

## Ibnsina Pharma Releases Audited 9M18 Results

The first nine months of 2018 see net profit exceed FY2017 level to post EGP 188.3 million despite non-recurring expenses, revenues continue to expand at a healthy pace, climbing 40.5% year-on-year to reach EGP 9.4 billion.

Cairo, 11 November 2018

### 9M18 Highlights

#### Net Revenues

**EGP 9.4 BN**

▲ 40.5% y-o-y

#### Gross Profit

**EGP 807.8 MN**

▲ 35.1% y-o-y

#### EBITDA

**EGP 407.0 MN**

▲ 38.1% y-o-y

#### Operating Profit

**EGP 294.3 MN**

▲ 56.2% y-o-y

#### Net Profit

**EGP 188.3 MN**

▲ 31.6% y-o-y

#### Normalized NP

**EGP 231.1 MN**

▲ 57.6% 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 the nine-month period ending 30 September 2018, posting net revenues of EGP 9.4 billion, up 40.5% year-on-year.

Ibnsina's gross profit for the period climbed by 35.1% year-on-year to reach EGP 807.8 million, representing a gross profit margin of 8.6%. 9M18 saw EBITDA grow at a rapid 38.1% year-on-year to record EGP 407.0 million, yielding an EBITDA margin of 4.3%.

Operating profit grew by an exceptional 56.2% year-on-year to record EGP 294.3 million, with the company's operating profit margin expanding to 3.1% in 9M18 from 2.8% in 9M17. Net profit grew by 31.6% year-on-year to reach EGP 188.3 million in 9M18, despite one-off charges of EGP 42 million incurred during the period. Normalized net profit, which factors out these charges, rose by 57.6% year-on-year to post EGP 231.1 million in 9M18.

On quarterly basis, Ibnsina Pharma's revenues increased 31.9% year-on-year to EGP 3.5 billion. Gross profit continued to expand at a fast clip, growing 26.1% year-on-year to EGP 343.5 million. The gross profit margin stood at 9.9% for 3Q18. EBITDA grew by 20.3% year-on-year during the period to record EGP 196.9 million, representing an EBITDA margin of 5.7% for 3Q18. Ibnsina's operating profit grew 28.3% year-on-year during the period to record EGP 156.3 million representing an operating profit margin of 4.5%. Meanwhile, net profit for 3Q18 was up 26.6% year-on-year to post EGP 113.2 million, with the net profit margin standing at 3.2%.

The first nine months of 2018 saw Ibnsina Pharma serve 42,297 customers across Egypt and make 6.6 million deliveries, up 26.6% year-on-year.

### Summary Income Statement

EGP mn	3Q2017	3Q2018	Change	9M17	9M18	Change
Net Revenue	2,639.8	3,482.5	31.9%	6,715.2	9,433.4	40.5%
Gross Profit	272.3	343.5	26.1%	597.8	807.8	35.1%
GP Margin	10.3%	9.9%		8.9%	8.6%	
OPEX	108.6	146.6	35.0%	303.0	400.7	32.3%
OPEX / Sales	4.1%	4.2%		4.5%	4.2%	
EBITDA	163.7	196.9	20.3%	294.8	407.0	38.1%
EBITDA Margin	6.2%	5.7%		4.4%	4.3%	
Operating Profit	121.8	156.3	28.3%	188.4	294.3	56.2%
OP Margin	4.6%	4.5%		2.8%	3.1%	
Net Profit	89.4	113.2	26.6%	143.1	188.3	31.6%
NP Margin	3.4%	3.2%		2.1%	2.0%	
Normalized Net Profit	95.2	125.4	31.7%	146.6	231.1	57.6%

## Comments from our Co-CEOs

“As we approach the final months of 2018, Ibnsina Pharma can look back on what has been a remarkable year following our December 2017 listing,” said Omar Abdel Gawad, Co-CEO of Ibnsina Pharma. “The period saw the company double down on the strategies that management has adopted over the preceding quarters, and the benefits have translated into solid growth. Ibnsina’s revenues rose by 40.5% year-on-year in 9M18, reaching EGP 9.4 billion, while our bottom line remains robust and continues to expand at a healthy pace: the nine-month period saw net profit exceeds full year 2017 results to post EGP 188.3 million on the back of continuous healthy expansion despite non-recurring expenses, yielding a net profit margin of 2.0%. And it is worth noting that growth in revenues, EBITDA, and net profit is not linear across quarters. As seen in our results, our performance in the second half of the year is usually stronger than in the first,” said Omar.

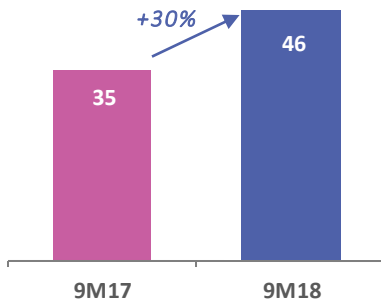
“Management’s long-term goal is for Ibnsina to become a leading healthcare supply business provider, and the path to doing so in a structured and profitable manner lies in fostering economies of scale. This is an integral part of our business model, and the first nine months of 2018 have seen Ibnsina Pharma make great progress in this regard. As the company expanded its client book and distribution network during the period, Ibnsina Pharma was able to spread its costs over a wider revenue base. In the nine-month period, operating expenses as a percentage of revenues declined to 4.2% from 4.5% in 9M17. Management is confident that the controlled and reduced costs associated with increased operational scale, coupled with Ibnsina Pharma’s other competitive advantages, will bring us closer to our long-term goals.”

“We expect that while growth in the wholesale and tender segments will slightly affect margins at the gross profit level in the short term, its benefits have already begun to bear fruit,” Omar explained. “The growth from wholesalers is providing us with the cash flow necessary to decrease our use of working capital financing and reduce our financial expenses, boosting bottom-line growth. Additionally, the operating expenses associated with tender clients are considerably lower than those incurred from our core retail business, which should significantly drive Ibnsina Pharma’s bottom line going forward,” he added. “At the same time, by extracting value from the cash-dominated wholesale market, Ibnsina Pharma will be growing its revenues in a way that leads to a sustainable growth in the bottom-line and leaves us with more options for expansion in the future.”

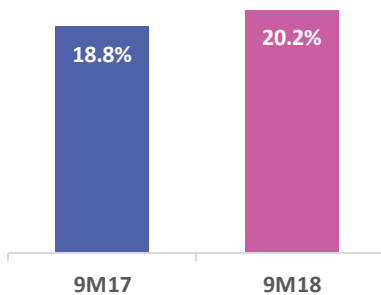
“Although the business has been consistently outperforming the wider market for several years now, management has not taken its success for granted. Ibnsina Pharma is pursuing all the means it can employ to profitably foster the market share we have built since inception, developing innovative solutions and improving existing systems when appropriate – with an eye to enhancing the client experience above all else,” said Mahmoud Abdel Gawad, CO-CEO of Ibnsina Pharma. “Having pioneered the telesales order-taking model in the Egyptian market, Ibnsina Pharma has worked to further streamline and rationalize its order-taking and delivery processes. Parallel to expanding our distribution network, Ibnsina Pharma is piloting further efficiencies within the walls of its warehouses as it seeks to extract higher value from its operations and investments. We are following analytics- and data-driven approaches to optimizing storage capacities of our warehouses, aiming to maximize both our own and our clients’ productivity.”

“Such efficiencies have been crucial to maintaining best-in-class service and in turn Ibnsina Pharma’s market share,” he concluded.

Retail Market Growth  
(EGP bn)



ISP Market Share



## Market Overview

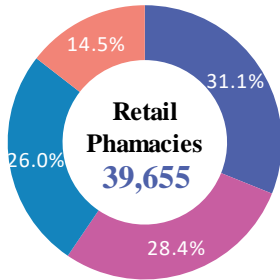
End-user sales in Egypt’s retail pharmaceuticals market rose by nearly a third year-on-year during the first nine months of 2018 on the back of a sustained recovery period following reduced production levels in 2017 in anticipation of price increases. The market’s performance in the first nine months of 2018 is consistent with its defensive nature, with favorable demographic trends, an evolving disease profile, and an expanding middle class all sustainably buoying demand. Market growth has been supported by both increased volumes and manufacturers’ introduction of higher-priced substitute products.

Egyptians’ per capita expenditure on healthcare continues to lag behind the regional average, leaving significant upside for domestic and foreign investors active in the sector. Foreign investors currently hold more than 40% of the EGP 120 billion invested in the industry, with the distribution segment remaining particularly lucrative. Market participants expect continued interest in the sector over the medium-term, especially with the government’s push to widen insurance coverage and increase investment in healthcare facilities under the Universal Healthcare Act. The proposed system is expected to cover 107 million Egyptians by 2032, when it is fully rolled out.

Ibnsina Pharma is uniquely positioned to gain from these developments. The geographic diversification of its c.42 thousand clients – spread across retail pharmacies, hospitals and wholesalers – leaves the company well-protected against concentration risk. Ibnsina Pharma is the second-largest supplier to Egypt’s major institutional clients, including the Ministry of Health, the Egyptian Armed Forces, and the National Police, endowing the company with significant economies of scale.

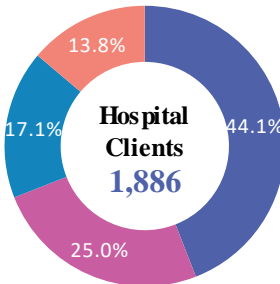
Ibnsina Pharma is the country’s fastest growing distributor of pharmaceutical products, enjoying the second-largest market share in the industry. Rapid growth has allowed the company to quickly solidify its brand’s footprint in the market and its first-mover advantage has enabled the company to optimally expand its distribution network, diversify its product portfolio, and enhance its operations. As of 9M18, Ibnsina Pharma supplied 20.2% of Egypt’s pharmaceuticals distribution market, up from 18.8% during 9M17, with its growth surpassing the wider market’s growth by 9.3%.

**Retail Pharmacies by Geography (9M2018)**



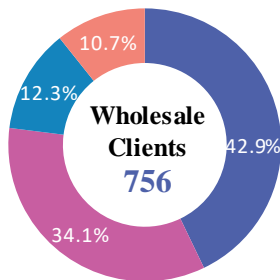
- Cairo & Canal
- Delta
- Upper Egypt
- Alexandria

**Hospital Clients by Geography (9M2018)**



- Cairo & Canal
- Delta
- Upper Egypt
- Alexandria

**Wholesale Clients by Geography (9M2018)**



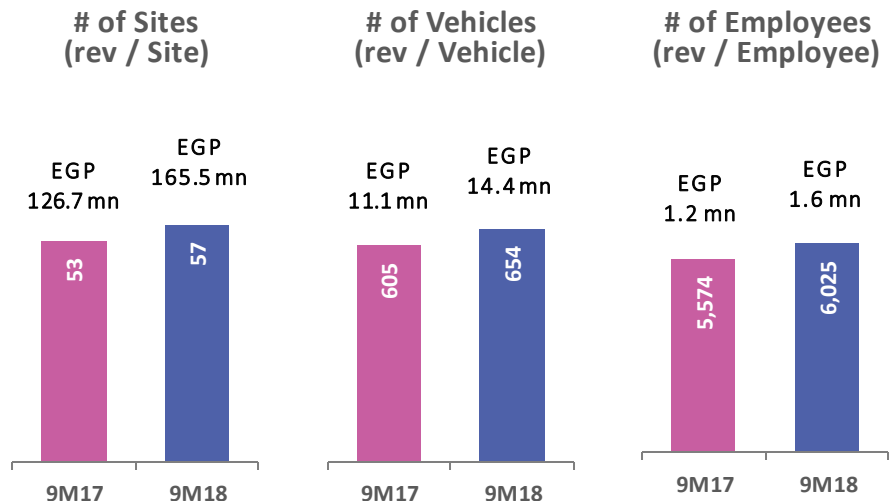
- Cairo & Canal
- Delta
- Upper Egypt
- Alexandria

**Operational Review**

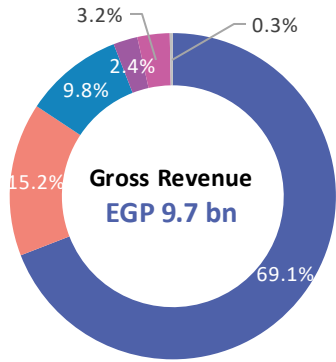
Ibnsina Pharma supplied a total of 42,297 clients during 9M18, up 12% from the 38,716 served in 9M17. The company continues to optimize the distribution of its client base throughout Egypt, with the distribution of its clients corresponding with the spatial distribution of the country’s population. Egypt’s most heavily populated areas, Cairo and the Canal Zone accounted for 31.8% of total clients served in 9M18. The Delta and Upper Egypt provided 28.4% and 25.4% of clients, respectively. Egypt’s second city, Alexandria, accounted for 14.4% of Ibnsina Pharma’s client distribution in 9M18.

Ibnsina Pharma’s core retail segment grew at a solid 37.0% year-on-year during the first nine months of 2018 with a contribution of 69.1% to total revenues. Ibnsina Pharma’s tenders segment grew by 50.1% year-on-year, with a contribution to total revenues that now exceeds 10%. Revenues from wholesale clients grew by more than half year-on-year during 9M18, with the wholesale contribution to total revenues surpassing 15%.

Ibnsina Pharma’s distribution network spanned 57 sites in 9M18, up from 53 sites in 9M17. Total revenue per site grew by close to a third year-on-year, from EGP 126.7 million in 9M17 to EGP 165.5 million in 9M18. Ibnsina Pharma operated a fleet of 654 vehicles during the period, up from 605 vehicles in 9M17. Healthy top-line growth has allowed the company to enjoy rising revenue per vehicle from this expanded fleet as it seeks to meet growing market demand. 9M18 saw total revenue per vehicle rise 30.9% year-on-year to EGP 14.4 million from EGP 11.0 million in 9M17.



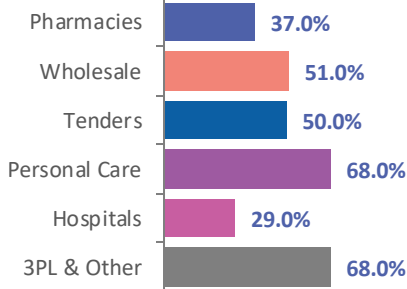
Revenue\* by Business Line (9M2018)



- Pharmacies
- Wholesale
- Tenders
- Hospitals
- Personal Care
- 3PL & Other

\* Revenues refer to gross sales prior to discounts

Business Line Revenue Growth (9M2018)



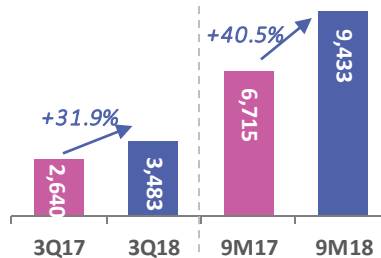
## Financial Performance

### Revenues

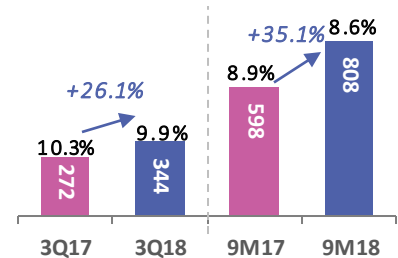
Ibnsina Pharma's gross revenues grew by an impressive 40.9% year-on-year to post EGP 9.7 billion in 9M18. All business lines continue to enjoy double-digit revenue growth, with pharmacies contributing the majority of absolute growth at 64.3%, while expanding at 37.0% year-on-year. The wholesale segment maintained its momentum from the first half of 2018, posting EGP 1.5 billion in revenues for 9M18, up 50.9% year-on-year. Ibnsina Pharma's personal care and 3PL and other segments both grew at c. 68 % year-on-year, the fastest rate of growth for any segment.

On a quarterly basis, Ibnsina Pharma posted net revenues of EGP 3.5 billion in 3Q18, up 31.9% year-on-year. Growth continues to be driven by client pharmacies.

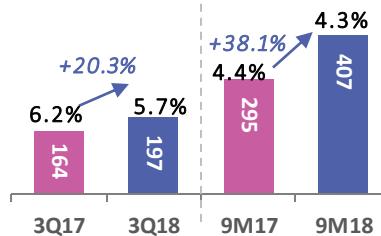
Revenue Progression (EGP mn)



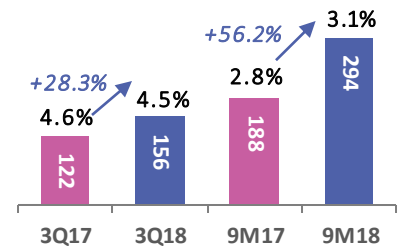
Gross Profit Progression (EGP mn, % margin)



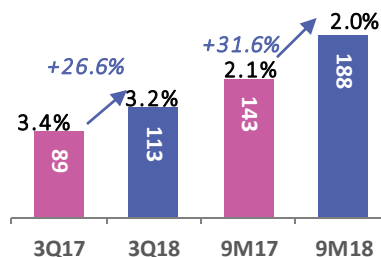
EBITDA Progression (EGP mn, % margin)



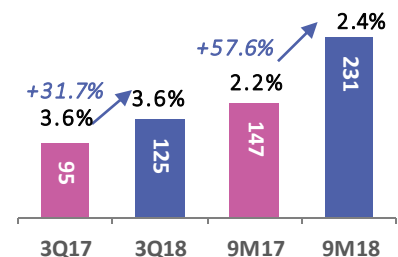
Operating Profit Progression (EGP mn, % margin)



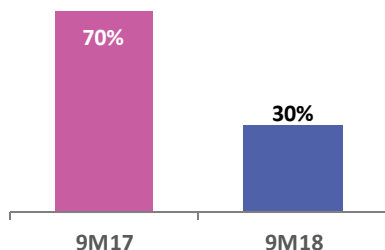
Net Profit Progression (EGP mn, % margin)



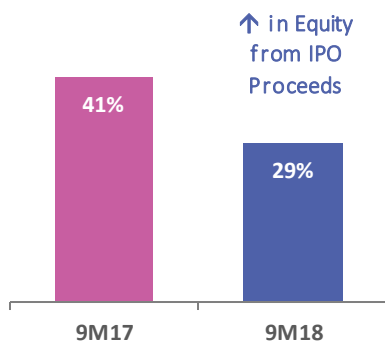
Normalized Net Profit Progression (EGP mn, % margin)



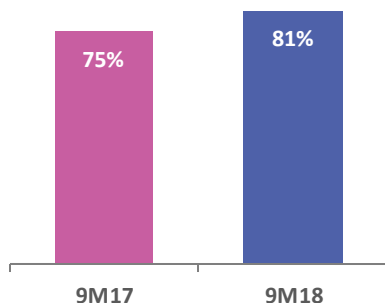
**Net Debt / Equity**



**Return on Equity**



**Return on Fixed Assets**



**Gross Profit**

Gross profit reached EGP 807.8 million in 9M18, representing a year-on-year increase of 35.1% and gross profit margin of 8.6%, compared to 8.9% in 9M17. This comes as a result of growth in Ibnsina Pharma’s business with wholesale clients, who typically transact in cash and make use of cash discounts, slightly affecting the company’s gross profit margin. Nevertheless, the wholesale segment has become an increasingly significant contributor to the company’s revenue growth and an important source of cash that will lessen the company’s use of overdraft facilities and reduce its financial expenses. Management’s yearly guidance for Ibnsina Pharma’s gross profit margin lies between 8.4% and 8.6%, irrespective of slight quarterly fluctuations.

Ibnsina Pharma’s financial expenses to sales ratio declined to 0.87% in 9M18 from 1.25% in 9M17, as growth in the wholesale segment provided the company with the cash flow necessary to decrease its use of working capital financing and reduce its financial expenses. Moreover, with the CBE expected to keep interest rates unchanged, Ibnsina Pharma is maintaining its use of accretive cash discounts with an eye to maximizing gross profitability over the coming quarters. As we enter the final quarter of 2018, Ibnsina Pharma expects to make profitable use of the year-end bonuses offered by suppliers.

On a quarterly basis, Ibnsina Pharma recorded a gross profit of EGP 343.5 million, a year-on-year increase of 26.1% representing a slightly reduced gross profit margin of 9.9%.

**EBITDA**

The first nine months of 2018 saw EBITDA grow by 38.1% year-on-year to post EGP 407 million from EGP 294.8 million in 9M17, and yielding a stable EBITDA margin of 4.3%. Profitability from core operations continues to expand thanks to Ibnsina Pharma’s growing ability to spread fixed operational and administrative expenses across a wider revenue base. Ibnsina Pharma’s OPEX to revenues ratio came in at 4.2% in 9M18 compared to 4.5% in 9M17, reflecting these growing economies of scale. Growth in the company’s client book, the extension of its distribution network, and the diversification of its product portfolio are improving Ibnsina Pharma’s operating leverage and make for a sustainable expansion in core profitability.

In 3Q18, EBITDA recorded EGP 196.9 million, compared to EGP 163.7 million in 3Q17, representing a year-on-year growth of 20.3% and a slightly lower margin of 5.7%.

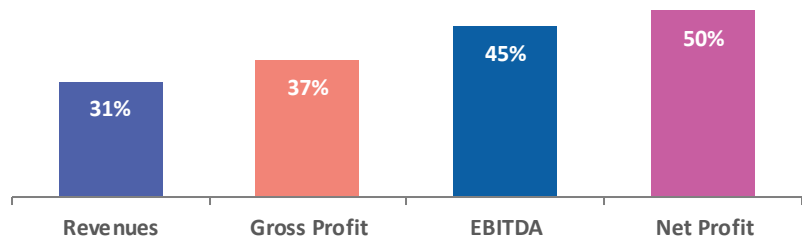
**Operating Profit**

Operating profit expanded at an impressive 56.2% year-on-year to EGP 294.3 million in 9M18 from EGP 188.4 million in 9M17. The same period saw the company’s operating profit margin climb to 3.1% from 2.8% a year previously. This growth in operating profit is a clear indication of the economies of scale Ibnsina Pharma increasingly enjoys, and reflects the positive effects on EBITDA associated with reduced financial outlays. On a quarterly basis, operating profit expanded 28.3% year-on-year to EGP 156.3 million in 3Q18 from EGP 121.8 million in 3Q17.

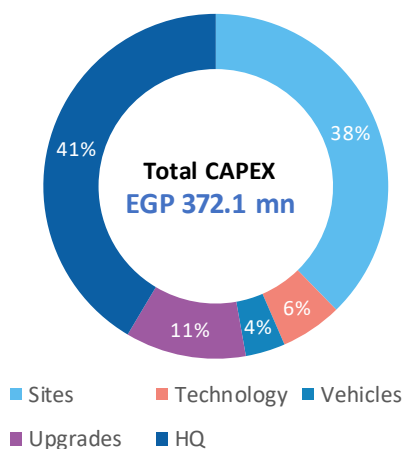
### Net Profit

Ibnsina Pharma posted a net profit of EGP 188.3 million in 9M18, up 31.6% year-on-year from EGP 143.1 million in 9M17, with the net profit margin remaining relatively stable at 2.0%. Normalized net profit, which factors out a one-time capital increase expense of EGP 8.7 million and a general provision of EGP 33 million, grew by 57.6% year-on-year to EGP 231.1 million in 9M18. On a quarterly basis, Ibnsina Pharma posted a 26.6% year-on-year increase in net profit to EGP 113.2 million in 3Q18, with a net profit margin of 3.2%. Normalized net profit for the reached EGP 125.4 million in 3Q18, up 31.7% year-on-year to yield a 3.6% margin.

### Ibnsina Pharma 5-Year CAGRs



### CAPEX Breakdown (9M2018)



### Key Balance Sheet Items

#### CAPEX

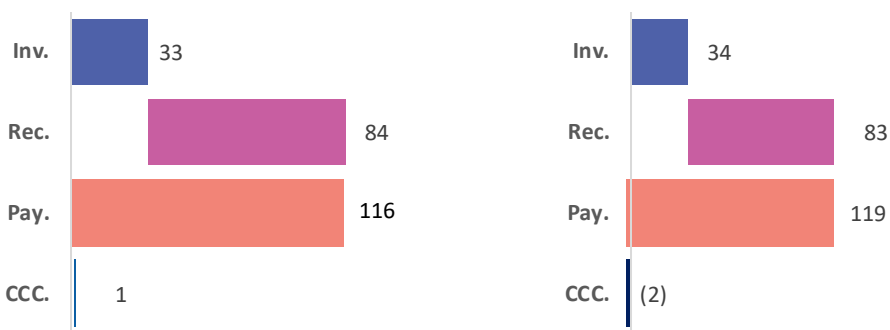
Ibnsina Pharma made total CAPEX outlays of EGP 372.1 million in 9M18. Investments during the period included EGP 154.3 million on the company's new headquarters, which will add 303 seats to accommodate the rising headcount associated with rapid growth and increase efficiencies across the company's departments. Additional CAPEX outlays include EGP 140.2 million allocated for new distribution sites, as well as EGP 42.2 in upgrades to existing ones, with the balance of EGP 21.5 used for technology, and EGP 13.9 million for vehicles. This is in line with management's plan to expand Ibnsina Pharma's distribution reach across Egypt.

The expansion of Ibnsina Pharma's distribution reach in 2018 will see two site launches in 4Q18, bringing the total number of warehouse and distribution centers to 59 at year-end 2018.

**Working Capital**

Ibnsina Pharma’s cash conversion cycle fell from an already-low figure of one day in 9M17 to -2 days in 9M18, as Ibnsina Pharma further improves the effectiveness of its collection from debtors and works to maintain favorable payment terms.

**Cash Conversion Cycle 9M2017      Cash Conversion Cycle 9M2018**



Inventory DOH remained nearly constant at 34 days between 9M17 and 9M18. Payment terms with customers also remained relatively stable between the two periods, with receivable DOH decreasing from 84 days to 83 days during the period. Supplier discount terms for cash payments continued to lengthen slightly between 9M17 and 9M18, with Payables DOH growing from 116 days to 119 days. We expect to increasingly utilize accretive cash discounts using bank financing for the remainder of the year.

It is worth noting that Ibnsina Pharma utilizes to its advantage a favorable spread between interest paid on overdraft facilities and supplier discounts for early payment. As a result, the company maintains an inverse correlation between accounts payable DOH and outstanding short-term debt.



## RECENT CORPORATE DEVELOPMENTS

### Ibnsina Pharma Begins Distribution of Novo Nordisk Products to the Egyptian Market

Ibnsina Pharma received in early September the first shipments of diabetes care, haemophilia and growth disorder products from Novo Nordisk, a leading manufacturer of insulin and haemophilia treatments. Customs on the shipment were cleared in record time thanks to the Health Ministry's attachment of priority to the satisfaction of Egyptian demand for insulin products. Ibnsina Pharma estimates the company will record revenues from pharmacies and tenders of approximately EGP 100 million by the end of FY 2018.

Ibnsina Pharma's contracts with Novo Nordisk are expected to contribute approximately EGP 300 million to the company's top-line during the first 12 months of distribution, with an expected market share of 25% from the sale of Novo Nordisk products in the Egyptian market. Egypt's market for insulin was worth approximately EGP 1.6 billion in 2017, of which Novo Nordisk products accounted for over 60%. Egypt is home to one of the ten largest diabetic populations in the world, with 7.8 million patients suffering from the condition.

## Income Statement

<i>In EGP</i>	3Q2017	3Q2018	YoY ▲	9M2017	9M2018	YoY ▲
<b>Gross Revenue</b>	<b>2,696,058</b>	<b>3,575,150</b>	<b>33%</b>	<b>6,872,056</b>	<b>9,682,528</b>	<b>41%</b>
Net Revenue	2,639,817	3,482,525		6,715,210	9,433,386	
Cost of Revenue	(2,367,467)	(3,139,022)		(6,117,421)	(8,625,580)	
<b>Gross Profit</b>	<b>272,350</b>	<b>343,503</b>	<b>26%</b>	<b>597,789</b>	<b>807,806</b>	<b>35%</b>
<b>Gross Profit Margin</b>	<b>10.32%</b>	<b>9.86%</b>		<b>8.90%</b>	<b>8.56%</b>	
Selling, General & Administrative	(112,249)	(150,401)		(312,037)	(411,724)	
Penalties on Returned Checks	3,640	3,818		9,035	10,967	
<b>EBITDA</b>	<b>163,741</b>	<b>196,920</b>	<b>20%</b>	<b>294,787</b>	<b>407,049</b>	<b>38%</b>
<b>EBITDA Margin</b>	<b>6.20%</b>	<b>5.65%</b>		<b>4.39%</b>	<b>4.31%</b>	
Depreciation & Amortization	(7,944)	(10,483)		(22,609)	(30,650)	
<b>EBIT</b>	<b>155,797</b>	<b>186,437</b>	<b>20%</b>	<b>272,177</b>	<b>376,399</b>	<b>38%</b>
<b>EBIT Margin</b>	<b>5.90%</b>	<b>5.35%</b>		<b>4.05%</b>	<b>3.99%</b>	
Net Interest	(33,953)	(30,114)		(83,917)	(82,125)	
Other Expenses	(4,056)	(8,360)		(4,112)	(42,841)	
Other Income	(89)	1,693		2,929	2,330	
<b>EBT</b>	<b>117,700</b>	<b>149,656</b>	<b>27%</b>	<b>187,078</b>	<b>253,762</b>	<b>36%</b>
<b>EBT Margin</b>	<b>4.46%</b>	<b>4.30%</b>		<b>2.79%</b>	<b>2.69%</b>	
Deferred Tax	(2,632)	444		(409)	1,672	
Income Tax	(25,651)	(36,933)		(43,589)	(67,084)	
<b>Net Profit</b>	<b>89,417</b>	<b>113,166</b>	<b>27%</b>	<b>143,080</b>	<b>188,350</b>	<b>32%</b>
<b>Net Profit Margin</b>	<b>3.39%</b>	<b>3.25%</b>		<b>2.13%</b>	<b>2.00%</b>	

## Balance Sheet

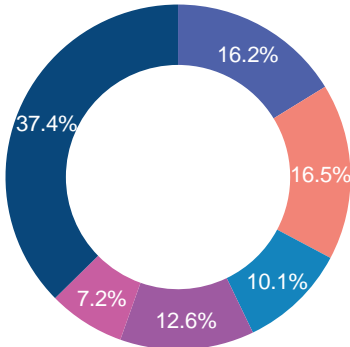
<i>In EGP</i>	Sep-2017	Sept-2018
Property & Equipment, net	182,849	225,115
Other Assets	8,833	7,547
Project Under Construction	148,745	431,386
Deferred Income Taxes	11,294	12,776
<b>Total Long-term Assets</b>	<b>351,721</b>	<b>676,823</b>
Inventories	887,203	1,100,489
Incoming Documents for Collection	-	11,107
Trade & Notes receivable, net	2,201,244	3,350,287
Supplier Advances	104,681	219,792
Debtors & Other Debit Balance, net	125,275	198,404
Due from Related Parties	372	372
Cash & Cash Equivalent	193,454	77,471
<b>Total Current Assets</b>	<b>3,512,227</b>	<b>4,957,921</b>
<b>Total Assets</b>	<b>3,863,950</b>	<b>5,634,744</b>
Paid In Capital	168,000	180,500
Share Premium	-	277,500
General Reserve	3,079	3,079
Legal Reserve	12,000	20,507
Retained Earnings	62,980	216,161
Net Profit For The Year	143,080	188,350
<b>Total Shareholders' Equity</b>	<b>389,139</b>	<b>886,098</b>
Non-current portion of medium term loan	31,532	48,670
Non-current notes payable	9,279	16,822
Other Non-current liabilities	16,217	21,235
Non-current portion of land creditors	71	-
<b>Total Long-term Liabilities</b>	<b>57,099</b>	<b>86,726</b>
Credit facilities	415,194	286,223
Contingency provision	2,066	53,860
Customers Advance Payments	2,595	3,655
Current portion of land creditors	71	71
Trade and notes payable	2,882,952	4,155,718
Current portion of medium term loan	25,794	34,358
Creditors & other credit balances	89,040	128,036
<b>Total Current Liabilities</b>	<b>3,417,712</b>	<b>4,661,920</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>3,863,950</b>	<b>5,634,744</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 42,000 customers including pharmacies, hospitals, retail outlets and wholesalers. Its fleet of around 650 vehicles completes an average of over 460,000 deliveries each month.

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 across 57 sites in 23 cities nationwide, Ibnsina Pharma’s team of more than 5,500 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).

<p>For further information, please contact:</p> <p><b>Mohamed Shawky</b> Investor Relations Manager Email: <a href="mailto:mohamed.shawky@ibnsina-pharma.com">mohamed.shawky@ibnsina-pharma.com</a></p>	<p><b>Shareholding Structure</b> (Post IPO and Capital Increase)</p>  <ul style="list-style-type: none"> <li>■ Mahgoub Family</li> <li>■ Abdel Gawad Family</li> <li>■ EBRD</li> <li>■ Faisal Islamic Bank</li> <li>■ Senior Management &amp; Other Shareholders</li> <li>■ Free Float</li> </ul>
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## 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.