



**rameda**

Quality For All

**Results  
Presentation**

9M 2021



# Agenda

- Group Overview
- 9M 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 one of the fastest in terms of its year-on-year growth by value within the private market in the trailing 12-month period at 37% compared to an average market growth of 7% in 9M21.<sup>(1)</sup>



(1) Source: IQVIA





# 9M21 Performance Highlights

## 9M 2021 Financial Highlights

EGP **852.5** mn  
Revenues  
▲ 27% YoY

EGP **389.4** mn  
Gross Profit  
▲ 23% YoY  
46% margin

EGP **181.8** mn  
EBIT  
▲ 26% YoY  
21% margin

EGP **215.6** mn  
Operating Cash Flow  
vs 9M20:  
EGP (121.5)mn

EGP **216.2** mn  
Adjusted EBITDA<sup>(1)</sup>  
▲ 17% YoY  
25% margin

EGP **107.1** mn  
Net Income<sup>(2)</sup>  
▲ 56% YoY  
13% margin

EGP **0.107**  
EPS<sup>(2)</sup>  
▲ 56% YoY

EGP **374.6** mn  
Net Debt  
▼ 9% YTD

## 9M 2021 Operational Highlights

**40.6** mn  
Units Sold (excluding toll)  
▼ 4% YoY

**5**  
Products  
Launched

**1**  
Molecules  
Acquired

EGP **37.7**  
Average Unit Price  
(IMS Health)  
▲ 13% YoY

**601K**  
Total Sales  
Visits  
vs. 492K in 9M20

**477**  
Medical Reps &  
Merchandisers  
vs. 607 in 9M20





# 3Q21 Performance Highlights

## Q3 2021 Financial Highlights

EGP **314.7** mn  
Revenues  
▲ 34% YoY

EGP **145.7** mn  
Gross Profit  
▲ 30% YoY  
3% margin

EGP **73.9** mn  
EBIT  
▲ 30% YoY  
23% margin

EGP **80.2** mn  
Operating Cash Flow  
vs 3Q20: EGP (5.5)mn

EGP **64.8** mn  
Adjusted EBITDA<sup>(1)</sup>  
▲ 28% YoY  
24% margin

EGP **31.6** mn  
Net Income<sup>(2)</sup>  
▲ 59% YoY  
12% margin

EGP **0.041**  
EPS<sup>(2)</sup>  
▲ 62% YoY

EGP **274.2** mn  
Net Debt  
▼ 33.2% YTD

## Q3 2021 Operational Highlights

**15.1** mn  
Units Sold (excluding toll)  
▼ 30% YoY

**1**  
Products  
Launched

**1**  
Molecules  
Acquired

EGP **36.9**  
Average Unit Price  
(IMS Health)  
▲ 8% YoY

**198K**  
Total Sales  
Visits  
vs. 205K in 3Q20

**422**  
Medical Reps &  
Merchandisers  
vs. 520 in 9M20





# 9M21 Market Positioning

## Market Positioning 9M 2021<sup>(1)</sup>

### Evolution Index

**126.5**  
Private Market  
vs. in 9M20  
**109.6**

**123.7**  
Defined Market  
vs. In 9M20  
**106.6**

### Market Share

**1.7%**  
Private Market  
vs.% in 9M20  
**1.2%**

**4.6%**  
Defined Market  
Vs .3.1%

### Market Ranking

**19**  
Private Market  
vs. in 9M20  
**25**

**6**  
Defined Private Market  
vs. in 9M20  
**11**





# 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

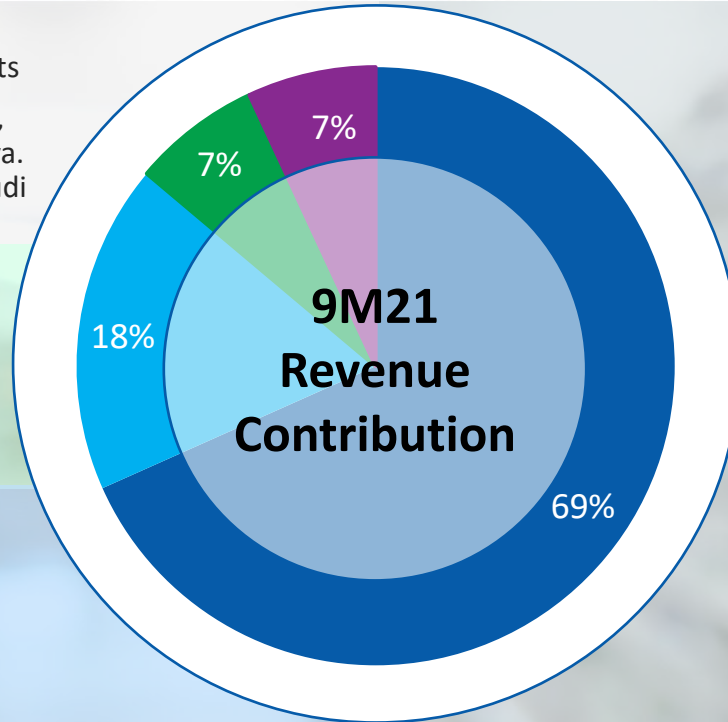
- Sale of products to export agents, responsible for distributing its products across different regional markets
- 47% of total export sales were sold in Iraq during 9M21, with 26% sold in Lebanon, 22% in Yemen and 3% in Libya. The remaining 2% of exports were sold in Palestine, Saudi Arabia, Nigeria, South Sudan & Somalia.

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



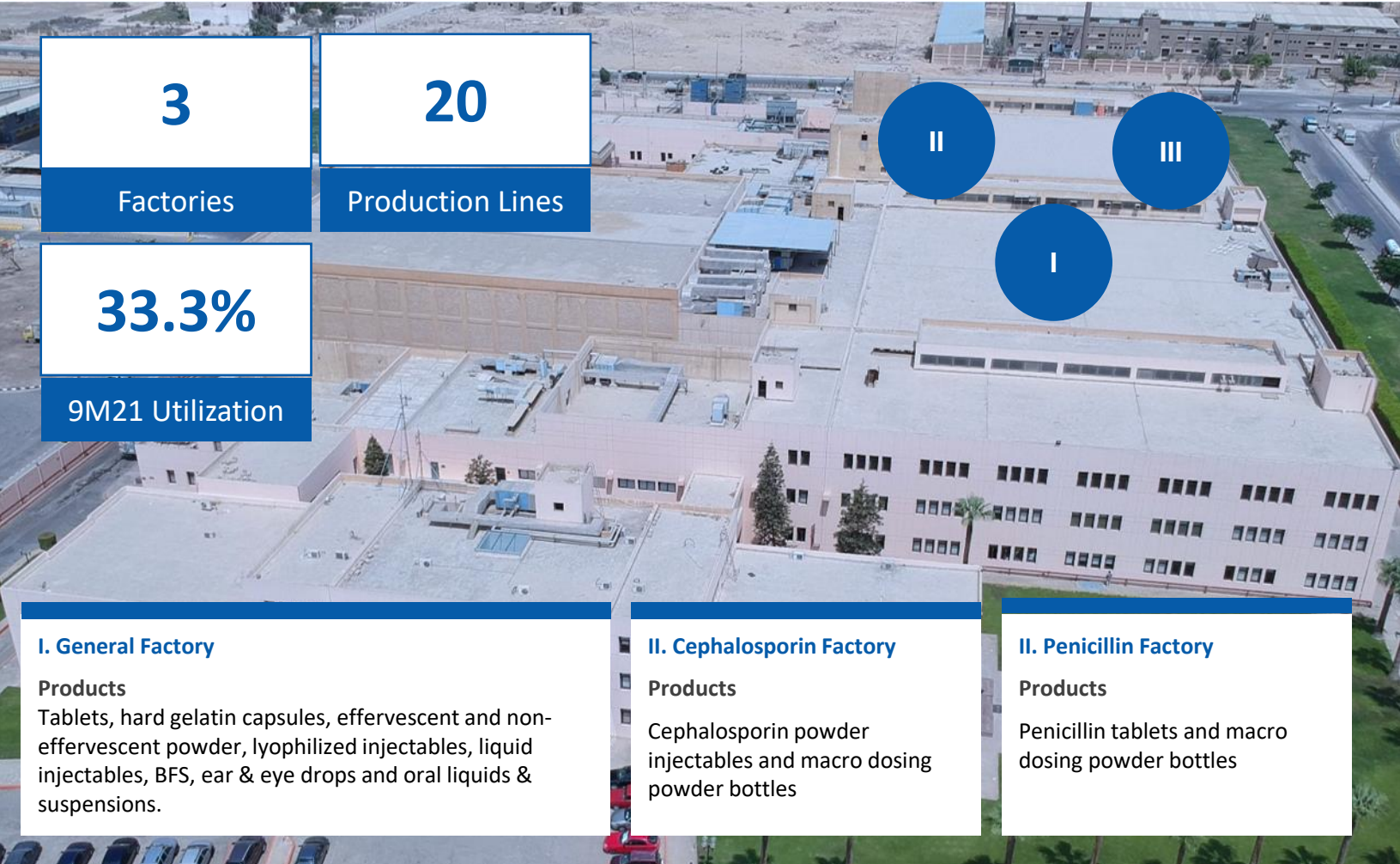
# Well-Invested Manufacturing Facility

**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 33.3% in 9M21, 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



# 9M 2021 In Review





# 9M 2021 | Performance Overview

## Financial Highlights

### Solid Top-and-Bottom-Line Growth

- Total revenues grew by a solid 27% YoY to EGP 852.5 mn in 9M21, with revenues in 3Q21 alone seeing even stronger growth, at 34% YoY to come in at EGP 314.7 mn. The Group now ranks as one of the fastest in terms of its year-on-year growth by value within the private market in the trailing 12-month period, at 37% compared to an average market growth of 7%.
- Gross profit increased by 23% YoY to EGP 389.4 mn in 9M21, representing a GPM of 45.7%, down by 1.5 percentage points on the back of high API prices associated with the ramp-up in the production of the Group's antivirals, and recovery in the demand of the Group's antibiotics, also associated with relatively higher API costs. Management has since succeeded in securing its 2022 API requirements at much more competitive pricing levels than those purchased for 2021.
- The Group's bottom line after minority interest grew by 56% YoY to record EGP 107.1 mn in 9M21. The corresponding NPM grew by 2.4 percentage points YoY to 12.6% on the back of a decrease in finance costs and depreciation & amortization expenses as a percentage of revenues during the period.

## Business Vertical Updates

### Strong Exports & Private Sales Growth

- Private sales grew by 25% YoY to EGP 587.2 mn in 9M21, driven by strong demand of the Group's COVID-19 related antiviral products and its existing portfolio of antibiotics.
- Export revenues grew by more than 2-fold between 9M20 and 9M21, from EGP 28.7 mn to EGP 59.3 mn during the period on the back of the Group's entering of new export markets across the Levant, an increase in exports to Iraq (+ 47% YoY) after the easing of COVID-19 restrictions and as well as in Yemen (+124% YoY).
- Revenues from antiviral products, Remdesivir and Anviziram, collectively generated EGP 102.1 mn in 9M21, representing 15% of total revenues. Exports of both products collectively contributed 60% of total export revenues for the period.
- Aside from the Group's recent antiviral launches, notable top-performing products included Recoxibright (1<sup>st</sup> place – Up by 76% YoY), Rametax (5<sup>th</sup> – Up by 144% YoY), Rameceftrax (6<sup>th</sup> place – Up by 49% YoY), Omnevora (8<sup>th</sup> – Launched in 2020) and Pimfast (10<sup>th</sup> – Up by 58% YoY).

## Key Portfolio Developments

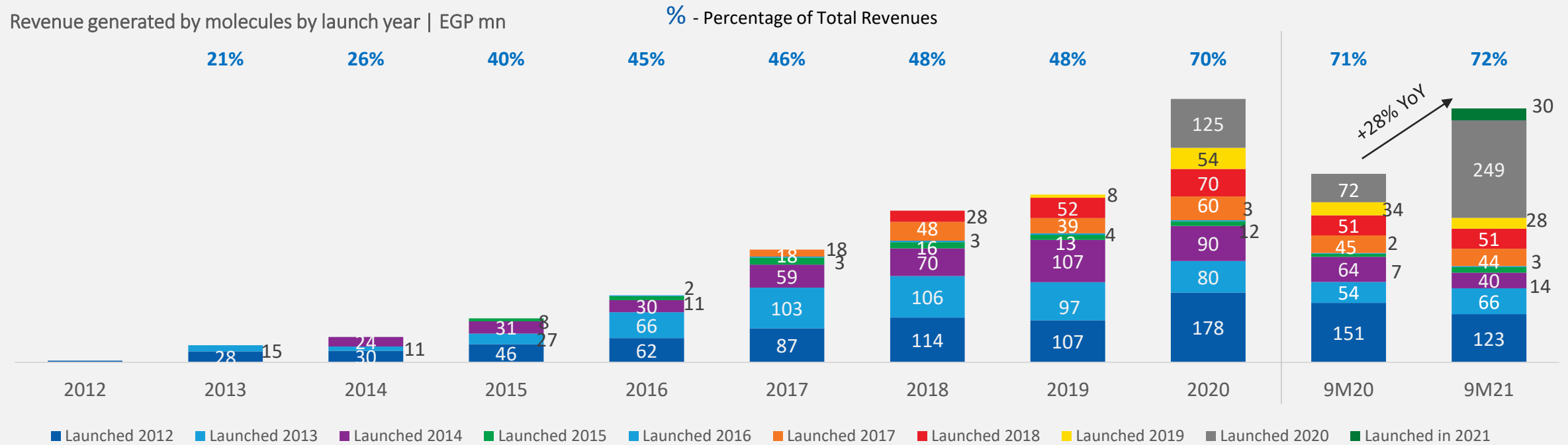
### Upcoming Launches

- The Group has added 5 products to its portfolio year-to-date and is on track to launch 8-10 products by year-end as previously communicated with investors, with the planned launch of 4 new products in 4Q21: 3 nutraceuticals, and 1 pharmaceutical.
- Management expects the Group's growing portfolio of nutraceuticals to drive both short-and-long-term for Rameda, as illustrated by the success of Omnevora, a nutraceutical launched just last year to become Rameda's 8th highest-selling product.
- According to IQVIA, nutraceuticals saw overall sales in Egypt grow at a 4-year CAGR of 21% to reach EGP 10.8 billion in 2020 on the back of the spread of COVID-19 and its various strains, the MENA region's high prevalence of lifestyle diseases and the general increase in consumption of natural health and wellbeing products by more health-conscious consumers.



# New Launches | Rameda's Cornerstone for Growth

**New launches have become the cornerstone of growth for Rameda**



### 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

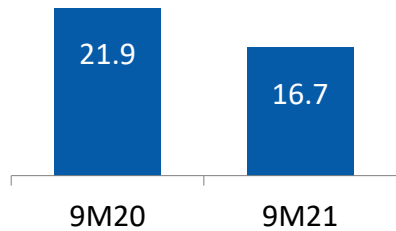




# 9M21 Volume Breakdown & Analysis



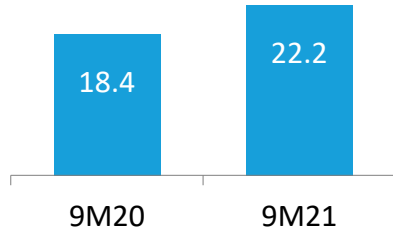
▼ 23.5% YoY



Volumes sold from **tenders** recorded a 23.5% YoY decline to 16.7 million units in 9M21, in line with Management's strategy to reduce the contribution of tenders to Rameda's top line in an effort to maximize its margins on the back of the strong price competition amongst pharma players after the implementation of the UMPA's digital tender platform.



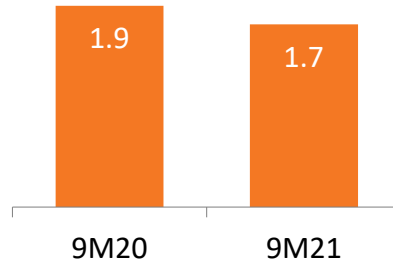
▲ 20.5% YoY



Volumes from **private sales** grew by 20.5% YoY to 22.2 million units in 9M21. 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.



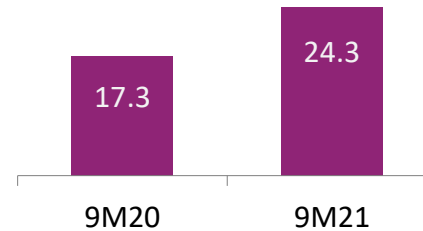
▼ 9.3% YoY



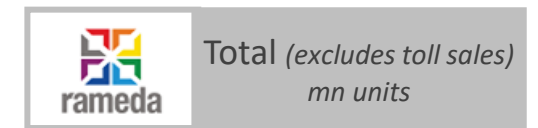
Volumes from **export sales** fell by 9.3% YoY to 1.7 million units in 9M21, despite an increase of 106.9% YoY in export revenues during the period primarily due to the sale of Anviziram and Remdesivir, typically associated with lower volumes and higher prices, to its export markets. As of September 2021, Iraq held the lion's share of Rameda's exports, followed by the Levant and Yemen.



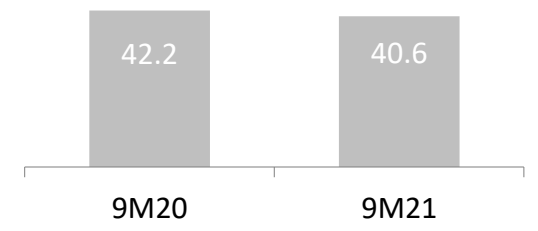
▲ 40.2% YoY



**Toll manufacturing** volumes grew by an exceptional 40.2% YoY to record 24.3 million units in 9M21, with the vertical's positive performance coming on the back of the ramp-up in the utilization of the Group's unique lyophilized production capabilities during the period on the back of its increased demand by third-parties. Utilization of these lines currently stands at c.80%.



▼ 3.6% YoY



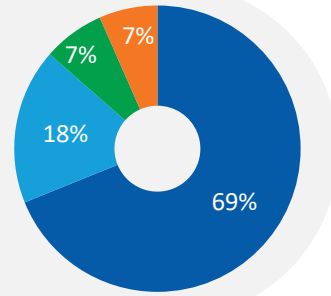
**Total volumes** sold (Excluding toll manufacturing sales) declined by 3.6% YoY to 40.6 million units in 9M21 due to the significant drop in tender and export volume sales. While the contribution of export volumes remained relatively stable between both periods at 4-5%, the contribution of tenders fell by 10.7 percentage points between 9M20 and 9M21 to 41%, while the contribution from private sales grew by the same amount to 55%. from the contribution of volumes of tenders has been taken by Private sales.



# 9M21 Sales Breakdown & Analysis

## 9M21 Revenue by market route

Private Sales	69%
Tenders	18%
Export Sales	7%
Toll Manufacturing	7%



Private Sales contributed the majority of revenue and revenue growth for the period, at 69% and 67% respectively in 9M21.

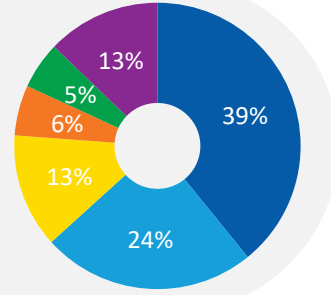
Tenders came in second and contributed 18% of revenues for the period. Exports contributed 7% of revenue and 17% of revenue growth in 9M21.

Systemic anti-infectives continued to lead the pack in terms of revenue contribution at 39% in 9M21, followed by alimentary tract & metabolism which contributed 24%. NSAIDs contributed 13%, while blood & blood forming organs contributed 6% and genitourinary system & sex hormones contributed 5%.

On the exports front, Iraq led the pack in terms of revenue contribution from exports at 47%, followed by Lebanon at 26% and Yemen at 22% in 9M21.

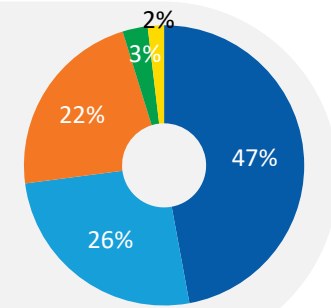
## 9M21 Revenue by therapeutic area (1)

Systemic anti-infectives	39%
Alimentary tract & metabolism	24%
NSAIDs	13%
Blood & blood forming organs	6%
Gen. system & sex hormones	5%
Others	13%



## 9M21 Export Sales by Market

Iraq	47%
Lebanon	26%
Yemen	22%
Libya	3%
Other <sup>(2)</sup>	2%



## Top 10 Products Sold<sup>(3)</sup> | 9M 2021

EGP mn

	9M20 Sales	9M21 Sales	YoY Growth	% of 9M21 revenues
RECOXIBRIGHT	62.2	109.7	76.4%	16.3%
PROTOFIX	107.8	79.1	-26.6%	11.8%
REMDESIVIR		72.1	2020 Launch	10.7%
COLONA	61.4	62.1	1.1%	9.2%
RAMETAX	24.0	58.6	144.1%	8.7%
RAMECEFTRAX	31.9	47.7	49.3%	7.1%
JOYPOX	55.3	34.8	-37.1%	5.2%
OMNEVORA	5.5	33.5	2020 Launch	5.0%
ANVIZIRAM		30.0	2020 Launch	4.5%
PIMFAST	16.9	26.7	57.7%	4.0%

New COVID-19 Antiviral products launched in 2H20

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

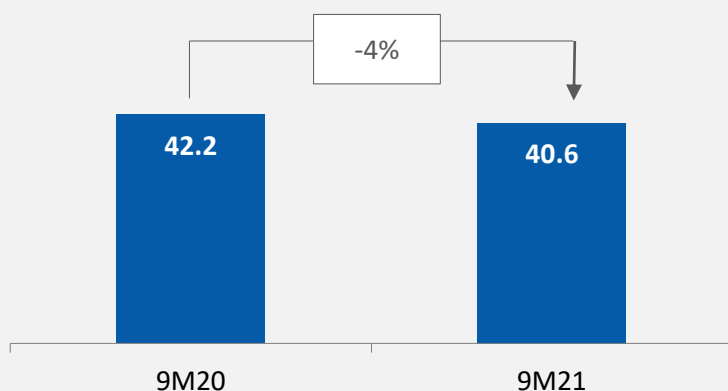
(2) Refers to Palestine, Saudi Arabia, Nigeria, South Sudan & Somalia  
(3) Source: IQVIA





# 9M 2021 Key Performance Indicators (1 of 2)

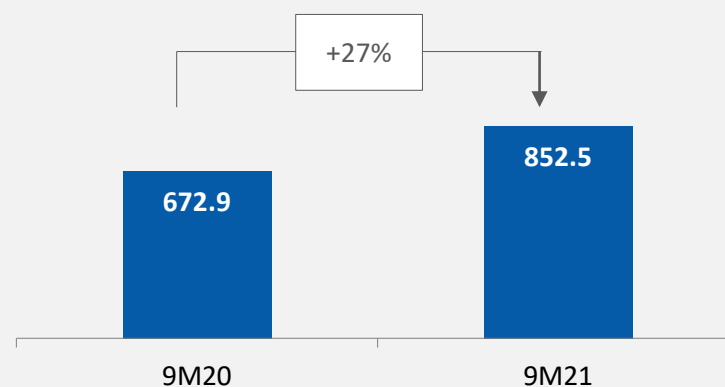
## Volume Sold (excludes toll manufacturing) (mn units / % change)



### **9M21 volumes fell by 4% Y-o-Y**

Despite double-digit growth in private sales and export volumes, the Group's total volume sold (excluding toll manufacturing) declined by 3.6% YoY to 40.6 million units in 9M21 on the back of a 23.5% YoY fall in tender volumes in alignment with Rameda's strategy to reduce contributions from tenders, and a 9.3% YoY decrease in export sales volumes, despite a more than 2x increase in export sales. It is important to note that despite this, volumes grew by 30.2% YoY during 3Q21.

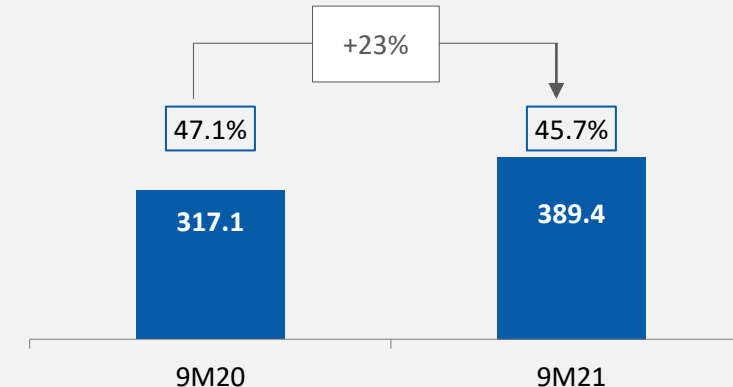
## Revenues (EGP mn / % change)



### **Revenues grew by 26.7% Y-o-Y**

To EGP 852.5 million in 9M21 on the back of to the optimization of the Group's portfolio towards higher-priced products, coupled with strong sales of its antiviral COVID-19 related drugs and its existing portfolio of antibiotics. Growth was led by private and export sales, which grew by 25.9% and 106.9% YoY respectively, and collectively contributed 84% of absolute growth during the period.

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

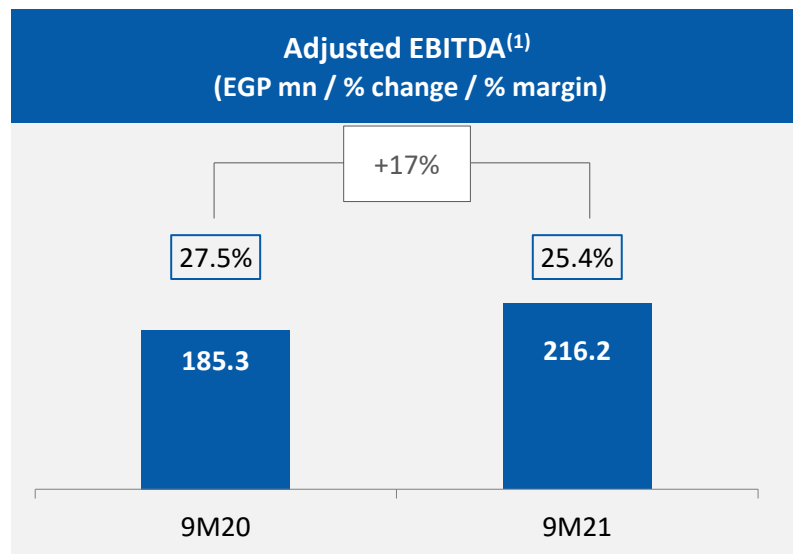


### **Gross profit increased by 22.8% Y-o-Y**

to EGP 389.4 mn in 9M21, yielding a GPM of 45.7%, down by 1.5 percentage points due to high API prices associated with the production of the Group's antivirals and antibiotics. However, this was partially offset by the reduction in salaries, depreciation, utility and other COGS as a percentage of sales.

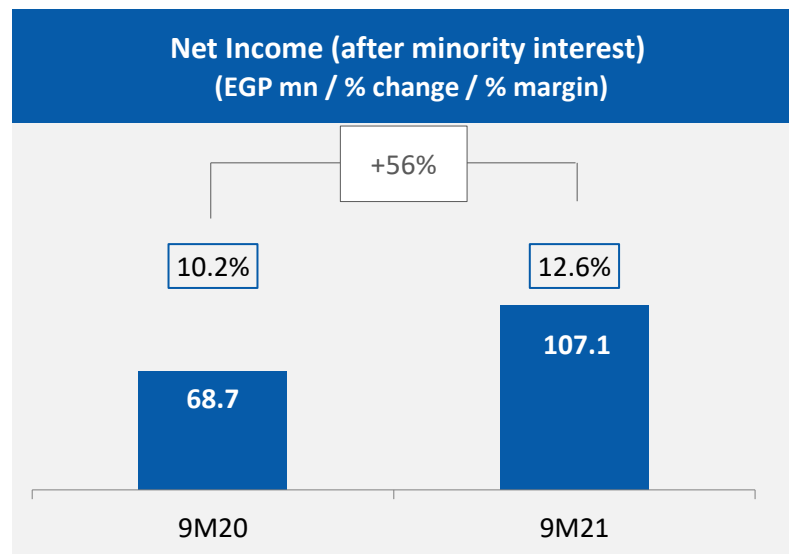


# 9M 2021 Key Performance Indicators (2 of 2)



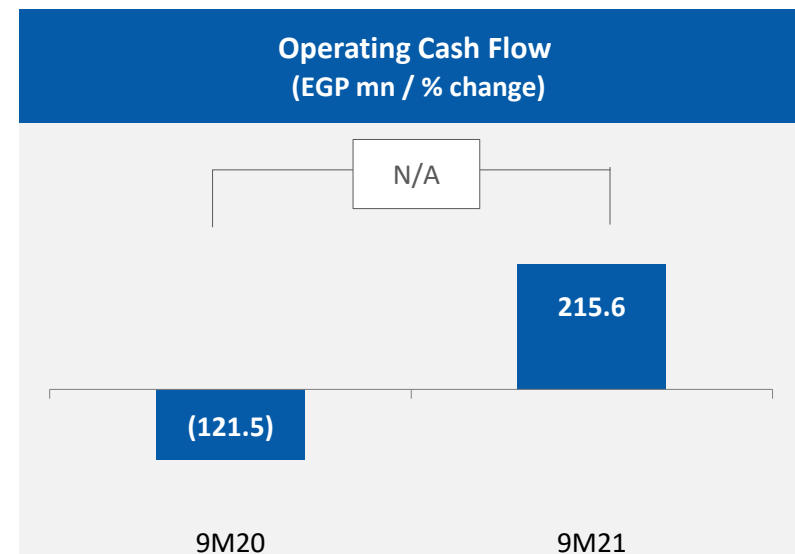
#### **EBITDA grew by 16.7% YoY**

to EGP 216.2 million in 9M21 yielding an EBITDA margin of 25.4%, down by 2.2 percentage points YoY on the back of the fall in the Group's GPM during the period. Meanwhile, a 2.9 percentage-point decrease in SG&A expense as percentage of revenue were driven by a reduction in the marketing team's headcount as well as operational leverage.



#### **Net Income climbed 56.4% YoY**

To EGP 107.1 million in 9M21, and yielding an NPM of 12.6% for the period, up by 2.4 percentage points YoY, with bottom line growth driven by a decrease in finance costs and depreciation & amortization expenses as a percentage of revenues during the period.



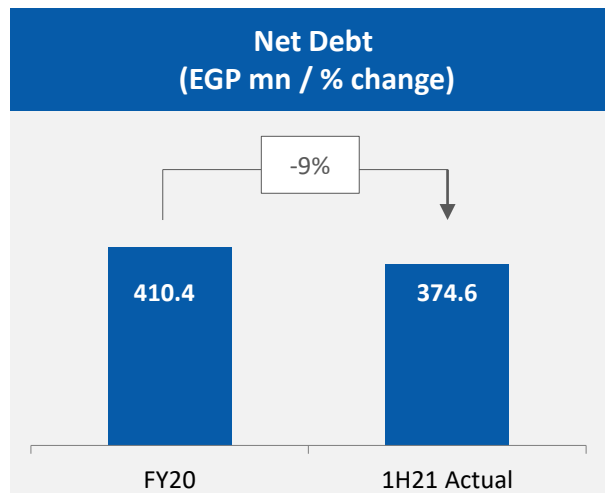
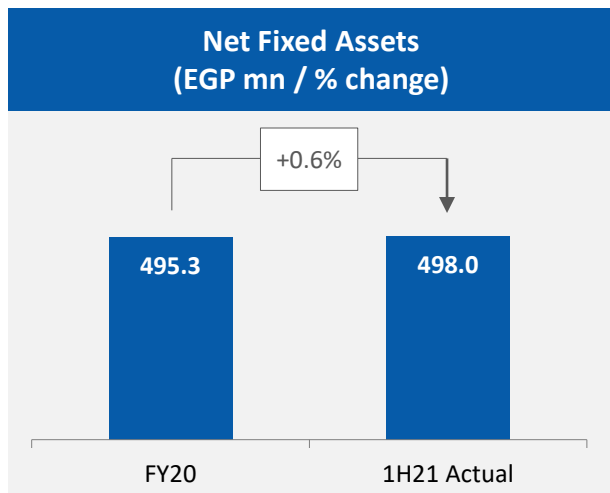
#### **Significant improvement in operating cashflow**

Rameda recorded an overall inflow of EGP 215.6 million in its operating cashflow in 9M21, compared to an outflow of EGP 121.5 million in the same period last year. The improvement in operating cash flows was driven by lower inventories and receivables, yielding an improved cash conversion cycle, which has fallen to under 300-days to 294 days as per management objectives and guidance.

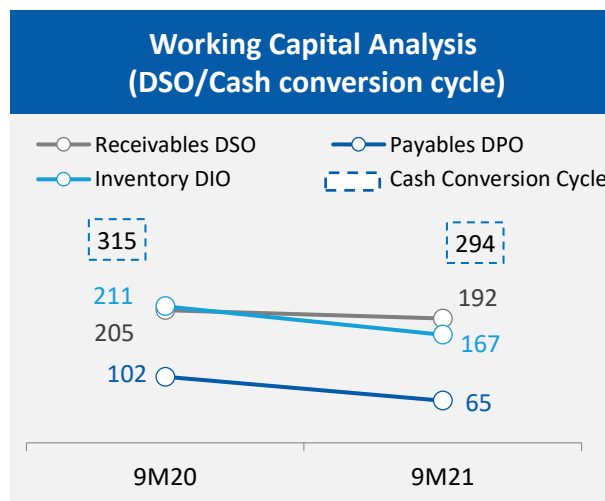
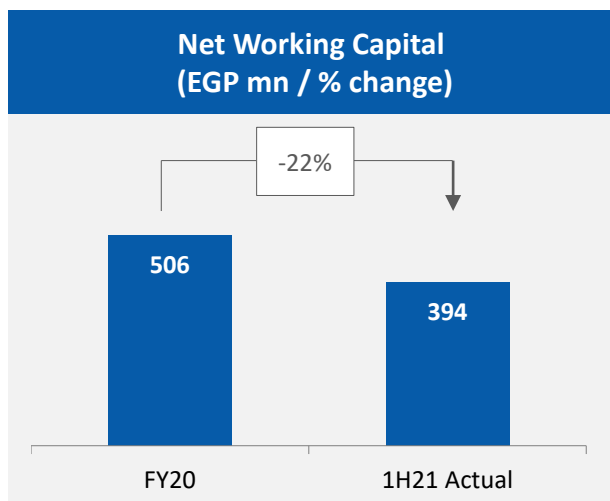




# 9M 2021 Balance Sheet Highlights



Summary Balance Sheet (EGP mn)	31 Dec 20	30 Sep 21
Non-current assets	752.7	931.5
Current assets	1,496.6	1,415.2
<b>Total assets</b>	<b>2,249.3</b>	<b>2,346.8</b>
Non-current liabilities	75.4	50.5
Current liabilities	990.3	1,021.6
<b>Total Liabilities</b>	<b>1,065.7</b>	<b>1,072.1</b>
<b>Shareholder's Equity</b>	<b>1,185.2</b>	<b>1,276.8</b>
Minority Interest	(1.6)	-2.1
<b>Liabilities &amp; Shareholders' Equity</b>	<b>2,249.3</b>	<b>2,346.8</b>



#### Net fixed assets

came in at EGP 498.0 million as at 30 September 2021, up by 0.6% 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

reached EGP 374.6 million as at 30 September 2021, representing an 8.7% year-to-date decline on the back of a 3.7% fall in total debt and a 0.5% increase in cash and bank balances during the period.

#### Cash Conversion Cycle

The CCC decreased by 20 days between 9M20 and 9M21 to 294 days driven by a 44-day fall in inventories DIO to 167 days, coupled with a 13-day decline in receivables DSO to 192 days. Meanwhile, payables DPO fell by 44 days YoY to reach 65 days during the same period.



# Stock Information



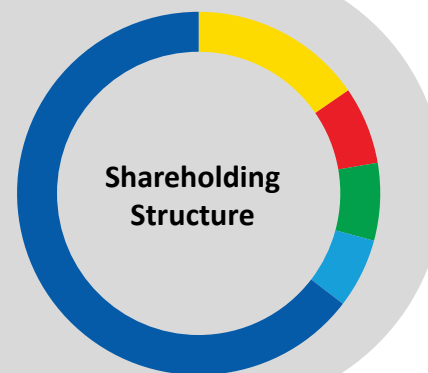
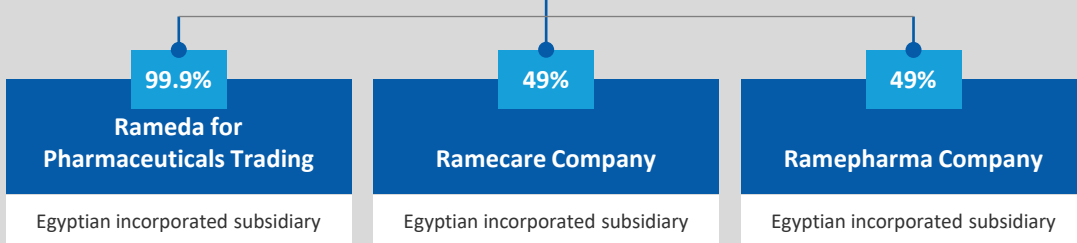




# Corporate Structure and Share Performance

## Corporate structure overview

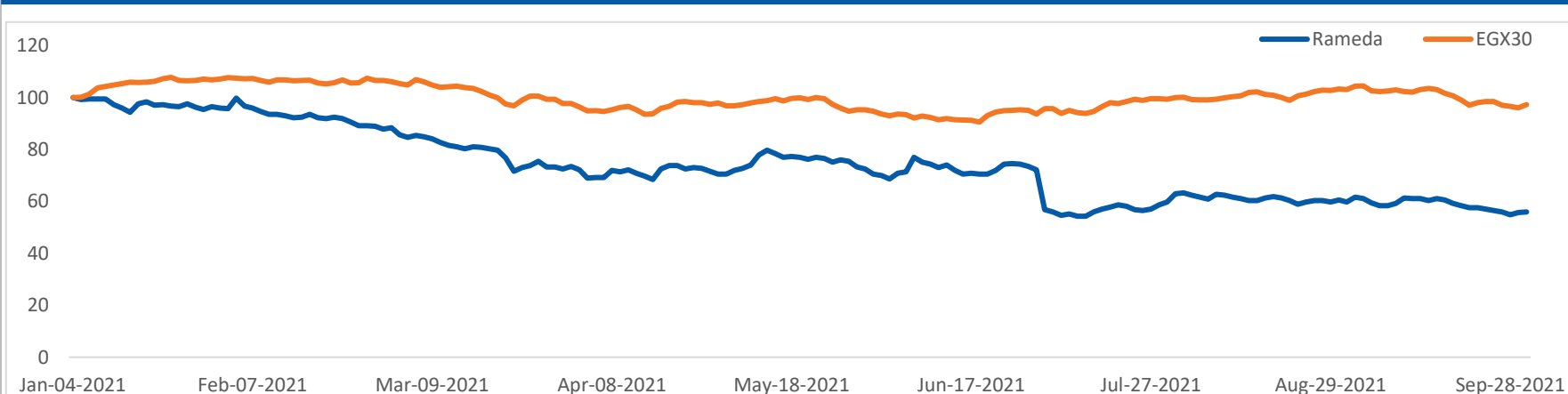
Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda)



Equinox Pharma Holding	15.4%
Mr. Sedik Mohamed Afifi	6.9%
Atlantica Holdings Inc.	6.9%
Infinity Capital Investment	6.2%
Others	64.6%

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

## Share Information & Performance in 9M21 | Rebased to 100



Market	EGX
Stock Ticker	<b>RMDA.CA</b>
Date of Listing	<b>11-Dec-19</b>
Total Issued Shares	<b>768,600,000</b>
Authorized Capital	<b>EGP 1.00 BN</b>
Issued Capital	<b>EGP 192.15 MN</b>
Paid-up Capital	<b>EGP 192.15 MN</b>
Par Value/Share	<b>EGP 0.25/Share</b>



# 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 &amp; 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><b>1,090</b> 9M21 Training Hours ▲73% YoY</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><b>33%</b> Female Workforce as of 30 Sep 2021 and 45% of 9M21 hires</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><b>0 hrs</b> Lost-time Injury Frequency Rate<sup>(1)</sup> in 9M21</p>								

(1) Calculated every six months





# Revenue & Volume Sold

Revenue Analysis	9M20	9M21	% YoY
<b>Private Sales</b>			
Volumes Sold ('000)	18,408	22,186	20.5%
Sales (EGP mn)	466.5	587.2	25.9%
<b>Tenders</b>			
Volumes Sold ('000)	21,851	16,713	-23.5%
Sales (EGP mn)	145.6	149.8	2.9%
<b>Exports</b>			
Volumes Sold ('000)	1,911	1,733	-9.3%
Sales (EGP mn)	28.7	59.3	106.9%
<b>Total Volume   Excluding toll manufacturing ('000 units)</b>	<b>42,171</b>	<b>40,632</b>	<b>-3.6%</b>
<b>Toll Manufacturing</b>			
Volumes Sold ('000 sheets)	17,318	24,283	40.2%
Sales (EGP mn)	32.1	56.2	74.9%
<b>Total Revenue (EGP mn)</b>	<b>672.9</b>	<b>852.5</b>	<b>26.7%</b>