Earnings Release

Jamjoom Pharma's net profit surges by 53% YoY to SAR 157 million in 1Q 2025

1Q 2025 Financial Highlights

- Revenue growth of 18.7% YoY to SAR 457.5 million
- Gross profit of SAR 292.8 million, with a gross margin of 64.0%
- EBITDA[1] growth of 26.2% YoY to SAR 172.4 million, with EBITDA margin expanding by 2.2 ppts YoY to 37.7%
- Net profit increased by 52.5% YoY to SAR 157.0 million
- Free cash flow[2] conversion reached 93.6%, with a net cash position of SAR 137.5 million as at 31 March 2025

Jeddah, April 30, 2025 – Jamjoom Pharmaceuticals Factory Co. (Ticker: 4015.SR), a leading pharmaceutical manufacturer in the Middle East and Africa, continued its growth momentum into the new year, with a positive set of results reported for the first quarter of 2025. Building on a record FY 2024, the Company maintained strong performance through continued execution of its strategic roadmap, supported by operational excellence and geographic expansion.

Jamjoom Pharma delivered a robust start to the year, achieving a year-on-year revenue increase of 18.7% to SAR 457.5 million in 1Q 2025. Gross profit reached SAR 292.8 million, with a gross margin of 64.0% reflecting stringent cost discipline and efficiency gains. EBITDA grew by 26.2% year-on-year to SAR 172.4 million, with the EBITDA margin expanding to 37.7%. Net profit surged to SAR 157.0 million, representing a 52.5% increase year-on-year and marking a net margin of 34.3%. The Company maintained an impressive free cash flow conversion of 93.6% and closed the quarter with a net cash position of SAR 137.5 million.

Jamjoom Pharma's 1Q 2025 results reaffirm the strength of its business model and its ability to deliver consistent, profitable growth across its markets.

Dr. Tarek Hosni, Chief Executive Officer of Jamjoom Pharma, commented on the 1Q 2025 performance:
"Our strong start to the year reflects the solid foundation laid since 2021 and the consistent execution of our strategic initiatives. In the first three months of 2025, we consistently delivered positive results, beating expectations across all key financial metrics. This performance is built on the dedication and excellence in execution of our teams, collaboration with our commercial partners, and the vital support of regulators.

We continued to gain market share in key therapeutic areas — notably ophthalmology, dermatology, general medicine, and anti-diabetics — and made meaningful progress in expanding our manufacturing

[1] EBITDA = Operating profit less depreciation & amortization add share of profit from joint venture
[2] Free cash flow conversion = Free cash flow/EBITDA. Free cash flow is calculated as (EBITDA – CAPEX)

capabilities, with both our new facilities in Jeddah and Egypt ramping up production. Our Egypt facility, launched in 2023, now fulfills nearly all local market needs, while the Jeddah Sterile Facility is steadily scaling capacity for high-value ophthalmic products.

Looking ahead, one of our core strategic priorities remains establishing a leading cardiometabolic portfolio whilst further expanding our market share in key geographies. Our recent investments in strengthening our leadership team and restructuring our commercial clusters are already showing encouraging early results as we advance on our vision to position Jamjoom Pharma as the regional leader in healthcare."

Performance Highlights

Income Statement Summary

SAR (mn)	1Q 2025	1Q 2024	YOY Δ%
Revenue	457.5	385.5	19%
Gross profit	292.8	249.4	17%
Operating profit	158.2	127.3	24%
Net profit for the period	157.0	103.0	53%
EBITDA	172.4	136.6	26%
FCF	161.3	114.9	40%
EPS	2.2	1.5	53%

Revenue Mix by Geographies

SAR (mn)	1Q 2025	1Q 2024	YOY Δ%
KSA	315.5	253.5	+24%
Gulf	53.2	45.8	+16%
Iraq	40.1	34.2	+17%
North Africa & other export countries	30.5	26.5	+15%
Egypt	18.3	25.4	-28%
Revenue	457.5	385.5	+19%

Revenue Mix by Therapeutic Areas

SAR (mn)	1Q 2025	1Q 2024	YOY Δ%
Ophthalmology	118.4	98.9	+20%
Dermatology	86.8	71.8	+21%
General Medicine	87.9	66.8	+32%
Consumer Health	59.6	51.1	+17%
GIT	37.6	31.9	+18%
CVD	19.3	19.9	-3%
CNS	10.8	11.2	-3%
Anti-Diabetic	9.6	6.5	+48%
Pain & Inflammation	27.5	27.4	+0%
Revenue	457.5	385.5	+19%

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Revenue Trends

In 1Q 2025, Jamjoom Pharma sustained its upward growth momentum, building on the solid foundation established in 2024. Revenue reached SAR 457.5 million, reflecting a YoY growth of 18.7%, underscoring the success of our strategy to deepen market penetration, diversify our portfolio, and capitalize on operational efficiencies.

Our core therapeutic focus areas — Ophthalmology, Dermatology, and General Medicine — were the cornerstone of our performance, backed by strong execution across both institutional and retail channels. The Anti-Diabetic portfolio, launched in 2023, continued to gain traction with strategic initiatives to expand our cardiometabolic portfolio and enhance our market presence, contributing SAR 28.9 million in revenue.

Regional performance highlights

Saudi Arabia remains our growth engine, with revenue reaching SAR 315.5 million (68.9% of total sales) revenue, driven by strong performance across key therapeutic areas and markets. As at March 2025, the overall KSA retail market[3] grew 15.5% on a moving annual total (MAT) basis.

The Gulf region delivered exceptional year-over-year growth of 16.2% in the first quarter of 2025, driven by improved distribution models, enhanced market intelligence, and a focused push on high-margin segments. Iraq continued to perform strongly, with revenue growing 17.2% year-over-year, supported by renewed distributor terms, portfolio optimization, targeted commercial efforts, and initiatives to strengthen product availability — solidifying Iraq's position as a key growth market within our regional portfolio. In North Africa and other export markets, revenue increased by 14.8%, led by healthy growth in Morocco, Jordan and Libya.

Amidst operational improvements and the continued ramp-up of local manufacturing capacity, Egypt's revenue grew by 11.2% in constant currency terms but declined by 28.0% year-over-year in the first quarter of 2025. This was primarily due to the depreciation of the Egyptian Pound (EGP) whereas the impact of the March 2024 depreciation was only partially reflected in the first quarter of 2024, the weaker EGP affected the entire first quarter of 2025, resulting in lower translated revenue in SAR terms. Notably, local production accounted for 96.8% of total sales in Egypt, underscoring the strategic importance and medium-term growth potential of the Egypt market.

Therapeutic Area Growth

In the first quarter of 2025, Ophthalmology and Dermatology together accounted for 44.8% of total revenue, with both therapeutic areas delivering strong year-over-year growth of 19.7% and 20.9%, respectively. This growth was fueled by sustained demand, effective management, and strategic market expansion initiatives, in addition to the continued ramp-up of our new sterile manufacturing facility supporting increased product availability and supply resilience..

General Medicine demonstrated robust growth by 31.7% compared to 1Q 2024 as we shift our focus to high-value strategic products to gain market share. Anti-Diabetic demonstrated strong momentum, achieving a 48.4% YoY increase, launching 1 new brand in 1Q 2025. Gastrointestinal (+17.8%) and Consumer Health (+16.6%) segments also contributed positively, reflecting the success of targeted marketing strategies and portfolio optimization efforts. During 1Q 2025 we launched two new brands, one in Ophthalmology and one in Anti-diabetic bringing our total number of brands to 143.

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[3] IQVIA Retail KSA Market Data as at MAT March 2025

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Our strategic focus is centered on addressing underperforming therapeutic areas by advancing new launch pipelines, enhancing commercial excellence, and pursuing business development opportunities to accelerate growth and unlock market share.

Cost Trends and Margins

In the first quarter of 2025, Jamjoom Pharma's cost of revenue increased by 21.0% year-over-year. Direct production costs, including materials and consumables, rose by 21.3% year-over-year, driven by sales volume growth and broader trends in input costs. Salaries and employee-related costs increased by 28.7% YoY, reflecting higher employee related costs to support the company's expanding operations and future growth initiatives. Depreciation and amortization cost increased by 45.3%, due to the impact of recently capitalized facilities in Egypt and Jeddah. Other operational expenses decreased by 6.0%, reflecting stringent cost control measures.

In the first quarter of 2025, Jamjoom Pharma's total production reached 40.6 million units across its three manufacturing sites, reflecting a 7.2% year-over-year decline. This decrease was primarily due to a focus on liquidation of existing inventory to efficiently meet market demand. Encouragingly, despite lower production volumes, notable progress was made in alleviating packaging bottlenecks compared to last year, further strengthening operational efficiency across key lines.

The Jeddah main facility produced 33.4 million units, the Egypt facility produced 5.5 million units, and the Jeddah sterile facility produced 1.6 million units. This reflects our efforts made to enhance manufacturing scalability and ensure supply continuity. Looking ahead, production volumes are expected to ramp up during 2025 as the new sterile facility concludes the full transfer of the ophthalmology portfolio by late 2025 or early 2026, while output at the main site is expected to remain broadly stable year-over-year.

Gross profit margin declined by 0.7 percentage points YoY to 64.0%, primarily due to product and regional mix variations. Despite margin pressure, gross profit grew by 17.4% YoY reflecting higher revenue growth.

Jamjoom Pharma's operating costs structure demonstrates operational efficiency; selling and distribution expenses experienced a modest increase by 5.5% YoY, reaching SAR 100.0 million, reflecting continued growth in sales force activity and brand support initiatives. The increase was lower than revenue growth, supported by improved resource allocation and operational efficiency. General and administrative expenses rose by 38.2% YoY to SAR 22.1 million, primarily due to higher employee-related costs, driven by new executive hires and organizational enhancements in line with the Company's ambition to attract and retain talent. Research and development expenses amounted to SAR 9.4 million, up 15.5% YoY, due to an increase in costs related to employees, lab scale batches, and supplies & consumables, supporting continued R&D development.

EBITDA margin improved by 2.2 percentage points YoY, reaching 37.7%, supported by economies of scale and disciplined cost control. Finance costs decreased by 99.2% YoY in 1Q 2025, primarily driven by the absence of foreign exchange losses incurred in the same quarter last year. Additionally, a SAR 4.0 million share of profit from the Algerian joint venture also contributed to a net profit surge by 52.5% YoY, reaching SAR 157.0 million in 1Q 2025, reflecting our highest quarterly net profit.

Business Development Update

Jamjoom Pharma continues to maintain strong momentum on the business development front, actively pursuing inorganic growth opportunities to broaden its portfolio, strengthen leadership in core therapeutic areas, and support strategic market expansion. To date, Jamjoom Pharma has signed eight strategic business development agreements, targeting biosimilar and generic products. These agreements were signed with leading international partners from Switzerland, China, Europe, and Japan, covering Saudi Arabia (KSA), the GCC, MENA, and North Africa markets.

These agreements follow a "License and Supply" model, aligned with the Company's Vision to build local manufacturing capabilities and advance regional healthcare sustainability. New product launches stemming from these agreements are expected to commence from late 2026 onwards.

CAPEX and Cash Flows

Working capital increased by 23.0% YoY reaching SAR 779.4 million in 1Q 2025, led by higher inventory levels to support ongoing demand and ensure supply continuity across key therapeutic areas. The cash conversion cycle[4] extended to 297 days, compared to 282 days in 1Q 2024, representing a 5.6% YoY increase. The change was mainly driven by a 15-day increase in receivable days, reflecting the significant increase in tender sales during 1Q 2025. Meanwhile, both DPO and DIO decreased by 15 and 14 days respectively, indicating shorter payment cycles and tighter inventory turnover.

Operating cash flow for the quarter was negative SAR 6.1 million, a significant improvement from the negative SAR 46.9 million in 1Q 2024 reflecting higher profitability. Despite this, the Company's core operational performance remained strong, demonstrating the ability to sustain a solid liquidity position while supporting future growth.

Capital expenditure totaled SAR 15.8 million, accounting for 3.5% of revenue which is below the guided range of 4-6%.

As of the end of 1Q 2025, the Company maintained a net cash position of SAR 137.5 million - post-payment of a SAR 102.2 million dividend in March 2025 - providing a strong financial base to support ongoing growth.

Balance Sheet Summary

SAR (mn)	Mar 2025	Dec 2024	YTD Δ%
Total Non-Current Assets	754.1	743.0	1%
Total Current Assets	1,150.5	1,028.7	12%
Total Assets	1,904.5	1,771.6	8%
Total Equity	1,546.5	1,490.6	4%
Total Non-Current Liabilities	89.1	79.3	12%
Total Current Liabilities	268.9	201.8	33%
Total Liabilities	358.0	281.0	27%

As of March 31, 2025, the Company's total assets stood at SAR 1,904.5 million, representing a 7.5% increase from the end of December 2024. Total non-current assets increased by 1.5%, reaching SAR 754.1 million, reflecting the impact of ongoing capital expenditure, partially offset by depreciation. Total current assets rose by 11.8%, totaling SAR 1,150.5 million, primarily driven by increases in trade receivables offset by decreases in inventory and cash.

[4] DSO, DPO, and DIO calculated on LTM bases

Shareholders' equity increased by 3.8%, reaching SAR 1,546.5 million, reflecting the net profit for the quarter and partially offset by dividend payouts.

Total liabilities reached SAR 358.0 million increasing by 27.4% from the end of 2024, primarily reflecting the growth in current liabilities. Current liabilities rose by 33.3% to SAR 268.9 million, largely due to higher trade payables and accruals, consistent with increased operating activity. Non-current liabilities increased by 12.4% to SAR 89.1 million, reflecting the increase in long-term employee benefits and lease obligations.

The Company's balance sheet remains solid, supported by a strong equity position and disciplined management of working capital.

Outlook and Guidance

We remain on track to achieve our 2025 financial guidance:

	FY 2025 Guidance	1Q 2025 Results	FY 2026-2027 Guidance
Revenue growth	12-15%	18.7%	12-15% (CAGR)
EBITDA margin	30-31.5%	37.7%	30-31.5%
CAPEX/Revenue	4-6%	3.5%	4-6%
Dividend (semi-annual)	50-60% payout ratio	-	50-60% payout ratio

In the longer term the Company retains its strategic focus on the MEA region and targets expansion into selected high-potential markets in the coming years, in line with its vision to become the leading MEA organization by 2030 through consistently providing affordable, high-quality healthcare solutions.

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Additional Information

The Company will be hosting the 1Q 2025 earnings call on the 30th of April 2025 at 3pm KSA time to present and discuss the financial results with investors and analysts. Attendees can register for this call through the link provided in the relevant announcement on the Saudi Exchange or by reaching out to our IR department at the email provided below, who will assist you in registering.

The 1Q 2025 financial statements, earnings release, earnings presentation and financial data supplement will be made available on the investors section of our website at: www.jamjoompharma.com

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