



Investor Relations Presentation

FY 2024



MACRO
PHARMACEUTICALS





Agenda

1

Executive Summary

2

FY24 Financial & Operational Performance

3

Annual Achievements and Plan

4

Appendix



Executive Summary





Executive Summary (2 of 2)



FY 2024 Financial Highlights

EGP 520 mn
Revenues⁽¹⁾
▼ 1.1% YoY

EGP 323 mn
Gross Profit
▼ 9.7% YoY / 62.1% margin

EGP 64.6 mn
Adjusted EBITDA⁽²⁾
▲ 153% YoY / 12.4% margin

EGP -38.0 mn
Net Loss
Vs. EGP -273 mn in FY23 / -7.3% margin

EGP -5.7 mn
Normalized Net Loss⁽²⁾
Vs. EGP -57.4 mn in FY23 / -1.1% margin

EGP 65.4 mn
Operating Cashflow
Vs. EGP -8.8 mn in FY23

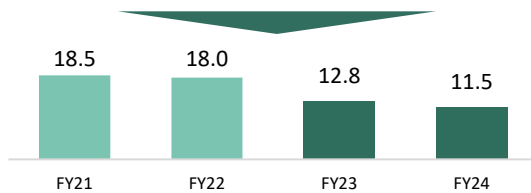
FY2024 Operational Highlights

17%⁽³⁾
Market Share

11.5 mn
Volume Sold (units)
▼ 10% YoY

1
SKU Launched

14
3-year Product Pipeline



310k
Total Sales Visits

367
Medical Reps

¹ Figure presented is after deducting right of return provisions & reclassified bonuses and rebates

² Adjusted for Impairment losses on financial assets & Fair value change 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.



Company Overview (3/3)



MACRO Advantage

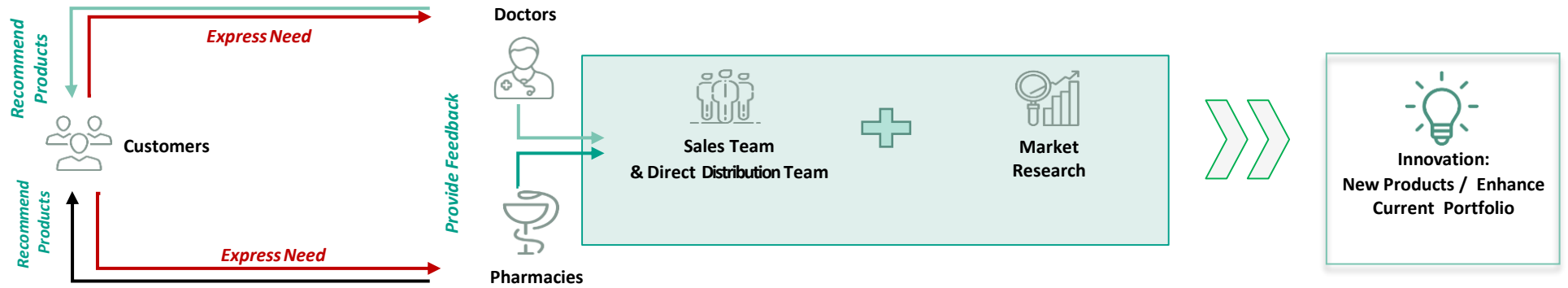
Highly-incentivized salesforce

Different weights assigned to products to motivate sales of higher-margin products

GPS & integrated CRM system enable Macro effectively manage & monitor its salesforce

Salesforce divided by segment focus - premium vs. classic

An Innovative Market Research and Concept Development Approach, Closing the Customers, Doctors and Pharmacies Feedback Loop



Promotion Team Channels & Coverage

Prescription Sales

Macro's medical salesforce engages directly with targeted physicians.

	12k	Covered Physicians FY24
	367	Medical Salesforce FY24
	310k	Doctor Visits FY24

Over-the-counter Sales

Demand is created through brand recognition and product visibility in pharmacies

	44k	Covered Pharmacies FY24
--	------------	-------------------------

DIRECT TO CONSUMER MARKETING STRATEGY

MODERN TRADE CHANNELS

OUTDOOR BOOTH ACTIVATIONS

E-COMMERCE





FY24 | Financial & Operational Performance





Efficient distribution platform with wide coverage

Direct Sales Channels

- Revenues from direct sales channels came in at EGP 304 million in FY24, down by 12% YoY and contributing 52% to total revenues. Wholesale revenues declined by 9% YoY while direct pharmacy sales recorded EGP 27.9 million during the period, keeping the channels overall contribution to revenue at 5%. Management continues to focus on increasing its presence within the direct pharmacy channel, with on going efforts to expand its reach in within the large and medium size pharmacies. E-commerce revenue was EGP5.1 million in FY24, down 78% from last year and contributing 1% to overall revenue.

Indirect Sales Channels

- Indirect sales channel revenue contribution recorded 48% in FY24 with total revenue recording EGP 279 million, up 55% YoY. This was primarily driven by a 56% Y-o-Y growth in key accounts sales to EGP 244 million, on the back of enhanced performance from our main distributors, Ibn Sina and Pharma Overseas during the period. Additionally, export revenue came in at EGP 34.6 million, up 47% YoY, as management continue their efforts to grow export presence and hedge against foreign currency risk.

Channel	Distribution Channels				
	Indirect Distribution		Direct Distribution		
	Key Accounts	Exports	Wholesalers	Pharmacies	E-Commerce
% of FY24 Sales	42%	6%	46%	5%	1%
Key Accounts	 		Large portfolio of wholesalers in Egypt		Revamping E-commerce channel in preparation for 2025

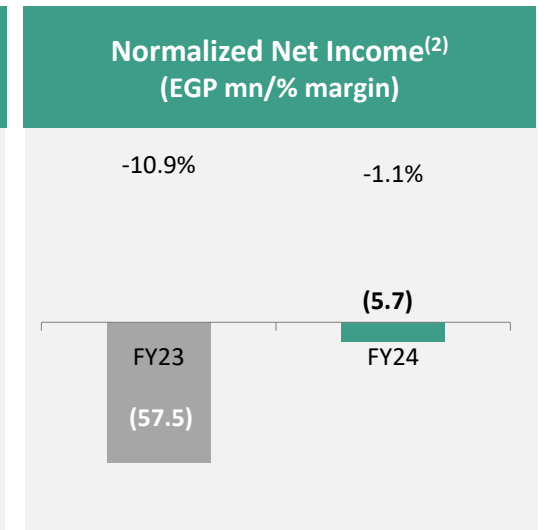
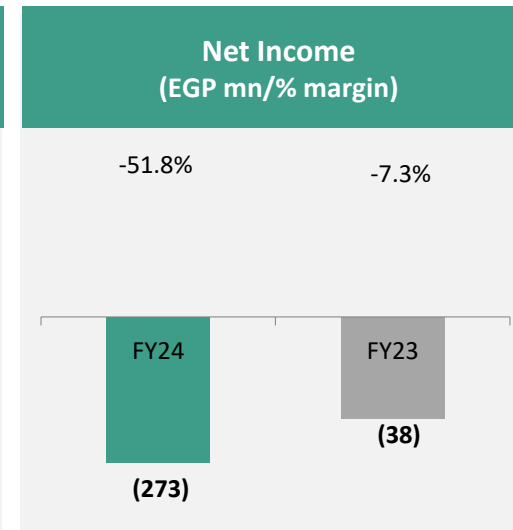
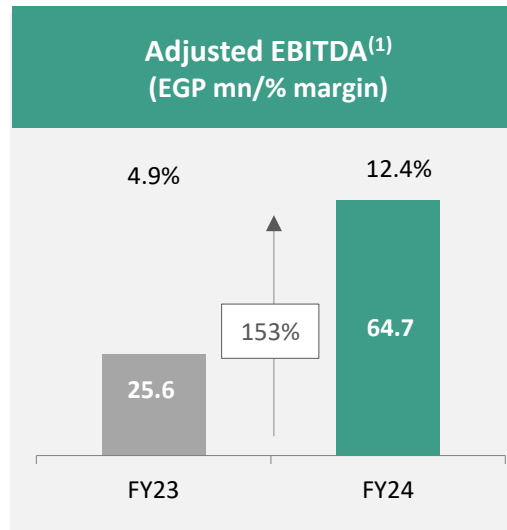
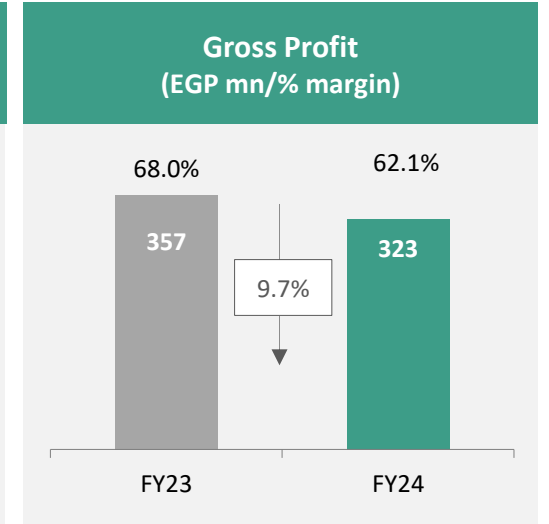
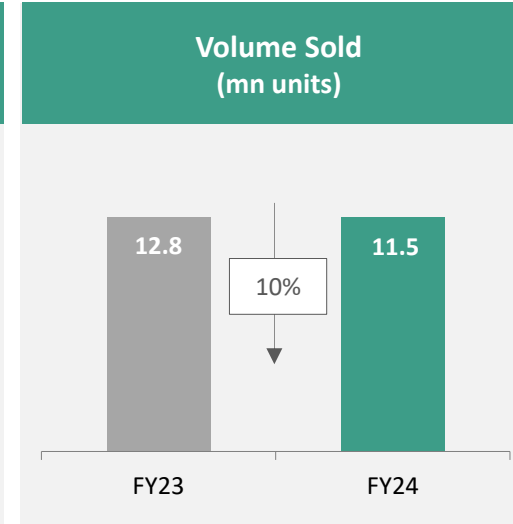
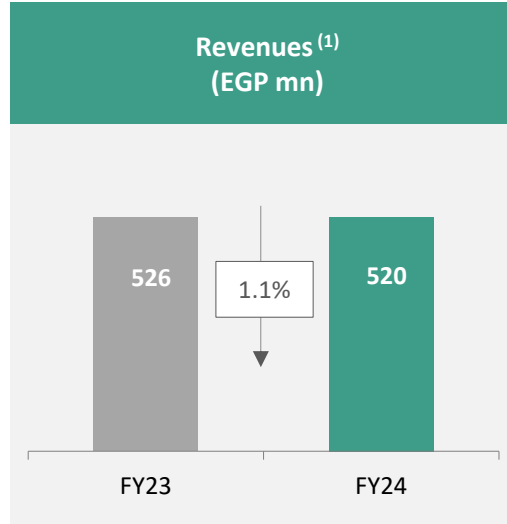
¹ Breakdowns based on gross sales amounting to EGP 582.5 million, without deducting rebates or right of return provisions



FY24 | Income Statement Highlights

FY24 Highlights

- **Macro's net revenues declined by only 1.1% YoY reaching EGP 520 million in FY24**, the slight decline was primarily due to 10% lower volumes sold during the period as management were able to control stock levels at 1.5-2 months, which was slightly offset by a better sales mix. Management kept prices stable during the year but started implementing gradual price increases during 2025, amidst the inflationary environment in Egypt. Gross revenue is adjusted for a 5% right of return provision and reclassified bonuses and rebates.
- **Gross profit stood at EGP 323 million in FY24, marking an 9.7% YoY decline**, with margins decreasing by 5.9 pps to 62.1% during the year. The decline was primarily a result of a 17% growth in COGS Y-o-Y. Despite that, management continues its cost reduction efforts, through the implementation projects like COPE.
- **Adjusted EBITDA in FY24 came in at EGP 64.7 million, up from EGP 25.6 million last year**, which led to an adjusted EBITDA margin of 12.4%, up from 4.9% Last year. The growth in EBITDA margin stemmed from a 14.9 pps lower S&M expenses as a percentage of revenues compared to FY23.
- **During FY24, Macro reported a net loss of EGP -38.0 million, up from EGP -273 million last year**, resulting in a net loss margin of -7.3%, up from -51.8% last year. The growth was primarily driven by a 71% Y-o-Y decline in impairment losses on financial assets, no provisions formed during the year and a 13% YoY decline in net finance costs. In addition to EGP 3.3 million in income from fair value change, related to the investment of the shareholder loan that was recorded in FY24. Normalized net loss, adjusted for impairment losses on financial assets and fair value change, amounted to EGP -5.7 million up from EGP -57.5 million last year.

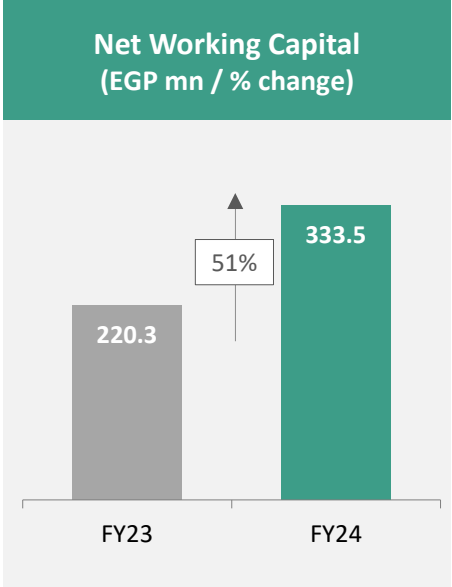


¹ Figure presented is after deducting right of return provisions & reclassified bonuses and rebates

² FY24 adjusted impairment losses on financial assets & Fair value change on financial assets

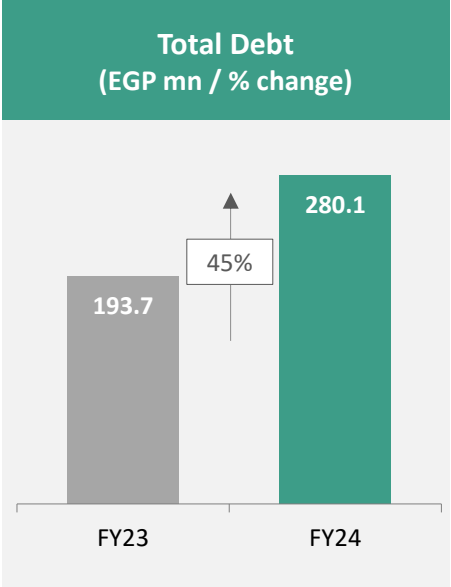


FY24 | Balance Sheet Highlights



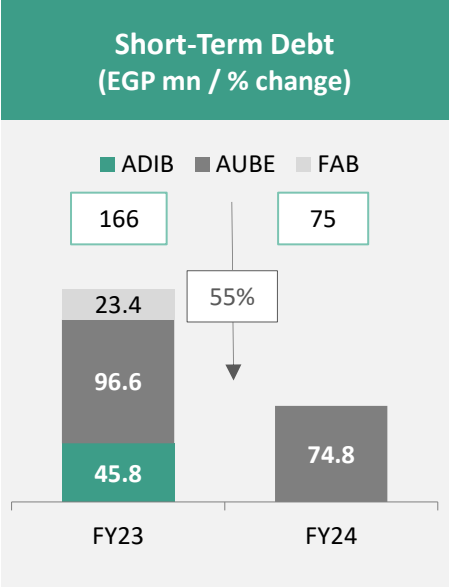
Net Working Capital

- Net working capital was up by 51% Ytd to come in at EGP 333 million as of 31 December 2024, with growth primarily driven by a 81% growth in receivables balance, which was slightly offset by lower inventory and payable balances during the period as the company began to liquidate obsolete inventories and pay off outstanding vendor balances



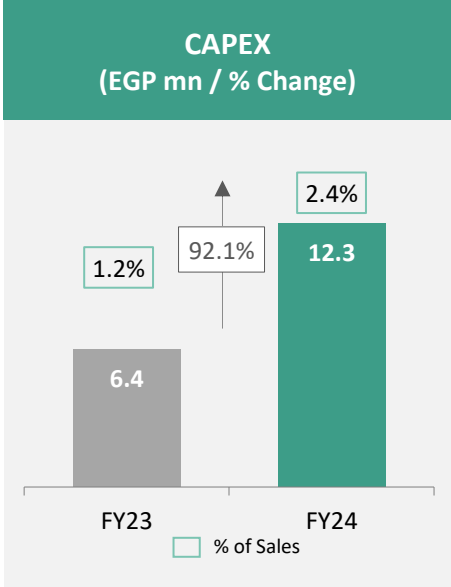
Total Debt

- Total debt, which consists of short-term loans, short & long-term lease liabilities, and a shareholder loan. Total borrowing recorded EGP 280 million as of FY24, up by 45% Ytd primarily on the back of the addition of EGP 172 million shareholder loan. A 17% Ytd decline in cash and bank balances saw net debt come in at EGP 218 million in FY24 vs. EGP 118 million recorded in FY23.



Total Borrowing

- Total short-term borrowing came in at EGP 75 million as of 31 December 2024, down 55% ytd as we did not utilize any facilities with FAB or ADIB during the period. Coupled with the reduction of outstanding loan balances in AUBE.



CAPEX

- CAPEX grew significantly during FY24 to reach EGP 12.3 million in, up 92% YoY. Additions during the year were for the purchase of a filling machine, BOV machine and a vehicle. CAPEX to sales was at 2.4% during FY24, in line with management KPIs.



FY24 | Working Capital Analysis



Cash Conversion Cycle (CCC)

- MACRO's CCC recorded 306 days in FY24, reflecting a growth of 46-days during the year, primarily driven by a 100-day growth in receivables DSO, and a 60-day decline in payables DPO, which were partially offset by a 115-day decline in inventory DIO

Inventories DIO

- Inventories DIO was down by 115 days YoY to record 188 days in FY24, on the back of management's efforts to impair and sell off slow moving and obsolete inventories

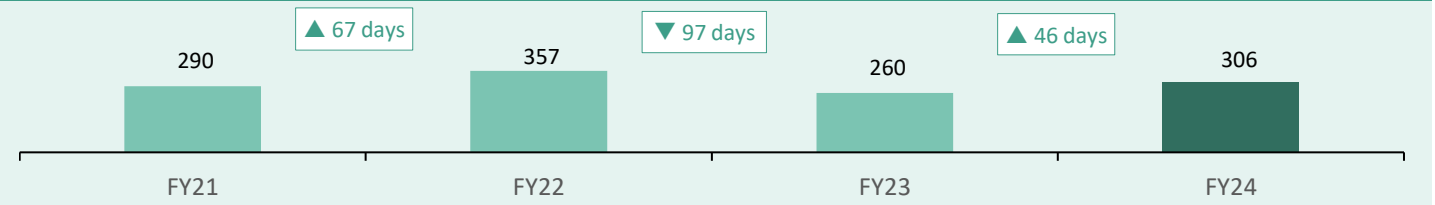
Receivables DSO

- Receivables DSO recorded 242 days in FY24, up by 100 days YoY, this growth came primarily because of seasonality skewed towards the second half of the year with 45% of our annual sales recorded during 2H24

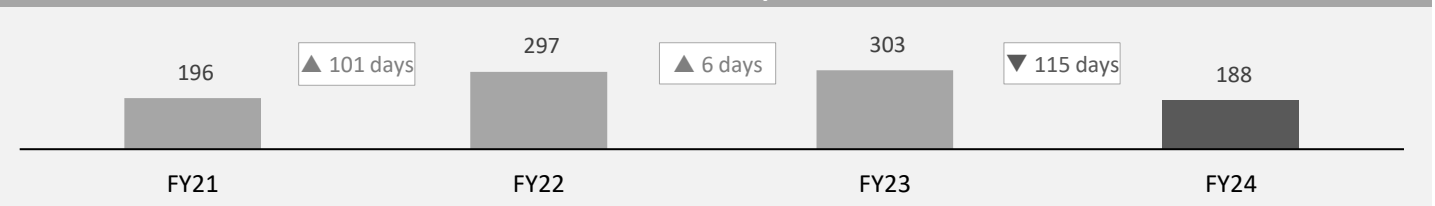
Payables DPO

- Payables DPO was down by 60 days from FY23 to record 124 days in FY24, on the back settling supplier balances

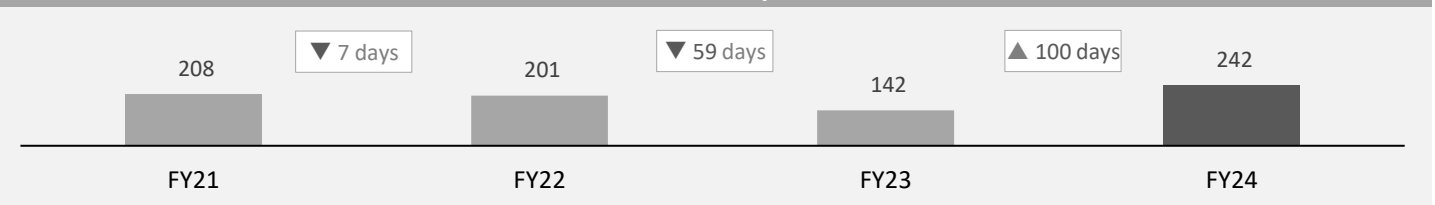
Cash Conversion Cycle | CCC



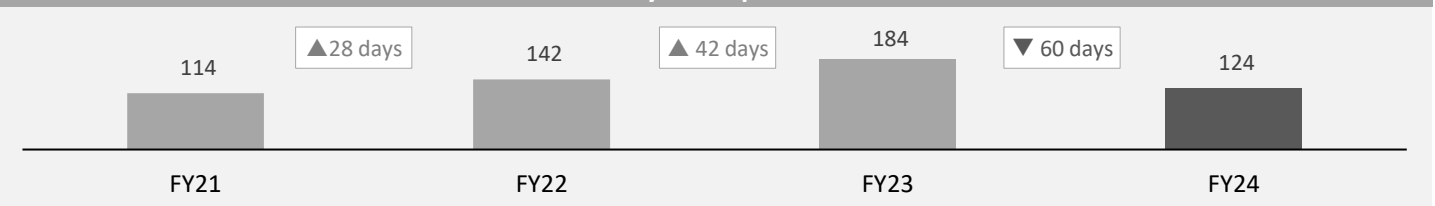
Inventories | DIO



Receivables | DSO



Payables | DPO





Annual Achievements and Plan





FY24: Driving Growth Across Functions



Sales and Marketing

Sales growth

Implemented a new optimized flat organizational structure for better integration and efficiency. We are focused on sales and marketing fundamentals strengthening KOLs relationships and prioritizing KPI fulfillment over target achievement.

Pharmacy Chains

Successfully re-established our presence within the pharmacy sector, launched high ROI initiatives including "Healthy Days" to drive engagement and growth

Commercial

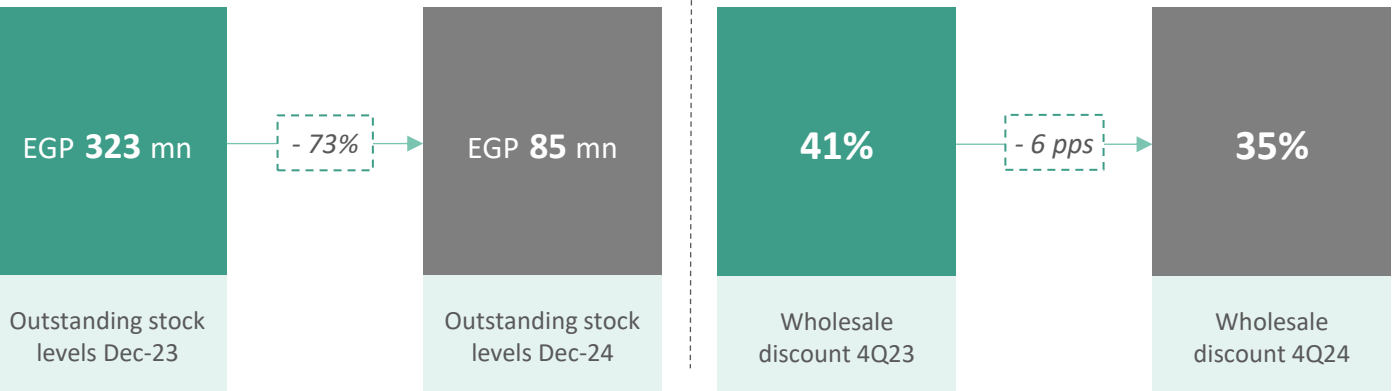
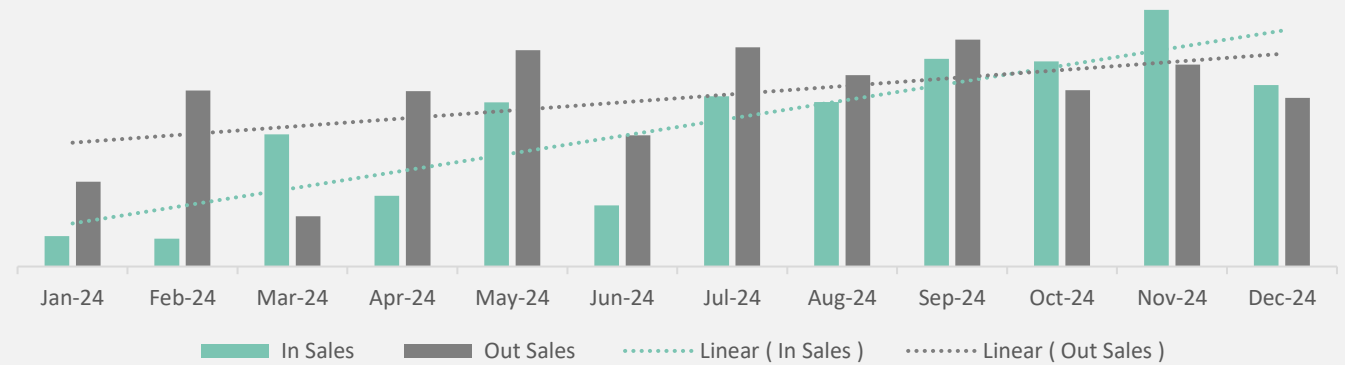
Destocking

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 2H24 is 1.5 months. In addition to finalizing a contract with Pharma overseas that is expected to secure 55% of our sales target

Trade discount

We have currently reached an optimized wholesale discount rate of 35% as of December 2024, down 6pps from last year

Revenues | EGP mn
Jan-Dec 2024





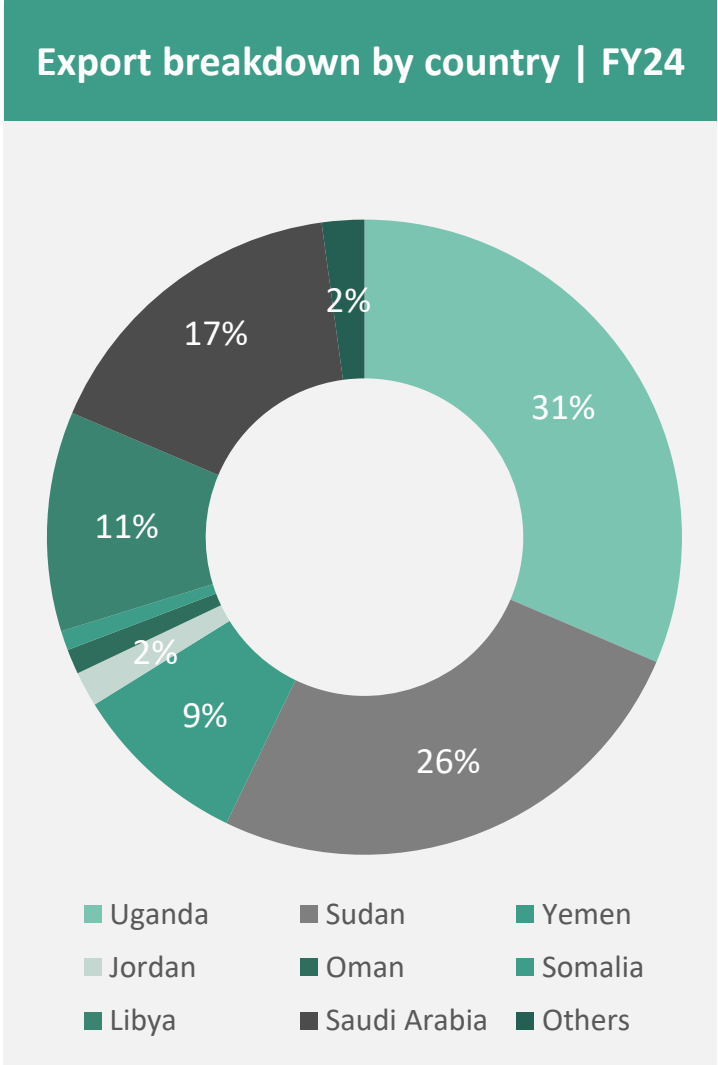
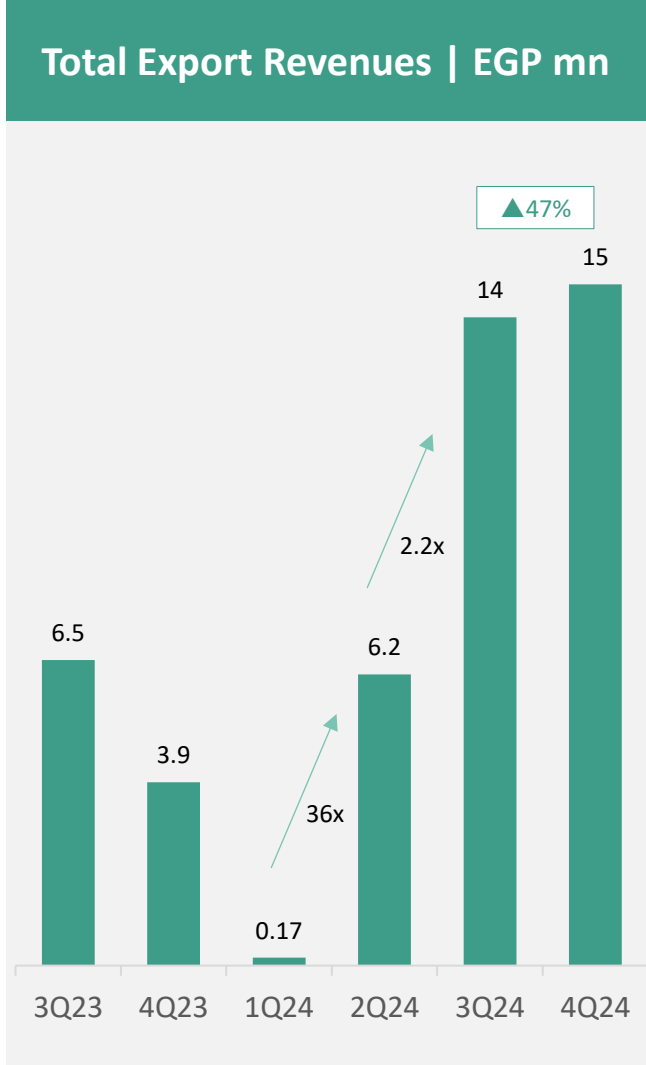
FY24 | Export Highlights



Exports were up 47% YoY to EGP 35 million contributing 6% to overall revenue. On a Q-o-Q basis, exports grew 5% QoQ in 4Q24 to EGP 14.5 million

During FY24 Macro entered new markets like **Somalia, Bahrain and Libya**, in addition to **completing its second shipment to Saudi Arabia** and **revived old shipments to Uganda and Sudan**

The largest markets during the period were Uganda and Sudan generating export revenue of EGP 10.9 million and EGP 8.9 million in FY24, respectively





FY24: Driving Growth Across Functions



Supply Chain

- optimizing operations through weekly (S&OP) meetings to assure cross-functional collaboration and minimizing gaps between supply and demand
- Rebuilding trust with suppliers, following the resolution of past payment delays to secure consistent availability of essential materials
- Contributing in the COPE project saving EGP 10 million on average in FY24
- Hiring of new supply chain manager



Finance & IT

- As planned, the finance team was able to successfully finalize FY24 financial results within the assigned 90-day period.
- IT department successfully launched its new ticketing system to track and manage issues more efficiently and the new E-Archiving system has been initiated with periodical updates done by each department
- Working with the ORACLE system vendor to address any issues
- Implementing a solid budget to ensure solid control in 2025 and achieving our 3-year business plan



Human Resources

- launched an engagement survey across all teams, aiming to better understand employee needs and enhance overall satisfaction.
- 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.
- Total number of joiners in 2024 were 261, while the leavers were 361 employees



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.
- As part of the administrative optimization, we closed several admin offices and warehouses in Banha, Alexandria and upper Egypt



FY24: Driving Growth Across Functions



SF&E

- SF&E team began market research and studies in 2024, which allows them to have clear market insights
- Introduced a new incentive scheme for the sales and marketing team to promote KPI achievement
- Installed a new and improved CRM program which will allow for better reporting and monitoring for sales representatives across the country



Investor

- Successfully managed client relationships, while keeping investors and analyst up to date with company plans and results
- Periodic analyst and investor calls, in addition to more than 10 investor meetings including a round table meeting held by CI capital holding
- Maintaining and updating the quarterly investor presentation that is sent to current and potential clients



R&D

- initiated a case study on top-selling SKUs, collaborating with new consultants to evaluate all product BOMs to identify cost reduction opportunities
- Team successfully found a solution for SKUs that faced shortages due to material quality disruptions, restarting the production and supply processes
- Extending the shelf life of raw materials that are nearing expiration, while also continuing efforts to localize materials to reduce lead times and mitigate issues associated with imported materials.
- Working on new innovation pipeline of 4 SKUs in 2025



Appendix





FY24 | Consolidated Income Statement



Consolidated Income Statement (EGP)	FY23	FY24	% CHG Y-o-Y
Sales Revenue	526,006,332	519,969,557	-1.1%
COGS	(168,358,941)	(196,850,049)	16.9%
Gross Profit	357,647,391	323,119,508	-9.7%
<i>Gross profit margin</i>	68.0%	62.1%	-5.9 pps
General & Administrative Expenses	(102,892,833)	(108,232,054)	5.2%
Selling & Marketing Expenses	(246,861,073)	(166,585,427)	-32.5%
Other Income - Net	465,418	(588,369)	-226.4%
Net Operating Profit	8,358,903	47,713,658	470.8%
<i>Net operating profit margin</i>	1.6%	9.2%	7.6 pps
Add back: Depreciation Expense	17,233,648	16,946,458	-1.7%
Adjusted EBITDA	25,592,551	64,660,116	152.7%
<i>EBITDA margin</i>	4.9%	12.4%	7.6 pps
Impairment Losses on Financial Assets	(122,850,368)	(35,682,922)	-71.0%
Fair Value Change on Financial Assets	0	3,294,173	n/a
Provisions Formed	(89,038,569)	0	n/a
Finance (cost)/ Income - Net	(63,225,669)	(54,880,640)	-13.2%
Employee Stock Ownership Plan (ESOP)	(3,279,000)	0	n/a
EBT	-270,034,703	-39,555,731	-85.4%
Income Tax	(2,604,788)	1,511,758	n/a
Net Profit	-272,639,491	-38,043,973	n/a
<i>Net Profit Margin</i>	-51.8%	-7.3%	44.5 pps



FY24 | Consolidated Income Statement



Consolidated Income Statement EGP	FY-2023 Actual	FY-2024 Actual	% CHG Y-o-Y
Sales Revenue⁽¹⁾	526,006,332	519,969,557	-1.1%
COGS	(168,358,941)	(196,850,049)	16.9%
Gross Profit	357,647,391	323,119,508	-9.7%
Gross profit margin	68.0%	62.1%	-5.9 pps
G&A Expenses	(102,892,833)	(108,232,054)	5.2%
S&M Expenses	(246,861,073)	(166,585,427)	-32.5%
Impairment Losses on Financial Assets	465,418	(588,369)	-226.4%
Fair Value Change on Financial Assets	8,358,903	47,713,658	470.8%
Provisions	1.6%	9.2%	7.6 pps
Other Income – Net	17,233,648	16,946,458	-1.7%
Net Operating Profit	25,592,551	64,660,116	152.7%
<i>Net operating profit margin</i>	4.9%	12.4%	7.6 pps
Add back: Depreciation Expense	(122,850,368)	(35,682,922)	-71.0%
EBITDA	0	3,294,173	n/a
EBITDA margin	(89,038,569)	0	-100.0%
Finance income/(cost)	(63,225,669)	(54,880,640)	-13.2%
EBT	(3,279,000)	0	n/a
Income Tax	-270,034,703	-39,555,731	-85.4%
Net Profit	(2,604,788)	1,511,758	-158.0%
Net Profit margin	-272,639,491	-38,043,973	-86.0%

¹ Figure presented is after deducting right of return provisions & reclassified bonuses and rebates



FY24 | Consolidated Balance Sheet



Consolidated Balance Sheet EGP	Dec-23	Dec-24	% CHG Y-o-Y
Inventories	141,563,256	103,064,012	-27.2%
Trade and notes receivables	164,959,004	298,125,499	80.7%
Prepayments & other debit balances	41,908,894	50,746,961	21.1%
Cash & cash equivalents	75,309,682	62,337,763	-17.2%
Total Current Assets	423,740,836	514,274,235	21.4%
PP&E	39,044,387	46,544,659	19.2%
Rights of use assets	23,699,990	1,458,723	-93.8%
Intangible assets	1,926,451	27,475,176	1326.2%
Goodwill	25,280,108	25,280,108	0.0%
Total Non-Current Assets	89,950,936	100,758,666	12.0%
Total Assets	513,691,772	615,032,901	19.7%
Trade and notes payable	86,213,009	67,642,322	-21.5%
Accrued expenses & credit balances	83,178,912	138,353,687	66.3%
Short-term loans	165,832,406	107,989,591	-34.9%
Provisions	48,401,009	49,208,857	1.7%
Dividends payable	5,136,250	431,645	-91.6%
Current income tax liability	293,767	1,148,245	290.9%
Lease liabilities - Short term	4,987,677	17,084,337	242.5%
Total Current Liabilities	394,043,030	381,858,684	-3.1%
Deffered income tax liability	2,415,576	0	-100.0%
Lease liabilities - Long term	22,902,608	16,304,670	-28.8%
Loan from related party	0	138,767,475	n/a
Total Non-Current Liabilities	25,318,184	155,072,145	512.5%
Total Liabilities	419,361,214	536,930,829	28.0%
Paid-in capital	114,041,291	114,041,291	0.0%
Legal reserve	37,126,148	37,126,148	0.0%
Treasury shares	(29,970,000)	0	-100.0%
Retained earnings	(26,986,002)	(73,239,401)	171.4%
Total Equity Attributable to Equity Holders	94,211,437	77,928,038	-17.3%
Non-controlling interest	119,121	174,034	46.1%
Total Equity	94,330,558	78,102,072	-17.2%
Total Liabilities & Equity	513,691,772	615,032,901	19.7%



FY24 | Consolidated Cash Flow Statement



Consolidated Cash Flow Statement EGP	FY23	FY24	% CHG Y-o-Y
Cash flows from operating activities			
Profit for the year before income tax	(270,034,703)	(39,555,731)	-85.4%
Adjustments for:			
Depreciation of property, plant and equipment	17,233,648	16,946,458	-1.7%
Net interest expense/income	27,504,461	45,325,338	64.8%
Provisions formed	27,038,569	3,209,170	-88.1%
Impairment of Financial Assets/ inventories	187,668,987	0	-100.0%
Fair value change of financial asset		(3,294,173)	n/a
Shareholder loans		9,857,404	n/a
Other income	(29,677)	(868,316)	n/a
Operating profits before changes in working capital	(10,618,715)	31,620,150	-397.8%
Changes in working capital			
Inventory	(67,649,330)	38,499,244	-156.9%
Trade and notes receivables	104,936,864	(153,335,846)	-246.1%
Prepayments and other debit balances	266,846	(8,838,068)	-3412.0%
Trade and notes payable	20,254,893	(18,570,687)	-191.7%
Accrued expenses and other credit balances	(8,137,525)	75,344,126	-1025.9%
Provisions used	(3,000,000)	(2,401,322)	-20.0%
Net cash flows from operating activities	36,053,033	(37,682,403)	-204.5%
Income tax paid	(48,787,537)	(49,340)	-99.9%
Interest paid	(25,271,276)	(36,713,494)	45.3%
Net cash flow from operating activities	(38,005,780)	(74,445,237)	96%

(Continued)	FY23	FY24	% CHG Y-o-Y
Cash flows from investing activities			
Payments to purchase of property, plant and equipment	(6,395,379)	(12,318,068)	92.6%
Proceeds from sale of financial assets	-	53,294,173	n/a
Interest received	1,979,661	5,765,025	191.2%
Reissuance of treasury shares	0	21,815,487	n/a
Financial asset through profit or loss	0	(50,000,000)	n/a
Net cash flows used in investing activities	(4,415,718)	18,556,617	-520.2%
Cash flows from financing activities			
Proceeds from loans	293,767,647	226,814,735	-22.8%
Principal elements of lease payments	(12,248,088)	(16,013,366)	30.7%
Repayments of loans	(260,570,341)	(317,812,349)	22.0%
Payment for purchase of treasury shares	(29,970,000)	-	n/a
Dividends paid	(60,000,000)	(4,704,605)	-92.2%
Shareholder loans	0	154,632,286	n/a
Net cash flows used in financing activities	(69,020,782)	42,916,701	-162.2%
Net (decrease) / increase in cash and cash equivalents			
	(111,442,280)	(12,971,919)	-88.4%
Cash and cash equivalents at beginning of the period	186,751,962	75,309,682	-59.7%
Cash and cash equivalents at end of period	75,309,682	62,337,763	-17.2%