Company Name : Pharmaniaga Berhad
Date : 20 August 2020
Source : The Star

Higher earnings for Pharmaniaga on sales of PPE

PETALING JAYA: Pharmaniaga Bhd registered a 7.5% year-on-year increase in net profit at RM9.98mil for the second quarter ended June 30, 2020.

This was achieved on the back of a turnover of RM646mil, from higher sales of personal protective equipment (PPE) due to the ongoing Covid-19 pandemic.

Net profit for the first half of the financial year rose 12% to RM32.38mil, as compared to the same period last year.

As a result of the strong financial performance, Pharmaniaga's board of directors have declared a second interim dividend of 2.5 sen per share, which will be paid on Oct 6, 2020 to shareholders on the register as at Sept 8, 2020.

Acting managing director Mohamed Iqbal Abdul Rahman said the group's performance was driven by increased demand in the non-concession business, which saw higher sales of PPE.

In tandem, Pharmaniaga continued to ensure a stable stream of medicines and medical supplies to Health Ministry facilities, coupled with the provision of logistics and distribution services.

"Moving forward, the group remains committed to strengthening operations across all its divisions and endeavouring in new ventures in line with the current healthcare industry.

"Taking a longer-term perspective, the group is focused on enhancing prospects by improving manufacturing and operational efficiencies, as well as progressing in our research and development efforts.

"This will allow us to tap on new opportunities, both in Malaysia and in our overseas markets, to ensure the sustainable growth of Pharmaniaga in the years ahead," he said in a statement.

The outlook remains positive for the group's manufacturing division, with new product launches in the pipeline.

In addition, Pharmaniaga will further expand into overseas markets, as well as increase capacity utilisation via its contract manufacturing business.

On its Indonesian operations, Pharmaniaga recorded a deficit of RM2mil, due to higher finance costs as a result of the delay in payments from government hospitals currently affected by Indonesia's healthcare industry.

The Indonesian division was further impacted by large-scale social restrictions "Pembatasan Sosial Berskala Besar" in response to the Covid-19 pandemic, which resulted in limited access to doctors, clinics, pharmacies and hospitals.

"Taking a longer-term perspective, the group is focused on enhancing prospects by improving manufacturing and operational efficiencies."

Mohamed Iqbal Abdul Rahman