



RNS Number : 7448X

Integrated Diagnostics Holdings PLC

14 August 2018

IDH launches radiology business in fast-growing Egyptian market

A strategic expansion that is set to transform IDH's Egyptian operation into a one-stop-shop diagnostics service provider; the investment is planned to have limited impact on cashflows

14 August 2018

(Cairo and London) - Integrated Diagnostics Holdings ("IDH," "the Company" or "the Group," IDHC on the London Stock Exchange), a leading consumer healthcare company with operations in Egypt, Jordan, Sudan, and Nigeria, is set to launch a radiology business in Egypt.

IDH is building a national brand in Egypt with a service offering highly complementary to its existing pathology-focused medical diagnostics services.

"Our expansion into a high-value, adjacent segment of our industry is a milestone in the development of IDH on par with the expansion into Africa that now sees operations in three countries outside Egypt contributing double-digit percentages to our top line," said Dr. Hend El Sherbini, Chief Executive Officer of IDH.

"Our market in Egypt is growing in the double digits, and so is our top line. Today, more than 75% of customers surveyed by a third-party research provider indicate a preference for consolidated service offerings that feature both pathology and radiology - and there is significant existing demand for us to capture. Our expectation is that our pathology business will deliver new patients to our radiology business and that, in the fullness of time, having both services under one roof will also drive growth in our pathology test volumes."

"Importantly, our expansion into the fragmented radiology market will be powered by the strong relationships between our brands and our millions of customers as well as the physicians who trust us to be part of their diagnostic and treatment plans," El Sherbini noted.

AI Borg Scan will offer a full range of radiology services, including but not limited to magnetic resonance imaging (MRI), computed tomography (CT), ultrasound, x-ray, mammograms and cath lab facilities. It will draw on AI Borg's brand equity to position itself as a premium service provider offering the full range of imaging services using the latest technology and highly trained staff. Medical equipment suppliers for the new venture are global brand names including Siemens, Hitachi, GE Healthcare, and Fujifilm. The company will emphasize convenience with the rollout of its mobile app and website and reinforce its high-end brand positioning with a premium facility and atmosphere at each of its branches. The business will be led by a group of the nation's most prominent radiologists with a track record at Egypt's leading hospitals and radiology centers.

Up to 70% of the cost of the expansion into radiology is now in place through an EGP 130.5 million, eight-year facility from the Ahli United Bank of Egypt. The facility is ring-fenced to AI Borg with no guarantees from, or recourse on, IDH or any of its other subsidiaries. The balance of the investment is planned to be financed from the operating cashflows of AI Borg.

IDH delivered 29% top-line growth in the first quarter of 2018, performing 6.6 million tests (+8% compared to 1Q2017) for 1.7 million patients (+13% year-on-year), underscoring the health of its core business as Egypt recovers from a period of devaluation and high inflation. Nigeria is the company's newest expansion market, making its first contribution to the Group's consolidated revenues in 1Q2018. IDH is expected to announce 1H2018 results on 16 August 2018.

-Ends-

About Integrated Diagnostics Holdings

IDH is the largest fully integrated private-sector medical diagnostics services provider in Egypt, Jordan, Sudan, and Nigeria, comprehensively offering pathology and molecular diagnostics, genetics testing and basic radiology. IDH's core brands include Al Borg and Al Mokhtabar in Egypt, as well as Biolab (Jordan), Ultralab and Al Mokhtabar Sudan (both in Sudan), and Echo-Scan (Nigeria). IDH is listed on the London Stock Exchange (ticker: IDHC) and was founded in 2012 by the merger of Al Borg and Al Mokhtabar, the most established diagnostics services brands in Egypt.

Contact

Mr. Sherif El-Ghamrawi

Investor Relations Director

T: +20 (0)2 3345 5530 | M: +20 (0)10 0447 8699 |
sherif.elghamrawi@idhcorp.com

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

END

PRLDMGMRRDZGRZG