



rameda

Quality For All

Results Presentation

1Q 2023





AGENDA

01 **Group Overview**

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GROUP OVERVIEW

Rameda at a Glance

Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents S.A.E. (“Rameda”) specializes in the manufacture and sale of a wide range of branded **generic pharmaceuticals, nutraceuticals, cosmeceuticals, food supplements, medical devices & veterinary products**



Through a **careful selection, acquisition and registration process**, Rameda’s growing portfolio of products is focused on Egypt’s **high growth therapeutic areas** associated with strong margins

The Group’s headquarters and state-of-the-art production facility, **consisting of 3 factories**, is located in 6th of October City in the Giza Governorate west of Cairo.

Rameda was **ranked 3rd amongst the top 10 pharmaceutical players in Egypt** in terms of its 2019-2022 revenue CAGR according to IQVIA, with overall sales up by a strong 23.9% during the period⁽¹⁾

(1) Source: IQVIA

Executive Summary | 1Q 2023 Highlights

1Q 2023 Financial Highlights

Revenues	Gross Profit	EBIT	Net Operating Cash Flow	EBITDA	Net Income ⁽¹⁾	Core Net Income ⁽²⁾	Net Debt
EGP 392.0 mn	EGP 178.8 mn	EGP 91.5 mn	EGP 22.8 mn	EGP 108.2 mn	EGP 68.7 mn	EGP 55.4 mn	EGP 441.6 mn
▲ 14% YoY	▲ 3% YoY 46% margin	▼ 4% YoY 23% margin	▼ 76% YoY	▼ 2% YoY 28% margin	▼ 4% YoY 18% margin	▼ 16% YoY 14% margin	▼ 7% YoY

1Q 2023 Operational Highlights

Total Sales Visits	Units Sold (includes toll manufacturing)	Products Launched	Molecules Acquired	Average Unit Price (IQVIA)	Medical Reps & Merchandisers
201 _K	31.7 _{mn}	-	-	EGP 44.4	471
vs. 271k in 1Q22	▼ 3% YoY			▲ 26% YoY	vs. 484 in 1Q22

(1) Reported net income figure takes into account EGP 4.5 million in ESOP expenses. Excluding ESOP expenses, reported net income would record EGP 72.1 million, reflecting an increase of 0.5% y-o-y in 1Q23.

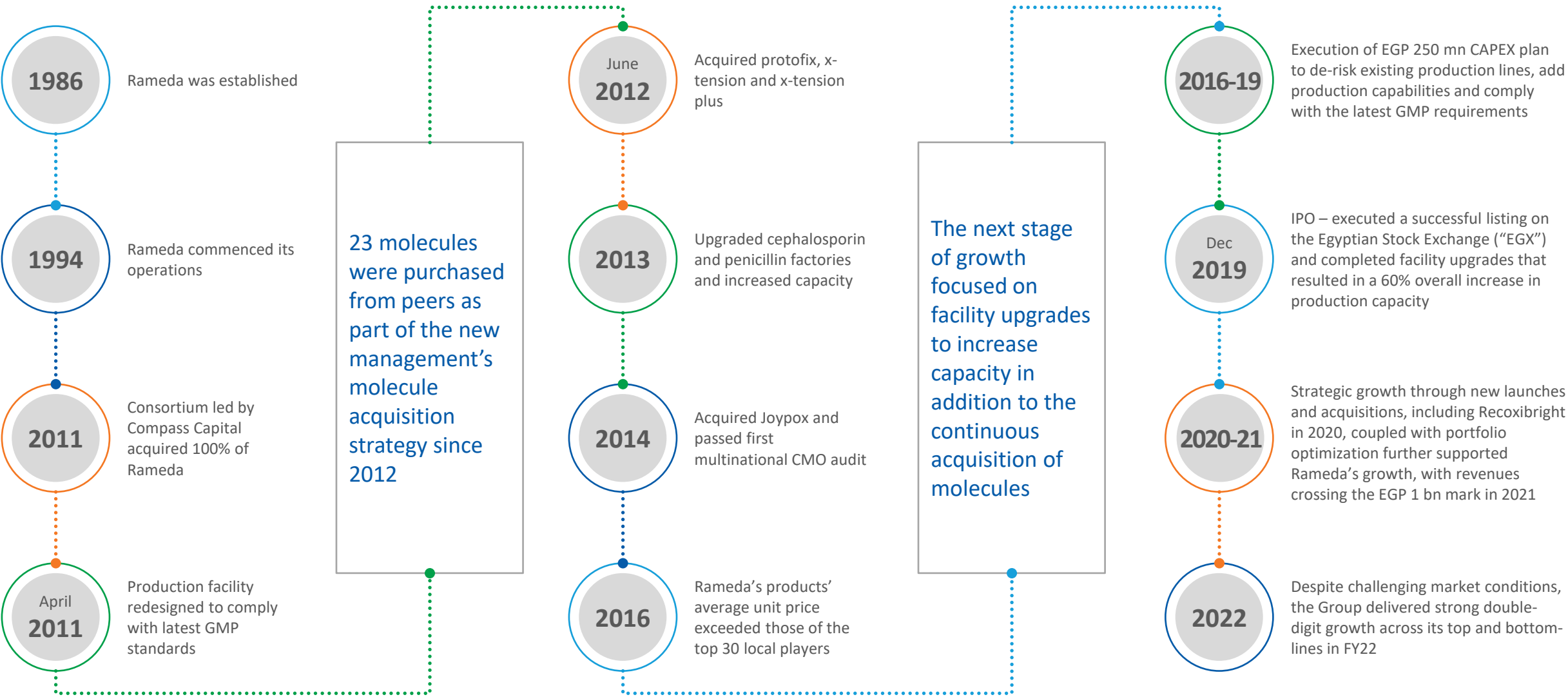
(2) Core net income before minority interest adjusted for ESOP expense, FX income/losses and unusual items.

1Q 2023 Market Positioning

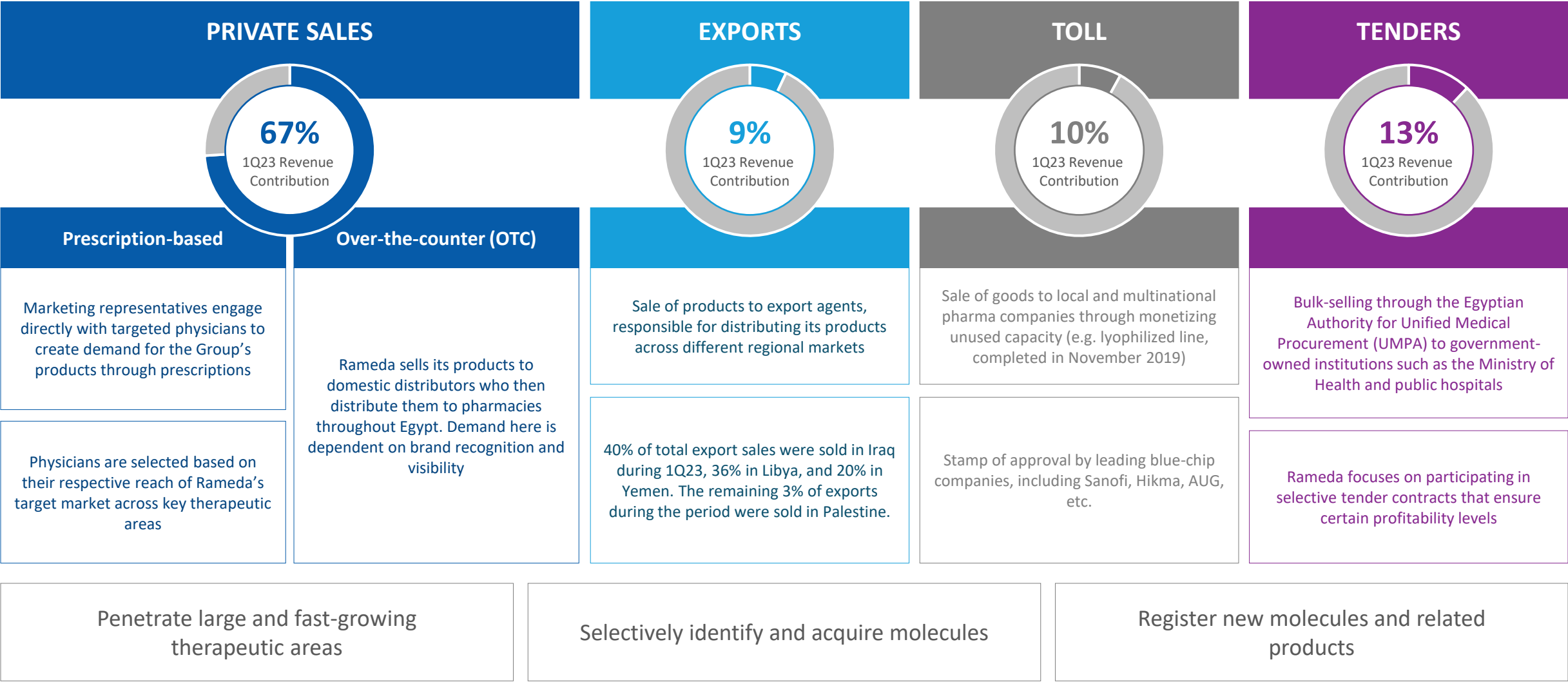


Source: IQVIA

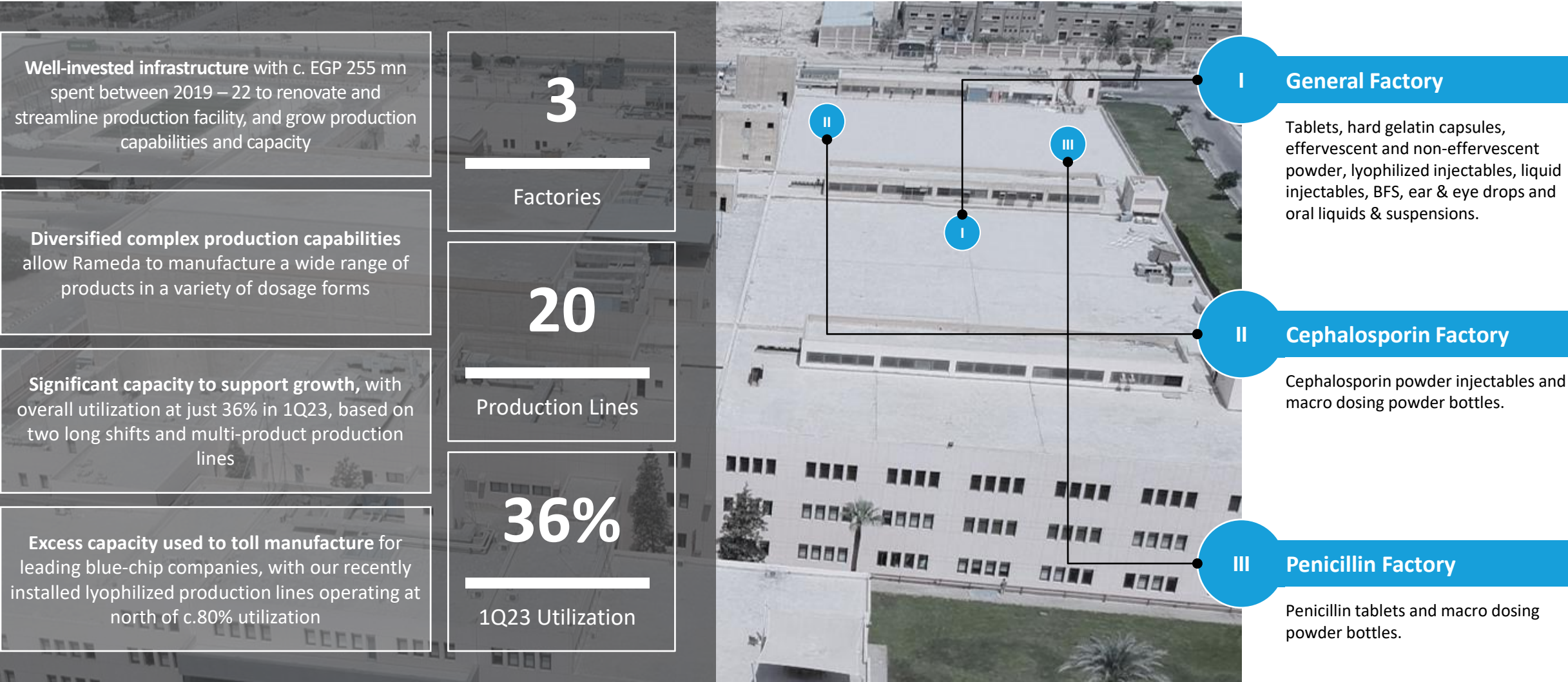
Our Evolution



Our Business Model



Well-Invested Manufacturing Facility



Investment Case

Attractive market with strong underlying growth trends			Disciplined acquisition strategy augmenting organic growth with selective acquisition of high-potential molecules or complementary businesses
Attractive Egyptian generic pricing framework supporting strong margins for generic manufacturers			An established well invested platform with significant available capacity to support future growth
Successful track record in launching new products to deliver growth			Multiple levers to support sustainable future growth
Deep pipeline of selectively developed molecules with significant sales potential across a range of attractive TAs			Experienced management with proven track record of operational excellence



1Q23 IN REVIEW

Executive Summary

Financial Highlights

Rameda recorded double-digit revenue expansion while containing profitability

Despite a challenging environment, including rising inflationary pressures and a depreciating currency, Rameda booked revenue growth of 14.3% y-o-y to EGP 392.0 million in 1Q23. This came on the back of a solid performance from its product portfolio and as the Group maximized the value generated from its products through a successful repricing strategy.

Gross profit rose by 3.2% y-o-y to EGP 178.8 million in 1Q23. GPM contracted by 4.9 percentage points year-on-year to 45.6% due to the impact of rising costs and a depreciating currency, as well as the delayed impact of recent product repricing, which has not yet been fully captured in revenues.

EBITDA declined by 2.3% y-o-y to EGP 108.2 million in 1Q23 and booked a margin contraction of 4.7 percentage points year-on-year to 27.6% in 1Q23 as the fall in gross profitability trickled down to EBITDA.

Reported net income decreased by 4.3% y-o-y to EGP 68.7 million in 1Q23 due to the pressures on Rameda's cost base coupled with rising interest rates resulting in an increase in financing costs during the period. It is worthy to note that Rameda booked EGP 4.5 million in non-cash ESOP expenses during the quarter, which were not present in the comparable period.

Adjusted for non-recurring expenses, core net income recorded a decline of 15.9% y-o-y to EGP 55.4 million and yielded a year-on-year margin contraction of 5.1 percentage points to 14.1% in 1Q23.

Key Developments

Delivering growth despite unfavorable market conditions

Rameda reported double-digit growth at its top line despite unfavorable market conditions, with major pharmaceutical distributors facing financial difficulties due to the current inflationary environment. The Group's revenue expansion during the period was spurred by strong growth across Rameda's business verticals.

At the private sales vertical, Rameda recorded a revenue increase of 19.4% y-o-y to EGP 264.3 million during the period on the back of its focus on ramping up sales of higher priced products. The increase came despite the lack of sales recorded by the Group's injectable antibiotics portfolio, which normally represents around 30% of revenues, as the local market for injectables witnessed a c.60% year-on-year volume decline in the Egyptian market during 1Q23.

Rameda's revenue expansion in 1Q23 was also supported by a c.25% increase in the price of the Group's toll manufacturing vertical, resulting in a 59.1% y-o-y increase in toll revenue to EGP 40.0 million in 1Q23.

The Group's revenues in 1Q23 were further buoyed by strategic price hikes recorded in 2022 and 1Q23. This resulted in 67 products reflecting c.77% of Group revenues in 1Q23 witnessing at least one wave of repricing at an average price increase of c.31% during the period. Moreover, 15 products representing c.23% of Group revenues in 1Q23 saw two waves of repricing, resulting in a cumulative average price increase of 55%.

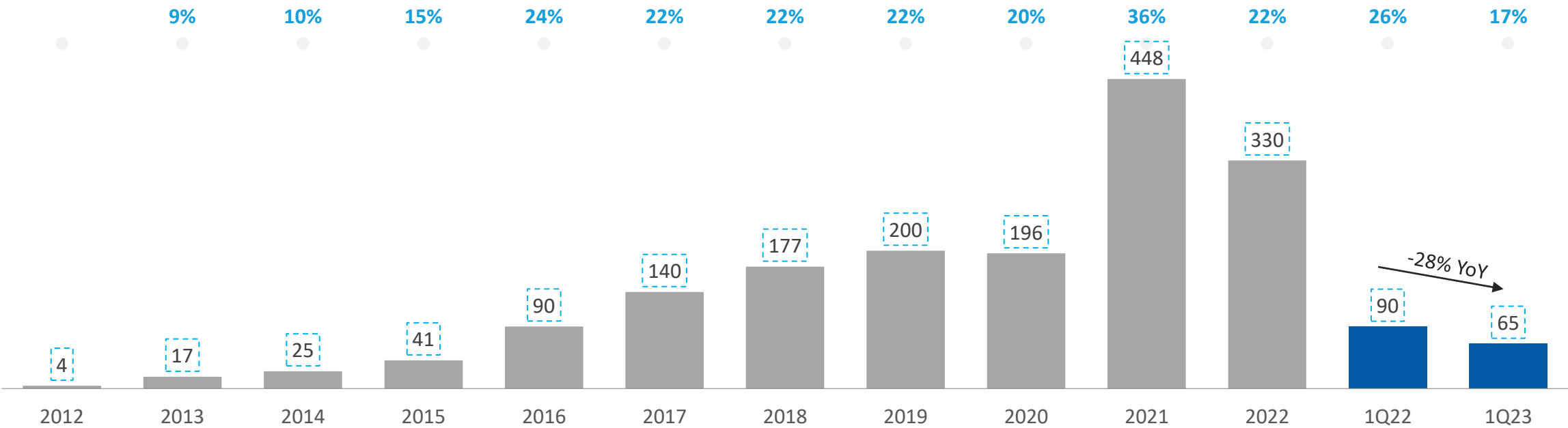
The Group is anticipated to receive increased approvals for price hikes over the course of 2023, which will further bolster revenue growth and enhance Rameda's profitability.

Launches | Performance to Date

Revenues generated from launches since 2012 contributed 17% of Group revenues, down 28% YoY in 1Q23

Revenue generated by molecules by launch year | EGP mn

% - Percentage of Total Revenues



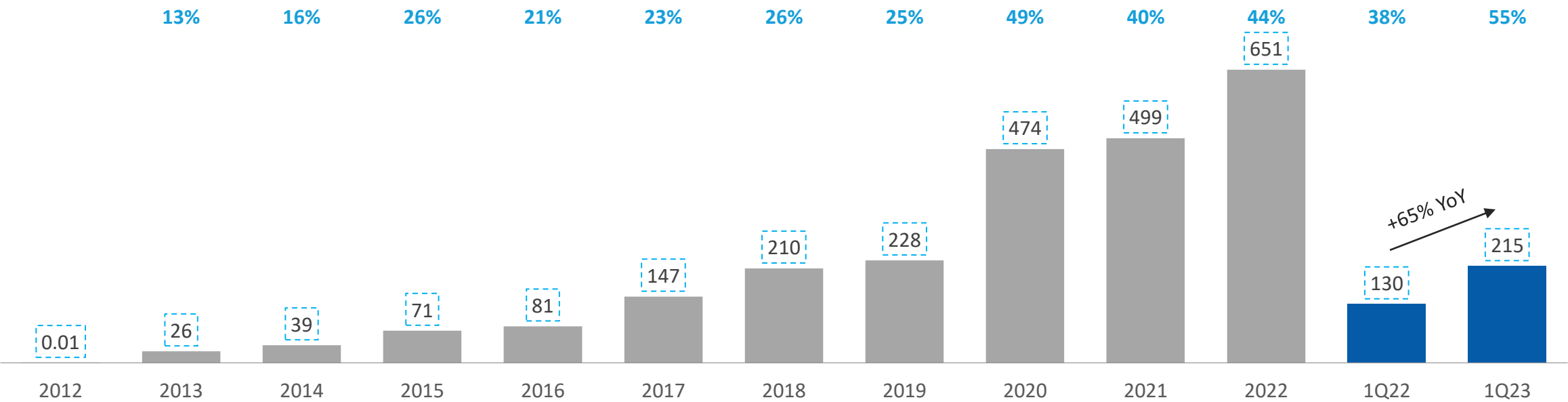
The decline in revenue from launches in 1Q23 was primarily due to the significant drop in revenue from certain antiviral and antibiotic product launches in 2013 and 2020

Acquisitions | Performance to Date

Meanwhile, revenues generated from acquisitions since 2012 contributed 55% of Group revenues and grew by 65% YoY in 1Q23

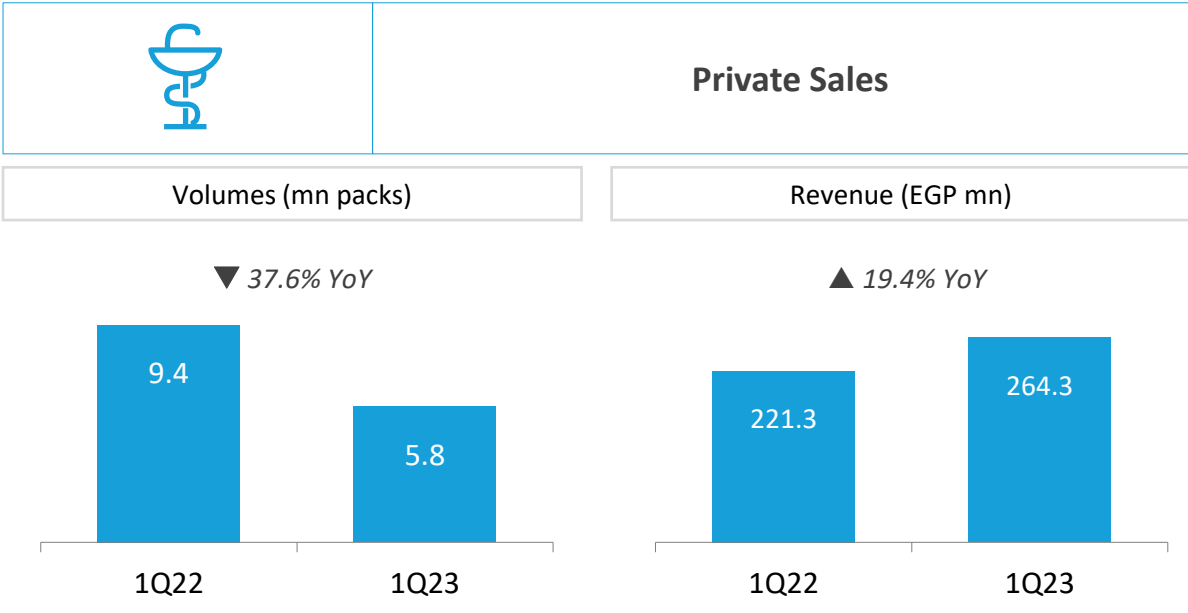
Revenue generated by molecules by acquisition year | EGP mn

% - Percentage of Total Revenues



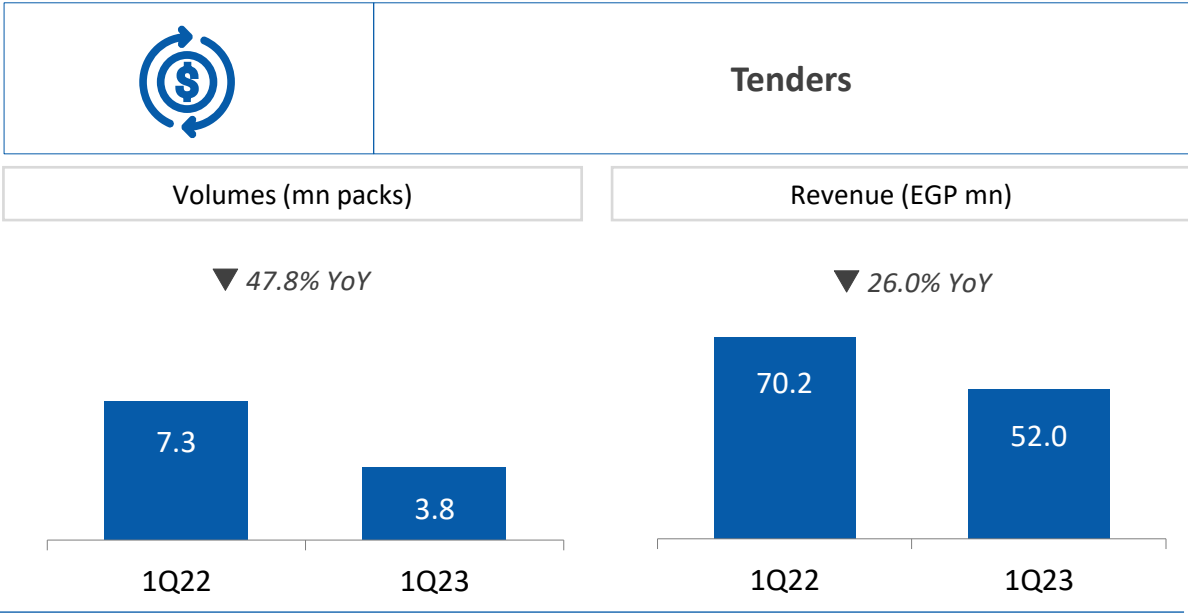
Growth in revenue from acquisitions reflects the Group’s successful strategy since its IPO in 2019 to increasingly execute value-accretive molecule acquisitions

Segmental Breakdown & Analysis | 1Q23 (1 of 2)



Despite a 37.6% y-o-y decline in **private sales** volumes to 5.8 million units in 1Q23, the vertical's revenues grew by 19.4% y-o-y to EGP 264.3 million during the period on the back of Rameda's focus on ramping up sales of higher priced products. The increase in private sales revenue came despite an absence of sales from Rameda's injectable antibiotics portfolio during the period due to current market conditions, which normally represents 30% of Rameda's revenues.

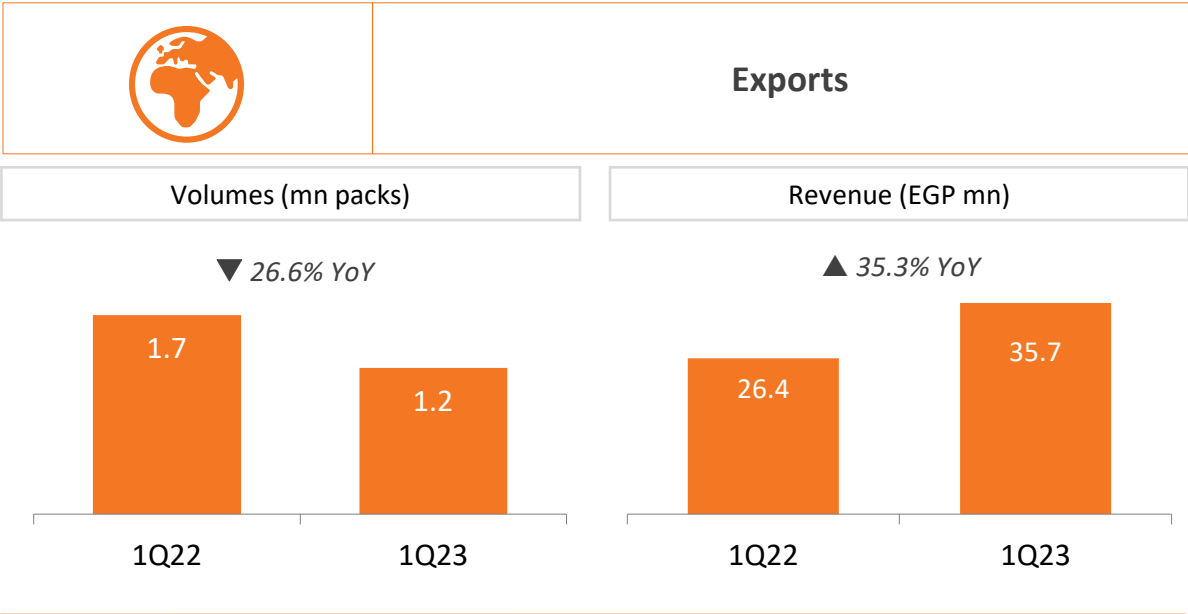
It is worthy to note that excluding volume sales from injectable antibiotics, private sales volumes recorded an increase of c.44% y-o-y in 1Q23.



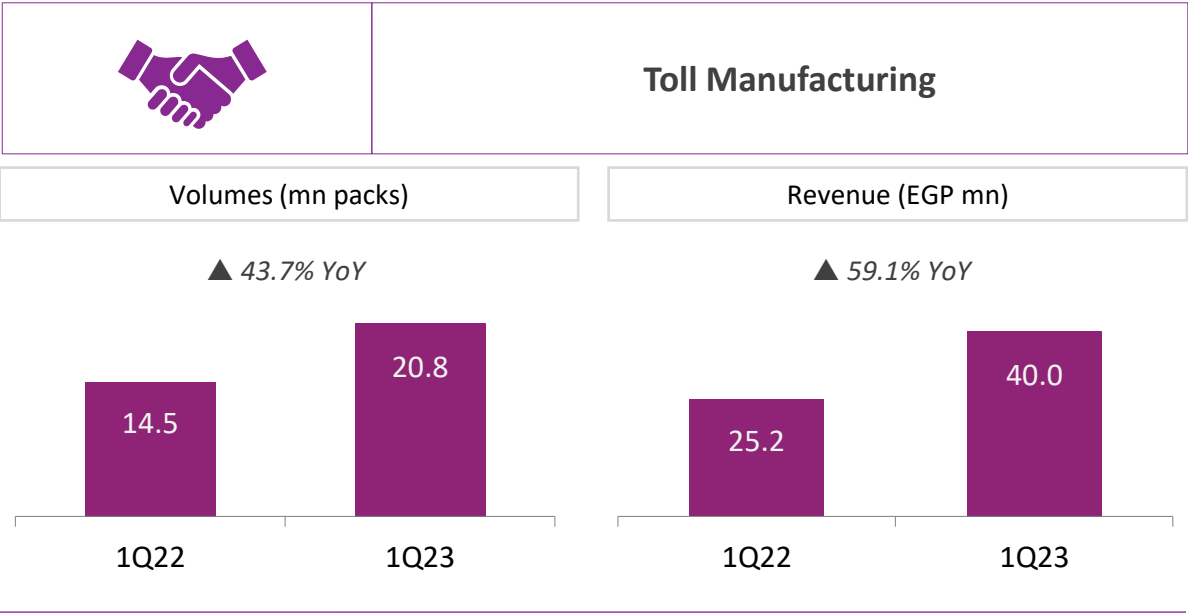
Volumes from **tenders** declined by 47.8% y-o-y to 3.8 million units in 1Q23. This performance is in line with management's strategy to reduce the contribution of tenders to Rameda's revenues due to its lower relative profitability, driven by strong price competition within the sales channel and rising costs. Consequently, revenues from tenders recorded a decline of 26.0% y-o-y to EGP 52.0 million in 1Q23.

Note: Please refer to the appendix for a detailed revenue and volume table by market route.

Segmental Breakdown & Analysis | 1Q23 (2 of 2)



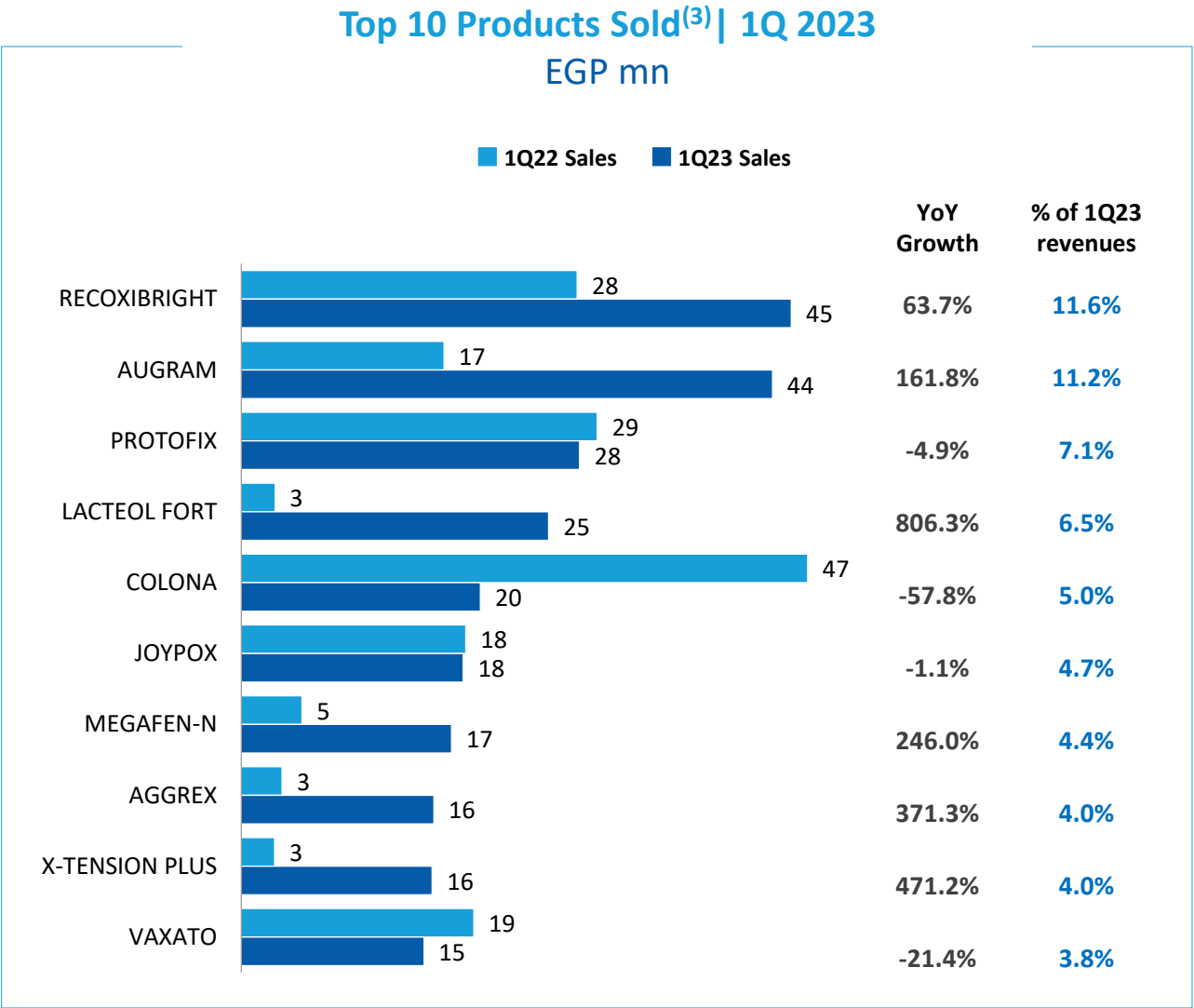
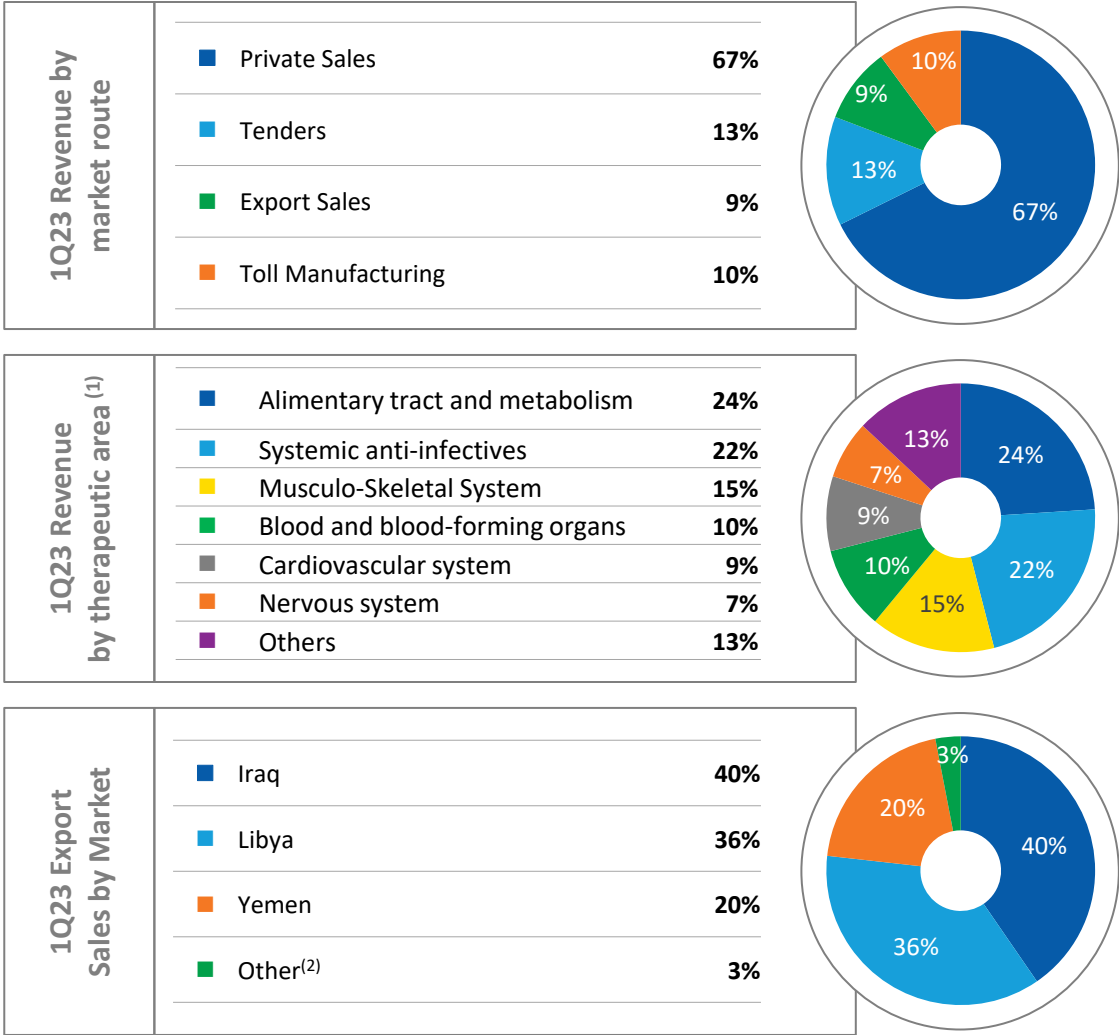
Export revenues booked a 35.3% y-o-y increase to EGP 35.7 million in 1Q23, which came despite a 26.6% y-o-y decline in export volumes sold, driven by strong export sales to Libya, which was the second highest contributor to the vertical’s revenues at 36.4% in 1Q23 and the primary driver for the export vertical’s overall revenue growth during the period.



Toll manufacturing volumes grew by 43.7% y-o-y to 20.8 million units in 1Q23, driven by the securing of accretive contracts, which saw increased utilization of the Group’s liquid and penicillin lines in addition to high utilization of its lyophilized production capabilities. This performance drove a 59.1% y-o-y increase in revenue from toll manufacturing to EGP 40.0 million in 1Q23.

Note: Please refer to the appendix for a detailed revenue and volume table by market route.

Sales Breakdown & Analysis | 1Q23



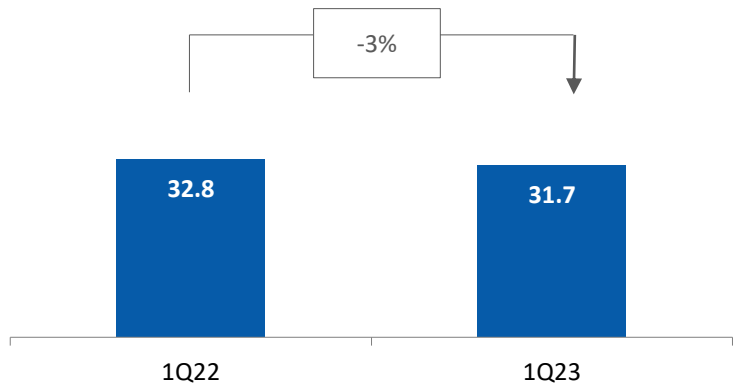
(1) Contribution by TA is calculated on revenues before toll revenue, discounts & incentives and sales returns.

(2) Refers to Palestine

(3) Source: IQVIA

Key Performance Indicators | 1Q23 (1 of 2)

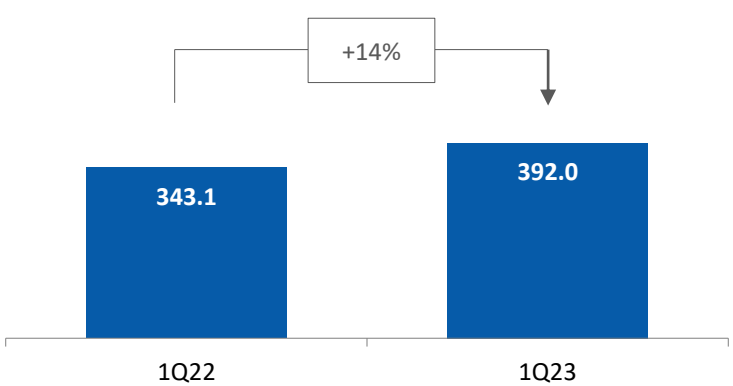
Volume Sold (includes toll manufacturing)
(mn units / % change)



Volumes declined by 3% YoY

to 31.7 million units primarily due to the absence of sales from Rameda’s injectable antibiotic portfolio as a result of unfavorable market conditions in 1Q23. Consequently, the Group’s private sales vertical booked a 37.6% y-o-y decline in volumes sold during the period. Additionally, the decline in Rameda’s volumes was also attributed to the Group’s continued strategy of reducing the contribution of the tenders vertical to Rameda’s performance.

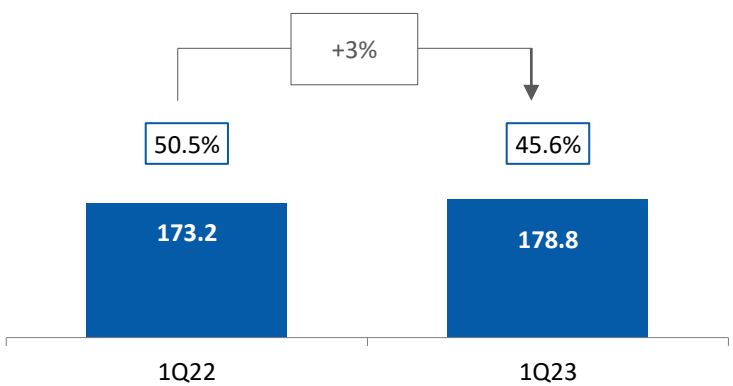
Revenues
(EGP mn / % change)



Revenues increased by 14% YoY

to EGP 392.0 million primarily on the back of a 19.4% YoY increase in revenue from private sales as the Group continues to reap the rewards of its strategy to generate increased value from higher priced products, which has resulted in solid performances across Rameda’s top 10 selling products. Strong triple-digit growth from Augram and Lacteol Fort, as well as double-digit growth from Recoxibright, supported Rameda’s top-line expansion in 1Q23.

Gross Profit
(EGP mn / % change / % margin)



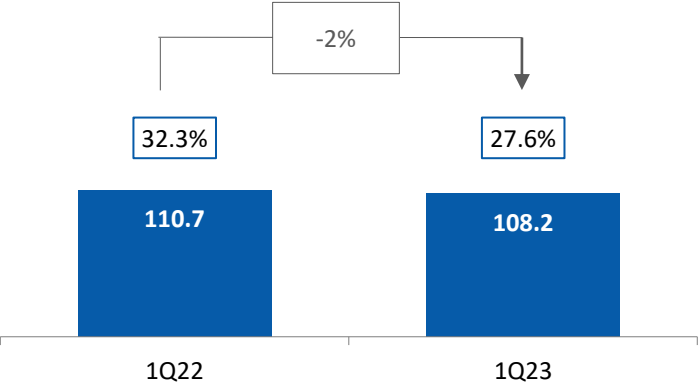
Gross profit increased by 3% YoY

to EGP 178.8 million in 1Q23, yielding a GPM contraction of 4.9 percentage points year-on-year to 45.6% primarily due to the impact of a depreciating currency and inflationary pressures on COGS in 1Q23. Additionally, the contraction was due to the delayed impact of recent product repricing, which has not yet been fully captured in revenues.

Key Performance Indicators | 1Q23 (2 of 2)

EBITDA

(EGP mn / % change / % margin)

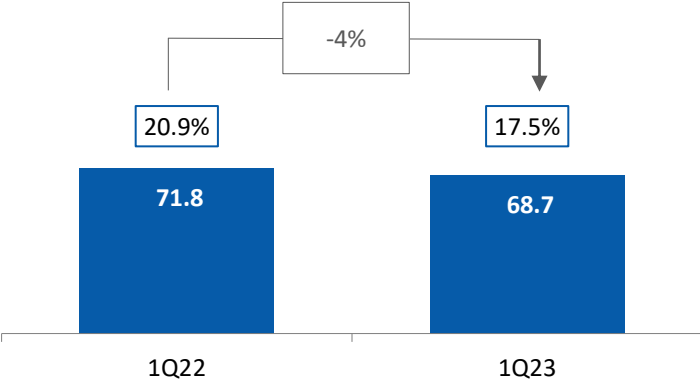


EBITDA inched down by 2% YoY

to EGP 108.2 million in 1Q23 and booked a margin contraction of 4.7 percentage points year-on-year to 27.6% in 1Q23 as the fall in gross profitability trickled down to EBITDA.

Reported Net Income⁽¹⁾

(EGP mn / % change / % margin)

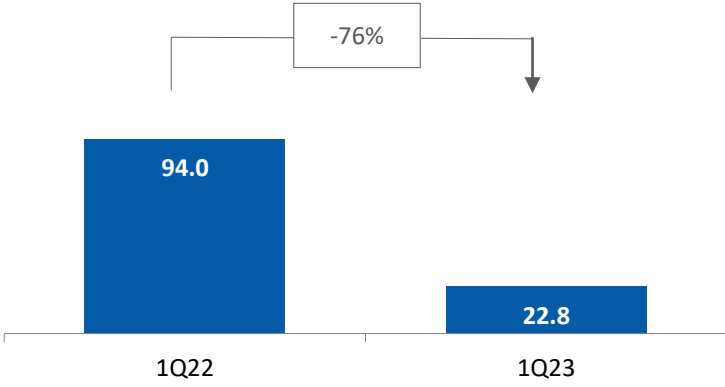


Reported net income declined by 4% YoY

EGP 68.7 million in 1Q23 due to the pressures on Rameda's cost base coupled with rising interest rates resulting in an increase in financing costs during the period. It is worthy to note that Rameda booked EGP 4.5 million in non-cash ESOP expenses during the quarter, which were not present in the comparable period.

Net Operating Cashflow

(EGP mn / % change)

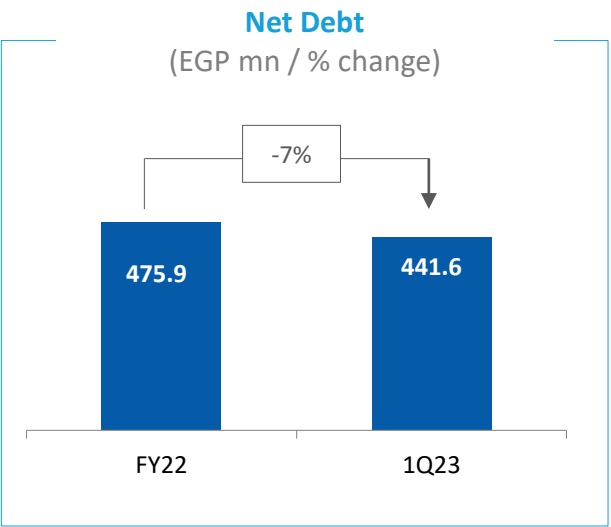
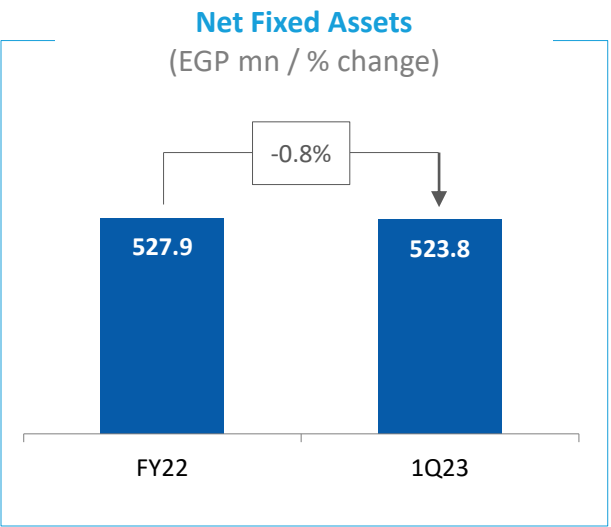


Net operating cashflows declined 76% YoY

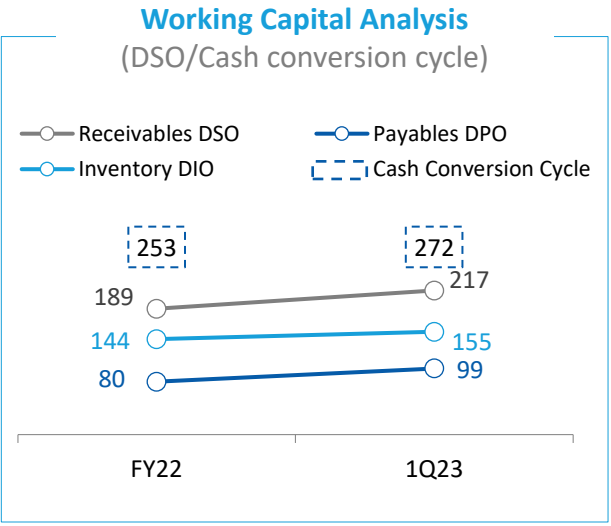
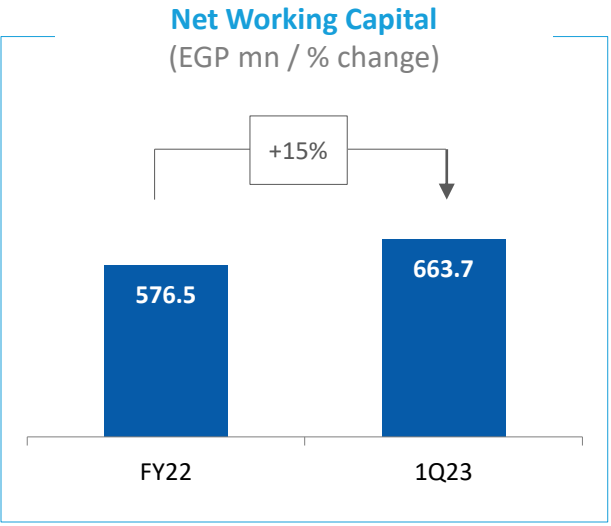
to EGP 22.8 million in 1Q23 on the back of disruptions in collections from distributors, reflecting the major financial difficulties faced by key distributors during the period. Additionally, the decline in operating cashflows was driven by an increase in inventory due to rising inflationary pressures.

(1) Reported net income figure takes into account EGP 4.5 million in ESOP expenses. Excluding ESOP expenses, reported net income would record EGP 72.1 million, reflecting an increase of 0.5% y-o-y in 1Q23.

Balance Sheet Highlights | 1Q23



Summary Balance Sheet (EGP mn)	31-Dec-22	31-Mar-23
Non-current assets	1,015	1,006
Current assets	1,758	1,874
Total assets	2,773	2,879
Non-current liabilities	68	72
Current liabilities	1,182	1,210
Total Liabilities	1,250	1,282
Shareholder's Equity	1,519	1,591
Minority Interest	5	7
Liabilities & Shareholders' Equity	2,773	2,879



Net Fixed Assets

Came in at EGP 523.8 million as of 31 March 2023, down by 0.8% YTD, with CAPEX during the period accounting primarily for maintenance.

Net Debt

Stood at EGP 441.6 million as of 31 March 2023, representing a decline of 7.2% YTD, driven by a 5.2% YTD contraction in total debt, outpacing the 3.0% YTD decline in cash and bank balances during the period.

Cash Conversion Cycle

Increased by 19 days YTD to 272 days as of 31 March 2023, driven by a 27-day increase in receivables DSO and an 11-day increase in inventories DIO, and was partially offset by a 20-day increase in payables DPO during the quarter.

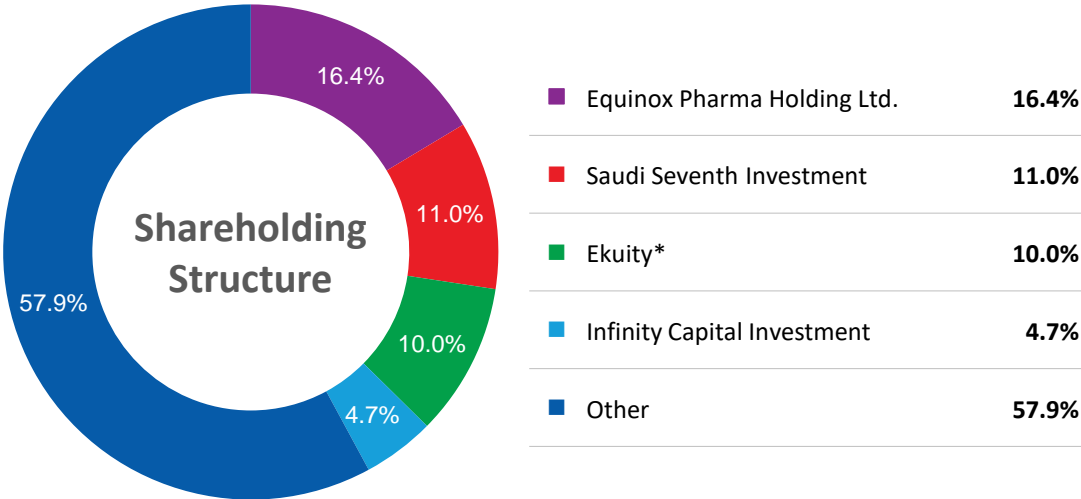
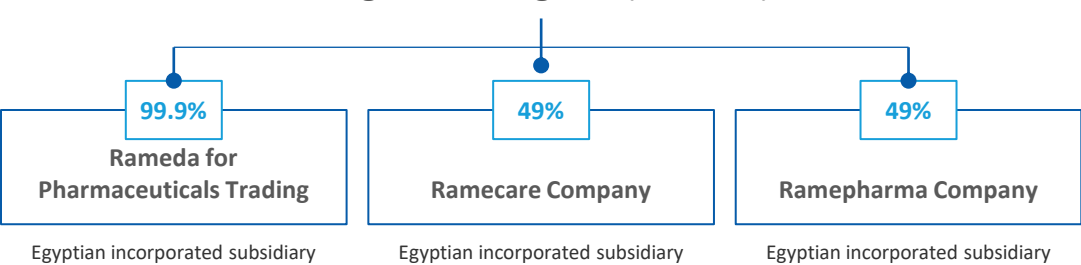


STOCK INFORMATION

Corporate Structure and Share Performance

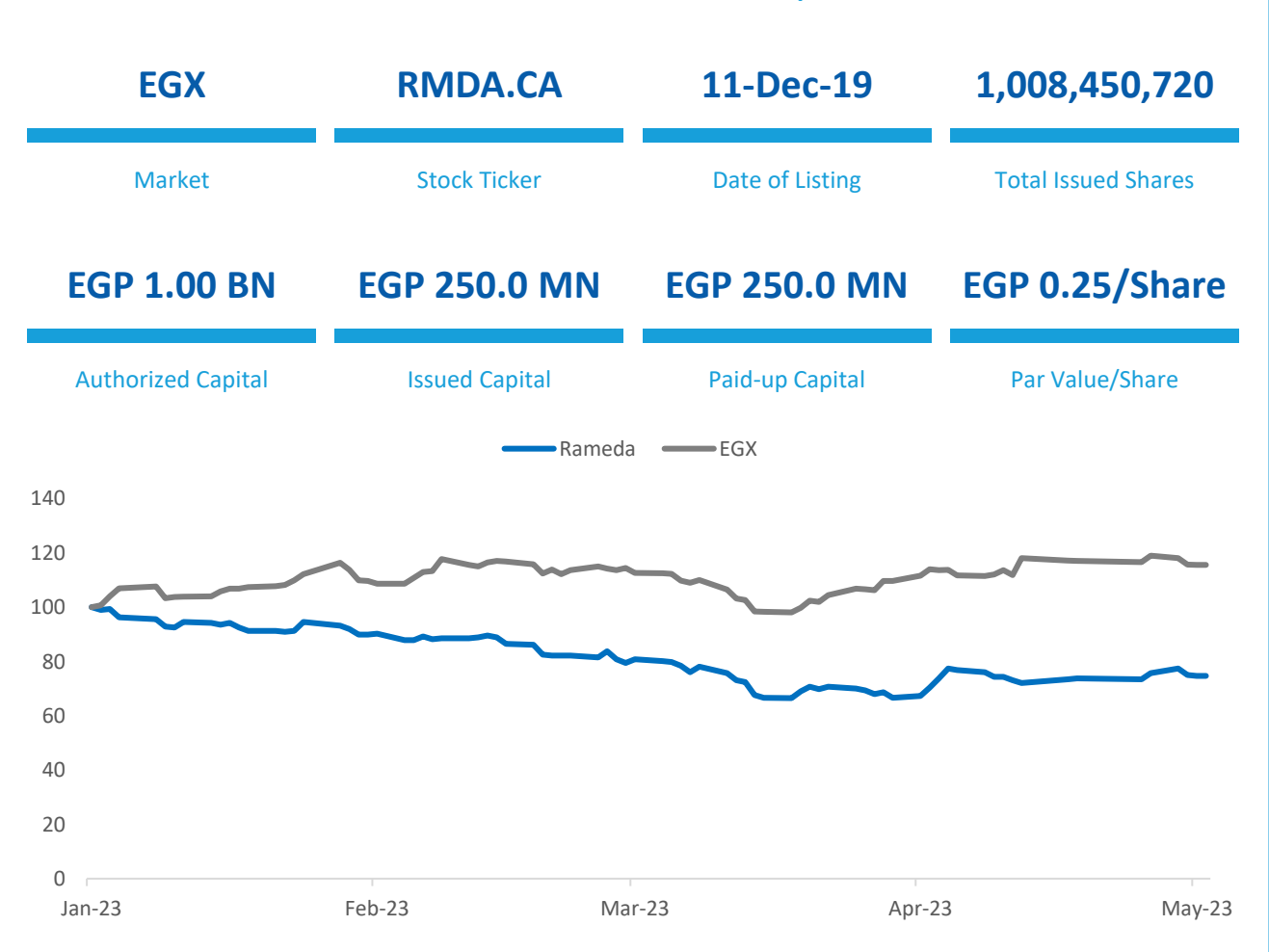
Corporate Structure Overview

Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda)



* Subsidiary of Kuwaiti Investment Authority

Share Information & Performance in 1Q23 | Rebased to 100





APPENDIX

Revenue & Volume Sold

Revenue Analysis	1Q22	1Q23	% YoY
Private Sales			
Volumes Sold ('000)	9,353	5,837	-37.6%
Sales (EGP mn)	221	264	19.4%
Tenders			
Volumes Sold ('000)	7,308	3,816	-47.8%
Sales (EGP mn)	70	52	-26.0%
Exports			
Volumes Sold ('000)	1,684	1,236	-26.6%
Sales (EGP mn)	26	36	35.3%
Total Volume Excluding toll manufacturing ('000 units)	18,345	10,889	-40.6%
Toll Manufacturing			
Volumes Sold ('000 sheets)	14,488	20,820	43.7%
Sales (EGP mn)	25	40	59.1%
Total Revenue (EGP mn)	343	392	14.3%

Capacity & Production

		Production mn			Capacity mn			Utilization %	
		1Q22	1Q23	YoY Δ	1Q22	1Q23	YoY Δ	1Q22	1Q23
General Factory	Blow Fill Seal (Ampoules)	12.3	10.0	-18.2%	34.9	34.9	0.0%	35.1%	28.7%
	Lyophilized Injectables (Vials)	2.9	2.7	-7.7%	3.2	3.2	0.0%	90.4%	83.4%
	Eye & Ear Drops (Bottles)	2.3	2.4	3.2%	4.3	4.3	0.0%	53.7%	55.4%
	General Tablets / Capsules (Blisters)	13.8	19.1	38.1%	41.2	41.2	0.0%	33.6%	46.4%
	Small-sized Sachets	0.4	2.6	518.0%	8.8	8.8	0.0%	4.8%	29.7%
	Large-sized Sachets	0.0	0.0	n/a	1.9	1.9	0.0%	0.0%	0.0%
	General Macro-Dosing Dry Mix (Bottles)	0.1	0.2	110.3%	3.5	3.5	0.0%	3.3%	6.9%
	Liquids (Bottles)	5.4	6.9	26.5%	10.0	10.0	0.0%	54.6%	69.0%
Cephalosporin Factory	Cephalosporin Injectables (Vials)	9.4	3.9	-58.6%	18.9	18.9	0.0%	49.8%	20.6%
	Cephalosporin Macro Dosing Powder (Bottles)	0.0	0.2	392.6%	3.3	3.3	0.0%	1.3%	6.3%
Penicillin Factory	Penicillin Tablets / Capsules (Blisters)	3.5	1.5	-55.9%	8.9	8.9	0.0%	39.3%	17.3%
	Penicillin Macro Dosing Powder (Bottles)	1.3	1.4	9.3%	2.5	2.5	0.0%	52.5%	57.4%
Total		51.5	51.0	-1.0%	141.4	141.4	0.0%	36.5%	36.1%