



rameda

Quality For All

**Results
Presentation**

9M 2020

Agenda

- **Group Overview**
- **9M 2020 In Review**
- **Stock Information**
- **Appendix**
 - **Our People**
 - **Revenue & Volume Analysis**





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 has surpassed its peers to become **the fourth-fastest growing Egyptian pharmaceutical company today** in terms of 9M16-9M20 Revenue CAGR⁽¹⁾



(1) Source: IMS Health



9M20 Performance Highlights

9M 2020 Financial Highlights

EGP **672.9** mn
Revenues
▲ 9% YoY

EGP **317.1** mn
Gross Profit
▲ 20% YoY
47% margin

EGP **141.3** mn
EBIT
▲ 3% YoY
21% margin

EGP **(16.5)** mn
Operating Cash Flow

EGP **182.1** mn
Adjusted EBITDA⁽¹⁾
▲ 13% YoY
27% margin

EGP **68.7** mn
Net Income⁽²⁾⁽³⁾
▲ 117% YoY
10% margin

EGP **0.089**
EPS⁽²⁾
▲ 117% YoY

EGP **356.1** mn
Net Debt
▲ 281% YTD

9M 2020 Operational Highlights

42.2 mn
Units Sold
(excluding toll)
▼ 15% y-o-y

6
Molecules
Launched

3
Molecules
Acquired

EGP **34.1**
Average Unit
Price⁽⁴⁾
(Private Market)
▲ 15% y-o-y



(1) Adjusted for depreciation, impairments and provisions

(2) This figure is subject to change due to reclassification re accounting treatment of interest related to Recoxibrigt acquisition currently being discussed with auditors

(3) After minority interest.

(4) Source: IQVIA



3Q20 Performance Highlights

3Q 2020 Financial Highlights

EGP 235.4 mn
Revenues
▲ 0.1% YoY

EGP 112.5 mn
Gross Profit
▲ 23% YoY
48% margin

EGP 52.5 mn
EBIT
▲ 11% YoY
22% margin

EGP 24.1 mn
Operating Cash Flow

EGP 66.0 mn
Adjusted EBITDA⁽¹⁾
▲ 16% YoY
28% margin

EGP 24.9 mn
Net Income⁽²⁾⁽³⁾
▲ 134% YoY
11% margin

EGP 0.032
EPS⁽²⁾
▲ 134% YoY

EGP 356.1 mn
Net Debt

3Q 2020 Operational Highlights

10.2 mn
Units Sold
(excluding toll)
▼ 43% y-o-y

4
Molecules
Launched

-
Molecules
Acquired

EGP 36.9
Average Unit
Price⁽³⁾
(Private Market)
▲ 26% y-o-y

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



9M20 Market Positioning

Market Positioning 9M 2020

Evolution Index⁽¹⁾

123

Total Market
vs.87 in YTD Sep 2019

110

Private Market
vs.114 in YTD Sep 2019

121

Defined Market
vs.91 in YTD Sep 2019

Market Share ⁽¹⁾

1.31%

Total Market
vs.1.08% % in
YTD Sep 2019

3.04%

Defined Market
vs. 2.52% in
YTD Sep 2019

Market Ranking ⁽¹⁾

22

Total Market
vs. 27 in
YTD Sep 2019

9

Defined Market
vs. 10 in
YTD Sep 2019

Growth Comparison

51.5%

'16-'20 CAGR
(vs. 26.8% for
Egyptian market)

4th Ranked

'16-'20 CAGR
(among the top 25
companies)

Market Ranking ⁽¹⁾

7th Ranked in Total
Defined Market (Units)
(without under license)



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



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



Our Business Model

Exports

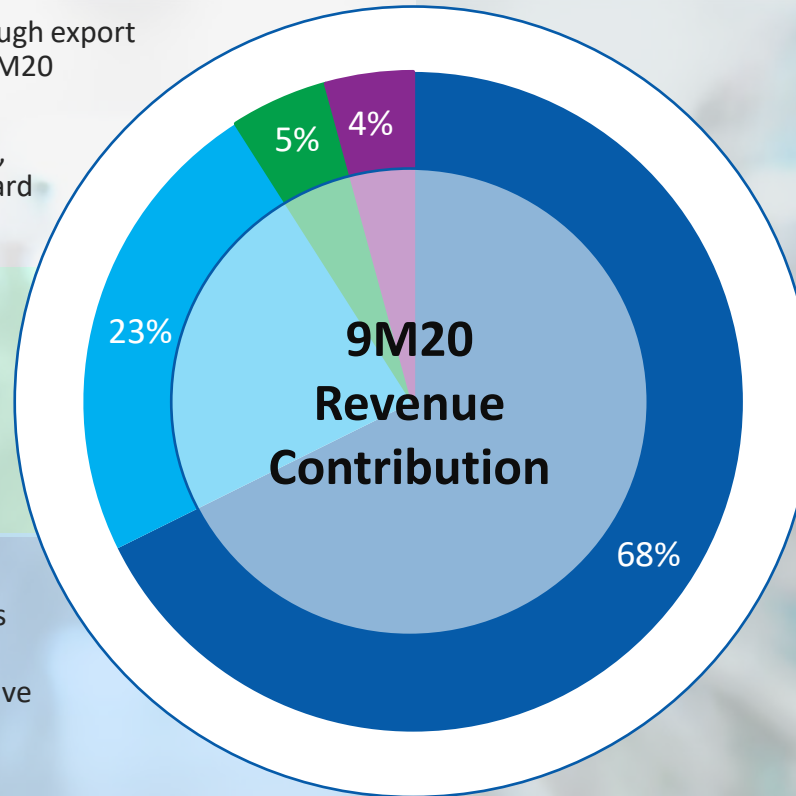
- Exports to different regional markets through export agents. Rameda's key export markets in 9M20 included Iraq, Yemen and Jordan
- Export sales revenue is USD denominated, acting as a partial natural hedge for the hard currency API costs and minimising FX risk

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



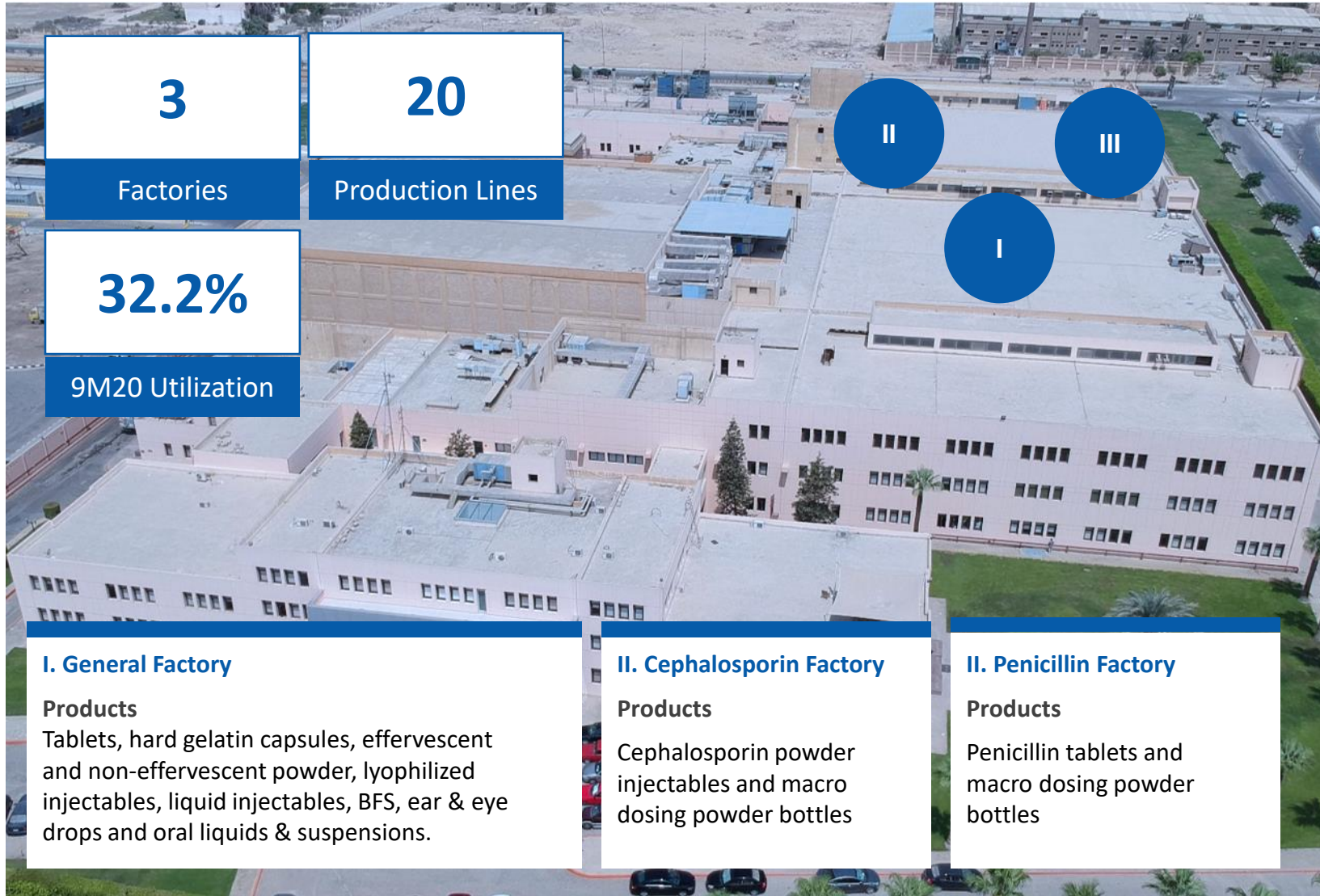
Well-Invested Manufacturing Facility

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 9M19 and 9M20

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





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



9M 2020 In Review



9M20 | Performance Overview

COVID-19 Updates

Full Operations Resumed

- 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 down by 15.4% year-on-year in 9M20.
- 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 Launches

Launch of High-Growth COVID-19 Medication

- The accretive acquisition and launch of new molecules has enabled us to become proactive to market demands and needs, and as a large Egyptian manufacturer of generic pharmaceuticals, we are continuously looking to grow our portfolio to provide essential and affordable products to patients across the region, particularly during these unprecedented times.
- To this end, Rameda has received its final commercial manufacturing licenses to produce and sell antiviral medications, Remdesivir and Anviziram, in Egypt.
 - Anviziram is 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.
 - Remdesivir is a broad-spectrum antiviral medication developed by USD-based Gilead Sciences, also used in the treatment of severe COVID-19 cases.
- Rameda is the first pharmaceutical player in the region to receive the license to manufacture the powder variation of Remdesivir, a more convenient format in terms of storage and transportation

Steady Growth

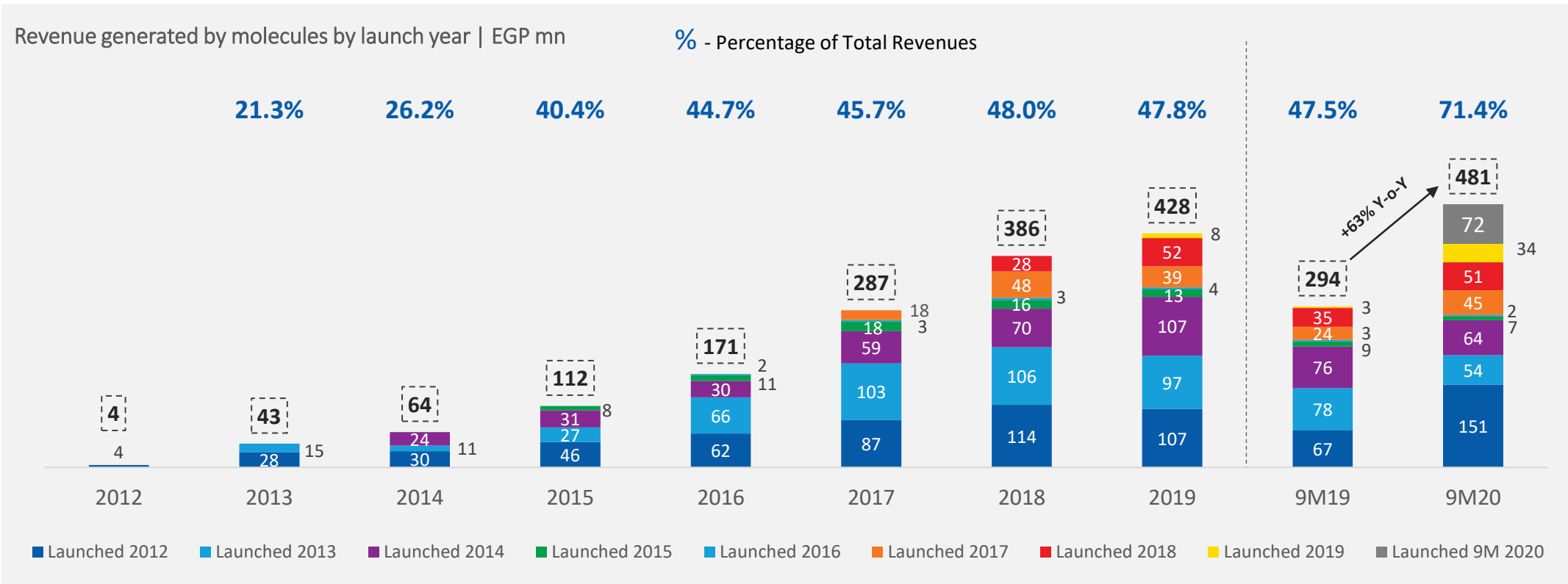
Strong Top-and-Bottom Line Financial Results

- Despite a decline in volumes, Rameda witnessed revenue growth of 9% y-o-y in 9M20 on the back of the Group's successful efforts at optimizing its portfolio by focusing on higher-priced products, which hedged the Company against volume fluctuations and a challenging external environment for the period.
- Tender volumes saw a decline in 9M20 due to a slowdown in the transition to Unified Medical Procurement Authority's (UMPA) new digital tender platform. However, Management expects the new platform to support tender sales going forward, as we have already seen tender volume improvements in October.
- Decreasing raw material costs and an optimized portfolio strategy saw Rameda's GP margin grow by 4.6 percentage points to 47.1% between 9M19 and 9M20. Gross profitability for the period was further supported by improved procurement prices secured from APIs and a more favorable EGP/USD rate.
- Rameda recorded a strong net profit increase of 117.2% y-o-y in 9M20 on the back of improved operational performance, lower finance costs and EGP 38.2 million in credit income recorded in 9M20.



New Launches | Rameda's Cornerstone for Growth

New Launches since 2012 | Performance to Date

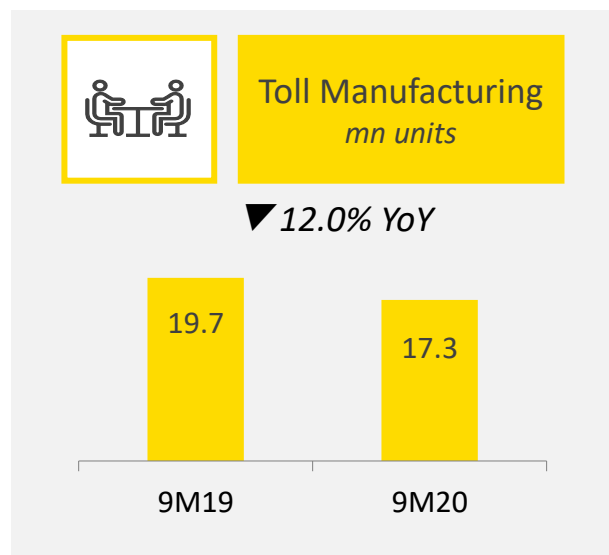
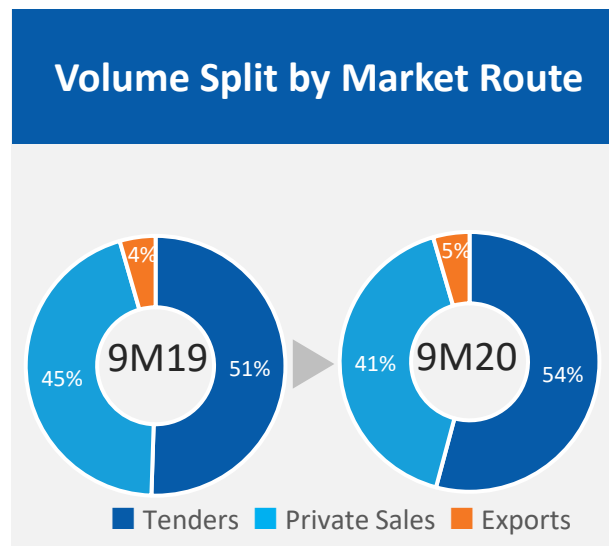
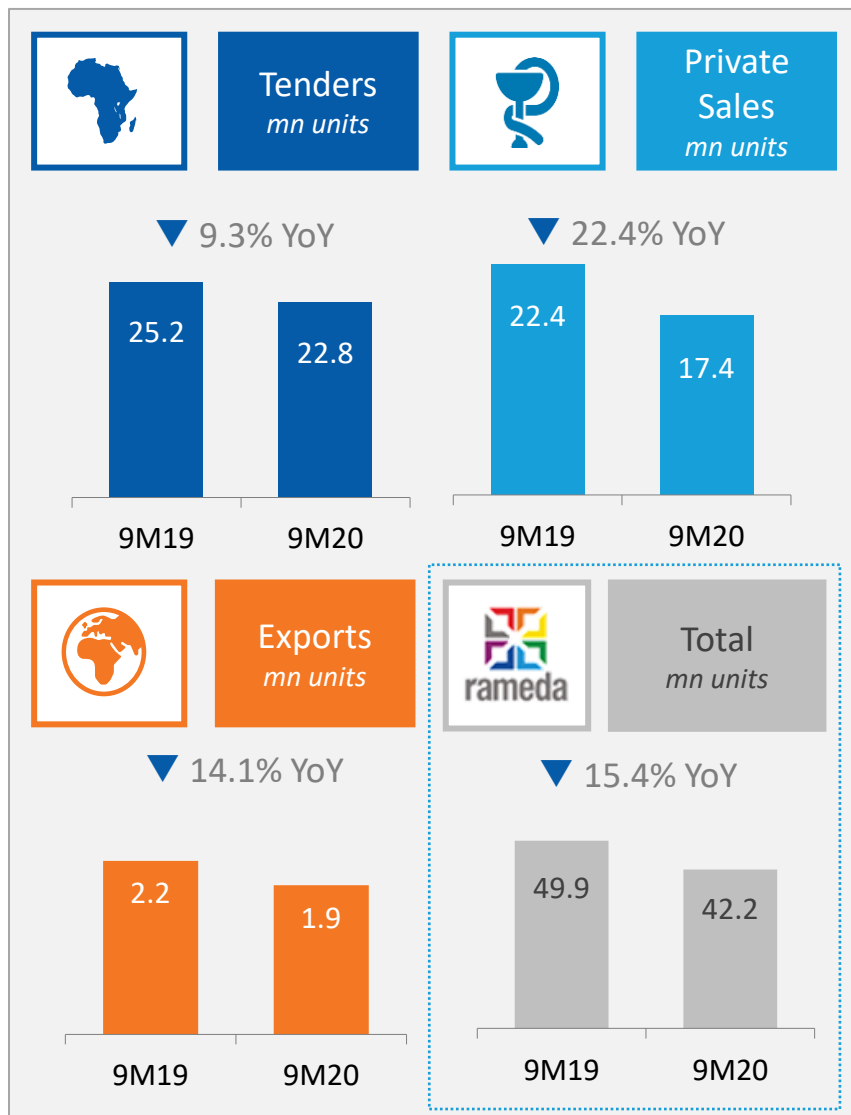


First to market opportunities
Initial entrant benefits from significantly higher market share and strong patient retention

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

9M20 | Volume Breakdown & Analysis



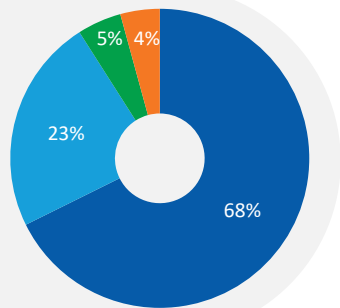
- Total volume sold (excluding toll sales) fell by 15.4% y-o-y, recording 42.2 million units for 9M20.** The decline in volumes was due to a challenging external environment that hindered Rameda's private and export sales performance, as well as a slow transition to the Unified Medical Procurement Authority's (UMPA) new digital tender platform, impacting tender volumes.
- Rameda's Tenders division witnessed a decline of 9.3% y-o-y to 22.8 million units in 9M20** on account of a delay in the launch of the UMPA's new digital platform to conduct tenders, subsequently slowing purchasing and impacting tender volumes for the period.
- The challenging external environment caused by COVID-19 disrupted the Group's ability to effectively market Rameda's products over the course of the year, **subsequently leading to a 22.4% y-o-y decrease in private sales to EGP 17.4 million units in 9M20. 100% of the salesforce now at work on a full-time basis.**
- Exports witnessed a decline of 14.1% y-o-y in 9M20,** reaching 1.9 million units for the period. The decline came on the back of COVID-19 restrictions impacting global trade.
- Toll manufacturing volumes fell by 12.0% y-o-y to 17.3 million units in 9M20** as third-party toll clients faced API procurement issues brought about by disruptions in global trade.

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

9M20 | Sales Breakdown & Analysis

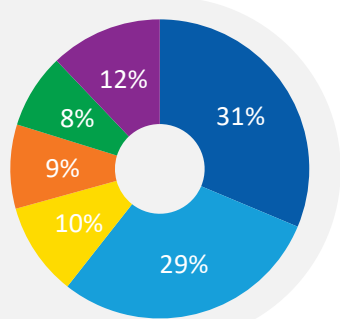
9M20 Revenue by market route

Private sales	68%
Tenders	23%
Toll manufacturing	5%
Export sales	4%



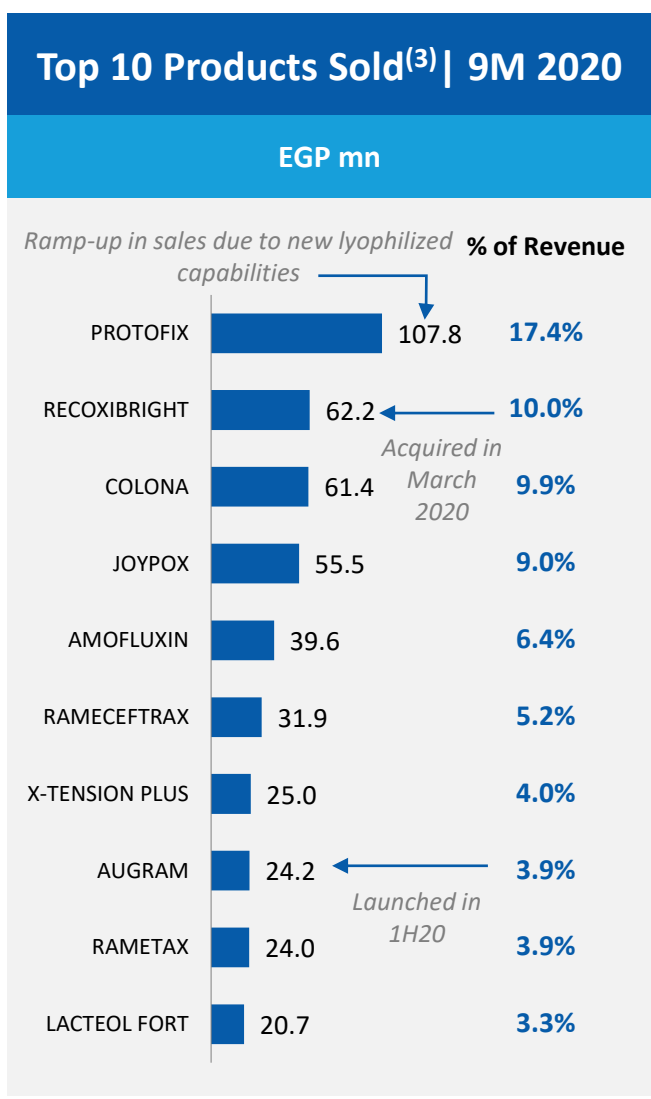
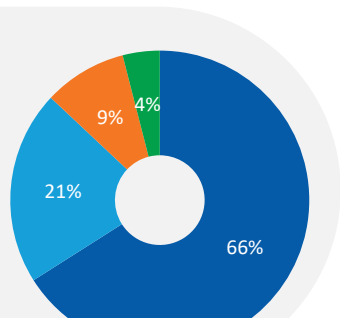
9M20 Revenue by therapeutic area (1)

Alimentary T. & metabolism	31%
Systemic anti-infectives	29%
Gen. system & sex hormones	10%
Antirheumatic system	9%
Cardiovascular system	8%
Others	12%



9M20 Export Sales by Market

Iraq	66%
Yemen	21%
Jordan	9%
Other(2)	4%



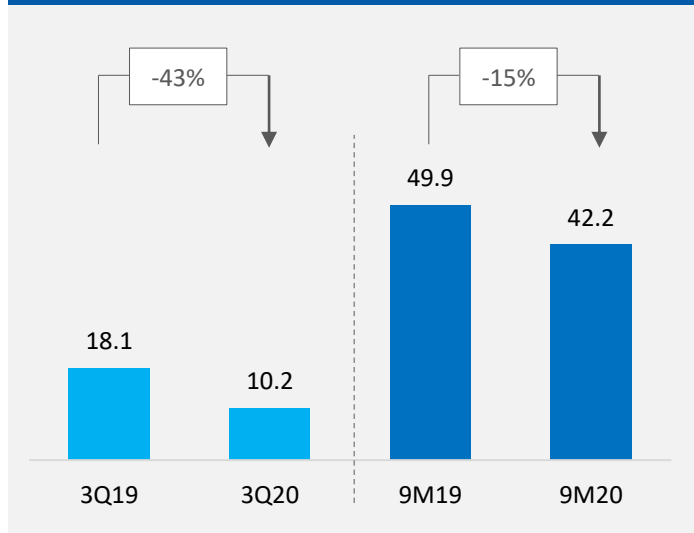
Despite decreasing volume sold, **private sales** contributed the lion's share of revenue and revenue growth, at 68% and 67% respectively in 9M20. Revenues from **tenders**, the group's second largest segment, generated 27% of absolute revenue growth in 9M20. **Alimentary tract & metabolism** medication continued to lead contribution in revenues in 9M20 at 31% and **systemic anti-infectives** trailed closely behind at 29%. **Genitourinary system & sex hormones** contributed 10%, while **other therapeutic areas** contributed 9% or less. **Iraq** maintained its position Rameda's largest export market year-to-date, with a 66% 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 Libya, Palestine, South Sudan, Nigeria & Somalia (3) Source: IQVIA

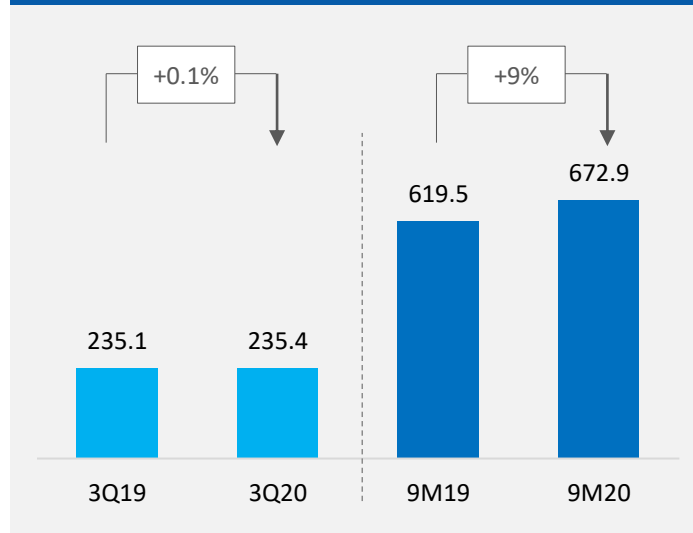


9M/3Q 2020 | Key Performance Indicators (1 of 2)

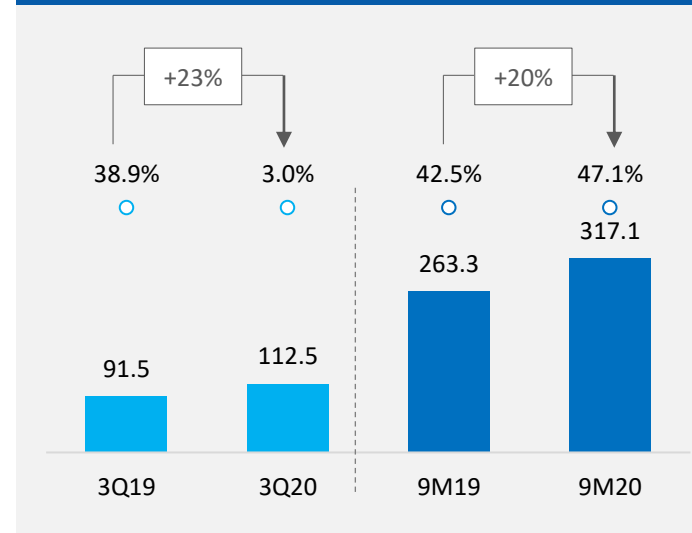
Volume Sold (excludes toll manufacturing)
(mn units / % change)



Revenues
(EGP mn / % change)



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



Declining volumes on market slowdown

Rameda witnessed a decline in year-on-year volumes due to the challenging environment presented by COVID-19 and its impacts on Egypt's private market and export sales. Volumes (excluding toll manufacturing) came in at 42.2 million units in 9M20, down by 15% y-o-y.

Revenues grew by 9% Y-o-Y

to EGP 672.9 million in 9M20, with top-line performance driven by Rameda's increasingly optimized product portfolio towards higher-priced products as well as revenues generated from newly acquired molecules during the period.

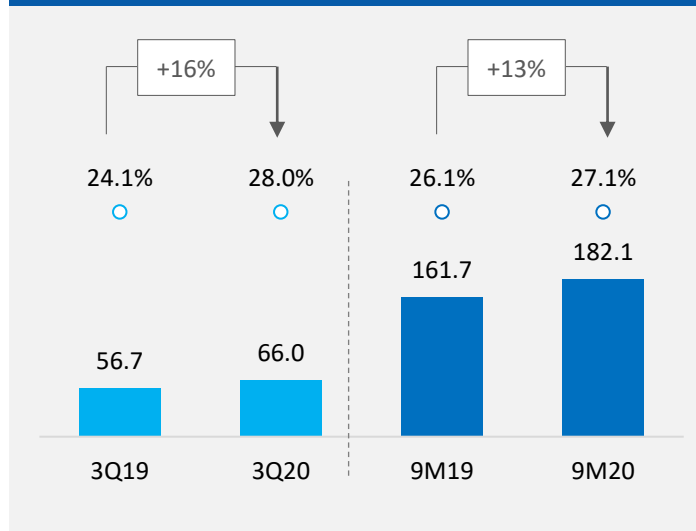
Gross profit increased by 20% Y-o-Y

Recording EGP 317.1 million in 9M20 and yielding a GPM of 47.1% for the period, up by 4.6 percentage points, primarily driven by a significant decrease in raw materials costs on both the absolute level and as a percentage of sales, on account of Rameda's portfolio optimization strategy and a favorable US Dollar rate.



9M/3Q 2020 | Key Performance Indicators (2 of 2)

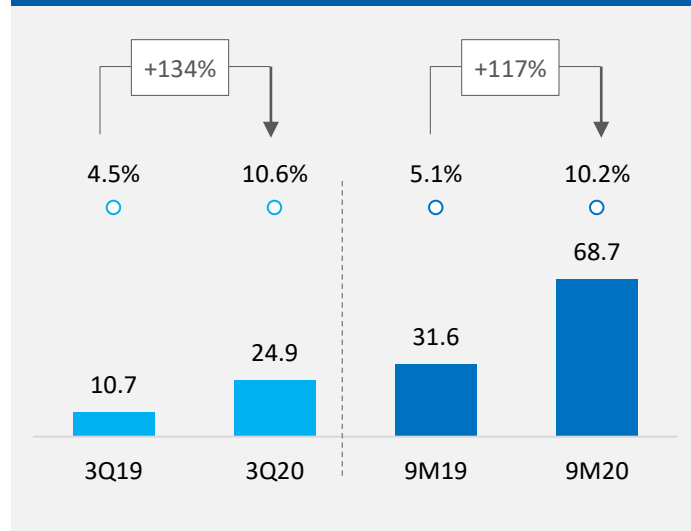
Adjusted EBITDA⁽¹⁾ (EGP mn / % change / % margin)



EBITDA grew by 13% Y-o-Y

to EGP 182.1 million in 9M20, while EBITDA margin grew by 1.0 percentage points y-o-y to record 27.1% for the period. This came despite an increase in SG&A expenses as a percentage of revenue due to Rameda's GPM growth during the period.

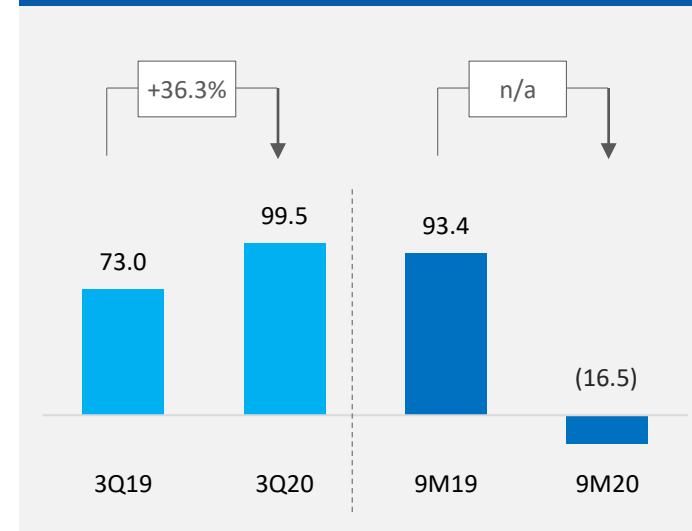
Net Income (after minority interest) (EGP mn / % change / % margin)



Net profit more than doubled Y-o-Y

to EGP 68.7 million in 9M20, with an NPM expansion of 5.1 percentage points to 10.2% for the period, mainly attributed to EGP 38.2 million in credit income recorded in 9M20 in addition to a decrease in finance costs and an improvement in operating margins.

Operating Cash Flow (EGP mn / % change / % margin)



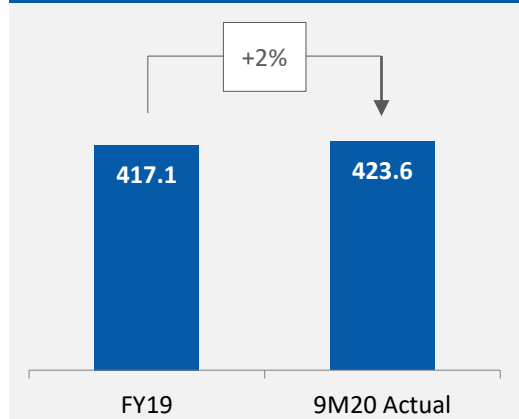
Operating cash flow became negative

recording EGP -16.5 million in 9M20 due to increased net working capital outflows year-on-year in relation to stockpiling sufficient inventory to accommodate its production needs for the year, longer-than-usual payment terms from clients and prepayments related to 2020 CAPEX.

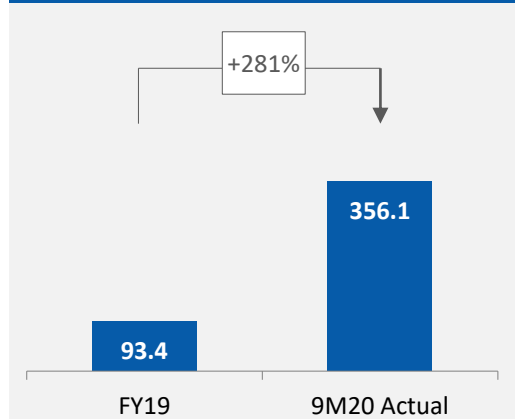


9M/3Q 2020 | Balance Sheet Highlights

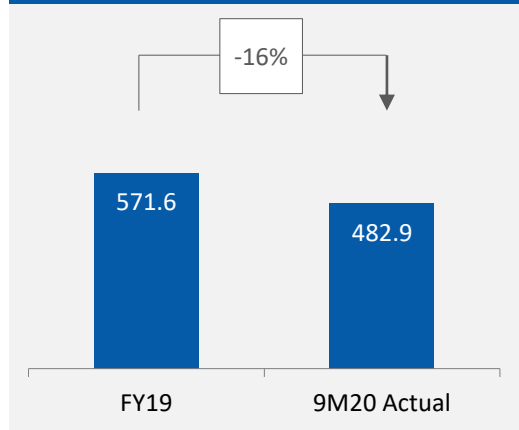
Net Fixed Assets (EGP mn / % change)



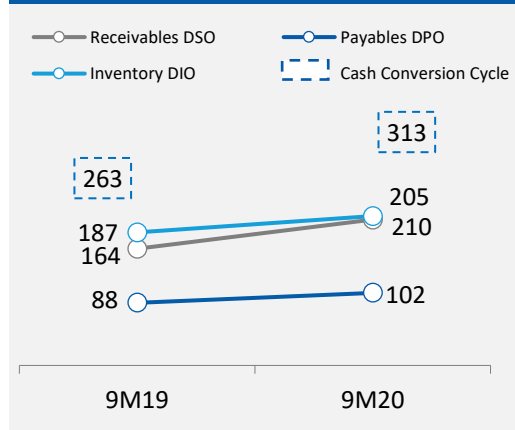
Net Debt (EGP mn / % change)



Net Working Capital (EGP mn / % change)



Working Capital Analysis (DSO/Cash conversion cycle)



Summary Balance Sheet (EGP mn)	31 Dec 19	30 Sep 20
Non-current assets	588.1	743.0
Current assets	1,279.2	1,466.4
Total assets	1,867.4	2,209.4
Non-current liabilities	87.6	85.7
Current liabilities	707.7	983.5
Total Liabilities	795.3	1,069.2
Shareholder's Equity	1,073.0	1,141.7
Minority Interest	(1.0)	(1.5)
Liabilities & Shareholders' Equity	1,867.4	2,209.4

Net fixed assets

Came in at EGP 423.6 million as at 30 September 2020, up by 2% since year-end 2019, with significant facility expansions and upgrades fully realized by the end of 2019 and CAPEX year-to-date accounting primarily for asset maintenance.

Net debt

Recorded EGP 356.1 million as at 30 September 2020, witnessing an increase of 281% year-to-date driven by an increase in cash and bank balances upon the Group's December 2019 listing.

Working capital

fell by 16% year-to-date to EGP 482.9 million as at 30 September 2020. The corresponding cash conversion cycle came in at 313 days in 9M20 vs 263 days in 9M19.



Stock Information

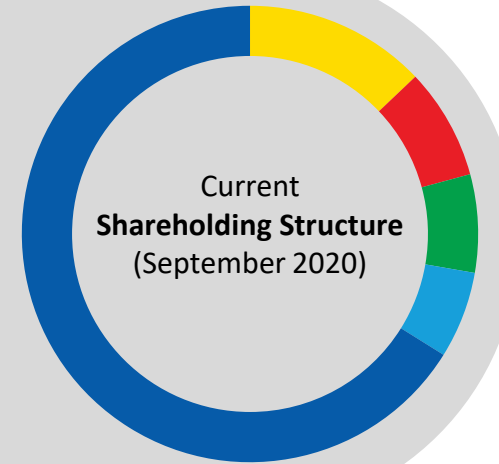
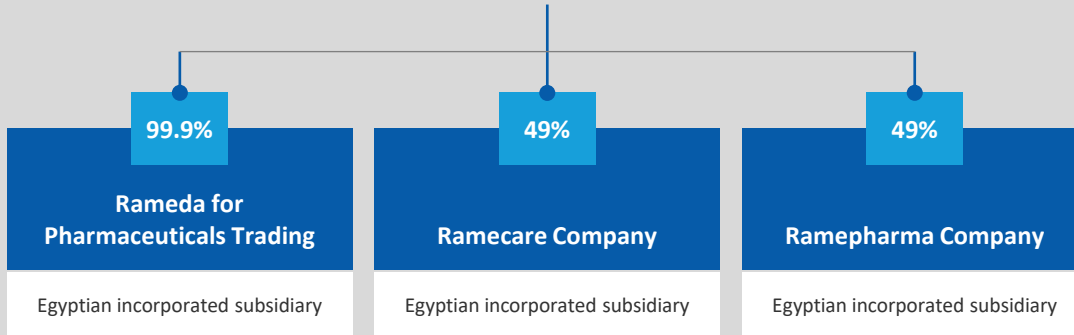




Corporate Structure and Share Performance

Corporate structure overview

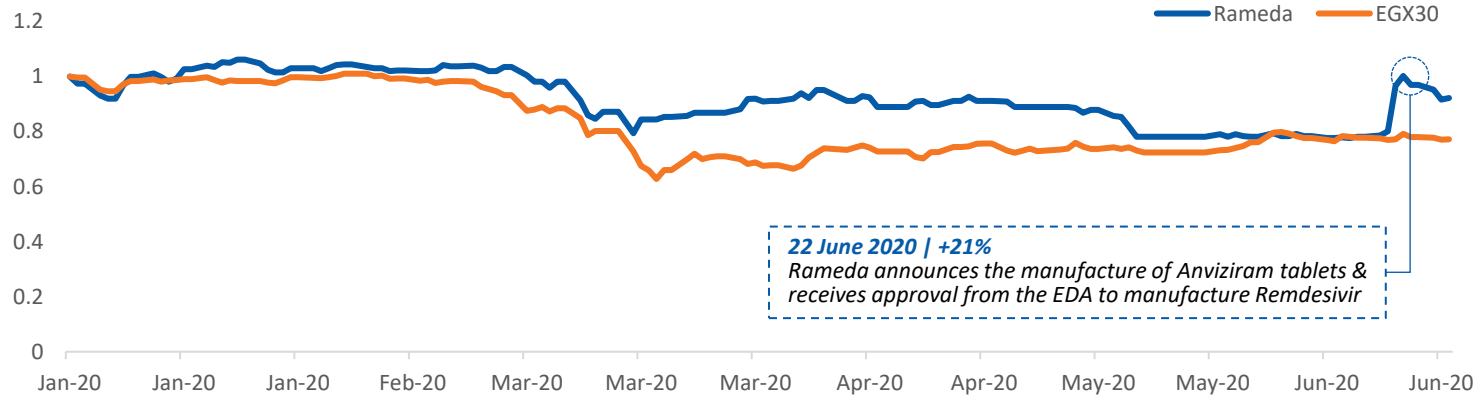
Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda)



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.





9M20 | Revenue & Volume Analysis

Revenue Analysis	9M19	9M20	% YoY
Private Sales			
Volumes Sold ('000)	22,450	17,425	-22.4%
Sales (EGP mn)	415.8	455.4	9.5%
Tenders			
Volumes Sold ('000)	25,189	22,841	-9.3%
Sales (EGP mn)	140.8	156.7	11.3%
Exports			
Volumes Sold ('000)	2,224	1,911	-14.1%
Sales (EGP mn)	33.9	28.7	-15.5%
Total Volume Excluding toll manufacturing ('000 units)	49,862.5	42,176.7	-15.4%
Toll Manufacturing			
Volumes Sold ('000 sheets)	19,680	17,318	-12.0%
Sales (EGP mn)	29.0	32.1	10.9%
Total Revenue (EGP mn)	619.5	672.9	8.6%



Quality For All



Thank You