



Q3, 2023
Investor Review

Outline: Board Presentation

Business Performance YTD, Challenges & Key Initiatives



Pharma Market Dynamics



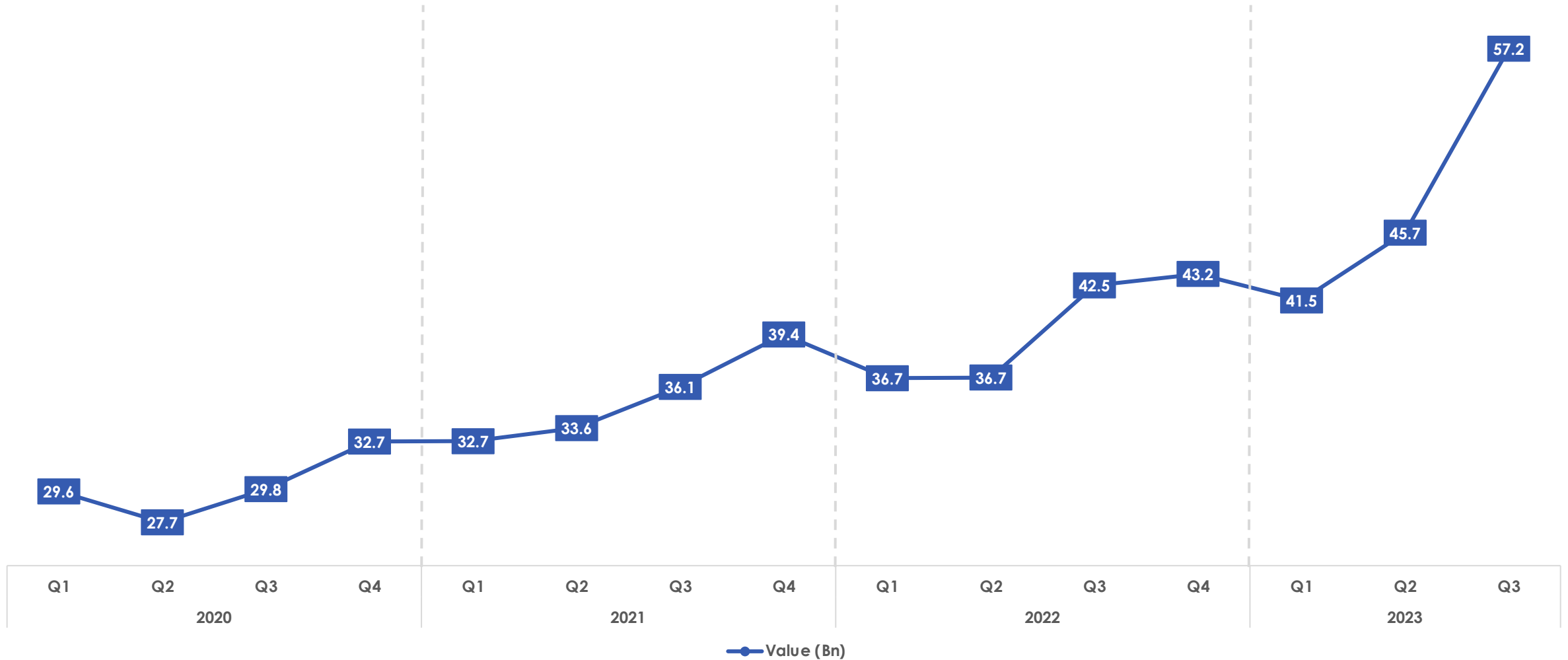
Total Pharma Market Growth: QoQ 20-21-22-23

Exchange Rate pressure EDA to increase Prices resulting in a double-digit growth in market value

Market Value
9M 22 vs 9M 23



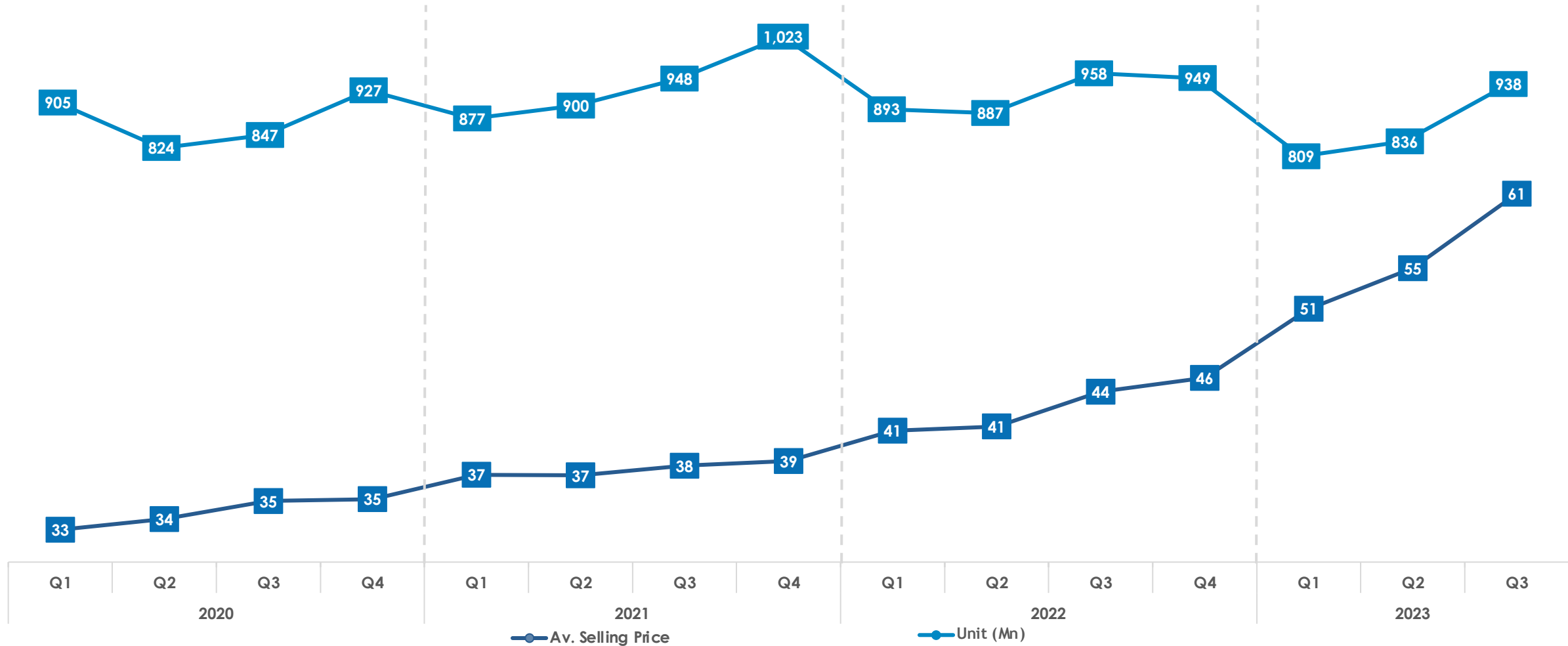
25%



Pharma Market: Growth Drivers

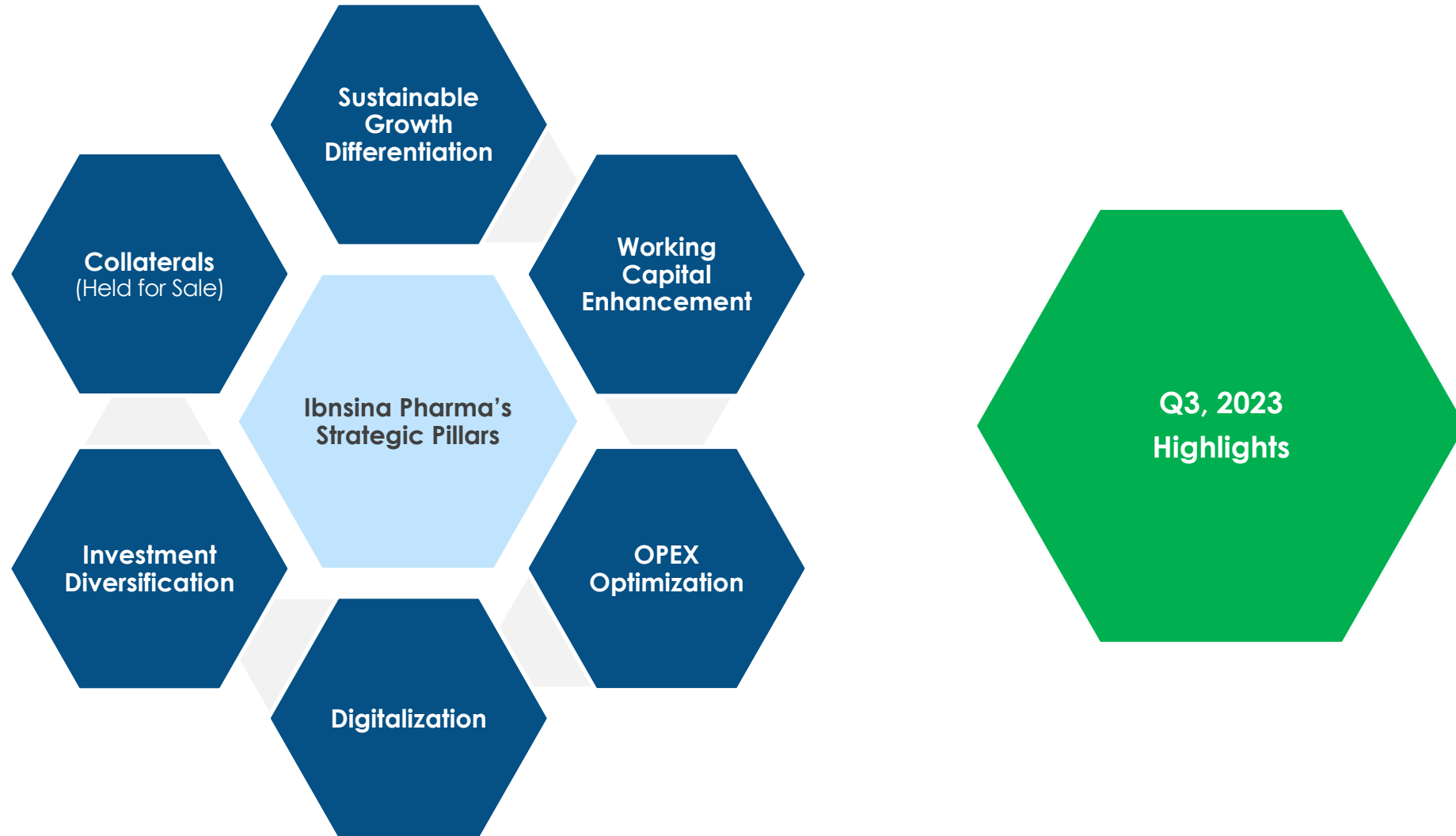
Growth leveraged by "Average Selling Price" growth compensating decline in "Units sold"

Units Sold	ASP
9M 22 vs 9M 23	9M 22 vs 9M 23
↓	↑
6%	32%



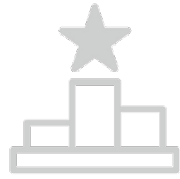
ISP Strategy 2023-2024: Q3, 2023 Highlights

Key highlights on 9 months' results



ISP Strategy 2023-2024: Q3, 2023 Highlights

Key highlights on 9 months' results



24%
Market Share –
9M



50%
Growth in
Revenue
(24.3bn)



55%
Growth in
Gross Profit
(1.9bn)



101%
Growth in
EBITDA
(1bn)



46%
Growth in
Net Profit
(174mn)



25%
Debt Ratio
(27% ↓ vs 22)



0.7
Days of cash
conversion
(vs 8.7)



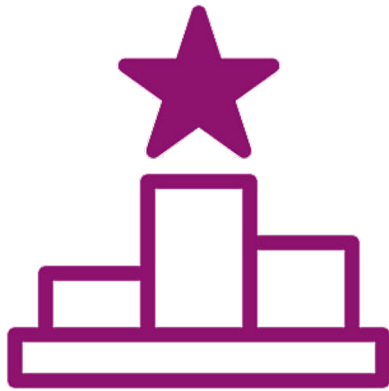
100%
Roll-out



3
Non-Core business
Performance

ISP Strategy 2023-2024: Q3, 2023 Highlights

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24%

Market Share – 9M



4% in Market Share

Increase in **Units & Value** over
Last Year in all segments



**Market Leadership
Position**

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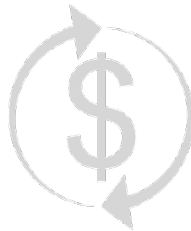
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50%

Growth in Revenue
(24.3bn)

Exceptional Growth in Revenues

Double Market Growth (25%)

Q3 YTD 2bn Higher than Total Revenues 22

Revenues Growth Expected to exceed
11bn FY23

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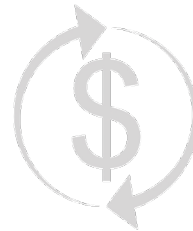
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55%

Record Growth in
Gross Profit
(1.9bn)

**Higher Growth in GP vs
Revenue (50%)**

YTD Cash FY23 Lower 0.15% than 22
Importation Margins

Non-Pharma Distribution Margins

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Exponential growth in EBITDA

Operational Optimization &
Digitalization Reflected on Op-
exp % of Sales (3.2% 23 vs 4% 22)

EBITDA Doubled with 1bn Q3 YTD vs
0.5bn YTD Q3 22



101%

Growth
in EBITDA
(1bn)

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Non-Core business
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Positive & Significant Growth in NPM

Despite dramatic rise of interest rate by 118% compared to Jan 22

Plus, inflation impact on OPEX



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(174mn)

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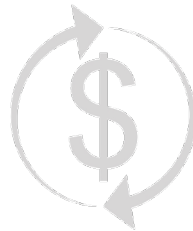
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Debt Ratio
(27% ↓ vs 22)

**Decrease in Debt Ratio from
35% to 25% (YoY)**

75% of total assets are free financed

Further supporting bottom line
figures

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0.7

Days of cash conversion
(vs 8.7)

Maintaining healthy levels of CCC

Despite exceptional revenue growth by 50%

Drop by 8 days vs 9M, 2022

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100%
Roll-out

Successful ERP roll-out

Ongoing stabilization phase

Integrating business cycles to further optimizing operations

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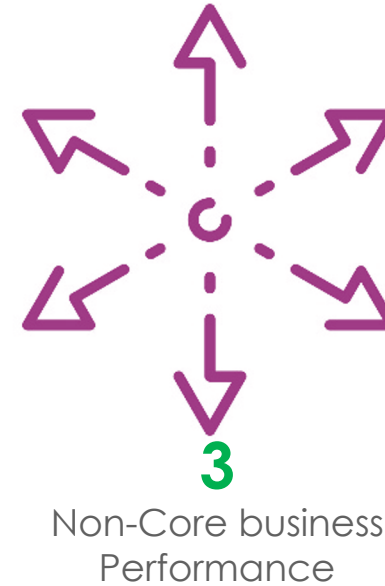
ISP Strategy 2023-2024: Q3, 2023 Highlights

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Diversifying portfolio with new business lines

Higher margins

Great synergy achieved further empower core business



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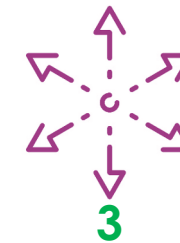
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100%

Roll-out

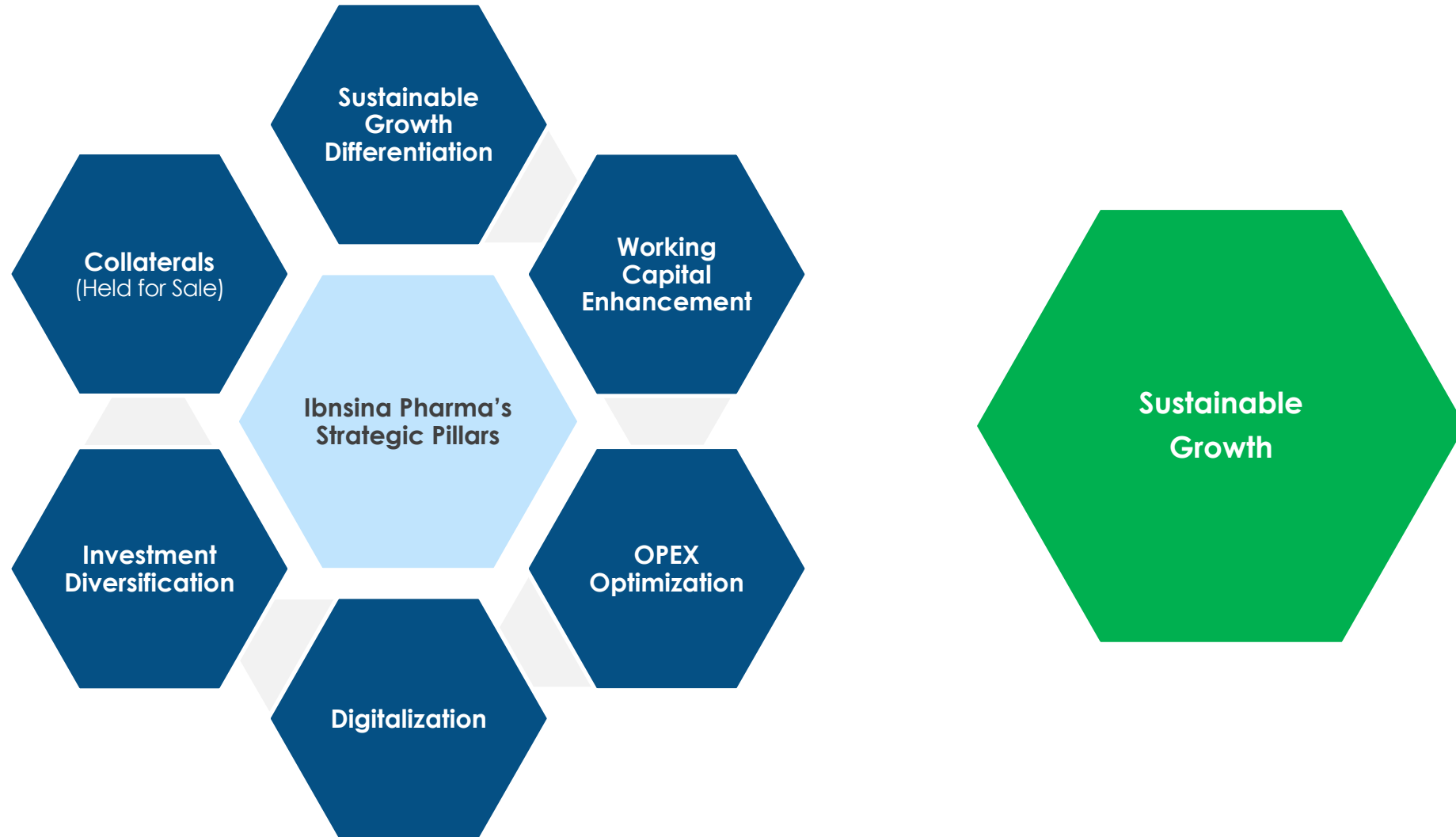


3

Non-Core business
Performance

ISP Strategy 2023-2024: Q3, 2023 Highlights

Sustainable Growth



Market Share: Total Market Value Performance

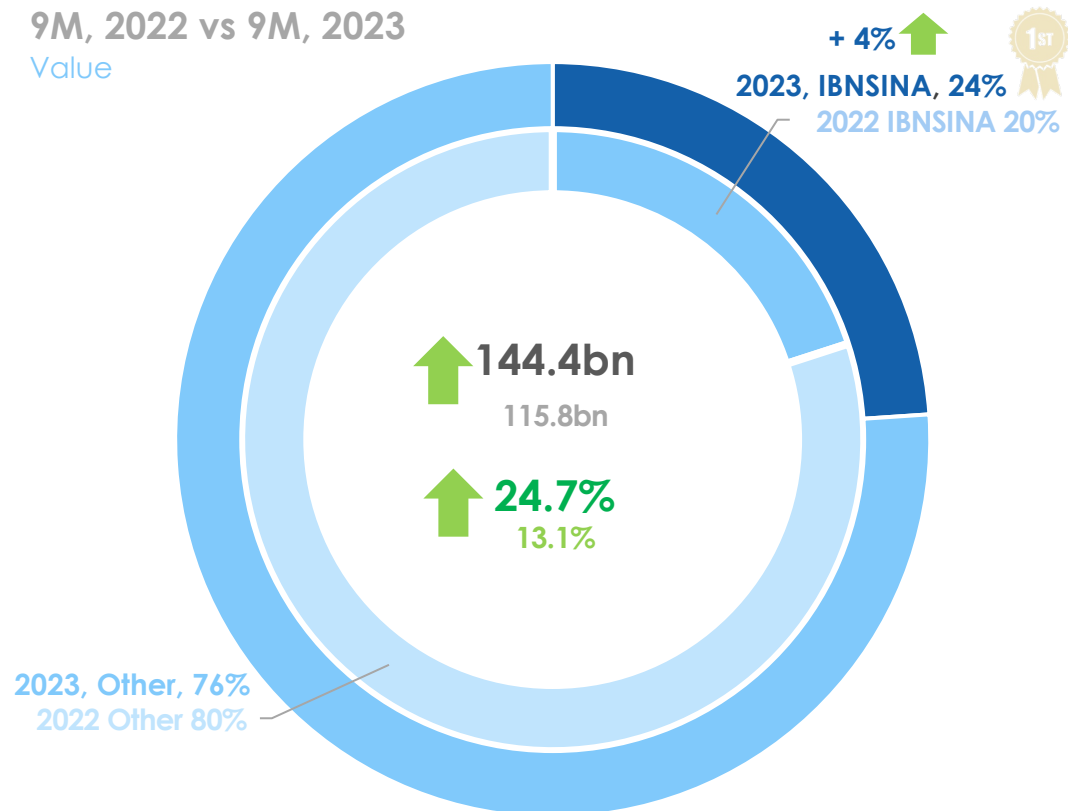
Ibnsina Pharma continues its successful run; retaining leadership position among competitors despite challenges.

Market Structure – 9M, 2023		
Pharmacies 50%	Hospitals 33%	Wholesale 17%

Market Share ISPH vs Market

9M, 2022 vs 9M, 2023

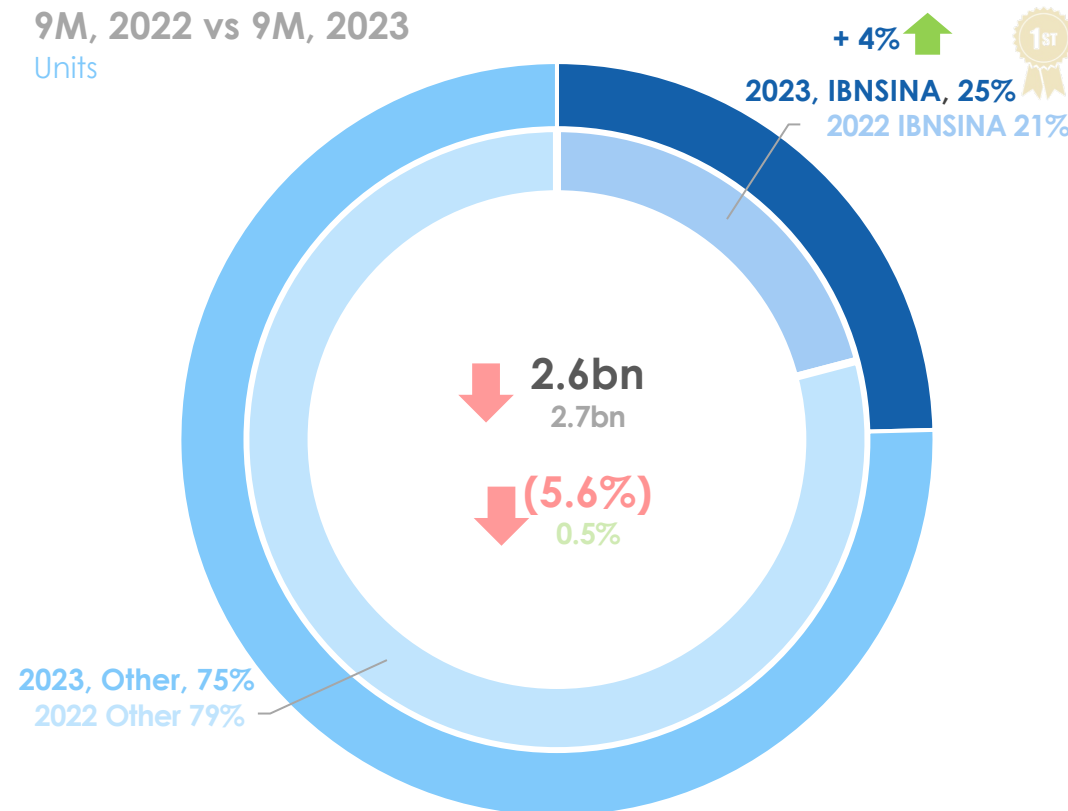
Value



Market Share ISPH vs Market

9M, 2022 vs 9M, 2023

Units

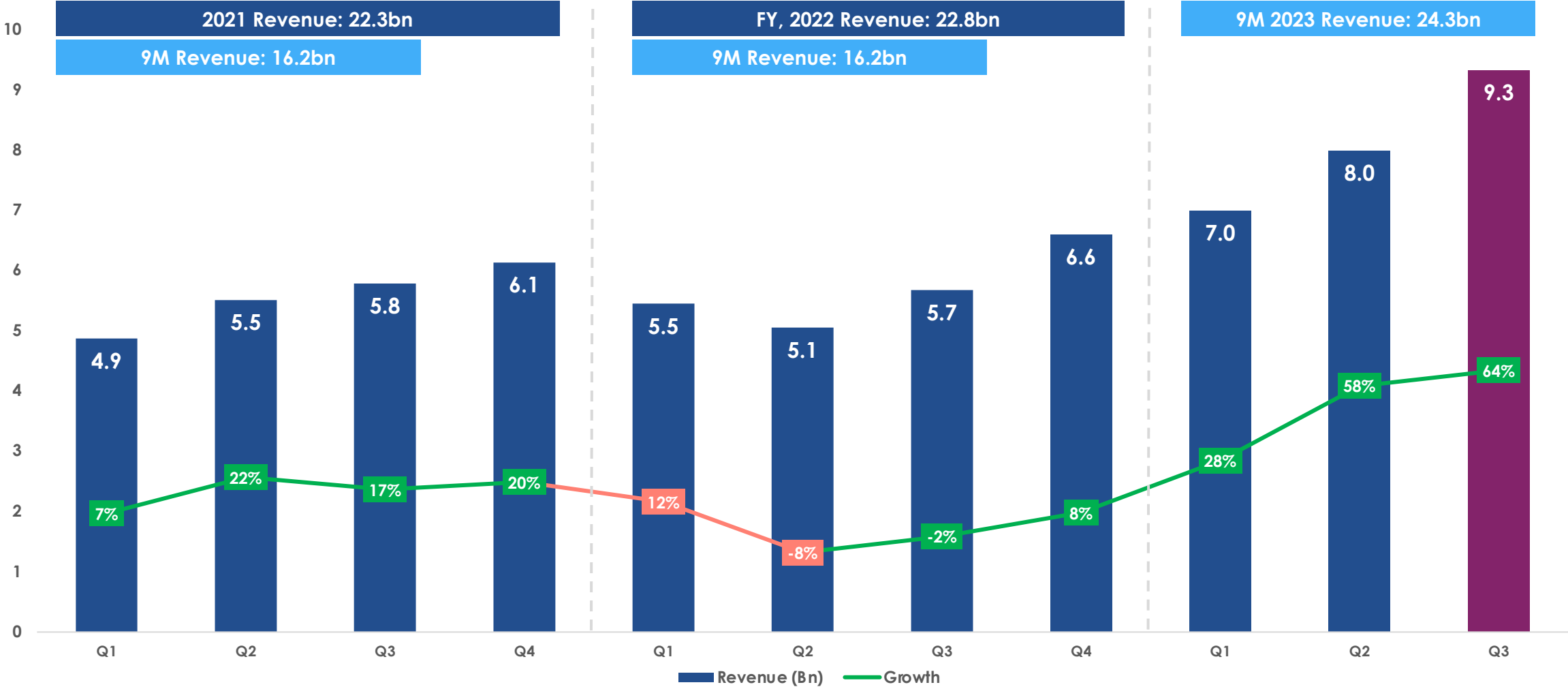


Revenue Analysis: Growth & Market Share

Ibnsina Pharma plans to close 2023 just shy of 35bn EGP Revenue

Revenue Growth
9M, 22 vs 9M, 23


50%

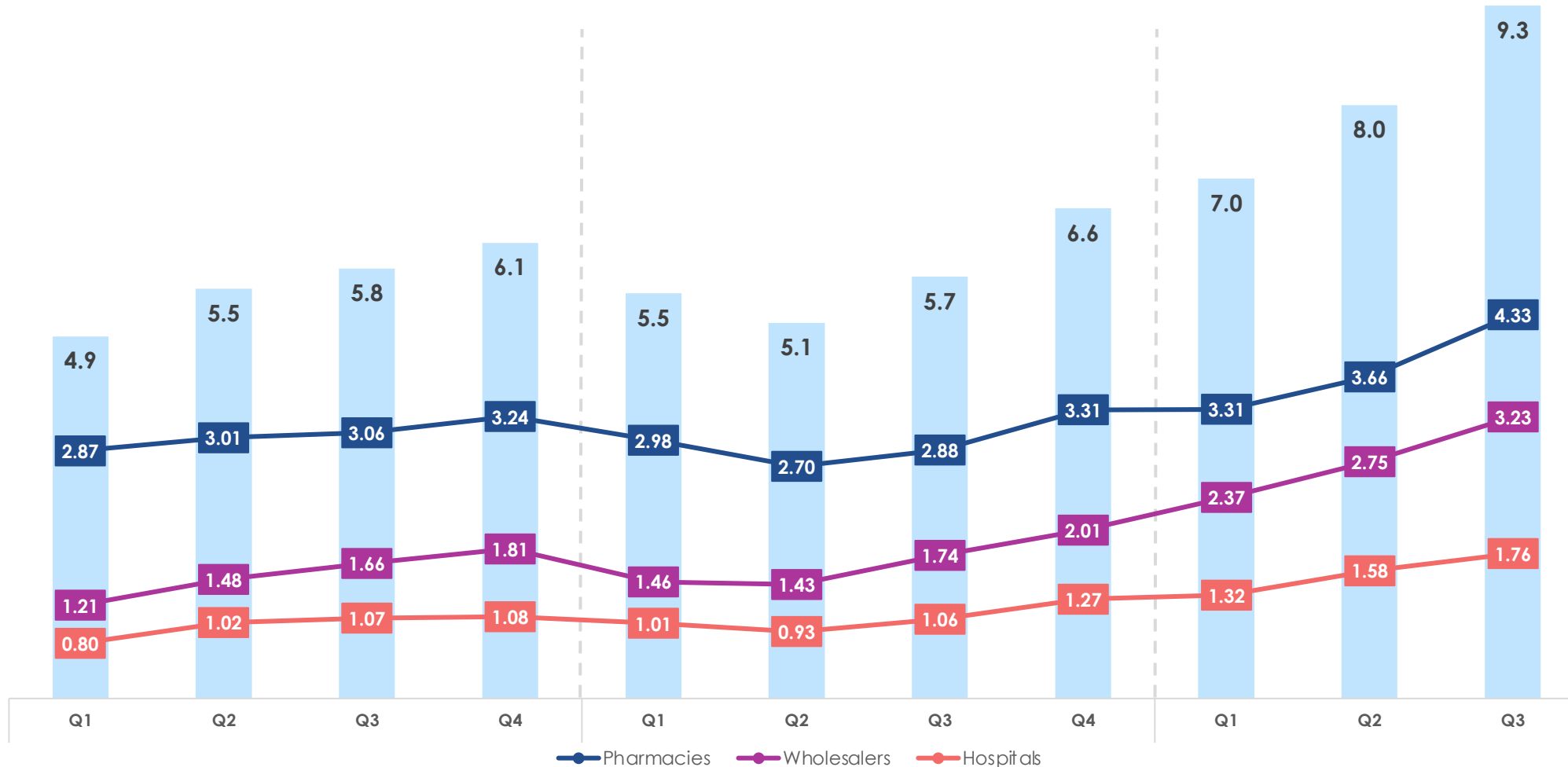


Revenue Analysis: Growth Across All Business Units




Addressing customer segments individually, modifying internal capacity to cater segment's needs & potential

Revenue Growth
9M, 22 vs 9M, 23

 **50%**



Segments 9M Growth

	Pharmacies	32%
	Wholesale	80%
	Hospitals	55%

Revenue Analysis: Subsidiaries & Non-core Business

Diversifying portfolio for sustainability and higher growth potential

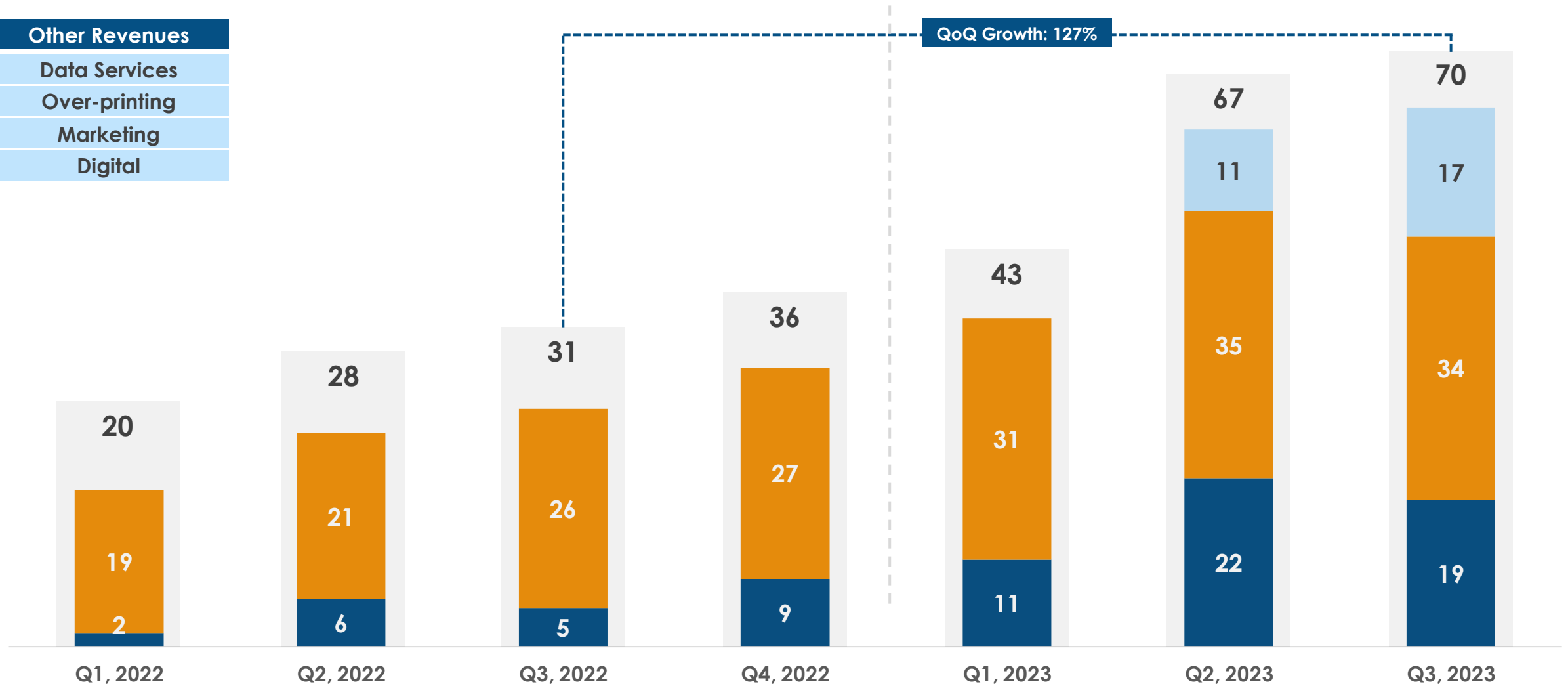
Other Revenue Growth

9M, 22 vs 9M, 23



128%

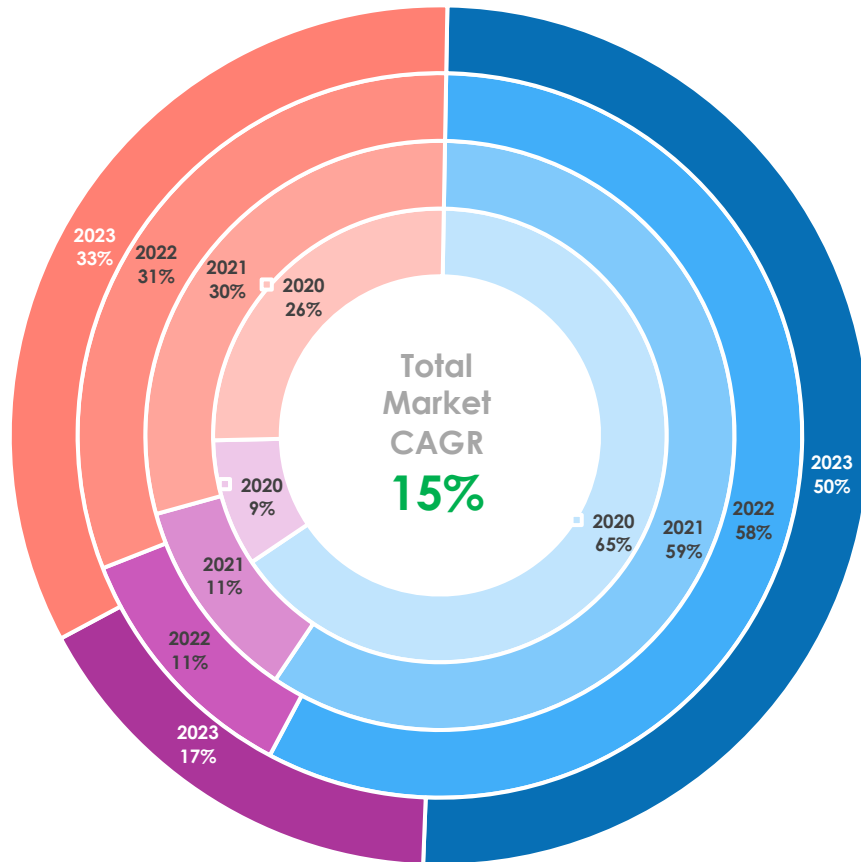
Other Revenues
Data Services
Over-printing
Marketing
Digital



Market Anatomy: Segments Performance

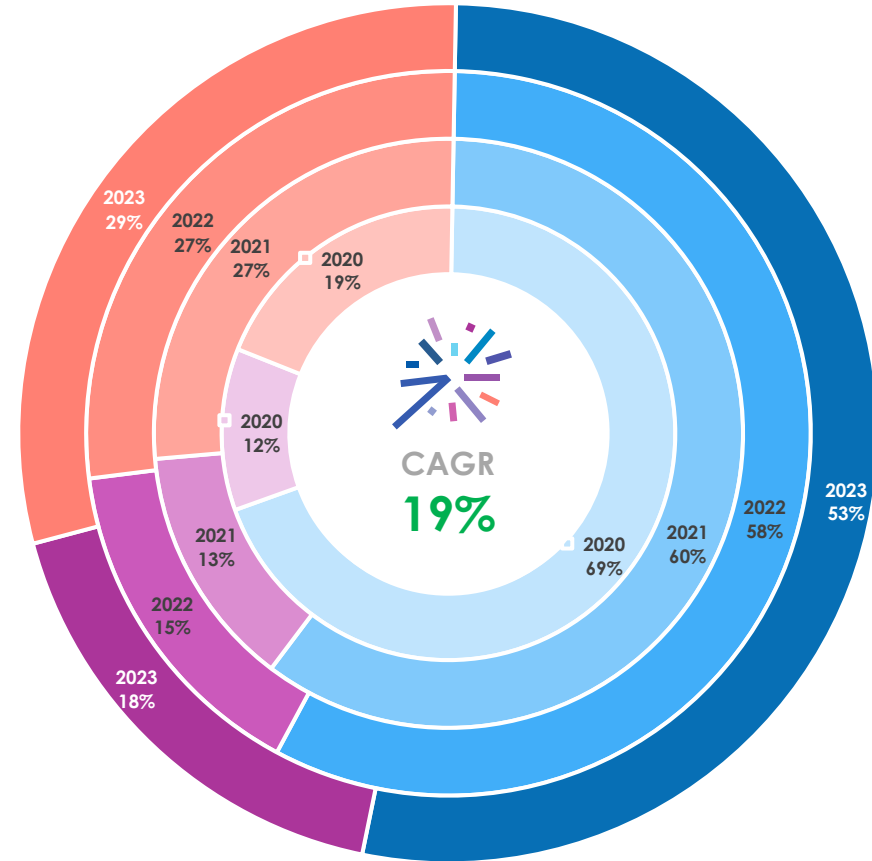
Ibnsina Pharma growth is in line with market dynamics, growing wholesale segment **80%** in the first 9 months of 2023

Market Anatomy – Segments' Contribution
2020 – 2023 (9M)



↑ Pharmacies CAGR: 8%
 ■ Hospitals CAGR: 22%
 ■ Wholesale CAGR: 40%

ISP Segment Contribution to Total Revenue
2020 – 2023 (9M) - (Market Data)




↑ Pharmacies CAGR: 11%
 ■ Hospitals CAGR: 32%
 ■ Wholesale CAGR: 43%

Gross Profit: Gross Profit Analysis

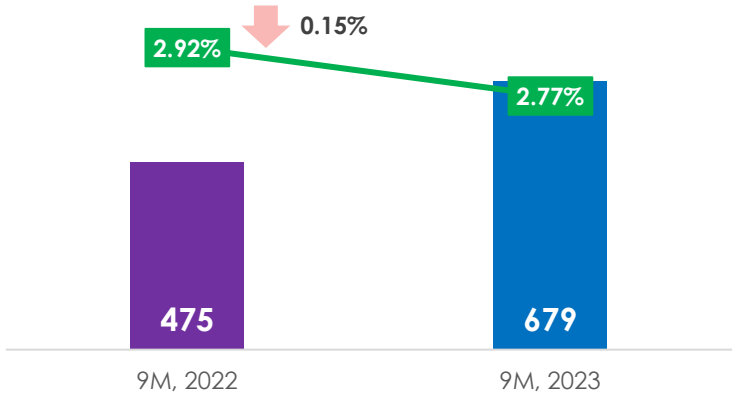
Optimize gross profit due to success in managing CTG, GDT & Supplier Deals

Gross Profit Growth
9M 22 vs 9M 23

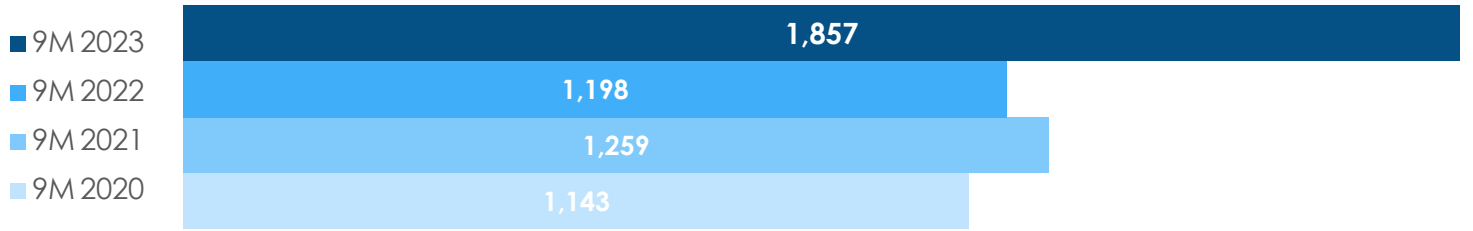
 **55%**

Gross Profit Optimization (YTD)

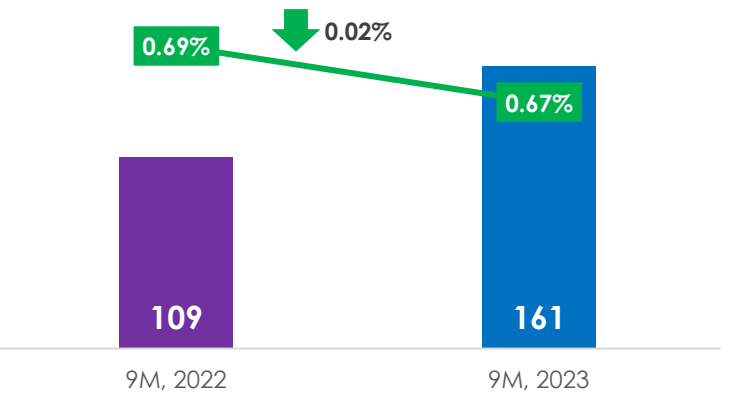
Cash Discount Given (Millions)



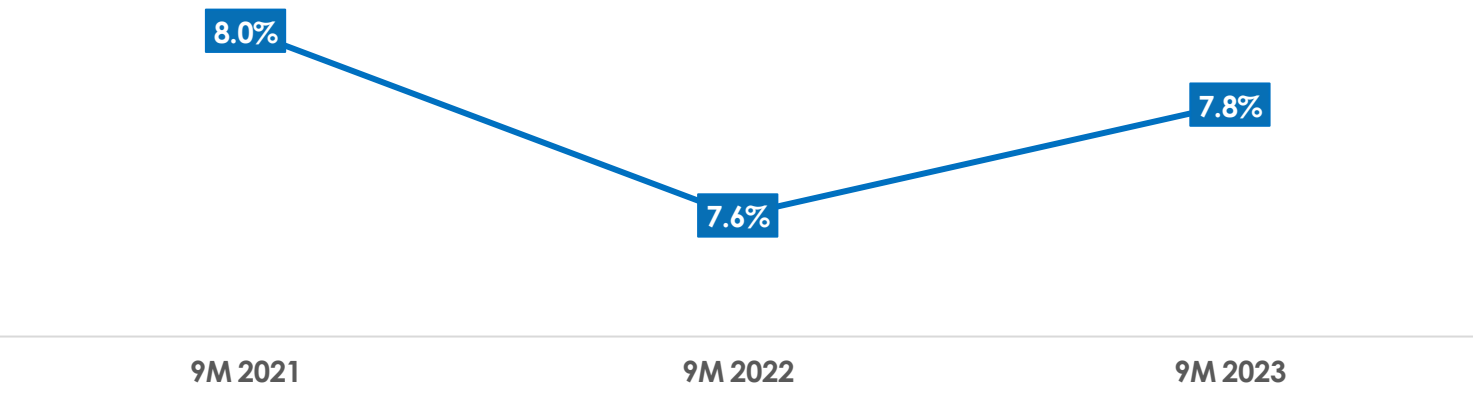
Gross Profit Value (Millions)



Cash Discount Taken (Millions)

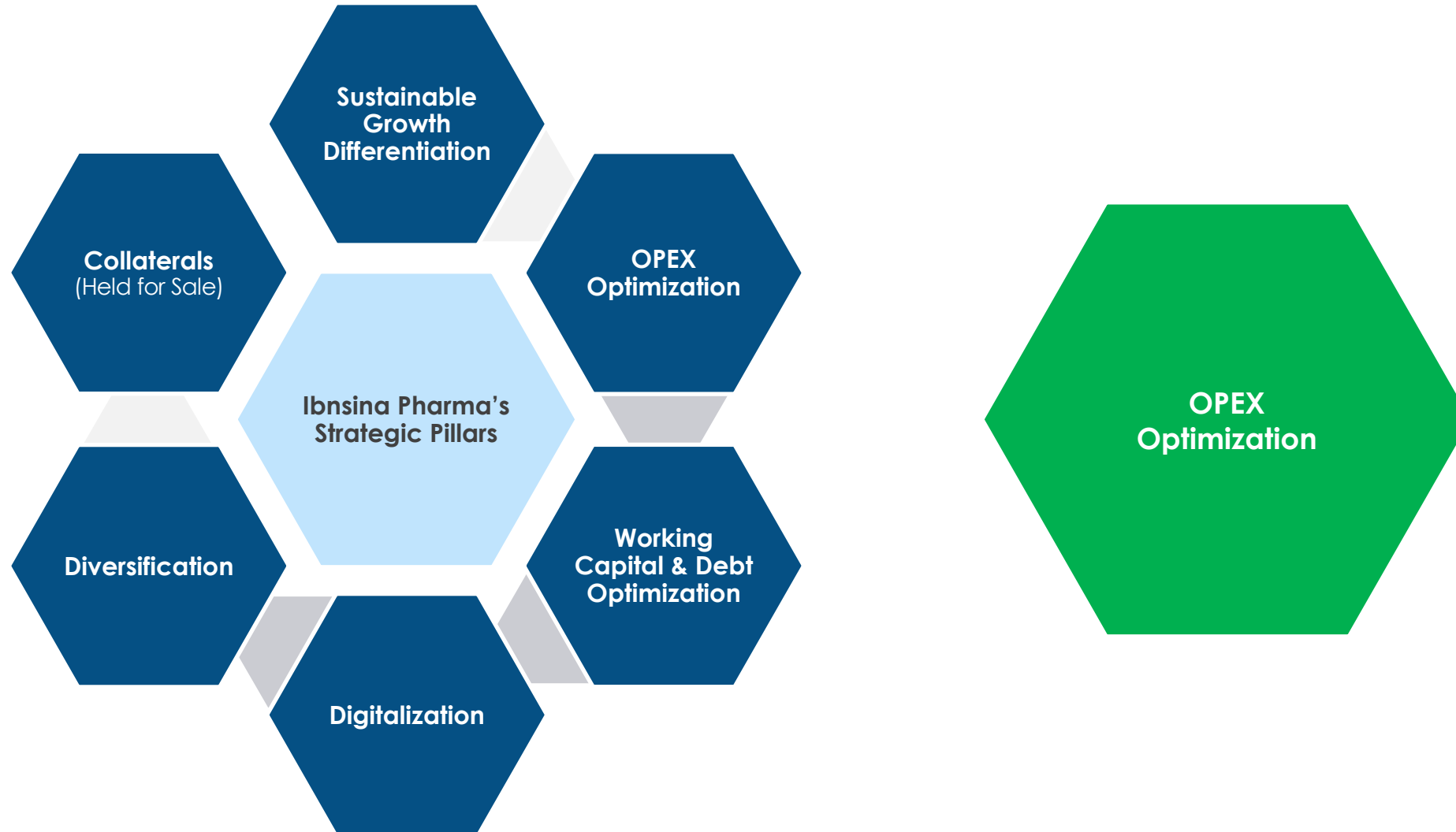


Gross Profit Trend



ISPH Strategy 2023-2024: ISP Strategy

OPEX Optimization



Operational Productivity: Optimization

Optimizing key operational metrics, reflecting positively on EBITDA



851



71

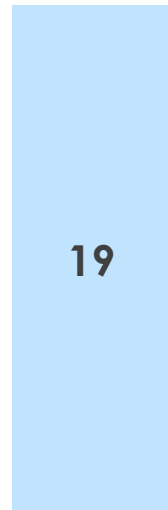


7521

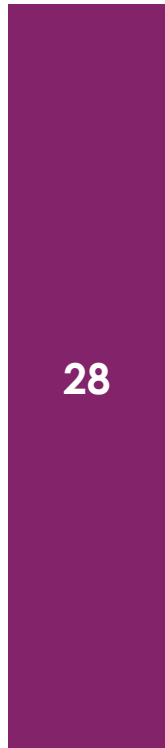
Optimization of Vehicles | Sites | FTE's

Revenue Per Vehicle

47%



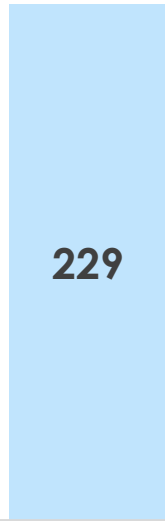
9M 2022



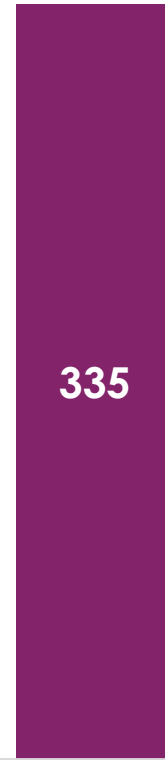
9M 2023

Revenue Per Site

46%



9M 2022



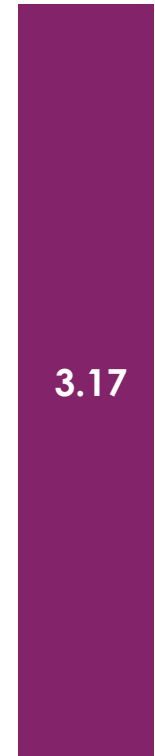
9M 2023

Revenue Per FTE

37%



9M 22

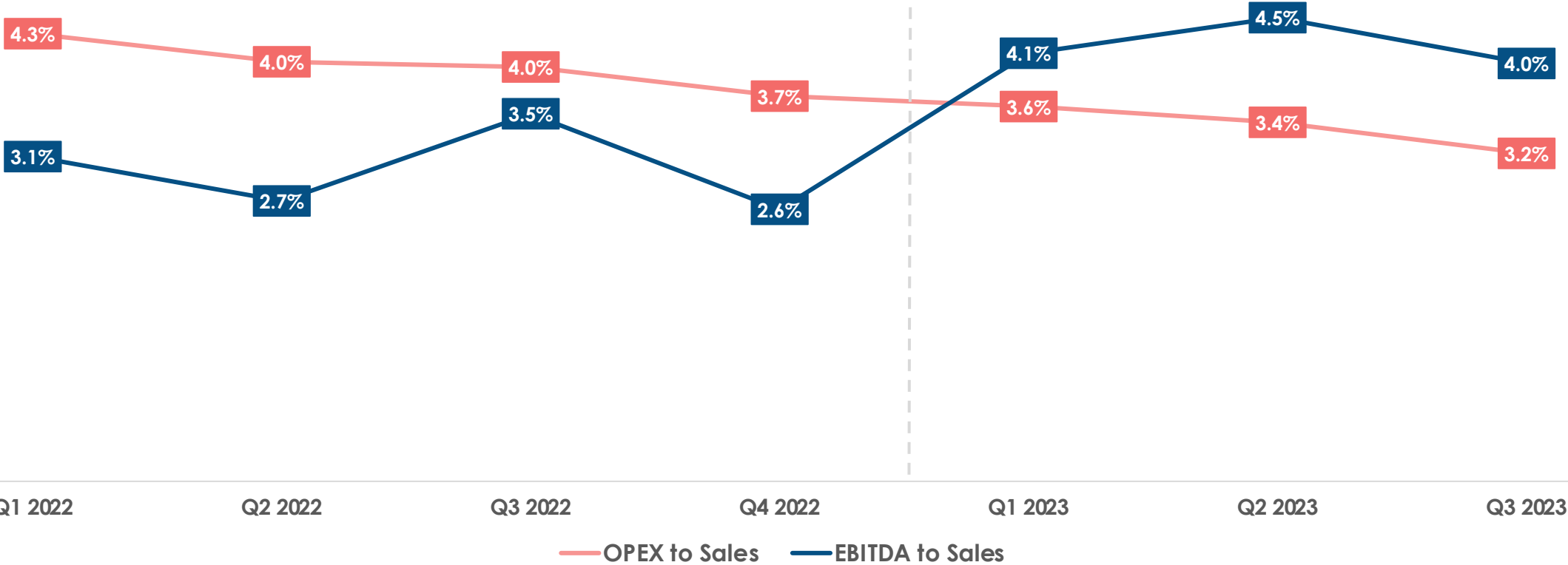


9M 23

OPEX Optimization: Optimization

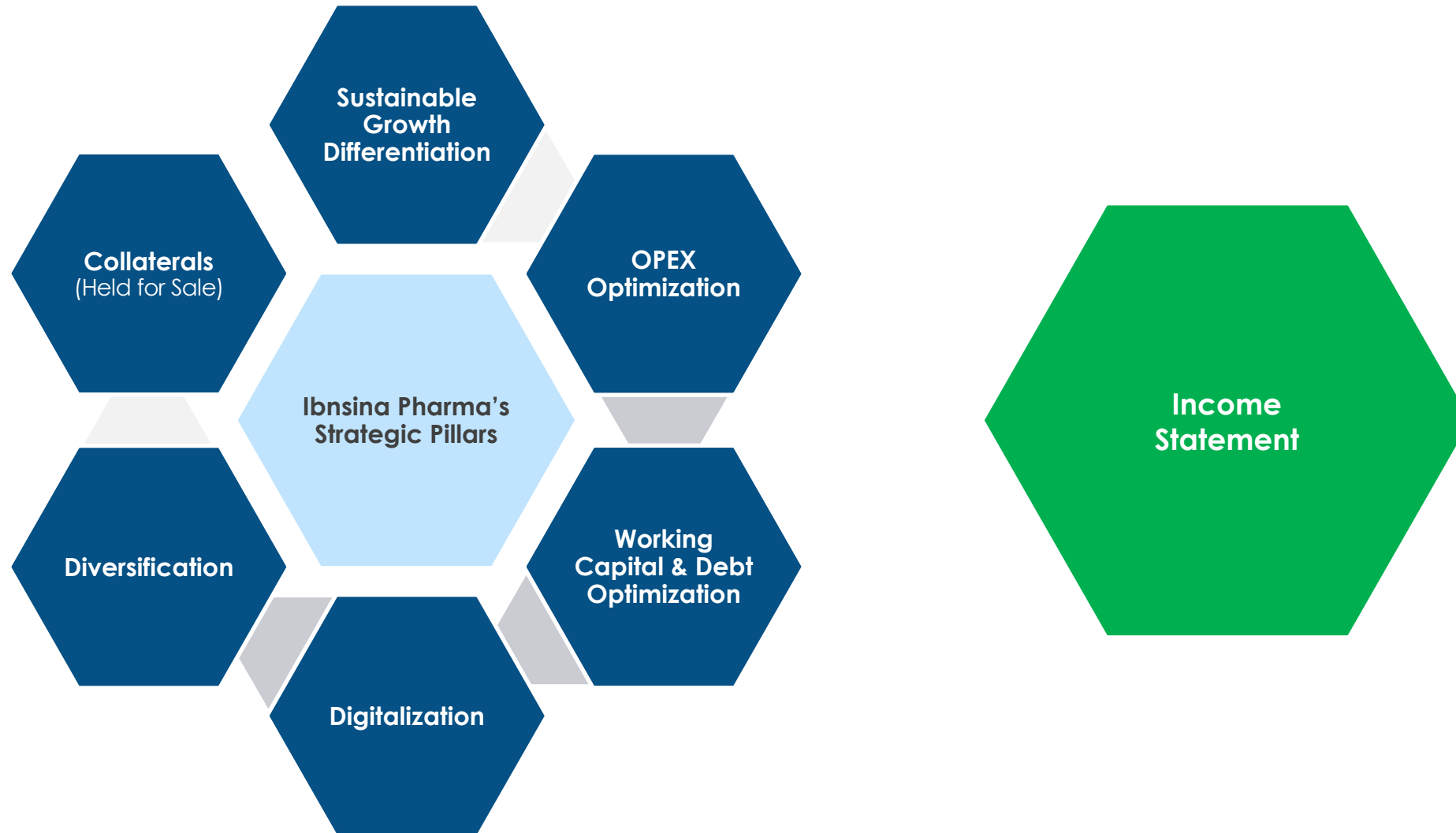
New lowest Opex to Sales recorded in Q3 2023 with a steady decline against rising EBITDA margin

OPEX vs EBITDA (% of Sales - QOQ)



ISPH Strategy 2023-2024: ISP Strategy

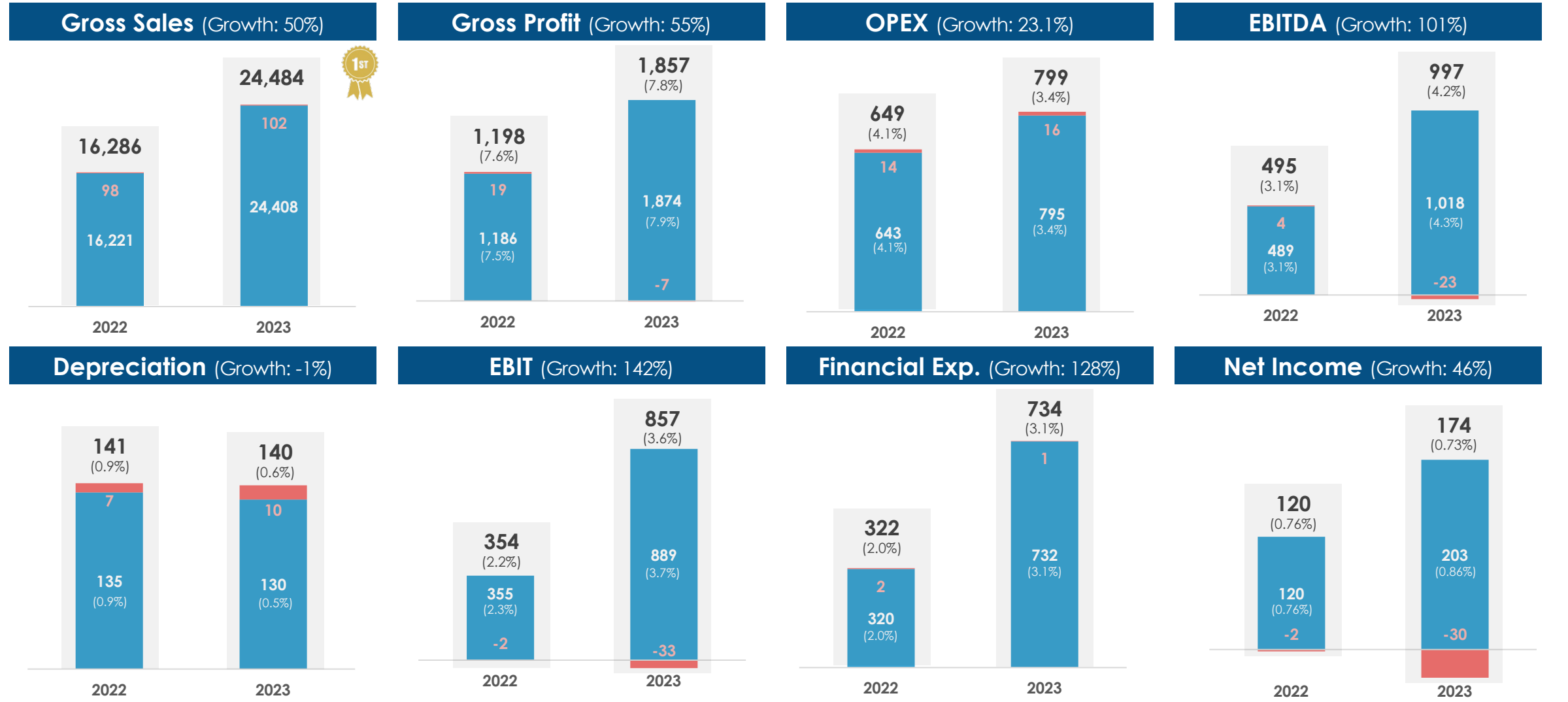
Income Statement



Income Statement: 9M 22 vs 9M 23

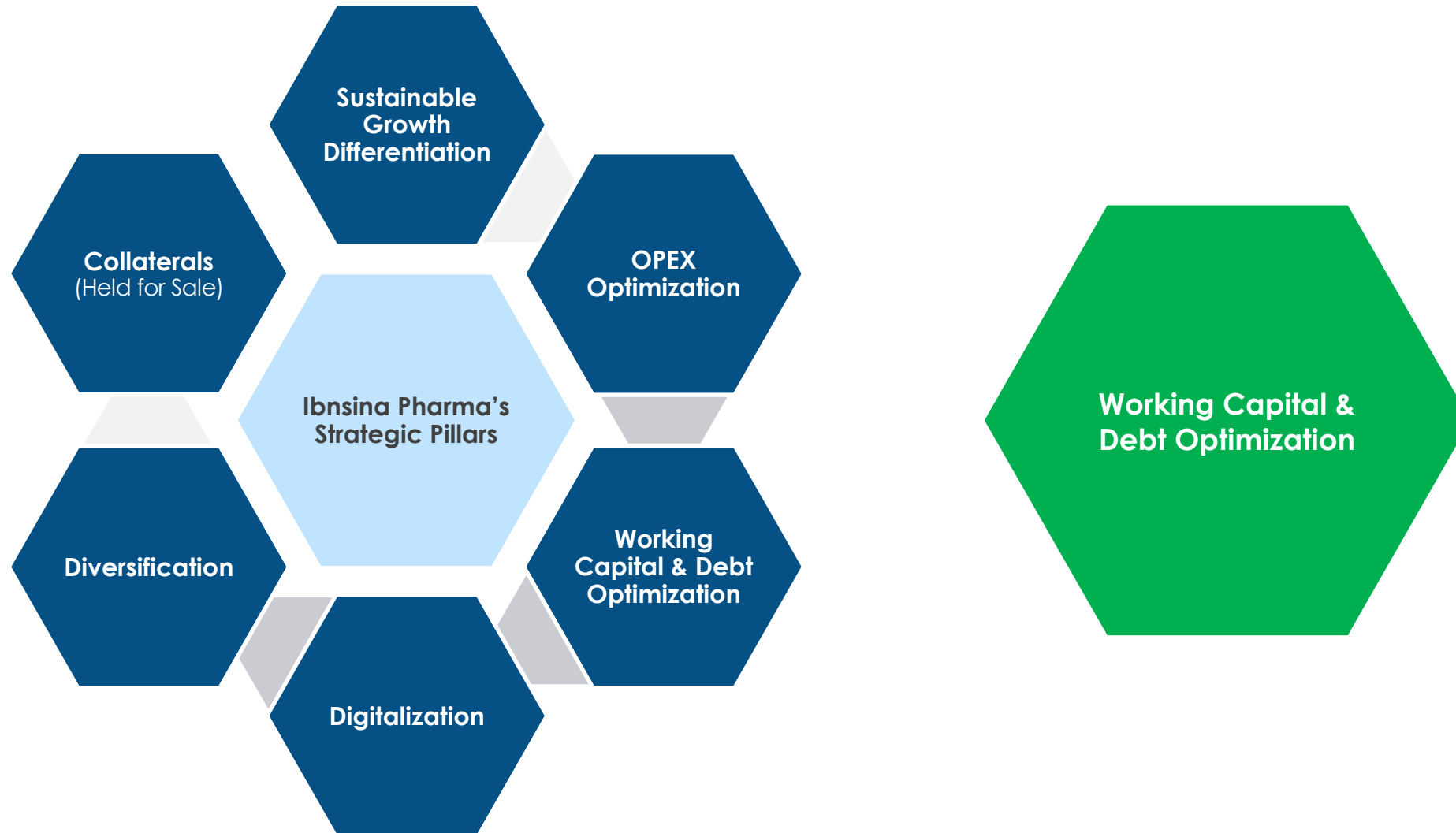
46% growth in NP collectively despite set-backs in subsidiaries performance and due to the solid position of Ibsina Pharma

ISP Consolidated
ISP Standalone
AIM Consolidated



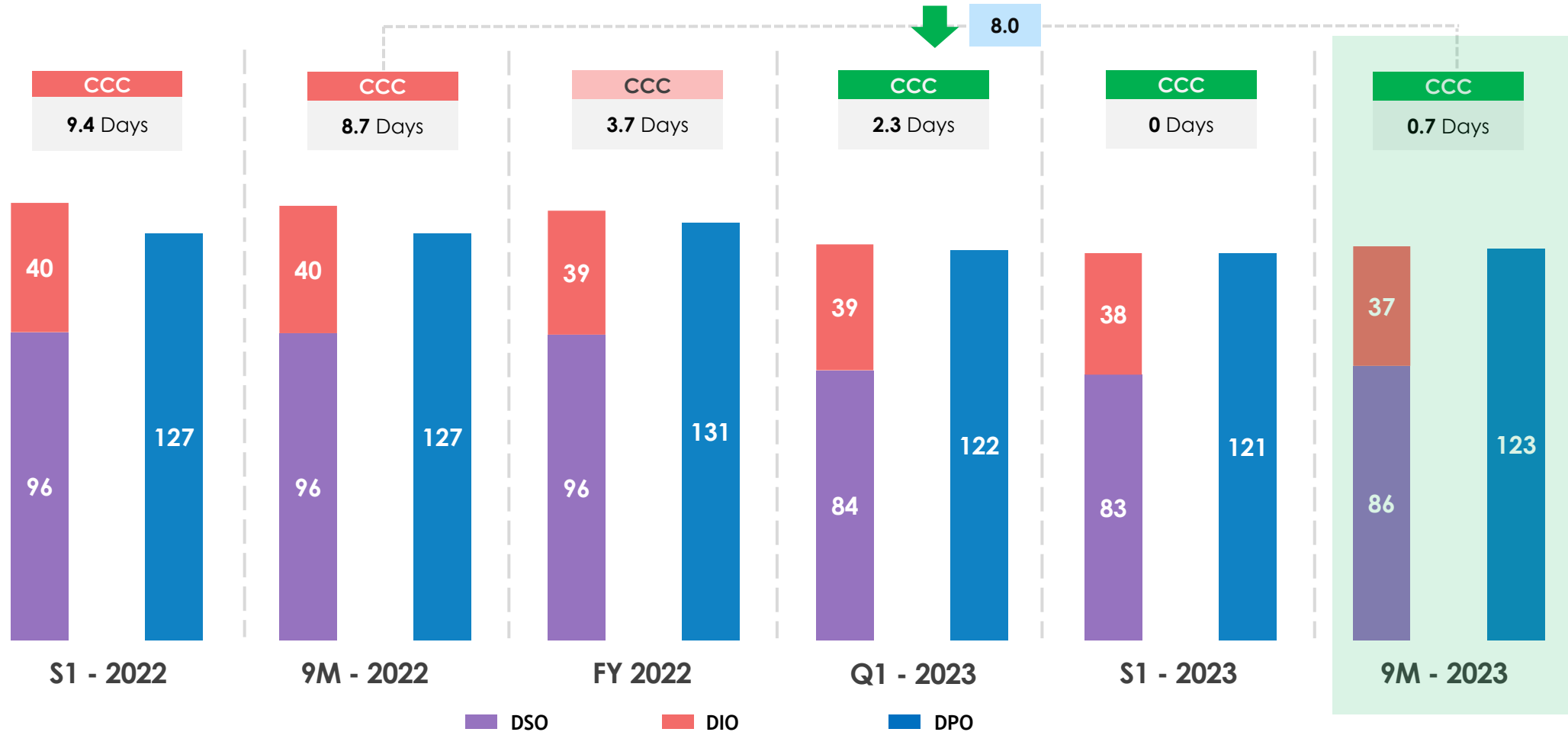
ISPH Strategy 2023-2024: ISP Strategy

Working Capital & Net Debt Optimization



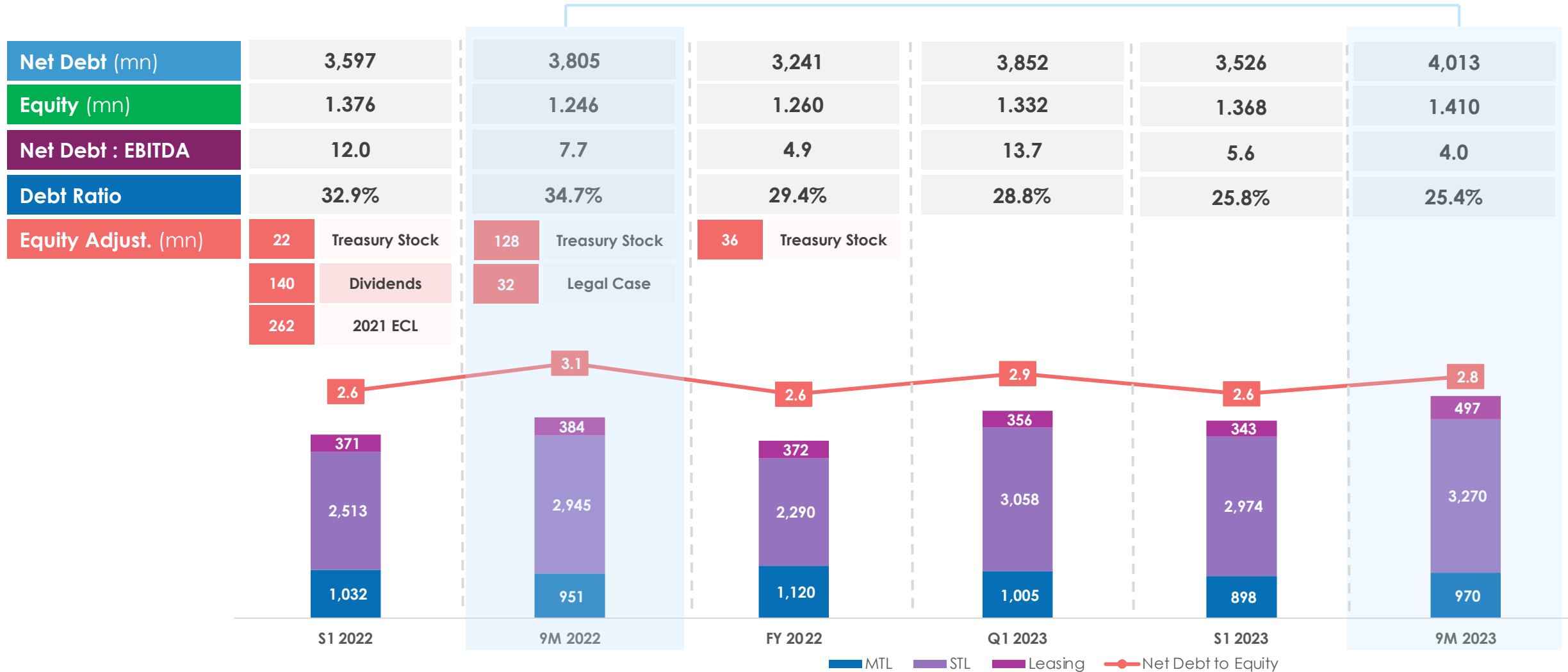
Working Capital Optimization: Exceptional Relative Performance

Maintaining a healthy CCC further supports spontaneous financing and free cash flow.



Net Debt Optimization: Net debt maintained at same level despite growth

Net Finance Bearing Debt to Equity at last 3 quarters levels despite recent Equity multiple adjustments & Revenue growth



Cash Flow Statement: 9M, 2023 Financial Figures

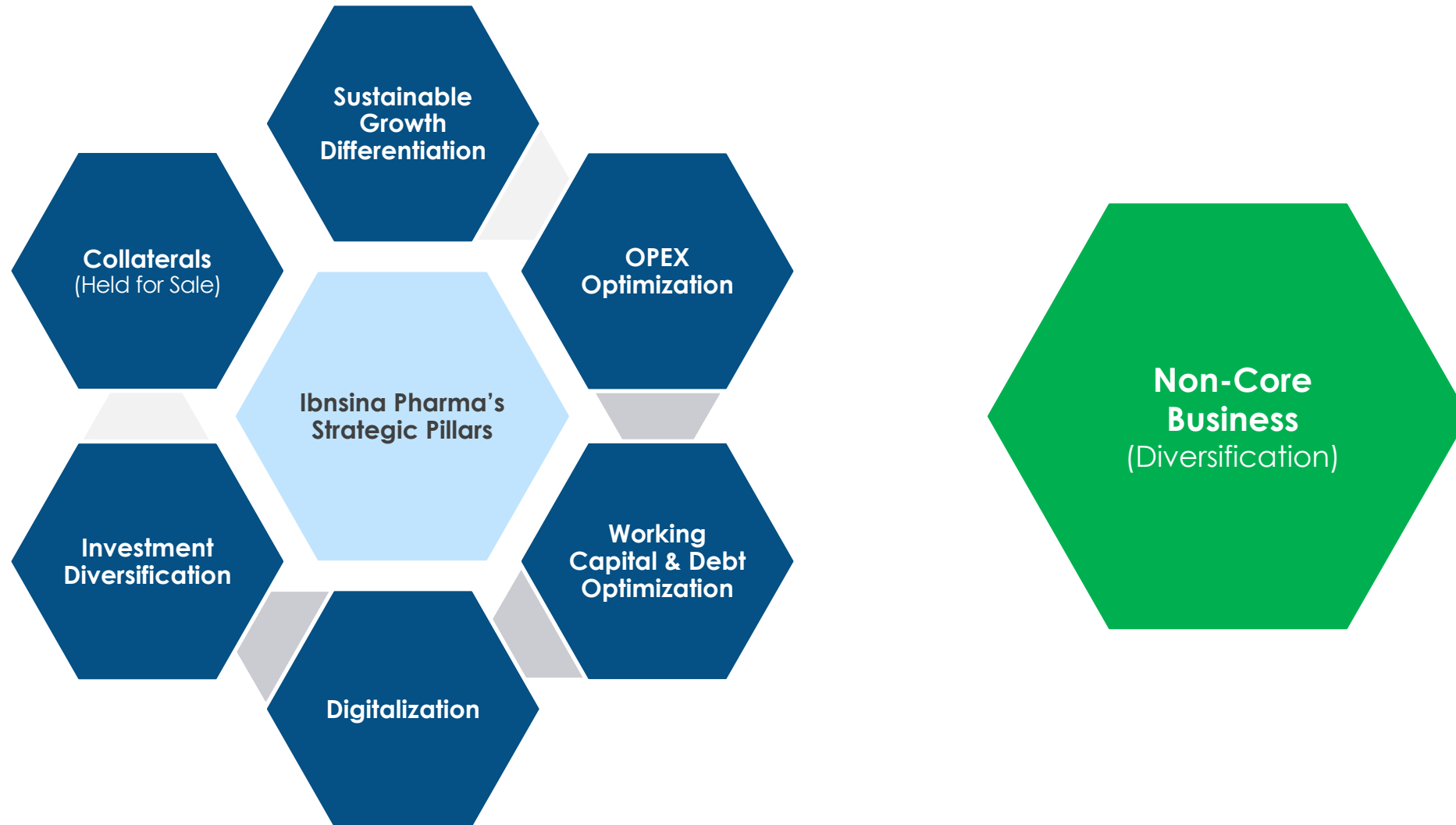
300mn enhancement in cash flow from operations QoQ; leveraged by extended supplier payment

Cash Flow Statement

In EGP	9M 23	9M 22		
Cash flow from operating activities:				
Net profit for the year before tax and non-controlling interests	224,323,632	149,308,174	Used from Provisions	(318,769) (689,379)
Adjustments to reconcile net profit to cash from operating activities:			(Paid) from financing interest	(690,085,575) (287,505,569)
Depreciation of fixed assets	84,392,701	86,008,035	Net cash flow from operating activities	(410,043,593) (251,827,849)
Amortization of intangible assets	4,627,748	3,818,365	Cash flow from investment activities:	
Depreciation of Right of use assets	50,600,428	51,270,298	(Payments) to acquire fixed assets and projects under construction	(310,875,434) (881,105,838)
Expected credit (losses) / Impairment in the value of account and notes receivable	60,894,907	53,402,295	Payment to acquire intangible assets	(3,927,428) (14,231,397)
Sale assets held for sale (Gain)	(1,230,027)		Payments to acquire assets held for sale	(508,657,449)
Capital gain	(387,401)		Proceeds from selling fixed and intangible assets	1,217,811 1,684,724
Financing Expenses	733,820,498	321,694,094	Proceeds from selling assets held for sale payments for assets	47,032,476 41,400,000
Retained Earning settlement			Net cash flow (used in) investment activities	(266,552,575) (1,360,909,960)
Net Operating profit before changes in working capital	1,157,042,486	665,501,261	Cash flow from financing activities:	
Changes in working capital:			Dividends paid	(22,938,409) (140,400,000)
Change in inventory	(1,751,610,741)	(187,393,146)	(payments) in treasury stock	(150,266,752)
Change in accounts and notes receivable	(3,494,431,184)	308,244,373	Proceeds from selling treasury stock	491,055
Change in suppliers in- advance	(32,719,700)	(63,068,584)	Increase in lease liabilities	148,870,666 23,811,040
Change in debtors and other debit balance	(266,312,639)	(106,091,410)	Proceeds from credit facilities	980,372,476 1,342,758,249
Change in due from related parties	72,023		(Payments) Proceeds from short and long-term loans	(194,239,591) 543,622,999
Change in suppliers and notes payable	4,588,085,428	(427,057,651)	(Paid) for Lease liabilities	(52,337,260)
Change in due to related parties	136,592		Net cash flow from financing activities	859,727,882 1,620,016,591
Change in account receivable in-advanced	5,523,610	(2,717,954)	Net change in cash and cash equivalents during the period	183,131,714 7,278,782
Change in creditors and other credit balances	74,574,876	(151,049,790)	Cash and cash equivalents at the beginning of the period	541,210,495 468,543,798
Cash flow from operating activities	280,360,751	36,367,099	Cash and cash equivalents at the end of the period	724,342,209 475,822,580

ISPH Strategy 2023-2024: ISP Strategy

Investment Diversification



Investment Diversification: New Business Lines

Ibnsina follows a strategic path to diversify portfolio; introducing 2 new business lines with great prospects and very high synergy with ISP's core business

Non-pharmaceutical Distribution

Overview on Business

Free Priced - Relatively Higher Distribution Margin - Lower Network Costs and CAPEX - Lower SLA - Shorter Collection Period & Lower Discounts

Contracted Suppliers: 28

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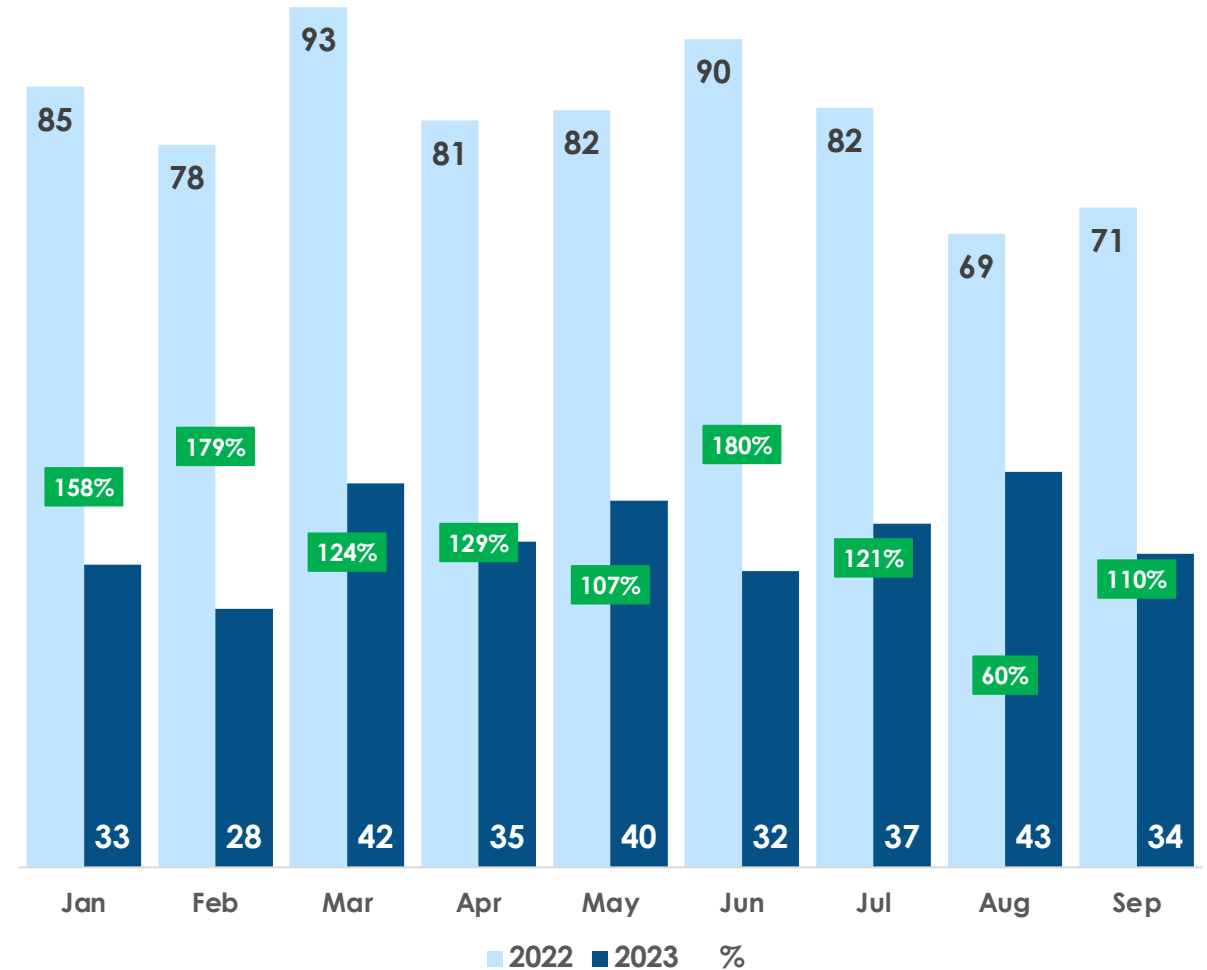
Johnson & Johnson

Dymatize

Roche

High-level Financial Performance – 9M, 2023

Revenue	+	731mn
YoY Growth	+	126%
GPM	+	11.5%



Investment Diversification: New Business Lines

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Medical Promotion

(Scientific Office Outsourcing)

Overview on Business

Low investment business, managing outsourced medical promotion, multiple financial gains due to high synergy and positive impact on **ISP's Market Share**

Active Accounts



SANDOZ



HC: 86

Start Date: June 22

Contract Size: 1.2bn

HC: 36

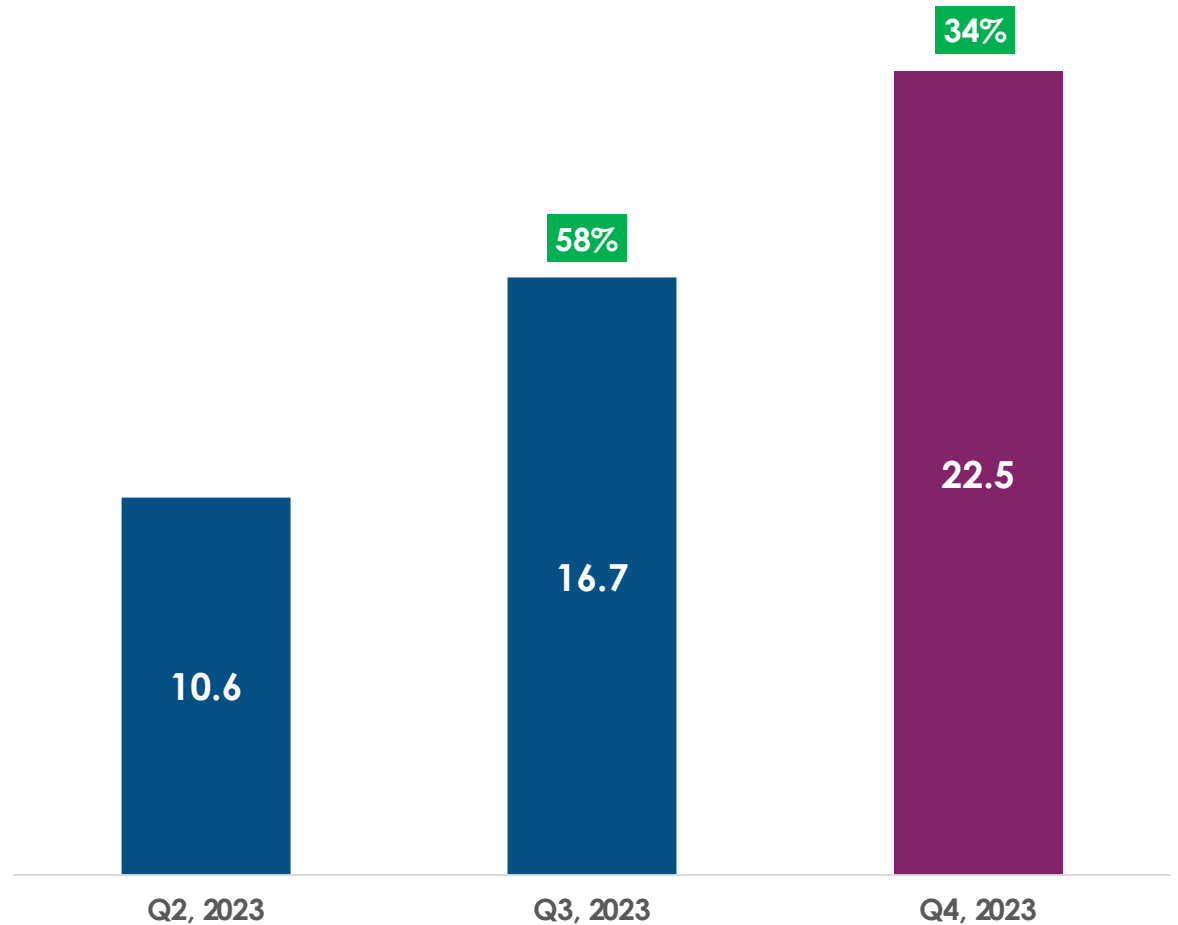
Start Date: Jan 22

Contract Size: 185mn

SO 9M Commission

28mn

■ Total Medical Promotion Revenue



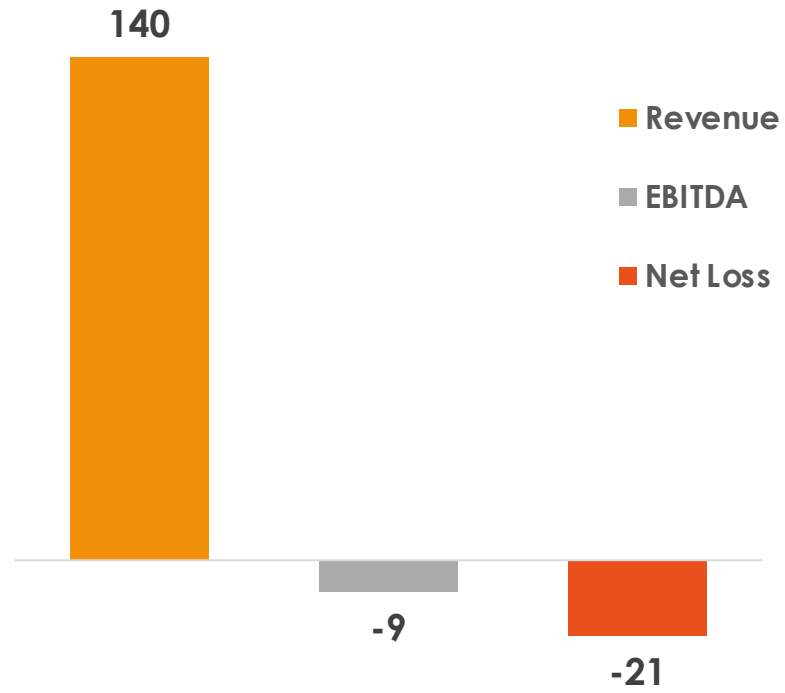
Ramp Logistics Review: P&L Analysis – Challenges & Actions

Positive revenue growth against negative EBITDA & Net Profit with prospected positive bottom line by year end



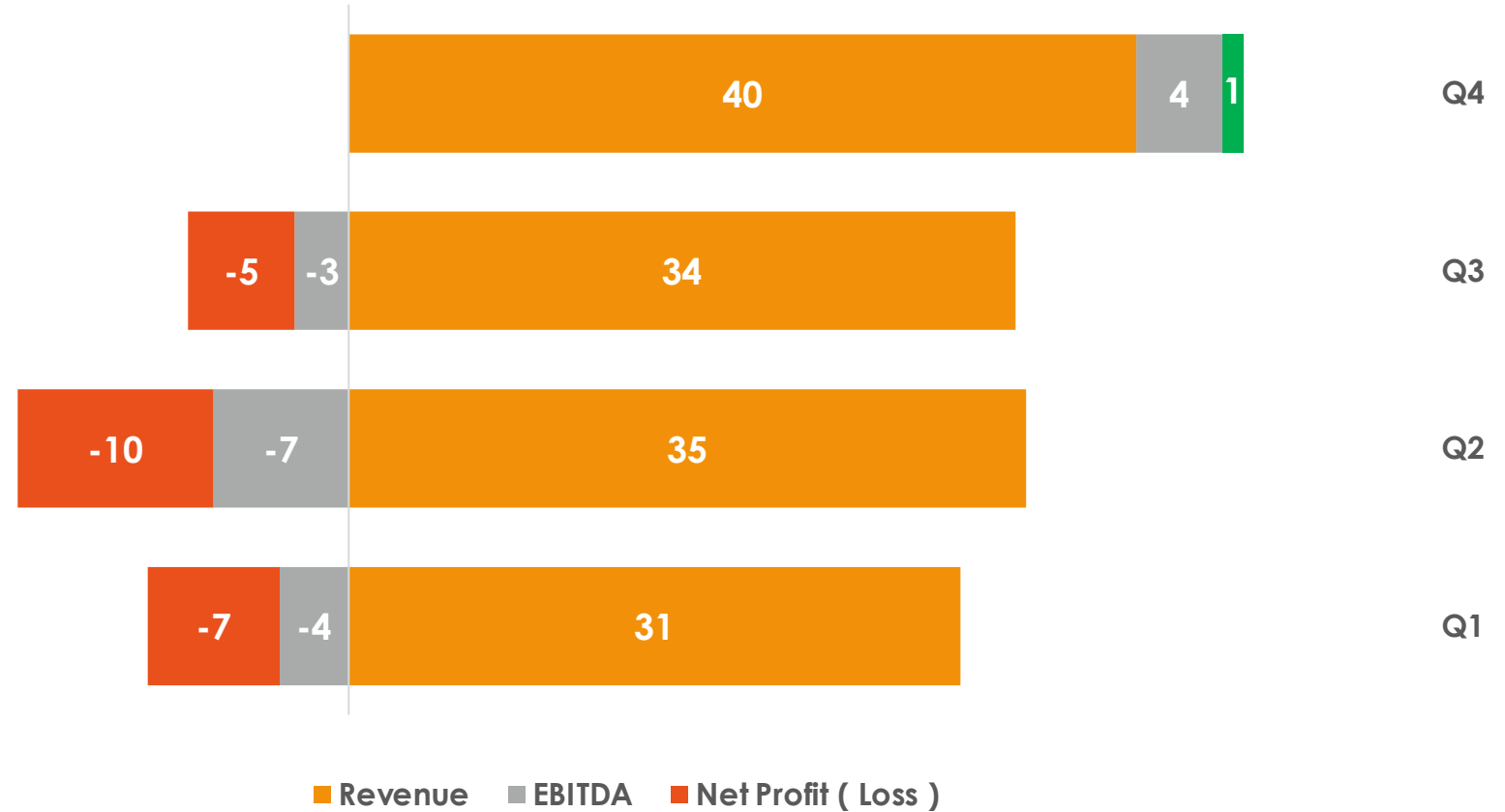
P&L - 2023 Full Year Outlook

P&L - 2023 Full Year Outlook Results



■ Revenue
■ EBITDA
■ Net Loss

P&L - 2023 Full Year Performance – By Quarter



■ Revenue ■ EBITDA ■ Net Profit (Loss)

Key Challenges

Exit of Saudi Key Customers

One-time-loss



ibnsinapharma