

# Pantai expects 20% profits growth

Likely turnaround of hospitals in Ipoh and Klang

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**KUALA LUMPUR:** Integrated healthcare provider Pantai Holdings Bhd expects to chalk up an average profit growth of 20% for the financial year ending June 30, 2001, said group CEO Mokhzani Mahathir.

This is achievable on completion of the group's proposed acquisition of three companies involved in the medical examination of foreign workers and the likely turnaround of two loss-making hospitals in Ipoh and Klang.

Pantai returned to the black with group net profit of RM4.17 million for the year ended June 30, 2000 against a loss of RM70.47 million a year earlier. Revenue almost dou-

bled to RM223.54 million for fiscal 2000.

"We expect the profitability trend to continue. We are targeting an average of 20% growth but will try a little bit higher," he told reporters after the company AGM yesterday.

"The acquisitions would contribute immediately to Pantai's bottomline," he said, adding the contribution is expected to be significant, at about 20%.

According to Mokhzani, the proposed purchase of the three companies - Anjur Dinamik, Pengkalan Usaha and Healthpac Industries - for RM304 million is expected to be concluded by year-end.

The acquisitions would enable Pantai to participate in the 15-year concession awarded by the government to Fomema to provide supervision and monitoring services

of the state of foreign workers seeking employment in Malaysia. "There are synergies between the two groups... we'll see how we can tap each other's facilities and services," Mokhzani said.

Pantai has under its stable six hospitals in Bangsar, Cheras, Ipoh, Penang, Klang and Air Keroh in Malacca.

Despite the recent economic downturn, the group went on an expansion drive including acquisitions, extension of flagship hospital in Bangsar, upgrading of facilities and services as well as investments in sophisticated equipment. It is not stopping there.

According to Mokhzani, the group is also looking at building another two smaller hospitals at locations yet to be identified.

"We are not looking at buying other hospitals but build one or two on our own, may be

in the East Coast and East Malaysia," he said adding that the group has been invited by those states.

Each hospital is estimated to cost not more than RM20 million.

Additionally, Pantai is spending RM20 million to relocate its existing hospital in Klang to a site 4km away. Work on the new facility is slated to start early next year.

Mokhzani said the group is also studying several proposals from various parties in the areas of biomedical, cardiothoracic, cosmetic and specialist centre but the group has not made any decision yet.

On the possibility of Pantai proposing a health insurance scheme to the government, he said the group would like the opportunity but believed others would be eyeing it as well.