

Africure Pharmaceuticals Ltd

(Incorporated in the Republic of Mauritius) | (Registration number: C145852 C1/GBL)

Having its address at c/o Ocorian (Mauritius) Limited, 6th Floor, Tower A, 1 CyberCity, Ebene 72201, Mauritius

("Africure" or "the Company")

(Africure along with its subsidiaries are collectively referred to as the "Group")



africure

ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS AND NINE MONTHS ENDED 31st D- #- U " - k 2024

Group gaining momentum , paving way for an impressive growth

DIRECTORS COMMENTARY AND GROUP OVERVIEW

The Board of Directors of Africure is pleased to present the unaudited results for the third quarter and nine months of the year, being for the period ended 31st December 2024.

Africure is a leading manufacturer of high-quality essential medicines, committed to creating state-of-the-art manufacturing assets and capabilities across Africa, with a mission to improve healthcare access and affordability for Africans. We operate manufacturing plants in Cote d'Ivoire, Cameroon, Botswana, Tanzania, and India, and have an extensive distribution network in various Sub-Saharan African countries, alongside strategic partnerships with key pharmaceutical companies.

Q3/YTD 2024-25 Performance Overview

- Revenue grew from \$7.24Mn in the previous year to \$7.78Mn this year, marking a 7% year-over-year increase.
- Business challenges in Cameroon and certain East African markets have affected our revenue, but strong performances in Botswana, Tanzania, and Burkina Faso have significantly mitigated these impacts, ensuring a stable revenue stream.
- Improved operating margins have ensured that the business is on track with respect to pricing and margin earnings.
- Slow retail market conditions have necessitated reliance on government businesses, resulting in higher working capital cycles.
- In response to these challenges, Q3 efforts were concentrated on business areas where the collection turnaround was faster. This focus led to notable growth of sales in Tanzania and Botswana, supporting overall revenue growth.
- Africure' strategic focus remained on profitable and low working capital-intensive markets, ensuring efficient capital allocation and a foundation for sustainable growth despite operational constraints.
- Group has continued its efforts in inventory building, which is key to success in its B 2 C markets .

HIGHLIGHTS OF PERFORMANCE

- YTD revenue at \$24.32Mn, which is 80% of the budgeted revenue. Compared to the prior year's \$20.38Mn, this represents a 19% growth. The growth being steady but could have been more which was restricted by delay in infusing working capital and delays in supply chain due to external factors.
- Gross Margins are at 36%, line with the expectations. However, a change in market mix caused a decline in margins in comparison to previous year by 100 BP.
- Operational EBITDA at USD 2.88Mn against USD 1.28Mn achieved in the previous year.
- Profit after tax at -ve \$518k vs 34k of the previous year, due to presence of certain non-operational incomes in the previous year.
- Working capital cycle of 156 Days.
- Highly improved receivables situation leading to better cash from operations.
- Debt Equity ratio at 1.50:1, against a 1.39:1 as in March 24.
- The Board has not declared any dividend for the period and continues to reinvest profits to maintain growth momentum.

CURRENT BUSINESS OUTLOOK

Key Actionable:

Q4 2024-25 Strategic Priorities

- Group is expecting to close its revenue for the FY 24-25 @ ~\$32Mn with an expected EBITDA of \$4.00Mn
- Inventory Management: Deploy adequate working capital for the orders in hand for Q1 25-26.

We sincerely thank all our employees, customers, investors & other stakeholders for their continued patronage and support during such testing times & reiterate the management's commitment to consistent performance and strong governance, with a view to create value in line with our long-term vision. We will continue to work towards increasing local manufacturing capacities in Sub Saharan Africa & help Africa reduce dependence on imports, thus enabling a greater level of self-sufficiency in pharmaceutical manufacturing and services.

By order of the Board
14 March 2025

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

All the amounts are in USD unless otherwise stated

	Unaudited as at 31 December 2024 Group	Audited as at 31 March 2024 Group
ASSETS		
Non-current assets		
Goodwill	2,608,920	2,607,969
Property plant and equipment	15,909,421	15,744,934
Intangible assets	175,616	162,453
Right of use assets	2,626,454	2,624,627
Capital work in progress	7,779,949	8,034,076
Total non-current assets	29,100,360	29,174,059
Current assets		
Inventories	8,006,909	10,855,793
Trade receivables	14,907,921	16,053,857
Cash and cash equivalents	3,520,366	1,511,754
Other assets	3,301,246	3,200,792
Total current assets	29,736,442	31,622,196
Total assets	58,836,802	60,796,255
EQUITY		
Equity share capital and share premium	10,881,853	10,881,853
Share application money pending allotment		
Retained earnings	12,448,281	14,208,874
Other reserves	(4,490,939)	(4,827,146)
Capital and reserves attributable to owners of Africure Pharmaceuticals Ltd	18,839,195	20,263,581
Non-controlling interests	(3,380,647)	(3,305,874)
Non-current liabilities		
Borrowings	20,459,918	16,853,087
Operating lease liabilities	3,206,262	3,195,689
Deferred tax liabilities	126,339	(186,419)
Total non-current liabilities	23,792,519	19,862,357
Current liabilities		
Borrowings	7,231,565	11,317,227
Trade and accounts payables	11,212,497	11,532,791
Other liabilities	685,236	782,505
Operating lease liabilities	192,358	192,358
Current tax liabilities	264,079	151,310
Total current liabilities	19,585,735	23,976,191
Total liabilities	58,836,802	60,796,255
Number of shares in issue	9,417,500	9,417,500
Net asset value per share	2.00	2.15
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Net asset value per share	2.00	2.15

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 3 months ended 31 Dec 2024	Unaudited 3 months ended 31 Dec 2023	Unaudited 9 months ended 31 Dec 2024	Unaudited 9 months ended 31 Dec 2023
Revenue	7,783,842	7,241,353	24,318,573	20,378,696
Other income	23,997	15,661	348,383	929,201
	7,807,839	7,257,014	24,666,956	21,307,897
Cost of raw-materials and finished goods	4,884,458	4,498,793	15,656,696	12,192,305
Employee benefit expenses	1,029,281	1,153,298	3,010,728	3,371,128
Other expenses	963,205	847,601	3,121,663	2,800,241
	6,876,944	6,499,692	21,789,087	18,363,674
Profit before finance cost, depreciation and tax	930,895	757,322	2,877,869	2,944,223
Finance costs	(756,234)	(407,210)	(1,740,483)	(1,477,387)
Depreciation and amortisation	(486,460)	(291,107)	(1,027,183)	(1,190,288)
Profit before income tax	(311,799)	59,005	110,203	276,548
Loss on discontinued business	(401,716)	-	(401,716)	-
Income tax expense				
Current tax	(19,910)	(28,426)	(227,172)	(242,647)
Profit/ (Loss) for the period	(733,425)	30,579	(518,685)	33,901
Profit/ (Loss) attributable to				
Owners of the Company	(631,172)	66,335	(443,912)	296,163
Non-controlling interests	(102,253)	(35,755)	(74,773)	(262,261)
Earnings per share for profit attributable to the ordinary equity holders of the company				
Basic earnings per share	(0.07)	0.01	(0.05)	0.03
Diluted earnings per share	(0.07)	0.01	(0.05)	0.03
Weighted average number of shares	9,417,500	9,417,500	9,417,500	9,417,500

UNAUDITED CONSOLIDATED STATEMENT OF CASHFLOWS

	Unaudited as at 31 December 2024 Group	Audited as at 31 March 2024 Group
Net cash generated from operating activities	5,233,154	2,724,810
Net cash flow used in investing activities	(950,706)	(1,085,357)
Net cash flow used in financing activities	(2,273,836)	(2,528,840)
Net increase/decrease in cash and cash equivalents	2,008,612	(889,387)
Cash and cash equivalents at the beginning of the period	1,511,754	2,401,141
Cash and cash equivalents at the end of the period	3,520,366	1,511,754

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Group					
	Share capital	Retained earnings	Other Reserves	Equity attributable to owners of the Company	Non-Controlling interests	Total equity
Balance as at 1-Apr-23	10,881,853	14,490,503	(2,559,526)	22,812,830	(3,182,343)	19,630,487
Profit for the period	-	296,163	(630,776)	(334,613)	(262,261)	(596,874)
Balance as at 31-Dec-23	10,881,853	14,786,666	(3,190,302)	22,478,217	(3,444,604)	19,033,613
Balance as at 1-Apr-24	10,881,853	14,208,874	(4,827,146)	20,263,581	(3,305,874)	16,957,707
Dividends paid by Group Cos- impact on YTD Reserves		(1,316,681)		40,192,549		33,318,540
Profit for the year	-	(443,912)	336,207	(107,705)	(74,773)	(182,478)
Balance as at 31-Dec-24	10,881,853	12,448,281	(4,490,939)	60,348,425	(3,380,647)	50,093,769

NOTES TO THE ACCOUNTS

The Company is required to publish consolidated interim financial results for the three months and nine months ended 31 December 2024 in terms of Listing Rule 12.19 of the SEM. Further to the communique released by the Company on 14 October 2024, the Board of Africure also advises that finalisation of the terms and conditions for the issuance of the new shares to Avacare Global as settlement for the transfer of Avacare Global's remaining shareholding in various subsidiaries of Africure (namely Africure Pharmaceuticals Cote D'Ivoire, Africure Pharmaceuticals Manufacturing Ethiopia PLC and Zenufa Laboratories Limited) to the Company is still in progress. The market will be kept informed of any updates regarding this matter.

The abridged unaudited consolidated financial statements for the three months and nine months ("abridged unaudited consolidated financial statements") have been prepared in accordance with the measurement and recognition requirements of IFRS, the information contained in IAS 34: Interim Financial Reporting and the SEM Listing Rules.

The abridged unaudited consolidated financial statements have not been reviewed or reported on by the Company's external auditors. These abridged unaudited consolidated financial statements were approved by the Board of Directors (the "Board") on 14 March 2025.

Copies of the abridged unaudited consolidated financial statements and the statement are available free of charge, upon request at the Registered Office of the Company at c/o Ocorian (Mauritius) Limited, Level 6, Tower A, 1 Exchange Square, Wallstreet, Ebene 72201, Mauritius.

This communiqué is issued pursuant to SEM Listing Rules 11.3 and 12.20. The Board accepts full responsibility for the accuracy of the information contained in this communiqué.

For further information please contact:
Perigeum Capital Ltd

SEM Authorised Representative and Sponsor



Ocorian Coporate Services (Mauritius) Limited
Company Secretary

