



rameda

Quality For All

**Results
Presentation**

H1 2020

Agenda

- **Group Overview**
- **H1 2020 In Review**
- **Stock Information**
- **Appendix**
 - **Our People**
 - **Revenue & Volume Analysis**



Group Overview



Ramedata at a Glance

Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents S.A.E. (“Ramedata”) 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**, Ramedata’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.

Ramedata has surpassed its peers to become **the second-fastest growing Egyptian pharmaceutical company today** in terms of 1H16-1H20 Revenue CAGR⁽¹⁾



(1) Source: IMS Health



1H20 Performance Highlights

H1 2020 Financial Highlights

EGP 437.5 mn
Revenues
▲ 14% y-o-y

EGP 204.7 mn
Gross Profit
▲ 19% y-o-y
47% margin

EGP 88.8 mn
EBIT
▼ 1% y-o-y
20% margin

EGP (40.5) mn
Operating Cash
Flow

EGP 116.1 mn
Adjusted EBITDA⁽¹⁾
▲ 11% y-o-y
27% margin

EGP 43.8 mn
Net Income⁽²⁾
▲ 109% y-o-y
10% margin

EGP 0.06/share
EPS⁽²⁾
▲ 109% y-o-y

EGP 298.2 mn
Net Debt
▲ 219% YTD

H1 2020 Operational Highlights

32.0 mn
Units Sold
(excluding toll)
▲ 0.5% y-o-y

4
Molecules
Launched

3
Molecules
Acquired

EGP 31.67
Average Unit
Price⁽³⁾
(Private Market)
▲ 5% y-o-y



(1) Adjusted for depreciation, impairments and provisions (2) After minority interest (3) Source: IQVIA



2Q20 Performance Highlights

2Q 2020 Financial Highlights

EGP 205.0 mn
Revenues
▲ 6% y-o-y

EGP 98.5 mn
Gross Profit
▲ 6% y-o-y
48% margin

EGP 38.4 mn
EBIT
▼ 27% y-o-y
19% margin

EGP (123.1) mn
Operating Cash
Flow

EGP 53.1 mn
Adjusted EBITDA⁽¹⁾
▼ 13% y-o-y
26% margin

EGP 19.9 mn
Net Income⁽²⁾
▲ 54% y-o-y
10% margin

EGP 0.03/share
EPS⁽²⁾
▲ 54% y-o-y

EGP 298.2 mn
Net Debt
▲ 219% YTD

2Q 2020 Operational Highlights

13.6 mn
Units Sold
(excluding toll)
▼ 10% y-o-y

4
Molecules
Launched

-
Molecules
Acquired

EGP 31.67
Average Unit
Price⁽³⁾
(Private Market)
▲ 4% y-o-y



(1) Adjusted for depreciation, impairments and provisions (2) After minority interest (3) Source: IMS Health



1H20 Market Positioning

Market Positioning 1H 2020 ⁽¹⁾

Evolution Index

132

Total Market
vs.85 in 1H19

106

Private Market
vs.119 in 1H19

131

Defined Market
vs.106 in 1H19

Market Share

1.4%

Total Market
vs.1.1% in 1H19

3.3%

Defined Market
vs.2.6% in 1H19

Market Ranking

18th

Total Market
vs. 23rd in 1H19

9th

Defined Market
vs. 11th in 1H19

Growth Comparison

55.5%

1H16-1H20 CAGR
(vs. 26.8% for the
Egyptian market)

2nd

1H16-1H20 CAGR
(among the top
30 companies)

Market Ranking ⁽¹⁾

6th

Total Defined Market
(without under license)
in terms of 1H20 Units sold



⁽¹⁾ Source: IMS Health – In terms of value sold unless stated otherwise



Our Business Model

Exports

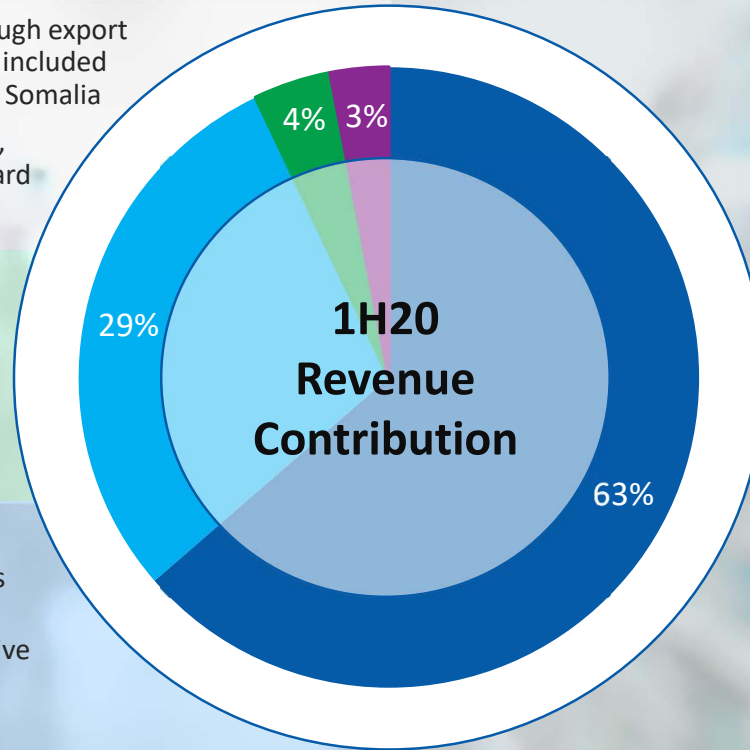
- Exports to different regional markets through export agents. Rameda's export markets in 1H20 included Iraq, Yemen, Palestine, Nigeria, S.Sudan & Somalia
- Export sales revenue is USD denominated, acting as a partial natural hedge for the hard currency API costs and minimising FX risk

Toll

- Sale of goods to local and multinational pharma companies through **monetizing unused capacity** (e.g. lyophilized line, completed in November 2019).
- **Stamp of approval by leading blue-chip companies**, including Sanofi

Tenders

- Bulk-selling through tender processes, directly to government-owned institutions or indirectly through distributors.
- Rameda focuses on participating in selective tender contracts that ensure certain profitability levels



Prescription-based

- **Marketing representatives engage directly with targeted physicians** to create demand for the Group's products through prescriptions
- Physicians are selected based on their respective reach of Rameda's target market across key therapeutic areas.

Over-the-counter (OTC)

- Rameda sells its products to domestic distributors who then distribute its products to pharmacies throughout Egypt. Demand here is dependent on brand recognition and visibility

Private Sales

Penetrate large and fast-growing therapeutic areas

Selectively identify and acquire molecules

Register new molecules and related products



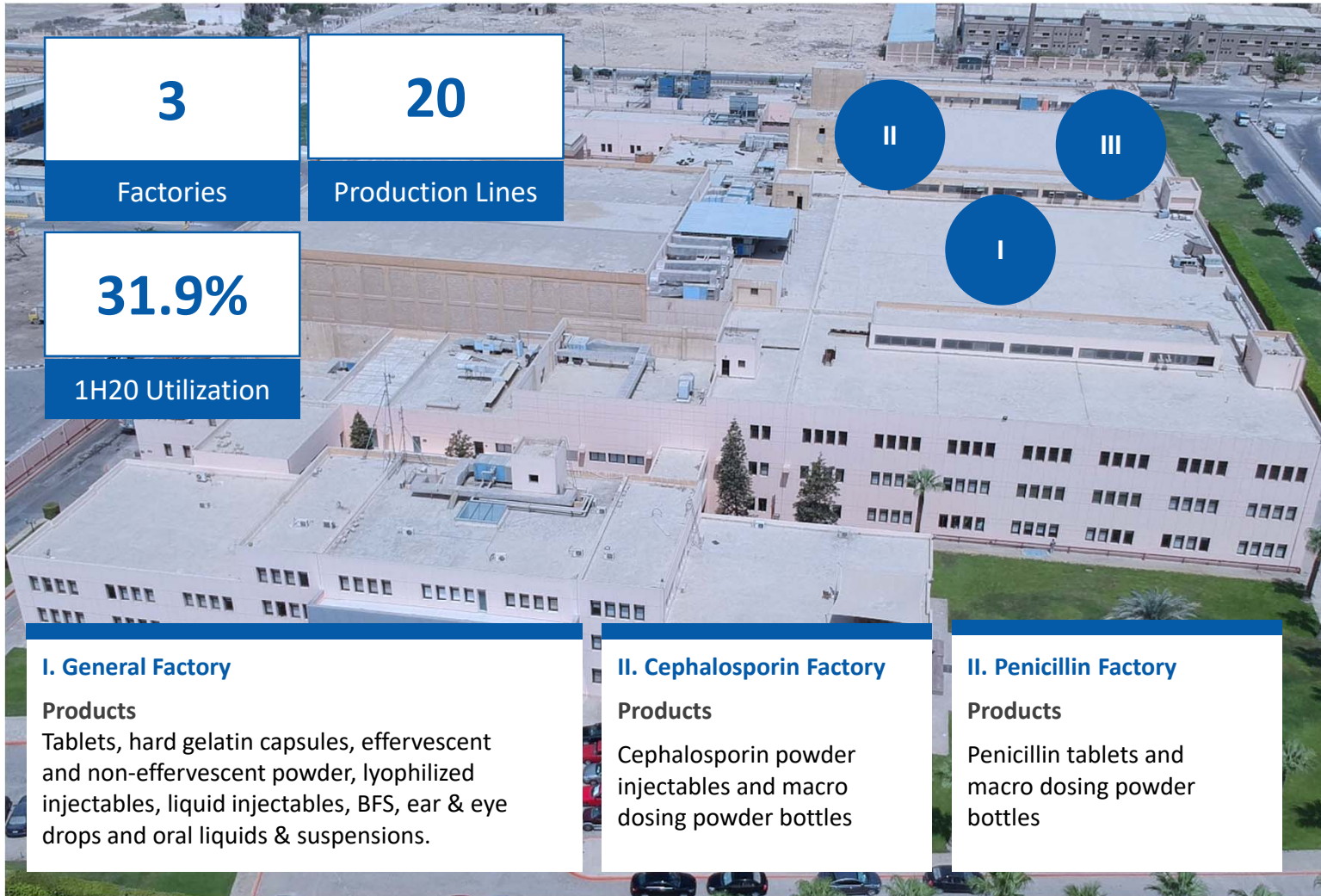
Our Manufacturing Capabilities

Well-invested infrastructure with c. EGP250m spent between 2016 – 18 to renovate and streamline production facility, and grow production capabilities and capacity

Diversified complex production capabilities allow Rameda to manufacture a wide range of products in a variety of dosage forms

Significant capacity to support growth, with production capacity up by 63% year-on-year between 1H19 and 1H20

Excess capacity used to toll manufacture for leading blue-chip companies, including our new lyophilized production lines installed in year-end 2019





Our Evolution

1986



Rameda was established

1994



Operations for Rameda Commenced

2011



Acquisition of 100% of Rameda by consortium led by Compass Capital

April 2011



Production facility redesigned to comply with latest GMP standards

23 molecules were purchased from peers as part of the new management's molecule acquisition strategy since 2012

June 2012



Acquisition of protofix, x-tension and x-tension plus (13.4% of Rameda's 2018 gross revenue)

2013



Upgraded cephalosporin and penicillin factories and increased capacity

2014



Acquired Joypox (6.5% of Rameda's 2018 gross revenue) & passed first multinational CMO audit

2016



Rameda's products' average unit price exceeded those of the top 30 local players

The next stage of growth focused on facility upgrades to increase capacity in addition to the continuous acquisition of molecules

2016-19



Execution of EGP 250 mn CAPEX plan to de-risk existing production lines, add production capabilities & comply with the latest GMP requirements

Nov 2019



Completion of facility upgrade - delivered 60% overall increase in production capacity

Dec 2019



IPO – executed a successful listing on the Egyptian Stock Exchange ("EGX")

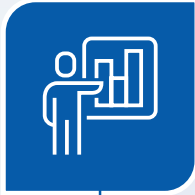
2020+



Strategic growth through new launches, portfolio optimization and recently upgraded production facility



Investment Case



Favorable environment underpinned by supporting demographic dynamics



Well-positioned to benefit from the growing generic pharmaceutical industry



Optimized portfolio of market-leading products in high growth underpenetrated therapeutic areas



Proven ability to identify, acquire and register new molecules & successful track record in launching new products



Newly renovated production facility resulting in increased capacity and growth potential



Experienced management team with a strong track record



H1 2020 In Review





1H20 | Performance Overview

COVID-19-related Operational Updates

Resumption of Full Operations

- The COVID-19 pandemic and its resulting impact on Rameda's operations - specifically the reduction of shifts for noncritical production line shifts, the inability to effectively utilize the group's recently expanded sales team, and a slowdown in market growth amid decreased traffic throughout outpatient clinics - slowed down volume sales during the last few months, with volumes up by 0.5% year-on-year in 1H20.
- While sales of medicine for chronic conditions remained relatively stable, Rameda's acute medicine sales were impacted from reduced hospital hours and general social distancing measures
- With the relaxing of social distancing measures during the last few months, all of Rameda employees have returned to work full-time since August 2020
- To keep our employees safe during his new phase of the pandemic, new hygiene and disinfecting policies, alongside regulation on social distancing, have been adopted across the board

New Products Acquired & Launched

Launch of High-Growth COVID-19 Medication

- In June 2020, Rameda commenced the production of Anviziram, the generic equivalent of Japanese antiretroviral Avigan, used for the treatment of patients suffering from COVID-19, with its generic form with clinical trials being explored in Russia, China, Italy and Japan.
- In the same month, Rameda secured approval from the EDA to begin manufacturing Remdesivir, a broad-spectrum antiviral medication developed by USD-based Gilead Sciences, also used in the treatment of severe COVID-19 cases.
- Management aim to bring Anviziram and Remdesivir to market by 4Q20 at the latest
- Rameda also launched two new immunity-boosting food supplements in 1H20, HOMO and Robesta which contain Colostrum and Lactoferrin, in addition to other elements included by the MOH in its most recent Protocol for the treatment COVID-19

Solid Financial Performance

Strong Top-and-Bottom-Line Expansion

- Solid top line growth of 14% year-on-year, driven by higher average pricing based on the Group's new optimized product portfolio, increased business from the Tenders vertical, and strong revenue generation from Recoxibright, after its acquisition in March 2020
- Enhanced operational performance saw Rameda's GP margin grow by 2.1 percentage points to 46.8% between 1H19 and 1H20 on the back of higher average prices, improved procurement prices secured from APIs and a more favorable USD rate
- The Group's bottom line also grew significantly, with year-on-year growth of 109% between 1H19 and 1H20, on the back of improved treasury operations.

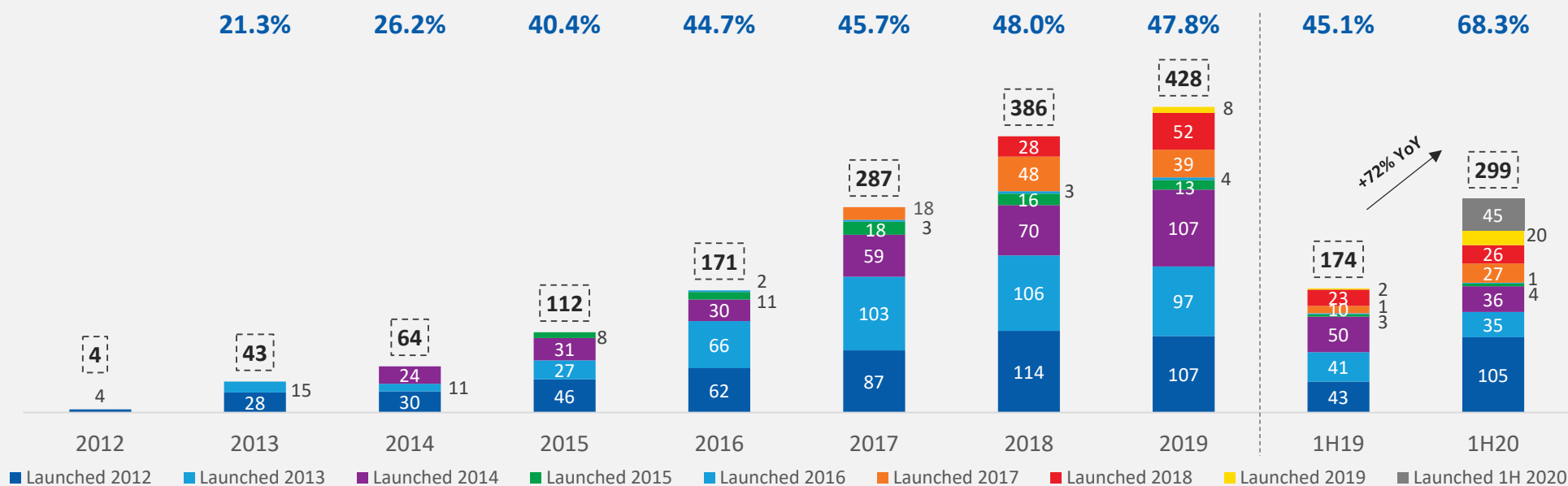


New Launches | Rameda's Cornerstone for Growth

New Launches since 2012 | Performance to Date

Revenue generated by molecules by launch year | EGP mn

% - Percentage of Total Revenues



First to market opportunities

Initial entrant benefits from significantly higher market share and strong patient retention

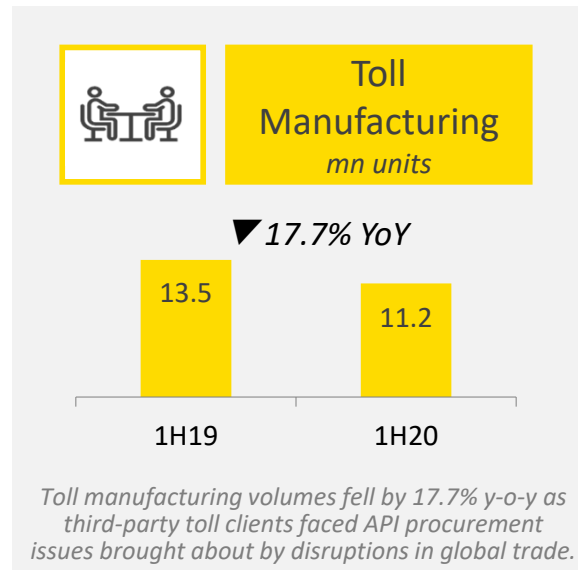
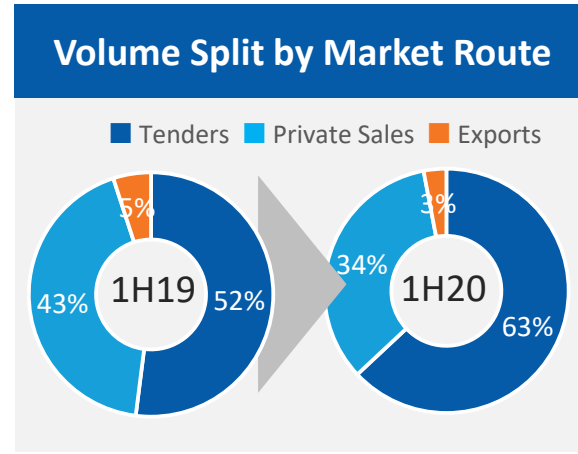
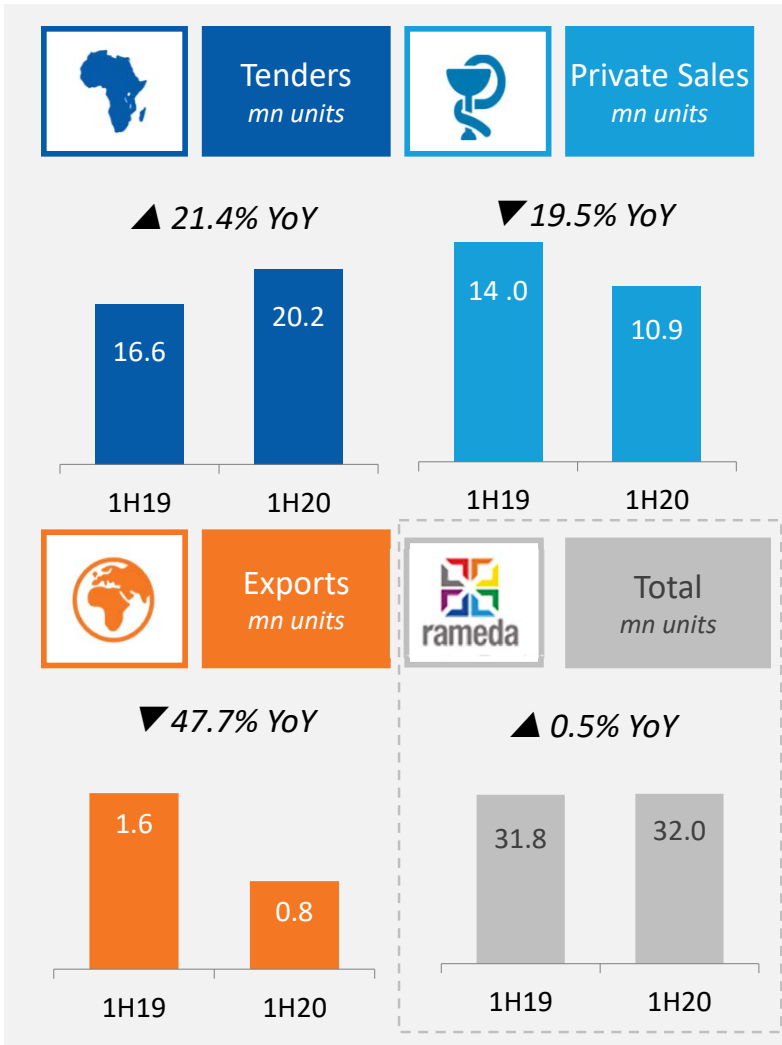
Early registering

Lower discount from the innovator price for the first five registrants

Optimization towards higher-priced molecules

In order to maximize Rameda's revenue and operating margins

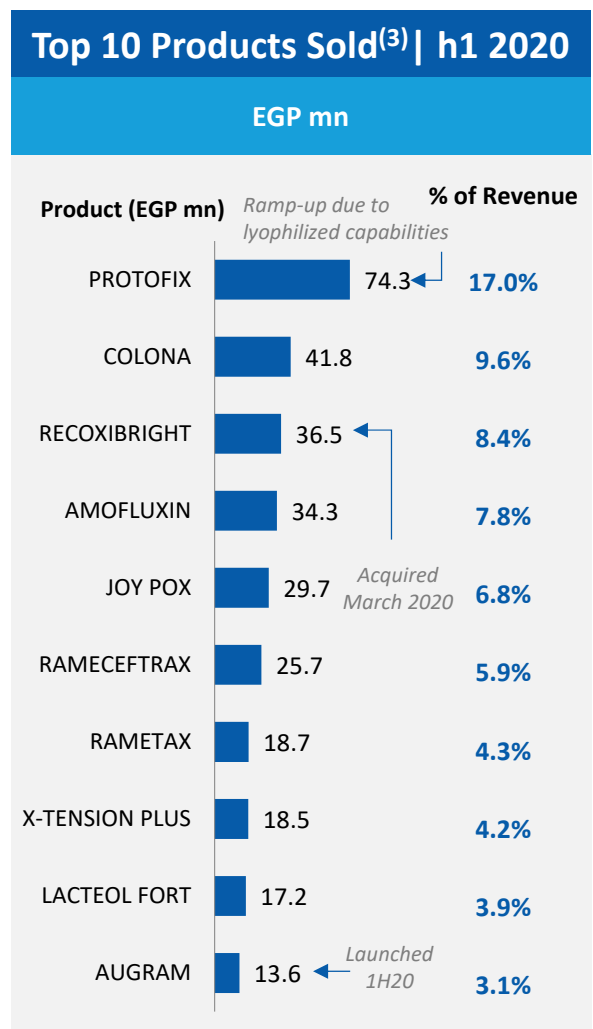
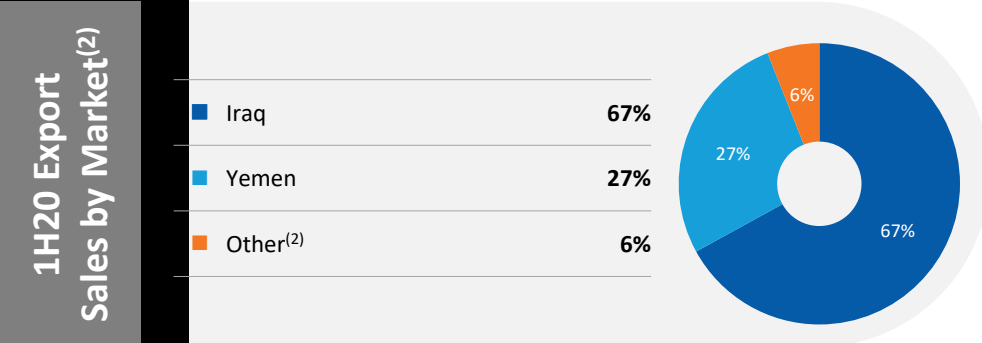
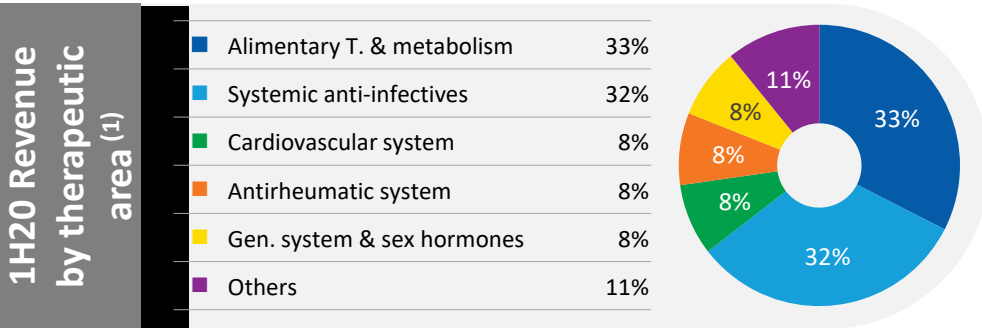
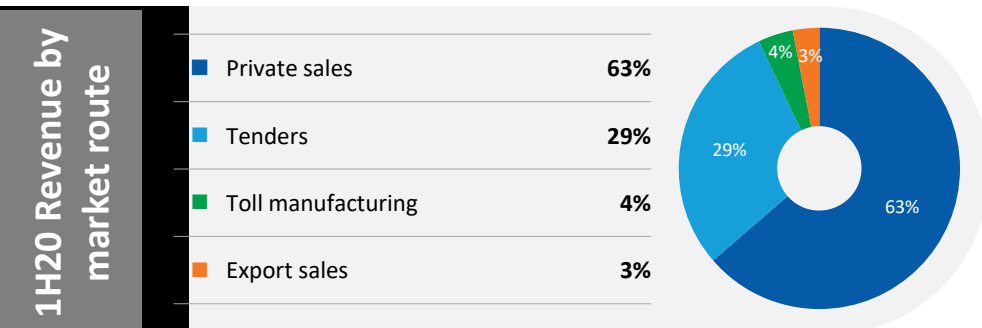
1H20 | Volume Breakdown & Analysis



- **Total volume sold (excluding toll sales) came in at 32.0 million units for 1H20, up by 0.5% year-on-year** with rapid growth at the tenders division counteracting a contraction in volumes sold at Rameda's private sales and exports divisions.
- Volumes sold in the Group's Tenders division **grew by 21.4% year-on-year to 20.2 million units in 1H20**, representing a **notable increase in its contribution to total volume sold** between 1H19 and 1H20 from 52% to 63% respectively due to high government demand for medication in anticipation of supply shortages on account of the pandemic, with its associated organization and facilities stockpiling on essential medication.
- With COVID-19 and social distancing measures disrupting the ability of the Group's salesforce to effectively market the Group's products, and an overall slowdown in private pharma market growth, **volumes sold from private sales fell by 19.5% year-on-year to 10.9 million units in 1H20. 100% of the salesforce now at work on a full-time basis.**
- Exports were negatively impacted by the pandemic, with **volume sales down by 47.7% year-on-year to 828.8 thousand units in 1H20** due to disruptions in international trade and closure of borders brought about by the COVID-19 Pandemic.

Note: Volume for Toll Manufacturing segment is measured by the number of strips sold, while the remaining segments measure volume by number of packs sold

1H20 | Sales Breakdown & Analysis



Despite decreasing volume sold, **private sales** contributed the lion's share of revenue, at 63% in 1H20. Revenue from **tenders**, the Group's second largest contributing division, contributed the bulk of absolute revenue growth in 1H20, at 63%. **Alimentary tract & metabolism** medication surpassed **systemic anti-infectives** to contribute highest to revenues in 1H20, at 33%. **Cardiovascular system, antirheumatic system and genitourinary system & sex hormones** each contributed c. 8% to total revenues, while **other therapeutic areas** each contributed 2% or less in 1H20. **Iraq** maintained its position as Rameda's largest export market year-to-date, with a 67% contribution to total export revenue during the period.

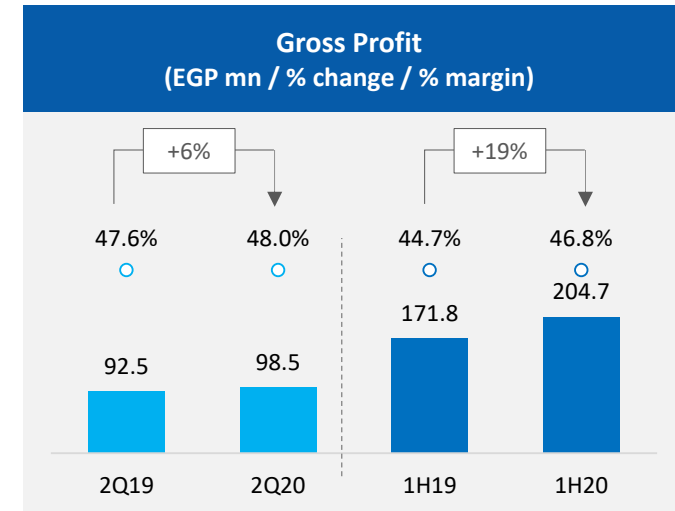
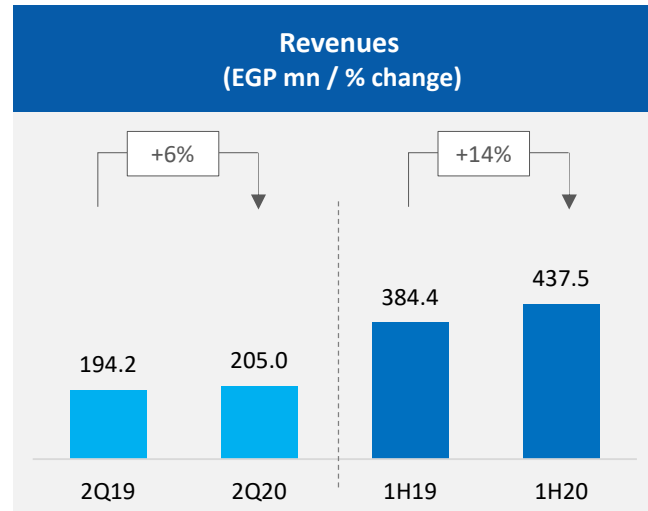
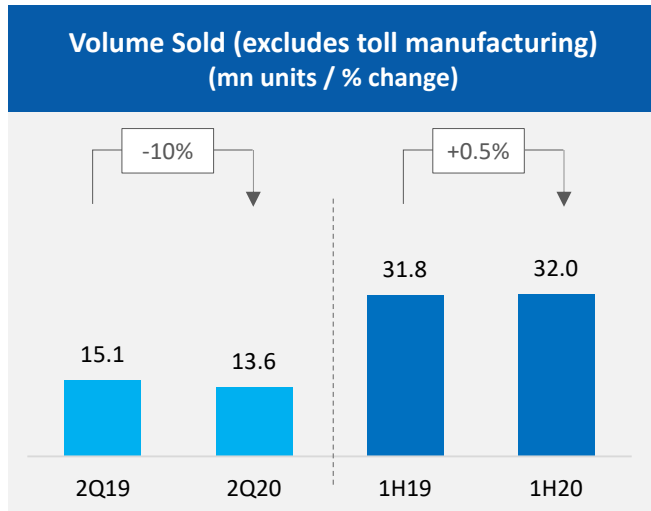
(1) Contributions calculated on revenues before toll manufacturing revenue, discounts & incentives and sales returns

(2) Refers to Palestine, South Sudan, Nigeria & Somalia

(3) Source: IQVIA



1H/2Q 2020 | Key Performance Indicators (1 of 2)



Volumes sales remained steady

Recording 32.0 million units sold in 1H20, representing a 0.5% increase year-on-year from 31.8 million in 1H19, despite COVID-19 and its subsequent social distancing measures' impact on Egypt's private market sales. Increasing volumes was primarily attributed to Rameda's Tenders vertical, whose growth compensated for volume contractions across the remaining segments.

Revenues grew by 14% YoY

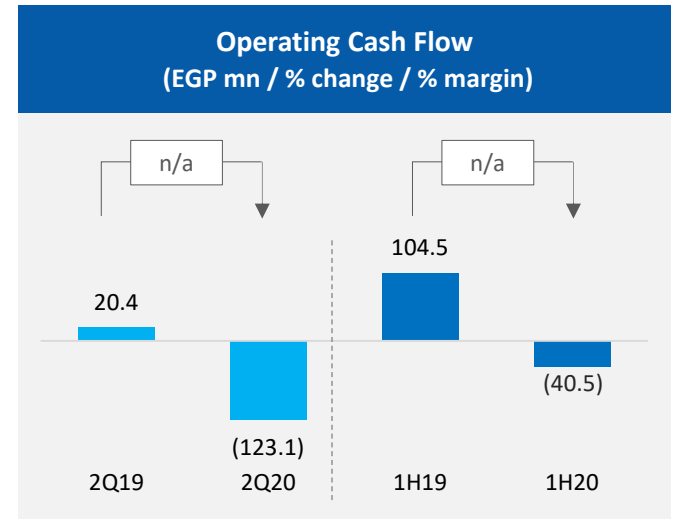
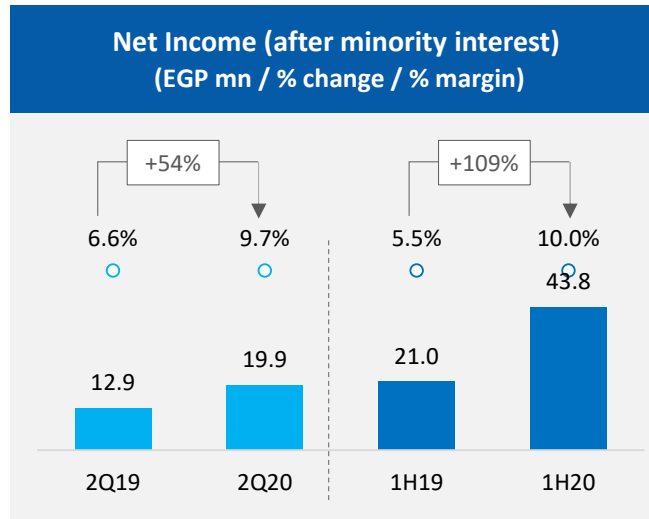
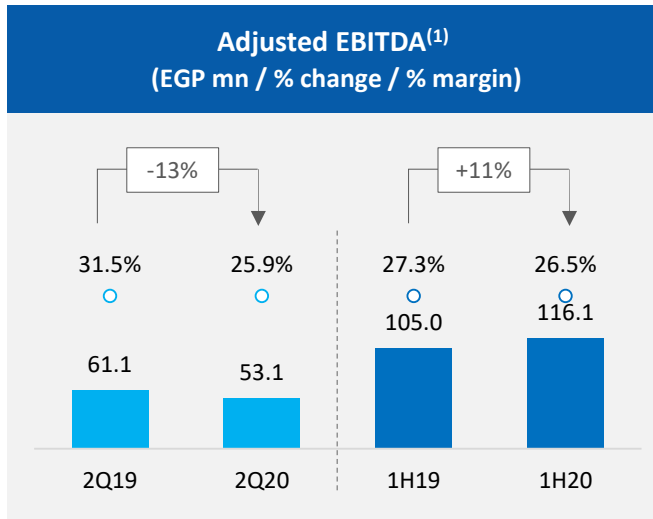
to EGP 437.5 million in 1H20, with top-line performance driven by Rameda's increasingly optimized product portfolio towards higher-priced products, strong growth at the Company's Tenders segment, and resilient Private market performance, despite challenging market conditions since March 2020.

Gross profit grew by 19% YoY

recorded EGP 204.7 million in 1H20, representing a y-o-y increase of 19% and yielding a gross profit margin of 46.8% against 44.7% in 1H19 due to decreasing raw materials as a percentage of sales on account of the optimization of the Company's portfolio towards higher-margin products and a favorable US Dollar rate



1H/2Q 2020 | Key Performance Indicators (2 of 2)



EBITDA grew by 11% YoY

to EGP 116.1 million in 1H20, representing an EBITDA margin contraction of 0.8 percentage points during the period to 26.5% on the back of increased salaries as a percentage of revenue. Adjusted EBITDA decreased by 13.1% year-on-year in 2Q20, booking EGP 53.1 million and yielding an EBITDA margin of 25.9%.

Net profit more than doubled

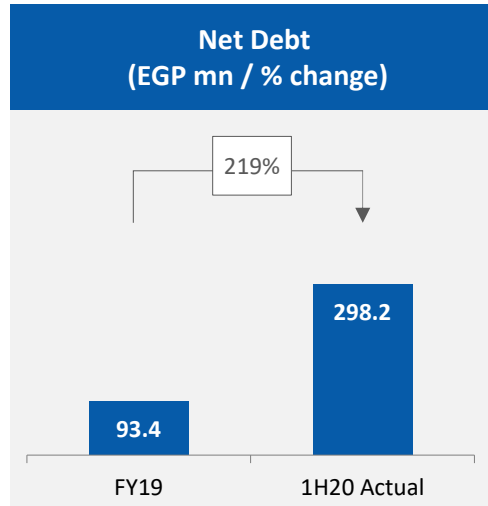
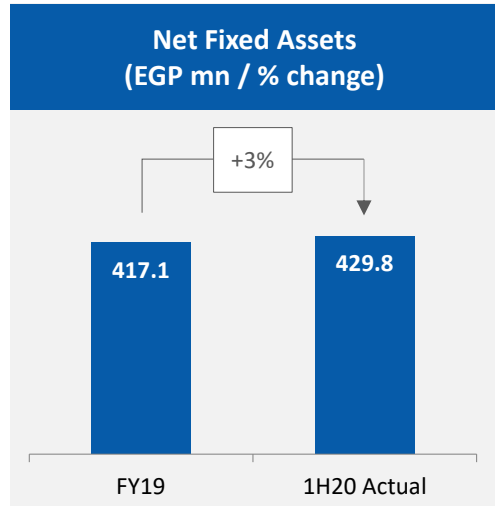
in 1H20, booking EGP 43.8 million, up 109% year-on-year and yielding a net profit margin of 10.0%, up by 4.6 percentage points from 5.5% in 1H19. Enhanced bottom-line performance reflects Ramedia's improved operating margins, which was further boosted by improved treasury operations during the period.

Operating cash flow became negative

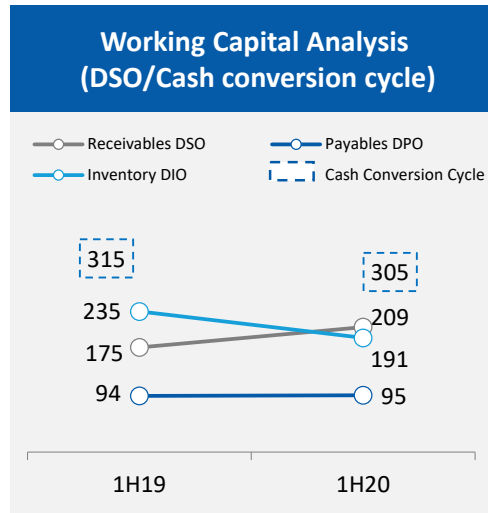
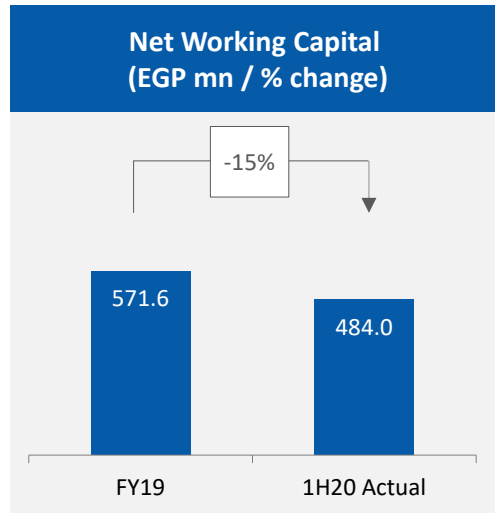
primarily due to increased net working capital outflows associated with stockpiling sufficient APIs to accommodate 90% of its production needs to the end of 2020. Operating cash flow was further impacted by longer-than-usual repayment terms granted to debtors and pre-payments related to CAPEX additions during the year.



1H/2Q 2020 | Balance Sheet Highlights



Summary Balance Sheet (EGP mn)	31 Dec 19	30 June 20
Non-current assets	588.1	703.4
Current assets	1,279.2	1,396.9
Total assets	1,867.4	2,100.3
Non-current liabilities	87.6	71.8
Current liabilities	707.7	912.9
Total Liabilities	795.3	984.8
Shareholder's Equity	1,073.0	1,116.8
Minority Interest	(1.0)	(1.2)
Liabilities & Shareholders' Equity	1,867.4	2,100.3



Net fixed assets

came in at EGP 429.8 million as at 30 June 2020, up a marginal 3% since year-end 2019, with facility expansions and upgrades fully realized by the end of 2019.

Net debt

stood at EGP 298.2 million as at 30 June 2020, representing a year-to-date increase of 219%, driven by higher utilization of credit facilities.

Working capital

fell by 15% year-to-date to EGP 484.0 million as at 30 June 2020. The corresponding cash conversion cycle came in at 305 days in 1H20 vs 315 days in 1H19 as the effect of the increase in receivables DSO (due to longer-than-usual repayment terms granted to debtors and pre-payments related to CAPEX additions during the year) was counteracted by the decrease in inventory DIO, while DPO remained stable



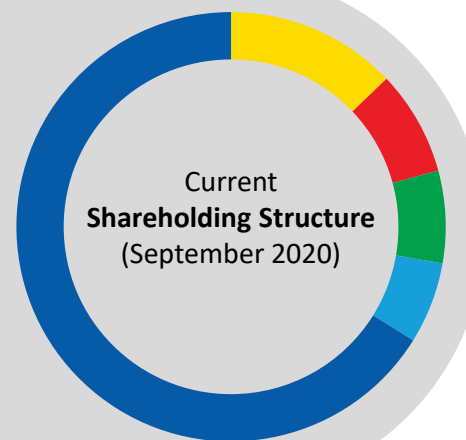
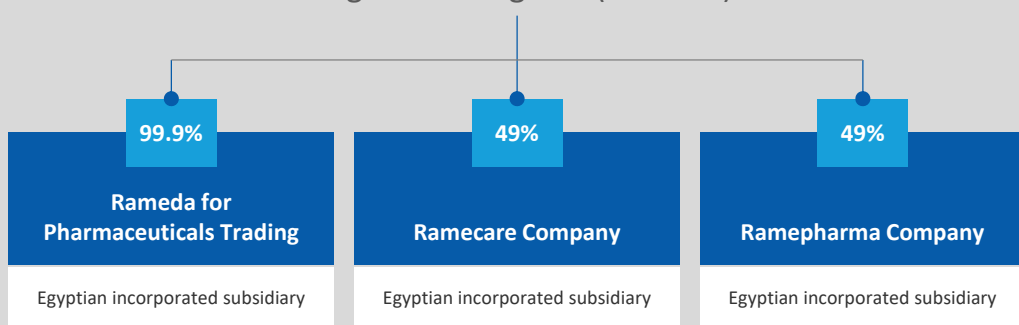
Stock Information



Corporate Structure and Share Performance

Corporate structure overview

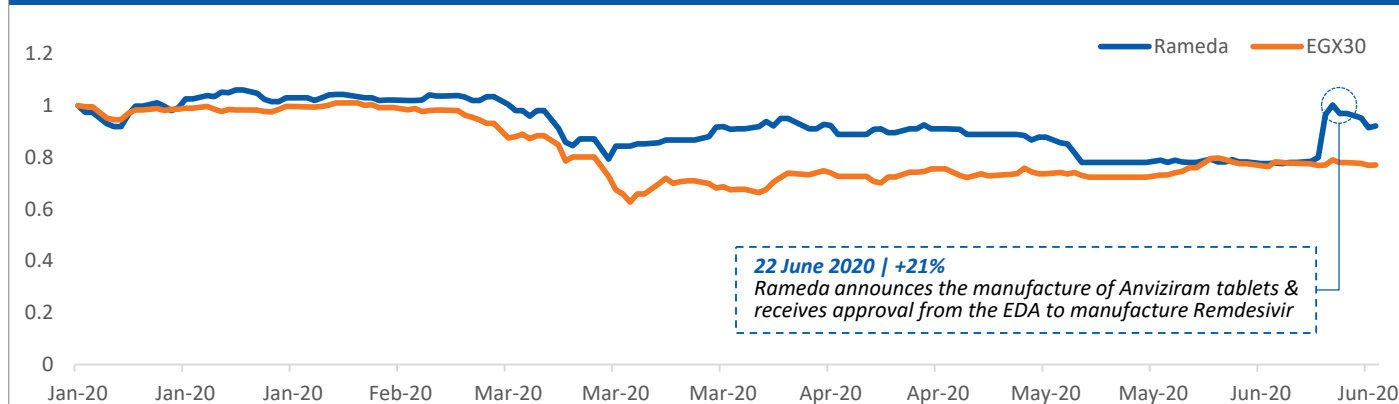
Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda)



Equinox Pharma Holding	12.9%
Mr. Sedik Mohamed Afifi	7.9%
Atlantica Holdings Inc.	6.9%
Infinity Capital Investment	6.2%
Others	66.1%

Dr Amr Morsy (CEO) and Mahmoud Fayek (CFO) indirectly own 1.97% and 0.12% in Rameda.

Share Information & Performance (Dec '19-April '20) | Rebased to 100



Market	EGX
Stock Ticker	RMDA.CA
Date of Listing	11-Dec-19
Total Issued Shares	768,600,00
Authorized Capital	EGP 1.00 BN
Issued Capital	EGP 192.15 MN
Paid-up Capital	EGP 192.15 MN
Par Value/Share	EGP 0.25/Share



Appendix



Our People

We embrace a diverse workforce and inclusive culture, with the health, safety, professional development, work-life balance and equitable, respectful treatment of our employees among our highest priorities.





1H20 | Revenue & Volume Analysis

Revenue Analysis	1H19	1H20	% YoY
Private Sales			
Volumes Sold ('000)	13,595.1	10,944.8	-19.5%
Sales (EGP mn)	253.0	277.5	9.7%
Domestic Tenders			
Volumes Sold ('000)	16,628.9	20,191.5	21.4%
Sales (EGP mn)	87.2	129.0	47.9%
Exports			
Volumes Sold ('000)	1,584.7	828.8	-47.7%
Sales (EGP mn)	25.7	12.4	-51.9%
Total Volume Excluding toll manufacturing ('000 units)	31,808.7	31,965.1	0.5%
Toll Manufacturing			
Volumes Sold ('000 sheets)	13,549	11,150.7	-17.7%
Sales (EGP mn)	18.4	18.5	0.5%
Total Revenue (EGP mn)	384.4	437.5	13.8%



Quality For All

Thank You