

Cairo Appellate Court reduces fines on Ibnsina Pharma's executives from EGP 2.04 billion to EGP 160 million; court acquits some company executives

Cairo, 20 February 2019

Ibnsina Pharma (ISPH.CA on the Egyptian Stock Exchange), Egypt's fastest-growing and second-largest pharmaceutical distributor, issued today a disclosure to the Egyptian Exchange regarding the ruling of the Cairo Appellate Court in the appeal filed by Ibnsina Pharma's executives on 3 March 2018 against the preliminary verdict by the Economic Misdemeanors Court. The appellate court ruled on 19 February 2019 to reduce fines issued in the preliminary verdict of the Economic Misdemeanors Court from EGP 2.04 billion to EGP 160 million – a total reduction of EGP 1.88 billion – and has barred civil plaintiffs from appeal.

Ibnsina Pharma's executives maintain the right to appeal this latest verdict at the Court of Cassation within the permissible legal time frame. If the Court of Cassations revokes the Cairo Appellate Court's verdict, the case will be subject to a retrial albeit with a ceiling on the maximum fine penalty in accordance with the Cairo Appellate Court's ruling on 19 February 2019.

It is also worth noting that the Egyptian law on the Protection of Competition and the Prohibition of Monopolistic Practices allows for legal settlements, which continues to be a viable option under consideration until a final verdict is reached by the Court of Cassation.

Ibnsina Pharma asserts its strict adherence to the law and to the highest corporate governance standards in its day-to-day activities, policies and procedures. Ibnsina Pharma will maintain its legal right to defend its position and to safeguard the interests of its shareholders. The company will continue to update its shareholders and the market on any new developments in the case as they occur.

Ibnsina Pharma wishes to reassure its shareholders, partners and the public that it remains committed to upholding the high ethical standards that have come to be associated with its brand.

– Ends –

About Ibnsina Pharma

Originally established in 2001, today Ibnsina Pharma is Egypt’s fastest-growing and second largest pharmaceutical distribution company. The Company distributes a competitive portfolio of pharmaceutical products from over 350 Egyptian and multinational pharmaceutical companies to more than 42,000 customers including pharmacies, hospitals, retail outlets and wholesalers. Its fleet of around 650 vehicles completes an average of over 460,000 deliveries each month.

Ibnsina Pharma’s core services for suppliers include management of warehousing and logistics for pharmaceutical products as well as the development and execution of tailored marketing solutions targeting a nationwide database of customers. The Company also provides efficient and reliable order-taking and delivery services to customers and was the first in its industry to pioneer a telesales model. Operating across 59 sites in 23 cities nationwide, Ibnsina Pharma’s team of more than 5,500 employees is dedicated to improving people’s quality of life by ensuring their access to safe and high quality pharmaceutical products.

For more information about Ibnsina Pharma, please visit: www.ibnsina-pharma.com.

For further information,
please contact:

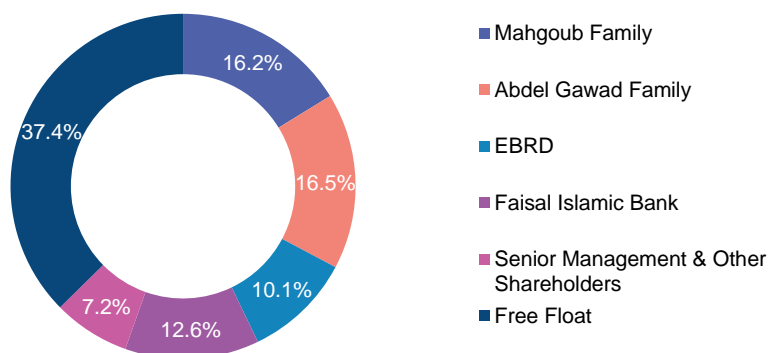
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Shareholding Structure
(Post IPO and Capital Increase)



Forward-Looking Statements

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as “according to estimates”, “anticipates”, “assumes”, “believes”, “could”, “estimates”, “expects”, “intends”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, “should”, “to the knowledge of”, “will”, “would” or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding our business and management, our future growth or profitability and general economic and regulatory conditions and other matters affecting us.

Forward-looking statements reflect our management's ("Management") current views of future events, are based on Management's assumptions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause our actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements. Our business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to become inaccurate. These risks include fluctuations prices, costs, ability to retain the services of certain key employees, ability to compete successfully, changes in political, social, legal or economic conditions in Egypt, worldwide economic trends, the impact of war and terrorist activity, inflation, interest rate and exchange rate fluctuations and Management's ability to timely and accurately identify future risks to our business and manage the risks mentioned above.