PRESS RELEASE

Gulf Pharmaceutical Industries ‘Julphar’

Reports Financial Results for Q2 2020

* *Julphar announces 90% increase in sales in comparison to Q2 2019*
* *Strong result improvement with 6% EBITDA margin in Q2 2020*

**August 13th 2020, Ras Al Khaimah (UAE) –** Gulf Pharmaceutical Industries PSC (Julphar), one of the largest pharmaceutical manufacturers in the Middle East and Africa, has reported its financial results for the second quarter of 2020.

As of June 2020, the company generated AED 169.7 million in sales representing a 90% increase in comparison to Q2 2019, owing to the lift of the temporary suspension on export of products to Kuwait, Saudi Arabia, Oman and Bahrain earlier this year and growth in several of its core markets. In addition, Julphar has announced a net loss of AED 25.6 million which is an improvement of 73% versus Q2 2019, achieved due to the increase in net sales, expense reduction and gross margin improvement.

In July, Julphar successfully restructured its capital base following the completion of the rights issue which was oversubscribed by 2.3 times indicating strong investor confidence.

His Highness Sheikh Saqer Humaid Al Qasimi, Chairman of the Board, Julphar, said: “It is deeply encouraging to witness the improvement in sales and reduction of losses over the last quarter, which is testament to the resilience of the company’s business model and exemplary vision. The progress we have achieved is instrumental to sustain our 40-year legacy of providing advanced healthcare solutions globally.”

Dr. Essam Farouk, Chief Executive Officer of Julphar, said: “Following the successful capital restructuring and the return to Saudi Arabia and all GCC markets, we are progressing on plan towards achieving profitability and to further enhance our business performance. By maintaining the course in our transformation, we continue our mission to offer full disease management to the millions of people that we proudly serve locally, regionally, and globally.”

In 2020, Julphar announced the relaunch of over 80 products in Saudi Arabia, Kuwait, Bahrain, and Oman after the confirmation of its full compliance with Good Manufacturing Practices (GMP) through an inspection conducted by the Gulf Health Council (GHC) and the Saudi Food and Drug Authority (SFDA). The company has also made strategic senior C-suite appointments to deliver a greater impact in the 50 markets that Julphar operates in.

The future plans of Julphar focus on the strategic areas of the business as the company divests from non-core subsidiaries, regains market position in Saudi Arabia, Kuwait and Oman, continues to build new alliances and partnerships to strengthen the company’s product portfolio, launch new products in core therapeutic areas and invest in capital expenditure to improve operations efficiency.

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**About Julphar**

Julphar is one of the largest pharmaceutical manufacturers in the Middle East and Africa, and for 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 more than 3,500 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 Gastroenterology, Pain Management, Wound Care, Antibiotics and Cardio-Metabolism. Julphar has 16 internationally accredited facilities in Africa, Middle East and Asia. In 2012, Julphar became one of the largest producers of Insulin with its UAE-based biotechnology production unit.