

Annual Report  
2024

Together Healthier.



# A Commitment to a Brighter Tomorrow

“At Jamjoom Pharma, the essence of health lies in accessibility—building bridges between science, people, and better health outcomes.

Our theme for 2024, “Together Healthier,” exemplifies our dedication to improving lives through innovation, partnerships, and a steadfast focus on well-being.”



# Key Highlights of 2024

## Operational Milestones



Launch of **9** new brands including innovations in consumer health and anti-diabetics

Significant production growth with a **19.8% YoY increase** achieving **175.2 million units** in 2024

Expansion of new state-of-the-art manufacturing with the **Jeddah Sterile Facility** becoming fully operational in 2024

## Market Leadership



Maintained dominant market share in **ophthalmology** and **dermatology** categories

Strengthened foothold across **36 countries** with notable expansions in Egypt and Algeria

## Financial Excellence



Achieved **1.3 billion SAR** in revenue, with an EBITDA margin of **33.2%** and an impressive net profit margin of **27%**

Free cash flow conversion at **87%** underscoring financial robustness

Maintained a healthy **cash balance**, reinforcing liquidity and operational stability

Record-breaking **dividend payout** reflecting a strong commitment to shareholder returns

Operating with **zero debt**, highlighting financial discipline and sustainability

# A Legacy of Care and Accessibility

**Looking Forward:** As we close another transformative year, we remain guided by our mission: To provide high-quality, affordable healthcare solutions across the Middle East and Africa, while contributing to national and regional pharmaceutical self-sufficiency.

The vision of Yousuf Mohammed Salah Jamjoom, the founder of Jamjoom Pharma, has always been clear:

To provide high-quality, affordable healthcare solutions that improve lives across communities. His journey is deeply rooted in the Jamjoom family's rich heritage in the pharmaceutical sector, dating back to the 1960s when the family established itself as one of the region's leading pharmaceutical distributors. Drawing upon decades of experience and a profound understanding of the healthcare needs in the region, Yousuf Jamjoom took a bold leap forward.

In an era when Saudi-based pharmaceutical manufacturing was virtually unheard of, Yousuf Jamjoom envisioned a transformative shift.

He founded Jamjoom Pharma with a steadfast belief that accessible and affordable healthcare is the cornerstone of thriving communities. In 2000, he established a branded generics company and a state-of-the-art manufacturing facility, setting the foundation for innovation and excellence. Guided by his passion and commitment, Jamjoom Pharma emerged as a leader in manufacturing, R&D, and cutting edge solutions contributing not only to the well-being of society but also to the development of Saudi Arabia's pharmaceutical industry.

**Yousuf Mohammed  
Salah Abdulaziz Jamjoom**

Member of the Board



# Core Pillars of Jamjoom's Vision

**"Together Healthier"** Reflects the enduring spirit of Yousuf Mohammed Salah Jamjoom's vision: a shared commitment to making high quality healthcare accessible.



## Commitment to Quality

Delivering world-class pharmaceutical products that meet international standards while addressing local healthcare challenges.

## Empowering Communities

Building capabilities to support healthcare accessibility, sustainability, and growth within the region and beyond.

## Driving Innovation

Investing in research and development to pioneer solutions for emerging therapeutic needs.

Through relentless effort and strategic foresight, this vision has transformed Jamjoom Pharma into a leader in branded generics, trusted by millions across the Middle East, Africa, and beyond.

The founder's dedication continues to inspire the company to push boundaries, align with global healthcare goals, and prioritize the well-being of people everywhere.



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# 01

## Executive Summary

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# At a Glance

## A Leading Force in Healthcare

As we close another transformative year, we remain guided by our mission: To provide high-quality, affordable healthcare solutions across the Middle East and Africa, while contributing to national and regional pharmaceutical self-sufficiency.

### Key Facts

- Established:** 1994
- Operations Commencement:** 2000
- Headquarters:** Jeddah, Saudi Arabia
- Manufacturing Facilities:** 4 State-of-the-art production facilities in Saudi Arabia, Egypt and Algeria <sup>(1)</sup>.
- Core Categories:** Ophthalmology, Dermatology, Consumer Health, Cardiometabolic, General Medicine and others.
- Market Presence:** Middle East and Africa.

### 2024 Performance Highlights

- Revenue Growth:** SAR 1.3 billion revenue, reflecting a 19.8% YoY increase.
- Innovation:** Successfully launched 9 new brands, expanding into critical areas such as anti-diabetics and consumer health.
- Production Excellence:** Reached a record production of 175.2 million units in 2024.
- Market Leadership:** Sustained dominant market share in ophthalmology and dermatology.

**Focusing on the Future:** Under the theme “**Together Healthier**,” Jamjoom Pharma remains steadfast in its pursuit of healthcare excellence. By leveraging cutting-edge technology, expanding local manufacturing, we are empowering communities and driving sustainable growth in healthcare.

<sup>(1)</sup> The Algiers facility is owned through a joint venture.

## Jamjoom in Numbers

### 2024 Key Metrics



# About the Company

## Mission, Vision, Values & Growth Journey



### Mission

To contribute to achieving national and regional pharmaceutical self-sufficiency whilst prioritizing customers and supporting the wellbeing of communities.



### Vision

To become a leading MEA organization by 2030, consistently providing affordable, high-quality healthcare solutions.



### Core Values

The Company's core values are Respect, Teamwork and Accountability. Our culture as an organization is driven by the belief that we are '**Together Healthier**'. Our values act as a set of guiding principles and fundamental beliefs that help us work towards Jamjoom's wider objectives.

These values flow through all our dealings and relationships, both internally and externally.



### Growth Journey

#### From a Visionary Beginning to a Regional Leader

Jamjoom Pharma commenced its operations in 2000 with a mission to transform healthcare in the Middle East and Africa through high-quality, affordable pharmaceuticals. Starting as a local manufacturer in Jeddah, the company quickly grew into a regional leader by establishing cutting-edge manufacturing facilities and focusing on innovative branded generics.

Expanding into 36 countries, Jamjoom Pharma has consistently invested in advanced infrastructure, such as the Jeddah Sterile Facility and Egypt's production hub, to meet rising healthcare demands. Strategic collaborations and a diversified portfolio in areas

like dermatology, ophthalmology, and consumer health have strengthened its market position.

With a commitment to innovation and sustainability, the company aligns with Saudi Vision 2030, supporting regional self-sufficiency. Jamjoom Pharma's journey is a testament to its vision, resilience, and dedication to improving lives, as it continues shaping the future of healthcare across the region.

# Our History

## A Journey of Growth and Innovation

Jamjoom Pharma has a rich history marked by transformative milestones and continuous growth. From its inception to its rise as a leading pharmaceutical manufacturer, the company has consistently delivered on its vision of providing high-quality, affordable healthcare solutions.



# Key Milestones

**2000**

Commenced production and commercial operations at the Jeddah Main Facility.

**2012**

Launch of 1st ophthalmic unit dose manufacturing facility in GCC.

**2010**

Operating in more than 15 countries.

**2013**

Established the first soft gel manufacturing plant in GCC.

**2016**

Established the largest R&D facility in Saudi Arabia.

**2021**

- Registered over 100 brands.
- Operating in 35+ countries

**2024**

- Fully operationalized the Jeddah Sterile Facility
- Launched 9 new brands.

**2022**

Ranked #1 exporter of pharmaceuticals and #1 in consumer health manufacturing in Saudi Arabia.

**2002**

Began international operations with the first export to Bahrain.

**2009**

Registered and launched over 50 pharmaceutical brands in Saudi Arabia.

**2003**

- Launched unique dermatology products.

**2020**

- Ranked 3rd largest manufacturer by value in Saudi Arabia

**2023**

- Successfully listed on the Saudi Stock Exchange
- Facility in Egypt launched
- Acquired Facility in Algeria
- Revenue over SAR 1 billion

# Performance Overview

## Financial and Strategic Performance

Jamjoom Pharma's performance in 2024 exemplifies its commitment to innovation, operational excellence, and strategic growth. The company continues to achieve robust financial results while expanding its presence across key markets.

## Financial Performance

### Key Financial Highlights (FY 2024):

- Revenue:** SAR 1,318 million, representing a YoY growth of 19.8%.
- Gross Profit:** SAR 821 million, maintaining a gross profit margin of 62.2%.
- EBITDA:** SAR 437 million, reflecting a margin of 33.2%.
- Net Profit:** SAR 357 million, with a net profit margin of 27%.
- Free Cash Flow Conversion<sup>(1)</sup>:** 87%, underscoring operational efficiency.

### Regional Revenue Growth:

- Saudi Arabia:** +19% YoY, reaching SAR 858 million.
- Gulf:** +30% YoY, driven by expanded distribution and portfolio optimization.
- Iraq:** +11% YoY, attributable to portfolio optimization efforts.
- Egypt:** +19% YoY, supported by local production ramp-up.

(1) FCF Conversion is calculated as (EBITDA-Capex/EBITDA)



# Strategic Achievements

## Key 2024 Initiatives:

### Product Portfolio Expansion:

- Launched 9 new brands, including 4 in Consumer Health and 2 in Anti-Diabetic, 1 Ophthalmic, 1 General Medicine, 1 Dermal.

### Manufacturing Advancements:

- The Jeddah Sterile Facility reached complete operational capacity, producing 3.5 million units in 2024.
- Enhanced production across all facilities, achieving a total output of 175.2 million units.

### Operational Efficiency:

- Optimized cost structures, bringing direct production costs to SAR 2.8 per unit.

### Sustainability Focus:

- Aligned with Saudi Vision 2030 by promoting local manufacturing and implementing environmentally sustainable practices.

### Market Leadership:

- Maintained leading positions in ophthalmology and dermatology.
- Expanded market share across the MEA region, reaching 36 countries.

## Awards and Recognitions



### Corporate Excellence

Received accolades for operational efficiency and market leadership, including inclusion in the FTSE Mid Cap and Global Equity Index.



### Forbes

### CEO Recognition

The CEO was honored as one of the Top CEOs in the Middle East for 2024 by Forbes Middle East.

### Export Achievement

Recognized by the Saudi Exports Development Authority for outstanding contributions to regional healthcare exports.

### Strategic Partnership

Strengthened our commitment to local production through a landmark agreement with the KSA 'Local Content Authority' positioning JP as the preferred supplier of Sitagliptin from 2026 onward to meet the growing demand of the governmental and institutional healthcare sector.



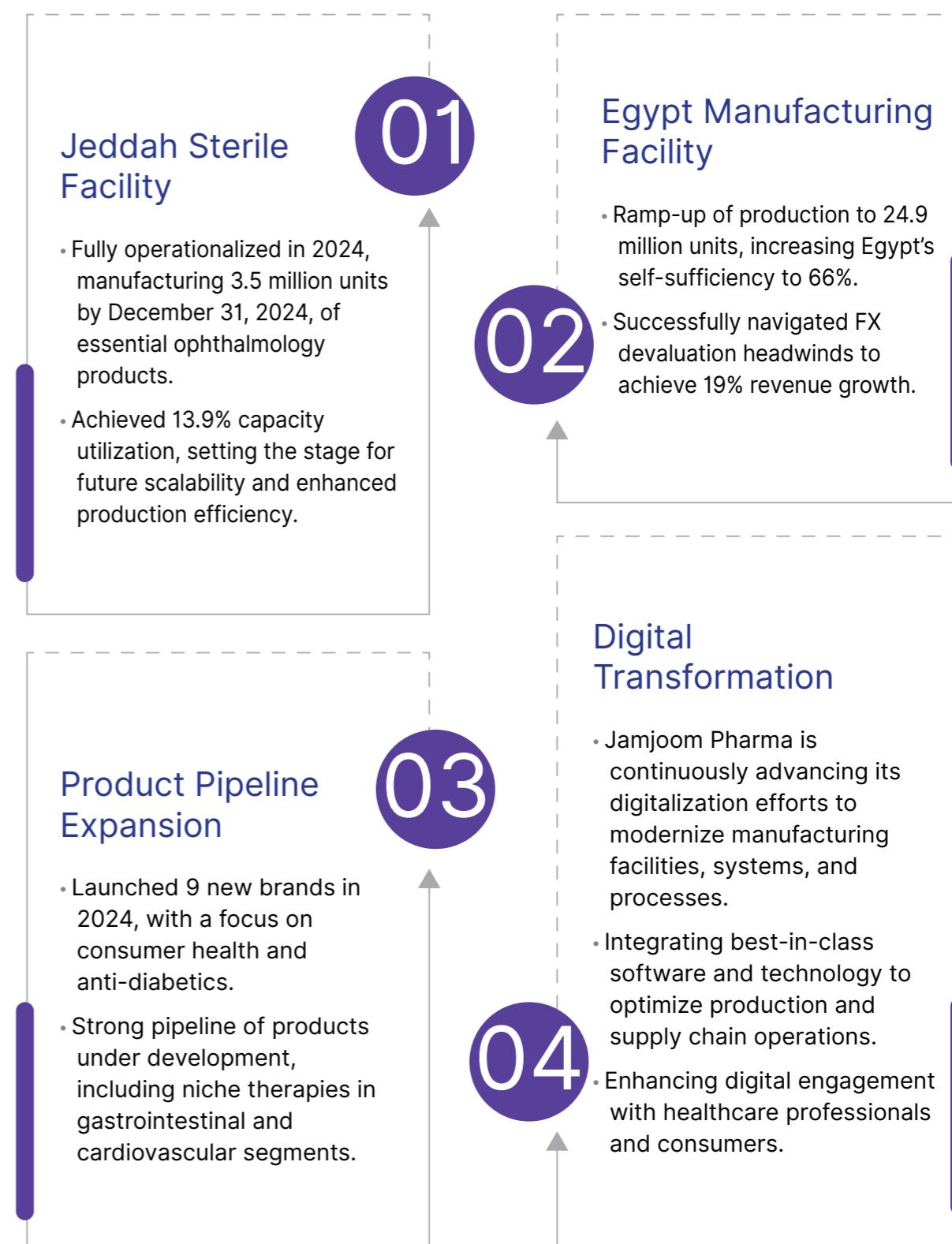
**Outlook** As Jamjoom Pharma continues to execute its strategic vision, the company is well-positioned to achieve its long-term goals, including further revenue growth, product innovation, and market expansion. Guided by its commitment to **"Together Healthier,"** Jamjoom Pharma is driving sustainable healthcare solutions that empower communities globally.

# Main Activities

## Core Business Activities and Projects



## Key Projects in 2024



## Chairman's Statement

# Progress Through Resilience

The progress we achieved in 2024 is built on a legacy of resilience and forward-thinking investment.

The year 2024 marked a transformative milestone for Jamjoom Pharma, bringing us significantly closer to our vision of becoming a leading healthcare provider in the MEA region. It was a year characterized by substantial growth, strategic investments, and strengthened market presence.

Since our inception, Jamjoom Pharma has remained unwavering in our dedication to building world-class capabilities and ensuring the accessibility of high-quality medicines. Our ongoing commitment includes consistently launching innovative brands across critical therapeutic areas and strategically expanding our manufacturing footprint. These focused initiatives actively contribute to pharmaceutical self-sufficiency in the region and strongly align with

Saudi Vision 2030's objectives of enhancing local capabilities and diversifying the economy.

Looking forward, Jamjoom Pharma will prioritize investments in cutting-edge technologies, including biologics, and pursue strategic expansions. Guided by our core principle, "Together Healthier," we reaffirm our dedication to improving healthcare accessibility and creating lasting, positive impacts on communities throughout the region.

I extend my gratitude to our dedicated team, valued shareholders, partners, and the broader healthcare community for your continued trust in Jamjoom Pharma. Together, we will sustain our legacy of resilience and excellence, ensuring a healthier future.

Warm regards,

**Mahmoud Yousuf  
Mohammed Salah Jamjoom**

Chairman  
of the Board of Directors



# Stakeholder Engagement

At Jamjoom Pharma, we believe that strong and transparent engagement with our stakeholders is key to fostering trust, driving innovation, and achieving sustainable growth. In 2024, our commitment to stakeholder engagement remained at the forefront of our strategic priorities, ensuring that we align with the expectations and needs of all those who are connected to our success.



## Engagement with Key Stakeholder Groups

### Patients and Communities

- Delivered high-quality, affordable medicines to underserved regions, positively impacting healthcare accessibility across 36 countries.
- Launched awareness campaigns focused on therapeutic areas such as diabetes and cardiovascular health to promote community well-being.

### Employees

- Continued investment in talent development through the Jamjoom Pharma Academy, providing specialized training and leadership programs.
- Fostered an inclusive workplace culture and increasing opportunities for female employees.

### Healthcare Professionals

- Strengthened relationships with medical practitioners through educational initiatives and partnerships, ensuring better understanding and use of our innovative products.
- Supported healthcare providers with digital tools for streamlined patient care and treatment monitoring.

### Investors and Shareholders

- Maintained consistent communication through quarterly earnings reports, shareholder meetings, and investor conferences.
- Consistently delivered strong financial performance through effective strategic execution, surpassing financial guidance since IPO.

### Government and Regulatory Bodies

- Actively collaborated with regulatory authorities to align with Saudi Vision 2030 by enhancing local pharmaceutical self-sufficiency and promoting sustainability.
- Ensured compliance with all industry standards and actively participated in policy discussions to strengthen regional healthcare frameworks.

### Suppliers and Partners

- Strengthened relationships with suppliers to ensure a resilient and efficient supply chain.
- Commenced engagements with global and regional organizations to co-develop biosimilars and innovative treatments.

Jamjoom Pharma remains dedicated to building and nurturing relationships with its stakeholders, ensuring that we collectively contribute to a healthier, more sustainable future. By listening, collaborating, and innovating together, we continue to advance our **mission of creating lasting value** for all.

## 2024 Initiatives and Outcomes

01

### Advancing Local Pharmaceutical Production

- Fully operationalized the Jeddah Sterile Facility, addressing regional demands for ophthalmology products.
- Expanded production at the Egypt facility, achieving 66% self-sufficiency in local manufacturing.

02

### Product Innovation:

- Launched nine new brands in therapeutic areas such as Consumer Health, Anti-Diabetics, Ophthalmic and Dermal.

03

### Digital Transformation:

- Integrated AI-driven technologies to enhance production efficiency and streamline supply chain management.

04

### Community Engagement

- Collaborated with healthcare providers to support awareness campaigns for diabetes and cardiovascular health.

05

### Sustainability and Vision 2030 Alignment

- Strengthened alignment with Saudi Vision 2030 by promoting sustainable manufacturing practices and contributing to regional healthcare self-sufficiency.

# Investment Case

Jamjoom Pharma offers a compelling investment opportunity, underpinned by strong financial performance, strategic growth initiatives, and a proven track record of delivering value to stakeholders. Our position as a leading pharmaceutical company in the Middle East and Africa region makes us uniquely suited to capitalize on emerging opportunities in the global healthcare sector.

## Key Reasons to Invest

### Strong Financial Performance

- Consistent revenue growth with SAR 1.3 billion in 2024, reflecting a robust 19.8% YoY increase.
- High profitability with a net profit margin of 27% and an EBITDA margin of 33.2%.
- Strong free cash flow conversion of 87%, demonstrating financial stability and operational efficiency.

### Market Leadership

- Dominant market share in key therapeutic areas such as ophthalmology and dermatology.
- Expanding footprint across 36 countries with significant growth in high-potential markets like Egypt, Algeria, and the Gulf.
- Established partnerships with healthcare providers and government agencies to drive regional market leadership.

### Innovative Product Portfolio

- Launch of 9 new brands in 2024, including advancements in consumer health and anti-diabetics.
- Robust pipeline targeting high-growth areas such as cardiovascular, gastrointestinal, and biologics.
- Commitment to addressing unmet medical needs through continuous R&D investments.

### State-of-the-Art Infrastructure:

- Fully operational Jeddah Sterile Facility, enabling production of high-demand ophthalmology products.
- Expansion of manufacturing capacity in Egypt to support regional self-sufficiency and market demand.
- AI-driven technologies enhancing operational efficiency and scalability.

**Looking Ahead:** With a clear strategic roadmap, a commitment to innovation, and a focus on sustainable growth, Jamjoom Pharma is to deliver long-term value to its shareholders. Our robust operational foundation, expanding portfolio, and alignment with regional healthcare priorities make us an ideal partner for investors seeking growth in the pharmaceutical industry.

### Alignment with Vision 2030:

- Key contributor to Saudi Vision 2030 goals by promoting local pharmaceutical manufacturing and job creation.
- Commitment to sustainable practices, including energy-efficient production and reduced environmental impact.

### Experienced Leadership and Governance:

- Led by an experienced management team with a proven track record of delivering results.
- Strong corporate governance framework, ensuring transparency and accountability.

### Growth Potential in Emerging Markets:

- High-growth opportunities in underserved regions, supported by tailored market-entry strategies.
- Strategic focus on expanding presence in Francophone Africa and other emerging markets.

# Shareholder Information

Jamjoom Pharma remains committed to maintaining transparency and fostering trust with its shareholders. As a publicly listed company on the Saudi Stock Exchange, we uphold the highest standards of corporate governance and accountability, ensuring that our investors have access to timely and accurate information.

## Stock Information

- Ticker Symbol:** 4015
- Market Listing:** Saudi Stock Exchange (Tadawul)
- Index Inclusion:** MSCI Small Cap Index

## Share Price Performance

- Lowest Share Price in 2024:** SAR 112.8
- Highest Share Price in 2024:** SAR 202.4
- Closing Share Price in 2024:** SAR 152.2
- Since listing, the share price increased by over 154% (32% YTD), reaching a market cap of SAR 10 billion (USD 3 billion).
- Foreign ownership of the free-float grew from 12% in January 2024 to nearly 23% by December 2024.\*



## Ownership Structure

70% of shares are held by the Jamjoom family, with the remaining shares distributed among a diversified group of institutional and individual investors, reinforcing the company's strong legacy and commitment to long-term growth and stability.

## Investor Communication

We prioritize open and effective communication with our shareholders through multiple engagement channels, ensuring transparency and timely access to critical information. Key resources include:

- Annual Reports:** Comprehensive reviews of financial and operational performance, offering in-depth insights into our strategic direction.
- Quarterly Earnings Calls:** Regular updates on business progress, financial results, and market trends, providing direct interaction with analysts and investors.
- Investor Relations Portal:** A dedicated section on our website featuring real-time updates on share performance, key announcements, and financial disclosures.
- Investor Events & Meetings:** Active participation in investor conferences, group meetings, and one-on-one engagements with key stakeholders to foster deeper relationships and provide clarity on our growth strategy.
- Commitment to Transparency:** We adhere to international best practices in governance and investor relations, ensuring timely and accurate disclosures that empower our shareholders to make informed decisions.

## Auditing and Oversight

Jamjoom Pharma is guided by a robust Auditing framework, ensuring:

- Transparency in decision-making processes.
- Alignment of corporate actions with shareholder interests.
- Compliance with all regulatory requirements in the Kingdom of Saudi Arabia and internationally.

# 02

## Strategic Review

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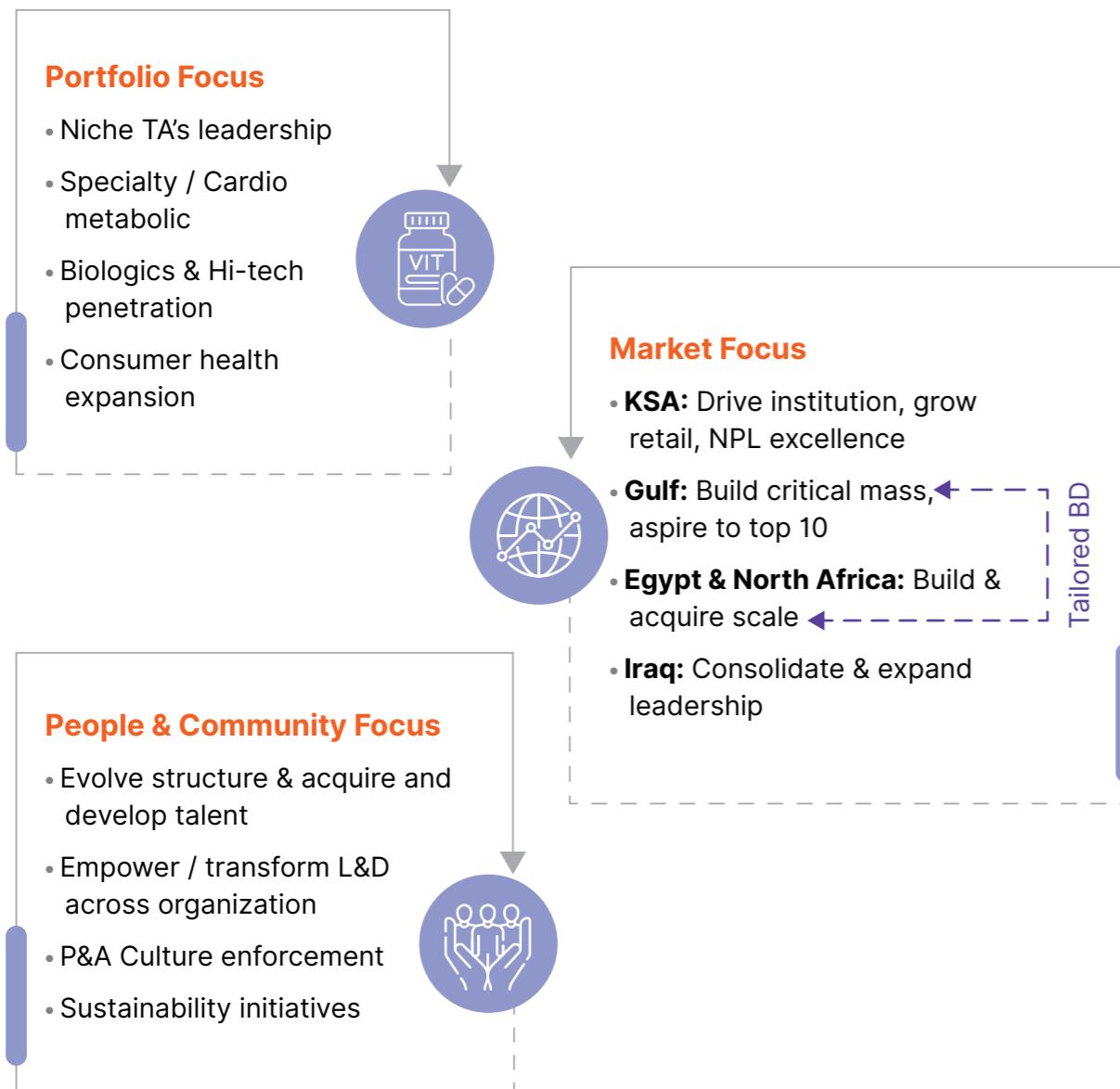
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# Company Strategy

## Jamjoom Pharma's Strategy at a Glance

### Vision

To become the leading MEA organization by 2030 through consistently providing affordable, high-quality healthcare solutions.



## Jamjoom Pharma's Five-Year Roadmap

Jamjoom Pharma has a clear five-year roadmap to establish itself as a leading pharmaceutical organization in the Middle East and Africa by 2030. The company's approach focuses on expanding market presence, diversifying its product portfolio, improving operational efficiency, and strengthening governance. These strategic initiatives aim to drive sustainable growth while aligning with Saudi Vision 2030 to enhance national healthcare self-sufficiency.

A key pillar of the strategy is selective expansion into high-growth markets. Jamjoom Pharma has identified priority regions within the Middle East and Africa with strong potential. By strategically deploying resources, the company aims to optimize distribution, streamline production, and expand access to high-quality Healthcare solutions.

The company continues to invest in research and development to accelerate new brand launches and targets expansion into selected high-potential markets in the coming years in line with its vision. A strong focus is placed on optimizing time-to-market, improving

decision-making, and identifying high-demand segments such as diabetes management. Recent efforts have resulted in the development of new diabetes treatments, with further innovations planned to address the region's evolving healthcare needs.

Jamjoom Pharma is also expanding its participation in government tenders to strengthen its role as a key supplier to the Kingdom's healthcare system. By leveraging tender system reforms and national healthcare initiatives, the company is well-positioned to secure long-term contracts that enhance accessibility and affordability while promoting local manufacturing.

Operational efficiency remains a priority, with ongoing efforts to reduce costs, improve supply chain management, and integrate digital technologies. The modernization of manufacturing facilities and the adoption of AI-driven automation are enhancing productivity and reducing waste, ensuring the company remains competitive in an evolving market.

Talent development is a crucial component of the company's strategy.

With a focus on attracting and retaining top industry professionals, Jamjoom Pharma continues to invest in workforce training through the Jamjoom Pharma Academy. These efforts support employee skill development while fostering leadership within the organization. The company, which was one of the first to employ women in the factory, continues its commitment to enhancing female employment and Saudization, thereby supporting national workforce development objectives.

In 2024, Jamjoom Pharma made significant strides in digital transformation, governance, and compliance by implementing advanced IT infrastructure upgrades and cybersecurity measures. Key achievements include obtaining the internationally recognized ISO 27001 certification for cybersecurity and aligning with SDAIA's regulatory framework through the implementation of the Privacy Data Protection Law (PDPL). Major digital transformation initiatives, such as the SAP EWM (Extended Warehouse Management) and SAP IBP (Integrated Business Planning) projects,

were launched to enhance automation and operational efficiency in supply chain and business planning. These projects aim to streamline workflows, reduce human-based errors, and optimize resource utilization, with the SAP EWM project set to go live in March 2025.

Despite the rapid technological shifts and complex regulatory requirements, Jamjoom Pharma successfully prioritized and executed these initiatives through robust project management frameworks, supported by a dedicated Project Management Office and Center of Excellence. This proactive approach has ensured seamless implementation without disruptions, reinforcing Jamjoom Pharma's commitment to leveraging technology for operational excellence and sustainable growth.

## Strategic Vision

To become the leading pharmaceutical organization in the MEA region by 2030, delivering high-quality healthcare solutions.

### Strategic Ambitions Three Pillars



### Five Growth Levers for 2024



<sup>1</sup> The Algiers facility is owned through a joint venture.

# Delivering on Saudi Arabia's Healthcare Vision 2030

Jamjoom Pharma is fully aligned with Saudi Vision 2030 and the National Transformation Program, playing a key role in the Kingdom's goal of localizing the pharmaceutical sector. The company actively contributes by:

- Expanding local production to reduce reliance on imports and enhance pharmaceutical self-sufficiency.
- Increasing access to essential medicines through participation in public healthcare initiatives and tender programs.
- Advancing research and innovation in medicine and biotechnology, including biologics and specialized treatments.
- Implementing responsible and sustainable manufacturing practices to support environmental and operational efficiency.

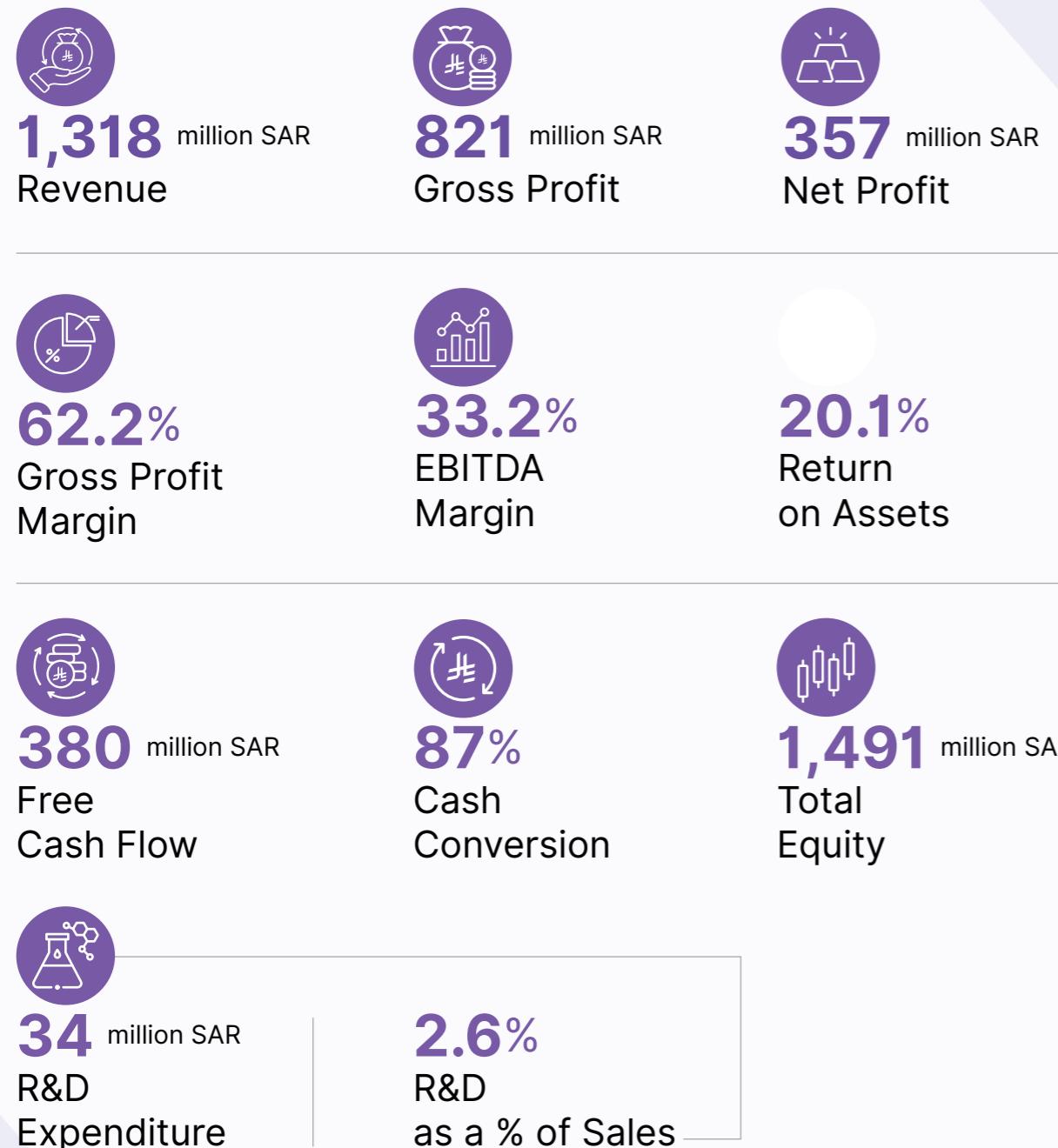
principles, the company is well-positioned to address evolving industry demands. These efforts are complemented by a commitment to enhancing governance, reducing costs, leveraging digital transformation, and expanding into new segments and geographies. Through targeted acquisitions and talent development, Jamjoom Pharma aims to reinforce its competitive edge and deliver long-term value to shareholders.

In conclusion, Jamjoom Pharma's strategic growth levers are designed to ensure sustainable expansion and market leadership. By focusing on profitable growth in key markets, optimizing product innovation, and integrating ESG



# Jamjoom in Numbers

## Financial KPIs



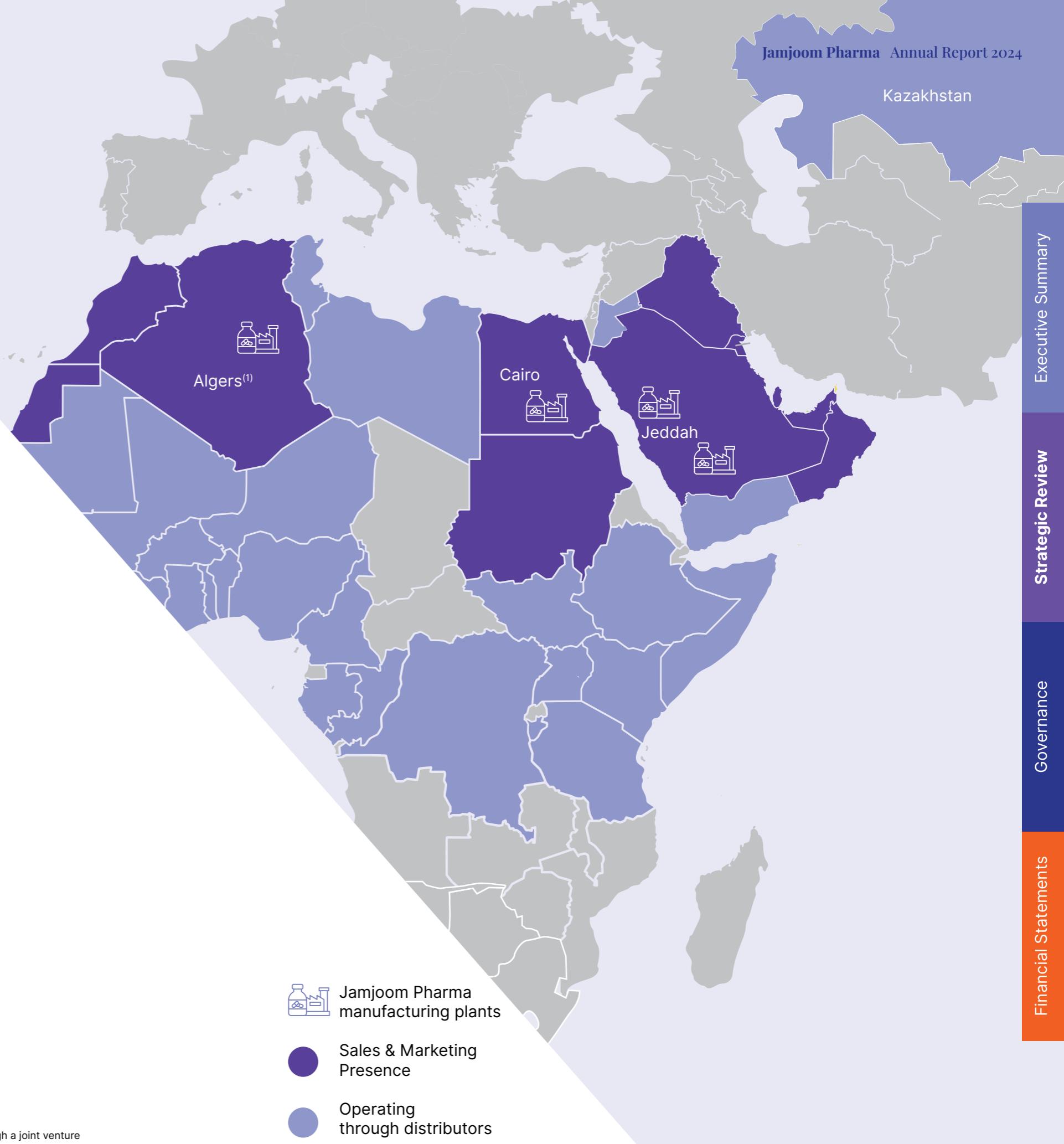
## Operational KPIs



# Geographic Footprint

Jamjoom Pharma has established a strong geographic presence across 36 countries in the Middle East, Africa, and select regions of Asia, delivering high-quality and affordable healthcare solutions. This extensive footprint is a testament to the company's commitment to meeting the growing healthcare demands in the region. Strategic investments and partnerships have enabled Jamjoom Pharma to expand its influence while addressing critical regional healthcare needs effectively.

Saudi Arabia remains Jamjoom Pharma's core market, where it leads as the top consumer health company and a dominant supplier of branded generics. The company actively collaborates with government entities to achieve national pharmaceutical self-sufficiency. In addition, Jamjoom Pharma has leveraged its robust distribution network to strengthen its presence across the Gulf Cooperation Council (GCC) countries. This network ensures efficient market access, driving growth and maintaining leadership in key therapeutic areas.



(1) The Algiers facility is owned through a joint venture

The North African market, particularly Egypt, has been a pivotal growth area for Jamjoom Pharma. The commissioning of its state-of-the-art facility in Egypt has positioned the country as a vital production hub, enabling the company to cater to rising regional demand and contribute to self-sufficiency in pharmaceuticals. In 2024, Jamjoom Pharma advanced its regional manufacturing capabilities by initiating technology transfers to the Egypt-based Al Jamjoom Pharma (ALJP) facility. This initiative is aimed at establishing comprehensive local manufacturing capabilities, enhancing responsiveness to market needs, and reducing reliance on imports.

In addition to its manufacturing expansion, Jamjoom Pharma has reinforced its position in the MENA region through strategic partnerships. These initiatives highlight Jamjoom Pharma's strategic focus on building a diversified and resilient geographic presence while maintaining its leadership in branded generics and consumer health.

## Future Expansion Plans

Jamjoom Pharma is poised to deepen its footprint in existing markets while selectively entering high-potential regions in Africa and Asia. This approach aligns with the company's vision of delivering localized healthcare solutions tailored to specific market needs. By leveraging its industry-leading brands, advanced manufacturing capabilities, and robust R&D infrastructure, Jamjoom Pharma aims to address the evolving demands of these regions. The company's strategy emphasizes innovation, agility, and sustainability as it continues its journey toward becoming a leading MEA pharmaceutical organization by 2030.



# Market Overview

## General Market Insights:

- MEA pharmaceutical market reached \$33.9 billion, growing at 12.2% from the previous period, with volume sales slightly decreasing by 0.7%.
- Retail remains dominant (68.9% of value), with hospital channels growing moderately.
- MNCs hold a 59% market share, but local companies are rapidly growing.
- Top corporations include Novartis, Sanofi, GSK, and fast-growing Eli Lilly.

## Key Countries:

- Saudi Arabia: Largest MEA market (\$12.4 billion), growing by 11.1%.
- UAE: Second-largest (\$4.5 billion), fastest-growing at 17.5%.
- Other significant markets include Egypt (declining by 5.5%), South Africa, Algeria, Morocco, Kuwait, Tunisia, and French West Africa.

## Therapeutic Areas:

- Alimentary Tract and Metabolism lead sales (20.3%), followed by Systemic Anti-Infectives and Nervous System medications.
- Blood and Blood Forming Organs is the second fastest-growing therapeutic area.

## Additional Insights from GCC Pharmaceutical Overview (2024-2025)

### Major Market Drivers:

- Population Growth and Aging Demographics:** Increasing demand for healthcare services and medicines due to population growth and aging populations, particularly in Saudi Arabia and UAE.
- High Prevalence of Chronic Diseases:** Elevated rates of diabetes, cardiovascular diseases, and other chronic conditions significantly drive pharmaceutical consumption.
- Healthcare Infrastructure Investments:** Major governmental initiatives such as Saudi Vision 2030 and UAE National Health Strategies contribute to significant expansion and modernization of healthcare facilities.
- Expanded Healthcare Coverage:** Mandatory health insurance policies, especially in Saudi Arabia and UAE, improve patient access to pharmaceuticals and healthcare services.
- Economic Wealth and Government Spending:** High disposable incomes and substantial governmental healthcare budgets support sustained demand for branded and innovative treatments.

### Key Industry Trends:

- Retail Pharmacy Dominance and Expansion:** Retail pharmacies, supported by pharmacy chains like Al-Nahdi (Saudi Arabia) and Aster Pharmacy (UAE), dominate the distribution channel with innovative services like home delivery and digital healthcare integration.
- Growth of Generics and Biosimilars:** Increasing government support for generics and biosimilar adoption to control healthcare costs, with local manufacturers expanding their capacities to meet demand.
- Digital Transformation in Pharma:** Rapid adoption of digital solutions such as e-prescriptions, smart pharmacies, telemedicine, and expanding e-pharmacy channels across the GCC.
- Specialization and Advanced Therapeutics:** Growing demand and investment in specialized areas such as oncology, vaccines, biologics, and personalized medicine, driven by rising disease prevalence and healthcare sophistication.

# CEO's Statement

## A Year of Growth, Innovation, and Resilience

Dear Stakeholders,

2024 marked another significant year of growth, underscored by strong financial performance and strategic milestones that have solidified our leadership position in the region. Jamjoom Pharma achieved a milestone revenue of SAR 1.32 billion, reflecting a robust 19.8% year-over-year growth, and a net profit increase of 21.9%, totaling SAR 356.5 million. Our EBITDA margin expanded by 1.9 percentage points, reaching 33.2%, demonstrating our ability to achieve operational efficiency while sustaining profitability.

We continued to deliver on our strategic commitments, notably commissioning the state-of-the-art Jeddah Sterile Facility, obtaining SFDA approval, and beginning production of sterile ophthalmic products. Concurrently, the scale-up of our manufacturing capabilities at the Egypt-based Al Jamjoom Pharma (ALJP) facility significantly strengthened our market position in North Africa, reaching a capacity utilization of 48.0% and locally manufacturing over 65.8% of our Egyptian sales.

Our revenue growth was driven by exceptional performance across key markets, particularly in Saudi Arabia, where we recorded revenues of SAR 857.7 million, up 19.0% year-over-year,

solidifying our position as the 7th-ranked pharmaceutical company in KSA (up from 12th in 2020). Exceptional growth was also seen in the Gulf region (+30%) and North Africa (+22%), notably driven by Morocco's outstanding performance (+30.8%).

In line with our innovation-driven strategy, we successfully launched nine new brands this year, including significant additions to our diabetes and cardiovascular portfolios, further positioning Jamjoom Pharma within the sizable cardio-metabolic therapeutic area. We produced a total of 175.2 million units across our manufacturing facilities, reinforcing our capability to meet increasing demand across key therapeutic areas.

Financially, we demonstrated disciplined operational management, with EBITDA growing substantially by 27.1%, achieving an EBITDA margin of 33.2%. We generated an impressive free cash flow conversion of 87.0%, ending the year with a strong net cash position of SAR 261.7 million, positioning us robustly for continued strategic investments and sustainable growth.

Our commitment to operational efficiency was evident in the containment of general and administrative expenses, which increased moderately by 7.6%, despite higher production and expansion

activities. Additionally, we maintained capital expenditure at 4.3% of revenue, within our strategic target range.

We remain deeply committed to Saudization and the empowerment of female talent, being the first company in the sector to employ women in our factories, underscoring our leadership in promoting diversity and aligning with national workforce development goals.

Looking ahead, we remain focused on executing our strategic initiatives to achieve sustainable growth and further enhance shareholder value. I extend my gratitude to our dedicated team and stakeholders for their unwavering support as we advance our vision to become the leading healthcare provider in the Middle East and Africa.

Together, we are shaping a future of accessible, innovative, and impactful healthcare for the communities we proudly serve.

Warm regards,

**Tarek Hosni**

Chief Executive Officer



# Business Model

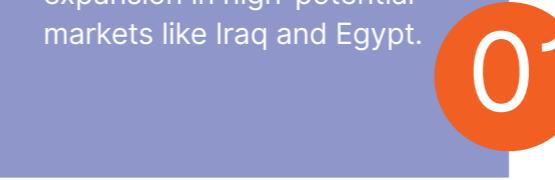
Jamjoom Pharma's business model is designed to deliver high-quality, affordable healthcare solutions across the Middle East and Africa while fostering sustainable growth. The model integrates key operational pillars, strategic objectives, and alignment with regional healthcare goals.

## Key Pillars of the Business Model



## Revenue Streams

Our revenue is primarily generated from manufacturing and selling branded generics and consumer health products, with a strong presence in therapeutic areas such as dermatology and ophthalmology. Additionally, we capitalize on government healthcare tenders in Saudi Arabia and other MEA markets, while driving growth through targeted regional expansion in high-potential markets like Iraq and Egypt.



## Value Creation

Jamjoom Pharma creates value by addressing regional healthcare needs with localized production, affordable pricing, and innovative treatments. The company's focus on operational efficiency, sustainability, and strong governance ensures long-term value for all stakeholders, including customers, governments, and shareholders.



# Business Review

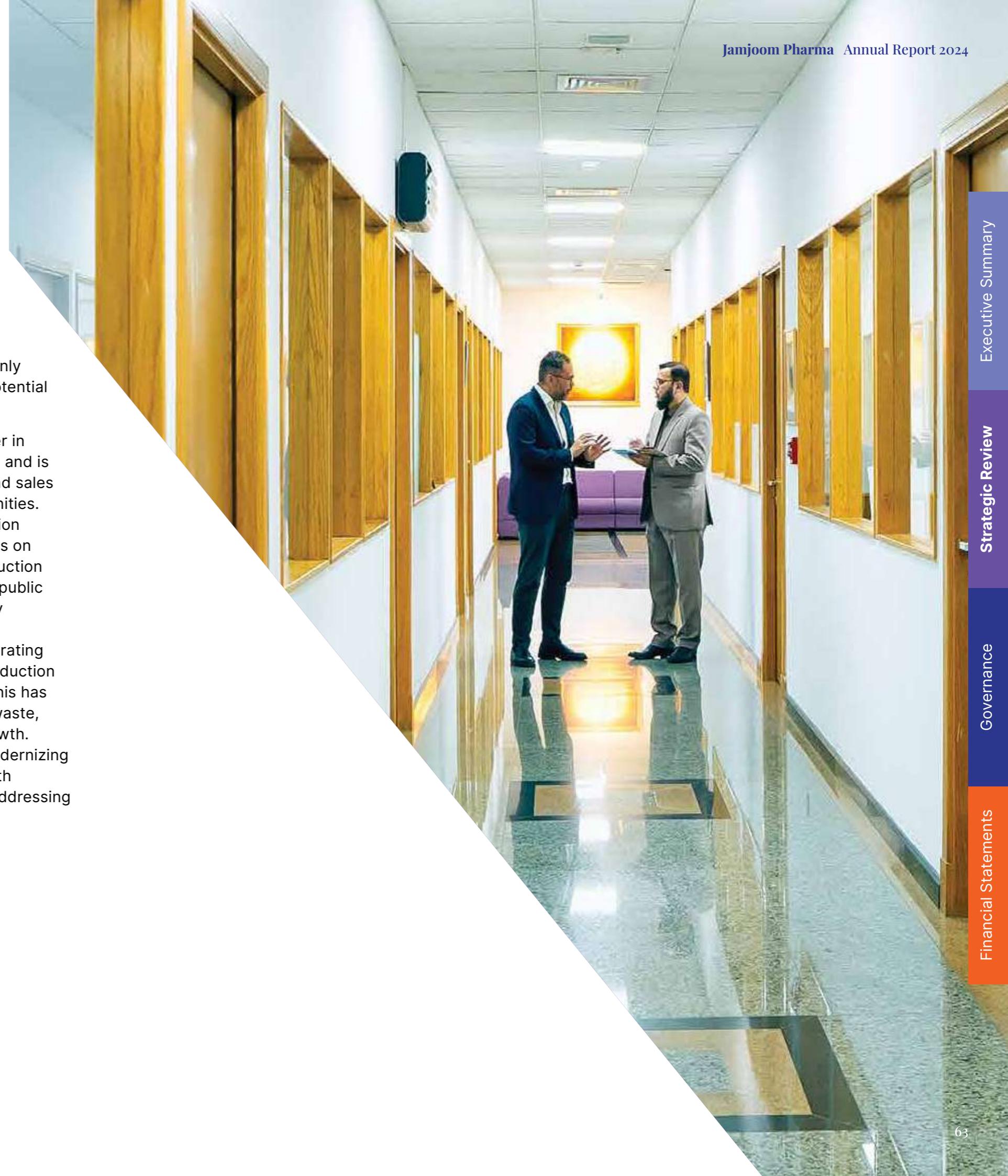
## Continued revenue growth momentum

Jamjoom Pharma achieved a significant revenue of SAR 1.3 billion in 2024, reflecting a 19.8% year-over-year increase and a ~20% 3-year CAGR since 2021. This performance is attributed to successful brand launches, strategic market penetration, and robust operational efficiency. Key contributions came from expanding therapeutic areas and increased sales in the company's core markets.

In 2024, Jamjoom Pharma Commissioned its Jeddah Sterile Facility, enhancing its capacity to meet the growing demand for ophthalmology products in Saudi Arabia and the region. The company also Ramped up production at its Egypt facility, produced about 66% of the local sales, further solidifying its role as a regional manufacturing hub. The company introduced nine new Brands in 2024, focusing on high-growth areas such as Anti-diabetes, cardiovascular, and dermatology. These launches were supported by streamlined R&D processes that reduced time-to-market, enabling Jamjoom Pharma to respond swiftly to regional healthcare needs, and also supported by launch excellence

which allowed JP to focus on only commercializing the highest potential brands.

The company is a market leader in ophthalmology in Saudi Arabia, and is expanding its product range and sales force to capture more opportunities. Aligned with Saudi Arabia's Vision 2030, Jamjoom Pharma focuses on localizing pharmaceutical production and increasing participation in public tender contracts. The company continues to implement digital transformation initiatives, integrating AI-driven technologies into production and supply chain processes. This has improved efficiency, reduced waste, and supported sustainable growth. Additionally, investments in modernizing facilities ensure compliance with international standards while addressing future scalability.



## Business Lines and Revenue Streams

Jamjoom Pharma's core revenue stream comes from manufacturing and selling branded generics, providing high-quality, affordable medications across key therapeutic areas such as dermatology, ophthalmology, cardiovascular care, and anti-diabetics. The company holds market-leading positions in ophthalmology and dermatology in Saudi Arabia, contributing significantly to its growth. Additionally, the consumer health division continues to expand with innovative offerings such as vitamins and dietary supplements, where Jamjoom Pharma, as the first local manufacturer to enter the Saudi nutraceutical market, holds a 14% share.

02

The company also actively participates in government tender programs, supplying medicines to over 400 public hospitals in Saudi Arabia through key partnerships with entities like NUPCO, ensuring broad access to essential medicines at competitive prices. Beyond domestic markets, Jamjoom Pharma operates in 36 countries, with a strong presence in North Africa, the Gulf, and Iraq. Key export markets such as Egypt and Algeria contribute significantly to revenue, supported by localized manufacturing and efficient distribution networks.

01

## Jamjoom Pharma's Facilities

01

### Jeddah Main Facility, Saudi Arabia

- The flagship manufacturing site has been operational since 2000.
- Specializes in producing branded generics and consumer health brands (141 brands) across multiple therapeutic areas.
- Equipped with state-of-the-art technologies to meet regional and international standards.
- Capacity Utilization (%): 98.3%

02

### Jeddah Sterile Facility, Saudi Arabia

- Fully operational in 2024, this facility focuses on producing high-quality, highly demanded ophthalmology products, addressing previously constrained supply for Jamjoom Pharma's leading ophthalmic brands.
- Supports Vision 2030 by localizing pharma production and reducing import reliance.
- Produced 3.5m units in 2024.

03

### Cairo Facility, Egypt

- Produced 24.9 million units in 2024.
- Supports 66% of Egypt's local market demand.
- Capacity Utilization (%): 48.0%

04

### Algeria Facility

- Acquired through a joint venture, this facility strengthens Jamjoom Pharma's foothold in North Africa.
- Enhance production capacity to address the rising demand for high-quality and affordable generics in the region.
- Produced 11.3m oral solid dosage units in 2024.

# Financial Review

## Strong Revenue Growth

Jamjoom Pharma achieved a total revenue of SAR 1.3 billion in 2024, representing a 19.8% year-over-year increase. This robust performance reflects the company's effective market strategies, successful brand launches, and expansion into high-potential markets such as Egypt, Iraq, and the Gulf region. The revenue growth was also supported by strong demand for key therapeutic products, particularly in dermatology, ophthalmology, and consumer health.

## Profitability

The company recorded a net income of SAR 357 million, maintaining a strong net profit margin of 27%. This achievement demonstrates Jamjoom Pharma's disciplined cost management and operational efficiency. Additionally, EBITDA reached SAR 437 million, translating to a margin of 33.2%, underscoring the company's ability to drive profitability while maintaining a competitive edge.

## Operational Excellence and Cash Flow

Jamjoom Pharma achieved a free cash flow conversion rate of 87%, highlighting its ability to translate earnings into liquidity. This strong cash flow performance enabled the company to reinvest in strategic priorities, including expanding manufacturing capacity, accelerating research and development, and supporting Vision 2030 initiatives. Key advancements included the full commissioning of the Jeddah Sterile Facility and increased production output at the Egypt facility.

## Investment in R&D and Innovation

Jamjoom Pharma continued to allocate resources to research and development, focusing on launching innovative brands and expanding its portfolio. In 2024, the company successfully introduced nine new brands, further strengthening its market position and aligning with the evolving healthcare needs of the region.

## Financial Indicators

	FY-2022	FY-2023	FY-2024
Revenue (SAR 'millions)	917	1,101	1,318
<b>Revenue (YoY Growth) (%) (QoQ Growth%)</b>	24.6%	20.1%	19.8%
Gross Profit	594	704	821
<b>Gross Profit Margin (%)</b>	64.8%	63.9%	62.2%
Net Profit	171	292	357
Net Profit Margin (%)	18.7%	26.6%	27%
EBITDA (SAR 'millions)	260	344	437
<b>EBITDA Margin (%)</b>	28.3%	31.3%	33.2%
CAPEX	88	46	57
<b>CAPEX (% of sales)</b>	9.6%	4.2%	4.3%
Working Capital (SAR 'millions)	444	463	594
Days Sales Outstanding (days)	143	113	107
Days Inventory Outstanding (days)	151	168	185
Days Payables Outstanding (days)	46	50	41
Free Cash Flow (SAR 'millions)	172	299	380
Free Cash Flow Conversion (%)	66.3%	86.7%	87.0%
Return on Assets (%)	12.2%	17.7%	20.1%
Return on Equity (%)	14.1%	20.8%	23.9%
Cash Conversion Cycle (days)	248	232	252
<b>Total Assets</b>	1,408	1,654	1,772
<b>Total Equity</b>	1,216	1,404	1,491
R&D Expenditure	33	33	34
R&D as a % of Sales	3.6%	3.0%	2.6%

**Looking Ahead:** Jamjoom Pharma aims to sustain its financial growth by expanding its presence in high-growth markets, enhancing its product pipeline, and maintaining operational efficiency. The company's commitment to sustainable practices to position it for long-term success.

# Human Resources and Talent Management

Jamjoom Pharma continues to prioritize its people as the driving force behind its success. With the pharmaceutical industry requiring highly specialized skills, the company is committed to attracting, developing, and retaining top talent to support its ambitious growth strategy. By investing in training, workforce diversity, and digital transformation, Jamjoom Pharma is building a future-ready workforce that aligns with its long-term vision.



## HR Strategy and Organizational Improvements

In 2024, Jamjoom Pharma implemented several changes to its HR department structure, enhancing focus and specialization. The restructuring included the creation of dedicated functions such as HR Operations, HRBP (Human Resources Business Partner), and

Talent Acquisition, ensuring streamlined workflows and improved efficiency. While no additional services were introduced this year, these structural changes reflect the company's commitment to continuous improvement in HR management.

## Talent Development and Workforce Growth

In 2024, Jamjoom Pharma continued to prioritize workforce development, achieving significant milestones in employee engagement and inclusivity. The total number of employees increased compared to 2023, reflecting the company's growth trajectory. The employee turnover rate in KSA improved to 12.1%, showcasing enhanced employee satisfaction and retention efforts. The R&D team maintained a robust workforce with 57 employees, driving innovation and product development. Female employment represented 26.3% of

the workforce, underscoring Jamjoom Pharma's commitment to gender diversity, while the Saudization rate stood at 44.4%, reinforcing its alignment with national workforce goals. Comprehensive training programs ensured the continuous development of skills and leadership within the organization. These metrics reflect Jamjoom Pharma's dedication to fostering a dynamic and inclusive work environment, vital for its long-term success.

Jamjoom Pharma's commitment to talent development, diversity, and innovation ensures that it remains a leading employer in the region. By investing in people, fostering a culture of continuous learning, and embracing technological advancements, the company is well-positioned to drive sustainable growth while **maintaining its competitive edge** in the pharmaceutical sector.

## Alignment with Growth Strategy

Jamjoom Pharma undertook strategic HR initiatives to align with its growth strategy, including talent mapping, restructuring the reward system in collaboration with a reputable consultant, and developing a succession plan. These efforts ensure that the company is prepared to meet the evolving demands of the pharmaceutical industry.



## Attracting and Retaining Talent

Jamjoom Pharma recruits top talent from local and international sources, ensuring a diverse and skilled workforce that aligns with global best practices. The company actively seeks out professionals with expertise in pharmaceuticals, research and development, and advanced manufacturing.



## Jamjoom Pharma Academy

The Jamjoom Pharma Academy serves as the company's flagship employee development initiative. It provides structured learning programs that enhance technical skills, leadership development, and operational excellence. Employees benefit from tailored training sessions designed to prepare them for leadership roles within the company.



## Leadership Development

The company has established frameworks to ensure a steady pipeline of future leaders. By investing in mentorship programs and leadership training, Jamjoom Pharma aims to develop a resilient and adaptable workforce capable of driving long-term business success.





## Commitment to Saudization and Female Empowerment

As part of Saudi Vision 2030, Jamjoom Pharma is committed to fostering local employment and increasing female participation in the workforce. Currently, the company maintains a 60% female employment rate in its factory operations, setting an industry benchmark for gender inclusion in pharmaceutical manufacturing.

In addition, the company actively supports Saudization initiatives, prioritizing the hiring and development of Saudi nationals across various departments. By investing in local talent, Jamjoom Pharma contributes to national workforce development while ensuring a sustainable talent pipeline for the future.



## Digital Transformation and Employee Well-Being

### Integration of Digital Learning Platforms

As part of its broader digital transformation strategy, Jamjoom Pharma is leveraging technology to enhance employee learning and engagement. The company has introduced digital training modules, allowing employees to improve their skills efficiently and stay ahead of industry advancements.

### Employee Well-Being and Engagement

The company fosters a culture of work-life balance and employee well-being, implementing initiatives that support mental and physical health. Regular engagement activities, internal communication forums, and feedback mechanisms ensure that employees remain connected and motivated.

# Sustainability at Jamjoom Pharma

At Jamjoom Pharma, sustainability is an integral part of our corporate strategy, reinforcing our commitment to delivering high-quality, accessible healthcare solutions while ensuring long-term value creation. As a leading regional pharmaceutical, we recognize our responsibility to set new standards in sustainable pharmaceutical practices.

Building on our legacy of excellence, we are taking a structured approach to sustainability by developing our first 3-year sustainability strategy and roadmap and preparing to publish our inaugural Sustainability Report covering the year 2024.

These foundational efforts will guide the integration of ESG principles into our operations, governance, and decision-making processes.

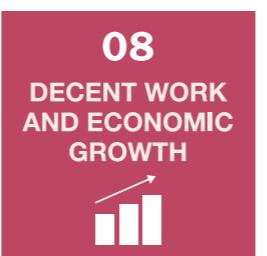


## Contributing to National and International Agendas

Jamjoom Pharma is strategically positioned to drive and support the healthcare and pharmaceutical ambitions of Vision 2030, contributing to a more accessible, innovative, and self-sufficient healthcare system in Saudi Arabia.

As part of the Health Sector Transformation Program, we are committed to advancing healthcare accessibility, quality, and efficiency, ensuring that our products reach those who need them most. Our efforts also align with the National Industrial Development and Logistics Program (NIDLP) by strengthening local pharmaceutical production, reducing reliance on imports, and reinforcing Saudi Arabia's position as a leader in the regional pharmaceutical industry. Additionally, through the Saudi Green Initiative, we are integrating sustainable production practices, responsible resource management, and energy efficiency measures to minimize our environmental footprint.

Beyond national priorities, we are also committed to the United Nations Sustainable Development Goals (UNSDGs), particularly in areas where we can create the most significant positive impact.



## Environmental Management



### Resource Use and Waste

- Jamjoom Pharma follows strict waste categorization, ensuring hazardous waste is safely incinerated while recyclable materials are processed efficiently.
- Conducted a comprehensive analysis of existing waste sources and management mechanisms to optimize waste reduction by 8% compared to 2023.
- Partnered with Green City to ensure solid waste disposal compliance with local environmental laws and Saudi FDA regulations.
- Water consumption levels and discharge quality are regularly monitored to assess and manage impact, allowing for proactive identification and resolution of potential concerns.
- Effluent generated during manufacturing processes is discharged to a treatment and recycling company, ensuring compliance with all applicable environmental regulations.



### GHG Emissions and Energy Management

- Achieved ISO 14001 Environmental Management System certification for 100% of operations.
- Established Scope 1 & 2 emissions baseline for the Jeddah facility and implemented monthly tracking mechanisms.
- Initiated supplier engagement on Scope 3 emissions, collaborating on low-carbon solutions.
- All environmental data, energy consumption, and emissions are monitored by a third party and submitted to the National Centre for Environmental Compliance to ensure regulatory adherence.



### Supply Chain Management

- In 2024, Jamjoom Pharma began collaborating with key suppliers to explore ways to streamline materials, increase circularity, and innovate packaging design.
- Our Supplier Code of Conduct sets forth ethical and operational expectations, covering conflict of interest, diversity, equity and inclusion, confidentiality, data protection, and sustainability.
- Jamjoom Pharma achieved a notable local content score of 49.77% for the year 2023, underscoring our dedication to supporting local suppliers and contributing to the community.

## Social Development

### Our Workforce



### Health, Safety and Wellbeing

- Health, safety and wellbeing
- Launched a Health, Safety, and Environment (HSE) strategy in 2024 to enhance workplace safety and guide future HSE initiatives.
- Health and safety management system is aligned with ISO 45001 Occupational Health and Safety (OH&S) Management System certifications and complies with MODON, SASO, Ministry of Labor, OSHA, and Civil Defense regulations.
- Zero work-related fatalities recorded in 2024, reinforcing Jamjoom's commitment to employee safety.
- 100% of employees are trained in risk assessment methodology, with documented safety risk assessments for routine and non-routine activities.
- Lost Time Accidents (LTA) significantly declined in 2024, with only 3 cases, compared to 6 in 2023.
- Delivered 210 hours of chemical safety training to employees and contractors in 2024.



### Talent Attraction, Development and Diversity

- Recognized as one of the "Best Places to Work" in 2023/2024, reflecting the company's strong commitment to employee satisfaction and workplace excellence.
- Employee turnover rate improved significantly, decreasing from 24.0% in 2022 to 12.1% in 2024, demonstrating success in talent retention strategies.
- Our workforce is composed of 26% female employees, which significantly contributes to fostering an inclusive and diverse work culture.
- With 44% of our employees being Saudi nationals, we are proud to support local talent development and drive employment growth within the community.
- Jamjoom Pharma Academy was launched to develop talent not only within the company but across the pharmaceutical industry, reinforcing a commitment to knowledge-sharing and workforce development.

## Our Communities



### Product Quality and Safety

- The pharmacovigilance department oversees product safety and effectiveness, ensuring compliance with SFDA, ICH, US FDA, and other international regulatory standards.
- Research & Development (R&D) drives Jamjoom Pharma's growth and innovation, enabling the development of 12 to 15 new products per year.
- R&D strategy focuses on developing differentiated products, expanding into new therapeutic areas, and leveraging novel drug delivery technologies, including anti-diabetic treatments to address the high prevalence of diabetes in key markets.
- Patient safety is ensured through strict pharmacovigilance measures, with active monitoring and reporting of product-related safety, quality, or performance issues.



### Access to Medicine

- Jamjoom Pharma remains committed to delivering affordable, high-quality medications, improving healthcare accessibility across markets.
- Actively participate in public healthcare tenders, supporting government initiatives for broader healthcare coverage.
- A robust pipeline of 56 products is currently under review, SFDA submission, or development, addressing key healthcare challenges in the Kingdom and international markets.
- Strong distribution networks across key markets ensure that essential medicines reach even the most remote and underserved communities.



### Community Engagement

- Jamjoom Pharma has actively supported public glaucoma testing campaigns, providing free eye exams to over 2,000 visitors at Al-Kharj Hospital and King Saud Medical Hospital and raising awareness among 1,000 at-risk individuals at Hayat Mall in Riyadh.
- Jamjoom Pharma Scholarship (JPS) supports medical professionals by providing scholarships, reinforcing the company's commitment to healthcare education.
- Consumer Healthcare Division wellness campaign launched to provide instant vitamin and nutrient assessments, measuring 30 essential vitamins and minerals to help consumers identify deficiencies and access tailored health solutions.
- Diabetes screenings are conducted in malls and community centers, increasing awareness and promoting early detection.
- Sponsorship of Al Ittihad Club in the ROSHN Saudi League reinforces Jamjoom's commitment to sports, wellness, and national pride.
- Collaboration with the King Salman Relief Centre, contributing to humanitarian efforts and expanding access to healthcare for vulnerable communities.

## Governance and Ethical Business Conduct



### Responsible Governance, Compliance and Risk Management

- Jamjoom Pharma proactively identifies, assesses, and manages risks across operational, financial, strategic, compliance, and reputational categories to safeguard business continuity.
- Uses risk heat maps and key risk indicators (KRIs) to evaluate and monitor risk exposure through quarterly risk assessments, ensuring informed decision-making.
- Committed to transparent and ethical marketing, Jamjoom Pharma ensures that all product information is accurate, clear, and compliant with regulatory standards.
- Compliance with health authority regulations is embedded in operations through rigorous quality control, strategic business alignment, and continuous training programs to foster a strong quality culture.



### Digitalization and Technology

- Integration of state-of-the-art manufacturing equipment, digital systems, and best-in-class software is modernizing facilities, processes, and reporting mechanisms, improving productivity and scalability.
- Cybersecurity enhancements include ISO 27001 cybersecurity framework certification, effective for three years from 2024, and compliance with Saudi Arabia's Personal Data Protection Law (PDPL) in alignment with SDAIA regulatory requirements.
- Robust R&D department in Saudi Arabia in 2024, ensuring continued focus on scientific advancement and pharmaceutical innovation.

## Looking Ahead: 2025 and Beyond

In 2025, Jamjoom Pharma will implement a 3-year sustainability strategy and framework which will be detailed in our first Sustainability Report, expected to be published in Q2 2025.



- Enhanced energy conservation measures to reduce CO<sub>2</sub> emissions.
- Further waste management optimization to meet our 50% waste reduction target by 2028.
- Stronger workplace safety frameworks to ensure continuous improvements in employee well-being.
- Sustainable sourcing strategies to further align with Vision 2030 objectives.

Through these commitments, Jamjoom Pharma remains dedicated to sustainability, responsible business practices, and community well-being, **ensuring a healthier planet** and a stronger society for future generations.

# 03 Governance Report

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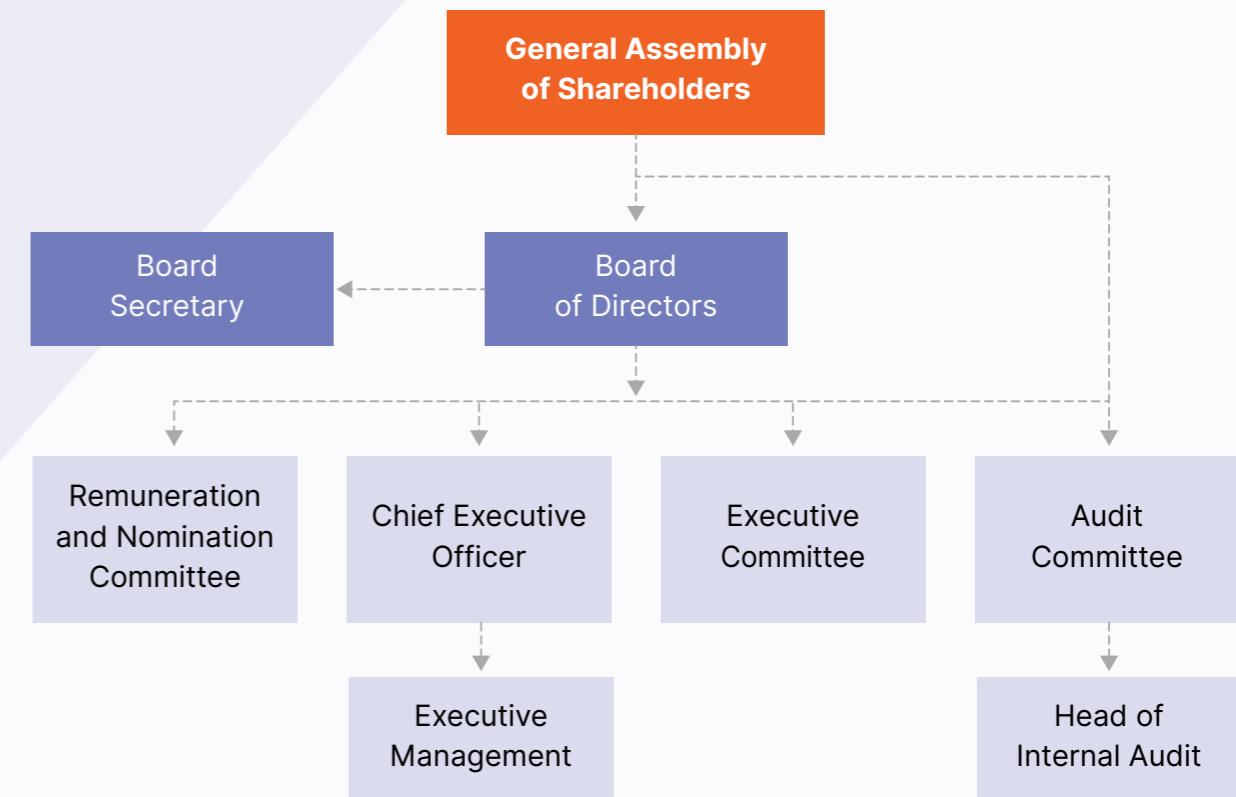
# Corporate Governance Overview

**The Board of Directors' Report will examine the Board's activities from the previous fiscal year, in addition to all variables influencing the Company's operations**

- The key sources of corporate governance for the Company are the Corporate Governance Regulations issued by the CMA, certain provisions of the Companies Law, and corporate governance best practices in the Kingdom. The Company adopted its Corporate Governance Manual Issue No. (1) dated September 2022G ("Corporate Governance Manual").
- The framework under the Corporate Governance Regulations regulates the various relationships between the Board, Executive Directors, shareholders, and other stakeholders, by establishing rules and procedures to facilitate decision-making processes, with the objective of protecting the rights of shareholders and other stakeholders and promoting the values of credibility, fairness, competitiveness and transparency in the Company's conduct on the Exchange and in the business environment.

- These regulations, which entail the implementation of a clear and transparent disclosure process, ensure that the Board acts in the best interests of the shareholders and presents a clear and fair view of the financial condition of the Company and the results of its operations.
- The Company's policy is to adopt high standards of corporate governance.
- The Company has also prepared its Committees' charters and the Board charter (which includes the policies and procedures of the Board of Directors) and the Nomination and Remuneration Policy, which the Ordinary General Assembly ratified during its session held on 17/07/2022. Subsequently, the Nomination and Remuneration Policy was amended by the general assembly meeting held on 12/03/2024. In addition the Board of directors approved the Company's Corporate Governance Manual during its session held on 27/09/2022.

## Corporate Governance Structure



## Composition of the Board

Name	Position	Status
Mahmoud Yousuf Mohammed Salah Jamjoom	Chairman	Non-Executive Director
Ahmed Yousuf Mohammed Salah Jamjoom	Vice Chairman	Executive Director
Yousuf Mohammed Salah Abdulaziz Jamjoom	Member	Non-Executive Director
Mohammed Yousuf Mohammed Salah Jamjoom	Member	Non-Executive Director
Alaa Yousuf Mohammed Salah Jamjoom	Member	Non-Executive Director
Noor Ahmed Kather Pasha Sheriff	Member	Non-Executive Director
Faris Ibrahim Abdullah AlGhannam	Member	Independent Director
Georges Pierre Schorderet	Member	Independent Director
Michel Marcel Jean-Marie Le Bars	Member	Independent Director

# Board of Directors

The Board comprises nine Directors, one of whom is an Executive Director and three of whom are Independent Directors.



**Alaa Yousuf**  
**Mohammed Salah Jamjoom**  
 Member of the Board  
 Non-Executive Director

**Mohammed Yousuf**  
**Mohammed Salah Jamjoom**  
 Member of the Board  
 Non-Executive Director

**Noor Ahmed**  
**Kather Pasha Sheriff**  
 Member of the Board  
 Non-Executive Director



**Mahmoud Yousuf**  
**Mohammed Salah Jamjoom**  
 Chairman  
 Non-Executive Director

**Ahmed Yousuf**  
**Mohammed Salah Jamjoom**  
 Vice Chairman  
 Executive Director

**Yousuf Mohammed**  
**Salah Abdulaziz Jamjoom**  
 Member of the Board  
 Non-Executive Director



**Faris Ibrahim**  
**Abdullah AlGhannam**  
 Member of the Board  
 Independent Director

**Georges**  
**Pierre Schorderet**  
 Member of the Board  
 Independent Director

**Michel Marcel**  
**Jean-Marie Le Bars**  
 Member of the Board  
 Independent Director

# Executive Management



**Samer Lezzaiq**  
General Manager  
Gulf, Levant & other  
Export Markets



**Ahmed Sameer Alkhawli**  
General Manager  
Cardiometabolic & CNS



**Ali Yehia**  
General Manager of Sales  
in Egypt & North Africa



**Tarek Youssef Hosni**  
Chief Executive Officer



**Anwer Mohiuddin**  
Chief Financial Officer



**Mohammed Mahmoud Jamjoom**  
Head of Business Operations



**Ala Mohamed Alzagahah**  
Chief Transformation and Marketing Officer



**Mazen Mosaad Alserihy**  
Corporate Human Resources Director



**Rasha Boulos Ma'ayah**  
Sr. Director  
Business Development



**Essam Jameel Al Sayed**  
General Manager  
Consumer Health Division



**Mehmet Akif Ozener**  
Global Manufacturing Officer



**Haitham Raja Aqel**  
Vice President  
KSA



**Ammar Abdulrahman Al Attas**  
Head of Legal Department



**Alaa Abdelghany Gamaleldin**  
Vice President of KSA, Gulf and Iraq



**Wagih Mohammed El Bokli**  
Commercial Director

## Overview of the resumes of Board members and the Board Secretary



**Mahmoud Yousuf  
Mohammed Salah Jamjoom**

Chairman of the Board of Directors



**Ahmed Yousuf  
Mohammed Salah Jamjoom**

Vice Chairman of the Board of Directors

### Current Position

- Since 2022, Chairman of the Board of Directors, Non-Executive, Jamjoom Pharmaceuticals Factory Co.
- Since 2021, Chairman of the Board of Directors, Jamjoom Algeria LilDawa
- Since 2010, Chairman of the board of Directors, AlJamjoom Pharma, Egypt.
- Since 2010, Manager at Dan International Trading and Industry Company, a limited liability company engaging in the field of food manufacture and distribution.
- Since 2014, Vice Chairman of the board at Abdullatif Mohammed Salah Jamjoom and Brothers Company, a closed joint stock company engaging in the field of distributing pharmaceutical products.
- General Manager of Jumdan Company Specialized For Trading, a limited liability company established in 2024.
- Since 2024, Board Member in Al Jazeel Arabian Holding Company a closed Joint stock company.

### Qualifications

- Bachelor's degree in Science from Michigan State University, East Lansing, Michigan, United States, 1985.

### Experience

- From 2013 to 2022, Vice Chairman of the Board of Directors at the Company.
- From 2000 to 2022, Joint Managing Director at the Company.
- From 1999 to 2021, Joint Managing Director at the Company.
- From 1985 to 1999, Assistant General Manager at Jamjoom Medicine Store, a closed joint stock company engaging in the distribution of pharmaceutical products in the Kingdom.

### Current Position

- Since 2022 Vice Chairman of the Board of Directors, Executive, Jamjoom Pharmaceuticals Factory Co.
- Since 2024 Vice Chairman of the Company Board of directors, AlJamjoom Pharma, Egypt
- Since 2021, Board member in Jamjoom Algeria LilDawa
- Since 2022, Chairman at Al Jazeel Arabian Holding Company, a closed Joint stock company, engaging in the field of financial and real estate investments
- Since 2022, General Manager at Al Jamjoom Printing Company, a limited liability company engaging in the field of poster printing services
- Since 2014, Site Director at the Company
- Since 2014, Board member in Abdullatif Mohammed Salah Jamjoom and Brothers Company

### Qualifications

- Master's degree in Pharmacy from Ibn Sina Medical College, Jeddah, the Kingdom, 2010 Mini Master of Business Administration degree in Pharma and Biotech Industry from Management Centre Europe, Brussels, Belgium, 2015.
- Certificate in Global Management from the European Institute of Business Administration "INSEAD", Fontainebleau, France, 2019.

### Experience

- From 2013 to 2022, Member of the board of directors at the Company
- From 2021 to 2024, Board member in AlJamjoom Pharma, Egypt
- From 2016 to 2018, Supply Chain Director at the Company
- From 2014 to 2018, Regulatory Affairs Senior Manager at the Company
- From 2012 to 2018, Plant Technical Manager at the Company
- From 2011 to 2012, Business Development Manager at the Company



**Yousuf Mohammed  
Salah Abdulaziz Jamjoom**

Board Member



**Alaa Yousuf  
Mohammed Salah Jamjoom**

Board Member

#### Current Position

- Since 2022, Member of the Board, Non-Executive, Jamjoom Pharmaceuticals Factory Co.

#### Qualifications

- Diploma degree in Commerce from the College of Leeds, Leeds, United Kingdom, 1947.

#### Experience

- From 2013 to 2022, Chairman of the Board of Directors at the Company.
- From 2005 to 2011, Director at Jamjoom Pharmaceuticals Factory Company, a limited liability company specialized in manufacturing pharmaceutical products.
- From 1965 to 2021, Chairman of the Board of Directors at Abdullatif Mohammed Salah Jamjoom and Brothers Company, a closed joint stock company, engaging in the field of distributing pharmaceutical products.
- From 1965 to 2005, Founder and CEO at Jamjoom Medicine Store (a branch of Abdullatif Mohammed Salah Jamjoom and Brothers Company), branch of a closed joint stock company, specialized in storing and distribution of pharmaceutical products.

#### Current Position

- Since 2013, Member of the Board, Non-Executive, Jamjoom Pharmaceuticals Factory Co.
- From 2019, Member of the NRC committee at the company
- Since 2024, Board Member at Al Jazeel Arabian Holding Company, a closed Joint stock company

#### Qualifications

- Bachelor's degree in Computing and Statistics from King Abdulaziz University, Jeddah, the Kingdom, 2005.
- Master's degree in Executive Business Administration from King Abdulaziz University, Jeddah, the Kingdom, 2008.

#### Experience

- From 2016 to 2022, Human Resources Manager at the Company.
- From 2007G to 2021, Secretary of the Board of Directors at the Company.
- From 2007 to 2016, Business Development Manager at the Company.
- From 2006 to 2008, responsible for women's affairs at the Company.



**Mohammed Yousuf  
Mohammad Salah Jamjoom**

Board Member



**Noor Ahmed  
Kather Pasha Sheriff**

Board Member

#### Current Position

- Since 2013, Member of the Board, Non-Executive, Jamjoom Pharmaceuticals Factory Co.
- Since 2019, Orthopedic Surgery Consultant in "My Clinic", a private medical clinic in the Kingdom engaging consultation and surgery.
- Since 2010, Manager at Dan International Trading and Industry Company, a limited liability company engaging in the field of food manufacture and distribution.
- Since 2024, Board Member in Al Jazeel Arabian Holding Company, a closed Joint stock company.

#### Qualifications

- Bachelor's degree in medicine and surgery from King Abdulaziz University, the Kingdom, 1983.
- Fellowship in Orthopedic Surgery from the Royal College of Physicians of Canada, Ottawa, Canada, 1993.

#### Experience

- From 2021 to 2024 Board member in Jamjoom Algeria Lildawa
- From 1997 to 2019, Orthopedic Surgery Consultant and Head of the Orthopedic Department at King Khalid National Guard Hospital, a public hospital engaging in healthcare in the Kingdom.
- From 1994 to 1996, Orthopedic Surgery Consultant and Head of the Orthopedic Department at King Abdulaziz Medical City, a public medical city for healthcare in the Kingdom.

#### Current Position

- Since 2022, Member of the Board of Directors, Non-Executive, Jamjoom Pharmaceuticals Factory Co.
- Since 2021, Member of the Board of Directors, Jamjoom Algeria Lildawa.
- Since 2014, Member of the Board of directors, AlJamjoom Pharma, Egypt.

#### Qualifications

- Bachelor's degree in Science from Bangalore University, India, 1966.

#### Experience

- From 2000 to 2021, CEO at the Company.
- From 1997 to 1999, Founder and CEO at Care Optics, a limited liability company established in the United Arab Emirates, engaging in the field of marketing and distribution.

- From 1991 to 1996, Vice President and Managing Director at Allergan Company, in the United Arab Emirates, a branch of a foreign company headquartered in California, United States, engaging in the pharmaceutical and manufacturing of medical devices.
- From 1986 to 1990, Area Manager for Middle East, Africa, and South Asia at Allergan, in the Kingdom, a branch of a foreign company headquartered in California, United States, engaging in the pharmaceutical and manufacturing of medical devices.
- From 1979 to 1985, General Manager for West Africa and South Asia at Allergan, in the Kingdom, a branch of a foreign company headquartered in California, United States, engaging in the pharmaceutical and manufacturing of medical devices.
- From 1975 to 1978, Area Manager for the Middle East at Allergan, in the Kingdom, a branch of a foreign company headquartered in California, United States, engaging in the pharmaceutical and manufacturing of medical devices.



**Faris Ibrahim  
Abdullah AlGhannam**  
Board Member



**Georges  
Pierre Schorderet**  
Board Member

#### Current Position

- Since 2022, Member of the Board of Directors, Non-Executive, Independent, Jamjoom Pharmaceuticals Factory Co.
- Since 2022, Chairman of the Audit committee at the company.
- Since 2021, Chief Executive Officer and Board Member at HSBC Saudi Arabia, a Saudi joint stock company engaging in financial services.

#### Qualifications

- Bachelor of Science in Accounting from the College of Business Administration at Prince Sultan University, the Kingdom, 2005.
- Master's degree in Business Administration from Jones Business School, Rice University, United States, 2011.

#### Experience

- From 2021 to 2022, Deputy CEO at HSBC Saudi Arabia, a Saudi joint stock company engaging in financial services.
- From 2019 to 2021, General Manager and Head of Banking at HSBC Saudi Arabia, a Saudi joint stock company engaging in financial services.
- From 2016 to 2019, Managing Director and Head of Investment Banking Advisory at HSBC Saudi Arabia, a Saudi joint stock company engaging in financial services.
- From 2006 to 2009, Associate, Equity Capital Markets, ABN AMRO Rothschild, London, UK.

#### Current Position

- Since 2023, Member of the Board of Directors, Non-Executive, Independent, Jamjoom Pharmaceuticals Factory Co.
- Since 2023, Chairman of the Nomination and Remuneration Committee.
- SAPIN Saudi Arabian Packaging Company WLL, Dammam, independent board member.
- Sultan Holding, Riyadh, Saudi Arabia, Independent, non-family board member.
- Helvetica Group AG, 6072 Sachseln, Switzerland, board member.
- SBASA - Swiss Business Association, Saudi Arabia, Chairman.
- Global Steel Dust Gulf, Dammam, Saudi Arabia, board member, Independent.
- TOPIAN, The NEOM Food Company, independent board member and Chairman of the Investment Committee.

#### Qualifications

- International Senior Management Program (ISMP), Harvard Business School, Boston, USA, 1991.

- International Program for Senior Executives (IPSE), IMD, Lausanne, Switzerland, 1990.
- IMT-Leitseminar Management und Technologie, Berlin, Germany, 1989.
- Swiss Certified Public Accountant and Controller, 1985.
- IMI International Management Institute, Geneva, Switzerland.
- Master of Business Administration, 1982 to 1983.

#### Experience

- From 2004 to 2020 - Almarai Company - CFO, COO and CEO.
- From 2001 to 2004 - Independent Consultant.
- From 1995 to 2001 - SAir Group - CFO.
- From 1972 to 1995 - Alusuisse-Lonza Group - last 6 years as CFO.



**Michel Marcel  
Jean-Marie Le Bars**  
Board Member

#### Current Position

- Since 2022, Member of the Board of Directors, Non-Executive, Independent, Jamjoom Pharmaceuticals Factory Co.
- Since 2019, Partner in Corporate Finance Advisory, leader of the M&A Life Sciences & Health Care practice at Deloitte AG, a limited liability company engaging in the field of industry-specific services in the areas of Audit & Assurance, Consulting, Financial Advisory, Risk Advisory and Tax & Legal.

#### Qualifications

- Certificate in Mechanical Engineering (equivalent to a Master's degree) from the University of Compiègne for Technology, Compiègne, France, 1994.
- Certificate in Petroleum Engineering (drilling and reservoir management) from ENS Petroleum & Engines at the French Institute of Petroleum, Rueil-Malmaison, Paris, France, 1995.
- Master's degree in Business Administration from Higher Education School of Business in Paris (HEC), France, 2005.

- Certificate in Digital Business Strategy from Massachusetts Institute of Technology, Cambridge, Massachusetts, United States, 2019.

#### Experience

- From 2014 to 2019, Partner at Kurmann Partners AG, a limited liability company engaging in Mergers and Acquisitions in the field of Pharmaceuticals and Medical Technology.
- From 2008 to 2014, Regional Director of Strategy and Business Development EMEA at Merck Sharp & Dohme, a subsidiary of a public joint stock company engaging in Vaccines, Human, Consumer and Animal Health.
- From 2004 to 2008, Transformation and Continuous Improvement Director at Alcan Packaging (now known as Albea), a subsidiary of a public joint stock company engaging in the manufacture of packaging and beauty solutions.
- From 1996 to 2003, Drilling Manager at Total, a joint stock company engaging in the exploration and production of oil and gas.



**Faisal Ahmed  
Ibrahim Linjawy**

Secretary of the Board of Directors

#### Current Position

- Since 2022, Secretary of the Board of Directors, Jamjoom Pharmaceuticals Factory Co.
- Since 2018, Managing Partner and Lawyer at Hassan Al Mahassni Law Firm, a professional limited liability company established in the Kingdom, engaging in the field of legal advice.

#### Qualifications

- Bachelor's degree in law from Kent University, United Kingdom, 2017.
- Master's degree in law from Kent University, United Kingdom, 2018.

#### Experience

- Not applicable.

Names of the companies inside and outside KSA in which a Board Member is a member of their current or previous boards or a manager therefor

No	Board of Directors member's name	Names of companies (current)	Inside the Kingdom/ Outside the Kingdom	Legal entity (Listed/ Unlisted/ Limited Liability)	Names of companies (previous)	Inside the Kingdom/ Outside the Kingdom	Legal entity (Listed/ Unlisted/ Limited Liability)
1	Mahmoud Yousuf Mohammed Salah Jamjoom	Jamjoom Pharmaceuticals Factory Co.	Inside	Listed			
		Jamjoom New Medical Care	Inside	Unlisted			
		Jamjoom Pharma Limited	Outside	Unlisted			
		Al-Jamjoom Pharma for Commercial Agencies	Outside	Unlisted			
		Abdul Latif Mohammed Salah Jamjoom	Inside	Unlisted			
		Modern Sindan Factory For Petroleum Products	Inside	Unlisted			
		Jamjoom Algeria Lil Dawa	Outside	Unlisted			
		Jumdan Company Specialized For Trading,	Inside	Unlisted			
		Al-Kanzin Industrial Co., Ltd.	Inside	Unlisted			
		Jamjoom Pharmaceuticals Factory Co.	Inside	Listed			
2	Ahmed Yousuf Mohammed Salah Abdulaziz Jamjoom	Jamjoom Pharma Limited	Outside	Unlisted			
		Al-Jamjoom Pharma for Commercial Agencies	Outside	Unlisted			
		SHIFT Inc.	Inside	Unlisted			
		Abdullatif Mohammed Salah Jamjoom and Brothers Company	Inside	Unlisted			
		Jazeel Arabian Holding Company	Inside	Unlisted			
		Bariq Al Shams Medical Trading Co. Ltd.	Inside	Unlisted			
3	Yousuf Mohammed Salah Abdulaziz Jamjoom	Asyla Holding Company	Inside	Unlisted			
		Green Arrows Information Technology Co.	Inside	Unlisted			
4	Mohammed Yousuf Mohammed Salah Jamjoom	Jamjoom Pharmaceuticals Factory Co.	Inside	Listed			
		Jamjoom Pharmaceuticals Factory Co.	Inside	Listed			
		Jazeel Arabian Holding	Inside	Unlisted			
		Mohammed Yousuf Mohammed Salah Jamjoom Medical Co.	Inside	Unlisted			
		Mohammed Yousuf Jamjoom Investment Co.	Inside	Unlisted			
5	Alaa Yousuf Mohammed Salah Jamjoom	Jamjoom Pharmaceuticals Factory Co.	Inside	Listed			
		Jazeel Arabian Holding	Inside	Unlisted			
		Bariq Al Shams Medical Trading Co. Ltd.	Inside	Unlisted			
		Bab Al Ghazala Business Services Establishment	Inside	Unlisted			

No	Board of Directors member's name	Names of companies (current)	Inside the Kingdom/ Outside the Kingdom	Legal entity (Listed/ Unlisted/ Limited Liability)	Names of companies (previous)	Inside the Kingdom/ Outside the Kingdom	Legal entity (Listed/ Unlisted/ Limited Liability)
6	Noor Ahmed Kather Pasha Sheriff	Jamjoom Pharmaceuticals Factory Co.	Inside	Listed	Allergan Piramal, India	Outside	Limited Liability
					Hydron International, India	Outside	Limited Liability
7	Faris Ibrahim Abdullah AlGhannam	Jamjoom Pharmaceuticals Factory Co.	Inside	Listed			
		HSBC Capital Saudi Arabia	Inside	Unlisted			
8	Georges Pierre Schorderet	Jamjoom Pharmaceuticals Factory Co.	Inside	Listed	Swiss Bank Corporation	Outside	Listed
		Sultan Holding SJSC	Inside	Unlisted	Crossair Limited, Basle	Outside	Listed
		Gulf Steel Dust Gulf LLC	Inside	Unlisted	Galileo International Inc.	Outside	Listed
		Saudi Arabian Packaging Company WLL	Inside	Unlisted	Zain, KSA	Inside	Listed
		Helvetican Group AG	Outside	Unlisted	Almarai Company	Inside	Listed
		TOPIAN, The NEOM Food Company	Inside	Unlisted	SAirGroup	Outside	Listed
9	Michel Marcel Jean-Marie Le Bars				Alusuisse Lonza Group	Outside	Listed
					UBS Union Bank of Switzerland	Outside	Listed
		Jamjoom Pharmaceuticals Factory Co.	Inside	Listed	LeBars Partners GmbH	Outside	Limited Liability

## Board meeting attendance (2024G)

Meeting	Yousuf Jamjoom	Mahmoud Jamjoom	Ahmed Jamjoom	Mohammed Jamjoom	Alaa Jamjoom	Noor Sheriff	Faris Alghannam	Michel LeBars	Georges Schorderet
Board Meeting 18/04/2024G	X	✓	✓	X	✓	✓	✓	✓	✓
Board Meeting 10/07/2024G	X	✓	✓	✓	✓	✓	✓	✓	✓
Board Meeting 13/10/2024G	X	✓	✓	✓	✓	✓	✓	✓	✓
Board Meeting 02/12/2024G	X	✓	✓	✓	X	✓	✓	✓	✓

The Board Members who did not attend meetings during the year have provided appropriate justification for their reason of absence.

# Overview of the Resumes of Executive Management



**Tarek Youssef Hosni**

Chief Executive Officer

## Current Position

- Since 2021, Chief Executive Officer, Jamjoom Pharmaceuticals Factory Co.
- Since 2024, Member of the Board of directors, AlJamjoom Pharma, Egypt.

## Qualifications

- Bachelor's degree in Pharmacy from Alexandria University, Egypt, 1984.
- Master's degree in Business Administration from Bradford University, United Kingdom, 1997.

## Experience

- From 2018 to 2021, Managing Director at Integrated Pharma Solutions (IPS), Dubai, United Arab Emirates, a limited liability company engaging in the field of research-based biopharmaceuticals.
- From 2015 to 2018, Regional President, Africa Middle East (AFME Region) Essential Health Business at Pfizer, Dubai, United Arab Emirates, a limited liability company engaging in the field of research-based biopharmaceuticals.

- From 2012 to 2015, Regional President of Europe, Africa and the Middle East Consumer Health Business at Pfizer, New York, United States, a listed joint stock company engaging in the field of research-based biopharmaceuticals.
- From 2009 to 2012, Regional President of Africa and Middle East Nutrition Business at Pfizer, Dubai, United Arab Emirates, a limited liability company engaging in the field of research based biopharmaceuticals.
- From 2006 to 2009, General Manager of the Middle East and North Africa at Saudi Pfizer Company Limited, a limited liability company engaging in the manufacturing and marketing of pharmaceutical products and the field of research-based biopharmaceuticals.
- From 2001 to 2004, Commercial Director of Egypt and Sudan at GlaxoSmithKline, a listed joint stock company engaging in the field of pharmaceuticals, vaccines and consumer health products.

- From 1999 to 2001, Regional Head of Marketing of the Middle East, Pakistan, Turkey, and Africa at GlaxoSmithKline, London, United Kingdom, a limited liability company engaging in the field of pharmaceuticals, vaccines and consumer health products.
- From 1998 to 1999, Commercial Director of the Vaccine Department of the Middle East and Pakistan at GlaxoSmithKline, London, United Kingdom, a limited liability company engaging in the field of pharmaceuticals, vaccines and consumer health products.
- From 1996 to 1998, Country Manager of Yemen and Marketing Manager of the Gulf and Yemen at GlaxoSmithKline, Dubai, United Arab Emirates, a limited liability company engaging in the field of pharmaceuticals, vaccines and consumer health products.
- From 1994 to 1995, Marketing Manager at GlaxoSmithKline, London, United Kingdom, a limited liability company engaging in the field of pharmaceuticals, vaccines and consumer health products.
- From 1991 to 1993, Product Manager at SmithKline Beecham, the Kingdom, a limited liability company engaging in the field of pharmaceuticals, vaccines and consumer health products. Senior Hospital Representative at SmithKline Beecham, the Kingdom, a limited liability company engaging in the field of pharmaceuticals, vaccines and consumer health products.
- From 1987 to 1998, Medical Sales Representative at SmithKline Beecham, the Kingdom, a limited liability company engaging in the field of pharmaceuticals, vaccines and consumer health products.
- From 1986 to 1987, Medical Sales Representative at Roussel Uclaf, the Kingdom, a limited liability company engaging in the field of pharmaceuticals, vaccines and consumer health products.

**Anwer Mohiuddin**

Chief Financial Officer

**Current Position**

- Since 2013, Chief Financial Officer, Jamjoom Pharmaceuticals Factory Co.
- Since 2024, Member of the Board of directors, AlJamjoom Pharma, Egypt.

**Qualifications**

- Bachelor's degree in Commerce from University of Karachi, Pakistan, 1985.
- Master's degree in Economics from University of Karachi, Pakistan, 1989.
- Accounting Certificate from the Institute of Cost and Management Accountants (ACMA), Pakistan, 1994.
- Master's degree in Business Administration with a Major in Marketing from Cardiff University, United Kingdom, 2019.

**Experience**

- From 1999 to 2013, Finance Manager at the Company.
- From 1997 to 1999, Accounts Manager at Wyeth Pharmaceutical Company Limited, a limited liability company established in Pakistan, engaging in the field of manufacturing pharmaceutical products.

**Mohammed Mahmoud Jamjoom**

Head of Business Operations

**Current Position**

- Since 2021, Head of Operations, Jamjoom Pharmaceuticals Factory Co.

**Qualifications**

- Business Administration, concentration in Finance. Minor: Chemistry, Chapman University, Orange, CA, 2016.

**Experience**

- From June to August 2015, Management Intern, Jamjoom Pharmaceuticals Factory Co.
- From July to August 2014, Corporate Finance Intern, KPMG.
- From December 2013 to February 2014, Auditing Intern, Ernst & Young, Jeddah, Saudi Arabia.



**Essam Jameel Al Sayed**

General Manager Consumer Health Division

#### Current Position

- General Manager of Other Export Markets and Consumer Health Division, Jamjoom Pharmaceuticals Factory Co.

#### Qualifications

- Bachelor's degree in Clinical Pharmacy (College of Pharmacy) from Tanta University, Egypt, 1988.

#### Experience

- From 2017 to 2021, Business Manager of Specialized Care in Oncology and Hepatitis at AbbVie, the Kingdom, a limited liability company engaging in the private and governmental health sector.
- From 2012 to 2016, Business Manager of Specialized Care and Oncology for AbbVie, the Kingdom, a limited liability company engaging in the private and government healthcare sector.
- From 2011 to 2012, Sales Manager of the private sector at GlaxoSmithKline, the Kingdom, a limited liability company engaging in the private and governmental healthcare sector.
- From 2009 to 2011, Sales Manager of the private institutional sectors at GlaxoSmithKline, the Kingdom, a limited liability company engaging in the private and governmental healthcare sector.
- From 2006 to 2008, Sales Manager of both the private and institutional sectors at GlaxoSmithKline, the Kingdom, a limited liability company engaging in the private and governmental health care sector.
- From 2004 to 2006, Sales Manager of the private sector at GlaxoSmithKline, the Kingdom, a limited liability company engaging in the private and governmental healthcare sector.
- From 2004 to 2004, Director of the Infection Control Business Unit at GlaxoSmithKline, the Kingdom, a limited liability company engaging in the private and governmental healthcare sector.
- From 2001 to 2003, Director of the Central Nervous System Business Unit at GlaxoSmithKline, the Kingdom, a limited liability company engaging in the private and governmental healthcare sector.
- From 1999 to 2000, Regional Sales Manager for Hospitals at GlaxoSmithKline, the Kingdom, a limited liability company engaging in the private and governmental healthcare sector.



**Mehmet Akif Ozenler**

Global Manufacturing Officer <sup>(1)</sup>

#### Current Position

- Since 2024, Global Manufacturing Officer, Jamjoom Pharmaceuticals Factory Co.

#### Qualifications

- Executive MBA in Sabancı University, Istanbul, 2016.
- Pharmacy Certification Program in Marmara University, Istanbul, 2008.
- Chemical Engineering B.S. in Yıldız Technical University, Istanbul, 2001.

#### Experience

- From 2022 to 2024 Global Director Technical Operations at EXELTIS PHARMA.
- From 2018 to 2021 General Manger/ Technical Operations at EXELTIS PHARMA.
- From 2016 to 2018 Technical Operations Director at EXELTIS PHARMA.
- From 2014 to 2015 Solid Forms Process Unit Head at NOVARTIS PHARMA.
- From 2011 to 2014 Plant Manager at DSM Nutritional Products.

(1) Mehmet Akif Ozenler was appointed on 14th of April 2024

**Haitham Raja Aqel**Vice President KSA <sup>(1)</sup>**Current Position**

- Since 2025, Vice President KSA, Jamjoom Pharmaceuticals Factory Co.

**Qualifications**

- B.Sc. Pharmacy, Jordan University of Science and Technology 1998.
- Business Administration, Leicester, UK 2008.

**Experience**

- From 2022 to 2024, KSA Sr. Commercial Director at Hikma Pharmaceuticals.
- From 2021 to 2021, KSA Country Manager at Hikma Pharmaceuticals.

(1) Haitham Raja Aqel was appointed on 1st of January 2025

**Samer Lezzaiq**General Manager Gulf, Levant & other Export Markets <sup>(1)</sup>**Current Position**

- Since 2025, General Manager Gulf, Levant & other Export Markets, Jamjoom Pharmaceuticals Factory Co.

**Qualifications**

- 2004 – 2009: Doctor of Business Administration (DBA) ,University of Bradford; Bradford – UK.
- 1998 – 2001: Master of Business Administration (MBA) ,Lebanese American University; Beirut – Lebanon.
- 1992 – 1996: Bachelor of Science in Analytical ,Chemistry – Beirut Arab University; Beirut – Lebanon.

**Experience**

- From 2022 to 2024, Managing Director Bayer Saudi Arabia GCC Cluster Country Manager – Pharma.
- Bayer Saudi Arabia, Jeddah/Dubai.
- From 2019 to 2022, Managing Director – Bayer Limited Egypt.
- From 2018 to 2019, Senior Project Lead: Transition Management and Portfolio Excellence, Bayer Middle East, Dubai.
- From 2016 to 2018, Marketing Head, Bayer Middle East FZE – UAE.

(1) Samer Lezzaiq was appointed on 5th of January 2025



**Ahmed Sameer Alkhawli**

General Manager Cardiometabolic & CNS <sup>(1)</sup>

#### Current Position

- Since 2025, General Manager Cardiometabolic & CNS, Jamjoom Pharmaceuticals Factory Co.

#### Qualifications

- MBA: University of Leicester – UK (2013), University of Leicester Business School.
- B.Sc. Pharmacy and Pharmaceutical Science (2001), Cairo University, Faculty of Pharmacy.

#### Experience

- From 2023 to 2024, Country Lead KSA & Head of Greater Gulf Cardiometabolic Franchise, Sanofi.
- From 2020 to 2023, Head of Diabetes Business Unit, Sanofi.
- From 2017 to 2020, Business Unit Director – Diabetes & Cardiovascular, Sanofi – KSA.
- From 2016 to 2017, Business Unit Director – Diabetes & Established, Sanofi - KSA.
- From 2014 to 2016, National Sales Manager- Private, Diabetes & Established, Sanofi.
- From 2013 to 2014, National Sales Manager – Public, Diabetes & Established, Sanofi.
- From 2010 to 2013, District Sales Manager – Private, Diabetes & Established, Sanofi.



**Ali Yehia**

General Manager of Sales in Egypt and North Africa

#### Current Position

- General Manager and Head of Cluster, Egypt and North Africa, Jamjoom Pharmaceuticals Factory Co.

#### Qualifications

- Bachelor of Science, Mansoura University, 1995.
- Marketing Diploma from British Council, 2002.
- Master of Business Administration, AAGSB, 2008.
- Executive Coaching diploma, ESCP-Paris, 2017.
- Doctor of Business Administration, (IBSS), Denmark, 2020.
- Doctor of Business Administration, (IBAS), Switzerland, 2021.
- From 2020 to 2023, Country Manager, Viatris, Saudi Arabia.
- From 2018 to 2020, General Manager Upjohn- Pfizer, Saudi Arabia.
- From 2017 to 2018, Country Head Pfizer Innovative Health, Saudi Arabia.
- From 2015 to 2017, Business Unit Director for Inflammation & Immunology, BU Pfizer, Saudi Arabia.
- From 2012 to 2015, Sales Operations Director, AFME, Alexion Middle East and North of Africa, Pfizer.
- From 2008 to 2011, Enbrel Business Manager KSA, Pfizer, Saudi Arabia.
- From 2006 to 2008, Business Unit Manager Egypt, GSK.
- From 2001 to 2006 Territory Manager Egypt, GSK.
- From 1997 to 2001 Medical Representative Egypt, GSK.

(1) Ahmed Sameer Alkhawli was appointed on 2nd of February 2025

**Ala Mohamed Alzagahah**Chief Transformation & Marketing Officer <sup>(1)</sup>**Current Position**

- Since 2025, Chief Transformation & Marketing Officer, Jamjoom Pharmaceuticals Factory Co.

**Qualifications**

- Bachelor of Pharmacy – Bpharma, Pharmaceutical Sciences, Al Zaytoonah University of Jordan 1998.

**Experience**

- From 2022 to 2024 Cluster General Manager – Latin America, Middle East & Africa at Mundipharma.
- From 2021 to 2022 Region Head & Managing Director – Middle East & Africa at Mundipharma.
- From 2019 to 2020 Head of Commercial Operations – Middle East, Turkey & Africa at Boehringer Ingelheim.
- From 2018 to 2019 Chief Marketing Officer at Tabuk Pharmaceuticals Manufacturing Company.

- From 2017 to 2018 Global Business Transformation Head at Novartis – Sandoz Division.
- From 2015 to 2017 General Manager, Country Cluster Head – Egypt, Sudan & Libya at Novartis – Sandoz Division.
- From 2012 to 2014 Head Sales & Marketing – Middle East & Africa Region at Novartis – Sandoz Division.
- From 2010 to 2012 Regional Marketing Head – Middle East & Turkey Region at Ferring Pharmaceuticals B.V.
- From 2008 to 2010 Business Unit Head – Levant Region at Bayer Healthcare.
- From 2005 to 2007 Regional Product Manager – Middle East & Turkey Region at Ferring Pharmaceuticals B.V.
- From 2004 – 2005 Franchise Manager at Merck Sharp & Dohme – I.A. (MSD).
- From 2002 to 2004 Product Manager at Merck Sharp & Dohme – I.A. (MSD).

**Mazen Mosaad Alserihy**

Corporate Human Resources Director

**Current Position**

- Since 2024, Corporate Human Resources Director, Jamjoom Pharmaceuticals Factory Co.

**Qualifications**

- Bachelor degree of Public Administration (Economics & Administration) King Abdul-Aziz University 2002 - 2003.

**Experience**

- In 2023, Head of HR and Board Member at GT Medical- Saudi Arabia.
- From November 2022 to November 2023, Head of HR / Board member at Al Rajhi Pharma.
- From 2018 to 2022, Human Resources Senior Manager at Jamjoom Pharmaceuticals Factory Co.
- From 2017 to 2018, Human Resources Manager at Smart practices Management, Saudi Arabia.
- From 2015 to 2017, Human Resources Manager at AlKherje Co., Saudi Arabia.
- From 2005 to 2015, Human Resources Manager at Alkamal Import Office Co., Saudi Arabia.

(1) Ala Mohamed Alzagahah was appointed on 1st of January 2025

**Rasha Boulos Ma'ayah**Sr. Director Business Development <sup>(1)</sup>**Current Position**

- Since 2024, Sr. Director Business Development, Jamjoom Pharmaceuticals Factory Co.

**Qualifications**

- Bachelor Pharmacy 2006, Jordan University for Science & Technology.

**Experience**

- From 2022 to 2024, Director of Business Development at Tabuk Pharmaceutical Mfg Co.
- From 2017 to 2022, Senior Business Development Manager at Tabuk Pharmaceutical Mfg Co.
- From 2014 to 2017, Business Development Manager at Tabuk Pharmaceutical Mfg Co.
- From 2009 to 2011, Regulatory Affairs Supervisor at Tabuk Pharmaceutical Mfg Co.

**Ammar Abdulrahman Al Attas**

Head of Legal Department

**Current Position**

- Since 2022, Head of the Legal Department, Jamjoom Pharmaceuticals Factory Co.

**Qualifications**

- Bachelor's degree in Law from King Abdulaziz University, the Kingdom, 2007.
- Master's degree in Commercial Law from Brunel University, United Kingdom, 2011.

**Experience**

- From 2020 to 2022, Director of the Legal Department and Secretary of the Board of Directors at BinDawood Holding Company, a Saudi joint stock company engaging in the food and luxury retail store management sector.
- From 2018 to 2022, Legal Lead at Pfizer Saudi Limited, a limited liability company engaging in the manufacturing and marketing of pharmaceutical products.
- From 2013 to 2018, Director of the Legal Department at Glaxo Saudi Arabia Limited, a limited liability company engaging in the manufacturing and marketing of pharmaceutical products.

(1) Rasha Boulos Ma'ayah was appointed on 19th of March 2024



**Alaa Abdelghany Gamaleldin**

Vice President of KSA, Gulf and Iraq

#### Current Position <sup>(1)</sup>

- Since 2021-2024, Vice President of KSA, Gulf and Iraq, Jamjoom Pharmaceuticals Factory Co.

#### Qualifications

- Bachelor's degree in Pharmacology from Alexandria University, Egypt, 1991
- Diploma in Funding from the American Management Association, United States, 2000
- Master's degree in Strategy and Marketing from the Arab Academy for Science, Technology and Maritime Transport, Egypt, 2004

#### Experience

- During 2020, Vice President of Strategic Projects in Africa and the Middle East at Pfizer (AFME) at the regional headquarters, United Arab Emirates
- From 2017 to 2020, Vice President and Local Director at Saudi Pfizer Company Limited, Saudi Arabia
- From 2015 to 2017, Group Leader of the Kingdom, Egypt and Sudan at Saudi Pfizer Company Limited, Saudi Arabia
- From 2015 to 2017, Leader of Regional Strategies and Operations at Pfizer, United Arab Emirates
- From 2014 to 2015, Director of Commercial Operations at Pfizer at the regional headquarters (AFME), United Arab Emirates
- From 2013 to 2014, Director of Strategic Planning Operations Development and Commercial Director at Saudi Pfizer Company Limited, Saudi Arabia
- From 2012 to 2013, Director of the Strategic Planning Business Development Unit concerned with vaccines and biotechnical products at Saudi Pfizer Company Limited, Saudi Arabia
- From 2009 to 2012, Director of the Business Unit concerned with vaccines and biotechnical products at Saudi Pfizer Company Limited, Saudi Arabia
- From 2007 to 2009, Country Director at Wyeth Company, Saudi Arabia
- From 2005 to 2007, Country Business Leader at Wyeth Company, Saudi Arabia
- From 2001 to 2005, Head of the Business Unit at GlaxoSmithKline, Cairo, Egypt
- From 2000 to 2001, Area Sales Manager at GlaxoSmithKline, Cairo, Egypt

(1) Alaa Abdelghany Mohammed Gamaleldin resigned in September 2024



**Wagih Mohammed El Bokl**

Commercial Director

#### Current Position <sup>(1)</sup>

- Since 2021-2024, Commercial Director, Jamjoom Pharmaceuticals Factory Co.

#### Qualifications

- Bachelor's degree in Pharmaceutical Sciences from Zagazig University, Egypt, 1990
- Master's degree in Business Administration from Cardiff University, United Kingdom, 2019
- Master's degree in Business Administration from the Arab Academy for Science and Technology, Egypt, 2019

#### Experience

- From 2019 to 2021, Marketing and Sales Director, Jamjoom Pharmaceuticals Factory Co., Saudi Arabia
- From 2016 to 2019, Marketing Director, Jamjoom Pharmaceuticals Factory Co., Saudi Arabia
- From 2008 to 2015, Marketing Director at Jamjoom Pharma Limited, in Cairo, Egypt
- From 2004 to 2008, Product Group Manager of Dermatology and General Medicine lines at Jamjoom Pharma Limited, in Cairo, Egypt
- From 2000 to 2003, Product Manager of Dermatology and General Medicine at Jamjoom Pharmaceuticals Limited, in Cairo, Egypt
- From 1999 to 2000, Product Manager – Rheumatology and Bone Business Lines at Novartis, Saudi Arabia
- From 1998 to 1998, Product Manager - Asthma/Dermatology Business lines at Novartis, Saudi Arabia

(1) Wagih Mohammed El Bokl resigned in January 2025

# Committees of the Board

## A. Audit Committee

### Brief

The primary responsibilities of the Audit Committee are to monitor, review, examine and provide its opinion and recommendation to the board over the Company's accounting policies and financial reporting process and its quarterly and annual outputs, and monitor the integrity of the Company's financial statements, examining the accounting estimates, analyzing important or non-familiar issues and any formal announcements relating to the financial performance and financial disclosures. Also, recommend to the Board the nomination for appointment, re-appointment, remuneration and dismissal of external auditors. In addition to considering the effectiveness of the internal control system, including information technology security and control.

### Internal audit

Review and approve the Company's internal audit department plan, scope of activities, methodologies and outputs and assess whether the function has the necessary authority and resources to carry out its work while maintaining its independence.

Monitor and review the performance and activities of the Internal Audit Department.

Review and assess internal audit reports and monitor the tracking and follow-up of procedures implementation,

determining whether appropriate actions are taken in respect of the internal audit recommendations therein.

Ensure there are no restrictions or limitations in the performance of the Internal Audit activities.

### External audit

Review the external auditor's service delivery plan, scope of work, the results of the financial audits, the relevant audit reports, and management letter, together with management responses or comments to the audit findings. Ensure that appropriate assistance was given by the Executive Management team to the external auditors and that no difficulties were encountered during the course of the audit, including any restrictions on the scope of activities or access to required information.

### Composition

The Audit Committee comprises of the following members:

- **Faris Ibrahim Abdullah AlGhannam**  
Chairman of Audit Committee  
(Profile is detailed within resumes of Board members)
- **Turki AbdulMohsen Alluhaid**  
Member of Audit Committee
- **Bandar Abdulrahman Alkhaleel**  
Member of Audit Committee



## Turki AbdulMohsen Alluhaid

Member of the Audit Committee

### Current Position

- Since 2022G, Member of the Audit Committee in Jamjoom Pharmaceuticals Factory Co.
- Managing Partner at Alluahid and Alyahya Chartered Accountants
- Member of the Audit Committee at Tabuk Cement, a Saudi joint stock company engaging in the basic materials sector.
- Member of the Audit Committee at Elm Information Company, a Saudi joint stock company engaging in the technology services application sector
- Member of the Audit Committee at Al Raedah Finance Company, a Saudi joint stock company engaging in the financing sector.

### Previous positions

- Chairman of the Audit Committee at the Tawuniya Insurance Company, a Saudi joint stock company engaging in the insurance sector (2015G-2020G).
- Chairman of the Audit Committee at Shaker Group, a Saudi joint stock company engaging in the retail sector (2017G-2022G).

### Qualifications

- Bachelor's degree in Accounting from King Saud University Qualified at the Saudi Organization for Chartered and Professional Accountants.
- Qualified at the American Institute for Certified Public Accountants (CPA).

### Experience

- More than 9 years in the field of Audit, Accounting Internal Audit and financial services.

## Bandar Abdulrahman Alkhaleel

Member of the Audit Committee

### Current Position

- Member of the Audit committee in Jamjoom Pharmaceuticals Factory Co.
- Enterprise Risk Management VP at the Saudi Telecom Company since 2020G.

### Previous positions

- Prior to his current position, he held executive roles across key financial, regulatory, and cybersecurity institutions. As Risk & Compliance Officer at Saudi Information Technology Company (2018–2020), he led cybersecurity risk and compliance frameworks. Previously, as Chief Risk Officer at the Saudi Stock Exchange (2013–2018), he managed systemic financial and operational risks critical to Saudi Arabia's capital markets. His tenure as an Internal Audit member at the Capital Market Authority (2006G-2013G).

### Qualifications

- He holds a bachelor's degree in accounting from King Saud University and an MSc in Risk Management from Nottingham University, UK. His professional expertise is reinforced by multiple globally recognized certifications, including Certified Internal Auditor (CIA), Certified Information Systems Auditor (CISA), and Saudi Organization for Certified Public Accountants (SOCPA), among others. With specialized

credentials in risk management, business continuity, and data privacy, he brings extensive knowledge in corporate governance, internal controls, and enterprise risk frameworks aligned with international best practices.

### Experience

- With nearly over 20 years of experience of experience in risk management, compliance, and internal audit, he serves as the Vice President of Enterprise Risk Management at Saudi Telecom Company (stc), where he leads the development and execution of enterprise-wide risk strategies. His role encompasses strengthening governance frameworks and enhancing risk resilience. His expertise extends across financial risk management, cybersecurity, and operational risk assessment, driving proactive risk mitigation.



**List of the names and records of attendance of the members of the Committee during the fiscal year 2024G**

Seven meetings of the Committee were held in 2024G. The attendance record was as follows:

Name	Position	Audit Committee meeting		Meeting attendance				
		AC Meeting No. 1 17 Mar 2024	AC Meeting No. 2 26 Mar 2024	AC Meeting No. 3 7 May 2024	AC Meeting No. 4 30 July 2024	AC Meeting No. 5 22 Oct 2024	AC Meeting No. 6 27 Oct 2024	AC Meeting No. 7 17 Nov 2024
Faris Ibrahim Abdullah AlGhannam	Chairman of Audit Committee	✓	✓	✓	✓	✓	✗	✓
Turki Abdulmohsen Alluhaid	Member	✗	✓	✓	✓	✓	✓	✓
Bandar Abdulrahman Al Khalil	Member	✓	✓	✓	✓	✓	✓	✓

The Committee Members who did not attend meetings during the year have provided appropriate justification for their reason of absence.

## B. Nomination and Remuneration Committee

### Brief

The responsibilities of the Nomination and Remuneration Committee include: the Board of Directors' nomination for membership of the Board; proposing clear policies and criteria for membership of the Board and the Executive Management; reviewing the structure of the Board of Directors and the Executive Management and making recommendations regarding changes; identifying strengths and weaknesses in the Board of Directors and proposing solutions to address them in line with the interests of the Company; ensuring the independence of independent members; preparing and updating the necessary policies for the remuneration of members of the Board of Directors, the committees emanating from the Board, and the Executive Management, and periodically reviewing them and evaluating their effectiveness in achieving the objectives set for them; clarifying the relationship between the granted remuneration and the applicable remuneration policy, and indicating any material deviation from this policy; studying the issues related to it or referred to it by the Board of Directors and submitting its recommendations to the Board to take the appropriate decision in this regard; reviewing employee allowances and remuneration; approving and evaluating plans and policies related to the above.

### Composition

The Nomination and Remuneration Committee comprises of the following members:

- **Georges Pierre Schorderet**  
Chairman of the Nomination and Remuneration Committee (Profile is detailed within resumes of Board members)
- **Alaa Yousuf Mohammed Salah Jamjoom**  
Member of the Nomination and Remuneration Committee (Profile is detailed within resumes of Board members)
- **Rania Sami Al Turki**  
Member of the Nomination and Remuneration Committee
- **Thamer Saeed Ahmed Al Harthi**  
Member of the Nomination and Remuneration Committee

### Rania Sami Al Turki

Member of Nomination and Remuneration Committee

#### Current Position

- Since 2019G, Member of Nomination and Remuneration Committee in Jamjoom Pharmaceuticals Factory Co.
- Executive Vice President at Saudi Airlines Group, a governmental company engaging in the aviation field

#### Previous positions

- Senior Vice President at the National Commercial Bank, a joint stock company engaging in the field of banking and investment (2007G-2015G)
- Head of Human Resources at Savola Group, a joint stock company engaging in the field of retail (2015G-2017G)
- Head of Human Resources and Transformation at Panda Retail Company, a closed joint stock company engaging in the field of retail (2017G-2020G)
- Chief Operating Officer at Tawuniya Insurance Company, a joint stock company engaging in the insurance sector (2020G-2021G)
- NRC member at SEDCO Capital, a Saudi joint stock company engaging in the field of investments from 2022G to 2023G.

### Qualifications

- Bachelor's degree in Computer Science from Indiana State University, United States
- Master's degree in Computer Science from George Washington University, United States
- PhD degree in Information Technology from George Mason University, United States
- Certificate in Emerging Leadership from London Business School, United Kingdom

### Experience

- Over 18 years of professional achievement and proven track record in Talent Acquisition, Organizational Development, People Development, Culture & Engagement across multiple sectors such as Financial Services and NRC

## Thamer Saeed Ahmed Al Harthi

Member of Nomination and Remuneration Committee

### Current Position

- Since 2022G, Member of Nomination and Remuneration committee in Jamjoom Pharmaceuticals Factory Co.
- Founder and Lead Consultant at Consultancy & Partners
- Board Member and Chairman of the Nominations and Remuneration Committee in AbuNayyan Holding Company
- Member of the Nominations and Remuneration Committee in SEDCO Capital

### Qualifications

- Bachelor of Law
- Board Certified from GCC BDI

### Experience

- Over 25 years of executive experience in local and international organizations such as Bupa Arabia, Fonterra, SNB and Unilever.
- Consultant in management and strategic human resource.

### Previous positions

- Chief Human Resources Officer at Bupa Arabia

### Board Assessment

The Board of Directors requested the Nomination and Remuneration Committee to conduct an internal assessment of the effectiveness of the Board, its committees, and Executive Management for the year 2024G. The Committee conducted the assessment and shared the results with the Chairman of the Board of Directors.

### List of the names and records of attendance of the members of the Committee during the fiscal year 2024G

Five meetings of the Committee were held in 2024G. The attendance record was as follows:

Meeting	Georges Schorderet	Alaa Jamjoom	Rania AlTurki	Thamer AlHarthi
NRC Meeting 11/02/2024G	✓	✓	✓	✓
NRC Meeting 24/06/2024G	✓	✓	✓	✓
NRC Meeting 09/07/2024G	✓	✓	✗	✓
NRC Meeting 09/10/2024G	✓	✓	✓	✓
NRC Meeting 25/11/2024G	✓	✗	✓	✓

The Committee Members who did not attend meetings during the year have provided appropriate justification for their reason of absence.



## C. Executive Committee

### Brief

- The primary purpose of the Executive Committee is to assist the Board of Directors in giving direction to the policy, strategy, business, and affairs of the Company and its subsidiaries. The overarching principle is that the Committee's role should be complementary to that of Executive Management and should not become a substitute for, or an intrusion on, the role and authority of Executive/Operational Management.

### Composition

The Executive Committee comprises of the following members:

- Michel Marcel Jean-Marie Le Bars**  
Chairman of the Executive Committee
- Georges Pierre Schorderet**  
Member of the Executive Committee
- Ahmed Yousuf Mohammed Salah Jamjoom**  
Member of the Executive Committee
- Tarek Youssef Hosni**  
Member of the Executive Committee

### List of the names and records of attendance of the members of the Committee during the fiscal year 2024G

Four meetings of the Committee were held in 2024G. The attendance record was as follows:

Meeting	Michel LeBars	Georges Schorderet	Ahmed Jamjoom	Tarek Hosni
ExCom Meeting 17/04/2024G	✓	✗	✓	✓
ExCom Meeting 08/07/2024G	✓	✓	✓	✓
ExCom Meeting 12/10/2024G	✓	✓	✓	✓
ExCom Meeting 01/12/2024G	✓	✓	✓	✓

The committee members who did not attend meetings during the year have provided appropriate justification for their reason of absence

## Remuneration of Board Members, Committee Members, and Executive Management

The general assembly of the company in its meeting held on 12th March 2024 approved the amended policy on the Remuneration of Board Members, Committee Members, and Executive Management with the Purpose of outlining the remuneration for the Board and Board Committees and to attract the right members and compensate them for their contribution, efforts and time

### Remuneration of Board and Board Committees members

Capacity	Amount in SAR	Note
Chairman of the Board	300,000	In addition to special remuneration
Vice Chairman of the Board	250,000	
Board Member	200,000	
If Board Member and Chairman of a Committee	100,000	In addition to the Board fee
If Board Member and Member of a Committee	75,000	In addition to the Board fee
Audit Committee Chairman	125,000	(Non-board Member)
Audit Committee Member	100,000	
Another Committee Chairman	100,000	
Another Committee Member	75,000	

The Chairman's special remuneration has been recommended by the NRC and was approved by the Board on 3/12/2023G.

### Executive members treatment

- Executive member of the Board are treated as other members.
- Executive member of a Board Committee not being part of the Board receive no remuneration.

### Remuneration qualification

- Prorated based on joining and leaving date.
- Attendance of more than 2/3rd = full remuneration.
- Attendance of less than 2/3rd = will be proportionate.

### Travel and Accommodation

#### Allowances

- The company shall bear any travel and accommodation costs for Board / Board Committee members residing outside Jeddah.

- The company shall bear any travel and accommodation costs for Board / Board Committee members if the meeting took place outside Jeddah.
- Airfare tickets (roundtrip) for Board / Board Committee members shall be Business Class.

### Other Remuneration

- Board member, and his direct family may benefit from the medical insurance policy of the Company provided that NRC approval is obtained, and he/ she will bear the cost of the insurance premium.

## Payment

- For the period from January to June, paid in July.
- For the period from July to December, paid in January.
- Payment required NRC approval.

## Special Engagement

- Special assignment / task, fee to be agreed and pre-approved by the Chairman of the Board.

## Review and Amendments

- Any changes to the policy will need the Nomination and Remuneration Committee recommendation, Board endorsement and General Assembly approval.

## Executive Management

### Remuneration

- The remuneration of the Executive Management must be based on a recommendation from the NRC.
- Upon the recommendation of the NRC, the Executive Management remunerations shall be determined by the Board.

- On an annual basis, the NRC shall recommend to the Board for its approval job grades, salary structure, annual remuneration package, and a plan to increase the bonus, including all or some of the following:
  - Basic salary.
  - Allowances (housing allowance, transportation, children's education/ tuition fees, telephone...)
  - Insurance benefits.
  - Reward linked to performance assessment.
  - Short-term/long-term incentive plans based on approved programs.
  - Other items that the Board of Directors may deem appropriate .

## A List of General Assembly Meetings Held During the Year 2024G

Meeting	Board members' attendance in general assembly meetings								
	Yousuf Jamjoom	Mahmoud Jamjoom	Ahmed Jamjoom	Mohammed Jamjoom	Alaa Jamjoom	Noor Sheriff	Faris Alghannam	Michel LeBars	Georges Schorderet
Extraordinary General Assembly 12/03/2024G	✗	✓	✓	✗	✓	✗	✓	✗	✓
Extraordinary General Assembly 04/06/2024G	✗	✓	✓	✓	✓	✗	✓	✓	✓
Ordinary General Assembly 04/07/2024G	✗	✓	✓	✓	✓	✗	✓	✗	✓

The board members who did not attend meetings during the year have provided appropriate justification for their reason of absence

## Remuneration details for Board Members

Name	Fixed remuneration (SAR)						Variable remuneration (SAR)						Aggregate amount	Expenses allowance <sup>(1)</sup>		
	Specific amount	Allowance for attending Board meetings	Total allowance for attending committee meetings	In-kind benefits	Remuneration for technical, managerial, and consultative work	Remuneration of the Director or Secretary	Total	Percentage of the profits	Periodic remuneration	Short-term incentive plan	Long-term incentive plans	Granted shares	Total	End-of-service award		
<b>Independent Directors</b>																
Faris AlGhannam	200,000	-	-	-	-	-	200,000	-	-	-	-	-	-	200,000	21,660	
Georges Pierre Schorderet	200,000	-	-	-	-	-	200,000	-	-	-	-	-	-	200,000	165,703	
Michel Lebars	200,000	-	-	-	-	-	200,000	-	-	-	-	-	-	200,000	75,919	
<b>Non-Executive Directors</b>																
Yousuf M. Salah Jamjoom	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Mahmoud Yousuf Jamjoom	300,000	-	-	-	-	-	300,000	-	1,800,000	-	-	-	-	2,100,000	-	
Mohamed Yousuf Jamjoom	200,000	-	-	-	-	-	200,000	-	-	-	-	-	-	200,000	-	
Alaa Yousuf Jamjoom	200,000	-	-	-	-	-	200,000	-	-	-	-	-	-	200,000	-	
Noor A Sheriff	200,000	-	-	-	-	-	200,000	-	-	-	-	-	-	200,000	-	
<b>Executive Directors</b>																
Ahmed Yousuf Jamjoom <sup>(2)</sup>	250,000	-	-	172,024	696,408	-	1,118,432	-	-	-	-	-	-	56,834	1,175,266	
<b>Board Secretary</b>																
Faisal Ahmad Linjawy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200,000	
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,718	
<b>Total</b>	<b>1,750,000</b>	-	-	<b>172,024</b>	<b>696,408</b>	-	<b>2,618,432</b>	-	<b>1,800,000</b>	-	-	-	-	<b>56,834</b>	<b>4,475,266</b>	<b>468,000</b>

Note: The remuneration paid in the year is in line with the approved remuneration policy and that there is no material discrepancy from the Policy.

(1) The expenses allowance includes the Board Secretary Fees, Travelling and Accommodation expenses related to attendance of board meetings.

(2) Ahmed Yousuf Jamjoom's remuneration includes in-kind benefits, remuneration for technical, managerial and consultative work and end of service benefits pertaining to his executive role in the company.



### Remuneration details for Audit Committee members

Name	Fixed remuneration (except attending sessions)	Allowances for attending sessions	Total (SAR)
Faris AlGhannam	100,000	-	100,000
Bandar Alkhaleel	100,000	-	100,000
Turki A. Alluhaid	100,000	-	100,000
<b>Total</b>	<b>300,000</b>		

### Remuneration details for Executive Committee members

Name	Fixed remuneration (SAR)	Allowances for attending sessions	Total (SAR)
Ahmed Yousuf Jamjoom	75,000	-	75,000
Georges Pierre Schorderet	75,000	-	75,000
Michel Le Bars	100,000	-	100,000
<b>Total</b>	<b>250,000</b>		

### Remuneration details for Nomination & Remuneration Committee members

Name	Fixed remuneration (SAR)	Allowances for attending sessions	Total (SAR)
Alaa Yousuf Jamjoom	75,000	-	75,000
Georges Pierre Schorderet	100,000	-	100,000
Thamer Al Harthi	75,000	-	75,000
Rania Turki	75,000	-	75,000
<b>Total</b>	<b>325,000</b>		

## Remuneration details for top five senior Executives

The five top senior Executives, including the Chief Executive Officer and the Chief Financial Officer, receive remuneration according to employment contracts signed with them. The following table illustrates details of remuneration and compensation paid to senior Executives:

	Fixed remuneration				Variable Remuneration					End of service	Total Remunerations for Board Executive, if any	Grand Total	
	Salaries	Allowances	In kind benefits	Total	Periodic remunerations	Profits	Short-term incentive plans	Long-term incentive plans	Granted Shares				
Top 5 Senior Executives	6,182,047	1,092,807	523,795	7,798,649	2,539,784	-	3,258,285	-	-	5,798,069	426,898	-	14,023,616

## A description of any interest, contractual securities, or rights issues held by Board members, senior executives, and their relatives in the Company's or any of its Affiliates' shares or debt instrument.

No	Name	Position	Nationality	Status	DOA	Direct ownership	Indirect ownership
1	Mahmoud Yousuf Mohammed Salah Jamjoom	Chairman of the Board	Saudi	Non-Executive	19/06/2022G	5.60%	-
2	Ahmed Yousuf Mohammed Salah Jamjoom	Vice Chairman	Saudi	Executive	19/06/2022G	4.55%	-
3	Yousuf Mohammed Salah Abdulaziz Jamjoom	Member of the Board	Saudi	Non-Executive	19/06/2022G	41.65%	-
4	Mohammed Yousuf Mohammed Salah Jamjoom	Member of the Board	Saudi	Non-Executive	19/06/2022G	4.55%	-
5	Alaa Yousuf Mohammed Salah Jamjoom	Member of the Board	Saudi	Non-Executive	19/06/2022G	4.55%	-
6	Noor Sharif	Member of the Board	Indian	Non-Executive	19/06/2022G	0.0000129%	-

# Investor Relations

Jamjoom Pharmaceuticals announced a number of events and strategic activities throughout the year. The most important events, activities and strategic decisions were announced on the official website of the Saudi Stock Exchange (Tadawul) and the Jamjoom Pharmaceuticals corporate website. In total, 22 announcements were made to shareholders. The following table summarizes the announcements by date, type and subject:

No	Date	Announcement Type	Description
1	27 Oct 2024	Financial Results	Jamjoom Pharmaceuticals Factory Co. announces its Interim Financial results for the Period Ending on 2024-09-30 (Nine Months)
2	10 Oct 2024	Financial Results	Jamjoom Pharmaceuticals Factory Co. announces its intention to release its 3rd quarter financial results for the period ended 30 September 2024 on Sunday, October 27, 2024, before the trading session begins on the Saudi Exchange
3	06 Aug 2024	Dividends	Jamjoom Pharmaceuticals Factory Co. announces the board of director's recommendation to distribute cash dividends for First half of 2024 (Six months)
4	06 Aug 2024	Financial Results	Jamjoom Pharmaceuticals Factory Co. announces its Interim Financial results for the Period Ending on 2024-06-30 (Six Months)
5	18 Jul 2024	Financial Results	Jamjoom Pharmaceuticals Factory Co. announces its intention to release its second quarter financial results for the period ended 30 June 2024 on Tuesday, August 6, 2024, before the trading session begins on the Saudi Exchange
6	08 Jul 2024	Corporate Guarantee	Jamjoom Pharmaceuticals Factory Company announces providing a corporate guarantee to its joint venture in Algeria
7	07 Jul 2024	General Assembly	Jamjoom Pharmaceuticals Factory Co. Announces the Results of the Ordinary General Assembly Meeting (First Meeting)
8	13 Jun 2024	General Assembly	Jamjoom Pharmaceuticals Factory Co. Board invites its shareholders to attend the Ordinary General Assembly Meeting (First Meeting)
9	05 Jun 2024	General Assembly	Jamjoom Pharmaceuticals Factory Co. Announces the Results of the Extraordinary General Assembly Meeting (First Meeting)
10	14 May 2024	General Assembly	Jamjoom Pharmaceuticals Factory Co. Board invites its shareholders to attend the Extraordinary General Assembly Meeting (First Meeting)
11	09 May 2024	Financial Results	Jamjoom Pharmaceuticals Factory Co. announces its Interim Financial results for the Period Ending on 2024-03-31 (Three Months)

No	Date	Announcement Type	Description
12	04 Apr 2024	Dividends	Jamjoom Pharmaceuticals Factory Co. announces the board of director's recommendation to distribute cash dividends for the second half of the year 2023.
13	25 Mar 2024	Financial Results	Jamjoom Pharmaceuticals Factory Co. announces its Annual Financial results for the period ending on 2023-12-31
14	19 Mar 2024	Financial Results	Jamjoom Pharmaceuticals Factory Co. announces its intention to release its annual financial results for the year ended 31 December 2023 on Monday, March 25, 2024, before the trading session begins on the Saudi Exchange
15	14 Mar 2024	Correction	Correction announcement from Jamjoom Pharmaceuticals Factory Co. in regards to its Announcement on the Results of the Extraordinary General Assembly Meeting (First Meeting)
16	13 Mar 2024	General Assembly	Jamjoom Pharmaceuticals Factory Co. Announces the Results of the Extraordinary General Assembly Meeting (First Meeting)
17	20 Feb 2024	General Assembly	Jamjoom Pharmaceuticals Factory Co. Board invites its shareholders to attend the Extraordinary General Assembly Meeting (First Meeting)
18	01 Feb 2024	Contract	Addendum Announcement from Jamjoom Pharmaceuticals Factory Company regarding Contract Sign Off with Local Content & Government Procurement Authority
19	30 Jan 2024	Contract	Jamjoom Pharmaceuticals Factory Co. Announces Contract Sign Off with Local Content & Government Procurement Authority
20	28 Jan 2024	Approval	Jamjoom Pharmaceuticals Factory Company announces obtaining approval from Saudi Food and Drug Authority (SFDA) to register its new Sterile Facility (ophthalmic products) in Jeddah
21	21 Jan 2024	Corporate Guarantee	Jamjoom Pharmaceuticals Factory Company announces providing a corporate guarantee to its Joint Venture in Algeria
22	10 Jan 2024	Conference	Jamjoom Pharmaceuticals Factory Co. Announces that it will be presenting at the 42nd JP Morgan Healthcare Conference 2024

### Updating Board Members on Shareholders' Feedback

The Investor Relations ('IR') department plays a pivotal role in facilitating communication between a company's board and its shareholders. IR compiles and analyzes shareholder feedback, and the CEO presents key themes and insights to the Board in quarterly meetings. The focus in these discussions is mainly around shareholder sentiments, fostering discussions and Q&A sessions.

The number of times the Company requested the shareholders' Register and the dates and reasons therefor:

Date of request	Reason for request
18/01/2024G	Investor Relations Analysis
13/02/2024G	Investor Relations Analysis
12/03/2024G	Shareholders General Assembly
20/03/2024G	Dividends
07/04/2024G	Investor Relations Analysis
07/04/2024G	Investor Relations Analysis
26/05/2024G	Shareholders General Assembly
31/05/2024G	Investor Relations Analysis
27/06/2024G	Shareholders General Assembly
08/08/2024G	Investor Relations Analysis
24/09/2024G	Investor Relations Analysis
03/11/2024G	Investor Relations Analysis
27/11/2024G	Investor Relations Analysis



# Dividend Distribution

The shareholders shall be entitled to receive their share of the dividends in accordance with the General Assembly resolution issued in this regard. Such resolution shall specify the date of entitlement and the date of distribution. Entitlement to dividends shall be for the shareholders registered in the shareholders' register at the end of the day specified for entitlement. The Board of Directors shall implement the resolution of the General Assembly with regard to dividend distribution to the shareholders.

The company may distribute interim dividends (on quarterly or semi-annual basis) to its shareholders according to the following controls:

- a) The general assembly shall authorize the Board of Directors to distribute interim dividends pursuant to a resolution renewed annually. The remaining profits may be distributed to the stockholders unless the Ordinary General Assembly has decided to allocate other reserves.
- b) The company shall have good and consistent profitability.
- c) The company shall have sufficient liquidity to distribute dividends without affecting its operations.
- d) The company shall have distributable dividends in accordance the latest audited financial statements, which shall be sufficient to cover the dividends intended for distribution, after deducting what has already been distributed and capitalized from those dividends following the date of these financial statements.

Total interim dividends for the period of the first half of the year 2024G were SAR 112,000,000 at SAR 1.6 per share (representing 16% of the par value of the share).

Dividends distributed during 2024G	13-06-2024G	25-08-2024G
Percentage of dividend to the par value of the share	15%	16%
Total distributed dividends (SAR)	105,000,000	112,000,000
Dividend per share	SAR 1.5	SAR 1.6

There are no agreements or arrangements to waive any rights to dividends by any of the shareholders.

# Risk Management

## Risk Management Framework

The Company's risk management process is led by senior management, overseen by the BOD, and approved by the Board of Directors. The Board of Directors holds ultimate responsibility for the establishment and oversight of the Company's risk management framework. The Executive Management team, accountable for developing and monitoring risk management policies, regularly communicates changes and compliance issues to the Board. Periodic reviews of risk management systems are conducted to adapt to evolving market conditions and the Company's activities.

Risk management at the Company shall be embedded in the decision-making process. When making key decisions related to the business, the Company shall identify multiple scenarios of risks. Such risk scenarios shall be reviewed, properly analyzed and understood to recognize the impact arising from each scenario (whether positive or negative impact).



Below is a table highlighting our key risks, summarizing their impact, and mitigants/controls:

Risk category	Risk description	Impact summary	Mitigants
Strategic risks	<b>Company's strategy:</b> Risks associated with strategic decisions	Potential market share loss, reduced competitiveness, and financial instability	Regularly review and adapt strategies based on market dynamics
	<b>R&amp;D uncertainties:</b> Challenges in developing new pharmaceuticals	Delays in product development, potential loss of market opportunities	Invest in diverse R&D projects and collaborations for risk-sharing
	<b>Company reputation:</b> Damage to the reputation of "Jamjoom Pharma."	Loss of customer trust, decreased sales and negative brand perception	Implement strong quality control and communication strategies
	<b>Information system interruptions:</b> Risks related to IT disruptions	Operational downtime, data loss and compromised business continuity	Implement cybersecurity measures and ensure IT infrastructure resilience
	<b>Supply chain:</b> Disruptions affecting production	Production delays, inventory shortages and financial losses	Diversify suppliers and establish alternative supply sources
	<b>Concentration of sales:</b> Dependency on a few distributors	Revenue loss, market share decline and increased vulnerability	Expand distributor network
Operational risks	<b>Costs and expenses:</b> Impact of rising costs on business operations	Erosion of profit margins, reduced competitiveness and financial strain	Implement cost-saving measures and efficiency improvements Negotiate pricing with regulators to account for rising costs and make production more feasible
	<b>Regulatory requirements:</b> Non-compliance with SFDA and other regulations	Fines, legal consequences and potential product recalls	Stay updated on regulatory changes and ensure compliance
	<b>Quality and recalls:</b> Adverse events or recall affecting products	Reputational damage, financial losses and decreased market trust	Stringent quality control processes and regular product testing
	<b>Product liability:</b> Legal claims related to product issues	Legal costs, compensation payouts and reputational damage	Comprehensive liability insurance and rigorous product testing
	<b>Operational interruptions:</b> Unexpected events disrupting business	Business disruption, financial losses and decreased customer satisfaction	Develop robust business continuity and disaster recovery plans
	<b>Cross-border sales:</b> Risks of international sales	Regulatory hurdles, customs issues and market-specific challenges	Thoroughly understand and comply with foreign regulations
Market risks	<b>Government pricing restrictions:</b> Regulatory impact on pricing	Reduced profit margins, financial strain and potential market exit	Establish proactive dialogue with government authorities on pricing strategies
	<b>Infectious diseases:</b> Impact of global health crises like COVID-19	Workforce shortages, supply chain disruptions and business continuity challenges	Develop and implement comprehensive pandemic response and business continuity plans
	<b>Political and economic impact:</b> Influence on operations	Currency exchange rate volatility, market instability and increased costs	Continuous monitoring and adaptation to political and economic changes
	<b>Industry competition:</b> Increasing competition	Market share loss, decreased pricing power and reduced profitability	Focus on innovation, product differentiation and market-specific strategies
	<b>Competition law:</b> Risks related to compliance	Legal consequences, fines and reputational damage	Regular legal compliance reviews and proactive engagement with legal experts
	<b>Changes in laws and policies:</b> Regulatory changes	Increased compliance costs, operational changes and potential market exit	Continuous monitoring and adaptation by legal, compliance and regulatory affairs team

# Audit and Internal Control

## Results of the annual review of the effectiveness of the Company's internal control procedures

The Audit Committee oversees the internal audit activity in the Company on a regular basis to ensure the adequacy and effectiveness of the internal control system in general and in relation to the fairness of the financial statements in particular. It also provides a continuous evaluation of the internal control system and addresses any observations that it identifies. This aligns with the objectives of the Board of Directors to obtain a reasonable assurance regarding the soundness and effectiveness of the internal control, financial, and risk management systems of the Company.

Based on the results of the annual review of the effectiveness of the Company's internal control procedures, the Audit Committee did not observe any matters that would lead it to believe that there are material deficiencies requiring disclosure. The control system has achieved reasonable improvements during the year through the follow-up reports on

the implementation of recommendations and corrective actions, which are shared with the relevant departments, the Audit Committee, and the Board of Directors. This provides acceptable satisfaction to the Audit Committee regarding the effectiveness and adequacy of the internal control system, bearing in mind that no party can provide an absolute assurance on any internal control system.

Under the supervision of the Audit Committee, the Company continues to conduct periodic evaluations and reviews of the control system to ensure the fulfillment of internal control objectives, improve the efficiency and effectiveness of operations, and comply with all applicable laws and regulations.

**The Audit Committee's recommendation on appointing an internal auditor for the Company if it has made such a recommendation in the last financial year**

The Company already has an in-house team performing all the necessary internal audit activities.

**Audit Committee's recommendations that conflict with Board resolutions, or those that the Board rejects in relation to the appointment, dismissal, assessment or remuneration of an External Auditor, as well as justifications for those recommendations and reasons for rejecting them**

During 2024G, there was no instance of any conflict between the Audit Committee's recommendations and Board resolutions in relation to any matter, including the appointment and remuneration of the External Auditor.

**Any inconsistencies with the standards approved by the Saudi Organization for Chartered and Professional Accountants**

Financial Statements have been prepared in accordance with International Financial

Reporting Standards as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

**If the external auditor's report contains reservations about the annual financial statements, the Board report shall highlight this by mentioning the reasons and any relevant information**

There are no reservations contained under the External Auditor's report concerning the annual financial statements for FY 2024G. The Company has prepared the Board's report for FY 2024G in line with the guidelines set out in the Corporate Governance Regulations of CMA and there are no reservations concerning the financial statements for FY 2024G included in the External Auditor's report for FY 2024G.

## Related Party Transactions

During the normal course of business, the Company transacts with related parties, which are defined as transactions or contracts to which the Company is a party and in which a Director of the Company, a Senior Executive or any person related to any of them have interest in. These transactions are done under the same terms applied to the transactions being done with other third parties.

Related party	Relationship/ Membership	Nature of Transaction	Transactions For the Year ended 2024G	Contract Term
Jamjoom Printing Press ('JPP')	<p>This entity is wholly owned by Yousef Jamjoom who is a board member and has a direct interest.</p> <p>Mahmoud Yousef Jamjoom (Indirect) – son of the owner of JPP            Ahmed Yousef Jamjoom (Direct) – Manager of JPP            Mohammed Yousef Jamjoom (Indirect) – relative (son) of the owner of JPP            Alaa yousef Jamjoom (Indirect) – relative (daughter) of the owner of JPP            Yousef Mohammed Salah Jamjoom (Direct) – Owner of JPP</p>	<p>The Company has the following transactions with the related party:</p> <ul style="list-style-type: none"> <li>- Purchase of inserts</li> <li>- Printing of visiting cards</li> <li>- Letterheads and envelopes</li> <li>- Printed tags/stickers</li> </ul>	<b>10,040,776</b>	5 year contract ending in August 2027
Jamjoom Medicines Stores ('JMS')	<p>JMS is predominantly owned by the children of Yousef Jamjoom..</p> <p>Mahmoud Yousef Jamjoom (Direct)-substantial shareholder of JMS            Ahmed Yousef Jamjoom (Direct) – substantial shareholder of JMS            Mohammed Yousef Jamjoom (Direct) – substantial shareholder of JMS            Alaa yousef Jamjoom (Indirect) – relative (daughter) of the manager of JMS            Yousef Mohammed Salah Jamjoom (Direct) -Manager of JMS</p>	<p>The Company has the following transactions with the related party:</p> <ul style="list-style-type: none"> <li>- Sale of pharmaceutical products (Regulated and free priced products)</li> <li>- Commission payment on free priced products</li> </ul>	<b>754,805,616</b> <b>Commission 1,809,068</b>	3 year contract ending in April 2027
Jamjoom General Agencies ('JGA')	<p>JGA is predominantly owned by the children of Youssuf Jamjoom.</p> <p>Mahmoud Yousef Jamjoom (Direct) -substantial shareholder of JGA            Ahmed Yousef Jamjoom (Direct) – substantial shareholder of JGA            Mohammed Yousef Jamjoom (Direct) – substantial shareholder of JGA            Alaa yousef Jamjoom (Indirect) – relative (sister) of substantial shareholder of JGA            Yousef Mohammed Salah Jamjoom (Indirect) -relative (father) of substantial shareholder of JGA</p>	<p>The Company purchases various promotional materials including Branded pens etc.</p>	<b>976,048</b>	Purchase orders

Related party	Relationship/ Membership	Nature of Transaction	Transactions For the Year ended 2024G	Contract Term
Tegan Al Fateh Factory Company Limited ('Tegan Al Fateh')	<p>Tegan Al Fateh is partially owned by Sanaa Yousuf Jamjoom (22.5%) and the remaining by her children. Sanaa is the daughter, and the other owners of Tegan are relatives of Yousuf Jamjoom.</p> <p>Yousef Mohammed Salah Jamjoom (Indirect) – father of Sanaa Yousef Jamjoom (main shareholder)</p> <p>Mahmoud Yousef Jamjoom (Indirect) – Brother of Sanaa Yousef Jamjoom (main shareholder)</p> <p>Ahmed Yousef Jamjoom (indirect) – Brother of Sanaa Yousef Jamjoom (main shareholder)</p> <p>Mohammed Yousef Jamjoom (indirect) – Brother of Sanaa Yousef Jamjoom (main shareholder)</p> <p>Alaa Yousef Jamjoom (indirect) – sister of Sanaa Yousef Jamjoom (main shareholder)</p>	The Company purchases primary and secondary packaging material from Tegan.	<b>20,061,837</b>	5 year contract ending in January 2026
Dream Sky Travel & Tourism Agency ('Dream Sky')	<p>Dream Sky is wholly owned by Hamza Mahmoud Yousuf Jamjoom, the son of Mahmoud Yousuf Jamjoom, the chairman of JP.</p> <p>Mahmoud Yousef Jamjoom (Indirect) – father of the executive manager/owner of Dream Sky</p> <p>Ahmed Yousef Jamjoom (indirect) – brother of conflicted party (Mahmoud)</p> <p>Mohammed Yousef Jamjoom (indirect) – brother of conflicted party (Mahmoud)</p> <p>Alaa Yousef Jamjoom (indirect) – sister of conflicted party (Mahmoud)</p> <p>Yousef Mohammed Salah Jamjoom (indirect) – father of conflicted party (Mahmoud)</p>	Jamjoom Pharma receives ticketing services from Dream Sky.	<b>15,043,109</b>	Purchase orders
Jamjoom Algeria Lildawa ('Jamjoom Algeria' or 'JALD')	<p>Jamjoom Pharma holds a 49% stake in this entity.</p> <p>Mahmoud Yousef Jamjoom (Direct) – board member in JALD</p> <p>Ahmed Yousef Jamjoom (Direct) – board member in JALD</p> <p>Mohammed Yousef Jamjoom (Indirect) – relative (brother) of a board member in JALD</p> <p>Alaa yousef Jamjoom (Indirect) – relative (sister) of a board member in JALD</p> <p>Yousef Mohammed Salah Jamjoom (Indirect) – relative (father) of a board member in JALD</p>	<p>The Company has the following transactions with the related party:</p> <p>Sale of raw materials: Jamjoom Pharma supplies raw materials to Jamjoom Algeria, which are used to manufacture finished pharmaceutical products for distribution within their respective domestic markets under a trademark owned by Jamjoom Pharma.</p> <p>Sale of semi-finished products (Secondary packaging).</p>	<b>6,241,905</b>	1 year contract ending in December 2025

# Financials

**A statement of the value of any paid and outstanding statutory payments pertaining to zakat, taxes, fees, or any other charges that have not been paid as of the end of the financial year with a brief description and the reasons**

Name	Paid during the year 2024G	Outstanding 2024G	Description 2024G	Reasons/justifications 2024G
Zakat	21,172,018	24,973,747	Zakat provision for 2024G	Statutory requirement
Tax	-	3,823,402	Egypt Subsidiary's Tax	Deferred tax liabilities
Gosi	13,810,077	1,180,496	Gosi paid for the year 2024G	Statutory requirement

**A summary, in the form of a table or graph, displaying the Company's assets, liabilities and results during the last five financial years or since its incorporation date, whichever is shorter**

(SAR in thousands)	2024G	2023G	2022G	2021G	2020G
Total Assets	<b>1,771,635</b>	1,654,166	1,407,817	1,432,293	1,495,660
Total Liabilities	<b>281,027</b>	249,837	191,554	200,658	316,591
Revenue	<b>1,318,476</b>	1,100,819	916,672	735,683	805,314
Net Profit	<b>356,524</b>	292,400	171,314	170,695	206,860

## Geographical analysis of the Company and its Affiliates' revenues

Primary geographical markets/ SAR in thousands	2024G	2023G	2022G	2021G
KSA	<b>857,667</b>	720,586	587,133	466,098
Gulf	<b>181,683</b>	139,928	108,695	73,272
Iraq	<b>116,193</b>	105,138	91,153	64,585
Egypt	<b>70,598</b>	59,239	64,174	67,043
North Africa and other export markets	<b>92,335</b>	75,929	65,516	64,686
<b>Total</b>	<b>1,318,476</b>	1,100,819	916,672	735,683

**Description of the main types of activities of the Company and its affiliates**



Effect of such main activities on the size of the Company's business and its contributions to results as follows:

Major products/ SAR in thousands	2024G	2023G	2022G	2021G	Percentage
Pharmaceutical products	<b>1,139,406</b>	956,731	797,376	663,462	86%
Consumer health products	<b>179,070</b>	144,088	119,296	72,221	14%
<b>Total</b>	<b>1,318,476</b>	1,100,819	916,672	735,683	100%

**Any material differences in operational results compared to the preceding year's results, along with any Company announced projections**

Item (SAR million)	2024G	2023G	2022G	Change (SAR million)	Change (%)
Revenue	<b>1,318.5</b>	1,100.8	916.7	217.7	19.8%
Cost of Sales	<b>498.0</b>	397.0	(322.7)	101.0	25.4%
Gross Profit	<b>820.5</b>	703.8	593.9	116.7	16.6%
Operating Expenses	<b>(439.4)</b>	(390.5)	(360.6)	49.3	12.5%
Operating Profit	<b>381.1</b>	313.3	233.3	67.3	21.6%

**Name of each Affiliate company, its capital, the Company's ownership percentage, the main scope of business, country of operation and country of incorporation**

Affiliate	Company registration number	Capital (SAR)	The Company's direct ownership	The Company's indirect ownership	Country of operation	Country of incorporation	The main scope of business
Al Jamjoom Pharma for Pharmaceuticals Industries	29843	2,583,025	100%	-	Egypt	Egypt	Production of medicines
Jamjoom Algeria Lil Dawa <sup>(1)</sup>	16/00 1001683 B 21	76,175,750	49%	-	Algeria	Algeria	Production of medicines
Jamjoom Hupp Pharma <sup>(2)</sup>	25/00 0071555 B-17	33,180,000	49%	-	Algeria	Algeria	Production of medicines

(1) Joint Venture where the Company holds 49% of the shares.

(2) Joint Venture where the Company holds 49% of the shares, which is currently dormant and not operational.

**Details of shares and debt instruments issued for each Affiliate company**

Name of Affiliate company	Number of shares	Share value	Debt instruments (SAR)
Al Jamjoom Pharma for Pharmaceuticals Industries	350,000	100 - EGP	-
Jamjoom Algeria Lil Dawa	2,755,000	1000 - DZD	-
Jamjoom Hupp Pharma	1,200,000	1000 - DZD	-

### A statement of the value of any investments or reserves created for the benefit of the company's employees

The company has not created any investments or reserves for the benefit of its employees.

### Penalty, Precautionary Procedure, or Preventive Measure

S.N.	Violation Description	Date	Concerned Authority	City	Monetary Fine	Preventive Procedure
1	Operation of a pharmaceutical establishment without obtaining a license from "SFDA."	04-07-24	SFDA	Jizan	40,000 SAR	The company will ensure full compliance with SFDA licensing requirements

### Implemented and Non-implemented Provisions of the Corporate Governance Regulations Issued by the Capital Markets Authority (CMA) and Justifications Thereof

During FY 2024G, the Company entirely complied with all the guiding and necessary regulations in the Corporate Governance Regulations issued by the CMA, apart from the following provisions:

Article	Provision	Topic	Reasons for non-implementation
39		The Assessment	Guiding article The Nomination and Remuneration committee conducts an internal evaluation to the board, its members and committees' performance
67 to 69	1 to 12	Risk Management Committee	Guiding Article The Company will assess implementing and developing this guiding article in future
82		Employees Incentives: In Particular points 2 and 3	Guiding Article The Company is evaluating the creation of long term incentive scheme through its NRC and the Board
84 & 85		Social Responsibility and Social initiatives	Guiding Article The Company is working on a framework and strategy for Environmental, Social and Governance (ESG) initiatives. This is expected to be approved and disclosed in the second quarter of 2025 as part of the company's inaugural 2024 ESG report. The ESG report will also include the social responsibility and social initiatives undertaken by the company in 2024.
Article		Topic Policies and Procedure of Disclosure	Reasons for non-implementation
86		Provision 3: the Company's website shall include all information required to be disclosed and any details or other information that may be published through other disclosure methods	Guiding paragraph The company discloses any information and data that is required to be disclosed according to the applicable laws and regulations issued by the Capital Market Authority .
Article	Provision	Topic	Reasons for non-implementation
92	1	Formation of A Corporate Governance Committee	Guiding Article The Company will assess the need to implement this guiding article in the future

# Board Declarations

The Board of Directors and the Company's management acknowledge the following:

1. The accounting records have been correctly prepared;
2. The internal control system was established on sound bases and implemented effectively;
3. There is no doubt about the Company's ability to continue its activity;
4. There is no deviation from the accounting standards approved by the Saudi Organization for Certified Public Accountants;
5. There are no outstanding loans in the Company as of 31 December 2024G;
6. There have been no convertible debt instruments, contractual securities, preemptive rights, or similar rights issued or granted by the Company during FY 2024G and no compensation has been received by the Company in this regard;
7. There were no conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants, or similar rights issued or granted by the Company during FY 2024G;
8. The Company does not have any contracts or any substantial interest with any of the Company's Board of Directors and Senior Executives or any person related to them other than as disclosed in this Report;
9. There has been no redemption, purchase, or cancellation by the Company of any redeemable debt instruments during FY 2024G and no such instrument was outstanding at the year's end;
10. There was no interest in the category of shares with voting rights belonging to persons (other than members of the Board of Directors and Senior Executives and their wives and minor children), who have informed the Company of these rights under article 70 of the Rules on the Offer of Securities and Continuing Obligations or any change in those rights during the last fiscal year;
11. There are no interests, choices, or subscription rights belonging to the members of the Company's Board

## Conclusion

The Board of Directors extends its heartfelt gratitude and appreciation to the Company's employees, shareholders, customers, suppliers, and government entities. Your unwavering support, trust, and collaboration have been instrumental in driving our success and growth. Together, we look forward to achieving even greater milestones in the future.

of Directors and Senior Executives and their wives and minor children in the shares or instruments of the Company, or any of its subsidiaries, or any change in those interests or rights during the last fiscal year other than as disclosed in this Report;

12. No member of the Board or Senior Executives are or were engaged in a competing business.

# 04

# Financial Statement





## KPMG Professional Services Company

Zahrani Business Center  
Prince Sultan Street  
P. O. Box 55078  
Jeddah 21534  
Kingdom of Saudi Arabia  
Commercial Registration No 4030290792

Headquarters in Riyadh

## شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية

مركز زهران للأعمال  
شارع الأمير سلطان  
ص. ب. 55078  
جده 21534  
المملكة العربية السعودية  
سجل تجاري رقم 4030290792

المركز الرئيسي في الرياض



## Independent Auditor's Report

To the Shareholders of Jamjoom Pharmaceuticals Factory Company (continued)

### Expected Credit Loss on Financial Assets

Refer to note 3 (b) and note 11 of the consolidated financial statements.

#### The key audit matter

The Group has applied a simplified approach in measuring its expected credit losses over trade and other receivables using a provision matrix. The loss allowance is based on assumptions related to risk of default and expected loss rates based on Group's historical credit loss experience, current market conditions, as well as forward looking macro-economic factors affecting the ability of the customers to settle the receivables.

As of 31 December 2024, the gross carrying value of trade receivables amounted to SR 465.8 million (2023: SR 343.3 million) against which the Group has determined an allowance for expected credit loss amounting to SR 22.2 million (2023: 11.1 million) in accordance with the requirements of the applicable financial reporting framework. In addition to that, the Group has other receivable from a related party amounting to SR 17.5 million which is under dispute and fully provided for by the Group as of the reporting date.

We have considered this as a key audit matter as auditing the expected credit loss allowance is complex and subjective because of the highly judgmental nature of determining the reasonableness of management's calculated loss rates that are used to measure expected credit losses in the provision matrix including evaluating the significant assumptions related to the segmentation of debtor groups and forward-looking factors.

Our key audit procedures in this area, amongst others, included the following:

- We assessed the appropriateness of the Group's accounting policy for determining expected credit loss on trade and other receivables in accordance with the applicable financial reporting framework.
- We obtained an understanding of the process followed by the Group in establishing the expected credit loss including understanding of the model and assumptions used in developing the accounting estimate and assessed the design and implementation of controls relevant to such process.
- We challenged the suitability of the expected credit loss model and assumptions used by management in determination of the loss allowance through the involvement of our specialist who developed an independent expectation based on our knowledge of the client and the use of its historical information, experience of the industry in which it operates and specified external data sources.
- We tested the mathematical accuracy of the expected credit loss calculation.
- We considered the adequacy of the disclosures in respect of expected credit loss over receivables in accordance with the applicable financial reporting standards.

#### Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, when made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shareholders.

## Independent Auditor's Report

To the Shareholders of Jamjoom Pharmaceuticals Factory Company

### Opinion

We have audited the consolidated financial statements of Jamjoom Pharmaceuticals Factory Company ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), that is endorsed in the Kingdom of Saudi Arabia, that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code's requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



## Independent Auditor's Report

To the Shareholders of Jamjoom Pharmaceuticals Factory Company (continued)

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, the applicable requirements of the Regulations for Companies and Company's By-laws and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, Audit Committee, are responsible for overseeing the Group's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Independent Auditor's Report

To the Shareholders of Jamjoom Pharmaceuticals Factory Company (continued)

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion..

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of **Jamjoom Pharmaceuticals Factory Company** ("the Company") and its subsidiaries ("the Group").

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### KPMG Professional Services

Nasser Ahmed Al Shutairy  
License No. 454



Jeddah, 04 March 2025  
Corresponding to 04 Ramadan 1446H

**Jamjoom Pharmaceuticals Factory Company**  
(A Saudi Joint Stock Company)

**Consolidated Statement of Financial Position**

As at 31 December 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

	Note	2024	2023
<b>ASSETS</b>			
Property, plant and equipment	5	<b>672,107,497</b>	696,223,938
Right-of-use assets	6	<b>1,818,990</b>	2,075,338
Intangible assets	7	<b>11,534,495</b>	13,048,868
Equity-accounted investee	8	<b>57,492,165</b>	36,114,208
<b>Non-current assets</b>		<b>742,953,147</b>	747,462,352
Inventories	10	<b>270,880,301</b>	233,923,523
Trade receivables	11	<b>443,520,379</b>	332,125,964
Other current assets	12	<b>51,970,182</b>	51,217,034
Investments	9	<b>636,737</b>	5,159,948
Cash and cash equivalents	13	<b>261,673,842</b>	284,276,766
<b>Current assets</b>		<b>1,028,681,441</b>	906,703,235
<b>Total assets</b>		<b>1,771,634,588</b>	1,654,165,587
<b>EQUITY</b>			
Share capital	14	<b>700,000,000</b>	700,000,000
Statutory reserve	15	<b>67,131,416</b>	67,131,416
Foreign currency translation reserve		<b>(160,205,379)</b>	(107,656,409)
Retained earnings		<b>883,681,721</b>	744,853,962
<b>Total equity</b>		<b>1,490,607,758</b>	1,404,328,969

**Jamjoom Pharmaceuticals Factory Company**  
(A Saudi Joint Stock Company)

**Consolidated Statement of Financial Position**

As at 31 December 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

	Note	2024	2023
<b>LIABILITIES</b>			
Lease liabilities	16	<b>1,832,941</b>	2,155,392
Employees' benefits	17	<b>77,429,606</b>	67,709,196
<b>Non-current liabilities</b>		<b>79,262,547</b>	69,864,588
Lease liabilities – current portion	16	<b>261,841</b>	245,801
Trade payables and other current liabilities	18	<b>172,705,293</b>	154,216,943
Zakat and income-tax payable	19	<b>28,797,149</b>	25,509,286
<b>Current liabilities</b>		<b>201,764,283</b>	179,972,030
<b>Total liabilities</b>		<b>281,026,830</b>	249,836,618
<b>Total equity and liabilities</b>		<b>1,771,634,588</b>	1,654,165,587

The accompanying notes 1 through 33 form an integral part of these consolidated financial statements.

Anwer Mohiuddin Chief Financial Officer	Tarek Youssef Hosni Chief Executive Officer	Mahmoud Yousuf Jamjoom Chairman
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**Jamjoom Pharmaceuticals Factory Company**  
(A Saudi Joint Stock Company)

**Consolidated Statement of Profit or Loss and other Comprehensive Income**

For the year ended 31 December 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

	Note	2024	2023
Revenue	22	<b>1,318,476,490</b>	1,100,819,082
Costs of revenue	23	<b>(497,974,157)</b>	(396,983,735)
<b>Gross profit</b>		<b>820,502,333</b>	703,835,347
Other operating income		<b>6,374,701</b>	3,061,450
Selling and distribution expenses	24	<b>(316,637,708)</b>	(286,409,694)
General and administrative expenses	25	<b>(71,052,399)</b>	(66,062,639)
Research, development and regulatory expenses	26	<b>(34,002,417)</b>	(33,388,457)
Impairment loss on financial assets	27	<b>(18,113,329)</b>	(4,595,285)
Other operating expenses		<b>(5,982,486)</b>	(3,136,766)
<b>Operating profit</b>		<b>381,088,695</b>	313,303,956
Finance costs	28	<b>(23,947,950)</b>	(1,955,109)
Finance income	28	<b>6,939,599</b>	44,035
Share of results in equity-accounted investee, net of tax	8	<b>18,573,175</b>	4,406,228
<b>Profit before Zakat and income tax</b>		<b>382,653,519</b>	315,799,110

**Jamjoom Pharmaceuticals Factory Company**  
(A Saudi Joint Stock Company)

**Consolidated Statement of Profit or Loss and other Comprehensive Income**

For the year ended 31 December 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

	Note	2024	2023
Zakat and income-tax	19	<b>(26,129,290)</b>	(23,399,027)
<b>Net profit for the year</b>		<b>356,524,229</b>	292,400,083
Other comprehensive loss:			
Items that will not be reclassified to profit or loss:			
Re-measurement of employees' benefits	17	<b>(696,470)</b>	(1,761,385)
Items that are or may be reclassified subsequently to profit or loss:			
Foreign operations – foreign currency translation Differences	31	<b>(52,548,970)</b>	(32,573,055)
<b>Other comprehensive loss for the year</b>		<b>(53,245,440)</b>	(34,334,440)
<b>Total comprehensive income for the year</b>		<b>303,278,789</b>	258,065,643
Earnings per share:			
Basic and diluted earnings per share	29	<b>5.09</b>	4.18

The accompanying notes 1 through 33 form an integral part of these consolidated financial statements.

Anwer Mohiuddin  
Chief Financial Officer

Tarek Youssef Hosni  
Chief Executive Officer

Mahmoud Yousuf Jamjoom  
Chairman

## Jamjoom Pharmaceuticals Factory Company

(A Saudi Joint Stock Company)

## Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

	Share capital	Statutory reserve	Foreign currency translation reserve	Retained earnings	Total equity
Balance at 1 January 2023	700,000,000	67,131,416	(75,083,354)	524,215,264	1,216,263,326
<b>Total comprehensive income:</b>					
Net profit for the year	--	--	--	292,400,083	292,400,083
Other comprehensive loss for the year	--	--	(32,573,055)	(1,761,385)	(34,334,440)
<b>Total comprehensive income for the year</b>	<b>--</b>	<b>--</b>	<b>(32,573,055)</b>	<b>290,638,698</b>	<b>258,065,643</b>
<b>Transaction with owners of the Company:</b>					
Dividends (note 14.2)	--	--	--	(70,000,000)	(70,000,000)
<b>Balance at 31 December 2023</b>	<b>700,000,000</b>	<b>67,131,416</b>	<b>(107,656,409)</b>	<b>744,853,962</b>	<b>1,404,328,969</b>
<b>Total comprehensive income:</b>					
Net profit for the year	--	--	--	356,524,229	356,524,229
Other comprehensive loss for the year	--	--	(52,548,970)	(696,470)	(53,245,440)
<b>Total Comprehensive income for the year</b>	<b>--</b>	<b>--</b>	<b>(52,548,970)</b>	<b>355,827,759</b>	<b>303,278,789</b>
<b>Transaction with owners of the Company:</b>					
Dividends (note 14.2)	--	--	--	(217,000,000)	(217,000,000)
<b>Balance at 31 December 2024</b>	<b>700,000,000</b>	<b>67,131,416</b>	<b>(160,205,379)</b>	<b>883,681,721</b>	<b>1,490,607,758</b>

The accompanying notes 1 through 33 form an integral part of these consolidated financial statements.

Anwer Mohiuddin  
Chief Financial Officer

Tarek Youssef Hosni  
Chief Executive Officer

Mahmoud Yousuf Jamjoom  
Chairman

## Jamjoom Pharmaceuticals Factory Company

(A Saudi Joint Stock Company)

## Consolidated Statement of Cash Flows

For the year ended 31 December 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

	Note	2024	2023
<b>Cash flows from operating activities:</b>			
Profit before Zakat and income-tax		<b>382,653,519</b>	315,799,110
<b>Adjustments for:</b>			
Depreciation	5	<b>35,120,683</b>	24,394,327
Amortisation	7	<b>2,042,924</b>	1,976,306
Depreciation on right-of-use assets	6	<b>256,348</b>	256,348
Finance cost (other than fair value change)	28	<b>19,424,739</b>	1,955,109
Change in fair value of investments at FVTPL	28	<b>4,523,211</b>	(44,035)
Share of results from equity-accounted investee	8	<b>(18,573,175)</b>	(4,406,228)
Impairment loss on financial assets	27	<b>18,113,329</b>	4,595,285
Provision for inventories	10	<b>18,435,513</b>	12,367,430
Provision for employees' benefits	17	<b>13,331,120</b>	11,634,360
Impairment loss to asset held for sale		--	1,298,894
Loss on write off of intangibles		<b>60,028</b>	--
Gain on disposal of property, plant and equipment		<b>(17,870)</b>	(37,151)
<b>Changes in:</b>			
Trade receivables		<b>(123,814,503)</b>	18,031,939
Other current assets		<b>(6,569,921)</b>	2,545,398
Inventories		<b>(55,392,291)</b>	(114,429,655)
Trade payables and other current liabilities		<b>20,925,831</b>	44,530,472
<b>Cash generated from operating activities</b>		<b>310,519,485</b>	320,467,909
Employees' benefits paid	17	<b>(4,307,180)</b>	(7,848,666)
Interest paid		<b>(21,738,689)</b>	(1,182,138)
Zakat and income-tax paid	19	<b>(21,172,018)</b>	(15,521,641)
<b>Net cash from operating activities</b>		<b>263,301,598</b>	295,915,464

	Note	2024	2023
<b>Cash flows from investing activities:</b>			
Additions to property, plant and equipment	5	<b>(56,829,109)</b>	(45,175,224)
Additions to intangible assets	7	<b>(166,869)</b>	(599,673)
Proceeds from disposal of property, plant and equipment		<b>339,006</b>	52,292
Additional investment in joint venture	8	<b>(5,597,925)</b>	(31,719,079)
<b>Net cash used in investing activities</b>		<b>(62,254,897)</b>	(77,441,684)
<b>Cash flows from financing activities:</b>			
Dividends paid	14.2	<b>(217,000,000)</b>	(70,000,000)
Payment of lease liabilities		<b>(306,411)</b>	(235,177)
<b>Net cash used in financing activities</b>		<b>(217,306,411)</b>	(70,235,177)
Net change in cash and cash equivalents		<b>(16,259,710)</b>	148,238,603
Net foreign exchange difference		<b>(6,343,214)</b>	(5,143,670)
Cash and cash equivalents at beginning of the year	13	<b>284,276,766</b>	141,181,833
<b>Cash and cash equivalents at end of the year</b>	13	<b>261,673,842</b>	284,276,766

The accompanying notes 1 through 33 form an integral part of these consolidated financial statements.

Anwer Mohiuddin Chief Financial Officer	Tarek Youssef Hosni Chief Executive Officer	Mahmoud Yousuf Jamjoom Chairman
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## Jamjoom Pharmaceuticals Factory Company

(A Saudi Joint Stock Company)

### Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

## 1. Reporting Entity

Jamjoom Pharmaceuticals Factory Company (the "Company" or the "Parent Company") is a Saudi Joint Stock Company. The Company was initially registered as a Limited Liability Company registered in the Kingdom of Saudi Arabia under commercial registration number 4030154596 dated 18 Safar 1426 H (corresponding to 28 March 2005). During 2013, the Company's shareholders resolved to change the legal status of the Company from a limited liability company to a Saudi closed joint stock company. The Ministry of Commerce and Investment announced the conversion to closed joint stock company by Ministerial Resolution on 19 Shaban 1435H (corresponding to 17 June 2014).

The Company and its subsidiaries (collectively referred as the "Group") are collectively involved to produce human medicines, nutraceuticals, antibiotics, general analgesics, medicines for treatment of cough, allergy, asthma, heart diseases, blood pressure, diarrhea, vomiting, ulcer and acidity, treatment of various skin infections, cancer diseases, eye drops and ointments and cosmeceuticals.

Further, the Company has registered the following branches and scientific support office:

Particulars	Registration date	Registration number
Branch in Riyadh, KSA	23 Rabi Al Awal 1431H (corresponding to 9 March 2010)	CR: 1010283686
Branch in Jeddah, KSA	25 Rabi Al Thani 1440H (corresponding to 3 November 2018)	CR: 4030318590
Branch in Qassim, KSA	28 Safar 1444H (corresponding to 24 September 2022)	CR: 1131323678
Branch in Jizan, KSA	13 Rabi Al Thani 1444H (corresponding to 7 November 2022)	CR: 5900137576
Branch in Hafouf, KSA	14 Rabi Al Thani 1444H (corresponding to 8 November 2022)	CR: 2251502524
Branch in Jeddah, KSA for the Sterile Manufacturing Facility	13 Shawwal 1442H (corresponding to 25 May 2021)	CR: 4030416562
Branch in Dubai, UAE	1 Dhul Hijjah 1438H (corresponding to 23 August 2017)	Commercial license number 94284 issued by Dubai Development Authority in UAE
Scientific support office in Egypt	18 Ramadan 1430H (corresponding to 8 September 2010)	Resolution number 481 issued by the Ministry of Health in Egypt

The Company has the following direct subsidiaries up to 31 December 2024:

Name	Country of incorporation	Principal activity	Effective shareholding	2024	2023
Al Jamjoom Pharma for Pharmaceutical Industries	Egypt	Manufacture and distribution of pharmaceuticals	100%	100%	100%
Jamjoom Pharmaceutical Industry and Commerce Company Limited*	Turkey	Manufacture and distribution of pharmaceuticals	100%	100%	100%

\* The subsidiary is immaterial both alone and in aggregate to the financial position, performance and cash flows of the Group and therefore not consolidated in these financial statements. During the year, after completion of all the necessary requirement to liquidate the subsidiary, the Group submitted a liquidation request to the Istanbul Chamber of Commerce (ICO), which is currently awaiting approval.

Through Al Jamjoom Pharma for Pharmaceutical Industries, the Company has the following indirect subsidiaries in Egypt with effective 100% shareholding up to 31 December 2024:

Name	Principal activity
Jamjoom Pharma Limited	Manufacture and distribution of pharmaceuticals
Al-Jamjoom Pharma for Commercial Agencies	Trading and distribution of pharmaceuticals

The registered address of the Company is as follows:

P.O. Box 6267,  
Jeddah-21442,  
Kingdom of Saudi Arabia

## Jamjoom Pharmaceuticals Factory Company

(A Saudi Joint Stock Company)

### Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

## 2. Basis of Preparation and Statement of Compliance

### a) Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IFRS") and other standards and pronouncements that are endorsed in the Kingdom of Saudi Arabia issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") collectively referred to as "IFRS" as endorsed in the Kingdom of Saudi Arabia.

### b) Basis of measurement

These consolidated financial statements have been prepared using accrual basis of accounting, going concern concept and under the historical cost basis, except for employees' benefit, which are measured at the present value of future obligation using the Projected Unit Credit Method, and investments at fair value through profit and loss, which are measured at fair values.

### c) Functional and presentation currency

The accompanying consolidated financial statements are presented in Saudi Arabian Riyals (SR) which is also the Company's functional and presentational currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. All amounts have been rounded off to the nearest Riyals, unless otherwise stated.

### d) Critical accounting estimates and judgments

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

### Judgments

Information about judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements, is included in the following:

- **Recognition and classification of joint arrangements:** The Group exercises judgment in its assessment of whether an arrangement represents a joint arrangement for this purpose the Group considers, among other factors, whether decisions about the relevant activities of the investee entity require the unanimous consent of the parties sharing control and whether the Group's investment in such arrangements should be classified as a joint operation or a joint venture.
- The Group has assessed its investment in Jamjoom Algeria Lildawa to determine whether the entity has significant influence or joint control given the 49% ownership of equity interest in the investee. This assessment included evaluation of whether all the decisions concerning the relevant activities of the investee operations require the unanimous consent of the Board of Directors where both parties are equally represented, does parties have rights to substantially all of the economic benefits of the assets relating to the arrangement and whether arrangement depend on the parties on a continuous basis for settling its liabilities. Based on this, management has concluded that it has a joint control on the investee and a joint venture.
- **Devaluation of Egyptian currency:** During the year, the Central Bank of Egypt announced the devaluation of Egyptian Pound (EGP) leading to a significant drop in exchange rates and hike in interest rates. The IMF World Economic Outlook report (based on estimates) issued in October 2024 shows that projected three-year cumulative inflation for Egypt is 96% in 2024 and 101% in 2025. However, the Central Bank of Egypt shows actual three-year cumulative inflation as of September 2024 over the 100% mark. Given the prior cumulative 3-year inflation rates and with the current year devaluation, a review of the hyperinflationary accounting for EGP in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies", may be triggered. The Group is closely monitoring the possible impacts of the hyperinflation on its operations in Egypt.
- During the year ended 31 December 2024, the Egyptian Pound recorded an average 64.2% devaluation in rate against the Saudi Riyal (31 December 2023: 24.7%). As a result, currency translation adjustment has been recorded in relation to the translation of foreign operations in Egypt.

**Jamjoom Pharmaceuticals Factory Company**

(A Saudi Joint Stock Company)

**Notes to the Consolidated Financial Statements**

For the year ended 31 December 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

**2. Basis of Preparation and Statement of Compliance  
(continued)****d) Critical accounting estimates and judgments (continued)****Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have the most significant effect on the amounts recognized in the consolidated financial statements are described below:

**i) Revenue recognition estimate**

The Group's arrangement with its customers allows for variable amount of considerations and require the management to make estimates of the transaction price (by considering the expected product returns and discounts). The following are considered critical estimate that might result in a material adjustment to amount of revenue recognition:

**Returns**

For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The key assumptions in calculating provision for customer's right to return a product are estimation of return rate for products subject to returns. Management estimates this rate of return by determining the historical return rates through consideration of specific factors like product dating and expiration, new product launches, entrance of new competitors and changes to contractual terms. Considering that management's terms with its customer only allows return on specific cases of product expiry therefore a refund liability is recognized while Group's right to recover returned goods asset recognised are impaired immediately. The Group reviews its estimate of expected returns at each reporting date and updates the amounts recognized in the statement of financial position accordingly.

**Discounts / Rebates**

The key inputs and assumptions included in estimating this provision are based upon the historical relationship between contractual discounts offered to the distributors and retail pharmacies. These are determined based on Group's past experiences in dealing with its customer, changes to pricing and sales levels, estimation of 'in market' inventory of the distributors with retail pharmacies, and estimated future sales trends at the distributor level (including customer mix).

**ii) Provision for inventories**

The Group determines net realisable write-down adjustments to inventories, if any, based upon historical experience, expected inventories turnover, inventories aging, current condition, and future expectations with respect to its consumption. Management estimates the net realisable value based on the most reliable evidence at the time these estimates are made. The estimate of the Group's net realisable value write-downs could materially change from period to period due to changes in the pattern of consumption, market conditions and sale of Group's products.

**iii) Useful lives and residual values of property, plant and equipment**

The management determines the estimated useful lives and residual values of property, plant, and equipment for calculating depreciation. This estimate is determined after considering expected usage of the assets, physical wear and tear, and technological obsolescence. Management reviews the residual value and useful lives annually and future depreciation charges are adjusted where management believes the useful lives differ from previous estimates.

**Jamjoom Pharmaceuticals Factory Company**

(A Saudi Joint Stock Company)

**Notes to the Consolidated Financial Statements**

For the year ended 31 December 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

**2. Basis of Preparation and Statement of Compliance  
(continued)****d) Critical accounting estimates and judgments (continued)****iv) Expected credit loss (ECL) on financial assets measured at amortized cost**

The Group measures the loss allowance for financial assets measured at amortized cost at an amount equal to lifetime ECL. The Group uses provision matrix to calculate allowance for expected credit losses on trade receivables and other financial assets measured at amortized cost by reference to the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions at the reporting date. Trade receivables are normally assessed collectively unless there is a need to assess a particular debtor on an individual basis.

The Group has identified GDP growth rate to be the most relevant macro-economic factor of forward-looking information that would impact the credit risk of its customers, and accordingly adjusted the historical loss rates based on expected changes in this factor using different scenarios. The assessment of the correlation between historical observed loss rates, forecast economic conditions and ECLs is a significant estimate. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of respective counter party's actual default in the future.

The information about the ECLs on the Group's trade receivables is disclosed in note 11.

**v) Employees' benefits – defined benefit obligation**

Certain actuarial assumptions have been adopted as disclosed in note 17 to these consolidated financial statements for valuation of present value of defined benefit obligations. Any changes in these assumptions in future years might affect gains and losses in those years.

**vi) Capitalization of development cost**

Development cost is capitalised only if it meets the recognition criteria of IAS 38 'Intangible Assets'. This is considered a key judgement. Where regulatory approvals and reliable estimation of underlying cost are such that the criteria are not met, the cost is charged to profit and loss. Where, however, recognition criteria are met, intangible assets are capitalised and amortised on a straight-line basis over their useful economic

lives from product launch. As at 31 December 2024, no amounts have met the recognition criteria.

**vii) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy, if any, at the end of the reporting period during which the change has occurred. For details of the Group's basis of fair valuation of its assets and liabilities refer to note 31.

## Jamjoom Pharmaceuticals Factory Company

(A Saudi Joint Stock Company)

### Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

## 3. Material Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise. Certain comparative amounts have been reclassified or re-presented during the current year for better presentation.

### a) Basis of consolidation

#### i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to or has rights to, variable return from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are consolidated in the financial statements from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The group uses the same accounting policies as of the subsidiaries and have the same financial year.

#### ii) Interest in equity accounted investees

The Group's interest in equity-accounted investees comprise interests in joint ventures. A joint venture is an arrangement in which the Group has joint control, whereby the Group has the rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, until the date on which joint control ceases.

The financial statements of the joint venture are prepared for the same reporting period as the Group.

When the Group's share of losses exceeds its interest in equity accounted investee, the carrying amount of that interest is reduced to nil, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

### iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transactions gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

### b) Financial instruments

#### Financial assets

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows. Other financial assets are classified and measured at fair value through profit or loss, irrespective of the business model.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

**Jamjoom Pharmaceuticals Factory Company**

(A Saudi Joint Stock Company)

**Notes to the Consolidated Financial Statements**

For the year ended 31 December 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

**3. Material Accounting Policies (continued)****b) Financial instruments (continued)****Financial assets (continued)****Subsequent measurement**

Financial assets owned by the Group have been classified under the following categories:

- Financial assets at amortized cost
- Financial assets at fair value through profit or loss.

**Financial assets at amortized cost**

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired. The Group's financial assets at amortized cost includes cash and cash equivalents, trade receivables and other receivables.

**Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss. This category includes equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on investments are recognized as other operating income in the statement of profit or loss when the right of payment has been established.

**Impairment**

For trade receivables and other receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Financial assets are written off when there are no reasonable expectations of recovery while the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the profit or loss.

**Financial liabilities**

Financial liabilities are classified as measured at amortised cost or FVTPL. All financial liabilities of the Group are recognized at amortized cost which includes trade payable, accruals, other liabilities and due to related parties.

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest amortization process.

**Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## Jamjoom Pharmaceuticals Factory Company

(A Saudi Joint Stock Company)

### Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

(Expressed in Saudi Arabian Riyals, unless otherwise stated)

## 3. Material Accounting Policies (continued)

### c) Impairment

#### Non-financial assets

The management assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the management estimates the assets' recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets (cash-generating unit's (CGU)). Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

### d) Property, plant and equipment

Property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment loss. Cost includes purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant, and equipment, and are recognized as part of Group's operating results in the consolidated statement of profit or loss and other comprehensive income.

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation represents the systematic allocation of the depreciable amount of an asset over its estimated useful life. Depreciable amount represents cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is charged to the consolidated statement of profit or loss on a straight-line basis over the estimated useful lives of individual items of property, plant and equipment. Land is not depreciated. Leasehold improvements are depreciated at the shorter of the lease term or useful life of the asset.

The estimated useful lives of property, plant and equipment for the current and comparative periods are as follows:

	Years
Buildings	33
Plant and machinery	4-20
Furniture and fixtures	10
Office equipment	6
Computer equipment	4-8
Motor vehicles	4

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## 3. Material Accounting Policies (continued)

### d) Property, plant and equipment (continued)

#### Capital work-in-progress

Capital work-in-progress are carried at cost less any recognised impairment loss. When the assets are ready for intended use, the capital work in progress is transferred to the appropriate property, plant and equipment category and is accounted for in accordance with the Group's policies.

### e) Intangible assets

Intangible assets are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in consolidated statement of profit or loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as finite.

Intangible assets are amortised over their useful economic lives of 8-10 years. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset including residual values are reviewed at least annually and adjusted prospectively if required. The amortisation expense on intangible assets is recognized in consolidated statement of profit or loss and other comprehensive income in the expense category that is consistent with the function of the intangible assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Research and development of generic pharmaceutical products: Expenditures on research and development activities are charged to the consolidated statement of profit or loss and other comprehensive income, except only when the criteria for recognising an internally generated intangible asset is met. Currently, there are no development costs that meet the capitalization criteria.

### f) Inventories

Inventories are measured at the lower of cost and net realizable value. Cost is determined using the weighted average method. Cost includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Net realizable value comprises estimated selling price in the ordinary course of business, less any additional production costs for completion and appropriate selling and distribution costs.

Small spare parts are expensed in the period they are consumed. They are classified as inventories, due to their low cost and immediate consumption in the operational process. Small spare parts are defined as items that do not meet the materiality and are typically used for maintenance and repairs of existing assets.

### g) Provisions and contingent liabilities

#### Provisions

A provision is recognized if, as a result of a past event, the Group has a present, legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions expected to be settled after 12 months of the reporting date are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost in statement of profit or loss and other comprehensive income.

#### Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Contingent liabilities are based on the judgment of management / independent experts and are not recognized in these consolidated financial statements but disclosed in the notes to these consolidated financial statements. These are reviewed at the end of each reporting period and are adjusted as appropriate.

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**3. Material Accounting Policies (continued)****h) Employees' benefits****Defined benefit plan**

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in consolidated statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in consolidated statement of profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**Other long-term employee benefits**

The Group's obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value if the impact is material. Remeasurements are recognized in consolidated statement of profit or loss in the period in which they arise.

**Short-term employee benefits**

Short-term employee benefits are expensed as the related services are provided. A liability is recognized for the amount expected to be paid under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**i) Revenues**

The Group mainly generates revenue from manufacturing and sale of pharmaceutical products and healthcare products. Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group acts as the principal in its revenue arrangements because it controls the goods before transferring them to the customer.

Revenue from the sale of goods is recognised at the point in time when the control of the asset is transferred to the customer, generally on dispatch or shipment of products. The normal credit term is 30 to 180 days upon delivery.

In determining the transaction price for the sale of products, the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the customer (if any). If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Group estimates the amount of variable consideration by using the expected value method. The expected value method is the sum of probability-weighted amounts in a range of possible consideration amounts and is generally applied when the Group has a large number of contracts with similar characteristics. The Group applies the above method consistently throughout the contract when estimating the effect of an uncertainty on an amount of variable consideration to which the Group will be entitled. In addition, the Group considers all the information (historical, current and forecast) that is reasonably available and identifies a reasonable number of possible consideration amounts.

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**3. Material Accounting Policies (continued)****i) Revenues (continued)**

Consideration payable to a customer includes cash amounts that the Group pays or expects to pay to the customers for the purchase of Group's goods. Consideration payable to a customer is treated as a reduction of the transaction price, unless the payment to the customer is in exchange for a distinct good that the customer transfers to the Group. If consideration payable to a customer is accounted for as a reduction in the transaction price, then the Group recognises a reduction of revenue when (or as) the later of the following events occurs: (i) the Group recognises revenue for the transfer of the related goods to the customer; and, (ii) the Group pays or promises to pay the consideration; this promise is implied by the Group's customary business practices. The Group applies judgement in respect of the above.

The ultimate net selling price is calculated using variable consideration estimates for certain gross to net adjustments.

**Returns**

The Group has a product return arrangement with the customers that allows customers to return the product subsequent to the expiration date. Provisions for returns are recognised as a reduction of revenue in the period in which the underlying sales are recognised.

The Group estimates its provision for returns based on historical experience, representing management's best estimate. While such experience has enabled reasonable estimations in the past, history may not always be an accurate indicator of future returns. The Group continually monitors the provisions for returns and makes adjustments when it believes that actual product returns may differ from established reserves.

**Rebates / Discounts**

Rebates / discounts ('Discounts') are granted to distributors. Discounts are also granted to certain indirect customers under contractual arrangements. The Group estimates its provision for discounts based on current contractual terms and conditions as well as historical experience, changes to business practices and credit terms. While such experience has enabled reasonable estimations in the past, history may not always be an accurate indicator of future discount liabilities. The Group continually monitors the provisions for discounts and makes adjustments when it believes that actual discounts may differ from established reserves. All discounts are recognised in the period in which the underlying sales are recognised as a reduction of revenue.

**Free goods**

Free goods are issued to certain customers as an alternative to discounts. These free goods give rise to a separate performance obligation, which requires management to allocate the transaction price to the original goods and the related free goods. Revenue for free goods is recognized when they are transferred to the customer and a contract liability is recognised when the free goods are due but not yet transferred to the customer.

**j) Zakat and income tax**

The Company is subject to Zakat in accordance with the regulations of Zakat, Tax and Customs Authority ("ZATCA"). Foreign subsidiaries are subject to the relevant income tax regulations in their countries of domicile. The Company's Zakat and its share in the foreign subsidiaries income tax are accrued and charged to the consolidated statement of profit or loss. Additional Zakat and foreign income tax liabilities, if any, related to prior years' assessments are accounted for in the period in which the final assessments are finalized. The Group withholds taxes on transactions with non-resident parties.

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**3. Material Accounting Policies (continued)****k) Value added tax (VAT)**

Assets and expenses are recognised net of amount of VAT, except that when VAT incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

**l) Cash dividend**

The Group recognises a liability to make distribution to equity holders of the Parent Company when the distribution is authorised and the distribution is no longer at the discretion of the Group's management. Distribution authorization is assessed in line with the Company's By-laws. A corresponding amount is recognised directly in equity. Dividends, if any, are recorded when approved by the Board of Directors.

**m) Cash and cash equivalents**

Cash and cash equivalents in the consolidated statement of financial position and consolidated statement of cashflows comprise cash at banks and in hand which are subject to an insignificant risk of changes in value.

**n) Operating expenses**

Costs of revenue represent all expenses directly attributable or incidental to the core operating activities of the Group including but limited to raw materials and supplies, attributable employee-related costs, depreciation of property, plant and equipment, etc. All other expenses are classified as either general and administrative expenses, selling and distribution expenses or research, development and regulatory expenses. Allocation of common expenses between costs of revenue, selling and distribution expense, general and administrative expenses and research, development and regulatory expenses where required, is made on a reasonable basis with regards to the nature and circumstances of the common expenses.

**o) Foreign currency****Foreign currency transactions**

Transactions in foreign currencies are translated into the respective functional currencies of the Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

**Foreign operations**

The assets and liabilities of foreign operations, including fair value adjustments arising on acquisition, are translated into Saudi Arabian Riyal at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Saudi Arabian Riyal at the exchange rates at the dates of the transactions. Foreign currency differences are recognised in OCI and accumulated in the translation reserve. When a foreign operation is disposed in its entirety or partially such that control or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interest. When the Group disposes of only part of a joint venture while retaining joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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## 4. New Standards and Interpretations Not Yet Adopted

## Amendments to Standards

The following table lists the Standards that are required to be applied for annual period beginning after 1 January 2024. The adoption of the following amendments to the existing standards had no significant impact on the consolidated financial statements of the Group on the current period or prior periods and is expected to have no significant effect in the future periods.

Standard / Interpretation	Description	Effective from periods beginning after the following date
IAS 1	Classification of liabilities as current or non-current - Amendments to IAS 1	1 January 2024
IAS 1	Non- current liabilities with covenants - Amendments to IAS 1	1 January 2024
IFRS 16	Lease Liability in a Sales and Leaseback - Amendments to IFRS 16	1 January 2024
IAS 7 and IFRS 7	Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	1 January 2024

## Standards and Amendments Issued but Not Yet Effective

The standards, interpretations and amendments issued, but not yet effective up to the date of issuance of the consolidated financial statements of the Group are disclosed below. The Group intends to adopt these standards, where applicable, when they become effective, and the Group is currently analysing the impacts of these forthcoming pronouncements.

Standard / Interpretation	Description	Effective from periods beginning after the following date
IAS 21	Lack of Exchangeability	1 January 2025
IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	1 January 2026
IFRS 1, IFRS 7, IFRS 9, IFRS 10 & IAS 7	Annual Improvements to IFRS Accounting Standards	1 January 2026
IFRS 18	IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Available for optional adoption / effective date deferred indefinitely

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## 5. Property, Plant and Equipment

The movement in property, plant and equipment during the year ended 31 December 2024 is analyzed as follows:

	Lands	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Computers	Motor vehicles	Capital work in progress	Total
<b>Cost:</b>									
Balance as at 1 January 2024	59,725,897	224,310,406	527,049,733	20,500,903	4,007,808	10,413,468	2,192,736	252,894,122	1,101,095,073
Additions during the year	--	426,699	12,027,376	542,995	531,611	1,636,684	179,100	41,484,644	56,829,109
Transferred from capital work in progress	--	65,774,622	154,402,001	2,373,334	235,635	2,619,866	145,295	(225,550,753)	--
Transferred to intangibles	--	--	--	--	--	--	--	(452,906)	(452,906)
Disposals during the year	--	--	(54,355)	--	(2,065)	(1,455,495)	(883,365)	(118,293)	(2,513,573)
Foreign currency translation differences	(1,161,219)	(19,049,737)	(16,565,463)	(375,850)	(48,491)	(285,038)	(39,590)	(8,726,142)	(46,251,530)
<b>Balance as at 31 December 2024</b>	<b>58,564,678</b>	<b>271,461,990</b>	<b>676,859,292</b>	<b>23,041,382</b>	<b>4,724,498</b>	<b>12,929,485</b>	<b>1,594,176</b>	<b>59,530,672</b>	<b>1,108,706,173</b>
<b>Accumulated depreciation:</b>									
Balance as at 1 January 2024	--	53,968,657	323,991,631	14,727,680	3,092,458	7,395,457	1,695,252	--	404,871,135
Charge for the year	--	7,923,196	23,777,537	1,530,144	243,786	1,495,061	150,959	--	35,120,683
Disposals during the year	--	--	(42,617)	--	(1,965)	(1,418,336)	(729,519)	--	(2,192,437)
Foreign currency translation differences	--	(443,690)	(571,444)	(58,665)	(16,714)	(96,693)	(13,499)	--	(1,200,705)
<b>Balance as at 31 December 2024</b>	<b>--</b>	<b>61,448,163</b>	<b>347,155,107</b>	<b>16,199,159</b>	<b>3,317,565</b>	<b>7,375,489</b>	<b>1,103,193</b>	<b>--</b>	<b>436,598,676</b>
<b>Carrying value:</b>									
<b>At 31 December 2024</b>	<b>58,564,678</b>	<b>210,013,827</b>	<b>329,704,185</b>	<b>6,842,223</b>	<b>1,406,933</b>	<b>5,553,996</b>	<b>490,983</b>	<b>59,530,672</b>	<b>672,107,497</b>

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## 5. Property, Plant and Equipment (continued)

The movement in property and equipment during the year ended 31 December 2023 is analyzed as under:

	Lands	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Computers	Motor vehicles	Capital work in progress	Total
<b>Cost:</b>									
Balance as at 1 January 2023	60,458,339	177,981,703	479,403,809	20,335,314	3,781,949	9,646,750	2,238,225	329,941,192	1,083,787,281
Additions during the year	--	--	9,337,552	156,879	256,331	845,085	189,448	34,389,929	45,175,224
Transferred from capital work in progress	--	46,585,745	38,878,946	83,042	--	7,567	--	(85,555,300)	--
Disposals during the year	--	--	(297,299)	--	--	(22,244)	(224,600)	--	(544,143)
Foreign currency translation differences	(732,442)	(257,042)	(273,275)	(74,332)	(30,472)	(63,690)	(10,337)	(25,881,699)	(27,323,289)
<b>Balance as at 31 December 2023</b>	<b>59,725,897</b>	<b>224,310,406</b>	<b>527,049,733</b>	<b>20,500,903</b>	<b>4,007,808</b>	<b>10,413,468</b>	<b>2,192,736</b>	<b>252,894,122</b>	<b>1,101,095,073</b>
<b>Accumulated depreciation:</b>									
Balance as at 1 January 2023	--	47,892,833	308,715,729	13,357,623	2,886,993	6,495,636	1,720,507	--	381,069,321
Charge for the year	--	6,079,812	15,573,277	1,388,226	210,239	941,866	200,907	--	24,394,327
Disposals during the year	--	--	(292,839)	--	--	(11,567)	(224,597)	--	(529,003)
Foreign currency translation differences	--	(3,988)	(4,536)	(18,169)	(4,774)	(30,478)	(1,565)	--	(63,510)
<b>Balance as at 31 December 2023</b>	<b>--</b>	<b>53,968,657</b>	<b>323,991,631</b>	<b>14,727,680</b>	<b>3,092,458</b>	<b>7,395,457</b>	<b>1,695,252</b>	<b>--</b>	<b>404,871,135</b>
<b>Carrying value:</b>									
<b>At 31 December 2023</b>	<b>59,725,897</b>	<b>170,341,749</b>	<b>203,058,102</b>	<b>5,773,223</b>	<b>915,350</b>	<b>3,018,011</b>	<b>497,484</b>	<b>252,894,122</b>	<b>696,223,938</b>

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**5. Property, Plant and Equipment (continued)**

5.1 Depreciation charge for the year ended 31 December has been allocated as follows:

	2024	2023
Costs of revenue (note 23)	<b>29,082,886</b>	18,457,507
Selling and distribution expenses (note 24)	<b>1,032,302</b>	995,464
General and administrative expenses (note 25)	<b>2,694,296</b>	2,633,576
Research, development and regulatory expenses (note 26)	<b>2,311,199</b>	2,307,780
	<b>35,120,683</b>	24,394,327

5.2 Capital work-in-progress represents cost incurred on the construction of a manufacturing facility ('Egypt Main Facility') in Egypt and a sterile area facility ('Jeddah Sterile Facility') in Kingdom of Saudi Arabia ('KSA'). It also includes expansion in KSA represented in the form of new machinery. During the year ended 31 December 2024, SR 38.2 million related to Egypt Main Facility, SR 190.3 million related to Jeddah Sterile Facility and SR 16.4 million related to new machinery, respectively, were transferred from capital work in progress. As of 31 December 2024, the closing CWIP balance amounting to SR 59.5 million pertains mainly to the expansion of KSA facility represented in the form of new machinery and civil works amounting to SR 52.9 million while SR 6.8 million (31 December 2023: SR 38.83 million) pertains to the Factory in Egypt.

Capital work-in-progress as at 31 December, comprises the following:

	2024	2023
Equipment	<b>48,676,740</b>	142,336,576
Civil works	<b>4,224,799</b>	104,912,238
Advances for equipment	<b>6,629,133</b>	5,645,308
	<b>59,530,672</b>	252,894,122

**6. Right-of-use Asset**

The Group leases warehouse, academy and factory facilities as a lessee. The movement in right-of-use asset during the year ended December 31 is analysed as under:

	2024	2023
Cost		
Balance as at 1 January and 31 December	<b>3,406,085</b>	3,406,085
Accumulated depreciation		
Balance as at 1 January	<b>(1,330,747)</b>	(1,074,399)
Charge for the year *	<b>(256,348)</b>	(256,348)
Balance as at 31 December	<b>(1,587,095)</b>	(1,330,747)
Carrying value:		
<b>At December 31</b>	<b>1,818,990</b>	<b>2,075,338</b>

\* Depreciation charge on right-of-use asset is allocated to costs of revenue and general and administrative expenses.

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## 6. Right-of-use Asset (continued)

The following are the amounts recognised in profit or loss:

	2024	2023
Depreciation on right-of-use assets	<b>256,348</b>	256,348
Interest expense on lease liabilities	<b>101,454</b>	112,088
Expense relating to short-term leases (note 6.1)	<b>3,473,148</b>	960,516
<b>Total amount recognised in profit or loss</b>	<b>3,830,950</b>	1,328,952

6.1 These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

6.2 Some property leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. The Group assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances.

## 7. Intangible Assets

Intangible assets consist of software and trademark and the movement during the current year and prior year is analysed below:

	Software	Trademark*	Total
<b>Cost:</b>			
Balance as at 1 January 2024	9,933,573	15,000,000	24,933,573
Additions during the year	166,869	--	166,869
Transferred from property, plant and equipment	452,906	--	452,906
Write off during the year	(2,429,775)	--	(2,429,775)
Foreign currency translation differences	(39,329)	--	(39,329)
<b>Balance as at 31 December 2024</b>	<b>8,084,244</b>	<b>15,000,000</b>	<b>23,084,244</b>
<b>Accumulated amortisation:</b>			
Balance as at 1 January 2024	7,134,705	4,750,000	11,884,705
Charge for the year	542,924	1,500,000	2,042,924
Write off during the year	(2,369,747)	--	(2,369,747)
Foreign currency translation differences	(8,133)	--	(8,133)
<b>Balance as at 31 December 2024</b>	<b>5,299,749</b>	<b>6,250,000</b>	<b>11,549,749</b>
<b>Carrying value:</b>			
As at 31 December 2024	2,784,495	8,750,000	11,534,495

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## 7. Intangible Assets (continued)

	Software	Trademark*	Total
<b>Cost:</b>			
Balance as at 1 January 2023	9,345,485	15,000,000	24,345,485
Additions during the year	599,673	--	599,673
Foreign currency translation differences	(11,585)	--	(11,585)
Balance as at 31 December 2023	9,933,573	15,000,000	24,933,573
<b>Accumulated amortisation:</b>			
Balance as at 1 January 2023	6,660,769	3,250,000	9,910,769
Charge for the year	476,306	1,500,000	1,976,306
Foreign currency translation differences	(2,370)	--	(2,370)
Balance as at 31 December 2023	7,134,705	4,750,000	11,884,705
<b>Carrying value:</b>			
As at 31 December 2023	2,798,868	10,250,000	13,048,868

\*The trademark pertains to the asset purchase agreement dated 22 September 2020 between AG Sandoz and Jamjoom Pharmaceutical Factory Company for market authorization of products in Algeria.

Amortisation charge for the year ended 31 December has been allocated as follows:

	2024	2023
Costs of revenue (note 23)	<b>131,407</b>	130,829
Selling and distribution expenses (note 24)	<b>17,225</b>	17,225
General and administrative expenses (note 25)	<b>367,777</b>	307,123
Research, development and regulatory expenses (note 26)	<b>26,515</b>	21,129
Other operating expenses	<b>1,500,000</b>	1,500,000
	<b>2,042,924</b>	1,976,306

## 8. Equity-Accounted Investee

As of 31 December 2024, the Group holds 49% equity interest in Jamjoom Algeria Lildawa ("Lildawa"), an entity operating in Algeria, with an amount of SR 57.5 million (31 December 2023: SR 36.1 million). The investee is principally engaged in the business of manufacturing and distribution of pharmaceutical products. Lildawa is not publicly listed.

The movement of equity-accounted investee is as follows:

	2024	2023
Opening balance	<b>36,114,208</b>	250,901
Additions (note 8.1)	<b>5,597,925</b>	31,719,079
Share of results from equity accounted investee	<b>18,573,175</b>	4,406,228
Foreign currency translation differences	<b>(2,793,143)</b>	(262,000)
Closing balance	<b>57,492,165</b>	36,114,208

	2024	2023
Percentage ownership interest	<b>49%</b>	49%
Non-current assets	<b>49,956,279</b>	49,982,662
Current assets (including cash and cash equivalents)	<b>155,193,919</b>	68,472,992
Non-current liabilities (including non-current financial liabilities excluding trade and other payables and provisions)	<b>1,346,642</b>	--
Current liabilities (including current financial liabilities excluding trade and other payables and provisions)	<b>50,980,802</b>	--
Trade and other payables and provisions	<b>35,491,806</b>	44,753,189
Net assets (100%)	<b>117,330,949</b>	73,702,465
<b>Group's share of net assets (49%) / Carrying amount of interest in joint venture</b>	<b>57,492,165</b>	36,114,208

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## 8. Equity-Accounted Investee (continued)

	2024	2023
Revenue	<b>192,813,485</b>	49,928,220
Depreciation and amortisation	<b>7,262,652</b>	2,649,608
Income tax expense	<b>9,781,774</b>	824,241
Other comprehensive income	--	--
Profit and total comprehensive income (100%)	<b>37,904,439</b>	8,992,302
<b>Group's share of profit and total comprehensive income (49%)</b>	<b>18,573,175</b>	4,406,228

8.1 During the prior year, the Company participated in the capital increase of Lildawa to partially finance the acquisition of a fully operational pharmaceutical manufacturing facility in Algeria and its operating expenses. Following the capital increase, Lildawa's share capital increased through the creation and issue of 2,192,000 new shares (total share in issuance as at the December 31, 2023: 2,350,000), with the Group holding DZD 1.15 billion of the share capital and continuing to hold 49% of the total paid-up capital.

During the year, the Company participated in the capital increase of Lildawa to finance the operations of the investee. Following the capital increase, Lildawa's share capital increased through the creation and issue of 405,000 new shares (total shares in issuance as at year end: 2,755,000), with the Group holding DZD 1.345 billion of the share capital and continuing to hold 49% of the total paid-up capital.

8.2 The Company provided corporate guarantees to local banks in Algeria to support Jamjoom Algeria Lildawa in obtaining banking facility for the purpose of financing partial consideration for the capital expenditure and working capital requirements, refer note 21.

8.3 Group has investment in another joint venture in Algeria, Jamjoom HUPP Pharma. As of 31 December 2024, the Group's investment in this investee is fully impaired.

## 9. Investments

	2024	2023
Current assets		
Investments at fair value through profit or loss	<b>636,737</b>	5,159,948

9.1 Group's investment portfolio measured at fair value through profit or loss is as follows, all investments are in Kingdom of Saudi Arabia:

	Number of shares	Amount (SR)		
	2024	2023	2024	2023
<b>Quoted equity securities</b>				
Al Nahdi Medical Company	<b>499</b>	499	<b>58,682</b>	68,363
Saudi Arabian Oil Company (Aramco)	<b>20,608</b>	20,608	<b>578,055</b>	680,064
<b>Investments in fund</b>				
Private equity fund (note 9.2)	--	--	--	4,411,521
			<b>636,737</b>	5,159,948

9.2 The Company has an arrangement with a KSA-based asset manager to manage its funds via investments in a discretionary portfolio to create value for the Company. As at 31 December 2024, based on the evaluation of the assets underlying the fund and the associated recoverability from the fund's investment the fair value of the investment was approximately nil.

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## 10. Inventories

Inventories include the following:

	2024	2023
Raw materials	<b>93,689,193</b>	92,818,163
Packing materials	<b>51,443,954</b>	43,884,671
Work in process	<b>6,622,708</b>	10,929,229
Finished goods	<b>121,831,731</b>	85,079,669
Goods in transit	<b>5,464,570</b>	5,596,565
Stores and spares	<b>14,888,352</b>	12,732,593
	<b>293,940,508</b>	251,040,890
Provision for inventories (note 10.1)	<b>(23,060,207)</b>	(17,117,367)
	<b>270,880,301</b>	233,923,523

## 10.1 Movement of provision for inventories is as follows:

	2024	2023
Balance as at 1 January	<b>17,117,367</b>	15,911,847
Provision during the year	<b>18,435,513</b>	12,367,430
Write off during the year	<b>(12,517,625)</b>	(11,085,306)
Foreign currency translation differences	<b>24,952</b>	(76,604)
Balance as at 31 December	<b>23,060,207</b>	17,117,367

10.2 The amount of inventories recognized as an expense during the year amounted to SR 292.6 million (2023: SR 241.3 million), refer to note 23.

## 11. Trade Receivables

	2024	2023
Trade receivables, net (note 11.1)	<b>443,520,379</b>	332,125,964

## 11.1 Trade receivables include the following:

	2024	2023
Trade receivables – external parties	<b>259,727,531</b>	190,565,727
Trade receivables – a related party (note 20)	<b>206,035,564</b>	152,692,940
	<b>465,763,095</b>	343,258,667
Less: Allowance for expected credit losses (note 11.2)	<b>(22,242,716)</b>	(11,132,703)
	<b>443,520,379</b>	332,125,964

## 11.2 The movement in allowance for expected credit losses (ECLs) is as follows:

	2024	2023
Balance at 1 January	<b>11,132,703</b>	9,037,735
Provision during the year	<b>11,386,208</b>	2,095,285
Foreign currency translation differences	<b>(276,195)</b>	(317)
Balance at 31 December	<b>22,242,716</b>	11,132,703

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## 11. Trade Receivables (continued)

The following table provides information about the exposure to credit risk and ECLs for trade receivables from customers as at 31 December.

	Total	Neither past due nor impaired	Past due but not impaired				
			0-90 days	90-180 days	180-360 days	361 days and above	
31 December 2024							
Gross carrying amount	465,763,095	290,879,960	121,572,294	19,351,003	3,892,521	30,067,317	
Loss allowance	22,242,716	2,636,564	2,115,635	1,651,605	640,824	15,198,088	
Weighted average loss rate	4.78%	0.91%	1.74%	8.53%	16.46%	50.55%	
	Total	Neither past due nor impaired	Past due but not impaired				
			0-90 days	90-180 days	180-360 days	361 days and above	
31 December 2023							
Gross carrying amount	343,258,667	192,935,448	99,242,042	6,720,814	12,663,774	31,696,589	
Loss allowance	11,132,703	741,071	871,341	136,336	864,054	8,519,901	
Weighted average loss rate	3.24%	0.38%	0.88%	2.03%	6.82%	26.88%	

The Group does not have any collateral over receivables and accordingly are unsecured. Unimpaired trade receivables are expected, on the basis of past experience to be fully recoverable.

The Group's exposure to credit and currency risks, and impairment losses related to trade and other receivables are disclosed in note 31.

## 12. Other Current Assets

	2024	2023
Prepayments and other current assets (note 12.1)	51,599,963	44,414,833
Due from related parties (note 20)	370,219	6,802,201
	51,970,182	51,217,034

## 12.1 Prepayments and other current assets:

	2024	2023
Employees' receivables (note 12.2)	11,420,886	10,310,406
VAT receivable	17,976,198	11,894,312
Advance to suppliers	14,027,801	15,895,907
Prepayments	4,566,849	3,988,236
Deposits	689,592	800,485
Others	2,918,637	1,525,487
	51,599,963	44,414,833

12.2 Employees' receivables are secured against the respective employee end of service benefits and expected to be settled in 12 months subsequent to the reporting date. As of 31 December 2024, the receivable balance of each employee does not exceed the respective employee's terminal benefits balance.

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### 13. Cash and Cash Equivalents

Cash and cash equivalents represent the following:

	2024	2023
Cash in hand	<b>19,872</b>	26,948
Cash at banks (note 13.1)	<b>261,653,970</b>	284,249,818
	<b>261,673,842</b>	284,276,766

The cash is held in accounts with banks having credit ratings above "B-". The fair value of cash and cash equivalent approximates their carrying values at 31 December 2024 and 31 December 2023.

13.1 This includes current account amounting to SR 103.6 million subject to profit on the daily closing balance. Total profit generated during the year 2024 amounted to SR 6.9 million.

### 14. SHARE CAPITAL

As at December 31, the share capital is as follows:

Number of shares unless otherwise stated	Ordinary shares	
	2024	2023
In issue at 1 January	<b>70,000,000</b>	70,000,000
In issue at 31 December, fully paid	<b>70,000,000</b>	70,000,000
Authorised shares - par value SR 10	<b>SR 700,000,000</b>	SR 700,000,000

14.1 As at 31 December 2024 the group main shareholders are Mr. Yousef Mohammed Salah Jamjoom and Mr. Mahmood Yousef Jamjoom and they hold 41.65% and 5.60% of equity interest, respectively. Mr. Yousef Mohammed Salah Jamjoom is the Ultimate Controlling Party ('UCP') of the Group.

14.2 On 4 June 2024 (corresponding 27 Dhul Qadah 1445H) the shareholders approved in the Annual General Assembly Meeting, the Board of Directors' recommendation on the distribution of dividends to the shareholders of the Company for the year ended 31 December 2023 in the amount of SR 105 million corresponding to SR 1.5 per share, representing 15% of the nominal value per share.

On 5 August 2024 (corresponding to 1 Safar 1446H) the Board of Directors of the Company approved the distribution of cash dividends for the six-month period ended 30 June 2024 to the shareholders of the Company in the amount of SR 112 million (31 December 2023: SR 70 million) corresponding to SR 1.6 per share, representing 16% of the nominal value per share.

14.3 Subsequent to the year ended 31 December 2024, on 24 February 2025 (corresponding to 25 Shaban 1446H) the Company's Board of Directors approved an interim dividend of SR 102 million (SR 1.46 per share for a total number of 70,000,000 shares, representing 14.6% of the nominal value per share).

### 15. Statutory Reserve

In accordance with Company's By-Laws, the shareholders may resolve to form reserves to the extent that serves the Company's interest or ensures, as far as possible, consistent distribution of dividends to the shareholders. The reserve is not available for distribution except for where the shareholder resolves via a General Assembly to distribute them or transfer back to the retained earnings.

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## 16. Lease Liabilities

	2024	2023
Lease liabilities	<b>2,094,782</b>	2,401,193

16.1 As at December 31 the movement in the net present value of the lease liabilities is as follows:

	2024	2023
As at 1 January	<b>2,401,193</b>	2,636,370
Add: Interest expense for the year	<b>101,454</b>	112,088
Less: Payments made during the year	<b>(407,865)</b>	(347,265)
As at 31 December	<b>2,094,782</b>	2,401,193

16.2 The lease liabilities have been presented in the consolidated statement of financial position as follows:

	2024	2023
Current liability	<b>261,841</b>	245,801
Non-current liability	<b>1,832,941</b>	2,155,392
Lease liabilities	<b>2,094,782</b>	2,401,193

The discount rate used in calculating lease obligations ranges from 4.4% to 6.2%.

## 17. Employees' Benefits

The Company operates an unfunded employees' end of service benefits plan ("EOSB") for its employees as required by Saudi Arabian Labor and Workmen Law. The benefit is based on employees' basic salaries and allowances and their cumulative years of service, as stated in the laws of Kingdom of Saudi Arabia. An independent actuarial exercise has been conducted as at 31 December 2024 and 31 December 2023 to ensure the adequacy of provision for employees' end of service benefits in accordance with the rules stated under the Saudi Arabian Labor Law by using the Projected Unit Credit Method as required under IFRS.

The amount recognized in the statement of financial position is determined as follows:

	2024	2023
Employees' benefits	<b>77,429,606</b>	67,709,196

### a) Movement in defined benefit obligation

Movement in the present value of defined benefit obligation recognized in statement of financial position:

	2024	2023
<b>Balance at 1 January</b>	<b>67,709,196</b>	62,162,117
Included in statement of profit or loss		
Current service cost	<b>10,164,784</b>	9,048,861
Interest cost	<b>3,166,336</b>	2,585,499
	<b>13,331,120</b>	11,634,360
<b>Included in other comprehensive loss</b>		
Actuarial loss arising from experience adjustment	<b>696,470</b>	1,761,385
Benefits paid	<b>(4,307,180)</b>	(7,848,666)
<b>Balance at 31 December</b>	<b>77,429,606</b>	67,709,196

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## 17. Employees' Benefits (continued)

## b) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

	2024	2023
Discount rate*	<b>5.63%</b>	4.83%
Future salary growth / Expected rate of salary increase*	<b>5.63%</b>	4.83%
Retirement age	<b>60 years</b>	60 years
Number of employees	<b>1,079</b>	1,027
Mortality rate	<b>0.75 to 7.52</b>	0.75 to 7.52

\* Reasonably possible changes at the reporting date to one of the significant actuarial assumptions, holding other assumptions constant, would have resulted in amounts below.

	2024	2023
Discount rate (+0.5% movement)	<b>73,621,000</b>	64,341,338
Discount rate (-0.5% movement)	<b>81,540,774</b>	71,349,707
Salary increase rate (+0.5% movement)	<b>81,520,624</b>	71,331,755
Salary increase rate (-0.5% movement)	<b>73,608,160</b>	64,325,780

The sensitivity analysis has been determined based on a method that extrapolates the impact on the end of service benefit as a result of changes in key assumptions occurring at the end of the reporting period, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the end of service benefit as it is unlikely that changes in assumptions would occur in isolation of one another. The weighted average duration of the end of service benefit at the end of the reporting period is 9.05 years (31 December 2023: 9.74 years).

Undiscounted expected benefit payments over the period of duration of liability:

	2024	2023
Up to 1 year	<b>9,892,461</b>	9,321,647
From 1 to 2 years	<b>6,171,250</b>	4,821,700
From 2 to 5 years	<b>15,146,753</b>	14,806,231
Over 5 years	<b>119,785,413</b>	91,427,671

## 18. Trade Payables and Other Current Liabilities

Trade payables and other current liabilities include the following:

	2024	2023
Trade payables	<b>38,257,694</b>	63,240,884
Accruals and other current liabilities (note 18.1)	<b>129,982,392</b>	86,101,060
Due to related parties (note 20)	<b>4,465,207</b>	4,874,999
	<b>172,705,293</b>	154,216,943

## 18.1 Accruals and other current liabilities

	2024	2023
Employee related accruals	<b>62,107,791</b>	44,747,179
Accrued commission and discount payable	<b>25,135,267</b>	1,434,595
Retention payable	<b>545,096</b>	2,045,096
Contracts liabilities (note 18.2)	<b>2,144,257</b>	3,765,693
Accrued sales and marketing expenses	<b>10,180,420</b>	2,476,936
Accrued utilities bills	<b>1,030,738</b>	1,274,755
Refund liability	<b>16,627,085</b>	10,241,777
Local expenses accrual	<b>5,622,280</b>	16,679,407
Financial guarantee contract	<b>910,348</b>	--
Others	<b>5,679,110</b>	3,435,622
	<b>129,982,392</b>	86,101,060

18.2 The amount of SR 3.7 million included in contract liabilities as at 31 December 2023 has been recognized as revenue in 2024.

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## 19. Zakat and Income-Tax Payable

The movement in Zakat and income-tax provision for the year ended 31 December is as follows:

	2024		
	Zakat	Income tax (note 19.1)	Total
Balance at 1 January	<b>23,016,806</b>	<b>2,492,480</b>	<b>25,509,286</b>
Charge for the year	<b>23,128,959</b>	<b>3,000,331</b>	<b>26,129,290</b>
Paid during the year	<b>(21,172,018)</b>	--	<b>(21,172,018)</b>
Foreign currency translation differences	--	<b>(1,669,409)</b>	<b>(1,669,409)</b>
Balance at 31 December	<b>24,973,747</b>	<b>3,823,402</b>	<b>28,797,149</b>

	2023		
	Zakat	Income tax (note 19.1)	Total
Balance at 1 January	17,457,052	264,807	17,721,859
Charge for the year	21,081,395	2,317,632	23,399,027
Paid during the year	(15,521,641)	--	(15,521,641)
Foreign currency translation differences	--	(89,959)	(89,959)
Balance at 31 December	<b>23,016,806</b>	<b>2,492,480</b>	<b>25,509,286</b>

## Zakat base

The significant components of Zakat base for the year ended 31 December comprise of the following:

	2024*	2023
Equity as at 31 December	<b>1,490,607,758</b>	1,221,346,681
Add: Provisions	<b>28,797,149</b>	83,483,609
Add: Other adjustments	<b>60,881,355</b>	4,336,604
Less: Carrying amount of long-term assets	<b>(685,460,982)</b>	(831,737,146)
Zakat base	<b>894,825,280</b>	477,429,748
Zakat base extrapolated to 365 days	--	492,265,117
Net adjusted income	--	350,990,683
Total Zakat base	<b>894,825,280</b>	843,255,800
Charge for the year	<b>23,128,959</b>	21,081,395

\*Zakat, Tax and Customs Authority ("ZATCA") has issued new Zakat regulation by Ministerial Resolution No. 1007 dated 29 February 2024, which applies to fiscal periods beginning on or after 1 January 2024, amending the methodology for the computation of the Zakat base.

## 19.1 Income tax:

The amounts recognised in profit or loss related to income tax comprise of:

	2024	2023
Current tax expense	<b>128,690</b>	43,099
Deferred tax expense	<b>2,696,618</b>	2,274,533
Changes in estimates related to prior years	<b>175,023</b>	--
Total tax expense	<b>3,000,331</b>	2,317,632

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**19. Zakat and Income-Tax Payable (continued)****19.1 Income tax: (continued)**

The Group's closing income tax liability includes deferred tax liability amounting to SR 3.6 million (31 December 2023: SR 2.3 million) which are attributable to the subsidiaries property, plant and equipment amounting to SR 3.3 million and unrealized foreign exchange gain amounting to SR 0.3 million.

Deferred tax assets have not been recognised in respect of tax losses because it is not probable that future taxable profits will be available with the subsidiary against which the Group can utilise the benefits therefrom.

**a) Status of Zakat assessments**

The Company has submitted Zakat declarations for the years up to 31 December 2023 to Zakat, Tax and Customs Authority ("ZATCA") and obtained Zakat certificate valid up to 30 April 2025. Additionally, the Company is in the process of filing its Zakat declaration for the year ended 31 December 2024.

The Zakat assessments have been concluded with the ZATCA for the years up to 31 December 2018 and for the years ended 31 December 2021, 2022 and 2023. The Company has not received any assessments for the years ended 31 December 2019 and 2020.

**b) Income tax**

Income tax is calculated in accordance with the applicable tax laws of the foreign subsidiary. Income tax assessments have been agreed with the Egyptian Tax Authority up to 31 December 2018. The Company has not received any assessments for the years ended 31 December 2019 to 2023.

**20. Related Party Transactions and Balances**

- a) The Group in the normal course of business, enters into transactions with other entities that fall within the definition of a related party contained in IAS-24.
- b) Transactions with related parties mainly relate to the purchase of goods and services and sales processed through affiliated companies (affiliated companies are parties related to the Group or shareholders of the Company) in accordance with the agreement mutually entered into. Transactions with related parties are undertaken at mutually agreed prices.
- c) The following table states the relationship with related parties with whom transactions have been carried out by the Company.

Name of Related Party	Relationship
Jamjoom Printing Press Est.	Common control of UCP
Jamjoom General Agencies	Control of close family members of UCP
Jamjoom Medicine Store	Control of close family members of UCP
Tegan Al Fateh Factory Company Limited	Control of close family members of UCP
Dream Sky Travel & Tourism Agency	Control of close family members of UCP
Jamjoom Algeria Lildawa	Joint control
Jamjoom HUPP Pharma LLC	Joint control

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**20. Related Party Transactions and Balances (continued)**

d) Significant related party balances arising from transactions are described as under:

Name	Nature of transactions	Amount of transactions		Closing balance	
		2024	2023	2024	2023
<b>Due from related parties under trade receivables:</b>					
Jamjoom Medicine Store	Sale of products <sup>(1)</sup>	<b>754,805,616</b>	609,295,532		
	Distribution commission	<b>1,809,068</b>	3,146,333	<b>206,035,564<sup>(3)</sup></b>	152,692,940 <sup>(3)</sup>
<b>Due from related parties under other current assets:</b>					
Jamjoom HUPP Pharma LLC	Loan receivable <sup>(2)</sup>	--	--	<b>17,452,028</b>	17,452,028
Dream Sky Travel & Tourism Agency	Advance to supplier	--	4,553,644	--	509,602
Jamjoom Algeria Lildawa	Sale of raw material and semi-finished goods	<b>6,241,905</b>	821,147	<b>370,219</b>	475,826
				<b>17,822,247</b>	18,437,456
Less: Provision for impairment loss on due from related party (note 20.1)					
				<b>(17,452,028)</b>	(11,635,255)
				<b>370,219</b>	6,802,201

(1) This represents gross sales amount.

(2) The balance represents an interest free loan provided by the Company to Jamjoom HUPP Pharma LLC.

(3) This represents gross receivable amount. Expected credit loss has been provided against this balance as per IFRS. Refer to note 11 for information about the exposure to credit risk.

Name	Nature of transactions	Amount of transactions		Closing balance	
		2024	2023	2024	2023
<b>Due to related parties under trade payables and other current liabilities:</b>					
Jamjoom General Agencies	Purchases and services rendered	<b>976,048</b>	444,515	<b>211,113</b>	158,010
Jamjoom Printing Press	Purchases and services rendered	<b>10,040,776</b>	7,424,023	<b>1,147,323</b>	1,182,202
Dream Sky Travel & Tourism Agency	Services rendered	<b>15,043,109</b>	11,244,436	<b>113,058</b>	136,953
Tegan Al Fateh Factory Company Limited	Purchases – Packing material	<b>20,061,837</b>	20,529,024	<b>2,993,713</b>	3,397,834
				<b>4,465,207</b>	4,874,999

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## 20. Related Party Transactions and Balances (continued)

20.1 The movement in provision for impairment loss on due from a related party is as follows:

	2024	2023
Balance at 1 January	<b>11,635,255</b>	9,135,255
Provision during the year	<b>5,816,773</b>	2,500,000
Balance at 31 December	<b>17,452,028</b>	11,635,255

20.2 Key management personnel remuneration and compensation:

Compensation to Group's key management personnel includes salaries, non-cash benefits, and contributions to post-employment defined benefit plan. The following table illustrates details of remuneration and compensation paid to key management personnel:

	2024	2023
Short-term employee benefits	<b>18,937,011</b>	14,737,199
Long-term employee benefits	<b>1,292,159</b>	886,944
Board of Directors' and Other Committees' Remuneration	<b>4,821,409</b>	4,811,585

## 21. Commitments and Contingencies

The Group has the following contingencies and commitments:

	2024	2023
Letter of credit	--	14,126,429
Letters of guarantee	<b>10,096,951</b>	12,586,014
Corporate guarantee (note 21.1)	<b>40,476,430</b>	18,598,939
Contractual commitments (note 21.2)	<b>5,324,118</b>	7,533,008

21.1 This represents corporate guarantee provided by the Group to local banks in Algeria in favor of its equity-accounted investee, Lildawa. These include an amount of:

- SR 18.6 million to support the working capital requirements of the equity-accounted investee.
- SR 21.9 million to support financing for additional production lines at the equity-accounted investee's existing facility.

Subsequent to year end SR 17.8 million corporate guarantee is extended by the Group to local bank in Algeria in favor of its equity-accounted investee to support the working capital requirements.

The guarantees have been advanced in ratio of Group's ownership interest in the equity-accounted investee (note 8).

Company has recognized a provision for expected credit loss amounting to SR 0.91 million on the total amount of corporate guarantee provided by the Company in favor of its equity-accounted investee in Algeria. The maximum exposure is limited to the gross value of such guarantee.

21.2 The contractual commitments represent the Group's commitments related to construction and electromechanical contracts related to works in progress not yet completed (note 5.2).

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## 22. Revenue

The Group's revenue from contracts with customers is generated from the sale of products to customers. In the following table, revenue from contracts with customers is presented net from discounts and related return impact, and disaggregated by reportable segments. The table also includes revenue disaggregated by primary geographical market. The group recognized all the revenue at a point in time.

	2024	2023
Revenue by reportable segments		
Pharmaceutical products	<b>1,139,406,176</b>	956,730,579
Consumer health products	<b>179,070,314</b>	144,088,503
<b>Total</b>	<b>1,318,476,490</b>	1,100,819,082
Primary geographical markets		
Kingdom of Saudi Arabia	<b>857,666,947</b>	720,585,929
Gulf	<b>181,683,128</b>	139,927,926
Iraq	<b>116,192,517</b>	105,137,753
Egypt	<b>70,598,457</b>	59,238,659
North Africa and other export markets	<b>92,335,441</b>	75,928,815
<b>Total</b>	<b>1,318,476,490</b>	1,100,819,082

## 23. Costs Of Revenue

	2024	2023
Raw materials and consumables	<b>292,639,605</b>	241,365,940
Salaries and employee related costs	<b>105,986,131</b>	79,653,627
Depreciation (note 5.1)	<b>29,082,886</b>	18,457,507
Amortisation (note 7)	<b>131,407</b>	130,829
Depreciation on right of use assets	<b>209,556</b>	209,556
Traveling and communication	<b>1,746,944</b>	1,487,450
Provision for inventories (note 10.1)	<b>18,435,513</b>	12,367,430
Supplies and consumables	<b>12,292,572</b>	10,448,844
Repair and maintenance	<b>9,739,923</b>	9,521,092
Utilities	<b>18,118,820</b>	13,202,777
Others	<b>9,590,800</b>	10,138,683
	<b>497,974,157</b>	396,983,735

## 24. Selling and Distribution Expenses

	2024	2023
Salaries and employee related costs	<b>120,401,312</b>	110,876,083
Distribution expenses	<b>74,503,046</b>	70,868,248
Brand reminders, free medical samples and promotion	<b>94,663,461</b>	81,286,038
Travelling and communication	<b>10,776,717</b>	11,688,575
Amortisation (note 7)	<b>17,225</b>	17,225
Depreciation (note 5.1)	<b>1,032,302</b>	995,464
Others	<b>15,243,645</b>	10,678,061
	<b>316,637,708</b>	286,409,694

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## 25. General and Administrative Expenses

	2024	2023
Salaries and employee related costs	<b>48,310,600</b>	44,050,933
Travelling and communication	<b>2,096,632</b>	2,456,205
Depreciation (note 5.1)	<b>2,694,296</b>	2,633,576
Depreciation on right-of-use asset	<b>46,792</b>	46,792
Amortisation (note 7)	<b>367,777</b>	307,123
Utilities	<b>316,145</b>	2,300,889
Repair and maintenance	<b>2,333,712</b>	2,047,932
Professional and consultancy fees	<b>7,523,792</b>	3,853,171
Others	<b>7,362,653</b>	8,366,018
	<b>71,052,399</b>	66,062,639

## 26. Research, Development and Regulatory Expenses

	2024	2023
Salaries and employee related costs	<b>21,622,031</b>	19,441,391
Travelling and communication	<b>472,378</b>	306,002
Depreciation (note 5.1)	<b>2,311,199</b>	2,307,780
Amortisation (note 7)	<b>26,515</b>	21,129
Cost of exhibit batches	<b>568,830</b>	2,024,630
Lab scale batches	<b>1,510,616</b>	1,632,845
Supplies and consumables	<b>781,955</b>	974,808
Others	<b>6,708,893</b>	6,679,872
	<b>34,002,417</b>	33,388,457

## 27. Impairment Loss on Financial Assets

	2024	2023
Impairment loss on trade receivables (note 11)	<b>11,386,208</b>	2,095,285
Impairment loss on financial guarantee contracts	<b>910,348</b>	--
Impairment loss on due from a related party (note 20)	<b>5,816,773</b>	2,500,000
	<b>18,113,329</b>	4,595,285

## 28. Net Finance Cost

Finance costs and finance income for the year comprises of the following:

	2024	2023
Finance costs		
Bank charges	<b>568,960</b>	515,131
Finance charge on leases	<b>101,454</b>	112,088
Investments at FVTPL - net changes in fair values	<b>4,523,211</b>	--
Foreign currency loss	<b>18,754,325</b>	1,327,890
Total finance costs	<b>23,947,950</b>	1,955,109
Finance income		
Investments at FVTPL – net changes in fair values	--	44,035
Profit from call accounts	<b>6,939,599</b>	--
Total finance income	<b>6,939,599</b>	44,035

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## 29. Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing profit for the year attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares in issue outstanding during the year.

	2024	2023
Net profit for the year	356,524,229	292,400,083
Weighted average number of ordinary shares in issue	70,000,000	70,000,000
Basic and diluted earnings per share (SR)	5.09	4.18

The diluted EPS is same as the basic EPS as the Group does not have any dilutive instruments in issue.

## 30. Operating Segment

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and are managed separately because they require different marketing strategies. The Group Chief Executive Officer (CEO) monitors the results of the Group's operations for the purpose of making decisions about resource allocation and performance assessment. The CEO is solely, the Chief Operating Decision Maker (CODM) for the Group.

For each of the strategic business units, the CODM reviews internal management reports on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- Pharmaceutical products – represents medicines or drugs and they are essential for the prevention and treatment of diseases, and protection of public health.
- Consumer health products – represents products used to support personal well-being, maintain health, or address specific health-related needs. These products are available over the counter (OTC) without the need for a prescription.

No operating segments have been aggregated to form the above reportable operating segments.

Segment results that are reported to CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Information regarding the results of each reportable segment is included below. Performance is measured based on segment gross profit, as included in the internal management reports that are reviewed by the CODM. There are no inter segment revenue reported during the year. The following table presents segment information for the year ended 31 December:

Particulars	Pharmaceutical products		Consumer health products		Total of Reportable Segments	
	2024	2023	2024	2023	2024	2023
Revenue	1,139,406,176	956,730,579	179,070,314	144,088,503	1,318,476,490	1,100,819,082
Costs of revenue	(427,072,707)	(345,389,165)	(70,901,450)	(51,594,570)	(497,974,157)	(396,983,735)
Segment gross profit	712,333,469	611,341,414	108,168,864	92,493,933	820,502,333	703,835,347

Pharmaceutical and consumer health segment are managed on a worldwide basis, but sales are primarily in Saudi Arabia, Egypt, Iraq, Gulf countries and North Africa countries. Refer to note 22 for geographical disclosure on revenue while segment non-current assets are mainly based in Saudi Arabia and Egypt.

### Major customer

Revenues from two customers of the Group's pharmaceutical products and consumer health products segment represented approximately SR 819.66 million (2023: SR 672.8 million) of the Group's total revenues.

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## 31. Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk from its use of financial instruments. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

### (a) Risk management framework

Risk management is carried out by senior management under the supervision of Audit Committee as per the policies approved by the Board of Directors. Senior management identifies and evaluates financial risks in close cooperation with the Group's operating units. The most important types of risk are market risk, credit risk and liquidity risk.

The Board of Directors has overall responsibility for establishment and oversight of the Group's risk management framework. The executive management team is responsible for developing and monitoring the Group's risk management policies. The team regularly meets, and any changes and compliance issues are reported to the Board of Directors.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees compliance by management with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit department. Internal audit department undertakes reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Financial instruments carried on the consolidated statement of financial position include cash and cash equivalents, trade receivables, due from related parties, investments, trade payable, due to related parties, accrued liabilities and retention payable. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

#### (i) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk.

#### Interest rate risk

Interest rate risks are the exposures to various risks associated with the effect of fluctuations in the prevailing interest rates on the Group's financial positions and cash flows. As at the reporting date, the Group is not exposed to any interest risk as it does not have any interest-bearing financial instruments.

#### Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates for its transactions principally in Saudi Riyals, US Dollars, Algerian Dinar, Egyptian Pound, UAE Dirham and Euros. The Group is exposed to foreign exchange risk. The Group's other financial liabilities are exposed to currency translation risk. Currently, such exposures are mainly related to exchange rate movements between Saudi Riyals and Egyptian Pound. Since Saudi Riyals is pegged with US Dollars, the Group is not exposed to currency risk for the transactions denominated in US Dollars carried out in Saudi Riyal. However, the group's Egyptian subsidiary is exposed to exchange rates movement between Egyptian pound and US Dollars.

The Group's management monitors such fluctuations and manages its effect on the consolidated financial statements accordingly.

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## 31. FINANCIAL RISK MANAGEMENT (continued)

## (i) Market risk (continued)

## Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk is as follows:

	31 December 2024					
	US Dollars	Euro	Algerian Dinar	Egyptian Pound	United Arab Emirates Dirhams	Bahraini Dinar
Trade receivables	22,675,159	933,568	--	--	--	89,280
Other current assets	--	94,710	--	--	--	--
Cash and cash equivalents	10,497,051	1,415,580	--	142,496	2,196,950	--
	33,172,210	2,443,858	--	142,496	2,196,950	89,280
Trade payables and other current liabilities	(1,452,205)	(1,197,026)	(5,966,620)	(961,327)	(3,966,387)	(6,056)
Net exposure	31,720,005	1,246,832	(5,966,620)	(818,831)	(1,769,437)	83,224

	31 December 2023					
	US Dollars	Euro	Algerian Dinar	Egyptian Pound	United Arab Emirates Dirhams	
Trade receivables	16,961,115	773,100	--	--	--	
Other current assets	--	--	226,760,286	--	--	
Cash and cash equivalents	10,549,368	1,328,210	--	--	--	
	27,510,483	2,101,310	226,760,286	--	--	
Trade payables and other current liabilities	(3,243,458)	(695,775)	(5,966,620)	(593,600)	(1,808,128)	
Net exposure	24,267,025	1,405,535	220,793,666	(593,600)	(1,808,128)	

Significant exchange rates applied during the year were as follows:

	Average rate		Spot rate	
	For the year ended 31 December		For the year ended 31 December	
	2024	2023	2024	2023
Foreign currency per Saudi Riyal				
US Dollar	<b>0.2667</b>	0.2667	<b>0.2667</b>	0.2667
Euros	<b>0.2593</b>	0.2451	<b>0.2567</b>	0.2414
Algerian Dinar	<b>37.8284</b>	36.2348	<b>36.1664</b>	35.6616
Egyptian Pound	<b>13.3271</b>	7.4201	<b>13.5556</b>	8.2346
UAE Dirham	<b>0.9793</b>	0.9790	<b>0.9793</b>	0.9787

## Sensitivity analysis

A reasonably possible strengthening (weakening) of the Euros, Algerian Dinars, Egyptian Pounds and UAE Dirhams against all other currencies at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected profit before Zakat and income tax by the amount shown below. This analysis assumes that all other variables remain constant.

	Strengthening (5%)		Weakening (5%)	
	31 December 2024		31 December 2023	
Euro		(243,691)		243,691
Algerian Dinar		8,195		(8,195)
Egyptian Pound		166,680		(166,680)
UAE Dirham		94,926		(94,926)
31 December 2023				
Euro		(313,975)		313,975
Algerian Dinar		(306,351)		306,351
Egyptian Pound		3,625		(3,625)
UAE Dirham		92,315		(92,315)

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**31. FINANCIAL RISK MANAGEMENT (continued)****(i) Market risk (continued)****Price risk**

The risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. Equity price risk arises from equity securities at FVTPL. For certain investments, management is assisted by external advisors. In accordance with its long-term strategy, certain investments are designated at FVTPL because their performance is actively monitored and they are managed on a fair value basis. The Group exposure to any price risk is not material.

**(ii) Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The management also continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery which is based on customer profile and payments history. Outstanding customer receivables are regularly monitored. The Group's maximum exposure to credit risk at the reporting date is as follows:

	2024	2023
Financial assets		
Trade receivables, net	<b>443,520,379</b>	332,125,964
Due from related parties, net	<b>370,219</b>	6,292,599
Bank balance	<b>261,653,970</b>	284,249,818
<b>Total</b>	<b>705,544,568</b>	622,668,381

As at 31 December 2024, four largest customers account approximately for 85% (31 December 2023: 77%) of gross outstanding trade receivables. However, the Group assessed the concentration of risk to exist with respect to accounts receivable and manages its exposure by deploying strict credit control policies with its customers.

At 31 December 2024, the maximum exposure to credit risk for gross trade receivables by geographic region is as follows:

	2024	2023
Kingdom of Saudi Arabia	<b>368,594,702</b>	264,853,795
Gulf	<b>33,740,015</b>	21,803,252
Iraq	<b>28,925,747</b>	31,775,668
Egypt	<b>7,936,883</b>	10,568,762
North Africa and other export markets	<b>26,565,748</b>	14,257,190
<b>Total</b>	<b>465,763,095</b>	343,258,667

The group's exposure to credit risk and ECL for trade receivables from customers is disclosed in note 11.

The Group applies IFRS 9, by the simplified approach that measures expected credit losses using the provision for loss of life of the expected amounts of all financial assets. For the purposes of measuring expected credit losses, financial assets are grouped based on the characteristics of the combined credit risk and the maturity of the receivables. The Group therefore summarizes the expected loss rates for trade receivables as approximate and reasonable in relation to loss ratios of receivables. The expected loss ratios are based on payments / repayments of receivables over a period of time and similar historical credit losses tested during this period. The historical loss ratios have been adjusted to reflect the impact of research information on macro-economic factors, affecting the ability of customers to repay receivables.

**(iii) Liquidity risk**

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available.

The Group's approach to managing liquidity is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

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## 31. FINANCIAL RISK MANAGEMENT (continued)

## (iii) Liquidity risk (continued)

The following are the remaining contractual maturities of financial liabilities reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

	Contractual cash flows					Total
	Carrying amount	Less than 1 year	Within 1 to 5 years	More than 5 years		
31 December 2024						
Lease liabilities	2,094,782	347,255	1,389,020	845,295	2,581,570	
Trade Payable	38,257,695	38,257,695	--	--	38,257,695	
Accrued and other liabilities	122,159,025	122,159,025	--	--	122,159,025	
Due to related parties	4,465,206	4,465,206	--	--	4,465,206	
Retention payable	545,096	545,096	--	--	545,096	
	167,521,804	165,774,277	1,389,020	845,295	168,008,592	

	Contractual cash flows					Total
	Carrying amount	Less than 1 year	Within 1 to 5 years	More than 5 years		
31 December 2023						
Lease liabilities	2,401,193	347,255	1,389,020	1,192,550	2,928,825	
Trade Payable	63,240,884	63,240,884	--	--	63,240,884	
Accrued and other liabilities	78,899,745	78,899,745	--	--	78,899,745	
Due to related parties	4,874,999	4,874,999	--	--	4,874,999	
Retention payable	2,045,096	2,045,096	--	--	2,045,096	
	151,461,917	149,407,979	1,389,020	1,192,550	151,989,549	

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amount.

Reconciliation of liabilities arising from financing activities is as follows:

	Non- cash changes				
	1 January 2024	Dividend declared	Finance cost	Others	Cash flows* 31 December 2024
Dividend	--	217,000,000	--	--	(217,000,000) --
Lease liabilities	2,401,193	--	101,454	--	(407,865) 2,094,782
	2,401,193	217,000,000	101,454	--	(217,407,865) 2,094,782

	Non- cash changes				
	1 January 2023	Dividend declared	Finance cost	Others	Cash flows* 31 December 2023
Dividend	--	70,000,000	--	--	(70,000,000) --
Lease liabilities	2,636,370	--	112,088	--	(347,265) 2,401,193
	2,636,370	70,000,000	112,088	-	(70,347,265) 2,401,193

\* This also includes interest payment made presented under the Group accounting policy as an operating cash flow.

## (b) Capital risk management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.

The Group manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares.

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**31. FINANCIAL RISK MANAGEMENT (continued)****(b) Capital risk management (continued)**

The Group's net cash and cash equivalents as at 31 December is as follows:

	2024	2023
Trade and other payables	<b>172,705,293</b>	154,216,943
Lease liabilities	<b>2,094,782</b>	2,401,193
Total obligations	<b>174,800,075</b>	156,618,136
Cash and cash equivalents	<b>261,673,842</b>	284,276,766
Net cash and cash equivalents	<b>86,873,767</b>	127,658,630

**(c) Measurement of fair values**

As at 31 December 2024, the carrying values of the financial assets and financial liabilities is a reasonable approximation of their fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following table shows the carrying amount and fair values of the financial assets and financial liabilities, including their levels and fair value hierarchy. It doesn't include fair value information for financial assets and financial liabilities not measured at fair value if the carrying value is a reasonable approximation of fair value.

	Carrying amount	Fair Value				Total		
		Mandatorily at FVTPL	Level 1	Level 2	Level 3			
<b>31 December 2024</b>								
Financial assets measured at fair value								
Investment at fair value through profit or loss	636,737	636,737	--	--	636,737			
<b>31 December 2023</b>								
Financial assets measured at fair value								
Investment at fair value through profit or loss	5,159,948	748,427	--	4,411,521	5,159,948			

There are no transfers in the fair value levels during the years ended 31 December. Significant unobservable inputs for determination of level 3 fair value comprises considering of qualitative factors such as economic and geopolitical situation surrounding the underlying investment.

The carrying values of the financial liabilities under amortised cost approximate their fair values. The carrying value of all the financial assets classified as amortised cost approximates their fair value on each reporting date.

**32. Subsequent Event**

In the opinion of the management, except for the matter disclosed in note 21.1 and note 14.3, there have been no significant subsequent events since the year ended 31 December 2024 which would have a material impact on the financial position of the Group as reflected in these consolidated financial statements.

**33. Approval of Consolidated Financial Statements**

These consolidated financial statements were approved and authorized for issue by the Board of Directors on 24 February 2025, corresponding to 25 Shaban 1446h.



Jamjoom Pharmaceuticals Factory Company,  
Plot No. ME1:3, Phase V, Industrial City,  
Jeddah, Saudi Arabia

Tel: +966 12 614 0099  
Email: [IR@jamjoompharma](mailto:IR@jamjoompharma)

[jamjoompharma.com](http://jamjoompharma.com)

