

Earnings Presentation

1Q 2024

Jeddah | 9 May 2024



Business and Strategy Highlights



1st Quarter 2024 performance highlights

Revenue

1Q 24 +28% YoY
SAR mn **385**

Revenue growth accelerated to 28% YoY driven by a ramp-up in production and new product launches

of Brands

1Q 24 +11% YoY
136

+2 Consumer Health
+1 Ophthalmology
+1 Anti-Diabetic

EBITDA

1Q 24 +36% YoY
SAR mn **137**

EBITDA grew 36.1% YoY with 35.4% margin supported by cost efficiency gains

FCF*

1Q 24 +31% YoY
SAR mn **115**

84.1% FCF conversion; capex at 5.6% of revenue

Net Profit

1Q 24 +22% YoY
SAR mn **103**

JP maintains industry-leading Net Profit margin of 26.7% with an EPS of SAR 1.5

Units produced

1Q 24 +33% YoY
(mn units) **44**

Production growth of 33% YoY amid ongoing ramp-up of new facilities and efficiency improvements in existing ones

Strategic growth levers for 2024

Home Market



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

Export 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

1st Quarter Key Highlights and Outlook

Saudi Market

- Overall retail market witnessed unprecedented growth of 19% boosted by sales of diabetes drugs used for weight loss (14% growth ex-diabetes drugs)
- JP awarded a 2-year tender (NUPCO) that will reflect consistent growth in brands

International Markets

- Consistent market share gains in Iraq and Gulf
- Proactively managing exchange devaluation, growing 116% YoY in Egypt

Portfolio Enhancement

- Contract signed with Local Content Authority (LCA) to localize manufacture of Sitagliptin Phosphate
- Launched 3rd anti-diabetes product, “Lintra”

Manufacturing

- Successfully transitioning c.40% of Egypt’s sales to local manufacturing
- Capex investment to upgrade OSD line in the Jeddah Main Facility

Bolstering Leadership

- Strengthened Business Development (BD), Human Resources (HR), and Global Manufacturing with seasoned industry leaders.

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



Jeddah
Sterile Facility



Egypt
Facility



Algeria
Facility



Operational

147_{mn}
Production Capacity p.a.



Stability period

25_{mn}
Production Capacity p.a.



Operational

52_{mn}
Production Capacity p.a.



Operational

10_{mn}
Production Capacity p.a.
(OSD Line)

Operating since
2000

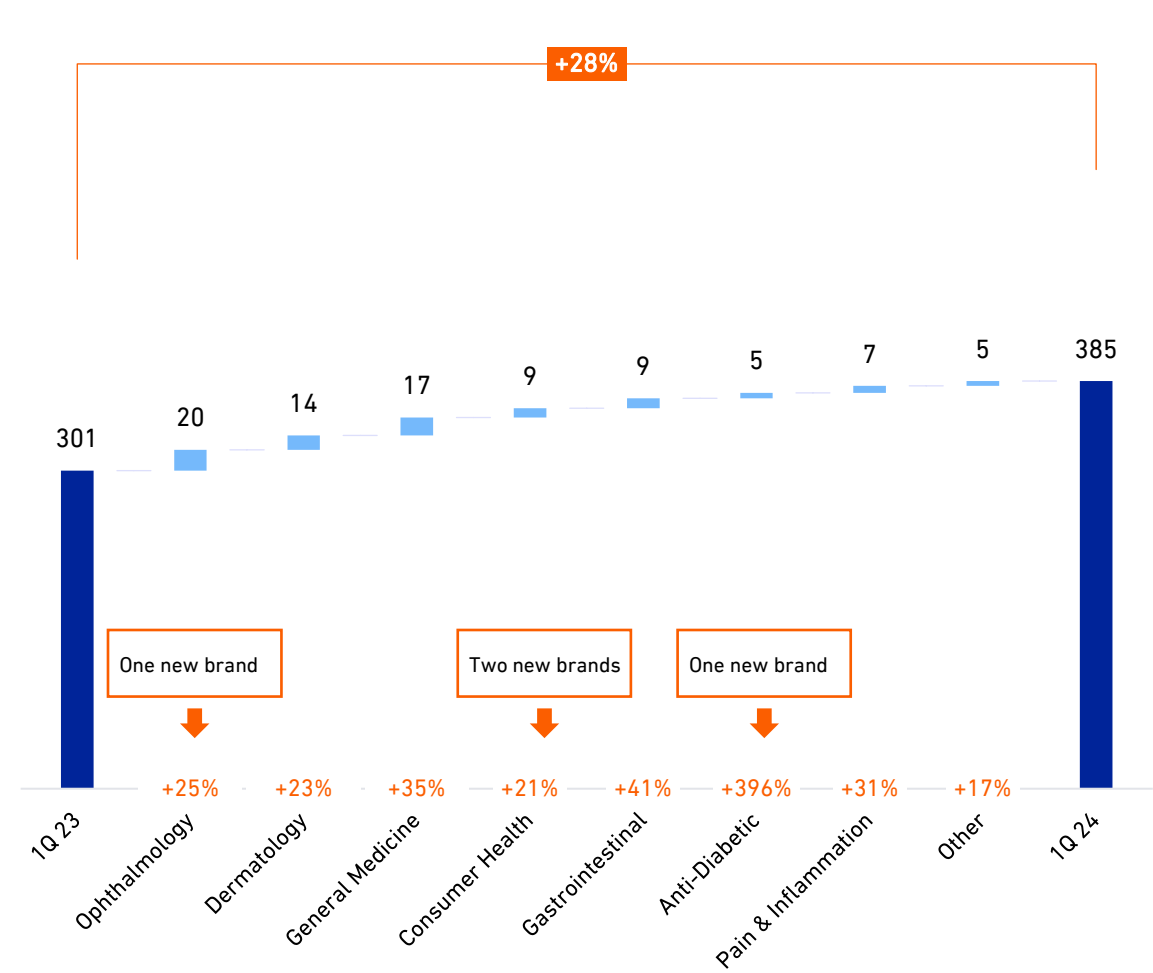
Q2 2024
Expected Launch

Operating since
2023

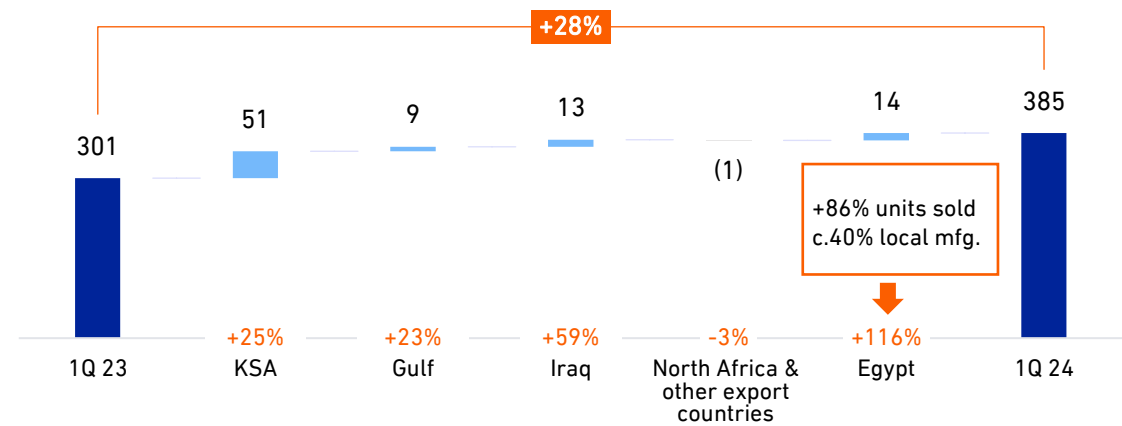
Operating since
2023

Driving revenue growth across key therapeutic areas and geographies

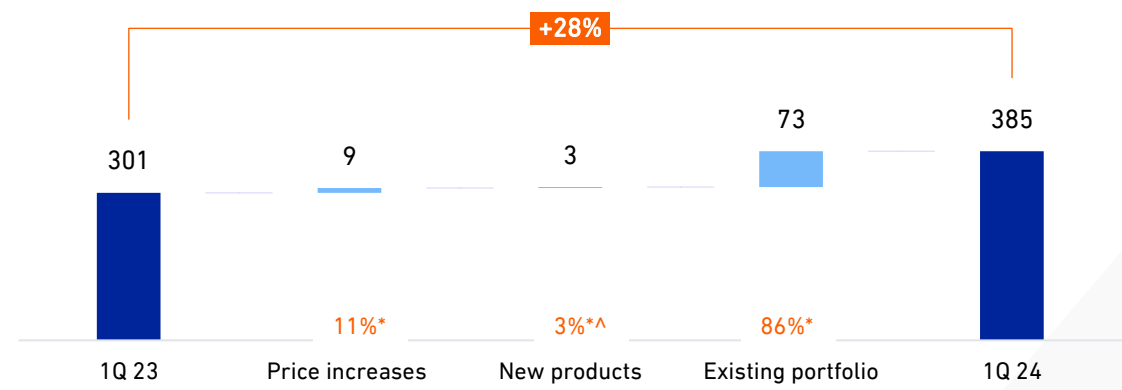
Revenue Movement by Therapeutic Area, YoY (SARmn)



Revenue Movement by Country, YoY (SARmn)



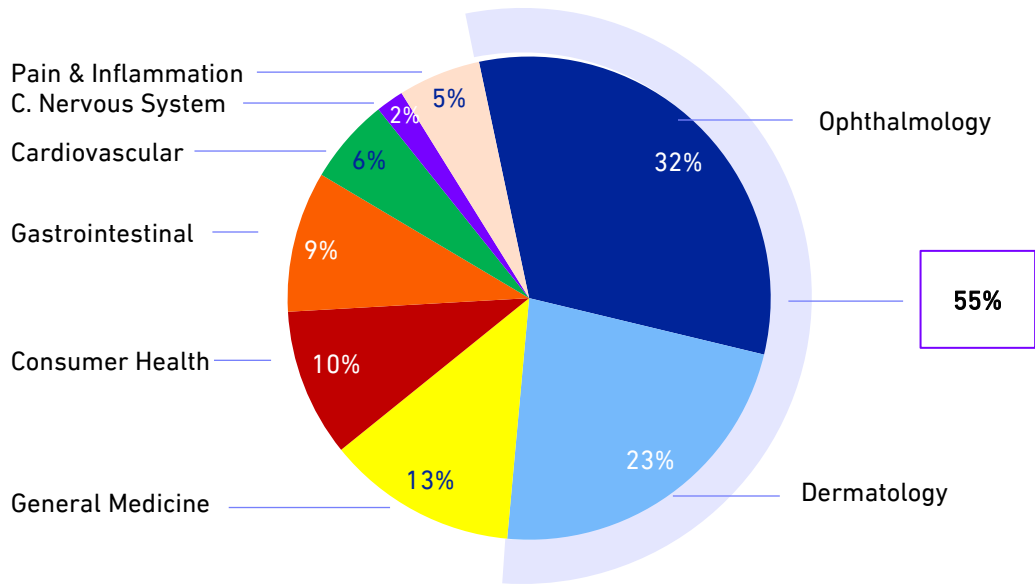
Revenue Growth Contributors (SARmn)



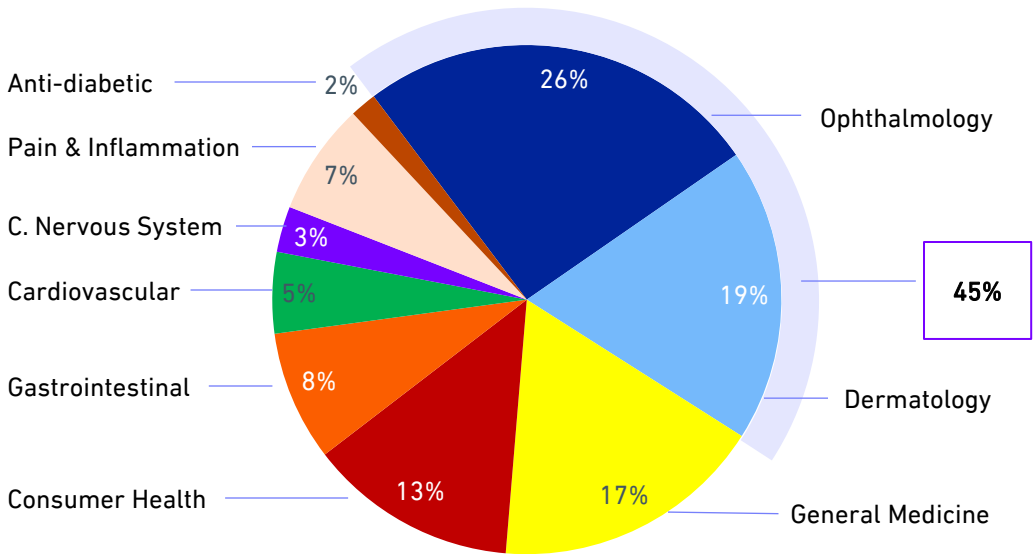
*share of contribution to revenue increase YoY
^Includes new brands and brand extensions (new SKUs)

Portfolio diversification through faster expansion into new therapeutic areas

2021 Revenue Contribution by Therapeutic Area (SARmn)



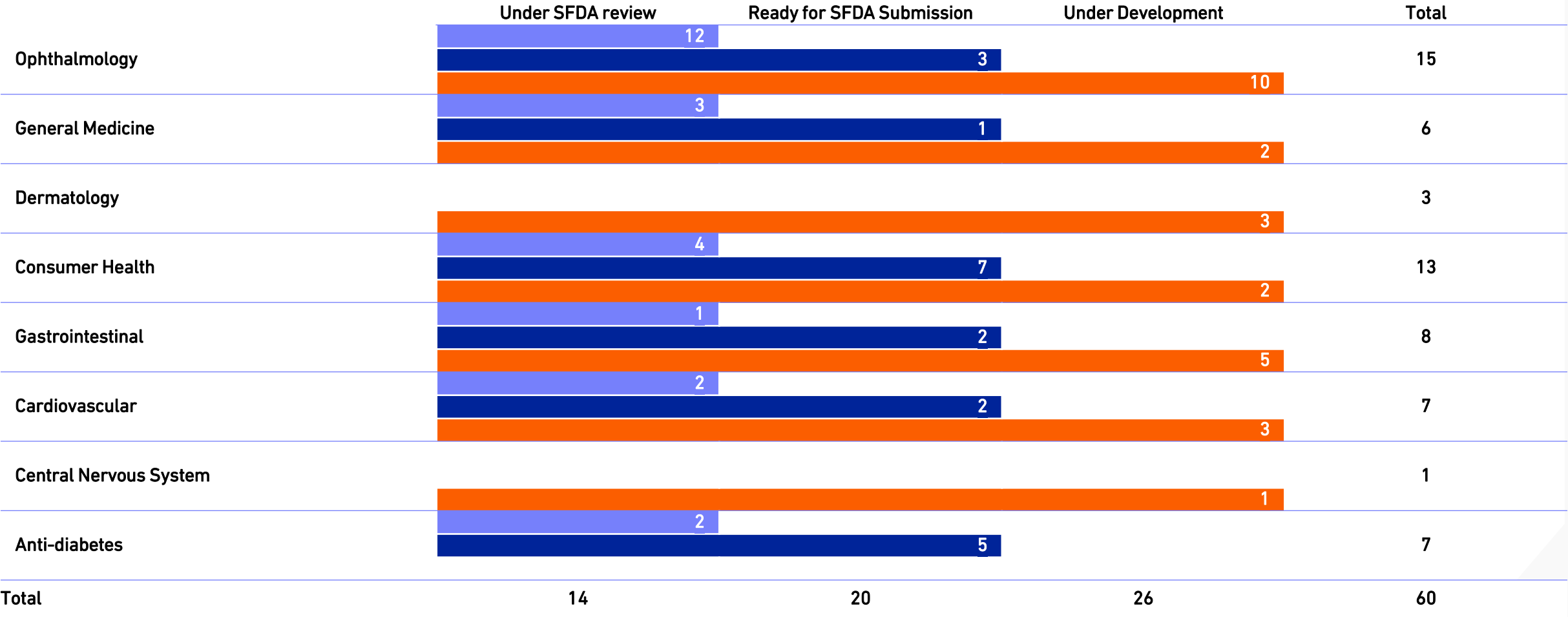
1Q 2024 Revenue Contribution by Therapeutic Area (SARmn)



Ophthalmology and Dermatology continue to show healthy growth rates of 25% and 23% YoY, respectively.

Pipeline overview

R&D Status for new Products



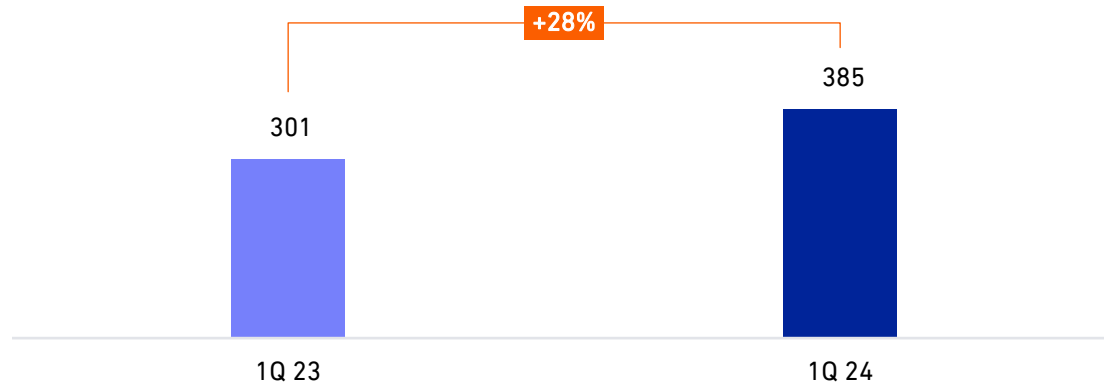
★ 1 product registered during 1Q 2024

Financial Highlights

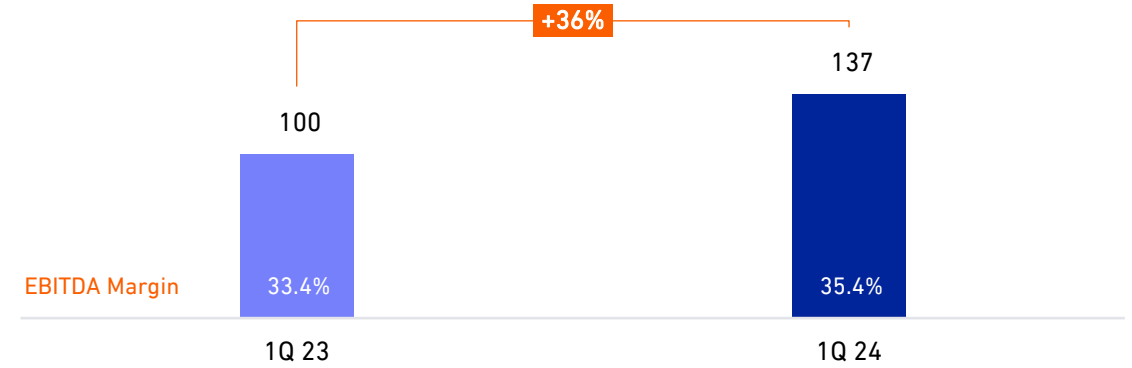


1st Quarter 2024 Key highlights

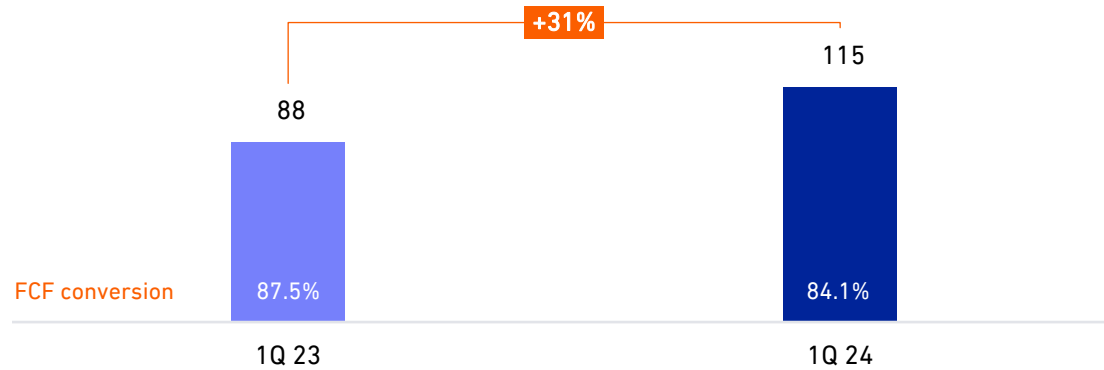
Revenue (SARmn)



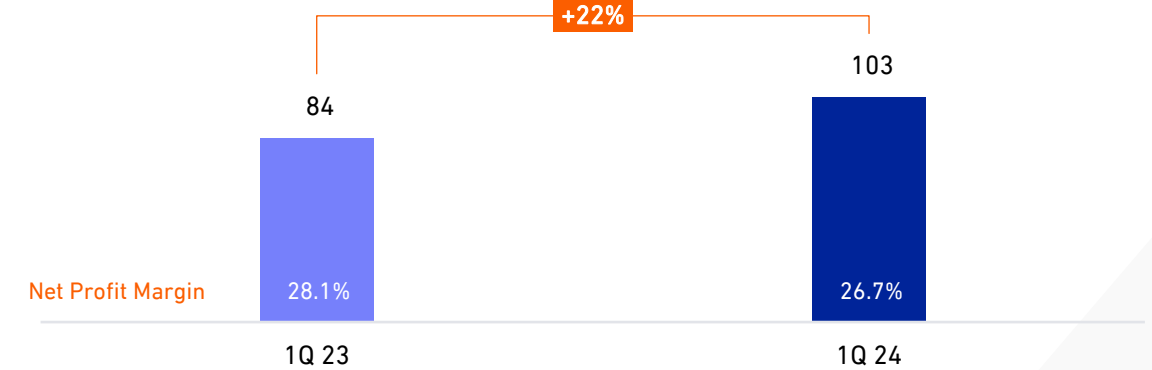
EBITDA (SARmn)



FCF (SARmn)

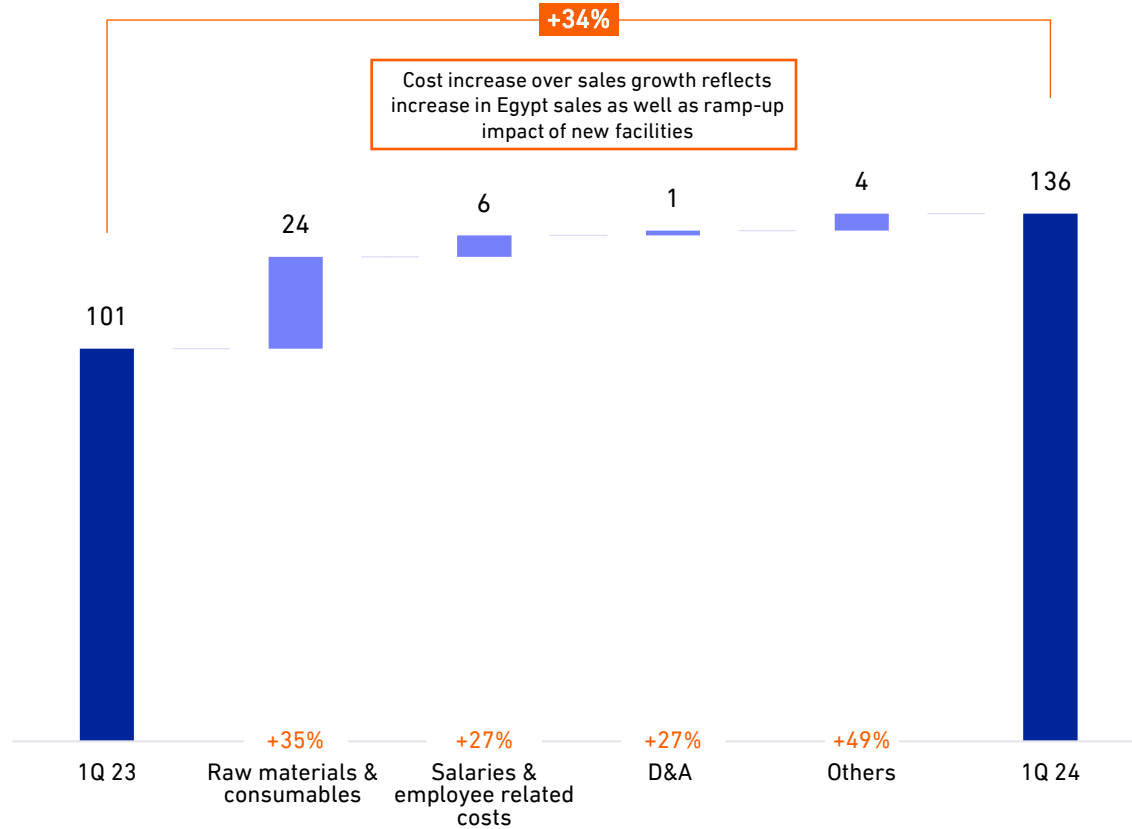


Net Profit (SARmn)

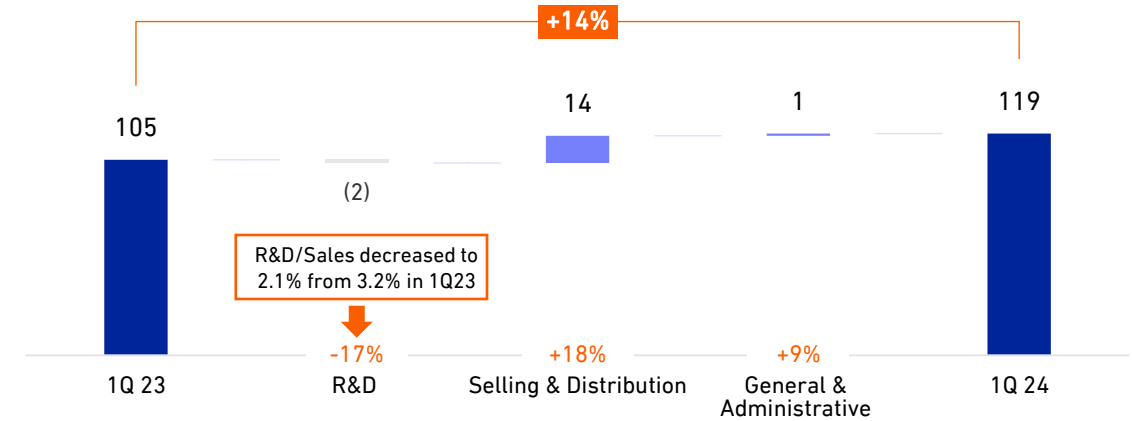


Enhancing operational efficiency...

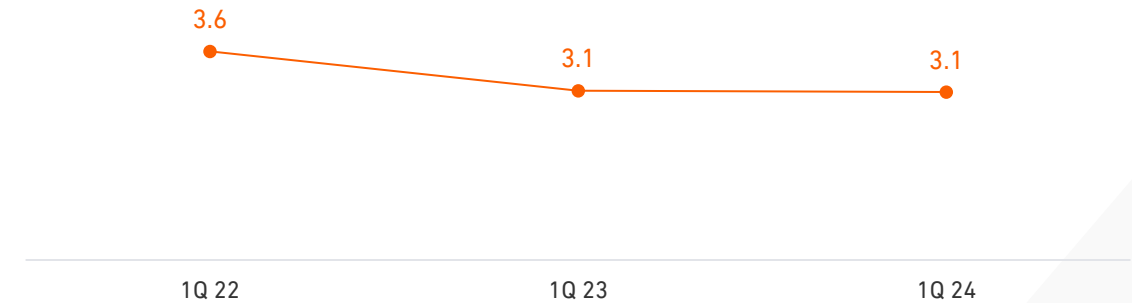
Cost of Revenue of Movement YoY (SARmn)



Operating Expenses Movement YoY (SARmn)

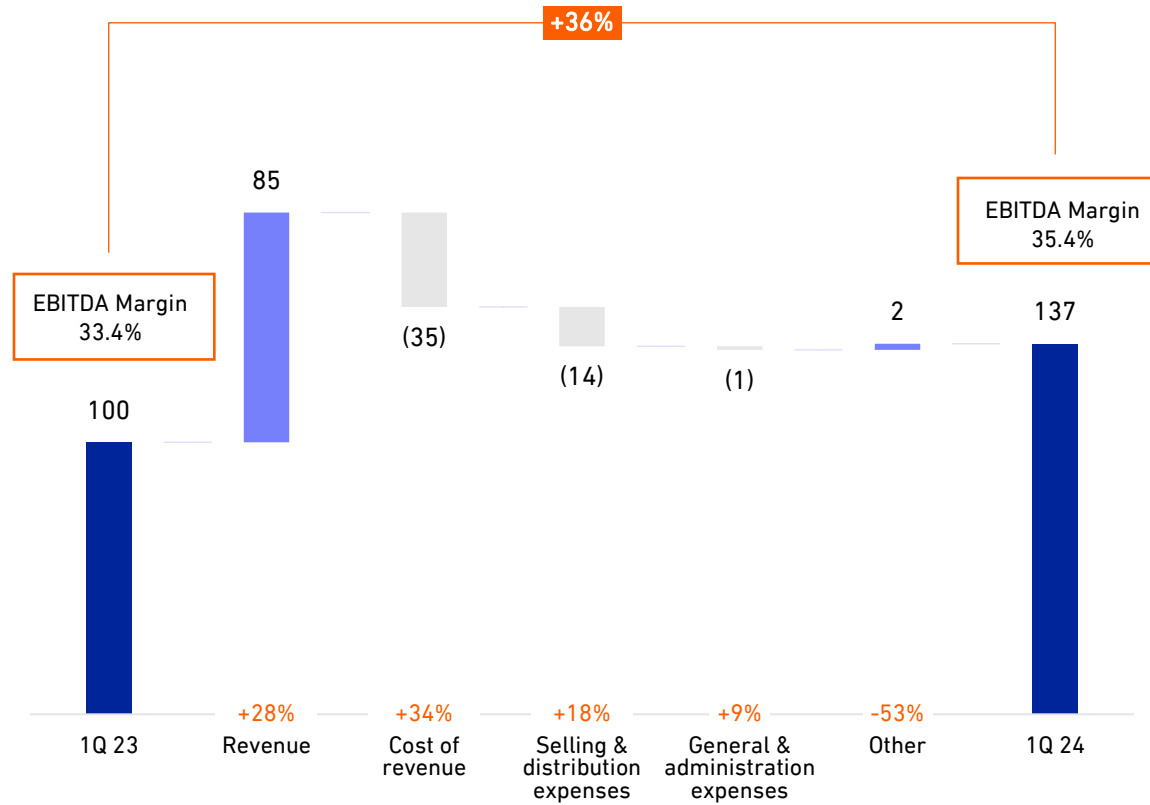


Direct Production Cost Per Unit (SAR)

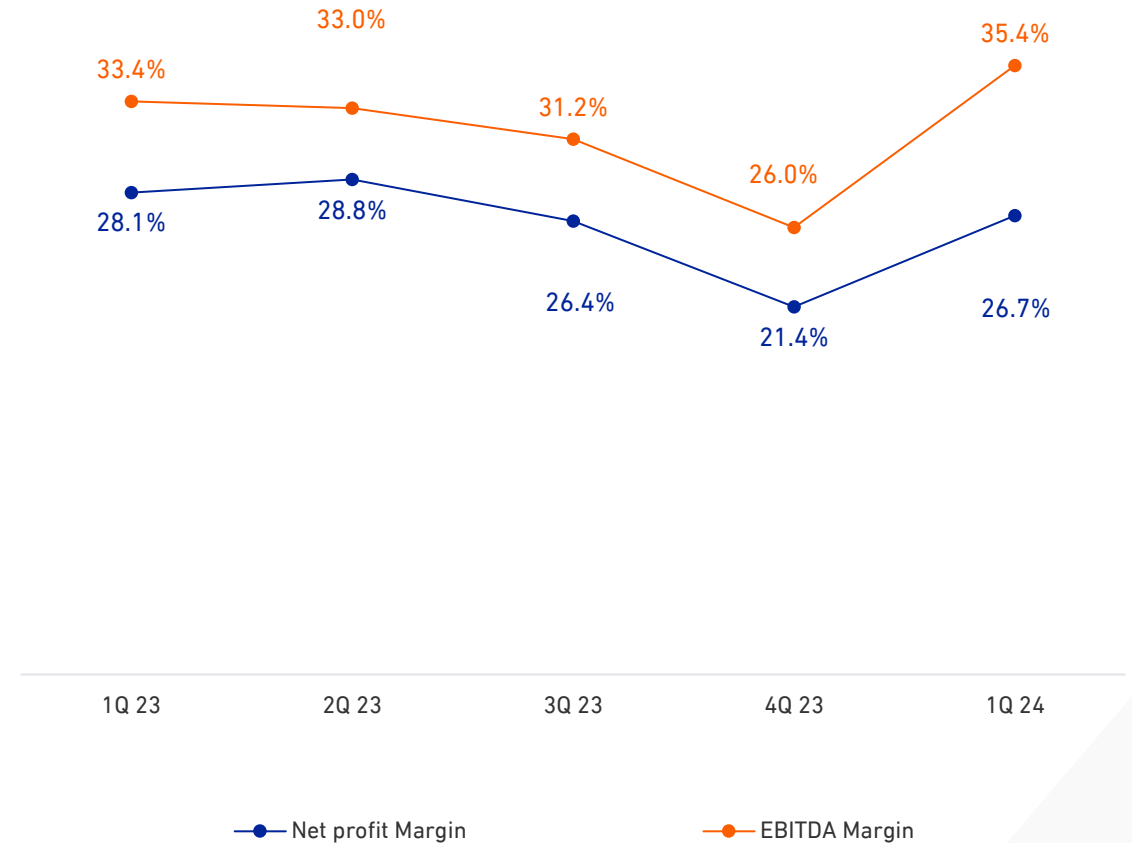


...to sustain industry-leading margin profile

EBITDA Movement YoY (SARmn)

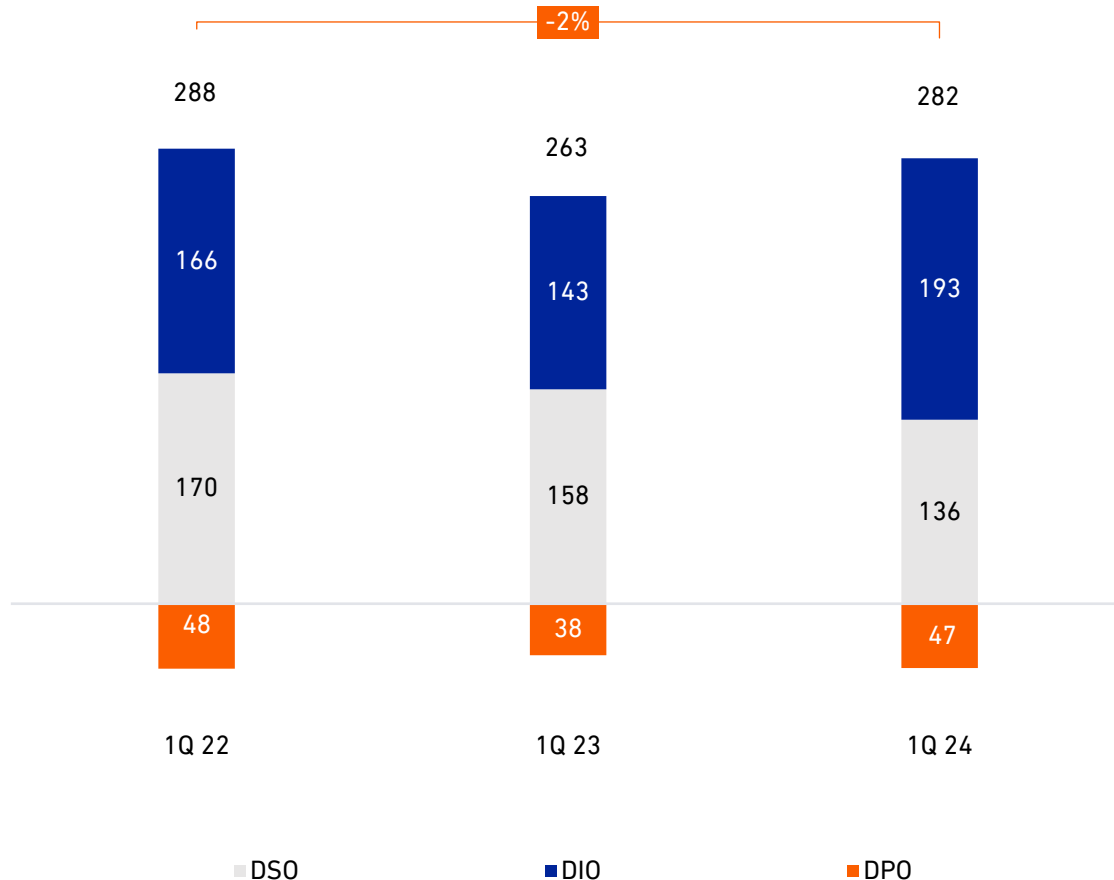


EBITDA and Net Profit Margins (%)



Stabilizing cash conversion cycles amidst strategic business expansion

Cash Conversion Cycle (Days)



- **Cash conversion cycle** increased 7% YoY to **282 days** whilst working capital amounted to **SAR 634mn**, up 12.4%, both increasing at a slower pace than the 28.1% YoY revenue growth
- **Efficient credit management initiatives** successfully led to a significant reduction of receivable days, enhancing our financial efficiency and cash flow
- **Rising inventory levels** are a result of our proactive strategy to build a substantial reserve, ensuring we can meet forecasted demand and effectively manage potential supply chain disruptions

Outlook and Guidance



Re-affirming our guidance

		FY 2024-26 Guidance	1Q 2024 Actual Results
Revenue growth	●	12-15%	28.1%
EBITDA margin	●	30.0-31.5%	35.4%
CAPEX	●	4-6%	5.6%
Dividend (semi-annual)	●	50-60% payout ratio	2H 2023 dividend of SAR 1.5/share recommended by the BoD

Q&A Session

Tarek Hosni, Chief Executive Officer

Anwer Mohiuddin, Chief Financial Officer

Muhammad Bin Khalid, Associate Director – Finance & IR