

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES  
AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)  
INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS  
TOGETHER WITH REVIEW REPORT  
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC  
REAGENTS (RAMEDA) (S.A.E)**

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**Interim Condensed Separate Financial Statements  
for the Period Ended 30 September 2021**

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## **REPORT ON REVIEW OF INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

### **Introduction**

We have reviewed the accompanying interim condensed separate financial position of **TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)** as of 30 September 2021 as well as the related interim condensed separate statements of profit or loss, Comprehensive income, changes in equity and cash flows for the nine months ended on 30 September 2021, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed separate financial statements in accordance with Egyptian Accounting Standard (30) Interim financial statements. Our responsibility is to express a conclusion on these interim condensed separate financial statements based on our review.

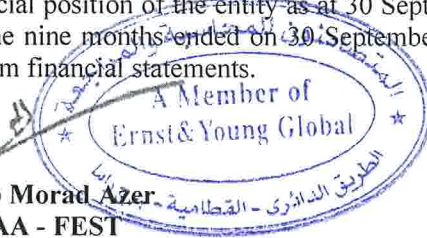
### **Scope of Review**

We conducted our review in accordance with Egyptian Standard on Review Engagements No. 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed separate financial statements does not give a true and fair view, in all material respects, of the financial position of the entity as at 30 September 2021, and of its financial performance and its cash flows for the nine months ended on 30 September 2021 in accordance with Egyptian Accounting Standard (30) Interim financial statements.

**Ehab Morad Azer**  
FESAA - FEST  
(RAA 6537)  
(EFSA 87)



**Cairo: November 15, 2021**

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

**INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION**  
as at 30 September 2021

ASSETS	Notes	30 September 2021 EGP	31 December 2020 EGP
<b>Non-current assets</b>			
Fixed assets & Assets under construction	(5)	526,750,014	521,901,281
Right of use assets	(6-a)	13,981,946	16,258,305
Intangible assets	(7)	370,281,066	199,477,806
Investment in subsidiaries		1,461,800	1,461,800
<b>Total non-current assets</b>		<b>912,474,826</b>	<b>739,099,192</b>
<b>Current assets</b>			
Inventories	(8)	261,607,754	303,431,218
Trade and notes receivable	(9)	581,346,974	633,408,300
Treasury Bills	(10)	469,505,240	469,349,545
Due from related parties	(27B)	27,070,462	20,576,327
Prepayments and other receivables		84,732,406	74,681,919
Cash on hand and at banks	(11)	14,803,248	12,415,827
<b>Total current assets</b>		<b>1,439,066,084</b>	<b>1,513,863,136</b>
<b>TOTAL ASSETS</b>		<b>2,351,540,910</b>	<b>2,252,962,328</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Capital	(14)	250,000,000	192,150,000
Legal reserve		26,446,118	20,798,851
General reserves - issuance Premium	(15)	486,965,000	486,965,000
Other reserves		278,952	278,952
Retained earnings		515,502,486	486,930,158
<b>Total equity</b>		<b>1,279,192,556</b>	<b>1,187,122,961</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term loans	(17)	-	29,549,676
Lease liabilities	(6-b)	12,031,536	14,807,299
Deferred tax liabilities	(24)	38,507,649	31,061,481
<b>Total non-current liabilities</b>		<b>50,539,185</b>	<b>75,418,456</b>
<b>Current liabilities</b>			
Provisions	(12)	12,787,619	12,287,619
Credit facilities	(16)	819,412,147	804,558,554
Current portion of long-term loans	(17)	40,249,676	58,850,000
Current lease liabilities	(6-b)	3,020,051	2,601,924
Trade, notes & other payables	(13)	128,808,779	93,411,032
Due to related parties	(27)	293,010	402,918
Income taxes payable		17,237,887	18,308,864
<b>Total current liabilities</b>		<b>1,021,809,169</b>	<b>990,420,911</b>
<b>TOTAL LIABILITIES</b>		<b>1,072,348,354</b>	<b>1,065,839,367</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,351,540,910</b>	<b>2,252,962,328</b>

**Finance Director**

Mohamed Abo Amira



**Board Member**

Amr Abdallah Morsy



The accompanying notes from (1) to (28) are an integral part of these interim condensed separate financial statements.

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

INTERIM CONDENSED SEPARATE STATEMENT OF PROFIT OR LOSS  
For the Period Ended 30 September 2021

	Notes	<i>Nine months ended</i>		<i>Three Months Ended</i>	
		<i>30 September 2021 EGP</i>	<i>30 September 2020 EGP</i>	<i>30 September 2021 EGP</i>	<i>30 September 2020 EGP</i>
Revenues	(18)	852,486,198	672,858,339	314,714,428	235,397,483
Cost of revenues	(19)	(462,330,489)	(354,969,172)	(168,717,039)	(122,546,663)
<b>GROSS PROFIT</b>		<b>390,155,709</b>	<b>317,889,167</b>	<b>145,997,389</b>	<b>112,850,820</b>
Selling and marketing expenses	(20)	(182,289,184)	(159,454,432)	(65,926,549)	(56,480,067)
General and administrative expenses	(21)	(38,393,259)	(33,926,022)	(12,282,383)	(10,365,050)
Other income		466,306	892,928	40,709	409,456
<b>Operating profit</b>		<b>169,939,572</b>	<b>125,401,641</b>	<b>67,829,166</b>	<b>46,415,159</b>
Finance income	(22)	45,059,297	49,354,731	15,447,643	14,546,120
Finance expenses	(23)	(71,826,807)	(76,640,831)	(23,694,351)	(24,135,659)
Net foreign exchange gain (losses)		(441,283)	(1,389,377)	(39,292)	(1,360,269)
<b>Finance expense</b>		<b>(27,208,793)</b>	<b>(28,675,477)</b>	<b>(8,286,000)</b>	<b>(10,949,808)</b>
Impairment of trade and notes receivable		-	(4,768,081)	-	(2,238,567)
Provision expense	(12)	(500,000)	-	-	-
Contribution for health insurance		(2,245,045)	(1,803,754)	(820,523)	(615,836)
<b>PROFITS FOR THE PERIOD BEFORE INCOME TAXES</b>		<b>139,985,734</b>	<b>90,154,329</b>	<b>58,722,643</b>	<b>32,610,948</b>
Income taxes	(24)	(32,405,863)	(20,960,636)	(13,240,160)	(7,477,159)
<b>PROFITS FOR THE PEIROD</b>		<b>107,579,871</b>	<b>69,193,693</b>	<b>45,482,483</b>	<b>25,133,789</b>
Earnings Per Share - basic and diluted	(25)	<b>0.1076</b>	0.0692	<b>0.0455</b>	0.0251

**Finance Director**

Mohamed Abo Amira

**Board Member**

Amr Abdallah Morsy

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

**INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME**

For the Period Ended 30 September 2021

	<i>Nine months ended</i>		<i>Three Months Ended</i>	
	<i>30 September 2021 EGP</i>	<i>30 September 2020 EGP</i>	<i>30 September 2021 EGP</i>	<i>30 September 2020 EGP</i>
<b>PROFITS FOR THE PERIOD</b>	<b>107,579,871</b>	69,193,693	<b>45,482,483</b>	25,133,789
OTHER COMPREHENSIVE INCOME	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>107,579,871</b>	69,193,693	<b>45,482,483</b>	25,133,789

The accompanying notes from (1) to (28) are an integral part of these condensed interim separate financial statements.

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)****CONDENSED INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY**

For the Period Ended 30 September 2021

	<i>Paid up - Capital EGP</i>	<i>Legal reserve EGP</i>	<i>General reserve - Issuance EGP</i>	<i>Other Reserves EGP</i>	<i>Retained earnings EGP</i>	<i>Total EGP</i>
Balance as at 1 January 2020	192,150,000	16,649,610	486,965,000	278,952	378,134,062	1,074,177,624
Transferred to legal reserve	-	4,149,241	-	-	(4,149,241)	-
Total comprehensive income for the period	-	-	-	-	69,193,693	69,193,693
Balance as at 30 September 2020	<u>192,150,000</u>	<u>20,798,851</u>	<u>486,965,000</u>	<u>278,952</u>	<u>443,178,514</u>	<u>1,143,371,317</u>
Balance as at 1 January 2021	<b>192,150,000</b>	<b>20,798,851</b>	<b>486,965,000</b>	<b>278,952</b>	<b>486,930,158</b>	<b>1,187,122,961</b>
Effect of adoption of EAS (47)	-	-	-	-	(810,276)	(810,276)
<b>Balance as at 1 January 2021(Adjusted)</b>	<u><b>192,150,000</b></u>	<u><b>20,798,851</b></u>	<u><b>486,965,000</b></u>	<u><b>278,952</b></u>	<u><b>486,119,882</b></u>	<u><b>1,186,312,685</b></u>
Transferred to legal reserve	-	<b>5,647,267</b>	-	-	(5,647,267)	-
Transferred from retained earnings to capital increase	<b>57,850,000</b>	-	-	-	(57,850,000)	-
Dividend distributions	-	-	-	-	(14,700,000)	(14,700,000)
Total comprehensive income for the period	-	-	-	-	<b>107,579,871</b>	<b>107,579,871</b>
<b>Balance as at 30 September 2021</b>	<u><b>250,000,000</b></u>	<u><b>26,446,118</b></u>	<u><b>486,965,000</b></u>	<u><b>278,952</b></u>	<u><b>515,502,486</b></u>	<u><b>1,279,192,556</b></u>

The accompanying notes from (1) to (28) are an integral part of these interim condensed separate financial statements.

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### INTERIM CONDENSED SEPARATE STATEMENT OF CASH FLOWS For the Period Ended 30 September 2021

		30 September 2021	30 September 2020
		EGP	EGP
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profits for the period before income taxes		139,985,734	90,154,329
<b>Adjustments to reconcile profit before tax to net cash flow:</b>			
Net foreign exchange differences		(94,347)	725,924
Depreciation and amortization	(5,6,7)	33,557,051	40,527,655
Provision charged	(12)	500,000	2,064,597
Impairment of trade and notes receivable	(9)	-	4,768,081
Impairment of inventory	(8)	13,321,385	15,773,866
Finance income		(45,047,005)	(13,701,762)
Finance expenses	(23)	70,253,969	74,946,456
Unwinding interests of lease liabilities	(23)	1,572,838	1,694,375
Loss (Gain) from sale of fixed assets	(5)	12,582	(50,934)
		<u>214,062,207</u>	<u>216,902,587</u>
Change in inventories		40,589,159	(137,260,914)
Used from inventory provision		(12,087,080)	(7,750,432)
Change in trade and notes receivable		51,251,050	(29,374,457)
Used from trade and notes receivable provision		-	(163,709)
Change in prepayments and other receivables		(16,864,208)	(72,733,529)
Change in trade, notes and other payable		33,031,925	9,916,568
Change in due to related parties		(109,908)	70,689
<b>Cash flows provided from operating activities</b>		<u>309,873,145</u>	<u>(20,393,197)</u>
Debit interests paid		(67,888,147)	(72,965,407)
Provisions used	(12)	-	(500,000)
Income taxes paid		(26,030,672)	(26,914,204)
<b>NET CASH FLOWS PROVIDED FROM (USED IN) OPERATING ACTIVITIES</b>		<u>215,954,326</u>	<u>(120,772,808)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments to acquire fixed assets	(5)	(9,893,396)	(20,615,803)
Payments to acquire assets under construction	(5)	(18,601,899)	(42,390,097)
Payments to acquire intangible assets	(7)	(177,827,428)	(108,546,705)
Payment to acquire treasury bills		(769,469,969)	(469,634,145)
Matured treasury bills collection		821,175,000	500,000,000
Proceeds from sale of fixed assets	(5)	19,140	63,299
Investment in term deposit	(11)	(15,118)	(133,961)
<b>NET CASH FLOWS (USED IN) INVESTING ACTIVITIES</b>		<u>(154,613,670)</u>	<u>(141,257,412)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Credit facilities used	(16)	888,655,910	734,178,686
Payment of credit facilities	(16)	(873,802,799)	(462,850,128)
Payment of long-term loans	(17)	(48,150,000)	(21,400,000)
Change in due from related parties		(6,494,135)	(703,446)
Dividends paid during the period		(14,700,000)	-
Lease payments paid during the period		(4,571,676)	(4,165,108)
<b>NET CASH FLOWS (USED IN) PROVIDED FROM FINANCING ACTIVITIES</b>		<u>(59,062,700)</u>	<u>245,060,004</u>
<b>Net change in cash and cash equivalent during the period</b>		<u>2,277,956</u>	<u>(16,970,216)</u>
Net foreign exchange difference		94,347	(725,924)
Cash and cash equivalent - beginning of the period		11,808,785	52,643,179
<b>CASH AND CASH EQUIVALENT - END OF THE PERIOD</b>	(11)	<u>14,181,088</u>	<u>34,947,039</u>

The accompanying notes from (1) to (28) are an integral part of these interim condensed separate financial statements.



## **TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

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### **NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS**

For the Period Ended 30 September 2021

#### **1- BACKGROUND**

Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda) (S.A.E) was established under the provisions of Law No. 43 of 1974.

The Company was registered in the commercial registry under No.84008 on 15 January 1986.

The listing of Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda) (S.A.E) on the Egyptian stock exchange was approved in 26 November 2019 according to resolution of listing committee of Egyptian stock exchange.

The registered office is located at plot No. 5 Second Industrial Zone, 6th of October City – Giza– Egypt.

The Company is principally engaged in:

1. Producing, marketing, selling and storing of pharmaceutical reagents for human and veterinary use.
2. Producing, marketing, selling and storing of diagnostic reagents necessary for individuals, laboratories and hospitals.
3. Importing pharmaceutical reagents and raw materials necessary for serving the Company's purposes without trading.
4. Producing pharmaceutical reagents for human and veterinary and diagnostic use for others and by others.
5. Producing food supplements for human use for others and by others.

The financial statements for the period ended 30 September 2021 were authorized for issuance in accordance with a resolution of the Board of Directors' dated November 14, 2021.

#### **2- SIGNIFICANT ACCOUNTING POLICIES**

##### **2-1 BASIS OF PREPARATION**

The separate financial statements are prepared under the going concern assumption on a historical cost basis.

The separate financial statements are prepared and presented in Egyptian pounds, which is the Company's functional currency.

The separate financial statements of the Company have been prepared in accordance with the Egyptian accounting standards and the applicable laws and regulations.

##### **2-2 CHANGES IN ACCOUNTING POLICIES**

The accounting policies applied during this period are those applied in preparing the financial statements for the year ended 31 December 2020, Including the early adoption of the new Egyptian Accounting Standards No. 48, "revenue from contracts with customers" and 49 "leases" as of 01 January 2020.

The company has implemented of Egyptian Accounting Standard No. (47) "Financial Instruments" in accordance with a decision of the Financial Supervisory as of 01 January 2021, The nature and impact of these standards and amendments are explained below.

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS

For the Period Ended 30 September 2021

#### 2-2 CHANGES IN ACCOUNTING POLICIES (continued)

##### 2-2-1 EFFECT OF ADOPTION OF EGYPTIAN ACCOUNTING STANDARD NO. (47) "FINANCIAL INSTRUMENTS"

The standard bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

###### i) Classification and measurement

Under EAS (47), debt instruments are subsequently measured at fair value through profit or loss, amortized cost, or fair value through OCI. The classification is based on two criteria: The Company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The following are the changes in the classification of the Company's financial assets:

- Trade receivables and other financial assets classified as loans and receivables as at 31 December 2020 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as debt instruments at amortized cost as of 1 January 2021

###### ii) Impairment

The adoption of EAS (47) will fundamentally change the Company's accounting for impairment losses for financial assets by replacing EAS (26) incurred loss approach with a forward-looking expected credit loss (ECL) approach. EAS (47) requires the Company to recognize an allowance for ECLs for all debt instruments not held at fair value through profit or loss and contract assets.

The following are the adjustments to the financial position on 01 January 2021:

Assets - Trade and notes receivable	EGP (810,276)
Equity – Retained Earnings	(810,276)

#### 3- SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of these separate financial statements requires management to make judgments and estimates that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Estimates and their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

The key judgments and estimates that have a significant impact on the separate financial statements of the Company are discussed below:

##### 3-1 Judgments

###### Revenue Recognition for sale of goods

In making their judgment, the management considered the detailed criteria for the recognition of revenue from the sale of goods as set out in "EAS 48 Revenue from contracts with customers" including the judgement about whether significant risks and rewards have been transferred.

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

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**NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS**

For the Period Ended 30 September 2021

**3- SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (continued)****3-2- Estimates****Impairment of trade and other receivables**

An estimate of the collectible amount of trade and other receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimate is performed on an individual basis. Amounts which are not individually significant, but are past due, are assessed collectively and a provision is applied according to the length of time past due, based on historical recovery rates.

**Provision for sales returns**

The Company's management determines the estimates provision for the expected sales returns. This estimate is determined after considering the past experience of sales returns and sales volume and expiry dates of the products sold. The management periodically reviews the estimated provision amount to ensure that provision is adequate to cover the sales return.

**Useful lives of fixed assets**

The Company's management determines the estimated useful lives of its fixed assets for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews the estimated useful lives and the depreciation method to ensure that the method and the period of depreciation are consistent with the expected pattern of economic benefits from these assets.

**Useful lives of intangible assets**

The useful lives of intangible assets are assessed as either finite or indefinite.

The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The management periodically reviews the estimated useful lives and the amortization method to ensure that the method and the period of amortization are consistent with the expected pattern of economic benefits from these assets.

**Taxes**

The Company is subject to income taxes in Egypt. Significant judgment is required to determine the total provision for current and deferred taxes. The Company establishes provision, based on reasonable estimates, for possible consequences of audits by the tax authorities in Egypt. The amount of such provision is based on various factors, such as experience of previous tax audits and different interpretations of tax regulations by the Company and the responsible tax authority. Such differences of interpretations may be on a wide variety of issues depending on the conditions prevailing in Egypt.

Deferred tax assets are recognized for unused accumulated tax losses to the extent that it is probable that taxable profits will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**Impairment of non-financial assets**

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows.

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS

For the Period Ended 30 September 2021

#### 4- SEGMENT INFORMATION

Currently the Company's primary business segment is the production and selling of pharmaceutical products which contributes to 93% of total revenue and balance 7% is contributed by toll manufacturing services (30 September 2020: 95% and 5% respectively). The Company's management monitors the business under two segments, "production and selling of pharmaceutical products" and "manufacturing for others" (Toll manufacturing) for the purpose of making business decisions.

Accordingly, the Company's revenues during the period ended 30 September 2021 were reported under two segments in the condensed interim separate financial statements.

The Company produces and sells several products and renders services as follows:

	<i>Services</i>	<i>Sale of pharmaceutical products</i>			<i>Total</i>
	<i>Toll Manufacturing "Domestic"</i>	<i>Export</i>	<i>Domestic</i>		
	<i>EGP</i>	<i>EGP</i>	<i>Private sales</i>	<i>Tenders</i>	<i>EGP</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
<b>30 September 2021</b>	<b>56,173,399</b>	<b>59,308,168</b>	<b>587,172,505</b>	<b>149,832,126</b>	<b>852,486,198</b>
30 September 2020	32,108,376	28,658,920	466,494,538	145,596,505	672,858,339

Revenue from the top five customers presented 85% of total revenues (30 September 2020: 85%).

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)****NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS**

For the Period Ended 30 September 2021

**5- FIXED ASSETS**

	<i>Freehold Land EGP</i>	<i>Buildings EGP</i>	<i>Machinery and equipment EGP</i>	<i>Transportation and dragging equipment EGP</i>	<i>Laboratory equipment EGP</i>	<i>Tools EGP</i>	<i>Office furniture and fixtures EGP</i>	<i>Assets under construction EGP</i>	<i>Total EGP</i>
Cost									
As of 1 January 2021	18,637,425	257,225,388	397,711,971	13,025,828	20,292,443	5,689,305	25,385,313	26,589,818	764,557,491
Additions	-	1,824,607	4,561,603	344,070	1,951,854	263,380	947,882	18,601,899	28,495,295
Transferred from assets under construction	-	2,465,159	13,235,810	-	389,936	-	387,160	(16,478,065)	-
Disposals	-	-	(1,124,385)	-	(703,704)	(23,929)	(228,673)	-	(2,080,691)
<b>As of 30 September 2021</b>	<b>18,637,425</b>	<b>261,515,154</b>	<b>414,384,999</b>	<b>13,369,898</b>	<b>21,930,529</b>	<b>5,928,756</b>	<b>26,491,682</b>	<b>28,713,652</b>	<b>790,972,095</b>
Accumulated depreciation									
As of 1 January 2021	-	(57,853,893)	(147,381,612)	(10,254,249)	(9,971,721)	(1,728,708)	(15,466,027)	-	(242,656,210)
Depreciation for the period	-	(6,072,489)	(13,481,332)	(477,600)	(1,256,055)	(391,498)	(1,935,866)	-	(23,614,840)
Disposals	-	-	1,113,032	-	693,712	19,408	222,817	-	2,048,969
<b>As of 30 September 2021</b>	<b>-</b>	<b>(63,926,382)</b>	<b>(159,749,912)</b>	<b>(10,731,849)</b>	<b>(10,534,064)</b>	<b>(2,100,798)</b>	<b>(17,179,076)</b>	<b>-</b>	<b>(264,222,081)</b>
<b>Net book value as of 30 September 2021</b>	<b>18,637,425</b>	<b>197,588,772</b>	<b>254,635,087</b>	<b>2,638,049</b>	<b>11,396,465</b>	<b>3,827,958</b>	<b>9,312,606</b>	<b>28,713,652</b>	<b>526,750,014</b>

- The cost of fixed assets as of 30 September 2021 include EGP 107,872,820 which represents fully depreciated assets that are still in use.
- The cost of asset under construction as of 30 September 2021 includes impairment by EGP 686,437.

Depreciation for the year was allocated to the statement of profit or loss as follows:

Gain from sale of fixed assets was calculated as follows:

	<b>30 September 2021 EGP</b>	<b>30 September 2021 EGP</b>
Cost of revenue	21,744,391	Cost of disposed assets
Selling and marketing expenses	475,228	2,080,691
General and administrative expenses	1,395,221	Accumulated depreciation of disposed assets
	<b>23,614,840</b>	2,048,969
		Net book value of disposed assets
		31,722
		Proceeds from sale of fixed assets
		19,140
		Loss from sale of fixed assets
		(12,582)

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)****NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS**

For the Period Ended 30 September 2021

**5- FIXED ASSETS (CONTINUED)**

	<i>Freehold Land EGP</i>	<i>Buildings EGP</i>	<i>Machinery and equipment EGP</i>	<i>Transportation and dragging equipment EGP</i>	<i>Laboratory equipment EGP</i>	<i>Tools EGP</i>	<i>Office furniture and fixtures EGP</i>	<i>Assets under construction EGP</i>	<i>Total EGP</i>
Cost									
As at 1 January 2020	18,637,425	227,835,573	313,603,694	12,411,128	17,129,924	3,754,591	21,797,612	66,327,646	681,497,593
Additions	-	6,992,398	8,432,595	681,500	2,974,732	1,293,386	4,572,201	60,038,349	84,985,161
Transferred from assets under construction	-	22,397,417	76,089,143	-	526,239	645,928	117,450	(99,776,177)	-
Disposals	-	-	(413,461)	(66,800)	(338,452)	(4,600)	(1,101,950)	-	(1,925,263)
As at 31 December 2020	<u>18,637,425</u>	<u>257,225,388</u>	<u>397,711,971</u>	<u>13,025,828</u>	<u>20,292,443</u>	<u>5,689,305</u>	<u>25,385,313</u>	<u>26,589,818</u>	<u>764,557,491</u>
Accumulated depreciation									
As at 1 January 2020	-	(50,634,122)	(113,601,464)	(9,583,519)	(8,559,055)	(1,309,799)	(14,356,886)	-	(198,044,845)
Depreciation for the year	-	(7,219,771)	(34,098,470)	(737,530)	(1,662,378)	(422,819)	(2,189,226)	-	(46,330,194)
Disposals	-	-	318,322	66,800	249,712	3,910	1,080,085	-	1,718,829
As at 31 December 2020	<u>-</u>	<u>(57,853,893)</u>	<u>(147,381,612)</u>	<u>(10,254,249)</u>	<u>(9,971,721)</u>	<u>(1,728,708)</u>	<u>(15,466,027)</u>	<u>-</u>	<u>(242,656,210)</u>
Net book value as at 31 December 2020	<u>18,637,425</u>	<u>199,371,495</u>	<u>250,330,359</u>	<u>2,771,579</u>	<u>10,320,722</u>	<u>3,960,597</u>	<u>9,919,286</u>	<u>26,589,818</u>	<u>521,901,281</u>

- The cost of fixed assets as of 31 December 2020 includes EGP 108,447,592 which represents fully depreciated assets that are still in use.

- The cost of asset under construction as of 30 September 2021 includes impairment by EGP 686,437.

Depreciation for the year was allocated to the statement of profit or loss as follows:

	<i>31 December 2020 EGP</i>
Cost of revenue	43,962,520
Selling and marketing expenses	538,559
General and administrative expenses	<u>1,829,115</u>
	<u>46,330,194</u>

Gain from sale of fixed assets was calculated as follows:

	<i>31 December 2020 EGP</i>
Cost of disposed assets	1,925,263
Accumulated depreciation of disposed assets	<u>1,718,829</u>
Net book value of disposed assets	206,434
Proceeds from sale of fixed assets	<u>67,545</u>
Loss from sale of fixed assets	<u>(138,889)</u>

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS For the Period Ended 30 September 2021

#### 6- LEASES

Right of use assets are scientific rental offices, operating leases, and warehouses

##### A) Right of use assets

	<i>30 September 2021</i>	<i>31 December 2020</i>
	<i>EGP</i>	<i>EGP</i>
Cost at 1 January 2021	19,916,906	18,206,266
Additions	641,684	1,710,640
<b>Total Cost as of 30 September 2021</b>	<b>20,558,590</b>	19,916,906
Accumulated amortization at 1 January 2021	(3,658,601)	-
Amortization for period	(2,918,043)	(3,658,601)
<b>Accumulated amortization as of 30 September 2021</b>	<b>(6,576,644)</b>	(3,658,601)
<b>Net book value as of 30 September 2021</b>	<b>13,981,946</b>	16,258,305

##### B) Lease liability

	<i>30 September 2021</i>	<i>31 December 2020</i>
	<i>EGP</i>	<i>EGP</i>
<b>Opening balance as of 1 January 2021</b>	17,409,223	17,743,169
Additions	641,684	1,710,640
Unwinding interests recognized during the period	1,572,356	2,266,483
Lease payments paid during the period	(4,571,676)	(4,311,069)
<b>As at 30 September 2021</b>	<b>15,051,587</b>	17,409,223
<b>Deduct: Current balance</b>	<b>3,020,051</b>	2,601,924
<b>Non-current balance</b>	<b>12,031,536</b>	14,807,299

#### 7- INTANGIBLE ASSETS

	<u>Registration Rights</u>	
	<i>30 September 2021</i>	<i>31 December 2020</i>
	<i>EGP</i>	<i>EGP</i>
Cost as at 1 January 2021	220,941,719	104,814,384
Additions	184,019,928	116,127,335
Transferred to Ramepharma company	(6,192,500)	-
<b>Total cost as at 30 September 2021</b>	<b>398,769,147</b>	220,941,719
Accumulated amortization as at 1 January 2021	(21,463,913)	(16,169,081)
Amortization for the period/ year	(7,024,168)	(5,294,832)
<b>Accumulated amortization as at 30 September 2021</b>	<b>(28,488,081)</b>	(21,463,913)
<b>Net book value as at 30 September 2021</b>	<b>370,281,066</b>	199,477,806

The balance of the intangible assets represents the cost of acquiring the registration rights of certain pharmaceutical products and is amortized using the straight-line method over their useful life (20 years).

Management estimate the expected future benefit of the registration rights to be utilize over 20 years, and assessed for impaired whenever there is an indication that the economic benefit of the product is impaired.

Intangible asset balance includes registration right assets under approval amounted to EGP 211,352,358 (31 December 2020: EGP 33,779,952).

## **TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

### NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS For the Period Ended 30 September 2021

#### **8- INVENTORIES**

	<i>30 September 2021</i>	<i>31 December 2020</i>
	<i>EGP</i>	<i>EGP</i>
Raw materials	<b>93,565,988</b>	108,542,308
Packing and packaging materials	<b>35,656,337</b>	41,800,322
Spare parts	<b>12,862,614</b>	11,759,761
Finished goods	<b>95,465,625</b>	109,425,594
Work in progress	<b>34,205,944</b>	34,973,039
Goods in transit	<b>2,503,327</b>	7,713,475
Inventory with others	<b>802,440</b>	1,436,935
	<b>275,062,275</b>	315,651,434
Write down in inventories	<b>(13,454,521)</b>	(12,220,216)
	<b>261,607,754</b>	303,431,218

The movement in the write down in value of inventories is as follows:

	<i>30 September 2021</i>	<i>31 December 2020</i>
	<i>EGP</i>	<i>EGP</i>
Beginning balance	<b>(12,220,216)</b>	(6,361,972)
Charge during the period/year*	<b>(13,321,385)</b>	(18,732,306)
Used of inventory provision	<b>12,087,080</b>	12,874,062
Ending balance	<b>(13,454,521)</b>	(12,220,216)

\*The write down in inventories during the period, if any, is included in the cost of sales.

#### **9- TRADE AND NOTES RECEIVABLE**

	<i>30 September 2021</i>	<i>31 December 2020</i>
	<i>EGP</i>	<i>EGP</i>
Trade receivable	<b>244,641,360</b>	231,267,914
Trade receivable – toll manufacturing	<b>15,417,559</b>	11,995,577
Notes receivable	<b>327,065,791</b>	395,112,269
	<b>587,124,710</b>	638,375,760
Impairment of trade and notes receivable	<b>(5,777,736)</b>	(4,967,460)
	<b>581,346,974</b>	633,408,300

Notes receivable amounting to EGP 173.4M are mortgage as a guarantee for the credit facilities (Note 16).

- The movement of the impairment in value of trade receivable is as follows:



## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS For the Period Ended 30 September 2021

#### 9- TRADE AND NOTES RECEIVABLE (CONTINUED)

	<i>30 September 2021</i>	<i>31 December 2020</i>
	<i>EGP</i>	<i>EGP</i>
Beginning balance	(4,967,460)	(3,405,449)
Effect of adoption of EAS (47)	(810,276)	-
Charged during the period/year	-	(1,802,092)
Used of provision	-	240,081
Ending balance	(5,777,736)	(4,967,460)

#### 10- TREASURY BILLS

	<i>30 September 2021</i>	<i>31 December 2020</i>
	<i>EGP</i>	<i>EGP</i>
Treasury bills	495,000,000	500,300,000
Unearned interest	(25,494,760)	(30,950,455)
	469,505,240	469,349,545

- Some treasury bills are mortgaged as collateral for credit facilities amounted to EGP 195 Million (Note 16).

#### 11- CASH ON HAND AND AT BANKS

	<i>30 September 2021</i>	<i>31 December 2020</i>
	<i>EGP</i>	<i>EGP</i>
<b>a) Egyptian Pounds</b>		
Cash on hand	147,972	95,597
Current accounts	5,500,238	1,247,737
Checks under collection	2,873,153	27,788
Term deposits (Maturing within 3 months)	622,160	607,042
	9,143,523	1,978,164
<b>b) Foreign currencies</b>		
Checks under collection	-	4,776,000
Current accounts	5,659,725	5,661,663
	5,659,725	10,437,663
	14,803,248	12,415,827

Cash balances are denominated in the following currencies:

	<i>30 September 2021</i>	<i>31 December 2020</i>
	<i>EGP</i>	<i>EGP</i>
Egyptian pound (EGP)	9,143,523	1,923,036
US dollar (USD)	3,848,887	10,464,972
Euro (EUR)	1,810,838	27,819
	14,803,248	12,415,827

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS For the Period Ended 30 September 2021

#### 11- CASH ON HAND AND AT BANKS (CONTINUED)

For the purpose of cash flow statements, cash and cash equivalents consist of following.

	<i>30 September 2021</i>	<i>30 September 2020</i>
	<i>EGP</i>	<i>EGP</i>
Cash in hand	147,972	85,499
Current accounts	14,033,116	34,861,540
	14,181,088	34,947,039

#### 12- PROVISIONS

	<i>Balance as at 1 January 2021</i>	<i>Charged during the period</i>	<i>No longer required</i>	<i>Used during the period</i>	<i>Balance as at 30 September 2021</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
Provision for expected claims	4,300,001	500,000	-	-	4,800,001
Provision for sales returns*	7,987,618	-	-	-	7,987,618
	12,287,619	500,000	-	-	12,787,619

	<i>Balance as at 1 January 2020</i>	<i>Charged during the year</i>	<i>No longer required</i>	<i>Used during the year</i>	<i>Balance as at 31 December 2020</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
Provision for expected claims	3,200,001	1,600,000	-	(500,000)	4,300,001
Provision for sales returns*	6,763,934	1,223,684	-	-	7,987,618
	9,963,935	2,823,684	-	(500,000)	12,287,619

\*Provision for sales returns is deducted from sales disclosed in note (18).

#### 13- TRADE, NOTES AND OTHER PAYABLE

	<i>30 September 2021</i>	<i>31 December 2020</i>
	<i>EGP</i>	<i>EGP</i>
Trade payable	53,083,324	46,908,741
Notes payable	22,957,546	19,196,183
Accrued expenses	30,779,750	12,319,168
Tax authority (other than income tax)	5,920,248	8,566,543
Advances From Customers	14,261,987	4,780,965
Other payables	1,805,924	1,639,432
	128,808,779	93,411,032

Trade payables, accrued expenses and other payables are non-interest bearing.

## **TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

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### NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS For the Period Ended 30 September 2021

#### **14- CAPITAL**

The Company's authorized capital amounted to EGP 1 billion, whereas the issued and paid up capital amounted to EGP 250,000,000 divided over 1,000,000,000 shares of par value EGP 0.25 each.

The extra ordinary general assembly meeting held on 4 November 2019 and 23 November 2019 decided to increase the issued capital by cash increase in conjunction with the offering in stock exchange market with total amount EGP 550,000,000 (the value of the increase represent the nominal value plus the issue premium).

The subscription for this increase was limited to Greville Investing Limited Company who represents the main shareholder and delegated from the remaining shareholders for selling process.

The extra ordinary general assembly meeting held on 4 November 2019 and 23 November 2019 decided to increase the issued and paid up capital by 31,250,000 to be EGP 192,150,000 as of 31 December 2020 through issuing 125,000,000 shares at offering price EGP 4.66 to be 768,600,000 shares noting that the deference between offering price and par value represented in share premium recognized in general reserve.

The extraordinary general assembly meeting held on October 14, 2020 decided to approve the application of the incentive & bonus plan of the Company's employees, managers and executive board of director's members, and the plan has not been activated to date.

The extraordinary General Assembly meeting held on May 19, 2021 decided to increase the paid-in capital by 57,850,000 Egyptian pounds by distributing bonus shares of 0.3010668748 free shares for each original share of the company's shares before the increase of 768,600,000 shares with reparations in favor of small shareholders from the smallest to The largest has to finance the increase in shares from the company's distributable net profits (profits for the year + retained earnings) for the fiscal year ending on December 31, 2020, so the company's issued capital after the increase becomes 250,000,000 Egyptian pounds distributed over 1,000,000,000 shares with a nominal value of EGP 0.25 per share.

The following illustrate the new structure for shareholders:

	%	No. of shares	Amount EGP
Main Shareholder's Shares*	43.14%	431,370,071	107,842,518
Other listed Free Shares in Stock Exchange Market	56.86%	568,629,929	142,157,482
	<b>100%</b>	<b><u>1,000,000,000</u></b>	<b><u>250,000,000</u></b>

\* Greville Investing Limited Company owned 51% of the company shares and exercised control over the company, sold its shares to other parties during the year ending on December 31, 2020, and accordingly Greville Investing Limited Company lost control over Tenth Of Ramadan For Pharmaceutical Industries And Diagnostic Reagents (Rameda).

#### **15- GENERAL RESERVE-ISSUANCE PREMIUM**

The balance of general reserve - issuance premium is representing the net book value of issuing capital increase shares during 2019 amounted EGP 486,965,000 for issuing 125,000,000 Shares after deducting issuing cost of EGP 64,285,000.

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS For the Period Ended 30 September 2021

#### 16- CREDIT FACILITIES

The movement of the credit facilities during the period/ year is as follows:

	<i>30 September 2021</i>	<i>31 December 2020</i>
	<i>EGP</i>	<i>EGP</i>
Opening balance	<b>802,184,216</b>	481,938,674
Used during the period / year	<b>891,024,582</b>	1,049,168,490
Payment during the period / year	<b>(873,802,799)</b>	(728,922,948)
Ending balance	<b>819,405,999</b>	802,184,216
	<b>30 September 2021</b>	31 December 2020
	<b>EGP</b>	<b>EGP</b>
Credit facilities maturing within 12 months	<b>819,405,999</b>	802,184,216
Bank credit	<b>6,148</b>	2,374,338
	<b>819,412,147</b>	804,558,554

The interest rate on the Credit facilities ranges from 8 % to 10 % as of 30 September 2021 (31 December 2020: Range from 8% to 14.25%).

<i>Credit Facilities</i>	<i>Facility amount</i>	<i>Interest rate</i>	<i>Maturity Date</i>	<i>30 September 2021</i>	<i>31 December 2020</i>
	<i>EGP</i>			<i>EGP</i>	<i>EGP</i>
CIB	250,000,000	0.25%+CBE lending rate	10-Jul-22	<b>150,194,257</b>	65,500,461
		8 % CBE INITAVIE*	10-Jul-22	<b>52,629,558</b>	90,534,880
Audi Bank	125,000,000	CBE lending rate	15-Oct-21	-	63,666,667
		0.5 %+CBE lending rate	31-Dec-21	<b>76,995,068</b>	78,852,012
Arab Bank	88,000,000	8 % CBE INITAVIE*	31-Dec-21	<b>16,426,233</b>	35,290,505
		0.75%+CBE lending	30-Mar-22	-	24,552,848
ABK**	100,000,000	8 % CBE INITAVIE*	30-Mar-22	<b>32,301,201</b>	38,054,398
		0.5 %+CBE lending rate	30-Sep-21	<b>24,298,138</b>	41,994,296
ADIB	130,000,000	8 % CBE INITAVIE*	30-Sep-21	<b>43,771,337</b>	43,065,679
		0.5%+CBE lending rate	15-Jul-22	<b>63,191,299</b>	73,841,852
Alex Bank	170,000,000	8 % CBE INITAVIE*	15-Jul-22	<b>64,094,178</b>	42,520,285
		0.25% + CBE lending rate	30-Jun-22	-	81,845,141
AUB	130,000,000	8 % CBE INITAVIE*	30-Jun-22	<b>156,428,066</b>	75,811,580
		0.35% + CBE lending rate	1-Jun-22	<b>44,444,444</b>	-
ENBD	100,000,000	8 % CBE INITAVIE*	1-Jun-22	<b>34,996,779</b>	43,225,917
		8 % CBE INITAVIE*	31-Jul-22	<b>59,635,441</b>	3,427,695
<b>Total Credit Facilities</b>				<b>819,405,999</b>	802,184,216

\* Those Balance represents the funds granted for the purchase of raw materials, and packaging in accordance with the initiative of the Central Bank of Egypt to support the industrial sector issued on 12 December 2019 to finance companies with private ownership and small and medium enterprises and support them to reach their investment goals and cover operating expenses.

\*\* ABK facility contract is under renewal

Some of the above facilities are guaranteed by notes receivables and treasury bills (Note 9 and 10).

## **TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

### NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS

For the Period Ended 30 September 2021

#### **17- LONG TERM LOANS**

##### **Loan (1):**

During the year 2017, the Company signed an agreement with Commercial International Bank to obtain a loan amounting to EGP 86,422,000 with an annual interest rate of 1.25% over the Corridor rate repayable over 36 monthly installments starting from 29 October 2018 and maturing on 29 March 2021

During September 2019, the Company agreed with the bank to increase the loan by EGP 9,196,000 repayable over 24 monthly installments starting from 1 January 2020 and maturing on 1 December 2021 and reduce the interest rate to 0.75% over the CBE lending rate, However the Company hasn't obtained the additional amount yet.

On 9 September 2020, the Company rescheduled the loan (1) to be repayable over 21 monthly installments starting from 1 October 2020 and maturing on 1 June 2022.

The Company paid EGP 23,400,000 during the period ended 30 September 2021 and the balance outstanding amounted to EGP 17,275,704 as at 30 September 2021 (31 December 2020: EGP 40,675,704).

##### **Loan (2):**

During the year 2018, the Company signed an agreement with Commercial International Bank to obtain a loan amounting to EGP 78,766,000 with an annual interest rate of 0.9% over the CBE lending rate repayable over 19 monthly installments after the expiry of grace year, which is 15 months from the date of first use.

During September 2019, the Company rescheduled the loan to be repayable over 24 monthly installments starting from 1 January 2020 and maturing on 1 December 2021 and reduce the interest rate to 0.85% over the CBE lending rate.

On 9 September 2020, the Company rescheduled the loan (2) to be repayable over 20 monthly installments starting from 1 October 2020 and maturing on 1 May 2022.

The Company paid EGP 24,750,000 during the period ended 30 September 2021 and the balance outstanding amounted to EGP 22,973,972 as at 30 September 2021 (31 December 2020: EGP 47,723,972).

The Company obtained those loans against Treasury bills collateral.

The balance of loans as of 30 September 2021 as follows:

Loans	Interest rate	<i>30 September 2021</i> <i>EGP</i>	<i>31 December 2020</i> <i>EGP</i>
Current portion of long-term loans			
Loan (1)	0.75%+CBE lending rate	<b>17,275,704</b>	28,600,000
Loan (2)	0.85%+CBE lending rate	<b>22,973,972</b>	30,250,000
Total current portion of long-term loans		<b>40,249,676</b>	58,850,000
Non-current portion of long-term loans			
Loan (1)	0.75%+CBE lending rate	-	12,075,704
Loan (2)	0.85%+CBE lending rate	-	17,473,972
Total non-current portion of long-term loans		-	29,549,676
		<b>40,249,676</b>	<b>88,399,676</b>

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS For the Period Ended 30 September 2021

#### 18- REVENUES

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>30 September 2021 EGP</i>	<i>30 September 2020 EGP</i>	<i>30 September 2021 EGP</i>	<i>30 September 2020 EGP</i>
Sale of goods (net)	<b>796,312,799</b>	640,749,963	<b>294,534,599</b>	221,820,484
Toll manufacturing services revenue	<b>56,173,399</b>	32,108,376	<b>20,179,829</b>	13,576,999
	<b>852,486,198</b>	672,858,339	<b>314,714,428</b>	235,397,483

#### 19- COST OF REVENUE

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>30 September 2021 EGP</i>	<i>30 September 2020 EGP</i>	<i>30 September 2021 EGP</i>	<i>30 September 2020 EGP</i>
Salaries, social insurance & other benefits	<b>73,871,211</b>	62,365,559	<b>26,004,140</b>	20,671,405
Raw materials	<b>271,707,257</b>	155,349,972	<b>99,011,585</b>	52,912,246
Spare parts and materials	<b>16,190,188</b>	14,986,442	<b>6,126,470</b>	4,437,623
Government fees and medical stamps	<b>7,855,250</b>	7,759,604	<b>2,887,610</b>	3,409,960
Other operating expenses	<b>28,974,737</b>	38,577,023	<b>11,913,144</b>	14,230,809
Energy expenses	<b>24,387,487</b>	29,743,880	<b>9,992,427</b>	10,151,189
Depreciation and amortization (Note 5,6 &7)	<b>28,768,559</b>	36,067,719	<b>9,701,672</b>	12,598,205
Rent	<b>2,862,560</b>	3,163,455	<b>449,371</b>	1,266,248
Maintenance	<b>7,713,240</b>	6,955,518	<b>2,630,620</b>	2,868,978
	<b>462,330,489</b>	354,969,172	<b>168,717,039</b>	122,546,663

#### 20- SELLING AND MARKETING EXPENSES

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>30 September 2021 EGP</i>	<i>30 September 2020 EGP</i>	<i>30 September 2021 EGP</i>	<i>30 September 2020 EGP</i>
Salaries, social insurance and other fringe benefits	<b>86,940,318</b>	87,306,196	<b>29,555,309</b>	31,529,770
Depreciation (Note 5,6 & 7)	<b>3,393,271</b>	3,124,246	<b>1,152,532</b>	1,058,469
Rent	<b>50,400</b>	34,200	<b>12,600</b>	10,500
Advertising and marketing	<b>91,905,195</b>	68,989,790	<b>35,206,108</b>	23,881,328
	<b>182,289,184</b>	159,454,432	<b>65,926,549</b>	56,480,067

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS  
For the Period Ended 30 September 2021

### 21- GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
Salaries, social insurance and other fringe benefits	<b>30,521,636</b>	25,748,634	<b>9,707,239</b>	8,309,216
Professional fees	<b>1,413,413</b>	856,664	<b>486,919</b>	165,000
Maintenance	<b>434,579</b>	513,376	<b>199,904</b>	124,592
Depreciation (Note 5)	<b>1,395,221</b>	1,335,690	<b>478,884</b>	490,204
Others	<b>4,628,410</b>	5,471,658	<b>1,409,437</b>	1,276,038
	<b>38,393,259</b>	33,926,022	<b>12,282,383</b>	10,365,050

### 22- FINANCE INCOME

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
Interest from Treasury Bills	<b>45,047,005</b>	49,330,609	<b>15,444,163</b>	14,537,594
Interest from time deposits	<b>12,292</b>	24,122	<b>3,480</b>	8,526
	<b>45,059,297</b>	49,354,731	<b>15,447,643</b>	14,546,120

### 23- FINANCE EXPENSES

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
Debit interests	<b>67,426,242</b>	72,334,806	<b>22,188,677</b>	22,732,924
Unwinding interests of lease liabilities	<b>1,572,838</b>	1,694,375	<b>513,761</b>	581,656
Bank Charges	<b>2,827,727</b>	2,611,650	<b>991,913</b>	821,079
	<b>71,826,807</b>	76,640,831	<b>23,694,351</b>	24,135,659

### 24- INCOME TAXES

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
Current income tax	<b>(24,959,696)</b>	(21,252,201)	<b>(11,409,821)</b>	(7,881,591)
Deferred income tax	<b>(7,446,167)</b>	291,565	<b>(1,830,339)</b>	404,432
<b>Income tax expense</b>	<b>(32,405,863)</b>	(20,960,636)	<b>(13,240,160)</b>	(7,477,159)

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS For the Period Ended 30 September 2021

#### DEFERED INCOME TAX

	<i>Statement of financial position</i>		<i>Statement of profit or loss</i>	
	<i>30 September 2021 EGP</i>	<i>31 December 2020 EGP</i>	<i>30 September 2021 EGP</i>	<i>30 September 2020 EGP</i>
Depreciation and amortization	(44,478,699)	(36,890,685)	(7,588,013)	(3,177,558)
Provisions	1,797,214	1,797,214	-	464,534
Impairment of trade and notes receivables	1,299,991	1,117,679	182,312	1,035,984
Write down of inventory	3,027,267	2,749,549	277,718	1,805,272
Unrealized foreign exchange differences	(153,422)	164,762	(318,184)	163,333
Net deferred income taxes	<u>(38,507,649)</u>	<u>(31,061,481)</u>	<u>(7,446,167)</u>	<u>291,565</u>

#### RECONCILIATION OF THE EFFECTIVE INCOME TAX RATE

	<i>Tax Rate</i>	<i>30 September 2021 EGP</i>	<i>Tax Rate</i>	<i>30 September 2020 EGP</i>
Profits before income taxes		<u>139,985,734</u>		<u>90,154,329</u>
Income tax based on tax rate	22.50%	<u>31,496,790</u>	22.50%	<u>20,284,724</u>
Non-deductible expenses		<u>909,073</u>		<u>675,912</u>
Effective Tax Rate	23.15%	<u><u>32,405,863</u></u>	23.25%	<u><u>20,960,636</u></u>

#### 25-EARNINGS PER SHARE

Basic and diluted earnings per share was calculated by dividing the profits for the period available for distribution by the weighted average number of shares outstanding during the period as follows:

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>30 September 2021 EGP</i>	<i>30 September 2020 EGP</i>	<i>30 September 2021 EGP</i>	<i>30 September 2020 EGP</i>
Basic and diluted, profit for the period	107,579,871	69,193,693	45,482,483	25,133,789
Weighted average number of shares outstanding during the period	<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Earnings per share	<u>0.1076</u>	<u>0.0692</u>	<u>0.0455</u>	<u>0.0251</u>

-There are no shares with diluted effect and hence the basic and diluted earnings per share are the same.



## **TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

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### NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS

For the Period Ended 30 September 2021

#### **26- TAX POSITION**

**a) Corporate Tax**

- The Company's records were inspected till the year 2013 and the dispute was ended and the differences are under settlement.
- The Company's records were inspected initially from year 2014 till 2017 which were refused by the company and the Re-inspection permission has been received.
- No tax inspection took place for the Company's records for the years from 2018 till 2020.

**b) Salary Tax**

- The company's records were inspected till the year 2015 and the taxes differences dues were paid.
- The company's records were inspected and tax settlements were paid for the years 2016 till 2019 and waiting the final result.

**c) Stamp Tax**

- The Company's records were inspected till 2013 and the taxes dues were paid.
- The company is preparing for tax inspection for the years from 2014 till 2019.

**d) VAT Tax**

- The Company's records were inspected till the year 2015 and the taxes dues were paid.
- The company is preparing tax inspection for years 2016 till 2019.

#### **27- RELATED PARTIES**

For the purpose of these interim condensed separate financial statements, parties are considered to be related to the Company, if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control. Related parties may be individuals or other entities.

**a) Related party transactions**

During the period, the following were the significant related party transactions, which were carried out in the normal course of business on terms agreed between the parties:

<i>Company</i>	<i>Nature of party</i>	<i>Nature of transaction</i>	<i>30 September 2021</i>	<i>30 September 2020</i>
			<i>EGP</i>	<i>EGP</i>
Rameda for Pharmaceuticals trading	Subsidiary	Rent	<b>4,500</b>	6,000
		Purchases	-	375,031
Ramecare Company	Subsidiary	Rent	<b>4,500</b>	6,000
Ramepharma Company	Subsidiary	Rent	<b>4,500</b>	6,000

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS  
For the Period Ended 30 September 2021

### 27- RELATED PARTIES (continued)

#### b) Related party balances

	<i>Nature of party</i>	<i>30 September 2021</i>		<i>31 December 2020</i>	
		<i>Due from EGP</i>	<i>Due to EGP</i>	<i>Due from EGP</i>	<i>Due to EGP</i>
Rameda for Pharmaceuticals trading	Subsidiary	-	<b>293,010</b>	-	402,918
Ramecare Company	Subsidiary	<b>3,513,846</b>	-	3,387,109	-
Ramepharma Company	Subsidiary	<b>23,556,616</b>	-	17,189,218	-
		<b><u>27,070,462</u></b>	<b><u>293,010</u></b>	<b><u>20,576,327</u></b>	<b><u>402,918</u></b>

#### c) Salaries and incentives of key managers

The key manager's compensation during period ended 30 September 2021 and 30 September 2020 is as follow:

	<i>30 September 2021</i>	<i>30 September 2020</i>
	<i>EGP</i>	<i>EGP</i>
Salaries and incentives	<b>20,815,583</b>	18,037,440
	<b><u>20,815,583</u></b>	<b><u>18,037,440</u></b>

### 28- MAJOR EVENTS

Some major global events occurred, which included the Arab Republic of Egypt as well, where an outbreak of COVID19 occurred soon before the end of 2019, and the World Health Organization "WHO" announced that the outbreak of the virus can be described as a global epidemic, and the government has introduced various measures to combat disease outbreaks, including travel restrictions and quarantine, business closures, and other locations, these government responses and their corresponding impacts are still evolving and which are expected to affect the economic climate and that, in turn, could expose the company to various risks, including a significant reduction in Revenues, and evaluation / impairment of assets and other risks.

These events did not negatively affect the financial statements of the company as on 30 September 2021 but may affect the financial statements for future financial periods. If it is difficult to quantify this effect for now, this effect will appear in future financial statements. The magnitude of the impact varies according to the expected extent, the period during which those events are expected to end and their impact.