

**Company Name** : Pharmaniaga Berhad  
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## **Pharmaniaga 1Q Net Profit Up 21.3% On Higher Margins**

KUALA LUMPUR (May 18): Pharmaniaga Bhd ( Financial Dashboard)'s net profit rose 21.3% to RM31.79 million or 12.28 sen per share for the first quarter ended March 31, 2015 (1QFY15) from RM26.22 million or 10.13 sen per share a year ago, primarily due to higher profit margins from its manufacturing division.

Revenue increased by a marginal 0.7% to RM471.9 million from RM468.67 million in 1QFY14 on higher sales from the private sector, particularly the group's Indonesian operations, but this increase was partially offset by lower demand in its concession segment.

The group also declared a first interim dividend of 7 sen per share for the financial year ending Dec 31, 2015 (FY15), payable on June 25, 2015.

In a statement today, Pharmaniaga said the solid performance was primarily due to higher profit margins from the manufacturing division, which recorded a pre-tax profit of RM28 million for 1QFY15 compared with RM23 million a year ago. This was a result of the group's ongoing efforts to strengthen operational efficiencies, which directly reduced manufacturing costs.

Its chairman Tan Sri Lodin Wok Kamaruddin said although there were pressures on the group's business, the improvement in operational efficiencies and strengthening of its prospects had contributed to the group's bottom line in 1QFY15.

"Moving forward, Pharmaniaga will maintain its drive to strengthen organic growth while implementing cost optimisation measures.

"The manufacturing division will remain a key driver of growth for the group as we look to expand our portfolio of high quality products via research and development initiatives, while scaling up our manufacturing capabilities in Malaysia and Indonesia," he said.

In a separate filing with Bursa Malaysia today, Pharmaniaga said its proposed joint venture agreement with Modern Healthcare Solutions Company Ltd for the construction and

operation of a pharmaceutical manufacturing plant in Saudi Arabia has lapsed on May 16, 2015.

“Both parties (Pharmaniaga and Modern) have not determined the new extension date,” said Pharmaniaga.

Pharmaniaga (fundamental: 0.95; valuation: 1.70) shares closed up 0.88% to RM6.91 today, with a market capitalisation of RM1.78 billion.

(Note: The Edge Research's fundamental score reflects a company's profitability and balance sheet strength, calculated based on historical numbers. The valuation score determines if a stock is attractively valued or not, also based on historical numbers. A score of 3 suggests strong fundamentals and attractive valuations.)