

Gulf Pharmaceutical Industries 'Julphar' rights issue oversubscribed by 2.3 times

- *Julphar launched AED 500 million rights issue at an offer price of AED 1 per share on 29th June 2020*
- *Total bids received from existing rightsholders stood at AED 1.14 billion on application which closed on 12th July 2020*

Ras Al Khaimah, UAE; July 15, 2020: Gulf Pharmaceutical Industries PSC (Julphar), one of the largest pharmaceutical manufacturers in the Middle East and Africa, has announced today that its AED 500 million rights issue was successfully completed and more than two times oversubscribed.

The company will use the net proceeds of the rights issue to support the implementation of its growth plans, repay existing loans, and sustain its working capital needs. This will also include investments in product development as well as the further elevation of the stringent quality control processes introduced in 2019. The funds raised will enable Julphar to maintain a healthy balance sheet which will allow the company to unlock market potential amidst the current global health crisis. First Abu Dhabi Bank acted as the Lead Manager and Matouk Bassiouny & Ibrahim as the legal counsel for the transaction.

His Highness Sheikh Saqer Humaid Al Qasimi, Chairman of the Board, Julphar, said: "We are delighted at the resounding success of the rights issue after the subscription of over AED 1.1 billion in shares. This represents another major step forward in the company's journey of transformation and growth. Following this success, I would like to thank our shareholders for their overwhelming affirmation in Julphar's capabilities and their strong conviction in its promising future. With the current expertise and resources at the company, I am confident that we will continue to improve our performance across all areas and deliver sustained shareholder value over the coming years."

Dr. Essam Farouk, Chief Executive Officer of Julphar, stated: "When I first joined in April, one of our main priorities was to solidify our capital management strategy in order to strengthen the business positioning of Julphar as a leading healthcare company. I believe that we are proceeding well and according to plan. The equity injection will act as a critical growth catalyst and gives us a platform to build on for the near future."

This year, Julphar also announced the relaunch of over 80 products within Saudi Arabia, Kuwait, Bahrain, and Oman, with initial sales continuing at a brisk pace during Q2.

Julphar was established in 1980 and registered as a national UAE public shareholding company with a mission to provide a better quality of life for the people by delivering best in class solutions and real value through a wide range of products such as medicines, vaccines and consumer healthcare products.

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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.

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

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