



Internship Report

FINANCIAL PERFORMANCE ANALYSIS AND WORKING CAPITAL MANAGEMENT IN VETERINARY PHARMACEUTICAL TRADING: A CASE STUDY OF AL NOOR VETERINARY MEDICINES TRADING LLC

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INTRODUCTION

This report documents my internship experience at AL NOOR VETERINARY MEDICINES TRADING LLC, Dubai from March 10 to May 31, 2025. During this twelve-week period, I had the opportunity to work under the guidance of Mr. Mahin Aboobaker, Managing Director and Co-founder of AL NOOR, and contribute to various financial analysis projects that focus on optimizing the company's financial performance and working capital management in the competitive veterinary pharmaceutical trading sector of the UAE.

The internship provided practical exposure to financial statement analysis, working capital optimization, inventory management, and cash flow forecasting in a specialized trading environment. Working at a company that serves the growing veterinary healthcare market in the UAE allowed me to observe firsthand how financial management principles are applied in a niche but rapidly expanding industry sector.

As part of my academic requirements, I conducted a comprehensive study on "Financial Performance Analysis and Working Capital Management," which I chose to understand how effective financial management strategies can enhance profitability and operational efficiency in veterinary pharmaceutical trading businesses.

OBJECTIVES OF INTERNSHIP

1. To gain practical understanding of financial performance analysis in the veterinary pharmaceutical trading industry
2. To develop skills in working capital management and cash flow optimization techniques
3. To contribute to financial analysis activities that support strategic business decision-making
4. To learn how financial ratios and performance indicators are applied in trading businesses
5. To understand the regulatory and compliance requirements specific to veterinary pharmaceutical trading in the UAE
6. To develop professional competencies in financial analysis, budgeting, and forecasting within a trading organization
7. To analyse the impact of inventory management on overall financial performance
8. To study credit management and accounts receivable optimization strategies

ORGANIZATIONAL PROFILE

AL NOOR VETERINARY MEDICINES TRADING LLC is a Dubai-based company established in 2023, specializing in the trading of veterinary medicines, feed supplements, and animal healthcare products throughout the United Arab Emirates. The company has positioned itself as a reliable distributor serving veterinary clinics, farms, pet stores, and animal healthcare facilities across the UAE.

The company operates in a specialized market segment that combines the complexity of pharmaceutical trading with the specific requirements of veterinary healthcare. AL NOOR VETERINARY MEDICINES TRADING LLC has built strong relationships with international manufacturers and local distributors, enabling it to maintain a diverse product portfolio that meets the evolving needs of the UAE's veterinary sector.

The organizational structure is designed to facilitate efficient trading operations while maintaining strict compliance with UAE regulations governing pharmaceutical products. The company emphasizes quality assurance, timely delivery, and competitive pricing as key differentiators in the market.

Key Business Segments:

- Veterinary pharmaceuticals and medicines
- Animal feed supplements and nutritional products
- Veterinary equipment and diagnostic tools
- Specialized products for livestock and companion animals

The company serves a diverse client base including veterinary hospitals, agricultural enterprises, pet retailers, and government veterinary departments, contributing to the overall health and welfare of animals across the UAE.

SERVICES PROVIDED BY ORGANIZATION

AL NOOR VETERINARY MEDICINES TRADING LLC offers a comprehensive range of services in the veterinary pharmaceutical trading sector:

1. Product Distribution and Trading

The company maintains strategic partnerships with leading international manufacturers of veterinary medicines and supplements, ensuring a steady supply of high-quality products. The distribution network covers all seven emirates of the UAE, with efficient logistics and delivery systems.

2. Inventory Management and Warehousing

AL NOOR operates temperature-controlled warehousing facilities that comply with pharmaceutical storage requirements. The company maintains optimal inventory levels to ensure product availability while minimizing carrying costs and expiration risks.

3. Regulatory Compliance and Documentation

Given the regulated nature of veterinary pharmaceuticals, the company provides comprehensive compliance services including proper documentation, licensing support, and regulatory filing assistance for clients requiring specialized products.

4. Technical Support and Consultation

The company offers technical support to veterinary professionals, providing product information, dosage recommendations, and guidance on proper usage of veterinary medicines and supplements.

5. Supply Chain Solutions

AL NOOR provides integrated supply chain solutions including demand forecasting, order management, and logistics coordination to ensure efficient product flow from manufacturers to end users.

6. Credit and Payment Solutions

The company offers flexible payment terms and credit facilities to qualified customers, supporting cash flow management for veterinary practices and agricultural enterprises.

KEY ACTIVITIES/PROJECTS UNDERTAKEN OTHER THAN DISSERTATION

During my internship at AL NOOR VETERINARY MEDICINES TRADING LLC, I was involved in the following key activities:

1. Financial Performance Analysis Study

While this was my primary academic project, it formed the core of my internship experience. I conducted a comprehensive financial performance analysis focusing on profitability ratios, liquidity ratios, efficiency ratios, and working capital management metrics. This research was motivated by my interest in understanding how trading businesses optimize their financial performance in specialized markets.

2. Monthly Financial Reporting and Analysis

- Assisted in preparation of monthly financial statements and management reports
- Analysed revenue trends and profitability by product categories
- Prepared variance analysis comparing actual performance against budgets
- Contributed to the development of financial dashboards for management review

3. Working Capital Optimization Project

- Conducted detailed analysis of accounts receivable aging and collection patterns
- Evaluated inventory turnover ratios and identified slow-moving stock
- Analysed accounts payable terms and cash conversion cycle optimization
- Developed recommendations for improving working capital efficiency

4. Cash Flow Forecasting and Management

- Assisted in developing 13-week rolling cash flow forecasts
- Analysed seasonal patterns in cash flow and business cycles
- Contributed to credit policy review and customer credit limit assessments
- Supported daily cash management and banking operations

5. Cost Analysis and Margin Improvement Initiative

- Analysed product-wise gross margins and identified improvement opportunities
- Conducted cost-benefit analysis of different supplier arrangements
- Evaluated transportation and logistics costs across different delivery routes
- Contributed to pricing strategy discussions for key product lines

6. Inventory Management System Enhancement

- Analysed inventory turnover patterns and identified optimization opportunities
- Assisted in implementing improved inventory tracking and reporting systems
- Contributed to development of reorder point calculations and safety stock levels
- Evaluated the financial impact of inventory holding costs and expiration losses

KEY LEARNINGS FROM INTERNSHIP

My internship at AL NOOR VETERINARY MEDICINES TRADING LLC provided valuable insights and learning experiences:

1. Industry-Specific Financial Management

- Gained practical understanding of financial management in specialized trading businesses
- Learned how regulatory requirements impact financial planning and compliance costs
- Understood the importance of inventory valuation and management in pharmaceutical trading
- Recognized the unique cash flow patterns in veterinary pharmaceutical distribution

2. Working Capital Management Expertise

- Developed skills in analysing and optimizing accounts receivable management
- Enhanced understanding of inventory optimization techniques and their financial impact
- Learned to balance liquidity needs with profitability objectives
- Gained experience in cash conversion cycle analysis and improvement strategies

3. Financial Analysis and Reporting Skills

- Improved ability to prepare and interpret financial statements and ratios
- Developed skills in variance analysis and performance benchmarking
- Enhanced competency in using financial software and analytical tools
- Learned to present financial information effectively to non-financial stakeholders

4. Risk Management and Credit Analysis

- Gained exposure to credit risk assessment and customer evaluation processes
- Understood the importance of diversifying customer base to minimize concentration risk
- Learned about currency risk management in international trading operations
- Developed appreciation for regulatory compliance risks in pharmaceutical trading

5. Strategic Financial Planning

- Experienced the integration of financial planning with operational strategies
- Learned about capital allocation decisions in trading businesses
- Understood the role of financial analysis in pricing and product mix decisions
- Gained insights into expansion planning and market development financing

6. Technology and Systems Integration

- Gained experience with ERP systems and financial management software
- Learned about automated reporting and dashboard development
- Understood the importance of data accuracy and system integration
- Developed skills in using analytical tools for financial modelling

7. Professional Development and Industry Knowledge

- Enhanced understanding of the UAE business environment and regulatory framework
- Developed professional communication skills for financial reporting and presentations

- Gained knowledge of veterinary pharmaceutical market dynamics and trends
- Improved project management skills while working on multiple financial analysis projects

8. Dissertation Research Insights

- Gained valuable experience in conducting comprehensive financial performance analysis
- Developed deeper understanding of working capital management best practices
- Identified key performance indicators specific to pharmaceutical trading businesses
- Learned to evaluate the effectiveness of different financial management strategies
- Analysed the relationship between working capital efficiency and overall profitability

9. Cross-functional Collaboration

- Experienced working with sales, operations, and procurement teams
- Understood how financial decisions impact other business functions
- Learned to balance financial objectives with operational requirements
- Developed skills in translating financial analysis into actionable business recommendations

This internship experience has greatly aided my professional development and fuelled my desire to work in financial analysis and management within specialised trading businesses. The practical skills and knowledge I learnt during this time, notably in working capital management and financial performance optimisation, will be extremely useful as I continue my academic and professional development in finance and company management.