

# Earnings Presentation

FY 2023

Jeddah | 25 March 2023



# Business and Strategy Highlights



# FY 2023 Performance Highlights

## Revenue

FY 23 +20% YoY  
SAR mn **1,101**

Revenue crossed SAR 1 billion for the first time ever driven by higher volumes, price increases and new product launches

## # of Brands

4Q 23 +9% YoY  
**132**

11 new brands added; 2 new brands in Anti-Diabetes category

## EBITDA

FY 23 +33% YoY  
SAR mn **344**

EBITDA grew ahead of revenue as production cost pressures were offset by OPEX savings, resulting in EBITDA margin of 31.3%

## FCF\*

FY 23 +73% YoY  
SAR mn **299**

87% FCF conversion; Capex at 4.2% of revenue

## Net Profit

FY 23 +71% YoY  
SAR mn **292**

26.6% Net Profit margin reinforced JP as the most profitable pharma producer in KSA

## Units produced

FY 23 +40% YoY  
(mn units) **145**

Record number of units produced through maximizing efficiency



# JP aims to become a significant healthcare contributor in MEA by 2026

## Vision

To become a leading MEA organization by 2026 through consistently providing affordable, high-quality healthcare solutions

## Foundations

### Leadership:

Seasoned multinational-trained experts

### Macroeconomic landscape:

National and regional drive towards pharmaceutical self-sufficiency

### Brands:

Successful specialty leadership to replicate in other lucrative categories

### Manufacturing:

4 State-of-the-art facilities

### Values:

ESG central to our ethos

## Operational Excellence

### Positioning

Leading player in growing markets

### Track Record

Credible quality & Innovation

### Portfolio

Diverse and excelling in specialty therapeutic areas

### Financials

Growing top-line, zero debt and industry-leading margins

### R&D

Cutting-edge infrastructure to power innovation and enhance speed-to-market

### Commercial

Results-oriented, trained and well-equipped sales and marketing teams

## Strategic Execution

- Replicate leadership in Ophtha & Derma to grow into lucrative segments
- Accelerate growth in key markets
- Increase participation in government tenders
- Train, develop & retain talent
- Reinforce governance
- Acquire to build scale

# Strategic growth levers for 2024

## Home Market



- Expand tender participation
- Solidify private market growth
- Effectively utilize market access initiatives to realize share in insurance networks

## Active Markets



- Consolidate presence and grow market share in Gulf and Iraq
- Introduce consumer health products in export markets to tap into new geographies
- Identify and exploit opportunities for growth in other export markets

## Portfolio Diversification



- Tap into broader segments with clear unmet needs through high-value proposition launches
- Utilize new sterile capacity by launching more unit-dose products
- Establish presence in cardiometabolic therapeutic area

## Facilities Ramp-up



- Accelerate utilization of Jeddah sterile, Egypt and Algeria facilities
- Diligently grow operations in Egypt contingent upon a stable economic environment to capitalize on growing demand

## Business Development Initiatives



- Enhance business development efforts to identify new opportunities, foster partnerships, and drive sustainable growth

# Facilities update

**SAR 100bn+** of Total Addressable Market  
in Core Geographies By 2027



## Competitive Advantages

Real-time insights into  
local market dynamics

Export hubs for  
adjacent markets

Backup for downtime &  
facility upgrades

Access to government  
tenders



**Jeddah**  
Main Facility



**Operational**

**147<sup>mn</sup>**  
Production Capacity p.a.

Operating since  
**2000**



**Jeddah**  
Sterile Facility



**Stability period**

**25<sup>mn</sup>**  
Production Capacity p.a.

**2Q 2024**  
Expected Launch



**Egypt**  
Facility



**Operational**

**52<sup>mn</sup>**  
Production Capacity p.a.  
**3<sup>mn</sup>**  
units produced in 4Q23

**3Q 2023**  
Launched



**Algeria**  
Facility



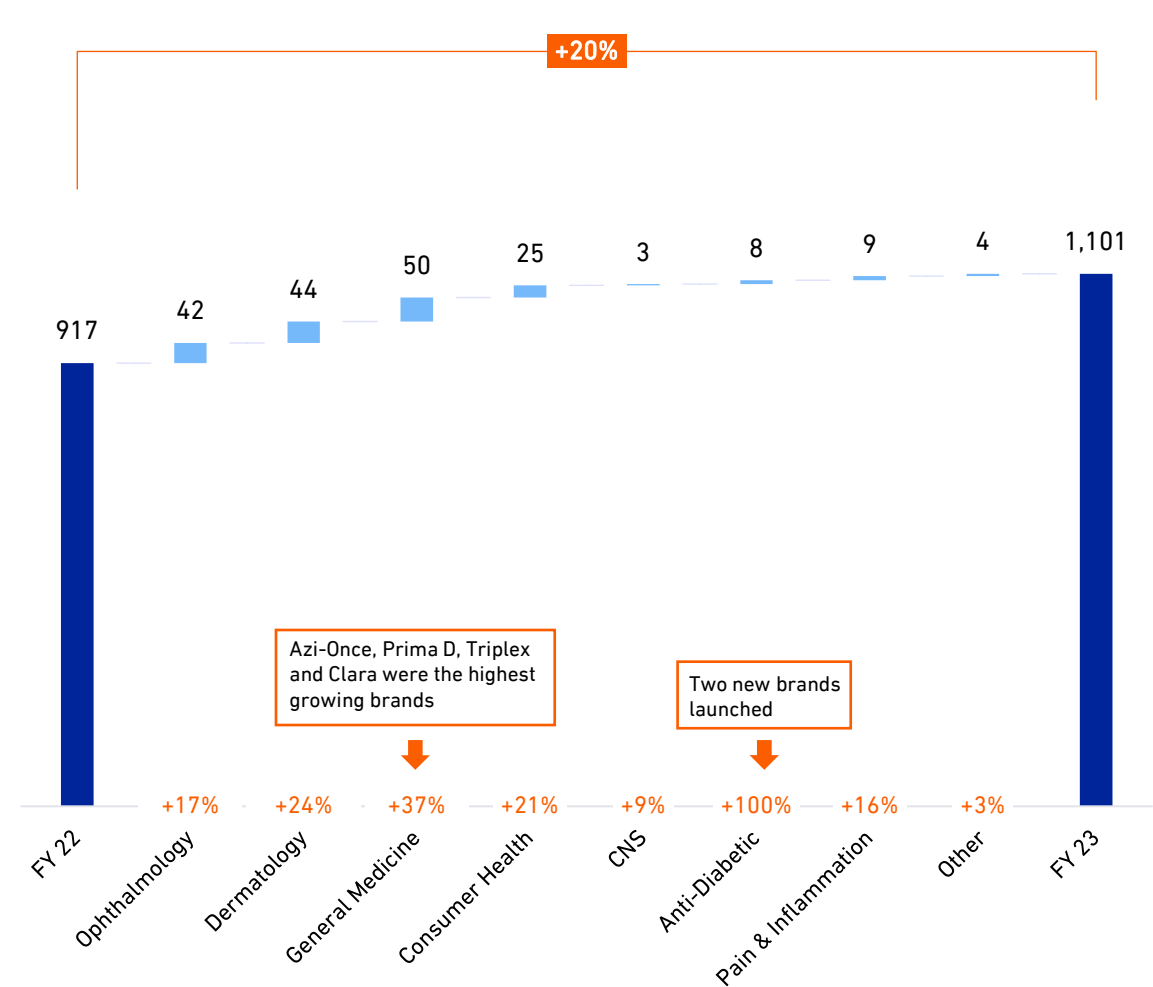
**Operational**

**10<sup>mn</sup>**  
Production Capacity p.a.  
(OSD Line)

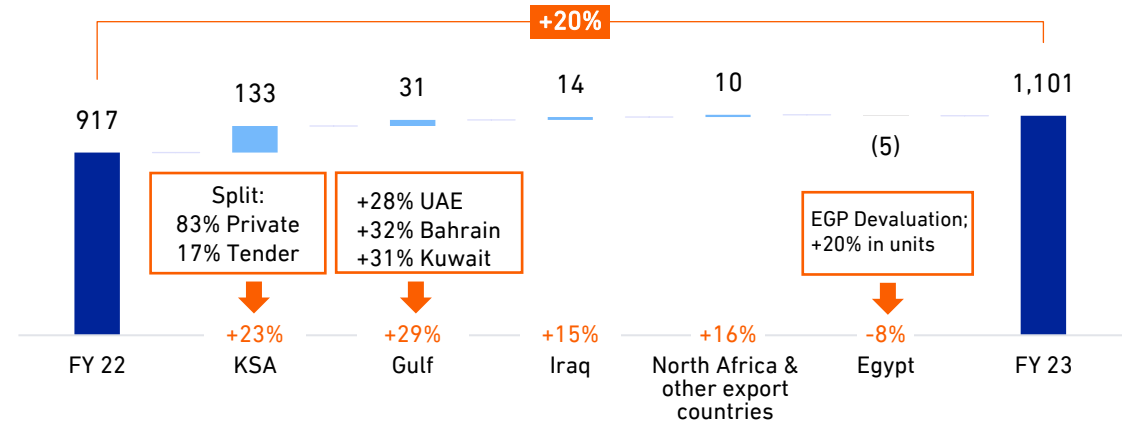
**3Q 2023**  
Launched

# Driving revenue growth across key therapeutic areas and geographies

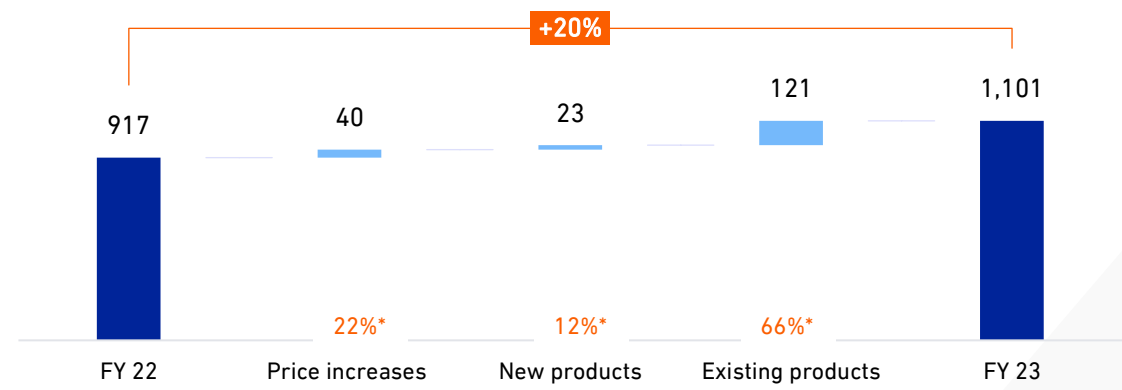
Revenue Movement by Therapeutic Area, YoY (SARmn)



Revenue Movement by Country, YoY (SARmn)

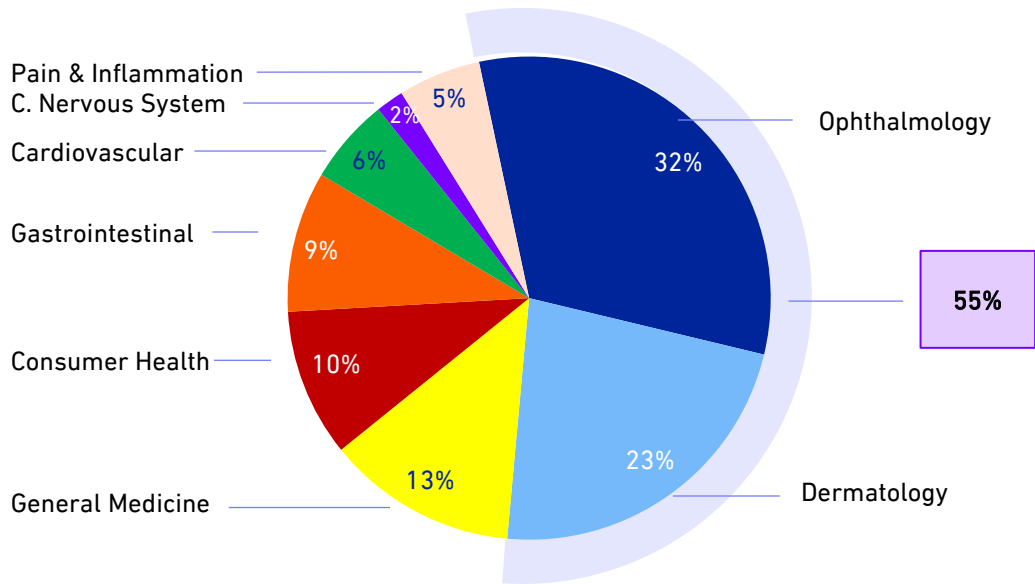


Revenue Growth Contributors (SARmn)

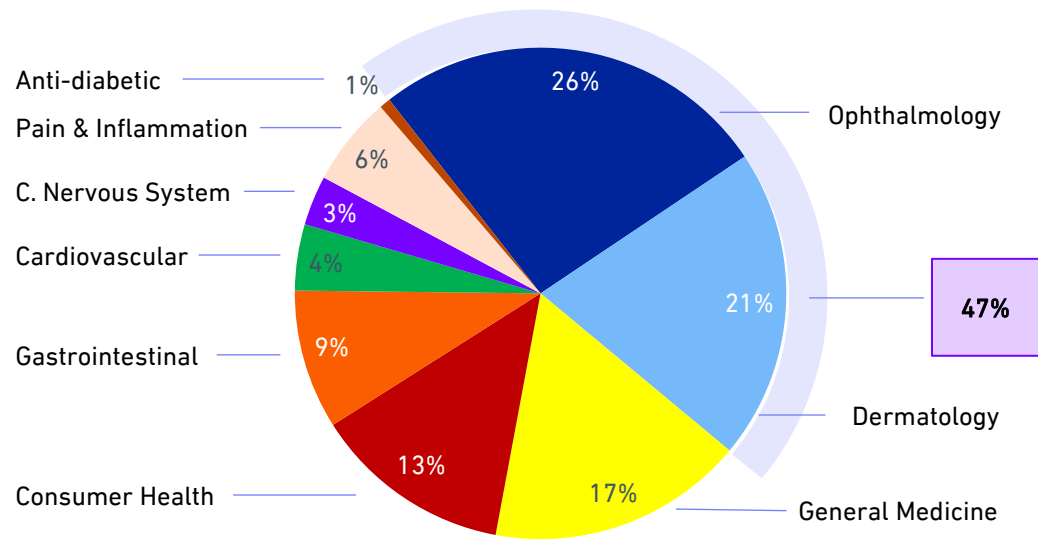


# Portfolio diversification through faster expansion into new therapeutic areas

2021 Revenue Contribution by Therapeutic Area (SARmn)



2023 Revenue Contribution by Therapeutic Area (SARmn)

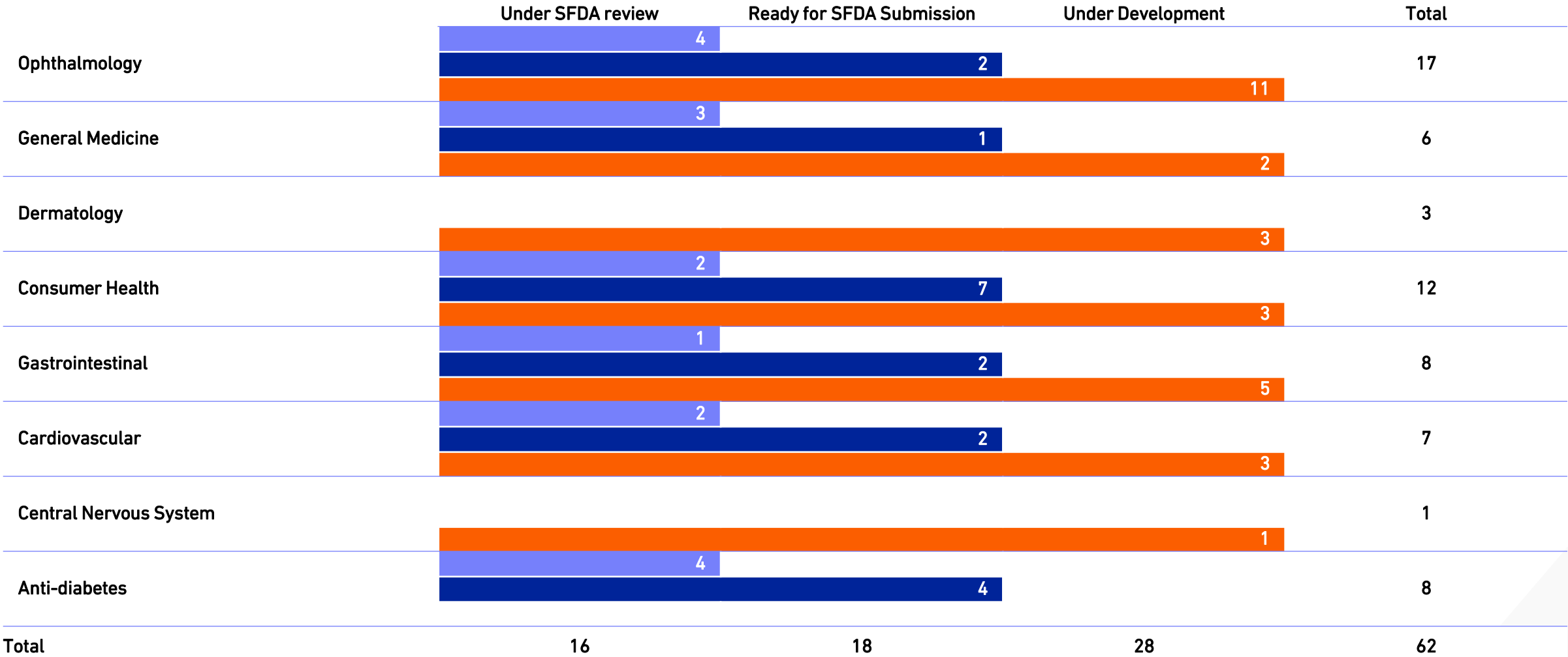


Ophthalmology and Dermatology continue to grow at healthy rates of 17% and 24% YoY, respectively.



# Pipeline overview

## R&D Status for new Products



★ 5 new products registered during 2023

# Monthly revenue growth for top 5 KSA pharma producers in the last two years<sup>1</sup>

## Peer 1

9 negative months

## Peer 2

5 negative months



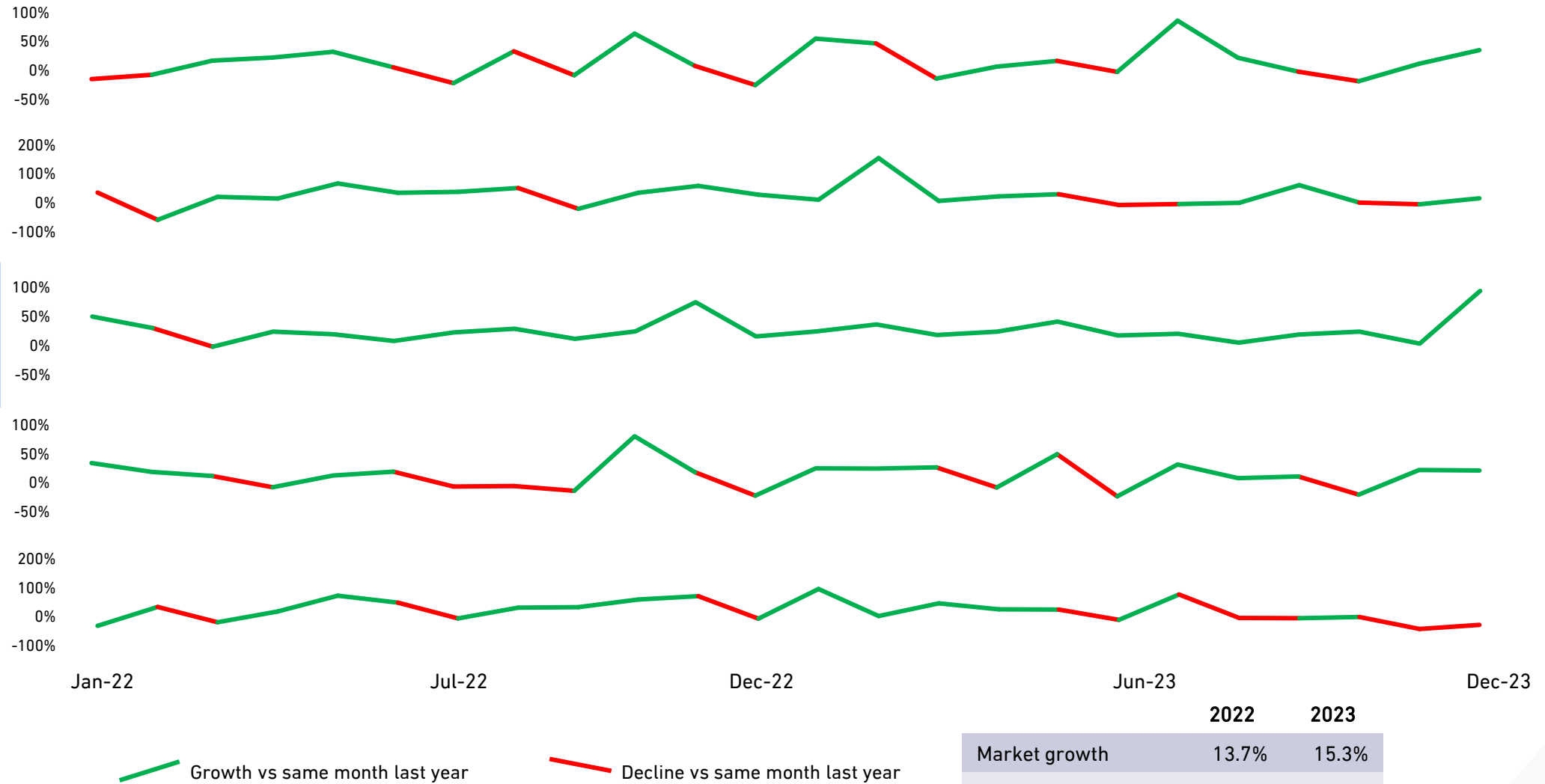
1 negative month

## Peer 3

8 negative months

## Peer 4

9 negative months



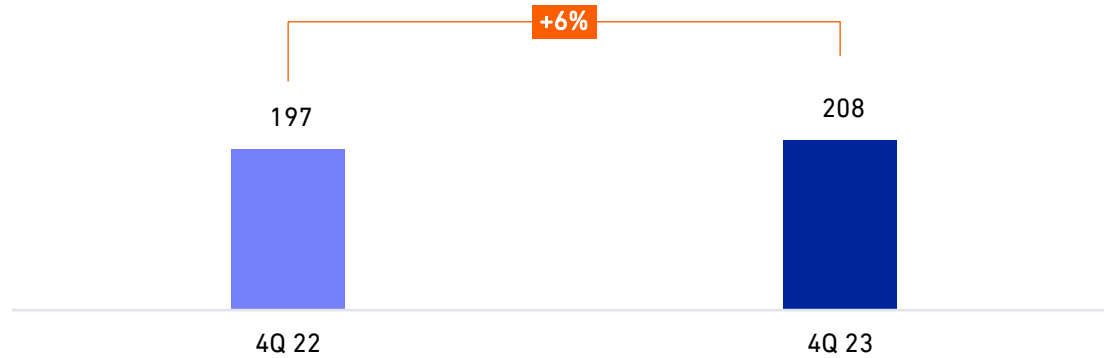
	2022	2023
Market growth	13.7%	15.3%
JP's growth <sup>1</sup>	24.8%	26.9%
JP's share <sup>1</sup>	5.2%	5.7%

# Financial Highlights

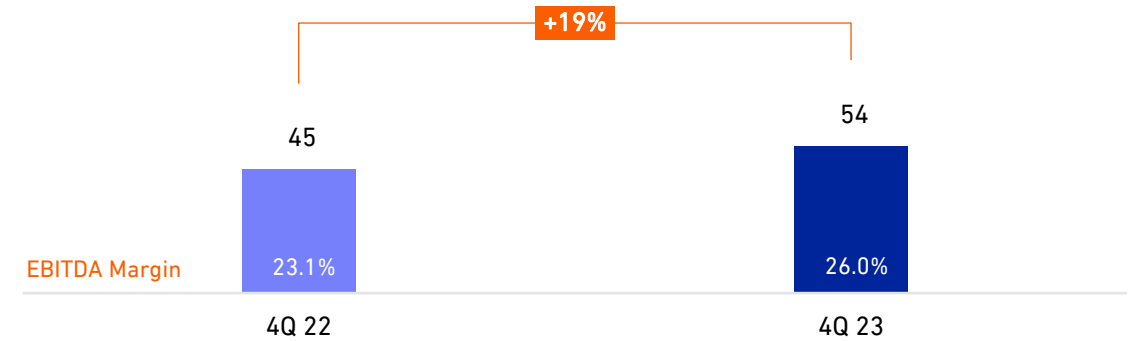


# 4Q 2023 Key Highlights

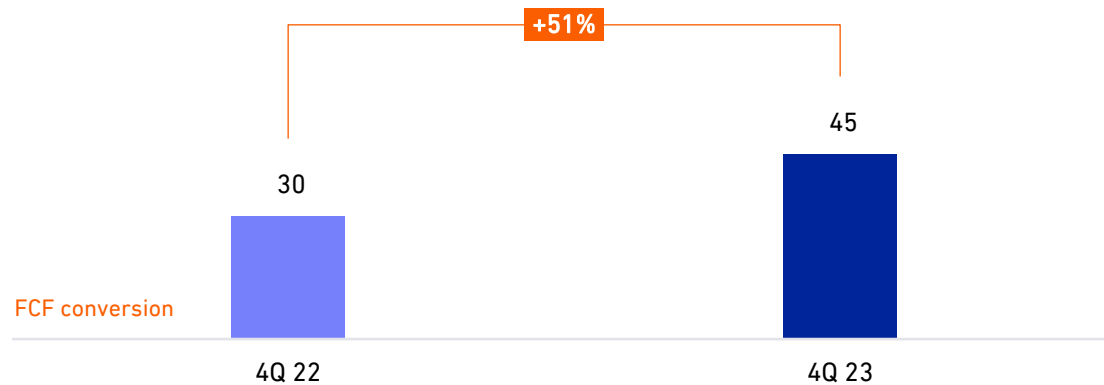
## Revenue (SARmn)



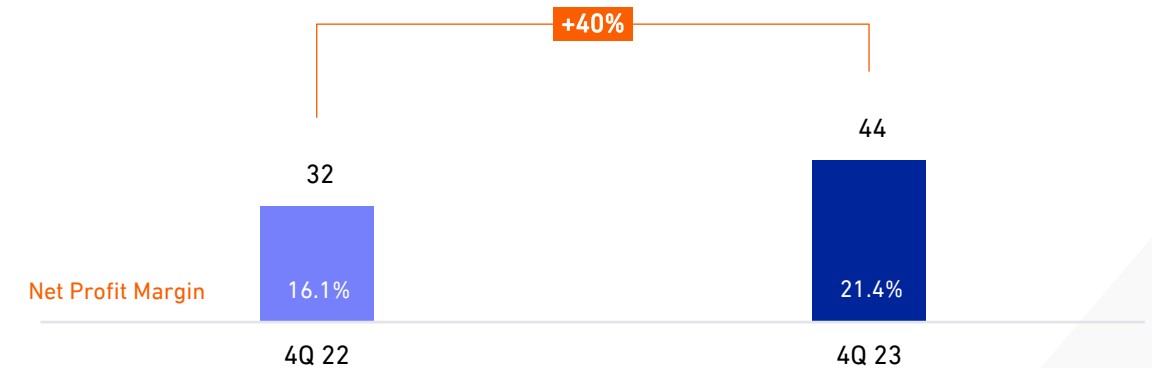
## EBITDA (SARmn)



## FCF (SARmn)

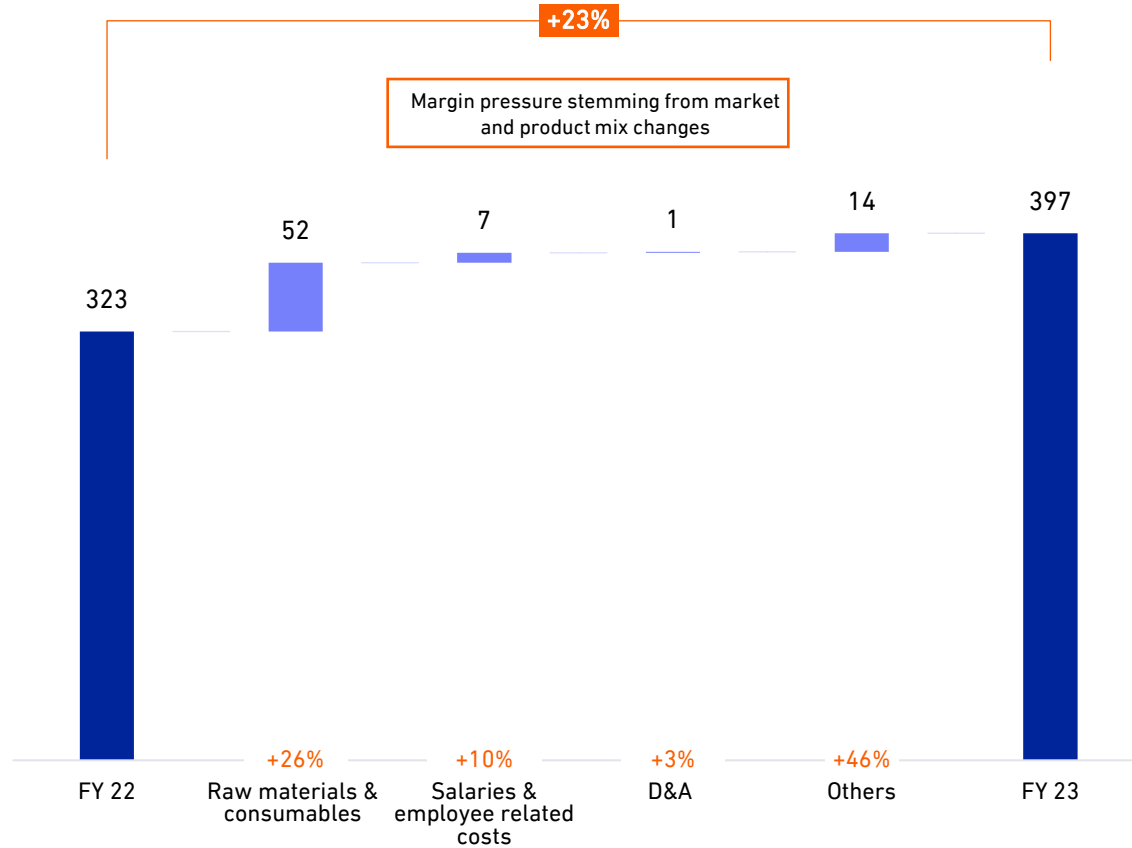


## Net Profit (SARmn)

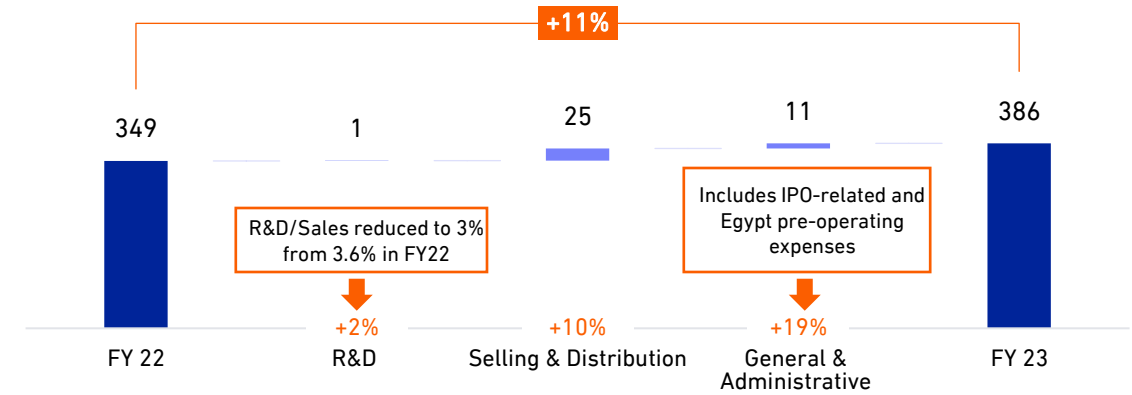


# Cost efficiency gains preserve profitability

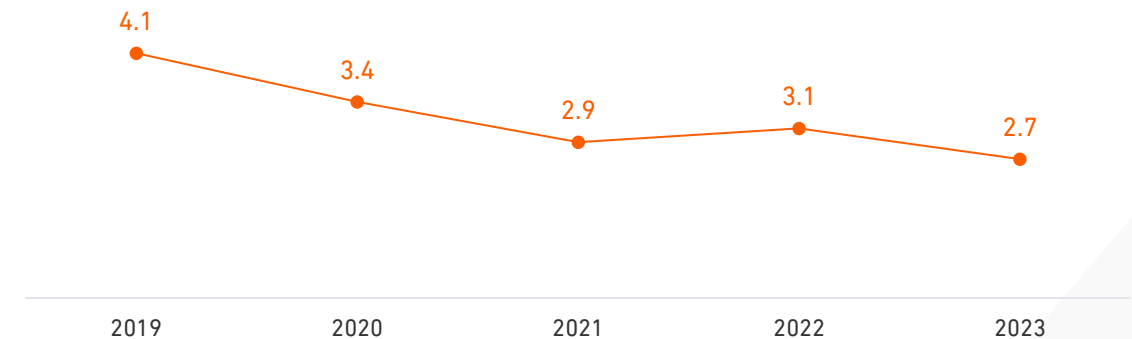
## Cost of Revenue of Movement YoY (SARmn)



## Operating Expenses Movement YoY (SARmn)



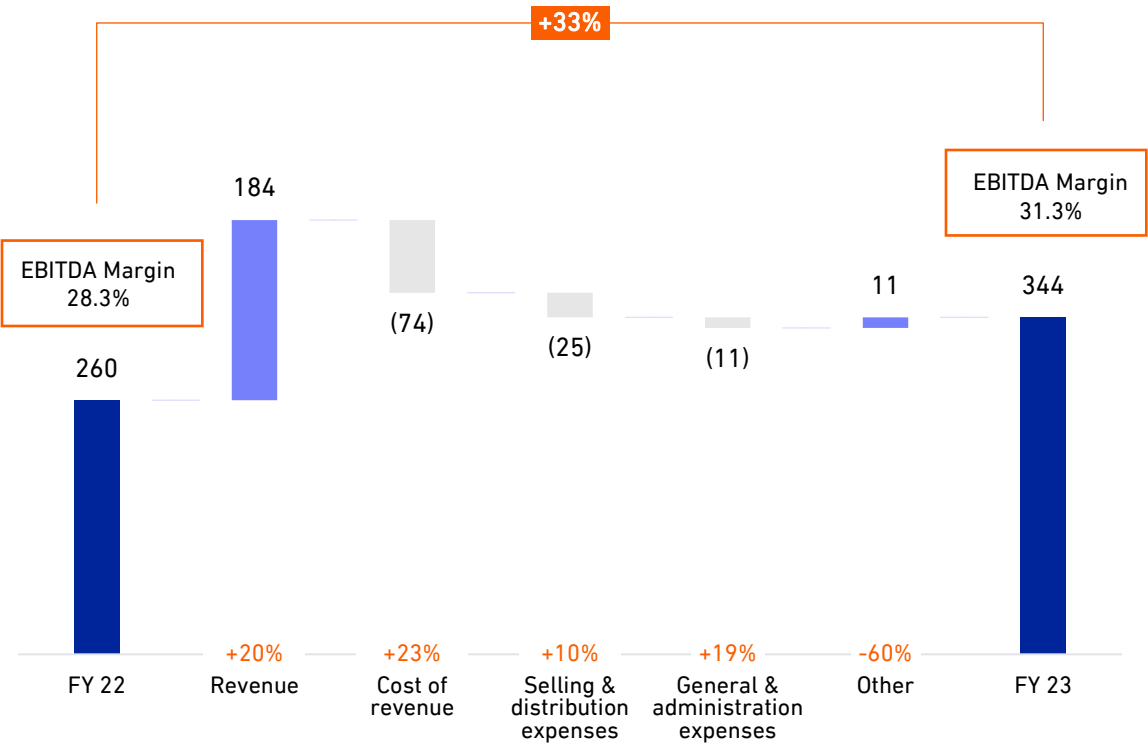
## Direct Production Cost Per Unit (SAR)



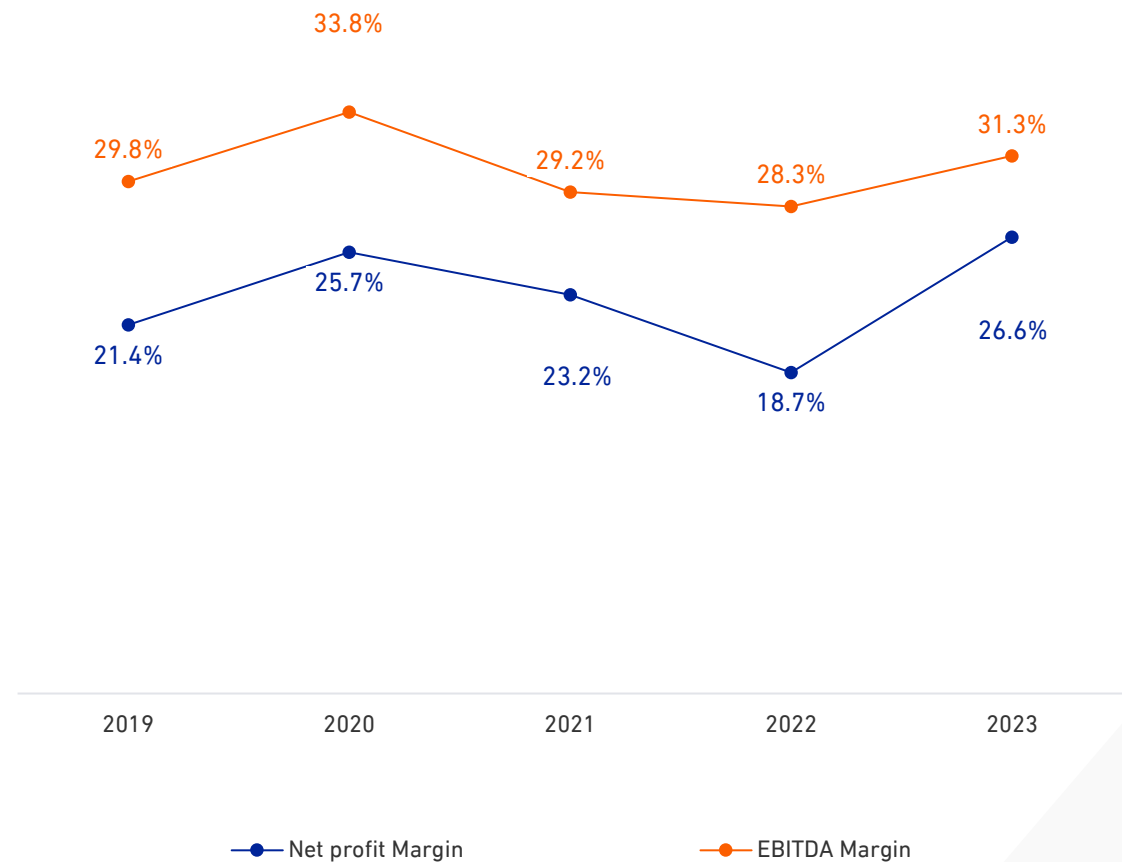


# Jamjoom Pharma maintains its industry-leading margin profile

EBITDA Movement YoY (SARmn)

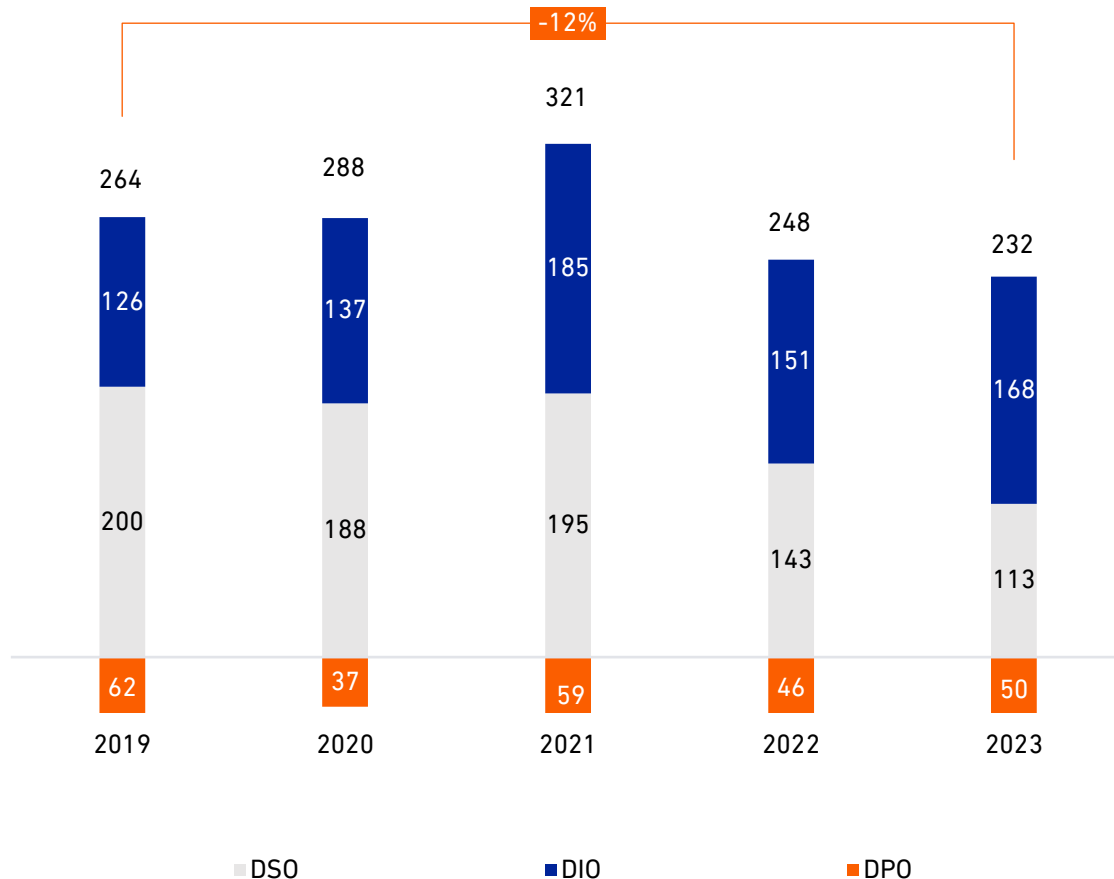


EBITDA and Net Profit Margins (%)



# Reduction in receivables accelerates cash conversion




## Cash Conversion Cycle (Days)



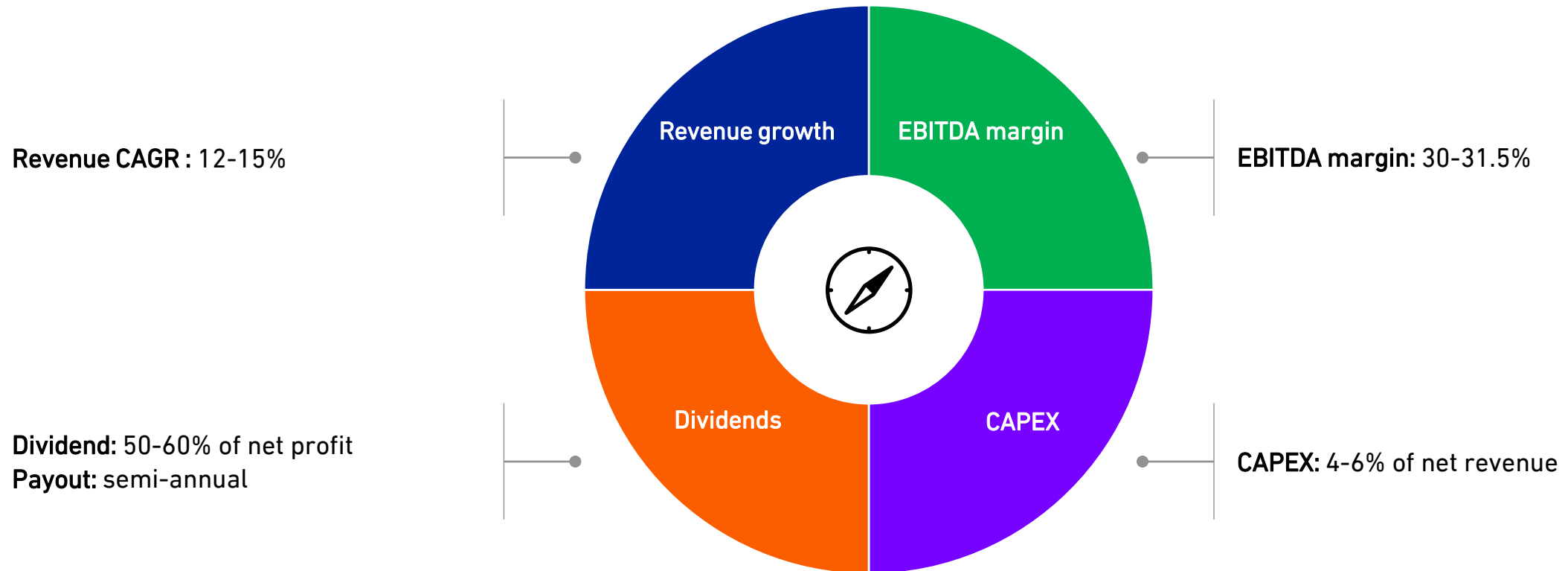
- Overall cash conversion cycle improved in 2023, reaching its **lowest level in the past five years**
- Working capital amounted to **SAR 498mn**, up only 12% YoY, despite strong revenue growth of 20%
- Significant reduction of our receivable days** showcases our commitment to efficient credit management through regular monitoring and analysis
- Strategic increase in inventory levels** to develop a robust reserve to meet anticipated demand and tackle supply chain challenges

# Outlook and Guidance

## Exceeding Financial Guidance Targets Across Key Metrics in 2023

	FY 2023 Guidance	FY 2023 Actual Results
Revenue growth 	17-19%	20.1%
EBITDA margin 	c.31%	31.3%
CAPEX 	4-6%	4.2%
Dividend (semi-annual)	50-60% payout ratio	Interim dividend of SAR 1 per share paid for 1H 2023 <i>Final dividend due to be announced soon</i>

## 2024-26 Financial guidance





# Q&A Session

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