



rameda

Quality For All

**Results
Presentation**

H1 2021

Agenda

- Group Overview
- H1 2021 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 second fastest-growing Egyptian pharmaceutical company today, with an private market evolution index of 133 recorded in 1H21⁽¹⁾



(1) Source: IQVIA



H1 2021 Performance Highlights

H1 2021 Financial Highlights

EGP **537.8** mn
Revenues
▲ 23% YoY

EGP **243.7** mn
Gross Profit
▲ 19% YoY
45% margin

EGP **108.0** mn
EBIT
▲ 24% YoY
20% margin

EGP **201.7** mn
Operating Cash Flow
vs 1H20: EGP (40.5)mn

EGP **130.7** mn
Adjusted EBITDA⁽¹⁾
▲ 15% YoY
24% margin

EGP **61.8** mn
Net Income⁽²⁾
▲ 41% YoY
11% margin

EGP **0.080**
EPS⁽²⁾
▲ 41% YoY

EGP **274.2** mn
Net Debt
▼ 33% YTD

H1 2021 Operational Highlights

25.6 mn
Units Sold (excluding toll)
▼ 17% YoY

4
Products
Launched

1
Molecules
Acquired

EGP **35.7**
Average Unit Price
(IMS Health)
▲ 7% YoY

596K
Total Sales
Visits
vs. 453K in 1H20

592
Medical Reps &
Merchandisers
vs. 737 in 1H20

(1) Adjusted for depreciation, impairments and provisions

(2) After minority interest



Q2 2021 Performance Highlights

Q2 2021 Financial Highlights

EGP **266.9** mn
Revenues
▲ 30% YoY

EGP **127.6** mn
Gross Profit
▲ 30% YoY
48% margin

EGP **57.0** mn
EBIT
▲ 55% YoY
21% margin

EGP **136.2** mn
Operating Cash Flow
vs 2Q20: EGP (74.2)mn

EGP **64.8** mn
Adjusted EBITDA⁽¹⁾
▲ 28% YoY
24% margin

EGP **31.6** mn
Net Income⁽²⁾
▲ 59% YoY
12% margin

EGP **0.041**
EPS⁽²⁾
▲ 62% YoY

EGP **274.2** mn
Net Debt
▼ 33.2% YTD

Q2 2021 Operational Highlights

10.7 mn
Units Sold (excluding toll)
▼ 24% YoY

2
Products
Launched

1
Molecules
Acquired

EGP **35.9**
Average Unit Price
(IMS Health)
▲ 6% YoY

261K
Total Sales
Visits
vs. 120K in 2Q20

592
Medical Reps &
Merchandisers
vs. 737 in 2Q20

(1) Adjusted for depreciation, impairments and provisions

(2) After minority interest



H1 2021 Market Positioning

Market Positioning H1 2021⁽¹⁾

Evolution Index

133

Private Market
vs. in 1H20
106

131

Defined Market
vs. In 1H20
103

Market Share

1.6%

Private Market
vs.% in 1H20
1.2%

4.3%

Defined Market
vs. 3.2%

Market Ranking

19

Private Market
vs. in 1H20
24

6

Defined Private Market
vs. in 1H20
9

(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 profifix, 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

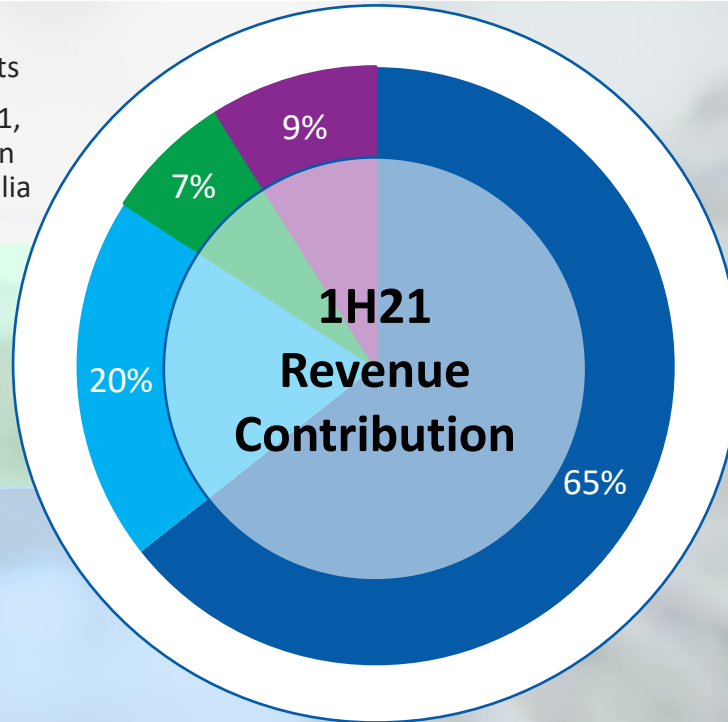
- Sale of products to export agents, responsible for distributing its products across different regional markets
- 43.0% of total export sales were sold in Iraq during 1H21, with 31.2% sold in Lebanon, 22.2% in Yemen and 3.0% in Libya. The remaining 0.5% of exports were sold in Somalia and South Sudan for the period.

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 the Egyptian Authority for Unified Medical Procurement (UMPA) to government-owned institutions such as the Ministry of Health and public hospitals
- 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



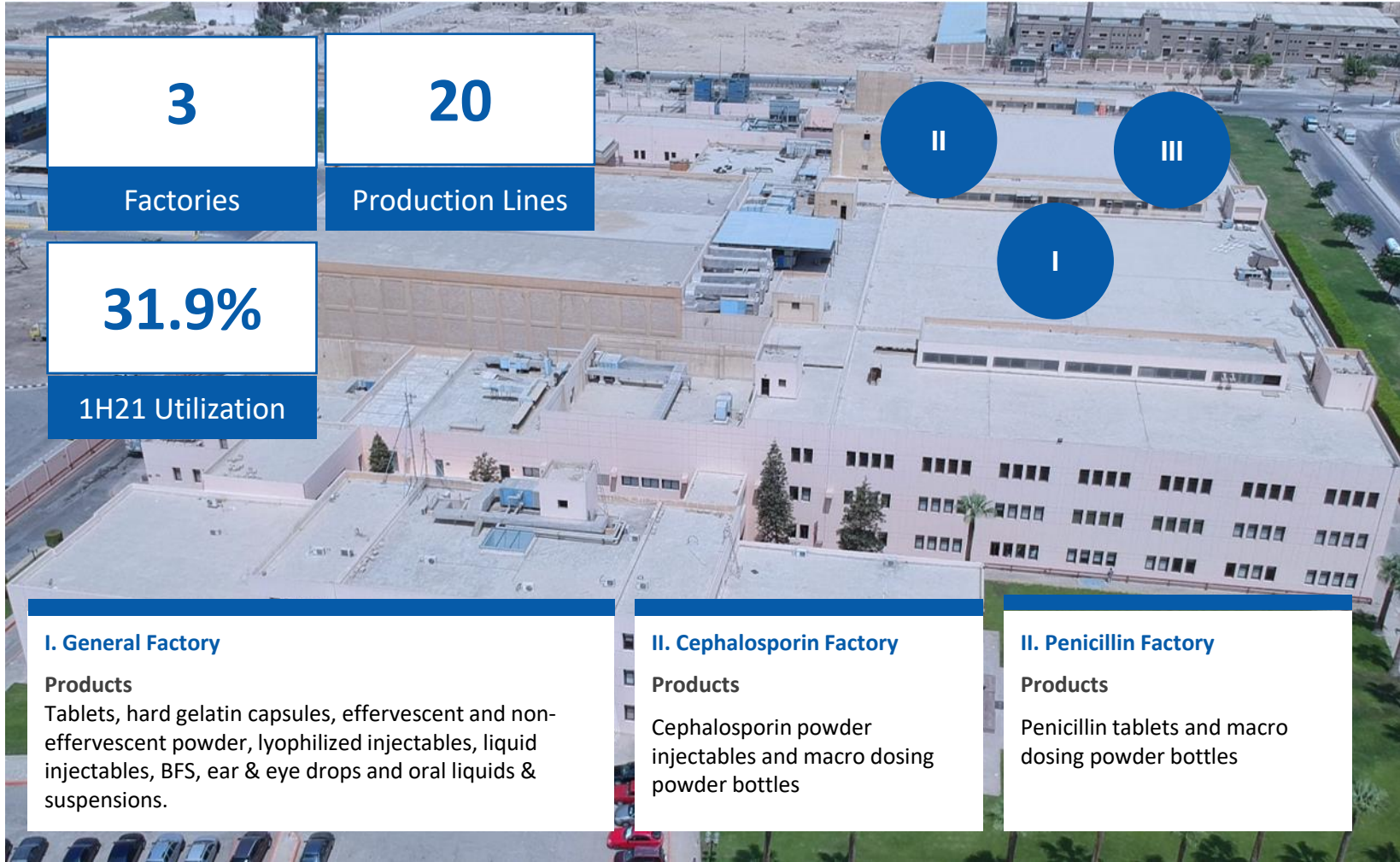
Well-Invested Manufacturing Facility

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 utilization at just 31.9% in 1H21, despite the ramp-up in sales during the period

Excess capacity used to toll manufacture for leading blue-chip companies, with our recently installed lyophilized production lines





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 2021 In Review

Financial Highlights

Solid Top-and-Bottom-Line Growth

- The Group maintained positive growth momentum from 1Q 2021 and closed out the first half of the year recording solid results and achieving the second highest growth in the market at 40% vs. 7% according to IMS. Rameda's revenues grew by 22.9% y-o-y to EGP 537.8 million in 1H21 on the back steady market growth, combined with the strong revenues from the Group's recent acquisitions, which was further supported by a recovery in sales of its existing antibiotics product range.
- Rameda's gross profit and EBITDA increased by 19.1% and 14.7% y-o-y, respectively, in 1H21. However, both line items recorded an average year-on-year margin contraction of c. 1.7 percentage points in 1H21 primarily due to higher API costs related to COVID-19 products during the period. However, the Group recorded a 4.9 percentage point increase in GPM q-o-q in 2Q21 due to an improved product mix coupled with the procurement of APIs at more competitive prices, a trend which is expected to continue to year-end.
- Profitability metrics are anticipated to be further supported going forward due to the Group's recent reduction in its marketing staff headcount as well as the effects of economies of scale.
- Net income grew by 41.1% y-o-y to EGP 61.8 million in 1H21, representing a 1.5 percentage-point net margin increase to 11.5% on the back of lower financing expenses during the period.

Key Portfolio Developments

Execution of Rameda's largest Acquisition to Date

- In July 2021, Rameda acquired an anticoagulant molecule as part of its strategy to expand its product offering towards chronic diseases into sizeable and fast-growing therapeutic area. The transaction marks the Group's largest acquisition to date.
- Rameda's antiviral medications targeted at combatting COVID-19 have performed exceptionally well during the period, with Remdesivir and Aniviziram ranking within the top 10 products sold in 1H21.
- The Group's range of antibiotics also did exceptionally well during the period, with Rametax and Rameceftrax also among the top 10 products sold during the period.
- Other leading recently launched products include food supplement, Omnevora (ranked 9th).

Export Update

Strong Growth

- Rameda has succeeded in expanding in the Levant region and building on its successful penetration of four new markets in the GCC during 1H21. Across the Levant, COVID-19 related restrictions are causing the expansion process to move at a slower than desired pace, however, progress is being made nonetheless and management is excited about the opportunities lying ahead.
- The Group capitalized on the lifting of the lockdown in Iraq and began exporting its products to the nation. Rameda was successful in its efforts and Iraq was the Group's leading export destination in 1H21.

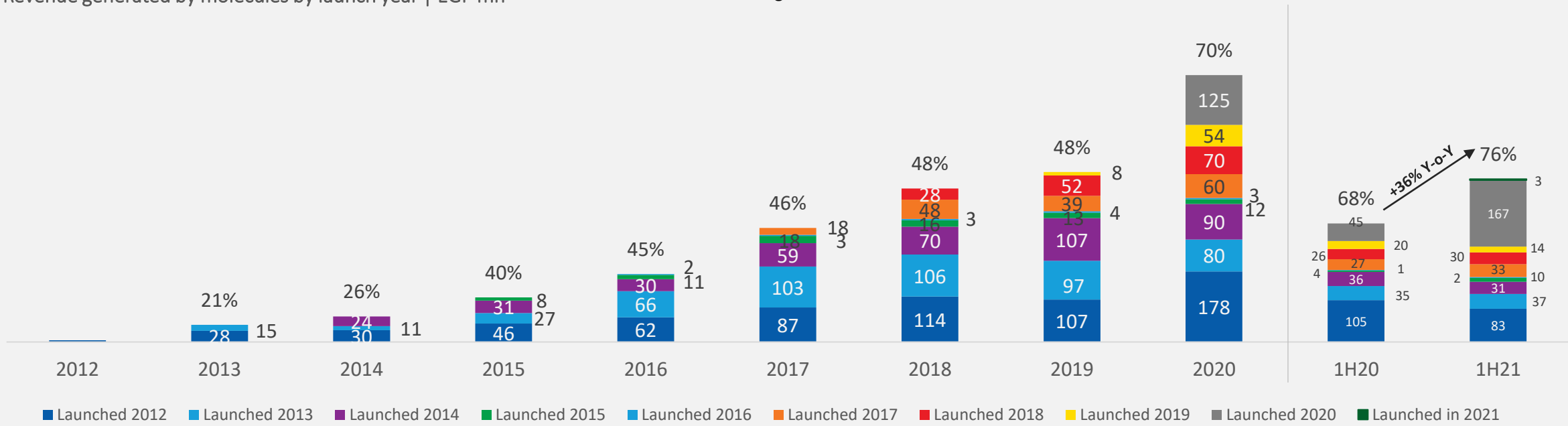


New Launches | Rameda's Cornerstone for Growth

New launches have become the cornerstone of growth for Rameda

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

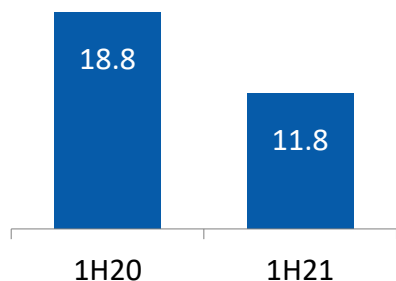
In order to maximize Rameda's revenue and operating margins



1H21 Volume Breakdown & Analysis



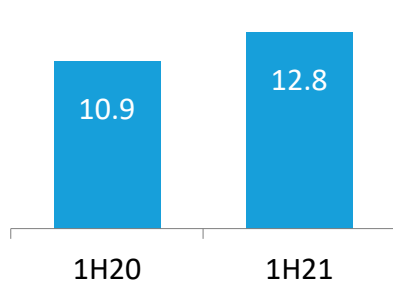
▼ 37.3% YoY



The **tenders** line of business recorded a 37.3% y-o-y decline in volumes sold to 11.8 million units in 1H21. The drop aligns with the Group's strategy to reduce tenders' contribution to Rameda's results in an effort to maximize its margins. This strategic shift is in response to the strong price competition amongst pharma players – post implementation of the UMPA's digital tender platform – resulting in lower margins for the Group.



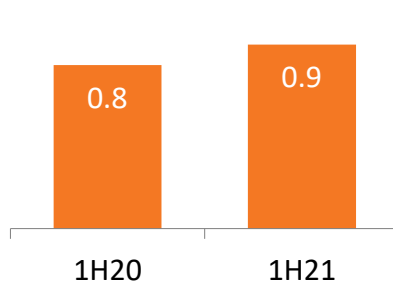
▲ 17.2% YoY



Volumes from **private sales** grew by 17.2% y-o-y to 12.8 million units in 1H21. This increase was driven by a ramp-up in the demand for the Group's antibiotic and antiviral medication, combined with the relaxation of social distancing restrictions compared to the same period last year, which brought about a normalization in consumption levels and resulted in healthy market growth.



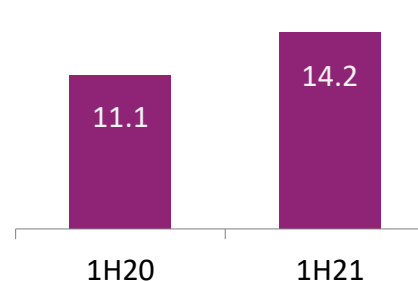
▲ 11.3% YoY



Rameda's **export** volume increased by 11.3% y-o-y to 0.9 million units in 1H21 on the back of easing market conditions, combined with growing regional demand of Rameda's new antiviral medication for the treatment of COVID-19. As of June 2021, Iraq holds the lion's share of Rameda's exports as the Group capitalized on the lifting of the lockdown in Iraq.



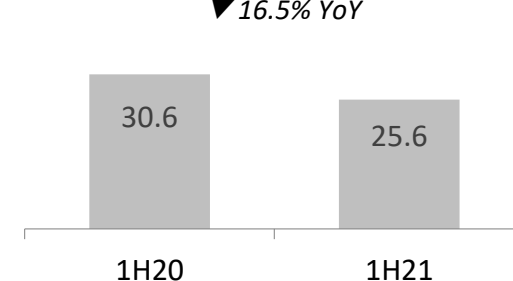
▲ 27.6% YoY



Toll manufacturing volumes grew by 27.6% y-o-y to record 14.2 million units in 1H21, with the vertical's positive performance coming on the back of Rameda's increased lyophilized production capacities during the period.



▼ 16.5% YoY



Despite an increase in volumes across the remainder of the Group's verticals, **total** volume sold (Excluding toll manufacturing sales) declined by 16.5% y-o-y to 25.6 million units in 1H21 due to the significant drop in tender volume sales, the Group's highest contributing vertical at 62% of total volume sold in 1Q20. Private sales contributed 50% of total volume sold during the period, up significantly from 36% from the same period in the previous year. Meanwhile, export contribution to volume sales inched up from 3% to 4% during the same period.

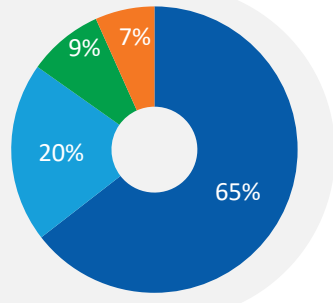
Note: Please refer to the appendix for a detailed revenue and volume table by market route



1H21 Sales Breakdown & Analysis

1H21 Revenue by market route

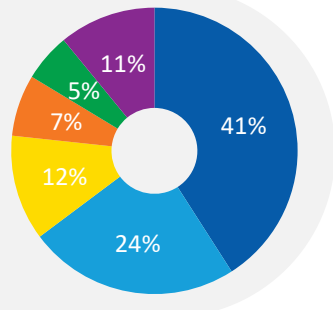
Private Sales	65%
Tenders	20%
Export Sales	9%
Toll Manufacturing	7%



Private Sales contributed the majority of revenue and revenue growth for the period, at 65% and 58% respectively in 1H21. Tenders came in second and contributed 20% of revenues for the period. Exports contributed 9% of revenue and 28% of revenue growth in 1H21. Systemic anti-infectives continued to lead the pack in terms of revenue contribution at 41% in 1H21, followed by alimentary tract & metabolism which contributed 24%. NSAIDs contributed 12%, while genitourinary system & sex hormones contributed 7% and cardiovascular system contributed 5% for the period. On the exports front, Iraq led the pack in terms of revenue contribution from exports at 43%, followed by Lebanon at 33% in 1H21.

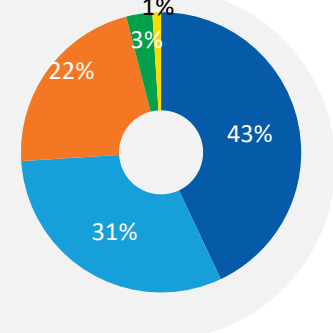
1H21 Revenue by therapeutic area (1)

Systemic anti-infectives	41%
Alimentary tract & metabolism	24%
NSAIDs	12%
Gen. system & sex hormones	7%
Cardiovascular system	5%
Others	11%



1H21 Export Sales by Market

Iraq	43%
Lebanon	31%
Yemen	22%
Libya	3%
Other ⁽²⁾	1%



Top 10 Products Sold⁽³⁾ | 1H 2021

EGP mn

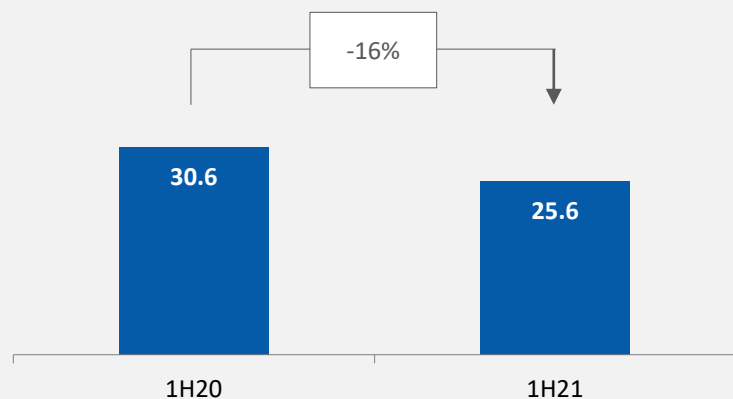
	1H20 Sales	1H21 Sales	YoY Growth	% of 1H21 revenues
RECOXIBRIGHT	36.5	62.8	71.9%	11.8%
REMDESIVIR		52.8	2H20 launch	9.9%
PROTOFIX	74.3	52.7	-29.1%	9.9%
COLONA	41.8	37.5	-10.2%	7.0%
RAMECEFTRAX	25.7	29.1	13.2%	5.4%
RAMETAX	18.7	28.4	52.0%	5.3%
JOYPOX	29.5	27.0	-8.5%	5.1%
ANVIZIRAM		26.9	2H20 launch	5.0%
OMNEVORA	1.4	22.0	1493.9%	4.1%
PIMFAST	11.3	18.8	66.8%	3.5%

(1) Contributions calculated on revenues before toll manufacturing revenue, discounts & incentives and sales returns (2) Refers to Somalia (3) Source: IQVIA



H1 2021 Key Performance Indicators (1 of 2)

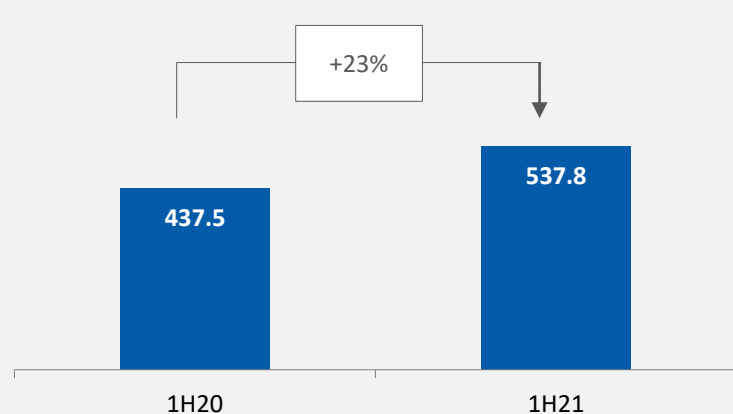
Volume Sold (excludes toll manufacturing) (mn units / % change)



1H21 volumes decreased due to tenders

The Group's total volume sold (excluding toll manufacturing) declined by 16.5% year-on-year to 25.6 million units in 1H21 on the back of a 37.3% y-o-y decrease in tender volumes, in alignment with Rameda's strategy to reduce contributions from tenders going forward in order to maximize the Group's margins. Parallel to this, private sales volumes grew by 17.2% y-o-y to 12.8 million units in 1H21, and toll manufacturing volumes increased by 27.6% y-o-y to 14.2 million units in the same period.

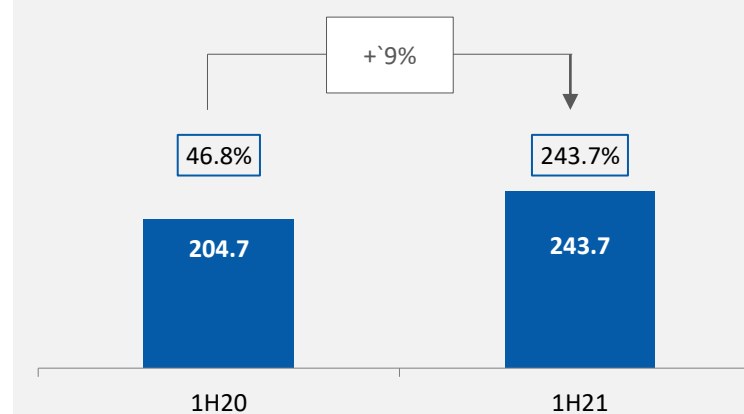
Revenues (EGP mn / % change)



Rameda's top line grew by 22.9% Y-o-Y

to EGP 537.8 million in 1H21, despite the y-o-y fall in volumes sold, due to the optimization of the Group's portfolio towards higher-priced products and the increase in sales, both domestically and abroad, of antiviral drugs used for the treatment of COVID-19 coupled with growing antiviral and antibiotic sales in 1H21. Growth was led by private sales and export sales, which collectively contributed 85.5% to absolute growth during the period.

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

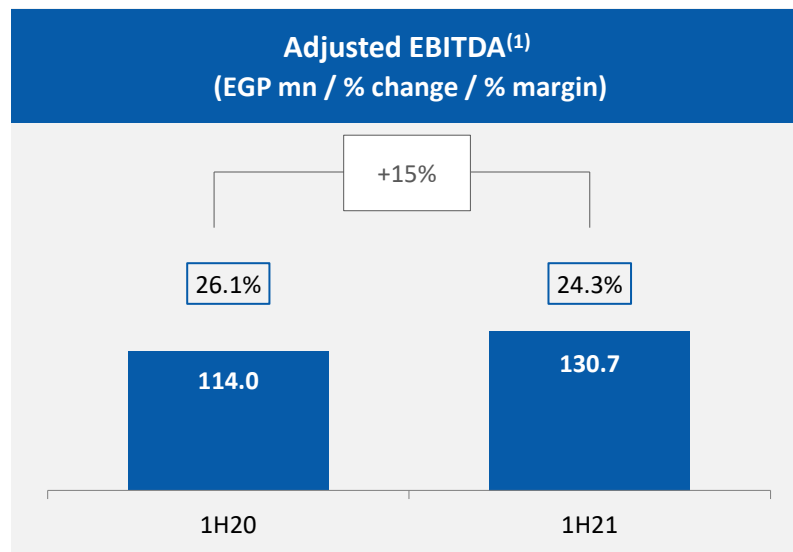


Gross profit grew by 19.1% Y-o-Y

to EGP 243.7 million, yielding a GPM of 45.3%, down by 1.5 percentage points year-on-year due to higher API costs associated with the production of COVID-19 related antiviral medicines which was ramped-up during the period to support growing demand. However, an improved product mix coupled with a decline in API costs drove a 4.9 percentage point increase q-o-q in Rameda's GPM in 2Q21. This trend in declining API costs is anticipated to continue going forward and should reflect positively on the Group's profitability.

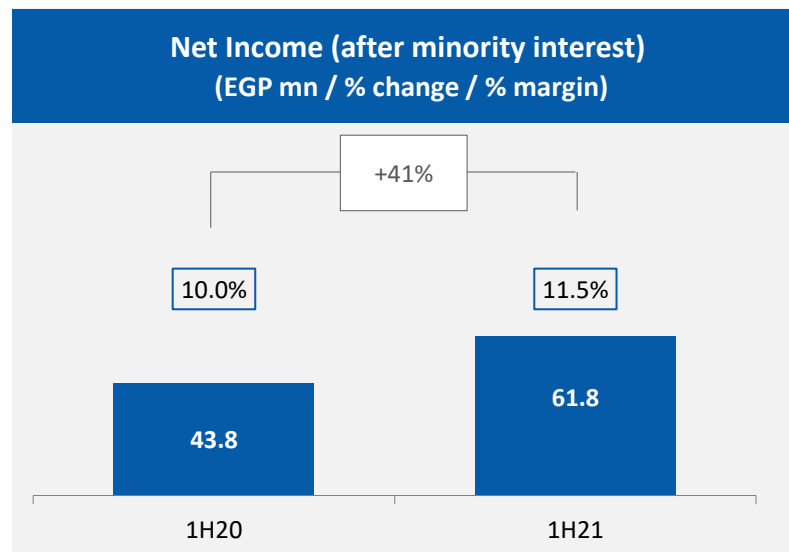


H1 2021 Key Performance Indicators (2 of 2)



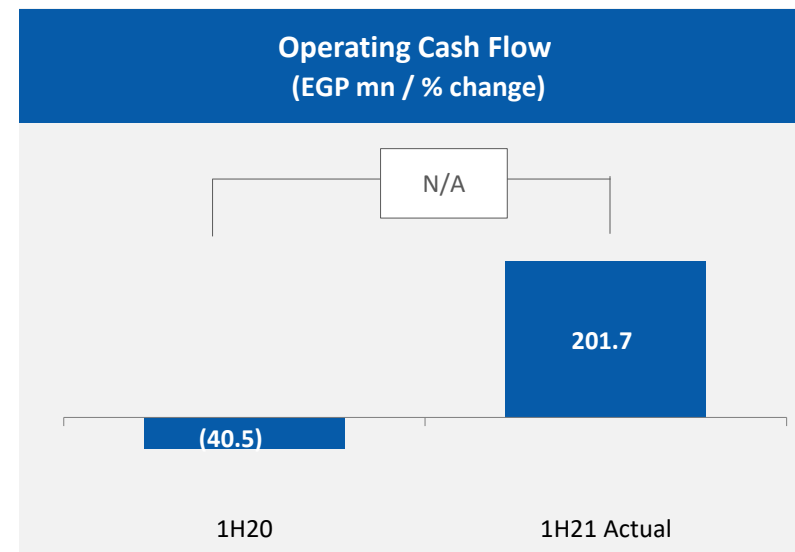
EBITDA grew by 14.7% y-o-y

to EGP 130.7 million, yielding an EBITDA margin of 24.3%, down by 1.8 percentage points in 1H21. The fall in the Group's EBITDA margin was directly attributed to the decrease in its GPM and came despite a 2.5 percentage point contraction in SG&A expense as percentage of revenue driven by a reduction in the marketing team's headcount as well as the effects of economies of scale in 1H21.



Net profit increased by 41.1% Y-o-Y

To EGP 61.8 million in 1H21, yielding an NPM of 11.5% for the period compared to 10.0% in 1H20. Bottom line growth was supported by an 8.3% y-o-y decline in financing expenses coupled with a 15.4% y-o-y fall in depreciation and amortization expenses.



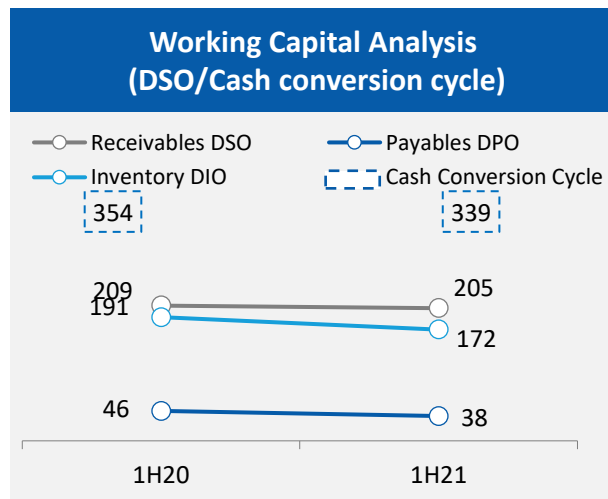
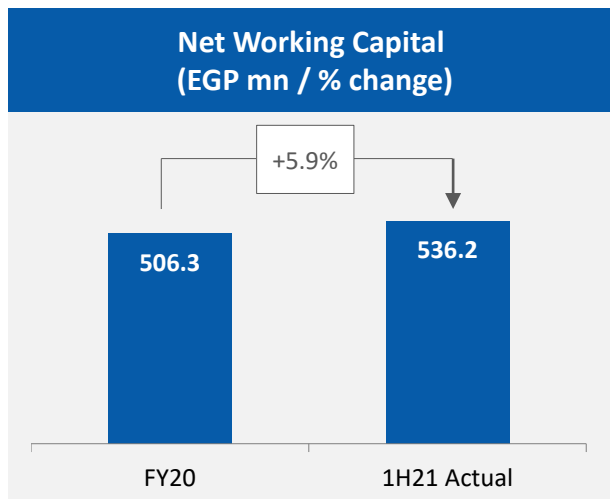
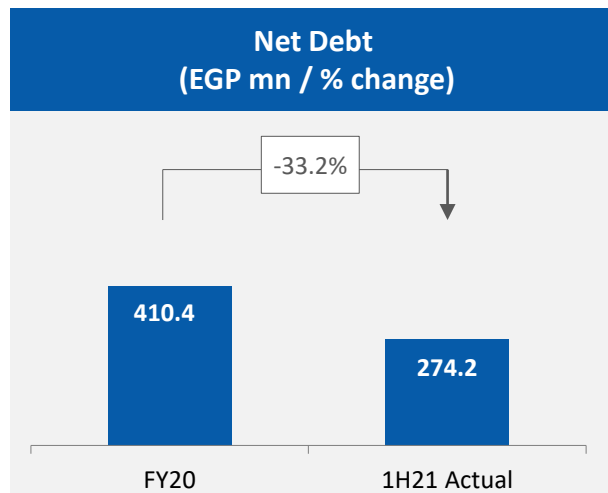
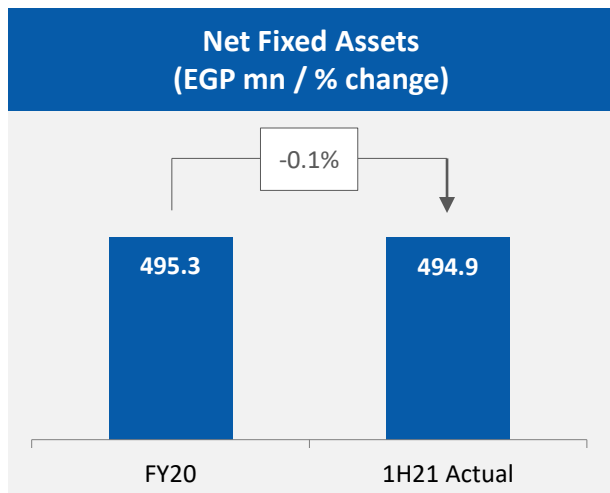
Significant increase in operating cashflow

Rameda recorded EGP 201.7 million in operating cashflow in 1H21, compared to negative EGP 40.5 million in the same period last year. The increase was driven by stabilized inventory levels in 2021 year-to-date coupled with improved receivables, yielding an improved cash conversion cycle.

(1) Adjusted for depreciation, impairments and provisions



H1 2021 Balance Sheet Highlights



Summary Balance Sheet (EGP mn)	31 Dec 20	30 June 21
Non-current assets	752.7	743.4
Current assets	1,496.6	1,430.8
Total assets	2,249.3	2,174.2
Non-current liabilities	75.4	50.0
Current liabilities	990.3	894.6
Total Liabilities	1,065.7	944.7
Shareholder's Equity	1,185.2	1,231.4
Minority Interest	(1.6)	-1.9
Liabilities & Shareholders' Equity	2,249.3	2,174.2

Net fixed assets

came in at EGP 494.9 million as at 30 June 2021, down by 0.1% year-to-date, 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 274.2 million as at 30 June 2021, representing a 33.2% year-to-date decrease due to a fall in overall debt of 13.4% year-to-date. Net debt was further dampened by a 3.5% year-to-date increase in cash and bank balances that came on the back of the Group's improved CCC during the period.

Cash Conversion Cycle

CCC decreased by 15 days on the back of 19-day fall in inventories DIO coupled with a four-day decline in receivables DSO during the period. Meanwhile, payables DPO recorded an eight-day decline in 1H21.



Stock Information

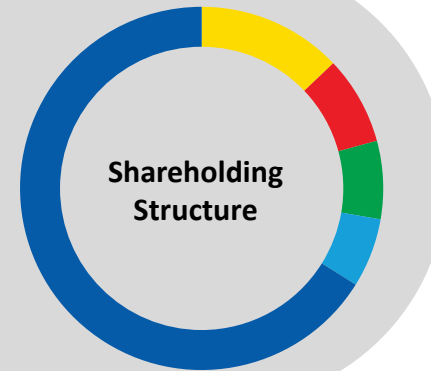
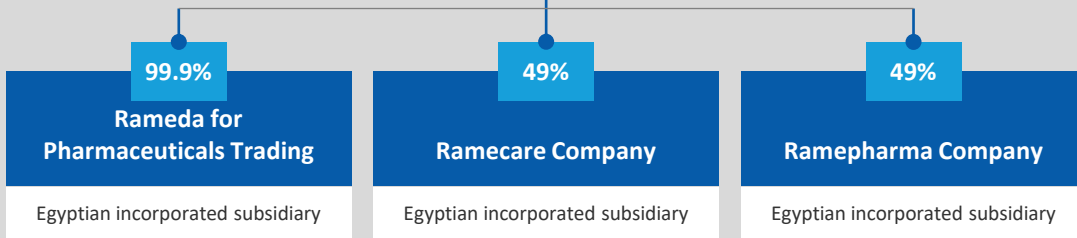




Corporate Structure and Share Performance

Corporate structure overview

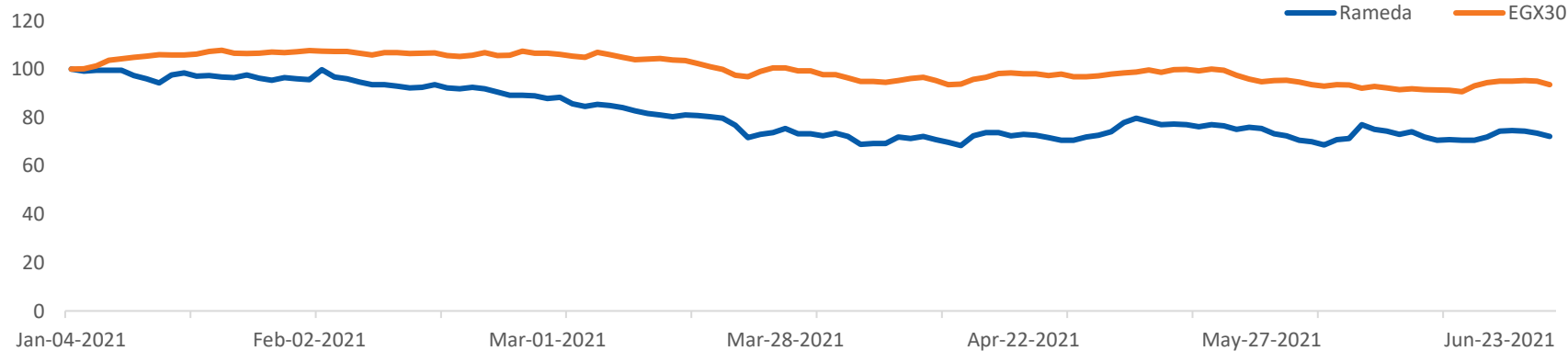
Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda)



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.

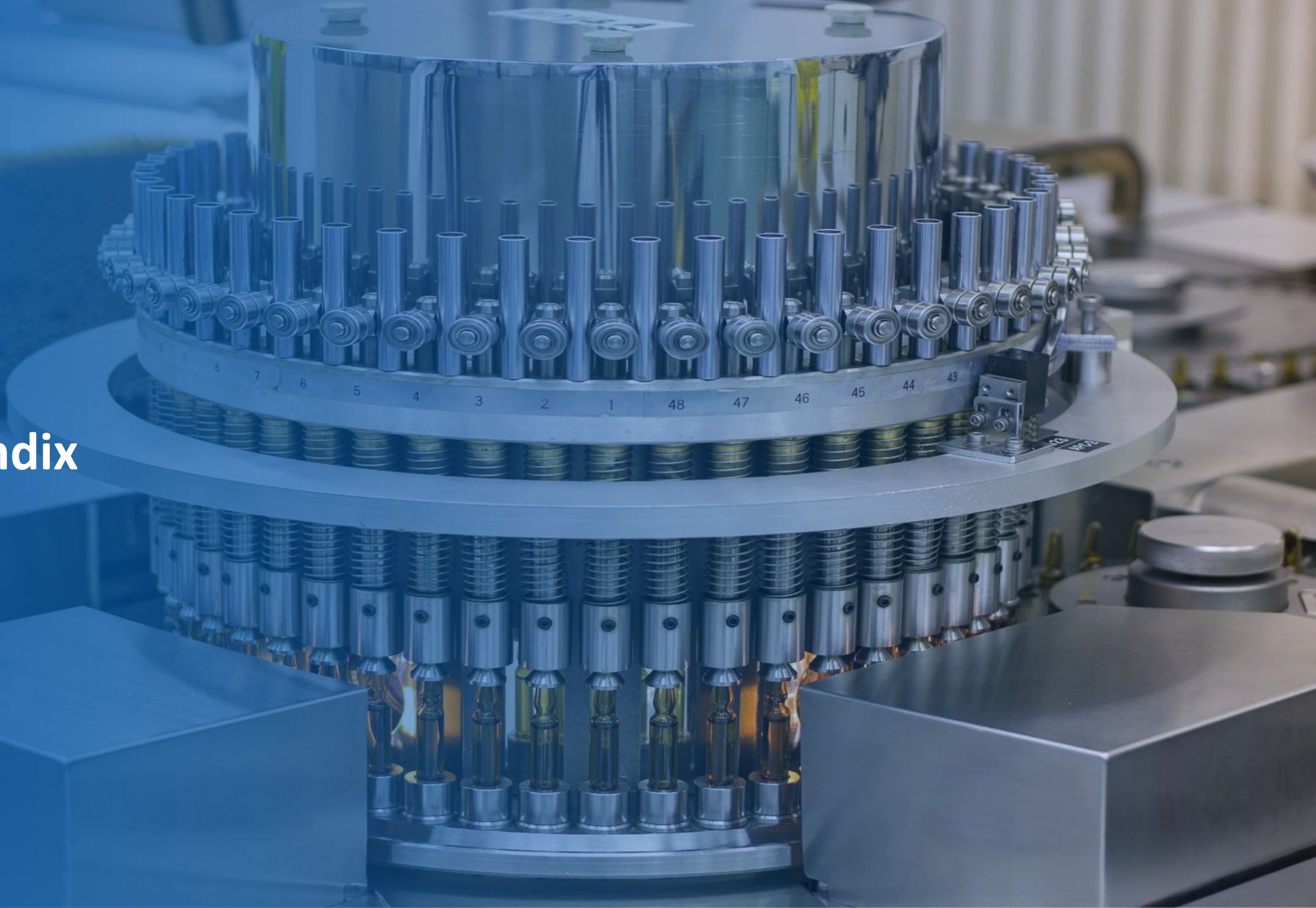
Share Information & Performance in 1H21 | Rebased to 100




Market	EGX
Stock Ticker	RMDA.CA
Date of Listing	11-Dec-19
Total Issued Shares	768,600,000
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.

<h3>Investment In Growth</h3>	<p>In 2018, we launched the Rameda Learning and Development Academy (RLDA), an in-house teaching institution licensed by the Canadian Corporate Training Organization. Through the RLDA, we provide comprehensive professional learning and development programs in both classroom and lab settings</p>	<table border="1"> <tr> <td>Introductory Programs</td> <td>Sales Management</td> </tr> <tr> <td>Business & Marketing</td> <td>Medical Management</td> </tr> <tr> <td>Plant Management</td> <td>Regulatory Affairs</td> </tr> <tr> <td>Medical Sales Rep</td> <td>Executive Programs</td> </tr> </table>	Introductory Programs	Sales Management	Business & Marketing	Medical Management	Plant Management	Regulatory Affairs	Medical Sales Rep	Executive Programs	 <p>791 Training Hours in 1H21</p>
Introductory Programs	Sales Management										
Business & Marketing	Medical Management										
Plant Management	Regulatory Affairs										
Medical Sales Rep	Executive Programs										
<h3>Workplace Diversity</h3>	<p>Flexible work schedules and part-time opportunities based on family needs</p> <p>Maternal leave policy as per the Egyptian law</p>	<p>On-site nursery (daycare) to support return to work from maternity leave</p> <p>Effective career mapping for women to management and executive positions</p>	 <p>32% Female Workforce As of 30 June 2021</p>								
<h3>Putting Safety First</h3>	<p>Rameda's proactive Health and Safety Management system meets the highest standards in occupational safety and health by outlining clear requirements for the policies, specifications and programs to guide its operations.</p>	<p>New procedures and sanitization practices have been implemented in light of COVID-19 to ensure the safety of our employees</p> 	 <p>0 hrs Lost-time Injury Frequency Rate FY20⁽¹⁾</p>								

(1) Calculated every six months



Revenue & Volume Sold

Revenue Analysis	1Q20	1Q21	% YoY
Private Sales			
Volumes Sold ('000)	5,907	6,713	13.6%
Sales (EGP mn)	150.7	169.9	12.7%
Tenders			
Volumes Sold ('000)	10,374	7,483	-27.9%
Sales (EGP mn)	66.1	59.6	-9.8%
Exports			
Volumes Sold ('000)	339	666	96.8%
Sales (EGP mn)	5.2	22.7	334.8%
Total Volume Excluding toll manufacturing ('000 units)	16,620	14,863	-10.6%
Toll Manufacturing			
Volumes Sold ('000 sheets)	6,234	7,167	15.0%
Sales (EGP mn)	10.4	18.6	79.6%
Total Revenue (EGP mn)	232.4	270.8	16.5%