Company Name : **Pharmaniaga Berhad**
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Pharmaniaga 1Q marginally stronger, pays four sen dividend

BY AHMAD NAQIB IDRIS

KUALA LUMPUR: Pharmaniaga Bhd's net profit grew a marginal 3% to RM18.92 million in the first quarter ended March 31, 2017 (1QFY17), from RM18.38 million a year ago, on stronger contribution from the private sector business while finance costs fell.

Profit growth was also helped by lower amortisation of the Pharmacy Information System as well as the group's Indonesian operations, though these were partly mitigated by higher operating costs during the quarter, which rose 20% to RM60.35 million.

Revenue, meanwhile, climbed 11% to RM618.29 million from RM559.19 million a year earlier. Besides higher sales from government hospitals under its concession business, the better top line came from double-digit growth from the private sector business and its Indonesian operations.

The group announced an interim dividend payment of four sen per share, payable on June 7, according to its Bursa Malaysia filing yesterday.

Segmentally, the company's logistics and distribution division performed better year-on-year, while its Indonesian operations turned around. Its manufacturing division, however, posted marginally lower profit.

Pharmaniaga chairman Tan Sri Lodin Wok Kamaruddin said the healthcare sector continues to offer strong prospects, adding that the group is well-positioned to leverage on the industry's growth.

"Moving forward, we are confident we will be able to maintain our momentum as we strive to tap into the vast opportunities in both the domestic market and international market.

"Our Indonesian operations, in particular, remain a key area of growth, while also making further progress in the European Union as we seek to expand our global presence," he said in a statement.

He added that the group is focused on optimising costs across its operations to strengthen earnings and deliver sustained results.