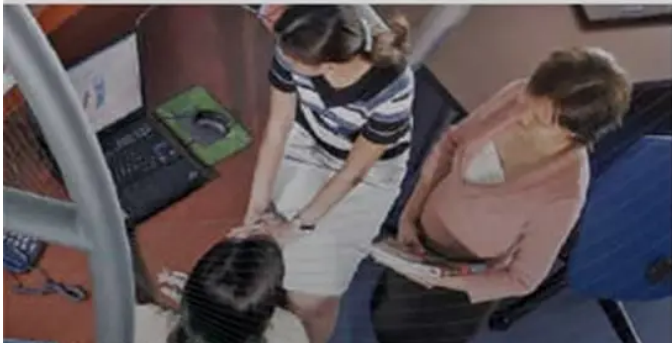


Apex Healthcare posts 54% jump in 1Q net profit on strong demand

By Lee Weng Khuen / theedgemalaysia.com

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KUALA LUMPUR (May 24): Apex Healthcare Bhd reported a 54% rise in net profit to RM24.28 million for the first quarter ended March 31, 2023 (1QFY2023) against RM15.77 million in the previous corresponding period, driven by robust demand for pharmaceuticals, consumer healthcare products and medical devices.

Revenue for the quarter under review expanded 13.8% to RM245.8 million, from RM215.92 million previously.

While its 1QFY2023 result saw the continuation of the growth momentum from 2HFY2022, the group cautioned that the prospects of sustaining this strong demand for the rest of 2023 have been dampened by the expectations of slowing economic growth in its key markets, amid global concerns over high inflationary pressures, financial instability and ongoing geopolitical tensions.

Apex Healthcare said it consistently invests in new initiatives to sustain and drive growth through economic cycles. The halal certification secured by its unit Xepa-Soul Pattinson (Malaysia) Sdn Bhd is anticipated to facilitate penetration into new markets, according to the group's filing with the stock exchange on Wednesday (May 24).

To improve operating efficiencies and consolidate manufacturing sites, the group said its associate company Straits Apex Group (SAG) has commenced the construction of a 237,147 square-foot campus comprising four buildings on a parcel of land it acquired at Batu Kawan Industrial Park, Penang, for its impending lease to Straits Orthopaedics (Mfg) Sdn Bhd, a wholly owned subsidiary of SAG. The site is expected to be fully operational by Q1 2024.

Apex Healthcare's share price closed unchanged at RM4.16 for a market capitalisation of RM1.99 billion. Year to date, it has gained 18.2%.