

Company Name : Pharmaniaga Berhad
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Pharmaniaga Amongst Top Gainers, Shares Up 1.88 Per Cent

KUALA LUMPUR, May 19 (Bernama) -- Pharmaniaga Bhd's stock was amongst the top gainers as at 3.50 pm on Tuesday following the announcement of its first quarter performance.

The counter chalked up 13 sen or 1.88 per cent to RM7.04 after hovering between RM6.91 and RM7.05 with 809,300 shares changing hands.

It was reported yesterday that the company's pretax profit margin rose to 33 per cent in the first quarter ended March 31, 2015, from 26 per cent in the same period last year.

"This was primarily attributable to the higher profit margin from the manufacturing division as a result of improved operational efficiencies, which directly reduced its manufacturing costs," it said.

Meanwhile, revenue increased to RM471.9 million from RM468.67 million compared to the same period last year, due to higher sales from the private sector, particularly the group's Indonesian operations.

HLIB Research said in a note the financial performance was in line with expectations and anticipates the group to benefit from the Indonesian market as well as the teaching hospitals, and expects it to contribute positively towards the group's long-term earnings.

The research house reiterated its 'hold' call with a target price of RM6.58.

Meanwhile, Kenanga Research, which said Pharmaniaga's 1Q15 results are in line with expectations, maintained a 'market perform' call with a target price of RM6.95.

Pharmaniaga is Malaysia's largest pharmaceutical company.

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