



Investor Relations Presentation

1Q 2025



MACRO
PHARMACEUTICALS





Agenda

1

Executive Summary

2

1Q25 Financial & Operational Performance

3

Annual Achievements and Plan

4

Appendix



Executive Summary





Executive Summary



1Q 2025 Financial Highlights

EGP 184 mn
Revenues⁽¹⁾
▲ 210% YoY

EGP 121 mn
Gross Profit
▲ 232% YoY / 65.7% margin

EGP 34.4 mn
EBITDA
Vs. EGP -60.5 mn in 1Q24 / 18.7% margin

EGP 22.4 mn
Net Income
Vs. EGP -78.1 mn in 1Q24 / 12.1% margin

EGP 25.9 mn
Normalized Net Income⁽²⁾
Vs. EGP -43.2 mn in 1Q24 / 14.1% margin

EGP 37.9 mn
Adjusted EBITDA⁽²⁾
Vs. EGP -25.6 mn in 1Q24

1Q25 Operational Highlights

17%⁽³⁾
Market Share

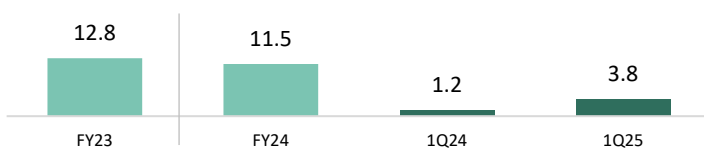
3.8 mn
Volume Sold (units)
▲ 209% YoY

3
SKU Launched

5
2025 Pipeline Products

90k
Total Sales Visits Vs 67k in 1Q24

289
Medical Reps



¹ Revenue after deducting right of return provision & rebates of EGP 10.6 million and EGP 10.7 million, respectively

² Adjusted for Impairment losses on financial assets

³ While the total market reflects the cosmeceutical/nutraceutical space in which the company operates in, the IQVIA universe used for this data reflect Macro's direct competitors.



1Q25 | Financial & Operational Performance

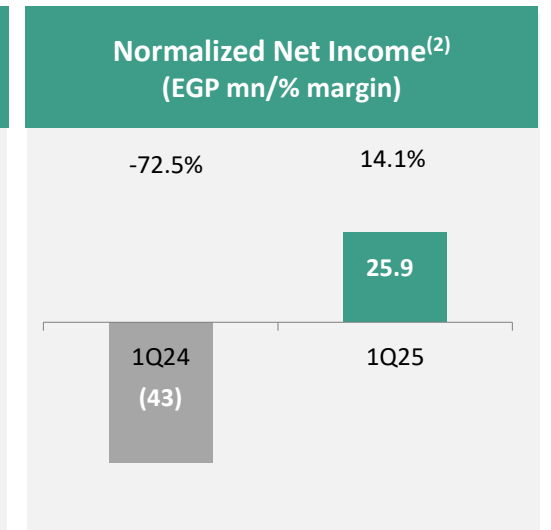
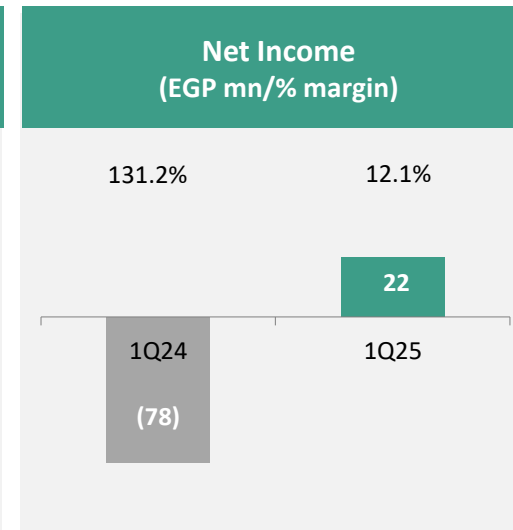
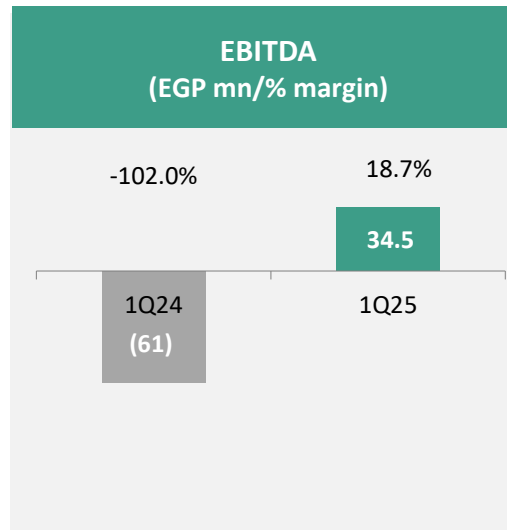
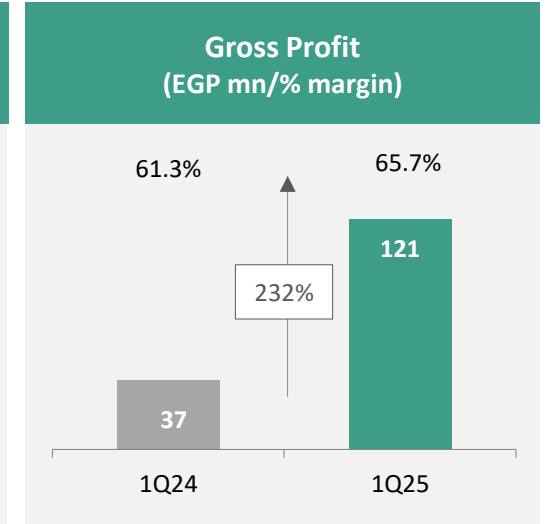
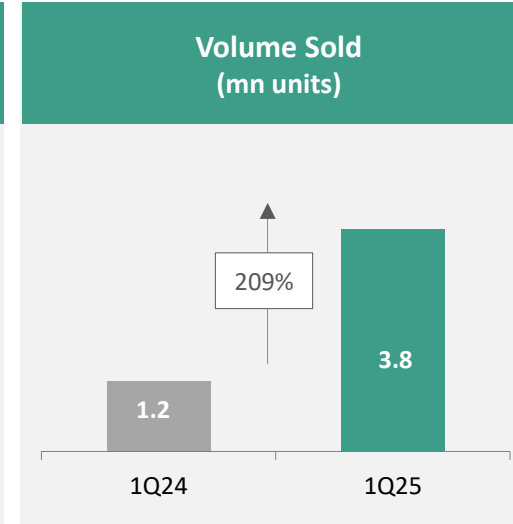
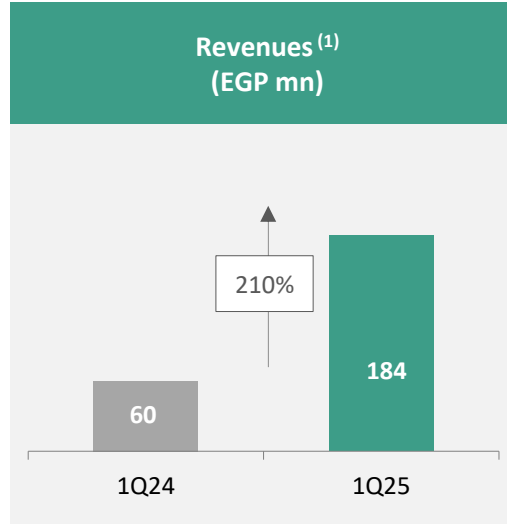




1Q25 | Income Statement Highlights

1Q25 Highlights

- **Macro's net revenues was up by a significant 210% YoY reaching EGP 184 million in 1Q25**, the growth was primarily due to the total volumes sold more than doubling from last year, as management were able secure sizable orders after concluding the destocking efforts. Additionally, the company implemented its first round of price increases in March 2025 with an average increase of 15% across various SKUs, this will be reflected on in the 2Q25 sales value. Gross revenue is adjusted for a 5% right of return provision and sales rebates amounting to EGP 10.6 million and EGP 10.7 million, respectively.
- **Gross profit stood at EGP 121 million in 1Q25, marking an 232% YoY increase**, with margins growing by 4.4 pps to 65.7% during the year. The growth was primarily a driven by a better product mix.
- **EBITDA in 1Q25 was EGP 34.5 million, up from EGP -61 million last year**, on the back of cost optimization and a 29 pps and 34 pps decline in S&M and G&A expenses to sales, respectively. This yielded an EBITDA margin of 18.7%, up from -102% last year. Adjusted for one-off impairments losses, adjusted EBITDA was EGP 37.9 million, up from EGP -25.6 million last year, which led to an adjusted EBITDA margin of 20.6%.
- **During 1Q25, Macro reported a net income of EGP 22 million, up from EGP -78 million last year**, resulting in a net margin of 14.1%, up from -72.5% last year. This mainly resulted from the substantial growth in operating profitability, in addition to a 90% Y-o-Y decline in impairment losses on financial assets, and a 43% YoY decline in net finance costs. Normalized net income, adjusted for impairment losses on financial assets amounted to EGP 26 million up from EGP -43 million last year.



¹ Revenue after deducting right of return provision & rebates of EGP 10.6 million and EGP 10.7 million, respectively

² Adjusted for Impairment losses on financial assets



Annual Achievements and Plan





1Q25: Driving Growth Across Functions



Sales and Marketing

Sales growth

We successfully secured strong demand dynamics as reflected in a healthy in/out ratio surpassing both in and out sales targets. Additionally, we concluded the Macroverse mega event which brought together over 200 (KOLs) including most of the influential figures in the industry

Pharmacy Chains

We are repositioning our presence in the pharmacy sector by trying to penetrate medium-sized chains and implementing various engagement initiatives such as 'Healthy Days' to drive visibility, consumer interaction and growth.

Commercial

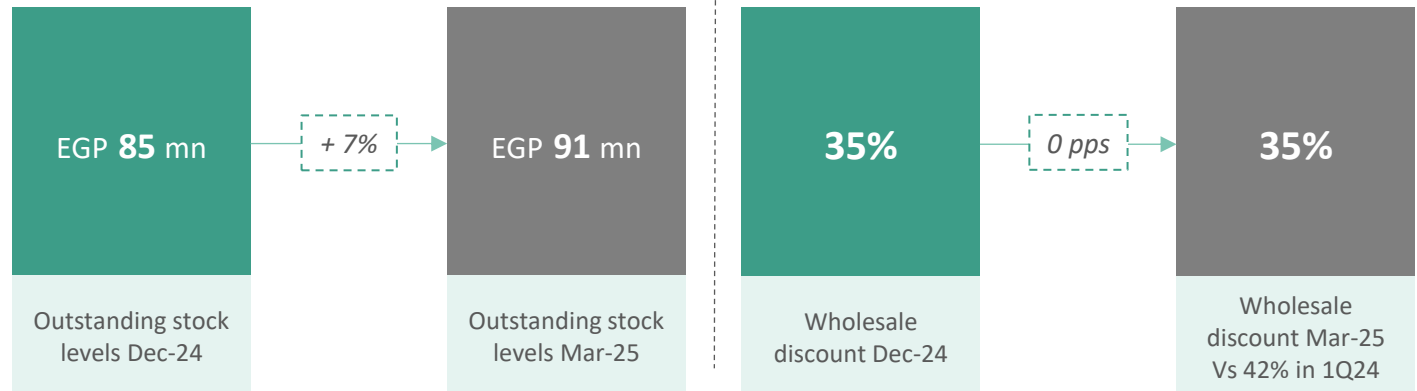
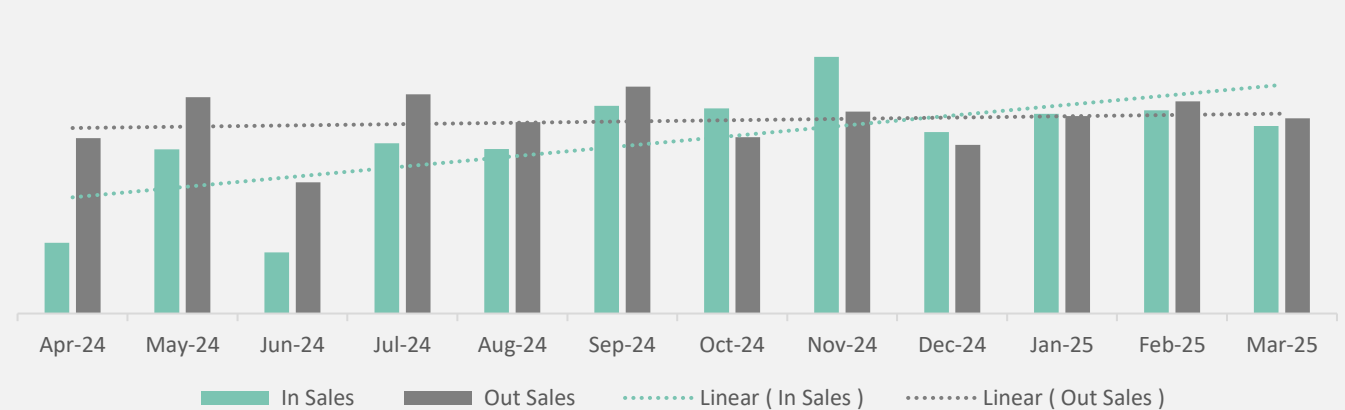
Destocking

Commercial team is continuing to enhance stock levels held by distributors while ensuring coverage and availability and working towards selling slow moving inventories at a discount. Our overall coverage ratio based on the average sales of March is 1.5 months. In addition to finalizing a contract with Pharma overseas that is expected to secure 55% of our sales target

New Channels

We finalized a contract with Al Hafez pharmaceutical hypermarket which exceeded expectations by achieving twice its contractual target in 1Q25. We also onboarded another key wholesale partner to our main pharma overseas distributor contributing to 22% of wholesaler channel sales, reducing concentration risk within the distribution network.

Revenues | EGP mn
April-March 2024/25





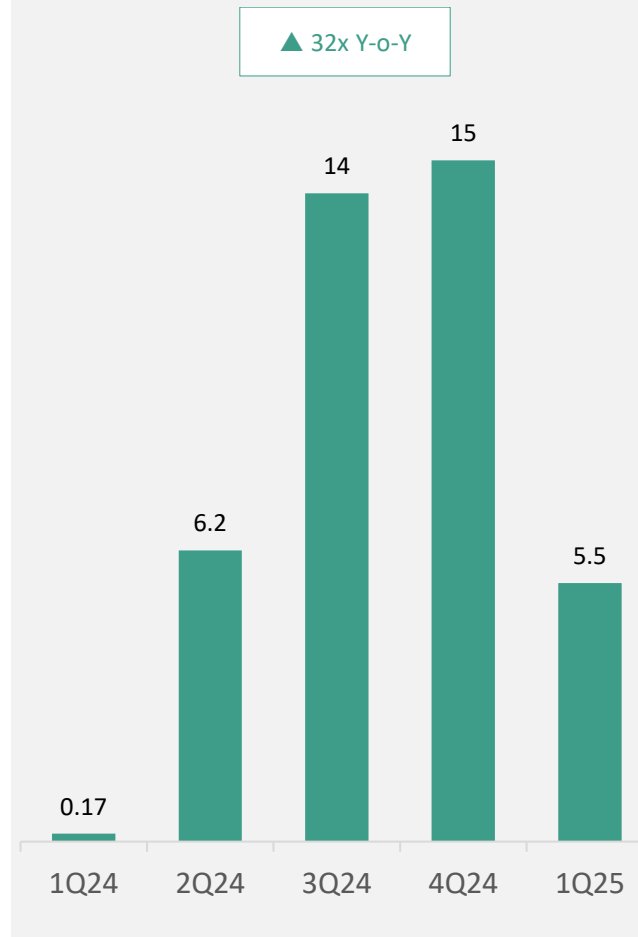
1Q25 | Export Highlights

Exports were up significantly to reach EGP 5.5 million in 1Q25 from only EGP 0.17 million last year contributing 3% to overall revenue.

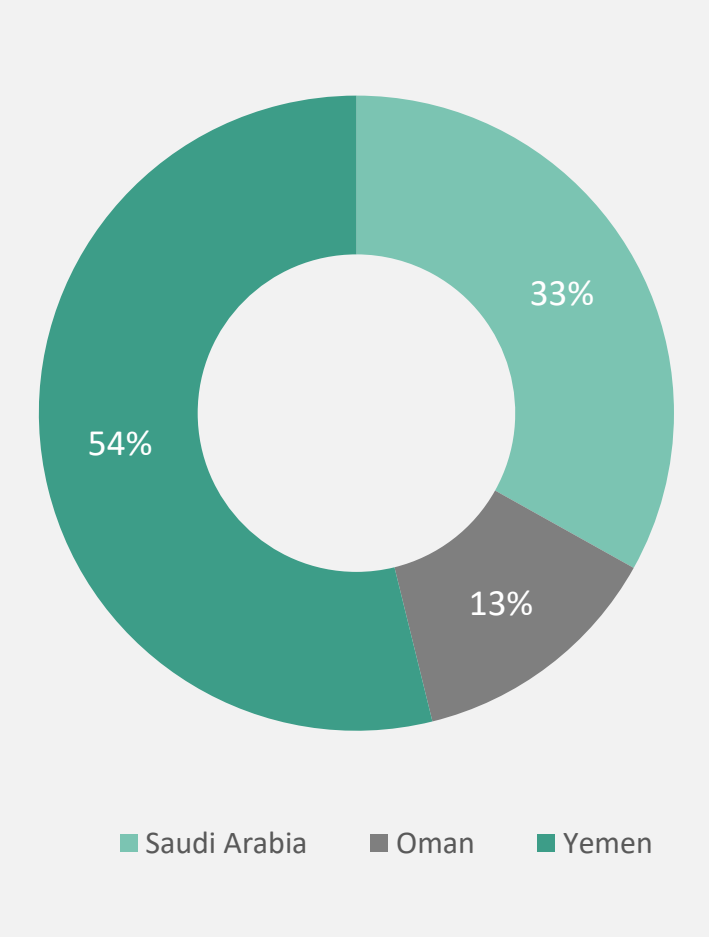
During 1Q25 export markets included Saudi Arabia, Oman and Yemen. **Also, Macro was able to secure its first shipment to the Netherlands and Bangladesh in April 2025 in addition to securing a sizable order from Sudan which will reflect positively on 2Q25**

The largest market during the period were Yemen and Saudi Arabia generating export revenue of EGP 2.9 million and EGP 1.8 million in 1Q25, respectively

Total Export Revenues | EGP mn



Export breakdown by country | 1Q25





1Q25: Driving Growth Across Functions



Supply Chain

- Rebuilding trust with suppliers, following the resolution of past payment delays to secure consistent availability of essential materials
- Collaborating with the commercial team to secure healthy stock levels with in-house stock coverage of c60% from the outstanding POs in March
- We were able to secure multiple shipments of soap noodles to cover shortages



Finance & IT

- Implementing three ticketing systems across the IT, SFE and Artwork & Design departments to track and manage issues more efficiently
- Implementing a solid budget to ensure controls in 2025 and achieving our 3-year business plan, with the first quarter results coming in-line with our expectations
- Successfully managing our cash conversion cycle to reflect in a higher cash balance which allowed us to reduce our overdraft exposure
- Finalizing the capital increase process which is expected to take place in 3Q25



Human Resources

- Extensive salary benchmarking to improve our compensation structure, ensuring we attract and retain top talent.
- The department effectively managed high turnover early in the year, helping stabilize teams, ensuring smooth operations, and preventing disruption.
- Launched an internal training hub to cater to each department's needs while utilizing our in-house talents
- Total number of joiners in 1Q25 were 24 from 53 in 1Q24, while the leavers were 23 employees, down from 113 in 1Q24



Plant and Admin

- Completed several key enhancements to the cream production area and obtained regulatory approvals
- Imported a cream filling machine to improve production capacity
- EGP 50 million has been approved and allocated for 2025 to upgrade additional areas that require improvements as per the EDA requirements.
- In process of completing the new supplemental water treatment plant in the main factory.



1Q25: Driving Growth Across Functions



SF&E

- As part of the new system, we implemented a GPS tracking feature has been introduced to enhance the evaluation of field force performance alongside with the automation of incentive calculations.
- Additionally, the SFE department has initiated internal market research and surveys to strengthen the company decision-making processes
- Successful migration from the old to the new CRM system without any major issues causing delays



Investor

- Successfully managed client relationships, while keeping investors and analyst up to date with company plans and results
- Periodic analyst and investor calls, including an initiation of coverage meeting with Naeem Asset Management team



R&D

- Team successfully found a solution for SKUs that faced shortages due to material quality disruptions, restarting the production and supply processes
- Implementing cost saving initiatives such as formulation and packaging revisions on products like Solodex Anti-dandruff Shampoo and O-pedal, respectively as part of the COPE project, with total savings of EGP 1.54 million as of 1Q25
- Working on formulation of new deodorant and toothpaste SKUs to penetrate high demand markets
- innovation pipeline of 5 SKUs in 2025, with the launch of Extrapanthin in February



Appendix





1Q25 | Consolidated Income Statement



| Consolidated Income Statement EGP | 1Q-2024 Actual | 1Q-2025 Actual | % CHG Y-o-Y |
|---------------------------------------|--------------------|--------------------|------------------|
| Sales Revenue⁽¹⁾ | 59,536,121 | 184,387,191 | 209.7% |
| COGS | (23,054,632) | (63,274,601) | 174.5% |
| Gross Profit | 36,481,489 | 121,112,590 | 232.0% |
| Gross profit margin | 61.3% | 65.7% | 4.4 pps |
| G&A Expenses | (30,545,790) | (30,441,910) | -0.3% |
| S&M Expenses | (35,549,990) | (57,456,895) | 61.6% |
| Impairment Losses on Financial Assets | (34,941,466) | (3,520,197) | -89.9% |
| Other Income – Net | 302,236 | 571,516 | 89.1% |
| Net Operating Profit | -64,253,521 | 30,265,104 | n/a |
| <i>Net operating profit margin</i> | 36.1% | 16.4% | -19.7 pps |
| Add back: Depreciation Expense | 3,684,325 | 4,206,081 | 14.2% |
| EBITDA | -60,569,196 | 34,471,185 | n/a |
| EBITDA margin | -101.7% | 18.7% | 120.4 pps |
| Finance income/(cost) | (13,805,346) | (7,872,214) | -43.0% |
| EBT | -78,058,867 | 22,392,890 | n/a |
| Income Tax | (47,081) | 0 | n/a |
| Net Profit | -78,105,948 | 22,392,890 | n/a |
| Net Profit margin | -131.2% | 12.1% | 143.3 pps |

¹ Figure presented in 1Q25 is after deduction of EGP 10.6 million in right of return provisions and EGP 10.7 million in rebates



1Q25 | Consolidated Balance Sheet



| Consolidated Balance Sheet EGP | Dec-24 | Mar-25 | % CHG Y-o-Y |
|--|--------------------|--------------------|--------------|
| Inventories | 103,064,012 | 104,920,924 | 1.8% |
| Trade and notes receivables | 298,125,499 | 292,362,368 | -1.9% |
| Prepayments & other debit balances | 50,746,961 | 53,728,120 | 5.9% |
| Cash & cash equivalents | 62,337,763 | 154,632,828 | 148.1% |
| Total Current Assets | 514,274,235 | 605,644,240 | 17.8% |
| PP&E | 46,544,659 | 55,092,577 | 18.4% |
| Rights of use assets | 27,475,176 | 24,509,227 | -10.8% |
| Intangible assets | 1,458,723 | 1,798,282 | 23.3% |
| Goodwill | 25,280,108 | 25,280,108 | 0.0% |
| Total Non-Current Assets | 100,758,666 | 106,680,194 | 5.9% |
| Total Assets | 615,032,901 | 712,324,434 | 15.8% |
| Trade and notes payable | 67,642,322 | 68,288,162 | 1.0% |
| Accrued expenses & credit balances | 138,353,687 | 152,862,449 | 10.5% |
| Short-term loans | 74,834,792 | 48,474,330 | -35.2% |
| Provisions | 49,208,857 | 49,208,857 | 0.0% |
| Dividends payable | 431,645 | 431,645 | 0.0% |
| Current income tax liability | 1,148,245 | 1,148,245 | 0.0% |
| Lease liabilities - Short term | 17,084,337 | 12,798,382 | -25.1% |
| Total Current Liabilities | 33,154,799 | 33,654,290 | 1.5% |
| Deffered income tax liability | 381,858,684 | 366,866,360 | -3.9% |
| Lease liabilities - Long term | 16,304,670 | 18,214,426 | 11.7% |
| Loan from related party | 138,767,475 | 226,748,686 | 63.4% |
| Total Non-Current Liabilities | 155,072,145 | 244,963,112 | 58.0% |
| Total Liabilities | 536,930,829 | 611,829,472 | 13.9% |
| Paid-in capital | 114,041,291 | 114,041,291 | 0.0% |
| Legal reserve | 37,126,148 | 38,349,005 | 3.3% |
| Treasury shares | 0 | 0 | n/a |
| Retained earnings | (73,239,401) | (52,079,835) | -28.9% |
| Total Equity Attributable to Equity Holders | 77,928,038 | 100,310,461 | 28.7% |
| Non-controlling interest | 174,034 | 184,501 | 6.0% |
| Total Equity | 78,102,072 | 100,494,962 | 28.7% |
| Total Liabilities & Equity | 615,032,901 | 712,324,434 | 15.8% |



1Q25 | Consolidated Cash Flow Statement



| Consolidated Cash Flow Statement EGP | 1Q24 | 1Q25 | % CHG Y-o-Y |
|--|---------------------|-------------------|----------------|
| <u>Cash flows from operating activities</u> | | | |
| Profit for the year before income tax | (78,058,867) | 22,392,890 | -128.7% |
| Adjustments for: | | | |
| Depreciation of property, plant and equipment | 3,684,325 | 4,206,018 | 14.2% |
| Net interest expense/income | 9,881,050 | 8,912,301 | -9.8% |
| Impairment of trade receivables/ inventories | 0 | 6,551,984 | n/a |
| Other income - net | 34,274 | 0 | n/a |
| Related party loan forex | 0 | (985,696) | n/a |
| Operating profits before changes in working capital | (64,459,218) | 41,077,497 | -163.7% |
| Changes in working capital | | | |
| Inventory | (2,628,996) | (4,888,699) | 86.0% |
| Trade and notes receivables | 78,185,204 | 5,916,865 | -92.4% |
| Prepayments and other debit balances | (1,869,430) | (2,981,159) | 59.5% |
| Trade and notes payable | (15,038,392) | 645,840 | -104.3% |
| Accrued expenses and other credit balances | (8,017,349) | 14,508,762 | -281.0% |
| Net cash flows generated from operating activities | (13,828,181) | 54,279,106 | n/a |
| Interest paid | (9,674,748) | (4,872,854) | -49.6% |
| Net cash flow used in operating activities | (23,502,929) | 49,406,252 | n/a |

| (Continued) | 1Q24 | 1Q25 | % CHG Y-o-Y |
|---|---------------------|--------------------|----------------|
| <u>Cash flows from investing activities</u> | | | |
| Payments to purchase of property, plant and equipment | (1,046,573) | (1,293,135) | 23.6% |
| Payments to acquire Intangible assets | 0 | (432,456) | n/a |
| Payments for Projects under construction | 0 | (8,401,955) | n/a |
| Interest received | 793,559 | 1,523,547 | 92.0% |
| Net cash flows used in investing activities | (253,014) | (8,603,999) | n/a |
| <u>Cash flows from financing activities</u> | | | |
| Proceeds from facilities and Related party loans | 83,388,015 | 143,023,108 | 71.5% |
| Repayments of facilities | (102,677,434) | (83,647,504) | -18.5% |
| Lease payments | (3,651,440) | (4,208,861) | 15.3% |
| Re-issuance of treasury shares | 21,815,487 | 0 | n/a |
| Net cash flows used in financing activities | (1,125,372) | 55,166,743 | n/a |
| Net (decrease) / increase in cash and cash equivalents | | | |
| | (24,881,315) | 95,968,996 | -485.7% |
| Cash and cash equivalents at beginning of the period | 75,309,682 | 62,337,763 | -17.2% |
| Expected Credit Loss: Cash and cash Equivalents | 0 | (3,673,931) | n/a |
| Cash and cash equivalents at end of period | 50,428,367 | 154,632,828 | 206.6% |
| Non-cash Transaction | | | |
| Lease contracts additions | 19,940,910 | 0 | n/a |