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Integrated Diagnostics Holdings PLC
21 April 2022

Integrated Diagnostics Holdings Plc
FY 2021 Results
Thursday, 21 April 2022

Integrated Diagnostics Holdings Plc concludes outstanding 2021 reporting revenues in excess of EGP 5 billion and record-high margins

(Cairo and London) - Integrated Diagnostics Holdings ("IDH," "the Group," or "the Company"), a leading consumer healthcare company with operations in Egypt, Jordan, Sudan and Nigeria, released today its audited financial statements and operational performance for the year ended 31 December 2021, reporting revenue of EGP 5,225 million, up 97% compared to FY 2020. Profitability came in at an all-time high, with adjusted EBITDA [1] growing 116% year-on-year to record EGP 2,530 million, and net profit recording a 145% year-on-year increase to reach EGP 1,493 million in FY 2021. In the final quarter of the year, IDH reported revenue of EGP 1,458 million, 48% above the previous year's figure, and net profit of EGP 345 million, up 47% from the comparable three month period of 2020. It is important to note that information in relation to the Company's full year results has been extracted from our audited annual report. Meanwhile, disclosures and statements in respect of quarterly information are unaudited.

In light of IDH's outstanding performance for the twelve months ended 31 December 2021, IDH's board of directors has recommended a dividend distribution of EGP 2.17 per share, or EGP 1.3 billion in aggregate, to shareholders (exact US dollar amount is subject to the exchange rate at the time of the upstreaming from the subsidiaries to the holding company). This represents a significant increase compared to a final dividend of US$ 29.1 million distributed for the previous financial year.

Financial Results (IFRS)

EGP mn	Q4 2020	Q4 2021	*Change*	FY 2020
Revenues	***986***	***1,458***	***48%***	**2,656**
Cost of Sales	(474)	(821)	*73%*	(1,314)
Gross Profit	***513***	***638***	***24%***	**1,343**
Gross Profit Margin	*52%*	*44%*	*-8.3 pts*	*51%*
Adjusted Operating Profit[2]	*410*	*468*	*14%*	986
Adjusted EBITDA[1]	**460**	**537**	***17%***	**1,171**
Adjusted EBITDA Margin	*47%*	*37%*	*-9.8 pts*	*44%*

Net Profit	**234**	**345**	***47%***	**609**
Net Profit Margin	*24%*	*24%*	-	*23%*
Cash Balance	**877**	**2,350**	***168%***	**877**

Note (1): Adjusted operating profit, EBITDA and adjusted EBITDA are measures utilized by management in assessing performance of the group. These adjusted measures eliminate the one off impacts of items in the year to provide a measure of underlying performance. EBITDA is an important measure as it shows the performance of the Group and the Group's ability to reinvest funds generated and this is a widely used term for acquisitive businesses such as ourselves.
Note (2): Throughout the FY 2021 Earnings release, percentage changes between reporting periods are calculated using the exact value (as reported in the Company's Consolidated Financials) and not the corresponding rounded figure.
Note (3): Quarterly results are unaudited.

Key Operational Indicators[3]

	FY 2020	FY 20
Branches	481	5
Patients ('000)	7,113	10,3
Revenue per Patient (EGP)	373	4
Tests ('000)	27,073	33,6
Revenue per Test (EGP)	98	1
Test per Patient	3.8	

1Adjusted EBITDA is calculated as operating profit plus depreciation and amortization and excluding one-off fees incurred in FY 2021 (EGP 29.0 million) related to the Company's dual listing on the EGX completed in May 2021.
2Adjusted Operating Profit excludes one-off fees incurred in FY 2021 (EGP 29.0 million) related to the Company's dual listing on the EGX completed in May 2021.
3Key operational indicators are calculated based on net sales for the year of EGP 5,048 million. More details on the difference between net sales and total revenues is available below.

Important Notice: Treatment of Revenue Sharing Agreements and Use of Alternative Performance Measures

As part of IDH's efforts to support local authorities in Egypt and Jordan in the fight against the pandemic, Biolab (IDH's Jordanian subsidiary) secured several revenue-sharing agreements to operate testing stations, primarily dedicated to PCR testing for Covid-19, in multiple locations across the country including Queen Alia International Airport (QAIA) and Aqaba Port. Under these agreements, Biolab receives the full revenue (gross sales) for each test performed and pays a proportion to QAIA (38% of gross sales) and Aqaba Port (36% of gross sales) as concession fees to operate in the facilities, thus effectively earning the net of these amounts (net sales) for each test supplied. During Q3 2021, management had reported the net sales generated from these contracts. The treatment has been altered during Q4 2021 in accordance with IFRS 15 paragraph B34, which considers Biolab as a Principal (and not an Agent). Subsequently, revenues generated from these agreements are reported in the Consolidated Financial Statements as gross (inclusive of concession fees) and the fees paid to QAIA and Aqaba Port are reported as a separate line item in the direct cost.

For IFRS purposes Biolab is considered the principal in this relationship and record the full amount received as revenue. For internal purposes management considers the net amount earned to be net sales, and have therefore included this measure as an "alternative performance measure" (APM) alongside the IFRS measure when describing the business' performance. The decision to present APMs reflects the Directors' view that they provide the user of the accounts with additional information to the IFRS information reported to help understand the performance of the business, and is consistent with how the Company's performance is reviewed internally. Moreover, it allows further comparability when describing the performance of the Group's regions and year-on-year analysis.

Throughout the report, management utilizes net sales of EGP 5,048 million for FY 2021 (IFRS revenues stand at EGP 5,225 million for the year), and cost of net sales of EGP 2,244 million (IFRS cost of sales recorded EGP 2,421 million). Net sales for the period are calculated as total gross revenues (IFRS compliant measure) excluding concession fees and sales taxes paid as part of Biolab's revenue sharing agreements with Queen Alia International Airport (QAIA) and Aqaba Port.

It is important to note that aside from revenue and cost of sales, all other figures related to gross profit, operating profit, EBITDA, and net profit are identical in the APM and IFRS calculations. However, the margins related to the aforementioned items differ between the two sets of performance indicators due to the use of Net Sales in the APM calculations and the use of Revenues for the IFRS calculations. More specifically, under the APM, in FY 2021 IDH reported a gross profit margin on net sales of 56%, an EBITDA margin on net sales of 50%, and a net profit margin on net sales of 30%. Under the IFRS regime, gross profit margin recorded 54%, EBITDA margin stood at 48%, and net profit margin recorded 29%. Furthermore, this amendment has no impact on the prior year reported revenues.

Adjustments Breakdown

EGP mn	Q
Net Sales	
QAIA and Aqaba Port Concession Fees	
Revenues	
Cost of Net Sales	
Adjustment for QAIA, and Aqaba Port Agreements	
Cost of Sales	

Adjustments by Country

EGP mn	Q4 2021 (IFRS)	Q4 2021 (APM)
Egypt	986	986
Jordan	454	277
Nigeria	13	13
Sudan	4	4
Group total	**1,458**	**1,281**

Alternative Performance Measures (APM)

EGP mn	Q4 2020	Q4 2021	*Change*	FY 2
Net Sales	***986***	***1,281***	***30%***	**2,**
Cost of Net Sales	(474)	(644)	***36%***	(1,3
Gross Profit	***513***	***638***	***24%***	**1,**
Gross Profit Margin on Net Sales	*52%*	*50%*	*-2.2 pts*	*5*
Adjusted Operating Profit*	*410*	*468*	*14%*	
Adjusted EBITDA**	**460**	**537**	***17%***	**1,**
Adjusted EBITDA Margin on Net Sales	*47%*	*42%*	*-4.7 pts*	*4*
Net Profit	**234**	**345**	***47%***	
Net Profit Margin on Net Sales	*24%*	*27%*	*3.2 pts*	*2*
Cash Balance	**877**	**2,350**	***168%***	

**Adjusted Operating Profit excludes one-off fees incurred in FY 2021 (EGP 29.0 million) related to the Company's dual listing on the EGX completed in May 2021.*

***Adjusted EBITDA is calculated as operating profit plus depreciation and amortization and excluding one-off fees incurred in FY 2021 (EGP 29.0 million) related to the Company's dual listing on the EGX completed in May 2021.*

Note (1): Adjusted operating profit, EBITDA and adjusted EBITDA are measures utilized by management in assessing performance of the group. These adjusted measures eliminate the one off impacts of items in the year to provide a measure of underlying performance. EBITDA is an important measure as it shows the performance of the Group and the Group's ability to reinvest funds generated and this is a widely used term for acquisitive businesses such as ourselves.

Note (2): Quarterly results are unaudited.

Important notice: A reconciliation between IFRS and APM measures is provided earlier in this announcement.

Introduction

i. Financial Highlights

- •€€€ **Net Sales** surpassed the EGP 5 billion mark to record EGP 5,048 million in FY 2021, representing a 90% year-on-year expansion. Net sales growth for the year was dual driven, with total tests performed increasing 24% year-on-year and average price per test expanding 53% versus FY 2020. Consolidated net sales were supported by strong demand for both IDH's Covid-19-related[4] and conventional tests portfolios, with the segments contributing to 51% and 49% of consolidated FY 2021 net sales, respectively. Covid-19-related tests witnessed high demand throughout FY 2021, supported by rising infection rates in the first half of the year and the widespread lifting of travel bans in the second half of 2021. On the conventional tests front, demand recorded a sustained recovery following the Covid-19-related slowdown experienced in the previous year, with conventional test net sales expanding 22% versus FY 2020, and coming in 13% above pre-covid levels recorded in FY 2019. On a quarterly basis, net sales stood at EGP 1,281 million in Q4 2021, up 30% versus Q4 2020.
- •€€€ **It is important to note that within the Covid-19-related tests classification, the Company** includes both "**core Covid-19 tests"** (Polymerase Chain Reaction (PCR), Antigen, and Antibody) as well as other routine inflammatory and clotting markers including, but not limited to, Complete Blood Picture, Erythrocyte Sedimentation Rate (ESR), D-Dimer, Ferritin and C-reactive Protein (CRP), which the Company opted to include in the classification as **"other Covid-19-related tests"** due to the strong rise in demand for these tests witnessed following the outbreak of Covid-19. During the twelve months to 31 December 2021, core Covid-19 tests made up 44% of the Company's consolidated net sales, while other Covid-19-related tests made an 8% contribution to consolidated net sales for the year.
- •€€€ Throughout the year, IDH's ability to effectively ramp up its **house call** capabilities in both Egypt and Jordan, saw the service make a significant contribution to consolidated net sales. More specifically, net sales generated from the service expanded an impressive 87% year-on-year in FY 2021, with its contribution to total net sales standing at 20%, unchanged from the previous year. It is worth highlighting that tests performed through IDH's house call service, are offered at the same price as at traditional branches, with an additional house call delivery fee charged to patients to cover the chemist transportation costs.
- •€€€ **Gross Profit** grew 109% year-on-year in FY 2021 to record EGP 2,804 million. Gross Profit Margin on net sales stood at 56%, a solid five percentage point expansion compared to the previous twelve months. Improved gross profitability continued to be supported by strong net sales growth and the subsequent dilution of fixed costs for the year such as direct salaries and wages and other expenses. On a three-month basis, gross profit came in at EGP 638 million in Q4 2021, representing a 24% increase from Q4 2020. Gross profit margin on net sales for the quarter recorded 50% versus 52% in the same three months of 2020 and 58% during Q3 2021. Lower gross profit margins versus both periods reflects a decline in the average price of Covid-19-related tests during the quarter as well as lower demand for Covid-19-related tests as the spike in demand from passengers traveling abroad witnessed in the third quarter of 2021 subsided.
- •€€€ **Adjusted Operating Profit**[5] recorded EGP 2,292 million, up 132% year-on-year. Adjusted operating profit margin on net sales stood at 45% for the year, up eight percentage points from FY 2020. Strong operating profit growth came on the back of solid gross profitability for the year, and was further buoyed by the normalisation of

provisions booked in FY 2021, which stood at EGP 25 million down from the EGP 42 million recorded in FY 2020 to account for expected credit losses in accordance with IFRS 9.

- €€€ **Adjusted EBITDA**[6] increased 116% year-on-year in FY 2021 to reach EGP 2,530 million, while EBITDA margin on net sales expanded six percentage points to record 50% for the year. Strong EBITDA profitability was supported by the Company's strong net sales growth for the year and the subsequent dilution of its fixed costs. In Q4 2021, adjusted EBITDA recorded EGP 537 million, 17% above the previous year's figure and with an adjusted EBITDA margin on net sales of 42% for the quarter, down from 47% in Q4 2020 and 54% in Q3 2021. Lower margins versus both periods reflect relatively lower gross profitability combined with increased marketing and administrative expenses for the quarter.
- €€€ **Net Profit** reached EGP 1,493 million in FY 2021, up 145% versus FY 2020. Net profit margin on net sales expanded seven percentage points from FY 2020 to record 30% for the year. The remarkable net profit growth comes on the back of strong EBITDA level profitability and despite the Company booking EGP 29 million in one-off fees related to its dual-listing in May 2021 as well as EGP 20 million in fees related to the IFC loan also secured in May 2021. In the last three months of the year, net profit recorded EGP 345 million, up 47% year-on-year and with an associated margin on net sales of 27% versus 24% in the same quarter of 2020.
- €€€ **Earnings per share** stood at EGP 2.35 in FY 2021 compared to EGP 0.99 in FY 2020.
- €€€ IDH's board of directors has recommended a **dividend distribution** of EGP 2.17 per share, or EGP 1.3 billion in aggregate, to shareholders in respect of the financial year ended 31 December 2021 (exact US dollar amount is subject to the exchange rate at the time of the upstreaming from the subsidiaries to the holding company). This represents a significant increase compared to a final dividend of US$ 29.1 million distributed for the previous financial year.

[4]Covid-19-related tests include both core Covid-19 tests (Polymerase Chain Reaction (PCR), Antigen, and Antibody) as well as other routine inflammatory and clotting markers including, but not limited to, Complete Blood Picture, Erythrocyte Sedimentation Rate (ESR), D-Dimer, Ferritin and C-reactive Protein (CRP), which the Company opted to include in the classification as "other Covid-19-related tests" due to the strong rise in demand for these tests witnessed following the outbreak of Covid-19.
[5]Adjusted Operating Profit excludes one-off fees incurred in FY 2021 (EGP 29.0 million) related to the Company's dual listing on the EGX completed in May 2021.
6Adjusted EBITDA is calculated as operating profit plus depreciation and amortization and minus one-off fees incurred in FY 2021 (EGP 29 million) related to the Company's EGX listing completed in May 2021.

ii. Operational Highlights

- €€€ IDH's **branch network** stood at 502 branches as at year-end 2021, up from 481 branches as of 31 December 2020.
- €€€ **Total tests** performed increased 24% year-on-year to reach 33.7 million in FY 2021. Test volume growth was driven by both strong demand for IDH's Covid-19-related[7] test offering, which nearly doubled versus the previous year, coupled with a 15% year-on-year increase in conventional tests performed. During the final quarter of the year, IDH performed 8.7 million tests, up 5% year-on-year.
- €€€ **Average revenue per test** increased 53% year-on-year to EGP 150 in FY 2021. Controlling for the generally higher value Covid-19-related[7] tests, average revenue per test increased 7% versus the previous year.
- €€€ **Total patients** served surpassed the 10 million mark for the first time, reaching 10.3 million in FY 2021, an increase of 45% from the previous year. **Average test per patient** declined to 3.3 in FY 2021 from 3.8 in FY 2020 due to the increasing number of patients who visited the Group's labs for single Covid-19 tests (PCR, Antigen and

Antibody) throughout the year.

•€€€ In **Egypt**, IDH recorded revenue of EGP 4,108 million (contributing to 81% of IDH net sales), up 89% year-on-year in FY 2021 on the back of solid growth in both patient and test volumes. Revenue growth in IDH's home market was supported by both Covid-19-related[7] and conventional tests, and was further boosted by the Group's house call service which in the twelve months ended on 31 December 2021 saw its revenue nearly double, contributing 23% of Egypt's revenues versus 22% in FY 2020. Throughout 2021, demand for conventional tests continued to recover following the Covid-19-related slowdown recorded in 2020, with conventional test revenue increasing 23% year-on-year on the back of a 15% year-on-year increase in conventional test volumes.

•€€€ **Al-Borg Scan** recorded year-on-year revenue growth of 81%, with the venture's revenues reaching EGP 45 million in FY 2021. Revenue growth was supported by solid growth in volumes, with both tests performed and patients served standing 70% above the preceding year's figures. To capitalise on Al-Borg Scan's growing popularity, the Group inaugurated two Al-Borg Scan branches in the second half of 2021, and a third in March 2022. In the coming months, IDH is looking to inaugurate additional branches to expand its reach across Greater Cairo.

•€€€ **Wayak** recorded strong year-on-year standalone revenue growth in FY 2021, which when combined with management's cost optimisation strategy continued to support a narrowing of the venture's standalone EBITDA losses in FY 2021 versus the previous year.

•€€€ Meanwhile, in **Jordan** net sales reached EGP 869 million (IFRS revenues[8] recorded EGP 1,046 million in FY 2021), representing a 112% expansion versus the previous year. Strong growth for the year, saw the country's contribution to total consolidated net sales reach a record high of 17.2%, up from 15.4% in the previous twelve months. The impressive performance was supported by solid growth in both tests performed and average revenue per test. Covid-19-related tests made up 68% of the country's net sales with the contribution further bolstered by Biolab's multiple revenue-sharing partnerships. In particular, Biolab's agreement with Queen Alia International Airport (QAIA) generated c. EGP 185 million in the five months from August to December 2021, contributing to 21% of the country's total net sales for the year. In parallel, demand for Biolab's conventional test offering rose steadily throughout the year, with the number of conventional tests performed and net sales generated during FY 2021 increasing 28% and 26% year-on-year, respectively.

•€€€ In **Georgia**, where Biolab has partnered with Georgia Healthcare Group (GHG) to establish a 7,500 sqm Mega Lab, the ramp up phase is progressing as scheduled, with Biolab concluding the roll out of the new Laboratory Information Management System (LIMS) across all of GHG's 76 medical facilities (7 hospitals and 69 clinics) in 1H 2021. The Mega Lab is the region's largest diagnostic medical laboratory which will leverage the advanced technological systems provided by Biolab to connect more than 40 hospitals and diagnostic centers that are part of GHG's network. As compensation for the LIMS roll out, Biolab has received an 8.025% equity interest in Mega Lab. Moreover, in exchange for management services, which Bio Lab will be supplying for a two-year period with the option to extend, the company will receive an annual fee as well as a fixed percentage of Mega Lab's annualized EBITDA.

•€€€ IDH's **Nigerian** operations reported year-on-year revenue growth of 49% in FY 2021, on the back of a 16% and 31% year-on-year rise in patients served and tests performed, respectively. Consistent revenue growth coupled with successful cost optimisation efforts implemented by the venture's new management team, see Echo-Lab on track to turn EBITDA positive in early 2022.

•€€€ In **Sudan,** despite the operational difficulties and heightened uncertainty faced throughout the past year, operations are continuing without major interruptions. While results for the year were significantly impacted by the devaluation of the Sudanese

Pound in February 2021, in local currency terms, IDH's Sudanese operations reported year-on-year revenue growth of 159%, as management continued to successfully raise test prices in step with inflation.

7Covid-19-related tests include both core Covid-19 tests (Polymerase Chain Reaction (PCR), Antigen, and Antibody) as well as other routine inflammatory and clotting markers including, but not limited to, Complete Blood Picture, Erythrocyte Sedimentation Rate (ESR), D-Dimer, Ferritin and C-reactive Protein (CRP), which the Company opted to include in the classification as "other Covid-19-related tests" due to the strong rise in demand for these tests witnessed following the outbreak of Covid-19.

8 Biolab's revenues for the period are calculated as net sales and including concession fees paid to QAIA and Aqaba Port as part of their revenue sharing agreements.

iii. Management Commentary

Commenting on the Group's full-year performance, IDH Chief Executive Officer Dr. Hend El-Sherbini said: "2021 was an exceptional year for IDH which saw our 5,000 employees serve more than 10 million patients and perform more tests than ever before, helping us deliver outstanding financial results. In parallel, we added new services to our roster, expanded our reach across both digital and physical channels, enhanced the overall experience of our patients, grew our footprint, and completed our dual-listing on the Egyptian Exchange, complementing our LSE listing. This saw us end the year having built new foundations on which to drive the next phase of growth across all our markets.

Heading into 2022, there are several exciting developments I am looking forward to across both new and existing markets. In Egypt and Jordan, we are aiming to capitalise on our market leading position, expanded product offering and patient base, increased service delivery capabilities, and growing visibility to continue delivering robust growth in the year ahead. In particular, we are eager to capitalise on the post-Covid-19 rebound in conventional testing as patients' focus shifts back to conventional healthcare as the threat of Covid-19 subsides. Moreover, across both markets, our attention will now pivot towards patient retention as well look to maintain the new relationships we were able to establish during the pandemic thanks to our Covid-19-dedicated offering. In Nigeria, thanks to the consistent revenue growth and the stellar work being done by Dr. Bhatia and his team to streamline operations, Echo-Lab is on track to turn EBITDA positive in 2022. We are confident that the investments undertaken since the acquisition of Echo-Lab back in 2018 have built a stronger, leaner, and growth-oriented business which is well-placed to take full advantage of the significant growth opportunities offered Nigeria's diagnostics market.

In the first few months of the new year, globally we have been confronted with a new set of challenges related to the long-term economic spill overs of the pandemic coupled with the impacts of the ongoing Russia-Ukraine war. Supply chain issues, fast-rising consumer demand, and the increased volatility in commodity prices which has been exacerbated by the ongoing war in Eastern Europe, are continuing to push up prices, with countries around the world recording inflation figures not seen for many years. In light of rising inflation, central banks around the world have commenced a cycle of monetary tightening, with many raising interest rates for the first time in years. Here in Egypt, on 21 March 2022, the Central Bank raised policy rates by 100bps and allowed the Egyptian Pound to devalue by more than 17% against the US Dollar. Despite the heightened uncertainty following the announcement, we are confident that our proven track record in navigating similar turbulent times and the strong mitigation frameworks we have in place provide ample protection from the short and longer-term impacts of the decision."

- End -

Analyst and Investor Call Details

An analyst and investor call will be hosted at 2pm (UK) | 3pm (Egypt) on Tuesday, 26 April 2022. You can access the call by clicking on this link, and you may dial in using the conference call details below:

- **Event number:** 2379 872 7421
- **Event password:** 2FHc5saY2Cn

For more information about the event, please contact: halaa@EFG-HERMES.com

About Integrated Diagnostics Holdings (IDH)

IDH is a leading consumer healthcare company in the Middle East and Africa with operations in Egypt, Jordan, Sudan and Nigeria. The Group's core brands include Al Borg, Al Borg Scan and Al Mokhtabar in Egypt, as well as Biolab (Jordan), Ultralab and Al Mokhtabar Sudan (both in Sudan) and Echo-Lab (Nigeria). A long track record for quality and safety has earned the Company a trusted reputation, as well as internationally recognised accreditations for its portfolio of over 2,000 diagnostics tests. From its base of 502 branches as of 31 December 2021, IDH will continue to add laboratories through a Hub, Spoke and Spike business model that provides a scalable platform for efficient expansion. Beyond organic growth, the Group's expansion plans include acquisitions in new Middle Eastern, African, and East Asian markets where its model is well-suited to capitalise on similar healthcare and consumer trends and capture a significant share of fragmented markets. IDH has been a Jersey-registered entity with a Standard Listing on the Main Market of the London Stock Exchange (ticker: IDHC) since May 2015 with a secondary listing on the EGX since May 2021 (ticker: IDHC.CA).

Shareholder Information

LSE: IDHC.L

EGX: IDHC.CA

Bloomberg: IDHC:LN

Listed on LSE: May 2015

Listed on EGX: May 2021

Shares Outstanding: 600 million

Contact

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Forward-Looking Statements

These results for the year ended 31 December 2021 have been prepared solely to provide additional information to shareholders to assess the group's performance in relation to its operations and growth potential. These results should not be relied upon by any other party or for any other reason. 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", "aims", "anticipates", "assumes", "believes", "could", "estimates", "expects", "forecasts", "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 business and management, future growth or profitability and general economic and regulatory conditions and other matters affecting the Group.

Forward-looking statements reflect the current views of the Group's management ("Management") on future events, which are based on the assumptions of the Management and involve known and unknown risks, uncertainties and other factors that may cause the Group's 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 the Group's actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements.

The Group's business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to differ materially from those expressed or implied by the forward-looking statements contained in this communication. The information, opinions and forward-looking statements contained in this communication speak only as at its date and are subject to change without notice. The Group does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this communication.

Important notice: A reconciliation between IFRS and APM measures is provided earlier in this announcement.

Chairman's Message

I am pleased to report that despite the continued operational challenges posed by Covid-19, your Company delivered an outstanding performance in 2021, providing its services to a record number of patients, while laying new foundations from which to generate sustainable growth in the coming years.

Record-Breaking Results

In our seventh year as a publicly listed company on the London Stock Exchange, we were proud to see our revenue surpass EGP 5 billion for the first time, growing year-on-year by over 90%.

Leveraging on our expanded service offerings, we attracted a record number of patients to our laboratories, serving over 10 million patients in 2021.

In both Egypt and Jordan, we continued to honour our responsibility as a leading healthcare provider, assisting local authorities tackle the pandemic and supporting the recovery of international travel.

During the year, we performed more than 2.6 million PCR, antigen, and antibody tests, and continued to improve our delivery capabilities to bring our services to as many people as possible.

We also achieved a robust recovery in our conventional business offerings, which now exceeds our pre-Covid-19 levels enhancing our long established track record in our core business.

In Nigeria, following our restructuring of the business and with our strong management team we achieved solid and sustainable results. We are expecting Echo-Lab to turn EBITDA positive in the coming months.

A Forward-looking Business

As firm believers in proactive healthcare, at IDH we take pride in our ability to deliver service excellence today, while always keeping an eye to the future. Throughout the year, we continued to invest in developing all aspects of our business, from adding new services to our portfolio and world-class doctors to our team, to expanding our delivery channels and enhancing our digital infrastructure.

We have successfully expanded our house call services.

We have also accomplished steady growth of our radiology venture, Al-Borg Scan.

In the ever burgeoning data analytics business environment, we are exploring ways to utilize our vast database to develop new services increasingly tailored to patients' individual needs.

We continue to ensure strict data privacy and remain vigilant in strengthening our IT infrastructure to proactively address all cybersecurity risks.

Expanding our Footprint

Your Company continues to enjoy strong organic growth momentum while constantly evaluating potential M&A opportunities across new African, Middle Eastern, and Asian markets.

On this front, we look forward to potentially adding Pakistan to our footprint and commencing our partnership with Islamabad Diagnostics Centre and Dr. Uppal once all pending conditions precedent are satisfied. The combination of our two businesses will see us well-placed to meet the country's growing healthcare needs.

Environmental, Social, and Governance (ESG)

We are proud to have published our first Sustainability Report and are cognizant of our social responsibilities while seeking to constantly monitor and address all areas of ESG within the business in Egypt and elsewhere in our offices around the world.

Management regularly monitors and revises our risk matrix and heat map to ensure we have the right checks and balances in place and ensuring business continuity processes.

A United Team

We have benefitted hugely over the past three years having most of our team working out of our headquarters in Cairo's Smart Village.

We value our loyal and hard-working workforce and constantly review their KPIs to help them progress professionally in line with their ambitions while providing a long-term incentive programme (LTIP) starting 2022.

We have also recently expanded and strengthened your Company's Board of Directors, welcoming Yvonne Stillhart as a Non-Executive Director. Yvonne brings a wealth of experience across multiple sectors, and replaces James Nolan who stepped down in September of last year.

We are enormously grateful to James for his excellent service and wise counsel to IDH.

Broadening our Shareholder Base

IDH's shares are now listed on both the London Stock Exchange and Egyptian Stock Exchange. We are confident that this will expand our shareholder base to include local institutional and retail investors in Egypt, while increasing liquidity and visibility in our largest market.

In 2022 we also welcomed IFC as a strategic shareholder, and look forward to carrying on working closely together to continue meeting the strong demand for healthcare services across our footprint.

As our countries of operation prepare to transition into a post-Covid-19 world, your Company is well positioned to maintain growth and profitability and continue delivering exceptional and consistent value to patients and shareholders.

Lord St John of Bletso
Chairman

Important notice: A reconciliation between IFRS and APM measures is provided earlier in this announcement.

Chief Executive's Review

2021 was an exceptional year for IDH which saw our 5,000 employees serve more than 10 million patients and perform more tests than ever before, helping us deliver outstanding financial results. In parallel, we added new services to our roster, expanded our reach across both digital and physical channels, enhanced the overall experience of our patients, grew our footprint, and completed our dual-listing on the Egyptian Exchange, complementing our LSE listing. This saw us end the year having built new foundations on which to drive the next phase of growth across all our markets.

Similar to the previous year, 2021 was heavily impacted both economically and socially by Covid-19, as countries around the world combatted various waves of new infections and confronted multiple new variants. Despite this, 2021 was also a turnaround year for the fight against the pandemic as vaccines were gradually rolled out and governments and individuals became increasingly willing to coexist with the virus, driving widespread economic recovery from the previous year's lows.

In the midst of a challenging operating environment, we displayed a remarkable ability to adapt to changing market and demand dynamics and consistently cater to the evolving needs of our growing patient base, ensuring we continue to provide our communities with access to high quality, affordable healthcare and diagnostic services. Over the past twelve months, we continued to effectively care for both our conventional and Covid-19 patients leveraging an expanded branch network, a ramped-up house call service, and a growing digital presence to make our services increasingly accessible and our payment methods increasingly convenient. Our efforts translated in significant improvements in our patients' overall experience, with the Group's net promoter score for the year recording consistently above the 80 mark, ahead of last year's value and well above industry averages.

During 2021, we continued to serve our Covid-19 patients by ensuring we were well-equipped to handle peaks in demand when infection rates increased, while promptly adapting our offering to the requirements of patients. In the twelve months to 31 December 2021, we performed over 2.6 million PCR, antigen and antibody tests, continuing to provide patients and healthcare workers with a trustworthy first line of defence against the virus. At the same time we secured multiple partnerships with international air carriers and regional healthcare providers like National Aviation Services (NAS) Kuwait and Pure Health UAE to conduct PCR testing for passengers traveling from Egypt to other regional destinations. We also offered PCR testing for passengers on a walk-in basis, and were the first lab in Egypt to provide QR codes on travel certificates. This enabled us to not only to play an important role in supporting the recovery of international travel, but also ensured that we successfully captured a leading market share for the service.

In parallel, despite the challenges posed by the pandemic, we never lost sight of the needs of our conventional patients, continuing to care for them even at the height of the Covid-19 crisis. Our efforts focused on expanding our service offering and delivery capabilities, as well as organising special campaigns to raise healthcare awareness specifically targeting patients suffering from chronic diseases, a particularly vulnerable category in light of the ongoing pandemic.

Throughout the year, we also devoted increasing attention and resources towards developing our digital infrastructure to expand our reach, provide new services to our patients, and improve their overall experience. Highlights for the year included the roll out of multiple new patient touch points including a revamped IDH app, a new chatbot function, as well as an additional call centre. At the same time, we also made it increasingly convenient for our patients to pay for our services.

Record-breaking Growth and Operational Results

Our ability to transform the business in step with changing demand dynamics enabled us to build on an already strong 2020, to deliver a formidable set of operational and financial results in 2021. More specifically, in the twelve months to 31 December 2021, we recorded consolidated revenue of EGP 5.2 billion, up 97% year-on-year and representing the highest full-year revenue figure on record. Meanwhile, net sales expanded an impressive 90% from the previous year, coming in at EGP 5.0 billion in FY 2021. Net sales growth for the year was dual driven, as we performed 24% more tests than in the previous year and recorded a 53% year-on-year rise in average price per test versus 2020.

Throughout the year, consolidated net sales was supported by strong demand for both our Covid-19-related and conventional tests portfolios, with each segment contributing to around half of consolidated net sales for the year. On the conventional tests front, demand recorded a sustained recovery following the Covid-19-related slowdown experienced in the previous year, with conventional test net sales expanding 22% versus 2020, and coming in a noteworthy 13% above pre-Covid-19 levels recorded in 2019.

Volume and net sales growth for the year also reflected our ongoing investments to expand our delivery capabilities, which over the course of 2021 saw us grow our patient reach across both traditional branches and our house call service. On the one hand, we inaugurated 23 new branches in Egypt and an additional branch in Jordan, taking the total number of operational branches as at year-end 2021 to 502. Our ability to consistently rollout new branches within and outside the Greater Cairo area currently sees us operate the largest network of branches amongst private players in the country, enabling us to strengthen our brand name and maintain our leadership position in the market. Moreover, it is also important to note that our Mega Lab, which continues to be the sole CAP-accredited facility in Egypt, typically operates at around 55% of its maximum capacity leaving abundant room for further growth. In 2021, we also continued to work closely with local authorities in Egypt to obtain the necessary certifications to take part in the government's Universal Healthcare Insurance (UHI) system which is being rolled out across the entire country. As at year-end 2021, IDH had 13 out of the 19 UHI-accredited labs in the country, with several more of our labs looking to obtain accreditation in the coming year. On the other hand, in response to the growing demand for our house call services in both Egypt and Jordan, we continued to ramp up our house call capabilities. In our home market of Egypt, where sample collected directly in patient homes made up 23% of the country's revenues for the year, we added a second call centre, expanded our house call team to an average of 400 chemists, and streamlined logistics to further decrease turnaround times. On this last point, we were particularly happy to note our success in keeping turnaround times strictly below 24 hours even throughout the multiple peaks in infection rates witnessed in 2021. Our ability to effectively ramp up the service to match its growing popularity is enabling us to perform over five thousand house visits per day, the most out of any other player in the market, and process over ten thousand calls each day.

Regionally, in Egypt, as with the consolidated performance, our revenues were supported by both our Covid-19-related test offering, which in 2021 made up 49% of the country's revenues, as well as the country's conventional test offering, which made up the remaining 51%. During the year, we continued to lead the market in terms of core Covid-19 tests performed, further testament to the high quality of our offering and the extensive reach of our services. At the same time, we observed a sustained recovery in our conventional business, with revenues generated by conventional tests increasing a solid 23% versus the previous year supported by a 15% rise in conventional tests performed and a 7% expansion in average revenue per conventional test.

Egypt's revenues were further buoyed by revenues generated by our house call service, which expanded an impressive 94% versus 2020, contributing an additional EGP 935 million to the country's total revenues for the year. Meanwhile, at our fast-growing radiology venture, Al-Borg Scan, we witnessed a solid 81% year-on-year increase in revenue to EGP 45 million supported by a 70% year-on-year rise in both tests performed and patients served, which recorded 78 thousand and 62 thousand, respectively. I am particularly happy to note the growing success of Al-Borg Scan, which is helping us to capitalise on the important growth opportunities offered by Egypt's fragmented radiology market while delivering on our vision of providing patients with a one-stop-shop service offering featuring both pathology and radiology. To capitalise on the rising patient demand for our radiology services, we inaugurated two new Al-Borg Scan branches in 2021 and a third in March 2022. In the coming months, we plan to continue launching additional branches, further expanding our reach across Great Cairo. Finally, it is also worth highlighting Wayak's growing market traction, with the venture continuing to expand its patient base and product offering. The company's EBITDA losses have narrowed significantly and management has ambitious plans to build on this momentum by rolling out multiple new services in 2022.

Jordan was the standout performer for the year, with Biolab reporting year-on-year net sales growth of 112% and contributing a record share of consolidated net sales at 17.2%. During the year, Covid-19-related tests contributed to 68% of Biolab's net sales as the venture continued to record strong demand at both its regular branches and across its testing booths located in the country's main airports and ports. In fact, Covid-19-related net sales in Jordan was boosted by strong contributions from Biolab's new partnership with Queen Alia International Airport, King Hussain International Airport, and Aqaba Port. As part of these agreements, Biolab has been operating testing stations across all three locations primarily focused on offering PCR testing for Covid-19 to passengers arriving in Jordan. Through these initiatives, Biolab was able to continue playing a frontline role in the country's fight against the pandemic and simultaneously expand its patient base and reach across new segments of the population. Meanwhile, we were also very pleased to note the robust recovery in Biolab's conventional test net sales, which increased 26% year-on-year on the back of a solid rise in conventional tests performed.

In Nigeria, we continued to record steady revenue growth throughout the entire year on the back of growing test and patient volumes. In 2021, Echo-Lab's revenues expanded 49% year-on-year on the back of a 31% increase in tests performed coupled with a 14% rise in average revenue per test. Growing volumes continue to highlight the effectiveness of our investments to revamp Echo-Lab's operations and the success of our targeted marketing efforts. The consistent growth delivered by our Nigerian operations also reflect the incredible work done by Dr. Alok Bhatia, who joined Echo-Lab as CEO in March 2021. Dr. Bhatia and his team have brought the skills and expertise needed to deliver on our long-term vision for Echo-Lab and we look forward to reaping the rewards of their hard work in the coming years.

Finally, in Sudan our results for the year were heavily impacted by the devaluation of the Sudanese Pound in February 2021 as well as the rise in social and political unrest witnessed in the final months of the year. However, management's continued success in raising prices in step with inflation, saw revenue in local currency terms grow an impressive 159% in 2021. It is also worth highlighting that despite the operational difficulties and heightened uncertainty faced throughout the past year, operations are continuing without major interruptions.

Further down the income statement, we reported impressive margin expansions at all levels of profitability supported by strong revenue growth and the subsequent dilution of IDH's fixed costs. More specifically gross profit for the year more than doubled with a five-point margin expansion. Meanwhile, EBITDA adjusted for one-off listing fees expanded 116% with a margin on net sales of 50%, up six percentage points from 2020 (adjusted EBITDA margin on revenues stood at 48% in FY 2021). Strong adjusted EBITDA level profitability supported a 145% year-on-year expansion in net profit which reached EGP 1,493 million in 2021. Net profit margin on net sales expanded seven percentage points versus 2020 to record 30% for the year (net profit margin on revenues stood at 29% in FY 2021). It is worth highlighting that the remarkable net profit growth comes despite the Company booking EGP 29 million in one-off fees related to our dual-listing as well as EGP 20 million in fees related to the IFC loan secured in May of last year.

Expanding Our Footprint

While effectively serving our patients and delivering exceptional results across our existing geographies, we also worked to expand our footprint into new territories. On this front, in December 2021, we signed a sale and purchase agreement to acquire 50% of Islamabad Diagnostic Centre (IDC), one of Pakistan's largest, most respected, and fastest growing integrated diagnostics companies, for a total consideration of USD 72.35 million. The deal, which is currently pending regulatory approval, would see us partner with IDC's founder and CEO, Dr Rizwan Uppal, and acquire a stake in an established provider with a strong track-record, solid financial performance, and an ambitious growth plan. The transaction will see us add a fifth country to our footprint and help us further diversify our revenue base in line with our long-term strategy. IDC will be fully consolidated on IDH's accounts following the completion of the transaction and the transfer of funds to the Evercare Group. Under the agreement, IDH will hold four of the seven seats on IDC's board. The transaction, which is subject to the satisfaction of a number of conditions precedent should be completed later in 2022.

With a population of over 200 million, 63% of which is under the age of 30, Pakistan boasts an attractive demographic profile providing long-term sustainable demand for quality healthcare services. Meanwhile, like many of the markets we currently operate in, its healthcare industry is characterised by a widening demand-supply gap for high quality healthcare services, a high degree of out-of-pocket payments (medical expenses not reimbursed by insurance), and increasingly favourable regulations aimed at encouraging private sector participation. Similar to our existing businesses, IDC boasts an established position in the Pakistani market with network of over 85 branches across 30 cities, and offers a full roster of pathology and radiology diagnostic services. These characteristics make IDC the perfect partner for IDH, and Pakistan an ideal location where our proven business model is well placed to drive new value and help meet the rising demand for high quality healthcare.

Dual-listing on the EGX

Adding to this past year's list of achievements, in May 2021 we successfully completed our dual-listing on the Egyptian Exchange (EGX), successfully meeting our goal of offering IDH's unique value proposition to the widest investor base possible. With our shares now listed on the both the LSE and the EGX and tradeable in a fully fungible manner, we have provided local retail and institutional investors as well as global emerging markets specialists who regularly invest through the EGX with the possibility to capitalize on our attractive growth profile. We remain optimistic that going forward investors will find having two venues on which to trade IDH shares increasingly useful, realizing our target of having a larger number of the Company's shares being traded on the EGX.

Our Sustainability Journey

Across our operations, we continue to place a strong focus on strengthening our environmental, social and governance (ESG) monitoring and compliance frameworks to ensure we continue working to the betterment of our communities and safeguarding the interests of all our stakeholders. Throughout 2021, we devoted our attention to developing a more assertive road map that draws clear guidelines and methods to monitor, evaluate, and improve our sustainability practices. Under the guidance of a top-tier ESG consultant, we undertook a rigorous ESG assessment across all functions to highlight key sustainability initiatives while identifying areas of improvement. This allowed us to set the foundation for future ESG implementation by internally mapping key performance indicators to the newly developed sustainability framework. As a critical sector, the healthcare industry stands at the threshold of each of the UN's Sustainable Development Goals (SDGs). Throughout our operations, we have direct impacts on a number of key SDGs, and indirectly impact multiple others. Through our Sustainability Report, we were able to successfully share with our peers and wider community our contributions across all 17 SDGs, providing stakeholders with a clear framework to benchmark our contributions and hold us accountable in the years to come.

In a world where investment decisions are being taken with an increasing focus on the ESG profile of a company, we have provided investors with an in-depth analysis of our ESG performance, facilitating their due diligence processes. On this front, we have dedicated a chapter of the report to address our investors' inquiries related to our ESG performance and strategy, aligning ourselves with the global action plan set by the Principles of Responsible Investment. As we leave 2021 behind us, we are proud of the progress made on this front, but remain cognizant that of the long road ahead of us. As we enter this exciting new chapter for IDH, we welcome all our stakeholders to share their insights and help us generate additional social and environmental value for our communities.

Throughout this process, we have been closely guided by our world-class Board of Directors, which has been overseeing all aspects of the business since our listing on the LSE in 2015. Our Board is composed in the majority by independent, non-executive directors and is backed by a robust and constantly enhanced policy framework. In early 2022, our Board of Directors was further strengthened with the appointment of Ms. Yvonne Stillhart, as a Non-Executive Director. Yvonne is a seasoned Senior Executive working with innovation and growth driven companies across a wide range of industries and geographical regions, including Europe, USA, North Africa and Sub-Saharan Africa.

Dividend Policy and Proposed Dividend

In view of the strong cash-generative nature of our business and its asset-light strategy, our dividend policy is to return to shareholders the maximum amount of excess cash after taking careful account of the cash needed to support operations and expansions. As such, IDH is delighted to recommend a final dividend in respect of the financial year ended 31 December 2021 of EGP 2.17 per share, or EGP 1.3 billion in aggregate. The equivalent value, which will depend on the exchange rate at the time of the upstreaming from the subsidiaries to the holding company, represents a significant increase from the dividend of US$ 29.1 million distributed for the previous financial year.

2022 Outlook

We kicked off 2022 recording another surge in Covid-19 infections across our markets as the highly-infective Omicron variant became increasingly prevalent. Throughout this new wave, in both Egypt and Jordan we continued to provide our patients with widespread access to Covid-19-related testing, helping to keep our communities safe and providing local authorities with vital support in the fight against the virus. In the final weeks of the first quarter, as vaccines continued to be rolled out, we witnessed a sustained decline in new infections with governments around the world signalling a strong will to transition into a post-Covid-19 normality. While the Group remains vigilant and ready to respond to possible new waves in infections, we are prepared and excited to kickstart our post-pandemic strategy and venture into a new chapter of sustainable growth. During the course of 2021, while our priority remained helping governments combat the Covid-19 pandemic, we also worked tirelessly to improve all aspects of the business and lay solid foundations on which to build out next phase of development and value creation.

Heading into 2022, there are several exciting developments I am looking forward to across both new and existing markets. In Egypt and Jordan, we are aiming to capitalise on our market leading position, expanded product offering and patient base, increased service delivery capabilities, and growing visibility to continue delivering robust growth in the year ahead. In particular, we are eager to capitalise on the post-Covid-19 rebound in conventional testing as patients' focus shifts back to conventional healthcare as the threat of Covid-19 subsides. Moreover, across both markets, our attention will now pivot towards patient retention as well look to maintain the new relationships we were able to establish during the pandemic thanks to our Covid-19-dedicated offering. On this front, we have recently launched a new dedicated loyalty programme in partnership with a leading loyalty solutions provider, and are working to roll out multiple new marketing campaigns making full use of our growing social media presence. In parallel, we are also leveraging our enhanced digital and data analytics capabilities to monitor patient records and disease cycles, and provide tailored services and increase cross-selling. Our efforts continue to ensure that our patients enjoy a hassle-free experience from start to finish, further enhancing their overall experience. At the same time, we are targeting the roll out of an additional 25 to 30 branches in and outside the Greater Cairo area, and continue to take advantage of the abundant spare capacity at our house call division to further scale up the service. In Nigeria, thanks to the consistent revenue growth and the stellar work being done by Dr. Bhatia and his team to streamline operations, Echo-Lab is on track to turn EBITDA positive in 2022. We are confident that the investments undertaken since the acquisition of Echo-Lab back in 2018 have built a stronger, leaner, and growth-oriented business which is well-placed to take full advantage of the significant growth opportunities offered Nigeria's diagnostics market. Finally, in Sudan, we are continuing to monitor the ongoing political and social instability and have put in place strong mitigation strategies to protect our people and operations.

Beyond our current markets, we are also looking forward to obtaining the remaining regulatory approvals and add Pakistan to our footprint. IDC is expected to generate substantial value from the very start and we are thrilled to kick off our partnership with Dr. Uppal in the coming months. In parallel, we will continue to assess other potential valueaccretive acquisition opportunities both across new and existing markets in Africa, the Middle East, and Asia which present similar characteristics to our current markets and where our operational model would be best-suited to drive long-term value creation.

A Turbulent Start to the Year

In the first few months of the new year, globally we have been confronted with a new set of challenges related to the long-term economic spill overs of the pandemic coupled with the impacts of the ongoing Russia-Ukraine war. Supply chain issues, fast-rising consumer demand, and the increased volatility in commodity prices which has been exacerbated by the ongoing war in Eastern Europe, are continuing to push up prices, with countries around the world recording inflation figures not seen for many years. In light of rising inflation, central banks around the world have commenced a cycle of monetary tightening, with many raising interest rates for the first time in years.

Here in Egypt, on 21 March 2022, the Central Bank raised policy rates by 100bps and allowed the Egyptian Pound to devalue by more than 17% against the US Dollar. Despite the heightened uncertainty following the announcement, we are confident that our proven track record in navigating similar turbulent times and the strong mitigation frameworks we have in place provide ample protection from the short and longer-term impacts of the decision. Going forward, we will continue to keep a close eye on the evolving situation, and have taken proactive steps to build up our inventory to safeguard ourselves from any potential future disruptions.

I would like to conclude by thanking all my colleagues for their exceptional work over the course of the last year. 2021 was the outstanding year that it was in great part due to your relentless efforts to deliver on our vision and goals. I am honoured to have the opportunity to work with you, and I am confident that by working together we will be able to continue delivering exceptional value in 2022.

Dr. Hend El-Sherbini
Chief Executive Officer

Important notice: A reconciliation between IFRS and APM measures is provided earlier in this announcement.

Group Operational & Financial Review

i. Revenue/Net Sales and Cost Analysis

Revenue/Net Sales

Consolidated Analysis

IDH reported total revenues of EGP 5,225 million in FY 2021, up 97% year-on-year. Consolidated net sales mark, recording EGP 5,048 million in FY 2021, up 90% versus FY 2020. The remarkable growth was du during the year growing 24% and average price per test rising 53% year-on-year.

On a service basis, net sales growth was supported by both IDH's Covid-19-related[10] and conventional recorded growing demand during the period. IDH's **Covid-19-related** offering contributed to just over half c 2021 compared to the 24% contribution made in FY 2020. The segment witnessed high demand throughou rising infection rates in the first half of the year and the widespread lifting of travel bans in the second half of

In parallel, a steady recovery in demand for conventional tests, saw **conventional** net sales expand 22% 15% year-on-year rise in tests performed and a 7% increase in average price per conventional test. Conv year stood 13% above its pre-pandemic level, a testament to the Company's impressive ability to expan delivery capabilities, to drive a rapid recovery across its conventional test portfolio despite the difficult opera last two years.

On a quarterly basis, consolidated revenue recorded EGP 1,458 million, up 48% year-on-year, while ne million, up 30% year-on-year. Despite the strong growth versus the previous year, net sales for the quar quarter decline. This was largely attributable to a 17% quarter-on-quarter decline in net sales generated which recorded EGP 627 million in Q4 2021 versus EGP 760 million in Q3 2021. Falling Covid-19-related ne in average price of Covid-19-related tests as well as lower demand generated by passengers traveling abr related demand witnessed in Q3 2021 following the lifting of travel bans subsided.

House Call Service

The Group's consolidated net sales was buoyed by its house call services in Egypt and Jordan, which revenue in FY 2021, up 87% versus the previous year. By test type, in FY 2021 revenue net sales generate at EGP 544 million, making up 55% of total house call revenue for the year. Geographically, in Egypt hous 935 million in revenue, contributing 23% to the country's revenue. Meanwhile, In Jordan house call reve making up 6% of the country's revenue for the year. It is worth highlighting that in FY 2021, average net sal EGP 202, significantly above the Group's average of EGP 150.

[9] *A reconciliation between revenue and net sales is available earlier in this announcement.*

10 Covid-19-related tests include both core Covid-19 tests (Polymerase Chain Reaction (PCR), Antigen, and Antibody) as well as other routine inflammatory and clotting markers including, but not limited to, Complete Blood Picture, Erythrocyte Sedimentation Rate (ESR), D-Dimer, Ferritin and C-reactive Protein (CRP), which the Company opted to include in the classification as "other Covid-19-related tests" due to the strong rise in demand for these tests witnessed following the outbreak of Covid-19.

Detailed Consolidated Performance Breakdown

	Q1 2020	Q1 2021	Q2 2020	Q2 2021	Q3 2020	Q3 2021	Q4 202
Total net sales (EGP mn)	**500**	**1,130**	**450**	**1,164**	**720**	**1,473**	**98**
Total tests (mn)	**6.1**	**8.1**	**5.1**	**8.3**	**7.5**	**8.6**	**8.**
Conventional test net sales (EGP mn)	495	594	367	594	568	667	57
Conventional tests performed (mn)	6.1	6.8	4.6	6.9	7.0	7.5	7.

Total Covid-19-related test net sales (EGP mn)	5	536	83	569	152	806	409
Core Covid-19 tests (PCR, Antigen, Antibody) (EGP mn)	*5*	*399*	*26*	*431*	*92*	*760*	314
Core Covid-19 tests performed (k)	*4*	*407*	*42*	*387*	*92*	*882*	300
Other Covid-19-related tests (EGP mn)	*0*	*137*	*57*	*138*	*60*	*47*	95
Other Covid-19-related tests performed (k)	*0*	*874*	*531*	*933*	*477*	*284*	714
				Contribution to consolidated results			
Conventional test net sales	99%	53%	82%	51%	79%	45%	59%
Conventional tests performed	100%	84%	89%	84%	92%	87%	88%
Total Covid-19-related tests	1%	47%	18%	49%	21%	55%	41%
Core Covid-19 tests (PCR, Antigen, Antibody)	*1%*	*35%*	*6%*	*37%*	*13%*	*52%*	32%
Core Covid-19 tests performed	0%	5%	1%	5%	1%	10%	4%
Other Covid-19-related tests	*0%*	*12%*	*13%*	*12%*	*8%*	*3%*	10%
Other Covid-19-related tests performed	0%	11%	10%	11%	6%	3%	9%

Note: Quarterly results included in the table above are unaudited.

Net Sales Analysis: Contribution by Patient Segment

Contract Segment

Revenue generated by IDH's contract segment reached EGP 3,062 million in FY 2021, representing a 113 the previous twelve months. Meanwhile, net sales generated by the Group's contract segment more than EGP 2,885 million in FY 2021 supported by a 25% increase in contract tests performed and a 61% rise in th test. The segment's contribution to total net sales subsequently increased to reach 57% from 54% in FY 2 contributed 53% of contract net sales in FY 2021 as the Company continued to record strong patient der Controlling for contributions made by Covid-19-related tests during the year, the contract segment wo increase in conventional test net sales on the back of a 17% increase in tests performed and a 6% expansio

The contract segment's results include contributions from IDH's multiple partnerships to conduct PCF specifically, IDH's agreement with Pure Health UAE and with National Aviation Services Kuwait (NAS) gen 91 million, respectively, in FY 2021. The number of PCR tests performed during the year as part of IDH stood at 83 thousand, making up 7% of total PCR tests performed in Egypt for the year. Meanwhile, Company's agreement with NAS stood at 51 thousand, representing 4% of total PCR tests performed in Egy

In Jordan, the Group's partnership with Queen Alia International Airport (QAIA) generated net sales of agreement, Biolab carried out 503 thousand PCR tests, representing 41% of total PCR tests performed in time, Biolab's agreements with Aqaba's King Hussein International Airport (KHIA) and Aqaba Port contribute to the segment. It is worth noting that Biolab's partnership with KHIA started in August 2020, followed by Aqaba Port which kicked off in May 2021, and its partnership with QAIA which commenced in August 2021.

Walk-in Segment

The Group's walk-in segment recorded revenue and net sales (IFRS and APM measures for walk-in segme EGP 2,162 million in FY 2021, up 77% versus the previous year. The year-on-year growth was suppor performed and a 44% increase in average price per test. The segment's contribution to total net sales stoc 2020. Meanwhile, the contribution of Covid-19-related tests to the walk-in segment stood at 49% in FY 202 Excluding Covid-19-related contributions, conventional walk-in net sales recorded a 21% increase versus th walk-in tests volumes grew 9% year-on-year and net sales per conventional walk-in test increased 11% vers

[1]1 Covid-19-related tests include both core Covid-19 tests (Polymerase Chain Reaction (PCR), Antigen, and Antibody) as well as other routine infla not limited to, Complete Blood Picture, Erythrocyte Sedimentation Rate (ESR), D-Dimer, Ferritin and C-reactive Protein (CRP), which the Company Covid-19-related tests" due to the strong rise in demand for these tests witnessed following the outbreak of Covid-19.

Key Performance Indicators

	Walk-in Segment			Contract Segment		
	FY20	**FY21**	**Change**	**FY20**	**FY21**	**Char**
Net sales^ (EGP mn)	**1,222**	**2,162**	***77%***	**1,434**	**2,885**	***10***
Total Covid-19-related net sales (EGP mn)	314	1,063	*239%*	335	1,533	*35*
Patients ('000)	**2,288**	**3,464**	***51%***	**4,825**	**6,853**	***4***
% of Patients	*32%*	*34%*		*68%*	*66%*	
Net sales per Patient (EGP)	534	624	*17%*	297	421	*4*
Tests ('000)	**7,052**	**8,693**	***23%***	**20,021**	**24,966**	***2***
% of Tests	*26%*	*26%*		*74%*	*74%*	
Total Covid-19-related tests ('000)	659	1,745	*165%*	1,501	3,372	*12*
Net Sales per Test (EGP)	173	249	*44%*	72	116	*6*
Test per Patient	3.1	2.5	*-19%*	4.1	3.6	*-1*

Revenue Analysis: Contribution by Geography

Egypt

In Egypt, IDH reported revenue of EGP 4,108 million, 89% above the previous year's figure and contributing impressive result was supported by a 21% year-on-year rise in test performed coupled with a 56% year-on-y with the consolidated performance, Egypt's revenues were supported by both the Group's Covid-19-relate 49% of the Egypt's revenues, as well as the country's conventional test offering, which made up the remainin for contributions made by Covid-19-related tests during the year, revenue generated by conventional tests year supported by a 15% rise in conventional tests performed and a 7% expansion in average revenue per c

On a quarterly basis, net sales generated by IDH's Egyptian operations reached EGP 986 million in Q4 2021 2020. Despite the strong year-on-year rise, on a quarter-on-quarter basis, revenue declined 17% primaril Company's core Covid-19 test offering versus the previous quarter. Lower Covid-19-related revenue reflect a average price for core Covid-19 test during Q4 2021 coupled with lower demand from international trave quarter following a widespread lifting of international travel restrictions.

House Call Service

IDH's house call service in Egypt, which has been successfully ramped up to capitalise on the service's grow million in FY 2021, up 94% year-on-year. The service's contribution to the country's revenues stood at 2 made in FY 2020. Core Covid-19 tests performed through its house call service made up 30% of total c country throughout the year. It is also important to note that, tests performed through IDH's house call traditional branches, with only an additional house call delivery fee charged to patients to cover the transport

Al-Borg Scan

IDH's fast-growing radiology venture, Al-Borg Scan, reported revenue of EGP 45 million in FY 2021, a solid was supported by a 70% rise in both tests performed and patients served versus the previous year. To ca the Group inaugurated two Al-Borg Scan branches in the second half of 2021, and a third in March 20 inaugurate additional branches to expand its reach across Greater Cairo.

Overall, IDH served 8.5 million patients in Egypt and performed 29.7 million tests in FY 2021, up 34% and 2

12 Covid-19-related tests include both core Covid-19 tests (Polymerase Chain Reaction (PCR), Antigen, and Antibody) as well as other routine i Complete Blood Picture, Erythrocyte Sedimentation Rate (ESR), D-Dimer, Ferritin and C-reactive Protein (CRP), which the Company opted to inclu the strong rise in demand for these tests witnessed following the outbreak of Covid-19.

Detailed Egypt Revenue Breakdown

EGP mn	Q1 2020	Q1 2021	Q2 2020	Q2 2021	Q3 2020	Q3 2021	Q4 202
Total Revenue	**424**	**920**	**381**	**1,015**	**602**	**1,187**	**767**
Conventional Revenue	424	507	314	510	482	573	493
Total Covid-19-related Revenue	0	414	67	504	120	614	273
Core Covid-19 tests (PCR, Antigen, Antibody)	*0*	*277*	*10*	*366*	*60*	*567*	*178*
Other Covid-19-related tests	*0*	*137*	*57*	*138*	*60*	*47*	*95*
				Contribution to Egypt Net Sales			
Conventional tests	100%	55%	82%	50%	80%	48%	64%
Total Covid-19-related tests	0%	45%	18%	50%	20%	52%	36%
Core Covid-19 tests (PCR, Antigen, Antibody)	*0%*	*30%*	*3%*	*36%*	*10%*	*48%*	23%
Other Covid-19-related tests	*0%*	*15%*	*15%*	*14%*	*10%*	*4%*	12%

Note: Quarterly results included in the table above are unaudited.

Jordan

In Jordan, the Group recorded revenue of EGP 1,046 million in FY 2021, up 156% from the previous y operations saw net sales[13] more than double year-on-year to reach EGP 869 million for the year, up 113% was driven by an 75% increase in test performed coupled with a 21% rise in Biolab's average net sales pe related tests contributed to 68% of Biolab's net sales and to 37% of its tests performed. Covid-19-related ne contributions of EGP 185 million from Biolab's new partnership with QAIA coupled with the EGP 107 mi partnerships with KHIA and Aqaba Port. As part of these agreements, Biolab has been operating testing primarily focused on PCR testing for Covid-19 to passengers arriving in Jordan. The stations also offer add including rapid PCR testing for Covid-19 for departing passengers and other, more generic diagnostic tests. sales increased 26% year-on-year on the back of a 28% increase in conventional tests performed. Me continued to be supported by Biolab's house call service which generated EGP 55 million in net sales in FY 2

In Q4 2021, Jordan's net sales recorded EGP 277 million, representing a 45% increase from Q4 2020 and revenues (IFRS) in Q4 2021 recorded EGP 454 million, up 137% versus Q4 2020). During the quarte generated EGP 101 million in net sales while net sales from its partnerships with KHIA and Aqaba Port sto PCR tests performed as part of Biolab's agreement with QAIA recorded 278 thousand (55% of Jordan's t parallel, during the quarter Biolab performed 118 thousand PCR tests at KHIA and Aqaba Port, representi out by Biolab in the year. Robust volumes generated though these agreements more than offset a general related testing as infection rates declined following the continued ramp up of the country's vaccination campa

Detailed Jordan Net Sales Breakdown

EGP mn	Q1 2020	Q1 2021	Q2 2020	Q2 2021	Q3 2020	Q3 2021	Q4 2020
Total Net Sales	**58**	**190**	**59**	**134**	**100**	**269**	**19**
Conventional Net Sales	53	68	44	68	68	76	55
Total Covid-19-related Net Sales (PCR and Antibody)	5	122	16	65	32	192	136
				Contribution to Jordan Net Sales			
Conventional Net Sales	91%	36%	74%	51%	68%	28%	29%
Total Covid-19-related Net Sales (PCR and Antibody)	9%	64%	26%	49%	32%	72%	71%

Note: Quarterly results included in the table above are unaudited.

[13] Biolab's net sales for the period are calculated as revenues excluding concession fees paid to QAIA and Aqaba Port as part of their revenue sharing agreement.

Nigeria

At the Group's Nigerian subsidiary, revenue expanded 49% year-on-year to reach EGP 54 million in F pronounced in local currency terms with revenue up 53% year-on-year supported by a 31% year-on-ye (patients served were up 16%) coupled with a 14% rise in average revenue per test. Over the last two y delivered solid volume growth thanks to an effective revamp strategy which has involved the complete ren combined with the rollout of targeted marketing campaigns aimed at stimulating demand for the venture's s benefitting from a gradual normalisation of traffic following the easing of restrictive measures enforced throughout 2020.

In Q4 2021, IDH's Nigeria operations recorded year-on-year revenue growth of 18% to record EGP 13.4 revamp strategy, Echo-Lab's management team was strengthened with several key hires. Most notably, D with over 25 years of experience in the field, joined Echo-Lab as CEO in March 2021.

Sudan

Finally in Sudan, IDH reported a 56% year-on-year contraction in revenue to EGP 17 million for the year. Th significantly impacted by the devaluation of the Sudanese pound in early 2021 with the average SDG/EGP versus 0.29 in FY 2020. Nonetheless, management's continued success in raising prices in step with in revenue in local currency terms grow an impressive 159% in FY 2021.

Net Sales Contribution by Country

	FY 2020	FY 2021	Change
Egypt Net Sales (EGP mn)	2,173	4,108	*89%*
Covid-19-related (EGP mn)	*460*	*2,005*	*335%*
Egypt Contribution	*82%*	*81%*	
Jordan Net Sales (EGP mn)	409	869	*112%*
Covid-19-related (EGP mn)	*189*	*591*	*213%*
Jordan Revenues (EGP mn) (IFRS)	409	1,046	*156%*
Jordan Net Sales (JOD mn)	19	39	*113%*
Jordan Revenues (JOD mn) (IFRS)	18	47	*157%*
Jordan Contribution	*15%*	*17%*	
Nigeria Net Sales (EGP mn)	36	54	*49%*
Nigeria Net Sales (NGN mn)	898	1,373	*53%*
Nigeria Contribution	*1%*	*1%*	
Sudan Net Sales (EGP mn)	38	17	*-56%*
Sudan Net Sales (SDG mn)	129	335	*159%*
Sudan Contribution	*1.4%*	*0.3%*	

Patients Served and Tests Performed by Country

	FY 2020	FY 2021	Change
Egypt Patients Served (mn)	6.3	8.5	*34%*
Egypt Tests Performed (mn)	24.4	29.7	*21%*
Covid-19-related tests (mn)	*1.9*	*3.8*	*102%*
Jordan Patients Served (k)	550	1,627	*196%*
Jordan Tests Performed (k)	2,011	3,529	*75%*
Covid-19-related tests (k)	*269*	*1,302*	*383%*
Nigeria Patients Served (k)	131	153	*16%*
Nigeria Tests Performed (k)	215	281	*31%*
Sudan Patients Served (k)	130	70	*-46%*
Sudan Tests Performed (k)	409	182	*-55%*
Total Patients Served (mn)	**7.1**	**10.3**	***45%***
Total Tests Performed (mn)	**27.1**	**33.7**	***24%***

Branches by Country

	31 December 2020	31 December 2021	Change
Egypt	429	452	23
Jordan	20	21	1
Nigeria	12	10	-2
Sudan	20	19	-1
Total Branches	**481**	**502**	**21**

-Cost of Net Sales[14]

IDH's cost of net sales rose 71% year-on-year to record EGP 2,244 million[15] in FY 2021, rising at a slower
the year. This supported a 109% year-on-year rise in IDH's gross profit for FY 2021 which recorded EG
margin on consolidated revenue recorded 54% in FY 2021 versus 51% in the previous year. Meanwhile, g
56% versus 51% in FY 2020.

Cost of Net Sales Breakdown as a Percentage of Net Sales

	FY 2020	FY 2021
Raw Materials	18.4%	19.6%
Wages & Salaries	14.7%	12.6%
Depreciation & Amortisation	6.1%	4.2%
Other Expenses	10.3%	8.1%
Total	**49.5%**	**44.4%**

Raw material costs, which include cost of specialized analysis at other laboratories, recorded EGP 987 millic
up the largest share of total COGS at 44%. As a share of net sales, raw material costs increased to 19.6%
the previous year. This increase is primarily attributable to higher raw material costs as a share of net sales
the retesting of Covid-19 positive cases in the first part of the year, and by additional fees incurred by th
sharing agreement with QAIA. On a quarterly basis, raw material costs as a share of on net sales reached 2
2021. This is mainly attributable to IDH's Egyptian operations which saw their raw material to net sales ra
quarter-on-quarter in Q4 2021, on the back of a 23% decline in the average price of core Covid-19 tests c
average cost per PCR test kit versus the third quarter of this year.

Direct salaries and wages for the year rose 63% year-on-year to EGP 635 million, making the second larg
The increase comes on the back of a 116% year-on-year rise in the share of profits allocated to direct salar
in FY 2021 from EGP 81 million in FY 2020 following higher net profit recorded at its Egyptian operations,[16]
incentives paid during FY 2021 in light of this year's record-breaking performance.

Direct depreciation and amortisation increased 31% year-on-year in FY 2021 to EGP 214 million, p
amortisation of new branches (IFRS 16 right-of-use assets).

Other expenses for the year increased 49% versus FY 2020, to record EGP 407 million. The increas
transportation costs related to IDH's house call service, and increased utilities and cleaning expenses mainly
branches throughout the year.

14Cost of net sales is calculated as cost of sales (IFRS) for the period excluding commission fees paid to QAIA and Aqaba Port by Biolab as part c terminals.
[15] ***According to IFRS 15, cost of sales recorded EGP 2,421 million in FY 2021, up 84% year-on-year. In the final quarter of the year, IDH r Meanwhile, gross profit margin recorded 44% in Q4 2021 versus 52% in Q4 2020.***
16According to IAS1, employee profit share is recorded in wages and salaries.

Selling, General and Administrative Expenses

Total SG&A outlays for the year stood at EGP 513 million, up 44% from FY 2020. The increase was drive
spending, coupled with higher call center costs and a new contract with PwC for external auditing services.

Marketing and advertising expenses came in at EGP 97 million in FY 2021, up 57% year-on-year. The i
expansion in IDH's marketing and advertisement efforts, which throughout the year saw the Company lau
wide variety of channels.

EBITDA

IDH's adjusted EBITDA[17] recorded EGP 2,530 million (identical in absolute terms when using IFRS or
December 2021, up a solid 116% versus the previous year. Adjusted EBITDA margin on consolidated re
versus 44% in the previous year. Meanwhile, adjusted EBITDA margin on net sales expanded to 50% in F
Improved EBITDA level profitability was supported by robust revenue growth for the year and the subseque

ii. Balance Sheet Analysis

Assets

Property, Plant and Equipment

IDH held gross property, plant and equipment (PPE) of EGP 1,659 million as at year-end 2021, up from December 2020. Meanwhile, CAPEX outlays excluding payments on account and accounting for the imp 8.6% of consolidated net sales in FY 2021. The increase in CAPEX outlays as a share of total net sales fo EGP 115.7 million in equipment related to the Reagent deals and to EGP 53.7 million spent on the purc during the year. It is worth noting that IDH engages in Reagent deals whereby the majority of its testing ec payment as part of a wider agreement to purchase a minimum volume of kits from the equipment supplie tenors ranging from 5 to 7 years, with the equipment substituted following the contract's renewal.

Total CAPEX Breakdown

EGP Mn	FY 2021	% of Net Sales
Mega Lab	132.5	2.6%
Al-Borg Scan Expansion	154.0	3.1%
Leasehold Improvements/others	147.6	2.9%
Total CAPEX Additions	**434.1**	**8.6%**

Accounts Receivable and Provisions

As at 31 December 2021, accounts receivables' Days on Hand (DOH) stood at 107 days compared to significant decline witnessed throughout the year highlights a sustained improvement in collections ver receivables' DOH is calculated based on credit revenues (credit revenues relates to patients who paid for ID to EGP 1.28 billion during FY 2021.

The receivables balance in Egypt and Jordan stood at EGP 366 million as at year-end 2021. More specifica DOH declined to 96 days as at 31 December 2021 compared to 145 days as at year-end 2020. Accour calculated based on credit revenues amounting to EGP 1.04 billion during FY 2021. Meanwhile, in Jo increased from 150 days to 154 days as at year-end 2021 largely due to agreements with various airline con agreements. Accounts receivables' DOH for Jordan is calculated based on credit revenues amounting to EG

Provision for doubtful accounts established during the twelvemonths to 31 December 2021 amounted to EG 42 million booked in the previous year.

Inventory

As at year-end 2021, the Group's inventory balance reached EGP 223 million, up from EGP 100 million as a Inventory Outstanding (DIO) decreased to 61 days as at year-end 2021 from 72 days as at year-end 202 high turnover of PCR testing for Covid-19.

Cash and Net Debt/Cash

IDH's cash balances increased to EGP 2,350 million as at year-end 2021 compared to EGP 877 million as a

EGP million	31 Dec 2020	31 Dec 2021
Time Deposits	162	628
T-Bills	461	1,461
Current Accounts	234	239
Cash on Hand	19	22
Total	**877**	**2,350**

Net cash balance[21] amounted to EGP 1,483 million as of year-end 2021, an increase of 361% compar December 2020.

EGP million	31 Dec 2020	31 Dec 2021

Cash and Financial Assets at Amortised Cost[22]	877	2,350
Interest Bearing Debt ("Medium Term Loans")[23]	96	106
Lease Liabilities Property	390	532
Long-term Equipment Liabilities	69	229
Net Cash Balance	**321**	**1,483**

Note: Interest Bearing Debt includes accrued interest for each period.

[2]1The net cash balance is calculated as cash and cash equivalent balances including includes financial assets at amortised cost, less interest-bea and Right-of-use liabilities.
[2]2 As outlined in Note 18 of IDH's Consolidated Financial Statements, some term deposits and treasury bills cannot be accessed for over 90 days ar deposits which cannot be accessed for over 90 days stood at EGP 148 million in FY 2021, while there were no such term deposits in the previous ye over 90 days stood at EGP 1,311 million in FY 2021, up from EGP 277 million in FY 2020.
23IDH's interest bearing debt as at year-end 2021 is split as EGP 13 million related to its medium term facility with the Commercial International Ba Ahli United Bank Egypt (AUBE).

Lease liabilities on property stood at EGP 532 million as at year-end 2021, up from the EGP 390 million l increase is attributable to the addition of new branches throughout 2021. Meanwhile, financial obligations re 229 million as of 31 December 2021, up from EGP 69 million as of year-end 2020, reflecting the renewal of addition of new equipment. The main components of total financial obligations related to equipment in F related to equipment at IDH's Mega Lab, and EGP 54 million for equipment at Al-Borg Scan. The rise in IDH's two medium-term facilities with Commercial International Bank (CIB) and Ahli United Bank of Egypt interest-bearing debt as of year-end 2021 is split as EGP 13 million related to its medium-term facility with its facility with AUBE. It is worth noting that interest-bearing debt in both twelve-month periods includes accru

Liabilities

Accounts Payable[24]

As of year-end 2021, accounts payable balance recorded EGP 311 million up from EGP 178 million as of the Group's days payable outstanding (DPO) decreased to 93 days as of year-end 2021 down from 127 da decline is mainly related to the fact that PCR testing kit suppliers are paid within a period of 15 days.

Put Option

The put option current liability is related to the option granted in 2011 to Dr. Amid, Biolab's CEO, to sell his s is in the money and exercisable since 2016 and is calculated as 7 times LTM EBITDA minus net debt. Bio following the subsidiary's EBITDA year-on-year growth of 155% in EGP terms. The vendor has not exercise It is important to note that the put option liability is treated as current as it could be exercised at any time by However, based on discussions and ongoing business relationship, there is no expectation that this will happ

The put option non-current liability is related to the option granted in 2018 to the International Fina shareholders in Echo Lab - and it is exercisable in 2024. The put option is calculated based on fair market va

[2]4Accounts payable is calculated based on average payables at the end of each year.

iii. Cash Flow Analysis

Net cash flow from operating activities recorded EGP 2,269 million i million in FY 2020. The 157% year-on-year increase versus FY 202 strong cash generation ability.

iv. Principal Risks, Uncertainties & Their Mitigation

As in any corporation, IDH has exposure to risks and uncertainties that may adversely affect its performance. IDH Chairman Lord St John of Bletso has emphasised that ownership of the risk matrix is sufficiently important to the Group's long-term success that it must be equally shared by the Board and senior management. While no system can mitigate every risk - and some risks, as at the country level, are largely without potential mitigants - the Group has in place processes, procedures and baseline assumptions that provide mitigation. The Board and senior management agree that the principal risks and uncertainties facing the Group include:

Country/regional risk - Economic & Forex The Group is subject to the economic conditions of Egypt specifically and, to a lesser extent, those of the other geographies. Egypt accounted for c. 81% of our revenues in 2021 (2020: 82%). **Economic risk:** On the 21st of March 2022, the Central Bank of Egypt (CBE) raised policy rates by 100bps and allowed the Egyptian Pound (EGP) to depreciate against the United States Dollar (USD) by around 17%, which will impose Inflationary pressures in the short to medium term. Inflation rates are expected to average around 13% to 15% during 2022, up from 5.9% in December 2021. Moreover, GDP growth in FY22/23 was revised downward to 5.5% from 5.7% by the Egyptian government in March 2022.	Overall, management notes that IDH and that the business continued to revolutions, as well as under extreme in 2016 and in 2020. Foreign investors welcomed Mar demonstrated the Egyptian govern investment climate. IDH management is closely monito inflation on its cost base, especia partially mitigated given its long-term raw material suppliers.

Country/regional risk - Economic & Forex	
Foreign currency risk: The Group is exposed to foreign currency risk on the cost side of the business. The majority of supplies it acquires are paid in Egyptian pounds (EGP), but given they are imported, their price will vary with the rate of exchange between the EGP and foreign currencies. In addition, a portion of supplies are priced and paid in foreign currencies.	During FY2021, only 10% of IDH revenues) are payable in US do exposure to foreign exchange (FX) s of the Egyptian pound.
High Inflation in Sudan: Following substantial currency devaluation in Sudan during 2018 the currency lost 85% of its value. In 2019, the Sudanese Pound's official rate versus the US Dollar remained relatively stable at 45.11 as 31 December according to the Central Bank of Sudan. However, in July 2020 the Sudanese government announced it would devalue its currency and cut fuel subsidies due to a huge budget deficit and an economic crisis aggravated by the coronavirus pandemic. In February 2021, the Sudanese government announced it would float the Sudanese Pound in an effort to bridge the gap with the forex prices at the parallel market. This led to a significant increase in the currency rates. The US Dollar rate for instance rose from SDG 55 to more than SDG 375. This was followed by the removal of fuel subsidies in June 2021, which again led to the increase of consumer prices. According to data from Sudan's Central Bureau of Statistics, the country's headline inflation rate averaged 359% in 2021, up from 163% in 2020.	The Group is closely monitoring th and has implemented several price inflationary pressures. IDH is also wo and foreign currency needs by in hires.
Nigeria: Capital controls could make profit repatriation difficult in the short term.	
Nigeria: Depreciation of the Naira would make imported products and raw materials more expensive and would reduce Nigeria's contribution to consolidated Company revenues. Whilst capital controls have helped the official exchange converge with the black market rate, the central bank has yet to allow the naira to float freely.	In Nigeria, until currency exchange greater visibility regarding profit repa early profits into its Nigerian busi expected to be repatriated after the c plan.

Country risk - Political & Security

Sudan is currently undergoing a significant political transition which began in 2019 when severe political unrest and protests led the military to remove long-time president Omar Al-Bashir. Following his removal, the military signed a power-sharing agreement with an opposition coalition in July 2019, with the aim of eventually transferring power to a civilian government. On 25 October 2021, Sudan's Prime Minister was detained by armed forces, and Army chief General Abdel Fattah al-Burhan announced that the civilian government and other transitional bodies have been dissolved. Throughout November, the country witnessed several mass rallies and increased civil unrest with protesters asking for the reinstatement of the civilian Prime Minister, Abdalla Hamdok. The protests led to the temporary closure of all of IDH's Sudanese branches. All locations were reopened within a few days and quickly gained back momentum. On 21 November 2021, Mr. Hamdok took office once again but later stepped down on 2 January 2022. Civil unrest and protests are continuing as the country's future remains unclear. The situation in Sudan is volatile and continued civil unrest could adversely affect IDH's business.

Nigeria faced security challenges on several fronts, including re-emerging ethnic tensions and resurgent attacks by Islamist militants in the northeast. Against the backdrop of a sluggish economy and the slow implementation of reforms, mounting discontent could translate into further social unrest.

The government dissolved the special division known as SARS (Special Anti-Robbery Squad) in October 2021. In late 2020 and throughout 2021, protests have decreased significantly across the country but a potential escalation of civil unrest remains possible.

It is important to note that in FY 202
IDH's net sales. Moreover, while
patient and test volumes in Suda
relatively immune given the inel
services. Additionally, management
in offsetting the effect of lower volu
pricing, and in 2019, 2020, and 202
year-on-year revenue growth in SDG

In December 2020, US removed Su
Terrorism list. The change in the co
to allow Sudan to have access
investment, including the Internatio
way for the country's economic grow

IDH's management on the ground c
situation and has put in place a
strategy to safeguard staff and pati
operations.

While this is relatively hard to
evaluating its processes to safeguar
Overall, IDH applies rigorous stand
its business processes in Nigeria t
respond to the evolving situation.

Covid-19 The ongoing Covid-19 pandemic presents business continuity risks to IDH including, but not limited to, supply-chain disruptions, government enforced quarantines and their effect on IDH's business operations and risk of infection among IDH employees. In 2021, the rollout of vaccines across its countries of operation coupled with governments' willingness and ability to coexist with the virus, saw restrictions imposed to curb the spread being lifted and operations running normally throughout the year. No new restrictions have been imposed following the rise of new Covid-19 variants throughout the year, with countries across IDH's footprint continuing to push forward their vaccination campaigns. As at the end of March 2022, the share of the population having received at least one Covid-19 vaccine dose stood at approximately: 45% in Egypt, 45% in Jordan, 10% in Nigeria, and at 13% in Sudan. Covid-19 global economic impact: Rising inflation rates, supply chain disruptions, and the rise of new, more fast-spreading Covid-19 variants continue to pose a threat for the global economic recovery. **Covid-19 impact on IDH Financials** Throughout FY 2021, IDH generated around 50% of its revenues from Covid-19-related testing. In light of the increasing roll out of vaccines and the widespread decline in infection rates, Covid-19-related revenues are expected to gradually decline throughout 2022.	All of IDH staff use appropriate interacting with patients, including th 19 or any other infectious disease. PCR, Antibody, and Antigen testi Jordan. All of the Group's employees hav 2021 and they are subject to regu them that they may not report to w Covid-19 infection. The effective rollout of vaccines a willingness of governments to coexis have supported a steady recovery of 2021. Throughout the Covid-19 crisis, IDH on growing its conventional (non-Co in FY 2021 expanded 22% versus above pre-covid levels recorded in Egypt and Jordan, IDH enjoys a ma to capitalise on its expanded prod increased service delivery capabil continue delivering growth in the ye the Group's strategy will now pivot looks to maintain the new relatio pandemic thanks to its Covid-19-ded

Global Supply Chain Disruptions Throughout 2021, restrictions imposed to curb the spread of Covid-19, labour shortages, and fast-rising demand for goods saw global supply chains come under strong pressure causing delays and shortages worldwide. The ongoing global supply chain disruptions have had no impacts on IDH's operations throughout the year.	IDH's management team continually and have taken proactive steps to bu Group from any potential future di dialogue with key suppliers to gau shortage of materials and is yet to ide IDH's test kits are purchased on fi ranging from five to seven years, pro short-term price fluctuations.
Supplier risk IDH faces the risk of suppliers re-opening negotiations in the face of cost pressure owing to the prevailing inflationary environment and/or a possible albeit limited devaluation risk. IDH's supplier risk is concentrated amongst three key suppliers - Siemens, Roche and BM (Sysmex)- who provide it with kits representing 24% of the total value of total raw materials in 2021 (2020: 52%).	IDH has strong, longstanding relat whom it is a significant regional clien Group purchases, IDH is able to ne maintain raw material costs increase It is worth highlighting that IDH's impacted by COVID-19. Total raw materials costs as a perce in 2021 compared with 18.4% in 202
Remittance of dividend regulations and repatriation of profit risk The Group's ability to remit dividends abroad may be adversely affected by the imposition of remittance restrictions. More specifically, under Egyptian law, companies must obtain government clearance to transfer dividends overseas and are subject to higher taxation on payment of dividends.	As a foreign investor in Egypt, IDH repatriation of dividends, yet given EGP value, the Company foresees p and repatriation. As a provider of medical diagnostic Sudan are not subject to sanctions. US lifted a host of sanctions impose comprehensive trade embargo, a fre tight restrictions on financial institut More recently, in December 2020 th States Sponsors of Terrorism list.
Legal and regulatory risk to the business The Group's business is subject to, and affected by, extensive, stringent and frequently changing laws and regulations, as well as frequently changing enforcement regimes, in each of the countries in which it operates. Moreover, as a significant player in the Egyptian private clinical laboratory market, the Group is subject to antitrust and competition-related restrictions, as well as the possibility of investigation by the Egyptian Competition Authority.	The Group's general counsel and th together to keep IDH abreast of, legislative and regulatory changes. On the antitrust front, the private lab is a part) accounts for a small propo consists of small private labs, p governmental and quasigovernmenta

Risk from contract clients Contract clients including private insurers, unions and corporations, account for c. 57% of the Group's net sales in 2021. Should IDH's relationship with these clients deteriorate, for example if the Group were unable to negotiate and retain similar fee arrangements or should these clients be unable to make payments to the Group, IDH's business could be materially and adversely affected.	IDH diligently works to maintain so clients. All changes to pricing and c discussion rather than blanket imp further enhanced by regular visits to sales staff. IDH's attractiveness to contract clien its national network. It should be highlighted that, excludi multiple partnerships to conduct PC Health, NAS, QAIA), which in 2021 contract segment net sales, no sing more than 1% of total net sales or 1.4
Pricing pressure in a competitive, regulated environment The Group faces pricing pressure from various third-party payers, including national health insurance, syndicates, other governmental bodies, which could materially and adversely affect its revenue. Pricing may be restrained in cases by recommended or mandatory fees set by government ministries and other authorities. This risk may be more pronounced in the context of the imminent inflationary pressures following the recent depreciation of the Egyptian Pound. The Group might face pricing pressure from existing competitors and new entrants to the market.	This is an external risk for which there In the event there is escalation of pri players, the Group sees its wide na 57% of IDH net sales in 2021 is g clients (private insurer, unions and national network to patchworks of loc IDH has a limited ability to influence policies imposed by government age where basic tests that account for th that nation are subject to price contro IDH enjoys a strong brand equity in enables all its brands to enjoy a sol which it operates. As such, IDH is Egypt, where the Group currently c branches amongst all private sector market of Egypt, which in FY 2021 revenues, the Group faces no poten the government.

Cybersecurity risks The Company controls a vast amount of confidential data for its patients' records; to this end, there is a cybersecurity risk for both data confidentiality and data security.	The Company has stringent contr regularly stress tests its IT infrastruct its internal controls. Moreover, it protocols are regularly updated to shortcomings, keep them in full a regulations in the Group's markets o in line with global best practices.
Business continuity risks Management concentration risk: IDH is dependent on the unique skills and experience of a talented management team. The loss of the services of key members of that team could materially and adversely affect the Company's operations and business. Business interruption: IT systems are used extensively in virtually all aspects of the Group's business and across each of its lines of business, including test and exam results reporting, billing, customer service, logistics and management of medical data. Similarly, business interruption at one of the Group's larger laboratory facilities could result in significant losses and reputational damage to the Group's business as a result of external factors such as natural disasters, fire, riots or extended power failures. The Group's operations therefore depend on the continued and uninterrupted performance of its systems. Business Interruption: across its geographies, the reimposition of restrictive measures related to Covid-19 (including curfews and lockdowns) could impact the working hours of branches and in extreme cases could lead to their temporary closure.	IDH understands the need to supp strengthening its human capital a succession planning. The Company senior management team, led by its include the talent needed for a la constituted an Executive Committe composed of heads of departmen meets every second week. The Group has in place a full procedures and provisions for spa and the use of mobile data system among multiple other factors. IDH te on a regular basis. In Egypt and Jordan, to mitigate t closures on operations, the Group h call services. Moreover, the Group' PCR testing for Covid-19 in both Egy that branches would be closed eve were introduced.

-End-

Consolidated Financial Statements

for the year ended 31 December 2021

Consolidated statement of financial position as at 31 December 2021

	Notes	2021
		EGP'000
Assets		
Non-current assets		
Property, plant and equipment	11	1,061,808
Intangible assets and goodwill	12	1,658,867
Right of use assets	26	462,432
Financial assets at fair value through profit and loss	14	10,470
Total non-current assets		**3,193,577**
Current assets		
Inventories	15	222,612

Trade and other receivables	16	469,727
Financial assets at amortized cost	18	1,458,724
Cash and cash equivalents	17	891,451
Total current assets		**3,042,514**
Total assets		**6,236,091**
Equity		
Share capital	19	1,072,500
Share premium reserve	19	1,027,706
Capital reserves	19	(314,310)
Legal reserve	19	51,641
Put option reserve	19	(956,397)
Translation reserve	19	150,730
Retained earnings		1,550,976
Equity attributable to the owners of the Company		**2,582,846**
Non-controlling interests	2	211,513
Total equity		**2,794,359**

Non-current liabilities		
Provisions	21	4,088
Borrowings	24	76,345
Other financial obligations	26	645,196
Non-current put option liability	25	35,037
Deferred tax liabilities	9	332,149
Total non-current liabilities		**1,092,815**
Current liabilities		
Trade and other payables	22	777,354
Other financial obligations	26	115,478
Current put option liability	23	921,360
Borrowings	24	21,721
Current tax liabilities	29	513,004
Total current liabilities		**2,348,917**
Total liabilities		**3,441,732**
Total equity and liabilities		**6,236,091**

The accompanying notes form an integral part of these consolidated financial statements.

These consolidated financial statements were approved and authorised for issue by the Board of Directors and signed on their behalf on 20 April 202

Dr. Hend El Sherbini
Chief Executive Officer

Hussein Choucri
Independent

Consolidated income statement for the year ended 31 December 2021

	Notes
Revenue	6
Cost of sales	8.1
Gross profit	
Marketing and advertising expenses	8.2
Administrative expenses	8.3
Impairment loss on trade and other receivable	16
Other Income	
Operating profit	
Finance costs	8.6
Finance income	8.6
Net finance costs	8.6
Profit before income tax	
Income tax expense	9
Profit for the year	
Profit attributed to:	
Owners of the Company	
Non-controlling interests	
Earnings per share	10
Basic and Diluted	

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income/(expenses) for the year ended 31 December 2021

Net profit for the year	
Other comprehensive income/(expenses):	
Items that may be reclassified to profit or loss:	
Exchange difference on translation of foreign operations	
Other comprehensive income/(expenses) for the year, net of tax	
Total comprehensive income/loss for the year	
Attributable to:	
Owners of the Company	
Non-controlling interests	

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of cash flows for the year ended 31 December 2021

	Note
Cash flows from operating activities	
Profit before tax	
Adjustments for:	
Depreciation of property, plant and equipment	11
Depreciation of right of use assets	26
Amortisation of intangible assets	12
Unrealised foreign exchange gains and losses	8.6
Finance income	8.6
Finance Expense	8.6
Gain on disposal of Property, plant and equipment	
Impairment in trade and other receivables	16
Equity settled financial assets at fair value	
ROU Asset/Lease Termination	
Hyperinflation	
Change in Provisions	21
Change in Inventories	
Change in Trade and other receivables	
Change in Trade and other payables	
Cash generated from operating activities before income tax payment	
Taxes paid	
Net cash generated from operating activities	
Cash flows from investing activities	
Proceeds from sale of property, plant and equipment	
Interest received on financial asset at amortised cost	
Payments for acquisition of property, plant and equipment	
Payments for acquisition of intangible assets	
Decrease / (increase) in restricted cash	
Payments for the purchase of financial assets at amortized cost	
Proceeds for the sale of financial assets at amortized cost	

Net cash used in investing activities	
Cash flows from financing activities	
Proceeds from borrowings	**28**
Repayment of borrowings	**28**
Payments of lease liabilities	
Payment of financial obligations	
Dividends paid	
Interest paid	
Bank charge paid	
Injection of cash by non-controlling interest	
Net cash flows used in financing activities	
Net increase in cash and cash equivalents	
Cash and cash equivalents at the beginning of the year	
Effect of exchange rate	
Cash and cash equivalents at the end of the year	17

Non-cash investing and financing activities disclosed in other notes are:

- €€€€€ acquisition of right-of-use assets - note 26
- €€€€€ Property plant and equipment - note 11
- €€€€€ Put option liability - note 23 and 25

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity for the year ended 31 December 2021

EGP'000	Share Capital	Share premium	Capital reserve	Legal r
As at 1 January 2021	**1,072,500**	**1,027,706**	**(314,310)**	
Profit for the year	-	-	-	
Other comprehensive income for the year	-	-	-	
Total comprehensive income	-	-	-	
Transactions with owners in their capacity as owners				
Dividends	-	-	-	
Legal reserve formed during the year*	-	-	-	
Impact of hyperinflation	-	-	-	
Movement in put option liabilities for the year	-	-	-	
Total	**-**	**-**	**-**	
At 31 December 2021	**1,072,500**	**1,027,706**	**(314,310)**	
As at 1 January 2020	**1,072,500**	**1,027,706**	**(314,310)**	
Profit for the year	-	-	-	
Other comprehensive expense for the year	-	-	-	

Total comprehensive income	-	-	-
Transactions with owners in their capacity as owners			
Dividends	-	-	-
Legal reserve formed during the year*	-	-	-
Impact of hyperinflation	-	-	-
Movement in put option liabilities for the year	-	-	-
Non-controlling interest cash injection in subsidiaries during the year	-	-	-
Total	**-**	**-**	**-**
At 31 December 2020	**1,072,500**	**1,027,706**	**(314,310)**

* Under Egyptian Law each subsidiary must set aside at least 5% of its annual net profit into a legal reserve until such time that this represents 50% of each subsidiary's is
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Notes to the Consolidated Financial Statements - For the Year Ended 31 December 2021

(In the notes all amounts are shown in Egyptian Pounds "EGP'000" unless otherwise stated)

1. Corporate information

The consolidated financial statements of Integrated Diagnostics Holdings plc and its subsidiaries (collectively, "the Group") for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors on 20 April 2022. Integrated Diagnostics Holdings plc "IDH" or "the company" has been established according to the provisions of the Companies (Jersey) law 1991 under No. 117257. The registered office address of the Company is 12 Castle Street, St Helier, Jersey, JE2 3RT. The Company is a dually listed entity, in both London stock exchange (since 2015) and in the Egyptian stock exchange (in May 2021).

The principal activity of the Company is investments in all types of the healthcare field of medical diagnostics (the key activities are pathology and Radiology related tests), either through acquisitions of related business in different jurisdictions or through expanding the acquired investments IDH has. The key jurisdictions that the group operates are in Egypt, Jordan, Nigeria, and Sudan

The Group's financial year starts on 1 January and ends on 31 December each year.

2. Group information

Information about subsidiaries

The consolidated financial statements of the Group include:

	Principal activities	Country of Incorporation	% Equity interest 2021	2020
Al Borg Laboratory Company ("Al-Borg")	Medical diagnostics service	Egypt	**99.3%**	**99.3%**
Al Mokhtabar Company for Medical Labs ("Al Mokhtabar")	Medical diagnostics service	Egypt	**99.9%**	**99.9%**
Medical Genetic Center	Medical diagnostics service	Egypt	**55.0%**	**55.0%**
Al Makhbariyoun Al Arab Group	Medical diagnostics service	Jordan	**60.0%**	**60.0%**
Golden Care for Medical Services	Holding company of SAMA	Egypt	**100.0%**	**100.0%**

Integrated Medical Analysis Company (S.A.E)	Medical diagnostics service	Egypt	**99.6%**	**99.6%**
SAMA Medical Laboratories Co. ("Ultralab medical laboratory ")	Medical diagnostics service	Sudan	**80.0%**	**80.0%**
AL-Mokhtabar Sudanese Egyptian Co.	Medical diagnostics service	Sudan	**65.0%**	**65.0%**
Integrated Diagnostics Holdings Limited	Intermediary holding company	Caymans Island	**100.0%**	**100.0%**
Dynasty Group Holdings Limited	Intermediary holding company	England and Wales	**51.0%**	**51.0%**
Eagle Eye-Echo Scan Limited	Intermediary holding company	Mauritius	**76.5%**	**76.5%**
Echo-Scan*	Medical diagnostics service	Nigeria	**100.0%**	**100.0%**
WAYAK Pharma	Medical services	Egypt	**99.99%**	**99.99%**

* The group consolidate "Echoscan" a subsidiary based in Nigeria despite of 37% indirect ownership for more details refer to note 4-2.

Non-Controlling interest

Non-Controlling Interest is measured at the proportionate share basis.
Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

	Country of incorpo
Medical Genetic Center	
Al Makhbariyoun Al Arab Group (Hashemite Kingdom of Jordan)	J
SAMA Medical Laboratories Co. " Ultra lab medical laboratory "	S
Al Borg Laboratory Company	
Dynasty Group Holdings Limited	Englar
Eagle Eye-Echo Scan Limited	Ma

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

	Medical Genetic Center EGP'000	Al Makhbariyoun Al Arab Group EGP'000	Alborg Laboratory Company EGP'000	Other subsidiaries with immaterial NCI EGP'000
Summarised statement of Income for 2021:				
Revenue	3,092	1,046,107	1,594,275	3,821,004
Profit	(2,627)	214,588	401,401	1,162,009
Other comprehensive income	-	(56)	-	10,935
Total comprehensive income	**(2,627)**	**214,532**	**401,401**	**1,172,944**
Profit allocated to non-controlling interest	(1,193)	86,747	2,841	(3,261)
Other comprehensive income allocated to non-controlling interest	-	64	-	5,667
Summarised statement of financial position as at 31 December 2021:				
Non-current assets	682	211,430	541,782	707,847
Current assets	3,975	432,149	598,084	2,017,197
Non-current liabilities	(27)	(76,599)	(361,520)	(303,142)
Current liabilities	(7,148)	(237,206)	(266,796)	(701,516)
Net assets	(2,518)	329,774	511,550	1,720,386
Net assets attributable to non-controlling interest	(1,143)	133,310	3,621	(4,626)

	Medical Genetic Center EGP'000	Al Makhbariyoun Al Arab Group EGP'000	Alborg Laboratory Company EGP'000	Other subsidiaries with immaterial NCI EGP'000
Summarised statement of profit or loss for 2020:				
Revenue	2,822	409,069	911,923	1,731,237
Profit	(3,412)	71,043	238,889	454,318
Other comprehensive expense	-	(2,691)	-	1,060
Total comprehensive income	(3,412)	68,352	238,889	455,378
Profit allocated to non-controlling interest	(1,549)	28,719	1,691	2,599
Other comprehensive expense allocated to non-controlling interest	-	(1,088)	-	263

Summarised statement of financial position as at 31 December 2020:				
Non-current assets	736	183,237	357,303	556,725
Current assets	4,105	155,185	436,895	1,040,393
Non-current liabilities	(27)	(64,249)	(199,597)	(216,983)
Current liabilities	(4,705)	(104,517)	(254,625)	(462,853)
Net assets	109	169,656	339,976	917,282
Net assets attributable to non-controlling interest	49	68,582	2,405	40,324

3. Basis of preparation

Statement of compliance

Integrated Diagnostics Holdings plc "IDH" or "the company" has been established according to the provisions of the Companies (Jersey) law 1991 under No. 117257. The Company is a dually listed entity, in both London stock exchange and in the Egyptian stock exchange. The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and the Companies (Jersey) Law 1991.

Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except where adopted IFRS mandates that fair value accounting is required which is related to financial assets and liabilities measured at fair value.

New standards and interpretations adopted

The Group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2021:

- €€€ Covid-19-Related Rent Concessions - amendments to IFRS 16,
- €€€ Interest Rate Benchmark Reform - Phase 2 - amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.
- €€€ Annual Improvements to IFRS Standards 2018-2020, and
- €€€ Deferred Tax related to Assets and Liabilities arising from a Single Transaction - amendments to IAS 12.

The amendments listed above did not have any impact on current and prior years and and not expected to affect future years

New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting period and have not been early adopted by the company. These standards, amendments or interpretations are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

Going concern

These consolidated financial statements have been prepared on the going concern basis. At 31 December 2021, the Group had net assets amounting to KEGP 2,794,359. The Directors have considered a number of downside scenarios, including the most severe but plausible scenario, for a period of 16 months from the signing of the financial statements. They have also assessed the likelihood of any key one-off payments arising such as dividends or those in respect of M&A activity. Under all of these scenarios there remains significant headroom from a liquidity and covenant perspective. Reverse stress tests have been performed to determine the level of downside required to cause a liquidity or covenant issue with these scenarios not considered plausible. Therefore the Directors believe the Group has the ability to meet its liabilities as they fall due and the use of the going concern basis in preparing the financial statements is appropriate.

3.1. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

i. Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of income statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

ii. Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the group.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

3.2. Significant accounting policies

The accounting policies set out below have been consistently applied to all the years presented in these Consolidated financial statements.

a) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

• fair values of the assets transferred

• liabilities incurred to the former owners of the acquired business

• equity interests issued by the group

• fair value of any asset or liability resulting from a contingent consideration arrangement, and

• fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

• consideration transferred,

• amount of any non-controlling interest in the acquired entity, and

• acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

b) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an

impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

c) Fair value measurement

The Group measures financial instruments such as non-derivative financial instruments and contingent consideration assumed in a business combination at fair value at each balance sheet date.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Ø Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Ø Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Ø Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

The fair value less any estimated credit adjustments for financial assets and liabilities with maturity dates less than one year is assumed to approximate their carrying value. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contracted cash flows at the current market interest rate that is available to the Group for similar transactions.

d) Revenue recognition:

Revenue represents the value of medical diagnostic services rendered in the year and is stated net of discounts. The Group has two types of customers: Walk-in patients and patients served under contracts. For patients under contracts, rates are agreed in advance on a per-test, client-by-client basis based on the pricelists agreed within these contracts.

The following steps are considered for all types of patients:

1. Identification of the Contracts: written contracts are agreed between IDH and customers. The contracts stipulate the duration, price per test and credit period.
2. Determining performance obligations are the diagnostics tests within the pathology and radiology services. The performance obligation is achieved when the customer

receives their test results, and so are recognised at point in time.

3. Transaction price: Services provided by the Group are distinct in the contract, as the contract stipulates the series of tests' names/types to be conducted along with its distinct prices.
4. Allocation of price to performance obligations: Stand-alone selling price per test is stipulated in the contract. In case of discounts, it is allocated proportionally to all of tests prices in the contract.
5. Revenue is being recorded after the satisfaction of the above mentioned conditions.

The group considers whether it is the principal or the agent in each of its contractual arrangements. In line with IFRS 15 "Revenue from contracts" in assessing the appropriate treatment of each contract, factors that are considered include which party is controlling the service being performed for the customer and bears the inventory risk. Where the group is largely controlling the service and bearing the inventory risk it is deemed to be the principal and the full consideration received from the customer is recognised as revenue, with any amounts paid to third parties treated as cost of sales.

Customer loyalty program:
The group operates a loyalty program where customers accumulate points for purchases made which entitle them to a discount on future purchases. The points are valid for 24 months from the time they are awarded. The value of points to be provided is based on the expectation of what level will be redeemed in the future before their expiration date. This amount is netted against revenue earned and included as a contract liability and only recognised as revenue when the points are then redeemed.

e) Income Taxes
Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

i. Current tax
Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

ii. Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

f) Foreign currency translation

i) Functional and presentation currency

Each of the Group's entities is using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group's consolidated financial statements are presented in Egyptian Pounds, being the reporting currency of the main Egyptian trading subsidiaries within the Group and the primary economic environment in which the Group operates.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

g) Property, plant and equipment

All property and equipment are stated at historical cost or fair value at acquisition, less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of income during the financial period in which they are incurred. Land is not depreciated.

Depreciation expense is calculated using the straight-line method to allocate the cost or to their residual value over their estimated useful lives, as follows:

Buildings	50 years
Medical, electric and information systems equipment	4-10 years
Leasehold improvements	4-5 years
Fixtures, fittings & vehicles	4-16 years

The assets useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains - net' in the consolidated statement of income.

h) Intangible assets
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of income in the expense category that is consistent with the function of the intangible assets. The Group amortises intangible assets with finite lives using the straight-line method over the following periods:

- IT development and software 4-5 years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Goodwill
Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquire.

Goodwill is stated at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (CGUs), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. the impairment assessment is done on an annual basis.

Brand
Brand names acquired in a business combination are recognised at fair value at the acquisition date and have an indefinite useful life.
The Group brand names are considered to have indefinite useful life as the Egyptian brands have been established in the market for more than 40 years and the health care industry is very stable and continues to grow.

The brands are not expected to become obsolete and can expand into different countries and adjacent businesses, in addition, there is a sufficient ongoing marketing efforts to support the brands and this level of marketing effort is economically reasonable and maintainable for the foreseeable future.

Impairment of intangible assets
The Group tests annually whether goodwill and other intangibles with indefinite lives have suffered any impairment. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs

of disposal and its value in use.

The recoverable amounts of cash generating units have been determined based on value in use. The value
in use calculation is based on a discounted cash flow ("DCF") model.

The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested.

We test for impairment at the smallest grouping of CGUs at which a material impairment could arise or at the lowest level at which goodwill is monitored. References to testing being performed at a CGU level throughout the rest of the financial statements is referring to the grouping of CGUs at which at the test is performed. The grouping of CGUs are shown in note 13 where the assumptions for the impairment assessment are disclosed.

l) Financial instruments - initial recognition and subsequent measurement
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Classification
The group reclassifies debt investments when and only when its business model for managing those assets changes.
The group classifies its investments in debt Instruments in the following measurement categories:
• those to be measured subsequently at fair value (either through OCI or through income statement), and
• those to be measured at amortised cost.
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.
For investment is equity instrument measured at fair value, gains and losses will either be recorded in income statement or OCI.
For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Recognition and derecognition
According to the standard purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

Measurement
At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments
Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

• Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the consolidated income statement.

• FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as separate line item in the consolidated income statement.

• FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises. Management has assessed the underlying nature of the investments and designated upon investment that this should be treated as an investment held at fair value with movements going through the income statement on the basis of the size of the investment and the reasons for making the investment.

Equity instruments
The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment
The group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.
Further disclosures relating to impairment of financial assets are also provided in the following notes:

Ø Disclosures for significant estimates and assumptions Note 4.2
Ø Financial assets Note 5
Ø Trade receivables Note 16

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on credit risk characteristics, age of customer relationship.

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Groups view of economic conditions over the expected lives of the receivables.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified at FVTPL if it is classified as held for trading, financial liabilities at FVTPL are measured at fair value and net gains and losses including any interest expenses are recognised in profit or loss.

Put options included in put option liabilities are carried at the present value of the redemption amount in accordance with IAS 32 in regard to the guidance on put option on an entity's own equity shares. The group has written put options over the equity of its (Bio Lab and Echo Scan) subsidiaries the option on exercise is initially recognised at the present value of the redemption amount with a corresponding charge directly to equity. The charge to equity is recognised separately as written put options reserve and that this is in line with paragraph 23 of IFRS 10 with the non-controlling interests, adjacent to non-controlling interests in the net assets of consolidated subsidiaries.

All of the Group's financial liabilities are classified as financial liabilities carried at amortised cost using the effective interest method. The Group does not use derivative financial instruments or hedge account for any transactions. Unless otherwise indicated, the carrying amounts of the Group's financial liabilities are a reasonable approximation of their fair values.

The Group's financial liabilities include trade and other payables, put option liabilities, borrowings, and other financial obligations.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of income.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

j) Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

- Ø Disclosures for significant assumptions and estimates Note 4.2
- Ø Goodwill and intangible assets Note 13

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill and indefinite lived intangible assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased.
If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated income statement.

Goodwill is tested for impairment annually as at 31 October and when circumstances indicate that the carrying value may be impaired. Management takes into consideration any changes that occur and have impacts between the impairment report date of 31 October and date of end year of 31 December.
Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 October at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (CGU). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

k) Inventories

Raw materials are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

l) Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturities of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

m) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

n) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

p) Pensions and other post-employment benefits

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Obligations for contributions to defined contribution pension plans are recognized as an expense in the income statement in the periods during which services are rendered by employees.

q) Segmentation

The Group has four operating segments based on geographical location rather than two operating segments based on service provided.

r) Leases as lessee (IFRS 16)

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, along with one or more other lease or non-lease components, the Group accounts for each lease component separately from the non-lease components. However, for the non-leases element of the underlying asset, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component. The Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price and the aggregate stand-alone price of the non-lease components.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate for the IFRS 16 calculations. This is set based upon the interest rate attached to the groups financing and adjusted, where appropriate, for specific factors such as asset or company risk premiums..

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise,
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, to the extent that the right-of-use asset is reduced to nil, with any further adjustment required from the remeasurement being recorded in profit or loss.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for lease of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4. Judgement and estimates

4.1. Judgement

Useful economic lives of Brands

Management have assessed that the brands within the group which have a value have an indefinite life. This is based on their strong history and existence in the market over a large number of years, in addition to the fact that these brands continue to grow and become more profitable. As the brands have been assigned an indefinite life then they are not amortised and assessed for impairment on an annual basis.

Control over subsidiaries

The group makes acquisitions that often see a non-controlling interest retained by the seller. The assessment of if the group has control of these acquisitions in order to consolidate is a critical judgement in these financial statements.

The group consolidate the subsidiaries assessed for the following reasons:
1) The group has the majority on shareholder stake
2) The group has the majority on the board of subsidiaries
3) The group has full control of the operations and is involved in all decisions.

The group consolidate "Echoscan" a subsidiary based in Nigeria despite of 37% indirect ownership for the following reasons:
1) The group has control over all intermediate entities between the parent and Echoscan
2) The group has a technical service agreement which enables them to direct and control the operations in Nigeria.

4.2. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of intangible assets

The Group tests annually whether goodwill and other intangibles with indefinite lives have suffered any impairment. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.
The recoverable amounts of cash generating units have been determined based on value in use. The value
in use calculation is based on a discounted cash flow ("DCF") model.
The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. For more detailed assumptions refer to (note 13).

Customer loyalty program

The group operates a loyalty program where customers accumulate points for purchases made which entitle them to a discount on future purchases. A contract liability is recognised for the points awarded at the time of the sale based on the expected level of redemption. At 31 December 2021 the level of points accumulated by customers which had not expired was equivalent to 24m EGP. The estimate made by management is how much of this amount ought to be recognised as a liability based on future usage. The level of future redemption is estimated using historical data and adjustments for likely future trends in usage. Therefore, upon initial recognition of the sale to a customer, if management expects the group to be entitled to a breakage amount (i.e. not all points will be redeemed and so it is highly probable that there will be no significant reversal of revenue) this breakage amount is recognised within revenue. This assessment is reviewed periodically, to ensure that only revenue which is highly probable not to result in a significant reversal in future periods is recognised. Management has estimated that 24m EGP out of the total potential amount that could be redeemed is likely to be utilised by customers

5. Financial assets and financial liabilities

The fair values of all financial assets and financial liabilities by class shown in the balance sheet are as follows:

	202 EGP'00
Cash and cash equivalent	891,45
Short term deposits - treasury bills	1,458,72
Trade and other receivables (Note 16)	447,08
Total financial assets	**2,797,25**

	202 EGP'00
Trade and other payables	749,27
Put option liability	956,39
Financial obligation	760,67
Loans and borrowings	101,54
Total other financial liabilities	**2,567,88**
Total financial instruments*	**229,36**

* The financial instruments exclude prepaid expenses, deferred revenue, and tax (current tax, payroll tax, withholding tax,…etc).

The fair values measurements for all the financial assets and liabilities have been categorized as Level 3, it is fair value can't be determined by using readily observable measures and Echo-Scan put option (note 26) has been categorized as Level 3 as the fair value of the option is based on un-observable inputs using the best information available in the current circumstances, including the company's own projection and taking into account all the market assumptions that are reasonably available.

Financial instruments risk management objectives and policies

The Group's principal financial liabilities are trade and other payables, put option liabilities, borrowings and other financial liabilities. The Group's principal financial assets include trade and other receivables, financial asset at amortised cost, financial asset at fair value and cash and cash equivalent that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

- **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at 31 December in 2021 and 2020 The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

The analysis exclude the impact of movements in market variables on provisions; and the non-financial assets and liabilities of foreign operations. The following assumptions have been made in calculating the sensitivity analysis:

Ø The sensitivity of the relevant consolidated income statement item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 December 2021 and 2020.

- **Interest rate risk**

The Group is trying to minimize its interest rate exposure, especially in Egypt region, which has seen several interest rate cuts over the last two years. Minimising interest rate exposure has been achieved partially by entering into fixed-rate instruments.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the group is as follow:

	20 **EGP'0**
Fixed-rate instruments	
Financial obligation (note 26)	760,67
CIB **???** BANK Loans and borrowings (note 24)	13,23
Variable-rate instruments	
AUB **???** BANK Loans and borrowings (note 24)	84,82

The Group does not account for any fixed-rate financial liabilities at FVTPL. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonable possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts EGP 980K (2020: EGP 930K). This analysis assumes that all other variables, remain constant.

- **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar, Sudanese Pound, the Jordanian Dinar and Nigerian Naira. Foreign exchange risk arises from the Group's operating activities (when revenue or expense is denominated in a foreign currency), recognized assets and liabilities and net investments in foreign operations. However, management aims to minimize open positions in foreign currencies to the extent that is necessary to conduct its activities.

Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

At year end, major financial assets / (liabilities) denominated in foreign currencies were as follows (the amounts presented are shown in thousands in EGP):

	31-Dec-21					
	Assets			Liabilities		
	Cash and cash equivalents	Other assets	Total assets	Put option	Finance lease	Trade payables
US	917,673	11,880	929,553	-	(56,744)	(140,808)
Euros	397	-	397	-	-	(342)
JOD	297,154	112,409	409,563	(921,360)	(93,999)	(171,481)
SDG	1,010	604	1,614	-	(850)	(1,718)
NGN	8,591	5,094	13,685	(35,037)	(9,104)	(9,413)

	31-Dec-20					
	Assets			Liabilities		
	Cash and cash equivalents	Other assets	Total assets	Put option	Finance lease	Trade payables
US	81,956	5,138	87,094	-	(67,764)	(29,120)
Euros	176	-	176	-	-	(1,588)
JOD	76,954	62,062	139,015	(282,266)	(75,365)	(70,489)
SDG	2,429	2,712	5,140	-	(6,682)	(6,376)
NGN	8,749	9,211	17,960	(31,790)	(14,825)	(14,574)

The following is the exchange rates applied:

	Average rate for the year ended 31-Dec-21
US Dollars	15.64
Euros	18.46
GBP	21.51
JOD	22.03
SAR	4.17
SDG	0.06
NGN	0.04

Spot rate for the year ended
31-Dec-21

US Dollars	15.65
Euros	17.73
GBP	21.12
JOD	22.05
SAR	4.17
SDG	0.04
NGN	0.04

At 31 December 2021, if the Egyptian Pound had weakened/strengthened by 10% against the US Dollar with all other variables held constant, total equity for the year would have increased/decreased by EGP (73m) (2020: EGP (0.9m)), mainly as a result of foreign exchange gains/losses and translation reserve on the translation of US dollar-denominated financial assets and liabilities as at the financial position of 31 December 2021.

At 31 December 2021, if the Egyptian Pound had weakened / strengthened by 10% against the Jordanian Dinar with all other variables held constant, total equity for the year would have increased/decreased by EGP 77m (2020: EGP 28m), mainly as a result of foreign exchange gains/losses and translation reserve on translation of JOD -denominated financial assets and liabilities as at the financial position of 31 December 2021.

At 31 December 2021, if the Egyptian Pound had weakened / strengthened by 25% against the Sudanese Pound with all other variables held constant, total equity for the year would have increased/decreased by by EGP
0.238 (2020: EGP (1.9m)), mainly as a result of foreign exchange gains/losses and translation reserve on the translation of SDG - denominated financial assets and liabilities as at the financial position of 31 December 2021.

At 31 December 2021, if the Egyptian Pound had weakened / strengthened by 10% against the Nigeria Naira with all other variables held constant, total equity for the year would have increased/decreased by EGP 3.9m (2020: 4.3m), mainly as a result of foreign exchange gains/losses and translation reserve on the translation of Naira - denominated financial assets and liabilities as at the financial position of 31 December 2021.

- **Price risk**

The group's exposure to equity securities price risk arises from investments held by the group and classified in the balance sheet as at fair value through profit or loss (FVPL) (note 14).

- **Credit risk**

Credit risk is the risk a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and it arises principally from under the Groups receivables. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and financial assets at amortised cost, such as term deposits and treasury bills.
Credit risk is managed on a group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

The cash balance and financial assets at amortized cost within the group is held within financial institutions, 86% with a rating of B+ and 7% is rated at least BB.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country or region in which customers operate. Details of concentration of revenue are included in the operating segment note (see Note 6).

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered and credit limit is set for each customer. The Group's review includes external ratings, if available, financial statements, industry information and in some cases bank references. Receivable limits are established for each customer and reviewed quarterly. Any receivable balance exceeding the set limit requires approval from the risk management committee. In response to the COVID-19 pandemic, the risk management committee has also been performing more frequent reviews of sales limits for customers in regions and industries that are severely impacted. Outstanding customer receivables are regularly monitored and the average general credit terms given to contract customers are 45 - 60 days.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data and expected future credit losses. The Group does not hold collateral as security. Any receivables balances over 365 days are fully provided for by the group.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 16.

Cash and cash equivalents

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Group's management. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.
The maximum exposure to credit risk at the reporting date is the carrying value of cash and cash equivalents disclosed in Note 17.

- **Liquidity risk**

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of finance leases and loans.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted cashflows:

31 December 2021	**1 year or less**	**1 to 5 years**	**mor**
Financial obligations	211,242	701,084	
Put option liabilities	921,360	35,037	
Borrowings	31,107	94,490	
Trade and other payables	749,272	-	
	1,912,981	**830,611**	

31 December 2020	**1 year or less**	**1 to 5 years**	**mor**
Financial obligations	126,999	463,646	
Put option liabilities	282,267	31,790	
Borrowings	33,977	70,001	
Trade and other payables	380,201	-	
	823,444	**565,437**	

Cash flow forecasting is performed in the operating entities of the group and aggregated by group finance. Group finance monitors rolling forecasts of the group's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the group's compliance with internal financial position ratio targets and, if applicable external regulatory or legal requirements - for example, currency restrictions.

The group's management retain cash balances in order to allow repayment of obligations in due dates, without taking into account any unusual effects which it cannot be predicted such as natural disasters. All suppliers and creditors will be repaid over a period not less 30 days from the date of the invoice or the date of the commitment.

6. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

The preparation of the Group's consolidated financial statements in conformity with adopted IFRSs requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities.

The Group has four operating segments based on geographical location rather than two operating segments based on service provided, as the Group's Chief Operating Decision Maker (CODM) reviews the internal management reports and KPIs of each geography. The CODM does not separately review assets and liabilities of the group by reportable segment.

The Group operates in four geographic areas, Egypt, Sudan, Jordan, and Nigeria. As a provider of medical diagnostic services, IDH's operations in Sudan are not subject to sanctions. The revenue split, EBITDA split (being the key profit measure reviewed by CODM), impairment loss on trade receivables and net profit and loss between the four regions is set out below.

	Revenue by geographic location		
For the year ended	**Egypt region**	**Sudan region**	**Jordan region**
31-Dec-21	4,108,357	16,644	1,046,107
31-Dec-20	2,173,411	37,695	409,069

	Adjusted EBITDA by geographic location			
For the year ended	**Egypt region**	**Sudan region**	**Jordan region**	**Nigeria region**
31-Dec-21	2,177,160	(500)	331,042	(6,998)
31-Dec-20	1,041,359	6,100	129,885	(6,826)

	Impairment loss on trade receivables by geographic location		
For the year ended	**Egypt region**	**Sudan region**	**Jordan region**
31-Dec-21	21,537	-	1,412
31-Dec-20	38,051	440	3,230

	Net profit and loss by geographic location		
For the year ended	**Egypt region**	**Sudan region**	**Jordan region**
31-Dec-21	1,309,247	(22,533)	214,588
31-Dec-20	557,743	7,529	71,043

The following additional analysis of performance by service has been provided as it is also reviewed by the CODM:

	Revenue by categories
	2021 **EGP'000**
Walk-in	2,162,415
Contract	3,062,297
	5,224,712

Revenue Analysis Performanc

	2021
	EGP'000
Conventional test revenues	2,352,870
Covid-19-related test revenue	2,773,043
Radiology	98,799
	5,224,712

Net profit by type

	2021
	EGP'000
Pathology	1,528,132
Radiology	(35,626)
	1,492,506

Pathology profits include profits from conventional tests and Covid 19 tests.

The operating segment profit measure reported to the CODM is EBITDA, as follows:

	2021 EGP'000
Profit from operations	**2,262,060**
Property, plant and equipment and Right of use depreciation	**231,443**
Amortization of Intangible assets	**7,201**
EBITDA	**2,500,704**
Nonrecurring items "Dual listing fees"	29,033
Adjusted EBITDA	**2,529,737**

The non- current assets reported to CODM is in accordance with IFRS are as follows:

	Non-current assets by geographic location			
For the year ended	**Egypt region**	**Sudan region**	**Jordan region**	**N**
31-Dec-21	2,803,954	7,234	291,880	
31-Dec-20	2,415,220	24,132	263,767	

7. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The repatriation of a declared dividend from Egyptian group entities are subject to regulation by Egyptian authorities. The outcome of an Ordinary General Meeting of Shareholders declaring a dividend is first certified by the General Authority for Investment and Free Zones (GAFI).

Approval is subsequently transmitted to Misr for Central Clearing, Depository and Registry (MCDR) to distribute dividends to all shareholders, regardless of their domicile, following notification of shareholders via publication in one national newspapers.

The Group monitors capital on the basis of the net debt to equity ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as (short-term and long-term financial obligation plus short-term and long term borrowings) less cash and cash equivalents and financial assets at amortised cost.

	2021 EGP'000
Financial obligations (note 26)	**760,674**
Borrowings	**105,693**
Less: Financial assets at amortised cost (note 18)	**(1,458,724)**
Less: Cash and cash equivalents (Note 17)	**(891,451)**
Net debt	**(1,483,808)**
Total Equity	**2,794,359**
Net debt to equity ratio	**-53.1%**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2021 and 31 December2020.

8. Expense

Included in consolidated income statement are the following:

8.1 Cost of sales

	EG
Raw material	962
Cost of specialized analysis at other laboratories	24
Wages and salaries	635
Property, plant and equipment, right of use depreciation and Amortisation	213
Other expenses	584
Total	**2,42**

8.2 Marketing and advertising expenses

Advertisement expenses	96,745
Wages and salaries	44,739
Property, plant and equipment and Amortisation	518
Other expenses	21,161
Total	

8.3 Administrative expenses

Wages and salaries	146
Property, plant and equipment and Right of use depreciation	24
Other expenses	198
Total	**3**

8.4 Expenses by nature

Raw material	962,748
Wages and Salaries	827,075
Property, plant and equipment, right of use depreciation and Amortisation	238,644
Advertisement expenses	96,745
Cost of specialized analysis at other laboratories	24,086
Transportation and shipping	101,239
cleaning expenses	60,488
Call Center	33,531
Hospital Contracts	39,051
consulting Fees	112,398
Utilities	28,307
License Expenses	19,792
Other expenses	409,720
Total	**2,953,82**

8.5 Auditors' remuneration

The group paid or accrued the following amounts to its auditor PWC year 2021 (KPMG 2020) and its associates in respect of the audit of the financial statements and for other services provided to the group

	EG
Fees payable to the Company's auditor for the audit of the Group's annual financial statements	**2**
The audit of the Company's subsidiaries pursuant to legislation	**(**
Tax compliance and advisory services	
Assurance services	
	2

8.6 Net finance costs

	20 **EGP'**
Loss on hyperinflationary net monetary position	**(6,9**
Interest expense	**(98,0**
Net foreign exchange loss	**(17,9**
Bank Charges	**(20,0**
Total finance costs	**(142,9**

20

	EGP'0
Interest income	113,1
Gain on hyperinflationary net monetary position	
Total finance income	**113,1**
Net finance cost	**(29,7**

8.7 Employee numbers and costs

The average number of persons employed by the Group (including directors) during the year and the aggregate payroll costs of these persons, analysed by category, were as follows:

	2021			2020
	Medical	Administration and market	**Total**	Medical
Average number of employees	5,364	1,024	**6,388**	4,813

	2021 EGP'000			2020 EGP'000		
	Medical	Administration	**Total**	Medical	Administration	**Total**
Wages and salaries	600,527	183,611	**784,138**	363,397	127,655	**491,052**
Social security costs	26,735	6,003	**32,738**	19,736	5,269	**25,005**
Contributions to defined contribution plan	8,145	2,054	**10,199**	6,888	1,473	**8,361**
Total	635,407	191,668	**827,075**	390,021	134,397	**524,418**

Details of Directors' and Key Management remuneration and share incentives are disclosed in the Remuneration Report, the Remuneration Committee Report on note 27.

9. Income tax

a) Amounts recognised in profit or loss

	2021 EGP'000
Current year tax	(579,262
WHT suffered	(68,737
Current tax	**(647,999**
DT on undistributed reserves	(106,767
DT on reversal of temporary differences	14,951
Total Deferred tax	**(91,816**
Tax expense recognized in profit or loss	**(739,815**

b) Reconciliation of effective tax rate

The company is considered to be a UK tax resident, and subject to UK taxation. Dividend income into the company is exempt from taxation when received from a wholly controlled subsidiary, and costs incurred by the company are considered unlikely to be recoverable against future UK taxable profits and therefore form part of our unrecognised deferred tax assets. Our judgement on tax residency has been made based on where we hold board meetings, our listing on the London Stock Exchange and interactions with investors, and where our company secretarial function is physically based. Our external company secretarial function manages a number of activities of our parent and its board. During the year and due to the ongoing impact of Covid, although our board meetings are still actively managed through London, directors have largely attended virtually. Our view is our tax residency has not changed, however if it were deemed that the company was no longer a UK tax resident, our assessment is this would not lead to a material change to the taxation payable by the group.

	2 EGP'
Profit before tax	**2,232,**
Profit before tax multiplied by rate of corporation tax in Egypt of 22.5% (2020: 22.5%)	502,
Effect of tax rate in UK of 19% (2020: Jersey 0%)	3,
Effect of tax rates in Cayman, Jordan, Sudan and Nigeria of 0%, 21%, 30% and 30% respectively (2020: 0%, 21%, 30% and 30%)	(6,6
Tax effect of:	
Recognition of previously unrecognised deferred tax	(24,4
Deferred tax not recognised	28,
Deferred tax arising on undistributed dividend	175,
Non-deductible expenses for tax purposes - employee profit share	39,
Non-deductible expenses for tax purposes - other	22,
Tax expense recognised in profit or loss	**739,**

Deferred tax

Deferred tax relates to the following:

	2021		
	Assets EGP'000	**Liabilities EGP'000**	**As EG**
Property, plant and equipment	-	(28,925)	
Intangible assets	-	(105,358)	
Undistributed reserves from group subsidiaries*	-	(223,425)	
Tax Losses	25,559	-	
Total deferred tax assets - liability	**25,559**	**(357,708)**	
		(332,149)	

All deferred tax amounts are expected to be recovered or settled more than twelve months after the reporting period.

The difference between net deferred tax balances recorded on the income statement is as follows:

2021	**Net Balance 1 January**	**Deferred tax recognized in profit or loss**
Property, plant and equipment	(18,333)	(10,592)
Intangible assets	(106,702)	1,344
Undistributed dividend from group subsidiaries	(116,658)	(175,504)
Tax losses	1,360	24,199

	(240,333)	**(160,553)**

2020	**Net balance at 1 January**	**Deferred tax recognised in profit or loss**
Property, plant and equipment	(17,460)	(873)
Intangible assets	(108,365)	1,663
Undistributed dividend from group subsidiaries	(49,534)	(91,593)
Tax losses	1,360	-
	(173,999)	**(90,803)**

All movements in the deferred tax asset/liability in the year have been recognised in the profit or loss account.
Deferred tax liabilities and assets have been calculated based on the enacted tax rate at 31 December 2021 for the country the liabilities and assets has arisen. The enacted tax rate in Egypt is 22.5% (2020: 22.5%), Jordan 21% (2020: 21%), Sudan 30% (2020: 30%) and Nigeria 30% (2020: 30%).

* **Undistributed reserves from group subsidiaries**
The Group's dividend policy is to distribute any excess cash after taking into consideration all business cash requirements and potential acquisition considerations. The expectation is to distribute profits held within subsidiaries of the Group in the near foreseeable future. During 2015 the Egyptian Government imposed a tax on dividends at a rate of 5% of dividends distributed from Egyptian entities. On September 30, 2020, the Egyptian government issued a law to increase the tax rate to 10%. As a result a deferred tax liability has been recorded for the future tax expected to be incurred from undistributed reserves held within the Group which will be taxed under the new legislation imposed and were as follows:

	2021 EGP'000
Al Mokhtabar Company for Medical Labs	85,54
Alborg Laboratory Company	38,54
Integrated Medical Analysis Company	75,84
Al Makhbariyoun Al Arab Group	23,49
	223,42

Unrecognized deferred tax assets
The following items make up unrecognised deferred tax assets. The local tax law does not permit deductions for provisions against income tax until the provision becomes realised. No deferred tax asset has been recognised on tax losses for both Echo-Scan Nigeria and Wayak Egypt due to the uncertainty of the available future taxable profit, which the Group can use the benefits therefrom.

	2021 Gross Amount EGP'000	**2021 Tax Effect EGP'000**	**Gr**
Impairment of trade receivables (Note 16)	101,183	22,766	
Impairment of other receivables (Note 16)	8,585	1,932	
Provision for legal claims (Note 21)	4,088	920	
Tax losses*	320,391	78,142	
	434,247	**103,760**	
Unrecognized deferred tax asset		**103,760**	

There is no expiry date for the Unrecognized deferred tax assets.

* The company has carried forward tax losses on which no deferred tax asset is recognised as follow:

Company	Country	2021 Gross Amount EGP'000	2021 Tax Effect EGP'000
Integrated Diagnostics Holdings plc	Jersey	271,689	67,922
Dynasty Group Holdings Limited	England and Wales	13,446	2,555
Eagle Eye-Echo Scan Limited	Mauritius	3,556	533
Echo-Scan	Nigeria	-	-
WAYAK Pharma	Egypt	16,269	3,660
Medical Genetic Center	Egypt	6,421	1,445
Golden care	Egypt	9,010	2,027
		320,391	**78,142**

10. Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. There are no dilutive effects from ordinary share and no adjustment required to weighted-average numbers of ordinary shares.

The following table reflects the income and share data used in the basic and diluted EPS computation:

	202 EGP'0
Profit attributable to ordinary equity holders of the parent for basic earnings	1,412,60
Weighted average number of ordinary shares for basic and dilutive EPS	600,00
Basic and dilutive earnings per share	**2.3**

Earnings per diluted share are calculated by adjusting the weighted average number of shares by the effects resulting from all the ordinary potential shares that causes this dilution. The Company has no potential diluted shares as of the 31 December 2021 and 31 December 2020, therefore; the earnings per diluted share are equivalent to basic earnings per share.

11. Property, plant and equipment

	Land & Buildings EGP'000	Medical, & electric equipment EGP'000	Leasehold improvements EGP'000	Fixtures, fittings & vehicles EGP'000	Building & Leaseho in constr EGP'
Cost					
At 1 January 2020	**332,353**	**483,370**	**225,281**	**66,461**	
Additions	555	84,615	32,473	8,703	
Hyper inflation	-	8,628	-	-	
Disposals	-	(2,675)	(638)	(522)	
Exchange differences	(563)	(8,241)	(2,643)	(1,381)	
At 31 December 2020	**332,345**	**565,697**	**254,473**	**73,261**	
Additions*	51,357	285,848	75,993	25,630	
Hyper inflation	-	(8,740)	-	-	
Disposals	(2,471)	(8,042)	(1,092)	(1,567)	
Exchange differences	(348)	(10,135)	(2,317)	(1,358)	
Transfers	-	-	8,146	-	
At 31 December 2021	**380,883**	**824,628**	**335,203**	**95,966**	
Depreciation and impairment					
At 1 January 2020	**39,718**	**180,046**	**105,108**	**21,070**	
Depreciation charge for the year	8,057	70,454	33,967	6,154	
Disposals	5	(2,380)	87	881	

Exchange differences	(56)	(2,191)	(650)	(876)
At 31 December 2020	**47,724**	**245,929**	**138,512**	**27,229**
Depreciation charge for the year	5,797	97,386	40,569	8,074
Disposals	-	(4,522)	(916)	(1,185)
Exchange differences	(31)	(4,987)	(935)	(1,074)
At 31 December 2021	**53,490**	**333,806**	**177,230**	**33,044**
Net book value				
At 31-12-2021	**327,393**	**490,822**	**157,973**	**62,922**
At 31-12-2020	**284,621**	**319,768**	**115,961**	**46,032**

*During year 2021 the additions include EGP 154m related to Alborg Scan branches, EGP 79.3m related to medical equipment and new branch Capital Business EGP 48.7m. This amount does not Include any capitalised borrowing costs and is ready to use.

12. Intangible assets and goodwill

	Goodwill EGP'000	Brand Name EGP'000
Cost		
At 1 January 2020	**1,264,086**	**384,414**
Additions	-	-
Effect of movements in exchange rates	(2,278)	(492)
At 31 December 2020	**1,261,808**	**383,922**
Additions	-	-
Effect of movements in exchange rates	(843)	(13)
At 31 December 2021	**1,260,965**	**383,909**
Amortisation and impairment		
At 1 January 2020	**1,849**	**-**
Amortisation	-	-
Effect of movements in exchange rates	-	-
At 31 December 2020	**1,849**	**-**
Impairment*	341	47
Amortisation	-	-
Effect of movements in exchange rates	2,362	325
At 31 December 2021	**4,552**	**372**
Net book value		
At 31 December 2021	**1,256,413**	**383,537**
At 31 December 2020	**1,259,959**	**383,922**

***** The impairment amount in goodwill and brand name related to Ultra lab company in Sudan has full impaired in impairment study due to the severe devaluation of SDG currency.

13. Goodwill and intangible assets with indefinite lives (note 3.2-h)

Goodwill acquired through business combinations and intangible assets with indefinite lives are allocated to the Group's CGUs as follows:

	2021 EGP'000
Medical Genetics Center	
Goodwill	1,755
	1,755
Al Makhbariyoun Al Arab Group ("Biolab")	
Goodwill	46,145
Brand name	20,153
	66,298
Golden Care for Medical Services ("Ultralab")	
Goodwill	-
Brand name	-
	-
Alborg Laboratory Company ("Al-Borg")	
Goodwill	497,275
Brand name	142,066
	639,341

Al Mokhtabar Company for Medical Labs ("Al-Mokhtabar")	
Goodwill	699,102
Brand name	221,319
	920,421
Echo-Scan	
Goodwill	12,136
	12,136
Balance at 31 December	**1,639,950**

The Group performed its annual impairment test in October 2021. Nothing occurred between the impairment test and the balance sheet date that would require the assumptions in the models to be updated. The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment.

Assumptions used in value in use calculations and sensitivity to changes in assumptions

IDH worked with Alpha Capital, management's expert, to prepare an impairment assessments of the Group's CGUs. The assessment was carried out based on business plans provided by IDH.

These plans have been prepared based on criteria set out below:

			Year 2021
	Ultra Lab	Bio Lab	Al-Mokhtabar
Average annual patient growth rate from 2022 -2026	4%	0.2%	-0.1%
Average annual price per test growth rate from 2022 -2026	49%	-7%	-2%
Annual revenue growth rate from 2022 -2026	56%	-5%	0.4%
Average gross margin from 2022 -2026	35%	38%	52%
Terminal value growth rate from 1 January 2027	3%	3%	5%
Discount rate	40.6%	14.8%	20.19%

			Year 20
	Ultra Lab	Bio Lab	Al-Mokhtab
Average annual patient growth rate from 2021 -2025	8%	6%	5%
Average annual price per test growth rate from 2021 -2025	2%	0%	7%
Annual revenue growth rate from 2021 -2025	11%	6%	12%
Average gross margin from 2021 -2025	36.5%	46.4%	55%
Terminal value growth rate from 1 January 2026	1%	2%	3%
Discount rate	34.5%	18.6%	20.3%

Management have compared the recoverable amount of CGUs to the carrying value of CGUs. The recoverable amount is the higher of value in use and fair value less costs of disposal. In the exercise performed and the assumptions noted above the value in use was noted to be higher than the fair value less costs of disposal.

During year 2021, The management has conducted business plan projection with the help of a management's expert, (Alpha Capital), using the assumptions above to be able to calculate the net present value of the asset in use and determine the recoverable amount. The projected cash flows from 2022- 2026 have been based on detailed forecasts prepared by management for each CGU and a terminal value thereafter. Management have used experience and historic trends achieved to determine the key growth rate and margin assumptions set out above. The terminal value growth rate applied is not considered to exceed the average growth rate for the industry and geographic locations of the CGUs.

As a sensitivity analysis, Management considered a change in the discount rates of 2% increase to reflect additional risk that could reasonably be foreseen in the marketplaces in which the Group operates. This has not result to an impairment under any of the CGUs.

Management has also considered a change in the terminal growth rate by 1% decrease to reflect additional risk, which did not result in any impairment under any of the CGUs.

This recoverable amount is then compared to the carrying value of the asset as recorded in the books and records of IDH plc. The WACC has been used considering the risks of each CGU. These risks include country risk, currency risk as well as the beta factor relating to the CGU and how it performs relative to the market.

The headroom between the carrying value and value in use as follows:

Company	**Value in use EGP'000**	**CGU carrying value EGP'000**
Almokhtabar	3,373,147	1,161,565
Alborg	2,727,434	1,007,779
Bio Lab	572,968	152,963
Echo Scan	233,476	44,190

14. Financial asset at fair value through profit and loss

	EG
Equity investment*	10
Balance at 31 December	**10**

* On August 17, 2017, Almakhbariyoun AL Arab (seller) has signed IT purchase Agreement with JSC Mega Lab (Buyer) to transfer and install the Laboratory Information Management System (LIMS) for a purchase price amounted to USD 400 000, which will be in the form of 10% equity stake in JSC Mega Lab. In case the valuation of the project is less or more than USD 4,000,000, the seller stake will be adjusted accordingly, in a way that the seller equity stake shall not fall below 5% of JSC Mega Lab.

- ownership percentage in JSC Mega Lab at the transaction date on April 8, 2019, and as of December 31, 2021, was 8.25%.

- On April 8, 2019, Al Mokhabariyoun Al Arab (Biolab) has signed a Shareholder Agreement with JSC Mega Lab and JSC Georgia Healthcare Group (CHG), whereas, BioLab Shall have a put option, exercisable within 12 months immediately after the expiration of five(5) year period from the signing date, which allows BioLab stake to be bought out by CHG at a price of the equity value of BioLab Shares/total stake (being USD 400,000.00) plus 15% annual IRR (including preceding 5 Financial years). After the expiration of above 12 months from the date of the put option period expiration, which allows CHG to purchase Biolab's all shares at a price of equity value of Biolab's stake (having value of USD 400,000) plus higher of 20% annual IRR or 6X EV/EBITDA (of the financial year immediately preceding the call option exercise date. In case the Management Agreement or the Purchase Agreement and/or the SLA is terminated/cancelled within 6 months period from the date of such termination/cancellation, CHG shall have a call option, which allows the CHG to purchase Biolab's all Shares at a price of the equity value of BioLab's stake in JSC Mega Lab (having value of USD 400,000.00) plus 205 annual IRR. If JCI accreditation is not obtained, immediately after the expiration of the additional 12 months period of the CHG shall have a call option (the Accreditation Call option), exercisable within 6 months period, which allows CHG to purchase BioLab's all Shares at a price of the equity value of BioLab's stake in JSC Mega Lab (having value of USD 400,00.00) plus 20% annual IRR.

15. Inventories

Chemicals and operating supplies	

During 2021, EGP 962,748k (2020: EGP 466,679k) was recognised as an expense for inventories, this was recognised in cost of sales. The major balance of the raw material is represented in the Kits, slow-moving items of those Kits are immaterial. It is noted that day's inventory outstanding (based on the average of opening and closing inventory) stands as 61 days at 31 Dec 2021.
No impairment of inventory during the year 2021.

16. Trade and other receivables

	2021 EGP'000
Trade receivables - net	371,051
Prepayments	22,647
Due from related parties note (27)	5,237
Other receivables	67,974
Accrued revenue	2,818
	469,727

As at 31 December 2021, the expected credit loss related to trade and other receivables was EGP 109,768K (2020: EGP 86,237k). Below show the movements in the provision for impairment of trade and other receivables:

	2021 EGP'000
At 1 January	86,237
Charge for the year	24,656
Utilised	-
Unused amounts reversed	(32)
Exchange differences	(1,093)
At 31 December	**109,768**

The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (historical customer's collection, Customers' contracts conditions) and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default.

Expected credit loss assessment is based on the following:

1. The customer list was divided into 9 sectors
2. Each sector was divided according to customers aging
3. Each sector was studied according to the historical events of each sector. According to the study conducted, the expected default rate was derived from each of the aforementioned period.
4. General economic conditions

Based on the expected credit loss assessment, an additional provision was calculated for the year, yielding an additional Expected Credit Losses (ECL) for IDH Group amounting to EGP 24 million. On quarterly basis, IDH revises its forward-looking estimates and the general economic conditions to assess the expected credit loss, which will be mainly based on current and expected inflation rates. The results of the quarterly assessment will increase/decrease the percentage allocated to each period.
Balances overdue by at least one year are fully provided for.

Impairment of trade and notes receivables
The requirement for impairment of trade receivables is made through monitoring the debts aging and reviewing customer's credit position and their ability to make payment as they fall due. An impairment is recorded against receivables for the irrecoverable amount estimated by management. At the year end, the provision for impairment of trade receivables was EGP 101,183K (31 December 2020: EGP 77,727K)
A reasonable possible change of 100 basis points in the expected credit loss at the reporting date would have increased (decreased) profit or loss by the amount of EGP 4,347K. This analysis assumes that all other variables remain constant.

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers For the nine segments at:

31-Dec-21	Weighted average loss rate EGP'000	Gross
Current (not past due)	0.00%	
1-30 days past due	1.79%	
31-60 days past due	5.25%	
61-90 days past due	5.89%	
91-120 days past due	9.06%	
121-150 days past due	18.45%	
More than 150 -365days past due	87.89%	

31-Dec-20	Weighted average loss rate EGP'000	Gross
Current (not past due)	0.00%	
1-30 days past due	5.06%	
31-60 days past due	6.18%	
61-90 days past due	13.61%	
91-120 days past due	18.85%	
121-150 days past due	36.38%	
More than 150-365 days past due	89.98%	

As at 31 December, the ageing analysis of trade receivables is as follows:

	Total	< 30 days	30-60 days	61-90 day
2021	**371,051**	235,824	70,594	29,20
2020	**325,770**	248,248	43,250	14,96

17. Cash and cash equivalents

	20
Cash at banks and on hand	261,4
Treasury bills (less than 90 days)	150,4
Term deposits (less than 90 days)	479,5
	891,4

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term d eposits and treasury bills are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the resp ective short-term deposit weighted average rate 7.75% (2020: 7%) and Treasury bills 12.44% (2020: 10%) per annum.

18. Financial assets at amortised cost

	2021 EGP'000

Term deposits (more than 90 days)	148,136
Treasury bills (more than 90 days)	1,310,588
	1,458,724

The maturity date of the fixed term deposit and treasury bills is between 3-12 months and the effective interest rate on the treasury bills is 12.44% (2020: 10%) and deposits is 7.75%.

19. Share capital and reserves

The Company's ordinary share capital is $150,000,000 equivalent to EGP 1,072,500,000.
All shares are authorised and fully paid and have a par value $0.25.

	Ordinary shares
	31-Dec-21
In issue at beginning of the year	**600,000,000**
In issue at the end of the year	**600,000,000**

Ordinary share capital Name	Number of shares	% of contributio
Hena Holdings Limited	152,982,356	
Actis IDH B V	126,000,000	
Free floating	321,017,644	
	600,000,000	

* At the Extraordinary General Meeting of the Company held on 23 December 2020, it was resolved that the Company's existing issued ordinary share capital of 150,000,000 ordinary shares of US$1.00 each (the "Existing Ordinary Shares") will be sub-divided into 600,000,000 ordinary shares of US$0.25 each (the "New Ordinary Shares") (the "Sub-Division"). The Sub-Division was successfully completed with effect from 24 December 2020.

Capital reserve

The capital reserve was created when the Group's previous parent company, Integrated Diagnostics Holdings LLC - IDH (Caymans) arranged its own acquisition by Integrated Diagnostics Holdings PLC, a new legal parent. The balances arising represent the difference between the value of the equity structure of the previous and new parent companies.

Legal reserves

Legal reserve was formed based on the legal requirements of the Egyptian law governing the Egyptian subsidiaries. According to the Egyptian subsidiaries' article of association 5% (at least) of the annual net profit is set aside to from a legal reserve. The transfer to legal reserve ceases once this reserve reaches 50% of the entity's issued capital. If the reserve falls below the defined level, then the entity is required to resume forming it by setting aside 5% of the annual net profits until it reaches 50% of the issued share capital.

Put option reserve

Through acquisitions made within the Group, put option arrangements have been entered into to purchase the remaining equity interests in subsidiaries from the vendors at a subsequent date. At acquisition date an initial put option liability is recognised and a corresponding entry recognised within the put option reserve. After initial recognition the accounting policy for put options is to recognise all changes in the carrying value of the liability within put option reserve. When the put option is exercised by the vendors the amount recognised within the reserve will be reversed.

Translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

20. Distributions made and proposed

	20 EGP'0
Cash dividends on ordinary shares declared and paid:	
US$ 0.0485 per qualifying ordinary share (2020: US$ 0.19)	455,1
	455,1
After the balance sheet date, the following dividends were proposed by the directors (the dividends have not been provided for):	1,300,0
EGP 2.17 per share (2020: $0.049) per share	**1,300,0**

21. Provisions

	Egyptian Government Training Fund for employees EGP'000	Provision for le
At 1 January 2021	191	
Provision made during the year	-	
Provision used during the year	-	
Provision reversed during the year	(191)	
At 31 December 2021	**-**	
Current		
Non- Current	-	

	Egyptian Government Training Fund for employees EGP'000	Provision
At 1 January 2020	191	
Provision made during the year	-	
Provision used during the year	-	
Provision reversed during the year	-	
At 31 December 2020	**191**	
Non- Current	191	

Legal claims provision

The amount comprises the gross provision in respect of legal claims brought against the Group. Management's opinion, after taking appropriate legal advice, is that the outcome of these legal claims will not give rise to any significant loss beyond the amounts provided as at 31 December 2021.

In addition to the provisions for legal claims recognised, there is also an Arbitration Claim that has been made and includes the Company as a respondent. No provision is recognised for this claim, as the Group believes it will succeed in this matter as demonstrated by previous claims by the claimant that have been successfully defended.

22. Trade and other payables

	2021 EGP'000
Trade payables	311,321
Accrued expenses	325,677
Due to related parties note (27)	13,234
Other payables	99,040
Deferred revenue	24,603
Accrued finance cost	3,479
	777,354

23. Current put option liability

	2021
	EGP'000
Put option - Biolab Jordan	921,360
	921,360

The accounting policy for put options after initial recognition is to recognise all changes in the carrying value of the put liability within equity.

Through the historic acquisitions of Makhbariyoun Al Arab the Group entered into separate put option arrangements to purchase the remaining equity interests from the vendors at a subsequent date. At acquisition a put option liability has been recognised for the net present value for the exercise price of the option.

The options is calculated at seven times EBITDA of the last 12 months - Net Debt and exercisable in whole from the fifth anniversary of completion of the original purchase agreement, which fell due in June 2016. The vendor has not exercised this right at 31 December 2021. It is important to note that the put option liability is treated as current as it could be exercised at any time by the NCI. However, based on discussions and ongoing business relationship, there is no expectation that this will happen in next 18 months. The option has no expiry date.

24. Loan and borrowings

The terms and conditions of outstanding loans are as follows:

	Currency	Nominal interest rate	Maturity	31 Dec 21
A) CIB ??? BANK	EGP	Secured rate 9.5%	5 April 2022	13,238
B) AUB ??? BANK	EGP	CBE corridor rate*+1%	26 April 2026	84,828
-				**98,066**
Amount held as:				
Current liability				21,721
Non- current liability				76,345
				98,066

A) In April 2017 AL-Mokhtabar for medical lab, one of IDH subsidiaries, was granted a medium term loan amounting to EGP 110m from Commercial International Bank "CIB Egypt" to finance the purchase of the new administrative building for the group. Starting May 2021, the loan has been secured through restricted time deposits.

B) In July 2018, AL-Borg lab, one of IDH subsidiaries, was granted a medium term loan amounting to EGP 130.5m from Ahli United Bank "AUB Egypt" to finance the investment cost related to the expansion into the radiology segment. As at 31 December 2021 only EGP 84.8m had been drawn down from the total facility available. The loan contains the following financial covenants which if breached will mean the loan is repayable on demand:

1. The financial leverage shall not exceed 0.7 throughout the period of the loan

   "**Financial leverage**": total bank debt divided by net equity

2. The debt service ratios (DSR) shall not be less than **1.35 starting 2020**
   "**Debt service ratio**": cash operating profit after tax plus depreciation for the financial year less annual maintenance on machinery and equipment adding cash balance (cash and cash equivalent) divided by total financial payments.

"**Cash operating profit**": Operating profit after tax, interest expense, depreciation and amortization, is calculated as follows: Net income after tax and unusual items adding Interest expense, Depreciation, Amortisation and provisions excluding tax related provisions less interest income and Investment income and gains from extraordinary items
"**Financial payments**": current portion of long-term debt including interest expense and fees and dividends distributions.

3. The current ratios shall not be less than 1.
"**Current ratios**": Current assets divided current liabilities.

*As at 31 December 2021 corridor rate 9.25% (2020: 9.25%)

AL- Borg company didn't breach any covenants for MTL agreements.

The group signed two agreements of debt facilities. The debt package includes the US$ 45.0 million facilities secured an 8-year period starting May 2021 from International Finance Corporation (IFC), and an additional US$ 15.0 million IFC syndicated facility from Mashreq Bank in Dec 2021 debt has not been withdrawn by IDH.

25. Non-current put option liability

	202 EGP'00
Put option liability*	**35,03**
	35,03

*According to definitive agreements signed on 15 January 2018 between Dynasty Group Holdings Limited and International Finance Corporation (IFC) related to the Eagle Eye-Echo Scan Limited transaction, IFC has the option to put it is shares to Dynasty Group Holdings Limited in year 2024. The put option price will be calculated on the basis of the fair market value determined by an independent valuer.

According to the International Private Equity and Venture Capital Valuation Guidelines, there are multiple ways to calculate the put option including Discounted Cash Flow, Multiples, Net assets. Multiple valuation was applied and EGP 35 million was calculated as the valuation as at 31 December 2021 (2020; EGP 32m). In line with IAS 32 the entity has recognised a liability for the present value of the exercise price of the option price. The ramp-up of Echo-Scan operations driven by the new radiology equipment installed during Q4 2019 in Lagos and the following years yielding a Compounded Annual Growth Rate of 40% from 2022 to 2025.

26. Financial obligations

The Group leases property and equipment. Property leases include branches, warehouse, parking and administration buildings. The leases typically run for average period from 5-10 years, with an option to renew the lease after that date. Lease payments are renegotiated with renovation after the end of the lease term to reflect market rentals. For certain leases, the Group is restricted from entering into any sub-lease arrangements. The property leases were entered into as combined leases of land and buildings.

Adding to remaining agreement signed in 2015, to service the Group's state-of-the-art Mega Lab. The agreement periods are 5 and 8 years which is deemed to reflect the useful life of the equipment. If the minimum annual commitment payments are met over the agreement period ownership of the equipment supplied will legally transfer to the IDH. The finance asset and liability has been recognised at an amount equal to the fair value of the underlying equipment. This is based on the current cost price of the equipment supplied provided by the suppliers of the agreement. The averaged implicit interest rate of finance obligation has been estimated to be 9.85%. The equipment is being depreciated based on units of production method as this most closely reflects the consumption of the benefits from the equipment.

Information about the agreements for which the Group is lessee is presented below.

a) **Right-of-use assets**

	Buildings 2021 EGP'000
Balance at 1 January	**354,688**
Addition for the year	198,402
Depreciation charge for the year	(79,617)
Terminated Contracts	(7,643)
Exchange differences	(3,398)
Balance at 31 December	**462,432**

b) Other Financial obligations

Future minimum financial obligation payments under leases and sales purchase contracts, together with the present value of the net minimum lease payments are, as follows:

	2021 EGP'000
*Financial liability- laboratory equipment	228,870
*Lease liabilities building	531,804
	760,674

*The financial obligation liabilities for the laboratory equipment and building are payable as follows:

At 31 December 2021	**Minimum payments 2021 EGP'000**
Less than one year	211,242
Between one and five years	701,084
More than 5 years	191,229
	1,103,555

At 31 December 2020	**Minimum payments 2020 EGP'000**
Less than one year	126,999
Between one and five years	463,646
More than 5 years	131,605
	722,250

c) Amounts other financial obligations recognised in consolidated income statement

	EC
Interest on lease liabilities	(

27. Related party transactions disclosures

The significant transactions with related parties, their nature volumes and balance during the period 31 December 2021 and 2020 are as follows:

Related Party	Nature of transaction	Nature of relationship	2021 Transaction amount of the year EGP'000	2021 Amount due from / (to) EGP'000
ALborg Scan (S.A.E)*	Expenses paid on behalf	Affiliate	1	351
International Fertility (IVF)**	Expenses paid on behalf	Affiliate	-	1,767
H.C Security	Provide service	Entity owned by Company's board member	(243)	(319)
Life Health Care	Provide service	Entity owned by Company's CEO	(11,232)	2,094
Dr. Amid Abd Elnour	Put option liability	Bio. Lab C.E.O and shareholder	(639,093)	(921,360)
International Finance corporation (IFC)	Put option liability	Eagle Eye - Echo Scan limited shareholder	(3,247)	(35,037)
International Finance corporation (IFC)	Current account	Eagle Eye - Echo Scan limited shareholder	(12,915)	(12,915)
Integrated Treatment for Kidney Diseases (S.A.E)	Rental income	Entity owned by Company's CEO	(298)	1,025
	Medical Test analysis		530	
Total				**(964,394)**

Related Party	Nature of transaction	Nature of relationship	2020 Transaction amount of the year EGP'000	2020 Amount due from EGP'000
ALborg Scan (S.A.E)*	Expenses paid on behalf	Affiliate	6	350
International Fertility (IVF)**	Expenses paid on behalf	Affiliate	(3,449)	1,767
H.C Security	Provide service	Entity owned by Company's board member	(412)	(76)
Life Health Care	Provide service	Entity owned by Company's CEO	(11,058)	(363)

Dr. Amid Abd Elnour	Put option liability	Bio. Lab C.E.O and shareholder	(83,126)	(282,267)
International Finance corporation (IFC)	Put option liability	Eagle Eye - Echo Scan limited shareholder	(1,757)	(31,790)
Integrated Treatment for Kidney Diseases (S.A.E)	Rental income	Entity owned by Company's CEO	-	
	Medical Test analysis		588	793
Total				**(311,586)**

* ALborg Scan is a company whose shareholders include Dr. Moamena Kamel (founder of IDH subsidiary Al-Mokhtabar Labs).
** International Fertility (IVF) is a company whose shareholders include Dr. Moamena Kamel (founder of IDH subsidiary Al-Mokhtabar Labs).

Chief Executive Officer Dr. Hend El-Sherbini and her mother, Dr. Moamena Kamel jointly hold the 25.5% of shares held by Hena Holdings Limited, Hena Holdings Limited is a related party and received dividends of USD 7,419,644 in year 2021 and USD 7,151,925 received in year 2020.

Terms and conditions of transactions with related parties
The transactions with the related parties are made on terms equivalent to those that prevail in transactions. Outstanding balances at the year-end are unsecured and interest free and set tlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2021, the Group has not rec orded any impairment of receivables relating to amounts owed by related parties (2020: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

IDH opts to pay up to 1% of the net after-tax profit of the subsidiaries Al Borg and Al Mokhtabar to the Moamena Kamel Foundation for Training and Skill Development. Established in 2006 by Dr. Moamena Kamel, a Professor of Pathology at Cairo University and founder of IDH subsidiary Al-Mokhtabar Labs and mother to the CEO Dr. Hend El Sherbini. The Foundation allocates this sum to organisations and groups in need of assistance. The foundation deploys an integrated program and vision for the communities it helps that include economic, social, and healthcare development initiatives. In 2021 EGP 9,578 K (2020: EGP 6,510K) was paid to the foundation by the IDH Group.

Compensation of key management personnel of the Group
Key management people can be defined as the people who have the authority and responsibility for planning, directing, and controlling some of the activities of the Company, directly or indirectly
The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

Short-term employee benefits	
Total compensation paid to key management personnel	

28. Reconciliation of movements of liabilities to cash flows arising from financing activities

EGP'000	**Other loa and borrowin**
Balance at 1 January 2021	**96,4**
Proceeds from loans and borrowings	30,4
Repayment of borrowings	(25,41
Payment of liabilities	

Interest paid	(25,44
Total changes from financing cash flows	**(20,41**
New agreements signed in the period	
Terminated contracts during the year	
Interest expense	29,6
Total liability-related other changes	**29,6**
Balance at 31 December 2021	**105,6**

EGP'000	**Other loa and borrowin**
Balance at 1 January 2020	**111,**
Proceeds from loans and borrowings	11,
Repayment of borrowings	(25,4
Payment of liabilities	
Interest paid	(14,1
Total changes from financing cash flows	**(27,8**
New agreements signed in the period	
Terminated contracts during the year	
Interest expense	12,
Total Liability - related other changes	**12,**
Balance as at 31 December 2020	**96,**

29. Current tax liabilities

	2021
	EGP'000
Debit withholding Tax (Deduct by customers from sales invoices)	(34,166)
Income Tax	521,929
Credit withholding Tax (Deduct from vendors invoices)	17,922
Other	7,319
	513,004

30. Post Balance Sheet Events

On the 20th of December 2021, Integrated Diagnostics Holdings Plc announced the signing of a sale and purchase agreement (the "SPA") to acquire 50% shareholding in Base Consultancy FZ LLC, the holding company of Islamabad Diagnostic Centre Limited ("IDC"), from the Evercare Group, an emerging markets healthcare delivery platform managed by TPG for a total consideration of US$ 72.35 million. The transaction, which is subject to the satisfaction of a number of key conditions precedent including, but not limited to, the receipt of regulatory approval from the Competition Commission of Pakistan, will see IDH acquire a stake in one of Pakistan's leading diagnostic providers and partner with the founder Dr Rizwan Uppal. IDC will be fully consolidated on IDH's accounts following the completion of the transaction and transfer of funds to the Evercare Group. The transaction is expected to close in the first half of 2022. IDH plans to finance the transaction through a combination of existing cash and committed debt facilities. The debt package includes the US$ 45.0 million facility secured an 8-year period starting May 2021 from International Finance Corporation (IFC), and an additional US$ 15.0 million IFC syndicated facility from Mashreq Bank.

On 21 March 2022, the Central Bank raised policy rates by 100bps and allowed the Egyptian Pound to devalue by more than 17% against the US Dollar which is expected to impose Inflationary pressures in the short to medium term. Inflation rates are expected to average around 13% to 15% during 2022, up from 5.9% in December 2021. Moreover, GDP growth in FY22/23 was revised downward to 5.5% from 5.7% by the Egyptian government in March 2022. The Group is closely monitoring the situation and the impact that may arise.

31. Contingent liabilities

As required by article 134 of the labour law on Vocational Guidance and Training issued by the Egyptian Government in 2003, Al Borg Laboratory Company and Al Mokhtabar Company for Medical Labs are required to conform to the requirements set out by that law to provide 1% of net profits each year into a training fund. Integrated Diagnostics Holdings plc have taken legal advice and considered market practice in Egypt relating to this and more specifically whether the vocational training courses undertaken by Al Borg Laboratory Company and Al Mokhtabar Company for Medical Labs suggest that obligations have been satisfied through training programmes undertaken in-house by those entities. Since the issue of the law on Vocational Guidance and Training, Al Borg Laboratory Company and Al Mokhtabar Company for Medical Labs have not been requested by the government to pay or have voluntarily paid any amounts into the external training fund. Should a claim be brought against Al Borg Laboratory Company and Al Mokhtabar Company for Medical Labs, an amount of between EGP 24m to EGP 54m could become payable, however this is not considered probable.