



## Rameda's 1Q25: EBITDA Surges by 158% and Revenue Climbs 90%, Driven by Strong Volume Growth and Repricing Tailwinds

May 13<sup>th</sup>, 2025 | Cairo, Egypt

Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda) S.A.E. (the "Company" or "Rameda"), RMDA.CA on the EGX, a leading Egyptian pharmaceutical company, announced today its consolidated results for the first quarter of 2025.

### 1Q25 Financial Highlights

Consolidated Revenue	Gross Profit	EBITDA	Net Income
EGP 866 million ▲ 90% y-o-y	EGP 403 million ▲ 104% y-o-y	EGP 260 million ▲ 158% y-o-y	EGP 86 million ▲ 43% y-o-y

- 📊 **Revenues** surged 90% year-over-year to EGP 866 million, on the back of strong revenue growth in private sales, which grew by 89% to reach 638 million. This robust growth was driven by both volume and pricing increases compared to the previous year, coupled with a surge in tender sales by 299%.
- 📊 The Company successfully secured **price increases for its entire** portfolio, with full impact on revenues and profitability to show in FY 2025
- 📊 **Gross profit** increased 104% y-o-y to EGP 403 million, and booked margin expansion of 3.2 percentage points, driven primarily by the full effect of repricing received kicking in during 1Q25, and improved cost per unit due to higher utilization (49% in 1Q25 vs 26% in 1Q24).
- 📊 **EBITDA** grew by 158% y-o-y to EGP 260 million in 1Q25, with EBITDA margin surging by 7.9 percentage points, to 30%, driven by the company's successful cost-saving measures, reducing SG&A margin by 6.4 percentage points from 25.5% in 1Q24 to 19.1% in 1Q25.
- 📊 **Reported net income** increased by 43% y-o-y to EGP 86 million despite a 114% increase in interest expense, driven by both higher interest rates and increased debt levels to support working capital and molecule acquisitions.
- 📊 **Recurring net income** reached EGP 88.2 million, marking a significant 262% y-o-y increase, with the margin improving by 4.9 percentage points to reach 10.2%.
- 📊 **Cash conversion cycle** remained flat at 220 days. While receivable days improved significantly by 30 days, reflecting a shift to cash-based transactions that reduced credit risk, this improvement was offset by a 30-day increase in inventory days, as the Company strategically accommodated volume growth and secured necessary raw materials.



**Tenth of Ramadan for Pharmaceutical Industries  
and Diagnostic Reagents (Rameda) S.A.E**  
EARNINGS RELEASE 1Q25

EGP mn	1Q24	1Q25	YoY Change
<b>Revenues</b>	<b>456.2</b>	<b>865.6</b>	<b>90%</b>
<b>Gross Profit</b>	<b>197.6</b>	<b>402.7</b>	<b>104%</b>
<i>GP Margin</i>	<b>43.3%</b>	<b>46.5%</b>	<b>+3.2 pp</b>
<b>EBITDA</b>	<b>101.1</b>	<b>260.3</b>	<b>158%</b>
<i>EBITDA Margin</i>	<b>22.2%</b>	<b>30.1%</b>	<b>+7.9 pp</b>
<b>EBIT</b>	<b>81.3</b>	<b>237.1</b>	<b>192%</b>
<i>EBIT Margin</i>	<b>17.8%</b>	<b>27.4%</b>	<b>+9.6 pp</b>
<b>Reported Net Income</b>	<b>60.1</b>	<b>85.9</b>	<b>43%</b>
<i>NP Margin</i>	<b>13.2%</b>	<b>9.9%</b>	<b>-3.3 pp</b>
<b>Recurring Net Income</b>	<b>24.4</b>	<b>88.2</b>	<b>262%</b>
<i>Recurring NP Margin</i>	<b>5.3%</b>	<b>10.2%</b>	<b>+4.9 pp</b>

## 1Q25 Operational Highlights

Revenue Analysis (all figures in millions)	1Q24	1Q25	% YoY
<b>Private Sales</b>			
Sales	338.3	638.5	<b>89%</b>
Volumes Sold	6.8	11.8	<b>74%</b>
<b>Tenders</b>			
Sales	29.3	116.8	<b>299%</b>
Volumes Sold	1.3	3.9	<b>211%</b>
<b>Exports</b>			
Sales	53.5	55.4	<b>4%</b>
Volumes Sold	1.3	1.4	<b>9%</b>
<b>Revenue (excluding toll)</b>	<b>421.1</b>	<b>810.6</b>	<b>93%</b>
<b>Volume (excluding toll)</b>	<b>9.3</b>	<b>17.1</b>	<b>84%</b>
<b>Toll Manufacturing</b>			
Sales	35.1	55.0	<b>57%</b>
Volumes Sold	14.9	16.1	<b>8%</b>
<b>Total Revenue</b>	<b>456.2</b>	<b>865.6</b>	<b>90%</b>
<b>Total Volume Sold</b>	<b>24.2</b>	<b>33.2</b>	<b>37%</b>



## **Comments from the Management Team**

### **Dr. Amr Morsy, Chief Executive Officer**

Rameda's exceptional Q1 2025 performance underscores the strength of our strategic direction and the dedication of our team. We not only navigated industry headwinds but delivered impressive results, driven by strong execution across all areas of our business.

A key area of our focus remains expanding our freely priced portfolio. This includes the recent successful launch of Ramelact, a supplement for the treatment of lactose intolerance. Also, we continue to develop our recently launched cosmetics and cosmeceuticals subsidiary, Glow. Supporting this focus, we also entered into a licensing agreement for the new Bellavie range of probiotic products. Moreover, the resumption of exports to Iraq, our biggest export market, and the continued positive performance in Sudan should reflect positively on 2025 numbers.

We are actively assessing opportunities for accretive acquisitions to further diversify our revenue streams and fortify Rameda's position as a leading pharmaceutical company. Furthermore, we have more exciting product launches planned for the upcoming period.

As we move through 2025, we are confident in our ability to continue this growth trajectory, fueled by our commitment to operational excellence and our unwavering focus on delivering value to our shareholders and patients.



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**Mahmoud Fayek, Chief Financial Officer and Chief Operating Officer**

Rameda's performance in 1Q25 reflects our commitment to operational excellence and strategic financial management. Our revenue growth of 90% demonstrates the strength of our diverse portfolio and the success of our commercial strategies. We were able to leverage the benefit of repricing and deliver substantial volume growth to expand our gross profit margin while simultaneously implementing cost optimization measures that drove a significant improvement in our EBITDA margin, reaching a substantial 30%.

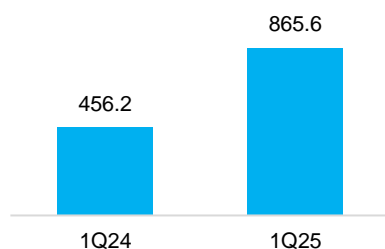
While we delivered excellent results in terms of sales, we also saw higher interest expense, a result of increasing our debt levels to support working capital needs and to complete our largest acquisition to date, Sugarlo. Despite this temporary impact, the anticipated decrease in interest rates is expected to positively impact our interest expense for the remainder of the year. It's also important to note that we maintain ample capacity to raise additional debt, which we plan to strategically deploy to support future accretive acquisitions as part of our 2025 strategy.

Our strong performance in 1Q25 gives us confidence in our ability to achieve our full-year top-line guidance of EGP 4.2 - 4.5 billion while improving profitability margins. Looking ahead, we anticipate that several tailwinds will positively impact our performance during the rest of 2025. This includes the full-year effect of our rebounding tender segment, improved performance in our toll manufacturing segment, and the continued recovery of our injectable antibiotics portfolio.

## Financial & Operational Performance

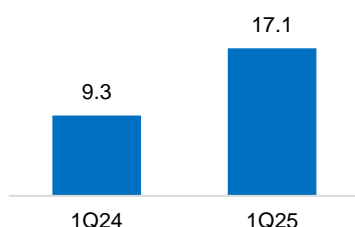
### Revenues

Revenue Progression  
(EGP mn)



surged 90% year-over-year to EGP 866 million, on the back of strong revenue growth in private sales, which grew by 89% to reach 638 million. This robust growth was driven by both volume and pricing increases compared to the previous year, coupled with a surge in tender sales by 299%.

1Q25 Volume Progression  
(excludes toll manufacturing)  
(mn units)



Throughout 2024, Rameda received price increase approvals ranging from 40% to 50% for the Company's portfolio. Additionally, a portfolio of products representing 20% of our top line received substantial increases to address historical price discrepancies. The Company began to generate significant value from these price adjustments gradually starting in the second half of 2024, alongside notable volume growth as consumers shifted from branded innovators to high-quality generics. Furthermore, the injectable antibiotics segment, which partially rebounded in 2024, is expected to fully recover in 2025, further bolstering our revenue growth.

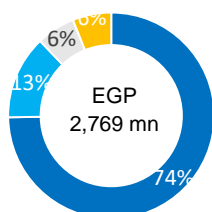
### Volumes

In 1Q25, total volumes (excluding Toll manufacturing) booked a significant increase of 84% y-o-y to 17.1mn units y-o-y on the back of a 74% and 211% y-o-y volume increase across Rameda's Private Sales and Domestic Tenders verticals in 1Q25, respectively.

Increase in Tender segment was due to increased efforts on the Company's part as well as higher yield tender contracts becoming available starting 4Q24, reflecting start of the impact of product repricing.

Total volumes (including Toll manufacturing) grew by 37% y-o-y to reach 33mn units in 1Q25.

1Q25 Sales Contribution  
by Vertical



- Private Sales
- Tenders
- Exports
- Toll Manufacturing

### Revenues by Business Line

#### Private Sales

Rameda sells its products to domestic distributors who in turn distribute the products to pharmacies throughout Egypt. Products sold by the private sales segment include pharmaceuticals, nutraceuticals, and food supplements. The primary sales strategy in this field is largely prescription-based, whereby marketing representatives engage with physicians to create demand for the Company's products.

Private sales revenue increased strongly by 89% y-o-y to EGP 638 million during 1Q25, with significant volume growth (+74% units sold) demonstrating our ability to capture market share as consumers increasingly choose Rameda's high-quality generics over its competitors.

Moreover, Rameda continued to generate increased value from the positive impact of price increases across its product portfolio (average of 40%-50% price increases).

### **Tenders**

Rameda also engages in institutional sales by selling its products through tender processes through the Egyptian Authority for Unified Medical Procurement (UMPA) to government-owned institutions such as the Ministry of Health and public hospitals. Rameda focuses on participating in selective tender contracts that ensure certain profitability levels in line with its strategy.

Management pressed on with its strategy aimed at selectively participating in tender contracts only when profitable. Tender volumes recorded an increase of 211% y-o-y to 3.9 million units, alongside a revenue increase of 299% y-o-y to EGP 117 million in 1Q25, driven by the Company securing favourable contracts in 4Q24, that reflect the beginning impact of product repricing.

Looking ahead, the full-year effect of these higher-priced and higher-margin tender contracts is expected to positively impact 2025 performance, further enhancing Rameda's growth trajectory.

### **Exports**

Rameda sells its products to export agents, responsible for distributing its products across different regional markets.

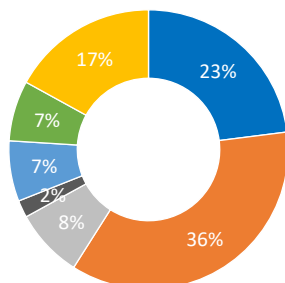
Rameda continued to strategically diversify its export markets in 1Q25. The company saw continued success in the recently opened market of Sudan, accounting for 23% of total export sales. Notably, exports to Iraq, Rameda's main export market, resumed, comprising more than 30% of export sales, after resolving issues that had negatively affected exports in FY24, resulting in zero exports booked during 2024. In addition, Libya (14%), Lebanon (14%), and Yemen (9%) all contributed significantly to export revenues. This geographic mix demonstrates Rameda's growing presence across key regional markets.

### **Toll Manufacturing**

To dilute the Company's existing fixed overheads and monetise its excess production capacity, Rameda selectively engages in toll manufacturing arrangements. Over the years, the Company has developed a solid and diverse client base, including well-known regional and international pharmaceutical companies, which has in turn enabled Rameda to benefit from enhanced brand equity and acts as a testament to the quality and the standards of Rameda's production facilities.

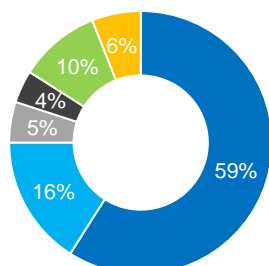
Toll Manufacturing rebounded significantly, increasing by 57% y-o-y to EGP 55 million, driven by resolution of supply chain challenges faced by toll clients in 1Q24 and price increases pushed through. Toll manufacturing volumes increased by 8% y-o-y in 1Q25.

1Q25 Sales Contribution  
by Therapeutic Area



- Alimentary tract and metabolism
- Systemic anti-infectives
- Nervous System
- Genitourinary system and sex hormones
- Cardiovascular system
- Blood and blood-forming organs
- Others

1Q25 Cost of Revenues  
Breakdown



- Raw materials
- Salaries & social insurance
- Depreciation & amortisation
- Utilities
- Spare parts & materials
- Other

### Revenue by Therapeutic Area<sup>1</sup>

In 1Q25, systemic anti-infectives contributed 36% of total revenues, demonstrating a continued recovery. The Alimentary tract and metabolism segment accounted for 23%, while the Nervous System contributed 8%. Additionally, the Blood and blood-forming organs contributed 7%, and the Cardiovascular system also accounted for 7%. This upward trend in the anti-infectives segment further validates our strategies and market responsiveness.

The growth in the systemic anti-infectives (only 20% of 1Q24 sales) segment can be attributed to a rebound following the event driven decline experienced in 2023, and it is expected to fully throughout 2025, further enhancing its contribution to the Company's overall revenues.

### Cost of Revenues

Cost of revenues comprises raw materials, employee salaries and social insurance, depreciation and amortisation, utilities charges, spare parts & materials and other operating expenses (including inventory impairments).

Rameda's cost of revenues increased by 79% y-o-y to EGP 459 million in 1Q25, primarily driven by a 91% increase in the cost of raw materials attributed to the devaluation of the Egyptian Pound and general inflationary pressures.

### Gross Profit

Gross profit grew by 104% y-o-y to EGP 403 million and booked margin expansion of 3.2 percentage points, despite significant increases in the cost of raw materials, driven primarily by the full effect of repricing received kicking in during 1Q25, and improved cost per unit due to higher utilization (49% in 1Q25, compared to 26% in 1Q24).

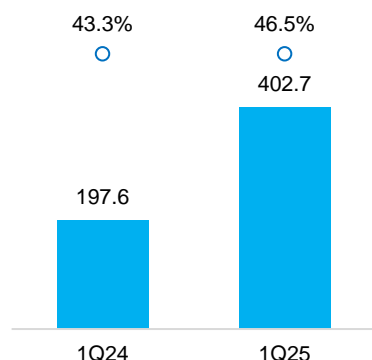
### Selling and Marketing Expenses

Selling and marketing expenses principally comprise salaries, social insurance & other fringe benefits associated with the Company's sales and marketing function, advertising & marketing expenses, rent, and depreciation.

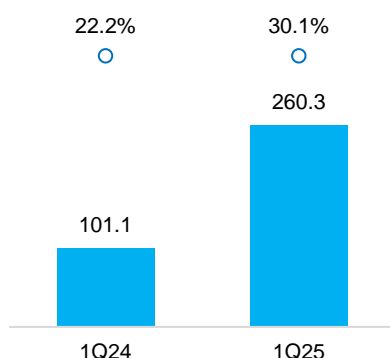
Selling and marketing (S&M) margin decreased significantly by 4.6 percentage points y-o-y in 1Q25, dropping from 19.7% in 1Q24 to 15.2% in 1Q25, due to ongoing cost optimization efforts. In absolute terms, selling and marketing expenses grew by 47% y-o-y to EGP 132 million, primarily driven by a 47% y-o-y increase in advertising and marketing costs.

<sup>1</sup> Contributions here are calculated on revenues before toll manufacturing revenue, discounts & incentives and sales returns.

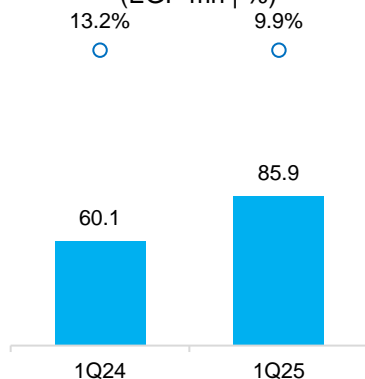
### Gross Profit and Margin Progression (EGP mn | %)



### EBITDA and Margin Progression (EGP mn | %)



### Net Income and Margin Progression (EGP mn | %)



## General and Administrative Expenses

General and administrative expenses mainly comprise salaries, social insurance & other fringe benefits not directly attributable to the production, sales or marketing of the Company's products.

While general and administrative expenses increased by 27% y-o-y to EGP 34 million in 1Q25, primarily driven by a 24% y-o-y increase in salaries and social insurance, cost optimization efforts led to a significant improvement in efficiency. As a percentage of sales, G&A expenses dropped by 1.9 percentage points, from 5.8% in 1Q24 to just 3.9% in 1Q25.

## EBITDA

EBITDA is defined as earnings before finance expenses (including bank charges), income taxes, depreciation and amortisation, impairment of trade and notes receivable, provisions for expected claims and universal healthcare tax.

EBITDA increased significantly by 158% YoY to EGP 260 million, resulting in a 7.9 percentage point margin expansion in 1Q25. This improvement was driven by the full effect of repricing and a reduced contribution of SG&A expenses to Group revenues, which decreased to 19.1% in 1Q25 from 25.5% in 1Q24, due to the company's successful cost optimization strategy that enhanced operational efficiency and reduced expenses.

## Net Income

Reported net income increased by 43% y-o-y to EGP 86 million, however, net income margin contracted by 3.3 percentage points year-on-year to 9.5% in 1Q25. This margin contraction was primarily due to a 114% increase in interest expense, driven by both higher interest rates and increased debt levels (EGP 1,618 million in 1Q25 compared to EGP 751 million in 1Q24).

## Operating Cash Flow, Capital Expenditure and Debt

Rameda recorded net operating inflows of EGP 123 million, compared to an outflow of EGP 66 in the same period last year.

Net debt Increased to EGP 1,618 million as of 31 Mar 2025, reflecting an increase of 29% YTD to support working capital and molecule acquisitions, with interest costs reaching EGP 133 million during 1Q25.





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## **About Rameda**

Established in 1986, Rameda (RMDA.CA on EGX) is a leading Egyptian pharmaceutical company led by a team of professionals with extensive multinational experience. The company develops and produces a wide range of branded generic pharmaceuticals, nutraceuticals, food supplements and veterinary products. Rameda combines global standards with local insights and a customer-centric approach. It has developed a broad portfolio of products across multiple therapeutic areas, by successfully leveraging its strong product portfolio with its accretive product acquisitions to become one of the fastest-growing pharmaceutical players in Egypt. The company produces its wide range of dosage forms at its three manufacturing facilities located at the industrial complex in Cairo's Sixth of October Industrial Zone.

## **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 that 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 in the prices of raw materials or employee costs required by our operations, its ability to retain the services of certain key employees, its 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.

Certain figures contained in this document, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this document may not conform exactly to the total figure given.