

Integrated Diagnostics Holdings Plc

1H 2022 Results

Monday, 12 September 2022

Integrated Diagnostics Holdings Plc delivers robust growth in conventional offering demonstrating underlying strength

(Cairo and London) - Integrated Diagnostics Holdings ("IDH," "the Group," or "the Company"), a leading healthcare company with operations in Egypt, Jordan, Sudan and Nigeria, released today its reviewed financial statements and operational performance for the six-month period ended 30 June 2022, recording revenue (compliant with IFRS) of EGP 1,954 million and net profit of EGP 439 million. During the period, IDH's conventional business continued to demonstrate its underlying strength and growth potential, recording robust year-on-year growth and helping to offset the decline in Covid-19-related revenues for the period. More specifically, IDH's conventional business (comprising 93% of total revenues) recorded a solid 13% year-on-year increase in revenue during 1H 2022, on the back of a 6% rise in test volumes. Similarly, in Q2-2022, IDH's conventional offering recorded a remarkable 18% year-on-year and 9% quarter-on-quarter rise in revenues, with the robust growth versus Q1-2022 coming despite the seasonal slowdown related to the holy month of Ramadan and the Eid holidays. Consolidated revenues for the quarter recorded EGP 774 million, with net profit stood at EGP 125 million in Q2 2022. As noted above, consolidated results for the three- and six-month periods ended 30 June 2022 were weighed down by a significant slowdown in Covid-19-related business owing to a wide decline in infection rates, the lifting of mandatory testing for international travellers, and a substantial decline in the average price per Covid-19-related test.

Financial Results (IFRS)

EGP mn	1H 2021
Revenues	2,293
<i>Conventional Revenues</i>	1,188
<i>Covid-19-related Revenues</i>	1,105
Cost of Sales	(988)
Gross Profit	1,305
<i>Gross Profit Margin</i>	57%
Operating Profit	1,094
EBITDA2	1,203
<i>EBITDA Margin</i>	52%
Net Profit	668
<i>Net Profit Margin</i>	29%
Cash Balance	1,587

Note (1): Throughout the 1H 2022 Earnings Release, percentage changes between reporting periods are calculated using the exact value (as reported in the Consolidated Financials) and not the corresponding rounded figure.

Key Operational Indicators³

	1H 2021
Branches	495
Patients ('000)	4,673
Revenue per Patient (EGP)	491
Tests ('000)	16,318
<i>Conventional Tests ('000)</i>	13,717

<i>Covid-19-related Tests ('000)</i>	2,601
Revenue per Test (EGP)	141
<i>Revenue per Conventional Test (EGP)</i>	87
<i>Revenue per Core Covid-19 Test (EGP)</i>	425
<i>Revenue per Other Covid-19-related Test (EGP)</i>	152
Test per Patient	3.5

¹Covid-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 of "other Covid-19-related tests" due to the strong rise in demand for these tests witnessed following the outbreak of Covid-19.

²EBITDA is calculated as operating profit plus depreciation and amortization.

³Key operational indicators are calculated based on net sales for the six month period of EGP 1,891 million. More details on the difference between net sales and total revenues is 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 (and its 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. These agreements kicked off in May 2021 at Aqaba Port and in August 2021 at QAIA. However, following the decision by Jordanian authorities on 1 March 2022 to end mandatory testing, testing booths across both locations recorded sharp declines in patient traffic.

Under these agreements, Biolab received the full revenue (gross sales) for each test performed and paid a proportionate share of gross sales (38% of gross sales excluding sales tax) and Aqaba Port (36% of gross sales) as concession fees to operate the testing facilities, thus effectively earning the net of these amounts (net sales) for each test supplied. Starting in Q4 2021, the treatment of these agreements was altered in accordance with IFRS 15 paragraph B34, which considers Biolab as the 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. It is important to note that sales generated from these agreements were reflected in the Company's results in Q1 2022 only as the agreements were terminated starting in the second quarter of the year.

In an effort to present an accurate picture of IDH's performance for the six-month period ended 30 June 2022, throughout the report management utilizes net sales of EGP 1,891 million for 1H 2022 (IFRS revenues stand at EGP 1,954 million for the six-month period). Net sales for the first half of the year are calculated as total gross revenues excluding concession fees and sales taxes paid as part of Biolab's revenue sharing agreements with 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.

Adjustments Breakdown

EGP mn	
Net Sales	
QAIA and Aqaba Port Concession Fees	
Revenues (IFRS)	
Cost of Net Sales	
Adjustment for QAIA and Aqaba Port Agreements	
Cost of Sales (IFRS)	

Adjustments by Country

EGP mn	1H 2022 (IFRS)
Egypt	1,524
Jordan	386
Sudan	10
Nigeria	33
Total	1,954

Note: differences between IFRS and APM figures are highlighted in grey.

Financial Results (APM)

EGP mn	IFRS			1
	1H 2021	1H 2022	Change	
Net Sales	2,293	1,954	-15%	
Conventional Net Sales	1,188	1,339	13%	
Covid-19-related Net Sales	1,105	615	-44%	
Cost of Net Sales	(988)	(1,122)	14%	
Gross Profit	1,305	832	-36%	
Gross Profit Margin on Net Sales	57%	43%	-14 pts	
Operating Profit	1,094	562	-49%	
EBITDA⁴	1,203	709	-41%	
EBITDA Margin on Net Sales	52%	36%	-16 pts	
Net Profit	668	439	-34%	
Net Profit Margin on Net Sales	29%	22%	-7 pts	
Cash Balance	1,587	2,182	37%	

Note: differences between IFRS and APM figures are highlighted in grey.

⁴EBITDA is calculated as operating profit plus depreciation and amortization.

Introduction

i. Financial Highlights

- Net Sales recorded EGP 1,891 million in 1H 2022, 18% below last year's figure which had been boosted by strong contributions from Covid-19-related offering. During the period, IDH continued to record robust year-over-year growth in conventional net sales, once more displaying the business' underlying strength and potential. This helped offset the significant decline in Covid-19-related net sales for the period, owing to lower infection rates, the lifting of mandatory testing for international passengers, and declining average test prices.

a quarterly basis, consolidated net sales fell 34% year-on-year in Q2 2022 on the back of a large contraction in Covid-19-related net sales. Meanwhile, conventional net sales continued their steady expansion during the second quarter, a particularly noteworthy result in light of the expected seasonal slowdown related to the holy month of Ramadan and Eid impacting results for April and May.

- More specifically, IDH's **conventional offering** recorded EGP 1,339 million in 1H 2022 up 13% year-on-year and continuing to support consolidated net sales for the six-month period. The segment's continued growth sees it contribute to 71% of consolidated net sales up from 52% this time last year. The solid year-on-year performance was supported by a robust 6% increase in both test volumes and average revenue per test. On a quarterly basis, conventional net sales expanded an impressive 18% year-on-year and 9% quarter-on-quarter continuing to display the business' underlying strength. Growth was supported by growing test volumes which expanded 13% year-on-year and 4% quarter-on-quarter.
- During the six-month period, IDH's **Covid-19-related net sales** recorded EGP 552 million versus EGP 1,105 million recorded in 1H 2021. As such, the segment made up just 29% of total net sales in 1H 2022 compared to 48% in 1H 2021. The segment's performance in the first six months of the year was significantly impacted by the results for the second quarter, with Covid-19-related net sales declining 87% year-on-year and 84% quarter-on-quarter to record EGP 75 million in Q2 2022.
- **Gross Profit** recorded EGP 832 million in 1H 2022, down 36% year-on-year. Gross profit margin on net sales stood at 44% compared to 57% in 1H 2021. Lower gross profitability comes on the back of a significant fall in the average price of Covid-19-related tests (including a 52% fall in the average price of PCR tests) which reflects a rise in raw materials as percentage of net sales for the period. The contraction in gross profitability is in part attributable to an increase in direct salaries and wages versus last year related to additional staff employed at the testing booths at Aqaba Port and QAIA and across IDH's newly rolled out branches, as well as an associated salary increase for IDH's staff. In Q2 2022, IDH recorded a gross profit of EGP 300 million, down 55% year-on-year and with an associated margin of 39%. Lower gross profitability for the quarter in part reflects the expected seasonal slowdown related to the holy month of Ramadan and Eid vacation.
- **EBITDA⁶** recorded EGP 709 million in the six-month period, representing a 41% year-on-year decline. EBITDA margin on net sales stood at 38% compared to 52% in 1H 2021. The year-on-year contraction comes on the back of lower gross profitability coupled with higher SG&A outlays for the period mainly related to marketing activities. On a quarterly basis, EBITDA recorded EGP 241 million in Q2 2022, down 60% year-on-year and with an associated margin of 31%.
- **Net Profit** recorded EGP 439 million in 1H 2022, down 34% year-on-year. Net profit margin on net sales stood at 23% for the period, in line with the Group's pre-Covid-19 averages.

5Covid-19-related tests include both core Covid-19 tests (Polymerase Chain Reaction (PCR), Antigen, and Antibody) as well as other tests including 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.

6EBITDA is calculated as operating profit plus depreciation and amortization.

ii. Operational Highlights

- IDH's **branch network** reached 538 branches as at 30 June 2022, up from 495 branches as at 30 June 2021 and 502 branches at year-end 2021.
- **Conventional tests** performed, which made up the majority of total tests in 1H 2022, recorded 14.5 million tests, a solid 6% versus last year. This largely compensated for a 44% year-on-year decline in Covid-19-related tests performed. As such **total test volumes** contracted 2% year-on-year to record 16.0 million in 1H 2022.
- **Average revenue per test⁷** recorded EGP 118 in 1H 2022, a year-on-year decline of 16% driven by a fall in the average revenue per Covid-19-related⁸ tests (down 11% year-on-year). On the other hand, average revenue per conventional test increased 6% year-on-year in 1H 2022.
- **Total patients** served decreased 3% in 1H 2022 to record 4.5 million. Meanwhile, **average test per patient** stood unchanged at 3.5 in 1H 2022.
- In **Egypt** (80.6% share of consolidated net sales), IDH recorded revenue of EGP 1,524 million in 1H 2022, down 21% year-on-year. IDH's Egyptian operations recorded a solid 12% year-on-year increase in conventional revenues (75% of Egypt's total revenues) on the back of rising test volumes. Meanwhile, Covid-19

revenues declined 58% year-on-year due to lower test volumes as infections rates decreased, mandatory testing for travellers was lifted, the average price for all Covid-19-related tests decline substantially. Finally, revenues were supported by a 19% contribution from the Group's house call services.

- **Al-Borg Scan** recorded revenues of EGP 35 million, representing a 78% year-on-year increase. For the first half of 2022, growth was supported by an 85% and 77% year-on-year increase in test and patient volumes, respectively. Growing volumes at the venture have come on the back of new branch rollouts (+3 over the last twelve months). In the coming months, the Group is planning to expand its radiology branch network further through the rollouts of two additional branches.
- **Wayak** recorded a 364% year-on-year increase in consolidated revenue, which stood at EGP 8.7 million in 1H 2022 versus EGP 1.9 million in 1H 2021. Higher revenues in part reflect a 47% year-on-year rise in patient orders which reached 64.3 thousand in 1H 2022. Combined with management's continued cost optimization efforts, this is driving a steady narrowing of the venture's consolidated EBITDA losses. More specifically, consolidated losses contracted to EGP 1.7 million from EGP 3.41 million.
- In **Jordan** (17.1% share of consolidated net sales), net sales reached EGP 323 million (IFRS revenues) versus EGP 386 million in 1H 2022), unchanged from last year's figure. During the period, Biolab recorded a 14% year-on-year increase in conventional net sales, while Covid-19-related net sales contracted 10% due to lower test prices.
- IDH's **Nigerian** operations (1.8% share of consolidated net sales) recorded revenues of EGP 33 million in 1H 2022, up 32% from the comparable period of 2021, and reflecting the rising demand for the generally higher priced MRI and CT testing. Excluding the two branches which were closed down earlier this year, total patient volumes would be up 25% and 19% year-on-year, respectively.
- In **Sudan** (0.6% share of consolidated net sales), IDH recorded a remarkable 13% year-on-year increase in revenues during the first six months of 2022. This marked the first revenue increase in EGP terms in over a year and came on the back of a 40% increase in average revenue per test. In local currency terms growth was more pronounced with IDH's Sudanese operations reporting a 125% year-on-year increase in revenue.

7Calculated on net sales for the period.

8Covid-19-related tests include both Core Covid-19 tests (PCR, Antigen, and Antibody) as well as Other Covid-19-related tests.

9Biolab's revenues for the quarter are calculated as net sales and including concession fees paid to QAIA and Aqaba Port as part of the revenue sharing agreements.

iii. Management Commentary

Commenting on the Group's performance, IDH Chief Executive Officer Dr. Hend El-Sherbini said: "I am pleased to present another set of solid financial and operational results, which saw us build on a strong start to the year to date with further growth in our conventional business despite a difficult operating environment. I was particularly happy to see the robust year-on-year and quarter-on-quarter growth delivered by our conventional service offering during the first half of the year, a noteworthy achievement in light of the seasonal slowdown associated with the holy months of Ramadan and Eid holiday. The segment's steady expansion comes as a direct result of our multi-pronged growth and investment strategy which has enabled us to continue delivering exceptional value to our patients despite the unprecedented challenges faced over the last several years. Looking at the numbers in more detail, conventional net sales recorded a robust 13% year-on-year expansion in 1H 2022. Meanwhile in Q2 2022, conventional net sales expanded 18% year-on-year and an impressive 9% quarter-on-quarter. In both periods, growth was supported by higher test and patient volumes, once more showcasing the attractiveness of our value proposition and the business's strong future growth potential. Moreover, our ability to consistently grow our business irrespective of ongoing challenges enabled our conventional revenues to currently stand an impressive 32% above pre-pandemic revenues recorded in the first half of 2019 once controlling for contributions from the 100 Million Healthy Lives campaign. Robust growth in the conventional segment is helping to offset the significant decline in our Covid-19-related¹⁰ net sales both on a quarter-on-quarter and year-to-date basis. More specifically, starting in March we recorded sharp declines across both Egypt and Jordan on the back of lower infection rates, a lifting of mandatory testing for international travellers, and a widespread decline in Covid-19 test prices.

On a geographic basis, across both Egypt and Jordan, we are continuing to leverage our market leading product offering and expanded product offering and patient base, increased service delivery capabilities, and growing visibility to deliver further growth in our conventional business. We were very pleased to note the 12% year-on-year growth in conventional revenues delivered by our home of Egypt, which continued to expand in line with recent trends despite rising inflation and an above-average number of public holidays during the months of April and May. Egypt's performance continued

bolstered by rising contributions from our fast-growing radiology venture, Al-Borg Scan, which in early August of 2021 received the prestigious ACR accreditation for its nuclear medicine unit. Across both Egypt and Jordan, we are continuing to focus on retaining the thousands of new patients acquired through our Covid-19-related services over the past two years. Initiatives on this front have included the launch of a dedicated loyalty programme, the roll out of multiple marketing campaigns, and the enhancement of our cross-selling capabilities through a more effective use of patient data. In addition, we are continuing to invest in growing our direct-to-patient reach, further developing our branch network, home care service, and digital offering. Here it is worth highlighting that thanks to our efforts to ramp up our house call capabilities over the last two years, the service is continuing to make contributions to consolidated net sales well above pandemic averages. Looking at our other geographies, in Nigeria we recorded a solid year-on-year revenue increase supported by a record-breaking second quarter performance, and reflecting the growing popularity of the venture's radiology offering. It is also worth stressing that when controlling for branch closures in the first quarter of the year, test and patient volumes posted strong year-on-year growth proving that the venture's revamp strategy is continuing to deliver the desired results despite the fast-rising inflation experienced in recent months. On an equally positive note, we witnessed the return to year-on-year growth in EGP terms of our operations in Sudan demonstrating the untapped potential of the Sudanese market.

While we expect the current operational challenges to persist throughout the rest of 2022, I firmly believe that the mitigation measures we have put in place provide ample protection against possible future disruptions to the business. Coupled with our flexible business model and the inherently counter-cyclical nature of the healthcare industry, this has put us well placed to take full advantage of the vast growth opportunities offered by our markets. Looking at our marketing strategy in more detail, as with similar situations in the past, we expect protracted high inflation, in particular in Egypt, to have the most significant impact on patients who pay for their own healthcare. With this in mind, we have been developing our marketing programs to target them with a strong health awareness message in combination with a compelling value component. This includes offering bundled diagnostic test packages for lifestyle-related diseases and chronic health conditions as well as an in-house point redemption system. We are also exploring various solutions for more affordable payment plans to help our patients during the ongoing difficulties. At the same time, I am confident that the brand equity we have built over many years has translated into strong loyalty, and I am certain that patients will continue to choose us as their trusted diagnostic services provider irrespective of the ongoing inflationary pressures. Meanwhile, thanks to our proactive inventory build-up and sourcing strategy we continue to face no problems around raw materials and we hold sufficient inventories to cover four months of operations. Going forward, we are confident that our long-lasting relationships with test kit suppliers enable us to continue procuring stock at competitive prices.

In light of the aforementioned and our robust performance in the first half of the year, we are maintaining our previous guidance, with the Company on track to record conventional revenue year-on-year growth of around 20%. It is worth noting that these estimates assume no additional contributions from our Covid-19-related offering.

On a similar note, I am happy to report that despite the challenging conditions faced on the foreign exchange market over the past several months, we have successfully completed the payment of the entire full-year 2021 dividend to our shareholders. The distribution of a record-breaking USD 69.6 million dividend reaffirms our trust in the business's fundamental strength and sustainability, and its potential going forward."

10Covid-19-related tests include both core Covid-19 tests (Polymerase Chain Reaction (PCR), Antigen, and Antibody) as well as other 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.

- End -

Analyst and Investor Call Details

An analyst and investor call will be hosted at 2pm (UK) | 3pm (Egypt) on Tuesday, 13 September 2022. You can register for the call by clicking on this [link](#), and you may dial in using the conference call details below:

•••••• **Webinar ID:** 928 3447 8622

•••••• **Webinar Passcode:** 651028

For more information about the event, please contact: amr.amin@cicapital.com

About Integrated Diagnostics Holdings (IDH)

IDH is a leading consumer healthcare company in the Middle East and Africa with operations in Egypt, Jordan and Nigeria. The Group's core brands include Al Borg, Al Borg Scan and Al Mokhtabar in Egypt, as well as (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 538 branches as of 30 June 2022, IDH will continue to add laboratories through a Hub, Spoke and Spike business model that provides a scalable platform for efficient expansion. Through 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 Stock Exchange (ticker: IDHC) since May 2015 with a secondary listing on the EGX since May 2021 (ticker: IDHC).

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

Nancy Fahmy

Investor Relations Director

T: +20 (0)2 3345 5530 | M: +20 (0)12 2255 7445 | nancy.fahmy@idhcorp.com

Forward-Looking Statements

These results for the six-month period ended 30 June 2022 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", "expects", "forecasts", "intends", "is of the opinion", "may", "plans", "potential", "predicts", "projects", "should", "to the knowledge", "will", "would" or, in each case their negatives or other similar expressions, which are intended to identify a statement that is forward-looking. This applies, in particular, to statements containing information on future financial results, performance expectations regarding business and management, future growth or profitability and general economic and market conditions and other matters affecting the Group.

Forward-looking statements reflect the current views of the Group's management ("Management") on future events, and are based on the assumptions of the Management and involve known and unknown risks, uncertainties and other factors that could 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 any 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 of the date and are subject to change without notice. The Group does not undertake any obligation to review, update, confirm or release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that change in relation to the content of this communication.

Group Operational & Financial Review

i. Revenue/Net Sales and Cost Analysis

Revenue/Net Sales

Consolidated Analysis

During both Q2 2022 and 1H 2022, **IDH continued to record robust growth in conventional revenues** supported by higher revenue per test. It is especially important to note that conventional revenues in Q2 2022 expanded an impressive quarter despite results for the months of April and May being weighed down by the expected slowdown related to the Egyptian and Jordanian holidays. The steady growth in IDH's conventional revenues further demonstrates the business' underlying strength.

Meanwhile, **IDH recorded a significant contract in Covid-19-related¹¹ offering** on the back of lower infection rates, the lifting of mandatory testing for international travellers, and a substantial decline in the average price per Covid-19 test. Over the course of the year, the average price of PCR tests fell 45% in Egypt and 44% in Jordan compared to 1H 2021. It is worth noting that the offering came in the second quarter of the year, outweighing a strong start to the year which had seen the Group's Covid-19-related offering in the months of January and February.

As such, IDH recorded **total consolidated revenue** of EGP 1,954 million in the first half of the year, representing a 18% increase over the first half of 2021. **Consolidated net sales¹²** recorded EGP 1,891 million, down 18% from the comparable period of last year which was impacted by the Group's Covid-19-related offering. On a quarterly basis, consolidated net sales recorded EGP 774 million, down 18% from the first quarter of 2022.

House Call Service

The Group's consolidated net sales were also supported by its house call services in Egypt and Jordan, which recorded a 16% increase in the first half of the year and contributed to 16% of consolidated net sales for the six-month period. The service continued to perform above the service's pre-pandemic averages. The robust set of results continue to reflect the significant investment made over the last two years to boost its house call capacity and cater to the growing demand for the service.

¹¹Covid-19-related tests include both core Covid-19 tests (Polymerase Chain Reaction (PCR), Antigen, and Antibody) as well as other routine tests not limited to, Complete Blood Picture, Erythrocyte Sedimentation Rate (ESR), D-Dimer, Ferritin and C-reactive Protein (CRP), which the Company has been offering since the outbreak of Covid-19.

¹²Covid-19-related tests" due to the strong rise in demand for these tests witnessed following the outbreak of Covid-19.

^{12A} reconciliation between revenue and net sales is available earlier in this announcement.

Detailed Consolidated Performance Breakdown

The table presents Alternative Performance Measures (APM) for each period (further information available above)

	Q1 2021	Q1 2022	Change	Q2 2021	Q2 2022	Change
Total net sales (EGP mn)	1,130	1,117	-1%	1,164	774	-33%
Total tests (mn)	8.1	8.4	4%	8.3	7.6	-8%
Conventional test net sales (EGP mn)	594	640	8%	594	699	17%
Conventional tests performed (mn)	6.8	7.1	5%	6.9	7.4	7%
Total Covid-19-related test net sales (EGP mn)	536	477	-11%	569	75	-87%
Core Covid-19 tests (PCR, Antigen, Antibody) (EGP mn)	399	421	6%	431	62	-86%
Core Covid-19 tests performed (k)	407	837	106%	387	109	-72%
Other Covid-19-related tests (EGP mn)	137	56	-59%	138	13	-91%
Other Covid-19-related tests performed (k)	874	417	-52%	933	95	-89%
Contribution to Consolidated Results						
Conventional test net sales	53%	57%		51%	90%	
Conventional tests performed	84%	85%		84%	97%	

Total Covid-19-related tests	47%	43%	49%	10%
Core Covid-19 tests (PCR, Antigen, Antibody)	35%	38%	37%	8%
Core Covid-19 tests performed	5%	10%	5%	1%
Other Covid-19-related tests	12%	5%	12%	2%
Other Covid-19-related tests performed	11%	5%	11%	1%

Net Sales Analysis: Contribution by Patient Segment

Contract Segment (58% of total net sales)

Conventional revenues at IDH's contract segment expanded an impressive 24% year-on-year in 1H 2022 supported by a 12% expansion in average net sales per test. However, a significant decline in revenues from the segment was offset by a 13% increase in volume. Total revenue at the contract segment (identical in value to net sales for the period) contract 13% from 1H 2022.

Walk-in Segment (42% of total net sales)

The Group's walk-in segment recorded conventional revenues largely in line with the figure recorded in the same period, but this was partially offset by an increase in average revenue per test. Meanwhile, Covid-19-related walk-in net sales declined 4% year-on-year on the back of both lower test volumes and average revenue per test. This saw total revenue at the walk-in segment decline 23% year-on-year, and total walk-in net sales for the period fall 23% year-on-year.

The walk-in segment's results were supported by Biolab's partnership with Queen Alia International Airport (QAIA) which generated 1.2 million in the six months to 30 June 2022. However, following the decision by Jordanian authorities on 1 March 2022, the airport's testing booths recorded sharp declines in patient traffic.

¹³Covid-19-related tests include both core Covid-19 tests (Polymerase Chain Reaction (PCR), Antigen, and Antibody) as well as other routine tests including 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.

¹⁴A reconciliation between revenue and net sales is available earlier in this announcement.

Key Performance Indicators

The table presents Alternative Performance Measures (APM) for each period (further information available on above)

	Walk-in Segment			Contract Segment		
	1H21	1H22	Change	1H21	1H22	Change
Net sales[^] (EGP mn)	1,029	794	-23%	1,264	1,097	-17%
Conventional net sales (EGP mn)	522	512	-2%	666	827	-24%
Total Covid-19-related net sales (EGP mn)	507	282	-44%	598	270	-55%
Patients ('000)	1,523	1,513	-1%	3,150	3,027	-4%
% of Patients	33%	33%		67%	67%	
Net sales per Patient (EGP)	676	524	-22%	401	362	-12%
Tests ('000)	4,164	3,849	-8%	12,153	12,155	-0%
% of Tests	26%	24%		74%	76%	

Conventional tests ('000)	3,406	3,135	-8%	10,311	11,412
Total Covid-19-related tests ('000)	758	714	-6%	1,843	744
Net Sales per Test (EGP)	247	206	-17%	104	90
Test per Patient	2.7	3.0	-7%	3.9	4.0

Revenue Analysis: Contribution by Geography

Egypt (80.6% of net sales)

During the first six months of the year, IDH's Egyptian operations recorded a robust 12% year-on-year expansion in revenues, driven by a 12% increase in conventional tests performed and in the average revenue per conventional test. This partially offset a 16% decline in revenues for the period following both a fall in both the demand for, and average price of, Covid-19-related tests. In 2022 IDH performed 16% less PCR tests than a year prior, and recorded a 45% decline in the average price per test. Consolidated revenue¹⁵ in IDH's largest market declined 21% year-on-year in the first six months of the year.

Similar trends held on a quarterly basis, with revenues down 36% year-on-year on the back of an 89% year-on-year increase in conventional tests performed. Meanwhile, IDH's conventional offering in Egypt continued its steady expansion in Q2 2022 increasing 16% year-on-year. The latter is an especially noteworthy result in light of the expected seasonal slowdown related to the holy month of Ramadan. Results in the months of April and May this year.

House Call Service

IDH's house call service in Egypt recorded revenue of EGP 292 million in 1H 2022, contributing to 19% of Egypt's total revenue, up from 15% in 2021. The service's pre-pandemic contributions. The remarkable contribution was recorded despite the fall in Covid-19-related tests performed and the service as infection rates in the country declined significantly starting March.

AI-Borg Scan

IDH's fast-growing radiology venture continued to record remarkable results with revenues expanding 78% year-on-year in 1H 2022. Top-line growth came on the back of an 85% year-on-year rise in radiology tests performed (patients served was up 85%). Growth at the venture is directly attributable to the significant investments undertaken by IDH since the venture's inception, with total costs as at 30 June 2022 having reached EGP 382 million. More specifically, over the last twelve months IDH has increased the number of radiology branches in Egypt to five. While all three new branches remain in their ramp up phases, two have already started to contribute from each one, with all three helping to drive steady growth in test and patient volumes as well as revenues. In the next 12 months IDH is planning to inaugurate two additional branches to expand its reach across Greater Cairo and capex of EGP 100 million. Moreover, it is worth highlighting that in early August 2022, AI-Borg Scan obtained ACR (American College of Radiology) accreditation for its CT unit. AI-Borg Scan is the first radiology company to receive this certification in Africa and is testament to the high quality of the venture and the Group as a whole.

¹⁵It is important to note that revenues and net sales in Egypt, Nigeria and Sudan are identical in absolute terms. A reconciliation between the two is available in the financial statements announcement.

Detailed Egypt Revenue Breakdown

The table presents Alternative Performance Measures (APM) for each period (further information available on page 2)

EGP mn	Q1 2021	Q1 2022	Change	Q2 2022	Q2 2022	Ch
Total Revenue	920	879	-4%	1,015	645	
Conventional Revenue	507	549	8%	510	591	
Total Covid-19-related Revenue	414	330	-20%	504	53	
Core Covid-19 tests (PCR, Antigen, Antibody)	277	274	-1%	366	41	
Other Covid-19-related tests	137	56	-59%	138	13	

Contribution to Consolidated Results

Conventional tests	55%	62%	50%	92%
Total Covid-19-related tests	45%	38%	50%	8%
Core Covid-19 tests (PCR, Antigen, Antibody)	30%	31%	36%	6%
Other Covid-19-related tests	15%	6%	14%	2%

Jordan (17.1% of net sales)

In Jordan, IDH recorded revenue of EGP 386 million in 1H 2022, up 19% versus the same period of 2021. M million, unchanged from 1H 2021. During the period, solid growth in conventional net sales fully offset a decline decline came following a decrease in infection rates, the removal of mandatory testing, and a fall in the average despite the decline in Covid-19-related net sales for the period, the segment continued to make up the largest p 2022 versus 58% last year). It is also worth highlighting that strong demand for Covid-19-related tests in the first year increase in the number of Covid-19-related tests performed for the six-month period. Finally, the country Biolab's house call service which generated EGP 15 million in net sales in 1H 2022, making up 5% of total net sal

Covid-19-related net sales in Jordan were supported by contributions of EGP 140 million from Biolab's partner Biolab carried out 293 thousand PCR tests, representing 59% of total PCR tests performed in Jordan for the first agreements with KHIA and Aqaba Port contributed an additional EGP 18 million to the segment. The stations February before witnessing a sharp decline in traffic following the end of mandatory testing in the country.

During the second quarter, Biolab recorded revenue (net sales were identical for the quarter) of EGP 106 million, fully driven by a contraction in Covid-19-related revenue for the quarter, as Biolab shut down its testing booths widespread decline in infections. Meanwhile, Biolab's conventional net sales expanded an 23% year-on-year. It is growth in second quarter largely reflects a devaluation of the Egyptian pound during the period.

¹⁶Biolab's net sales for the period are calculated as revenues excluding concession fees paid to QAIA and Aqaba Port as part of their revenue

Detailed Jordan Net Sales Breakdown

The table presents Alternative Performance Measures (APM) for each period (further information available on pag

EGP mn	Q1 2021	Q1 2022	Change	Q2 2021	Q2 2022	Ch
Total Net Sales	190	217	14%	134	106	
Conventional Net Sales	68	70	4%	68	84	
Total Covid-19-related Net Sales (PCR and Antibody)	122	147	20%	65	21	
Contribution to Consolidated Results						
Conventional Net Sales	36%	32%		51%	80%	
Total Covid-19-related Net Sales (PCR and Antibody)	64%	68%		49%	20%	

Nigeria (1.8% of net sales)

Echo-Lab, the Group's Nigerian subsidiary, recorded revenues of EGP 33 million in 1H 2022, up 32% versus 1H 2021. In EGP currency terms, revenue was up 25% year-on-year on the back of a 33% increase in average revenue per test and an increased number of CT and MRI exams performed during the six-month period, both of which are relatively high compared to that during Q4 2021 management decided to shut down its operational activities in the PPP branches due to the economic level. This subsequently weighed on tests volumes for the first half of 2022, with tests performed and patients served lower than in 1H 2021. Controlling for the branch closures, Echo-Lab would record a 25% year-on-year increase in tests performed and patients served in 1H 2021. In line with the venture's growth strategy, Echo-Lab rolled out two new branches during the second quarter, increasing the number of operational branches to 12.

During Q2 2022, IDH's Nigeria operations recorded revenue growth of 45% on the back of a 2% year-on-year rise in average revenue per test during the period.

Sudan (0.6% of net sales)

In Sudan, IDH recorded revenues of EGP 10 million, up 13% from the first half of last year supported by a 40% increase in tests performed. This marks the first year-on-year increase in EGP terms recorded by the Group's Sudanese operations in 2022. The potential of the Sudanese market which has been impacted by multiple political and economic crises over the last few years. In EGP currency terms, revenue expanded a solid 125% in the first six months of the year.

In the second quarter of the year, IDH recorded revenue growth in EGP terms of 91% in Sudan supported by a 10% increase in the average revenue per test for the quarter.

Net Sales Contribution by Country

The table presents Alternative Performance Measures (APM) for each period (further information available on page 10)

	1Q21	1Q22	Change	2Q21	2Q22	Change
Egypt Net Sales (EGP mn)	920	879	-4%	1,015	645	-36%
Conventional (EGP mn)	507	549	8%	510	591	16%
Covid-19-related (EGP mn)	414	330	-20%	504	53	-89%
Egypt Contribution	81.5%	78.7%		87.2%	83.3%	
Jordan Net Sales (EGP mn)	190	217	14%	134	106	-21%
Conventional (EGP mn)	68	70	4%	68	84	22%
Covid-19-related (EGP mn)	122	147	20%	65	21	-68%
Jordan Revenues (EGP mn) (IFRS)	190	281	48%	134	106	-21%
Jordan Net Sales (JOD mn)	8.6	9.6	12%	6.0	4.0	-33%
Jordan Revenues (JOD mn) (IFRS)	8.6	12.5	45%	6.1	4.0	-34%
Jordan Contribution	16.8%	19.4%		11.5%	13.7%	
Nigeria Net Sales (EGP mn)	12.5	14.8	19%	12.9	18.6	44%
Nigeria Net Sales (NGN mn)	302	371	23%	330	416	26%
Nigeria Contribution	1.1%	1.3%		1.1%	2.4%	
Sudan Net Sales (EGP mn)	6.8	5.7	-16%	2.5	4.8	92%
Sudan Net Sales (SDG mn)	61	152	149%	67	137	104%
Sudan Contribution	0.6%	0.5%		0.2%	0.6%	

Patients Served and Tests Performed by Country

	1H 2021
Egypt Patients Served (mn)	4.1
Egypt Tests Performed (mn)	14.6
Conventional tests (mn)	12.4
Covid-19-related tests (mn)	2.3
Jordan Patients Served (k)	502

Jordan Tests Performed (k)	1,447
<i>Conventional tests (k)</i>	1,105
<i>Covid-19-related tests (k)</i>	342
Nigeria Patients Served (k)	75
Nigeria Tests Performed (k)	136
Sudan Patients Served (k)	33
Sudan Tests Performed (k)	104
Total Patients Served (mn)	4.7
Total Tests Performed (mn)	16.3

Branches by Country

	30 June 2021
Egypt	443
Jordan	21
Nigeria	12
Sudan	19
Total Branches	495

Cost of Net Sales¹⁷

IDH's cost of net sales rose 7% year-on-year to record EGP 1,059 million in 1H 2022. Combined with the year-on-year increase in net sales for the period, this weighed down on the Group's gross profit which recorded EGP 832 million in 1H 2022, down from EGP 832 million for the same six months of the previous year. This decline in gross profit for the first six months of the year is identical in absolute terms between IFRS and APM measures. Gross profit margin on net sales recorded 43% in 1H 2022 versus 57% last year. Meanwhile, IDH's gross profit margin on net sales¹⁹ recorded 44% in the first six months of 2021.

In the second quarter of the year, IDH recorded cost of sales (identical in value to cost of net sales) of EGP 473 million in 1H 2022 for the quarter recorded EGP 300 million, with a margin of 39% for the quarter versus 57% in Q2 2021 when a large increase in net sales had significantly boosted gross profitability. Lower gross profitability for the quarter also partially reflects the expense of the Ramadan and Eid vacation.

Cost of Net Sales Breakdown as a Percentage of Net Sales

	1H 2021	1H 2022
Raw Materials	18.1%	20.9%
Wages & Salaries	12.9%	17.4%
Depreciation & Amortisation	4.2%	7.0%
Other Expenses	7.8%	10.7%
Total	43.1%	56.0%

Raw material costs, which include cost of specialized analysis at other laboratories, recorded EGP 396 million in 1H 2022. Raw material costs make up the largest share of total COGS at 37%. As a share of net sales, raw material costs increased to 20.9% in 1H 2022 from the same six months of the previous year. This increase is primarily reflective of the substantial reduction in the average cost of PCR tests during the period in both Egypt and Jordan (PCR tests were priced 52% lower in 1H 2022 than in 1H 2021).

Direct salaries and wages rose 11% year-on-year to EGP 329 million in 1H 2022, making the second largest share of total COGS at 31% versus last year is primarily attributable to the additional staff employed at Aqaba Port and QAIA airport, an annual increase of 43 new branches. Additional staff employed across the newly added branches (+43 new branches vs 1H21). Additional salary expense amounted to JOD 549 thousand (EGP 13.6 million) during 1H 2022, noting that starting April Biolab ceased its operations in Jordan.

Direct depreciation and amortisation increased 35% year-on-year in the first half of the year to record EGP 166 million in 1H 2022, reflecting amortisation of new branches (IFRS 16 right-of-use assets).

Other expenses for the first six months of 2022 increased 13% to record EGP 202 million. The increase principally reflects higher utility expenses in Egypt, as well as higher utility expenses related to the 43 additional branches rolled out in the twelve months to 30 June 2022.

17Cost of net sales is calculated as cost of sales (IFRS) for the period excluding commission fees paid to QAIA and Aqaba Port by Biolab at its terminals. According to IFRS 15, cost of sales recorded EGP 1,122 million in 1H 2022, up 14% year-on-year.

18It is important to note that while in absolute terms the Gross Profit figure is identical when using IFRS or APM, its margin differs between the two measures. 19A reconciliation between revenue and net sales is available earlier in this announcement.

Selling, General and Administrative Expenses

Total SG&A outlays stood at EGP 269 million in 1H 2022, representing a 27% year-on-year increase for the six-month period. The increase was mainly a result of rising salaries and marketing expenses, as well as higher fees for external auditing services.

Marketing and advertising expenses came in at EGP 54 million in 1H 2022, representing a 48% year-on-year increase. This expansion in IDH's marketing and advertisement efforts which for the last year has seen the Company roll out new branches predominantly to support Al-Borg Scan's ramp up.

EBITDA

IDH's EBITDA²⁰ came in at EGP 709 million in the first half of 2022, down 41% from the figure recorded this year in the first six months of 2021. EBITDA for the period is identical in absolute terms between IFRS and APM measures. EBITDA margin on consolidated revenue recorded 24% versus 52% in the same six-month period of a year ago. Meanwhile, EBITDA margin on net sales declined to 38% in 1H 2022 from 41% in 1H 2021. The decline in EBITDA level profitability comes on the back of lower gross profitability for the period coupled with higher expenses for the first six months of 2021.

In IDH's home market of Egypt, EBITDA recorded EGP 622 million in 1H 2022. EBITDA margin on net sales stood at 38% in 1H 2022, down from 41% in the same time last year.

In Jordan, IDH recorded an EBITDA of EGP 91 million, down 31% from the same six months of last year. In JOD 91 million, a 33% year-on-year decrease. EBITDA margin on revenue recorded 24% in 1H 2022 down from 40% this year in the first six months of 2021. EBITDA margin on net sales for the six-month period recorded 29% versus 41% in 1H 2021. The decrease in Biolab's EBITDA margin on net sales for the period as well as higher expenses related to Biolab's testing booths in QAIA and Aqaba Port.

ii. Balance Sheet Analysis

Assets

Property, Plant and Equipment

IDH held gross property, plant and equipment (PPE) of EGP 1,888 million as at 30 June 2022, up from the EGP 1,819 million as at 31 Dec 2021. The increase in CAPEX outlays as a share of total net sales for the six-month period is in part attributable to EGP 67 million (Capital Business Park Branch in West Cairo) during the period and EGP 69 million translation effect (mainly due to the depreciation of the Egyptian Pound since the start of the year).

Total CAPEX Breakdown

EGP Mn	1H 2022	% of Net Sales
Al-Borg Scan Expansion	66.7	3.5%
Translation Effect	68.6	3.6%
Leasehold Improvements/new branches	100.3	5.3%
Total CAPEX Additions	235.6	12.5%

Accounts Receivable and Provisions

As at 30 June 2022, accounts receivables' Days on Hand (DOH) recorded at 118 days compared to 107 days as at 31 Dec 2021. The increase in DOH is mainly due to a large balance related to the airlines deals in QAIA airport, characterized by a relatively higher credit period. The increase in DOH is based on credit revenues²⁴ amounting to EGP 592 million during 1H 2022.

The receivables balance in Egypt and Jordan stood at EGP 374 million as at 30 June 2022. More specifically, the DOH in Egypt increased to 104 days as at the end of the current reporting period compared to 96 days as at year-end 2021. The increase in DOH is calculated based on credit revenues amounting to EGP 500 million during the six-month period. Meanwhile, the DOH in Jordan increased to 203 days as at 30 June 2022 from 154 days as at year-end 2021 largely due to agreements with vodafone and KHIA agreements. Accounts receivables' DOH for Jordan is calculated based on credit revenues amounting to EGP 100 million during 1H 2022.

Provision for doubtful accounts established during the first half of 2022 amounted to EGP 16 million, up from EGP 10 million as at 31 Dec 2021. The increase in provisions reflects the slowdown in collections during the holy month of Ramadan and Eid al-Fitr.

²⁴Credit revenues relates to patients who paid for IDH's services on credit.

Inventory

As at 30 June 2022, the Group's inventory balance reached EGP 243 million, up from EGP 223 million as at 31 Dec 2021. The increase in inventory is due to the increase in Outstanding (DIO) increased to 109 days as at 30 June 2022 from 61 days as at year-end 2021. The increase in DIO is due to the accumulation of inventory as part of its proactive strategy to shield the business from any disruption that might result from the devaluation of the Egyptian pound and protect the Company's margins from a potential devaluation of the Egyptian pound. It should be noted that the Group's inventory is sufficient to cover the Group's needs for a four-month period.

Cash and Net Debt/Cash

IDH's cash balances increased to EGP 2,182 million as at 30 June 2022 up from EGP 2,350 million as at 31 Dec 2021.

EGP million	31 Dec 2021	30 Jun 2022
Time Deposits	628	628
T-Bills	1,461	522
Current Accounts	239	1,572
Cash on Hand	22	1
Total	2,350	2,182

Net cash balance²⁵ amounted to EGP 1,321 million as at 30 June 2022 compared to EGP 1,488 million as of 31 Dec 2021.

EGP million	31 Dec 2021	30 Jun 2022
Cash and Financial Assets at Amortised Cost ²⁶	2,350	2,182
Interest Bearing Debt ("Medium Term Loans") ²⁷	102	861
Lease Liabilities Property	532	600

Long-term Equipment Liabilities	229	26
Net Cash Balance	1,488	1,32

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

Lease liabilities on property recorded EGP 602 million as at 30 June 2022, up from the EGP 532 million book driven by the addition of new branches throughout the first half of the year. Meanwhile, financial obligations related as at the end of the current reporting period, up from EGP 229 million as of year-end 2021, for the most part contracts and the addition of new equipment. Total financial obligations related to equipment for the period include Borg Scan. Meanwhile, interest-bearing debt declined to EGP 89 million as at 30 June 2022 from EGP 102 specifically, IDH's interest-bearing debt as at 30 June 2022 comprised EGP 84.4 million related to its facility with A bearing debt in both periods excludes accrued interest. It is also important to note that the Company's facility with was fully repaid as of April 2022.

25The net cash balance is calculated as cash and cash equivalent balances including includes financial assets at amortised cost, less interest and Right-of-use liabilities.

26As outlined in Note 9 of IDH's Consolidated Financial Statements, some term deposits and treasury bills cannot be accessed for over 90 days deposits which cannot be accessed for over 90 days stood at EGP 4 million in 1H 2022, versus EGP 148 million as at year-end 2021. Meanwhile stood at EGP 511 million in 1H 2022, down from EGP 1,310 million in FY 2021.

27IDH's interest bearing debt as at 30 June 2022 included EGP 84.4 million to its facility with Ahli United Bank Egypt (AUBE) (outstanding period).

Liabilities

Accounts Payable²⁸

As at the end of 30 June 2022, accounts payable balance recorded EGP 230 million down from EGP 311 million and Group's days payable outstanding (DPO) increased to 126 days from 93 days as at 31 December 2021. The increase related kits consumption and the renegotiation of extended payment terms with the Company's test kit suppliers.

28Accounts payable is calculated based on average payables at the end of each year.

Put Option

The put option current liability is related to the option granted in 2011 to Dr. Amid, Biolab's CEO, to sell his stake for money and exercisable since 2016 and is calculated as 7 times LTM EBITDA minus net debt. Biolab's put option depreciation of the Egyptian pound by around 20% as at 30 June 2022 compared to year-end 2021.

The put option non-current liability is related to the option granted in 2018 to the International Finance Corporation (IFC) Lab - and it is exercisable in 2024. The put option is calculated based on fair market value (FMV).

Dividend Payment

During the Company's annual general meeting (AGM) held in London on 7 June 2022, IDH's shareholders received a dividend distribution for the financial year ended 31 December 2022 of EGP 2.17 per share, or EGP 1.3 billion (US\$ 69 million). The payment date was scheduled for 27 July 2022. In light of the ongoing difficulties in obtaining US dollars in the market, management agreed to distribute the Dividend over two tranches. The first tranche was paid out to all minority shareholders on the schedule. Meanwhile, the Company signed a deferral agreement with its two largest shareholders, HENA Holding and IDH, to delay their payment date. IDH distributed the second tranche to the dividend to its two largest shareholders over two tranches in August 2022.

29Calculated on a USD/EGP exchange rate of 18.70/1 as of 7 June 2022.

iii. Cash Flow Analysis

Net cash flow from operating activities recorded EGP 34 million in 1H 2022 continuing to demonstrate IDH's strong performance. Net cash from operating activities declined from EGP 866 million the same six months of last year.

Principal Risks and Uncertainties

As in any corporation, IDH has exposure to risks and uncertainties that may adversely affect its performance. The Board and senior management agree that the principal risks and uncertainties facing the Group include political and economic risks in Egypt, the Middle East and Nigeria, foreign currency exchange rate variability and associated risks, changes in regulation and regulatory actions, damage to the Group's reputation, failure to maintain the Group's high standards and accreditations, failure to maintain good relationships with healthcare professionals and end users, operational pressures and business interruption of the Group's testing facilities, among others.

Other short-term risks include operational disruptions related to the Covid-19 pandemic; delays in branch opening and renovations in Nigeria and difficulties in growing Echo-Lab's customer base; prolonged political unrest in Sudan may adversely affect patient and test volumes, while further currency devaluation risks will limit the compensatory effect of price increases; rising inflation and continued supply chain disruptions may weigh on the Group's cost base in the short term.

Statement of Directors' Responsibilities

Responsibility statement of the directors in respect of the half-yearly financial report

We confirm that to the best of our knowledge, the interim management report includes a fair review of the information required by:

- (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year;
- (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

For and on behalf of the Board of Directors

Dr. Hend El Sherbini
Executive Director

11 September 2022

-End-

INTEGRATED DIAGNOSTICS HOLDINGS plc - "IDH"
AND ITS SUBSIDIARIES

Consolidated Financial Statements

for the six month period ended 30 June 2022

Consolidated statement of financial position as at 30 June 2022

	Notes	30
ASSETS		
Non-current assets		
Property, plant and equipment	4	
Intangible assets and goodwill	5	
Right of use assets	6	
Financial assets at fair value through profit and loss	7	
Total non-current assets		
Current assets		
Inventories		
Trade and other receivables	8	
Financial assets at amortized cost	9	
Cash and cash equivalents	10	
Total current assets		
Total assets		
EQUITY AND LIABILITIES		
Equity		
Share Capital		

Share premium reserve		
Capital reserve		
Legal reserve		
Put option reserve		
Translation reserve		
Retained earnings		
Equity attributable to the equity holders of the parent		
Non-controlling interests		
Total equity		
Non-current liabilities		
Provisions		
Borrowings	13	
Other financial obligations	15	
Non-current put option liability	14	
Deferred tax liabilities	19-C	
Total non-current liabilities		
Current liabilities		
Trade and other payables	11	
Shareholders dividend	24	
Other financial obligations	15	
Current put option liability	12	
Borrowings	13	
Current tax liabilities		
Total current liabilities		
Total liabilities		
Total equity and liabilities		

These condensed consolidated interim financial information were approved and authorized for issue by the Board of Directors and signed on their behalf by:

Dr. Hend El Sherbini
Chief Executive Officer

Hussein Choucri
Independent Non-Executive Director

The accompanying notes form an integral part of these condensed consolidated interim financial information.

Consolidated income statement for the quarter and six-month periods ended 30 June 2022

	Notes	For the three months period ended 30 June	
		2022 EGP'000	2021 EGP'000
Revenue	23	773,586	1,163,632
Cost of sales		(473,402)	(496,742)
Gross profit		300,184	666,890

Marketing and advertising expenses		(51,804)	(37,848)
Administrative expenses	17	(77,892)	(105,212)
Impairment loss on trade and other receivable		(8,980)	(5,181)
Other income		4,553	8,346
Operating profit		166,061	526,995
Finance costs	18	(31,087)	(39,212)
Finance income	18	43,247	24,975
Net finance cost		12,160	(14,237)
Profit before tax		178,221	512,758
Income tax expense	19-B	(53,302)	(186,142)
Profit for the period		124,919	326,616
Profit attributed to:			
Equity holders of the parent		125,611	320,410
Non-controlling interests		(692)	6,206
		124,919	326,616
Earnings per share (expressed in EGP):			
Basic and diluted earnings per share	22	0.21	0.53

The accompanying notes form an integral part of these condensed consolidated interim financial information.

Consolidated statement of comprehensive income/(expenses) for the quarter and six-month periods ended 30 June 2022

	For the three months period ended 30 June	
	2022 EGP'000	2021 EGP'000
Net profit	124,919	326,616
Items that may be reclassified to profit or loss:		
Exchange difference on translation of foreign operations	25,983	(2,062)
Other comprehensive income / (Loss) for the period net of tax	25,983	(2,062)
Total comprehensive income for the period	150,902	324,554
Attributed to:		
Equity holders of the parent	138,135	320,692
Non-controlling interests	12,767	3,862
	150,902	324,554

The accompanying notes form an integral part of these condensed consolidated interim financial information.

Consolidated statement of cash flows for the six month period ended 30 June 2022

Notes

30

Cash flows from operating activities
Profit for the period before tax

Adjustments

Depreciation of property, plant and equipment	
Depreciation of right of use assets	
Amortisation of intangible assets	
loss/(Gain)on disposal of Property, plant and equipment	
Impairment in trade and other receivables	
Interest income	18
Interest expense	18
Bank Charges	
Equity settled financial assets at fair value	
ROU Asset/Lease Termination	
Hyperinflation	18
Unrealised foreign currency exchange loss	18
Change in Provisions	
Change in Inventories	
Change in trade and other receivables	
Change in trade and other payables	
Cash generated from operating activities before income tax payment	
Tax paid during period	
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	4
Payments for acquisition of intangible assets	5
Payments for the purchase of financial assets at amortized cost	
Proceeds for the sale of financial assets at amortized cost	
Net cash flows generated from/ (used in) investing activities	
Cash flows from financing activities	
Proceeds from borrowings	
Repayments of borrowings	
Payment of finance lease liabilities	
Dividends paid	
Interest paid	
Bank charge paid	
Net cash flows used in financing activities	
Net increase in cash and cash equivalent	
Cash and cash equivalents at the beginning of the year	
Effect of exchange rate	
Cash and cash equivalent at the end of the period	10

The accompanying notes form an integral part of these condensed consolidated interim financial information.

Consolidated statement of changes in equity for the six month period ended 30 June 2022

EGP '000	Share capital	Share premium reserve	Capital reserve	Legal reserve*
At 1 January 2022	1,072,500	1,027,706	(314,310)	51,640
Profit for the period	-	-	-	-
Other comprehensive income for the period	-	-	-	-

Total comprehensive income at 30 June 2022	-	-	-	
Transactions with owners of the Company				
Contributions and distributions				
Dividends	-	-	-	
Movement in put option liabilities	-	-	-	
Impact of hyperinflation	-	-	-	
Total contributions and distributions	-	-	-	
Balance at 30 June 2022	1,072,500	1,027,706	(314,310)	51,648
At 1 January 2021	1,072,500	1,027,706	(314,310)	49,218
Profit for the period	-	-	-	
Other comprehensive income for the period	-	-	-	
Total comprehensive income at 30 June 2021	-	-	-	
Transactions with owners of the Company				
Contributions and distributions				
Dividends	-	-	-	
Legal reserve formed during the period	-	-	-	2,423
Movement in put option liabilities	-	-	-	
Impact of hyperinflation	-	-	-	
Total contributions and distributions	-	-	-	2,423
Balance at 30 June 2021	1,072,500	1,027,706	(314,310)	51,648

*Under Egyptian Law, each subsidiary in Egypt 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 issued capital. This reserve is not distributable to the owners of the Company. The accompanying notes form an integral part of these condensed consolidated interim financial information.

1. Reporting entity

Integrated Diagnostics Holdings plc "IDH" or "the Company" is a Company which was incorporated in Jersey on 4 December 2014 and established according to the provisions of the Companies (Jersey) Law 1991 under Registered No. 11725. The condensed consolidated interim financial information as at and for the six months ended 30 June 2022 comprise the Company and its subsidiaries (together referred as the 'Group'). The Company is a dually listed entity, in both London Stock Exchange (since 2015) and in the Egyptian Exchange (during May 2021).

The principal activities of the Company and its subsidiaries (together "The Group") include investments in all types of business in the healthcare field of medical diagnostics (the key activities are pathology and Radiology related tests), either through acquisition of related business in different jurisdictions or through expanding the acquired investments they have. The key jurisdictions where the Group operates are in Egypt, Jordan, Nigeria and Sudan.

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

These condensed consolidated interim financial information were approved for issue by the Directors of the Company on 28 September 2022.

2. Basis of preparation

A) Statement of compliance

These condensed consolidated interim financial information have been prepared as per IAS 34 'Interim Financial Reporting' (As adopted by the IASB), as the accounting policies adopted are consistent with those of the Company's financial year ended 31 December 2021 and corresponding interim reporting period.

These condensed consolidated interim financial information do not include all the information and disclosures included in the annual consolidated financial Statement, and should be read in conjunction with the financial Statement published for the year ended 31 December 2021 which is available at www.idhcorp.com. In addition, results of the period ended 30 June 2022 are not necessarily indicative for the results that may be expected for the financial year ending 31 December 2022.

B) Basis of measurement

The condensed consolidated interim financial information has been prepared on the historical cost basis except where adopted IFRS mandates that fair value accounting is required which is related to the financial assets and liabilities measured at fair value.

C) Functional and presentation currency

These condensed consolidated interim financial information is presented in Egyptian Pounds (EGP'000). The functional currency of the majority of the Group's entities is the Egyptian Pound (EGP) and is the currency of the economic environment in which the Group operates.

The Group also operates in Jordan, Sudan and Nigeria and the functional currencies of those foreign operations are the local currencies of those respective territories, however due to the size of these operations, there is no material impact on the functional currency of the Group, which is the Egyptian Pound (EGP).

3. Significant accounting policies

In preparing these condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial information for the year ended 31 December 2021. The preparation of these condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. Information about significant areas of estimation uncertainty and critical judgement in applying accounting policies that have the most significant effect on the amount recognised in the condensed consolidated interim financial statement is described in note 3.2 of the annual consolidated financial statement published for the year ended 31 December 2021. In preparing these condensed consolidated interim financial information, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial information for the year ended 31 December 2021".

4. Property, plant, and equipment

	Land & buildings	Medical, electric & information system equipment
Cost		
At 1 January 2022	380,883	824,628
Additions	38,275	71,111
Hyper inflation	-	1,784
Disposals	-	(674)
Transfers	-	-
Exchange differences	2,810	37,155
At 30 June 2022	421,968	934,004

Depreciation		
At 1 January 2022	53,490	333,806
Depreciation for the period	3,224	62,253
Disposals	-	(613)
Exchange differences	454	17,496
At 30 June 2022	57,168	412,942
Net book value at 30 June 2022	364,800	521,062
At 31 December 2021	327,393	490,822

5. Intangible assets and goodwill

Intangible assets represent goodwill acquired through business combinations and brand names.

	Goodwill	Brand name
Cost		
Balance at 1 January 2022	1,260,965	383,909
Additions	-	-
Effect of movements in exchange rates	11,031	3,652
Balance at 30 June 2022	1,271,996	387,561
Amortisation and impairment		
Balance at 1 January 2022	4,552	372
Amortisation	-	-
Effect of movements in exchange rates	-	-
Balance at 30 June 2022	4,552	372
Carrying amount		
Balance at 30 June 2022	1,267,444	387,189
Balance at 31 December 2021	1,256,413	383,537

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances potential impairment. No indicators of impairment have been identified during the six months ended 30 June 2022.

6. Right-of-use assets

	30 June 2022
Balance at 1 January	462,4
Addition for the period / year	94,9
Depreciation charge for the period / year	(48,2
Terminated contracts	(8,4
Exchange differences	18,9
	519,7

7. Financial asset at fair value through profit and loss

	30 June 2022
	13,018
Equity investments*	
	13,018

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

- ownership percentage in JSC Mega Lab at the transaction date on April 8, 2019, and as of June 30, 2022, was 8.33%
- On April 8, 2019, Al Mokhabariyoun Al Arab (BioLab) has signed a Shareholder Agreement with JSC Mega Lab 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 being USD 400,000 plus 15% annual Interred Rate of Return (IRR). In case the Shareholder Agreement or the Purchase Agreement and/or the Service level Agreement is terminated/cancelled within 12 months period from the date of such termination/cancellation, CHG shall have a call option, which allows the CHG to purchase BioLab's Stake in JSC Megalab having value of USD 400,000.00 plus 20% annual Interred Rate of Return (IRR). If accreditation is not obtained, immediately after the expiration of the 12 months period, CHG shall have a call option (IF Accreditation Call option), exercisable within 6 months period, allowing CHG has the right to purchase BioLab's Stake in JSC Mega Lab at a price of the equity value of USD 400,00.00 plus the 20% annual IRR.

After 12 months from the date of the put option period expiration, CHG to has the right purchase BioLab's Stake in JSC Megalab having value of USD 400,000 plus higher of 20% annual IRR or 6x EV/EBITDA (of the financial statements immediately preceding the call option exercise date).

8. Trade and other receivables

	30 June 2022
Trade receivables - net	384,0
Prepayments	28,0
Due from related parties note (16)	7,0
Accrued revenue	1,0

Other receivables

69

491

9. Financial assets at amortised cost

	30 June 2022
Term deposits (more than 90 days)	3,726
Treasury bills (more than 90 days)	510,771
	514,497

The maturity date of the treasury bills and Fixed-term deposits is between 3-12 months and have average interest rates of 13.18% and 8.50% respectively.

10. Cash and cash equivalents

	30 June 2022
Cash at banks and on hand	1,586
Treasury bills (less than 90 days)	1
Term deposits (less than 90 days)	6
	1,663

11. Trade and other payables

	30 June 2022
Trade payable	23
Accrued expenses	22
Due to related parties note (16)	1
Other payables	8
Deferred revenue	5
Accrued finance cost	5
	61

12. Current put option liability

	30 June 2022
Put option - Biolab Jordan	897,163
	897,163

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

Through the historic acquisitions of Makhbaryoun 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 at the net present value of the exercise price of the option.

The option is calculated at seven times (7x) EBITDA of the last 12 months minus Net Debt, and its exercisable starting the fifth anniversary of completion of the original purchase agreement, which fell due in June 2016. The value was not exercised this right at 30 June 2022. It is important to note that the put option liability is treated as current as it can 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 the next 18 months. The put option has no expiry date.

13. Loans and borrowings

	Currency	Nominal interest rate	Maturity	30 June 2022
CIB - Bank	EGP	Secured rate 9.5%	5 April 2022	-
AUB - Bank	EGP	CBE corridor rate+1%	26 April 2026	84,82
				84,82
<u>Amount held as:</u>				
Current liability				8,48
Non- current liability				76,34
				84,82

A)

In July 2018, AL-Borg lab, one of IDH subsidiaries, was granted a medium-term loan amounting to EGP 130 million from the Ahli United Bank "AUB Egypt" to finance the investment cost related to the expansion into the radiology department. As at 30 June 2022 only EGP 84.8m had been drawn down from the total facility available. The loan comes with 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

Loans and borrowings (continued)

"Debt service ratio": cash operating profit after tax plus depreciation for the financial year less interest expense, 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 amortisation, is calculated as follows: Net income after tax and unusual items adding Interest expense, Depreciation, Amortisation, provisions excluding tax related provisions less interest income and Investment income and gains less extraordinary items.

"Financial payments": current portion of long-term debt including finance lease payments, interest expense, dividends, fees and dividends distributions.

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

The terms and conditions of outstanding loans are as follows:

* As at 30 June 2022 corridor rate is 12.25% (2021: 9.25%)

AL- Borg company didn't breach any covenants related to the MTL agreement.

- B) Last year the Group signed two debt facilities agreements. The debt package includes US\$ 45.0 million secured facility with the tenor of 8-year starting May 2021 from the International Finance Corporation (IFC), and an additional US\$ 15.0 million IFC syndicated facility from Mashreq Bank. As at 30 June 2022, the debt facility has not been fully drawn down by IDH.

14. Non-current put option liability

	30 June 2022
Put option liability*	39,733
	39,733

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

15. Other Financial obligations

	30 June 2022
Lease liabilities - buildings	601,000
Financial obligations- laboratory equipment	259,000
	861,000

The financial obligations for the laboratory equipment and building are payable as follows:

	Minimum payments	30 June 2022 Interest
Less than one year	249,937	
Between one and five years	809,055	
More than five years	174,300	
	1,233,292	

	Minimum payments	31 December 2021 Interest
Less than one year	211,242	
Between one and five years	701,084	
More than Five years	191,229	
	1,103,555	

Amounts recognised in profit or loss:

	For the three months ended 30 June	
	2022	2021
Interest on lease liabilities	18,065	14,597

Expenses related to short-term lease

9,387

3,420

16. Related party transactions

The significant transactions with related parties, their nature volumes and balance during the period 30 June 20 follows:

Related Party	Nature of transaction	Nature of relationship	Transaction amount period
ALborg Scan (S.A.E)*	Expenses paid on behalf	Affiliate	-
International Fertility (IVF)**	Expenses paid on behalf	Affiliate	-
H.C Security	Provided service	Entity owned by Company's board member	56
Life Health Care	Provide service	Entity owned by Company's CEO	1,956
Dr. Amid Abd Elnour	Put option liability	Bio. Lab C.E.O and shareholder	24,197
International Finance corporation (IFC)	Put option liability	Eagle Eye - Echo Scan limited shareholder	(4,696)
International Finance corporation (IFC)	Current account	Eagle Eye - Echo Scan limited shareholder	1,948
Integrated Treatment for Kidney Diseases (S.A.E.)	Medical services	Entity owned by Company's CEO	-
Total			130

Related party transactions (continued)

Related Party	Nature of transaction	Nature of relationship	Tran amount
ALborg Scan (S.A.E)*	Expenses paid on behalf	Affiliate	
International Fertility (IVF)**	Expenses paid on behalf	Affiliate	
H.C Security	Provide service	Entity owned by Company's board member	
Life Health Care	Provide service	Entity owned by Company's CEO	(1
Dr. Amid Abd Elhour	Put option liability	Bio. Lab C.E.O and shareholder	(6
International Finance corporation (IFC)	Put option liability	Eagle Eye - Echo Scan limited shareholder	(
International Finance corporation (IFC)	Current account	Eagle Eye - Echo Scan limited shareholder	(1
Integrated Treatment for Kidney Diseases (S.A.E)	Rental income Medical services	Entity owned by Company's CEO	
Total			

* ALborg Scan is a company whose shareholders include Dr. Moamena Kamel (founder of IDH subsidiary AI-M Labs).

** International Fertility (IVF) is a company whose shareholders include Dr. Moamena Kamel (founder of IDH sub Mokhtabar Labs).

Related party transactions (continued)

Compensation of key management personnel of the Group

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period relating to key management personnel.

Short-term employee benefits

30 June 2022

17. General and administrative expenses

	For the three months ended 30 June	
	2022	2021
Wages and salaries	32,979	34,623
Depreciation	7,440	5,659
Other expenses	37,473	64,930
Total	77,892	105,212

18. Net finance cost

	For the three months ended 30 June	
	2022	2021
Interest income	30,196	24,975
Net foreign exchange gain	8,244	-
Gain on hyperinflationary net monetary position (Sudan companies)	4,807	-
Total finance income	43,247	24,975
Loss on hyperinflationary net monetary position	-	(1,204)
Bank Charges	(1,661)	(2,848)
Interest expense	(29,426)	(30,574)
Net foreign exchange loss	-	(4,586)
Total finance costs	(31,087)	(39,212)
Net finance income /(cost)	12,160	(14,237)

On March 21, 2022, the Central Bank of Egypt raised the corridor rate by 100 basis points and on May 19, additional increase of 200 basis point took place.

19. Tax

A) Tax expense

Tax expense is recognised based on management's best estimate of the weighted-average annual income expected for the full financial year multiplied by the pre-tax income of the interim reporting period.

B) Income tax

Amounts recognised in profit or loss as follow:

	For the three months ended 30 June	
	2022	2021
Current tax:		

Current year tax	(58,479)	(143,535)
Deferred tax:		
DT on undistributed reserves	6,672	(43,068)
DT on reversal of temporary differences	(1,495)	461
Total Deferred tax	5,177	(42,607)
Tax expense recognized in profit or loss	(53,302)	(186,142)

C) Deferred tax liabilities

Deferred tax relates to the following:

	30 June 2022
Property, plant and equipment	(30,052)
Intangible assets	(106,518)
Undistributed reserves from Group subsidiaries	(157,961)
Provisions and financial obligations	30,417
Net deferred tax liabilities	(264,114)

20. Financial instruments

The Group has reviewed the financial assets and liabilities held at 30 June 2022. It has been deemed carrying amounts for all financial instruments are a reasonable approximation of fair value. All instruments are deemed Level 3.

21. 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. During the year, Integrated Diagnostics Holdings plc have taken legal advice and considered market practice in Egypt relating to this law, 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 the 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 amount into an external training fund. The board of Integrated Diagnostics Holdings plc have concluded that an outflow of funds is not probable.

Should a claim be brought against Al Borg Laboratory Company and Al Mokhtabar Company for Medical Labs, an amount between EGP 26.8m to EGP 60m could become payable, however this is not considered probable due to the special differential training programs that the group provides to its medical and administrative professionals on an annual basis which is one of the requirements imposed by the international accreditation bodies.

22. Earnings per share

	For the three months ended 30 June	
	2022	2021
Profit attributed to owners of the parent	125,611	320,410
Weighted average number of ordinary shares in issue	600,000	600,000
Basic and diluted earnings per share	0.21	0.53

The Company has no potential diluted shares as at 30 June 2022 and 30 June 2021, therefore; the earnings per diluted share are equivalent to basic earnings per share.

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

	Revenue by geographic location			
	Egypt region	Sudan region	Jordan region	Nigeria region
For the three months ended				
30-June-22	644,550	4,797	105,621	18,618
30-June-21	1,014,597	2,514	133,648	12,873
For the six months period ended				
30-June-22	1,524,040	10,469	386,135	33,421
30-June-21	1,935,059	9,267	323,518	25,326
For the three months ended				
30-June-22	226,684	(23)	16,478	
30-June-21	534,796	(377)	53,296	
For the six months period ended				

30-June-22	621,740	63	90,790
30-June-21	1,046,064	711	131,023

Segment reporting (continued)

For the three months ended	Net profit / (loss) by geographic region		
	Egypt region	Sudan region	Jordan region
30-June-22	124,044	1,522	2,441
30-June-21	310,160	(4,486)	31,731

For the six months period ended	Net profit / (loss) by geographic region		
	Egypt region	Sudan region	Jordan region
30-June-22	393,560	4,278	47,471
30-June-21	616,213	(14,801)	83,247

Revenue by type	For the three months ended 30 June		Net profit / (loss)
	2022	2021	
Pathology	736,467	1,140,057	
Radiology	37,119	23,575	
	773,586	1,163,632	

Revenue by type	For the six months period ended 30 June		Net profit / (loss)
	2022	2021	
Pathology	1,885,271	2,247,984	477,700
Radiology	68,794	45,186	(38,660)
	1,954,065	2,293,170	439,040

Revenue by categories	For the three months ended 30 June		Net profit / (loss)
	2022	2021	
Walk-in	319,548	499,678	
Corporate	454,038	663,954	
	773,586	1,163,632	

* 30 June 2022 figure includes Covid-19 related Pathology tests amounted to EGP 615 m (30 June 2021: EGP 1, Segment reporting (continued))

For the year ended	Non-current assets by geographic		
	Egypt region	Sudan region	Jordan region
30-June-22	2,937,484	9,104	329,326
31-Dec-21	2,803,954	7,234	291,880

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

	For the three months ended 30 June	
	2022	2021
Profit from operations	166,061	526,995
Property, plant and equipment depreciation	49,136	26,608
Right of use depreciation	24,289	28,711
Amortization of Intangible assets	1,490	1,528
EBITDA	240,976	583,842
Non-recurring expenses	-	18,797
Normalised EBITDA	240,976	602,639

24. Distributions made and proposed

	30 June 2022
	EGP'000
Cash dividends on ordinary shares declared and not paid:	
US\$ 0.116 per share (2021 nil)	1,300
	1,300
Cash dividends on ordinary shares declared and paid:	
Nil per qualifying ordinary share (2021: 0.0485) per share	

25. Subsequent events

- A) Due to the current economic situation in Egypt, IDH board of Directors has decided to pay dividends over two rounds as follows:
- Round 1 -> Minority Shareholders the deadline on the 27th of July 2022
 - Round 2 -> Hena Holdings & Actis

IDH signed a deferral agreement with principal shareholders (Hena Holdings and Actis) who have agreed their dividends in two tranches (on the 11th of August 2022 and the 18th of August 2022) with an interest rate of 5% per annum.

In relation to this agreement, IDH has incurred an Interest Expense of USD 174.5 K.

- B) In relation to the share purchase agreement (the "SPA") signed on 20 December 2021 by IDH (or "the Company") for the acquisition of a 50% stake in Islamabad Diagnostic Center ("IDC"), IDH has notified Evercare IGA Limited (the "Seller") of its decision to terminate the SPA on 29 August 2022. Termination has become effective as the Long-stop Date (which had already been extended for a period of three months) has occurred with the satisfaction of all condition's precedent ("CPs"). However, negotiations with the Seller are ongoing, with the evolving economic challenges and geopolitical situation to be important considerations in the completion of the negotiations. In case the Company reaches an agreement with the Seller, an amended SPA will be signed and the Long-stop Date set.
- C) IDH (or "the Company") will implement an Employee Stock Ownership Plan ("ESOP") for the senior management starting Q3 2022.

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

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

IR GRGDCIBBDGDD