021 has significantly increased to 180% as compared to the year 2020. For the year 2022, the growth has risen by 32% compared to the year 2021 and 270% compared to 2020," said Datuk Zulkarnain.



To date, the Group has five distribution centres strategically located throughout the country in Selangor, Penang, Sabah and Sarawak with the fleet size of more than 200 transporters that deliver via air, water and land to ensure efficient and timely door-to-door delivery of our products. On the international front, the Group has established its footprint in Indonesia via PT Millennium Pharmacon International Tbk (MPI), the public listed logistics and distribution arm in Jakarta.

Our offerings in Malaysia include supply chain, warehousing and distribution service of pharmaceutical products, food supplements, medical disposable, and diagnostic products. While in Indonesia, our central warehouse in Jakarta and distribution centres in Bandung and Surabaya supply to 33 other branches throughout the republic to ensure a smooth and efficient supply of pharmaceutical products to our clientele. As one of the 10 largest distributors in Indonesia, our clientele includes government and private hospitals, pharmacies and wholesalers.

Pharmaniaga is the pharmaceutical Company of Boustead Holdings Berhad group of companies, and together with Lembaga Tabung Angkatan Tentera, are the major shareholders of the Company.

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About Pharmaniaga Berhad

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 the Company. Listed on the Main Board of Bursa Malaysia, 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 is empowered by its motto of Passion for Patients. Strengthened by nine manufacturing plants, nationwide logistics and distribution in Malaysia and Indonesia as well as products registered in 15 countries, Pharmaniaga Group is positioned to be a regional player in the international pharmaceutical arena. For more information, please log on to <https://pharmaniaga.com/>

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