

PRESS RELEASE

PHARMANIAGA REAFFIRMS CONFIDENCE IN FINANCIAL RECOVERY AND LONG-TERM VIABILITY

SHAH ALAM, 29 April 2025 – Pharmaniaga Berhad (Pharmaniaga or the Group) remains confident in its solid foundation, guided by well-defined strategies and supported by resilient business operations. These strengths have contributed to the Group's steady progress, with all key indicators pointing toward financial recovery for exiting Practice Note 17 (PN17) status.

This positive trajectory reinforces the Group's strong fundamentals and financial recovery, as reflected in the audited financial statements for the financial year ended 31 December 2024 (FY2024), released today. The auditor made a standard reference to material uncertainty related to going concern, which is common for companies undergoing recovery but the opinion remains unqualified, reflecting the confidence in the Group's steady progress.

Zulkifli Jafar, Pharmaniaga Managing Director said, "While we appreciate and acknowledge the auditor's opinion, the Group would like to assure all stakeholders that the positive momentum across our operations reinforces our belief that we are well-positioned toward financial recovery with significant progress achieved to-date."

This confidence is underpinned by the following key factors:

1. Strong Financial Turnaround in FY2024

- The Group delivered a remarkable financial turnaround in the financial year ended 31 December 2024, underscoring the success of its recovery strategies and operational discipline. The Group posted a profit after taxation of RM133.8 million, an impressive rebound from the loss after

taxation of RM78.7 million recorded in FY2023. This turnaround reflects improved efficiency and cost optimisation, as well as renewed market confidence in the Group's fundamentals.

2. Regularisation Plan Approved and Underway

- Pharmaniaga has achieved a major milestone in its recovery journey with the successful approval and commencement of its Regularisation Plan (RP). The plan encompasses several key components, which includes fundraising through a right issue of up to RM354.6 million; a private placement of up to RM300.0 million with a minimum of RM215.0 million; and a capital reduction through cancellation of RM520.0 million in issued share capital. The proceeds raised will be primarily used to reduce borrowings, as well as to support critical business expansion and growth initiatives.

3. Encouraging Investor Interest

- Over the past several months, the Group has been actively engaging with a wide range of stakeholders, including institutional investors, analysts, fund managers, and strategic partners, to provide updates on the RP and outline the Group's future growth plans. The Group is pleased to note strong and growing interest from the investment community during the engagement sessions.

4. Strategic Focus on Biopharmaceutical

- Pharmaniaga is strategically positioning itself to become a key player in the high-value biopharmaceutical sector, with a strong focus on the production of recombinant human insulin and vaccines. At the heart of this ambition is Pharmaniaga's recently launched state-of-the-art insulin manufacturing facility, proudly recognised as Malaysia's first locally owned biopharmaceutical plant. Subject to the necessary regulatory approvals, the Group is targeting the commencement of insulin commercial production by the fourth quarter of 2025.

Zulkifli said, “Pharmaniaga remains committed to upholding the highest standards of service, transparency, and corporate responsibility. The challenges we have faced over the past two years have only strengthened our resolve to build back stronger, more agile, and more innovative.

“The return to profitability in FY2024, combined with the successful approval of our RP, is clear evidence that we are on the right track. Our strong operational foundation, growing investor interest, and forward momentum in biopharmaceuticals give us every reason to be optimistic about the future.

“We assure the public, our customers, healthcare professionals, and all stakeholders that Pharmaniaga is stabilising and progressing well according to the plan, guided by our Vision 525. Our teams across Malaysia and Indonesia remain dedicated to delivering excellence in logistics, manufacturing, and healthcare solutions,” he said.

With a clear roadmap, sound strategy, and unwavering commitment, Pharmaniaga is on solid ground and firmly focused on delivering long-term value, sustainable recovery and continued service to the nation’s healthcare system.

-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 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. With a vision to be the premier Malaysian pharmaceutical company, its operations are strengthened by five 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 www.pharmaniaga.com.

Issued by Imej Jiwa Sdn Bhd on behalf of Pharmaniaga Berhad

For further media inquiries please contact:

Dato' Zuhri Iskandar Kamarzaman (Pharmaniaga)

E-mail: zuhri@pharmaniaga.com

Telephone number: 03- 3342 9999 ext. 434

Sandra Tan (Imej Jiwa)

E-mail: sandra@imejjiwa.com | Mobile: +6017 395 0122

Elizabeth Tan (Imej Jiwa)

E-mail: elizabeth@imejjiwa.com | Mobile: +6012 207 0993