



**Group (B) Team Number**

**Main company: MINA PHARM**

**Benchmark: EIPICO**

**Supervised by DR. Kholoud Abdel-Karem**

# ***FINANCIAL STATEMENT ANALYSIS REPORT***



# Content

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- 02** PESTEL Analysis
- 03** Porter's 5 Forces
- 04** MINA Characteristics
- 05** EIPICO Characteristics
- 06** Vertical Analysis
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- 08** Ratios
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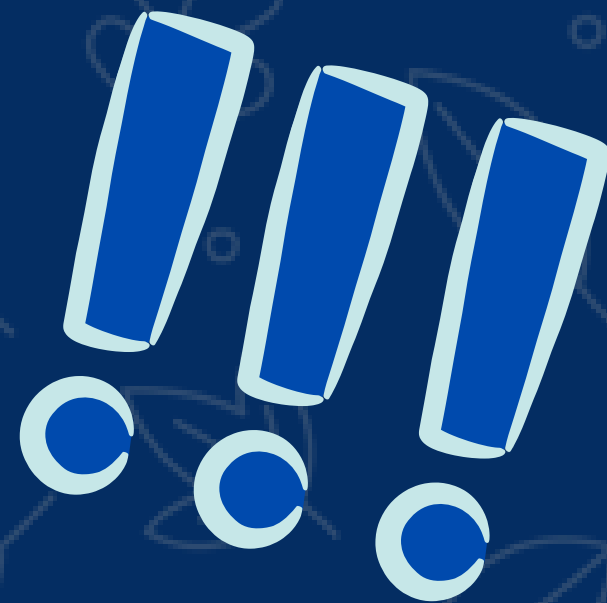




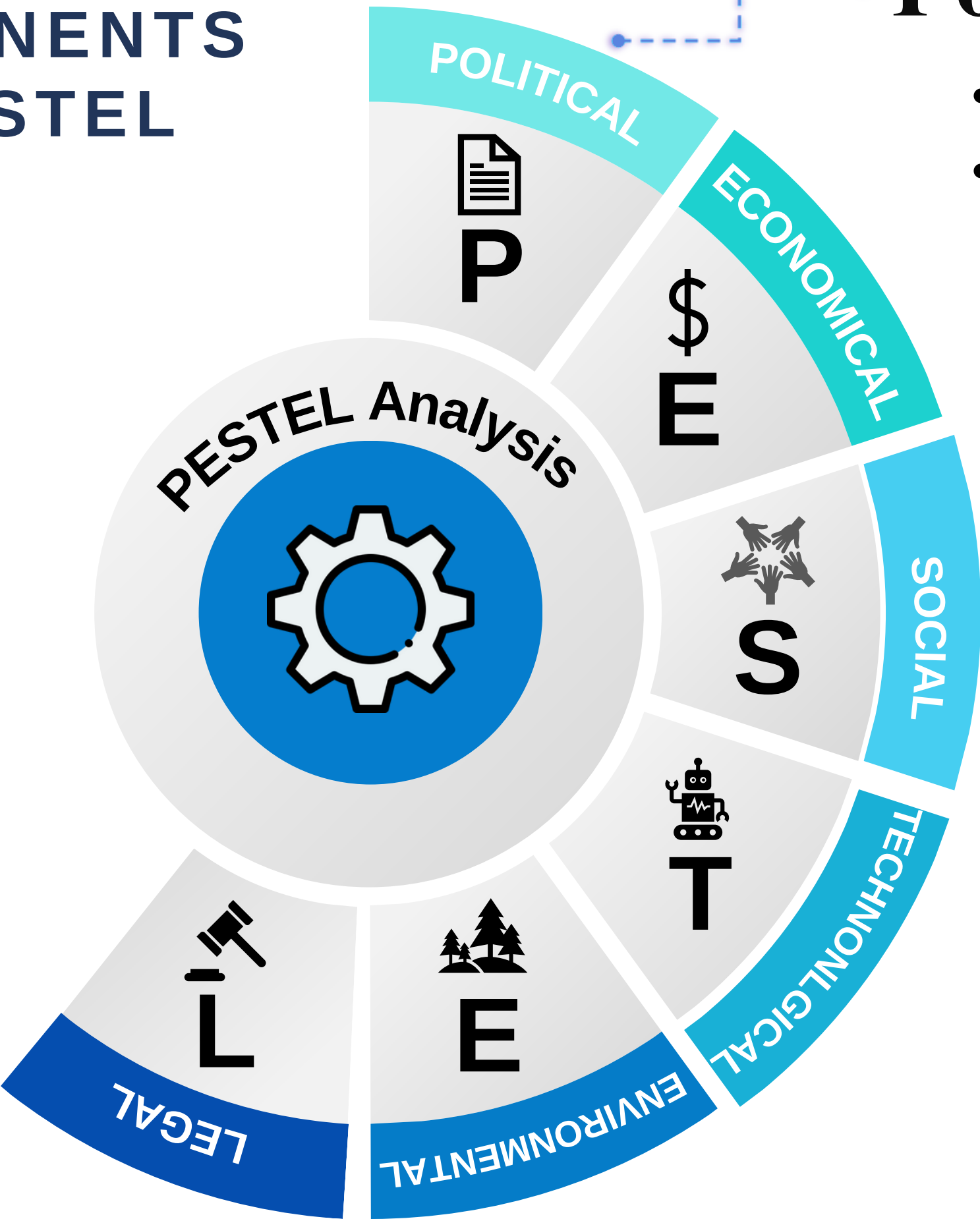
**WHY WE**

**SELECT**

**REAL ESTATE**



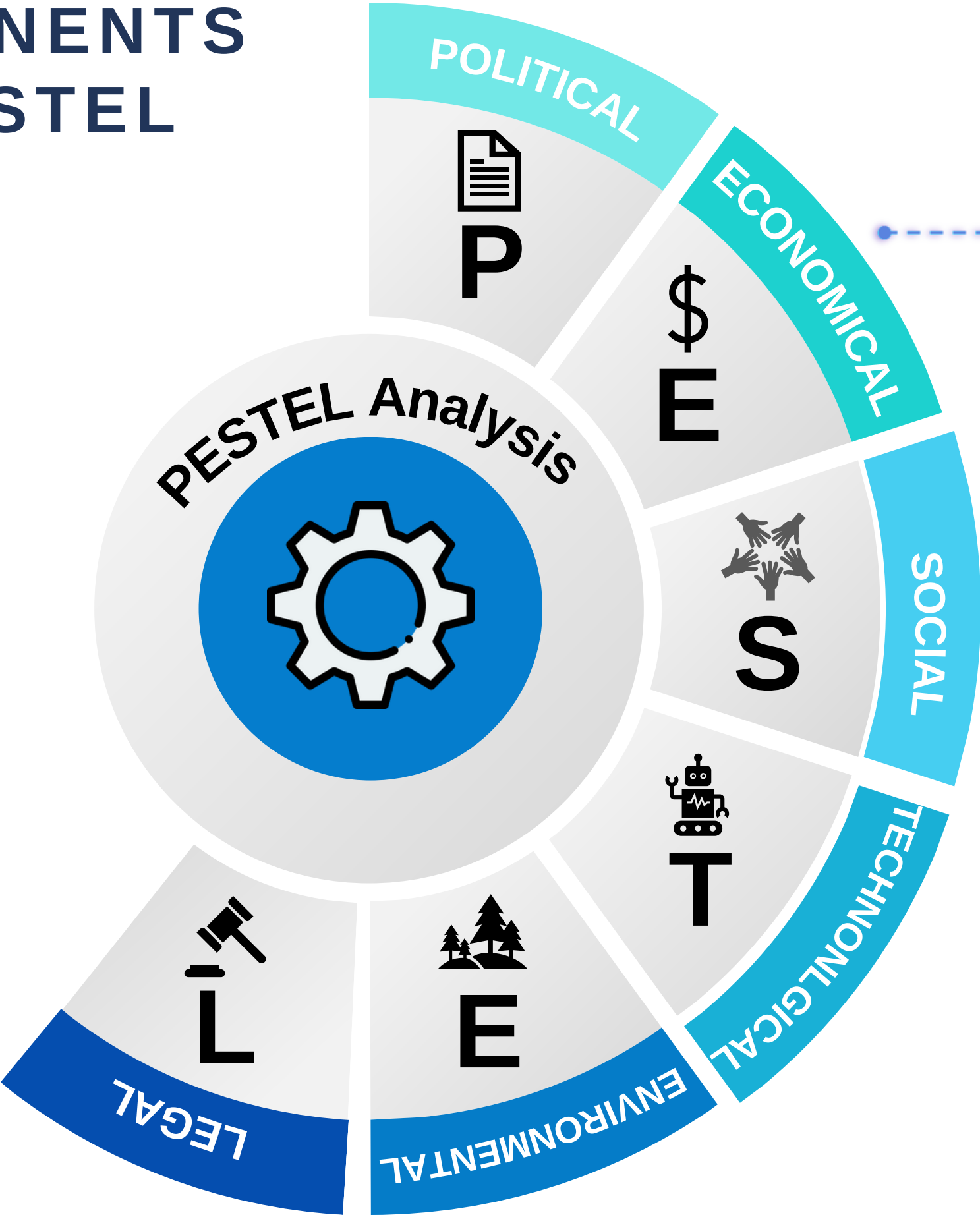
# COMPONENTS OF PESTEL



## Political Factors

- Wars
- El-Nahda Dam

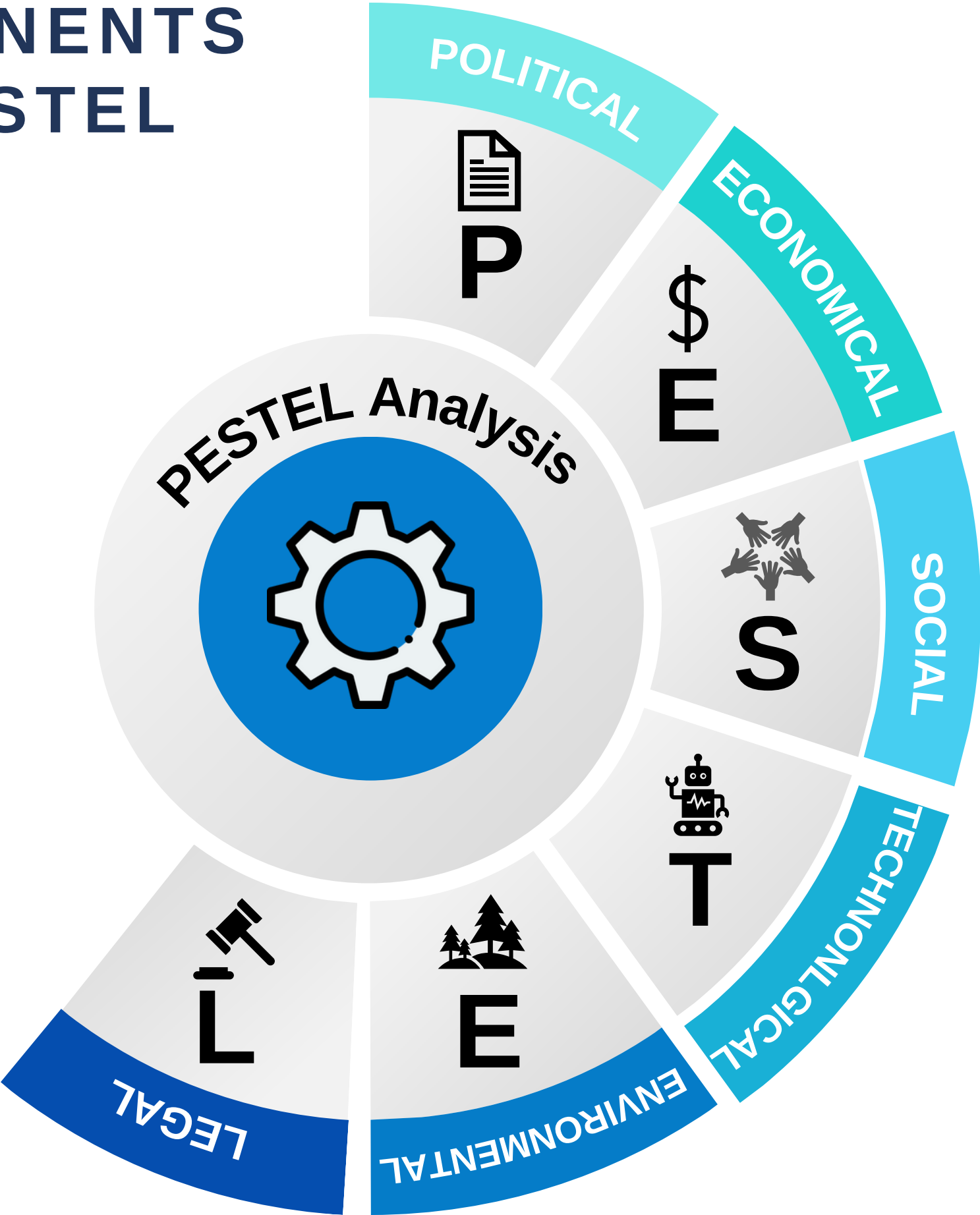
COMPONENTS  
OF PESTEL



**Economic factors**

- Local & Global inflation

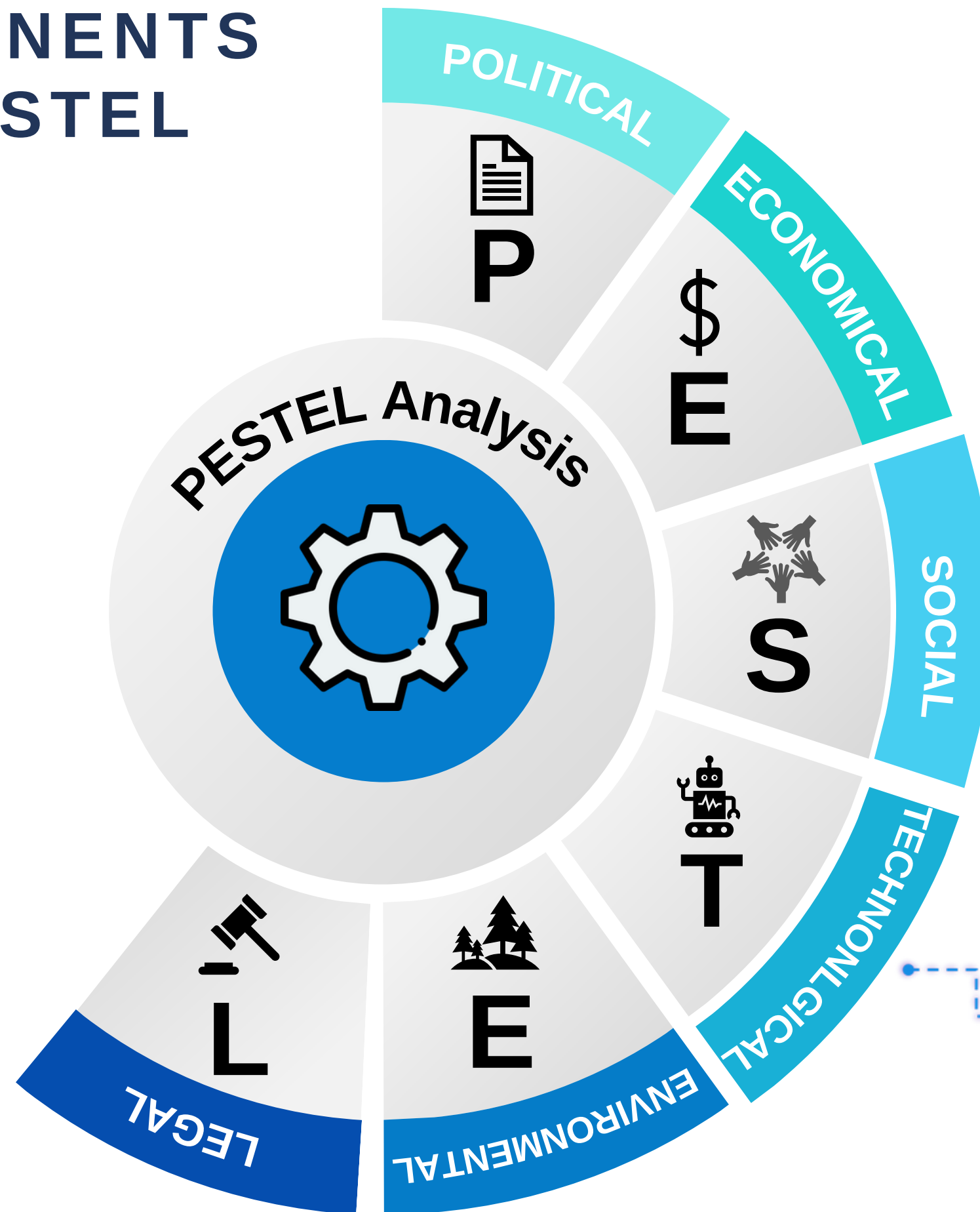
COMPONENTS  
OF PESTEL



**Social factors**

- Population
- Unemployment

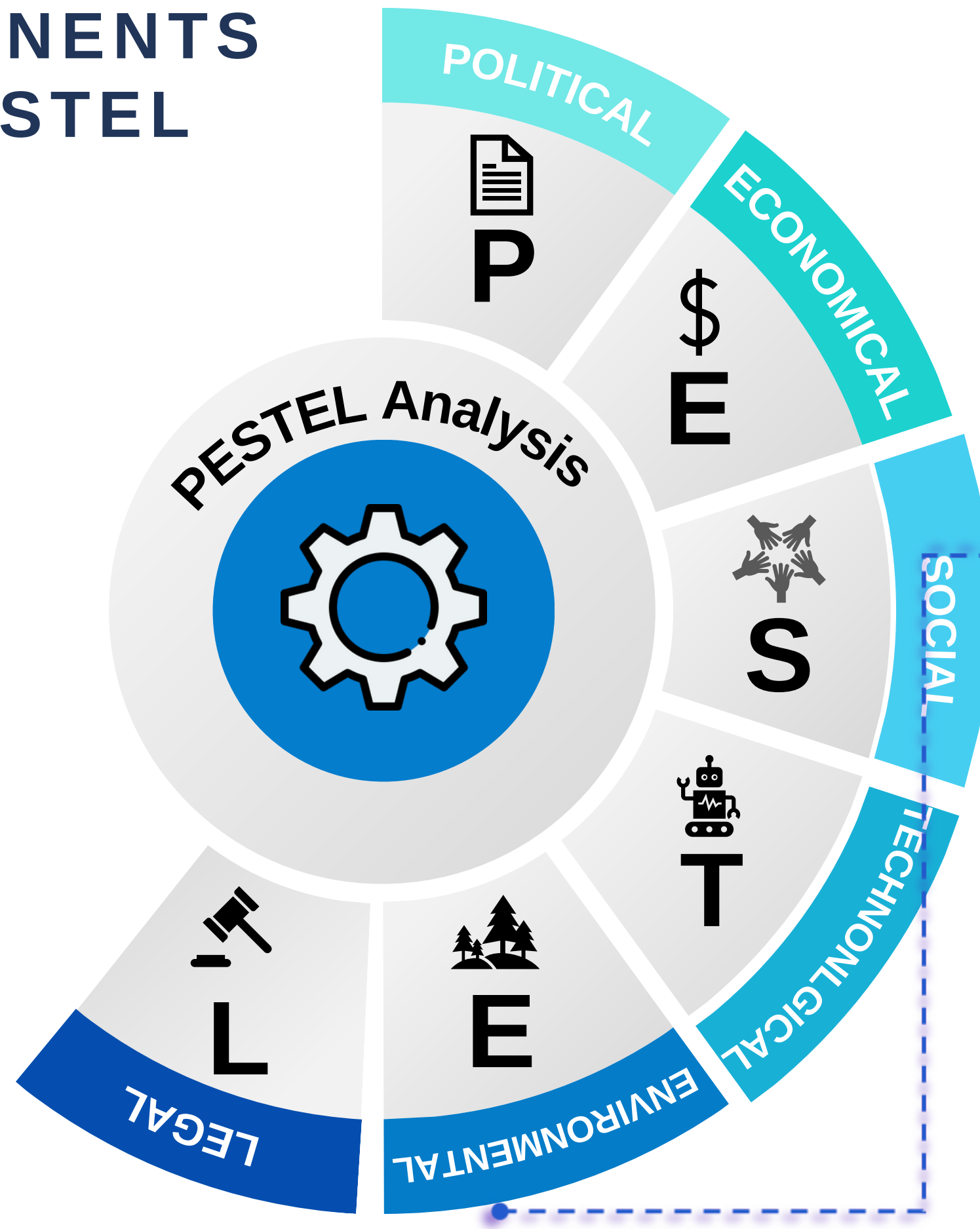
# COMPONENTS OF PESTEL



## Technological factors

- Solar energy
- Wind energy
- E-commerce

# COMPONENTS OF PESTEL

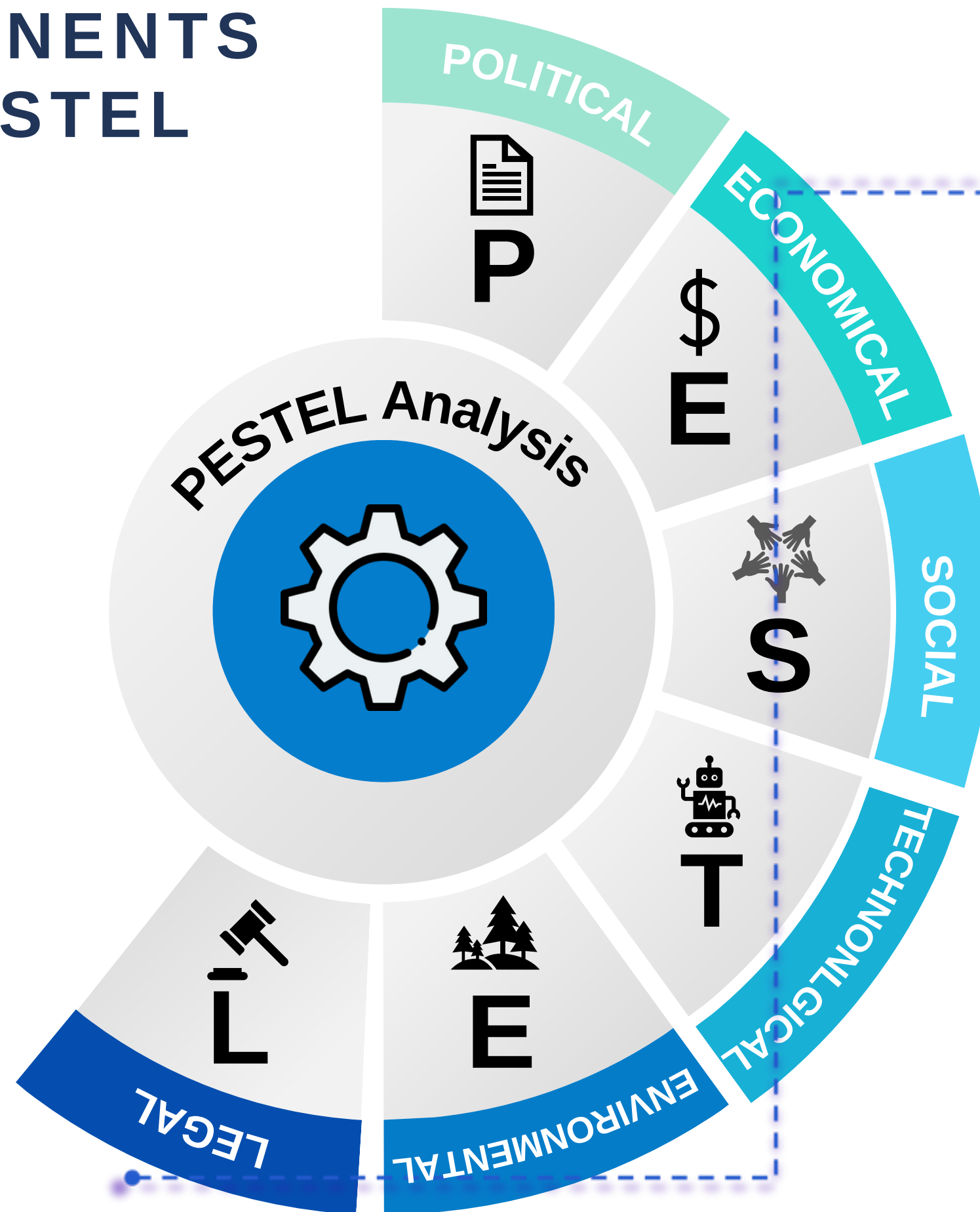


## Environmental factors

- El-Nahda Conflict
- Climate change (COP 27 Sharm El-Shaykh).



# COMPONENTS OF PESTEL



## Legal factors

- Islamic law (Shariah).
- Independence of judiciary.
- Intellectual property rights.

# Porter

Five 5  
**forces**

01

## Threat of new entrants

02

03

04

05

- Governmental regulations and procedures of licensing
- High capital requirements
- High cost of R & D for developing new pharmaceuticals

# Porter

Five 5  
forces

01

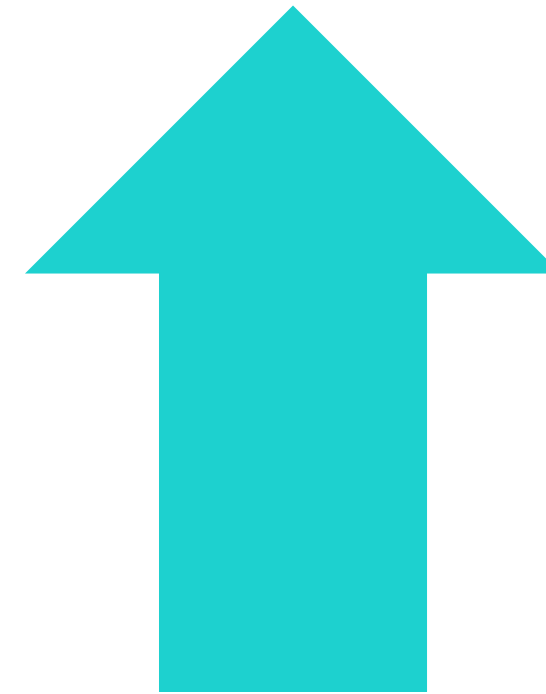
02

03

04

05

## Bargaining power of suppliers



**Because of the concentrated suppliers who can have effect on the market**

# Porter

Five 5

**forces**

01

02

03

04

05

## Bargaining power of Buyers



**They don't influence the price as the health care & pharmaceuticals industry has a huge influence on the people from the point of wellbeing**

# Porter

Five 5  
**forces**

01

02

03

04

05

## Threat of Substitutes



Existence of alternative products such as herbal , traditional  
medicine and imported Pharmaceutical

# Porter

Five 5  
**forces**

01

02

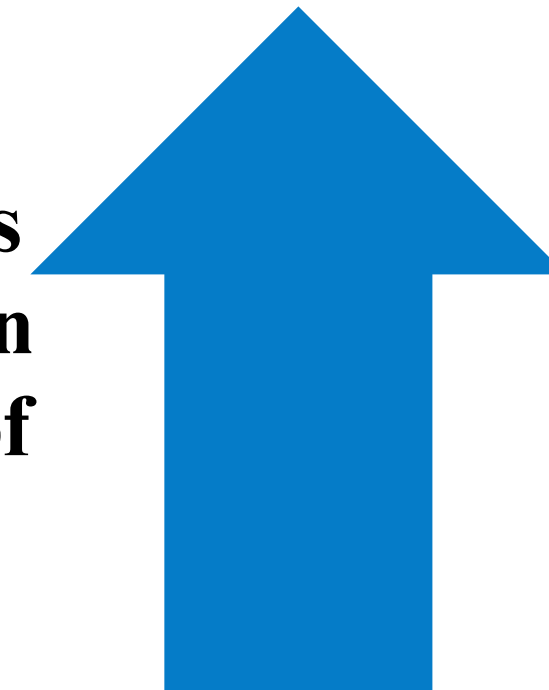
03

04

05

## Competitive Rivalry

Existence of competitors  
increased the competition  
in the industry because of  
high level of threat of  
substitutes



**MINA PHARM**

# History

**MINA was founded by  
Dr. Saad El-Bardisi**

**1958**

**Start of operations  
and building MINA  
Pharm factory**

**1992**

**First joint venture  
in Biotechnology  
in emerging  
markets**

**2001**

**1980**

**EIPICO was  
established in 10th  
of Ramadan city  
with a capital 7  
Million EGP**

**1985**

**Start of  
production**

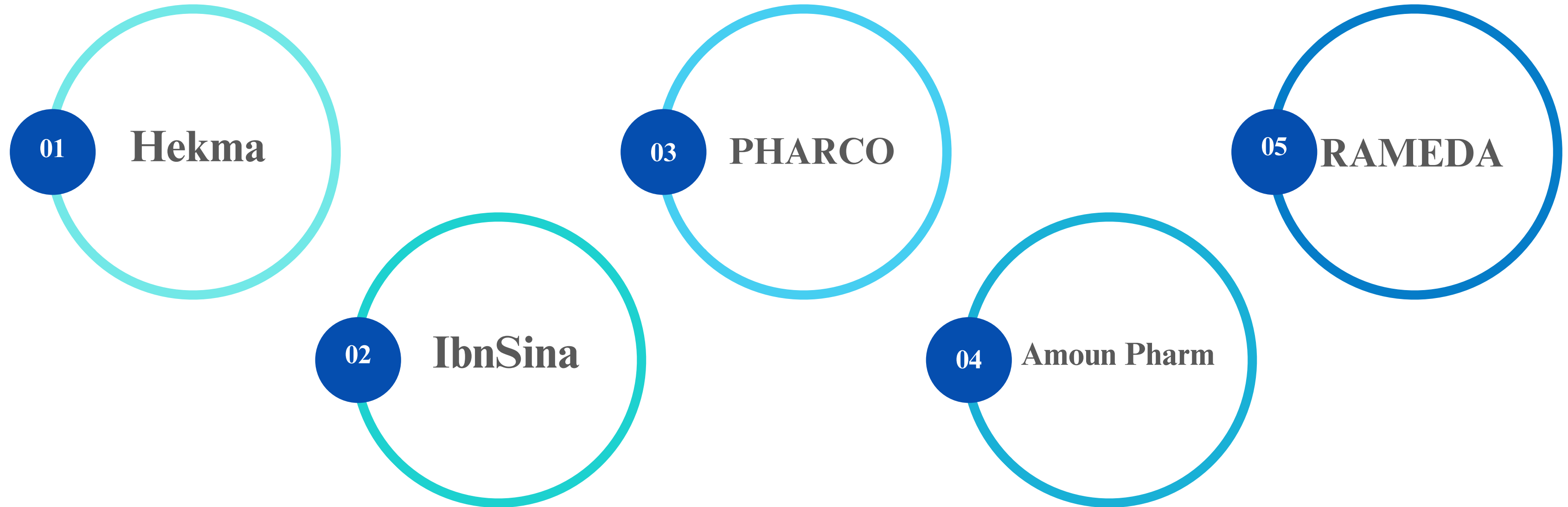
**1995**

**EIPICO was  
listed on the  
Egyptian  
Exchange**

**EIPICO**

# Competitors

**This industry is rivalry competitive**

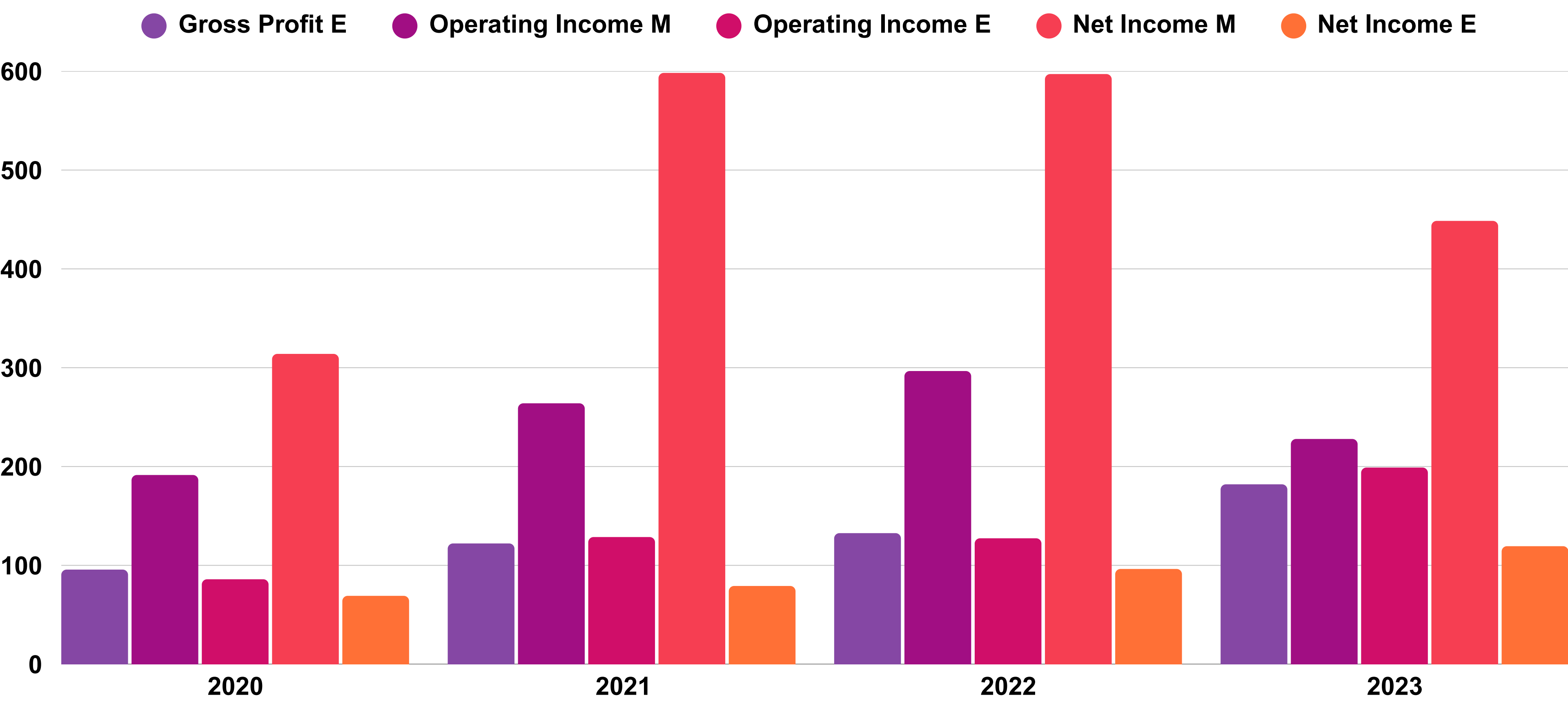




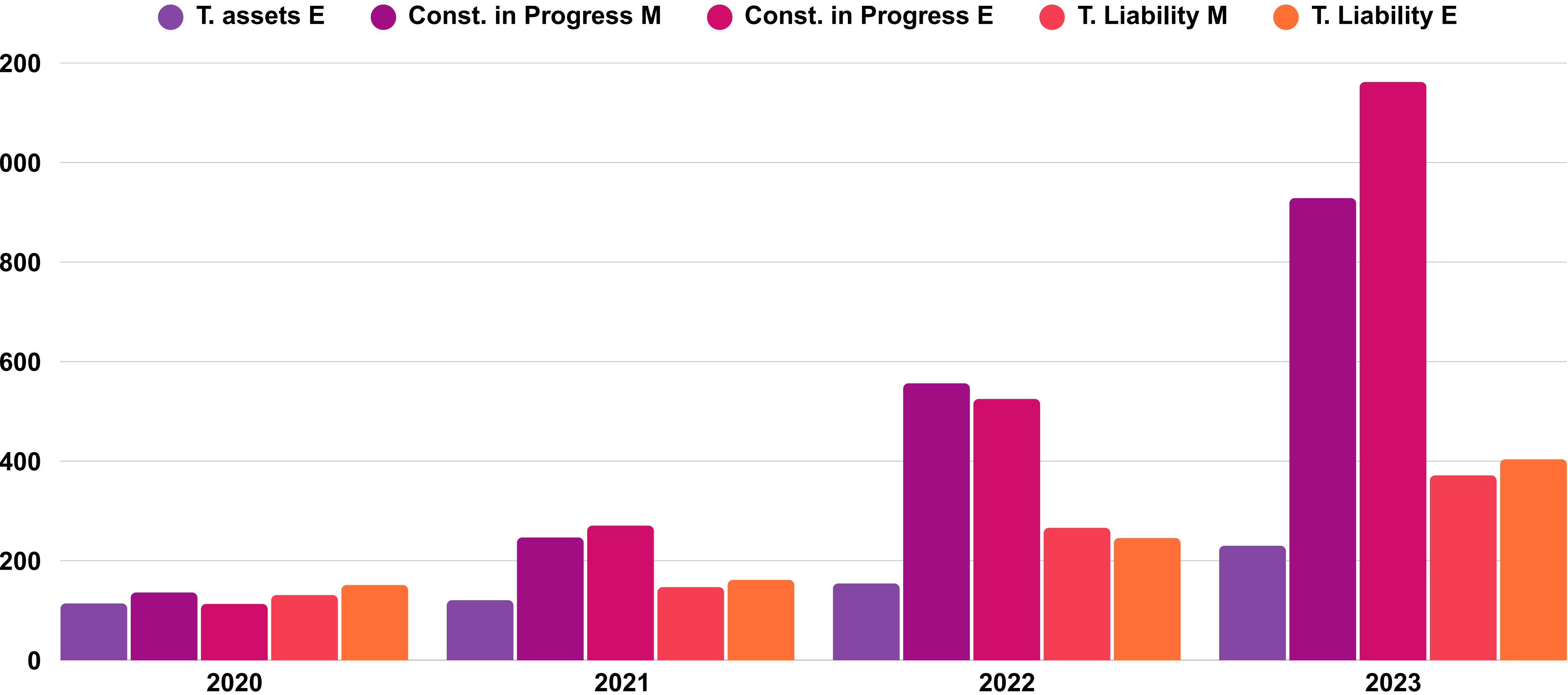


# Horizontal Analysis

# Income Statement



# Balance Sheet



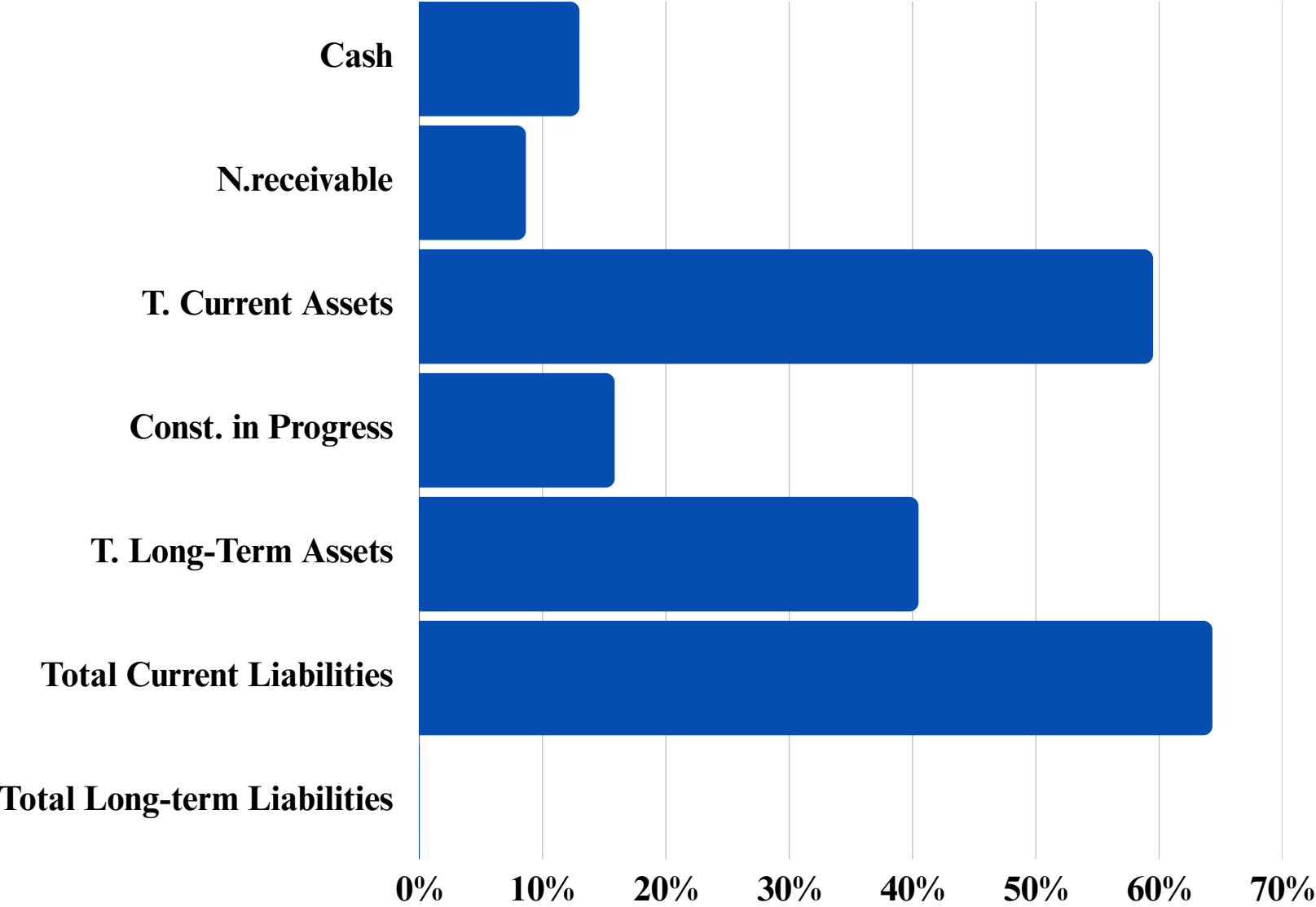
# Vertical Analysis



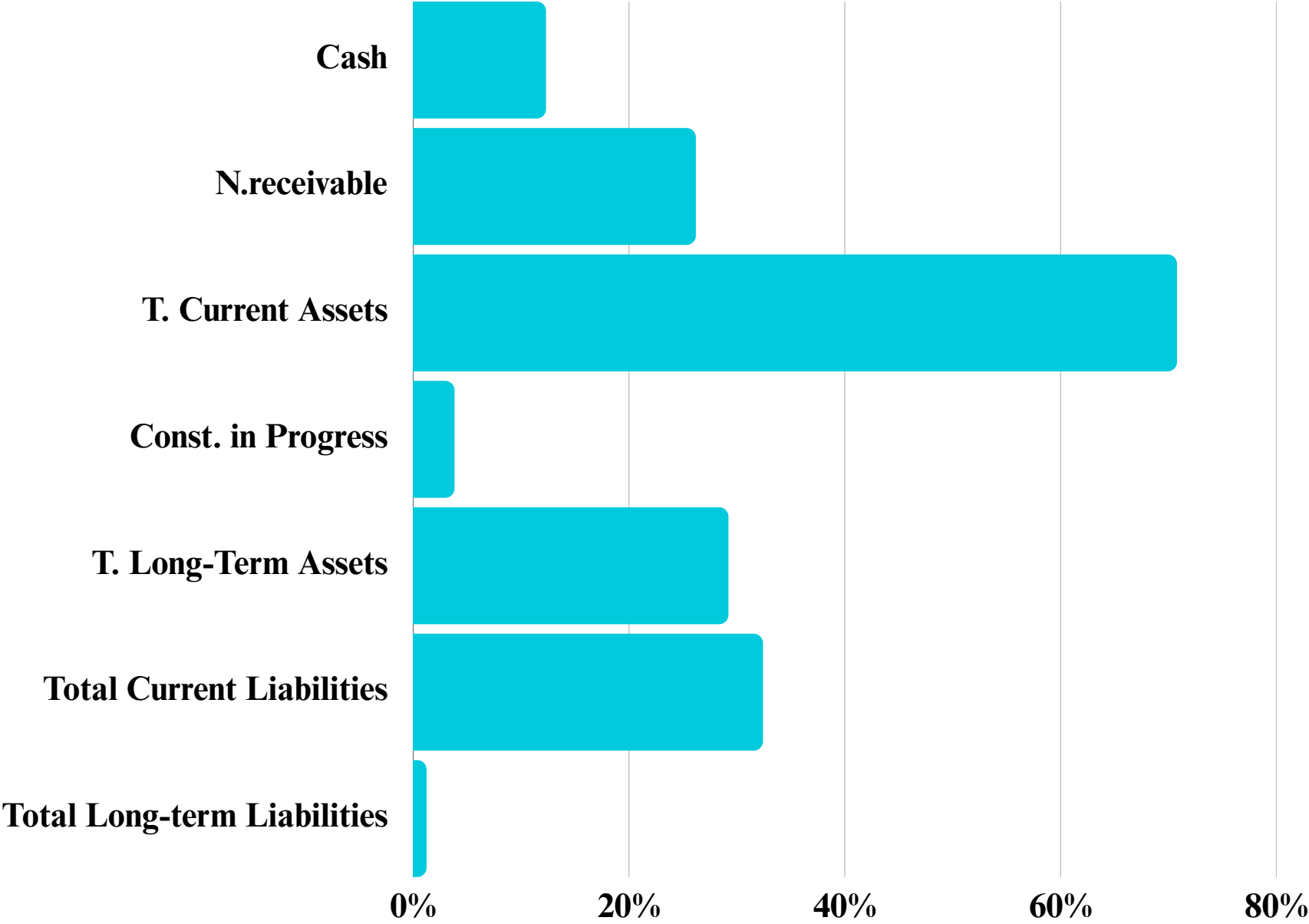
2019

Balance Sheet

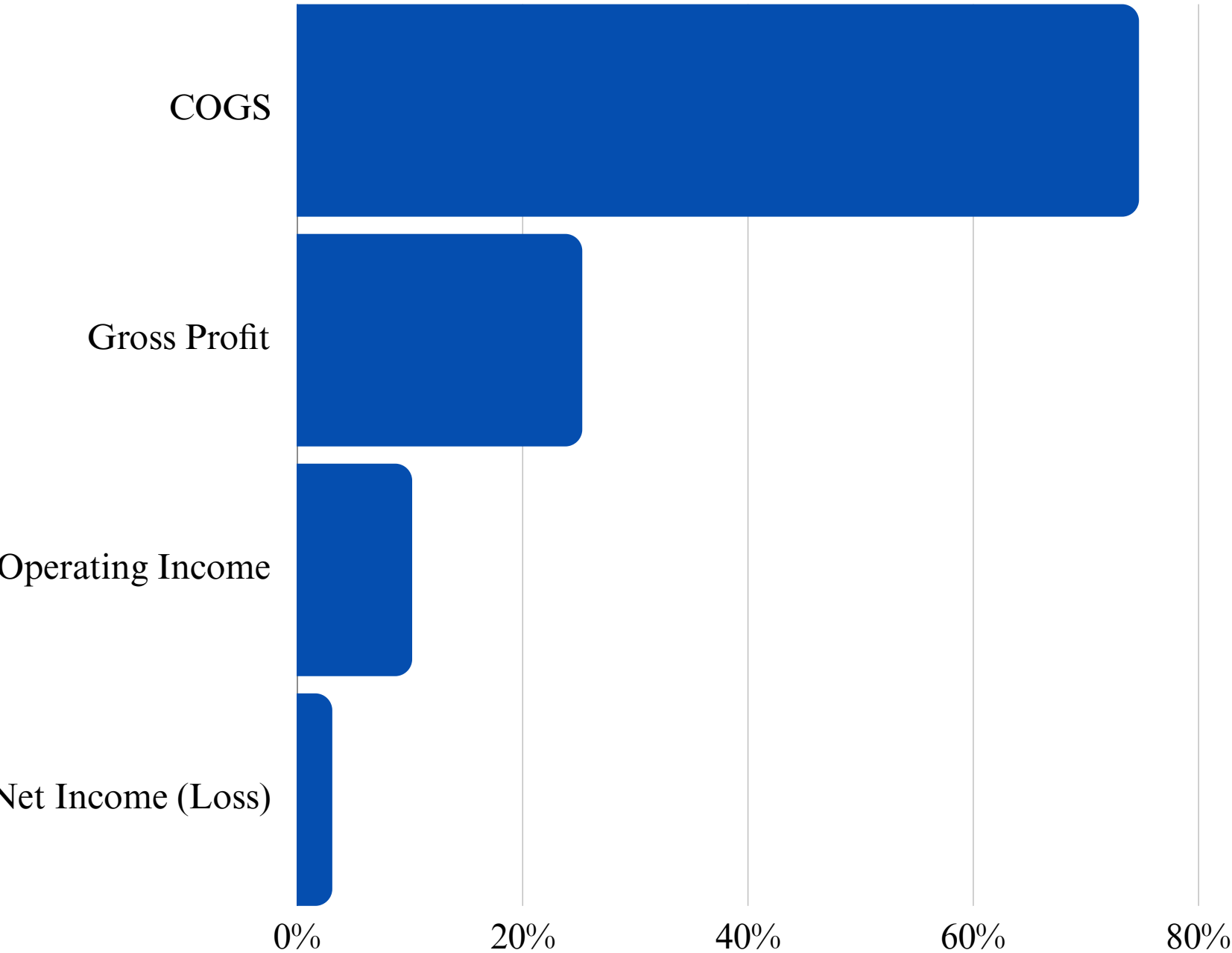
MINA PHARM



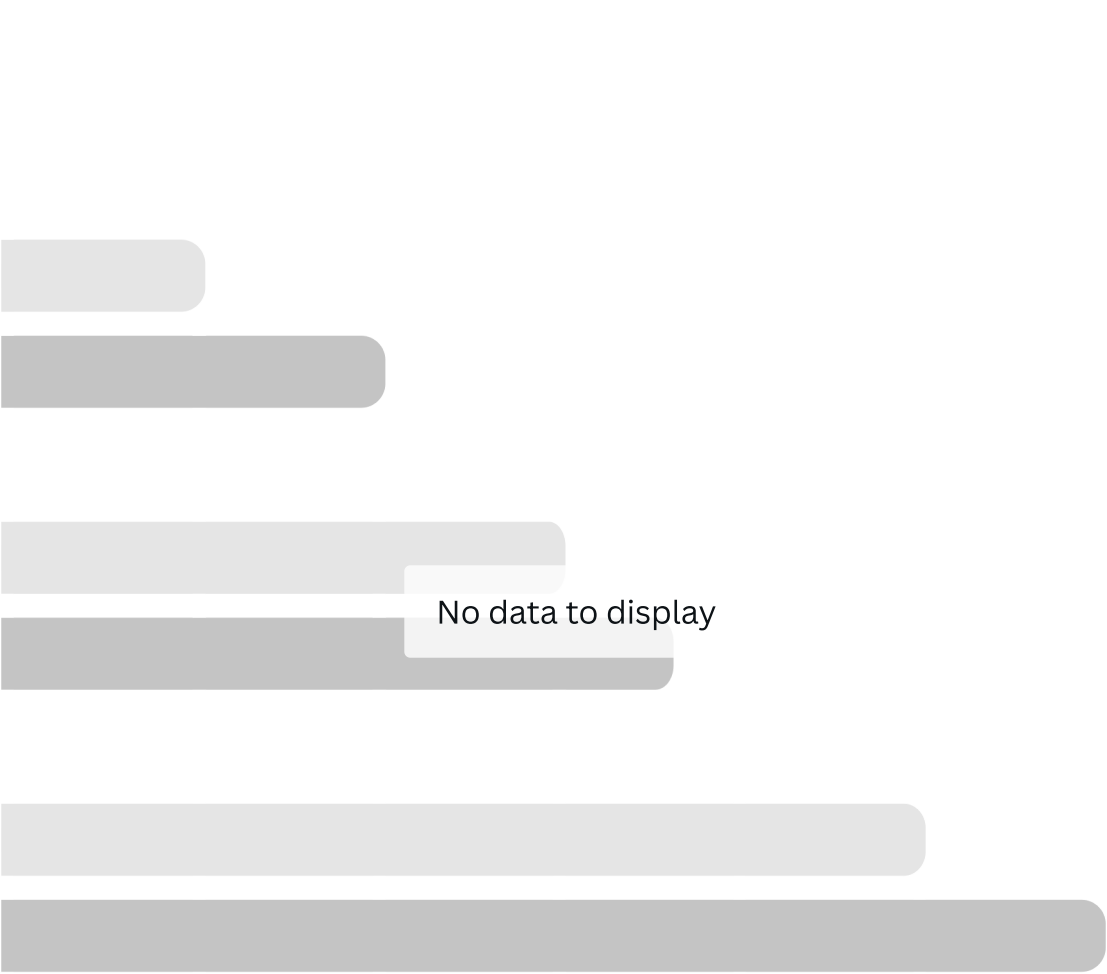
EIPICO



# 2019 Income Statement



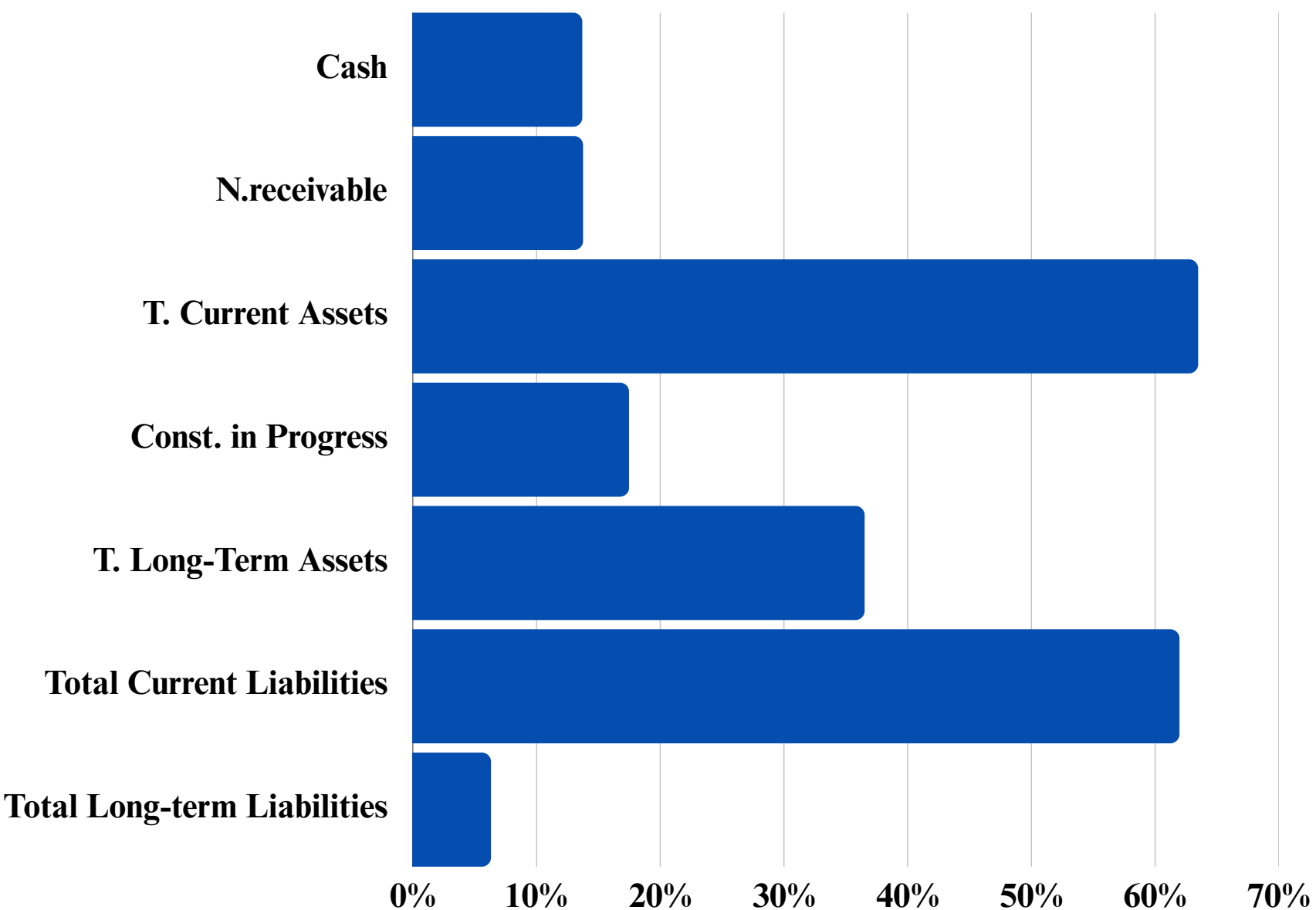
**MINA PHARM**



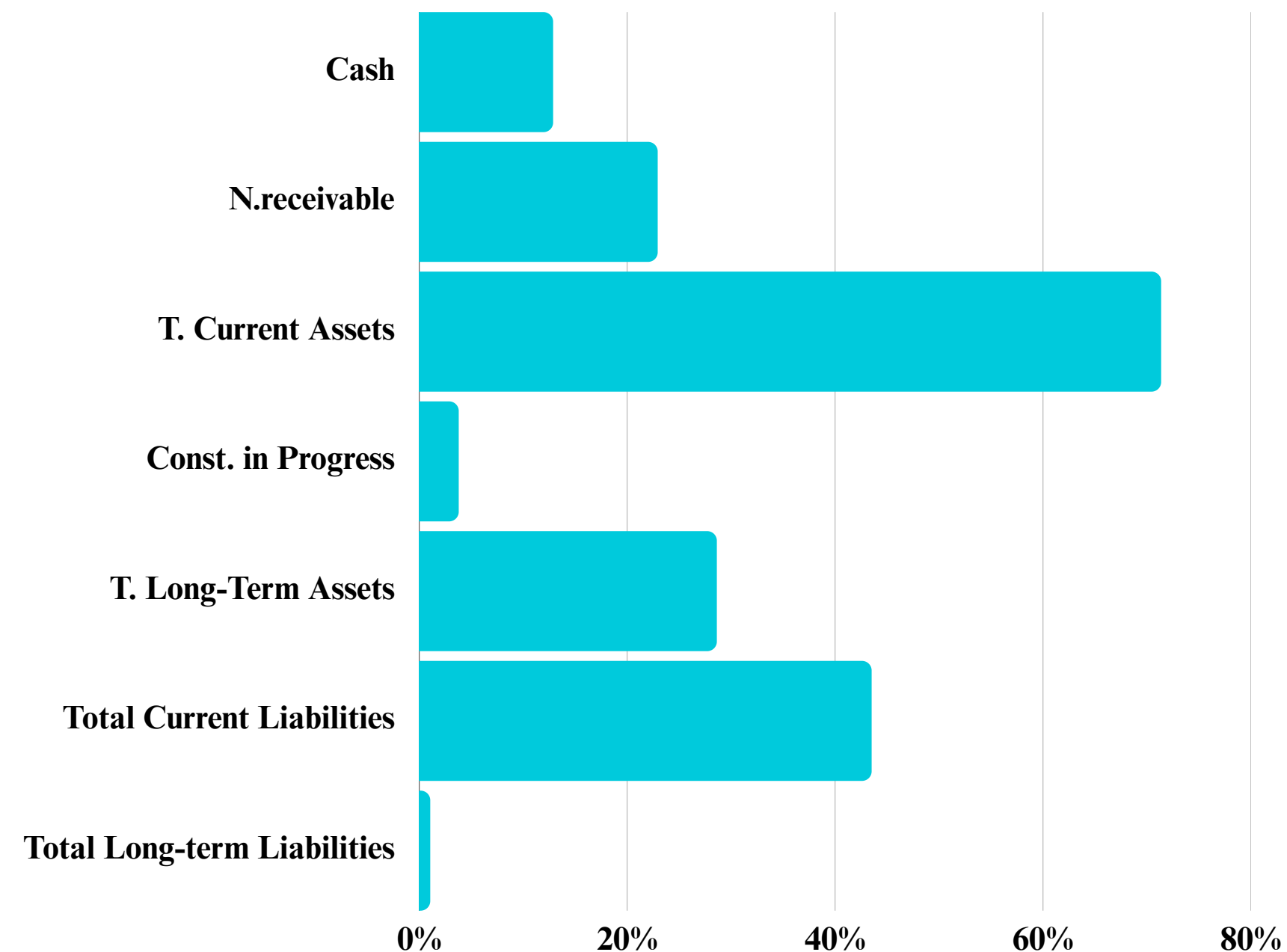
**EIPICO**

# 2020

# Balance Sheet

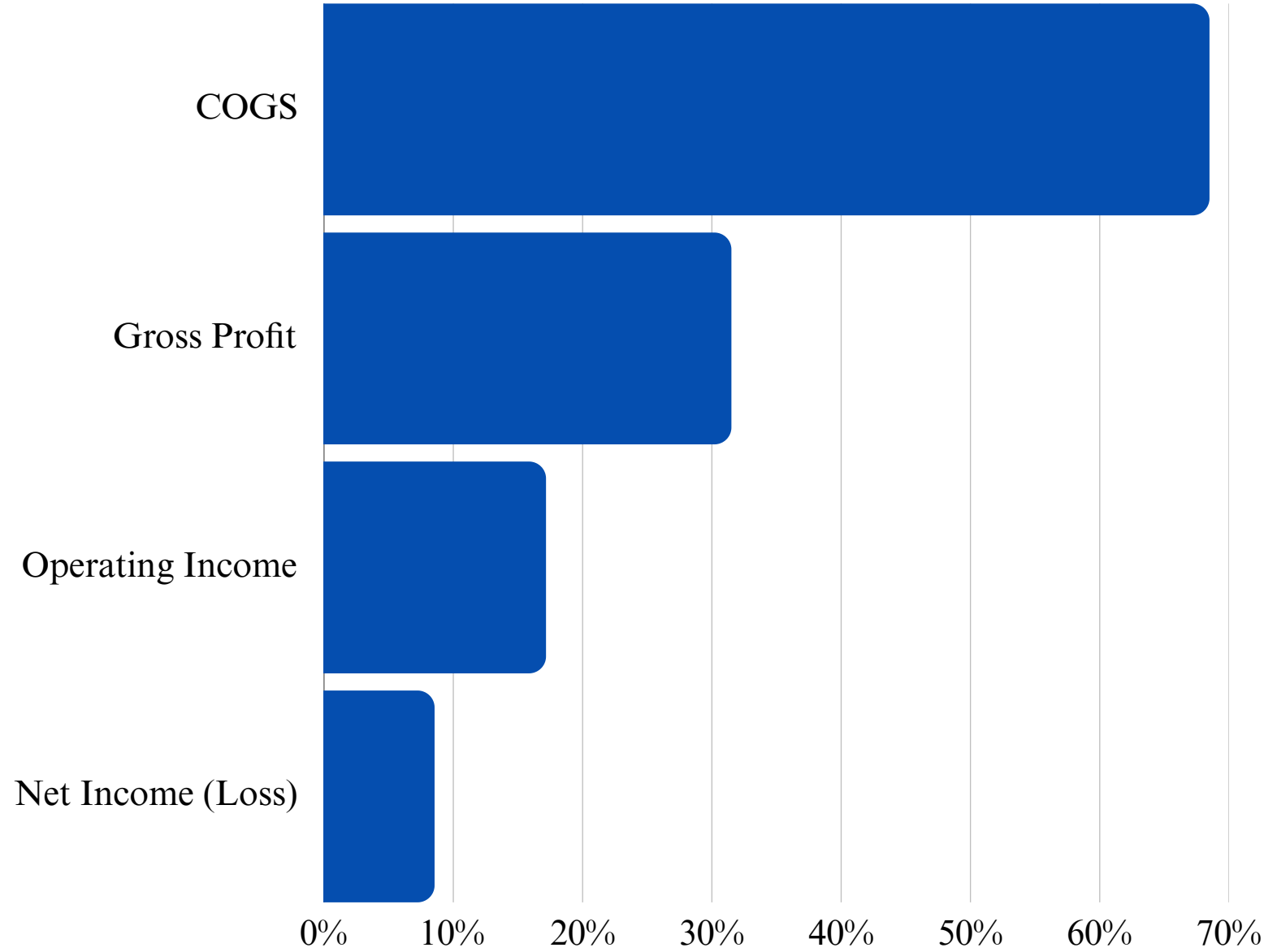


## MINA PHARM

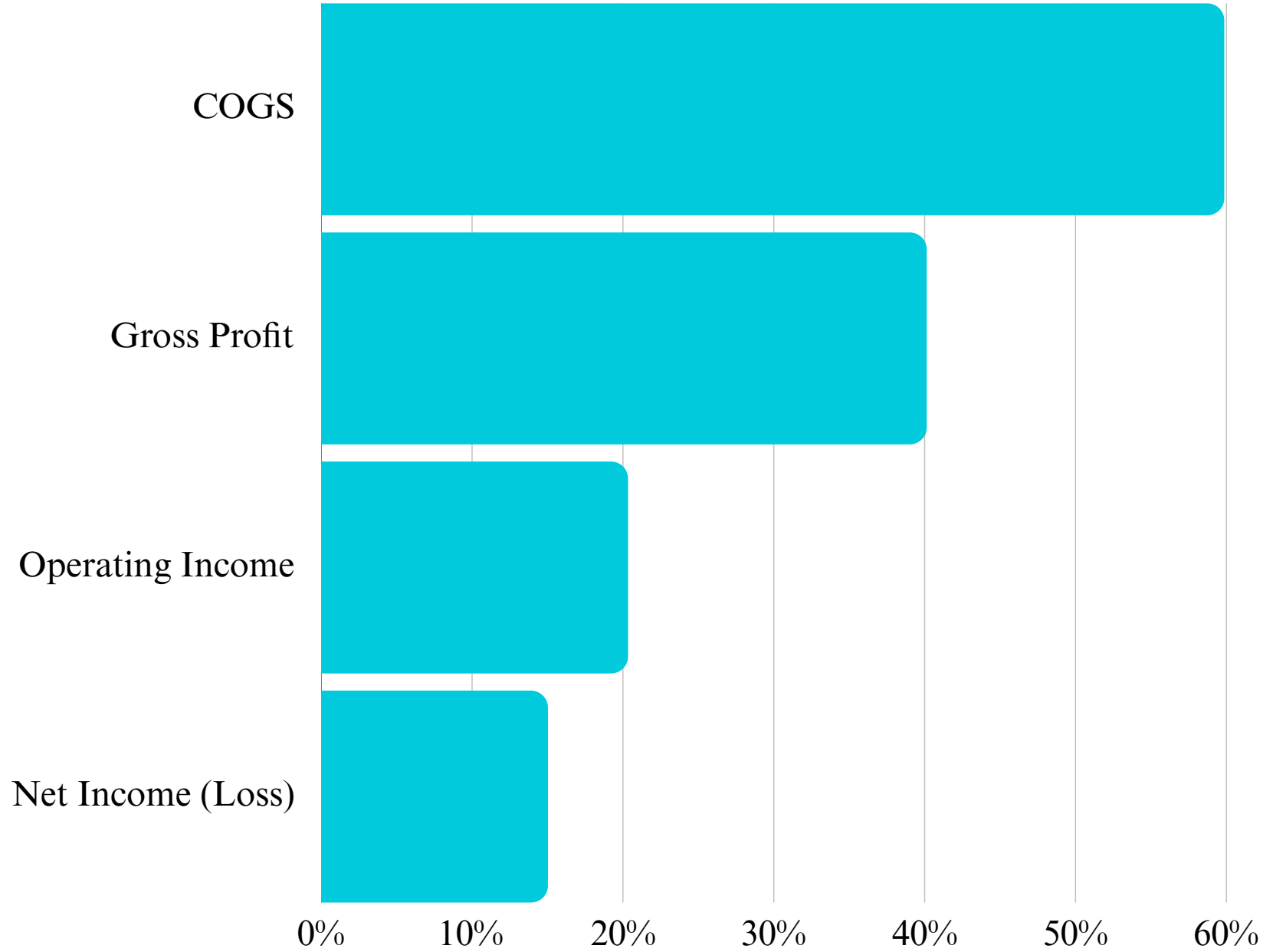


## EIPICO

# 2020 Income Statement



**MINA PHARM**

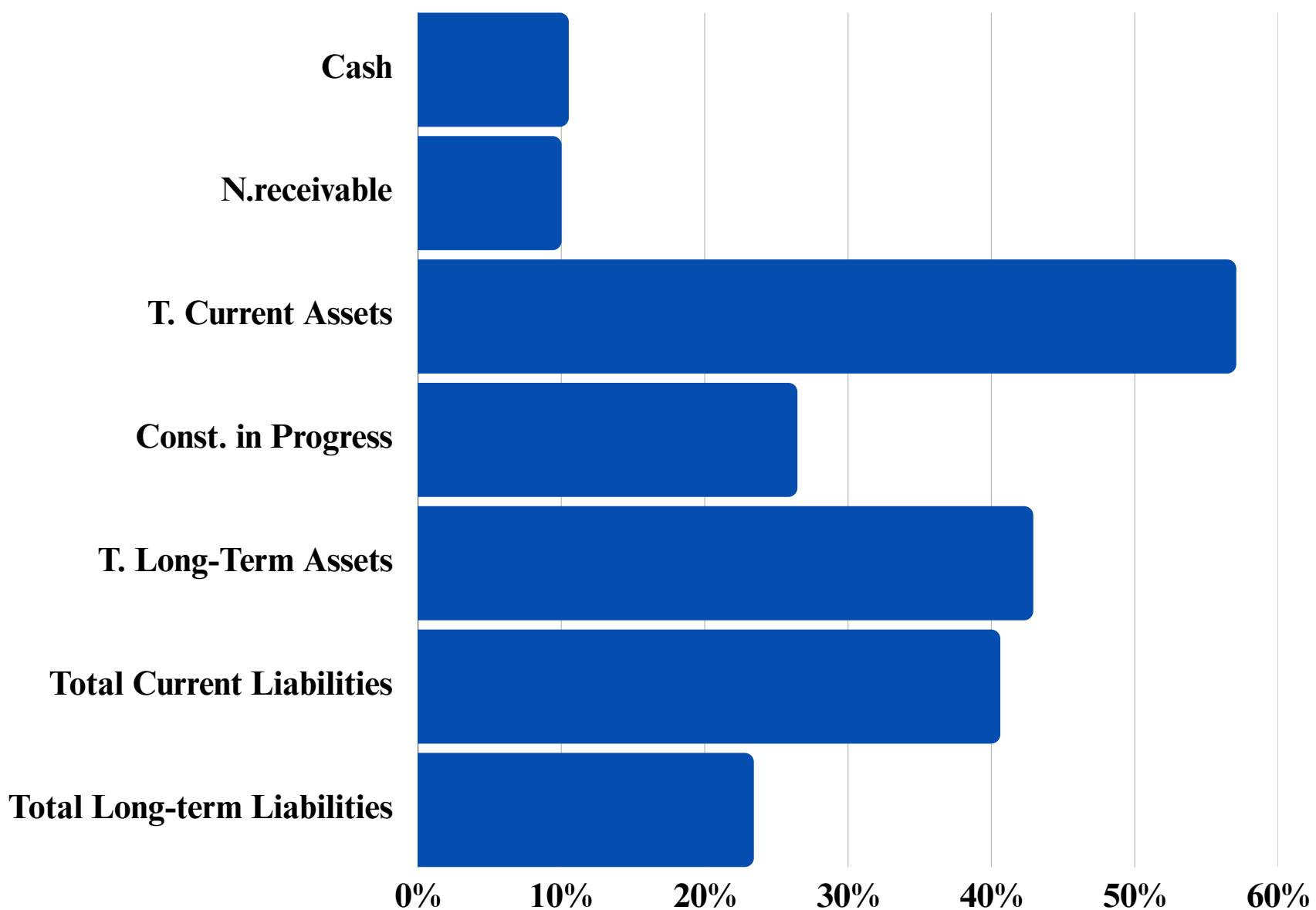


**EIPICO**

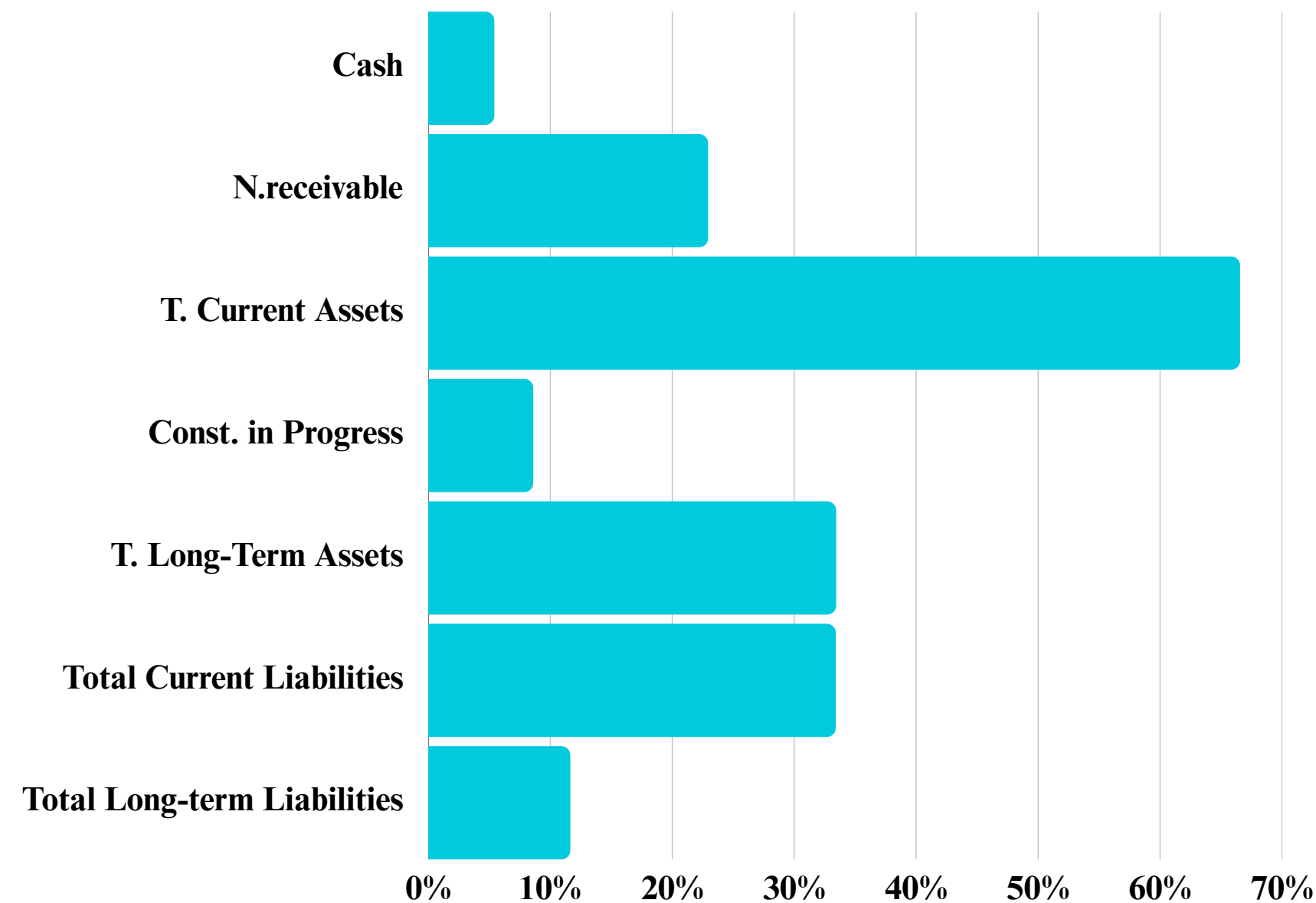


# 2021

# Balance Sheet

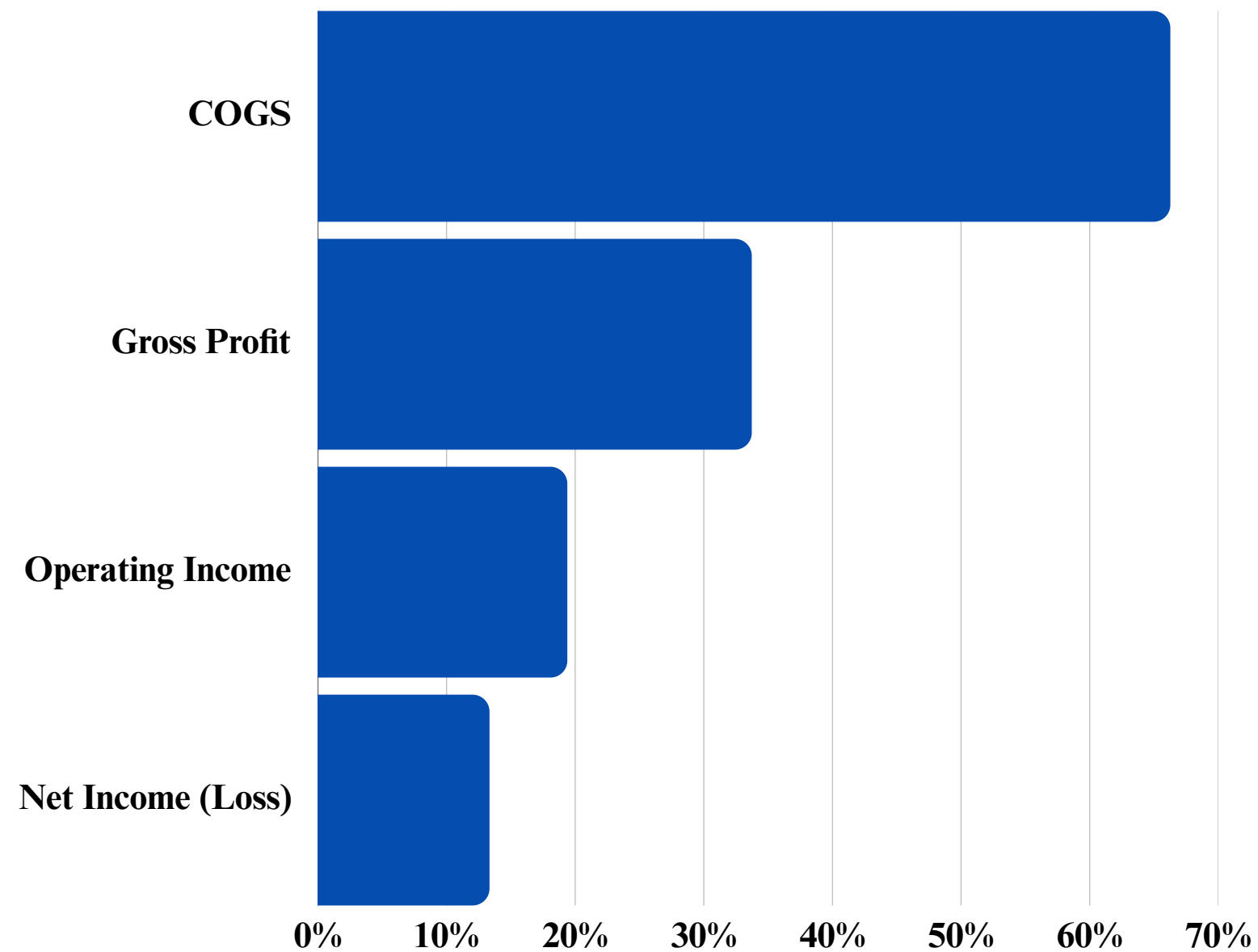


## MINA PHARM

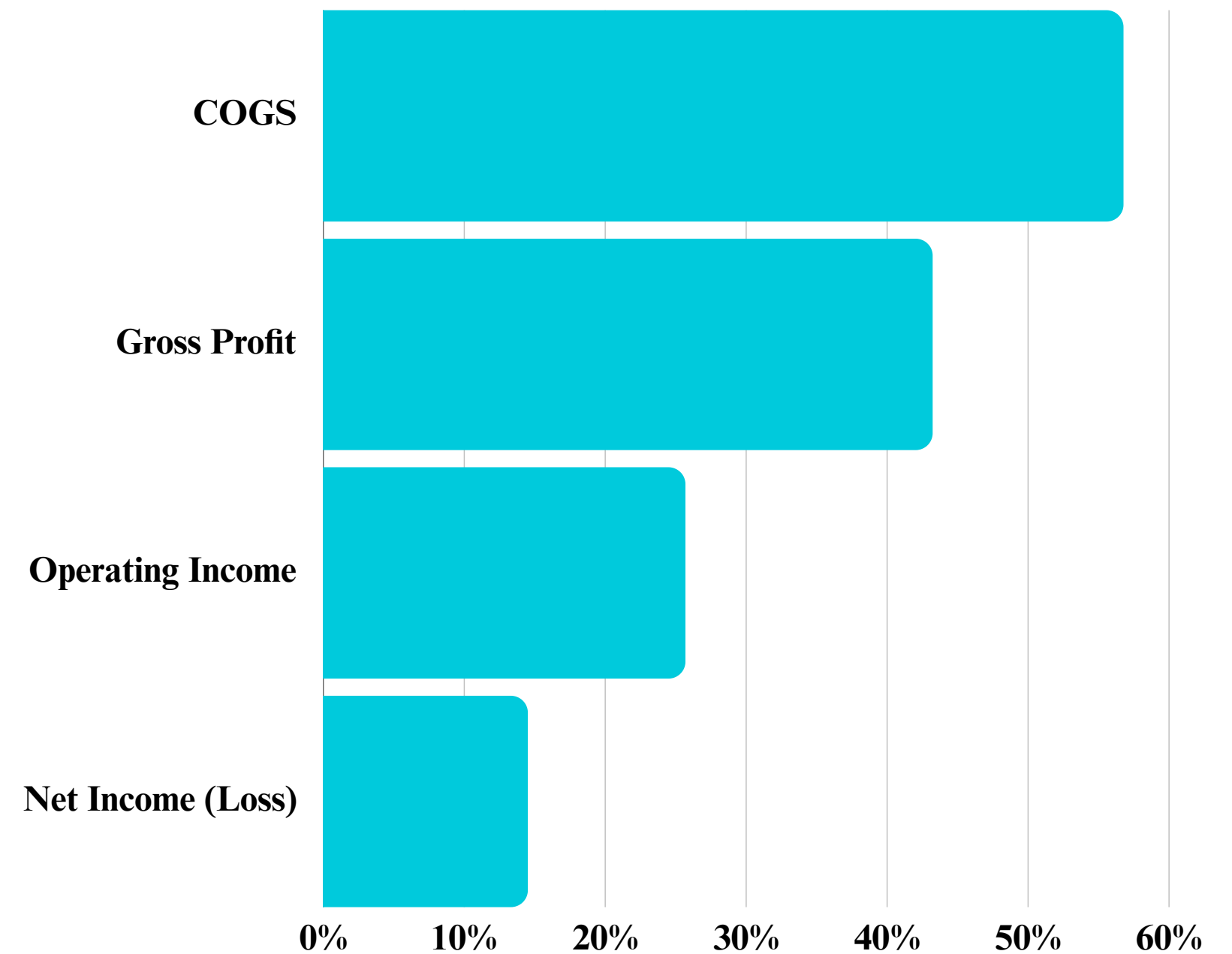


## EIPICO

# 2021 Income Statement



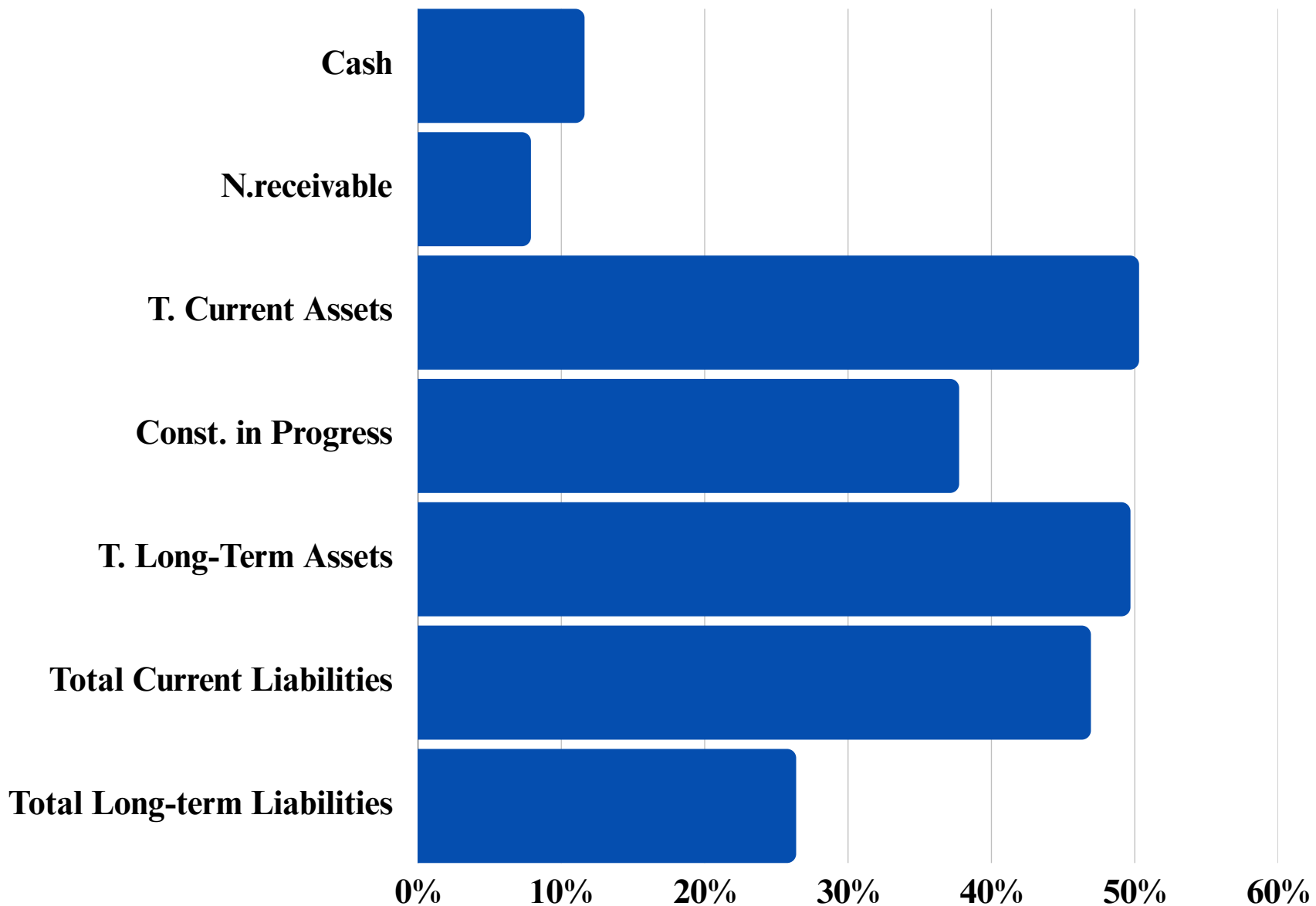
**MINA PHARM**



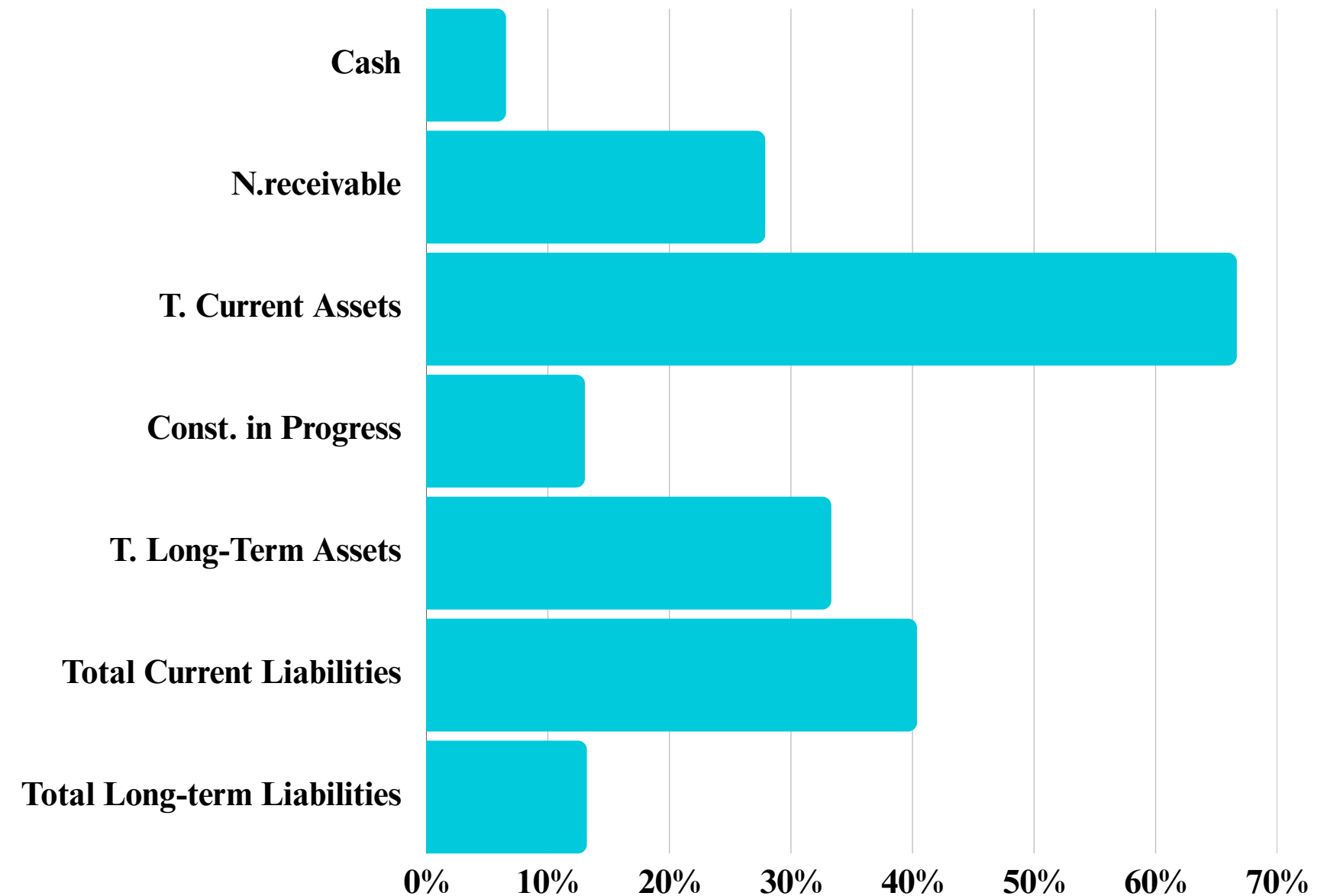
**EIPICO**

# 2022

# Balance Sheet

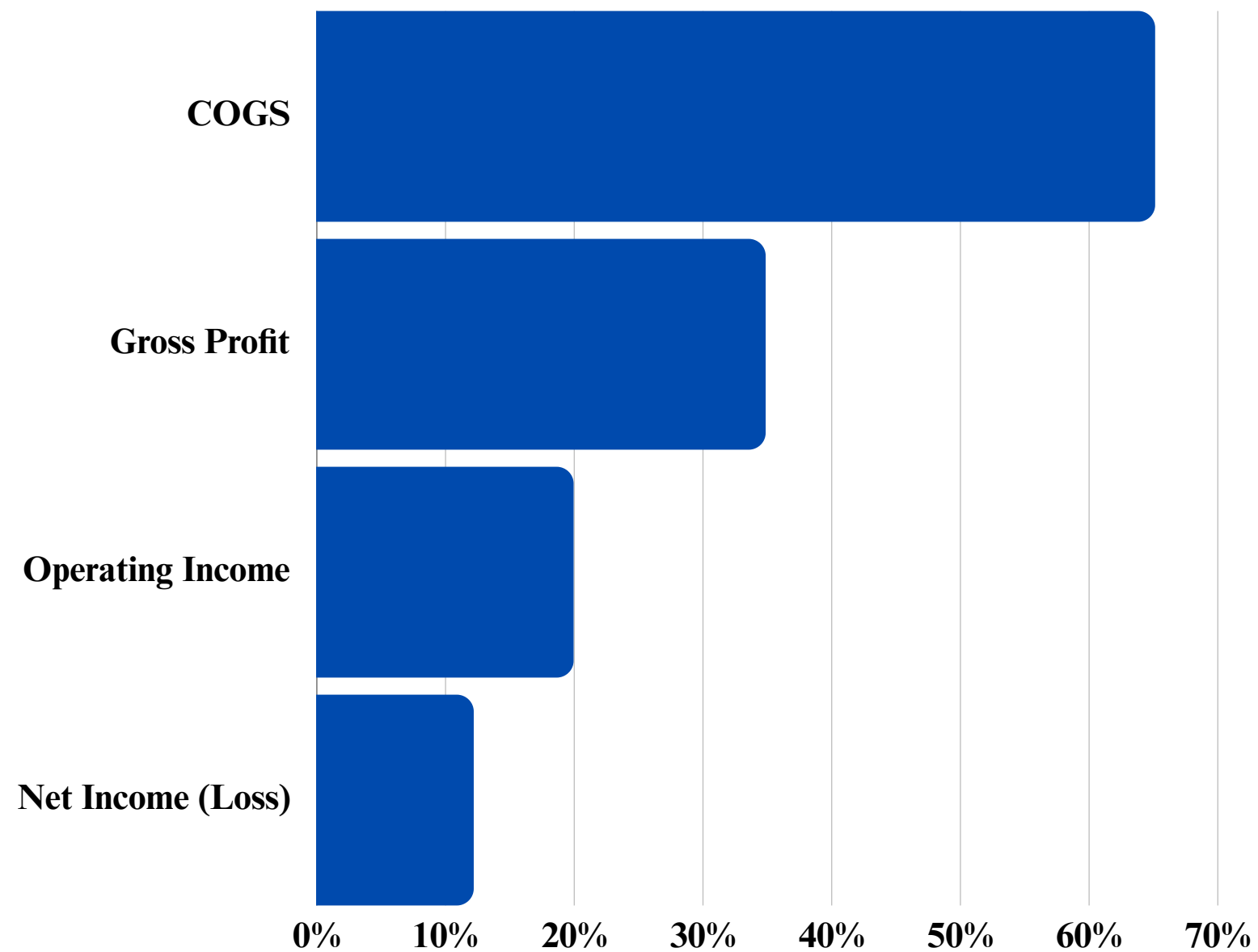


## MINA PHARM

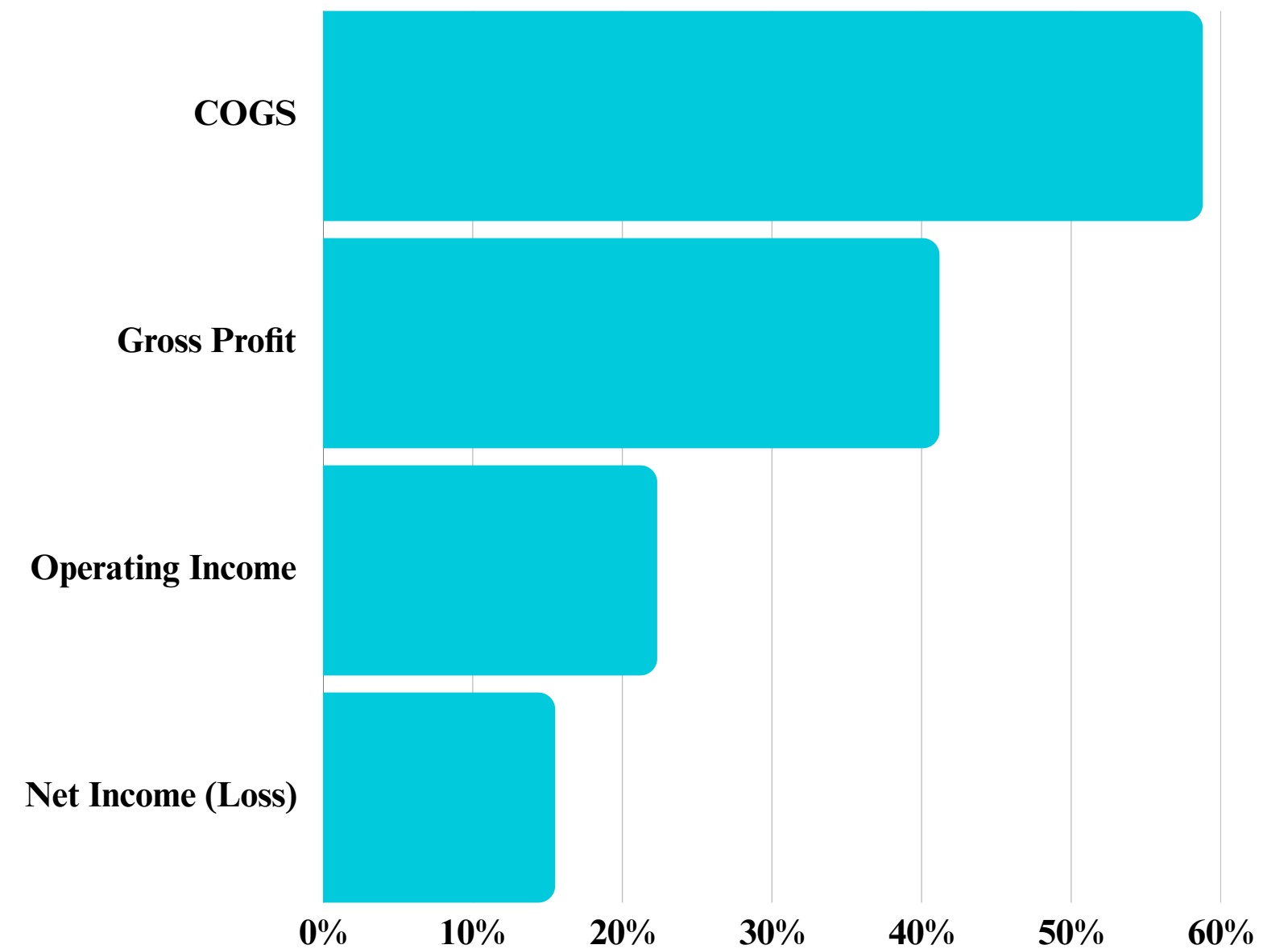


## EIPICO

# 2022 Income Statement



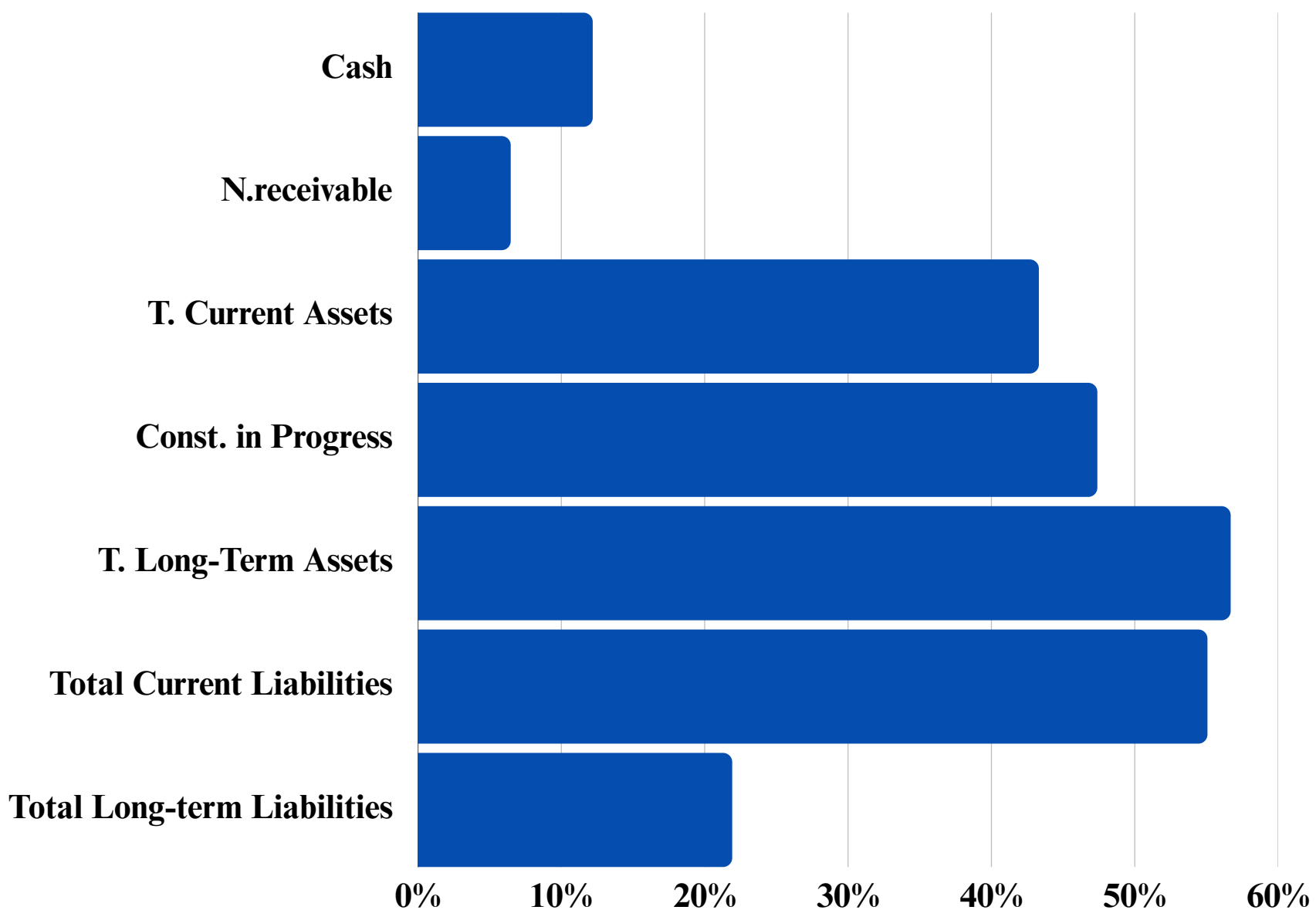
**MINA PHARM**



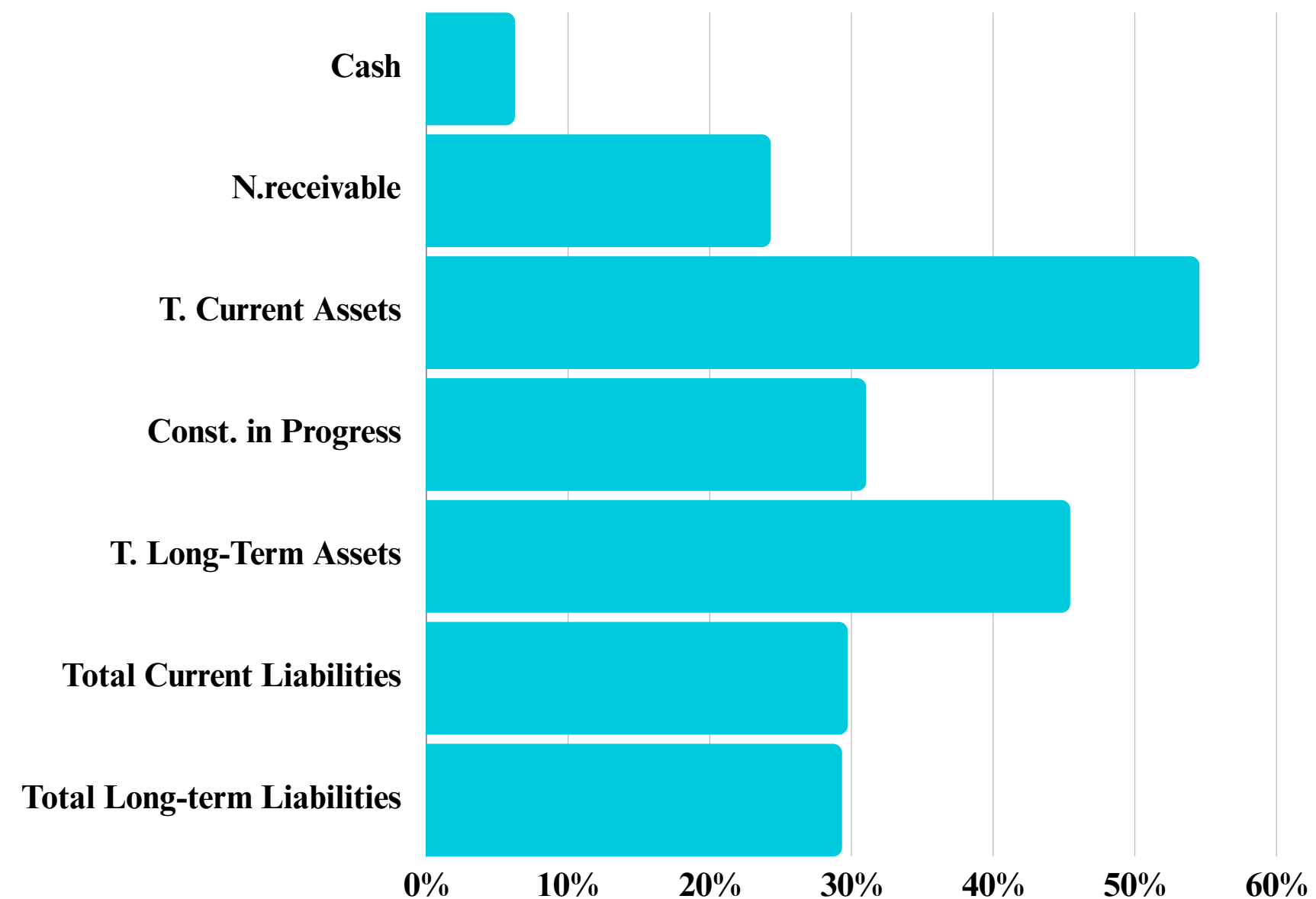
**EIPICO**

# 2023

# Balance Sheet

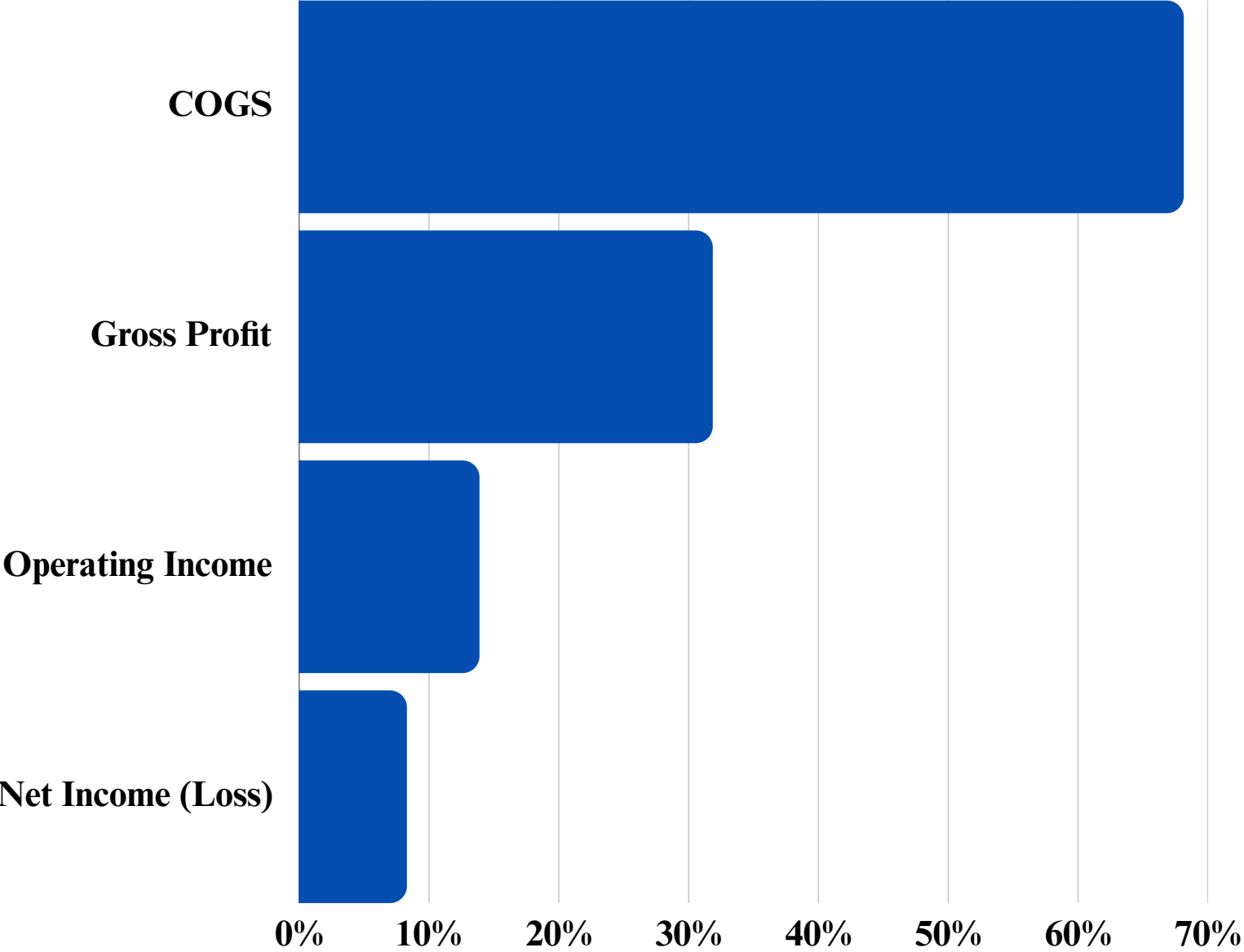


## MINA PHARM

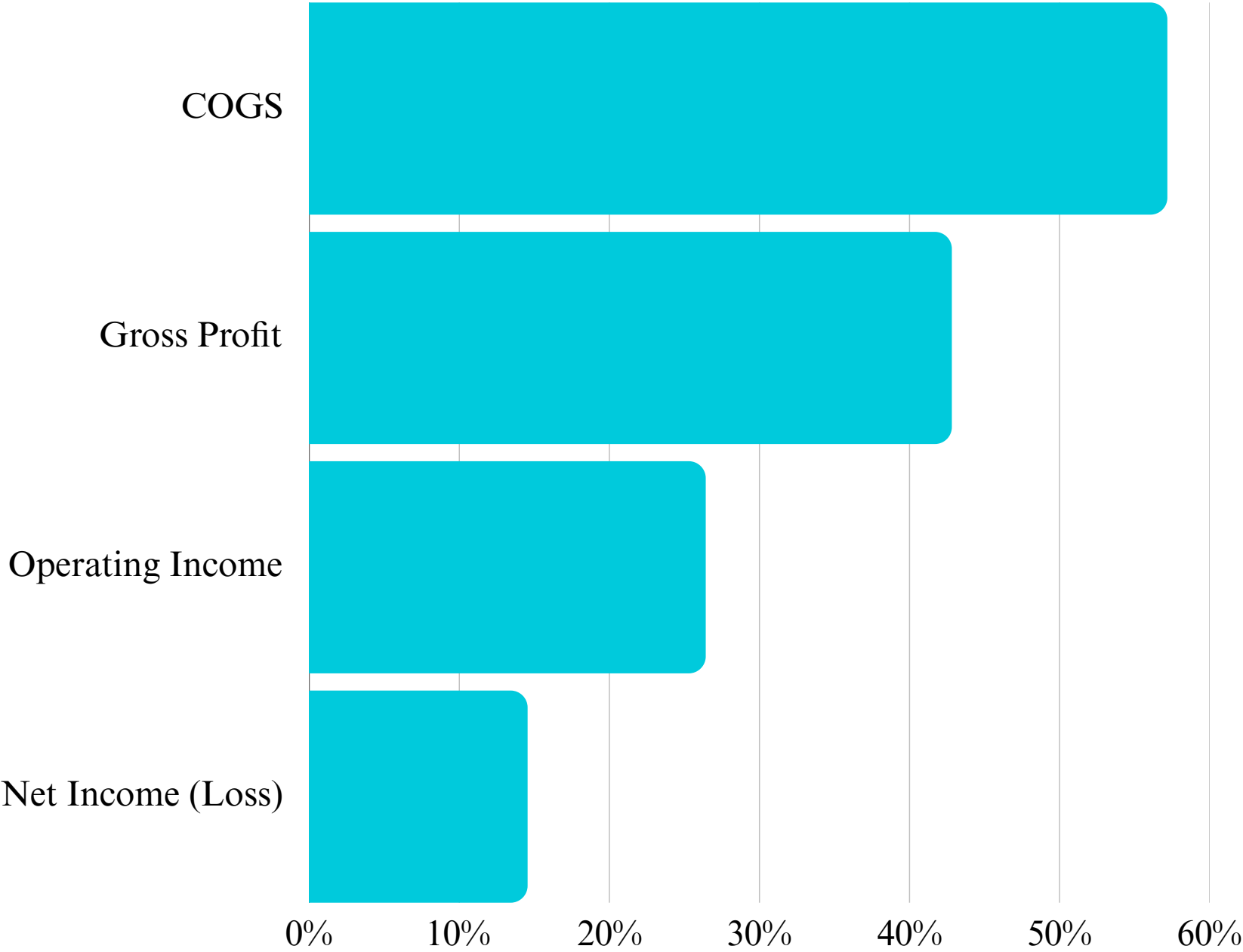


## EIPICO

# 2023 Income Statement



**MINA PHARM**



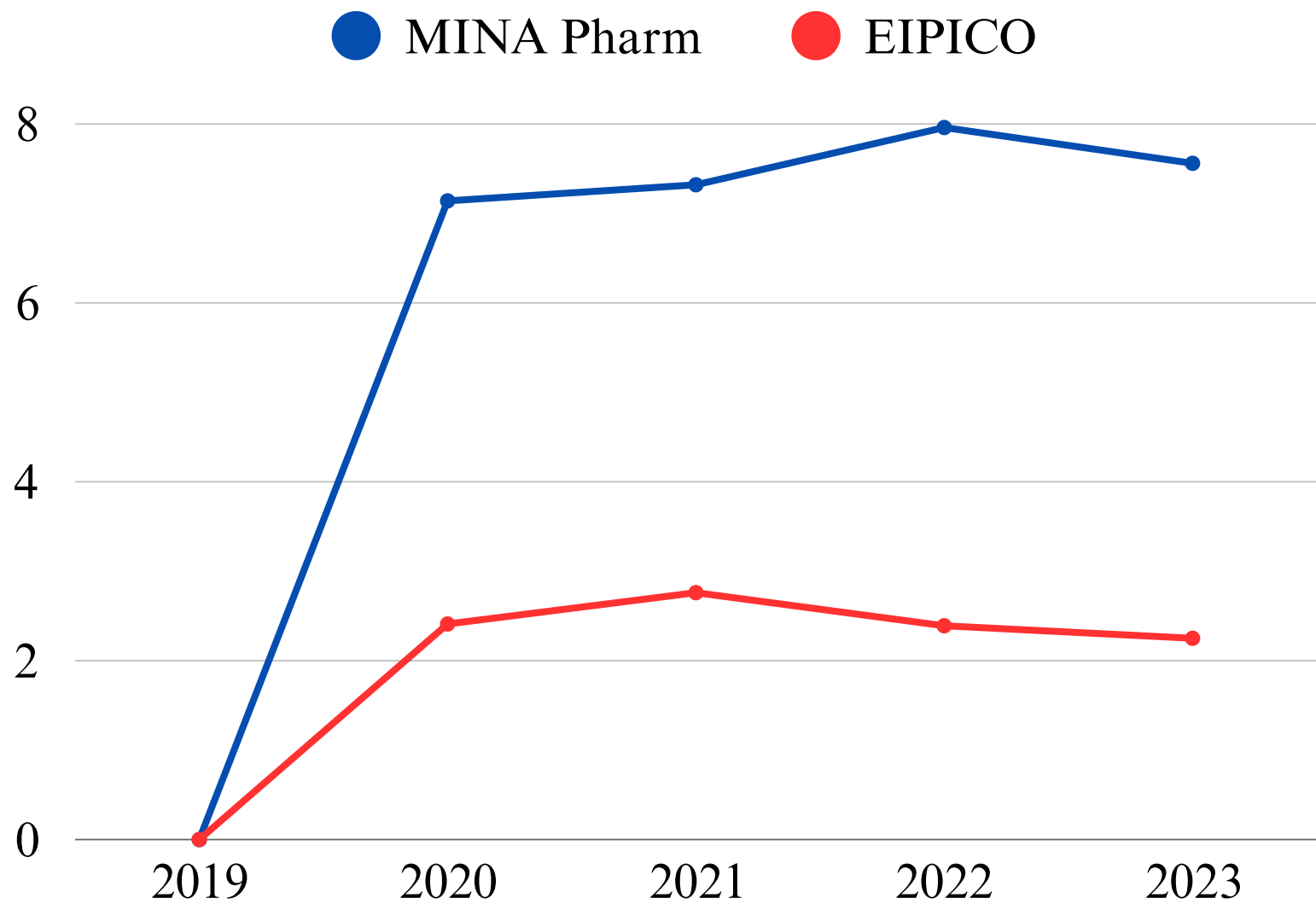
**EIPICO**

Legend:

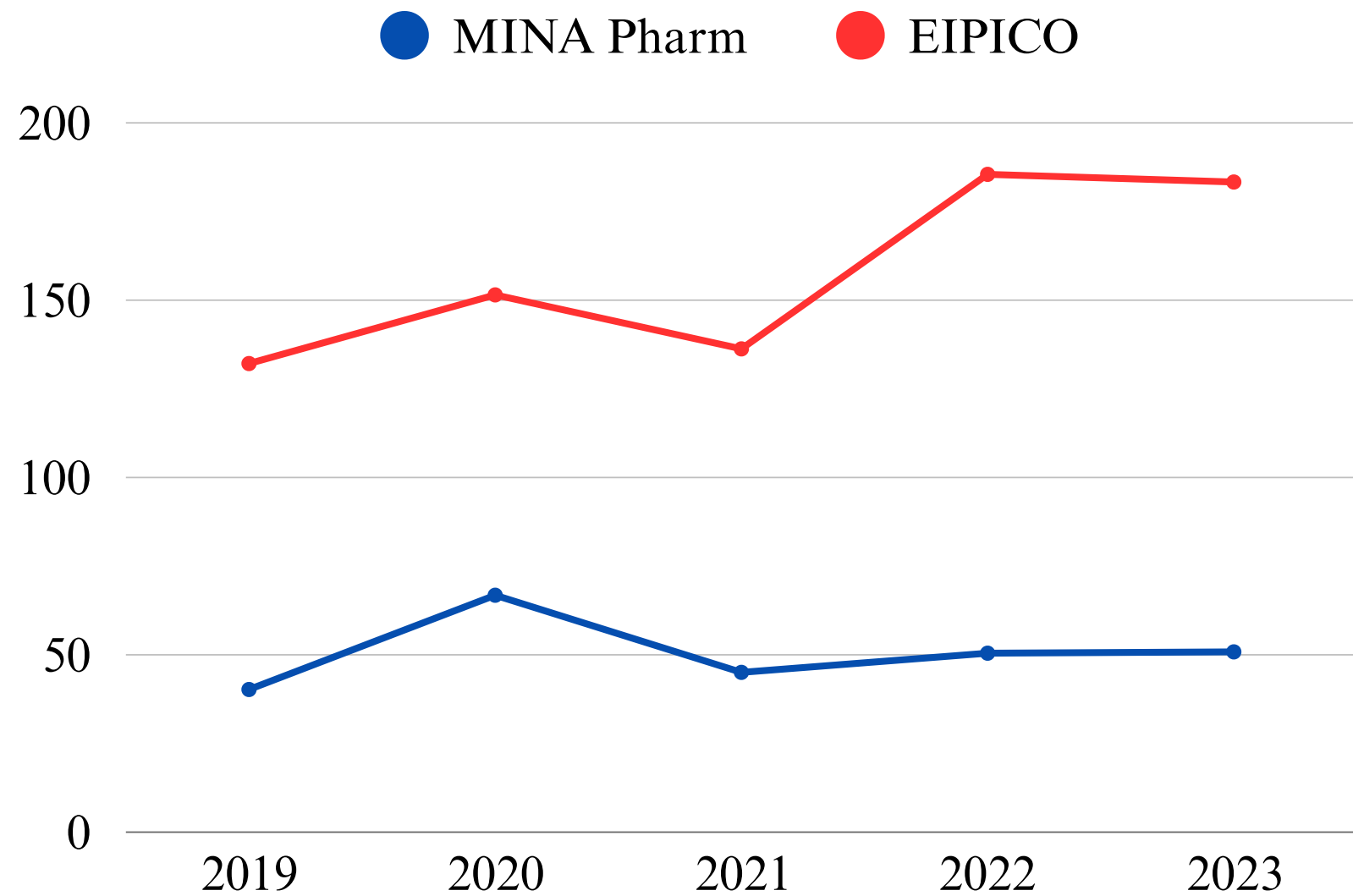
- TYU division
- FRT division

	TYU division		FRT division	
GHT	254	550	274	415
DW	144	144	144	144
OG	144	144	144	144
G	144	144	144	144
764	144	144	144	144
451	144	144	144	144

# Accounts Receivable Turnover



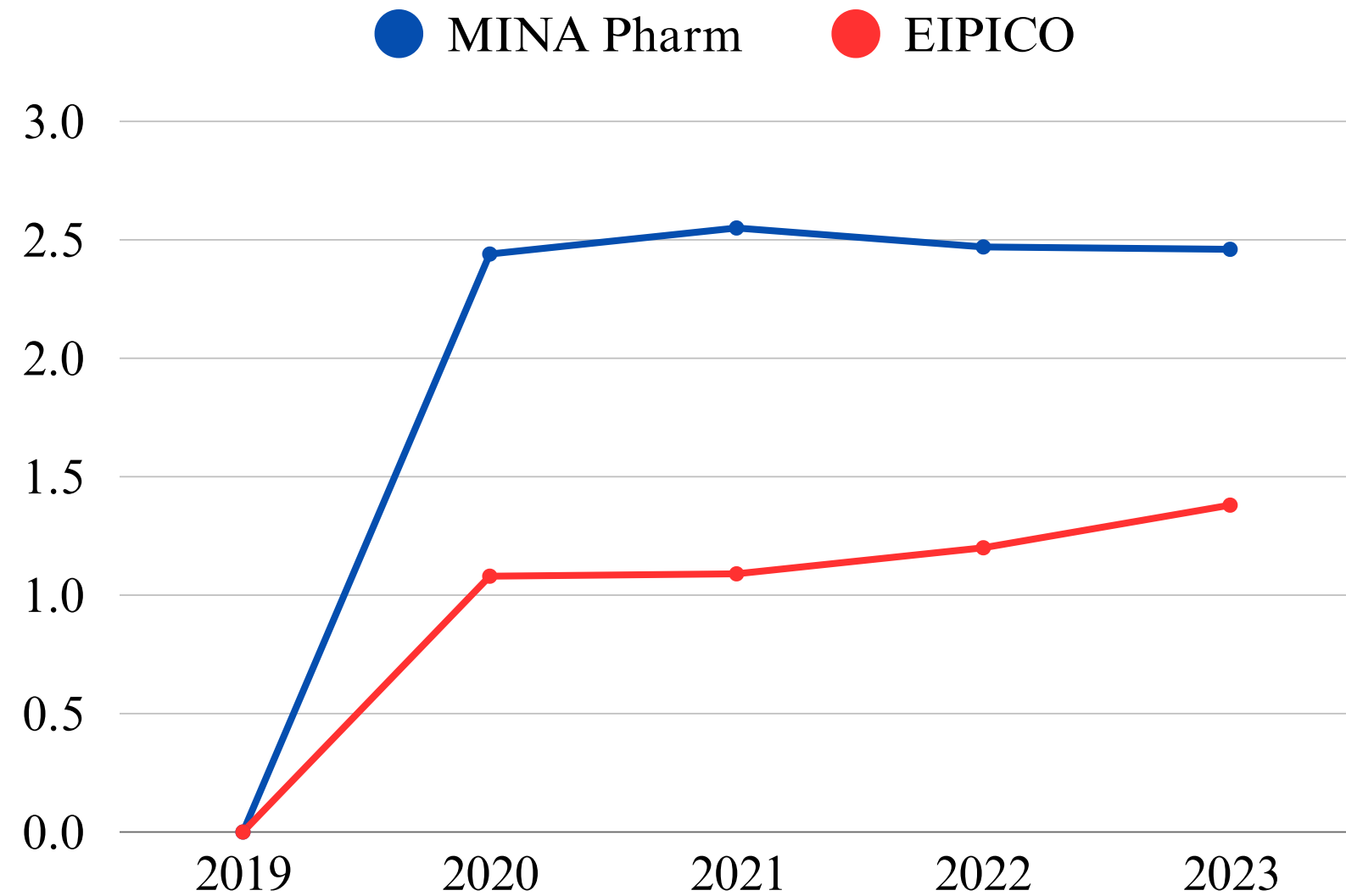
# Days' Sales in Receivables



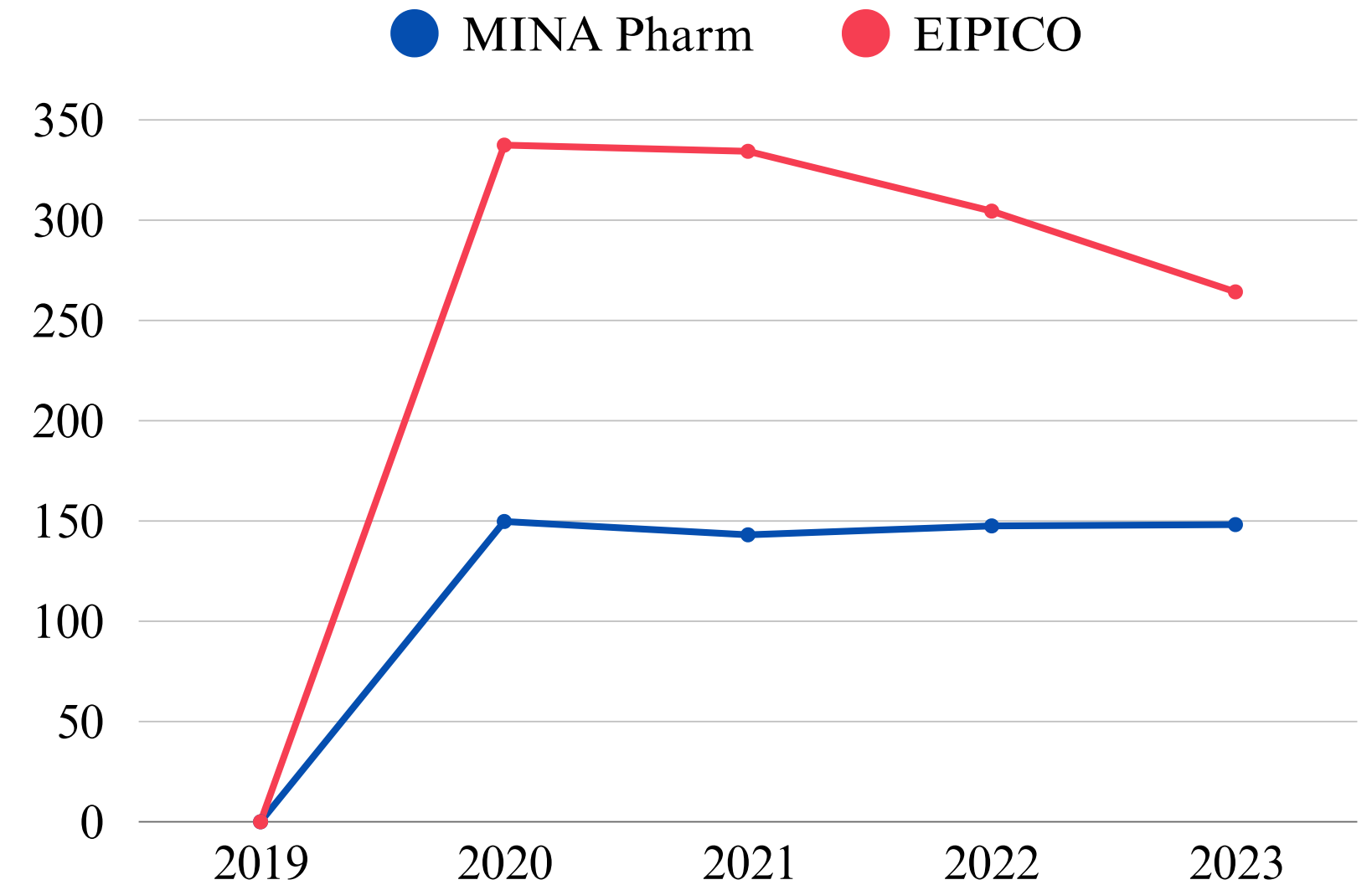
**MINA Pharm collects its credit sales 2x faster than EIPICO!**



## Inventory Turnover

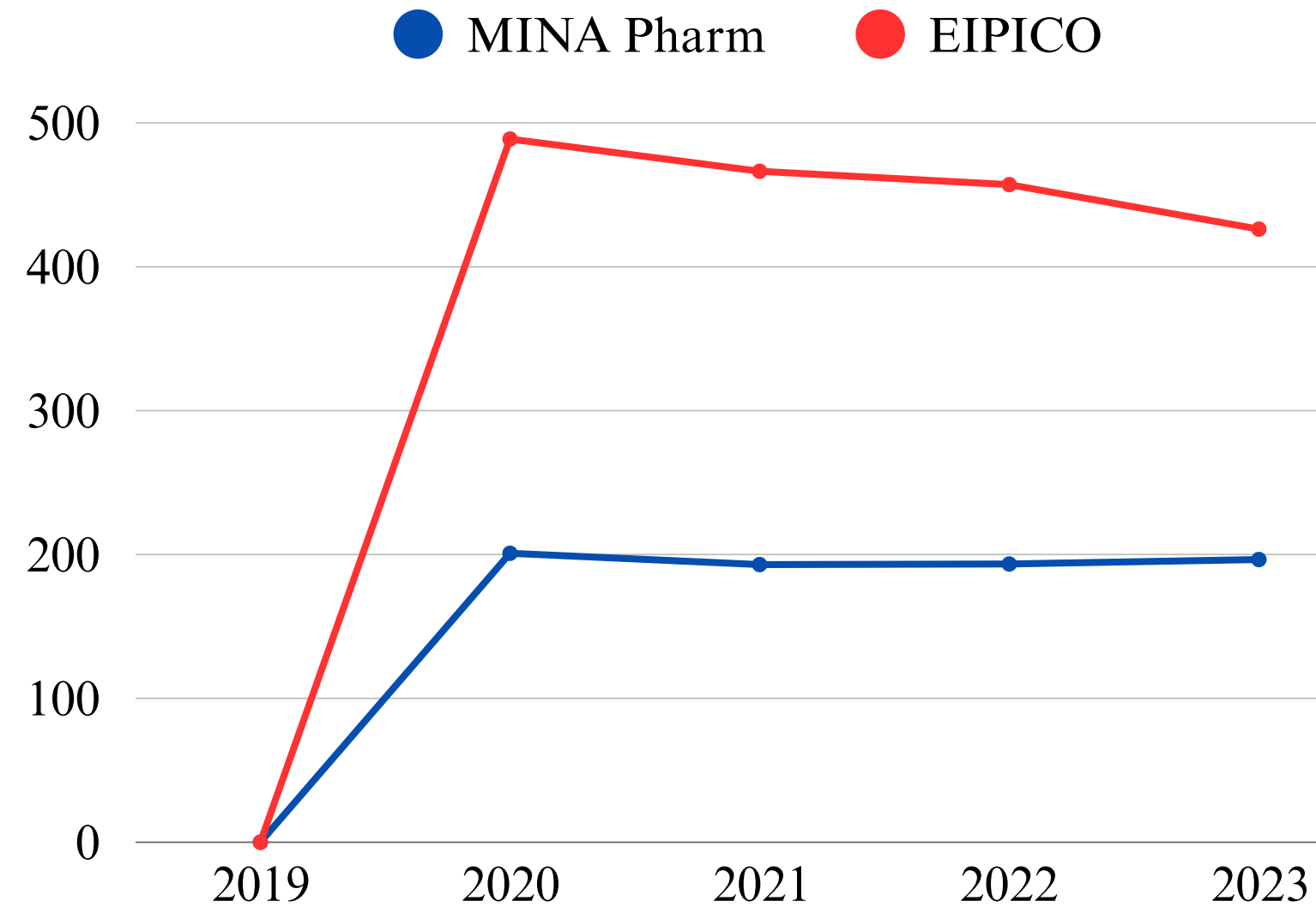


## Inventory Turnover in Days



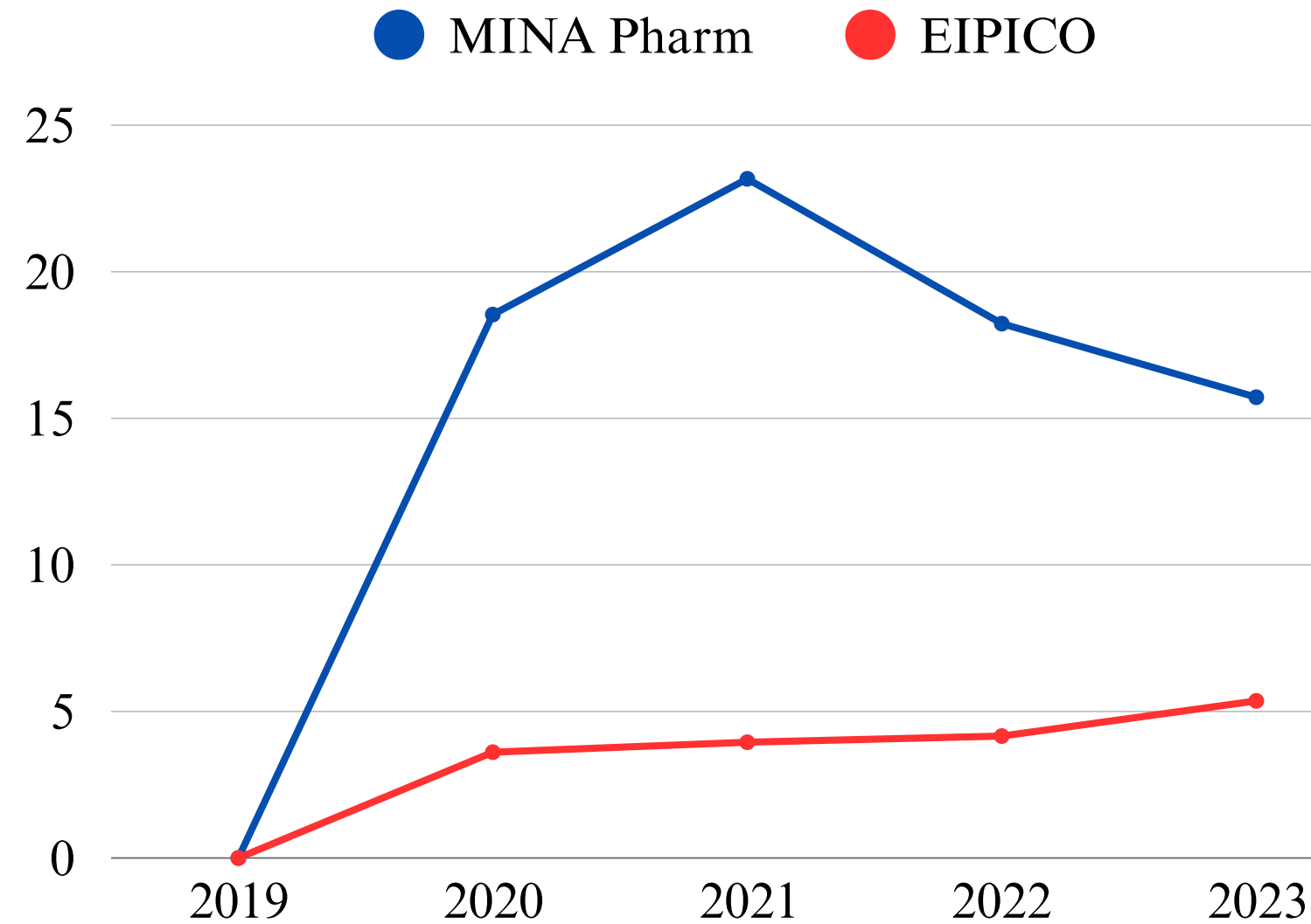
**MINA Pharm can sell their inventory 2x faster than EIPICO!**

# Operating Cycle



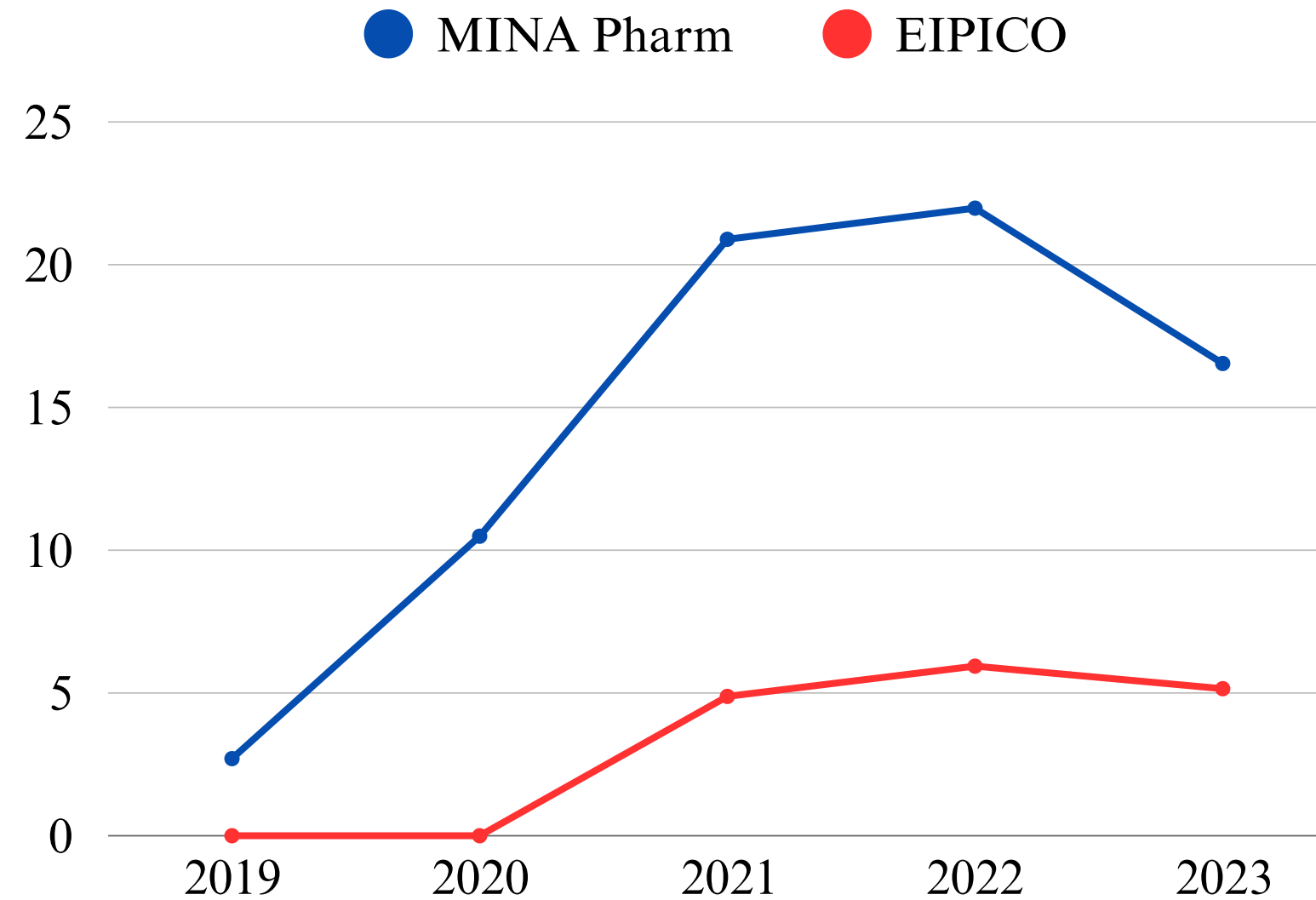
**MINA Pharm generates cash from their operations more efficiently than EIPICO**

## Sales to Fixed Assets



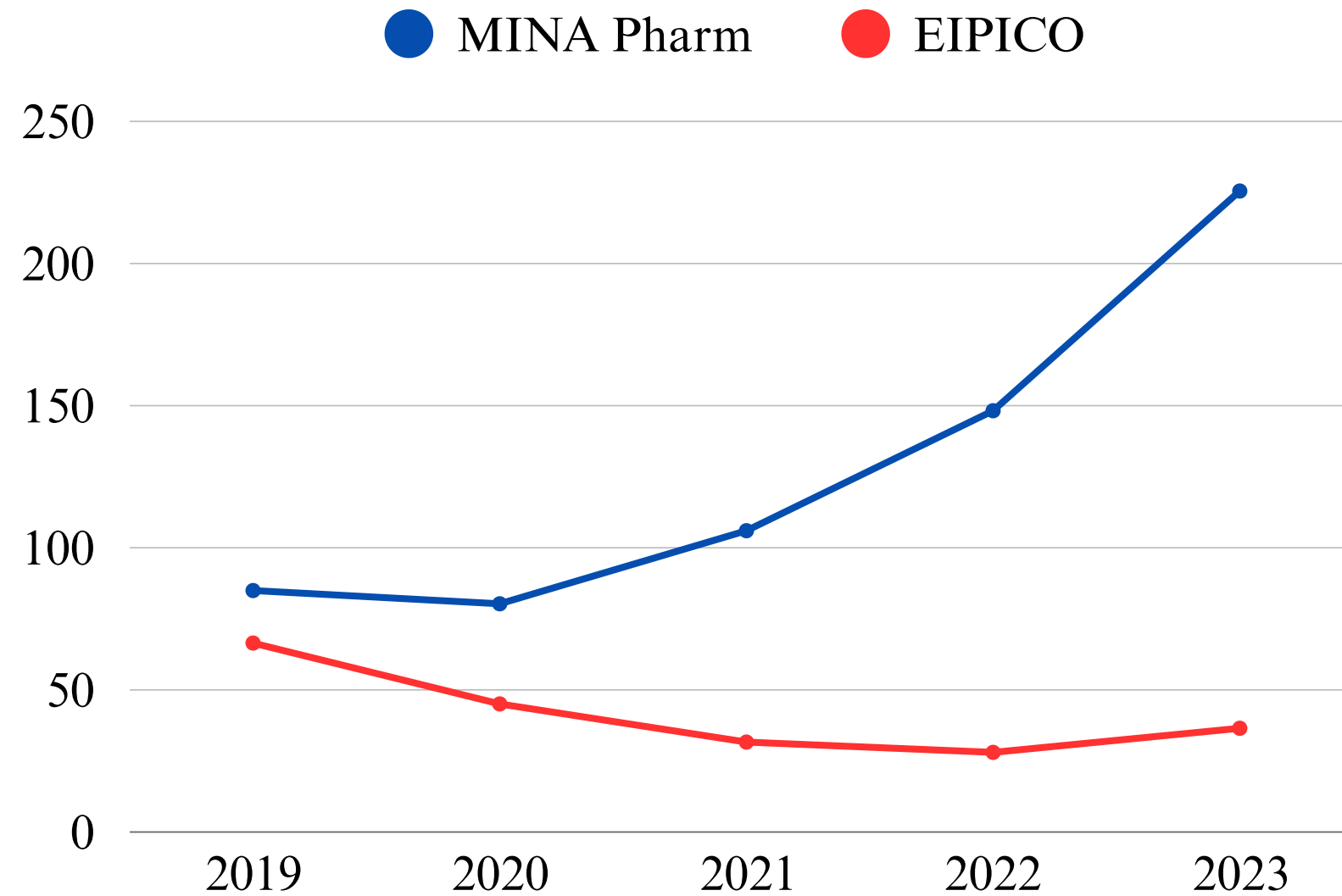
**MINA Pharm generates more sales using their limited fixed assets than EIPICO**

# Earning Per Share



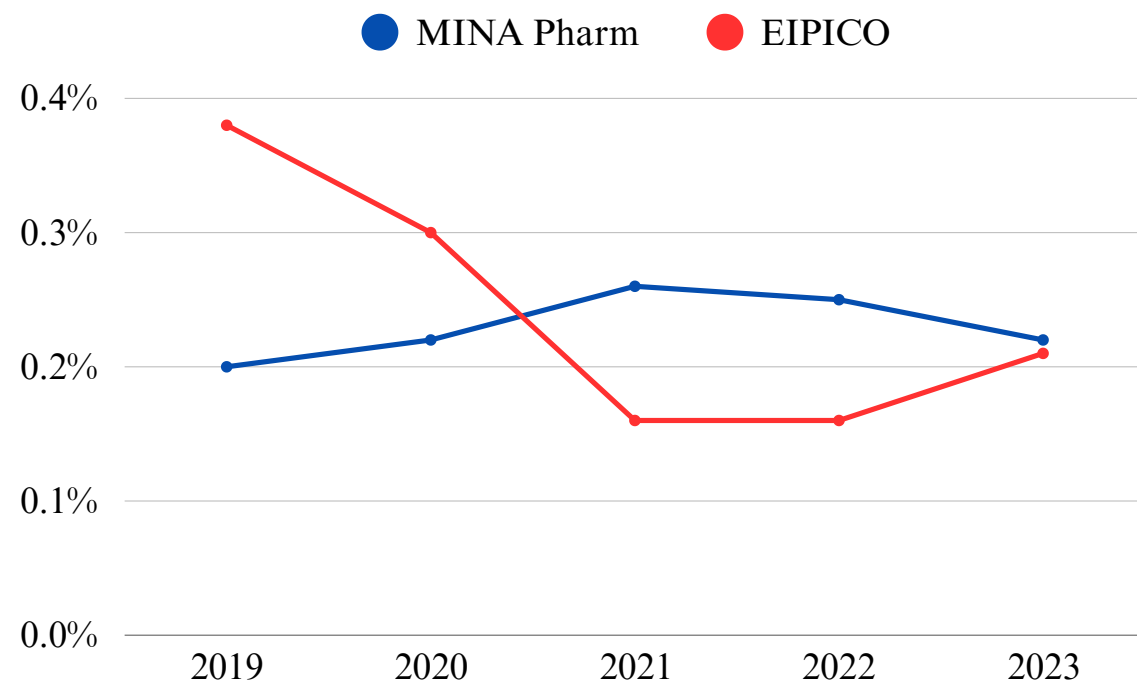
**For the past 5 year, MINA Pharm's EPS was always higher and still increasing than EIPICO**

## Year-End Market Price

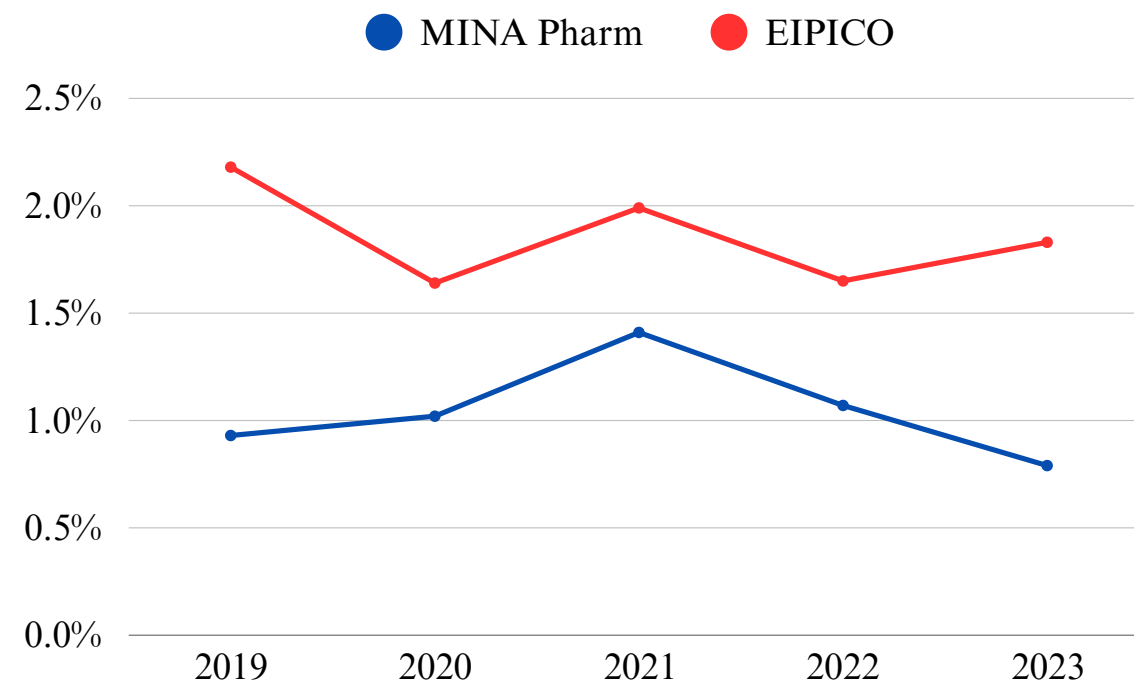


**Higher demand on MINA Pharm's stock. Lower demand on EIPICO's stock**

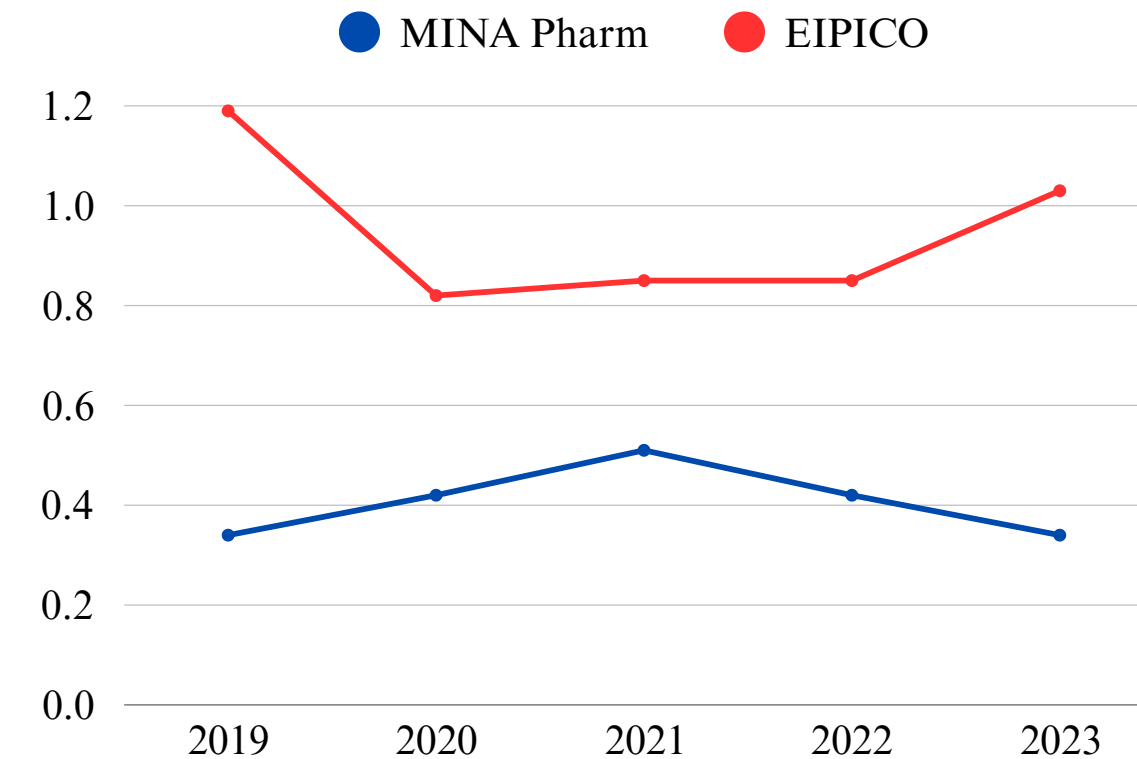
## Cash Ratio



## Current Ratio

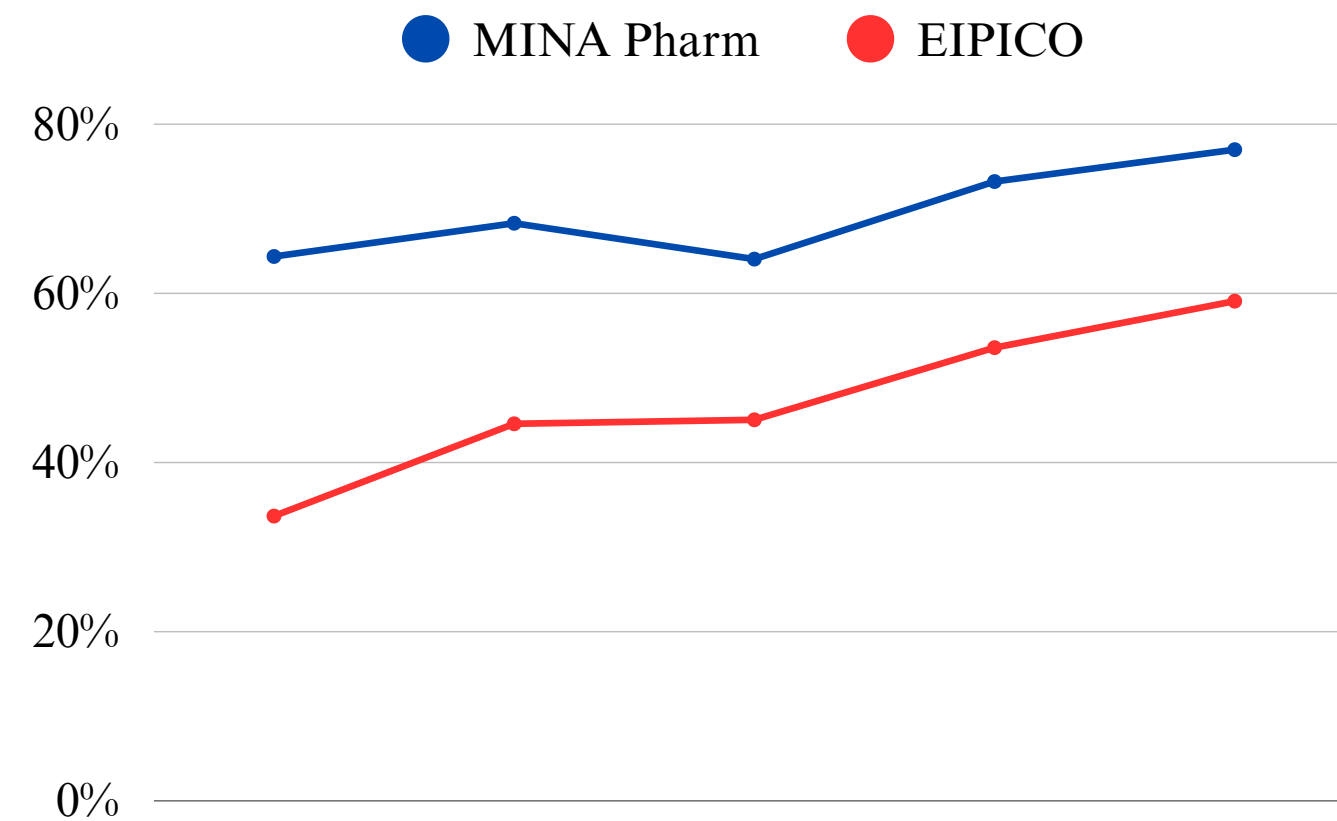


## Acid Test

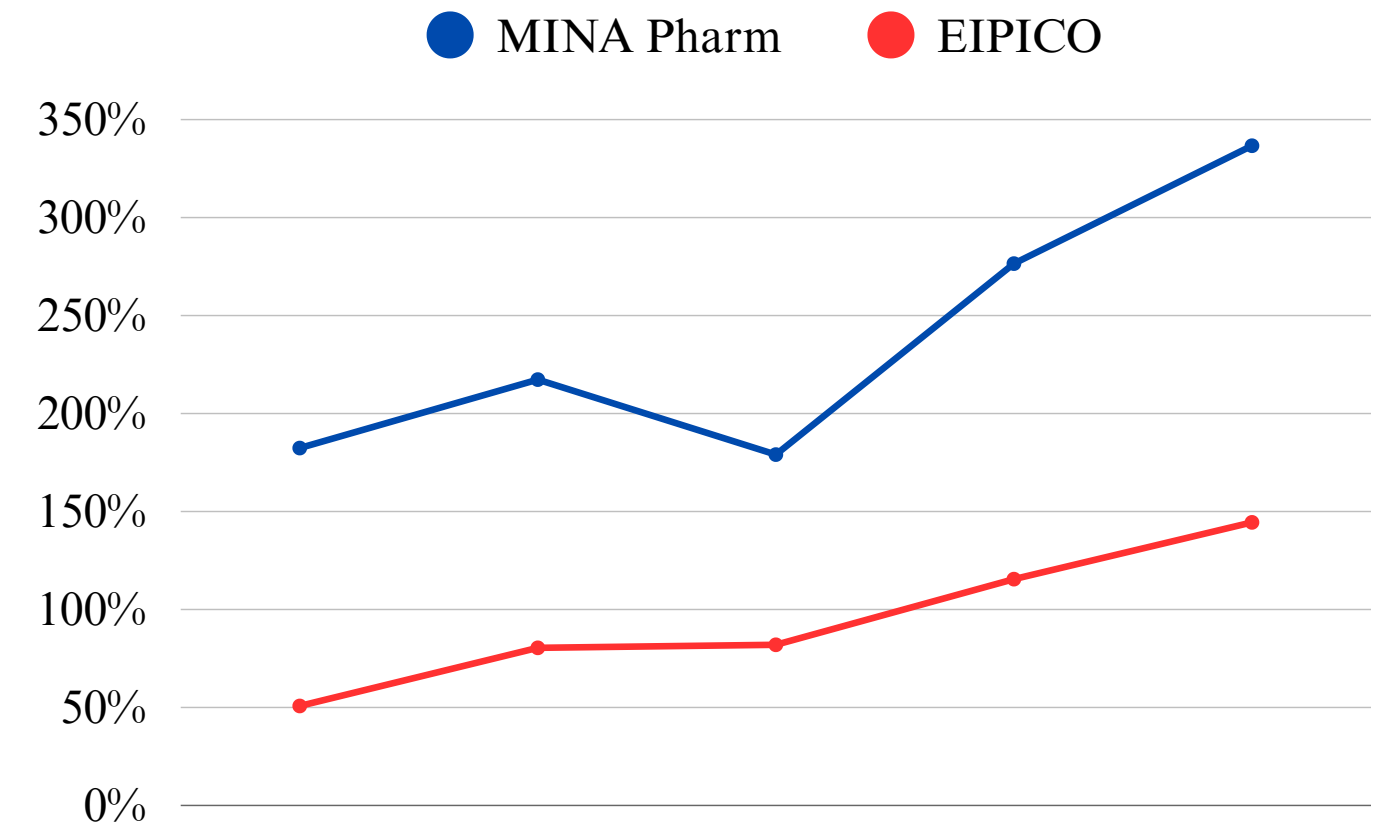


**MINA Can't meet short term obligations.**  
**MINA Pharm has quick ratio is 0.3 – 0.5, while EIPICO is 2x**

## Debt Ratio



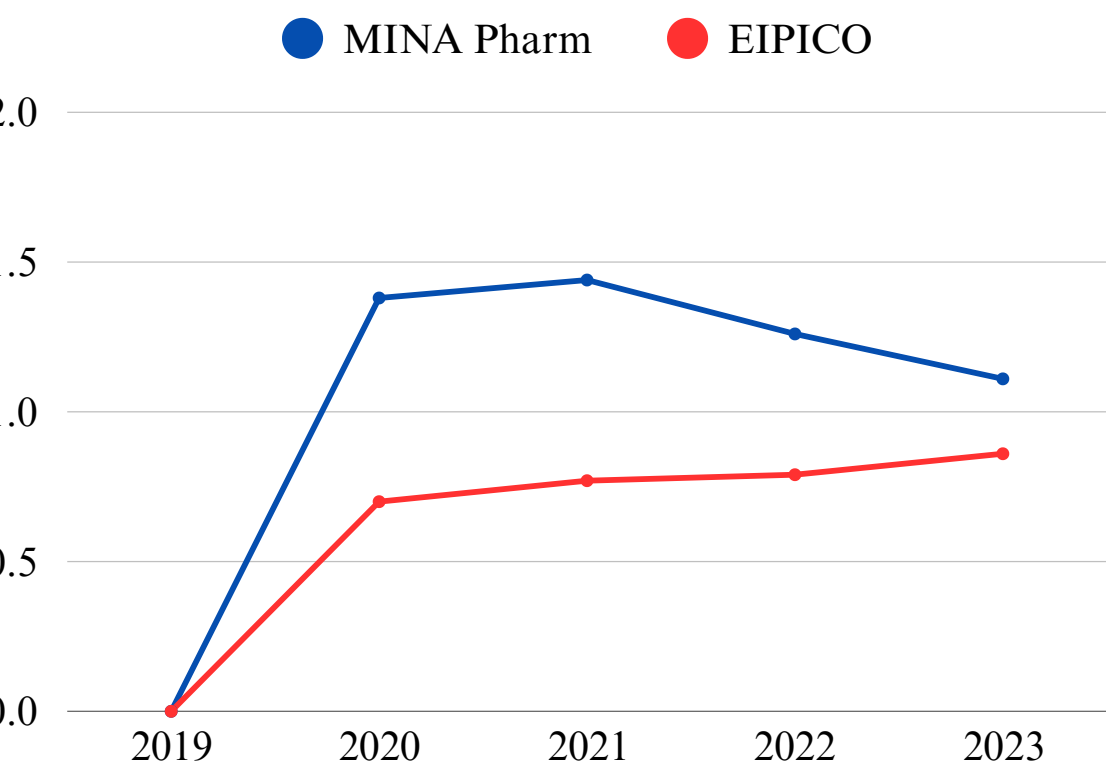
## Debt to Tangible Net Worth



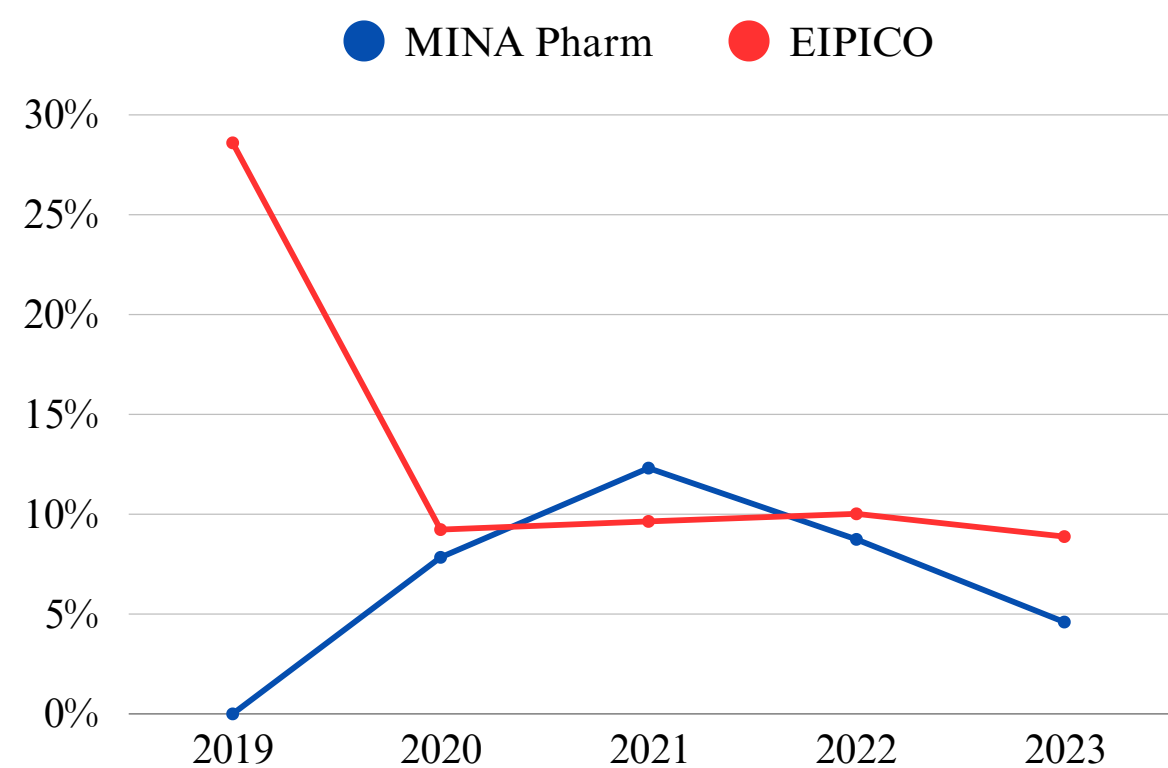
**General Increase in debt financing in pharmaceuticals industry last 5 years**

**But MINA Pharm has more debt financing which increase leverage, but expose more risk**

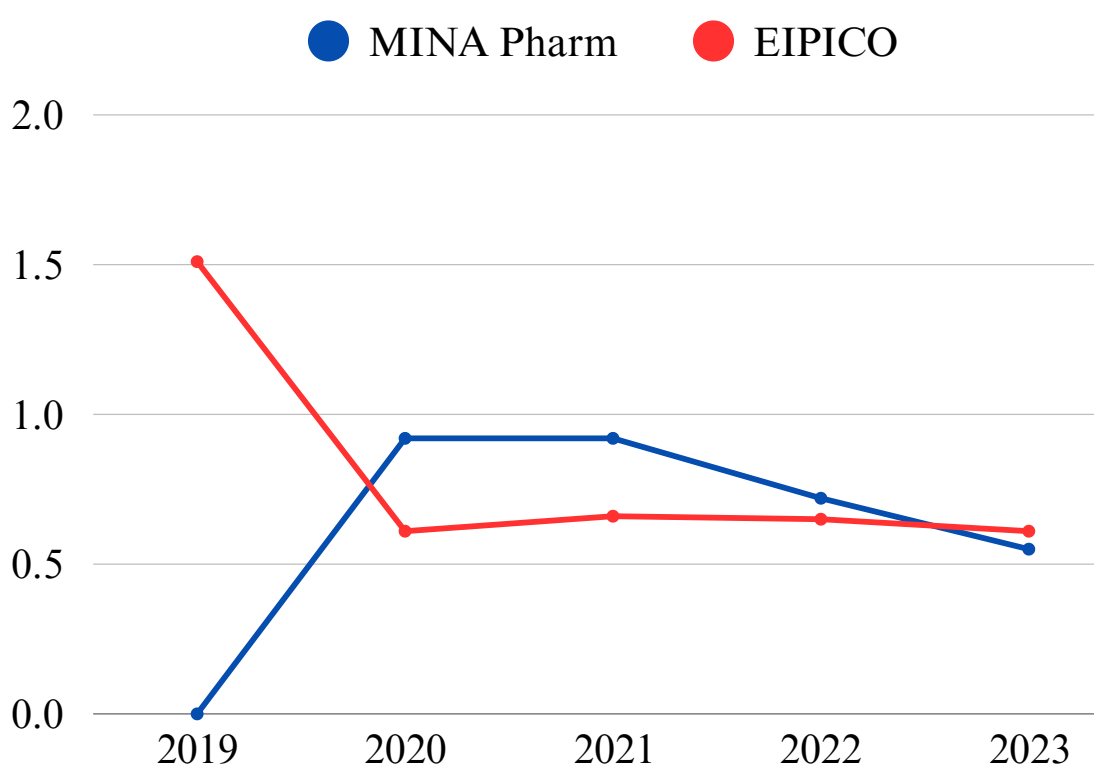
# Operating Asset Turnover



# Return on Assets



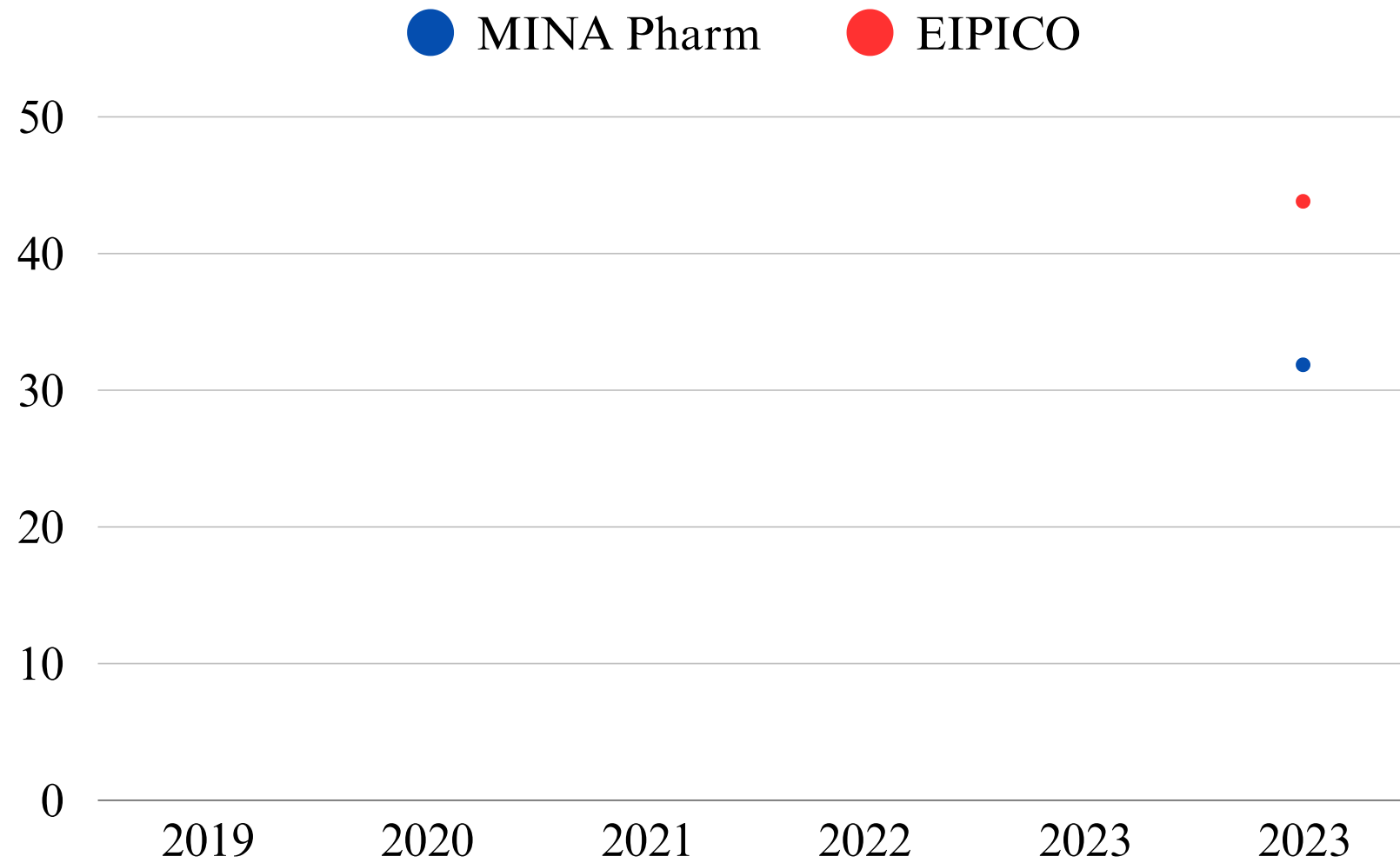
# Total Asset Turnover



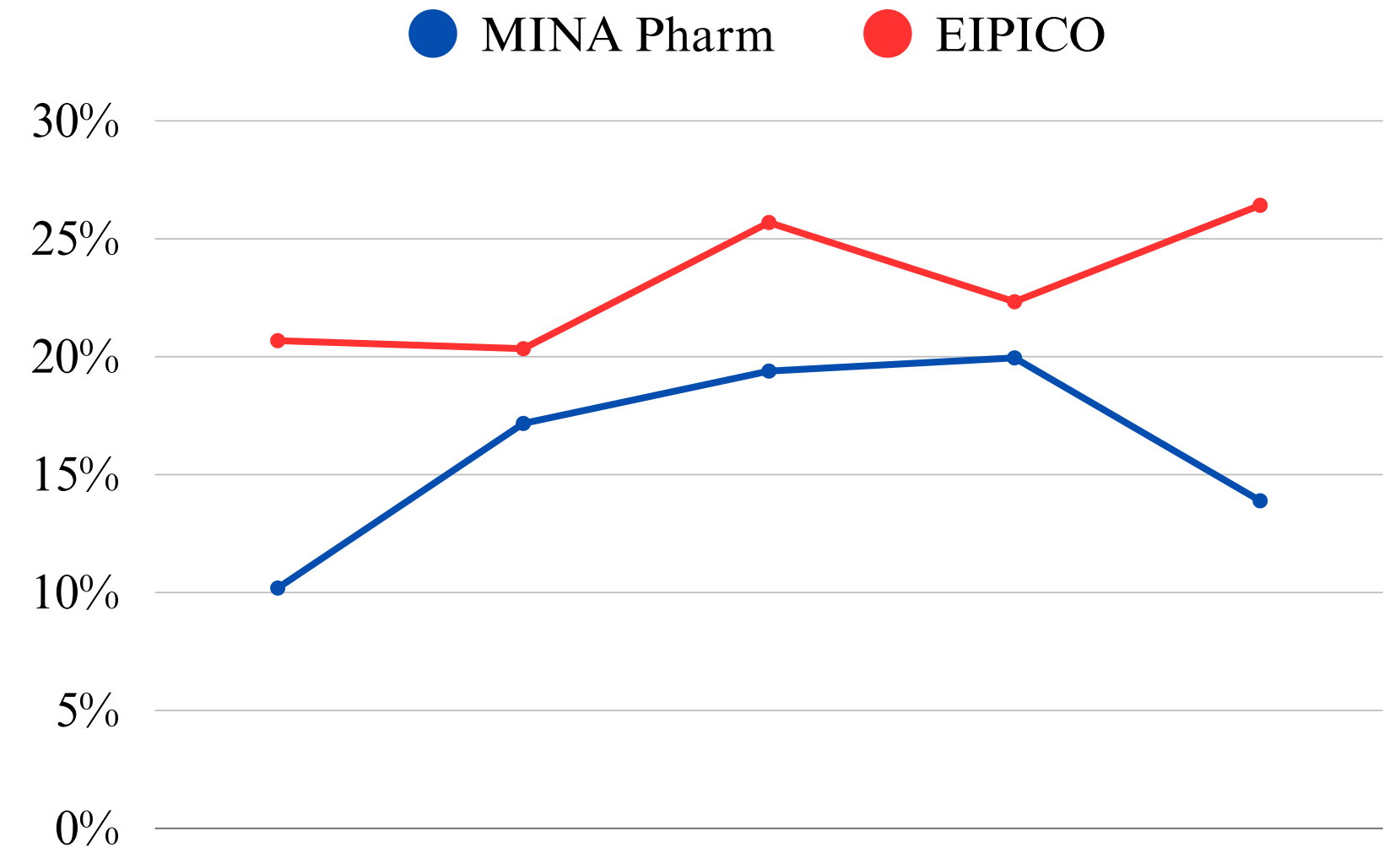
**In 2020, 2021 MINA Pharm managed their assets to generate sales better than EIPICO**  
**Unfortunately, it decreased significantly in 2022, 2023**



## Gross Profit Margin



## Operating Income Margin



**MINA Pharm achieved increase growth, but still lower than EIPICO**

# conclusion

**01**

**Operating Expenses were high in 2019 due to R&D expenses. In 2023, it was high due to increasing salaries, inflation, minimum wage**

**02**

**Operating Income was high in 2020 to 2022 due to increased healthcare awareness  
In 2023, it decreased because of lower demand for pharmaceuticals because of high prices**

**03**

**Construction in progress is increasing over years  
Meaning MINA Pharm has high future potential**

**04**

**Foreign Currency problem was a fatal blow to MINA Pharm, with 65 million losses reported in 2023**

**05**

**Short-term liabilities were high for MINA Pharm because of Wars & COVID-19**

# Recommendation

1

Improve management  
over Cost of Sales

2

Improve their Crisis  
Management through  
hiring Risk professionals

3

Improve management  
over short-term  
obligations

4

Reduce debt financing  
to avoid appearing  
risky to investors

THANK YOU!