

Ibnsina Pharma Releases 1Q2022 Consolidated Results

Optimization and digitalization strategy ensures sustainable growth; Ibnsina Pharma records double-digit net profit growth of 18% Q-on-Q despite below average market growth

1Q2022 Highlights

Net Revenues

EGP 5.3 BN

▲ 12.1% Q-o-Q

Gross Profit

EGP 395 MN

▲ 6.1% Qo-Q

EBITDA

EGP 179 MN

▲ 7.4% Q-o-Q

Net Profit

EGP 59 MN

▲ 17.9% Q-o-Q

Cairo, 22 May 2022 Ibnsina Pharma (ISPH.CA on the Egyptian Stock Exchange), Egypt's fastest-growing and second-largest pharmaceutical distributor, released today its audited consolidated results for three-month period ended 31 March 2022, booking net revenues of EGP 5.3 billion, up 12.1% year-on-year as growth in Egyptian pharma market continues to recover despite still below historical levels. Ibnsina Pharma booked a net profit of EGP 59.3 million for FY2022, marking an increase of 17.9% quarter-on-quarter and yielding an increase in the net profit margin from 1.06% to 1.11%.

Key Financial and Operational Highlights:

- Continuous revenues and net profit growth despite challenges and inflationary pressures
- Optimization and digitalization strategy started to reap some fruits.
- Warehousing services grew by 140% as Ramp logistics expand while transportation services grew by 82%
- Data services to suppliers grew 20% with the introduction of suppliers' digital platform
- Ibnsina Pharma brakes into the hospital business with the acquisition of El Shorouk Hospital at El Shorouk city

Summary Income Statement

EGP mn	1Q2021	1Q2022	Change
Net Revenue	4,756,410	5,332,795	12%
Gross Profit	372,778	395,656	6%
<i>GP Margin</i>	7.8%	7.4%	
OPEX	(205,684)	(216,279)	5%
<i>OPEX / Sales</i>	(4.3 %)	(4.1 %)	
EBITDA	167,094	179,376	7%
<i>EBITDA Margin</i>	3.5%	3.4%	
Net Profit	50,373	59,384	18%
<i>NP Margin</i>	1.06%	1.11%	

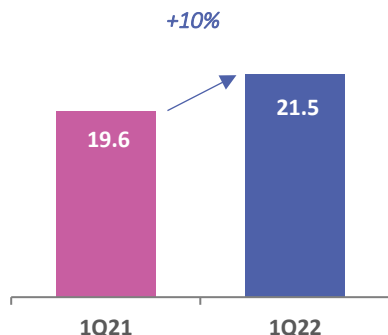
Comments from our Co-CEOs

“Covid-19 and subsequent war in Ukraine have brought turbulence and challenges in the global economy. Despite the environment, Ibnsina Pharma delivered strong first-quarter earnings, marking another quarter of solid performance across all our operating segments. We are focusing on improving productivity and cost efficiencies throughout our network as we work through ongoing inflationary and supply chain pressures.”
commented Omar Abdel Gawad, Co-CEO of Ibnsina Pharma

“We continue to focus on our four main strategy pillars: Growth, Optimization, Digitalization and Investment. Which will give Ibnsina Pharma the opportunity in 2022 and beyond for margins enhancement. On the optimization front, we are working to engender margin-boosting efficiencies through a variety of cost-based initiatives in our supply chain and employment cost. We expect the effects of this measures to become progressively more evident in our financial performance over years with OPEX growth curbed. On the digitalization front, we remain committed to introducing meaningful innovations across each link in the pharmaceutical value chain. On the Investment side, we optimize investment in our core business through a light asset model that introduces new generation of tiered warehouses while attracting developers willing to invest in a build and rent model for our new regional warehouses which will keep our CAPEX for the coming years in the level of EGP 200 million only. For the non-core business investment, we have an investment budget of EGP 200 million for our investment arm “AIM” for investments in logistics and digital transformation beside investments in the healthcare sector which started with the acquisition of Elshorouk hospital in Elshorouk city”
Omar continued.

“We remain Egypt’s fastest-growing pharmaceutical distributor, registering revenue growth of 12.1% in 1Q2022 and booking a top line of EGP 5.3 billion. Further down the income statement, the company’s net profit rose by 17.9% Q-on-Q during 1Q2022, yielding a stable margin. During the year as we successfully leverage economies of scale to spread fixed operational and administrative costs across a wide revenue base, we expect to see net profit margin recording progressive enhancement” **said Mahmoud Abdel Gawad, Co-CEO of Ibnsina Pharma.**

**Market Growth, Retail
(EGP 86.4bn)**



Market Overview

Egypt’s retail pharmaceutical market registered total sales of EGP 21.5 billion during 1Q2022. Sales were up by 10%. Sales growth during 2021 was mainly driven by increases in the average selling price (ASP).

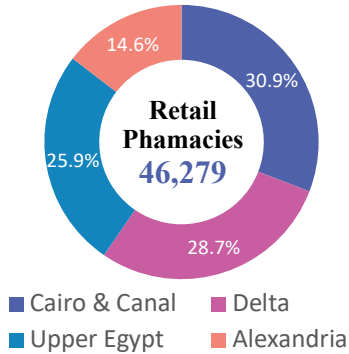
Although the pharma market didn’t fully recover since COVID-19 spread, retail pharmaceutical sales are anticipated to record continuous recovery growth approaching a rate of 10% in FY2022, higher than the rate achieved in FY2021. Such expectations are supported by the anticipated re-pricing of pharmaceutical products due to inflationary and supply chain pressures facing pharma manufacturers. The Egyptian drug Authority have requested pharma manufacturers to submit their requests for re-pricing in order to prevent shortage on those items. The effect of re-pricing is expected to be reflected in the market starting 3Q2022.

Expectations of double-digit growth in FY2022 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.

Growth in non-retail sales is expected to accelerate more in 2022 following a relative slowdown starting the second half of FY2020 as official purchasing processes were transferred from the Ministry of Health and Population to the Egyptian Authority for Unified Procurement during the period. With the new process maturing, it is anticipated that the Authority will significantly enhance the efficiency of procurement practices at upwards of 1,800 public hospitals and other establishments. Ibnsina Pharma’s strong presence in both the retail and non-retail segments continues to support the company’s performance and provides it with a strong competitive advantage.

Ibnsina Pharma has been the fastest-growing distributor of pharmaceutical products in Egypt for several consecutive years. 1Q2022 saw the company record retail sales growth of 11.7% year-on-year.

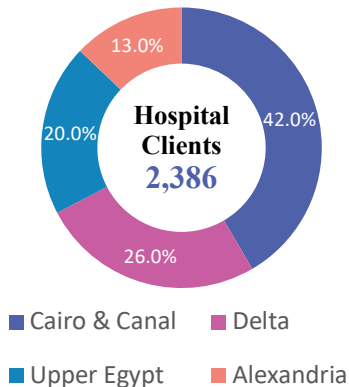
Retail Pharmacies by Geography (1Q2022)



Operational Review

Ibnsina Pharma served 49,531 clients during 1Q2022. Cairo and the Canal Zone, Egypt’s most heavily populated metropolitan areas and the country’s commercial pivot, accounted for 31.6% of Ibnsina Pharma’s client base during the period. Clients in the Delta and Upper Egypt constituted 28.6% and 25.3% of Ibnsina’s client base, respectively. Meanwhile, Egypt’s second largest city, Alexandria, represented 14.5% of the company’s clients in 1Q2022. 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.

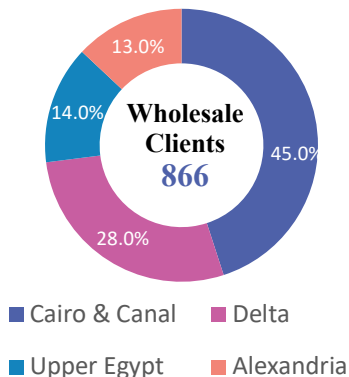
Hospital Clients by Geography (1Q2022)



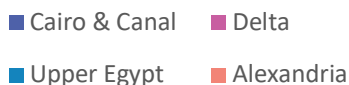
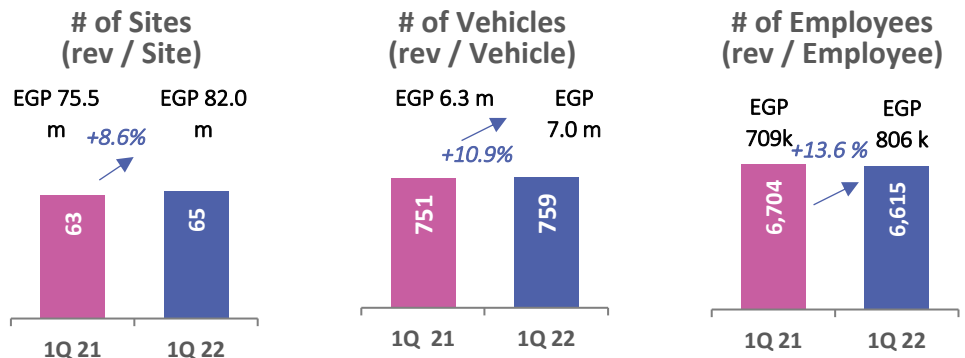
The company’s distribution network encompassed 65 sites in 1Q2022 against 63 sites one year previously. Revenue per site climbed by 8.7% Q-on-Q to record EGP 82 million in 1Q2022 versus EGP 75.4 million in 1Q2021.

Meanwhile, Ibnsina Pharma’s delivery fleet stood at 759 vehicles in 1Q2022, versus 751 one year previously. The company’s optimized fleet strength has boosted Ibnsina Pharma’s ability to efficiently satisfy rising demand, with revenue per vehicle growing by 10.9% Q-on-Q to EGP 7 million in 1Q2022.

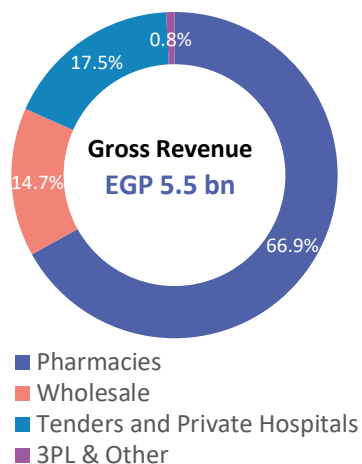
Wholesale Clients by Geography (1Q2022)



Revenue per employee increased by 13.6 % during the period, recording EGP 806 K in 1Q2022, an optimization of 89 personnel as part of operational optimization plan.



**Revenue* by Business Line
(1Q2022)**



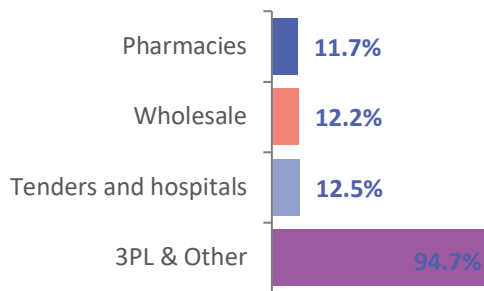
* Revenues refer to gross sales prior to discounts

Financial Performance

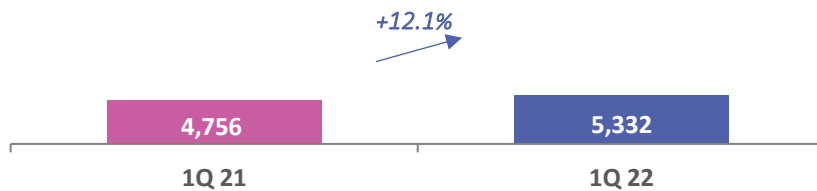
Revenues

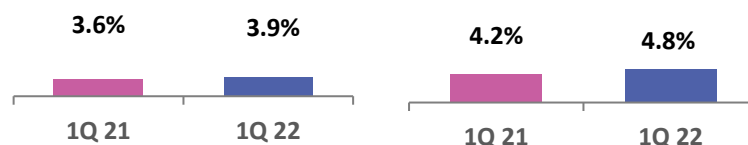
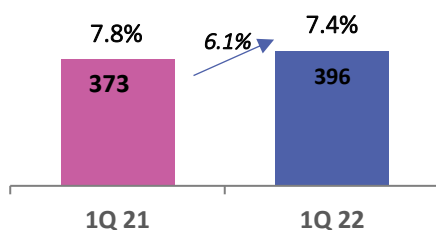
Ibnsina Pharma recorded gross revenues of EGP 5.5 billion in 1Q2022, up by 12.3% Q-on-Q on the back of double-digit growth across each of the company’s lines of business. The company’s core business with retail pharmacies generated revenues of EGP 3.7 billion in 1Q2022, up by 11.7% year-on-year and contributing 66.9% of the overall top line for 1Q2022 against 67.29% one year previously. This decrease in the retail segment’s top-line contribution reflects the implications of COVID-19 on the pharma market since 2020 as the market didn’t fully recover yet. Revenues from Ibnsina Pharma’s wholesale business rose by 12.2% year-on-year to register EGP 810.2 million in 1Q2022, forming 14.7% of the company’s total revenues versus a contribution of 14.8% as at 1Q2021. Meanwhile, Tenders and hospitals generated EGP 963.2 million during the period, contributing 17.5% of the top line for 1Q2022 same level one year previously, expanding by 12.5% year-on-year.

**Business Line Revenue Growth
(1Q2022)**



Net Revenue Progression (EGP mn)

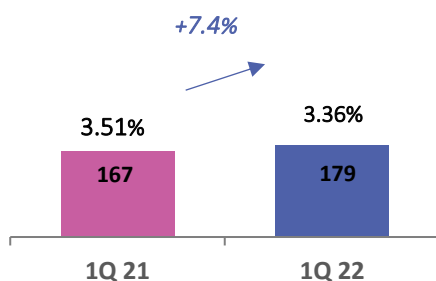


Return on Equity
Return on Fixed Assets

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

Gross Profit

Ibnsina Pharma booked a gross profit of EGP 395.6 million for 1Q 2022, an increase of 6.1% from the EGP 372.8 million recorded in 1Q21. The gross profit margin recorded 7.4% over the period down from 7.8% one year previously. This reflects growth in the wholesale segment's contribution to the overall top line for the period. Ibnsina Pharma's wholesale clients typically transact in cash, receiving cash discounts from the company. The wholesale segment grew by 12.2% year-on-year, exerting pressure on the company's gross profit margin.

OPEX

The company registered EGP 216.2 million in operational expenses (OPEX) for 1Q2022, an increase of 5.2% year-on-year from the EGP 205.6 million booked in 1Q2021. The rate of OPEX growth has slowed significantly from the pace of 21% recorded at the close of FY2020 due to the optimization strategy adopted in SG&A, CAPEX and working capital. The company aims to keep OPEX growth below 10% year-on-year going forward.

**EBITDA Progression
(EGP 179,376, 3.4% margin)**

EBITDA

EBITDA booked EGP 179.4 million for the three-month period ended 31 March 2022, an increase of 7.4% from the EGP 167.1 million recorded in 1Q21. This climb in EBITDA reflects the relatively slow growth of OPEX in FY2021. Ibnsina Pharma EBITDA margin recorded 3.36% in 1Q2022 down from 3.51% recorded in 1Q2021. During the year as the company continue to successfully leverage economies of scale and effectively spreading fixed operational and administrative costs across a wide revenue base as the year progresses, EBITDA margin is expected to enhance.

Depreciation and Amortization

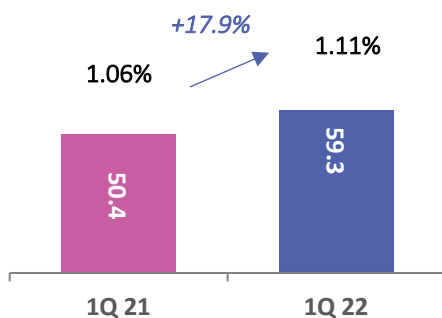
Depreciation and amortization expense registered EGP 47.8 million in Q12022, up by 9.9% from the EGP 43.4 million booked for 1Q2021.

Interest Expense

Interest expense booked EGP 91.3 million for 1Q2022, up 30.2% from EGP 70.1 million recorded in 1Q2021. While interest already collected from late paying customers recorded EGP 40.1 million in 1Q2022 up 192% from EGP 13.7 million recorded in 1Q2021

Net Interest expenses (including interest collected from late paying customers) as a percentage of sales recorded 1.0% compared to 1.2% in 1Q2021.

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

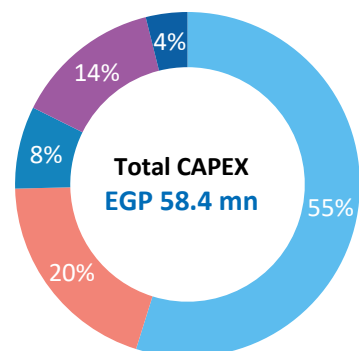


Net Profit

Net profit came in at EGP 59.3 million in 1Q2022, up by 17.9% from the EGP 50.4 million posted in 1Q2021. The period saw Ibnsina Pharma’s net profit margin enhancing to 1.11% in 1Q2022 from 1.06% in 1Q2021.

Key Balance Sheet Items

**Core Business
CAPEX Breakdown
(1Q2022)**



- Sites
- Technology
- Vehicles
- Upgrades
- HQ

CAPEX

Ibnsina Pharma made CAPEX outlays in core business of EGP 58.4 million in 1Q2022, up from the EGP 47.7 million committed one year previously. Investments during the period included EGP 32 million on distribution centers, while EGP 8 million were allocated to upgrades. . Approximately EGP 4.5 million was invested in vehicles during 1Q2022. CAPEX related to the construction of Ibnsina Pharma’s headquarters registered EGP 2.2 million during the period. The highest share of CAPEX outlays for the period were allocated to technology projects at EGP 11.5 million as Ibnsina Pharma continued to implement its pre-COVID plans for technology investment.

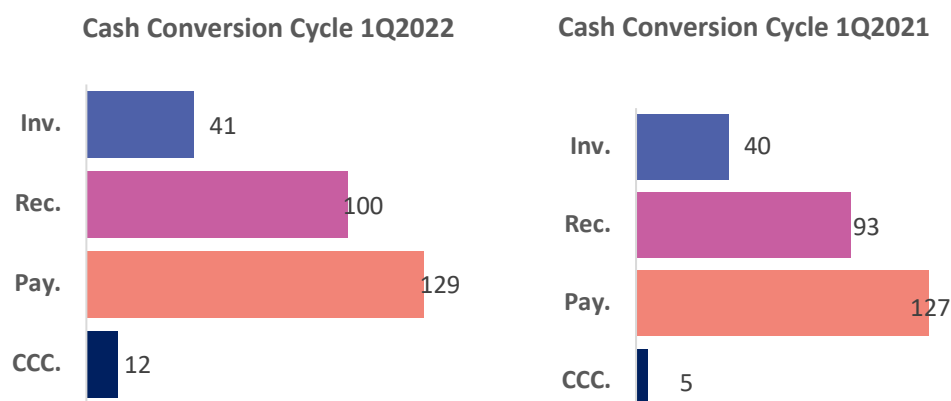
Working Capital

Ibnsina Pharma's cash conversion cycle was affected by the restrictions imposed by the central bank of Egypt 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).

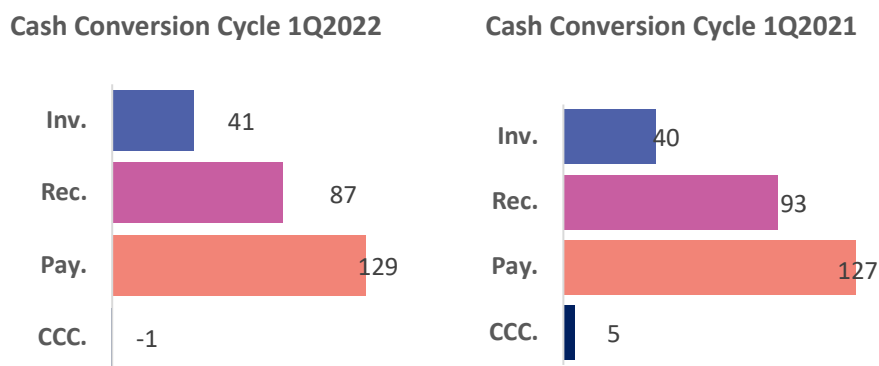
Ibnsina Pharma's cash conversion cycle recorded 12.5 days for 1Q2022 compared to 5.4 days one year previously. Receivable DOH registered 100.1 days in Q12022 against 92.7 days one year previously. Inventory DOH recorded 41.5 days in Q12022 versus 39.9 in Q12021. Payables DOH recorded 129.1 days in Q12022 against 127.2 days in Q12022.

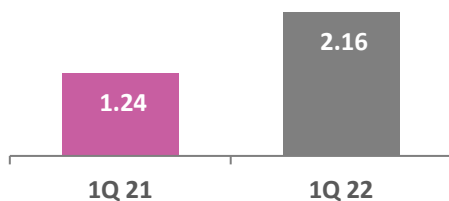
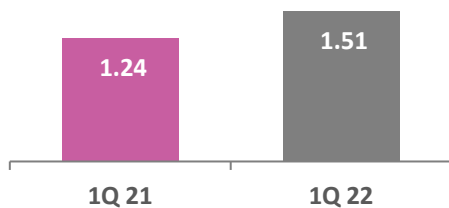
Ibnsina Pharma adopted a number of initiatives to enhance cash conversion cycle of which extending payment period from suppliers, focusing on cash sales segments, decreasing cash discounts to some segments focusing on imported items with zero cash discounts. The effect of these measures is expected to materialize expecting 3Q2021.

Cash Conversion Cycle Without Discounting effect



Cash Conversion Cycle With Discounting effect



Net Debt / Equity without discounting effect

Net Debt / Equity with discounting effect

Net Debt

Ibnsina Pharma recorded a net debt/equity ratio of 2.16 in 1Q2022, with the company booking a total net debt of EGP 3.3 billion. The increase in debt levels appearing on the balance sheet is due to the restrictions imposed by the central bank of Egypt 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).

It is worth mentioning that the cost of discounting and overdraft is the same with no additional financial expenses. Approximately 10.6% of the company's net debt is composed of a medium-term loan allocated to fund Ibnsina's CAPEX efforts, while 9.5% is composed of obligations under a financial lease and the remainder is working capital financing extended in light of the growth in Ibnsina pharma's credit business.

Digital Transformation Strategy

Our strategies continue to prioritize digital transformation. Our aim is to enhance the control of cross-functional cooperation and deepen links between all stakeholders in the pharmaceutical supply chain, while boosting the cost-benefit payoff from running investments and providing a proper value analysis for each of the portfolio's pillars.

ISP Mobile Application

Ibnsina Pharma's clients can use the app to rapidly and safely place their orders with the company and review their accounts, enabling Ibnsina to monitor demand patterns around the clock.

Supplier Digital Platform

The suppliers' digital platform will be the official communication platform which links ibnsina pharma with suppliers in a two-way communication process. Suppliers are now able to acquire differentiated offerings, access reports, send requests in addition to other services that adds a new revenues stream to ibnsina Pharma. The supplier's digital platform will also enhance the forecasting accuracy of suppliers through providing dynamic intelligent digital reports & services that support the decision-making process.

Supplier Field Force

Suppliers' field force solution enables pharma manufacturer's teams to perform online ordering requests dedicated to specific through ibnsina pharma.

Transportation Management System

TMS is a system that will automate business operations for fast and more accurate delivery to customers. TMS will allow ibnsina pharma to track freights, reduce cost and receive valuable insights operations efficiency.

Fintech Solutions

Fin-Tech will enable ibnsina pharma's customers to have exclusive access to some financial services like credit cards devoted only to purchases from ibnsina Pharma. As well as POS & e-payment services aiming to decrease OPEX & optimize the cash collection cycle.

Pharmacy Management System

Pharmacist is an online pharmacy management system (PMS) developed by our subsidiary Digi360, an integrated system that enables pharmacies to manage single or multiple branch pharmacies and link points of sale, purchasing, accounting, warehouses, vendor accounts, and HR in one system that can run both online and offline, enabling pharmacy owners to monitor their pharmacies transactions anytime and from anywhere.

Optimization Initiatives

With the consecutive waves of corona virus, Optimization is a key pillar in Ibnsina Pharma strategy. The selection criteria for the cost optimization initiatives adopted is the value creation for the business not destroying it. Therefore, Ibnsina Pharma adopted the following initiatives:

Supply chain and inventory optimization

Ibnsina Pharma started a new supply chain model pilot using regional distribution centers. The regional warehouse type will enhance service time to customers, optimize effective capacity and safety inventory, reduce supply chain overall cost through maximizing productivity and assets utilization. Also, it will enable ibnsina pharma to reduce annual CAPX plan from the previously 300-350 million where 4 traditional distribution centers were added each year. Using to this model, Ibnsina Pharma will continue to expand while reducing the initial cost of investment as the land and the warehouse structure are owned by a developer who will rent it to ibnsina pharma with a long-term contract, Ibnsina Pharma will only bear the cost of preparing the warehouse according to pharma standards.

OPEX optimization:

Ibnsina Pharma succeeded in controlling OPEX growth through a number of initiatives including freeze on new recruitment, putting cap on the annual increase, security manpower replacement with CCTV project, cleaning service outsourcing. With more customer's stickiness to online ordering and a new call center solution that gave the management more visibility on the call center agent's productivity, Ibnsina Pharma was able to reduce the number of telesales by around 50 agents in Q12022. This trend is expected to continue in the future with the increasing adoption rate for ISP mobile application.

Green Initiatives

As part of the company's efforts to reach its objectives in terms of sustainability and reducing the carbon footprint of our operations, Ibnsina Pharma signed a contract to install the 1st solar panels at one of its sites. From using green energy to improving distribution processes, Ibnsina Pharma's different business units are exploring every avenue to reduce greenhouse gas (GHG) emissions with a responsible business model. In FY 2021, Ibnsina pharma switched from one time use plastic to permanent wrapping solution to reduce cost and plastic usage.

The company is also studying other initiatives including switch the fleet to electric cars by replacing the traditional engine with electrical engine or switch to compressed natural gas (CNG).

Major Corporate Developments During the Quarter

Ibnsina Pharma AGM Approves Cash Dividend Distribution

Ibnsina Pharma's AGM held on 11 April 2022 approved the distribution of cash dividend EGP 0.10 per share. The cash distribution will amount to a total of EGP 112 million and will be distributed after the listing of the free shares in the EGX which was approved previously.

Ibnsina Pharma Taps into the hospital business with the acquisition of 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, this acquisition comes in line with Ibnsina Pharma's announced investment strategy to target related investment opportunities in the healthcare sector.

This acquisition comes in line with Ibnsina Pharma's diversification strategy in the healthcare sector aiming to add lucrative free margin businesses through its' investment arm AIM. A team of professional experts with a strong track record in hospitals management was hired to operate the hospital and expand footprint

Income Statement

<i>In EGP</i>	1Q2021	1Q2022	YoY %
Gross Revenue	4,895,413	5,497,462	12.30%
Net Revenue	4,756,410	5,332,795	
Cost Of Revenue	(4,383,632)	(4,937,140)	
Gross Profit	372,778	395,656	6.14%
<i>Gross Profit Margin</i>	7.84%	7.42%	
Selling, General & Administrative	(205,684)	(216,279)	
EBITDA	167,094	179,376	7.35%
<i>EBITDA Margin</i>	3.51%	3.36%	
Depreciation & Amortization	(43,423)	(47,754)	
EBIT	123,671	131,623	6.43%
<i>EBIT Margin</i>	2.60%	2.47%	
Financial Expenses	(70,096)	(91,288)	
Credit interest from clients	13,706	40,124	
Other Expenses	(1,916)	(15,019)	
Other Income	523	9,527	
EBT	65,886	74,966	13.78%
<i>EBT Margin</i>	1.39%	1.41%	
Deferred Tax	2,759	1,249	
Income Tax	(18,273)	(17,414)	
Net Profit	50,373	58,801	16.73%
Minority interest		(583)	
Net Profit of Parent Company	50,373	59,384	17.89%
<i>Net Profit Margin</i>	1.06%	1.11%	

Balance Sheet

<i>In EGP</i>	FY2021	1Q2022
Property & Equipment, net	952,743	934,257
Projects Under Construction	242,878	597,232
Other Assets	15,301	20,883
Leased Assets net	272,150	277,529
Long Term NR	63,916	68,997
Deferred Income Taxes	59,392	60,951
Total Non-Current Assets	1,606,380	1,959,848
Inventories	2,358,841	2,692,322
Trade & Notes receivable, net	5,743,455	5,990,410
Supplier Advances	107,520	205,755
Debtors & Other Debit Balance, net	761,316	669,709
Due from Related Parties	-	-
Cash & Cash Equivalent	468,544	242,955
Assets Held for Sale	238,406	659,195
Total Current Assets	9,678,083	10,460,347
Total Assets	11,284,462	12,420,195
Paid-In Capital	240,000	240,000
Share Premium	277,500	277,500
General Reserve	3,079	3,079
Legal Reserve	61,311	61,311
Retained Earnings	569,838	880,880
Net Profit for The Year	314,396	59,384
Treasury Stock	(14,399)	(14,263)
Holding Shareholders' Equity	1,451,725	1,507,890
Non-controlling	1,769	1,518
Total Shareholders' Equity	1,453,494	1,509,408
Non-Current Portion of Medium-Term Loan	191,311	140,820
Non-Current Notes Payable	13,517	241,550
Non-Current Portion Of Obligation Under Finance Lease	224,802	231,621
Total Long-term Liabilities	429,630	613,991
Credit Facilities	1,568,301	2,850,958
Contingency Provision	131,433	131,433
Customers Advance Payments	8,149	29,657
Current Portion Of Obligation Under Finance Lease	71,198	73,162
Trade and Notes Payable	7,091,976	6,819,741
Current Portion of Medium-Term Loan	216,394	208,091
Income Tax	59,552	76,810
Creditors & Other Credit Balances	254,335	106,944
Total Current Liabilities	9,401,338	10,296,796
Total Liabilities & Shareholders' Equity	11,284,462	12,420,195

Cash Flow

<i>In EGP</i>	1Q 21	1Q 22
Cash flow from operating activities:		
Net profit before tax	65,887	74,966
Adjustments for:		
Depreciation of fixed assets	43,423	47,754
Allowance for impairment of current assets	6,174	
settlement in retained earnings		(3,630)
Capital gain (loss)	(97)	(553)
Credit/Debit interest	70,096	91,288
Operating profit before changes in working capital	185,483	209,826
<u>Changes in working capital:</u>		
Change in inventory	(153,296)	(333,481)
Change in trade receivables	83,467	(482,824)
Change in supplier advances	12,775	(98,235)
Change in debtors and other debt balances	15,546	91,746
Change in trade payables	(424,184)	(44,202)
Change in customer advance payments	2,052	21,508
Change in creditors and other credit balances	928	(147,391)
Change non-current liabilities		15,297
Cash flow from operating activities	(277,229)	(767,758)
Financing expense	(68,127)	(84,095)
Net cash flow from operating activities	(345,356)	(851,853)
Cash flow from investment activities:		
Payments for purchase of fixed assets and PUC	(93,370)	(366,108)
Payments for purchase of intangible assets	(337)	(21,679)
Payments for purchase Treasury stock	(231)	
Payment from sale of assets held for sale		(200,001)
Proceeds from sale of fixed assets	132	
Proceeds from sale of assets held for sale		11,322
Net cash flow from investment activities	(93,806)	(576,465)
Cash flow from financing activities:		
Payment of borrowings	(30,189)	(58,793)
Proceeds from Overdraft facilities	490,533	1,282,657
Payment of lease liabilities	(11,641)	(21,271)
Treasury Stock		136
Net cash flow from financing activities	448,703	1,202,729
Net change in cash and cash equivalents during the period	9,542	(225,589)

Cash and cash equivalents at the beginning of the period	270,881	468,544
Cash and cash equivalents at the end of the period	280,423	242,955

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 46,000 customers including pharmacies, hospitals, retail outlets and wholesalers. Its fleet of around 750 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 across 62 sites in 23 cities 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.

For further information, please contact:

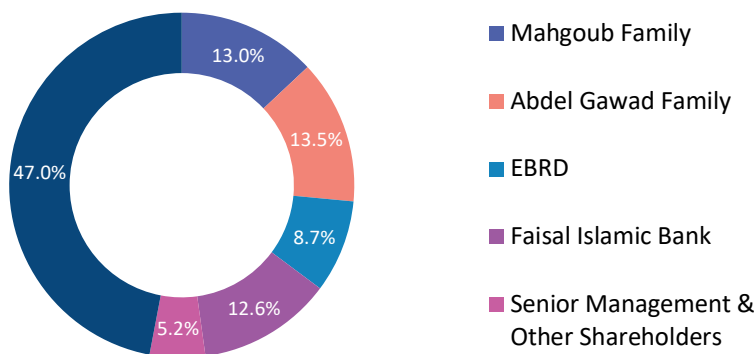
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Shareholding Structure



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.