

Q&A INTERVIEW

Advancing Saudi Pharma

SPIMACO's rise as a lead producer of pharmaceuticals in Saudi Arabia and its contributions to localization and advanced manufacturing.

FORMAT: Q&A | SECTOR: HEALTHCARE & PHARMA | MARKET: SAUDI ARABIA | SUBJECT: SPIMACO

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JEROME CABANNES · SPIMACO

What major milestones has SPIMACO passed in its goal to revolutionize the local pharmaceutical industry?

SPIMACO as a preferred partner for global pharma majors for localising their innovative medications that facilitated activities and production of commercial players. These activities allowed SPIMACO to develop its manufacturing knowhow, particularly in terms of quality. Quality is a crucial element to the pharmaceutical industry as it is not simply a business but directly impacts patient health. Our current transformation began three years ago in anticipation of Saudi Arabia's new biotech policy. The company's most important milestone was the construction of our manufacturing complex in Qassim, which has attracted many key players looking to manufacture in the country. Based on its history, SPIMACO is well-regarded within the Kingdom and will continue to be a key player going forward. Our current focus is advancing rapidly and staying ahead of the curve.

What strategy is the company currently working under to increase earnings and grow its market share?

We are shifting our focus to chronic disease therapies. We are the second-largest provider of diabetes treatments in Saudi Arabia and aim to become the leader. We are also the leader in nervous system treatments. We are currently exploring new partnerships and development opportunities. We develop products for Saudi Arabia and surrounding countries, and our ambitious plans include expanding in the Gulf Cooperation Council and in Middle East and Africa regions, including Morocco and Algeria.

Additionally, we are prioritizing the production of high-profit products and focusing on agility, flexibility and speed. Transforming our corporate culture and mindset is a fundamental steppingstone in our current plans.

How is SPIMACO positioning itself as a local leader in digital transformation and smart manufacturing?

We are also adopting the Pharma 4.0 operating model and integrating automation and artificial intelligence across the company. Continuous improvement is an important element to our updated mindset. Our operations at the plant are well equipped with fully automated parts coupled with data integration and are based on stringent quality systems. As a leader in KSA pharma industry, we are now bringing advanced manufacturing technologies into the country.

How important is localization and adhering to the government's Vision 2030 program for the company?

The Vision 2030 program is focused on localization and making Saudi Arabia a regional industrial hub. We recognize the need to localize production and are currently working on localizing vaccine production, including an HPV-9 vaccine that is vital for infection prevention and oncology. Our localization efforts align with the country's biotech strategy and the Vision 2030 initiative to create value for Saudi Arabia and countries within the Organization of Islamic Cooperation. SPIMACO is also focused on training and developing its workforce. We established an academy to ensure our employees are continuously trained and retrained to achieve the status of employer of choice. We are focused on Saudization, upgrading competencies and succession planning through coaching and mentoring programs to ensure continuity. Our partnerships with universities help us transfer knowledge and increase the resilience of our ecosystem.

What expectations do you have for Saudi Arabia's healthcare sector in the coming years?

The local healthcare landscape is being influenced by our aging and growing population, which has increased demand. Social security health coverage reforms have played a significant role in strengthening the sector. We anticipate that the sector will grow by around 7-8% over the next five years, higher than the estimated 5%. However, we need more regulatory support to compete with international competitors who benefit from lower labor costs. Our country has a unique momentum that is not found elsewhere. The energy and drive to make things happen in Saudi Arabia – despite challenges – make it a fulfilling and positive place to work. Leading people and aligning our efforts with the government's current direction is incredibly rewarding.



Jerome Cabannes
CEO