



Earnings Presentation

1H 2024

12 August, 2024



1H 2024 Performance Highlights & Strategy

Jerome Cabannes, CEO



Improved Efficiencies Driving Operational Excellence and Solid Margins

1H 2024 performance highlights

Key 1H 2024 Developments

R&D and Operations	R&D Spending As % of 1H24 revenue 3.6%	Production Volume +4% vs. 1H23 1,051 mn units	Productivity Rebalanced facility utilization, improved manufacturing efficiency ▲
Market and Commercial	Private market share¹ Leading player in KSA 6.7%	Sales Improved client mix, sales growth across key channels ▲	Cash Conversion Cycle +10% vs. 1H23 LTM 324 days
Financials	Revenue -10% vs. 1H23 849 SAR mn	Gross Profit Margin +3.7 ppts vs. 1H23 50.6%	EBITDA Margin +1.9 ppts vs. 1H23 15.8%



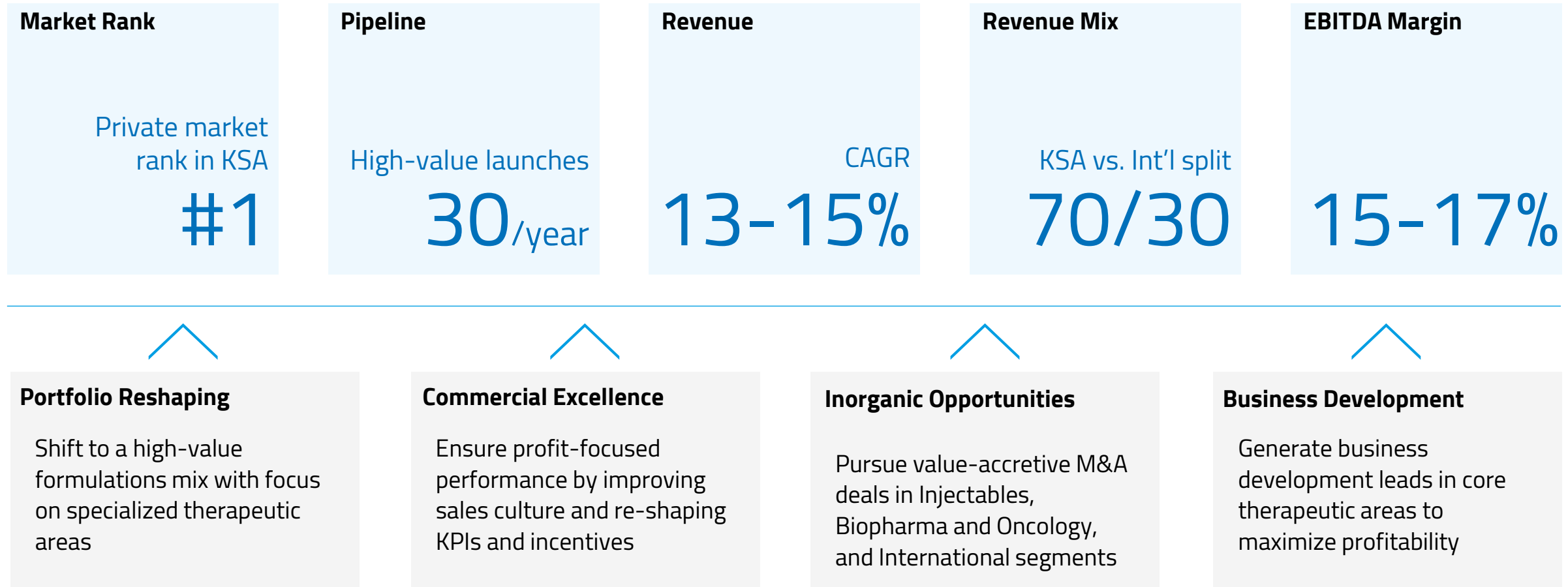
Source: IQVIA KSA Private Market Reflection Summary Data, June 2024, Company financials, Management calculations

¹ Moving Annual Total (MAT) for the period from July 2023 to June 2024.

SPIMACO – the National Champion in the Saudi Pharma Industry

Strategy execution roadmap and strategic targets by 2027

Key Targets and Focus Areas

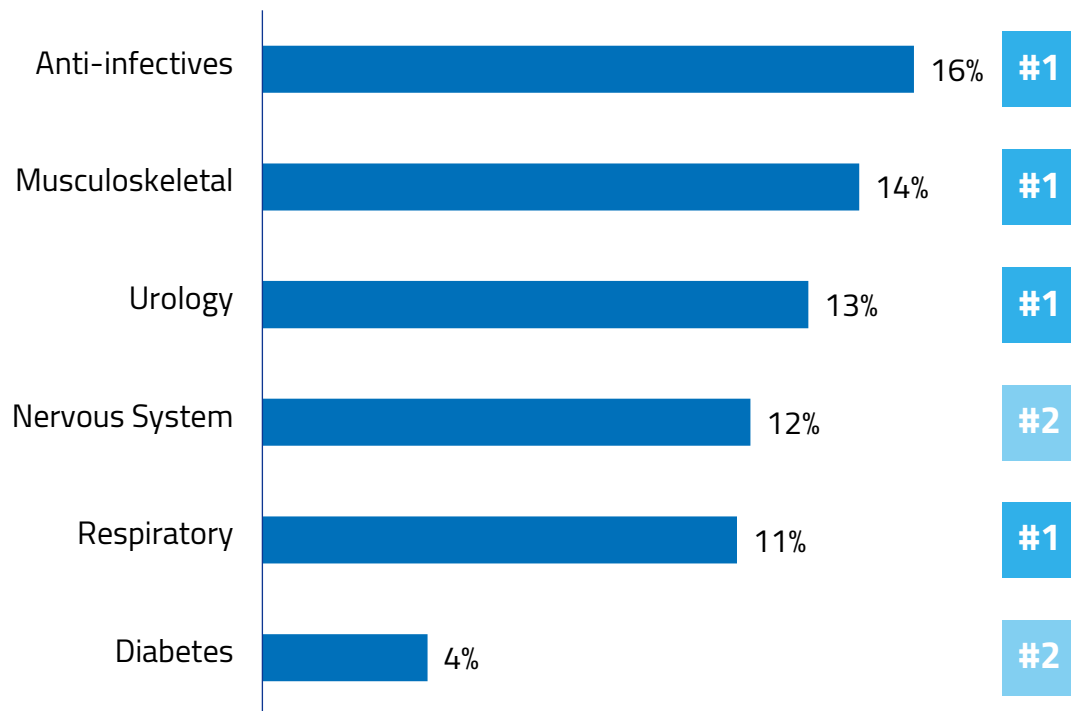


SPIMACO is KSA Private Market Leader

The company maintains leadership across key therapeutic areas, showing its excellence and innovation

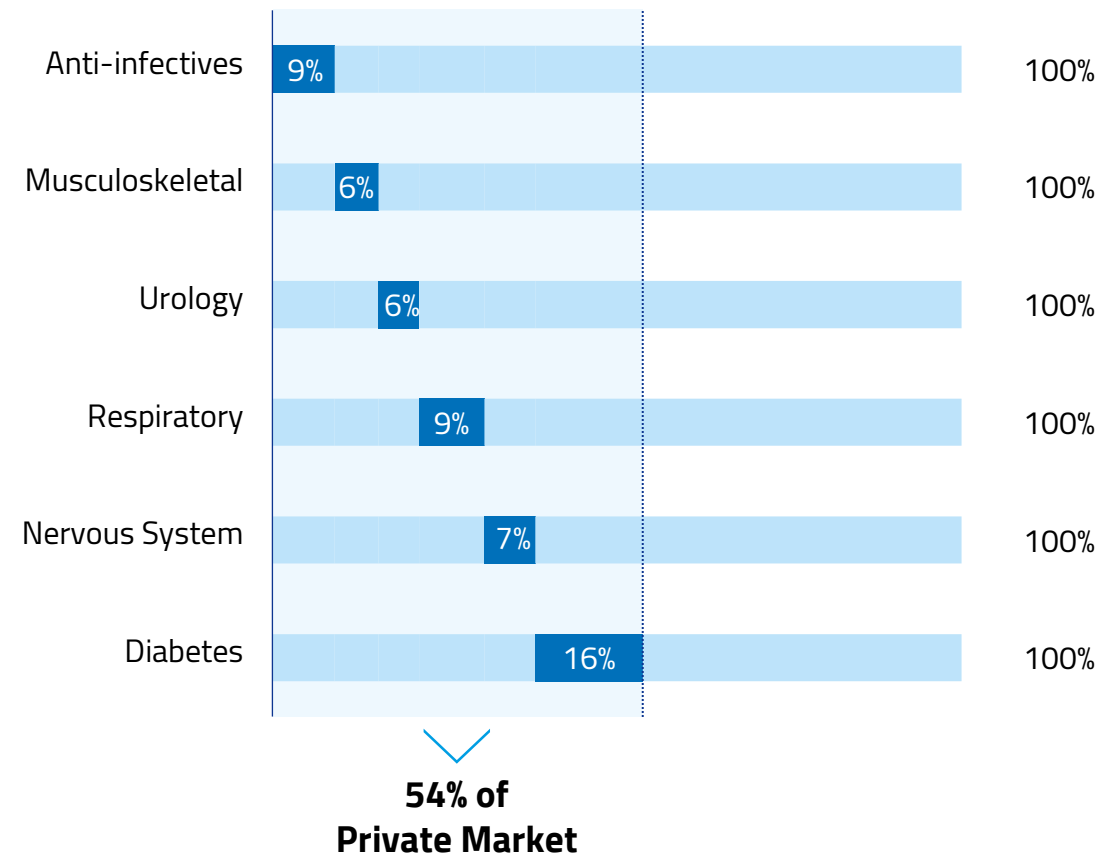
SPIMACO's Private Market Share and Rank¹

(Company's Private Market Share in %, Rank)



Therapeutic Area Share of Private Market¹

(Therapeutic Area Share of Private Market in %)



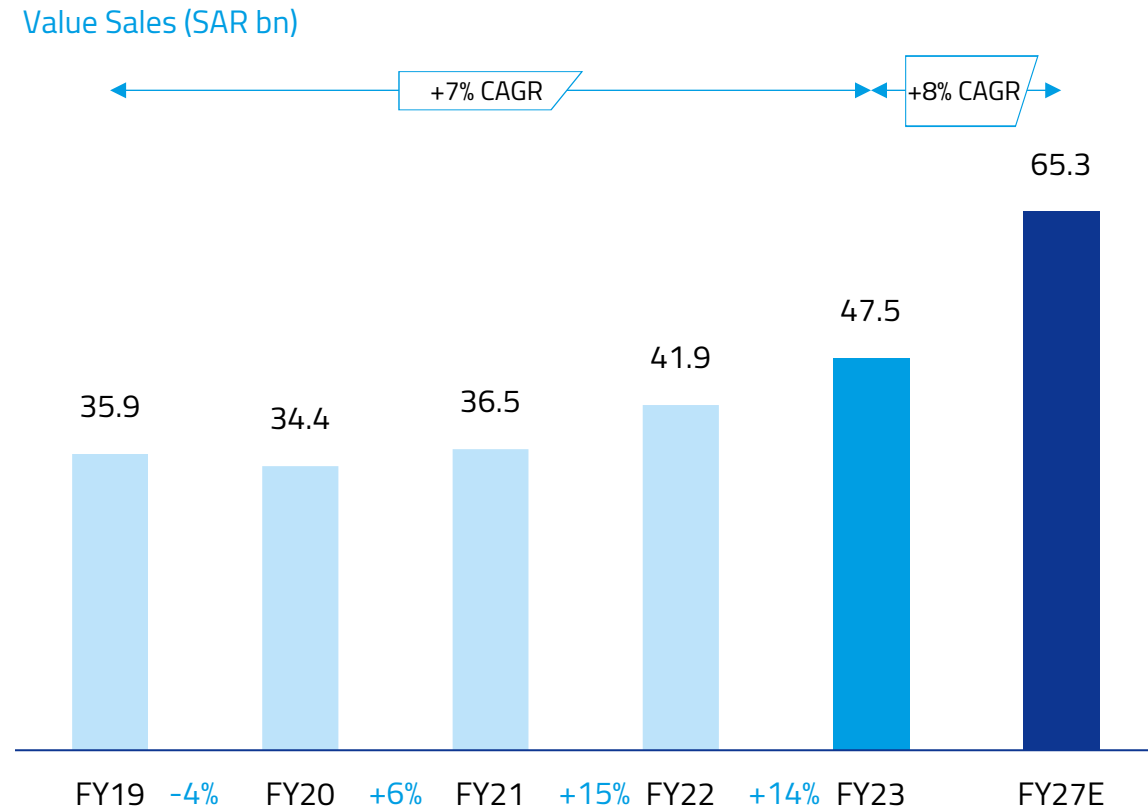
Source: IQVIA SCIM Molecule Quarterly Data Jun 2024

¹ Moving Annual Total, July 2023 – June 2024

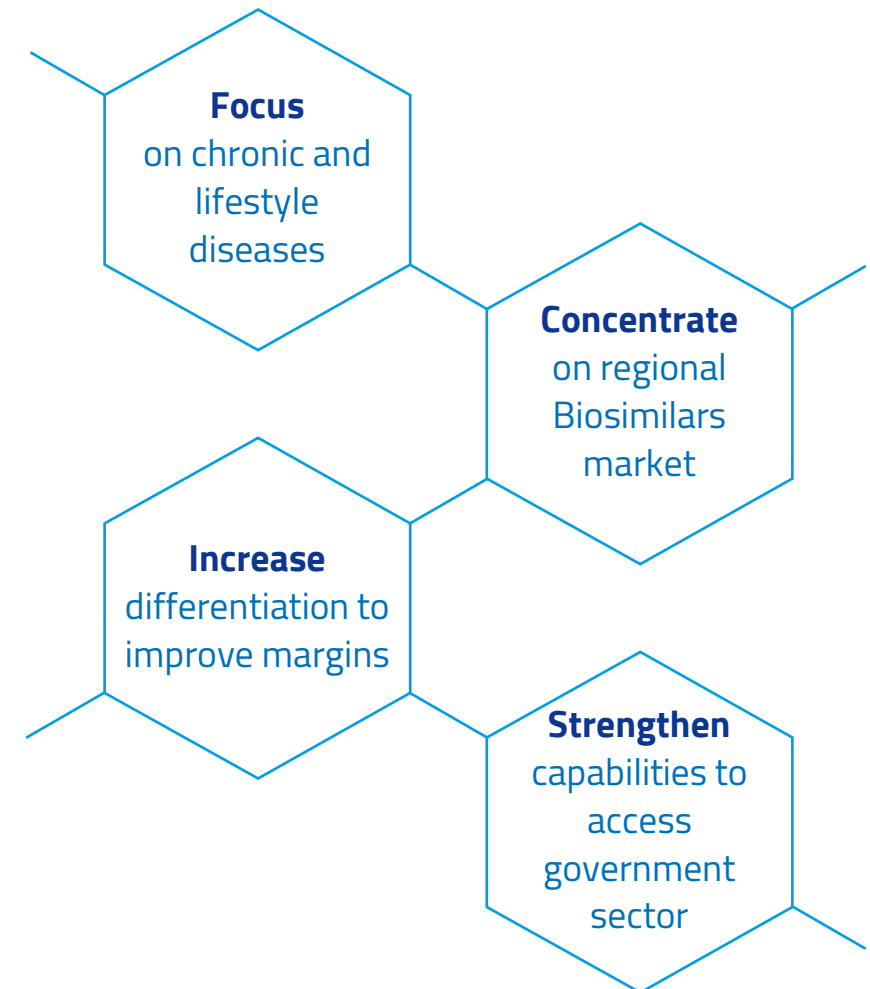
Saudi Arabia Market Opportunity

KSA market is supported by local demographics and therapeutic trends, government incentives and positive macro backdrop

Gross Market Size



How Do We Play the Trends in KSA?



Source: IQVIA, SPIMACO calculations (March 2024)

Local currency in USD converted to SAR at SAR 3.75 exchange rate

Empowering Growth: SPIMACO's Strategic Partnerships Elevate Market Presence

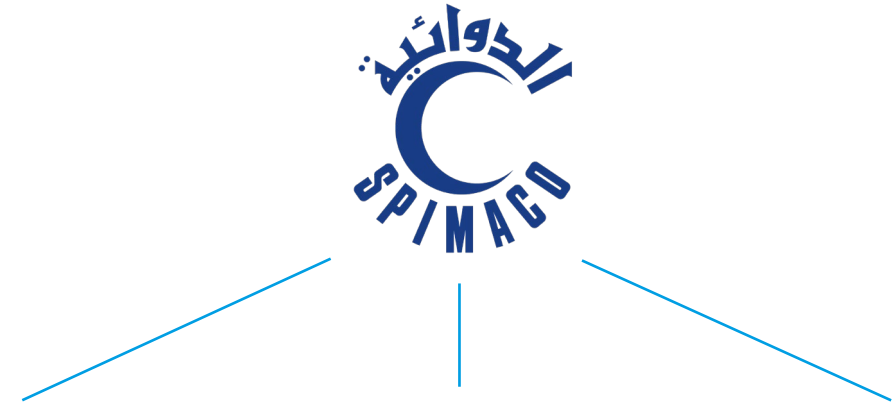
SPIMACO secured strategic partnerships with innovators to enhance its leadership in the pharmaceutical sector

Exclusive Partnership with Altos Biologics for ALT-L9 Biosimilar

- ALT-L9 is a biosimilar of Aflibercept, treating several vision disorders
- SPIMACO signed an exclusive deal with Altos Biologics to market ALT-L9 in 16 MENA markets, including Saudi Arabia
- SPIMACO will manufacture ALT-L9 locally and manage regulatory approvals, supporting KSA's Vision 2030 for medicine localization
- This partnership boosts SPIMACO's biosimilar portfolio, improving access to critical treatments in the region



Strategic Partnerships (4Q23 – 2024)



1H 2024 Financial Performance

Atef Zouari, CFO



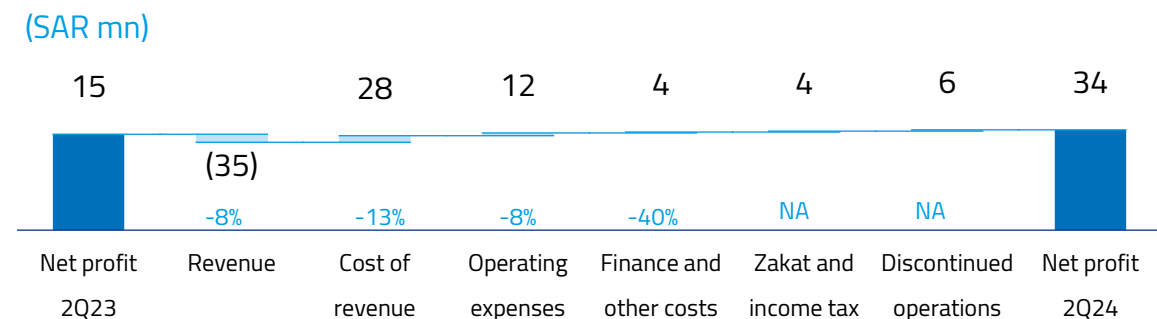
1H 2024 Results: Gross Profit Margin Increased Despite Pressure on Revenue

P&L trends and highlights in 1H 2024

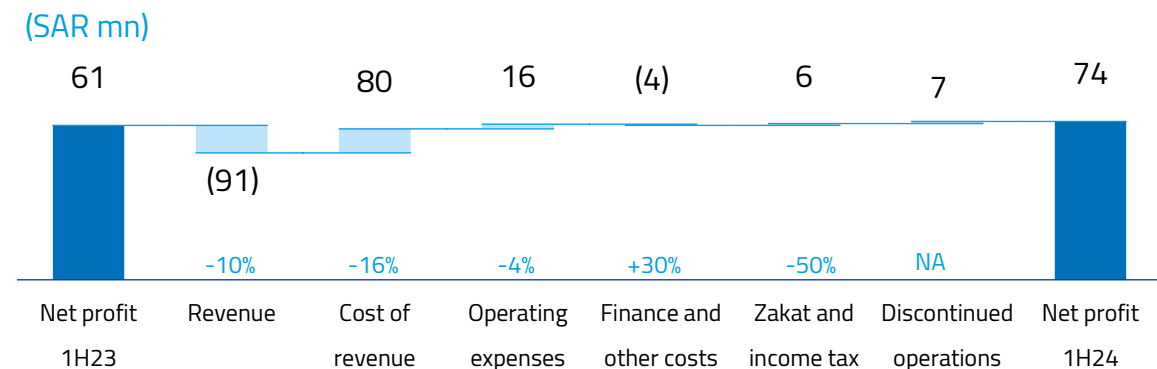
P&L Highlights

SAR mn	2Q 2024	2Q 2023	Δ%	1H 2024	1H 2023	Δ%
Revenue	373	408	-8%	849	940	-10%
Cost of revenue	(196)	(224)	-13%	(419)	(499)	-16%
Gross profit	177	184	-4%	430	441	-3%
Total opex	(141)	(153)	-8%	(336)	(352)	-4%
EBIT	36	30	+18%	94	89	+5%
EBITDA	57	51	+12%	134	131	+3%
Net profit	34	15	+126%	74	61	+21%
Gross Profit Margin	47.5%	45.1%	+2.5%	50.6%	46.9%	+3.7%
EBIT Margin	9.6%	7.5%	+2.2%	11.0%	9.5%	+1.5%
EBITDA Margin	15.3%	12.5%	+2.8%	15.8%	13.9%	+1.9%
Net profit Margin	9.1%	3.7%	+5.4%	8.7%	6.5%	+2.2%

Net Profit Development (2Q24)



Net Profit Development (1H24)

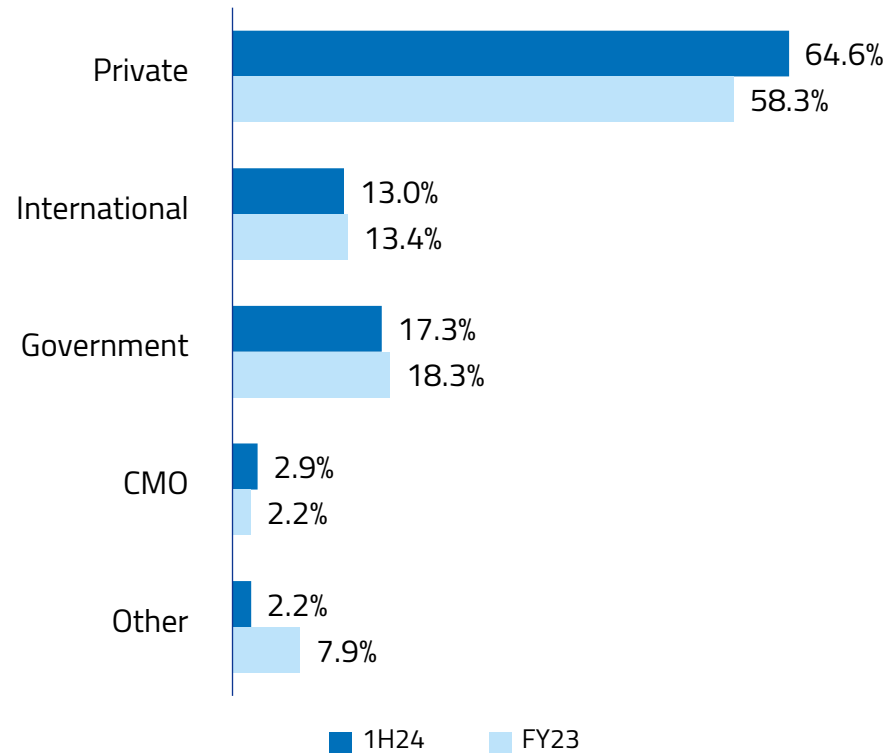


Private and Government Channels – The Key Contributors to Pharma¹ Revenue

Revenue: pharma revenue¹ by channel

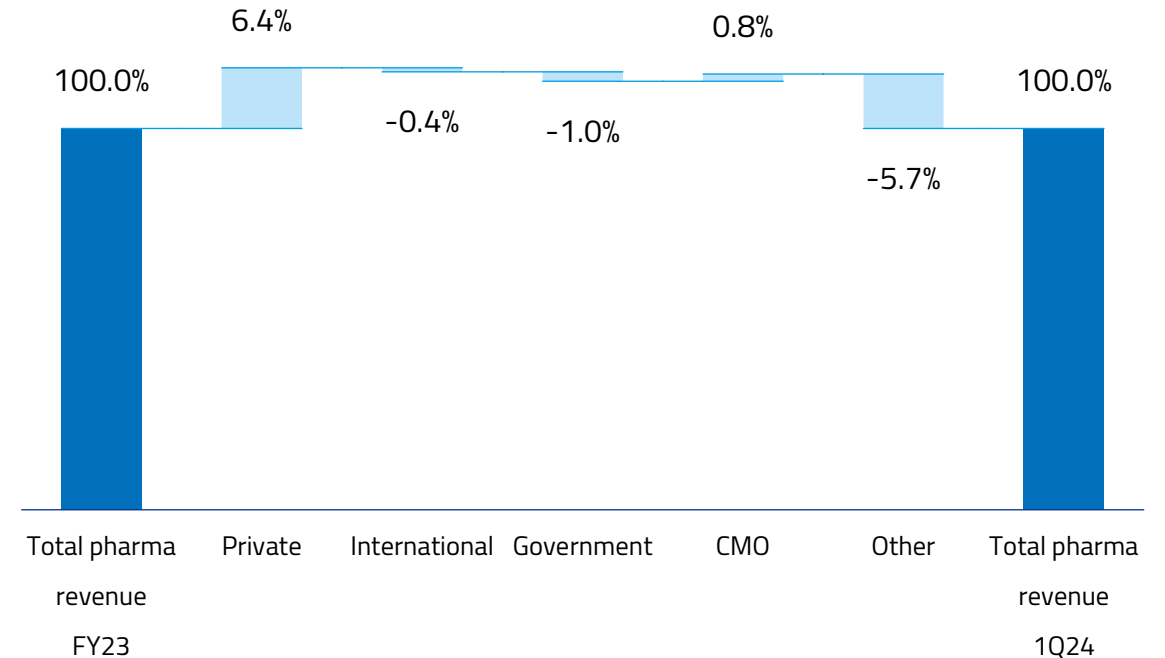
Revenue by Channel²

(%)



Revenue by Channel Development²

(SAR mn)



Source: Company financials, Management calculations

¹ Non-IFRS measure. Pharma revenue excludes other types of revenue such as revenue from hospital business, etc. Pharma revenue represents 87.4% of Total revenue in 1H24 (83.4% in FY23).

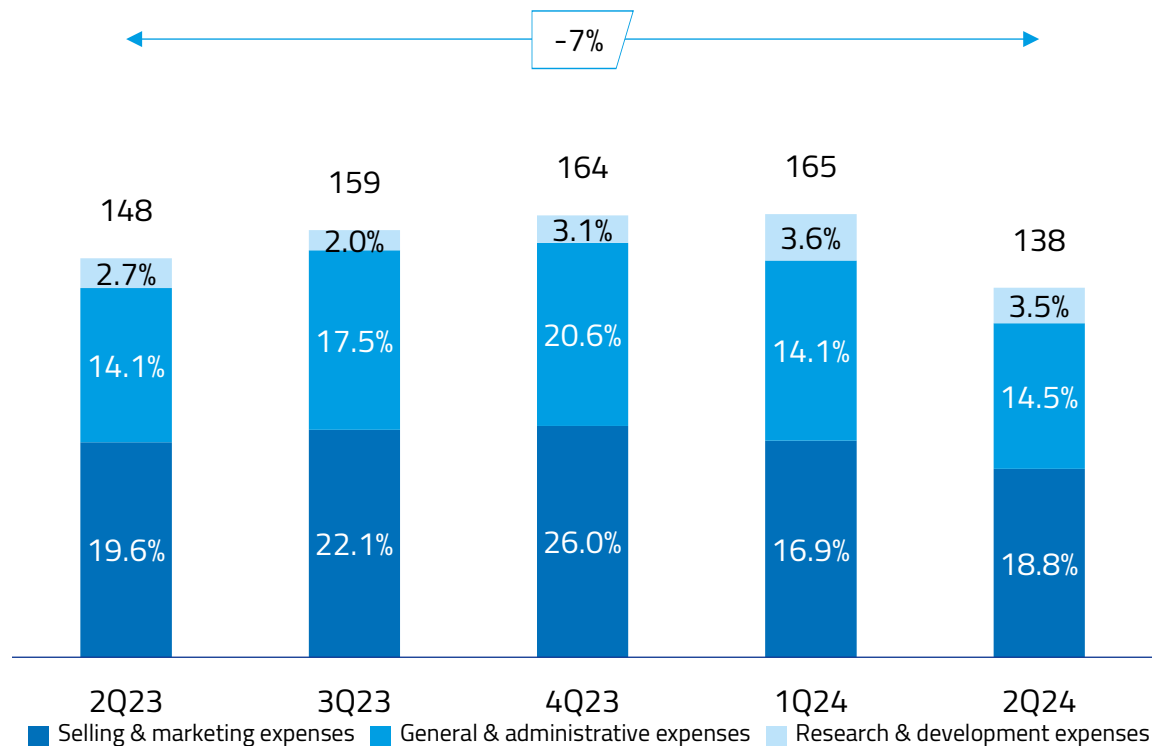
² Based on Pharma revenue.

Maintaining Strong Control over Key Operating Expenses

Key operating costs trends

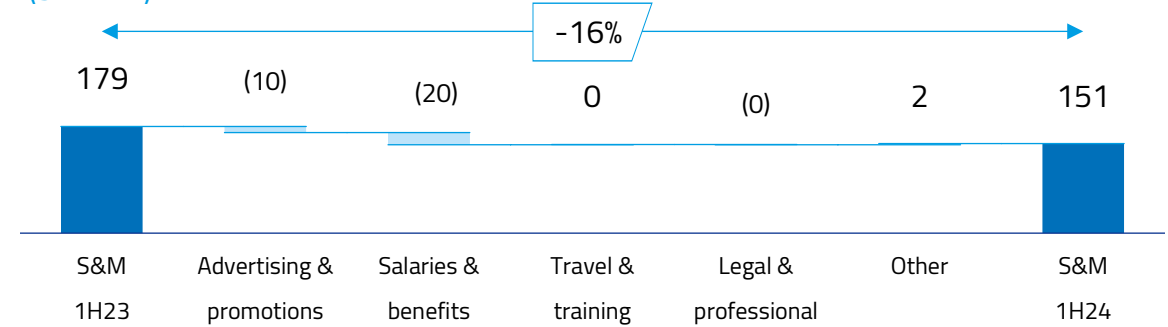
Key Operating Expenses (SG&A and R&D¹)

(SAR mn, % of Revenue)



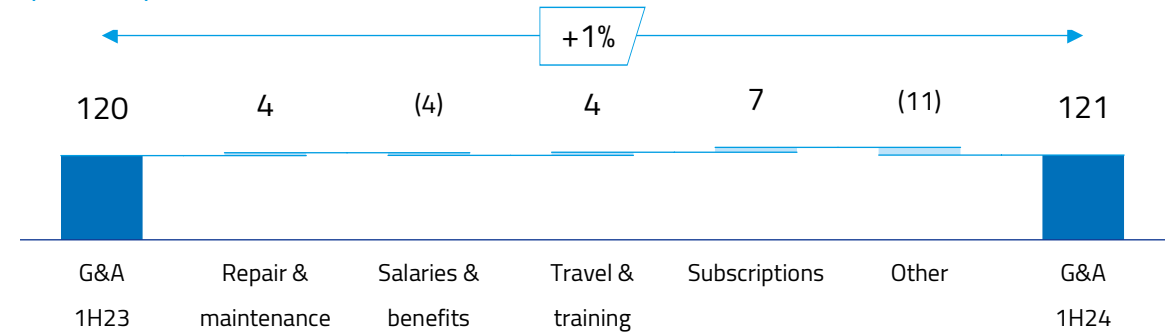
Selling and Marketing Expenses Development

(SAR mn)



General and Administrative Expenses Development

(SAR mn)



Robust Balance Sheet with Strong Cash Position

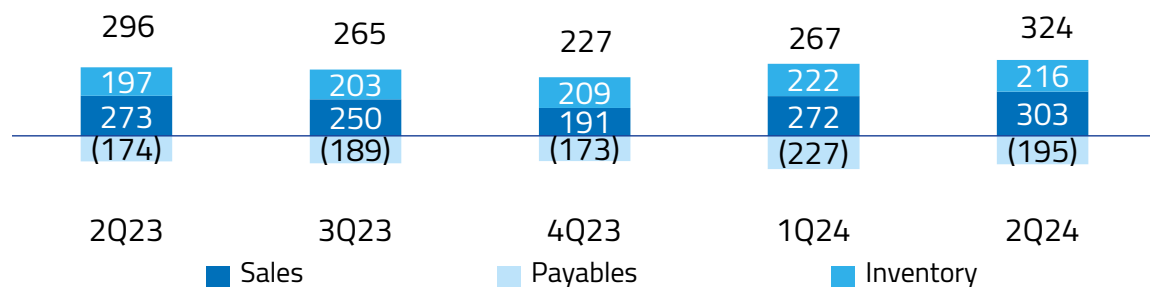
Balance sheet trends

Balance Sheet Highlights

SAR mn	2Q 2024	4Q 2023	Δ%	1Q 2024	Δ%
Total Non-Current Assets	2,022	1,991	+2%	2,044	-1%
Total Current Assets	2,391	1,958	+22%	2,311	+4%
Total Assets	4,413	3,949	+12%	4,356	+1%
Total Equity	1,629	1,593	+2%	1,713	-5%
Total Non-Current Liabilities	879	951	-8%	938	-6%
Total Current Liabilities	1,904	1,405	+36%	1,705	+12%
Total Liabilities	2,784	2,356	+18%	2,643	+5%

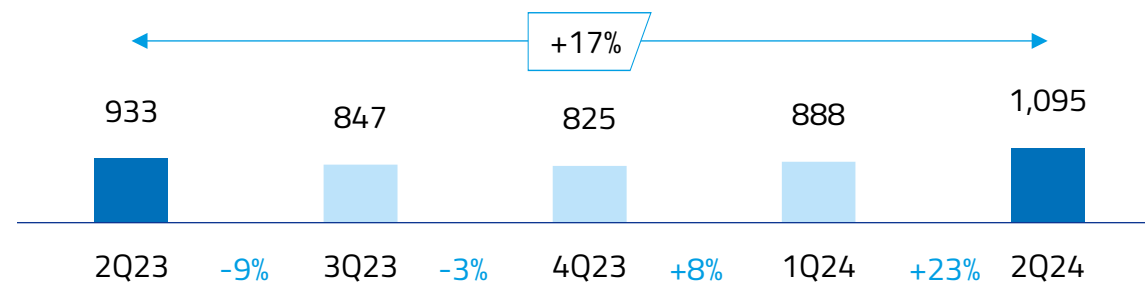
Cash Conversion Cycle Trends²

(Days outstanding)



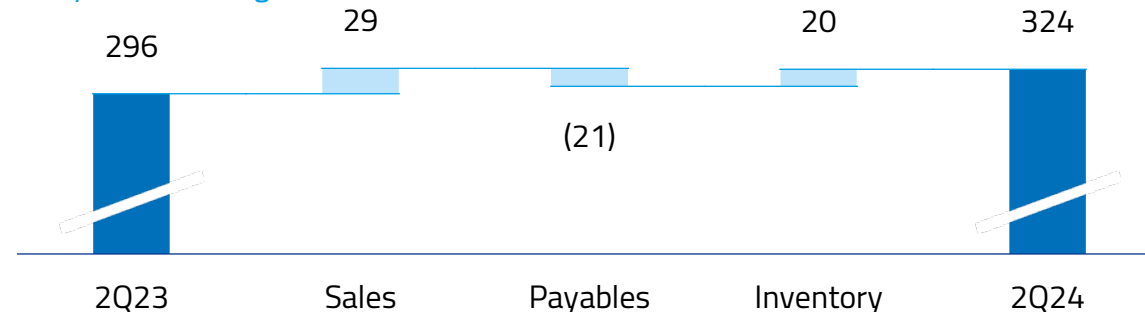
Net Debt¹

(SAR mn)



Cash Conversion Cycle Dynamics²

(Days outstanding)



Source: Company financials

¹ Long-term loans and borrowings + Short-term loans and borrowings - Cash and cash equivalents - Time deposits

² Trailing for the previous 12 months

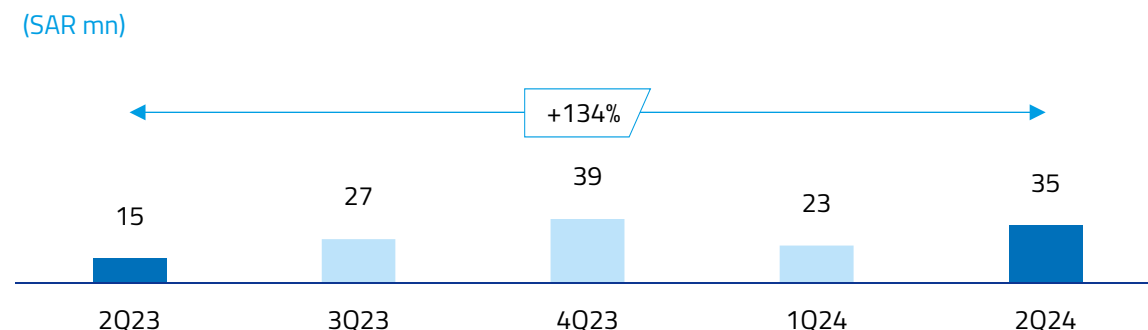
Cash Flow Generation Affected by Seasonal Working Capital Movements

Cash flow trends in 1H 2024

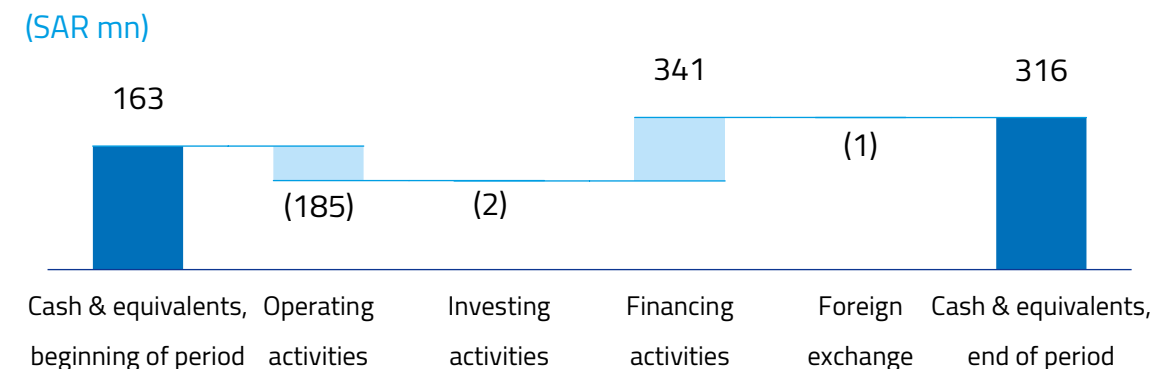
Cash Flow Highlights

SAR mn	1H 2024	1H 2023	Δ%
Profit before zakat, tax, disc. ops	80	73	+10%
Net cash, operating activities	(185)	(215)	-14%
Net cash, investing activities	(2)	(81)	-98%
Net cash, financing activities	341	144	+136%
Net changes in cash	154	(152)	NA

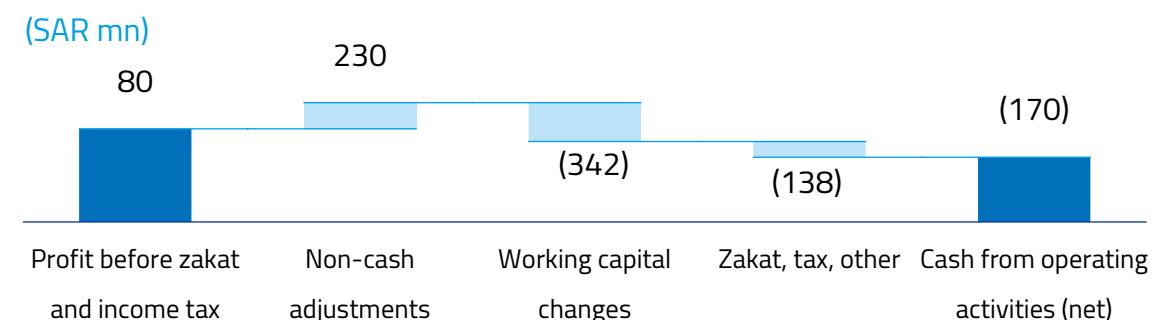
Capital Expenditure¹, Net



Cash Flow Dynamics² (1H24)



Net Cash From Operating Activities Dynamics (1H24)



Source: Company financials

¹ Net changes in property, plant, equipment, assets under construction and right of use assets.

² Cash & equivalents includes cash from discontinued operations where applicable.

Efficiency Gains Support Profitability in 2024

2024 guidance

Expected Developments in 2024

Indicator	FY23 Actual	1H24 Actual	FY24 Expectations (vs FY23)
Revenue	1,653 SAR mn (+16% YoY)	849 SAR mn (-10% YoY)	Increase by 10-12% (previously: 13-15%)
Gross Profit Margin	42.8%	50.6%	Increase enabled by further focus on efficiency and profitability
Selling & Marketing Cost Ratio¹	21.1%	17.8%	Decrease driven by top-line growth and cost control
General & Administrative Cost Ratio¹	15.4%	14.3%	Stable driven by further investments in IT
Research & Development Cost Ratio¹	3.2% ²	3.6%	Increase up to 3.4% (pre-capitalization)
EBITDA Margin	10.2%	15.8%	Improvement to 12.5-13.5%



Source: Company estimates

¹ As a percentage of revenue.

² Including capitalized costs in the amount of SAR 10.8 million in FY23.

Q&A Session



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