



Macro Group Strong H1 2025 Performance Underscores Growth Momentum

Cairo, 20 August 2025 | Cairo, Egypt

Macro Group Pharmaceuticals (Macro Capital) S.A.E. (“Macro” or the “Group”), a leading company in Egypt’s cosmeceuticals sector, sustained its growth momentum in the first half of 2025, delivering record operational and financial results for the period ended 30 June 2025.

Building on the successful restructuring completed in FY24 and the strong performance in 1Q25, the Group maintained a clear strategic focus on growth throughout the first half. Revenues reached EGP 412 million, representing a 165% year-on-year increase, driven by a 146% rise in sales volumes to 8.0 million units and supported by targeted price adjustments introduced in March 2025. The Group also optimized its distributor engagement model, ensuring consistent product availability and stronger sell-through across all channels.

Profitability improved significantly, with gross profit rising to EGP 280 million and gross margins expanding to 68.1%, reflecting a favourable product mix, enhanced operational efficiencies, and disciplined cost control. Adjusted EBITDA reached EGP 93.3 million (22.7% margin), marking a notable turnaround from a loss of EGP 18.7 million in the prior-year period.

Net profit for the half year stood at EGP 68.9 million, a sharp reversal from the net loss of EGP 88.8 million recorded in 1H24. On a normalized basis, results further underscore Macro’s strengthened financial position and renewed focus on sustainable profitability.

Financial & Operational Highlights

EGP 412 1H25 Revenue ¹	EGP 280 mn 1H25 gross Profit	EGP 93.3 mn 1H25 EBITDA	EGP 68.9 mn 1H25 Net Income
▲ 165% YoY	▲ 189% YoY / 68.1% Margin	Vs. EGP (18.7) mn / 22.7% Margin	Vs. EGP (78) mn / 16.7% margin
EGP 73.9 mn 1H25 Normalized Net income ²	EGP 93.3 mn 1H25 Adjusted EBITDA	EGP 0.12 1H25 EPS	8 mn units 1H25 Volume Sold
Vs. EGP (51.4) mn / 18.0% margin	Vs. EGP (18.7) mn / 22.7% margin	Vs. EGP (0.16)	▲ 146% YoY

¹ Revenue after deducting sales right of return provision & reclassification of rebate and bonus expenses

² Adjusted for impairment losses on financial assets

³ Based on the weighted average number of shares outstanding



Message from our Chairman

It is my pleasure to present Macro's results for the first half of 2025. Building on the foundation laid in 2024 and a strong first quarter, we delivered record half-year performance that reaffirms our leadership in Egypt's cosmeceutical sector. This reflects rising demand for trusted self-care solutions and the effectiveness of our disciplined strategy.

In the second quarter, we sustained momentum with revenue more than doubling year-on-year to EGP 412 million. Net profit reached EGP 68.9 million, a sharp turnaround from last year's loss. Growth was driven by higher volumes, the rollout of our pricing strategy in March, and stronger brand-led marketing, alongside improved inventory management and supply chain efficiency.

Our diversified distribution platform remains a cornerstone of growth. In 1H25, wholesalers and key accounts accounted for 53% and 37% of revenue, respectively, while direct pharmacy sales contributed 4%. Export sales also accelerated to EGP 17.5 million, now representing 4% of revenue. This balanced structure provides resilience and supports expansion.

Profitability improved significantly, with gross profit rising to EGP 280 million at a margin of 68.1%. EBITDA reached EGP 93.4 million (22.7% margin), compared with a loss in 1H24, reflecting strict cost control and operational efficiencies. Lower selling, marketing, and administrative costs as a share of revenue further strengthened margins.

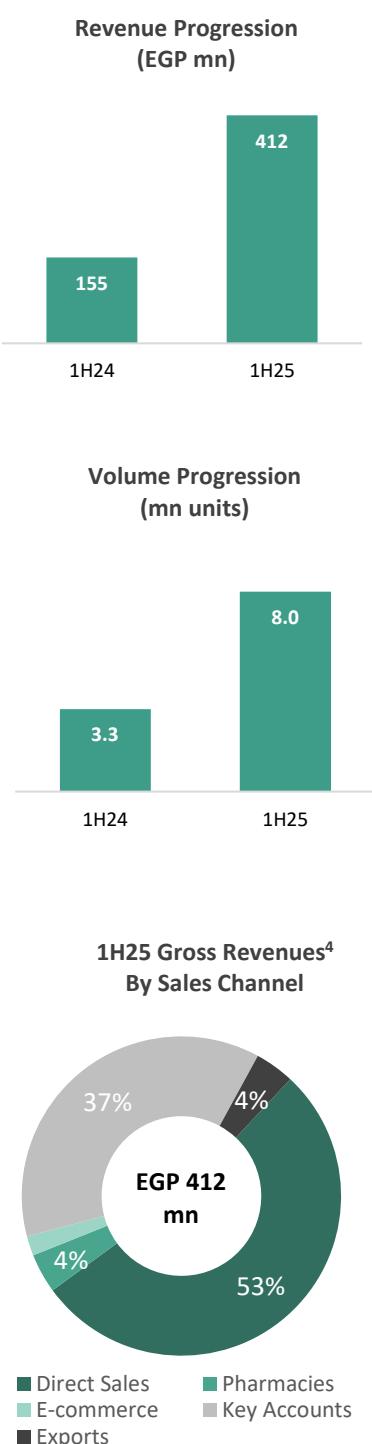
Looking ahead, we remain focused on driving growth, enhancing profitability, and expanding our presence both domestically and internationally. With a strong brand, innovative pipeline, and robust distribution network, Macro is well-positioned to sustain its recovery and deliver long-term value for stakeholders.

I would also like to extend my sincere appreciation to our CEO, Khaled Kamel, and the entire management team for their exceptional leadership, and to all our employees for their dedication. Their collective efforts have laid a strong foundation for sustainable growth and continued success.

Dr. Ahmed Elnayeb, Chairman of Macro Group



Consolidated Financial Review



Revenues

Macro reported consolidated revenues of EGP 412 million in 1H25, a 165% year-on-year increase. This strong growth was primarily driven by higher volumes sold, despite adjustments made during the period for right of return provisions and the reclassification of rebate and bonus expenses. The increase in product volumes reflects the effectiveness of targeted sales and marketing initiatives, which successfully stimulated real demand and promoted higher-value offerings. Core product inventory levels remain healthy at only one month ensuring consistent product availability and supporting the Company's growth trajectory for 2025.

Revenues by Sales Channel

Macro Group sells its products through its direct distribution channels, consisting of sales to wholesalers, retailers and through e-commerce, in addition to its indirect distribution channels, comprising of key accounts and exports.

Direct Distribution Channels. Direct sales channels generated EGP 268 million in revenue during 1H25 up from 66.4 million in 1H24. Wholesale revenues reached EGP 242 million up from 57 million in the same period last year. Additionally, while direct pharmacy sales recorded EGP 18.7 million during the period up by 113% Y-o-Y increase and maintaining the channel's overall revenue contribution at 4%. Management remains focused on strengthening the company's footprint in the direct pharmacy segment, with ongoing initiatives to expand access to large and mid-sized pharmacy chains. E-commerce revenues were EGP 7.4 million in 1H25, representing 2% of total revenue.

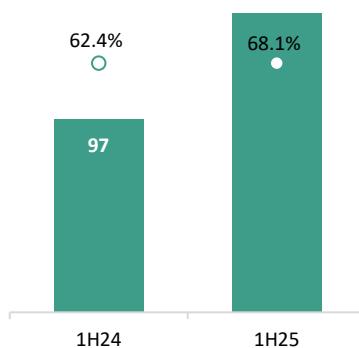
Indirect Distribution Channels. Indirect sales channels contributed 41% to total revenue in 1H25, generating EGP 184.7 million—an increase of 79% year-on-year. This growth was largely driven by a 73% year-on-year increase in key account sales, which reached EGP 167 million, supported by improved performance from major distributors Ibn Sina and Pharma Overseas. Export revenues rose sharply to EGP 17.5 million, up from EGP 6.3 million in 1H24, representing 4% of total revenue. Management remains committed to expanding Macro's export footprint by entering new markets such as the Netherlands and Bangladesh, while continuing operations in existing markets like Saudi Arabia and Yemen.

⁴ Gross Revenue is not adjusted for right of return provisions and the reclassification of rebate and bonus expenses



Gross Profit and Margin

Progression
(EGP mn | %)



Gross Profit

Gross profit reached EGP 280 million in 1H25, reflecting a 189% year-on-year increase, with the gross margin rising 5.7 percentage points to 68.1%. This strong performance was mainly driven by a more favorable sales mix weighted toward higher-margin products, alongside continued efforts to localize and diversify the sources of raw materials to limit the impact of cost inflation.

SG&A Expense

Selling and marketing expenses were EGP 131 million in 1H25, reflecting a 85% year-on-year increase. Macro remains focused on enhancing efficiency through targeted cost-optimization initiatives, including the restructuring of its marketing budget to maximize return on investment. General and administrative expenses remained stable at EGP 60 million, only 6% increase from the same period last year, despite ongoing inflationary pressures in the Egyptian market.

EBITDA

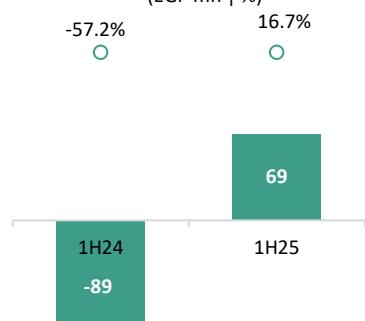
EBITDA reached EGP 93 million in 1H25, a strong recovery from EGP (19) million in the same period last year, resulting in an EBITDA margin of 22.7%. The significant improvement in margin was driven by reduced selling and marketing and General and Administrative expenses as a percentage of sales, in addition to stronger operating performance. This growth highlights management's ongoing efforts to optimize costs, enhance operational efficiency, and drive top-line expansion.

Net Profit

In 1H25, Macro posted a net income of EGP 69 million, a sharp turnaround from a net loss of EGP (89) million in the same period last year. This improvement was mainly attributed to a significant rise in operating income, reduction in net finance costs, and the absence of any significant provision charges during the period. On a normalized basis—excluding impairment losses on financial assets—net income reached EGP 73.9 million, compared to EGP 36.4 million in 1H24.

Net Profit and Margin

Progression
(EGP mn | %)



Cash Conversion Cycle

Macro's cash conversion cycle stood at 188 days in 1H25, marking a 179-day improvement over last year. This was mainly driven by a 244-day reduction in inventory days (DIO) and a 21-day drop in receivables days (DSO), partially offset by a 86-day decrease in payables days (DPO).

The improvement in DSO reflected management's focus on strengthening distributor relationships and ensuring more timely collections. The drop in DIO was largely due to efforts to liquidate slow-moving and obsolete inventory and the improved supply chain management. Meanwhile the reduction in DPO stemmed from the settlement of supplier balances to preserve strong ties with key stakeholders.



Total Debt

Total debt reached EGP 309.5 million in 1H25, comprising shareholder loans (84%), bank overdrafts (6%), and short- and long-term lease liabilities (10%). The year-to-date increase in debt was mainly driven by an additional EGP 88 million in shareholder funding. Despite the rise in total debt, net debt declined to EGP 200 million as of 30 June 2025, down from EGP 217 million at year-end 2024, supported by more than a twofold increase in cash and bank balances during the period.

Fixed Assets

Net fixed assets came in at EGP 55.7 million as of 30 June 2025, up 19.7% from 31 December 2024. Additionally, CAPEX saw a significant increase in 1H25 reaching EGP 11.5 million, up from EGP 1.1 million during the same period last year. This rise was primarily driven by EGP 9.7 million allocated to projects under construction taking place at the plant. CAPEX to sales stood at 3%, aligning with our budgeted assumptions for the year and supporting compliance with EDA requirements.



About Macro Group Pharmaceuticals (Macro Capital) S.A.E.

Established in 2005 as a joint partnership by Dr. Ahmed El Nayeb and his partner, Macro Group is one of the leaders in Egypt's fast-growing Cosmeceuticals space, with a market share of 17% recorded in 1Q25 according to IQVIA¹, based on the therapeutic areas in which it operates. The Company is principally engaged in the manufacture and sale of cosmeceutical and has recently ventured into nutraceutical products. While all of the Company's products are available over-the-counter, Macro Group also utilizes a prescription-based sales strategy and generates demand through an incentivized medical salesforce of more than 289 employees who target physicians and pharmacies nationwide. The majority of Macro Group's diverse portfolio of 174 marketed SKUs as of 31 March 2025 is manufactured in-house at its production facility in Badr City. The Company's local-brand portfolio includes household names such as Orovex, Gold, Scaro, Topi-Gent and Frost. By developing its own branded products which are both cosmetic and may help achieve a therapeutic effect, the Company offers an attractive value proposition and benefits from an advantageous regulatory framework for cosmetics as well as the defensive attributes and demand profile of prescription-based pharmaceuticals.

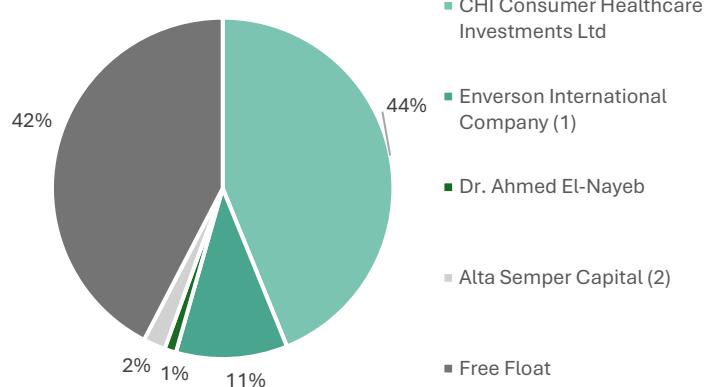
For more information about Macro Group, please visit: www.macro-egy.com.

¹ Source: IQVIA. While the total market reflects the cosmeceutical/nutraceutical space in which the company operates in, The IQVIA universe used for this data reflects Macro's direct competitors, significantly increasing Macro's market share from 2021.

For further information,
please contact:

Zeina Shahin
Investor Relations Head
Phone: +2 0102 442 2430
Email: zeina.shahin@macro-egy.com
IR Website: <http://ir.macro-egy.com>

Shareholding Structure



¹ Enverson International Company is the personal holding vehicle for Dr. Ahmed El Nayeb and Family

² Alta Semper Capital includes Alta Semper Capital Partners I, Alta Semper Lira Fund I LP and Alta Semper Investors II B.V

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.



Consolidated Income Statement

Macro Group Pharmaceuticals (Macro Capital) S.A.E - Consolidated statement of profit and loss for the three-month period ended 30 June 2025

Consolidated Income Statement EGP	1H-2025 Actual	1H-2024 Actual	YOY
Sales	411,541,394	155,252,205	165%
Cost of sales	(131,244,142)	(58,402,003)	125%
Gross profit	280,297,252	96,850,202	189%
Gross profit margin	68%	62%	5.7 pps
Selling and marketing expenses	(130,959,489)	(70,995,791)	84%
General and administrative expenses	(60,020,312)	(56,415,926)	6%
Provisions formed	-	-	n/a
Impairment losses on financial assets	(5,040,326)	(34,126,528)	-85%
Other income - net	(3,871,112)	582,399	-765%
Operating Profit	80,406,013	(64,105,644)	225%
Add back: Depreciation Expense	8,470,421	7,683,382	10%
EBIDTA	88,876,434	(56,422,262)	-258%
EBIDTA Margin	22%	-36%	57.9 pps
Finance cost	(19,558,287)	(27,006,429)	-28%
Finance income	8,077,050	2,335,028	246%
Net Finance cost	(11,481,237)	(24,671,401)	-53%
Net profit for the year before income tax	68,924,776	(88,777,045)	178%
Income tax expense	-	(18,666)	-100%
Net profit for the year	68,924,776	(88,795,711)	178%
Net Profit Margin	17%	-57%	129%

¹ Figure presented is after deducting right of return provisions & reclassification of rebate and bonus expenses



Consolidated Balance Sheet

Macro Group Pharmaceuticals (Macro Capital) S.A.E - Consolidated statement of financial position as of 30 June 2025

Consolidated Balance Sheet EGP	Jun-25	Dec-24	% CHG Y-o-Y
Inventories	104,815,412	103,064,012	1.70%
Trade and notes receivables	317,011,022	298,125,499	6.33%
Prepayments & other debit balances	61,674,780	50,746,961	21.53%
Cash & cash equivalents	109,478,540	62,337,763	75.62%
Total Current Assets	592,979,754	514,274,235	15.30%
PP&E	55,707,223	46,544,659	19.69%
Rights of use assets	21,441,229	27,475,176	-21.96%
Intangible assets	1,669,326	1,458,723	14.44%
Goodwill	25,280,108	25,280,108	0.00%
Total Non-Current Assets	104,097,886	100,758,666	3.31%
Total Assets	697,077,640	615,032,901	13.34%
Trade and notes payable	69,180,408	67,642,322	2.27%
Accrued expenses & credit balances	132,771,615	138,785,332	-4.33%
Short-term loans	195,511,860	107,989,591	81.05%
Provisions	37,449,693	49,208,857	-23.90%
Current income tax liability	1,148,245	1,148,245	0.00%
Lease liabilities - Short term	13,279,808	17,084,337	-22.27%
Total Current Liabilities	449,341,629	381,858,684	17.67%
Deferred income tax liability	-	-	n/a
Lease liabilities - Long term	14,782,427	16,304,670	-9.34%
Loan from related party	85,926,736	138,767,475	-38.08%
Total Non-Current Liabilities	100,709,163	155,072,145	-35.06%
Total Liabilities	550,050,792	536,930,829	2.44%
Paid-in capital	114,041,291	114,041,291	0.00%
Legal reserve	40,690,302	37,126,148	9.60%
Treasury shares	0	0	n/a
Retained earnings	-7,892,462	-73,239,401	-89.22%
Total Equity Attributable to Equity Holders	146,839,131	77,928,038	88.43%
Non-controlling interest	187,717	174,034	7.86%
Total Equity	147,026,848	78,102,072	88.25%
Total Liabilities & Equity	697,077,640	615,032,901	13.34%