

# Ibnsina Pharma Releases FY22 Consolidated Results

Significant improvement in Debt levels and Cash Conversion Cycle by year end ; Q4 revenues growth 3x full-year growth, assuring our targets to record high teen revenue growth in 2023 with a solid financial and competitive position.

Cairo, 1 March 2023

## FY22 Highlights

### Net Debt

**EGP 3.2 Bn**

▼ 564 MN vs 9M22

### CFO

**EGP +362 MN**

Vs -352 Mn 9M22

### Net Revenues

**EGP 22.3 BN**

+2.4% y-o-y

### EBITDA

**EGP 663.7 MN**

-16.4% y-o-y

### Net Profit

**EGP 172.6 MN**

-45.2% y-o-y

Ibnsina Pharma (ISPH.CA on the Egyptian Stock Exchange), Egypt's fastest-growing and second-largest pharmaceutical distributor, released today its audited results for fiscal year ended 31 December 2022, Net revenue recorded EGP 22.3 billion for the period up by 2.4% year-on-year as ibnsina pharma adopted a number of initiatives to mitigate any potential credit risk during these challenges. On a quarterly basis, Q4 revenues recorded 7.9% growth compared to the same quarter last year (triple yearly growth) as the re-pricing effect started to affect the market.

Gross profit came in at EGP 1.6 billion, down by 0.8% year-on-year and yielding a gross profit margin of 7.3% against 7.5% one year previously. Gross profit was affected by operating cost of our subsidiaries amounting to EGP 86 million that was recorded in comparative figure in FY2021 as OPEX.

Despite the devaluation effect and the associated inflation that reached 24.4% by December 2022 which impacted most of cost elements (consumables, packing, prints,); ibnsina pharma adopt conservative policies that kept OPEX growth at minimal level of 7% only driven by OPEX optimization initiatives in salaries, electricity, packing, transportation management system (TMS) and prints. EBITDA declined by 16.4% year-on-year to EGP 663.7 million during FY22 with an EBITDA margin closing at 3%.

Meanwhile, Ibnsina Pharma recorded a net profit of EGP 172.6 million for FY 2022 declining 45.2 % year-on-year. The company's net profit margin recorded 0.8% compared to 1.45% one year previously.

Debt level recorded a significant improvement booking total net debt of EGP 3.2 billion compared to a 3.8 billion in 9M22. Cash flow from operations also recorded a significant improvement in FY22 to record EGP 362 million compared to EGP (1,262) million and (251.8) in 1H22 and 9M22 respectively.

## Summary Income Statement

EGP MN	4Q21	4Q22	Change	FY21	FY22	Change
Net Revenue	5,980,529,140	6,453,085,655	7.9%	21,732,832,791	22,264,495,100	2.4%
<b>Gross Profit</b>	<b>370,681,563</b>	<b>419,271,344</b>	<b>13.1%</b>	<b>1,629,518,921</b>	<b>1,616,795,063</b>	<b>(0.8 %)</b>
Gross Profit Margin	6.2%	6.5%		7.5%	7.3%	
<b>OPEX</b>	<b>(208,945,422)</b>	<b>(238,518,655)</b>	<b>14.2%</b>	<b>(829,219,895)</b>	<b>(887,580,720)</b>	<b>7.04%</b>
OPEX / Sales	(3.5 %)	(3.7 %)		(3.8 %)	(4.0 %)	
<b>EBITDA</b>	<b>175,184,549</b>	<b>168,821,968</b>	<b>(3.6 %)</b>	<b>793,628,518</b>	<b>663,684,349</b>	<b>(16.4 %)</b>
EBITDA Margin	2.9%	2.6%		3.7%	2.98%	
<b>Net Interest Expense</b>	<b>(21,069,986)</b>	<b>(99,158,525)</b>	<b>370.6%</b>	<b>(199,298,687)</b>	<b>(305,421,241)</b>	<b>53.5%</b>
<b>Net Profit after minority</b>	<b>72,538,694</b>	<b>53,184,528</b>	<b>(26.7 %)</b>	<b>314,727,828</b>	<b>172,584,866</b>	<b>(45.2 %)</b>
NP Margin	1.2%	0.8%		1.45%	0.78%	

## Comments from our Co-CEOs

“Yea 2022 was challenging year were the Russian-Ukrainian war have brought turbulence and challenges in the global economy. Ibnsina Pharma delivered strong first-quarter earnings, however with more pressures coming from interest rate hike, Egyptian pound devaluation and the associated inflationary and supply chain pressures our margins were affected” **said Omar Abdel Gawad, Co-CEO of Ibnsina Pharma.**

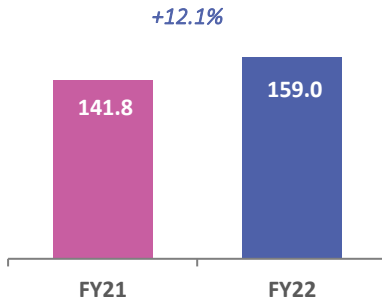
“We announced in 1H2022 that we adopted a number of initiatives to mitigate any potential credit risk during these challenges including decreasing credit limit for some clients and getting collaterals from others. We opted not to run after market share by increasing cash discount and extending payment terms to customers as other struggling competitors did on the expense of their profitability and solvency. Year 2022 was a Balance sheet year for us, cash conversion cycle and debt levels were and will continue to be a major focus for us. We succeeded by end of year in reducing our debts levels by EGP 560 million, enhancing our cash conversion cycle to reach 3.7 days while turning our cash conversion cycle to a positive number of 362 million. We took a number of successful initiatives to achieve these objectives including extending payment terms from our suppliers while focusing on cash sales segments, decreasing cash discounts, focusing on imported items with zero cash discounts. With a stronger financial position, we target in FY23 to restore our revenue growth to reach high teens levels with a significant EBITDA margin enhancement” **said Omar Abdel Gawad, Co-CEO of Ibnsina Pharma.**

“A high-interest rate environment will continue to affect our margins, however; liquidation/operation of available-for-sale assets, getting free finance from our suppliers and focusing on cash segments will partially mitigate the high finance cost effects. We fully executed the BOD decision to buy 10% of ISP capital as treasury shares to support share price and give confidence to investors in ISP future performance. BOD approved canceling those shares upon the approval of the EGM, which will increase outstanding shares EPS.” **Added Omar.**

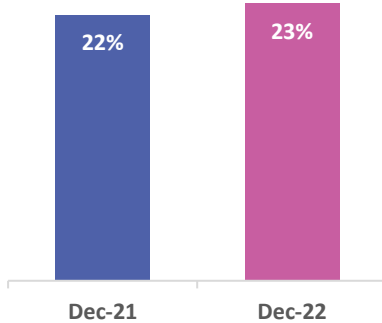
“Our Financial stability induced more pharma suppliers to sign distribution and importation agreements with Ibnsina Pharma to join our portfolio as Omron Healthcare, Boehringer Ingelheim, Sandoz Egypt with more suppliers on the pipeline. On the investment diversification side; El Shorouk Hospital is now operating as soft opening and is expected to work in full capacity in a couple of months. Our subsidiary “Ramp Logistics” which we established to provide 3PL services in different business sectors, succeeded in adding 19k pallet position for non-pharma warehousing as planned to cater for high demand for organized dry warehousing from FMCG and E-commerce companies. Also, a new subsidiary, “Ibnsina trade” was established by AIM our investment arm to capture growth opportunities in medical promotion outsourcing, pharmaceuticals exports, non-food FMCG products distribution” **said Mahmoud Abdel Gawad, Co-CEO of Ibnsina Pharma.** “

## Market Overview

**Total Market Growth  
(EGP bn)**



**ISP Market Share**



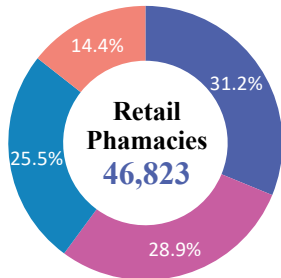
According to IQVIA Egypt’s total market registered sales of EGP 159.02 billion during FY2022. Sales were up by 12.1%. Sales growth was mainly driven by increases in the average selling price (ASP).

Although the pharma market is pressured by interest rate rise, exchange rate devaluation and the associated inflationary and supply chain pressures; total market pharmaceutical sales are anticipated to record continuous recovery in FY2023. Such expectations are supported by the continuous re-pricing of pharmaceutical products. The Egyptian drug Authority is currently approving pharma manufacturer’s requests for re-pricing after the devaluations waves which started early 2022 in order to prevent shortage on those items. The effect of re-pricing is expected to be reflected in the market gradually.

ISP total market share recorded 23% in December 2022 vs 22% in December 2021 a 1% market share gain as our financial stability and competitive advantage vs our competitors induced more clients to deal with us and more pharma suppliers to sign distribution and importation agreements with Ibsina Pharma to join our portfolio as Omron Healthcare, Boehringer Ingelheim, Sandoz Egypt with more suppliers on the pipeline.

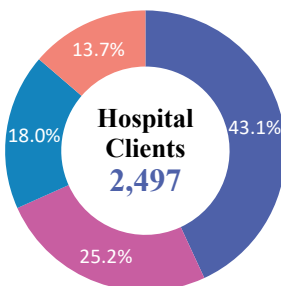
Expectations of double-digit growth in FY2023 and beyond are further backed by strong market fundamentals as demand is further bolstered by rapid population growth. Rising at an annual rate of c.2%, Egypt’s population has surpassed the 100-million mark. Consumer demand is consequently a major driver of Egypt’s economic growth, with relatively inelastic goods such as pharmaceuticals experiencing consistent demand growth. Egypt’s per capita outlay on pharmaceuticals continues to lag behind regional peers, leaving significant room for further growth and attracting large investments from domestic and foreign pharma players. Ibsina Pharma is fastest-growing distributor of pharmaceutical products in Egypt for several consecutive years.

**Retail Pharmacies by Geography (FY 2022)**



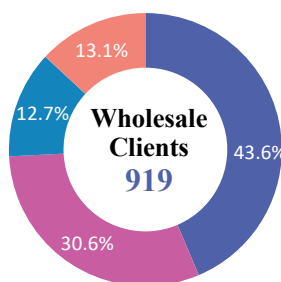
- Cairo & Canal
- Delta
- Upper Egypt
- Alexandria

**Hospital Clients by Geography (FY 2022)**



- Cairo & Canal
- Delta
- Upper Egypt
- Alexandria

**Wholesale Clients by Geography (FY 2022)**



- Cairo & Canal
- Delta
- Upper Egypt
- Alexandria

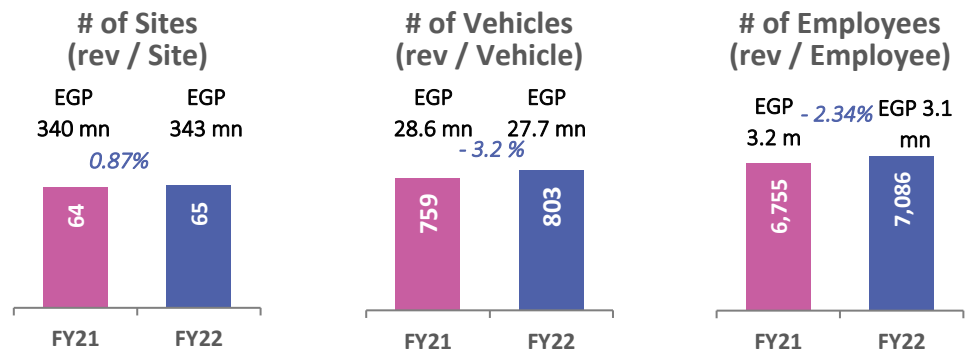
**Operational Review**

Ibnsina Pharma serviced 50,239 clients in different segments during FY22. In retail segment 31.2% of Ibnsina Pharma’s retail client base was located in Cairo in the Canal Zone, Egypt’s most heavily populated metropolitan areas. The Delta and Upper Egypt were home to 28.9% and 25.5% of clients, respectively. Clients in Egypt’s second-largest city, Alexandria, constituted 14.4% of Ibnsina Pharma’s client base during the period. Ibnsina Pharma works to optimize the geographical distribution of its client base, aligning the network as far as possible with population density in Egypt’s various regions.

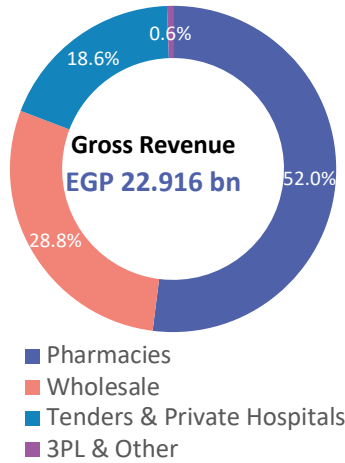
Ibnsina Pharma operated 65 sites as of FY 22, up from 64 one year previously. Revenue per site slightly increased by 1% year-on-year to record EGP 342.5 million for FY 22 as revenues grew only 2.4% due to the adopted initiatives to mitigate any potential credit risk during these challenges including decreasing credit limit for some clients.

The same thing for the number of vehicles in Ibnsina Pharma’s delivery fleet which stood at 803 vehicles at the close of FY 22, up from 759 vehicles one year previously. The company’s investment optimization plan in core business through the introduction of new generation of regional warehouses (which will replace some of the existing branches) needed addition to the fleet. Revenues per vehicle decreased by 3.2% year-on-to reach EGP 27.7 million in FY 22.

Revenue per employee decreased by 2.34% during the period, addition of 331 personnel mainly in our early-stage subsidiaries (El Shorouk Hospital, Ramp logistics and Digi360) was the main reason of the increase in headcount.

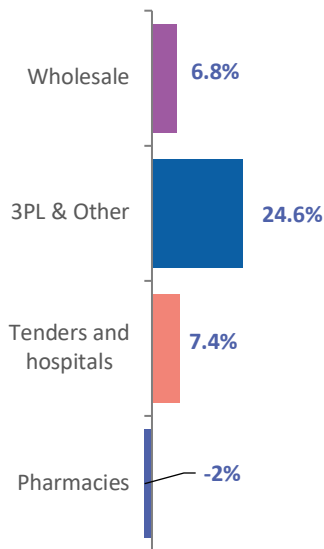


**Revenue\* by Business Line (FY 22)**



\* Revenues refer to gross sales prior to discounts

**Business Line Revenue Growth (FY2022)**

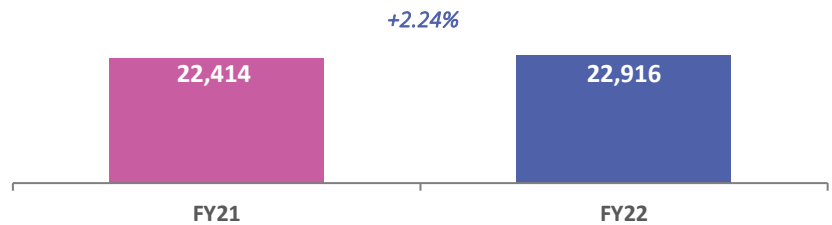


**Financial Performance**

**Revenues**

FY 22 saw Ibnsina Pharma’s gross revenues climb by 2.2% year-on-year to register EGP 22.9 billion. The company’s core retail business with pharmacies declined by 2% year-on-year to book EGP 11.9 billion for FY22 as planned according to our conservative sales policy with some clients. Retail sales generated 52% of the company’s overall top line during FY22, down from 54% one year previously, reflecting the adopted initiatives to mitigate any potential credit risk during these challenges including decreasing credit limit for some clients. The company’s wholesale segment expanded by 6.8% year-on-year to book revenues of EGP 6.6 billion for FY22, contributing 28.8% of total revenues for the period against 27.6% for FY21. Meanwhile, revenues from tenders and private hospitals expanded by 7.4% year-on-year to book EGP 4.3 billion in FY22.

**Gross Revenue Progression (EGP BN)**

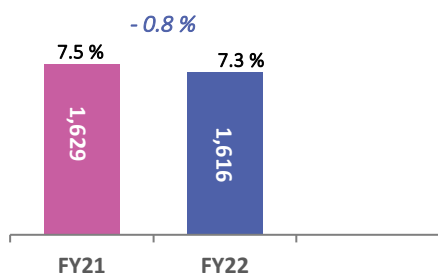
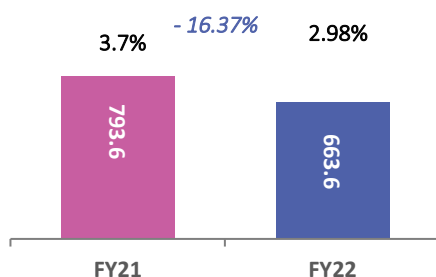
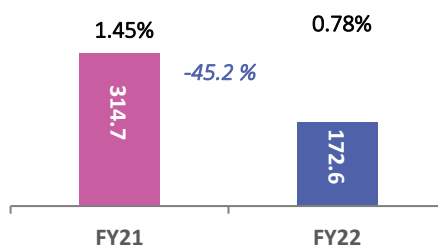


**Gross Profit**

Ibnsina Pharma booked a gross profit of EGP 1,616 billion for FY22, a decrease of 0.8% from the EGP 1,629 billion recorded in FY21. The gross profit margin recorded 7.3% over the same period. Gross profit was affected by operating cost of our subsidiaries amounting to EGP 108 million (0.8% decrease in margin) that was recorded in comparative figure in FY2021 as OPEX.

**OPEX**

Despite the devaluation effect and the associated inflation that reached 24.4% by December 2022 which impacted most of cost elements (consumables, packing, prints,); management adopt conservative policies that kept OPEX growth at minimal level of 7% only driven by OPEX optimization initiatives in salaries, electricity, packing, transportation management system (TMS) and prints. The company registered EGP 887.6 million in operational expenses OPEX for FY22, up from the EGP 829.2 million booked in FY21.

**Gross Profit Progression  
(EGP mn, % margin)**

**EBITDA Progression  
(EGP mn, % margin)**

**Net Profit Progression  
(EGP mn, % margin)**

**EBITDA**

EBITDA booked EGP 663.7 million in FY22, a decrease of 16.4% from the EGP 793.6 million recorded in FY21. EBITDA figure reflects the planned slow growth of revenues in FY2022. Ibnsina Pharma saw its EBITDA margin declined to reach 3% in FY22 from 3.7% recorded in FY21.

**Depreciation & Amortization**

Depreciation & amortization expense registered EGP 188.5 million in FY22, up by 5.8% from the EGP 178.1 million booked for FY21. The depreciation figures reflect the adoption of IFRS 16 accounting standards. IFRS 16 requires lessees to recognize assets and liabilities for all high-value leases, with consequent effects for depreciation expense.

**Net Interest Expense**

Net Interest expense booked EGP 305.4 million for FY22, up 53.5% year-on-year from the EGP 199.3 million recorded in FY21. Interest expenses as a percentage of sales recorded 1.4% compared to 0.9% in FY21 as interest rate increased 8% since the beginning of the year.

**Net Profit**

Net profit came in at EGP 172.6 million in FY22, down by 45.2% year-on-year from the EGP 314.7 million posted in FY21. The period saw Ibnsina Pharma's net profit margin declining to 0.78% in FY22 from 1.45% in FY21.

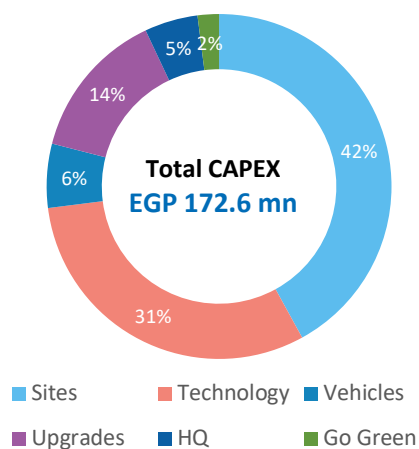


## Key Balance Sheet Items

### CAPEX

Ibnsina Pharma made core business CAPEX outlays of EGP 172.6 million in FY22 against the EGP 160.1 million committed one year previously. Investments during the period included EGP 71.7 million on distribution centers and sales offices to enhance customer accessibility. EGP 24 million, allocated to upgrades, while EGP 10.8 million was allocated to vehicles. Construction at Ibnsina Pharma’s headquarters was allocated EGP 9.1 million during FY22. Ibnsina Pharma allocated EGP 54.3 million in CAPEX to technology projects as the company continued to implement its plans for technology investment. Investment in solar panels reached EGP 2.8 million.

**CAPEX Breakdown (FY 2022)**

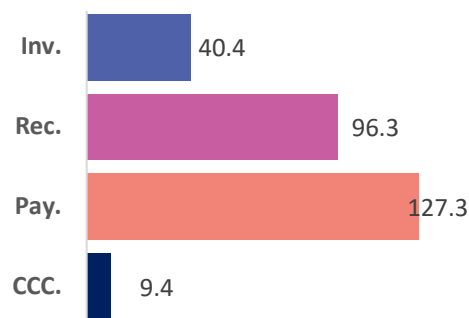


The company has revised core business CAPEX budget in line with a newly introduced network optimization plan, which will see the company launch differentiated tiers of warehouses with varied functions and storage capacities including regional facilities. The regional warehouses will be constructed and financed by a third party, reducing the initial investment requirement and easing Ibnsina Pharma’s leverage burden.

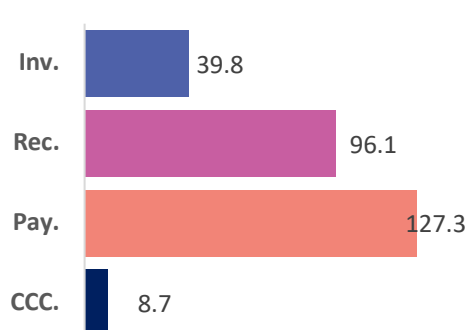
### Working Capital

Ibnsina Pharma’s cash conversion cycle showed a significant improvement by year end driven by extending credit period from suppliers, better cash collection while reducing credit period and credit limits to some clients. CCC fell to 3.7 days from 8.7 days in 9M22. Receivable DOH recorded 95.5 days in FY22 down from 96.1 in 9M22 driven by enhanced collection periods across the segments and settlement of receivables. Inventory DOH recorded 38.7 days in FY22 down from 39.8 days in 9M22. Payables DOH recorded 130.5 days during the period due to payment extension from suppliers.

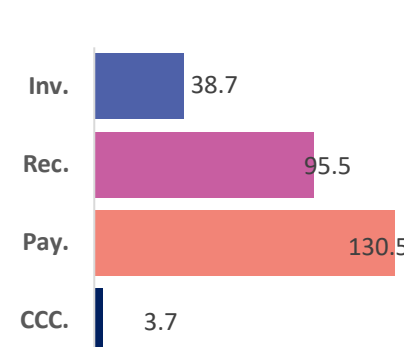
**Cash Conversion Cycle 1H2022**

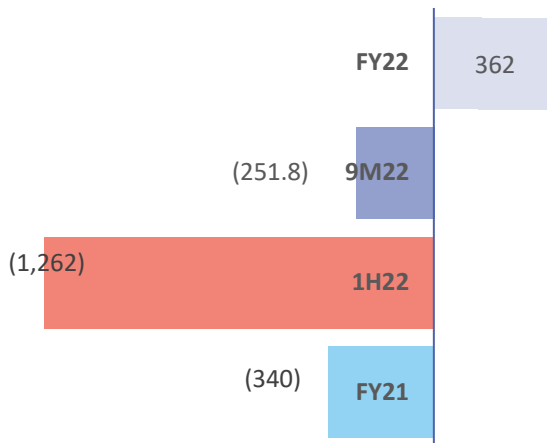


**Cash Conversion Cycle 9M2022**



**Cash Conversion Cycle FY2022**



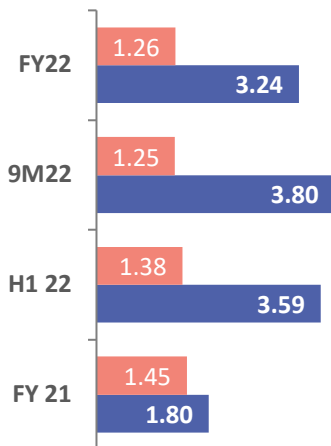
**Cash Flow from Operations**

**Cash Flow from Operations**

Cash flow from operations recorded a significant improvement in FY22 to record EGP 362 million compared to EGP (1,262) million and (251.8) in 1H22 and 9M22 respectively. Cash flow from operations recorded an improvement of EGP 702 million compared to FY21 driven by enhancement in Cash Conversion Cycle and its related optimization initiatives

**Net Debt**

Ibnsina Pharma booked total net debt of EGP 3.2 billion as of December 2022 compared to a 3.8 billion in 9M22. ISP equity balance was affected by 3 factors: implementation of IFRS 9 in FY 21 (Expected credit loss) by EGP 262 million, profit distribution EGP 140 million, treasury stocks bought and EGP 32 million related to anti-trust case.

Net Debt ■ Equity ■



On the other hand, net debt level increased by EGP 1.4 billion as a result of investment in core and related diversification businesses by EGP 439 million, decrease in discounting lines by EGP 633 million in addition to treasury stock purchase which affected liquidity. It's worth mentioning that Ibnsina Pharma's outstanding debt was affected by the restrictions imposed on discounting the receivables of SME's who don't prepare full financial statements which is the case of retail pharmacies. Therefore, ibnsina pharma had to switch part of working capital financing from discounting the retail pharmacies' receivable (off-balance sheet item) to direct financing using overdraft (on balance sheet).



## FY2022 Major Corporate Developments

### Ibnsina Pharma and OMRON Healthcare sign an importation & distribution agreement in Egypt

Ibnsina Pharma signed an importation and distribution agreement with OMRON Healthcare in Egypt. Ibnsina Pharma will be the primary distributor for Omron Healthcare devices in pharmacies and medical shops. OMRON Healthcare is a global leader in health monitoring and therapy.

### "AIM" Ibnsina Pharma's investment arm establishes "Ibnsina Trade"

AIM Ibnsina Pharma's investment arm established a new subsidiary, "Ibnsina Trade" to capture growth opportunities in medical promotion outsourcing, pharmaceuticals exports, non-food FMCG products distribution.

### Ibnsina Pharma Acquires El Shorouk Hospital at El Shorouk City

Ibnsina Pharma announced signing a contract to acquire El Shorouk Hospital, a brownfield hospital located at EL Shorouk city, the acquisition was concluded for a total consideration of EGP 430 million with only EGP 200 cash and the rest debt settlement. The acquisition value includes the hospital's real estate and operational assets in addition to the operating company. Further renovations and equipments were added to the hospital to be ready for full operations by 1H23.

### Ibnsina Pharma Board of Directors approves buying treasury shares up to 10%

Ibnsina Pharma's Board of Directors approved the purchase of treasury shares with a maximum of 10% of the company's total shares to support the company's share price and give confidence to investors on ISP future performance. A total of 10% was bought and BOD approved cancelling it upon the approval of the EGM.

## Income Statement

<i>In EGP</i>	FY21	FY22	YoY %
<b>Gross Revenue</b>	<b>22,414,112,190</b>	<b>22,916,899,273</b>	2.24%
Net Revenue	21,732,832,791	22,264,495,100	2.45%
Cost Of Revenue	(20,103,313,870)	(20,647,700,037)	2.71%
<b>Gross Profit</b>	<b>1,629,518,921</b>	<b>1,616,795,063</b>	(0.78 %)
<i>Gross Profit Margin</i>	7.50%	7.26%	
Selling, General & Administrative	(829,219,895)	(887,580,720)	7.04%
AR Provision	(6,670,508)	(65,529,994)	882%
<b>EBITDA</b>	<b>793,628,518</b>	<b>663,684,349</b>	(16.37 %)
<i>EBITDA Margin</i>	3.65%	2.98%	
Depreciation & Amortization	(178,087,304)	(188,467,042)	5.83%
<b>EBIT</b>	<b>615,541,214</b>	<b>475,217,307</b>	(22.80 %)
<i>EBIT Margin</i>	2.83%	2.13%	
Financial Expenses	(284,176,346)	(477,087,007)	68%
Credit interest from clients	84,877,659	133,256,538	57%
FOREX Gain (Loss)	284,086	38,409,228	13420%
Other Expenses	(1,169,560)	(2,246,546)	92%
Other Income	9,985,630	7,758,094	-22%
<b>EBT</b>	<b>425,342,683.00</b>	<b>175,307,614</b>	(58.78 %)
<i>EBT Margin</i>	1.96%	0.79%	
Deferred Tax	(9,840,452)	22,298,471	-327%
Income Tax	(101,105,351)	(26,731,735)	-74%
<b>Net Profit</b>	<b>314,396,880</b>	<b>170,874,350</b>	(45.65 %)
Minority interest	(330,948)	(1,710,516)	417%
<b>Parent Company Net income</b>	<b>314,727,828</b>	<b>172,584,866</b>	(45.16 %)
<i>Net Profit Margin</i>	1.45%	0.78%	

## Balance Sheet

In EGP	FY 2021	FY 22
<b><u>Non- Current assets</u></b>		
Property & Equipment, net	952,742,885	909,779,373
Projects Under Construction	242,878,391	944,814,631
Intangible assets, net	15,301,126	30,183,986
Leased Assets, net	272,149,720	301,102,848
Long Term NR	63,915,554	84,457,838
Deferred Income Taxes	59,391,830	82,000,275
<b>Total Non-Current Assets</b>	<b>1,606,379,506</b>	<b>2,352,338,951</b>
<b><u>Current assets</u></b>		
Inventories	2,358,840,726	2,613,821,348
Trade & Notes receivable, net	5,743,455,064	5,759,349,799
Supplier Advances	107,520,365	237,359,436
Debtors & Other Debit Balance, net	761,315,608	567,368,742
Due from Related Parties, net	-	72,023
Cash & Cash Equivalent	468,543,798	541,210,495
Assets Held for Sale	238,406,449	792,272,436
<b>Total Current Assets</b>	<b>9,678,082,010</b>	<b>10,511,454,279</b>
<b>Total Assets</b>	<b>11,284,461,516</b>	<b>12,863,793,230</b>
<b><u>Shareholders equity</u></b>		
Paid-In Capital	240,000,000	279,041,877
Share Premium	277,500,000	277,500,000
Legal Reserve	61,310,594	77,093,363
General Reserve	3,079,334	3,079,334
Treasury Stock Reserve		(12,949,932)
Treasury Stock	(14,399,112)	(185,735,156)
Retained Earnings	884,233,848	821,457,440
<b>Holding Shareholders' Equity</b>	<b>1,451,724,665</b>	<b>1,259,486,926</b>
Non-controlling	1,769,274	389,733
<b>Total Shareholders' Equity</b>	<b>1,453,493,939</b>	<b>1,259,876,659</b>
<b><u>Non-Current liabilities</u></b>		
Non-Current Portion of Medium-Term Loan	191,310,608	640,919,318
Non-Current Portion Of Obligation Under Finance Lease	224,801,898	281,670,327
Non-Current Notes Payable	13,516,975	211,262,076
Deferred tax		
<b>Total Long-term Liabilities</b>	<b>429,629,481</b>	<b>1,133,851,721</b>
<b><u>Current liabilities</u></b>		
Credit Facilities	1,568,300,973	2,289,930,326
Current Portion of Medium-Term Loan	216,394,024	479,174,878
Trade and Notes Payable	7,091,976,222	7,452,906,511
Creditors & Other Credit Balances	254,334,570	123,231,813
Customers Advance Payments	8,149,270	5,502,614
Income Tax	59,552,005	26,731,735
Current Portion Of Obligation Under Finance Lease	71,197,841	90,411,258
Contingency Provision	131,433,191	2,175,715
<b>Total Current Liabilities</b>	<b>9,401,338,096</b>	<b>10,470,064,850</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>11,284,461,516</b>	<b>12,863,793,230</b>

## Cash Flow

In EGP	FY21	FY22
<b><u>Cash flow from operating activities:</u></b>		
Net profit before tax	425,342,683	175,307,614
<b><u>Adjustments for:</u></b>		
Depreciation of fixed assets & intangible assets	120,184,555	119,684,709
Right of use Assets Amortization	57,902,749	68,489,624
Capital gain (loss) from sale of fixed assets	(4,252,168)	(754,433)
Credit/Debit interest	284,176,346	477,087,007
Retained earnings settlement		(39,178,506)
(Loss) AR & NR provision		65,529,994
Provisions no longer required	(45,134,318)	
Related parties impairment	371,635	
Provisions for claims	51,433,191	
Gain from valuation of investment		
Gain from sales of investment		
<b>Operating profit before changes in working capital</b>	<b>890,024,673</b>	<b>866,166,009</b>
<b><u>Changes in working capital:</u></b>		
Change in inventory	(257,970,904)	(270,299,393)
Change in trade receivables	(1,283,798,985)	(85,198,318)
Change in supplier advances	63,815,913	(129,839,071)
Change in debtors and other debt balances	(244,056,140)	55,801,391
Change in due from related parties		(72,023)
Change in trade payables	697,298,908	558,675,390
Change in customer advance payments	2,990,716	(2,646,656)
Change in creditors and other credit balances	149,282,862	(147,871,452)
change in investment with fair value		
Change non-current liabilities	0	-
<b>Cash flow from operating activities</b>	<b>17,587,043</b>	<b>844,715,877</b>
Financing expense	(281,538,441)	(481,520,271)
Income taxes	(76,318,652)	
utilized impairment	(161,571)	(1,257,476)
<b>Net cash flow from operating activities</b>	<b>(340,431,621)</b>	<b>361,938,130</b>
<b><u>Cash flow from investment activities:</u></b>		
Payments for purchase of fixed assets and puc	(147,532,649)	(706,799,871)
Payments for purchase of other assets	(11,147,243)	(26,184,044)
Payment from sale of assets held for sale		(601,863,669)
Proceeds from sale of assets held for sale		47,997,682
Payment for Fixed Assets		(91,660,693)
Proceeds from sale of fixed assets & RoU	16,007,835	1,995,439
Change in Investment In Related		
<b>Net cash flow from investment activities</b>	<b>(142,672,057)</b>	<b>(1,376,515,156)</b>
<b><u>Cash flow from financing activities:</u></b>		

Dividends paid	(14,586,419)	(140,000,000)
Payment of borrowings	(198,126,484)	712,389,564
Overdraft facilities	960,402,814	721,629,353
Payment of lease liabilities	(52,524,716)	(21,531,093)
collected from treasury stock sales		491,055
Treasury Stock	(14,399,112)	(185,735,156)
<b>Net cash flow from financing activities</b>	<b>680,766,084</b>	<b>1,087,243,723</b>
<b>Net change in cash and cash equivalents during the period</b>	<b>197,662,406</b>	<b>72,666,697</b>
Cash and cash equivalents at the beginning of the period	270,881,391	468,543,798
<b>Cash and cash equivalents at the end of the period</b>	<b>468,543,797</b>	<b>541,210,495</b>

## About Ibnsina Pharma

Originally established in 2001, today Ibnsina Pharma is Egypt's fastest-growing and second largest pharmaceutical distribution company. The Company distributes a competitive portfolio of pharmaceutical products from over 350 Egyptian and multinational pharmaceutical companies to more than 49 k customers including pharmacies, hospitals, retail outlets and wholesalers using a fleet of around 830 vehicles.

Ibnsina Pharma's core services for suppliers include management of warehousing and logistics for pharmaceutical products as well as the development and execution of tailored marketing solutions targeting a nationwide database of customers. The Company also provides efficient and reliable order-taking and delivery services to customers and was the first in its industry to pioneer a telesales model. Operating nationwide, Ibnsina Pharma's team of more than 6,000 employees is dedicated to improving people's quality of life by ensuring their access to safe and high-quality pharmaceutical products.

For more information about Ibnsina Pharma, please visit: [www.ibnsina-pharma.com](http://www.ibnsina-pharma.com).

For further information,  
please contact:

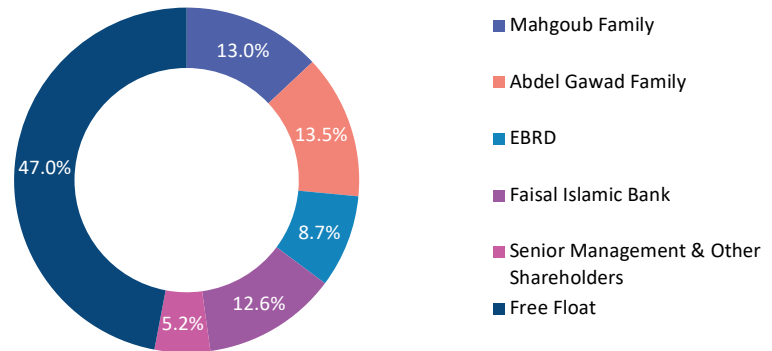
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**Shareholding Structure**



**Forward-Looking Statements**

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as “according to estimates”, “anticipates”, “assumes”, “believes”, “could”, “estimates”, “expects”, “intends”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, “should”, “to the knowledge of”, “will”, “would” or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding our business and management, our future growth or profitability and general economic and regulatory conditions and other matters affecting us.

Forward-looking statements reflect our management’s (“Management”) current views of future events, are based on Management’s assumptions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause our actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements. Our business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to become inaccurate. These risks include fluctuations prices, costs, ability to retain the services of certain key employees, ability to compete successfully, changes in political, social, legal or economic conditions in Egypt, worldwide economic trends, the impact of war and terrorist activity, inflation, interest rate and exchange rate fluctuations and Management’s ability to timely and accurately identify future risks to our business and manage the risks mentioned above.