

Integrated Diagnostics Holdings Plc
1H 2024 Results

Wednesday, 28 August 2024

Integrated Diagnostics Holdings plc delivers strong 33% year-on-year revenue growth in 1H 2024

(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 Saudi Arabia, announced today its unaudited financial statements for the six-month period ended 30 June 2024. IDH recorded revenues of EGP 2,498 million, a 33% increase year-on-year driven by higher test volumes and increased average revenues per test. Strong revenue performance, combined with IDH’s ongoing cost optimization efforts, has improved profitability across the board. The Group posted an EBITDA of EGP 668 million, up 45% year-on-year, with an increased EBITDA margin of 27% compared to 25% in 1H 2023. Additionally, the company saw significant net profit growth of 127% year-on-year, reaching EGP 480 million and achieving an expanded net profit margin (NPM) of 19%.

On a quarterly basis, revenues reached EGP 1,327 million in Q2 2024, representing a 39% increase year-on-year. Net profit saw substantial growth, rising 84% year-on-year to total EGP 78 million.

Financial Results (IFRS)

| EGP mn | Q2 2023 | Q2 2024 | Change | 1H 2023 | 1H 2024 | Change |
|---------------------------------|------------|--------------|------------|--------------|--------------|-------------|
| Revenues | 957 | 1,327 | 39% | 1,872 | 2,498 | 33% |
| Cost of Sales | (623) | (831) | 33% | (1,214) | (1,573) | 30% |
| Gross Profit | 333 | 497 | 49% | 658 | 925 | 41% |
| Gross Profit Margin | 34.8% | 37.4% | 2.6 pts | 35.1% | 37.0% | 1.9 pts |
| Operating Profit | 136 | 215 | 57% | 265 | 435 | 64% |
| EBITDA¹ | 234 | 338 | 44% | 462 | 668 | 45% |
| EBITDA Margin | 24.5% | 25.4% | 0.9 pts | 24.7% | 26.7% | 2.0 pts |
| Net Profit | 43 | 78 | 84% | 211 | 480 | 127% |
| Net Profit Margin | 4.5% | 5.9% | 1.4 pts | 11.3% | 19.2% | 7.9 pts |
| Cash Balance² | 666 | 1,254 | 88% | 666 | 1,254 | 88% |

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

Key Operational Indicators³

| EGP mn | 1H 2023 | 1H 2024 | Change |
|---------------------------|---------|------------------|--------|
| Branches | 588 | 591 ⁴ | 3 |
| Patients ('000) | 3,917 | 4,119 | 5% |
| Revenue per Patient (EGP) | 478 | 606 | 27% |
| Tests ('000) | 16,465 | 17,822 | 8% |
| Revenue per Test | 114 | 140 | 23% |
| Test per Patient | 4.2 | 4.3 | 3% |

¹ EBITDA is calculated as operating profit plus depreciation and amortization.

² Cash balance includes time deposits, treasury bills, current accounts, and cash on hand.

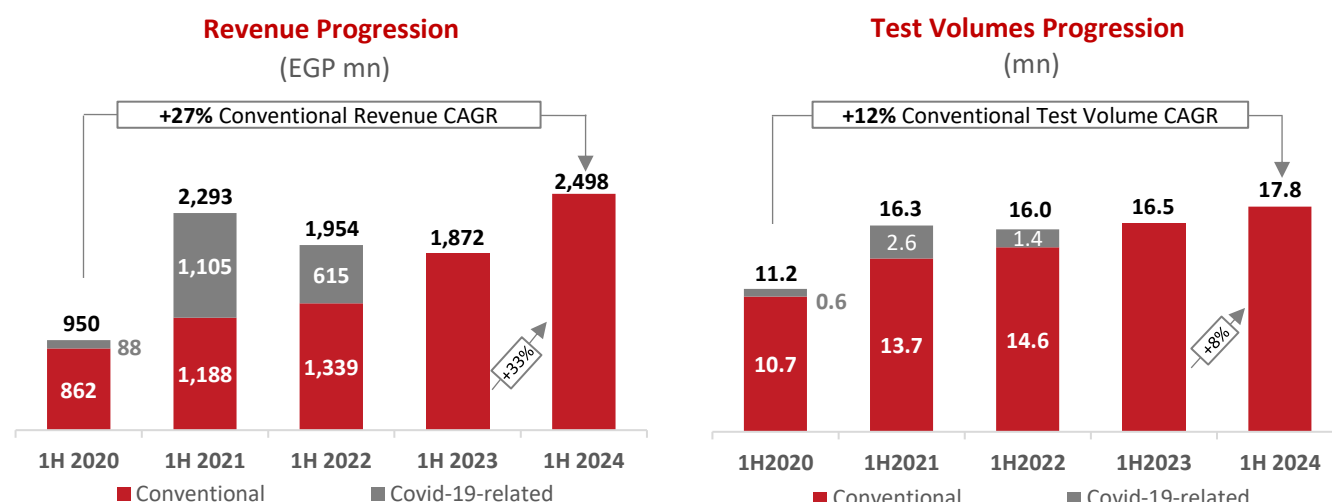
³ Key operational indicators are calculated based on revenues for the periods of EGP 2,498 million and EGP 1,872 million for 1H 2024 and 1H 2023, respectively.

⁴ IDH rolled out 20 new branches in Egypt and 2 in KSA, while closing 1 branch in Jordan over the past 12-month period. It is important to note that due to the ongoing conflict in Sudan, IDH’s 18 branches in the country have been shut down, leading to a net growth in its branch network of 3 branches.

Introduction

i. Financial Highlights

- IDH recorded **consolidated revenues** of EGP 2,498 million in the first half of 2024, increasing 33% year-on-year from EGP 1,872 million in 1H 2023. Growth was supported by an 8% year-on-year rise in test volumes and a 23% year-on-year increase in average revenue per test. On a three-month basis, IDH's consolidated revenues grew 39% year-on-year to EGP 1,327 million.



- Gross profit** for the six-month period recorded EGP 925 million, reflecting a 41% increase from EGP 658 million in 1H 2023. The gross profit margin stood at 37% in 1H 2024, up from 35% in the same period last year, underscoring the effectiveness of IDH's cost optimization efforts. On a quarterly basis, gross profit recorded EGP 497 million, up 49% year-on-year, with a higher margin of 37% versus 35% in Q2 2023.
- EBITDA⁵** recorded EGP 668 million in the first half of 2024, up 45% from EGP 462 million in the same period last year. The EBITDA margin improved to 27% from 25% in 1H 2023. Higher EBITDA profitability was driven by revenue growth that outpaced the rise in costs and SG&A expenses. Moreover, IDH continues to implement cost optimization efforts amid inflationary pressures, which reflect positively on margins. In Q2 2024, EBITDA came in at EGP 338 million, up 44% year-on-year with a stable margin of 25%.
- Net profit** for 1H 2024 reached EGP 480 million, representing a notable 127% year-on-year increase from 1H 2023. The Net Profit Margin (NPM) expanded to 19%, up 8 percentage points from the 11% recorded in 1H 2023. On a quarterly basis, net profit grew 84% year-on-year to EGP 78 million, with an associated net profit margin of 6%, up from 4% in the same period of the previous year.

ii. Operational Highlights

- At the end of 1H 2024, IDH's **branch network** stood at 591 branches, up by 3 branches compared to 1H 2023. In the first half of the year, IDH launched 20 new branches in Egypt and two inaugural branches in Saudi Arabia. During the same period, IDH closed one of its branches in Jordan located in Jordan's airport due to a decrease in testing following the COVID-19 pandemic, as well as all 18 branches in Sudan due to the ongoing conflict.
- During the first half of the year, IDH conducted 17.8 million **tests** across its geographies, reflecting an 8% year-on-year increase from 16.5 million tests in 1H 2023.
- The **average revenue per test** reached EGP 140 in 1H 2024, up 23% compared to EGP 114 in 1H 2023. This increase was largely attributed to strategic price increases introduced by IDH to address inflationary pressures in its primary markets, including Egypt and Nigeria.

⁵ EBITDA is calculated as operating profit plus depreciation and amortization.

- During the first half of 2024, IDH served 4.1 million **patients**, up 5% year-on-year, with the average number of tests per patient reaching a record-high of 4.3, highlighting the success of IDH's strategies to attract and retain patients while promoting increased testing. The continued rise in average tests per patient underscores the effectiveness of IDH's initiatives, including its loyalty program introduced in FY 2021, which remains a key driver in enhancing patient testing.

iii. Updates by Geography

- In **Egypt** (82.8% of total revenues in 1H 2024), IDH saw significant growth during the first half of 2024, generating EGP 2,069 million in revenues, up 37% year-on-year. Revenue growth was primarily fuelled by a 25% year-on-year rise in the average revenue per test, reaching EGP 125 in 1H 2024, and further strengthened by a 10% year-on-year expansion in test volumes, with IDH conducting 16.5 million tests in the first half of the year. On a quarterly basis, IDH's Egyptian operations recorded revenues of EGP 1,080 million in Q2 2024, an increase of 38% year-on-year.
- IDH's **Jordanian** subsidiary (15.4% of total revenues in 1H 2024), Biolab, recorded revenues of JOD 6.5 million, down 4% year-on-year, largely attributed to a 2% reduction in test volumes during 1H 2024 as a result of the ongoing geopolitical situation in the region. The average revenue per test in Jordan declined a marginal 2% year-on-year during the period due to stringent pricing regulations imposed on Jordan's health sector. In EGP terms, operations in Jordan reported revenues of EGP 386 million, representing a 33% year-on-year increase due to the translation effect from a weakened EGP.
- In **Nigeria** (1.5% of total revenues in 1H 2024), Echo-Lab achieved a 37% year-on-year growth in revenues in local currency, reaching NGN 1,284 million during the first half of 2024, driven by a 65% year-on-year increase in the average revenue per test. However, test volumes in Nigeria recorded 113 thousand in 1H 2024, down 17% year-on-year due to the continued impact of inflationary pressures affecting patients' purchasing power. In EGP terms, revenues in Nigeria recorded EGP 39 million, down 33% year-on-year, impacted by both lower test volumes and average revenues per test due to the devaluation of the Nigerian Naira.
- Biolab KSA, IDH's newest venture in **Saudi Arabia** (0.2% of total revenues in 1H 2024) began operations in Q1 2024 with one branch opening in January and another in March. The company generated revenues of SAR 339 thousand in 1H 2024, performing 7 thousand tests in 1H 2024 with an average revenue per test of SAR 46. The company continues to run targeted campaigns to attract patients, which is evident through its impressive quarterly results. In Q2 2024, the company's revenue reached SAR 281 thousand, compared to SAR 58 thousand in the first quarter of the year, driven by more than a threefold increase in the number of patients as well as a higher average revenue per test. IDH sees significant potential in the Saudi market and continues to actively expand in this region. In EGP terms, Saudi operations reported revenues of EGP 4 million, with an average revenue per test of EGP 579 during the six-month period.
- In Q1 2024, IDH decided to suspend all operations indefinitely in **Sudan** due to the ongoing conflict, leading to the closure of its 18 branches in the country.

iv. Management Commentary

Commenting on the Group's performance, IDH Chief Executive Officer Dr. Hend El-Sherbini said: "I am pleased to report that IDH has successfully built on a strong start to the year, delivering an impressive performance characterized by substantial consolidated revenue growth and improved profitability. This continued upward trajectory highlights the resilience of IDH's business model amid various economic and regional challenges, underscoring our ability to achieve consistent results and capitalize on opportunities for future growth.

During the first half of 2024, IDH achieved a robust 33% year-on-year revenue increase, driven by a combination of higher test volumes and effective pricing strategies yielding higher average revenues per test. This strong top-line growth, coupled with disciplined cost management, has been pivotal in our solid financial performance across the income statement. Notably, our success in managing SG&A expenses, which decreased as a share of revenue, underscores our commitment to optimizing costs and enhancing operational efficiency. Consequently, our EBITDA grew by 45% year-on-year, with the margin expanding to 27%, up from 25% last year, highlighting the resilience of our business model in adapting to changing economic conditions.

Breaking down our results by regions, our core market in Egypt displayed remarkable resilience, achieving a 37% year-on-year revenue growth. Despite the challenges of rising inflation and its impact on patients' purchasing power, we saw a growing demand for our services, with test volumes expanding 10% year-on-year and average revenue per test rising 25% year-on-year. We have continued to solidify our market leadership by expanding our service offerings and extending our reach into underpenetrated areas, adding 20 new branches since the beginning of 2024. We are particularly delighted with the progress of our radiology venture, Al-Borg Scan, which remains a central focus of our growth strategy. The expansion of Al-Borg Scan reflects our commitment to enhancing our service offerings in this critical area and aligns with our diversification strategy. These initiatives are yielding tangible results, with the radiology sector now contributing 5.0% to Egyptian revenues, up from 4.2% last year.

In Jordan, geopolitical instability impacted our performance in the first half of the year, resulting in a slight decline in revenue in local currency terms, primarily due to its effect on medical tourism and reduced test volumes. On the other hand, Nigeria saw a robust 37% year-on-year increase in revenue in local currency terms, driven by higher revenue per test. This growth reflects our revenue mix optimization strategy, which has focused on higher-priced tests, along with annual price increases we have implemented to counteract the effects of record-high inflation in the country. However, it is important to note that multiple devaluations of the Nigerian naira over the past two years, coupled with the removal of diesel subsidies, have significantly strained our patients' purchasing power, resulting in decreased test volumes and lower revenues in EGP terms.

Turning to Saudi Arabia, where we officially commenced operations in Q1 2024 with the opening of two branches in Riyadh, our growth has been encouraging. We are excited about expanding in this market, given its favourable demographics, growing population, and rising demand for healthcare services. The diagnostics sector remains fragmented, with no dominant players, presenting IDH with an excellent environment to implement our proven business model. We are confident that Saudi Arabia will quickly become a key market for IDH. Since our launch, our comprehensive branding strategy, which included outdoor advertising, social media campaigns, community event sponsorships, and partnerships with local healthcare providers, has yielded strong results. In Q2 2024, our revenue in Saudi Arabia surged to SAR 281 thousand, up from SAR 58 thousand in Q1 2024, driven by a significant increase in patient numbers and higher revenue per test.

Looking ahead, our strategic focus remains steadfast. In Egypt, we expect continued growth driven by recent economic reforms and a gradual improvement in purchasing power. With over four decades of experience in the diagnostics sector, we are particularly excited about the significant potential in our radiology venture. As the economy stabilizes, we see a tremendous opportunity to further capitalize on this growth area, leveraging our enhanced capabilities to deliver even greater value across the region. In Saudi Arabia, we are intensifying our efforts to fully capitalize on the market's potential, with plans to expand our network of branches across the Kingdom. While we remain mindful of the challenges ahead, particularly in navigating currency fluctuations and inflationary pressures in some of our key markets, our proactive risk management strategies, including price adjustments and cost control measures, have so far mitigated these impacts, and we are confident in our ability to sustain our growth trajectory. As such, we are reaffirming our guidance of approximately 30% revenue growth in FY 2024, with an expected EBITDA margin of around 30% for the year, excluding non-recurring expenses and results from our newly inaugurated venture in Saudi Arabia.

Following up on our OTP from the EGX, IDH has received preliminary approval to proceed with the delisting of its shares. IDH and the EGX coordinated the process, with the Special Operations Market (OPR) operating from August 18th to August 22nd. During

this period, 18,673,728 shares were subscribed. IDH then purchased these shares on August 26th, and the buyback settlement is to be completed by August 28th. Afterwards, IDH will transfer its shares from the EGX to the London Stock Exchange (LSE).

To conclude, our commitment remains unchanged in prioritizing the well-being of our patients and stakeholders, as we continue to deliver exceptional quality care to our growing patient base across Egypt, Jordan, Nigeria, and Saudi Arabia.

– End –

Analyst and Investor Call Details

An analyst and investor call will be hosted at 1pm (UK) | 3pm (Egypt) on Monday, 2 September 2024. You can learn more details and register for the call by clicking on this [link](#).

For more information about the event, please contact: 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, Sudan, and Saudi Arabia. The Group's core brands include Al Borg, Al Borg Scan and Al Mokhtabar in Egypt, as well as Biolab (Jordan), Echo-Lab (Nigeria), Ultralab and Al Mokhtabar Sudan (both in Sudan), and Biolab KSA (Saudi Arabia). With over 40 years of experience, 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 3,000 diagnostics tests. From its base of 601 branches as of 31 December 2023, IDH served over 8.5 million patients and performed more than 36.1 million tests in 2023. IDH will continue to add laboratories through a Hub, Spoke and Spike business model that provides a scalable platform for efficient expansion. Beyond organic growth, the Group targets expansion in appealing 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 (i) whose shares are admitted to the equity shares (transition) category (previously, the standard listing segment) of the Official List of the UK Financial Conduct Authority and admitted to trading on the main market for listed securities of the London Stock Exchange (ticker: IDHC) since May 2015, and (ii) with a secondary listing on the Egyptian Exchange 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

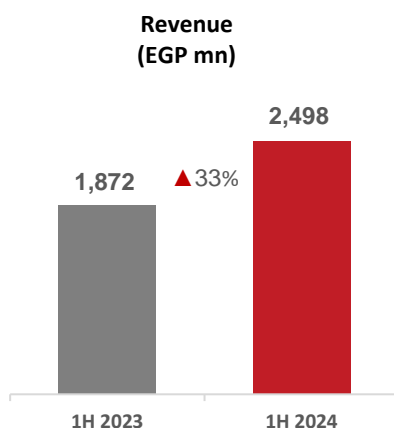
These results for the quarter ended 30 June 2024 have been prepared solely to provide additional information to shareholders to assess the group's performance in relation to its operations and growth potential. These results should not be relied upon by any other party or for any other reason. This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as "according to estimates", "aims", "anticipates", "assumes", "believes", "could", "estimates", "expects", "forecasts", "intends", "is of the opinion", "may", "plans", "potential", "predicts", "projects", "should", "to the knowledge of", "will", "would" or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding business and management, future growth or profitability and general economic and regulatory conditions and other matters affecting the Group.

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

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

Group Operational & Financial Review

i. Revenue and Cost Analysis



Consolidated Revenue

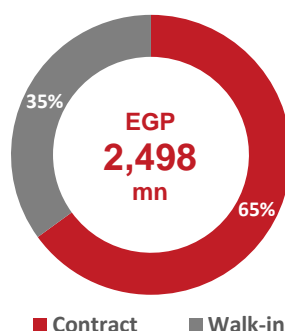
IDH maintained its strong performance throughout the first half of 2024, with revenues growing 33% year-on-year to reach EGP 2,498 million in 1H 2024. Revenue growth was driven by an 8% year-on-year rise in test volumes and a 23% increase in average revenue per test, which stood at EGP 140 during the period. Higher average revenues per test continued to reflect the strategic price increases implemented across Egyptian and Nigerian operations to counteract mounting inflationary pressures in these markets.

| Revenue Analysis | | | |
|------------------------|---------|---------|-----|
| | 1H 2023 | 1H 2024 | % |
| Total revenue (EGP mn) | 1,872 | 2,498 | 33% |

| Test Volume Analysis | | | |
|----------------------|---------|---------|----|
| | 1H 2023 | 1H 2024 | % |
| Total tests (mn) | 16.5 | 17.8 | 8% |

| Revenue per Test Analysis | | | |
|------------------------------|---------|---------|-----|
| | 1H 2023 | 1H 2024 | % |
| Total revenue per test (EGP) | 114 | 140 | 23% |

Revenue by Patient Segment (1H 2024)



Revenue Analysis: Contribution by Patient Segment

Contract Segment (65% of Group revenue in 1H 2024)

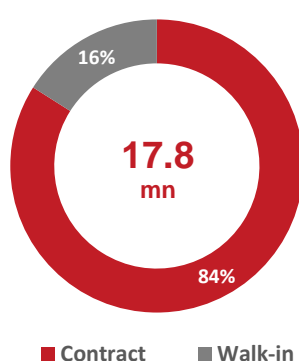
At IDH's contract segment, revenues reached EGP 1,632 million, marking a 37% year-on-year increase. Average revenue per test grew by 23% year-on-year, reaching EGP 109 in 1H 2024. In parallel, test volumes totaled 14.9 million, an 11% increase compared to the same period last year.

The segment also maintained its record-high average tests per patient, with 4.5 tests in 1H 2024, up from 4.4 tests in the comparable period last year. This was supported by IDH's loyalty program, introduced in FY 2021, which continues to deliver positive results for the Group.

Walk-in Segment (35% of Group revenue in 1H 2024)

Meanwhile, in IDH's walk-in segment, revenues reached EGP 866 million during the six-month period, up 28% year-on-year, driven by a 33% increase in revenue per test, which averaged EGP 301 in 1H 2024. The company conducted 2.9 million walk-in tests during the period, a 4% year-on-year decrease as more walk-in patients shifted to IDH's contract segment. The average tests per patient in this segment saw a slight 2% year-on-year decline, recording 3.5 tests during the period.

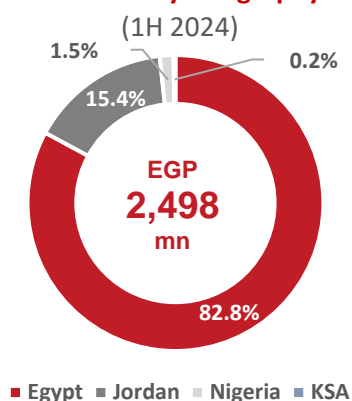
Tests by Patient Segment (1H 2024)



Detailed Segment Performance Breakdown

| | Walk-in Segment | | | Contract Segment | | | Total | | |
|---------------------------|-----------------|-------|--------|------------------|--------|--------|--------|--------|--------|
| | 1H23 | 1H24 | Change | 1H23 | 1H24 | Change | 1H23 | 1H24 | Change |
| Revenue (EGP mn) | 679 | 866 | 28% | 1,193 | 1,632 | 37% | 1,872 | 2,498 | 33% |
| Patients ('000) | 833 | 814 | -2% | 3,084 | 3,305 | 7% | 3,917 | 4,119 | 5% |
| % of Patients | 21% | 20% | | 79% | 80% | | | | |
| Revenue per Patient (EGP) | 815 | 1,064 | 31% | 387 | 494 | 28% | 478 | 606 | 27% |
| Tests ('000) | 3,008 | 2,880 | -4% | 13,457 | 14,942 | 11% | 16,465 | 17,822 | 8% |
| % of Tests | 18% | 16% | | 82% | 84% | | | | |
| Revenue per Test (EGP) | 226 | 301 | 33% | 89 | 109 | 23% | 114 | 140 | 23% |
| Test per Patient | 3.6 | 3.5 | -2% | 4.4 | 4.5 | 4% | 4.2 | 4.3 | 3% |

Revenue by Geography



Revenue Analysis: Contribution by Geography

Egypt (82.8% of Group revenue)

IDH's home and largest market, Egypt, maintained its strong growth momentum, recording revenues of EGP 2,069 million in 1H 2024, a 37% year-on-year increase. Growth at the segment was primarily dual driven by a 10% increase in test volumes as well as a 25% rise in average revenue per test, attributed to repricing strategies implemented to counter the inflationary environment.

On a quarterly basis, IDH's Egyptian operations recorded revenues of EGP 1,080 million in Q2 2024, an increase of 38% year-on-year.

Al-Borg Scan

IDH's rapidly growing radiology venture, Al-Borg Scan, continued its upward trajectory in the six-month period, with revenues reaching EGP 104 million, a substantial 65% year-on-year increase. Growth was supported by a 33% year-on-year increase in scans performed reaching 121 thousand during 1H2024. Furthermore, the average revenue per test grew 24% year-on-year to EGP 856 in 1H 2024. Al-Borg Scan continues to grow its operations through its network of seven branches across the Greater Cairo area, positioning itself as a leader in the fragmented Egyptian radiology market.

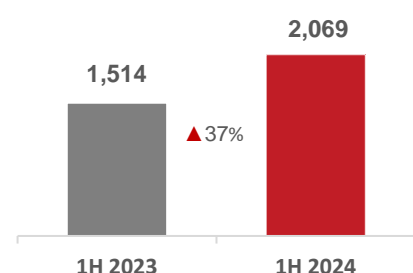
House Calls

During 1H 2024, IDH's house call services continued its significant contribution to the country's results, constituting 18% of total revenues. This contribution sits comfortably above pre-pandemic average, highlighting the segment's growth potential and the effectiveness of the Group's post-pandemic growth strategy.

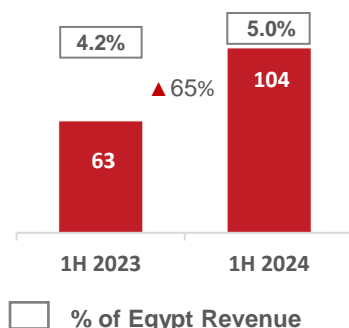
Wayak

Finally, IDH's Egyptian subsidiary, Wayak, aims to leverage the Company's expanding patient database to develop electronic medical records and provide personalized services. In the first half of 2024, Wayak achieved revenues of EGP 7 million, marking a 60% year-on-year increase. This growth came after fulfilling 100 thousand orders during the first six months of the year, reflecting a 21% rise compared to 1H 2023.

Egypt Revenue (EGP mn)



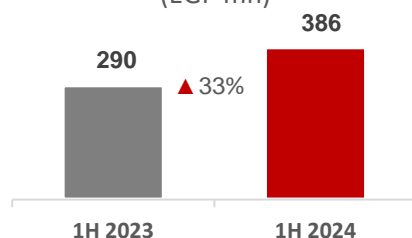
AI Borg Scan Revenue (EGP mn)



Detailed Egypt Performance Breakdown

| Revenue Analysis | | | |
|--------------------------------------|--------------|--------------|------------|
| EGP mn | 1H 2023 | 1H 2024 | % |
| Total Revenue | 1,514 | 2,069 | 37% |
| Pathology Revenue | 1,451 | 1,966 | 35% |
| Radiology Revenue | 63 | 104 | 65% |
| Contribution to Consolidated Results | | | |
| Pathology Revenue | 96% | 95% | |
| Radiology Revenue | 4.2% | 5.0% | |
| Test Volume Analysis | | | |
| Total Tests | 15.1 | 16.5 | 10% |
| Revenue per Test Analysis | | | |
| Total Revenue per Test | 100 | 125 | 25% |

Jordan Revenue (EGP mn)

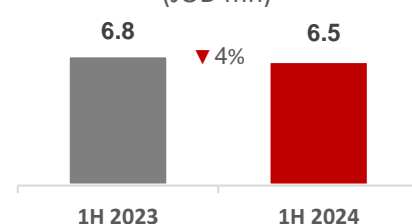


Jordan (15.4% of Group revenue in 1H 2024)

In IDH's second largest market, Jordan, Biolab, recorded revenues of JOD 6.5 million, down 4% year-on-year, largely attributed to a 2% reduction in test volumes during 1H 2024 weighed down by the ongoing geopolitical instability in the region. The average revenue per test in Jordan remained relatively stable, showing only a 2% year-on-year decline during the period due to stringent pricing regulations. In EGP terms, Jordanian operations booked a 33% year-on-year increase, posting EGP 386 million in 1H 2024. Higher revenues in EGP terms reflected an 36% year-on-year increase in average revenue per test, due to the translation effect following the devaluation of the Egyptian pound.

On a quarterly basis, Biolab recorded JOD 3.3 million in Q2 2024, down 4% year-on-year. In EGP terms, it recorded EGP 221 million, up 51% year-on-year, due to the translation effect of a weaker Egyptian pound.

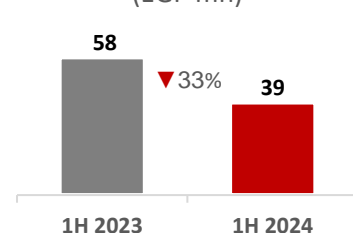
Jordan Revenue (JOD mn)



Detailed Jordan Performance Breakdown

| Revenue Analysis | | | |
|-------------------------------|--------------|--------------|------------|
| EGP mn | 1H 2023 | 1H 2024 | % |
| Total Revenue | 290 | 386 | 33% |
| Test Volume Analysis | | | |
| Total Tests ('000) | 1,180 | 1,154 | -2% |
| Revenue per Test Analysis | | | |
| Total Revenue per Test | 246 | 334 | 36% |

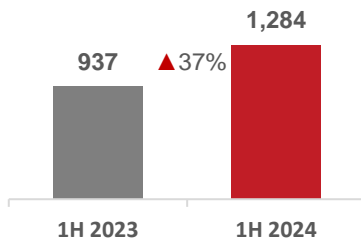
Nigeria Revenue (EGP mn)



Nigeria (1.5% of Group revenue in 1H 2024)

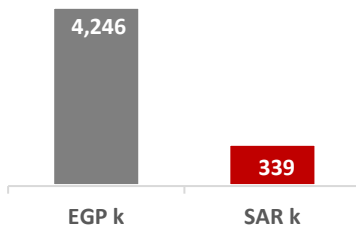
Echo-Lab, IDH's Nigerian subsidiary, posted a 37% year-on-year growth in revenues in local currency, reaching NGN 1,284 million during the first half of 2024. Growth was driven by a 65% increase in the average revenue per test. Meanwhile, test volumes in Nigeria were down 17% year-on-year, booking 113 thousand for 1H 2024, as inflationary pressures continued to significantly impact the population's purchasing power. In EGP terms, Echo-Lab booked EGP 39 million in revenues during 1H 2024, down 33% year-on-year. In addition to declining test volumes at the market, average revenue per test declined to EGP 341 during the six-month period, reflecting the translation effect from multiple devaluations of the Naira over the past year.

Nigeria Revenue (NGN mn)



Quarterly operations in Nigeria generated NGN 682 million, marking a 45% increase compared to the previous year. In EGP terms, it amounted to EGP 23 million, reflecting a 15% decrease year-on-year.

Saudi Arabia Revenue (1H 2024)



Saudi Arabia (0.2% of Group revenue in 1H 2024)

IDH expanded its footprint into Saudi Arabia in the first quarter of 2024, launching two Biolab KSA locations in Riyadh, the capital. The first branch opened in January, and the second followed in March 2024. Saudi Arabia's promising demographics, rapidly expanding economy, and a fragmented diagnostics sector present considerable opportunity for IDH. The goal of this expansion is to become a comprehensive provider of clinical pathology diagnostic services, with a widespread network of branches across the Kingdom.

In its first operational half of the year, Biolab KSA posted revenues of SAR 339 thousand, performing 7 thousand tests and booking an average revenue per test of SAR 46. In Q2 2024 alone, the company's revenue reached SAR 281 thousand compared to SAR 58 thousand in the first quarter, driven by more than a threefold increase in the number of patients as well as a higher revenue per test.

Sudan

Due to the ongoing situation in Sudan, which started with the eruption of violent conflict in April 2023, IDH has decided to halt all operations in the country starting in Q1 2024. All 18 of IDH's branches in the country have now been indefinitely shut down.

Revenue Contribution by Country

| | 1H 2023 | 1H 2024 | Change |
|--|--------------|--------------|-------------|
| Egypt Revenue (EGP mn) | 1,514 | 2,069 | 37% |
| Pathology Revenue (EGP mn) | 1,451 | 1,966 | 35% |
| Radiology Revenue (EGP mn) | 63 | 104 | 65% |
| Egypt Contribution to IDH Revenue | 80.9% | 82.8% | |
| Jordan Revenue (EGP mn) | 290 | 386 | 33% |
| Jordan Revenues (JOD mn) | 6.8 | 6.5 | -4% |
| Jordan Revenue Contribution to IDH Revenue | 15.5% | 15.4% | |
| Nigeria Revenue (EGP mn) | 58 | 39 | -33% |
| Nigeria Revenue (NGN mn) | 937 | 1,284 | 37% |
| Nigeria Contribution to IDH Revenue | 3.1% | 1.5% | |
| Saudi Arabia Revenue (EGP k) | | 4,246 | - |
| Saudi Arabia Revenue (SAR k) | - | 339 | - |
| Saudi Arabia Contribution to IDH Revenue | - | 0.2% | |

Average Exchange Rate

| | 1H 2023 | 1H 2024 | Change |
|---------|---------|---------|--------|
| USD/EGP | 30.7 | 42.0 | 37% |
| JOD/EGP | 42.8 | 59.1 | 38% |
| NGN/EGP | 0.1 | 0.03 | -52% |
| SAR/EGP | | 11.2 | N/A |

Patients Served and Tests Performed by Country

| | 1H 2023 | 1H 2024 | Change |
|-----------------------------------|-------------|-------------|-----------|
| Egypt Patients Served (mn) | 3.7 | 3.9 | 6% |
| Egypt Tests Performed (mn) | 15.1 | 16.5 | 10% |
| Jordan Patients Served (k) | 183 | 172 | -6% |
| Jordan Tests Performed (k) | 1,180 | 1,154 | -2% |
| Nigeria Patients Served (k) | 69 | 59 | -14% |
| Nigeria Tests Performed (k) | 136 | 113 | -17% |
| Saudi Arabia Patients Served (k) | - | 1 | - |
| Saudi Arabia Tests Performed (k) | - | 7 | - |
| Total Patients Served (mn) | 3.9 | 4.1 | 5% |
| Total Tests Performed (mn) | 16.5 | 17.8 | 8% |

Branches by Country

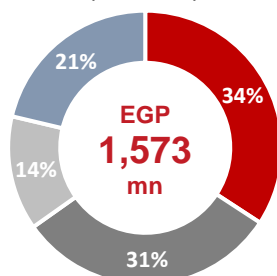
| | 30 June 2023 | 30 June 2024 | Change |
|-----------------------|--------------|--------------|----------|
| Egypt | 531 | 551 | 20 |
| Jordan | 27 | 26 | -1 |
| Nigeria | 12 | 12 | - |
| Saudi Arabia | - | 2 | 2 |
| Sudan ⁶ | 18 | - | -18 |
| Total Branches | 588 | 591 | 3 |

⁶ Due to the ongoing conflict in Sudan, IDH has terminated operations in the country, with the closure of all 18 branches.

Cost of Goods Sold

Breakdown

(1H 2024)



- Raw Materials
- Wages & Salaries
- Dep. & Amort.
- Other Exp.

Cost of Goods Sold

IDH reported cost of goods sold at EGP 1,573 million for the first half of the year, reflecting a 30% year-on-year increase. As a percentage of revenue, cost of goods sold accounted for 63.0% in 1H 2024, down from 64.9% in the same period last year. The reduction in the cost of goods sold as a percentage of revenue was mainly attributed to lower direct wages and salaries, as well as reduced depreciation expenses relative to revenue.

Cost of Goods sold Breakdown as a Percentage of Revenue

| | 1H 2023 | 1H 2024 |
|-----------------------------|--------------|--------------|
| Raw Materials | 21.5% | 21.5% |
| Wages & Salaries | 20.4% | 19.5% |
| Depreciation & Amortisation | 9.4% | 8.5% |
| Other Expenses | 13.5% | 13.4% |
| Total | 64.9% | 63.0% |

Raw material costs (34% of consolidated cost of goods sold in 1H 2024) the largest contributor to cost of goods sold in 1H 2024, totalled EGP 538 million, which represents a 34% increase year-on-year. As a percentage of revenue, raw materials stood at 21.5%, at par with 1H 2023.

Wages and salaries including employee share of profits (31% share of consolidated cost of goods sold) remained the second largest contributor to the cost of goods sold during the period, posting EGP 488 million, a 28% year-on-year increase. As a percentage of revenue, direct wages and salaries accounted for 19.5%, down from 20.4% in the same period last year. This decline is a direct result of IDH's optimized headcount compared to the previous year.

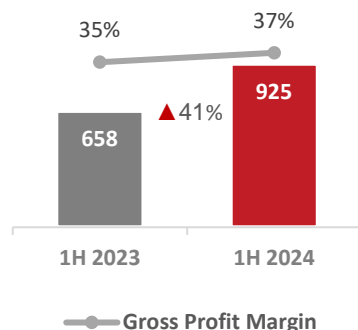
Direct Wages and Salaries by Region

| | 1H 2023 | 1H 2024 | Change |
|-----------------------|---------|---------|--------|
| Egypt (EGP mn) | 287 | 358 | 25% |
| Jordan (EGP mn) | 78 | 109 | 40% |
| Jordan (JOD mn) | 2 | 2 | 1% |
| Nigeria (EGP mn) | 16 | 11 | -32% |
| Nigeria (NGN mn) | 272 | 358 | 32% |
| Saudi Arabia (EGP mn) | - | 11 | - |
| Saudi Arabia (SAR k) | - | 978 | - |

Direct depreciation and amortization costs (14% of consolidated cost of goods sold) rose to EGP 212 million in 1H 2024, marking a 20% increase compared to the previous year. These costs represented 8.5% of revenues, down slightly from the figure recorded in 1H 2023. The rise in depreciation expenses is attributed to the expansion of IDH's branch network, which saw the addition of 7 new branches in Egypt over the past six months and 20 over the past year.

Other expenses (21% of consolidated cost of goods sold) recorded EGP 335 million in 1H 2024, reflecting a 32% increase year-on-year. As a percentage of revenues, these expenses remained steady at 13.4%, consistent with the same period last year. The main components of other expenses during this time were repair and maintenance fees, hospital contracts, and cleaning costs.

Gross Profit (EGP mn)



Gross Profit

The Company reported a gross profit of EGP 925 million for the first six months of the year, representing a 41% year-on-year increase compared to the previous year. The Gross Profit Margin (GPM) also improved to 37%, up from 35% in 1H 2023. Improved margins were achieved by reducing the cost of goods sold as a percentage of revenue, enhancing fixed asset utilization to lower depreciation, and optimizing headcount to decrease direct salary expenses relative to revenue.

Selling, General and Administrative (SG&A) Expenses

SG&A expenses for 1H 2024 totaled EGP 490 million, marking a 25% increase year-on-year. As a percentage of revenues, SG&A accounted for 20%, down from 21% in the same period last year. The rise in SG&A expenses was mainly due to the following factors:

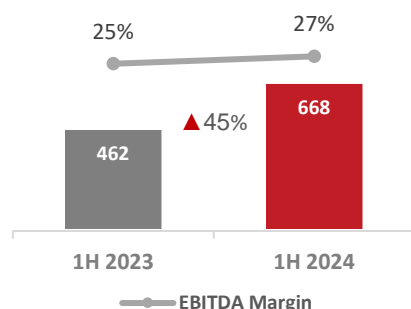
- Higher indirect wages and salaries reached EGP 173 million, a 23% increase compared to the previous year. This rise was driven by annual wage increases and the translation effect from Jordanian salaries as well as Saudi Arabian salaries due to a weakened EGP. However, indirect salaries and wages as a percentage of revenue decreased to 6.9% from 7.5% in 1H 2023, thanks to the optimization of IDH's headcount.
- G&A other expenses rose by 38% year-on-year to EGP 175 million, primarily due to increased accounting and professional fees quoted in foreign currency impacted by a weaker EGP in the income statement.

Advertising expenses increased by 50% year-on-year to support the ramp-up of the company's operations in Saudi Arabia, which began in Q1 2024. These expenses now represent 43% of the company's total advertising costs.

Selling, General and Administrative Expenses

| | 1H 2023 | 1H 2024 | Change |
|---|------------|------------|------------|
| Wages & Salaries | 141 | 173 | 23% |
| Accounting and Professional Fees | 70 | 103 | 47% |
| Market – Advertisement expenses | 52 | 78 | 50% |
| Other Expenses | 74 | 78 | 5% |
| Depreciation & Amortisation | 20 | 21 | 5% |
| Impairment loss on trade and other receivable | 23 | 17 | -26% |
| Travelling and transportation expenses | 14 | 18 | 28% |
| Other (income)/expense | 3 | (1) | N/A |
| Total | 393 | 490 | 25% |

EBITDA (EGP mn)



EBITDA

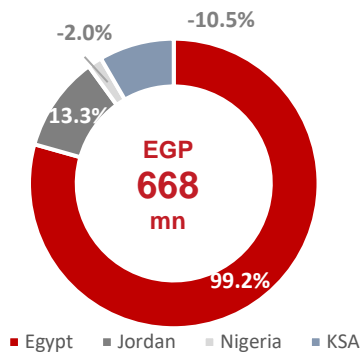
During 1H 2024, IDH achieved an EBITDA of EGP 668 million, representing a 45% year-on-year increase, driven by the continued normalization of costs over the past 12 months. The EBITDA margin also improved to 27%, up from 25% in 1H 2023.

It is worth noting that EBITDA has been impacted by the recent expansion of IDH's operations in Saudi Arabia and the EGX delisting fees of EGP 99.4 million. Adjusting for non-recurring items, IDH would have recorded EBITDA of EGP 767 million, reflecting a margin of 30.7%.

EBITDA by Country

In **Egypt**, IDH reported an EBITDA of EGP 663 million for 1H 2024, a 63% increase compared to the previous year. The EBITDA margin rose significantly to 32%, up from 27% a year earlier. Improved profitability in the region was driven by a 3.0 percentage point reduction in SG&A expenses to 16%, primarily due to lower advertising costs.

EBITDA by Region (1H 2024)



In **Jordan**, IDH's subsidiary Biolab reported an EBITDA of JOD 1.5 million for 1H 2024, a 6% decrease from the previous year, with a margin of 23%, relatively stable to the margin in 1H 2023. In EGP terms, EBITDA amounted to EGP 89 million, marking a 29% year-on-year increase and a margin of 23%. The growth in EBITDA when converted to EGP is attributed to the devaluation of the EGP over the past year.

In **Nigeria**, ongoing economic challenges and rising inflation have impacted IDH's cost base, resulting in increased EBITDA losses for the first half of the year. In 1H 2024, EBITDA losses amounted to NGN 436 million, down from NGN 233 million in the same period of 2023. When converted to EGP, EBITDA losses were EGP 13 million in 1H 2024, an improvement from EGP 15 million the previous year. This reduction in EBITDA losses in EGP terms is due to the translation effect of the devaluation of the Nigerian Naira.

In **Saudi Arabia**, EBITDA losses amounted to SAR 6 million as the new venture starts to scale up its operations. In EGP terms, these EBITDA losses totalled EGP 70 million.

Regional EBITDA in Local Currency

| | | 1H 2023 | 1H 2024 | Change |
|---------------------|--------|---------|---------|--------|
| Egypt EBITDA | EGP mn | 407 | 663 | 63% |
| Margin | | 27% | 32% | |
| Jordan EBITDA | JOD mn | 1.6 | 1.5 | -7% |
| Margin | | 24% | 23% | |
| Nigeria EBITDA | NGN mn | -233 | -436 | 87% |
| Margin | | -25% | -34% | |
| Saudi Arabia EBITDA | SAR mn | - | -6.1 | - |
| Margin | | - | - | |

Interest Income / Expense

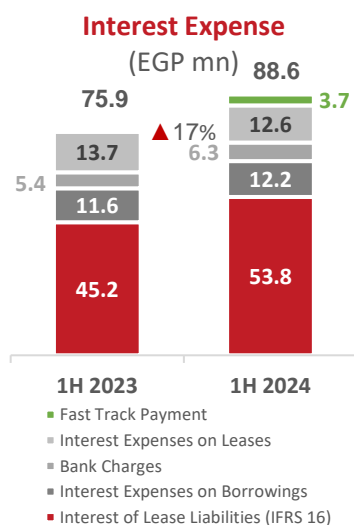
IDH's interest income recorded EGP 55 million, increasing considerably from EGP 30 million in 1H 2023. Higher interest income during the quarter period the increase in interest rates imposed by the CBE during the past 12 months.

Interest expense⁷ stood at EGP 89 million, up 17% year-on-year in 1H 2024. The marginal increase in interest expenses were mainly driven by:

- Higher interest on lease liabilities related to IFRS 16 due to the addition of new branches to IDH's network.
- Higher interest expenses following the CBE decision to increase rates in December 2023 and February 2024. It is important to note that IDH's interest bearing debt ⁸ (excluding accrued interest) decreased to EGP 94 million as at 30 June 2024, from EGP 111 million at year-end 2023. In 2023, as part of IDH's strategy to reduce foreign currency risk, the Company agreed with General Electric (GE) for the early repayment of its contractual obligation of USD 5.7 million. To finance the settlement, IDH utilized a bridge loan facility, with half the amount being funded internally, while the other half (amounting to EGP 55 million) was provided through a bridge loan by Ahly United Bank– Egypt (AUBE). Interest expenses related to the AUBE facility recorded EGP 11 million in Q2 2024. The bridge loan was fully settled in Q2 2023.
- Fast track payments worth EGP 3.7 million, which encompass discounts provided for the rapid payment of receivables in 1H 2024.

⁷ Interest expenses on medium-term loans include EGP 11 million related to the Group's facility with Ahly United Bank Egypt (AUBE).

⁸ IDH's interest bearing debt as at 30 June 2024 included EGP 91 million to its facility with Ahly United Bank Egypt (AUBE) (outstanding loan balances are excluding accrued interest for the period). It is worth noting that in order to finance the early repayment settlement with General Electric, the Company utilized a bridge loan facility of EGP 55 million. The facility was withdrawn in Q1 2023 and settled in Q2 2023



Interest Expense Breakdown

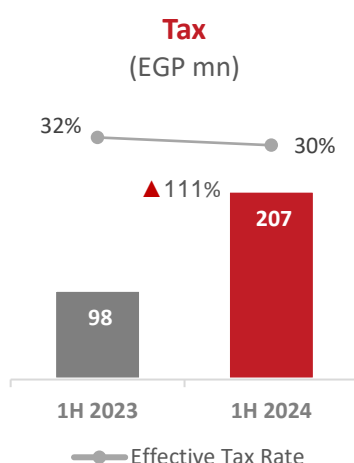
| EGP mn | 1H 2023 | 1H 2024 | Change |
|--|-------------|-------------|------------|
| Interest on Lease Liabilities (IFRS 16) | 45.2 | 53.8 | 19% |
| Interest Expenses on Leases | 13.7 | 12.6 | -8% |
| Interest Expenses on Borrowings ⁹ | 11.6 | 12.2 | 5% |
| Bank Charges | 5.4 | 6.3 | 18% |
| Fast Track Payment | - | 3.7 | - |
| Total Interest Expense | 75.9 | 88.6 | 17% |

Foreign Exchange

IDH booked a foreign exchange gain of EGP 297 million in 1H 2024, up from EGP 102 million during the same period of the previous year. The foreign exchange gain was due to intercompany balances revaluation.

Taxation

Tax expenses, including income and deferred tax, rose to EGP 207 million during 1H 2024, up from EGP 98 million one year prior. IDH's effective tax rate slightly declines to 30% in 1H 2024. The decline in effective tax rate for the first half compared to IDH's historical averages is primarily due to the increase in foreign exchange gain recorded during the periods as a result of intercompany transactions. It is important to highlight that there is no tax payable for IDH's two holding-level companies.

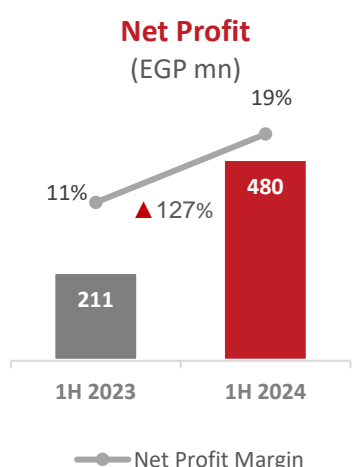


Taxation Breakdown by Region

| EGP Mn | 1H 2023 | 1H 2024 | Change |
|---------------------------|-------------|--------------|-------------|
| Egypt | 91.4 | 194.9 | 113% |
| Jordan | 6.6 | 11.5 | 74% |
| Nigeria | -0.1 | 0.0 | N/A |
| KSA | - | 0.9 | - |
| Total Tax Expenses | 98.4 | 207.3 | 111% |

Net Profit

IDH booked a net profit of EGP 480 million in 1H 2024, a 127% year-on-year increase due to the substantial increase in foreign exchange gain from intercompany transactions. Meanwhile, the Company's Net Profit Margin (NPM) came in at 19% compared to 11% in 1H 2023.



⁹ Interest expenses on medium-term loans include EGP 11 million related to the Group's facility with Ahli United Bank Egypt (AUBE).

ii. Balance Sheet Analysis

Assets

Property, Plant and Equipment

IDH recorded property, plant and equipment (PPE) cost of EGP 2,921 million as of 30 June 2024, up from EGP 2,554 million at the end of 2023. The increase in CAPEX as a share of revenue during the past six-month period is largely due to the addition of new branches, renovation of existing branches, improvements of IDH's headquarters (constituting 2.5% of revenues), in addition to the translation effect related to Jordan, Nigeria, and Saudi Arabia (comprising 12.2% of revenues).

Total CAPEX Addition Breakdown – 1H 2024

| | EGP mn | % of Revenue |
|--|--------------|--------------|
| Leasehold Improvements/new branches | 60.9 | 2.4% |
| AI-Borg Scan Expansion | 2.4 | 0.1% |
| Total CAPEX Additions Excluding Translation | 63.3 | 2.5% |
| Translation Effect | 303.6 | 12.2% |
| Total CAPEX Additions | 366.9 | 14.7% |

Trade Receivables and Provisions

Net trade receivables at 30 June 2024 amounted to EGP 753 million, up 32% year-to-date. Meanwhile, IDH's net receivables' Days on Hand (DoH) booked 146 days, up from 134 days at the end of 2023.

Provision for doubtful accounts in 1H 2024 was recorded at EGP 17 million, a decrease from EGP 23 million in the previous year. This reduction is attributed to improved economic conditions, increased stability, and reduced inflation, which have led to a noticeable increase in collected amounts during the accounting period.

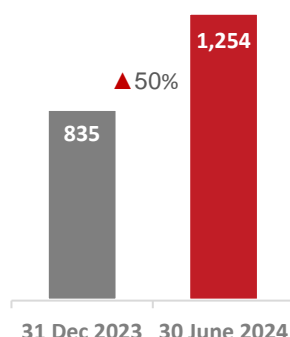
Inventory

At 30 June 2024, IDH booked an inventory balance of EGP 462 million, up 23% compared to the end of 2023. Meanwhile, Days Inventory Outstanding (DIO) increased to 148 days, from 133 days at 31 December 2023. Increased DIO highlights management's proactive strategy of accumulating inventory to hedge against inflationary pressures.

Cash and Net Debt

Cash balances and financial assets at amortised cost at 30 June 2024 reached EGP 1,254 million, up from EGP 835 million at year-end 2023.

Cash Balances (EGP mn)



| EGP million | 31 Dec 2023 | 30 June 2024 |
|------------------|-------------|--------------|
| Treasury Bills | 133 | 256 |
| Time Deposits | 289 | 322 |
| Current Accounts | 391 | 624 |
| Cash on Hand | 21 | 52 |
| Total | 835 | 1,254 |

IDH's net debt¹⁰ balance came in at EGP 35 million as of the end of 1H 2024, down from EGP 361 million as at year-end 2023.

¹⁰ The net debt balance is calculated as cash and cash equivalent balances including financial assets at amortised cost, less interest-bearing debt (medium term loans), finance lease and Right-of-use liabilities.

| EGP million | 31 Dec 2023 | 30 June 2024 |
|---|--------------|--------------|
| Cash and Financial Assets at Amortised Cost ¹¹ | 835 | 1,254 |
| Lease Liabilities Property* | (828) | (944) |
| Total Financial Liabilities (Short-term and Long-term) | (240) | (236) |
| Interest Bearing Debt ("Medium Term Loans") | (128) | (109) |
| Net Debt Balance | (361) | (35) |

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

*If excluding Lease Liabilities Property (IFRS 16), IDH would have recorded net cash of EGP 909 million

Lease liabilities and financial obligations on property came in at EGP 944 million at the end of Q2 2024, with the increase attributed to the translation effect of JOD-denominated liabilities in Jordan following the devaluation of the EGP in early 2024.

Meanwhile, **financial obligations related to equipment** stood at EGP 236 million as at 30 June 2024, with the increase attributable to increases in USD-linked contracts with equipment suppliers following the devaluation of the Egyptian Pound.

Finally, **interest bearing debt**¹² (excluding accrued interest) reached EGP 94 million at the end of Q2 2024, down from EGP 111 million at year-end 2023.

Liabilities

Trade Payable¹³

Trade payable as of 30 June 2024 stood at EGP 283 million, up from EGP 272 million at the end of 2023. Meanwhile, Days Payable Outstanding (DPO) came in at 98 days, down from 113 days at 31 December 2023.

Put Option

The put option current liability stood at EGP 456 million as at 30 June 2024, up from EGP 314 million at 31 December 2023, and is related to both:

- The option granted in 2011 to Dr. Amid, Biolab's CEO, to sell his stake (40%) to IDH. The put option is in the money and exercisable since 2016 and is calculated as 7 times Biolab's LTM EBITDA minus net debt.
- The option granted in 2018 to the International Finance Corporation from Dynasty – shareholders in Echo Lab – and it is exercisable in 2024. The put option is calculated based on fair market value (FMV).

The put option non-current liability amounted to EGP 42 million at the end of 1H 2024, up from EGP 43 million at 31 December 2023, and is related to the option granted in 2022 to Izhoor, IDH, and Biolab as part of their JV agreement in Saudi Arabia. The option allows the non-defaulting party, at its sole and absolute discretion, to serve one or more written notices to the defaulting party. The notices enable the non-defaulting party to buy the defaulting party's shares at the fair price, sell its shares to the defaulting party at the fair price, or request the dissolution and liquidation of the JV company. It is important to note that the put option, which grants these rights to the non-defaulting party, does not have a specified expiration date.

¹¹ As outlined in Note 9 of IDH's Consolidated Financial Statements, some term deposits and treasury bills cannot be accessed for over 3 months and are therefore not treated as cash. Term deposits which cannot be accessed for over 3 months stood at EGP 309 million at June 2024 (2023: EGP 49 million). Meanwhile, treasury bills not accessible for over 3 months stood at EGP 148 million (2023: EGP 112 million).

¹² IDH's interest bearing debt as at 30 June 2024 included EGP 91 million to its facility with Ahli United Bank Egypt (AUBE) (outstanding loan balances are excluding accrued interest for the period). It is worth noting that in order to finance the early repayment settlement with General Electric, the Company utilized a bridge loan facility of EGP 55 million. The facility was withdrawn in Q1 2023 and settled in Q2 2023.

¹³ Accounts payable is calculated based on average payables at the end of each period.

Principle 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 quality standards and accreditations, failure to maintain good relationships with healthcare professionals and end users, pricing pressures and business interruption of the Group's testing facilities, among others.

In the short term, other factors influencing the economic landscape include rising geopolitical stability, inflationary pressures in Egypt and Nigeria, and currency devaluation in both countries. These factors may weigh on the cost base in the near future.

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; and

(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

28 August 2024

**INTEGRATED DIAGNOSTICS HOLDINGS plc – “IDH”
AND ITS SUBSIDIARIES**

Consolidated Interim Financial Statements

for the quarter ended 30 June 2024

Consolidated statement of financial position as at 30 June 2024

| | Notes | 30 June 2024 EGP'000 (Unaudited) | 31 December 2023 EGP'000 (Audited) |
|---|-------|---|---|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 4 | 1,489,713 | 1,414,725 |
| Intangible assets and goodwill | 5 | 1,783,585 | 1,710,183 |
| Right of use assets | 6 | 778,462 | 683,025 |
| Total non-current assets | | 4,051,760 | 3,807,933 |
| Current assets | | | |
| Inventories | | 462,465 | 374,650 |
| Trade and other receivables | 8 | 960,109 | 727,235 |
| Financial assets at fair value through profit and loss | 7 | 40,134 | 25,157 |
| Financial assets at amortized cost | 9 | 456,902 | 161,098 |
| Cash and cash equivalents | 10 | 797,347 | 674,253 |
| Total current assets | | 2,716,957 | 1,962,393 |
| Total assets | | 6,768,717 | 5,770,326 |
| Equity | | | |
| Share capital | | 1,072,500 | 1,072,500 |
| Share premium reserve | | 1,027,706 | 1,027,706 |
| Capital reserves | | (314,310) | (314,310) |
| Legal reserve | | 51,641 | 51,641 |
| Put option reserve | 12 | (497,838) | (356,583) |
| Translation reserve | | (364,254) | (82,341) |
| Retained earnings | | 1,810,855 | 1,280,287 |
| Equity attributable to the owners of the Company | | 2,786,300 | 2,678,900 |
| Non-controlling interests | | 765,517 | 421,888 |
| Total equity | | 3,551,817 | 3,100,788 |
| Non-current liabilities | | | |
| Provisions | | 20,635 | 17,758 |
| Borrowings | 13 | 53,972 | 67,465 |
| Other financial obligations | 14 | 959,217 | 891,350 |
| Non-current put option liability | 12 | 41,733 | 42,786 |
| Deferred tax liabilities | 19-C | 433,912 | 374,729 |
| Total non-current liabilities | | 1,509,469 | 1,394,088 |
| Current liabilities | | | |
| Trade and other payables | 11 | 816,631 | 637,761 |
| Other financial obligations | 14 | 220,469 | 176,704 |
| Current put option liability | 12 | 456,105 | 313,796 |
| Borrowings | 13 | 40,105 | 43,680 |
| Current tax liabilities | | 174,121 | 103,509 |
| Total current liabilities | | 1,707,431 | 1,275,450 |
| Total liabilities | | 3,216,900 | 2,669,538 |
| Total equity and liabilities | | 6,768,717 | 5,770,326 |

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

This condensed consolidated interim financial information was approved and authorised for issue by the Board of Directors and signed on their behalf on 28 August 2024 by:

Dr. Hend El Sherbini
Chief Executive Officer

Hussein Choucri
Independent Non-Executive Director

Consolidated income statement for the quarter ended 30 June 2024

| | Notes | 30 June 2024 EGP'000 | 30 June 2023 EGP'000 |
|---|-------|----------------------------|----------------------------|
| | | (Unaudited) | (Unaudited) |
| Revenue | 21 | 2,497,840 | 1,871,942 |
| Cost of sales | | (1,572,938) | (1,214,008) |
| Gross profit | | 924,902 | 657,934 |
| Marketing and advertising expenses | | (142,075) | (112,473) |
| Administrative expenses | 16 | (331,531) | (254,340) |
| Impairment loss on trade and other receivable | | (17,198) | (23,269) |
| Other (expenses)/income | | 838 | (14,763) |
| Operating profit | | 434,936 | 253,089 |
| Net fair value losses on financial assets at fair value | 17 | (10,474) | |
| Finance costs | 18 | (88,636) | (75,879) |
| Finance income | 18 | 351,553 | 132,234 |
| Net finance (costs)/income | | 262,917 | 56,355 |
| Profit before income tax | | 687,379 | 309,444 |
| Income tax expense | 19-B | (207,310) | (98,394) |
| Profit for the period | | 480,069 | 211,050 |
| Profit attributed to: | | | |
| Owners of the Company | | 530,568 | 223,590 |
| Non-controlling interests | | (50,499) | (12,540) |
| | | 480,069 | 211,050 |
| Earnings per share | 21 | | |
| Basic and diluted | | 0.88 | 0.37 |

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

Consolidated statement of comprehensive income for the quarter ended 30 June 2024

| | 30 June 2024 EGP'000 (Unaudited) | 30 June 2023 EGP'000 (Unaudited) |
|--|---|---|
| Net profit for the period | 480,069 | 211,050 |
| Items that may be reclassified to profit or loss: | | |
| Exchange difference on translation of foreign operations | 64,160 | (10,151) |
| Other comprehensive income for the period, net of tax | 64,160 | (10,151) |
| Total comprehensive income for the period | 544,229 | 200,899 |
| Attributable to: | | |
| Owners of the Company | 248,655 | 114,652 |
| | 295,574 | 86,247 |
| Non-controlling interests | 544,229 | 200,899 |

Consolidated statement of cash flows for the quarter ended 30 June 2024

| | Note | 30 June 2024 EGP'000 (Unaudited) | 30 June 2023 EGP'000 (Unaudited) |
|--|------|---|---|
| Cash flows from operating activities | | | |
| Profit before tax | | 687,379 | 309,444 |
| Adjustments for: | | | |
| Depreciation of property, plant and equipment | 4 | 146,071 | 126,755 |
| Depreciation of right of use assets | 6 | 82,201 | 65,632 |
| Amortisation of intangible assets | 5 | 4,595 | 3,872 |
| Interest income | 17 | (54,760) | (30,075) |
| Interest expense | 17 | 78,554 | 70,496 |
| Bank Charges | | 10,081 | 5,383 |
| Gain on disposal of Property, plant and equipment | | 2,651 | (603) |
| Impairment in trade and other receivables | | 17,198 | 23,269 |
| Equity settled financial assets at fair value | | (14,977) | (5,526) |
| ROU Asset/Lease Termination | | (1,575) | (348) |
| Unrealised foreign currency exchange (gains) losses | 17 | (296,793) | (102,159) |
| FV Through P&L | | 10,474 | - |
| Change in Provisions | | 2,877 | 12,644 |
| Change in Inventories | | (69,932) | (90,933) |
| Change in trade and other receivables | | (168,206) | (103,219) |
| Change in trade and other payables | | 101,474 | 33,226 |
| Net cash generated from operating activities | | 537,312 | 317,858 |
| Tax paid during period | | (81,883) | (157,734) |
| Net cash generated from operating activities | | 455,430 | 160,124 |
| Cash flows from investing activities | | | |
| Interest received on financial asset at amortised cost | | 54,925 | 30,494 |
| Payments for the purchase of financial assets at amortized cost | | (333,179) | (150,423) |
| Proceeds for the sale of financial assets at amortized cost | | 55,391 | 138,815 |
| Payments for acquisition of property, plant and equipment | 4 | (70,319) | (164,174) |
| Payments for acquisition of intangible assets | 5 | (880) | (1,401) |
| Proceeds from sale of Property, plant and equipment | | 1,067 | 1,874 |
| Payment for purchase of global depository receipts (short-term investment) | 17 | (151,710) | - |
| Proceeds from sale of global depository receipts (short-term investments) | 17 | 141,236 | - |
| Net cash flows generated (used in) from investing activities | | (303,469) | (144,815) |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | 6,117 | 54,936 |
| Repayments of borrowings | | (23,185) | (63,418) |
| Interest paid | | (77,763) | (67,735) |
| Bank charges paid | | (10,081) | (5,383) |
| Payment of finance lease liabilities | | (99,617) | (161,410) |
| Cash injection by owner of non-controlling interest | | 48,055 | - |
| Net cash flows used in financing activities | | (156,474) | (243,010) |
| Net (decrease) increase in cash and cash equivalents | | (4,513) | (227,701) |
| Cash and cash equivalents at the beginning of the year | | 674,253 | 648,512 |
| Effect of exchange rate | | 127,607 | 54,769 |
| Cash and cash equivalents at the end of the period | 10 | 797,347 | 475,580 |

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 on pages 7 - 22 form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity for the quarter ended 30 June 2024

| EGP'000 | Share Capital | Share premium reserve | Capital reserves | Legal reserve* | Put option reserve | Translation reserve | Retained earnings | Total attributed to the owners of the Company | Non-Controlling interests | Total Equity |
|--|------------------|-----------------------|------------------|----------------|--------------------|---------------------|-------------------|---|---------------------------|------------------|
| Balance at 1 January 2023 | 1,072,500 | 1,027,706 | (314,310) | 51,641 | (356,583) | (82,341) | 1,280,287 | 2,678,900 | 421,888 | 3,100,788 |
| Profit for the period | - | - | - | - | - | - | 530,568 | 530,568 | (50,499) | 480,069 |
| Other comprehensive income for the period | - | - | - | - | - | (281,913) | - | (281,913) | 346,073 | 64,160 |
| Total comprehensive income at 31 March 2024 | - | - | - | - | - | (281,913) | 530,568 | 248,655 | 295,574 | 544,229 |
| Contributions and distributions | | | | | | | | | | |
| Movement in put option liabilities | - | - | - | - | (141,255) | - | - | (141,255) | - | (141,255) |
| Non-controlling interests cash injection in subsidiaries during the period | - | - | - | - | - | - | - | - | 48,055 | 48,055 |
| Total contributions and distributions | - | - | - | - | (141,255) | - | - | (141,255) | 48,055 | (93,200) |
| Balance at 30 June 2024 (Unaudited) | 1,072,500 | 1,027,706 | (314,310) | 51,641 | (497,838) | (364,254) | 1,810,855 | 2,786,300 | 765,517 | 3,551,817 |
| Balance at 1 January 2023 | 1,072,500 | 1,027,706 | (314,310) | 51,641 | (490,695) | 24,173 | 783,081 | 2,154,096 | 292,885 | 2,446,981 |
| Profit for the period | - | - | - | - | - | - | 223,590 | 223,590 | (12,540) | 211,050 |
| Other comprehensive loss for the period | - | - | - | - | - | (108,938) | - | (108,938) | 98,787 | (10,151) |
| Total comprehensive income at 31 March 2023 | - | - | - | - | - | (108,938) | 223,590 | 114,652 | 86,247 | 200,899 |
| Transactions with owners of the Company | | | | | | | | | | |
| Contributions and Distributions | | | | | | | | | | |
| Movement in put option liabilities | - | - | - | - | 204,543 | - | - | 204,543 | - | 204,543 |
| Total contributions and distributions | - | - | - | - | 204,543 | - | - | 204,543 | - | 204,543 |
| Balance at 30 June 2023 (Unaudited) | 1,072,500 | 1,027,706 | (314,310) | 51,641 | (286,152) | (84,765) | 1,006,671 | 2,473,291 | 379,132 | 2,852,423 |

* Under Egyptian Law each subsidiary must set aside at least 5% of its annual net profit into a legal reserve until such time that this represents 50% of each subsidiary's issued capital. This reserve is not distributable to the owners of the Company

The accompanying notes on pages 7 - 22 form an integral part of these consolidated financial statements.

(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 December 2014 and established according to the provisions of the Companies (Jersey) Law 1991 under Registered No. 117257. These condensed consolidated interim financial information as of and for the six months ended 30 June 2024 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 the healthcare field of medical diagnostics (the key activities are pathology and Radiology related tests), either through acquisitions of related business in different jurisdictions or through expanding the acquired investments they have. The key 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 was approved for issue by the Directors of the Company on 28 August 2024.

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 2023 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 and for the year ended 31 December 2023 which is available at www.idhcorp.com.. In addition, results of the six months period ended 30 June 2024 are not necessary indicative for the results that may be expected for the financial year ending 31 December 2024.

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 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 foreign operations are the local currencies of those respective territories, however due to the size of these operations, there is no 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 that were applied to the consolidated financial statements for the year ended 31 December 2023. "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 statements published for the year ended 31 December 2023. 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 statements for the year ended 31 December 2023".

4. Property, plant and equipment

| | Land & buildings | Medical, electric & information system equipment | Leasehold improvements | Fixtures, fittings & vehicles | Project under construction | Payment on account | Total |
|------------------------------------|------------------|--|------------------------|-------------------------------|----------------------------|--------------------|------------------|
| Cost | | | | | | | |
| At 1 January 2024 | 460,869 | 1,254,894 | 644,956 | 155,168 | 38,227 | 10,882 | 2,564,996 |
| Additions | - | 44,180 | 12,149 | 7,689 | 6,301 | - | 70,319 |
| Disposals | - | (2,741) | (2,926) | (1,366) | - | - | (7,033) |
| Exchange differences | 24,665 | 122,127 | 110,468 | 40,926 | 5,375 | - | 303,561 |
| Transfers | - | - | 30,034 | - | (30,034) | - | - |
| Balance at 30 June 2024 | 485,534 | 1,418,460 | 794,681 | 202,417 | 19,869 | 10,882 | 2,931,843 |
| Depreciation | | | | | | | |
| At 1 January 2024 | 69,311 | 655,649 | 353,808 | 71,503 | - | - | 1,150,271 |
| Depreciation for the period | 4,200 | 79,895 | 52,211 | 9,767 | - | - | 146,073 |
| Disposals | - | (1,998) | (408) | (909) | - | - | (3,315) |
| Exchange differences | 2,499 | 73,725 | 50,501 | 22,376 | - | - | 149,101 |
| Balance at 30 June 2024 | 76,010 | 807,271 | 456,112 | 102,737 | - | - | 1,442,130 |
| Net book amount | | | | | | | |
| At 30 June 2024 (Unaudited) | 409,524 | 611,189 | 338,569 | 99,680 | 19,869 | 10,882 | 1,489,713 |
| At 31 December 2023 | 391,558 | 599,245 | 291,148 | 83,665 | 38,227 | 10,882 | 1,414,725 |

5. Intangible assets and goodwill

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

| | Goodwill | Brand name | Software | Total |
|-----------------------------------|------------------|----------------|----------------|------------------|
| Cost | | | | |
| Balance at 1 January 2024 | 1,304,967 | 403,461 | 99,358 | 1,807,786 |
| Additions | - | - | 880 | 880 |
| Disposals | - | - | 66 | 66 |
| Exchange differences | 50,375 | 22,093 | 11,995 | 84,463 |
| Balance at 30 June 2024 | 1,355,342 | 425,554 | 112,299 | 1,893,195 |
| Amortisation | | | | |
| Balance at 1 January 2024 | 17,718 | 392 | 79,493 | 97,603 |
| Amortisation | - | - | 4,594 | 4,594 |
| Disposals | - | - | 66 | 66 |
| Exchange differences | (127) | 37 | 7,437 | 7,347 |
| Balance at 30 June 2024 | 17,591 | 429 | 91,590 | 109,610 |
| Net book amount | | | | |
| At 30 June 2024(Unaudited) | 1,337,751 | 425,125 | 20,709 | 1,783,585 |
| At 31 December 2023 | 1,287,249 | 403,069 | 19,865 | 1,710,183 |

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. No indicators of impairment have been identified during the six months ended 30 June 2024.

6. Right-of-use assets

| | 30 June 2024 | 31 December 2023 |
|---|----------------|------------------|
| | (Unaudited) | (Audited) |
| Balance at 1 January | 683,025 | 622,975 |
| Addition for the period / year | 46,091 | 157,482 |
| Depreciation charge for the period / year | (82,201) | (134,033) |
| Terminated contracts | (4,087) | (5,170) |
| Exchange differences | 135,634 | 41,771 |
| Balance | 778,462 | 683,025 |

7. Financial asset at fair value through profit or loss

| | 30 June 2024 | 31 December 2023 |
|----------------------------|---------------|------------------|
| | (Unaudited) | (Audited) |
| Current equity investments | 40,134 | 25,157 |
| | 40,134 | 25,157 |

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

- Ownership percentage in JSC Mega Lab at the transaction date on April 8, 2019, and as of June 30, 2024, was 8.25%.

- On April 8, 2019, Al Mokhabariyoun Al Arab (Biolab) has signed a Shareholder Agreement with JSC Mega Lab and JSC Georgia Healthcare Group (CHG), whereas, BioLab Shall have a put option, exercisable within 12 months immediately after the expiration of five(5) year period from the signing date, which allows BioLab stake to be bought out by CHG at a price of the equity value being USD 400,000 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 call option (the Accreditation Call option), exercisable within 6 months period, allowing CHG to purchase BioLab's Shares 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 Megalab having value of USD 400,000 plus higher of 20% annual IRR or 6X EV/EBITDA (of the financial year immediately preceding the call option exercise date).
- In case the Management Agreement or the Purchase Agreement and/or the Service level Agreement is terminated/cancelled within 6 months period from the date of such termination/cancellation, CHG shall have a call option, which allows the CHG to purchase Biolab's Strake in JSC Megalab having value of USD 400,000.00 plus 20% annual Interred Rate of Return (IRR).

8. Trade and other receivables

| | 30 June 2024 | 31 December 2023 |
|------------------------------------|----------------|------------------|
| | (Unaudited) | (Audited) |
| Trade receivables – net* | 753,130 | 569,738 |
| Prepayments | 73,975 | 42,185 |
| Due from related parties note (15) | 3,230 | 5,037 |
| Other receivables – net* | 128,184 | 108,521 |
| Accrued revenue | 1,590 | 1,754 |
| | 960,109 | 727,235 |

* The expected credit loss related to trade and other receivables was EGP 216,111K (2023: EGP 191,580K). Below show the movements in the provision for impairment of trade and other receivables:

| | 30 June 2024 | 31 December 2023 |
|-----------------------------|----------------|------------------|
| | (Unaudited) | (Audited) |
| Balance at 1 January | 191,580 | 145,586 |
| Charge for the period | 17,200 | 51,255 |
| Exchange differences | 7,331 | (5,261) |
| | 216,111 | 191,580 |

9. Financial assets at amortised cost

| | 30 June 2024 | 31 December 2023 |
|-------------------------------------|---------------------|-------------------------|
| | (Unaudited) | (Audited) |
| Term deposits (more than 3 months) | 308,845 | 49,244 |
| Treasury bills (more than 3 months) | 148,057 | 111,854 |
| | 456,902 | 161,098 |

The maturity date of the treasury bills and Fixed-term deposits are between more than 3 months and 12 months and have average interest rates treasury bills of EGP 26.51% and Fixed-term deposits more than 3 months have average interest rates of EGP and JOD 5.46% and 5.38% respectively.

10. Cash and cash equivalents

| | 30 June 2024 | 31 December 2023 |
|-------------------------------------|---------------------|-------------------------|
| | (Unaudited) | (Audited) |
| Cash at banks and on hand | 675,846 | 412,561 |
| Treasury bills (less than 3 months) | 108,058 | 21,461 |
| Term deposits (less than 3 months) | 13,443 | 240,231 |
| | 797,347 | 674,253 |

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits and treasury bills are made for varying periods of between one day and six months, depending on the immediate cash requirements of the Group, and earn interest at the respective weighted average rate. Of the above Short-term deposits relate to amounts held in Egypt with a weighted average rate of 17.71% (2023: 16.40%), Short-term deposits relate to amounts held in Jordan with a weighted average rate of 5% (2023: 5%) and Short-term deposits relates to amounts held in Nigeria with a weighted average rate of 5.6% (2023:5.6%). Treasury bills are denominated in EGP and earn interest at a weighted average rate of 22.24% (2023: 24.95%) per annum.

11. Trade and other payables

| | 30 June 2024 | 31 December 2023 |
|----------------------------------|---------------------|-------------------------|
| | (Unaudited) | (Audited) |
| Trade payable | 283,469 | 271,741 |
| Accrued expenses | 271,318 | 178,499 |
| Due to related parties note (15) | 8,191 | 5,962 |
| Other payables | 163,455 | 112,750 |
| Deferred revenue | 80,517 | 59,918 |
| Accrued finance cost | 9,681 | 8,891 |
| | 816,631 | 637,761 |

12. Put option liability

| | 30 June 2024 | 31 December 2023 |
|---|---------------------|-------------------------|
| | (Unaudited) | (Audited) |
| Current put option - Biolab Jordan | 444,288 | 301,383 |
| Current put option - Eagle Eye-Echo scan | 11,817 | 12,413 |
| | 456,105 | 313,796 |
| | 30 June 2024 | 31 December 2023 |
| | (Unaudited) | (Audited) |
| Non-current put option - Medical Health Development | 41,733 | 42,786 |
| | 41,733 | 42,786 |

12. Put option liability (continued)

Put option - Biolab Jordan

The accounting policy for put options after initial recognition is to recognise all changes in the carrying value of the put option 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 starting the fifth anniversary of completion of the original purchase agreement, which fell due in June 2016. The vendor has not exercised this right at 30 June 2024. It is important to note that the put option liability is treated as current as it could be exercised at any time by the NCI. However, based on discussions and ongoing business relationships, there is no 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 the International Finance Corporation (IFC) related to the Eagle Eye-Echo scan transaction, IFC has the option to put it is shares 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

Based on the agreement made on October 27th, 2022, between Business Flower Holding LLC, Integrated Diagnostics Holdings plc and Al Makhbaryoun Al Arab there is a clause that in cases of bankruptcy and defaulting, a non-defaulting party is entitled to implement any of the following options for a defaulting 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.

It's important to note that the put option, which grants these rights to the non-defaulting party, does not have a specified expiration date.

13. Loans and borrowings

| | Currency | Nominal interest rate | Maturity | 30 June 2024 (Unaudited) | 31 December 2023 (Audited) |
|------------------------|----------|-----------------------|-----------------|-----------------------------|-------------------------------|
| AUB – BANK | EGP | CBE corridor rate*+1% | 26 January 2027 | 80,958 | 94,451 |
| AUB – BANK | EGP | Secured 5% | 3 April 2025 | 13,119 | 13,121 |
| Bank: Sterling BANK | NGN | Secured 22% | 26 May 2024 | - | 3,573 |
| | | | | 94,077 | 111,145 |
| <u>Amount held as:</u> | | | | | |
| Current liability | | | | 40,105 | 43,680 |
| Non- current liability | | | | 53,972 | 67,465 |
| | | | | 94,077 | 111,145 |

- A) In July 2018, AL-Borg lab, one of IDH subsidiaries, was granted a medium-term loan amounting to EGP 130.5m from Ahli United Bank “AUB Egypt” to finance the investment cost related to the expansion into the radiology segment. As at 30 June 2024 only EGP 124.9 M had been drawn down from the total facility available with 43.9 M had been repaid. 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:

- The financial leverage shall not exceed 0.7 throughout the period of the loan.
“Financial leverage”: total bank debt divided by net equity.
- The debt service ratios (DSR) shall not be less than **1.35 starting 2020**
“Debt service ratio”: cash operating profit after tax plus depreciation for the financial year less annual maintenance on machinery and equipment adding cash balance (cash and cash equivalent) divided by total financial payments.

“Cash operating profit”: Operating profit after tax, interest expense, depreciation and amortisation, is calculated as follows: Net income after tax and unusual items adding Interest expense, Depreciation, Amortisation and provisions excluding tax related provisions less interest income and Investment income and gains from extraordinary items.

“Financial payments”: current portion of long-term debt including finance lease payments, interest expense and fees and dividends distributions.
- 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 2024 corridor rate 28.25% (2023: 20.25%)

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

14. Other financial obligations

| | 30 June 2024 | 31 December 2023 |
|---|------------------|------------------|
| | (Unaudited) | (Audited) |
| Financial liability– laboratory equipment | 236,046 | 240,015 |
| Lease liabilities building | 943,640 | 828,039 |
| | 1,179,686 | 1,068,054 |

The un-discounted financial obligations for the laboratory equipment and building are as follows:

| | 30 June 2024 | | |
|----------------------------|------------------|----------------|------------------|
| | Minimum payments | Interest | Principal |
| | (Unaudited) | (Unaudited) | (Unaudited) |
| Less than one year | 345,934 | 125,465 | 220,469 |
| Between one and five years | 1,060,303 | 296,265 | 764,038 |
| More than five years | 256,100 | 60,921 | 195,179 |
| | 1,662,337 | 482,651 | 1,179,686 |

| | 31 December 2023 | | |
|--------------------|------------------|-----------|-----------|
| | Minimum payments | Interest | Principal |
| | (Audited) | (Audited) | (Audited) |
| Less than one year | 291,342 | 114,638 | 176,704 |

| | | | |
|----------------------------|------------------|----------------|------------------|
| Between one and five years | 1,054,902 | 295,586 | 759,316 |
| More than Five years | 166,965 | 34,931 | 132,034 |
| | <u>1,513,209</u> | <u>445,155</u> | <u>1,068,054</u> |

Amounts recognised in profit or loss:

| | 30 June | |
|--------------------------------------|-------------|-------------|
| | 2024 | 2023 |
| | (Unaudited) | (Unaudited) |
| Interest on lease liabilities | 53,829 | 45,221 |
| Expenses related to short-term lease | 3,200 | 5,191 |

15. Related party transactions

The significant transactions with related parties, their nature volumes and balance during the period 30 June 2024 are as follows:

| Related Party | Nature of transaction | Nature of relationship | 30 June 2024 | |
|---|--|--|--------------------------------|------------------------|
| | | | Transaction amount of the year | Amount due from / (to) |
| | | | EGP'000 | EGP'000 |
| International Fertility (IVF)** | Expenses paid on behalf | Affiliate | 11 | 11 |
| H.C Security | Provide service | Entity owned by Company's board member | (56) | (149) |
| Life Health Care | Provided service | Entity owned by Company's CEO | (2,778) | 595 |
| Dr. Amid Abd Elnour | Put option liability | Bio. Lab C.E.O and shareholder | (142,905) | (444,288) |
| | Current account | Bio. Lab C.E.O and shareholder | 831 | 365 |
| International Finance corporation (IFC) | Put option liability | Echo-Scan shareholder | 596 | (11,817) |
| Hena Holdings Ltd | shareholders' dividends deferral agreement | shareholder | (1,647) | (4,610) |
| Actis IDH Limited | shareholders' dividends deferral agreement | shareholder | (1,357) | (3,797) |
| Business Flowers Holding | Put option liability | shareholder | (4,986) | (41,733) |
| | | | | <u>(505,423)</u> |

15. Related party transactions (continued)

| Related Party | Nature of transaction | Nature of relationship | 31 December 2023 | |
|--|--|--|--------------------------------|------------------------|
| | | | Transaction amount of the year | Amount due from / (to) |
| | | | EGP'000 | EGP'000 |
| AL borg Scan (S.A.E)* | Expenses paid on behalf | Affiliate | (351) | - |
| International Fertility (IVF)** | Expenses paid on behalf | Affiliate | (1,771) | - |
| H.C Security | Provide service | Entity owned by Company's board member | 6 | (93) |
| Life Health Care | Provided service | Entity owned by Company's CEO | 855 | 3,373 |
| Dr. Amid Abd Elnour | Put option liability | Bio. Lab C.E.O and shareholder | 138,312 | (301,383) |
| | Current account | Bio. Lab C.E.O and shareholder | 19,542 | (466) |
| International Finance corporation (IFC) | Put option liability | Echo-Scan shareholder | 38,587 | (12,413) |
| International Finance corporation (IFC) | Current account | Echo-Scan shareholder | 623 | - |
| Integrated Treatment for Kidney Diseases (S.A.E) | Rental income | Entity owned by Company's CEO | 217 | 1,664 |
| | Medical Test analysis | | 591 | - |
| HENA HOLDINGS LTD | shareholders' dividends deferral agreement | Shareholder | (590) | (2,963) |

| | | | | |
|--------------------------|--|-------------|-------|------------------|
| ACTIS IDH LIMITED | shareholders' dividends deferral agreement | Shareholder | (485) | (2,440) |
| Business Flowers Holding | Put option liability | Shareholder | - | (42,786) |
| | | | | <u>(357,507)</u> |

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

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

15. 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 related to key management personnel.

| | 30 June 2024 | 30 June 2023 |
|------------------------------|---------------|---------------|
| | (Unaudited) | (Unaudited) |
| Short-term employee benefits | 43,463 | 22,203 |
| | <u>43,463</u> | <u>22,203</u> |

16. General and administrative expenses

| | For the six months ended 30 June | |
|--------------------|----------------------------------|-----------------------|
| | 2024 | 2023 |
| | (Unaudited) | (Unaudited) |
| Wages and salaries | 135,287 | 107,211 |
| Depreciation | 16,726 | 16,640 |
| Amortisation | 4,134 | 3,089 |
| Consulting fees | 102,942 | 68,354 |
| Other expenses | 72,442 | 59,046 |
| Total | <u>331,531</u> | <u>254,340</u> |

17. Fair value losses on financial assets at fair value through profit or loss

During the two quarter of 2024, Integrated Diagnostics Holdings Limited company invested in Global Depositary Receipt (GDR) tradable in stock exchanges, where the companies purchased 1.97 million shares, EGP 152 M from the Egyptian Stock Exchange and sold them during the same period on the London Stock exchange at USD 2.99 M excluding the transaction cost.

| | | Number of shares'000 | 2023 |
|--------------------------|---------------|----------------------|-----------------|
| | | | EGP'000 |
| | | | (Unaudited) |
| listed equity securities | Shares bought | 1,970 | (151,710) |
| | Shares sale | 1,970 | 141,236 |
| | | | (10,474) |

18. Net finance cost

| | | For the six months ended 30 June | |
|-----------------------------|--|-------------------------------------|-----------------|
| | | 2024 | 2023 |
| Finance income | | (Unaudited) | (Unaudited) |
| Interest income | | 54,760 | 30,075 |
| Net foreign exchange gain | | 296,793 | 102,159 |
| Total finance income | | 351,553 | 132,234 |
| Finance cost | | | |
| Fast Track Payment | | (3,736) | - |
| Bank charges | | (6,346) | (5,383) |
| Interest expense | | (78,554) | (70,496) |
| Total finance cost | | (88,636) | (75,879) |
| Net finance income | | 262,917 | 56,355 |

The increase is mainly driven by the change of exchange rate between EGP and other currencies that took place in June 2023 which resulted into foreign exchange gain during the period ended 30 June 2024.

19. Tax

A) Tax expense

Tax expense is recognised based on management's best estimate of the weighted-average annual income tax rate 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 six months ended 30 June | |
|--|----------------------------------|-----------------|
| | 2024 | 2023 |
| | (Unaudited) | (Unaudited) |
| Current tax: | | |
| Current period | (149,628) | (87,568) |
| Current tax | (149,628) | (87,568) |
| Deferred tax: | | |
| Deferred tax arising on undistributed reserves in subsidiaries | (55,063) | (10,907) |
| Deferred tax relating to origination and reversal of temporary differences | (2,619) | 81 |
| Total Deferred tax expense | (57,682) | (10,826) |
| Tax expense recognised in profit or loss | (207,310) | (98,394) |

C) Deferred tax liabilities

Deferred tax relates to the following:

| | 30 June | 31 December |
|--|-------------|-------------|
| | 2024 | 2023 |
| | (Unaudited) | (Audited) |
| Property, plant and equipment | (35,812) | (39,552) |
| Intangible assets | (119,068) | (111,033) |
| Undistributed reserves from Group subsidiaries | (281,938) | (226,875) |
| Provisions | 2,906 | 2,731 |

Net deferred tax liabilities

(433,912)

(374,729)

20. Financial instruments

The Group has reviewed the financial assets and liabilities held at 30 June 2024. It has been deemed that the carrying amounts for all financial instruments are a reasonable approximation of fair value. All financial instruments are deemed Level 3.

21. Earnings per share
**For the six months ended
30 June**
2024
2023
(Unaudited)
(Unaudited)

Profit attributed to owners of the parent

530,568

223,590

Weighted average number of ordinary shares in issue

600,000

600,000

Basic and diluted earnings per share
0.88
0.37

The Company has no potential diluted shares as at 30 June 2024 and 30 June 2023, therefore the earnings per diluted share are equivalent to basic earnings per share.

22. 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 as the Group's Chief Operating Decision Maker (CODM) reviews the internal management reports and KPIs of each geography.

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

Revenue by geographic location

| For the six months ended | Egypt region | Sudan region | Jordan region | Nigeria region | Saudi Arabia | Total |
|---------------------------------|---------------------|---------------------|----------------------|-----------------------|---------------------|------------------|
| 30 June 2024 (Unaudited) | 2,069,240 | - | 385,837 | 38,517 | 4,246 | 2,497,840 |
| 30 June 2023 (Unaudited) | 1,513,673 | 10,194 | 290,255 | 57,820 | - | 1,871,942 |

EBITDA by geographic location

| For the six months ended | Egypt region | Sudan region | Jordan region | Nigeria region | Saudi Arabia | Total |
|---------------------------------|---------------------|---------------------|----------------------|-----------------------|---------------------|----------------|
| 30 June 2024 (Unaudited) | 691,994 | (44) | 88,712 | (13,455) | (70,016) | 697,191 |
| 30 June 2023 (Unaudited) | 406,862 | 1,249 | 68,502 | (15,065) | - | 461,548 |

22. Segment reporting (continued)

| For the six months ended | Net profit / (loss) by geographic location | | | | | |
|--------------------------|--|--------------|---------------|----------------|--------------|----------------|
| | Egypt region | Sudan region | Jordan region | Nigeria region | Saudi Arabia | Total |
| 30 June 2024 (Unaudited) | 560,010 | 11,033 | 5,343 | (11,916) | (84,401) | 480,069 |
| 30 June 2023 (Unaudited) | 225,921 | 3,637 | 11,312 | (29,820) | - | 211,050 |

| | Non-current assets by geographic location | | | | | |
|--------------------------|---|--------------|---------------|----------------|--------------|------------------|
| | Egypt region | Sudan region | Jordan region | Nigeria region | Saudi Arabia | Total |
| 30 June 2024 (Unaudited) | 3,024,006 | 5,999 | 881,668 | 39,516 | 100,571 | 4,051,760 |
| 31 December 2023 | 3,091,485 | 3,848 | 609,699 | 47,639 | 55,262 | 3,807,933 |

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

| | For the six months ended 30 June | |
|--|-------------------------------------|----------------|
| | 2024 | 2023 |
| | (Unaudited) | (Unaudited) |
| Profit from operations | 434,936 | 253,089 |
| Property, plant and equipment depreciation | 146,071 | 126,755 |
| Right of use depreciation | 82,201 | 65,632 |
| Amortization of Intangible assets | 4,595 | 3,872 |
| EBITDA | 667,803 | 449,348 |
| Non-recurring expenses | 29,388 | 12,200 |
| Normalised EBITDA | 697,191 | 461,548 |

23. Significant events during the period

The Monetary Policy Committee of the Central Bank of Egypt decided to raise the deposit and lending interest rates by 200 basis points on 1 February 2024, then by 600 basis points on 6 March 2024. The credit and discount rates were also raised by 600 basis points on 6 March 2024.

The Central Bank of Egypt announced that it would allow the foreign exchange rate to be determined against the Egyptian pound as per market mechanisms, starting from 6 March 2024.

Integrated Diagnostics Holdings plc “IDH” at the Company's Extraordinary General Meetings held on 12 June 2024 and 18 July 2024, the company approved the exit from the Egyptian Stock Exchange of its ordinary shares from the Egyptian Stock Exchange. Following up on our delisting from the EGX, IDH has received preliminary approval to proceed with the delisting of its shares. IDH and the EGX coordinated the process, with the Special Operations Market (OPR) operating from August 18th to August 22nd. During this period, 18,673,728 shares were subscribed. IDH then purchased these shares on August 26th, and the buyback settlement is to be completed by August 28th. Afterwards, IDH will transfer its shares from the EGX to the London Stock Exchange (LSE).