

PRESS RELEASE

Gulf Pharmaceutical Industries 'Julphar' reports financial results for Q3 2021 with strong top-line growth

- *Julphar maintains profitability and reports AED 53.8 million in net profit for the third quarter*
 - *Company reports strong revenue growth with 96% increase from previous quarter*

November 11th, 2021, Ras Al Khaimah (UAE) – Gulf Pharmaceutical Industries PSC (Julphar), one of the largest pharmaceutical manufacturers in the Middle East and Africa, today reported its financial results for the third quarter ending September 30th, 2021.

In Q3 2021, the company generated AED 365.7 million in sales, a 96% increase from Q3 2020, following a return to profitability in Q2 2021. The results were fuelled by an increase in sales due to the acquisition of Planet Pharmacies, vaccine sales from the manufacturing of the COVID-19 vaccine Hayat-Vax and continued efficiency improvements of Julphar's business.

The EBTIDA from continuing operations for the Group was AED 70 million which is a substantial improvement from last year's AED 8.5 million. Among the various drivers in achieving this is the acquisition of Planet Pharmacies, the successful re-entry into the core markets of Saudi Arabia, Oman, Bahrain and Kuwait as well as the sales from the manufacturing of the COVID-19 vaccine Hayat-Vax.

The net profit for the period was AED 53.8 million. One-time effects from the first-time consolidation of Planet Pharmacies negatively affected the Group's gross margin of 24.5% in the third quarter. Without the one-time impact the gross margin of the Julphar business segment further strengthened compared to previous year.

Sh. Saqer Humaid Al Qasimi, Chairman of the Board, Julphar, said: "We are pleased that we have been able to maintain our positive trajectory from the first half of the year. As we move into the last quarter of 2021, I am encouraged by our progress thus far to re-establish Julphar as a leader in pharmaceuticals and better serve those in need in the MENA region and beyond."

Dr. Essam Mohammed, Chief Executive Officer of Julphar, said: "This quarter has solidified Julphar's financial turnaround, following a return to profitability in the second quarter of this year. The acquisition of Planet Pharmacies and the manufacturing of the Sinopharm COVID-19 vaccine Hayat-Vax has given us a fantastic platform to expand our capabilities and capture dynamic opportunities to generate value."

During the third quarter, Julphar also completed the Gulf Inject divestment as part of the company's overall alignment to focus on the Group's core business activities. Julphar already started filling its product pipeline and is actively exploring cooperation partnerships to expand its current portfolio as well as its geographical footprint.

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About Julphar



Julphar is one of the largest pharmaceutical manufacturers in the Middle East and Africa, and for almost four decades, the company has been delivering high quality, innovative and affordable healthcare solutions to families across the globe. Established under the guidance of His Highness Sheikh Saqr Bin Mohammed Al Qasimi in 1980, Julphar employs 2,500 people and distributes pharmaceutical products to more than 50 countries on five continents.

Julphar's business is centered on three core business units – Julphar Diabetes Solutions, General Medicines and its consumer division, Julphar Life – which target major therapeutic segments including Gastrology, Pain Management, Wound Care, Antibiotics and Cardio-metabolism. Julphar has 13 internationally accredited facilities in the Middle East and Africa. In 2012, Julphar became one of the largest producers of Insulin with its UAE-based biotechnology production unit.

For more information, visit <http://www.julphar.net>

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