

PRESS RELEASE
FOR IMMEDIATE RELEASE

PHARMANIAGA SOARS IN Q1 FY2024, PAT SURGES 10-FOLD

Key highlights:

- *Significant improvement in Q1 PAT RM26.2 million, up from RM2.8 million in Q1 FY2023.*
- *EBITDA up more than double to RM66.5 million.*
- *Revenue rose 9.6% to RM965.0 million from RM880.5 million in the same quarter last year.*
- *Reflecting increased customer demand in Logistics and Distribution Division, as well as Indonesia Division.*

SHAH ALAM, 27 May 2024 – Pharmaniaga Berhad (Pharmaniaga) today announces a strong performance in its first quarter ended 31 March 2024 (Q1 FY2024) with Profit After Zakat and Taxation (PAT) surged almost tenfold to RM26.2 million, up from RM2.8 million in the same quarter last year, signalling a robust financial recovery.

During the quarter under review, Pharmaniaga's Earnings Before Interest, Taxation, Depreciation and Amortisation (EBITDA) also jumped double to RM66.5 million from RM32.5 million a year ago. This growth was largely fuelled by increased customer demand experienced by both the Group's Logistics and Distribution Division, as well as its Indonesia Division.

Logistics and Distribution Division

- Recorded a higher PAT of RM18.9 million, an increase from PAT RM5.2 million during the corresponding quarter.
- This was attributed to the higher revenue from the concession business due to new products introduced to the Ministry of Health's Approved Product Purchase List, coupled with price revisions under the new concession agreement.

Manufacturing Division

- Displayed substantial improvement, registering PAT RM6.2 million, up from RM0.2 million in the same quarter last year.
- This growth was driven by new tenders awarded by MOH and increased demand, together with enhanced manufacturing efficiency and cost containment measures.

Indonesia Division

- Registered PAT RM1.1 million, a noteworthy improvement from its PAT RM0.02 million during the corresponding quarter last year.
- This was propelled by the surge in demand for products of existing principals, as well as additional sales generated from two new

distribution branches which commenced operations in February this year.

This significant performance underscores the Group's recovery trajectory and resilience amidst a challenging economic landscape, **driven by its improved operational capabilities and cost control measures.**

Pharmaniaga Executive Director Zulkifli Jafar said, "Despite being in the PN17 status, the Group continues to be resilient and was able to deliver such notable Q1 FY2024 results. Anchored by this performance, Pharmaniaga is poised for a promising outset in 2024, following **a comprehensive restructuring of business operations and implementation of numerous strategies and initiatives under the Group's strategic plan of Vision 525.**

"The Group has **submitted its Regularisation Plan to Bursa Malaysia on 23 February 2024** which marks a significant milestone for Pharmaniaga as we remain focus to exit from the PN17 status, as well as improving profit margins and practising cost optimisation measures to ensure resilience and sustainable business growth, as part of our Vision 525.

"Our Indonesia Division experienced revenue growth, mainly attributed to the opening of the **two new distribution branches, each at Purwakarta and Mataram**, totalling 35 branches in the country, which has undoubtedly further widened our distribution network. These achievements validate our efforts in line with the Vision 525," he said.

Commenting on the encouraging results, Pharmaniaga Chairman Izaddeen Daud said, "Our commitment to fiscal discipline fuels our focus on efficiency, cost optimisation, margin, and revenue growth. Through strategic initiatives, we are **solidifying our foundation for long-term success**, ensuring resilience and adaptability in the evolving pharmaceutical industry."

Pharmaniaga's vision of recovery and resurgence is anchored by its **Vision 525**, which was introduced in 2023 to ensure that Pharmaniaga is back on track by 2025. The Vision 525 is reinforced by 5 strategic pillars:

- (i) strengthening public sector business;
- (ii) building biopharmaceutical capability;
- (iii) optimising cost aggressively;
- (iv) growing the private market; and
- (v) reinventing Indonesia market.

-END-

About Pharmaniaga Berhad

Pharmaniaga is the pharmaceutical arm of Boustead Holdings Berhad Group of Companies, which together with the Armed Forces Fund Board, are the substantial 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. With a vision to be the premier Malaysian pharmaceutical company, its operations are strengthened by six manufacturing plants, as well as extensive logistics and distribution network in Malaysia and Indonesia, Pharmaniaga Group is positioned to be a regional player in the international pharmaceutical industry. For more information, please visit <https://pharmaniaga.com/>

Issued for Pharmaniaga Group by Corporate Communication, Pharmaniaga Berhad. For media enquiries, please contact Dato' Zuhri Iskandar Kamarzaman at 03- 3342 9999 ext 434 or email zuhri@pharmaniaga.com.