

Medical association urges govt to view Pharmaniaga's financial woes seriously

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Malaysian Medical Association president Dr Muruga Raj Rajathurai said Pharmaniaga's financial woes can have a major impact on the country's public health care medicine supply. – Bernama photo

KUCHING (March 29): The Malaysian Medical Association (MMA) has urged the government to view seriously Pharmaniaga's financial woes as it can have a major impact on the country's public health care medicine supply.

MMA president Dr Muruga Raj Rajathurai said emergency cases as well as patients relying on public health care for a continuous supply of medicines will be among the most affected by the issue.

"We do not wish for any supplier to reduce or stop its supplies of medicines to Pharmaniaga for public health care facilities, however if the issue is prolonged, these suppliers may be left with no other option as they too may be running into losses if outstanding payments aren't settled," he said in a statement today.

He pointed out that the government may need to open up to the idea of allowing other pharmaceutical providers for its supply and distribution of medicines to public healthcare as it has proven to be too risky to depend on a sole provider.

“This of course will take time to implement. In the meantime, urgent steps are needed to secure ample supply of medicines for public health care,” he added.

According to *Free Malaysia Today's* report on March 24, Pharmaniaga on February 27 announced that it had fallen under the PN17 (Listed Companies in Financial Distress) classification after it recorded its largest quarterly net loss of RM664.39 million in the fourth quarter ending December 31, 2022.

The pharmaceutical group also said it had taken a RM552.3 million impairment on unsold Covid-19 vaccines and also written down the goodwill of its Indonesian manufacturing cash-generating units of RM50.3 million.

Pharmaniaga is the concession holder for the provision of medicines and medical supplies to government hospitals and clinics.