

Company Name : Pharmaniaga Berhad
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Pharmaniaga 2Q Net Profit Leaps 72%; Declares 2.5 sen Interim Dividend

KUALA LUMPUR (Aug 23): Pharmaniaga Bhd's net profit for the second quarter ended June 30, 2019 (2QFY19) ballooned 72%, on the back of higher demand for its products in Indonesia and a lower tax bill.

The pharmaceutical group declared a second interim dividend of 2.5 sen, compared with four sen in 2QFY18. The dividend is payable on Oct 11 and has an entitlement date of Sept 12, according to the filing with Bursa Malaysia this evening.

This now brings the group's dividend payout for the first half of financial year ending Dec 31, 2019 (1HFY19) to 8.5 sen, from 9 sen posted this time last year.

In a bourse filing, the group said 2QFY19 net profit came in at RM9.28 million versus RM5.39 million in the previous corresponding quarter.

Earnings per share (EPS) for the quarter expanded to 3.56 sen, from 2.08 sen last year.

Quarterly revenue increased by 3.3% to RM601.89 million from RM582.73 million last year.

Pharmaniaga attributed its higher quarterly revenue to stronger demand under its Indonesia division, with the group's bottom line rising despite higher marketing and promotion expenses, and higher finance costs — with a lower corporate tax expense contributing to higher quarterly earnings.

For the six-month financial period ended June 30, the group's net profit grew by 25.75% to RM28.9 million, from RM22.98 million a year prior. Its EPS for the period jumped to 11.09 sen from 8.84 sen last year.

Half-year revenue grew 15.6% to RM1.39 billion from the RM1.2 billion posted in the corresponding period last year.

The group said its long-term outlook on the healthcare industry is positive.

“Pharmaniaga is poised to tap into opportunities for growth as it expands its product portfolio to cater to evolving healthcare needs via its research and development drive.

"Moreover, strategic marketing initiatives will enable the Group to reinforce its foothold in the private sector,” the group said while noting it continues to step up its global presence, with Indonesia being a key growth area.

The counter closed three sen or 1.44% higher at RM2.66, giving it a market capitalisation of RM694.87 million. It saw 133,300 shares traded.