

**TENTH OF RAMADAN FOR PHARMACEUTICAL  
INDUSTRIES AND DIAGNOSTIC REAGENTS  
(RAMEDA) (S.A.E)  
CONDENSED INTERIM SEPARATE FINANCIAL  
STATEMENTS  
TOGETHER WITH REVIEW REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023**

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC  
REAGENTS (RAMEDA) (S.A.E)**

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**Condensed Interim Separate Financial Statements  
For the Period Ended 31 March 2023**

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## **REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE MEMBERS OF THE BOARD OF DIRECTORS OF TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

### **Introduction**

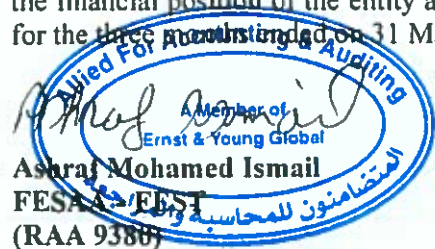
We have reviewed the accompanying condensed interim financial position of **TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)** as of 31 March 2023 as well as the related condensed statements of profit or loss, Comprehensive income, changes in equity and cash flows for the three months ended on 31 March 2023, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these condensed interim separate financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these condensed interim separate financial statements based on our review.

### **Scope of Review**

We conducted our review in accordance with Egyptian Standard on Review Engagements No. 2410, "Review of Condensed Interim Financial Statements Performed by the Independent Auditor of the Entity." A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim separate financial statements does not give a true and fair view, in all material respects, of the financial position of the entity as at 31 March 2023, and of its financial performance and its cash flows for the three months ended on 31 March 2023 in accordance with Egyptian Accounting Standards.



**Ashraf Mohamed Ismail**  
FESAA/EFST  
(RAA 9388)  
(EFSA 102)

**Cairo: 15 May 2023**

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### CONDENSED INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION As Of 31 March 2023

	Notes	31 March 2023 EGP	31 December 2022 EGP
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets & Assets under construction	(5)	539,044,446	540,765,324
Right of use assets	(6-A)	15,416,681	16,215,560
Intangible assets	(7)	432,203,824	438,483,986
Investment in subsidiaries		1,461,800	1,461,800
<b>Total non-current assets</b>		<b>988,126,751</b>	<b>996,926,670</b>
<b>Current assets</b>			
Inventories	(8)	368,582,594	335,894,054
Trade and notes receivable	(9)	976,877,203	893,048,470
Treasury Bills	(10)	317,946,689	361,862,202
Due from related parties	(28)	27,490,045	24,422,539
Prepayments and other receivables		83,548,928	75,873,064
Cash on hand and at banks	(11)	96,039,453	65,599,444
<b>Total current assets</b>		<b>1,870,484,912</b>	<b>1,756,699,773</b>
<b>TOTAL ASSETS</b>		<b>2,858,611,663</b>	<b>2,753,626,443</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Capital	(14)	252,112,680	250,000,000
Paid under capital increase	(14)	-	160,606
Legal reserve		126,056,340	125,000,000
General reserve	(15)	412,394,657	397,521,390
Treasury Shares	(16)	(65,926,198)	(65,926,198)
Share based payments reserve	(17)	3,718,317	14,873,267
Other reserves		278,952	278,952
Profit for the period and retained earnings		853,037,463	788,698,090
<b>Total equity</b>		<b>1,581,672,211</b>	<b>1,510,606,107</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities	(6-B)	15,194,812	16,343,678
Deferred tax liabilities	(25)	55,153,963	51,555,823
<b>Total non-current liabilities</b>		<b>70,348,775</b>	<b>67,899,501</b>
<b>Current liabilities</b>			
Provisions	(12)	14,158,105	14,158,105
Credit facilities	(18)	857,767,685	904,752,873
Current lease liabilities	(6-B)	4,055,370	3,663,480
Trade, notes & other payables	(13)	264,455,854	204,600,751
Due to related parties	(28)	2,874,225	-
Income taxes payable		63,279,438	47,945,626
<b>Total current liabilities</b>		<b>1,206,590,677</b>	<b>1,175,120,835</b>
<b>TOTAL LIABILITIES</b>		<b>1,276,939,452</b>	<b>1,243,020,336</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,858,611,663</b>	<b>2,753,626,443</b>

Finance Director

Mohamed Abo Amira



Board Member

Amr Abdallah Morsy



The accompanying notes from (1) to (29) are an integral part of these condensed interim separate financial statements.  
Review Report attached.

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

**CONDENSED INTERIM SEPARATE STATEMENT OF PROFIT OR LOSS**  
For the Period Ended 31 March 2023

	Notes	31 March 2023 EGP	31 March 2022 EGP
Revenues	(19)	389,677,963	342,499,233
Cost of revenues	(20)	(215,276,561)	(171,005,160)
<b>GROSS PROFIT</b>		<b>174,401,402</b>	<b>171,494,073</b>
Selling and marketing expenses	(21)	(68,032,558)	(63,139,596)
General and administrative expenses	(22)	(18,856,248)	(14,470,370)
Other income		540,399	276,640
<b>Operating profit</b>		<b>88,052,995</b>	<b>94,160,747</b>
Finance income	(23)	15,710,826	13,960,687
Finance expenses	(24)	(31,118,126)	(22,187,303)
Net foreign exchange gain / (losses)		19,268,095	7,354,947
<b>Finance expense</b>		<b>3,860,795</b>	<b>(871,669)</b>
Impairment of trade and notes receivable	(9)	(1,388,410)	(1,000,000)
Share Based payment expenses	(17)	(4,461,980)	-
Contribution for health insurance		(1,065,089)	(892,479)
<b>PROFITS FOR THE PERIOD BEFORE INCOME TAXES</b>		<b>84,998,311</b>	<b>91,396,599</b>
Income taxes	(25)	(19,602,598)	(20,980,237)
<b>PROFITS FOR THE PERIOD</b>		<b>65,395,713</b>	<b>70,416,362</b>
Basic Earnings Per Share	(26)	0.0668	0.0704
Diluted Earnings Per Share	(26)	0.0663	0.0704

**Finance Director**

Mohamed Abo Amira

**Board Member**

Amr Abdallah Morsy

The accompanying notes from (1) to (29) are an integral part of these condensed interim separate financial statements.

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

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**CONDENSED INTERIM SEPARATE STATEMENT OF COMPREHENSIVE INCOME**

For the Period Ended 31 March 2023

	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>EGP</i>	<i>EGP</i>
<b>PROFITS FOR THE PERIOD</b>	<b>65,395,713</b>	70,416,362
OTHER COMPREHENSIVE INCOME	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>65,395,713</b>	70,416,362

The accompanying notes from (1) to (29) are an integral part of these condensed interim separate financial statements.

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**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)****CONDENSED INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY**

For the Period Ended 31 March 2023

	<b>Paid up Capital</b>	<b>Paid under capital increase</b>	<b>Legal reserve</b>	<b>General reserve</b>	<b>Treasury Shares</b>	<b>Share Based Payment</b>	<b>Other Reserves</b>	<b>Retained earnings</b>	<b>Total</b>
	<b>EGP</b>	<b>EGP</b>	<b>EGP</b>	<b>EGP</b>	<b>EGP</b>	<b>EGP</b>	<b>EGP</b>	<b>EGP</b>	<b>EGP</b>
Balance as at 1 January 2022	250,000,000	-	26,446,118	486,965,000	-	-	278,952	587,471,195	1,351,161,265
Transferred to legal reserve	-	-	9,110,272	-	-	-	-	(9,110,272)	-
Acquisition of treasury shares	-	-	-	-	(37,547,159)	-	-	-	(37,547,159)
Dividend distributions	-	-	-	-	-	-	-	(24,307,500)	(24,307,500)
Total comprehensive income for the period	-	-	-	-	-	-	-	70,416,362	70,416,362
<b>Balance as at 31 March 2022</b>	<b>250,000,000</b>	<b>-</b>	<b>35,556,390</b>	<b>486,965,000</b>	<b>(37,547,159)</b>	<b>-</b>	<b>278,952</b>	<b>624,469,785</b>	<b>1,359,722,968</b>
Balance as at 1 January 2023	<b>250,000,000</b>	<b>160,606</b>	<b>125,000,000</b>	<b>397,521,390</b>	<b>(65,926,198)</b>	<b>14,873,267</b>	<b>278,952</b>	<b>788,698,090</b>	<b>1,510,606,107</b>
Transferred to legal reserve	-	-	<b>1,056,340</b>	-	-	-	-	<b>(1,056,340)</b>	-
Paid under capital increase (Note 14)	-	<b>1,952,074</b>	-	-	-	-	-	-	<b>1,952,074</b>
Transferred from paid under increase to capital increase (Note 14)	<b>2,112,680</b>	<b>(2,112,680)</b>	-	-	-	-	-	-	-
Share based Payment reserve	-	-	-	-	-	<b>3,718,317</b>	-	-	<b>3,718,317</b>
Transferred from Share based payment reserve to General reserve	-	-	-	<b>14,873,267</b>	-	<b>(14,873,267)</b>	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	<b>65,395,713</b>	<b>65,395,713</b>
<b>Balance as at 31 March 2023</b>	<b>252,112,680</b>	<b>-</b>	<b>126,056,340</b>	<b>412,394,657</b>	<b>(65,926,198)</b>	<b>3,718,317</b>	<b>278,952</b>	<b>853,037,463</b>	<b>1,581,672,211</b>

The accompanying notes from (1) to (29) are an integral part of these condensed interim separate financial statements.

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### CONDENSED INTERIM SEPARATE STATEMENT OF CASH FLOWS For the Period Ended 31 March 2023

	Notes	31 March 2023 EGP	31 March 2022 EGP
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profits for the period before income taxes		<b>84,998,311</b>	91,396,599
<b>Adjustments to reconcile profit before tax to net cash flow:</b>			
Net foreign exchange differences		<b>(14,963,042)</b>	(5,602,541)
Depreciation and amortization	(5,6,7)	<b>16,403,280</b>	15,011,676
Share based payment expense		<b>4,461,980</b>	-
Provision charged	(12)	-	1,077,994
Impairment of trade and notes receivable	(9)	<b>1,388,410</b>	1,000,000
Impairment of inventory	(8)	<b>7,673,833</b>	5,812,795
Finance income		<b>(15,532,446)</b>	(13,959,068)
Finance expenses	(24)	<b>30,580,107</b>	21,677,387
Unwinding interests of lease liabilities	(24)	<b>538,019</b>	509,916
Loss / (Gain) from sale of fixed assets		<b>(106,473)</b>	24,547
		<b>115,441,979</b>	116,949,305
Change in inventories		<b>(36,193,076)</b>	(3,235,853)
Used from inventory provision		<b>(4,169,297)</b>	(3,622,043)
Change in trade and notes receivable		<b>(85,217,143)</b>	2,268,291
Change in prepayments and other receivables		<b>4,503,344</b>	10,182,980
Change in trade, notes and other payable		<b>52,513,898</b>	(8,445,743)
Change in due to related parties		<b>2,874,225</b>	(3,978)
<b>Cash flows provided from operating activities</b>		<b>49,753,930</b>	114,092,959
Debit interests paid		<b>(23,982,566)</b>	(18,956,100)
Income taxes paid		<b>(670,646)</b>	(2,224,385)
<b>NET CASH FLOWS PROVIDED FROM OPERATING ACTIVITIES</b>		<b>25,100,718</b>	92,912,474
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments to acquire fixed assets	(5)	<b>(4,805,570)</b>	(3,836,100)
Payments to acquire assets under construction	(5)	<b>(2,598,180)</b>	(2,962,490)
Payments to acquire intangible assets	(7)	-	(1,931,479)
Payment to acquire treasury bills	(10)	<b>(163,497,569)</b>	(149,989,121)
Matured treasury bills collection	(10)	<b>178,900,000</b>	191,000,000
Sale of treasury bills		<b>31,866,321</b>	-
Proceeds from sale of fixed assets	(5)	<b>115,576</b>	12,000
Investment in term deposit	(11)	<b>25,361,074</b>	(275)
<b>NET CASH FLOWS RESULTED FROM INVESTING ACTIVITIES</b>		<b>65,341,652</b>	32,292,535
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payments to capital increase	(14)	<b>2,112,680</b>	-
Credit facilities used	(18)	<b>227,594,477</b>	253,788,677
Payment of credit facilities	(18)	<b>(274,579,665)</b>	(287,665,879)
Payment of long-term loans		-	(21,949,676)
Acquisition of Treasury shares		-	(37,547,159)
Change in due from related parties	(28)	<b>(3,067,506)</b>	(76,743)
Lease payments paid during the period	(6)	<b>(1,503,709)</b>	(2,157,040)
<b>NET CASH FLOWS (USED IN) FINANCING ACTIVITIES</b>		<b>(49,443,723)</b>	(95,607,820)
<b>Net change in cash and cash equivalent during the period</b>		<b>40,998,647</b>	29,597,189
Net foreign exchange difference		<b>14,963,042</b>	5,602,541
Cash and cash equivalent - beginning of the peirod		<b>18,062,727</b>	13,106,409
<b>CASH AND CASH EQUIVALENT - END OF THE PERIOD</b>	(11)	<b>74,024,416</b>	48,306,139

The accompanying notes from (1) to (29) are an integral part of these condensed interim separate financial statements.



## **TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

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### **NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS**

For the Period Ended 31 March 2023

#### **1- BACKGROUND**

Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda) (S.A.E) was established under the provisions of Law No. 43 of 1974.

The Company was registered in the commercial registry under No.84008 on 15 January 1986.

The listing of Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda) (S.A.E) on the Egyptian stock exchange was approved in 26 November 2019 according to resolution of listing committee of Egyptian stock exchange.

The registered office is located at plot No. 5 Second Industrial Zone, 6th of October City – Giza– Egypt.

The Company is principally engaged in:

1. Producing, marketing, selling and storing of pharmaceutical reagents for human and veterinary use.
2. Producing, marketing, selling and storing of diagnostic reagents necessary for individuals, laboratories and hospitals.
3. Importing pharmaceutical reagents and raw materials necessary for serving the Company's purposes without trading.
4. Producing pharmaceutical reagents for human and veterinary and diagnostic use for others and by others.
5. Producing food supplements for human use for others and by others.

The financial statements for the period ended 31 March 2023 were authorized for issuance in accordance with a resolution of the Board of Directors' dated 14 May 2023.

#### **2- SIGNIFICANT ACCOUNTING POLICIES**

##### **2-1 BASIS OF PREPARATION**

The separate financial statements are prepared under the going concern assumption on a historical cost basis and The Company is not subject to any significant seasonal or cyclical effects.

The separate financial statements are prepared and presented in Egyptian pounds, which is the Company's functional currency.

The separate financial statements of the Company have been prepared in accordance with the Egyptian accounting standards Num (30) and the applicable laws and regulations, The condensed financial statements do not include all the financial statements and disclosures required in the annual financial statements and should be read in conjunction with the financial statements for the year ending December 31, 2022. In addition, the results of the interim period ending March 31, 2023, may not be considered an accurate indication of the expected results for the financial year. On December 31, 2023.

##### **2-2 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies used in the preparation of the condensed Separate interim financial statements are consistent with those used in the preparation of the separate financial statements for the year ending on December 31, 2022.

There is no change in the accounting policies used as the company did not apply the new changes in the accounting standards.

##### **2-3 CHANGES IN ACCOUNTING POLICIES**

The Prime Minister's Decision No. 883 of 2023 was issued on March 6, 2023, to amend the Egyptian Accounting Standards, and accordingly, the Introductory Appendix in the Egyptian Accounting Standards issued by the Minister of Investment's Decision No. 110 of 2015 is replaced by a Introductory Appendix to the Egyptian Accounting Standards Amendments and the Introductory Appendix 2023 Amendments.

It replaces the following standards: (10) fixed assets, (23) intangible assets, (34) Investment properties, (35) agriculture, and (36) Exploration for and evaluation of mineral resources, from the aforementioned Egyptian accounting standards, with standards Attached to the Prime Minister's decision and the Introductory appendix Amendments 2023.

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

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## NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS

For the Period Ended 31 March 2023

**2-3 CHANGES IN ACCOUNTING POLICIES (CONT)**

Set out below are the amended standards and interpretations issued,

**Amended Egyptian accounting standard 10: Fixed assets**

Egyptian accounting standard 10 has been amended and reissued in 2023 and is effective for the financial periods beginning on or after 1 January 2023. Retrospective application is required with restating the comparative information.

The amendments allow using the revaluation model for the subsequent measurement of fixed assets. The gains and losses resulting from the revaluation of fixed assets are recognized within other comprehensive income and accumulated as equity in the "revaluation surplus" account.

There is no impact on the company's separate financial statements, as the company chose not to change the current accounting policy and did not apply the alternative accounting treatment.

**Amended Egyptian accounting standard 23: Intangible assets**

Egyptian accounting standard 23 has been amended and reissued in 2023 and is effective for the financial periods beginning on or after 1 January 2023. Retrospective application is required with restating the comparative information.

The amendments allow using the revaluation model for the subsequent measurement of intangible assets. The gains and losses resulting from the revaluation of intangible assets are recognized within other comprehensive income and accumulated as equity in the "revaluation surplus" account.

There is no impact on the company's separate financial statements, as the company chose not to change the current accounting policy and did not apply the alternative accounting treatment.

**Amended Egyptian accounting standard 34: Investment properties**

Egyptian accounting standard 34 has been amended and reissued in 2023 and is effective for the financial periods beginning on or after 1 January 2023. Retrospective application is required with restating the comparative information.

The amendments allow entities to using the fair value model option for subsequent measurement of their real estate investments, with REITs required only to use the fair value model for subsequent measurement of all their real estate assets .

The increase in fair value is recognized for the subsequent measurement of real estate investment within items within other comprehensive income, rather than profits or losses, and accumulated within equity in the account of "surplus valuation of real estate investment at fair value".

There is no impact on the company's separate financial statements

**Amended Egyptian accounting standard 35: Agriculture**

Egyptian accounting standard 35 has been amended and reissued in 2023 and is effective for the financial periods beginning on or after 1 January 2023. Retrospective application is required with restating comparative figures.

Fruit plants were excluded from EAS 35: Agriculture to be under the scope of EAS 10: Fixed Assets. There is no impact on the company's separate financial statements.

**Amended Egyptian accounting standard 36: Exploration for and evaluation of mineral resources**

Egyptian accounting standard 36 has been amended and reissued in 2023, is effective for the financial periods beginning on or after 1 January 2023. Retrospective application is required with restating the comparative information.

The amendments allow using the revaluation model for the subsequent measurement of its mineral resources. The gains and losses resulting from the revaluation of mineral resources are recognized within other comprehensive income and accumulated as equity in the "revaluation surplus" account. There is no impact on the company's separate financial statements.

## **TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

### **NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS**

For the Period Ended 31 March 2023

#### **2-3 CHANGES IN ACCOUNTING POLICIES (CONT)**

Set out below are standards and interpretations that have been issued, but remain not effective, as at the date of issuance of these financial statements.

##### **Egyptian accounting standard 50: Insurance contracts**

Egyptian accounting standard 50 "Insurance Contracts" which replaced the Egyptian Accounting Standard 37 "Insurance Contracts". EAS 50 was issued in 2023, and effective beginning on or after July 1, 2024 in Egypt. Early application of the standard is allowed

This standard defines the proof principles of insurance contracts falling within the scope of this standard, and determines their measurement, presentation and disclosure. The objective of the standard is to ensure that the entity provides appropriate information that truthfully reflects those contracts. This information provides the users of the financial statements with basis for assessing the impact of such insurance contracts on the entity's financial position, financial performance and cash flows.

There is no impact on the company's separate financial statements.

#### **3- SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The preparation of these separate financial statements requires management to make judgments and estimates that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Estimates and their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

The key judgments and estimates that have a significant impact on the separate financial statements of the Company are discussed below:

##### **3-1 Judgments**

###### **Revenue Recognition for sale of goods**

In making their judgment, the management considered the detailed criteria for the recognition of revenue from the sale of goods as set out in "EAS 48 Revenue from contracts with customers" including the judgement about whether significant risks and rewards have been transferred.

##### **3-2- Estimates**

###### **Impairment of trade and other receivables**

An estimate of the collectible amount of trade and other receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimate is performed on an individual basis. Amounts which are not individually significant, but are past due, are assessed collectively and a provision is applied according to the length of time past due, based on historical recovery rates.

###### **Provision for sales returns**

The Company's management determines the estimates provision for the expected sales returns. This estimate is determined after considering the past experience of sales returns and sales volume and expiry dates of the products sold. The management periodically reviews the estimated provision amount to ensure that provision is adequate to cover the sales return.

###### **Useful lives of fixed assets**

The Company's management determines the estimated useful lives of its fixed assets for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews the estimated useful lives and the depreciation method to ensure that the method and the period of depreciation are consistent with the expected pattern of economic benefits from these assets.

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS

For the Period Ended 31 March 2023

#### 3- SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONT)

##### Useful lives of intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite.

The assessment of indefinite life is reviewed annually to determine whether indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The management periodically reviews the estimated useful lives and the amortization method to ensure that the method and the period of amortization are consistent with the expected pattern of economic benefits from these assets.

##### Taxes

The Company is subject to income taxes in Egypt. A significant judgment is required to determine the total provision for current and deferred taxes. The Company establishes provision, based on reasonable estimates, for possible consequences of audits by the tax authorities in Egypt. The amount of such a provision is based on various factors, such as experience of previous tax audits and different interpretations of tax regulations by the Company and the responsible tax authority. Such differences of interpretations may be on a wide variety of issues depending on the conditions prevailing in Egypt.

Deferred tax assets are recognized for unused accumulated tax losses to the extent that it is probable that taxable profits will be available against which the losses can be utilized. A significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

##### Impairment of non-financial assets

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations is undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows

#### 4- SEGMENT INFORMATION

Currently the Company's primary business segment is the production and selling of pharmaceutical products which contributes to 89% of total revenue and balance 11% is contributed by toll manufacturing services (31 March 2022: 93% and 7% respectively). The Company's management monitors the business under two segments, "production and selling of pharmaceutical products" and "manufacturing for others" (Toll manufacturing) for the purpose of making business decisions. Accordingly, the Company's revenues during the period ended 31 March 2023 were reported under two segments in the separate financial statements.

The Company produces and sells several products and renders services as follows:

Period	Services		Sales of pharmaceutical products			Total EGP
	Toll	Manufacturing "Domestic" EGP	Export EGP	Domestic		
	Private sales EGP			Tenders EGP		
31 March 2023	<u>41,622,524</u>	<u>35,704,333</u>	<u>260,365,922</u>	<u>51,985,184</u>	<u>389,677,963</u>	
31 March 2022	<u>25,039,879</u>	<u>26,386,338</u>	<u>221,291,797</u>	<u>69,781,219</u>	<u>342,499,233</u>	

Revenue from the top five customers represented 85% of total pharmaceutical products revenues (31 March 2022: 81%).

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For the Period Ended 31 March 2023

**5- FIXED ASSETS AND ASSETS UNDER CONSTRUCTION**

	Freehold Land	Buildings	Machinery and equipment	Transportation and dragging equipment	Laboratory equipment	Tools	Office furniture and fixtures	Assets under construction	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost									
As of 1 January 2023	18,637,425	279,172,534	444,859,590	16,305,904	31,982,677	7,345,392	33,111,400	12,858,215	844,273,137
Additions	-	1,259,263	1,810,030	-	20,007	1,287,060	429,210	2,598,180	7,403,750
Transferred from assets under construction	-	-	-	-	-	-	207,600	(207,600)	-
Disposals	-	-	(4,050)	(245,740)	-	-	(17,766)	-	(267,556)
<b>As of 31 March 2023</b>	<b>18,637,425</b>	<b>280,431,797</b>	<b>446,665,570</b>	<b>16,060,164</b>	<b>32,002,684</b>	<b>8,632,452</b>	<b>33,730,444</b>	<b>15,248,795</b>	<b>851,409,331</b>
Accumulated depreciation									
As of 1 January 2023	-	(74,889,887)	(182,460,484)	(11,707,422)	(11,027,525)	(2,818,251)	(20,604,244)	-	(303,507,813)
Depreciation for the period	-	(2,211,621)	(4,994,303)	(220,323)	(746,772)	(172,501)	(770,005)	-	(9,115,525)
Disposals	-	-	3,473	245,740	-	-	9,240	-	258,453
<b>As of 31 March 2023</b>	<b>-</b>	<b>(77,101,508)</b>	<b>(187,451,314)</b>	<b>(11,682,005)</b>	<b>(11,774,297)</b>	<b>(2,990,752)</b>	<b>(21,365,009)</b>	<b>-</b>	<b>(312,364,885)</b>
<b>Net book value as of 31 March 2023</b>	<b>18,637,425</b>	<b>203,330,289</b>	<b>259,214,256</b>	<b>4,378,159</b>	<b>20,228,387</b>	<b>5,641,700</b>	<b>12,365,435</b>	<b>15,248,795</b>	<b>539,044,446</b>

- The cost of fixed assets as of 31 March 2023 includes EGP 110,558,413 which represents fully depreciated assets that are still in use.
- The cost of asset under construction as of 31 March 2023 includes impairment by EGP 686,437, (EGP 686,437 as at 31 December 2022).

Depreciation for the period was allocated to the statement of profit or loss as follows:

Gain from sale of fixed assets was calculated as follows:

	31 March 2023	31 March 2023	
	EGP	EGP	
Cost of revenue	8,394,357	Cost of disposed assets	267,556
Selling and marketing expenses	232,688	Accumulated depreciation of disposed assets	(258,453)
General and administrative expenses	488,480	Net book value of disposed assets	9,103
	<b>9,115,525</b>	Proceeds from sale of fixed assets	<b>115,576</b>
		Gain from sale of fixed assets	<b>106,473</b>

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For the Period Ended 31 March 2023

**5- FIXED ASSETS AND ASSETS UNDER CONSTRUCTION (CONTINUED)**

	Freehold Land	Buildings	Machinery and equipment	Transportation and dragging equipment	Laboratory equipment	Tools	Office furniture and fixtures	Assets under construction	Total
	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP	EGP
Cost									
As of 1 January 2022,	18,637,425	273,341,106	414,773,502	13,369,898	28,261,762	6,022,977	29,123,411	27,041,385	810,571,466
Additions	-	5,274,519	9,935,733	1,898,136	2,181,576	1,333,683	4,145,679	9,606,254	34,375,580
Transferred from assets under construction	-	556,909	20,329,505	1,037,870	1,811,035	-	54,105	(23,789,424)	-
Disposals	-	-	(179,150)	-	(271,696)	(11,268)	(211,795)	-	(673,909)
As of 31 December 2022,	<u>8,637,425</u>	<u>279,172,534</u>	<u>444,859,590</u>	<u>16,305,904</u>	<u>31,982,677</u>	<u>7,345,392</u>	<u>33,111,400</u>	<u>12,858,215</u>	<u>844,273,137</u>
Accumulated depreciation									
As of 1 January 2022,	-	(66,075,076)	(163,135,409)	(10,890,741)	(8,406,398)	(2,234,098)	(17,874,916)	-	(268,616,638)
Depreciation for the year	-	(8,814,811)	(19,475,517)	(816,681)	(2,800,934)	(588,204)	(2,917,802)	-	(35,413,949)
Disposals	-	-	150,442	-	179,807	4,051	188,474	-	522,774
As of 31 December 2022,	<u>-</u>	<u>(74,889,887)</u>	<u>(182,460,484)</u>	<u>(11,707,422)</u>	<u>(11,027,525)</u>	<u>(2,818,251)</u>	<u>(20,604,244)</u>	<u>-</u>	<u>(303,507,813)</u>
Net book value as of 31 December 2022	<u>18,637,425</u>	<u>204,282,647</u>	<u>262,399,106</u>	<u>4,598,482</u>	<u>20,955,152</u>	<u>4,527,141</u>	<u>12,507,156</u>	<u>12,858,215</u>	<u>540,765,324</u>

- The cost of fixed assets as of 31 December 2022 includes EGP 110,490,122 which represents fully depreciated assets that are still in use.

Depreciation for the year was allocated to the statement of profit or loss as follows:

	31 December 2022
	EGP
Cost of revenue	32,581,460
Selling and marketing expenses	825,673
General and administrative expenses	2,006,816
	<u>35,413,949</u>

Loss from sale of fixed assets was calculated as follows:

	31 December 2022
	EGP
Cost of disposed assets	673,909
Accumulated depreciation of disposed assets	(522,774)
Net book value of disposed assets	151,135
Proceeds from sale of fixed assets	22,850
Loss from sale of fixed assets	<u>(128,285)</u>

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS For the Period Ended 31 March 2023

#### 6- LEASES

Right of use assets are scientific rental offices, operating leases, and warehouses

##### A) Right of use assets

	<i>31 March 2023</i>	<i>31 December 2022</i>
	<i>EGP</i>	<i>EGP</i>
Cost at 1 January 2023	27,817,376	20,558,589
Additions	208,714	7,258,787
<b>Total Cost as of 31 March 2023</b>	<b>28,026,090</b>	27,817,376
Accumulated amortization at 1 January 2023	(11,601,816)	(7,526,230)
Amortization for period/year	(1,007,593)	(4,075,586)
<b>Accumulated amortization as of 31 March 2023</b>	<b>(12,609,409)</b>	(11,601,816)
<b>Net book value as of 31 March 2023</b>	<b>15,416,681</b>	16,215,560

##### B) Lease liability

	<i>31 March 2023</i>	<i>31 December 2022</i>
	<i>EGP</i>	<i>EGP</i>
<b>Opening balance as of 1 January 2023</b>	<b>20,007,158</b>	15,386,755
Additions	208,714	7,258,787
Unwinding interests recognized during the period	538,019	2,551,333
Lease payments paid during the period	(1,503,709)	(5,189,717)
<b>As at 31 March 2023</b>	<b>19,250,182</b>	20,007,158
<b>Deduct: Current balance</b>	<b>4,055,370</b>	3,663,480
<b>Non-current balance</b>	<b>15,194,812</b>	16,343,678

#### 7- INTANGIBLE ASSETS

	<i>Registration Rights</i>	
	<i>31 March 2023</i>	<i>31 December 2022</i>
	<i>EGP</i>	<i>EGP</i>
Cost as at 1 January 2023	494,151,784	400,271,629
Additions	-	93,880,155
<b>Total cost as at 31 March 2023</b>	<b>494,151,784</b>	494,151,784
Accumulated amortization as at 1 January 2023	(55,667,798)	(30,830,773)
Amortization for the period/year	(6,280,162)	(24,837,025)
<b>Accumulated amortization as at 31 March 2023</b>	<b>(61,947,960)</b>	(55,667,798)
<b>Net book value as at 31 March 2023</b>	<b>432,203,824</b>	438,483,986

- The balance of the intangible assets represents the cost of acquiring the registration rights of certain pharmaceutical products and is amortized using the straight-line method over their useful life (20 years).
- Management estimate the expected future benefit of the registration rights to be utilize over 20 years, and assessed for impaired whenever there is an indication that the economic benefit of the product is impaired.
- Intangible asset balance includes registration right assets under approval amounted to EGP 34,917,222 (31 December 2022: EGP 34,917,222).

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**NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS**  
For the Period Ended 31 March 2023

**8- INVENTORIES**

	<i>31 March 2023</i>	<i>31 December 2022</i>
	<i>EGP</i>	<i>EGP</i>
Raw materials	<b>134,263,614</b>	127,123,447
Packing and packaging materials	<b>72,928,417</b>	66,850,553
Spare parts	<b>20,163,728</b>	19,009,433
Finished goods	<b>109,212,332</b>	77,537,207
Work in progress	<b>34,745,082</b>	51,192,105
Goods in transit	<b>11,249,947</b>	4,657,299
Inventory with others	<b>180,370</b>	180,370
	<b>382,743,490</b>	346,550,414
Write down in inventories	<b>(14,160,896)</b>	(10,656,360)
	<b>368,582,594</b>	335,894,054

The movement in the write down in value of inventories is as follows:

	<i>31 March 2023</i>	<i>31 December 2022</i>
	<i>EGP</i>	<i>EGP</i>
Beginning balance	<b>(10,656,360)</b>	(11,073,894)
Charge during the period/year	<b>(7,673,833)</b>	(19,808,279)
Used of inventory provision	<b>4,169,297</b>	20,225,813
Ending balance	<b>(14,160,896)</b>	(10,656,360)

The write down in inventories during the period/year, if any, is included in the cost of sales.

**9- TRADE AND NOTES RECEIVABLE**

	<i>31 March 2023</i>	<i>31 December 2022</i>
	<i>EGP</i>	<i>EGP</i>
Trade receivable	<b>313,378,712</b>	254,831,970
Trade receivable – toll manufacturing	<b>39,387,863</b>	31,131,130
Notes receivable	<b>636,330,751</b>	617,917,083
	<b>989,097,326</b>	903,880,183
Impairment of trade and notes receivable	<b>(12,220,123)</b>	(10,831,713)
	<b>976,877,203</b>	893,048,470

Notes receivable amounting to 403.5 MEGP are mortgage as a guarantee for the credit facilities (Note 18).  
The movement of the impairment in value of trade receivable is as follows:

	<i>31 March 2023</i>	<i>31 December 2022</i>
	<i>EGP</i>	<i>EGP</i>
Balance as at 1 January 2023	<b>(10,831,713)</b>	(8,434,594)
Charged during the period	<b>(1,388,410)</b>	(3,576,846)
Used provision	-	1,179,727
Ending balance	<b>(12,220,123)</b>	(10,831,713)



## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS

For the Period Ended 31 March 2023

#### 10- TREASURY BILLS

	<i>31 March 2023</i>	<i>31 December 2022</i>
	<i>EGP</i>	<i>EGP</i>
Treasury bills	<b>345,800,000</b>	378,900,000
Unearned interest	<b>(27,853,311)</b>	(17,037,798)
	<b>317,946,689</b>	<b>361,862,202</b>

#### 11- CASH ON HAND AND AT BANKS

	<i>31 March 2023</i>	<i>31 December 2022</i>
	<i>EGP</i>	<i>EGP</i>
<b>a) Egyptian Pounds</b>		
Cash on hand	<b>181,698</b>	2,020,529
Current accounts	<b>12,059,346</b>	4,011,357
Checks under collection	<b>23,537,193</b>	7,179,075
Term deposits (Maturing within 3 months)	<b>394,137</b>	394,811
	<b>36,172,374</b>	<b>13,605,772</b>
<b>b) Foreign currencies</b>		
Cash on hand	<b>4,840,533</b>	12,815
Current accounts	<b>33,405,646</b>	4,999,557
Term deposits (Maturing within 3 months)	<b>21,620,900</b>	46,981,300
	<b>59,867,079</b>	<b>51,993,672</b>
	<b>96,039,453</b>	<b>65,599,444</b>

Cash balances are denominated in the following currencies:

	<i>31 March 2023</i>	<i>31 December 2022</i>
	<i>EGP</i>	<i>EGP</i>
Egyptian pound (EGP)	<b>36,172,374</b>	13,605,772
US dollar (USD)	<b>59,853,197</b>	51,964,068
Euro (EUR)	<b>13,882</b>	29,604
	<b>96,039,453</b>	<b>65,599,444</b>

For the purpose of cash flow statements, cash and cash equivalents consist of following.

	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>EGP</i>	<i>EGP</i>
Cash in hand	<b>5,022,231</b>	184,982
Checks under collection	<b>23,537,193</b>	7,179,075
Current accounts	<b>45,464,992</b>	40,942,082
	<b>74,024,416</b>	<b>48,306,139</b>

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

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For the Period Ended 31 March 2023

**12- PROVISIONS**

	<i>Balance as at 1 January 2023 EGP</i>	<i>Charged during the period EGP</i>	<i>Used during the period EGP</i>	<i>Balance as at 31 March 2023 EGP</i>
Provision for expected claims	5,550,001	-	-	5,550,001
Provision for sales returns*	8,608,104	-	-	8,608,104
	<u>14,158,105</u>	<u>-</u>	<u>-</u>	<u>14,158,105</u>

	<i>Balance as at 1 January 2022 EGP</i>	<i>Charged during the year EGP</i>	<i>Used during the year EGP</i>	<i>Balance as at 31 December 2022 EGP</i>
Provision for expected claims	5,550,001	-	-	5,550,001
Provision for sales returns*	8,711,844	-	(103,740)	8,608,104
	<u>14,261,845</u>	<u>-</u>	<u>(103,740)</u>	<u>14,158,105</u>

\*Provision for sales returns is deducted from sales disclosed in note (19).

**13- TRADE, NOTES AND OTHER PAYABLE**

	<i>31 March 2023 EGP</i>	<i>31 December 2022 EGP</i>
Trade payable	166,503,478	120,246,841
Notes payable	8,402,008	5,423,773
Accrued expenses	35,849,545	50,670,068
Tax authority (other than income tax)	26,100,588	11,782,414
Advances From Customers	11,381,543	10,784,502
Other payables	16,218,692	5,693,153
	<u>264,455,854</u>	<u>204,600,751</u>

Trade payables, accrued expenses and other payables are non-interest bearing.

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS

For the Period Ended 31 March 2023

#### 14- CAPITAL

The Company's authorized capital amounted to EGP 1 billion, whereas the issued and paid up capital amounted to EGP 252,112,680 divided over 1,008,450,720 shares of par value EGP 0.25 each.

Based on the decision of the Extraordinary General Assembly on October 14, 2020, the meeting of the Board of Directors held on January 4, 2023 decided to increase the company's issued and paid-up capital from 250,000,000 Egyptian pounds to 252,112,680 Egyptian pounds, an increase of 2,112,680 Egyptian pounds distributed over 8,450,720 shares, funded by the payments of the beneficiaries of the system provided that the increase is allocated entirely for the benefit of the system of rewarding and motivating the company's employees, so that the company's issued capital after the increase will be 252,112,680 Egyptian pounds paid in full distributed over 1,008,450,720 shares with a nominal value of 0.25 Egyptian pounds. The amount paid under capital increase reach EGP 2,112,680 as of 31 March 2023. According to the bank certificate issued by Arab Bank on January 9, 2023, the company's issued and paid-up capital was increased from 250,000,000 EGP to 252,112,680 EGP, an increase of 2,112,680 EGP distributed over 8,450,720 shares (Note 17).

The following illustrate the structure for shareholders:

	%	<i>No. of shares</i>	<i>Amount EGP</i>
Main Shareholder's Shares	32.83%	331,089,309	82,772,327
Treasury Shares	2.92%	29,470,000	7,367,500
Share based payment	0.84%	8,450,720	2,112,680
Other listed Free Shares in Stock Exchange Market	63.41%	639,440,691	159,860,173
	<b>100%</b>	<b>1,008,450,720</b>	<b>252,112,680</b>

The structure for shareholders as at 31 December 2022:

	%	<i>No. of shares</i>	<i>Amount EGP</i>
Main Shareholder's Shares	33.15%	331,574,309	82,893,577
Treasury Shares	2.95%	29,470,000	7,367,500
Other listed Free Shares in Stock Exchange Market	63.90%	638,955,691	159,738,923
	<b>100%</b>	<b>1,000,000,000</b>	<b>250,000,000</b>

#### 15- GENERAL RESERVE

The balance of general reserve - issuance premium is representing the net book value of issuing capital increase shares during 2019 amounted EGP 486,965,000 for issuing 125,000,000 Shares after deducting issuing cost of EGP 64,285,000.

Pursuant to Article (94) of the executive regulations of the Shareholding Companies Law promulgated by Law No. 159 of 1981, an amount of 89,443,610 Egyptian pounds has been transferred to the legal reserve, amounting to 50% of the value of the issued and paid-up capital.

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS For the Period Ended 31 March 2023

#### 16- TREASURY SHARES

The board members meeting held on February 23, 2022, May 31, 2022 and 4 September 2022 decided to re-purchase treasury shares up to 10% of the total shares of the company's issued capital available in the market.

According to board of director resolutions on 23 February 2022, May 31, 2022 and 4 September 2022, the company purchased 29,470,000 shares from the stock market and held in treasury for a total consideration of EGP 65,926,198. The consideration paid has been accounted for as a reserve in the statement of shareholder's' equity.

During March 2022, the company purchased 20 million shares as treasury shares amounted to 39,694,932 EGP, and according to Article 48 of Law 159 of 1981, the company must dispose its treasury shares to others within a period of not more than one year from obtaining them otherwise it shall reduce its capital by the equivalent of the nominal value of these stocks.

Currently, the company is taking the necessary actions to reduce its capital by the nominal value of the treasury stocks with a total value of 5,000,000 EGP

#### 17- SHARE BASED PAYMENT RESERVE

The company has approved the reward and incentive program for employees, managers and executive board members under the program the company grant the beneficiaries Ordinary share options at the nominal value in accordance with the approval of the Extraordinary General Assembly on October 14, 2020, and this program allows employees, managers and executive board members who benefit from the incentive and reward system to own part of the company's shares in accordance to listing and Trading Rules of Egyptian Stock Exchange under the provisions of Law 159 for year 1981 and its executive regulations and under the provision of law 95 for year 1992 and its executive regulations.

On 30 March 2023 the company activated the reward and incentive program. Giving number of employees, managers and executive board members share options for total of 7,748,502 shares at the nominal value (0.25 EGP per share) on condition of staying in service for the required period till the exercise date on 1 November 2023 an archiving the required performance appraisal. Each employee was granted maximum number of shares according to contracts giving one month period from the exercise date to exercise the purchasing right.

The fair value of the granted shares for numbers of employees were 13,404,908 Egyptian Pound using the price of the share announced in the Egyptian Stock Exchange on the grant date (2.01 EGP for share) before the deduction of the nominal value of shares that would be paid by the beneficiaries in cash.

#### Movement of Equity instruments in the period as follow:

	<i>31 March 2023</i>		<i>31 December 2022</i>	
	Amount EGP	Shares No.	Amount EGP	Shares No.
<b>Balance at 1 January 2023</b>	<b>14,873,267</b>	<b>8,450,720</b>	-	-
Granted during the period / year	3,718,317	7,748,502	14,873,267	8,450,720
Forfeited during the period / year	-	-	-	-
Exercised during the period / year	<u>(14,873,267)</u>	<u>(8,450,720)</u>	-	-
<b>Total shares at the end of period / year</b>	<b><u>3,718,317</u></b>	<b><u>7,748,502</u></b>	<b><u>14,873,267</u></b>	<b><u>8,450,720</u></b>

## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS For the Period Ended 31 March 2023

#### 18- CREDIT FACILITIES

The movement of the credit facilities during the period/year is as follows:

	<i>31 March 2023</i>	<i>31 December 2022</i>
	<i>EGP</i>	<i>EGP</i>
Opening balance	<b>893,644,592</b>	819,720,928
Used during the period	<b>233,977,310</b>	1,195,291,001
Payment during the period	<b>(274,579,665)</b>	(1,121,367,337)
Ending balance	<b>853,042,237</b>	893,644,592
	<i>31 March 2023</i>	<i>31 December 2022</i>
	<i>EGP</i>	<i>EGP</i>
Credit facilities maturing within 12 months	<b>853,042,237</b>	893,644,592
Bank credit	<b>4,725,448</b>	11,108,281
	<b>857,767,685</b>	904,752,873

The interest rate on the Credit facilities ranges from 8% to 17.75% as of 31 March 2023 (31 December 2022: Range from 8% to 17.75%).

Credit Facilities	Facility amount	Interest rate	Maturity Date	<i>31 March 2023</i>	<i>31 December 2022</i>
	EGP			<i>EGP</i>	<i>EGP</i>
CIB	250,000,000	0.25%+CBE lending rate	14-Mar-23	<b>193,541,091</b>	102,163,279
		8 % CBE INITAVIE*	14-Mar-23	<b>10,632,763</b>	78,085,383
FAB Bank	125,000,000	0.5 %+CBE lending rate	31-Dec-23	<b>33,868,807</b>	23,809,186
		8 % CBE INITAVIE*	31-Dec-23	<b>27,865,693</b>	40,038,250
Arab Bank	88,000,000	0.25%+CBE lending	6-Jul-23	<b>66,205,455</b>	36,344,373
		8 % CBE INITAVIE*	6-Jul-23	<b>10,604,438</b>	37,502,956
ABK Bank	120,000,000	0.5 %+CBE lending rate	31-Oct-23	<b>61,365,598</b>	49,104,435
		8 % CBE INITAVIE*	31-Oct-23	<b>18,527,678</b>	46,032,065
ADIB	150,000,000	0.5%+CBE lending rate	7-Apr-23	<b>63,577,513</b>	42,539,694
		8 % CBE INITAVIE*	7-Apr-23	<b>50,521,631</b>	88,951,891
Alex Bank	170,000,000	8% + CBE lending rate	30-Jun-23	<b>131,464,912</b>	164,828,846
AUB	130,000,000	0.35% + CBE lending rate	1-Jun-23	<b>62,701,462</b>	41,675,898
		8 % CBE INITAVIE*	1-Jun-23	<b>35,815,253</b>	51,546,612
ENBD	100,000,000	8 % CBE INITAVIE*	31-Oct-23	<b>63,771,386</b>	75,911,472
		0.25%+CBE lending rate	31-Oct-23	<b>22,578,557</b>	15,110,252
<b>Total Credit Facilities</b>				<b>853,042,237</b>	893,644,592

\*Those Balance represents the funds granted for the purchase of raw materials, and packaging in accordance with the initiative of the Central Bank of Egypt to support the industrial sector issued on 12 December 2019 to finance companies with private ownership and small and medium enterprises and support them to reach their investment goals and cover operating expenses.

Some of the above facilities are guaranteed by notes receivables (Note 9).

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS  
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**19- REVENUES**

	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>EGP</i>	<i>EGP</i>
Sale of goods (net)	<b>348,055,439</b>	317,459,354
Toll manufacturing services revenue	<b>41,622,524</b>	25,039,879
	<b>389,677,963</b>	<b>342,499,233</b>

**20- COST OF REVENUE**

	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>EGP</i>	<i>EGP</i>
Salaries and incentives	<b>29,718,622</b>	24,044,935
Social insurance and other benefit	<b>9,124,958</b>	4,624,530
Raw materials	<b>117,909,869</b>	98,277,709
Spare parts and materials	<b>6,982,468</b>	4,363,532
Government fees and medical stamps	<b>3,734,751</b>	2,929,959
Other operating expenses	<b>16,516,455</b>	10,989,606
Energy expenses	<b>9,237,318</b>	8,107,052
Depreciation and amortization (Note 5,7)	<b>14,674,519</b>	13,376,595
Rent	<b>1,036,220</b>	658,897
Maintenance	<b>6,341,381</b>	3,632,345
	<b>215,276,561</b>	<b>171,005,160</b>

**21- SELLING AND MARKETING EXPENSES**

	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>EGP</i>	<i>EGP</i>
Salaries and incentives	<b>29,761,167</b>	28,537,361
Social insurance and other benefit	<b>3,395,454</b>	1,681,414
Depreciation (Note 5)	<b>1,240,281</b>	1,142,799
Rent	<b>9,600</b>	6,300
Advertising and marketing	<b>33,626,056</b>	31,771,722
	<b>68,032,558</b>	<b>63,139,596</b>

**22- GENERAL AND ADMINISTRATIVE EXPENSES**

	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>EGP</i>	<i>EGP</i>
Salaries and incentives	<b>13,671,292</b>	11,045,322
Social insurance and other benefit	<b>924,390</b>	367,900
Professional fees	<b>790,635</b>	221,223
Maintenance	<b>296,882</b>	436,393
Depreciation (Note 5)	<b>488,480</b>	492,282
Others	<b>2,684,569</b>	1,907,250
	<b>18,856,248</b>	<b>14,470,370</b>

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#### 23- FINANCE INCOME

	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>EGP</i>	<i>EGP</i>
Interest from Treasury Bills	<b>15,532,446</b>	13,959,068
Interest from time deposits	<b>178,380</b>	1,619
	<b><u>15,710,826</u></b>	<u>13,960,687</u>

#### 24- FINANCE EXPENSES

	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>EGP</i>	<i>EGP</i>
Debit interests	<b>30,017,330</b>	20,769,476
Unwinding interests of lease liabilities	<b>538,019</b>	509,916
Bank Charges	<b>562,777</b>	907,911
	<b><u>31,118,126</u></b>	<u>22,187,303</u>

#### 25- INCOME TAXES

	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>EGP</i>	<i>EGP</i>
Current income tax	<b>(16,004,458)</b>	(17,966,108)
Deferred income tax	<b>(3,598,140)</b>	(3,014,129)
<b>Income tax expense</b>	<b><u>(19,602,598)</u></b>	<u>(20,980,237)</u>

#### DEFERED INCOME TAX

	<i>Statement of financial position</i>		<i>Statement of profit or loss</i>	
	<i>31 March 2023</i>	<i>31 December 2022</i>	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
Depreciation and amortization	<b>(60,663,778)</b>	(58,468,620)	<b>(2,195,158)</b>	(2,671,077)
Provisions	<b>1,936,823</b>	1,936,823	-	242,549
Impairment of trade and notes receivables	<b>2,749,528</b>	2,437,135	<b>312,393</b>	225,000
Write down of inventory	<b>3,186,202</b>	2,397,681	<b>788,521</b>	492,919
Share based payment	<b>1,003,946</b>	4,015,782	<b>(3,011,836)</b>	-
Unrealized foreign exchange differences	<b>(3,366,684)</b>	(3,874,624)	<b>507,940</b>	(1,303,520)
Net deferred income taxes	<b><u>(55,153,963)</u></b>	<u>(51,555,823)</u>	<b><u>(3,598,140)</u></b>	<u>(3,014,129)</u>

#### RECONCILIATION OF THE EFFECTIVE INCOME TAX RATE

	<i>Tax Rate</i>	<i>31 March 2023</i>	<i>Tax Rate</i>	<i>31 March 2022</i>
		<i>EGP</i>		<i>EGP</i>
Profits before income taxes		<b>84,998,311</b>		91,396,599
Income tax based on tax rate	<b>22.50%</b>	<b>19,124,620</b>	22.50%	20,564,235
Non-deductible expenses		<b>477,978</b>		416,002
Effective Tax Rate	<b>23.06%</b>	<b><u>19,602,598</u></b>	22.96%	<u>20,980,237</u>

**TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)**

**NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS**  
For the Period Ended 31 March 2023

**26- EARNINGS PER SHARE**

Basic and diluted earnings per share was calculated by dividing the profits for the period/year available for distribution by the weighted average number of shares outstanding during the period/year as follows:

	<i>31 March 2023</i>	<i>31 March 2022</i>
	<i>EGP</i>	<i>EGP</i>
Net profit for the period	<u>65,395,713</u>	70,416,362
<b>Profit Available for Shareholders</b>	<u>65,395,713</u>	<u>70,416,362</u>
Weighted average number of shares outstanding after purchase of treasury shares during the period	<b>978,980,720</b>	1,000,000,000
Share Options for employees and executive board members	<u>6,770,156</u>	-
Weighted average number of ordinary shares adjusted for the effect of share option. of dilution	<u>985,750,876</u>	<u>1,000,000,000</u>
<b>Earnings per share - Basic</b>	<u>0.0668</u>	0.0704
<b>Earnings per share - Diluted</b>	<u>0.0663</u>	<u>0.0704</u>

**27- TAX POSITION**

**a) Corporate Tax**

- The Company's records were inspected till the year 2013 and the due tax has been paid.
- The years from 2014 to 2017 were inspected as an estimate and were challenged and a decision was issued to re-examine the actual and preparations are underway for the inspection for those years.

**b) Salary Tax**

- The Company's records were inspected till the year 2015 and the taxes differences were paid and settled.
- Years from 2016 to 2019 the documents related to the inspection were submitted and the tax due in the settlements was paid.

**c) Stamp Tax**

- The Company's records were inspected till 2013 and the taxes due were paid.
- Years from 2014 till 2020 were inspected and the dispute is being settled in the internal committee.

**d) Sales Tax**

- The Company's records were inspected till the year 2015 and the due tax has been paid.

**a) VAT Tax**

- The Company's books were examined from 2016 to 2019 and the due tax has been paid.



## TENTH OF RAMADAN FOR PHARMACEUTICAL INDUSTRIES AND DIAGNOSTIC REAGENTS (RAMEDA) (S.A.E)

### NOTES TO THE CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS

For the Period Ended 31 March 2023

#### 28- RELATED PARTIES

For the purpose of these separate financial statements, parties are considered to be related to the Company, if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control. Related parties may be individuals or other entities.

##### a) Related party transactions

During the period, the following were the significant related party transactions, which were carried out in the normal course of business on terms agreed between the parties:

Company	Nature of party	Nature of transaction	31 March 2023	31 March 2022
			EGP	EGP
Rameda for Pharmaceuticals trading	Subsidiary	Rent	1,500	1,500
		Purchases	229,443	2,648,535
Ramecare Company	Subsidiary	Rent	1,500	1,500
		Purchases	1,362,303	460,295
Ramepharma Company	Subsidiary	Rent	1,500	1,500
		Purchases	-	9,336
		Sales	3,766,464	-

##### b) Related party balances

Nature of party	31 March 2023		31 December 2022	
	Due from EGP	Due to EGP	Due from EGP	Due to EGP
Rameda for Pharmaceuticals Trading	-	1,742,856	620,366	-
Ramecare Company	-	1,131,369	1,518,083	-
Ramepharma Company	27,490,045	-	22,284,090	-
	<u>27,490,045</u>	<u>2,874,225</u>	<u>24,422,539</u>	<u>-</u>

##### c) Salaries and incentives of key managers

The key manager's compensation during period ended 31 March 2023 and 31 March 2022 is as follow:

	31 March 2023	31 March 2022
	EGP	EGP
Salaries and incentives	10,078,641	7,723,931
Share options for employees, managers, and executive board members	4,461,980	-
	<u>14,540,621</u>	<u>7,723,931</u>

#### 29- MAJOR EVENTS

The Central Bank of Egypt decided to raise the overnight deposit rate the overnight lending rate and the rate this is expected to affect the Bank's pricing policies for current and future products. Besides raising the interest rate, the Central Bank of Egypt has also decided to liberalize the foreign exchange rate to give banks operating in Egypt the flexibility to determine the buy and sell price of foreign currencies