

**Integrated Diagnostics Holdings Plc**

**9M 2023 Results**

Thursday, 16 November 2023

## Integrated Diagnostics Holdings Plc reports impressive 44% year-on-year conventional revenue expansion in 9M 2023, consolidated figures surpassing the high Covid base of 9M 2022

**(Cairo and London)** - Integrated Diagnostics Holdings ("IDH," "the Group," or "the Company"), a leading provider of diagnostic services with operations in Egypt, Jordan, Nigeria, Sudan, and soon launching in Saudi Arabia, announced today its reviewed financial statements for the nine-month period ended 30 September 2023, booking its strongest quarter since the start of the year. IDH recorded consolidated revenues of EGP 1,182 million, yielding a 51% year-on-year and 24% quarter-on-quarter growth rates.

When excluding<sup>1</sup> Covid-19-related contributions from the previous period, conventional revenues recorded a 51% year-on-year growth in Q3 2023. Impressive top-line performance during the quarter translated to improved results in the income statement, with net profit coming in at EGP 176 million and yielding an NPM of 15% in Q3 2023. This represents a significant improvement from the net loss of EGP 36 million recorded in Q3 2022 when IDH's bottom-line performance had been weighed down by a one-off expense.

On a year-to-date basis, IDH recorded consolidated revenues of EGP 3,054 million, a 9% year-on-year expansion on the high base of 9M 2022, which had included EGP 678 million in Covid-19-related<sup>2</sup> revenues (constituting 24% of the Company's top-line). Meanwhile, the Company booked conventional revenue growth of 44% year-on-year in 9M 2023 supported by a 16% year-on-year increases in test volumes coupled with a 24% year-on-year increase in revenue per conventional test.

Further down the income statement, the Company posted a net profit of EGP 387 million in 9M 2023, representing a marginal 4% year-on-year decline from the figure reported in the same period of last year and yielding a net profit margin (NPM) of 13%.

### Financial Results (IFRS)<sup>3</sup>

EGP mn	Q3 2022	Q3 2023	Change
<b>Revenues</b>	<b>846</b>	<b>1,182</b>	<b>40%</b>
Conventional Revenues	784	1,182	51%
Covid-19-related Revenues	63	-	-
Cost of Goods Sold	(497)	(702)	41%
<b>Gross Profit</b>	<b>350</b>	<b>480</b>	<b>37%</b>
Gross Profit Margin	41%	41%	-1 pts
Operating Profit	186	312	67%
<b>Normalised EBITDA<sup>4</sup></b>	<b>265</b>	<b>411</b>	<b>55%</b>
EBITDA Margin	31%	35%	3 pts
<b>Net Profit</b>	<b>(36)</b>	<b>176</b>	<b>-</b>
Net Profit Margin	-4%	15%	19 pts
<b>Cash Balance</b>	<b>816</b>	<b>794</b>	<b>-3%</b>

Note: Throughout the document, percentage changes are calculated using the exact value (as per the Consolidated Financials) and not the corresponding rounded figures.

### Key Operational Indicators<sup>5</sup>

EGP mn	9M 2022
Branches	546
Patients ('000)	6,633
Revenue per Patient (EGP)	422
Tests ('000)	24,359

Conventional Tests ('000)	22,728
Covid-19-related Tests ('000)	1,631
Revenue per Test	115
Revenue per Conventional Test (EGP)	93
Revenue per Covid-19-related Test (EGP)	416
Test per Patient	3.7

<sup>1</sup> Starting Q1 2023, IDH has opted to stop reporting on its Covid-19-related revenues and test volumes due to their material insignificance to the consolidated figures and Jordan's country-level results for the quarter. In the comparable period of last year (9M 2022) IDH had recorded EGP 678 million in Covid-19-related revenues and had 1.6 million Covid-19-related tests.

<sup>2</sup> 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 tests 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.

<sup>3</sup> Important notice: In the Company's earnings releases covering the five quarters starting from Q4 2021 and ending Q4 2022, management had opted to present Alternative Performance Measures (APM) alongside IFRS-compliant figures as outlined on page 2 of the Company's FY 2022 Earnings Release. Starting in Q1 2023, due to the material insignificance of Covid-19-related revenues on consolidated results, the Company will only report IFRS-compliant figures. It is worth noting that revenues for the comparable period (9M 2022), include concession fees amounting to EGP 63 million paid by Biolab as part of its agreement with QAIA and Aqaba Port.

<sup>4</sup> Normalised EBITDA is calculated as operating profit plus depreciation and amortization, excluding non-recurring expenses, specifically a EGP 12 million one-off expense in 2022 for Egyptian government for vocational training, EGP 6.5 million in pre-operating expenses in Saudi Arabia, and EGP 5.0 million impairment expense in Sudan due to the ongoing conflict in the country.

<sup>5</sup> Key operational indicators are calculated based on revenues for the periods of EGP 3,054 million and EGP 2,800 million for 9M 2023 and 9M 2022, respectively.

**Important notice:** In the Company's earnings releases covering the five quarters starting from Q4 2021 and ending Q4 2022, management had opted to present Alternative Performance Measures (APM) alongside IFRS-compliant figures as outlined on page 2 of the Company's FY 2022 Earnings Release. Starting in Q1 2023, due to the material insignificance of Covid-19-related revenues on consolidated results, the Company will only report IFRS-compliant figures. It is worth noting that revenues for the comparable period (9M 2022) include concession fees amounting to EGP 63 million paid by Biolab as part of its agreement with QAIA and Aqaba Port.

## Introduction

### i. Financial Highlights

#### Quarterly Performance

- IDH recorded its strongest quarterly performance since the start of the year in Q3 2023, capitalising on the momentum seen during May and carrying on throughout the summer period. The quarter recorded a notable pickup in patient footfall and testing volumes, specifically in IDH's two largest markets, Egypt and Jordan.
- IDH booked record test volumes in Q3 2023, surpassing the 10.0 million test mark for a single quarter for the first time. As a result, the Company booked **total revenues** of EGP 1,182 million, expanding 40% year-on-year and 24% quarter-on-quarter. Robust top-line performance compared to the previous quarter is a reflection of a normalisation in operations following a slow start to the year in 1H 2023 due to increased inflationary pressures, the holy month of Ramadan, and Eid vacations which affected operations.
- In parallel, **conventional revenues**<sup>6</sup> (excluding Covid-19 revenues in the comparative period) in Q3 2023 increased 51% year-on-year, up from EGP 784 million in Q3 2022.

#### Year-to-Date Performance

- **Conventional revenue** during 9M 2023 amounted to EGP 3,054 million, representing a 44% year-on-year increase. Conventional revenue growth was driven by year-on-year increases of 16% and 24% in conventional test volumes and average revenue per conventional test, respectively.
- Driven by strong quarterly performance, IDH recorded **total revenues** of EGP 3,054 million in 9M 2023, a 9% year-on-year increase.
- This is a particularly noteworthy result when considering that the comparable 9M 2022 had included significant contributions from Covid-19-related<sup>7,8</sup> testing, amounting to EGP 678 million and constituting 22% of consolidated revenues. Total revenue growth came on the back of a 9% year-on-year increase in test volumes with average revenue per test remaining stable due to the high Covid base of 9M 2022.

<sup>6</sup> Conventional (non-Covid) tests include IDH's full service offering excluding the Covid-19 related tests outlined below.

<sup>7</sup> 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.

<sup>8</sup> Covid-19-related revenue in 9M 2022 includes EGP 63 million in concession fees paid by Biolab to Queen Alia International Airport and Aqaba Port as part of its revenue sharing agreement.

- **Gross Profit** in Q3 2023 booked EGP 480 million, 37% above the figure recorded in Q3 2022 and 44% above Q2 2023. Meanwhile, IDH reported a gross profit margin (GPM) of 41%, unchanged compared to Q3 2022 and 10 percentage points above the GPM booked in Q2 2023. Significantly improving gross profitability compared to the previous quarters of the year reflect a normalisation of profitability as the initial effects of the devaluation in FY 2023 began to fade.

On a nine-month basis, gross profit stood at EGP 1,138 million, down 4% year-on-year, and with an associated gross profit margin (GPM) of 37% compared to 42% in 9M 2022. Lower gross profitability on a year-to-date basis reflected rises in raw material costs due to higher average costs per kit on the back of rising inflation in Egypt and a weaker EGP, coupled with higher direct salaries and wages costs to provide greater-than-usual increases in compensation packages to existing staff to compensate for inflationary pressures, as well as higher depreciation expenses.

- **Normalised EBITDA<sup>9</sup>** booked EGP 411 million, recording a remarkable year-on-year growth of 55% and an EBITDA margin of 35%, 4% higher compared to Q3 2022. EBITDA profitability also showed significant improvements compared to previous quarters, up from 25% and 24% in Q1 2023 and Q2 2023, respectively. On a year-to-date basis, normalised EBITDA stood at EGP 873 million in 9M 2023, down 10% year-on-year, with an associated margin of 29% compared to 35% in 9M 2022. Lower EBITDA profitability on a year-to-date basis came on the back of the decreased gross profitability coupled with increased SG&A outlays in part reflecting the impact of a weaker EGP on USD-denominated expenses.

It is worth noting that normalised EBITDA has been adjusted for several one-offs including an EGP 12 million expense related to contributions owed to the Egyptian government vocational training fund for the previous year period, EGP 7 million in pre-operating expenses booked by IDH's new Saudi venture, and EGP 5 million impairment expense for Sudanese operations following the unfortunate political situation in the country.

<sup>9</sup> Normalised EBITDA is calculated as operating profit plus depreciation and amortization, excluding non-recurring expenses, specifically a EGP 12 million one-off expense related to contributions owed to the Egyptian government for vocational training, EGP 6.5 million in pre-operating expenses in Saudi Arabia, and EGP 5.0 million impairment expense in Sudan due to the unfortunate political situation in the country.

- **Net Profit** booked EGP 176 million and yielded an NPM of 15% in Q3 2023 compared to a net loss of EGP 36 million one year prior. Net profit during the quarter also posted robust figures compared to the previous quarter, more than tripling the EGP 43 million booked in Q2 2023 and yielding an associated margin of 15% above Q2 2023. Net profit in 9M 2023 recorded EGP 387 million, a 4% year-on-year decrease. IDH's NPM recorded 13% in 9M 2023, largely stable versus last year.

## ii. Operational Highlights

- **Branch Network** As at 30 September 2023, IDH's total **branch network** across its four markets stood at 594 branches, an increase of 48 branches in the past twelve-month period. During Q3 2023, IDH rolled out 6 new branches in the home market of Egypt, including one new Al-Borg Scan branch which commenced operations in September 2023.
- **Conventional tests** (excluding Covid-19 contributions in the base year) booked a record-high in Q3 2023, reaching 10.0 million tests for the first time and expanding 22% year-on-year and 19% quarter-on-quarter, highlighting its strong growth momentum coupled with the normalisation of patient behaviour following the end of the Covid-19 pandemic. Meanwhile, conventional tests reached 26.5 million tests in 9M 2023, a 16% year-on-year increase. Consolidated test volumes, which in 9M 2022 included 1.6 million Covid-19-related tests, grew 10% year-on-year.
- **Average revenue per conventional test** increased 24% year-on-year to book EGP 115 in 9M 2023. Average revenue per conventional test was driven by both direct and indirect price adjustments in Egypt and Nigeria in response to ongoing inflation. It is worth highlighting that this figure was partially boosted by the contribution from the translation effect resulting from the devaluation of the EGP over the past twelve months.
- The Company served a total of **6.2 million patients** during 9M 2023, 6% below last year's figure. The decline reflects the comparable period's high base due to Covid-19 contributions. Meanwhile, average revenue per patient rose to a record high 4.2 tests in 9M 2023, up from 3.7 tests one year prior. Continually surging test volumes per patient reflect a post-Covid-19 patient normalisation coupled with the continued success of IDH's patient care programme which launched in FY 2021.

## iii. Updates by Geography

- **Egypt** (81.9% of total revenues), IDH booked its strongest quarterly performance of FY 2023, with conventional revenues (excluding Covid-19 contributions from the base year) expanding 49% year-on-year and 26% quarter-on-quarter, as the Company continues to build off the strong momentum witnessed starting in Q1 2023. In parallel, consolidated revenues increased 39% year-on-year in Q3 2023. On a year-to-date basis, Egyptian operations recorded 39% year-on-year growth, reaching EGP 2,500 million during 9M 2023, driven by 18% increases in both test volumes and average revenue per test. In 9M 2023, consolidated revenues in 9M 2023 increased 12% year-on-year, an impressive result given Covid-19 contributions of 19% during 9M 2022.

- In **Jordan** (15.2% of total revenues), in line with trends observed in Egypt, Biolab's conventional revenues expanded 13% year-on-year and 18% quarter-on-quarter in Q3 2023 to reach JOD 4.1 million, maintaining strong momentum seen starting May 2023. Consolidated revenues declined 1% year-on-year from the Covid base of Q3 2022. In EGP terms, conventional revenue posted growth rates of 82% year-on-year and 44% quarter-on-quarter, partially reflecting the translation effect resulting from a weaker EGP. On a nine-month basis, conventional revenues rose 10% year-on-year in JOD terms in 9M 2023, supported by a 10% growth in conventional testing volumes.
- In **Nigeria** (2.6% of total revenues) Echolab booked 10% year-on-year and 11% quarter-on-quarter revenue growths in NGN terms in Q3 2023. Top-line expansion was primarily driven by 29% year-on-year and 4% quarter-on-quarter increases in average revenue per test in NGN terms, as IDH applies strategic pricing to compensate for increasing inflation. On a year-to-date basis, revenues booked NGN 1,457 million in 9M 2023, expanding 16% year-on-year in NGN terms and supported by a 22% year-on-year rise in average revenue per test in local currency terms.
- IDH's **Sudanese** operations (0.4% of total revenues) recorded revenue declines of 88% year-on-year and 62% quarter-on-quarter in Q3 2023 in EGP terms. Meanwhile, revenues declined 27% year-on-year in 9M 2023. IDH's operations in the country continue to be impacted by the ongoing conflict which has seen the closure of the country's 18 branches starting April 2023.
- IDH remains on schedule to launch its first two **Saudi Arabian** branches in December 2023. The new branches will be located in Riyadh, enabling the Company to capitalise on the important growth opportunities offered by the city's growing and increasingly health-conscious population. The new venture was jointly funded by IDH (30%), Biolab (20%) and Fawaz Alhokair's healthcare subsidiary, Izhooor (50%). The venture is expected to establish itself as a full-fledged clinical pathology diagnostic services provider boasting a branch covering the entire Kingdom. The new venture will be fully consolidated on IDH's accounts.

#### iv. Management Commentary

**Commenting on the Group's performance, IDH Chief Executive Officer Dr. Hend El-Sherbini said:** "With the year fast approaching, I am delighted to report an exceptional quarter, characterised by unprecedented financial and operational success and continuing to showcase the strength of IDH's underlying business and its future growth potential. While our results from the first half of the year were somewhat diluted by increasing inflationary environments, particularly in our home market, Egypt, as well as several seasonal slowdowns due to the holy month of Ramadan and other holidays, our Company's strong performance in the third quarter of the year has significantly outpaced the past two quarters. Our growth in Q3 2023 has also reflected positively down the income statement, with our margins expanding significantly compared to the same quarter last year as well as compared to the first half of 2023. I am also proud to announce that our exceptional performance has enabled our year-to-date results to surpass the comparable period of last year, which included sizeable contributions from Covid-19-related testing.

During Q3 2023, the Company continued building on its strong momentum witnessed starting in May of 2023, by conducting 10.0 million tests during the quarter, 21% higher than the figure recorded in Q3 2022, and the highest recorded in a single quarter in IDH's history. This quarter saw IDH increase its average number of tests per patient to 4.2 tests, another record high for the Company as its patient mix begins to normalise following the Covid-19-pandemic. The Company also begins to harvest the fruit of its loyalty programme, which was introduced in FY 2021. This impressive performance translated into 40% year-on-year and 24% quarter-on-quarter increases in our consolidated top-line in Q3 2023.

Turning to our markets' individual performances, Egypt and Jordan both saw similar trends, with growing demand for our traditional test offering translating in steady rises in both conventional revenues and test volumes. In Egypt, we recorded a 49% year-on-year increase in conventional revenues in Q3 2023, driven by 24% and 20% rises in test volumes and average revenue per test, respectively, despite patients' purchasing power being impacted by rising inflation. Our operations also witnessed an increase in the average number of tests per patient, rising to a record high 4.2 tests in Q3 2023, continuing to be driven by our successful loyalty programme which was introduced in FY 2021. Our results were further buoyed by the impressive near doubling of revenues at our radiology venture, Al-Borg Scar, which constituted 5% of Egypt's revenue in Q3 2023. On this front, in line with our ramp up strategy for the venture, in September we inaugurated the venture's seventh branch moving us a step closer to realising our vision of providing our patients with a one-stop-shop service offering featuring both pathology and radiology.

In Jordan, Biolab booked a 13% year-on-year increase in its conventional top-line in JOD terms, fuelled by a 13% increase in conventional test volumes for the period. In Nigeria, our operations recorded revenue expansion in EGP terms of 10% compared to Q3 2022, on the back of higher average revenue per test. Finally, Sudan's operations continued to be hindered by the ongoing conflict which has caused the closure of 16 out of our 18 branches starting April of this year. As always, we will continue to closely monitor the situation and will provide the market with our services when available.

Further down the income statement, we were pleased to note the start of a gradual normalisation during the third quarter as the initial shock of the multiple devaluations of the EGP began to ease. More specifically, results in Q3 2023 showed significant improvements in profitability, with both our gross and EBITDA margins improving remarkably versus the first two quarters of 2023. Improved profitability was also apparent compared to Q3 2022, where the Company recorded significant increases in both its EBITDA and net margins.

Finally, I am pleased to report that in the coming weeks, we will be officially launching our operations in Saudi Arabia, adding a fifth geography to our portfolio and entering one of the region's most attractive markets. Our first two branches in the country will both be located in the Kingdom's capital city, Riyadh, allowing us to take advantage of the immense growth opportunities offered by the city's growing and increasingly health-conscious population. In light of the consistent strengths of our results, the solid strategies in place, and the positive momentum enjoyed by our operations in Egypt and Jordan, we reaffirm our guidance of 30% conventional revenue growth, boosting our consolidated revenues to the billion mark, with a normalised EBITDA margin excluding one-off expenses and pre-operating expenses in Saudi Arabia of 28-30% for FY 2023."

- End -

## Analyst and Investor Call Details

An analyst and investor call will be hosted at 1pm (UK) | 3pm (Egypt) on Tuesday, 21 November 2023. You can register for the call by clicking on this [link](#).

For more information about the event, please contact: [amoataz@EFG-HERMES.com](mailto:amoataz@EFG-HERMES.com)

## About Integrated Diagnostics Holdings (IDH)

IDH is a leading diagnostics services provider in the Middle East and Africa offering a broad range of clinical pathology and radiology tests to patients in Egypt, Jordan, Nigeria and Sudan. The Group's core brands include Al Borg, Scan and Al Mokhtabar in Egypt, as well as Biolab (Jordan), Ultralab and Al Mokhtabar Sudan (both in Sudan) and Lab (Nigeria). With over 40 years of experience, a long track record for quality and safety has earned the Group a trusted reputation, as well as internationally recognised accreditations for its portfolio of over 2,000 diagnostic centres. From its base of 552 branches as of 31 December 2022, IDH served over 8.7 million patients and performed more than 32.7 million tests in 2022. IDH will continue to add laboratories through a Hub, Spoke and Spike business model, which provides a scalable platform for efficient expansion. Beyond organic growth, the Group targets expansion in adjacent markets, including acquisitions in the 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.L) 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 nine-month period ended 30 September 2023 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 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, 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, 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, the 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 or 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.

**Important notice:** In the Company's earnings releases covering the five quarters starting from Q4 2021 and ending Q3 2022, management had opted to present Alternative Performance Measures (APM) alongside IFRS-compliant figures as outlined on page 2 of the Company's FY 2022 Earnings Release. Starting in Q1 2023, due to the material insignificance of Covid-19 related revenues on consolidated results, the Company will only report IFRS-compliant figures. It is worth noting that revenues for the comparable period (9M 2022) include concession fees amounting to EGP 63 million paid by Biolab as part of an agreement with QAIA and Aqaba Port.

## Group Operational & Financial Review

### i. Revenue and Cost Analysis

#### Consolidated Revenue

IDH's strong momentum observed starting in May 2023 carried into the summer, resulting in an exceptional set of conventional<sup>10</sup> revenue growth of 51% year-on-year, reaching EGP 1,182 million. Conventional revenue growth was driven by increases in test volumes and average revenue per conventional test, respectively. Strong growth during the third quarter reflects the Company's quarter-on-quarter performance, with IDH capitalising on strong growth momentum to record a 24% increase in consolidated revenues increased 40% year-on-year, up from EGP 784 million one year prior.

In parallel, the Company booked consolidated revenues of EGP 3,054 million in 9M 2023, a remarkable 9% year-on-year increase over the EGP 678 million<sup>11</sup> contribution made from Covid-19-related<sup>12</sup> testing to consolidated revenues in 9M 2022. The 9% increase in consolidated revenues for the period is mainly a reflection of exceptionally strong quarterly performance in Q3 2023, which boosted results and contributed to consolidated growth. Conventional revenue on a year-to-date basis increased 44% year-on-year from EGP 2,123 million in 9M 2022.

<sup>[10]</sup> Conventional (non-Covid) tests include IDH's full service offering excluding the Covid-19 related tests outlined below.

<sup>[11]</sup> Covid-19-related revenue in 9M 2022 includes EGP 63 million in concession fees paid by Biolab to Queen Alia International Airport and Aqaba Port as part of an agreement.

<sup>[12]</sup> Covid-19-related tests include both core Covid-19 tests (Polymerase Chain Reaction (PCR), Antigen, and Antibody) as well as other routine inflammatory tests (C-reactive Protein (CRP), Erythrocyte Sedimentation Rate (ESR), D-Dimer, Ferritin and C-reactive Protein (CRP)), which the Company opted to include in the classification as "other tests witnessed following the outbreak of Covid-19."

#### Revenue Analysis

	Q1 2022	Q1 2023	Q2 2022	Q2 2023	Q3 2022	Q3 2023
<b>Total revenue (EGP mn)</b>	<b>1,180</b>	<b>915</b>	<b>774</b>	<b>957</b>	<b>846</b>	<b>1,182</b>
Conventional revenue (EGP mn)	640	915	699	957	784	1,182
Covid-19-related revenue (EGP mn)	540	-	75	-	63	-
<b>Contribution to Consolidated Results</b>						
Conventional revenue	54%	100%	90%	100%	93%	100%
Covid-19-related revenue	46%	-	10%	-	7%	-

#### Test Volume Analysis

	Q1 2022	Q1 2023	Q2 2022	Q2 2023	Q3 2022	Q3 2023
<b>Total tests (mn)</b>	<b>8.4</b>	<b>8.0</b>	<b>7.6</b>	<b>8.5</b>	<b>8.4</b>	<b>8.4</b>
Conventional tests performed (mn)	7.1	8.0	7.4	8.5	8.2	8.2
Total Covid-19-related tests performed (mn)	1.3	-	0.2	-	0.2	-
<b>Contribution to Consolidated Results</b>						
Conventional tests performed	85%	100%	97%	100%	98%	100%
Total Covid-19-related tests performed	15%	-	3%	-	2%	-

## Revenue per Test Analysis

<b>Total revenue per test (EGP)</b>	<b>140</b>	<b>114</b>	<b>102</b>	<b>113</b>	<b>101</b>
<i>Conventional revenue per test (EGP)</i>	90	114	94	113	96
<i>Covid-19-related revenue per test (EGP)</i>	431	-	454	-	361

## Revenue Analysis: Contribution by Patient Segment

### Contract Segment (63% of Group revenue)

IDH's contract segment recorded conventional revenues of EGP 1,938 million during the nine-month period, reported last year. Growth at the segment was driven by 21% and 23% increases in conventional test volume respectively.

Consolidated revenues at the segment recorded a 22% year-on-year increase in 9M 2023 on the back of increased average tests per patient reached a record-high 4.4 tests, up from 4.1 tests in 9M 2022, reflecting a normal pandemic and the success of IDH's loyalty programme which was introduced in FY 2021.

### Walk-in Segment (37% of Group revenue)

In parallel, IDH's walk-in segment posted conventional revenues of EGP 1,116 million, increasing 34% year-on-year. A 34% year-on-year increase in average revenue per conventional test, while test volumes remained unchanged compared to

Meanwhile, consolidated revenue at the walk-in segment declined 8% year-on-year on the back of lower test volume compared to a comparable period of 2022. In line with the trend noted in the contract segment, tests per patient at the walk-in segment were above historical figures as the Company books another record high.

## Detailed Segment Performance Breakdown

	Walk-in Segment			Contract Segment	
	9M22	9M23	Change	9M22	9M23
<b>Revenue (EGP mn)</b>	<b>1,214</b>	<b>1,116</b>	<b>-8%</b>	<b>1,584</b>	<b>1,938</b>
<i>Conventional Results (EGP mn)</i>	830	1,116	34%	1,293	1,938
<i>Total Covid-19-related revenue (EGP mn)</i>	384	-	-	294	-
<b>Patients ('000)</b>	<b>2,112</b>	<b>1,343</b>	<b>-36%</b>	<b>4,522</b>	<b>4,905</b>
<i>% of Patients</i>	32%	21%		68%	79%
Revenue per Patient (EGP)	575	831	44%	351	395
<b>Tests ('000)</b>	<b>5,712</b>	<b>4,894</b>	<b>-14%</b>	<b>18,648</b>	<b>21,574</b>
<i>% of Tests</i>	23%	18%		77%	82%
<i>Conventional tests ('000)</i>	4,891	4,894	-	17,837	21,574
<i>Total Covid-19-related tests ('000)</i>	821	-	-	810	-
Revenue per Test (EGP)	213	228	7%	85	90
Conventional Revenue per Test (EGP)	170	228	34%	72	90
Test per Patient	2.7	3.6	35%	4.1	4.4

## Revenue Analysis: Contribution by Geography

### Egypt (81.9% of Group revenue)

IDH's home and largest market, Egypt, reported robust performance in Q3 2023, capitalising on the impressive growth and expanding both conventional and consolidated revenues on the back of increased test volumes and a specifically, Q3 2023 represented the strongest quarter for Egyptian operations in FY 2023, following anticipated strong

On a conventional basis, revenue expanded 49% year-on-year and 26% quarter-on-quarter, reaching EGP 986 million and average revenue per test. Meanwhile, consolidated revenues increased 39% year-on-year compared to Q3 2022.

On a year-to-date basis, Egypt booked consolidated revenues of EGP 2,500 million, a 12% year-on-year increase, marking the geography's post-Covid-19 recovery. This is particularly noteworthy when considering that the comparable period of EGP 432 million from the Company's Covid-19-related testing. Consolidated revenue growth was supported by conventional revenues performed. Meanwhile, conventional revenues increased 39% year-on-year from EGP 1,803 in 9M 2022.

### AI-Borg Scan

IDH's fast-growing radiology venture continued its steady ramp up throughout Q3 2023, posting revenues of EGP 783 million, a year-on-year growth rate of 86%. Revenue growth for the period was primarily driven by increased test volumes, the ramp up of new branches across the Greater Cairo area. In parallel, average revenue per test also rose by 20% in 2023.

In line with the impressive performance recorded by AI-Borg Scan, and its maintained operational ramp-up, IDH opened a new branch in September of this year. The branch, located in Cairo's underpenetrated Nasr City neighbourhood, falls in line with IDH's strategy to expand its radiology business and establish itself as a leading play in the fragmented market.

### House Calls

In the nine months ended 30 September 2023, IDH's house call service in Egypt continued to make a robust contribution. This continues to be significantly ahead of the service's pre-pandemic contribution, highlighting the segment's strategic investment and ramp up strategy specifically throughout the Covid-19 pandemic.

### Wayak

During 9M 2023, Wayak completed 122 thousand orders, representing a 30% year-on-year increase. On the other hand, it continued to narrow steadily, recording EGP 659 thousand in 9M 2023 versus the EGP 2,780 million in EBITDA in 9M 2022.

## Detailed Egypt Performance Breakdown

Revenue Analysis						
EGP mn	Q1 2022	Q1 2023	Q2 2022	Q2 2023	Q3 2022	Q3 2023
<b>Total Revenue</b>	<b>879</b>	<b>731</b>	<b>645</b>	<b>783</b>	<b>711</b>	<b>783</b>
Conventional Revenue	549	731	591	783	662	783
<i>Pathology Revenue</i>	532	703	573	748	639	748
<i>Radiology Revenue</i>	17	28	19	35	23	35
Total Covid-19-related Revenue	330	-	53	-	49	-
<b>Contribution to Consolidated Results</b>						
Conventional revenue	62%	100%	92%	100%	93%	100%
<i>Pathology Revenue</i>	61%	96%	89%	96%	90%	96%
<i>Radiology Revenue</i>	1.9%	3.8%	2.9%	4.5%	3%	4.5%
Total Covid-19-related revenue	38%	-	8%	-	7%	-
<b>Test Volume Analysis</b>						
<b>Total Tests</b>	<b>7.3</b>	<b>7.3</b>	<b>6.9</b>	<b>7.8</b>	<b>7.6</b>	<b>7.8</b>
Conventional Tests	6.5	7.3	6.7	7.8	7.5	7.8
Total Covid-19-related Tests	0.8	-	0.2	-	0.2	-
<b>Contribution to Consolidated Results</b>						
Conventional tests performed	89%	100%	97%	100%	98%	100%
Total Covid-19-related tests performed	11%	-	3%	-	2%	-



### Revenue per Test Analysis

Total Revenue per Test	120	99	94	101	93
Revenue per Conventional Test	84	99	88	101	89

#### Jordan (15.2% of Group revenue)

In Jordan, IDH's second-largest geography, the Company recorded conventional revenues of JOD 4.0 million in primarily a reflection of increased conventional test volumes, which grew 13% year-on-year to reach 678 thousand an 18% quarter-on-quarter revenue increase in local currency terms, fuelled by a 19% expansion in test volumes the quarter came in at 82% year-on-year, booking EGP 174 million for the quarter. Average revenue per conventional terms, booking a 61% year-on-year expansion due to the weakening of the EGP since last year. It is worth noting Jordanian operations have also started to see steady recovery starting May and throughout the summer period year during Q3 2023.

On a year-to-date basis, the Company recorded a conventional revenue growth of 10% year-on-year in local currency 2023. Conventional growth for the period came on the back of a 10% year-on-year increase in conventional test volumes booked an 86% year-on-year increase, reaching EGP 464 million compared to EGP 250 million one year prior contributions from the translation effect as a result of the devaluation of the EGP over the last twelve months. Conventional remained 48% below last year's figure in JOD terms and 6% in EGP terms as the high base effect from Covid-19 2022 continued to impact results.

#### Detailed Jordan Performance Breakdown

##### Revenue Analysis

EGP mn	Q1 2022	Q1 2023	Q2 2022	Q2 2023	Q3 2022	Q3 2023
<b>Total Revenue</b>	<b>281</b>	<b>144</b>	<b>106</b>	<b>146</b>	<b>109</b>	<b>146</b>
Conventional Results	70	144	84	146	95	146
Total Covid-19-related Revenues (PCR and Antibody)	210	-	21	-	14	-
<b>Contribution to Consolidated Results</b>						
Conventional Results	25%	100%	80%	100%	87%	100%
Total Covid-19-related Revenue (PCR and Antibody)	75%	-	20%	-	13%	-

##### Test Volume Analysis

Total tests (k)	991	582	603	598	627	627
Conventional tests performed (k)	519	582	572	598	599	599
Total Covid-19-related tests performed (k)	472	-	30	-	28	-
<b>Contribution to Consolidated Results</b>						
Conventional tests performed	52%	100%	95%	100%	96%	100%
Total Covid-19-related tests performed	48%	-	5%	-	4%	-

##### Revenue per Test Analysis

Total Revenue per Test	283	248	175	244	174	244
Revenue per Conventional Test	136	248	147	244	159	244

#### Nigeria (2.6% of revenue)

Echo-Lab, IDH's Nigerian subsidiary, reported sustained top-line growth, recording revenue expansion of 16% in NGN 1,457 million in 9M 2023. In EGP terms, Echo-Lab booked revenue growth of 44% year-on-year, rising to EGP 11 million. This was spurred by 22% and 52% year-on-year increases in average revenue per test in NGN and EGP terms, respectively, due to the weakening of the EGP in the last year. Revenue growth for the period came despite a 5% year-on-year decline in test volumes during 9M 2023.

#### Sudan (0.4% of revenue)

The Company's Sudanese operations continued to be impacted by the ongoing conflict which has led to the closure of operations in April 2023. More specifically, during 9M 2023, IDH booked revenues of SDG 207 million, 50% below the figure recorded in 9M 2022. Revenue reached EGP 11 million during the first nine months of the year, dropping 27% year-on-year from 9M 2022 situation as it unfolds and will update the market should any material aspects evolve.

## Revenue Contribution by Country

	Q1 2022	Q1 2023	Q2 2022	Q2 2023	Q3 2022	Q3 2023
<b>Egypt Revenue (EGP mn)</b>	<b>879</b>	<b>731</b>	<b>645</b>	<b>783</b>	<b>711</b>	<b>711</b>
<i>Conventional (EGP mn)</i>	549	731	591	783	662	662
<i>Pathology Revenue</i>	532	703	573	748	639	639
<i>Radiology Revenue</i>	17	28	19	35	23	23
<i>Covid-19-related (EGP mn)</i>	330	-	53	-	49	-
<i>Egypt Contribution to IDH Revenue</i>	74.5%	79.9%	83.2%	81.8%	84.0%	84.0%
<b>Jordan Revenue (EGP mn)</b>	<b>281</b>	<b>144</b>	<b>106</b>	<b>146</b>	<b>109</b>	<b>109</b>
<i>Conventional (EGP mn)</i>	70	144	84	146	95	95
<i>Covid-19-related (EGP mn)</i>	210	-	21	-	14	-
<b>Jordan Revenues (JOD mn)</b>	<b>12.5</b>	<b>3.4</b>	<b>4.0</b>	<b>3.4</b>	<b>4.1</b>	<b>4.1</b>
<i>Conventional (JOD mn)</i>	3.0	3.4	3.2	3.4	3.5	3.5
<i>Jordan Revenue Contribution to IDH Revenue</i>	23.7%	15.7%	13.7%	15.2%	12.9%	12.9%
<b>Nigeria Revenue (EGP mn)</b>	<b>15</b>	<b>31</b>	<b>19</b>	<b>27</b>	<b>21</b>	<b>21</b>
<b>Nigeria Revenue (NGN mn)</b>	<b>371</b>	<b>468</b>	<b>416</b>	<b>469</b>	<b>473</b>	<b>473</b>
<i>Nigeria Contribution to IDH Revenue</i>	1.3%	3.4%	2.5%	2.8%	2.5%	2.5%
<b>Sudan Revenue (EGP mn)</b>	<b>5.7</b>	<b>8.8</b>	<b>4.8</b>	<b>1.4</b>	<b>4.3</b>	<b>4.3</b>
<b>Sudan Revenue (SDG mn)</b>	<b>152</b>	<b>169</b>	<b>137</b>	<b>27</b>	<b>128</b>	<b>128</b>
<i>Sudan Contribution to IDH Revenue</i>	0.5%	1.0%	0.6%	0.1%	0.5%	0.5%

## Average Exchange Rate

	9M 2022
USD/EGP	18.1
JOD/EGP	25.5
NGN/EGP	0.04
SDG/EGP	0.04

## Patients Served and Tests Performed by Country

	9M 2022
Egypt Patients Served (mn)	5.7
Egypt Tests Performed (mn)	21.8
<i>Conventional tests (mn)</i>	20.7
<i>Covid-19-related tests (mn)</i>	1.1
Jordan Patients Served (k)	789
Jordan Tests Performed (k)	2,221
<i>Conventional tests (k)</i>	1,691
<i>Covid-19-related tests (k)</i>	530
Nigeria Patients Served (k)	110
Nigeria Tests Performed (k)	215
Sudan Patients Served (k)	59
Sudan Tests Performed (k)	112
<b>Total Patients Served (mn)</b>	<b>6.6</b>
<b>Total Tests Performed (mn)</b>	<b>24.4</b>

## Branches by Country

	30 September 2022
Egypt	496
Jordan	21
Nigeria	12
Sudan	17
<b>Total Branches</b>	<b>546</b>









## Cost of Goods Sold

Cost of goods sold during the nine-month period reached EGP 1,916 million, increasing 18% compared to the EGP 1,623 million recorded during the same period of the previous year. As a percentage of revenue, cost of goods sold stood at 63% in 9M 2023, up from 58% in the same period of the previous year. The increase in the percentage of revenues reflected higher raw material costs, increased direct wages and salaries costs, as well as higher depreciation and amortization costs.

### Cost of Goods sold Breakdown as a Percentage of Revenue

	9M 2022	9M 2023
Raw Materials	20.1%	21.9%
<i>Conventional raw material costs as % of conventional revenues</i>	17.0%	21.9%
<i>Covid-19-related raw material costs as % of Covid-19-related revenues</i>	29.8%	-
Wages & Salaries	16.5%	19.2%
Depreciation & Amortisation	7.2%	8.7%
Other Expenses	14.1%	12.9%
<b>Total</b>	<b>57.8%</b>	<b>62.7%</b>

**Raw material costs (35% of consolidated cost of goods sold)** remained the single largest contributor to cost of goods sold during 9M 2023, recorded costs of EGP 668 million during 9M 2023, expanding 19% year-on-year, and constituting a total of 22% of consolidated cost of goods sold, compared to 17% in 9M 2022) on the back of rising inflation and a weaker EGP. The Company expects test kits to normalize in the coming months as the initial impact of the EGP devaluation begins to fade. It is also important to note that the Company recorded a one-off EGP 15.5 million expense related to expired Covid-19-related test kits.

**Wages and salaries including employee share of profits (31% share of consolidated cost of goods sold)** cost of goods sold during 9M 2023, coming at EGP 587 million, a year-on-year increase of 27%. Increased direct wages and salaries expenses were primarily due to compensation packages to compensate for unprecedented inflation as part of the Group's staff welfare program. The effect due to a weaker EGP resulted in increased direct wages and salaries expenses in both Jordan and Nigeria.

### Direct Wages and Salaries by Region

	9M 2022	9M 2023	Change
Egypt (EGP mn)	362	445	23%
Jordan (EGP mn)	84	118	41%
Jordan (JOD mn)	3	3	-16%
Nigeria (EGP mn)	12	22	79%
Nigeria (NGN mn)	280	395	-41%
Sudan (EGP mn)	3	3	-6%
Sudan (SDG mn)	79	51	-35%

**Direct depreciation and amortization costs (14% of consolidated cost of goods sold)** rose 31% year-on-year during 9M 2023, coming at EGP 270 million, compared to EGP 206 million in 9M 2022. Higher depreciation and amortization costs for the period primarily reflect the addition of new branches to IDH's branch network in Egypt, and the closure and rolled out Al-Borg Scan branch.

**Other expenses (21% of consolidated cost of goods sold)** booked EGP 395 million during 9M 2023, increasing 20% year-on-year from EGP 330 million in 9M 2022. The increase in other expenses is attributed to increased depreciation and amortization costs, and consulting expenses to support the expansion of IDH's branch network in Egypt, and specifically Al-Borg Scan branch. Higher gasoline prices and repair and maintenance costs pushed other expenses up continuing to reflect a weaker EGP and an inflationary environment.

## Gross Profit

IDH's gross profit booked EGP 480 million in Q3 2023, increasing 37% year-on-year. GPM for the quarter stood at 25%, reflecting a normalisation in margins as the initial impact of the multiple EGP devaluations throughout FY 2022 and 2023. The Company notes that gross profitability witnessed tangible growth compared to the first half of the year, increasing from a GPM of 20% in H1 2023 to 25% in H2 2023.

On a year-to-date basis, the Company recorded gross profit of EGP 1,138 million during 9M 2023, down 4% year-on-year from EGP 1,185 million in 9M 2022, at 37%, declining five percentage points from 42% in 9M 2022. Lower gross profitability during the period reflected higher cost of goods sold.

## Selling, General and Administrative Expenses

SG&A outlays during 9M 2023 climbed to EGP 535 million, a 29% year-on-year increase. As a percentage of revenues, up from 15% in 9M 2022. Increased SG&A expenses came mainly on the back of:

- Higher indirect wages and salaries expenses, which rose by 46% year-on-year to EGP 207 million in 9M 2023, compared to 5% one year prior. The increase can be attributed to USD-denominated expenses, including the addition of a board member in the first quarter of last year (who received compensation starting March 2023) and increased wage expenses in Jordan due to the translation effect from a weaker EGP.
- Increased other expenses, which grew 36% year-on-year to EGP 222 million in 9M 2023. The increase was primarily due to a weaker EGP which saw USD-denominated expenses (including auditor fees) at the holding level weigh more heavily on the P&L.
- One-off legal consultancy expenses related to the termination of the Pakistan deal in the first quarter of 2023.

### Selling, General and Administrative Expenses

	9M 2022	9M 2023	Change
Wages & Salaries	141	207	46%
Accounting Fees	33	58	73%
Professional Services Fees	27	44	63%
Market - Advertisement expenses	87	77	-12%
Other Expenses	97	69	-29%

## **ii. Balance Sheet Analysis**









INTEGRATED DIAGNOSTICS HOLDINGS plc - "IDH"  
AND ITS SUBSIDIARIES

# Consolidated Financial Statements

for the nine-month period ended 30 September 2023

## Consolidated statement of financial position as at 30 September 2023

	Notes	30 Sep
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	4	1,371
Intangible assets and goodwill	5	1,721
Right of use assets	6	68
Financial assets at fair value through profit and loss	7	
<b>Total non-current assets</b>		<b>3,760</b>
<b>Current assets</b>		
Inventories		30
Trade and other receivables	8	75

Financial assets at amortized cost	9	18
Current financial assets at fair value through profit and loss	7	2
Cash and cash equivalents	10	6
<b>Total current assets</b>		<b>1,94</b>
<b>Total assets</b>		<b>5,72</b>
<b>Equity</b>		
Share capital		1,07
Share premium reserve		1,02
Capital reserves		(31)
Legal reserve		5
Put option reserve		(33)
Translation reserve		(7)
Retained earnings		1,17
<b>Equity attributable to the owners of the Company</b>		<b>2,55</b>
Non-controlling interests		42
<b>Total equity</b>		<b>3,07</b>
<b>Non-current liabilities</b>		
Provisions		1
Non-current put option liability	12	2
Borrowings	13	6
Other financial obligations	14	87
Deferred tax liabilities	18-C	33
<b>Total non-current liabilities</b>		<b>1,34</b>
<b>Current liabilities</b>		
Trade and other payables	11	70
Other financial obligations	14	17
Current put option liability	12	30
Borrowings	13	4
Current tax liabilities		8
<b>Total current liabilities</b>		<b>1,36</b>
<b>Total liabilities</b>		<b>2,77</b>
<b>Total equity and liabilities</b>		<b>5,72</b>

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

These condensed consolidated interim financial information were approved and authorized for issue by the Board of Directors and signed on 10 November 2023 by:

**Dr. Hend El Sherbini**  
Chief Executive Officer

**Hussein Choucri**  
Independent Non-Executive

## Consolidated income statement for the quarter and nine-month periods ended 30 September 2023

Notes	For the three months period ended 30 September	
	2023 EGP'000	2022 EGP'000

Revenue	21	1,181,736	846,251
Cost of sales		(702,037)	(496,581)
<b>Gross profit</b>		<b>479,699</b>	<b>349,670</b>
Marketing and advertising expenses		(50,972)	(58,641)
Administrative expenses	16	(123,383)	(99,626)
Impairment loss on trade and other receivable		(13,854)	(8,877)
Other income		(3,402)	3,834
<b>Operating profit</b>		<b>288,088</b>	<b>186,360</b>
Non-operating expense		12,200	-
Net fair value losses on financial assets at fair value		-	(141,092)
Finance costs	17	(41,831)	(49,593)
Finance income	17	16,264	9,016
<b>Net finance cost</b>		<b>(25,567)</b>	<b>(40,577)</b>
<b>Profit before tax</b>		<b>274,721</b>	<b>4,691</b>
Income tax expense	18-B	(98,310)	(40,337)
<b>Profit for the period</b>		<b>176,411</b>	<b>(35,646)</b>
<b>Profit attributed to:</b>			
Equity holders of the parent		177,789	(18,186)
Non-controlling interests		(1,378)	(17,460)
		176,411	(35,646)
<b>Earnings per share (expressed in EGP):</b>			
Basic and diluted earnings per share	20	0.30	(0.03)

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 September 2023

	For the three months period ended 30 September	
	2023 EGP'000	2022 EGP'000
<b>Net profit</b>	<b>176,411</b>	<b>(35,646)</b>
Items that may be reclassified to profit or loss:		
Exchange difference on translation of foreign operations	(8,117)	34,300
<b>Other comprehensive income / (Loss) for the period net of tax</b>	<b>(8,117)</b>	<b>34,300</b>
<b>Total comprehensive income for the period</b>	<b>168,294</b>	<b>(1,246)</b>
<b>Attributed to:</b>		
Equity holders of the parent	168,294	(13,600)
Non-controlling interests	-	12,354
	<b>168,294</b>	<b>(1,246)</b>

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

# Consolidated statement of cash flows for the nine-month period ended 30 September 2023

Notes

30 S

**Cash flows from operating activities**

Profit for the period before tax

**Adjustments**

Depreciation of property, plant and equipment

4

Depreciation of right of use assets

6

Amortisation of intangible assets

5

Unrealised foreign currency exchange (gains) losses

17

Interest income

17

Interest expense

17

Bank Charges

Loss/(Gain) on disposal of Property, plant and equipment

Impairment in trade and other receivables

Impairment in goodwill

Equity settled financial assets at fair value

ROU Asset/Lease Termination

Hyperinflation (gains) losses

17

FV through P&L

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**

Interest received on financial asset at amortised cost

Payments for the purchase of financial assets at amortized cost

Proceeds for the sale of financial assets at amortized cost

Payments for acquisition of property, plant and equipment

4

Payments for acquisition of intangible assets

5

Proceeds from sale of Property, plant and equipment

Payments for shares bought

Proceeds for shares sold

**Net cash flows generated (used in) from 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

Paid cash to non-controlling interest

Injection of cash to non-controlling interest

**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**

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

- Acquisition of right-of-use assets - note 6

- Property plant and equipment - note 4

- Put option liability - note 12

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

## Consolidated statement of changes in equity for the nine-month period ended September 2023

EGP '000	Attributable to owners of the Pa					
	Share capital	Share premium reserve	Capital reserve	Legal reserve*	Put option reserve	Translation reserve
<b>At 1 January 2023</b>	<b>1,072,500</b>	<b>1,027,706</b>	<b>(314,310)</b>	<b>51,641</b>	<b>(490,695)</b>	<b>24,173</b>
Profit for the period	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	(103,169)
<b>Total comprehensive income at 30 September 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(103,169)</b>
<b>Transactions with owners of the Company</b>						
<b>Contributions and distributions</b>						
Dividends	-	-	-	-	-	-
Legal reserve formed during the period	-	-	-	-	-	-
Movement in put option liabilities	-	-	-	-	154,392	-
Impact of hyperinflation	-	-	-	-	-	-
Paid share from non-controlling interest Non-controlling interests cash injection in subsidiaries during the period	-	-	-	-	-	-
<b>Total contributions and distributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>154,392</b>	<b>-</b>
<b>Balance at 30 September 2023</b>	<b>1,072,500</b>	<b>1,027,706</b>	<b>(314,310)</b>	<b>51,641</b>	<b>(336,303)</b>	<b>(78,996)</b>
<b>At 1 January 2022</b>	<b>1,072,500</b>	<b>1,027,706</b>	<b>(314,310)</b>	<b>51,641</b>	<b>(956,397)</b>	<b>150,730</b>
Profit for the period	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	17,795
<b>Total comprehensive income at 30 September 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,795</b>
<b>Transactions with owners of the Company</b>						
<b>Contributions and distributions</b>						
Dividends	-	-	-	-	-	-
Legal reserve formed during the period	-	-	-	-	-	-
Movement in put option liabilities	-	-	-	-	266,958	-
Impact of hyperinflation	-	-	-	-	-	-
Non-controlling interest cash injection in subsidiaries during the period	-	-	-	-	-	-
<b>Total contributions and distributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>266,958</b>	<b>-</b>
<b>Balance at 30 September 2022</b>	<b>1,072,500</b>	<b>1,027,706</b>	<b>(314,310)</b>	<b>51,641</b>	<b>(689,439)</b>	<b>168,525</b>

\*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 reserve reaches 10% 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.



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

## **1. Reporting entity**

Integrated Diagnostics Holdings plc "IDH" or "the Company" is a Company which was incorporated in Jersey on 4 July 2014 and established according to the provisions of the Companies (Jersey) Law 1991 under Registered No. 11723. This condensed consolidated interim financial information is for 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 healthcare field of medical diagnostics (the key activities are pathology and Radiology related tests), either through direct acquisitions of related business in different jurisdictions or through expanding the acquired investments they have in different jurisdictions that the Group operates are in Egypt, Jordan, Nigeria, Sudan and Saudi Arabia.

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

This condensed consolidated interim financial information were approved for issue by the Directors of the Company on 15 November 2023.

## **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 previous financial year ended 31 December 2022 and corresponding interim reporting period.

These condensed consolidated interim financial information do not include all the information and disclosures in the annual consolidated financial Statement, and should be read in conjunction with the financial Statement published as at 31 December 2022 which is available at [www.idhcorp.com](http://www.idhcorp.com),. In addition, results of the nine month period ended 30 September 2023 are not necessary indicative for the results that may be expected for the financial year ended 31 December 2023.

### **B) Basis of measurement**

The condensed consolidated interim financial information has been prepared on the historical cost basis except where required. The 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 primary economic environment in which the Group operates.

The Group also operates in Jordan, Sudan, Nigeria and Saudi Arabia and the functional currencies of those operations are the local currencies of those respective territories, however due to the size of these operations, they do not have a significant 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 the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those disclosed in the annual consolidated financial information for the year ended 31 December 2022. "The preparation of these condensed consolidated interim financial information requires management to make judgements, estimates and assumptions in 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 the application of 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 information published for the year ended 31 December 2022. In preparing these condensed consolidated interim financial information, the significant judgments

the management in applying the Group's accounting policies and the key sources of estimation uncertainty were those that were applied to the consolidated financial information for the year ended 31 December 2022".

#### 4. Property, plant and equipment

	Land & buildings	Medical, electric & information system equipment	Leasehold improvements	Fixtures, fittings & vehicles	Pro co
<b>Cost</b>					
At 1 January 2023	426,961	1,111,867	507,442	133,195	
Additions	8,554	88,320	45,285	16,104	
Hyperinflation effect	-	(13,098)	-	-	
Disposals	-	(3,316)	(503)	(1,852)	
Exchange differences	2,727	2,966	23,095	7,373	
Transfers	-	36,300	29,918		
<b>At 30 September 2023</b>	<b>438,242</b>	<b>1,223,039</b>	<b>605,237</b>	<b>154,820</b>	
<b>Depreciation</b>					
At 1 January 2023	61,578	513,869	261,705	55,254	
Depreciation for the period	5,339	113,197	61,121	12,035	
Disposals	-	(2,275)	(440)	(1,490)	
Exchange differences	632	1,031	8,243	1,742	
<b>At 30 September 2023</b>	<b>67,549</b>	<b>625,822</b>	<b>330,629</b>	<b>67,541</b>	
<b>Net book value at 30 September</b>	<b>370,693</b>	<b>597,217</b>	<b>274,608</b>	<b>87,279</b>	
<b>At 31 December 2022</b>	<b>365,383</b>	<b>597,998</b>	<b>245,737</b>	<b>77,941</b>	

#### 5. Intangible assets and goodwill

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

	Goodwill	Brand name
<b>Cost</b>		
<b>Balance at 1 January 2023</b>	<b>1,291,823</b>	<b>395,551</b>
Additions	-	-
Effect of movements in exchange rates	14,552	7,911
<b>Balance at 30 September 2023</b>	<b>1,306,375</b>	<b>403,462</b>
<b>Amortisation and impairment</b>		
<b>Balance at 1 January 2023</b>	<b>6,373</b>	<b>381</b>
Amortisation	-	-
Effect of movements in exchange rates	80	11

<b>Balance at 30 September 2023</b>	<b>6,453</b>	<b>392</b>
<b>Carrying amount</b>		
<b>Balance at 30 September 2023</b>	<b>1,299,922</b>	<b>403,070</b>
<b>Balance at 31 December 2022</b>	<b>1,285,450</b>	<b>395,170</b>

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate potential impairment. No indicators of impairment have been identified during the nine months ended 30 September 2023.

## 6. Right-of-use assets

	<b>30 September 2023</b>
Balance at 1 January	
Addition for the period / year	
Depreciation charge for the period / year	
Terminated contracts	
Exchange differences	
<b>Balance</b>	

## 7. Financial asset at fair value through profit and loss

	<b>30 September 2023</b>
Non-current equity investments	
Current equity investments	

\*On August 17, 2017, Almakhabariyoun AL Arab (seller) has signed IT purchase Agreement with JSC Mega Lab for the transfer and install the Laboratory Information Management System (LIMS) for a purchase price amounted to USD 4,000,000, 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% in JSC Mega Lab.

- Ownership percentage in JSC Mega Lab at the transaction date on April 8, 2019, and as of September 30, 2023, is 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, These assets have therefore been reclassified as current assets in the financial information as of June 30, 2023, 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 Management Agreement or the Purchase Agreement and/or the Service level Agreement is terminated/cancelled within 6 months period from the date of such termination/cancellation, CHG shall have a put option, which allows the CHG to purchase Biolab's Strake in JSC Megalab having value of USD 400,000.00 plus 15% annual Interred Rate of Return (IRR).
- If JCI accreditation is not obtained, immediately after the expiration of the 12 months period, CHG shall have a put option (the Accreditation Call option), exercisable within 6 months period, allowing CHG 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 purchase Biolab's Stake in JSC Mega Lab 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).

## 8. Trade and other receivables

30 September 2019

Trade receivables - net  
Prepayments  
Due from related parties note (15)  
Other receivables  
Accrued revenue

## 9. Financial assets at amortised cost

30 September 2019

Term deposits (more than 3 months)  
Treasury bills (more than 3 months)

The maturity date of the treasury bills and Fixed-term deposits are between 3-12 months and have average interest rates of EGP 22.03% and Fixed-term deposits of EGP and JOD 5.20 and 5.38% respectively.

## 10. Cash and cash equivalents

30 September 2019

Cash at banks and on hand  
Treasury bills (less than 3 months)  
Term deposits (less than 3 months)

## 11. Trade and other payables

30 September 2019

Trade payable  
Accrued expenses  
Due to related parties note (15)  
Other payables  
Deferred revenue  
Accrued finance cost

## 12. Put option liability

30 September 2019

Current put option - Biolab Jordan

Current put option - Eagle Eye-Echo scan

30 September

Non-current put option - Eagle Eye-Echo scan  
Non-current put option - Medical Health Development

#### Put option - Biolab Jordan

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 of 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 EBITDA of the last 12 months minus Net Debt and its exercisable in whole on the fifth anniversary of completion of the original purchase agreement, which fell due in June 2016. The vendor exercised this right at 30 September 2023. 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 relationships, the Group has the expectation that this will happen in next 18 months. The option has no expiry date.

#### Put option - Eagle Eye-Echo scan

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 put its investment to Dynasty in year 2024. The put option price will be calculated on the basis of the fair market value determined by an independent valuator.

#### Put option - Medical Health Development

According to this joint venture agreement made on October 27th, 2022, between Business Flower Holding LLC, Diagnostics Holdings plc and al Makhbaryoun al Arab LLC, in cases of bankruptcy and stumbling, a non-struggling party is entitled to implement any of the following options for a struggling party's share without reference to it:

- (A) sell to the Non-Defaulting Party its Shares at the Fair Price of such Shares.
- (B) buy the Non-Defaulting Party's Shares at the Fair Price of such Shares.
- (C) requesting the dissolution and liquidation of the Company.

Due to the execution of the put option in the case specified above, the option has been classified as a non-current liability on the exchange for equity rights for the Group.

### 13. Loans and borrowings

	Currency	Nominal interest rate	Maturity	30
AUB - Bank	EGP	CBE corridor rate+1%	26 January 2027	
AUB - Bank	EGP	Secured 7%	3 December 2023	
<u>Amount held as:</u>				
Current liability				
Non- current liability				

A)

In July 2018, AL-Borg lab, one of IDH subsidiaries, was granted a medium term loan amounting to EGP 108 M from Ahli United Bank "AUB Egypt" to finance the investment cost related to the expansion into the segment. As at 30 September 2023 only EGP 108 M had been drawn down from the total facility available and EGP 108 M had been repaid. Loan withdrawal availability period was extended till July 2023 and the loan will be fully repaid by January 2027.

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 interest expense and 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, plus interest income, as follows: Net income after tax and unusual items adding Interest expense, Depreciation, Amortisation and interest income less provisions excluding tax related provisions less interest income and Investment income and dividend income and 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 September 2023 corridor rate 20.25% (2022: 17.25%)

### 13. Loans and borrowings (continued)

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

IDH opted to reduce its exposure to foreign currency risk by agreeing with General Electric (GE) for the early repayment of a 100 million dollar obligation. The Group and GE have agreed to settle this balance early for USD 3.55 million, payable in EGP, which is equivalent to EGP 110 million.

To finance the settlement, IDH utilized a bridge loan facility, with half of the amount (EGP 55 million) being funded by a loan from Ahli United Bank - Egypt and the other half (EGP 55 million) provided by a loan from Ahly United Bank - Egypt, this credit facility was fully repaid during the six-month period ending 30 June 2023.

### 14. Other Financial obligations

	30 September 2023
Lease liabilities building	
Financial liability- laboratory equipment	
	1,016,173

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

	30 September 2023
	<b>Minimum payments</b>
Less than one year	282,085
Between one and five years	1,016,173

More than five years	184,256	<b>1,482,514</b>	<b>31</b>
		<b>Minimum payments</b>	
Less than one year	285,962		
Between one and five years	1,030,750		
More than Five years	227,715	<b>1,544,427</b>	

**Amounts recognised in profit or loss:**

	For the three months ended 30 September	
	2023	2022
Interest on lease liabilities	23,823	9,111
Expenses related to short-term lease	3,116	4,644

**14. Related party transactions**

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

Related Party	Nature of transaction	Nature of relationship	Trans
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	Provided service	Entity owned by Company's CEO	
Dr. Amid Abd Elnour	Put option liability	Bio. Lab C.E.O and shareholder	
	Current account	Bio. Lab C.E.O and shareholder	
International Finance corporation (IFC)	Put option liability	Echo-Scan shareholder	
International Finance corporation (IFC)	Current account	Echo-Scan shareholder	
Integrated Treatment for Kidney Diseases (S.A.E)	Collection	Entity owned by Company's CEO	
	Medical Test analysis		
Hena Holdings Ltd	shareholders' dividends deferral agreement	shareholder	

Actis IDH Limited	shareholders' dividends deferral agreement	shareholder
Medical Health Development	Put option liability	Affiliate
Dr. Kalid Ismail	Current account	Wayak C.E.O and shareholder

## 15. Related party transactions (continued)

Related Party	Nature of transaction	Nature of relationship
AL borg 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	Provided service	Entity owned by Company's CEO
Dr. Amid Abd Elnour	Put option liability	Bio. Lab C.E.O and shareholder
	Current account	Bio. Lab C.E.O and shareholder
International Finance corporation (IFC)	Put option liability	Echo-Scan shareholder
International Finance corporation (IFC)	Current account	Echo-Scan shareholder
Integrated Treatment for Kidney Diseases (S.A.E)	Rental income	Entity owned by Company's CEO
	Medical Test analysis	
Dr. Hend El Sherbini	Loan arrangement	CEO
HENA HOLDINGS LTD	shareholders' dividends deferral agreement	shareholder
ACTIS IDH LIMITED	shareholders' dividends deferral agreement	shareholder



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

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

## 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 related to management personnel.

	30 September
Short-term employee benefits	

## 16. General and administrative expenses

	For the three months ended 30 September	
	2023	2022
Wages and salaries	52,720	34,352
Depreciation	7,936	6,867
Amortisation	1,560	1,031
Consulting fees	32,066	23,800
Other expenses	29,101	33,576
<b>Total</b>	<b>123,383</b>	<b>99,626</b>

## 17. Net finance cost

	For the three months ended 30 September	
	2023	2022
<b>Finance income</b>		
Interest income	16,264	7,751
Net foreign exchange gain	-	-
Gain on hyperinflationary net monetary position	-	1,265
<b>Total finance income</b>	<b>16,264</b>	<b>9,016</b>
<b>Finance cost</b>		
Net foreign exchange loss	(2,753)	(14,022)
Bank charges	(3,420)	(2,255)
Interest expense	(35,658)	(33,316)
<b>Total finance cost</b>	<b>(41,831)</b>	<b>(49,593)</b>
<b>Net finance (cost)/income</b>	<b>(25,567)</b>	<b>(40,577)</b>

## 18. Tax

### A. Tax expense

Tax expense is recognised based on management's best estimate of the weighted-average annual income tax rate 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 September	
	2023	2022
<b>Current tax:</b>		
Current period	(74,558)	(20,292)
WHT suffered	-	(100,906)
Current tax	<b>(74,558)</b>	<b>(121,198)</b>
<b>Deferred tax:</b>		
Deferred tax arising on undistributed reserves in subsidiaries	(23,157)	113,285
Relating to origination and reversal of temporary differences	(595)	(32,424)
<b>Total Deferred tax expense</b>	<b>(23,752)</b>	<b>80,861</b>
<b>Tax expense recognised in profit or loss</b>	<b>(98,310)</b>	<b>(40,337)</b>

### C. Deferred tax liabilities

Deferred tax relates to the following:

	30 September
Property, plant and equipment	
Intangible assets	
Undistributed reserves from Group subsidiaries	
<b>Net deferred tax liabilities</b>	

## 19. Financial instruments

The Group has reviewed the financial assets and liabilities held at 30 September 2023. It has been deemed that the amounts for all financial instruments are a reasonable approximation of fair value. All financial instruments are deemed to be at fair value.

## 20. Earnings per share

	For the three months ended 30 September	
	2023	2022
Profit attributed to owners of the parent	177,789	(18,1
Weighted average number of ordinary shares in issue	600,000	600,0
<b>Basic and diluted earnings per share</b>	<u>0.30</u>	<u>(0.</u>

The Company has no potential diluted shares as at 30 September 2023 and 30 September 2022, therefore; the basic and diluted share are equivalent to basic earnings per share.

## 21. 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 five operating segments based on geographical location rather than two operating segments based on product type provided, as the Group's Chief Operating Decision Maker (CODM) reviews the internal management reports and performance of each geography.

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

	Revenue by geographic location			
For the three months ended	Egypt region	Sudan region	Jordan region	Nigeria region
30-September-23	986,160	532	173,992	21,052
30-September-22	711,195	4,317	109,372	21,367

	Revenue by geographic location			
For the nine months period ended	Egypt region	Sudan region	Jordan region	Nigeria region
30-September-23	2,499,833	10,726	464,247	78,872
30-September-22	2,235,235	14,786	495,507	54,788

	EBITDA by geographic location			
For the three months ended	Egypt region	Sudan region	Jordan region	Nigeria region
30-September-23	347,223	(5,227)	54,344	(2,477)
30-September-22	235,623	(14)	31,447	(1,937)

## 21. Segment reporting (continued)

	EBITDA by geographic location			
For the nine months period ended	Egypt region	Sudan region	Jordan region	Nigeria region
30-September-23	754,085	(3,978)	122,846	(17,347)
30-September-22	857,363	49	122,237	(5,237)

For the three months ended	Net profit / (loss) by geographical region			
	Egypt region	Sudan region	Jordan region	Nigeria region
30-September-23	175,813	(5,449)	21,243	(8,000)
30-September-22	(13,555)	547	14,718	(37,000)

For the nine months period ended	Net profit / (loss) by geographical region			
	Egypt region	Sudan region	Jordan region	Nigeria region
30-September-23	401,734	(1,812)	32,555	(38,000)
30-September-22	380,005	4,825	62,189	(43,000)

	Revenue by type For the three months ended 30 September	
	2023	2022
Pathology	1,115,644	802,245
Radiology	66,092	44,006
	<b>1,181,736</b>	<b>846,251</b>

	Revenue by type For the nine months ended 30 September	
	2023	2022
Pathology	2,866,836	2,687,516
Radiology	186,842	112,800
	<b>3,053,678</b>	<b>2,800,316</b>

## 21. Segment reporting (continued)

	Non-current assets by geographical region			
	Egypt region	Sudan region	Jordan region	Nigeria region
30-September-23	3,070,167	3,847	606,928	8,000
31-December-22	3,039,930	14,993	494,244	12,000

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

	For the three months ended 30 September	
	2023	2022
Profit from operations	288,088	186,360

Property, plant and equipment depreciation	64,937	51,249
Right of use depreciation	32,395	25,744
Amortization of Intangible assets	1,938	1,772
<b>EBITDA</b>	<b>387,358</b>	<b>265,125</b>
Non-recurring expenses	23,730	-
<b>Normalised EBITDA</b>	<b>411,088</b>	<b>265,125</b>

## 22. Distributions made

### Cash dividends on ordinary shares declared and paid:

Nil per qualifying ordinary share US\$ 0.116 per share

30 September  
2023

EGP'000

During the year ended December 31, 2022 during the Company's annual general meeting (AGM) held in Jordan on 7 June 2022, IDH's shareholders approved a record-breaking dividend distribution of 0.116 US\$ per share, amounting to US\$ 69.6 million in aggregate.

## 23. Important events

On March 8, 2023, the Group completed the establishment of Medical Health Development Company, a limited liability company based in Saudi Arabia with a total stake of 51% directly and indirectly through one of the Group's subsidiaries, where Integrated Diagnostics Holdings (IDH) owns 30% and Al Makhbaryoun Al Arab LLC ("Biolab")-Jordan owns 21%.

The Central Bank of Egypt increased the interest rate by 200 points, to reach 19.25% instead of 17.25%. This decision of the Monetary Policy Committee, according to the meeting held on March 30, 2023. And increased the interest rate by 100 points, to reach 20.25% instead of 19.25%. This was by a decision of the Monetary Policy Committee, according to the meeting held on 6 August 2023.

During April 2023, an armed conflict began in Sudan that led to security unrest across the country. Business operations were temporarily frozen in the branches of the Sudan Laboratory Company and Ultra Lab until further notice, which will negatively affect the profits of the geographical sector in the subsequent period. The Group's management is closely monitoring the situation and is currently evaluating the impact of these events on the Group's business results and activities. The company's management has evaluated the business results, and a provision has been formed for 5 M.

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