



Q4, 2023  
Investor Review

# Outline: Board Presentation

Business Performance YTD, Challenges & Key Initiatives



# Pharma Market Dynamics


Macros and pharma market  
status



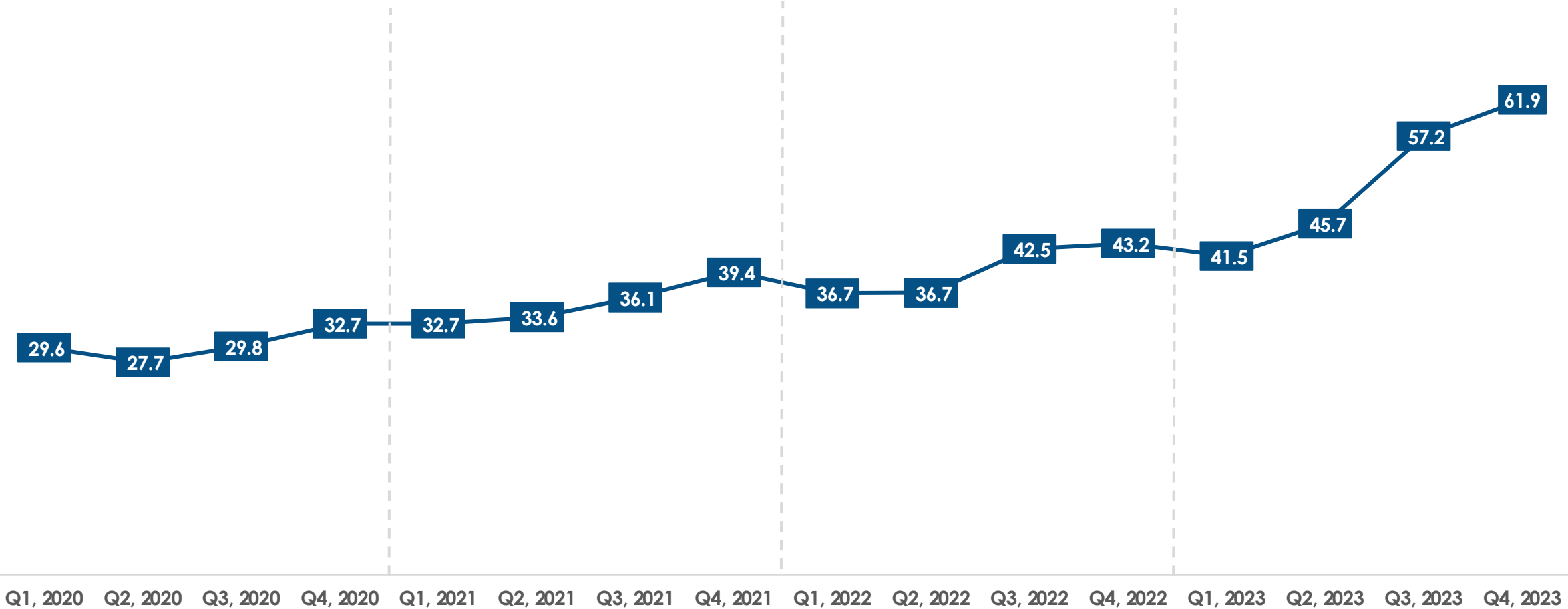
# Pharma Market: Total Pharma Market Growth

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

**Market Value**  
FY 22 vs FY 23



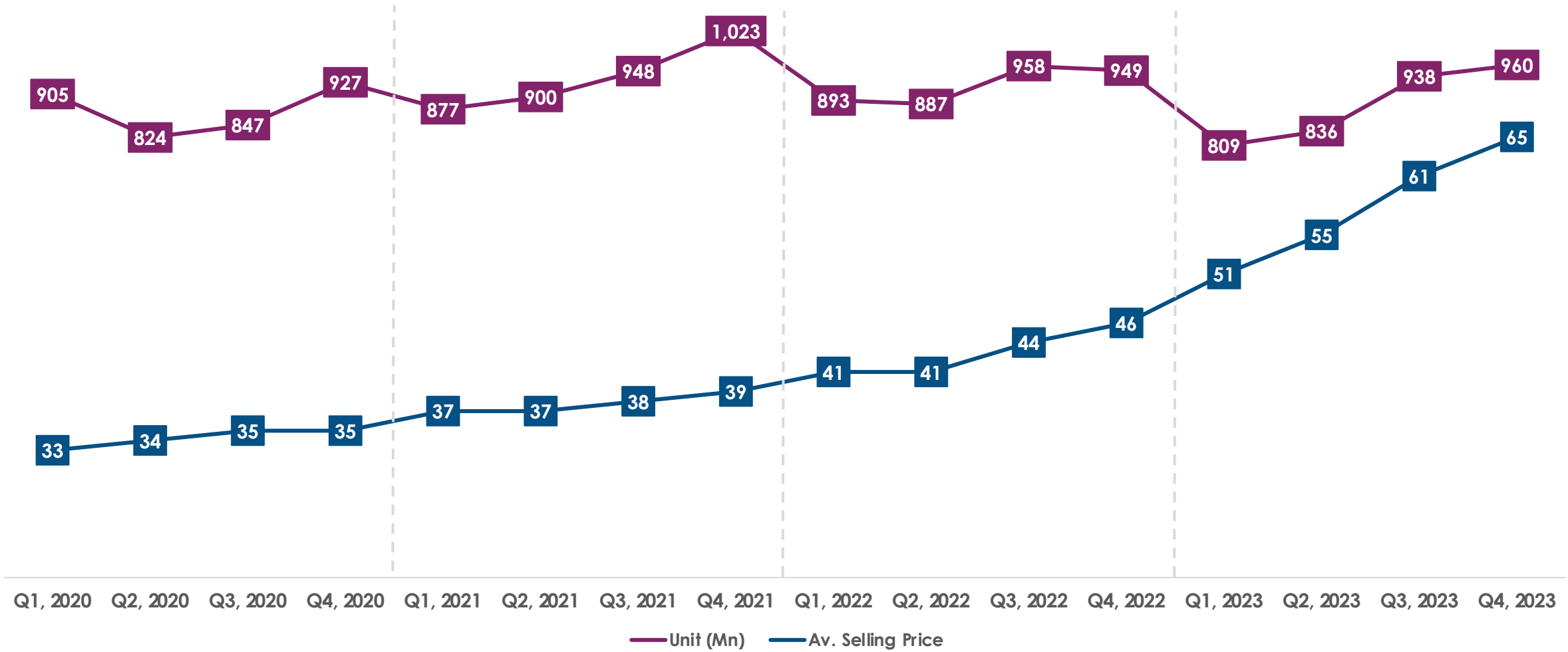
**30%**



# Pharma Market: Growth Drivers

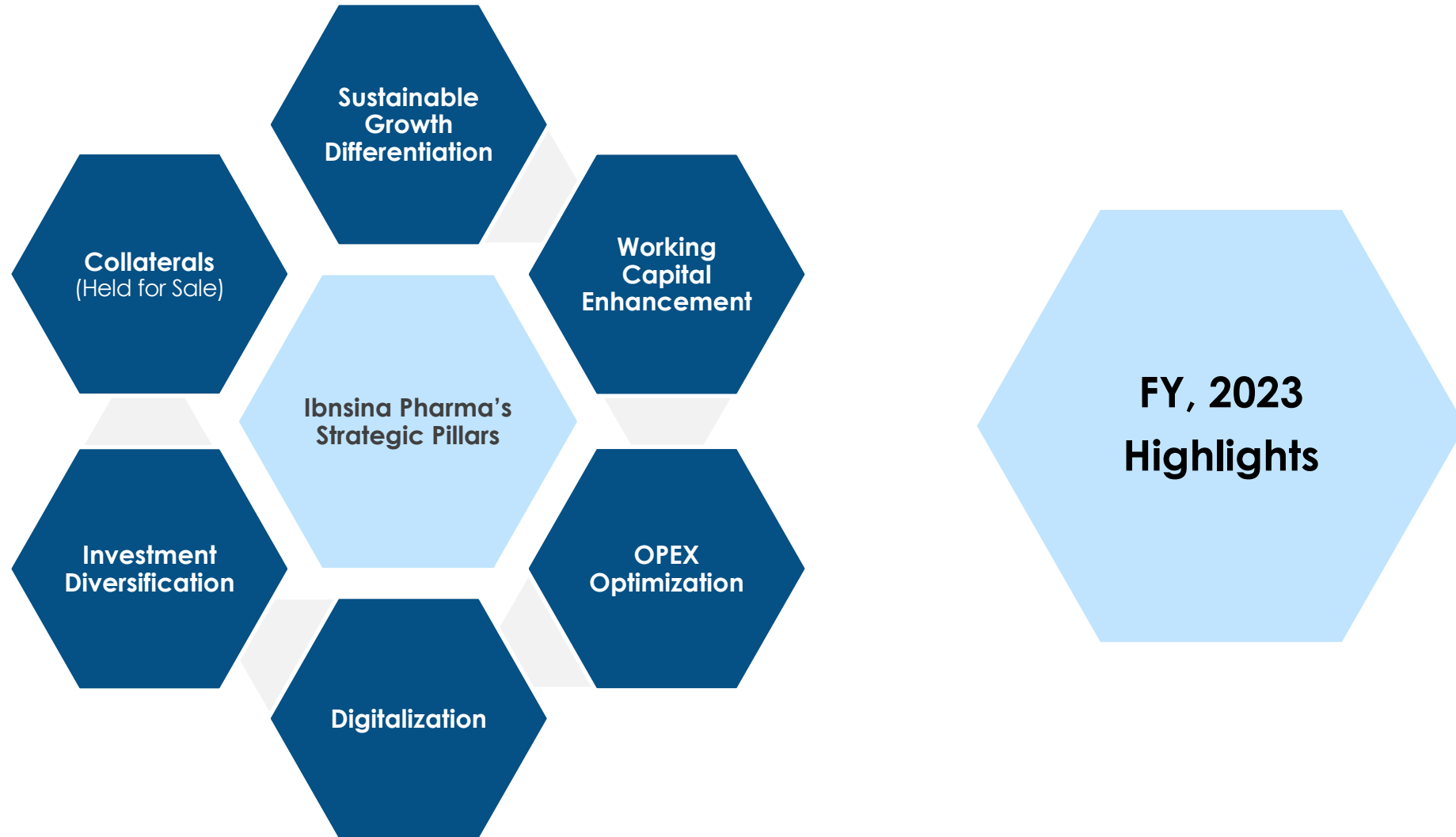
Growth leveraged by "Average Selling Price" growth compensating decline in "Units sold"

Units Sold	ASP
FY 22 vs FY 23	FY 22 vs FY 23
↓ -4%	↑ 34%



# ISP Strategy 2023-2024: FY, 2023 Highlights

Key highlights on 9 months' results



# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023 results



**24%**  
Market Share –  
FY



**53%**  
Growth in  
Revenue  
(35bn)



**56%**  
Growth in  
Gross Profit  
(2.5bn)



**100%**  
Growth in  
EBITDA  
(1.3bn)



**24%**  
Growth in  
Net Profit  
(214mn)



**25.6%**  
Debt Ratio  
(13% ↓ vs 22)



**-0.8**  
Days of cash  
conversion  
(vs 3.7)



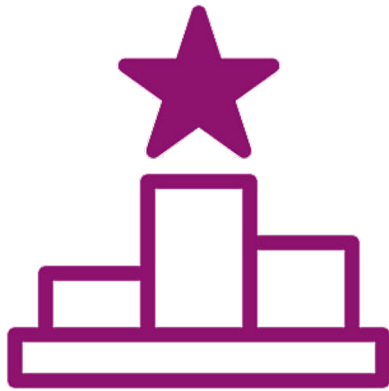
**100%**  
Roll-out



**3**  
Non-Core business  
Performance

# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023 results



**24%**

Market Share –  
FY



**4% in Market Share**

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



**Market Leadership  
Position**



# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023's results



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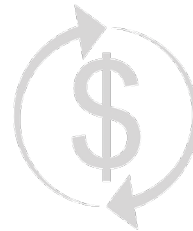
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Non-Core business  
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# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023 results



**53%**

Growth in Revenue  
(35bn)

## Exceptional Growth in Revenues

Double Market Growth (30%)

FY 2023 Revenue 12bn Higher than 22

# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023's results



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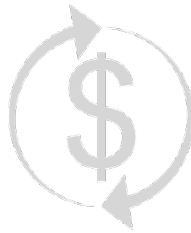
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# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023 results



**56%**

Record Growth in  
Gross Profit  
(2.5bn)

**Higher Growth in GP vs  
Revenue (53%)**

Importation Margins

Non-Pharma Distribution Margins

# ISP Strategy 2023-2024: Q4, 2023 Highlights

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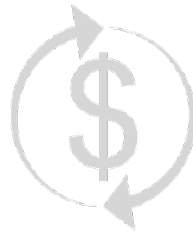
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# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023 results

## Exponential growth in EBITDA

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

EBITDA Doubled with 1.32bn FY, 23 vs  
0.66bn FY, 22



**100%**

Growth  
in EBITDA  
**(1.3bn)**

# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023's results



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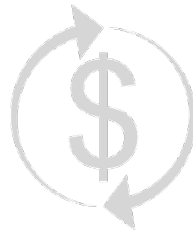
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# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023 results

## Healthy Growth in NPM

Despite dramatic rise of interest rate by 119% compared to Jan 22

Plus, inflation impact on OPEX



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Growth in Net Profit  
(214mn)



# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023's results



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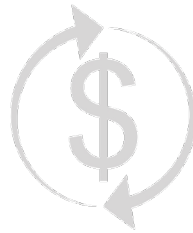
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# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023 results



**25.6%**  
Debt Ratio  
(13% ↓ vs 22)

**Decrease in Debt Ratio from  
29.4% to 25.6% (YoY)**

75% of total assets are free financed

Further supporting bottom line  
figures

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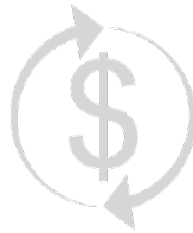
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# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023 results



**-0.8**

Days of  
Cash Conversion  
(vs 3.7)

## Maintaining Healthy Levels of CCC

Despite exceptional revenue growth  
by 53%

Drop by 4.5 days vs FY, 2022

# ISP Strategy 2023-2024: Q4, 2023 Highlights

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Roll-out



Non-Core business  
Performance

# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023 results



**100%**  
Roll-out

## Successful ERP roll-out

Ongoing stabilization phase

Integrating business cycles to further optimizing operations

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Performance

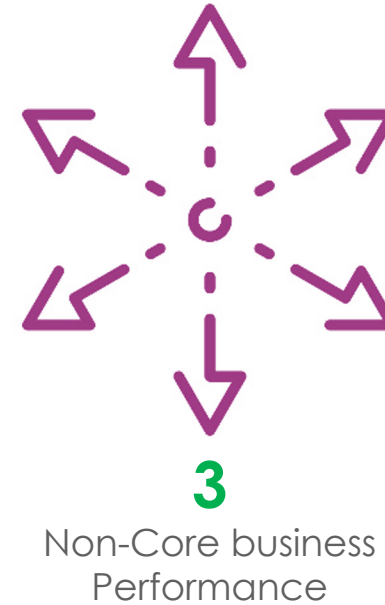
# ISP Strategy 2023-2024: Q4, 2023 Highlights

Key highlights on 2023 results

## Diversifying portfolio with new business lines

Higher margins

Great synergy achieved further empower core business





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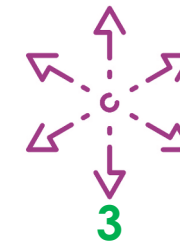
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Roll-out

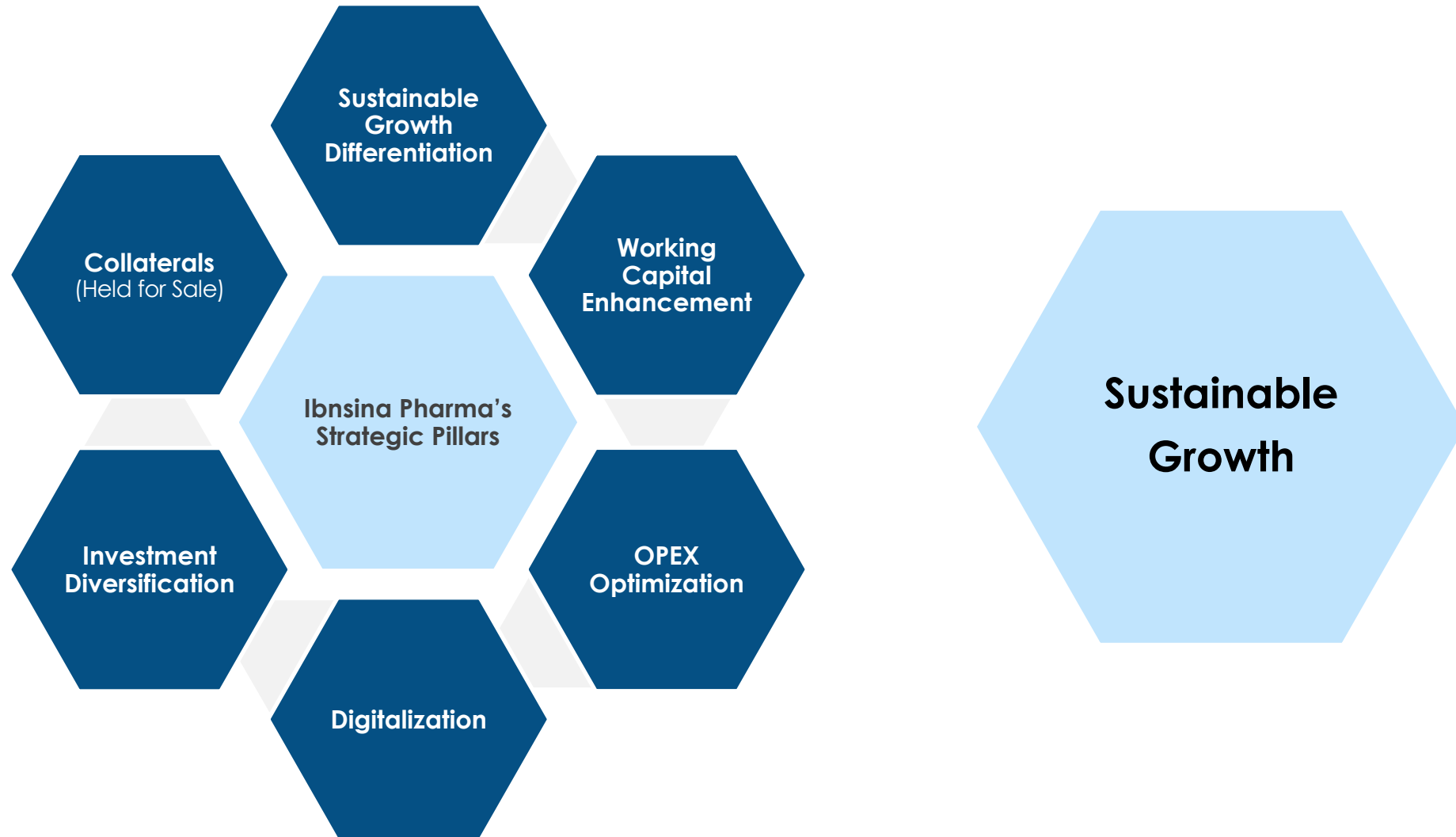


**3**

Non-Core business  
Performance

# ISPH Strategy 2023-2024: ISP Strategy

Sustainable Growth



# Market Share: Total Market Value Performance

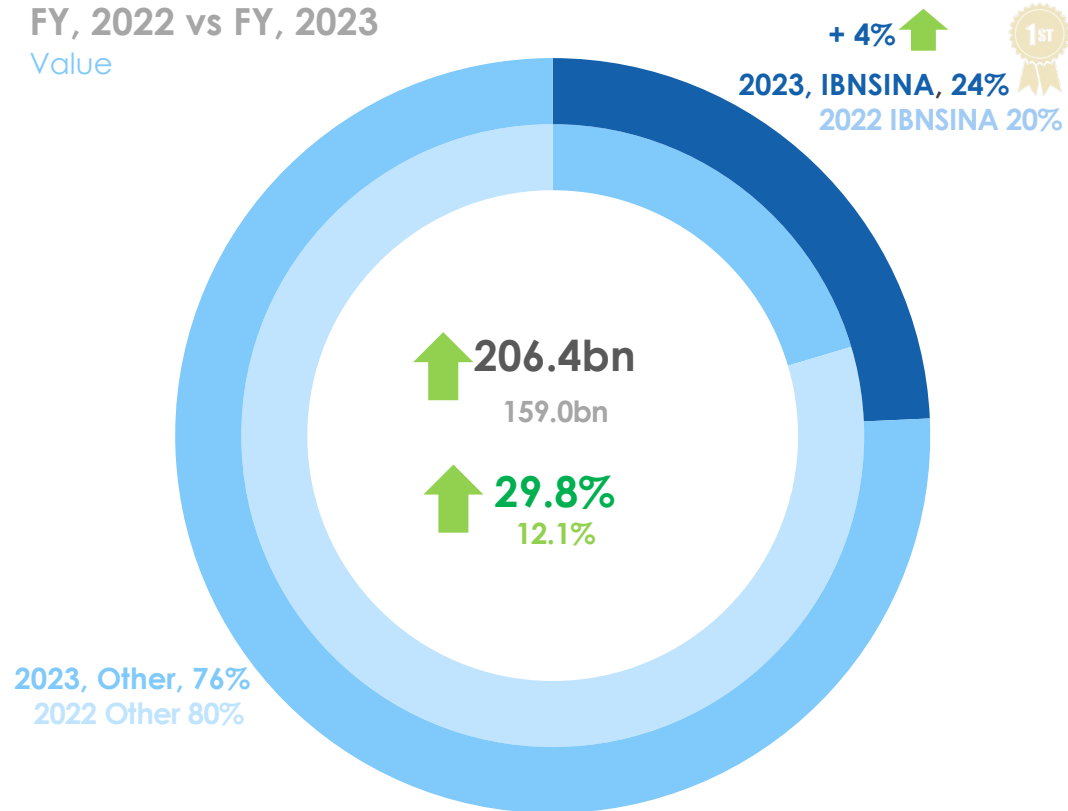
Ibnsina Pharma continues its successful run; retaining leadership position among competitors despite challenges.

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

## Market Share ISPH vs Market

FY, 2022 vs FY, 2023

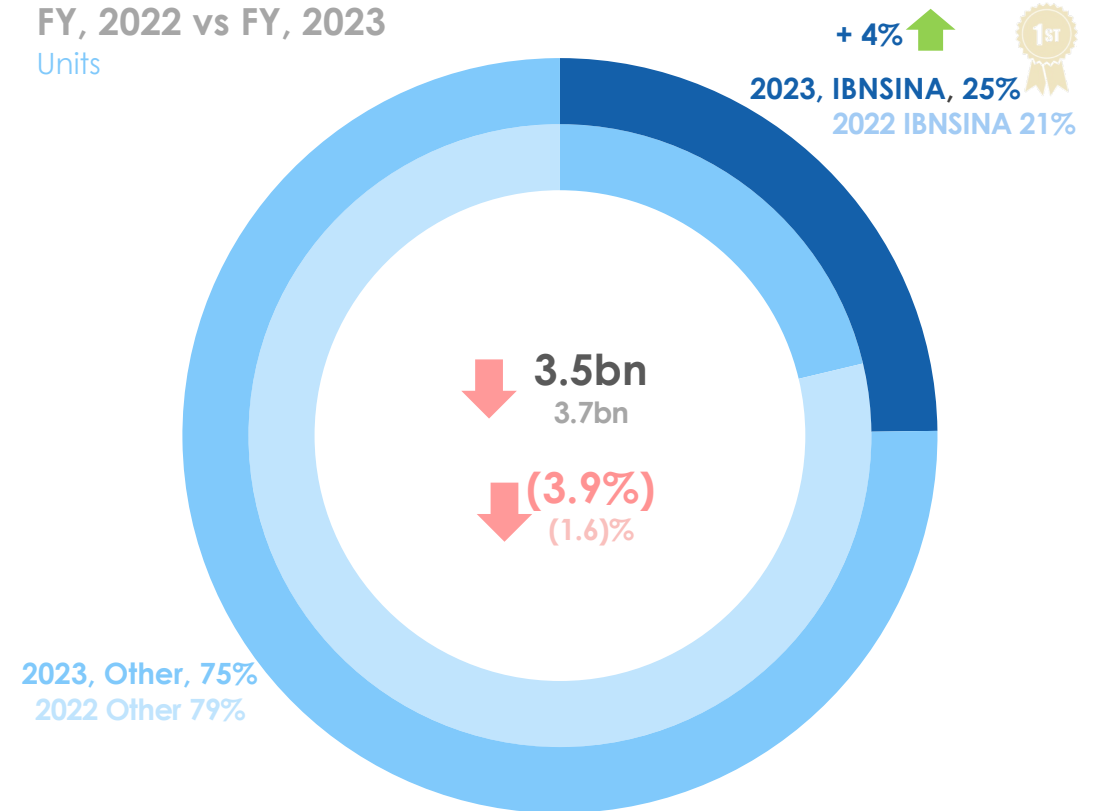
Value



## Market Share ISPH vs Market

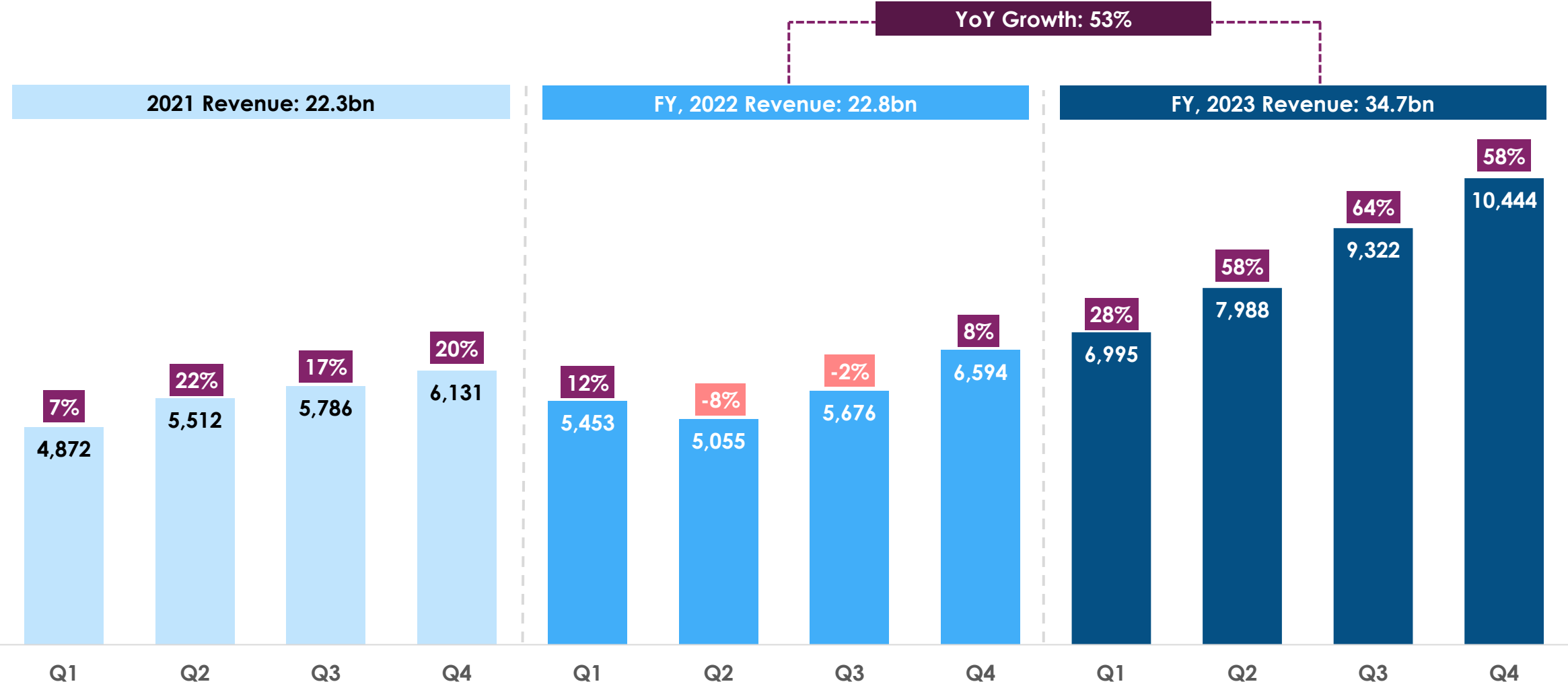
FY, 2022 vs FY, 2023

Units



# Revenue Analysis: Revenue Growth

Ibnsina Pharma achieves 58% QoQ revenue growth rate in 2023


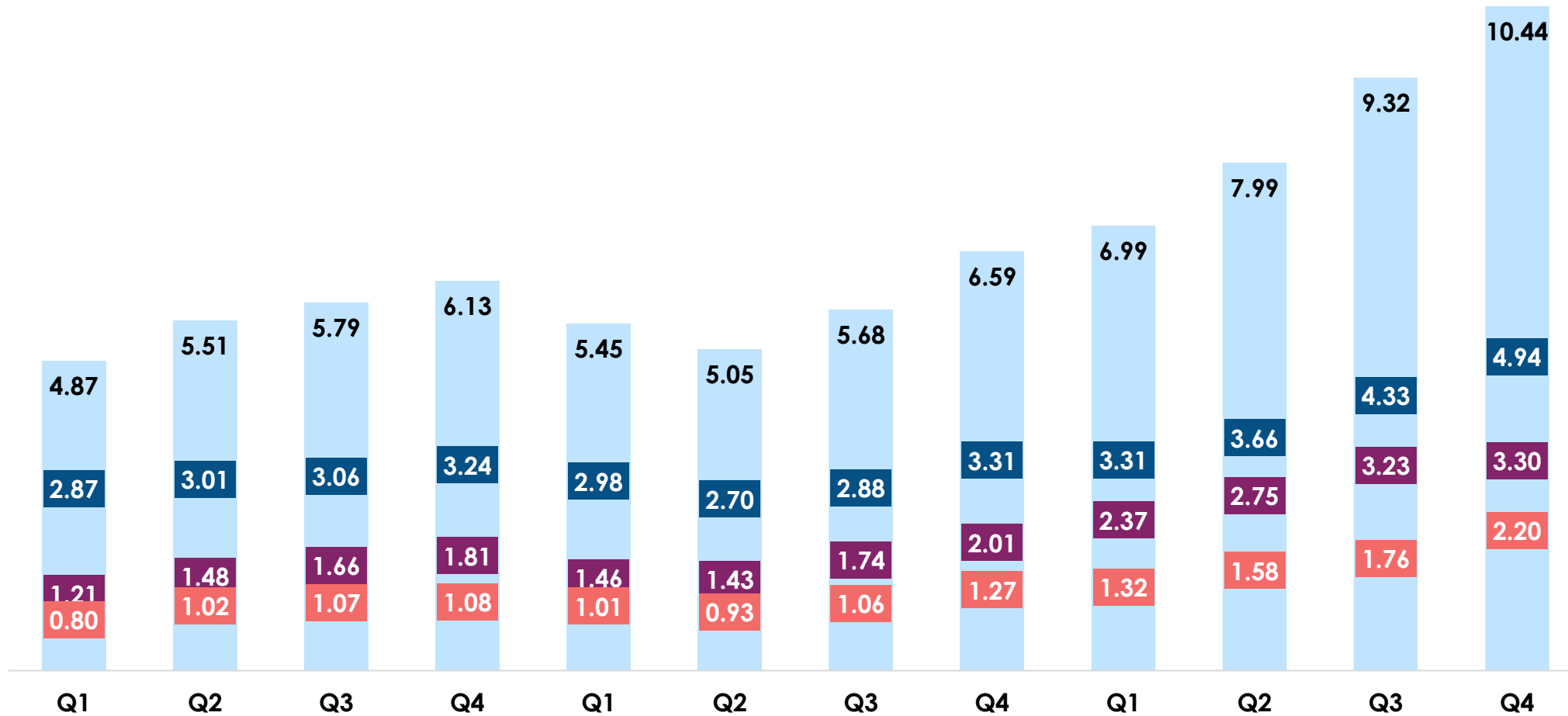


# Revenue Analysis: Growth Across All Business Units

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

**QoQ Growth**  
ISP Segments

**58%**

**Targeted QoQ Growth**

**Pharmacies**


**49%**

**Wholesale**

**64%**

**Hospitals**

**73%**



# Revenue Analysis: Subsidiaries & Non-core Business

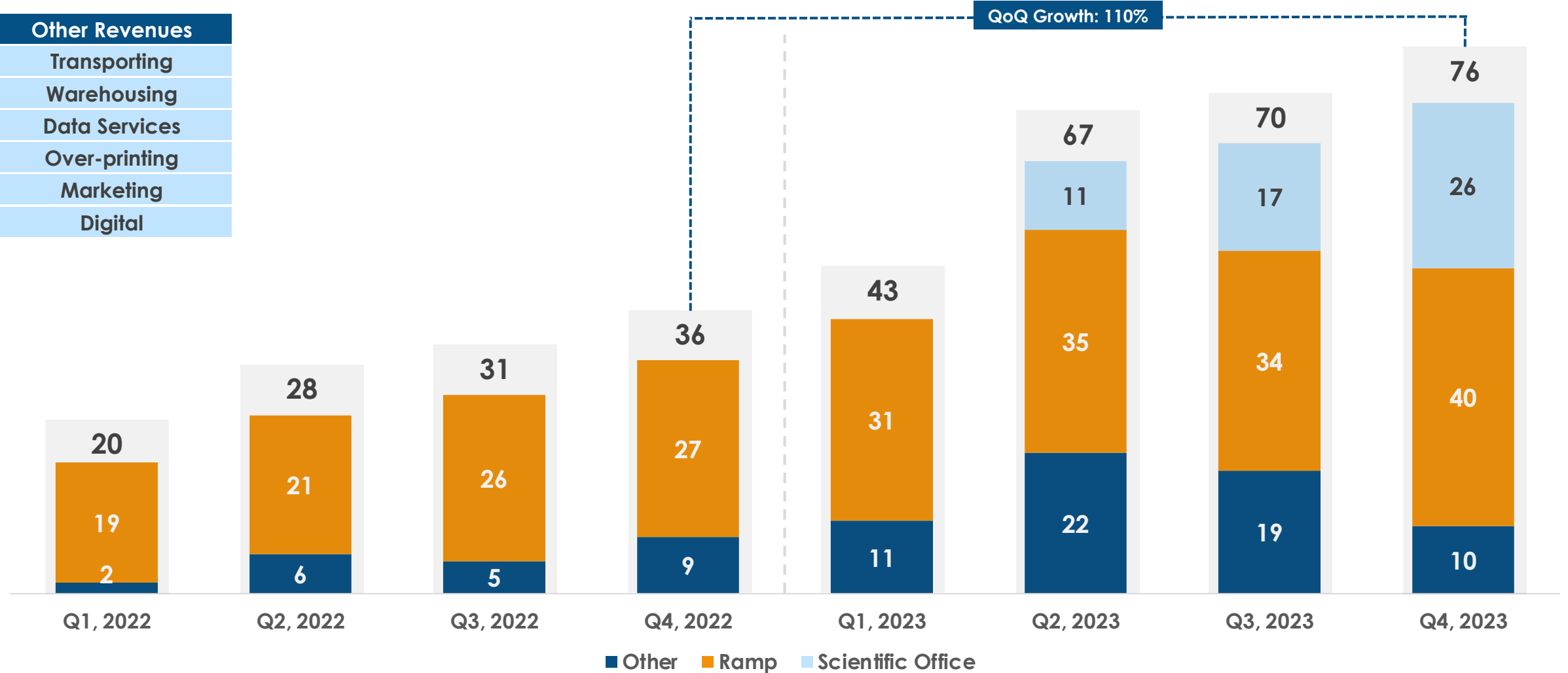
Diversifying portfolio for sustainability and higher growth potential

**Other Revenue Growth**  
FY, 22 vs FY, 23



**126%**

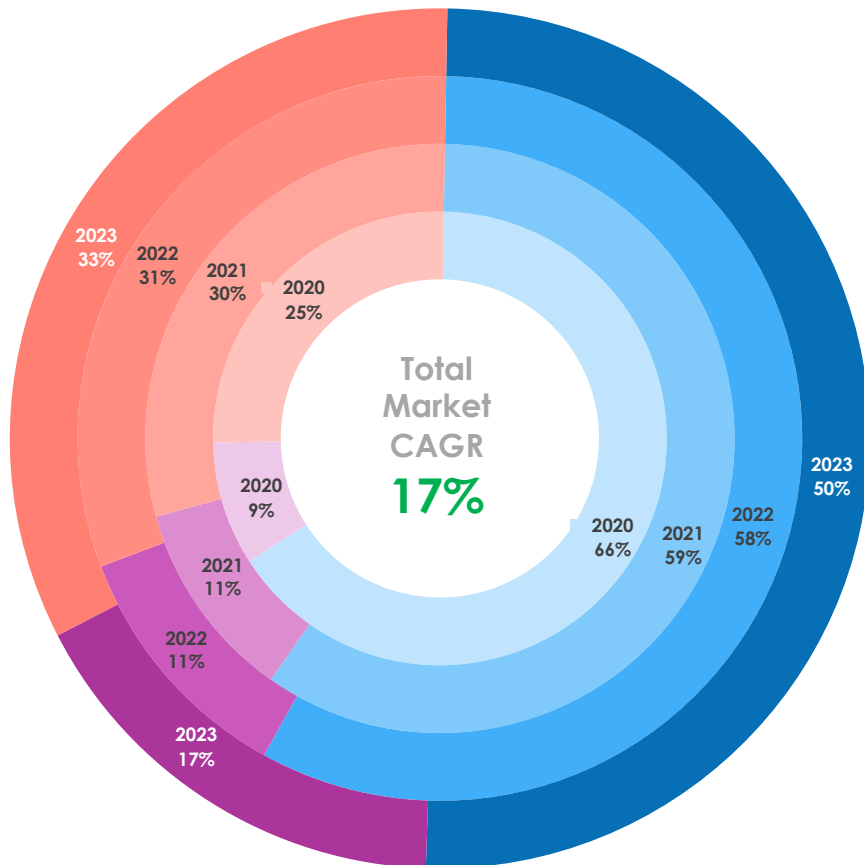
Other Revenues
Transporting
Warehousing
Data Services
Over-printing
Marketing
Digital



# Market Anatomy: Segments Performance

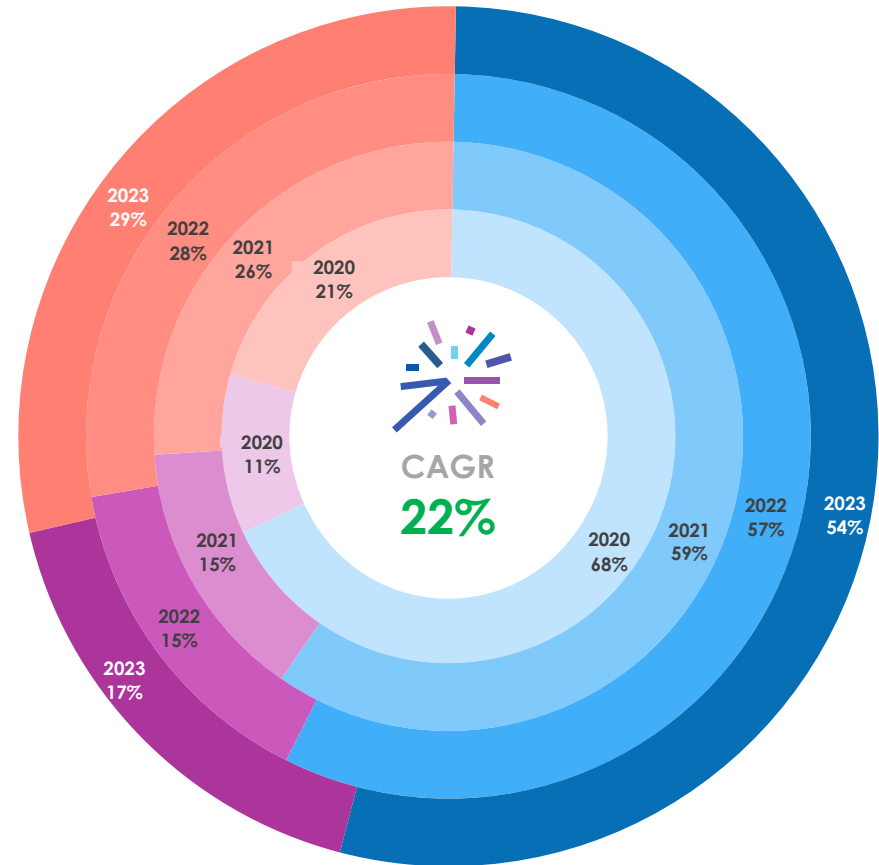
Ibsina Pharma growth is in line with market dynamics, growing wholesale segment **75%** in 2023

Market Anatomy – Segments' Contribution  
2020 – 2023 FY



↑ **Pharmacies** CAGR: 9%  
 ■ **Hospitals** CAGR: 24%  
 ■ **Wholesale** CAGR: 43%

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




↑ **Pharmacies** CAGR: 14%  
 ■ **Hospitals** CAGR: 33%  
 ■ **Wholesale** CAGR: 45%

# Gross Profit: Gross Profit Analysis

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

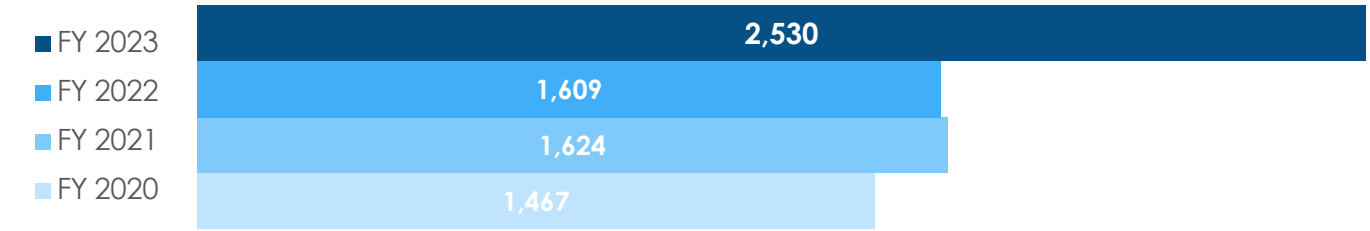
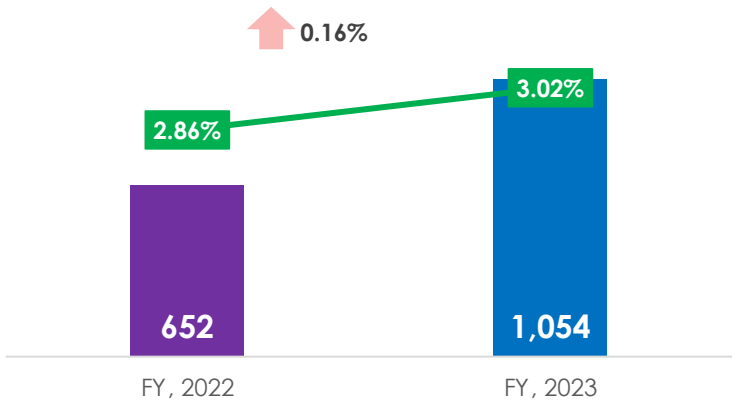
**Gross Profit Growth**  
FY 22 vs FY 23

 **57%**

## Gross Profit Optimization (FY)

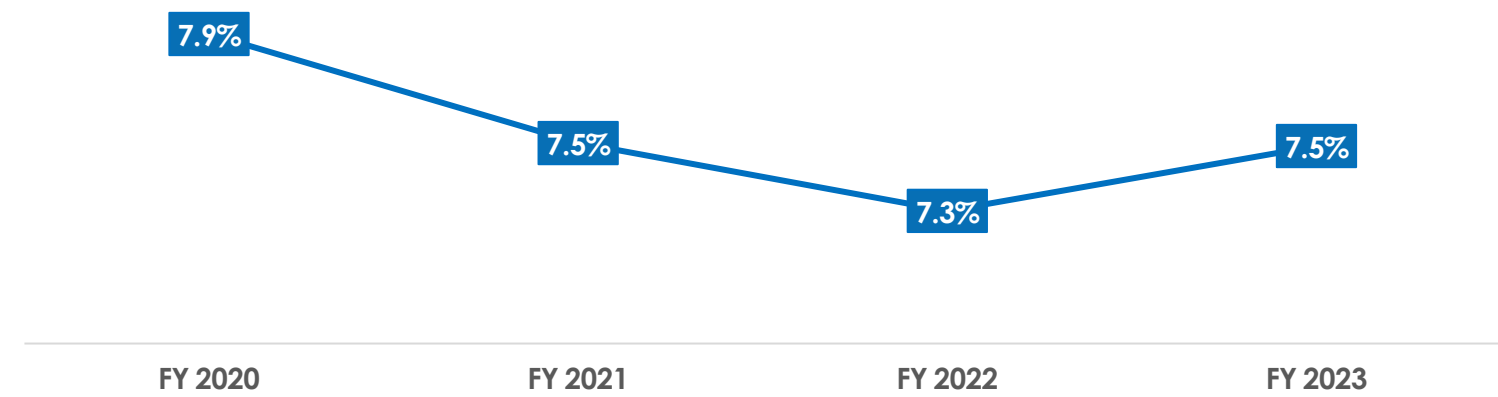
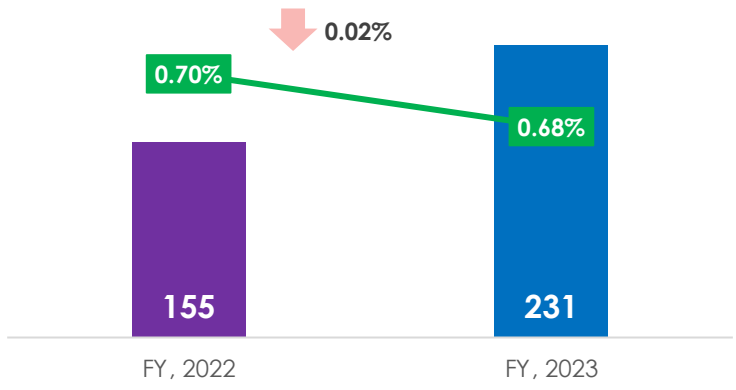
### Cash Discount Given (Millions)

### Gross Profit Value (Millions)



### Cash Discount Taken (Millions)

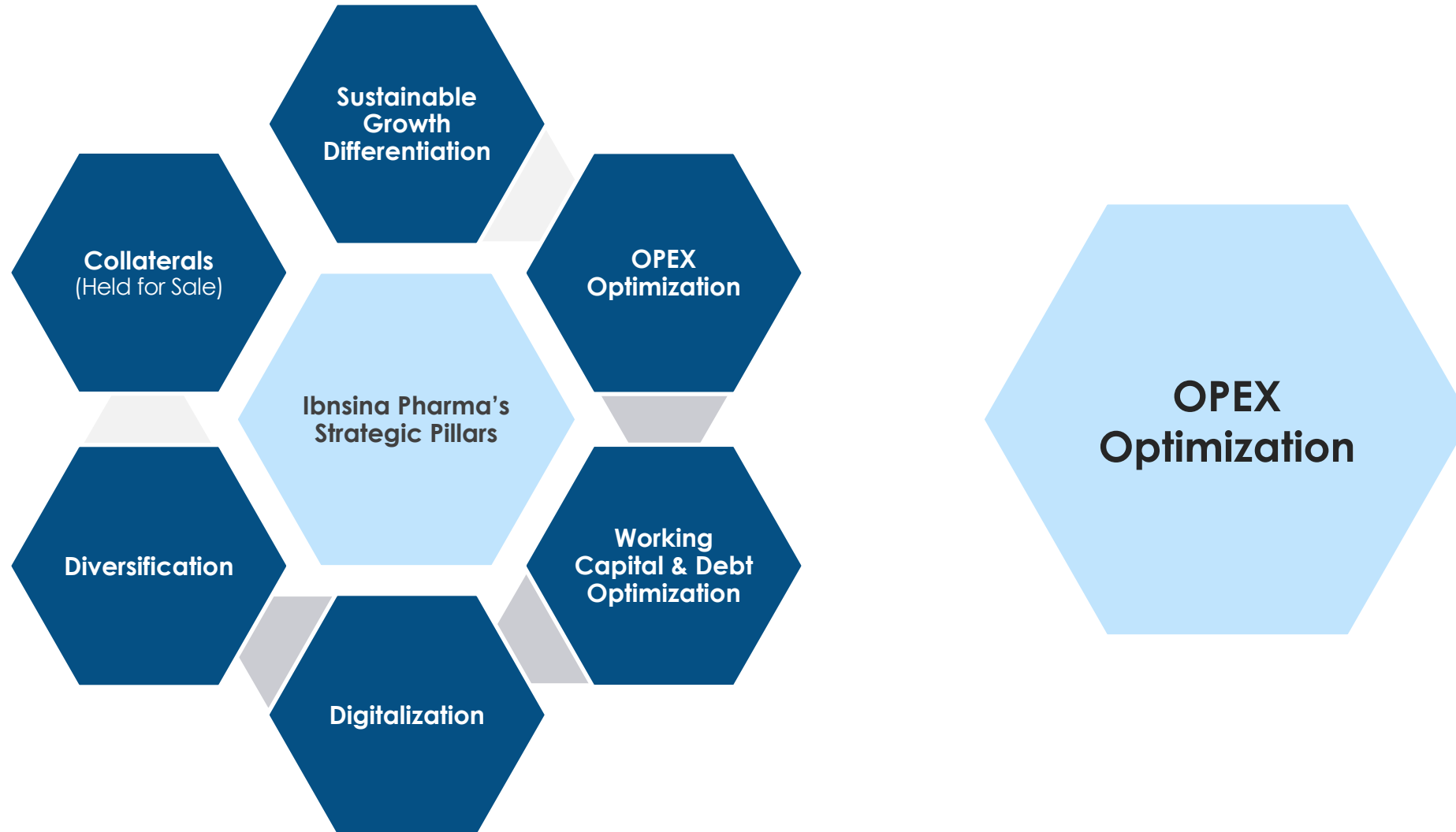
### Gross Profit Trend (Millions)





# ISPH Strategy 2023-2024: ISP Strategy

Working Capital & Net Debt Optimization



# Productivity: Optimization

Optimizing key operational metrics, reflecting positively on EBITDA



851



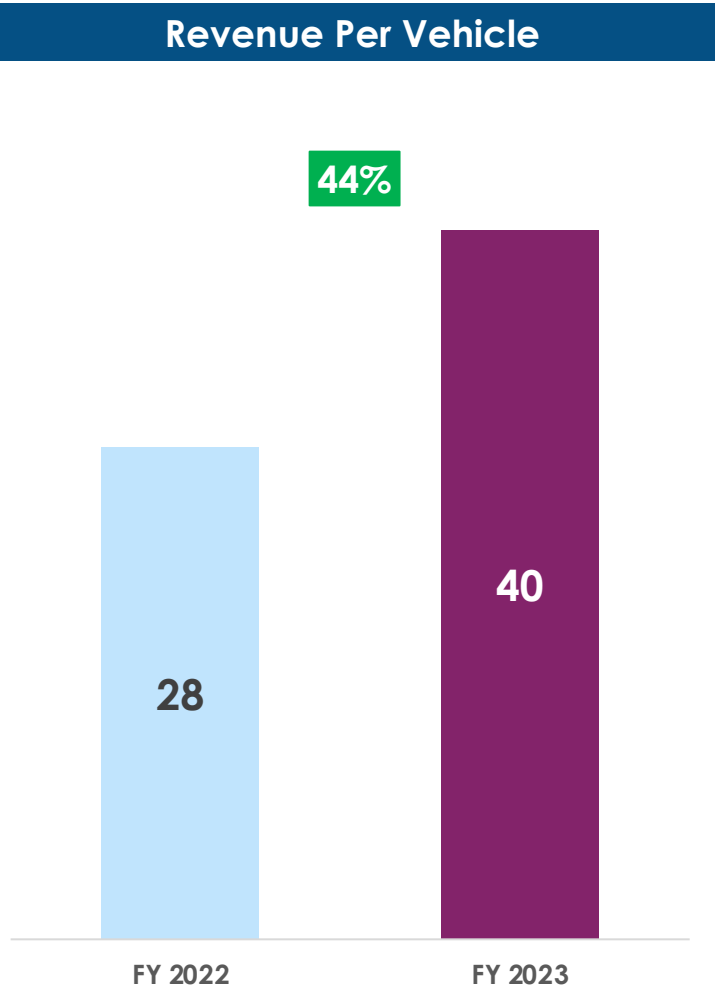
71



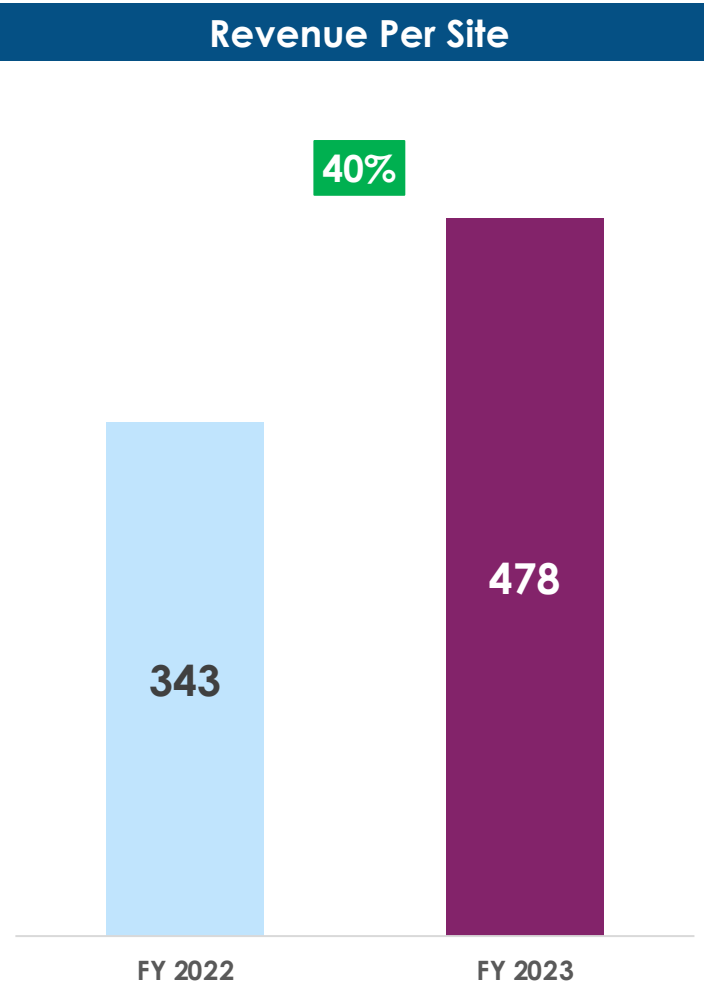
7,678

## Optimization of Vehicles | Sites | FTE's

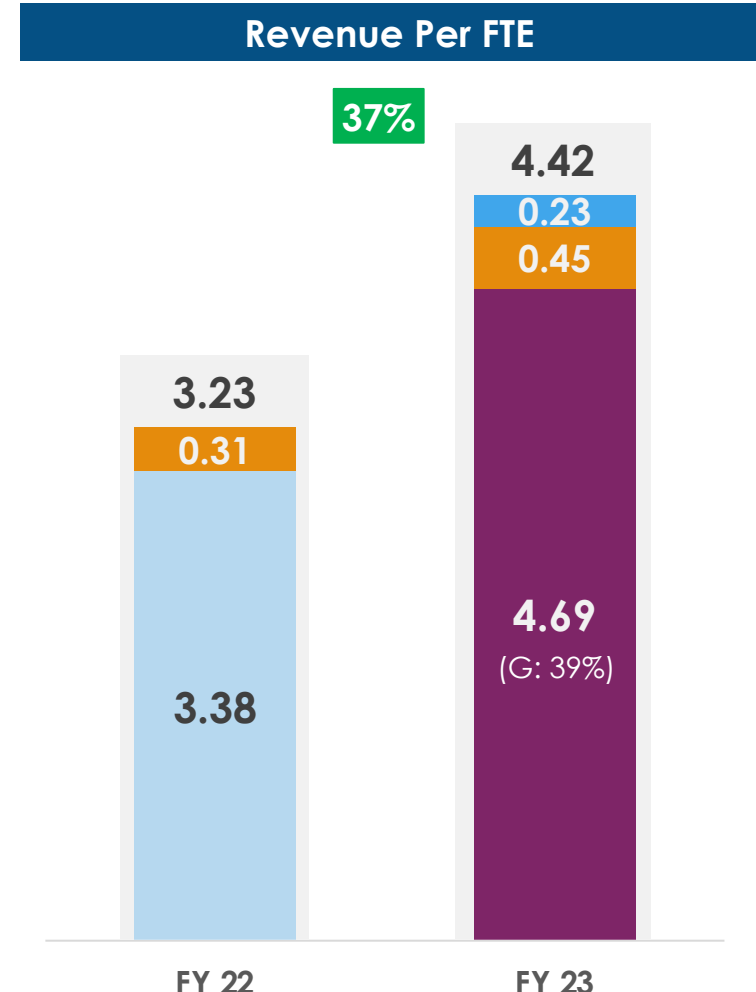
### Revenue Per Vehicle



### Revenue Per Site



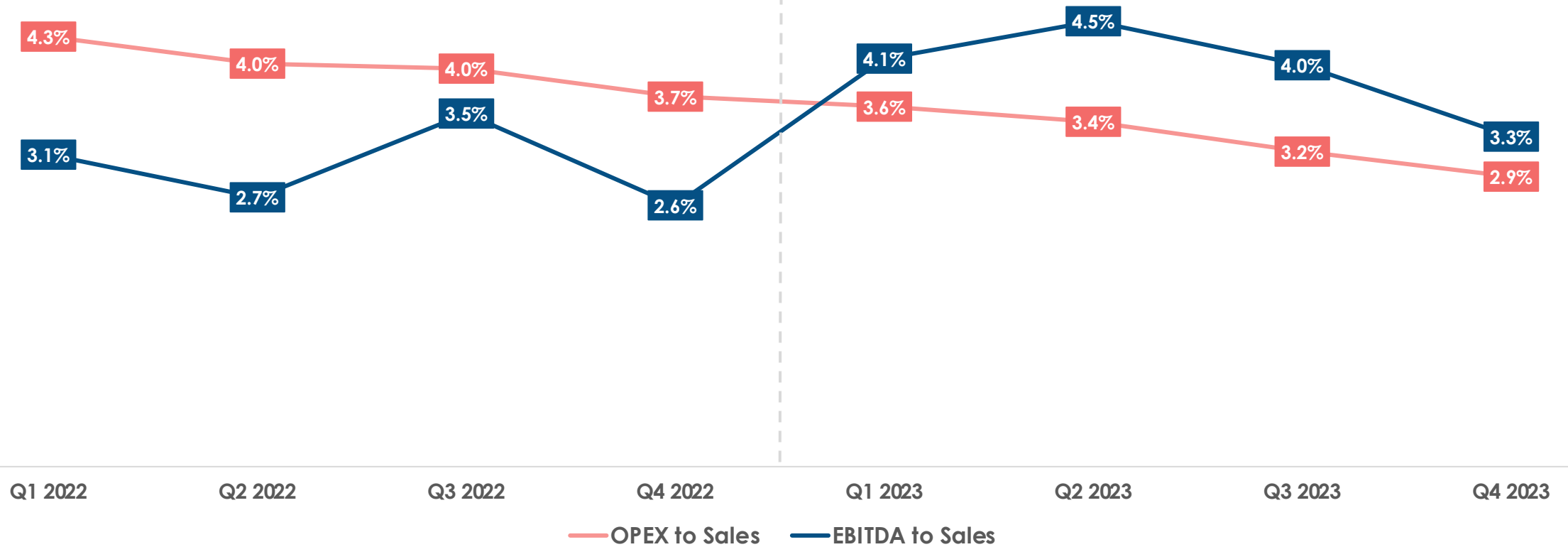
### Revenue Per FTE



# OPEX Optimization: Optimization

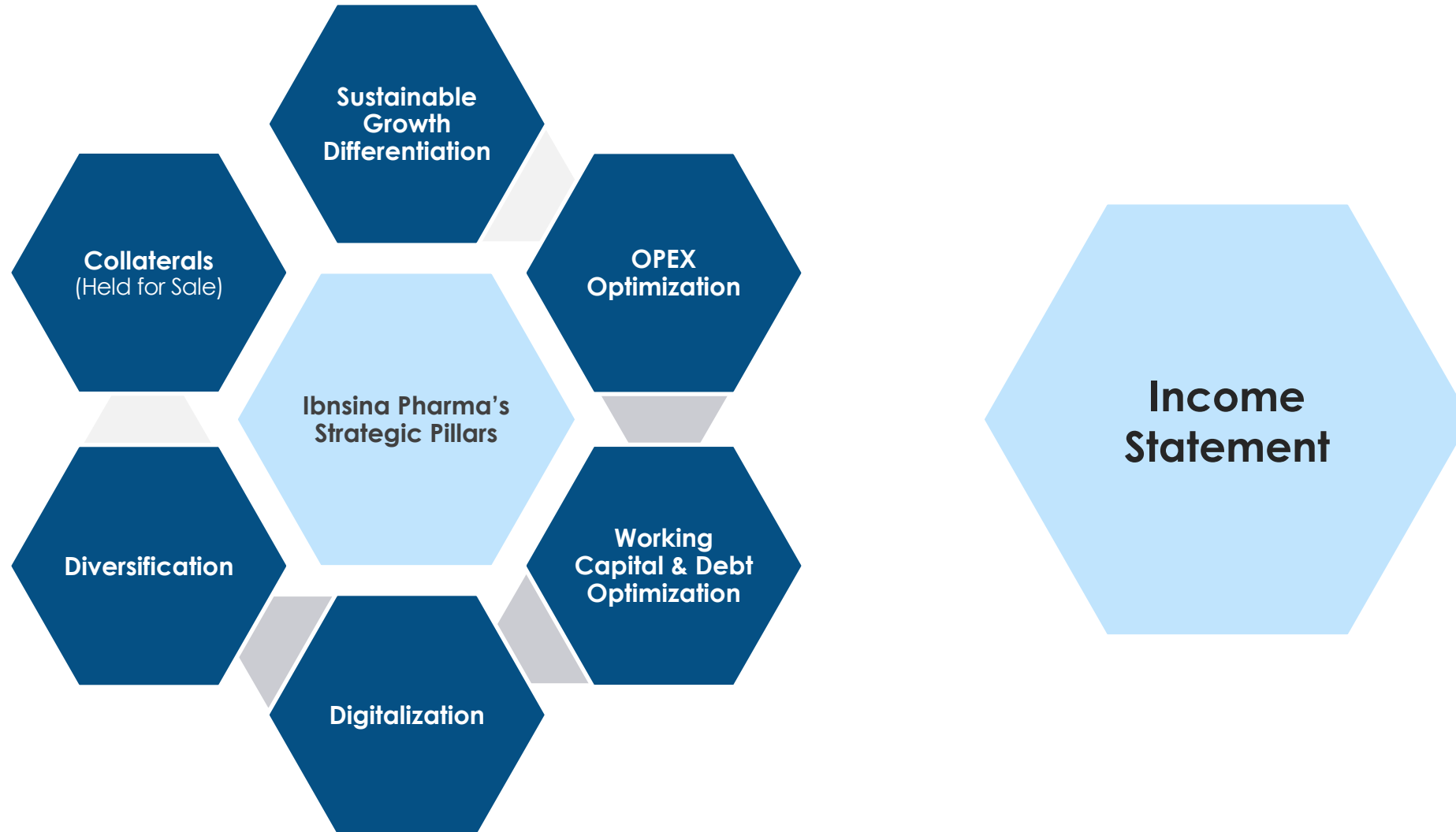
New lowest OPEX to Sales recorded in Q4 2023 with a steady decline

## OPEX vs EBITDA (% of Sales - QOQ)



# ISPH Strategy 2023-2024: ISP Strategy

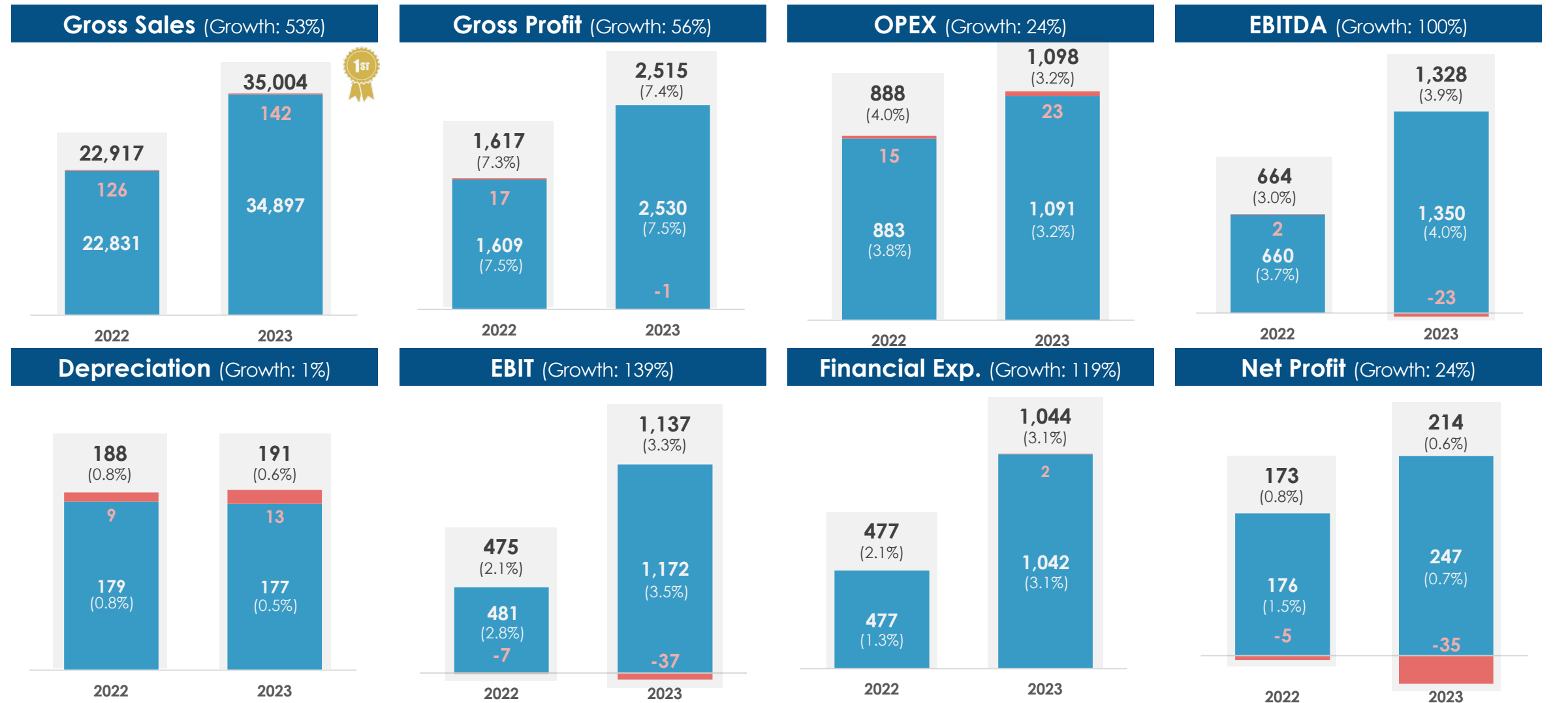
Working Capital & Net Debt Optimization



# Income Statement: 22 vs 23

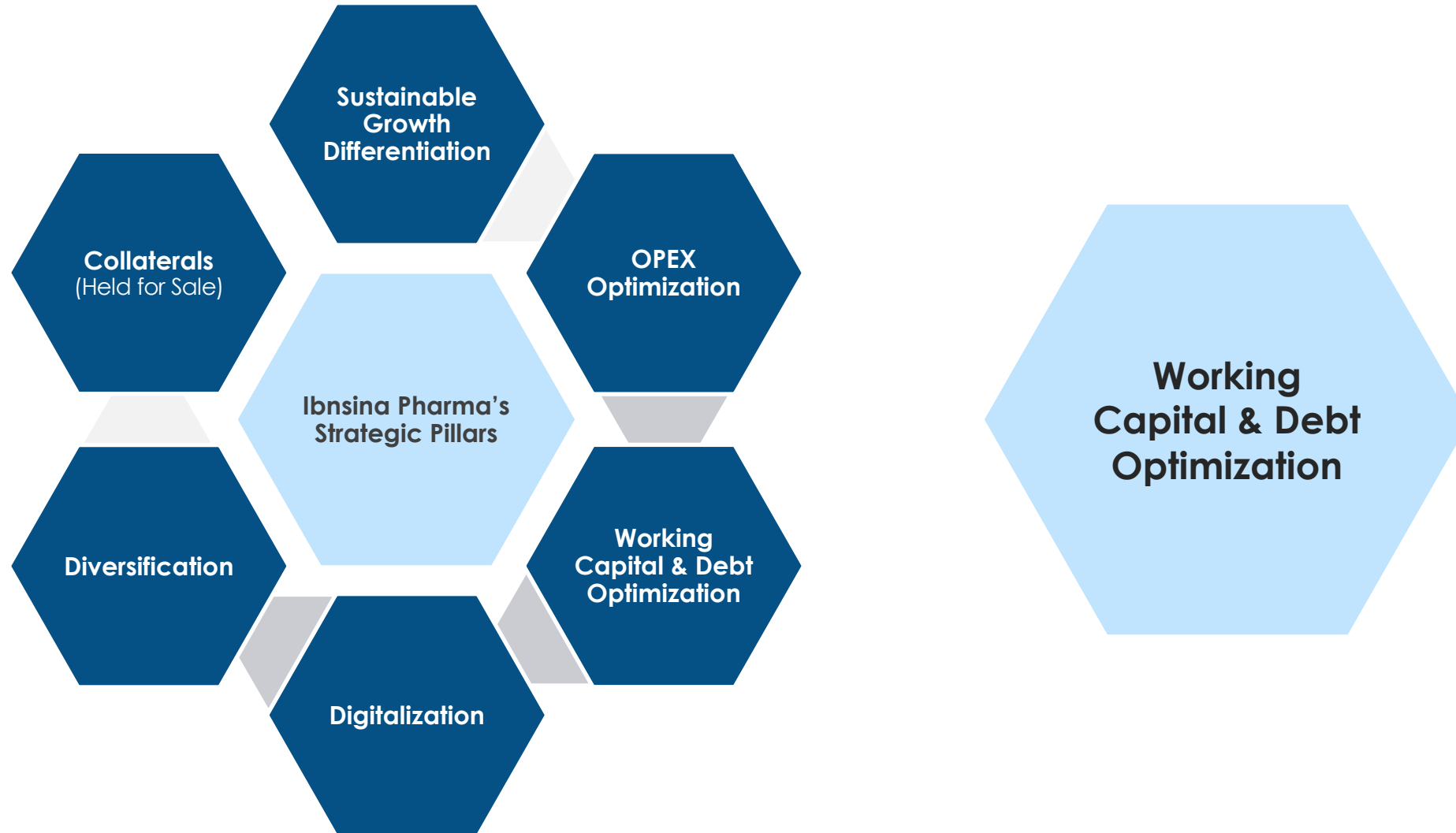
24% growth in net profit margin despite rising financial cost

ISP Consolidated  
ISP Standalone  
AIM Consolidated



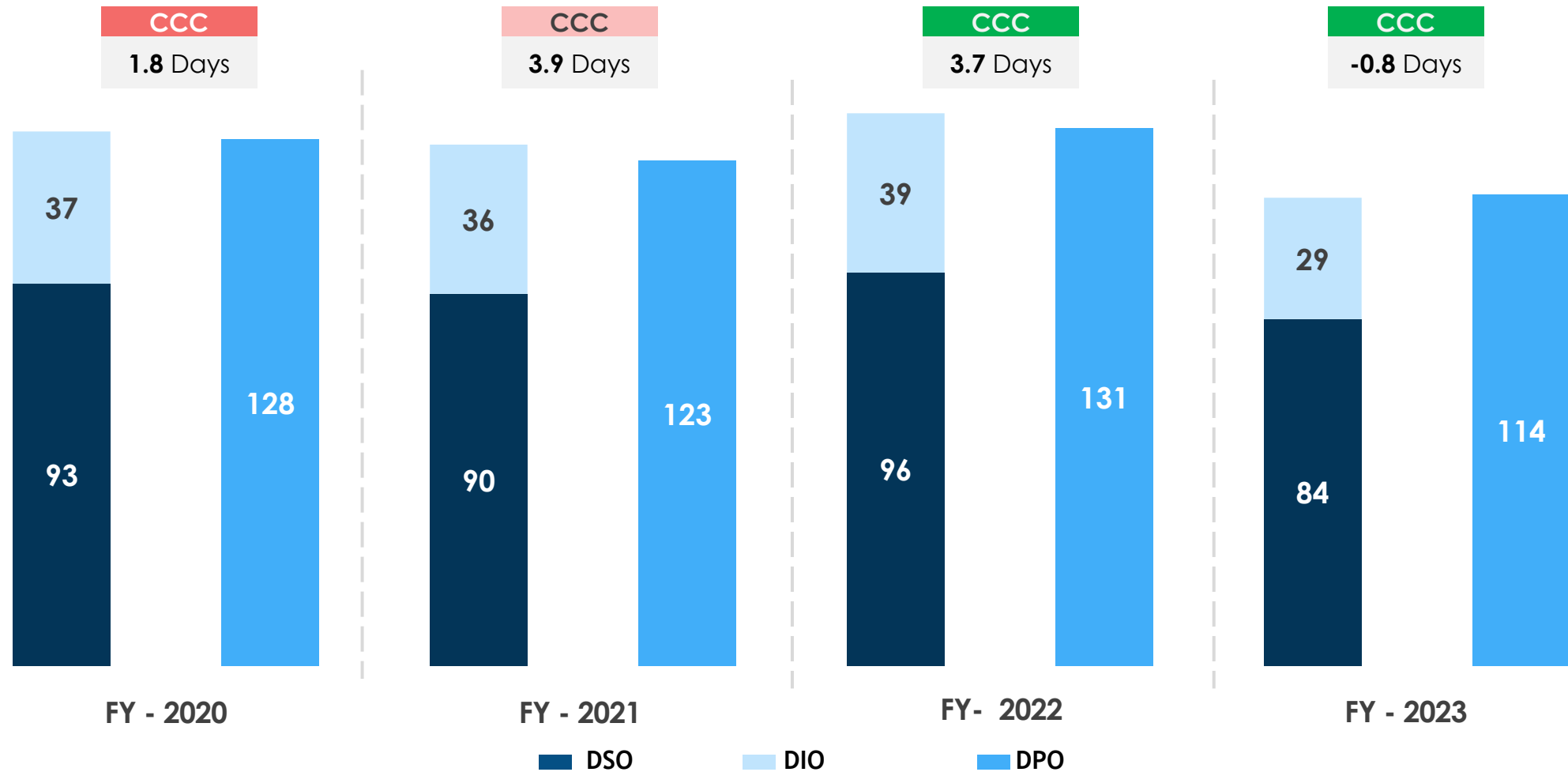
# ISPH Strategy 2023-2024: ISP Strategy

Working Capital & Net Debt Optimization



# Working Capital Optimization: Exceptional Relative Performance

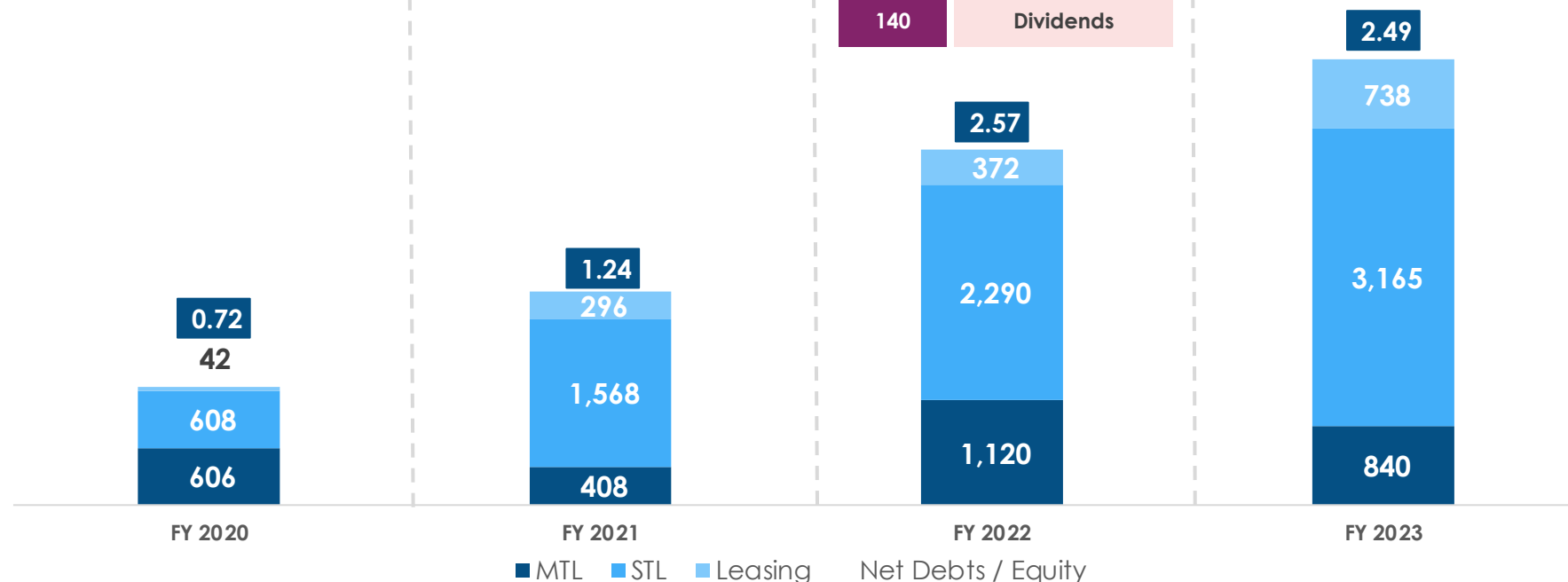
Maintaining a healthy CCC further supports spontaneous financing and free cash flow.



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

Net Finance Bearing Debt to Equity levels despite recent Equity multiple adjustments & Revenue growth

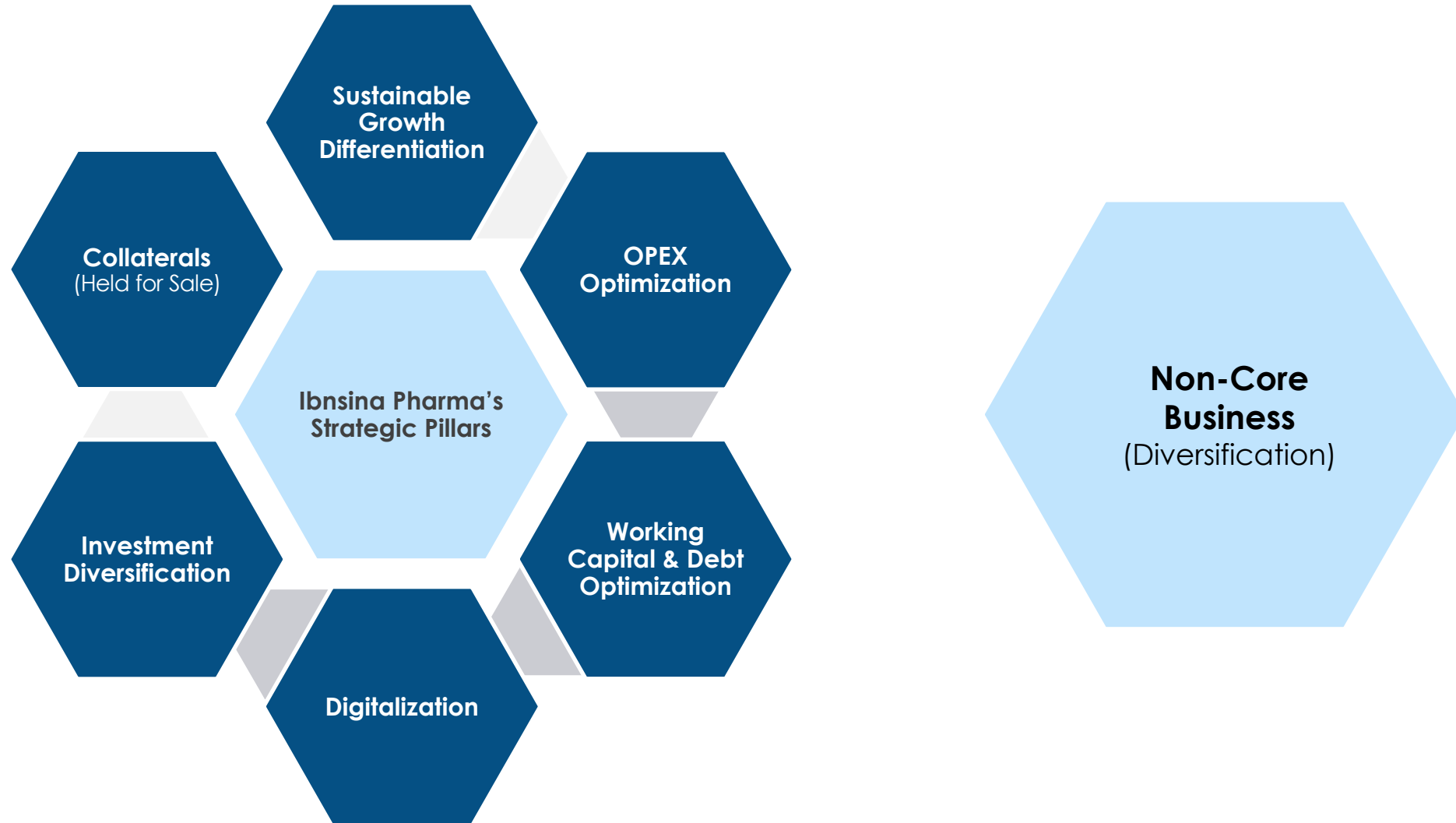
<b>Net Debt (mn)</b>	984	1,803	3,241	3,613
<b>Equity (mn)</b>	1,365	1,453	1,259	1,449
<b>Net Debt : EBITDA</b>	1.59	2.27	4.88	2.72
<b>Debt Ratio</b>	13.6%	20.1%	29.4%	25.6%
<b>Equity Adjust. (mn)</b>	82	14	186	
	Dividends	Treasury Stock	Treasury Stock	
		262	32	
		ECL	Legal Case	
			140	
			Dividends	





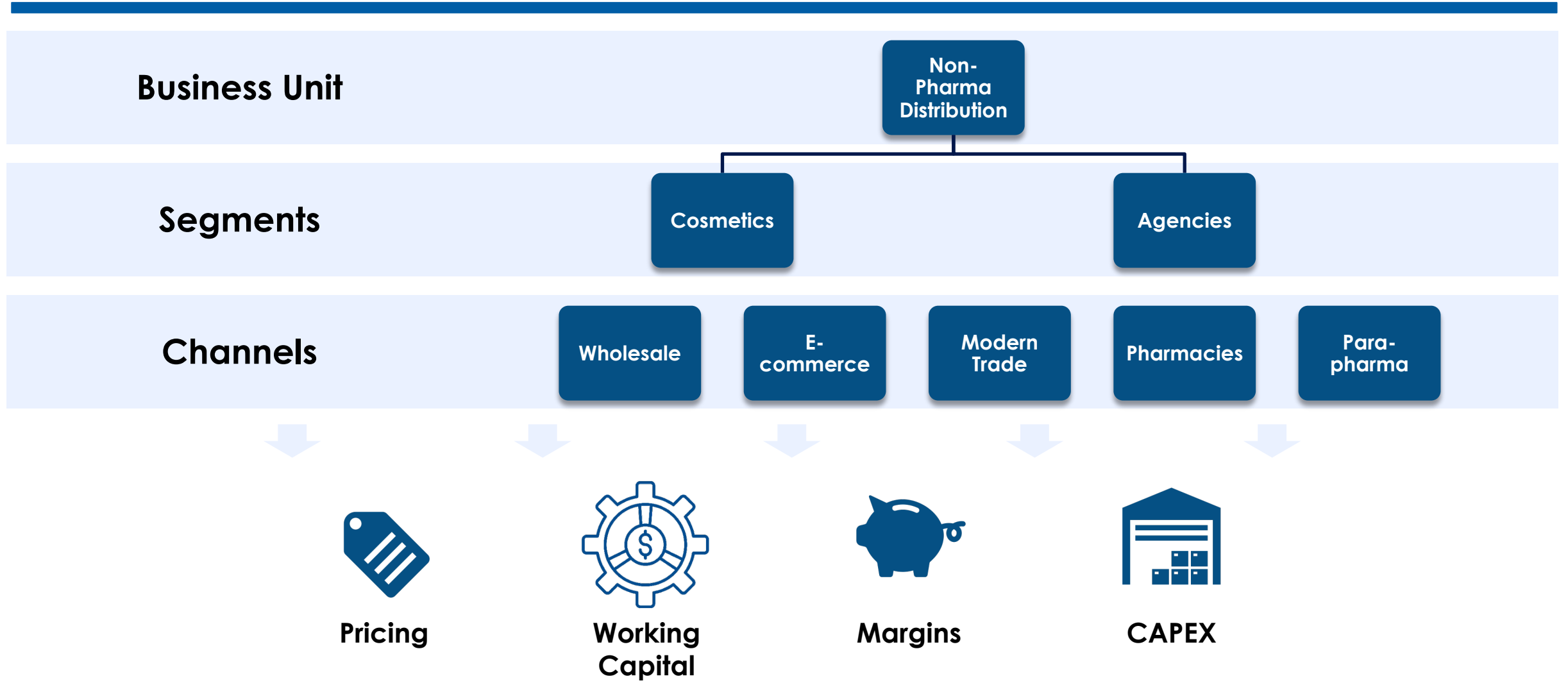
# ISPH Strategy 2023-2024: ISP Strategy

Investment Diversification



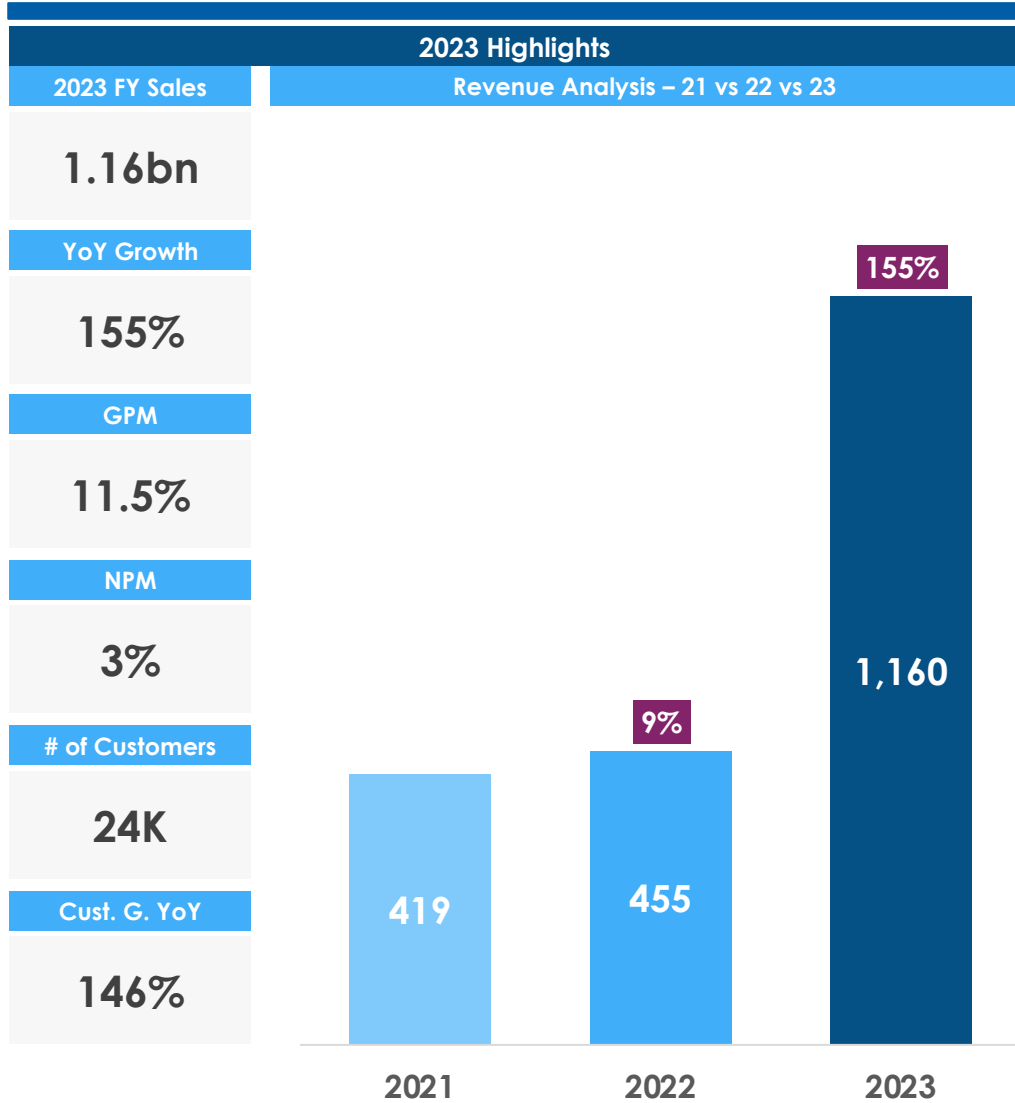
# Non-pharma Distribution Review: Business Overview and Results

Non-pharma Distribution Business Model – Higher Margin Business Line with Great Potential



# Non-pharma Distribution Review: Top Line Performance

Non-pharma Distribution Business Model – Higher Margin Business Line with Great Potential



## Supplier Portfolio

Expanding Current Supplier Portfolio

L'ORÉAL

El Bardy

OMRON



Dymatize

## New Channels, Suppliers, and Business Lines



# Medical Promotion Review: Business Overview

High synergy diversification model with great impact on ISP's growth performance

Total MP Performance S2, 22 + FY, 23		
MP Revenues	MP Net Profit	NPM
57.6mn	30mn	52%

## Medical Promotion Outsourcing Overview

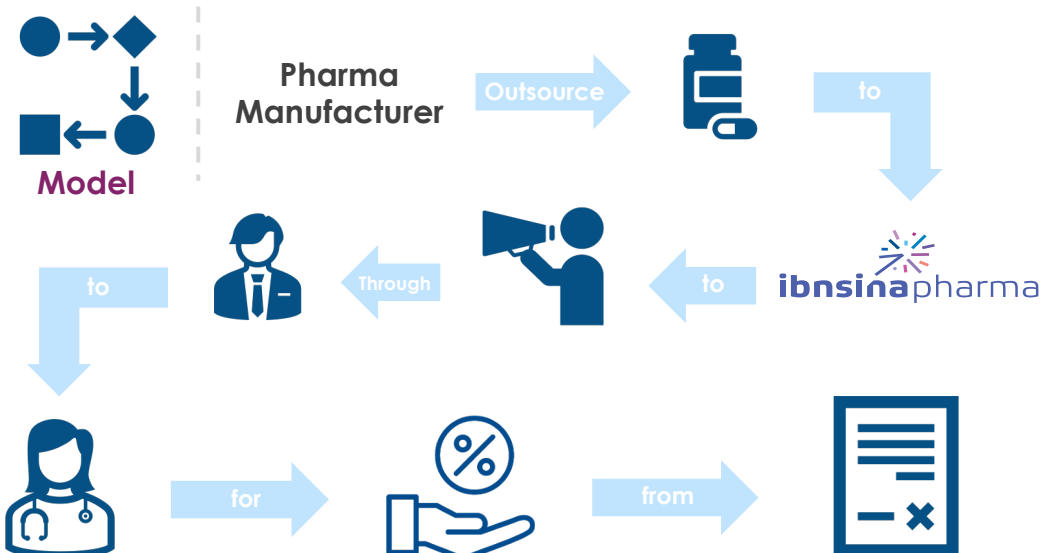


Global Market Size  
2022

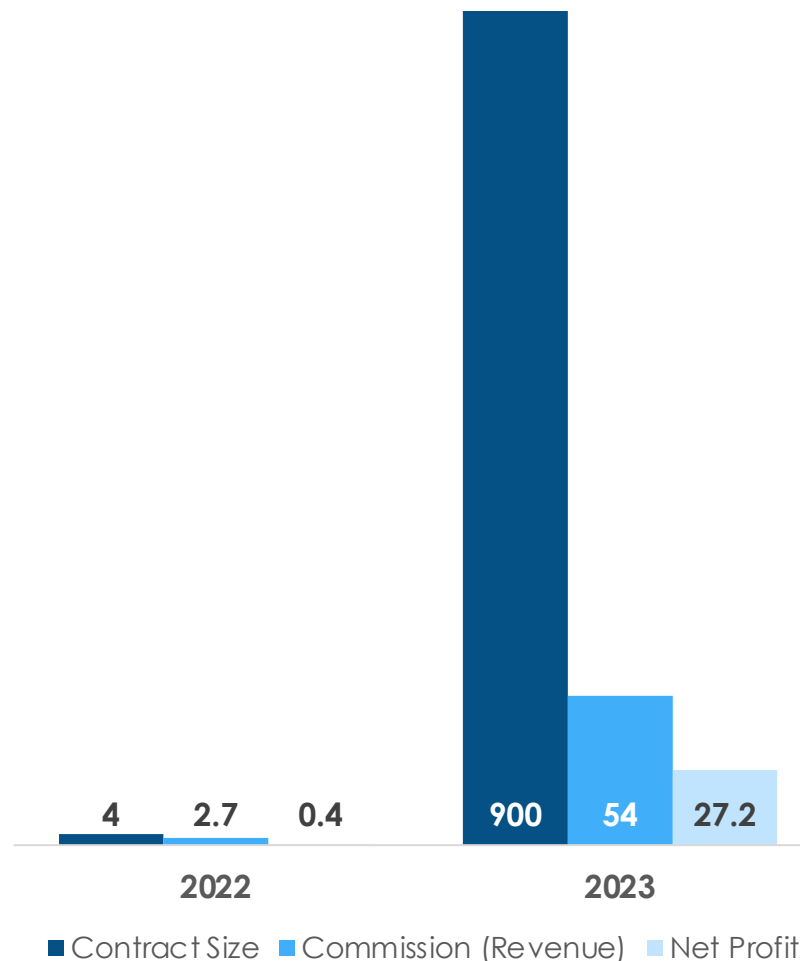
USD 70bn

Forecasted Market Size  
2030

USD 120bn



## Medical Promotions Performance



## Benefits



Low Investment



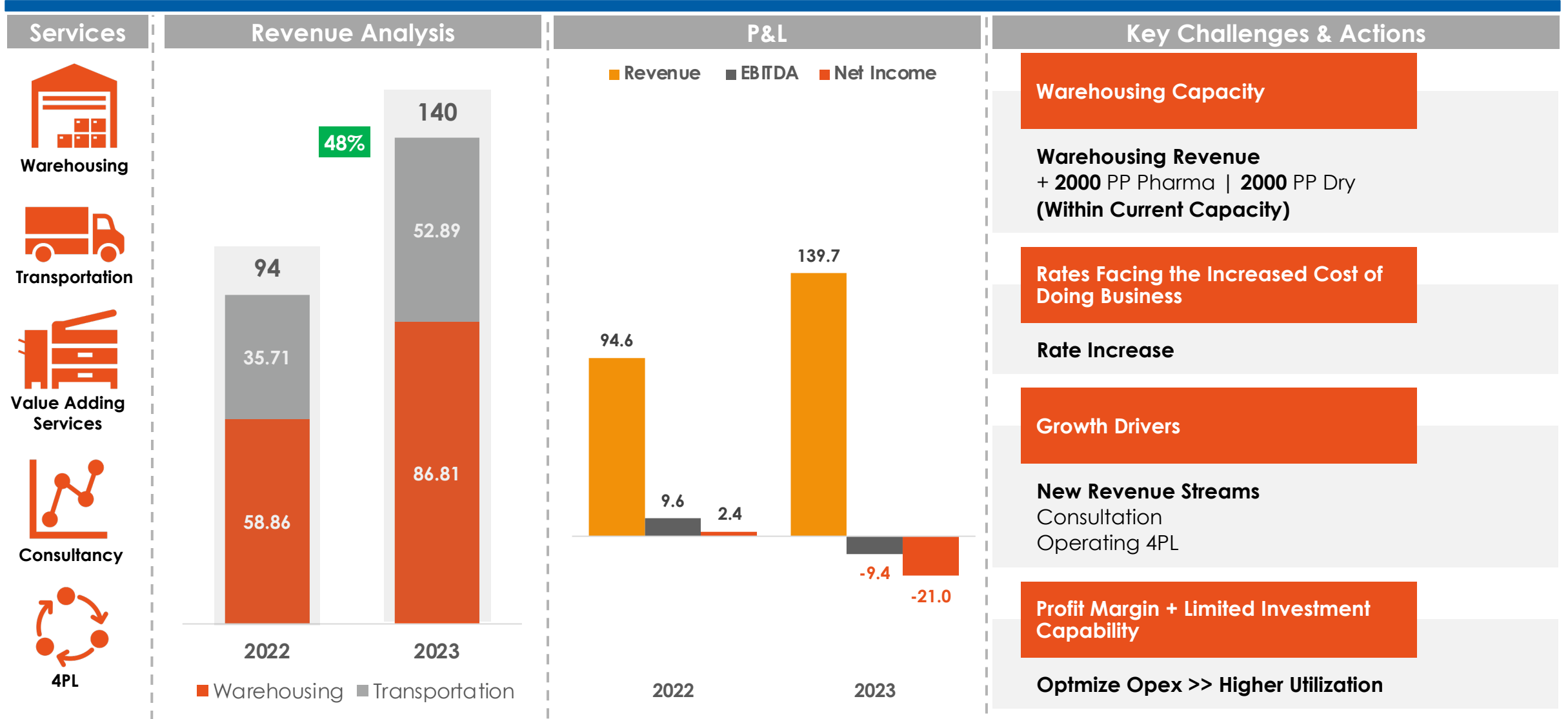
Synergy



Market Share

# Ramp Logistics Review: Service Outline & Top Line Overview

Multiple revenue streams and increase in customers on-board; showing potential





**ibnsina**pharma