Jamjoom Pharma
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Earnings Release

Jamjoom Pharma's net profit surges by 38% YoY to SAR 289 million in 1H 2025

1H 2025 Financial Highlights

- Revenue growth of 16.8% YoY to SAR 853.7 million
- Gross profit of SAR 543.6 million, with a gross margin of 63.7%
- EBITDA[1] growth of 26.6% YoY to SAR 320.9 million, with EBITDA margin expanding by 2.9 ppts YoY to 37.6%
- Net profit for the period increased by 37.7% YoY to SAR 289.1 million, with net margin expanding 5.1ppts YoY to 33.9%
- Free cash flow conversion[2] at 87.4%, with a net cash position of SAR 183.3 million as at 30 June 2025

Jeddah, July 24, 2025 – Jamjoom Pharmaceuticals Factory Co. (Ticker: 4015.SR) a leading pharmaceutical manufacturer in the Middle East and Africa (MEA), announced strong financial results for the first half of 2025, reflecting disciplined execution, operational resilience, and sustained market penetration across its core markets and therapeutic areas (TAs).

Revenue grew by 16.8% YoY, reaching SAR 853.7 million, while gross profit stood at SAR 543.6 million, representing a gross margin of 63.7%. EBITDA rose by 26.6% to SAR 320.9 million with a margin of 37.6%, and net profit increased to SAR 289.1 million, reflecting a YoY growth of 37.7% driven by improved operating leverage through focusing on strategic products and reduced finance costs.

Free cash flow conversion remained solid at 87.4%, while the Company ended the period with a net cash position of SAR 183.3 million, reflecting disciplined capital allocation and robust cash generation.

Dr. Tarek Hosni, Chief Executive Officer of Jamjoom Pharma, commented on the 1H 2025 performance:
"We are proud to report a strong first half of 2025, marked by sustained growth and operational execution. Our success reflects the strength of our commercial platform and the dedication of our people across the region. With strategic partnerships gaining traction and manufacturing capabilities scaling efficiently, we are well-positioned for continued expansion through the second half and beyond.

Our performance was driven by key strategic brands that deliver high patient value, supported by a disciplined stream of launches over the past three years. We continue to build momentum in TAs such as General Medicine and Gastrointestinal, while our cardiometabolic portfolio is advancing

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

steadily—laying the groundwork for it to become a future core area. At the same time, we are seeing excellent progress in our Consumer Health division, responding to a growing segment of consumers proactively managing their health through lifestyle-driven solutions, including vitamins and supplements.

On the manufacturing front, our investments are paying off. The Egypt facility now meets the majority of local demand, while our Jeddah Sterile Facility is scaling up to support high-value sterile product launches. These advancements are strengthening our supply chain and enhancing our agility in responding to local and regional needs.

Looking ahead, we will continue to strengthen our leadership in flagship TAs—Ophthalmology and Dermatology—while expanding into the broader cardiometabolic space, a category with the potential to significantly expand our patient impact and validate our presence in a key healthcare segment. The institutional channel has also seen strong growth, nearly doubling in size, and we expect this momentum to continue through strategic execution.

With our leadership team now fully integrated, Jamjoom Pharma is poised to broaden its reach in priority markets and accelerate its evolution as a leading regional healthcare company delivering high-value solutions to patients across the MEA region."

Performance Highlights

Income Statement Summary

SAR (mn)	1H 2025	1H 2024	YOY Δ%	2Q 2025	2Q 2024	YOY Δ%
Revenue	853.7	731.2	+17%	396.2	345.7	+15%
Gross profit	543.6	467.6	+16%	250.8	218.2	+15%
Operating profit (EBIT)	293.5	232.2	+26%	135.3	105.0	+29%
Net profit for the period	289.1	209.9	+38%	132.0	107.0	+23%
EBITDA	320.9	253.4	+27%	148.5	116.7	+27%
FCF	280.6	217.0	+29%	124.0	102.0	+22%
EPS	4.1	3.0	+38%	1.9	1.5	+23%

Revenue Mix by Geographies

SAR (mn)	1H 2025	1H 2024	YOY Δ%	2Q 2025	2Q 2024	YOY Δ%
KSA	577.8	479.0	+21%	262.4	225.5	+16%
Gulf	107.7	90.7	+19%	54.5	44.9	+21%
Iraq	83.2	65.3	+27%	43.1	31.1	+38%
North Africa & other export countries	48.4	53.8	-10%	17.9	27.2	-34%
Egypt	36.7	42.3	-13%	18.4	16.9	+9%
Revenue	853.7	731.2	+17%	396.2	345.7	+15%

Revenue Mix by Therapeutic Areas

SAR (mn)	1H 2025	1H 2024	YOY Δ%	2Q 2025	2Q 2024	YOY Δ%
Ophthalmology	215.3	197.6	+9%	96.9	98.7	-2%
Dermatology	152.4	140.4	+9%	65.6	68.6	-4%
General Medicine	166.2	120.7	+38%	78.3	53.9	+45%
Consumer Health	115.2	97.4	+18%	55.5	46.3	+20%
GIT	73.1	58.8	+24%	35.5	26.9	+32%
CVD	43.9	37.0	+19%	24.7	17.1	+44%
CNS	17.2	20.3	-15%	6.3	9.1	-30%
Anti-Diabetic	19.3	11.3	+71%	9.7	4.8	+103%
Pain & Inflammation	51.2	47.7	+7%	23.7	20.3	+17%
Revenue	853.7	731.2	+17%	396.2	345.7	+15%

Revenue Trends

In 1H 2025, Jamjoom Pharma sustained its growth momentum, supported by consistent execution across commercial, operational, and strategic pillars. Revenue reached SAR 853.7 million, representing a YoY increase of 16.8%, resulting from a keen focus on high value strategic brands supported by core TAs and targeted geographic footprint.

Our growth in 1H 2025 is underpinned by solid performance in General Medicine, GIT and Cardiometabolic portfolios, whilst Ophthalmology and Dermatology maintain their therapeutic leadership despite growing slower than the overall trend. Performance was underpinned by a strategic commercial focus, capitalizing on operational efficiencies, market demand and improved channel execution in both institutional and retail sectors. Our focus on the cardiometabolic[3] portfolio, results in positive momentum with a collective 31.1% growth in this TA reinforcing our strategic push into cardiometabolic care. Meanwhile, General Medicine, Gastrointestinal, and Consumer Health contributed positively to top-line performance, benefiting from focused targeted portfolio optimization, commercial strategies, and increased product availability across markets. Although overall growth was primarily driven by organic volumetric growth, new brands (SAR 4.8 million or 0.7%) and price increases (SAR 17.5 million or 2.4%) also contributed to the top-line growth.

Regional performance highlights

In the first half of 2025, Saudi Arabia continued to be Jamjoom Pharma’s primary growth avenue, recording a 20.6% year-on-year increase and contributing SAR 577.8 million—accounting for more than two-thirds of the company’s total revenue. This strong performance was fueled by robust institutional demand, supported by effective supply chain execution that enabled the company to capitalize on additional orders from customers and actively fulfil orders in the institutional marketplace[4]. Additionally, the company continued to grow above market in the private sector. As per IQVIA data as of May 2025, the overall Saudi retail pharmaceutical market grew by 14.2% on a MAT[5] basis, while Jamjoom Pharma outpaced this with a 17.5% growth, maintaining its position as the third-largest player.

[3] Cardiometabolic portfolio includes Cardiovascular and Anti-diabetic TAs
[4] The institutional marketplace is where orders are raised by institutional customers to address low stock levels during the year
[5] MAT = Moving Annual Total

The Gulf region contributed SAR 107.7 million, where UAE & Oman were stand-out contributors reflecting resilient demand and targeted growth in strategic brands in high-margin segments delivering an 18.7% growth.
Iraq continued to deliver solid results with exceptional growth by 27.3% YoY, recording SAR 83.2 million in revenue, supported by strong public-private partnerships, alongside high-impact digital engagement initiatives, combined with targeted medical education and scientific presence that expanded brand visibility and patient reach across key TAs.

In Egypt, revenue stood at SAR 36.7 million, reflecting a 13.3% YoY decline mainly due to the sustained impact of Egyptian Pound depreciation. In local currency, the business delivered 12.8% growth, supported by operational execution and expanded local manufacturing, which now fulfills nearly all of domestic sales resulting in an improved gross margin.

North Africa & other export markets generated SAR 48.4 million in revenue during 1H 2025, representing a 10.0% YoY decline mainly due to our Levant markets (Jordan & Lebanon) declining due to regional instability during 2Q. Performance in Morocco, and Libya, was encouraging to alleviate the adverse impact of geopolitical constraints. As a result, the Company is strategically reassessing its distribution channels to optimize margin sustainability and ensure risk-adjusted growth in these markets.

Therapeutic Area Growth
In the first half of 2025, General Medicine led therapeutic area performance with 37.7% YoY growth, reflecting the success of our strategy to focus on high-value strategic brands and broader penetration in the institutional channels. Ophthalmology and Dermatology contributed SAR 215.3 million and SAR 152.4 million respectively, together accounting for 43.1% of total revenue. Both TAs delivered steady YoY growth supported by a focus on strategic brands.

The Anti-Diabetic portfolio continued its upward trajectory, achieving 71.5% growth, which, together with Cardiovascular, grew 31.1% YoY highlighting the Company's strategic focus on expanding presence in the Cardiometabolic TA.

Gastrointestinal (24.3%) and Consumer Health (18.2%) segments also contributed positively YoY, supported by awareness campaigns and a broadened retail footprint. Pain & Inflammation segments grew 7.3% YoY. The CNS portfolio declined by 15.3%, as a result of ongoing portfolio restructuring.

During 1H 2025, Jamjoom launched three new brands, in Ophthalmology, Anti-Diabetics, and Pain & Inflammation, bringing the total number of active brands to 144.

Cost Trends and Margins
Cost of revenue in 1H 2025 increased by 17.6% YoY, broadly in line with revenue growth. Raw materials and consumables rose by 15.5% to SAR 203.7 million, reflecting higher volumes and input cost normalization. Salaries and employee-related costs grew by 21.3% to SAR 62.3 million, supporting employee scale-up in line with expanding operations, future growth initiatives, and employee retention programs. Depreciation and amortization expenses increased by 22.9% YoY to SAR 16.5 million, driven by the full impact of the Egypt and Jeddah sites. Other operational expenses rose by 22.9%, reaching SAR 27.6 million, primarily driven by routine operating costs related to production activities, including repair and maintenance expenditures.

Production activity across Jamjoom Pharma's three manufacturing sites totaled 85.8 million units in the first half of 2025, reflecting a 3.2% YoY increase. This net growth was driven by a 133.4% YoY surge at the Jeddah sterile facility and a 54.1% YoY increase at the Egypt site, which together offset a 6.4% decline at the main Jeddah facility, which was in line with the Company's continued inventory optimization strategy and strategic brands focus.

Operational enhancements, such as resolving bottlenecks in packaging processes and efficiency gains at the main site, have enhanced overall manufacturing agility, positioning the Company to effectively scale volumes in the second half of the year to address market demand.

Gross profit increased to SAR 543.6 million, with a gross margin of 63.7%, marginally lower by 0.3 ppts compared to the prior year.

Operating expenditure trends remained disciplined, demonstrating operational efficiency; selling and distribution expenses increased to SAR 188.3 million, a modest 3.3% YoY increase that remained well below revenue growth, driven by effective resource utilization and sales force productivity. General and administrative expenses rose to SAR 42.8 million, a 37.3% YoY increase, primarily reflecting higher employee-related costs resulting from implementation of an improved rewards scheme for employees, consistent with the Company's strategic focus on reinforcing organizational depth to support future growth. Research and development expenses reached SAR 18.4 million, up 18.1% YoY, driven by increased amortization, investment in exhibit batches, and elevated spending on supplies and consumables underscoring the Company's commitment to advancing its R&D pipeline and accelerating product readiness.

EBITDA grew by 26.6% YoY to SAR 320.9 million, with the EBITDA margin expanding by 2.9 percentage points to 37.6%, supported by scale efficiencies and disciplined cost control. Finance costs decreased by 97.4% YoY to SAR 0.46 million, primarily reflecting the absence of foreign exchange losses incurred in the prior year. Additionally, a SAR 6.5 million share of profit from the Algerian joint venture contributed positively to performance. As a result, net profit surged to SAR 289.1 million, a 37.7% increase YoY.

Business Development Update

Jamjoom Pharma continued to advance its strategic business development agenda in the first half of 2025, reinforcing its position as a partner of choice for global pharmaceutical companies seeking access to the MEA region. Twelve agreements were signed to date (Four in Q2) with leading innovators across MENA, all under a "License and Supply" model aligned with our localization and sustainability strategy.

Looking ahead, the second half of 2025 will see the finalization of additional agreements with key multinational pharma companies. These partnerships are expected to unlock significant value by leveraging Jamjoom's existing manufacturing capacity, accelerating portfolio expansion, and attracting further global interest. A number of products are progressing through tech transfer and development, fully integrated within Jamjoom's regulatory, manufacturing, and launch readiness frameworks—positioning the company for multiple strategic launches from late 2026 onward.

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Quarterly performance

Revenue for the quarter reached SAR 396.2 million, reflecting a 14.6% YoY increase compared to SAR 345.7 million in 2Q 2024. This growth was underpinned by higher volumes, new product launches, price increases and consistent performance across priority TAs.

Cost of revenue stood at SAR 145.4 million, up 14.0% YoY, largely in-line with revenue increase. Gross profit for the quarter was SAR 250.8 million, compared to SAR 218.2 million in 2Q 2024, with a gross margin of 63.3%, indicating stable cost management despite scaling operations.

Selling and distribution expenses were SAR 88.3 million, rising modestly by 0.8% compared to the previous quarter, reflecting targeted investment in scaling commercial operations. General and administrative expenses totaled SAR 20.7 million, up from SAR 15.2 million in 2Q 2024, primarily due to implementation of the improved rewards scheme for employees. Research and development expenses reached SAR 9.0 million, increasing by 20.8% YoY, resulting from key pipeline development and enhancement of company-wide employee rewards.

Net profit rose to SAR 132.0 million, a 23.4% YoY increase, up from SAR 107.0 million in 2Q 2024. The net profit margin expanded to 33.3%, up 2.4 ppts YoY, reflecting improved operating leverage and prudent cost discipline.

CAPEX and Cash Flows

In 1H 2025, working capital increased by 26.0% YoY, reaching SAR 835.7 million, primarily reflecting higher inventory levels to support sustained demand and ensure supply continuity across high-growth TAs. The cash conversion cycle[6] extended to 305 days, compared to 271 days in 1H 2024, representing a 12.5% YoY increase. The change was mainly driven by a lengthening of receivable days to 157, a 15-day increase reflecting the shift in sales mix towards the institutional channel. This was partially offset by improved inventory turnover (DIO: 180 days) but further increased as a result of reduced payable days (DPO: 32 days).

Operating cash flow for the quarter strengthened to SAR 64.5 million, marking a significant improvement from SAR 22.7 million in the same period last year, underpinned by strong profitability growth. Capital expenditure totaled SAR 40.3 million, accounting for 4.7% of revenue. Jamjoom Pharma closed the quarter with a net cash position of SAR183.3 million.

Balance Sheet Summary

SAR (mn)	Jun 2025	Dec 2024	YTD Δ%
Total Non-Current Assets	770.1	743.0	+4%
Total Current Assets	1,312.4	1,028.7	+28%
Total Assets	2,082.6	1,771.6	+18%
Total Equity	1,681.8	1,490.6	+13%
Total Non-Current Liabilities	87.7	79.3	+11%
Total Current Liabilities	313.0	201.8	+55%
Total Liabilities	400.8	281.0	+43%

As of June 30, 2025, the Company’s total assets stood at SAR 2,082.6 million, representing a 17.5% increase from the end of December 2024. Total non-current assets increased by 3.7%,

6 Cash Conversion Cycle = DSO, DPO and DIO calculated on LTM basis

reaching SAR 770.1 million, reflecting ongoing capital expenditure, partially offset by depreciation. Total current assets rose by 27.6%, totaling SAR 1,312.4 million, primarily driven by increases in trade receivables.

Shareholders' equity increased by 12.8%, reaching SAR 1,681.8 million, primarily attributable to the strong net profit generation of SAR 289.1 million in 1H 2025, which was partially reduced by a dividend payout of SAR 102.2 million in 1Q 2025.

Total liabilities reached SAR 400.8 million increasing by 42.6% from the end of 2024, primarily reflecting the increase in current liabilities. Current liabilities rose by 55.2% to SAR 313.0 million, largely due to higher trade payables and accruals, consistent with increased operating activity. Non-current liabilities increased by 10.7% to SAR 87.7 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

Following the strong performance in the first half of 2025, we have upgraded our EBITDA margin guidance for the full year and remain on track to achieving our 2025 financial guidance:

	FY 2025 Guidance	1H 2025 Results	FY 2026-2027 Guidance
Revenue growth	12-15%	16.8%	12-15% (CAGR)
EBITDA margin	**31.5-33%** *(previously 30-31.5%)*	37.6%	30-31.5%
CAPEX/Revenue	4-6%	4.7%	4-6%
Dividend (semi-annual)	50-60% payout	SAR 2.00 per share announced (48% payout)	50-60% payout

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 1H 2025 earnings call on the 24th of July 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 1H 2025 financial statements, earnings release, earnings presentation and financial data supplement will be made available on the investors section of our website:
www.jamjoompharma.com

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