

Integrated Diagnostics Holdings Plc  
**9M 2024 Results**  
 Thursday, 14 November 2024

## Integrated Diagnostics Holdings plc reports year-on-year revenue growth of 34% in 9M 2024 with improving margins at all levels of profitability

**(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 nine-month period ended 30 September 2024. IDH reported revenue of EGP 4,107 million, an increase of 34% from the same period of last year. Top-line growth came on the back of rising test and patient volumes (up 9% and 6% year-on-year, respectively) coupled with higher average revenue per test. Improved operational efficiencies saw top-line growth filter down the income statement with margins improving across the board. More specifically, in 9M 2024, IDH reported EBITDA of EGP 1,249 million, up 43% year-on-year and with an associated margin of 30%. Similarly, IDH’s bottom-line expanded an impressive 87% year-on-year to reach EGP 724 million in the nine months ended 30 September 2024, yielding a net profit margin (NPM) of 18%, up five percentage points from 9M 2023.

On a three-month basis, revenue recorded EGP 1,609 million in Q3 2024, representing a 36% increase from last year’s third quarter. Meanwhile, IDH’s bottom-line expanded 38% year-on-year to EGP 244 million in Q3 2024, with a NPM of 15% for the quarter.

### Financial Results (IFRS)

EGP mn	Q3 2023	Q3 2024	Change	9M 2023	9M 2024	Change
<b>Revenue</b>	<b>1,182</b>	<b>1,609</b>	<b>36%</b>	<b>3,054</b>	<b>4,107</b>	<b>34%</b>
Cost of Sales	(702)	(963)	37%	(1,916)	(2,536)	32%
<b>Gross Profit</b>	<b>480</b>	<b>646</b>	<b>35%</b>	<b>1,138</b>	<b>1,571</b>	<b>38%</b>
Gross Profit Margin	40.6%	40.2%	-0.4 pts.	37.3%	38.3%	1.0 pts.
Operating Profit	312	459	47%	577	894	55%
<b>EBITDA<sup>1</sup></b>	<b>411</b>	<b>581</b>	<b>41%</b>	<b>873</b>	<b>1,249</b>	<b>43%</b>
EBITDA Margin	34.8%	36.1%	1.3 pts.	28.6%	30.4%	1.8 pts.
<b>Net Profit</b>	<b>176</b>	<b>244</b>	<b>38%</b>	<b>387</b>	<b>724</b>	<b>87%</b>
Net Profit Margin	14.9%	15.2%	0.2 pts.	12.7%	17.6%	4.9 pts.
<b>Cash Balance<sup>2</sup></b>	<b>794</b>	<b>1,338</b>	<b>69%</b>	<b>794</b>	<b>1,338</b>	<b>69%</b>

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 Indicators<sup>3</sup>

EGP mn	9M 2023	9M 2024	Change
Branches	594	608 <sup>4</sup>	+14
Patients ('000)	6,248	6,598	6%
Revenue per Patient (EGP)	489	622	27%
Tests ('000)	26,468	28,839	9%
Revenue per Test	115	142	23%
Test per Patient	4.2	4.4	3%

<sup>1</sup> EBITDA is calculated as operating profit plus depreciation and amortization.

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

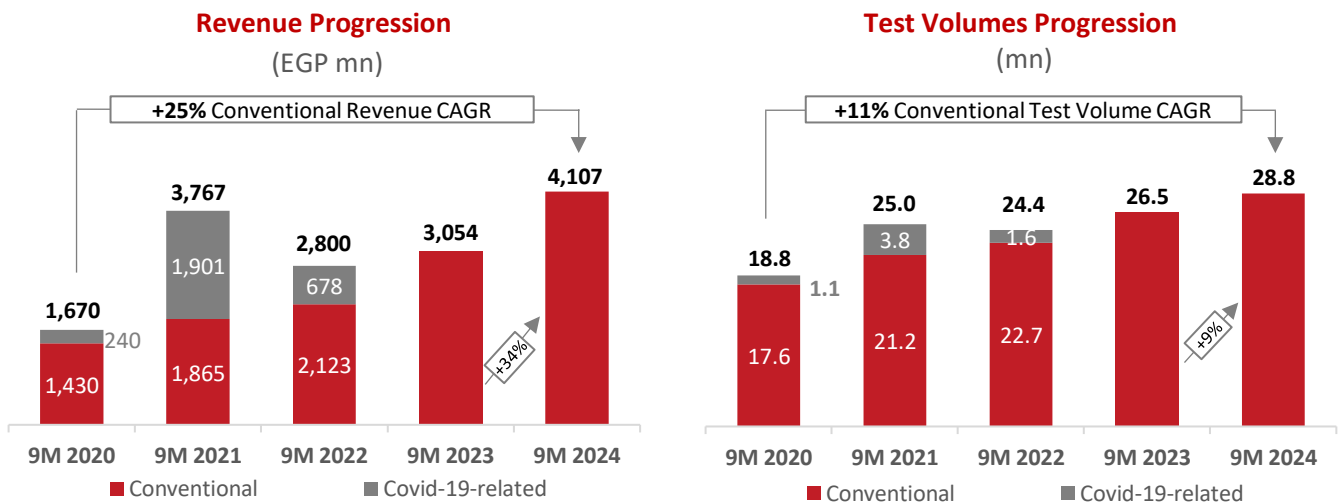
<sup>3</sup> Key operational indicators are calculated based on revenue for the periods of EGP 4,107 million and EGP 3,054 million for 9M 2024 and 9M 2023, respectively.

<sup>4</sup> IDH rolled out 30 new branches in Egypt and two 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, only one of IDH’s 18 branches in the country is currently operating, leading to a net growth in its branch network of 14 branches in 9M 2024.

## Introduction

### i. Financial Highlights

- IDH reported **consolidated revenue** of EGP 4,107 million in the nine months ended 30 September 2024. This represents a year-on-year expansion of 34% dually driven by a 9% year-on-year increase in tests performed and a 23% year-on-year increase in average revenue per test in the period. On a quarterly basis, revenue also increased by a solid 36% year-on-year to reach EGP 1,609 million in Q3 2024.



- Gross profit** recorded EGP 1,571 million in 9M 2024, up 38% year-on-year and yielding a gross profit margin of 38% versus 37% in the same period of last year. Improved gross profitability reflected lower direct wages and salary expenses which as a share of revenue declined to 18.8% in 9M 2024 from 19.2% in 9M 2023. On a three-month basis, gross profit recorded EGP 646 million up 35% year-on-year and with a margin of 40%, largely in line with last year's third quarter gross margin.
- EBITDA<sup>5</sup>** recorded EGP 1,249 million for 9M 2024, an increase of 43% from last year's figure. EBITDA margin recorded 30% for the nine-month period, up from 29% in the same nine-month period of last year. Improved EBITDA profitability reflects higher gross profitability for 9M 2024 coupled with lower SG&A expenses and impairment loss on receivables booked in the period with the first owing to improved operating efficiency and the latter reflecting an improvement in economic conditions and stability across IDH's markets since the start of the year. In Q3 2024, EBITDA came in at EGP 581 million, up 41% year-on-year with a margin of 36% versus 35% in the same three months of last year.
- Net profit** came in at EGP 724 million in 9M 2024, up an impressive 87% from the corresponding period of last year. IDH's NPM for the period improved five percentage points to record 18% in 9M 2024 versus 13% last year. Bottom-line profitability for the period was boosted by FX gains of EGP 265 million in the period (up 166% year-on-year) and a 15% year-on-year decline in net interest expenses for 9M 2024. On a quarterly basis, net profit recorded EGP 244 million in 9M 2024, up 38% from Q3 2023. NPM for the quarter came in unchanged from last year at 15%.

### ii. Operational Highlights

- As of 30 September 2024, IDH's **branch network** stood at 608 branches, representing a net year-on-year increase of 14 branches compared to its network as at 30 September 2023. In the nine-month period, IDH inaugurated 30 new branches in Egypt and two new branches in its new market of Saudi Arabia. Meanwhile, in Sudan the Company reopened one branch during Q3 2024 with the remaining 17 still indefinitely shut as the country civil conflict continues. Finally, during the year, IDH saw the closure of one of its airport branches in Jordan as demand for Covid-19 testing continued its decline.
- During 9M 2024, IDH conducted 28.8 million **tests** across its geographies, a 9% year-on-year increase from the 26.5 million tests performed in the same period of last year.

<sup>5</sup> EBITDA is calculated as operating profit plus depreciation and amortization.

- The **average revenue per test** reached EGP 142 in 9M 2024, an increase of 23% compared to the EGP 115 figure recorded in 9M 2023. This increase largely reflected to strategic price increases rolled out by IDH to address inflationary pressures in its primary markets, including Egypt and Nigeria.
- IDH served 6.6 million **patients** in 9M 2024, up 6% year-on-year. Meanwhile, in line with recent trends and reflecting the success of IDH's value extraction strategy, the average number of tests per patient reached a new record-high of 4.4 tests in 9M 2024, versus 4.2 tests in 9M 2023 and 3.7 in 9M 2022. 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 behind the steady rise in tests per patient.

### iii. Updates by Geography

- In **Egypt** (82.1% of total revenue in 9M 2024), IDH recorded revenue of EGP 3,373 million, an increase of 35% from the EGP 2,500 million figure recorded in the same period of last year. Top-line growth in IDH's largest market was fuelled by a 10% year-on-year increase in tests performed combined with a 23% year-on-year rise in average revenue per test as IDH successfully increased prices to combat rising inflation in the country. On a quarterly basis, IDH's Egyptian operations reported revenue of EGP 1,304 million in Q3 2024, up 32% year-on-year.
- IDH's **Jordanian** subsidiary, Biolab (16.1% of total revenues in 9M 2024), saw revenue reach JOD 10.6 million in 9M 2024, just 2% below last year's top-line figure. Lower revenue came on the back of a 3% year-on-year decline in net revenue per test due to stringent pricing regulations imposed on Jordan's health sector. In EGP terms, operations in Jordan reported revenues of EGP 662 million in 9M 2024 and EGP 276 million in Q3 2024, representing year-on-year rises of 43% and 59%, respectively, due to the translation effect from a weakened EGP.
- In **Nigeria** (1.5% of total revenues in 9M 2024), Echo-Lab reported revenue of NGN 2,012 million, an increase of 38% from last year's figure. Higher revenue came on the back of a 63% year-on-year increase in average revenue per test as Echo-Lab continued to raise prices in step with inflation. Rising inflation weighed on patients purchasing power with test and patient volumes for the nine-month period declining 15% and 14%, respectively. In EGP-terms, revenue in Nigeria decline 23% year-on-year to EGP 61 million in 9M 2024 reflecting a weaker Naira during the period. In Q3 2024, revenue in the country increased marginally year-on-year to reach EGP 22 million.
- Biolab KSA, IDH's newest venture in **Saudi Arabia** (0.2% of total revenues in 9M 2024), which began operations in Q1 2024 with one branch opening in January and another in March, reported revenue of SAR 790 thousand in 9M 2024. Since inception, Biolab KSA has performed 21 thousand tests with average revenue per test standing at SAR 38. Operations in the new market are continuing to ramp up smoothly with revenue in Q3 2024 standing at SAR 450 thousand, up 60% from revenue recorded in Q2 2024 as Biolab KSA continue to serve a growing number of patients across its two operational branches. IDH views the Saudi Arabian market as a key driver of future growth for the company thanks to the market's large, growing and increasingly health-conscious population which is looking for access to high-quality diagnostic services from a currently highly fragmented market.
- In Q3 2024, IDH reopened one branch in **Sudan** after temporarily shutting down all branches earlier this year. It is worth noting that the remaining 17 branches remain closed indefinitely as the civil conflict in the countries continues.

#### **iv. Management Commentary**

**Commenting on the Group's performance, IDH Chief Executive Officer Dr. Hend El-Sherbini said:** "As we enter the final weeks of the year, I am happy to report another set of strong financial and operational figures across our growing footprint. Since the start of the year, we have been hard at work to deliver on our strategic vision and priorities, and I am pleased with the progress achieved up to this point particularly when considering the unprecedented challenges faced across our footprint. This not only leaves us on track to meet our FY 2024 targets, but also enables us to enter the new year in a strong position to drive further, sustainable growth in 2025 and beyond.

Before diving further into our results, it is worth noting that during the third quarter we successfully completed our delisting from the Egyptian Exchange (EGX). Today, we maintain our standard listing on the London Stock Exchange (LSE) and the entire IDH team remains committed to meeting the disclosure requirements of companies listed on the LSE. While our listing on the EGX has helped us increase our local visibility in the market where we generate the majority of our business, we are excited to build on the original path we started on the LSE. We look forward to continuing to create value for all our shareholders who place their trust in our business and story.

Turning to our results, in 9M 2024, we reported consolidated revenue of EGP 4.1 billion, up a solid 34% from the same nine months of last year. Further down the income statement, we reported improving profitability at all levels as our proactive efforts to boost operational efficiencies across every aspect of our operations continued to bear fruit. Notably, we were able to reduce the ramp-up costs of our new venture in Saudi Arabia, achieving a two-percentage-point improvement, which signals the continued normalization of our profitability.

On a regional basis, our Egyptian operations continued to lead the pack, with revenue growing an impressive 35% year-on-year on the back of both rising volumes and prices. Testament to the success of our growth strategies in the market, we saw average test per patient reach another record-high of 4.3 tests, up from 3.8 tests per patient recorded just two years ago in 9M 2022. On a similar note, our radiology venture, Al-Borg Scan, remained a key revenue driver, expanding 53% year-on-year and contributing 5% to the country's top-line. In light of the continued growth seen in the market, we have remained committed to our expansion targets and have thus far inaugurated 30 new branches in our home market. This not only sees us further cement our leadership in the local market but also enables us to tap into new pockets of growth as Egypt's population continues to expand both within and outside Greater Cairo.

In our second-largest market of Jordan, geopolitical instability continued to impact patient volumes which declined 4% year-on-year largely due to lower demand from medical tourists from around the region. Combined with a marginal fall in average revenue per test during 9M 2024, this saw Jordan's top-line in local currency slightly contract from the same period of last year. On the other hand, our Nigerian operations saw year-on-year revenue growth in local currency terms of 38% as we continued to raise prices in line with inflation. A weakening Nigerian Naira over the last year has, however, weighed on our results in Egyptian Pound (EGP) terms as well as on patient's purchasing power with volumes declining versus the previous year.

In our newly launched Saudi Arabian market, we continued to ramp up operations in line with our targets. During the third quarter of the year, our two operational branches located in Riyadh served a growing number of patients and generated SAR 451 thousand in revenue for the three-month period. This marks a 60% quarter-on-quarter expansion from revenue generated in the second quarter of this year and takes total revenue since inception to SAR 790 thousand. Thus far, our performance in the market has been encouraging and has reaffirmed our conviction that the market offers important growth opportunities for IDH to capture in the future. In the coming months, our priority remains delivering exceptional quality and service while building our profile in the market. On the latter front, since the launch of our first branch back in January, we have adopted a comprehensive brand awareness and marketing strategy, which has included outdoor advertising, social media campaigns, community event sponsorships, and partnerships with local healthcare providers, and which has thus far yielded the desired results.

As we wrap up the final month and a half of 2024, our strategy and priorities remain unchanged. In our home market, since the floatation of the EGP back in March we have seen a steady improvement in the macroeconomic environment with international investors increasingly looking to capitalize on the market's attractive fundamentals. We have also seen a steady decline in inflation which we expect to help patients' purchasing power and in turn boost demand for our services. As always, we are prioritizing our patients' wellbeing and remain committed to ensuring our tests and services remain affordable to as many people as possible by sharing the inflationary burden with them. Meanwhile, we are particularly excited to continue ramping up our Saudi Arabian venture as we work to capture the market's full potential. As we close out 2024 and kick start 2025, I look forward to working with everyone at IDH to continue providing exceptional care for our patients and incremental value for all stakeholders.

While we remain mindful of the challenges ahead, in particular around currency fluctuations and inflationary pressures in some of our key markets, our proactive risk management strategies, including price adjustments and cost control measures, have thus far successfully shielded the business and we are confident in our ability to sustain our growth trajectory. In light of this, we are reaffirming our guidance of around 30% revenue growth in FY 2024, with an expected EBITDA margin of approximately 30% for the year, excluding non-recurring expenses and results from our newly inaugurated venture in Saudi Arabia.”

– End –

### Analyst and Investor Call Details

An analyst and investor call will be hosted at 12:00 pm (UK) | 14:00 (Egypt) on Tuesday, 19 November 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](mailto:amoataz@EFG-HERMES.com)

### About Integrated Diagnostics Holdings (IDH)

IDH is a leading diagnostics services provider in the Middle East and Africa offering a broad range of clinical pathology and radiology tests to patients in Egypt, Jordan, Nigeria, 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.

### Shareholder Information

LSE: IDHC.L

Bloomberg: IDHC:LN

Listed on LSE: May 2015

Shares Outstanding: 581,326,272

### Contact

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Investor Relations Director

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### Forward-Looking Statements

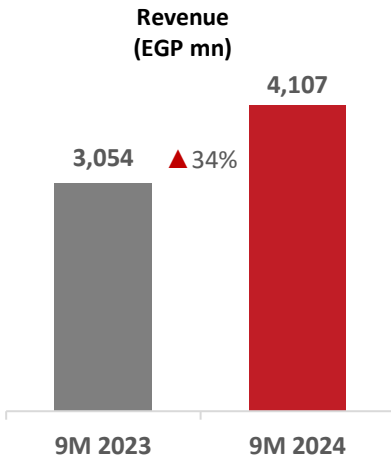
These results for the quarter ended 30 September 2024 have been prepared solely to provide additional information to shareholders to assess the group's performance in relation to its operations and growth potential. These results should not be relied upon by any other party or for any other reason. This 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

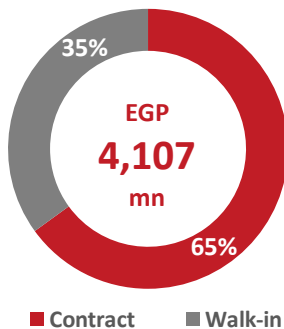


#### Consolidated Revenue

In line with trends seen throughout the year, in 9M 2024 the Company delivered consolidated revenue of EGP 4,107 million, representing a 34% year-on-year increase from last year’s EGP 3,054 million figure. Top-line growth for the period continued to be dual-driven as test volumes increased 9% year-on-year to reach 28.8 million and average revenue per test continued to climb, rising 23% from last year to EGP 142. The continued rise in average revenues per test comes on the back of the strategic price increases rolled out by IDH across its Egyptian and Nigerian markets to proactively counter the ongoing inflationary pressures in both countries.

	Q3 2023	Q3 2024	Change	9M 2023	9M 2024	Change
Revenue (EGP mn)	1,182	1,609	36%	3,054	4,107	34%
Tests performed (mn)	10.0	11.0	10%	26.5	28.8	9%
Revenue per test (EGP)	118	146	24%	115	142	23%

#### Revenue by Patient Segment (9M 2024)



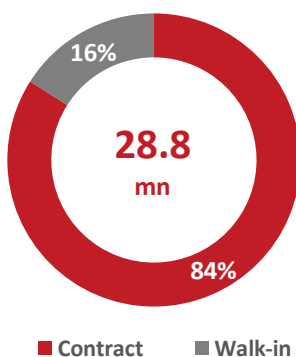
#### Revenue Analysis: Contribution by Patient Segment

##### Contract Segment (65% of Group revenue in 9M 2024)

At IDH’s contract segment, revenue recorded EGP 2,679 million, an increase of 38% from the previous year. Similar to trends at the consolidated level, test volumes increased by 12% year-on-year to 24.2 million tests with average revenue per test also rising 23% to EGP 111 in 9M 2024.

Average tests per patient climbed further in the nine-month period, coming in at 4.6 tests per patient compared to 4.4 in 9M 2023 and 4.5 in 1H 2024. This steady rise is supported by IDH’s loyalty program, which was introduced back in 2021, and which has, since then, successfully increased tests demanded by single patients visiting IDH’s branches.

#### Tests by Patient Segment (9M 2024)

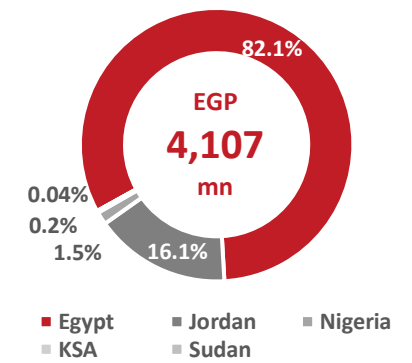


##### Walk-in Segment (35% of Group revenue in 9M 2024)

Meanwhile, at IDH’s walk-in segment, revenue reached EGP 1,428 million in 9M 2024, an increase of 28% from 9M 2023. During the nine-month period, IDH recorded a 34% year-on-year rise in average revenue per walk-in test (EGP 306 in 9M 2024 versus EGP 228 in 9M 2023). This increase more than offset a 5% y-o-y decline in test volumes, as more walk-in patients shifted to IDH’s contract segment and high inflation temporarily weighed on walk-in patients’ purchasing power across several of IDH’s markets. The average tests per patient at the segment recorded 3.5 in 9M 2024, largely in line with last year’s figure.

**Detailed Segment Performance Breakdown**

	Walk-in Segment			Contract Segment			Total		
	9M23	9M24	Change	9M23	9M24	Change	9M23	9M24	Change
Revenue (EGP mn)	1,116	1,428	28%	1,938	2,679	38%	3,054	4,107	34%
Patients ('000)	1,343	1,333	-1%	4,905	5,266	7%	6,248	6,598	6%
% of patients	21%	20%		79%	80%				
Revenue per Patient (EGP)	831	1,072	29%	395	509	29%	489	622	27%
Tests ('000)	4,894	4,660	-5%	21,574	24,179	12%	26,468	28,839	9%
% of Tests	18%	16%		82%	84%				
Revenue per Test (EGP)	228	306	34%	90	111	23%	115	142	23%
Test per Patient	3.6	3.5	-4%	4.4	4.6	4%	4.2	4.4	3%

**Revenue Analysis: Contribution by Geography**
**Revenue by Geography**  
(9M 2024)

**Egypt (82.1% of Group revenue in 9M 2024)**

IDH's home and largest market, Egypt, maintained its strong growth momentum, delivering revenue of EGP 3,373 million, a growth of 35% versus the same nine months of last year. Top-line growth was fuelled by a 10% year-on-year increase in tests performed combined with a 23% year-on-year rise in average revenue per test as IDH successfully increased prices to combat rising inflation in the country.

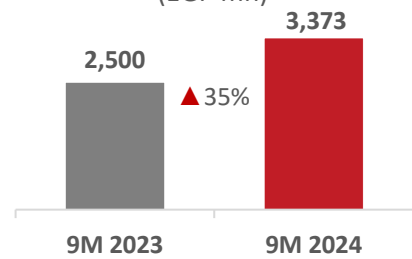
On a quarterly basis, IDH's Egyptian operations reported revenue of EGP 1,304 million in Q3 2024, up 32% year-on-year.

**Al-Borg Scan**

IDH's rapidly growing radiology venture, Al-Borg Scan, saw revenue expand 53% year-on-year in 9M 2024 to reach EGP 165 million. During the nine-month period, IDH performed 191 thousand scans, 25% more than the previous year. In parallel, average revenue per scan rose 23% year-on-year to record EGP 865. Al-Borg Scan continues to operate seven branches strategically located across Greater Cairo enabling it to position itself as the go-to provider in the fragmented Egyptian radiology market.

**Egypt Revenue**

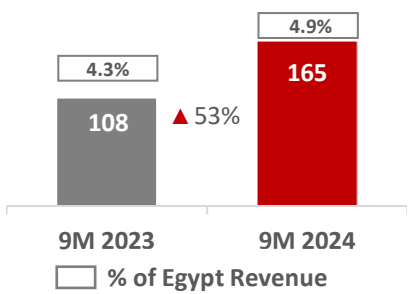
(EGP mn)


**House Calls**

During 9M 2024, IDH's house call services continued its significant contribution to the country's results, constituting 18% of total revenue in Egypt. This contribution remains well above pre-pandemic averages, showcasing the segment's growth potential and the effectiveness of the Group's post-pandemic strategy.

**Al Borg Scan Revenue**

(EGP mn)


**Wayak**

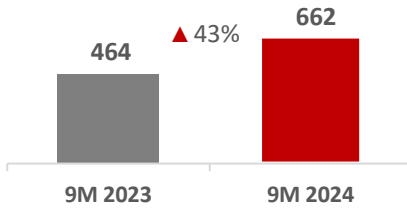
Finally, Wayak, which aims to leverage the Company's expanding patient database to develop electronic medical records and provide personalized services, achieved revenue of EGP 12 million, marking a 66% year-on-year increase. This growth came on the back of 165 thousand fulfilled orders during the period, up 37% year-on-year.

**Detailed Egypt Performance Breakdown**

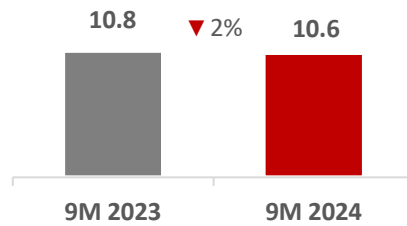
	9M 2023	9M 2024	Change
Revenue (EGP mn)	2,500	3,373	35%
Pathology Revenue (contribution to Egypt's results)	2,392 (95.7%)	3,208 (95.1%)	34%
Radiology Revenue (contribution to Egypt's results)	108 (4.3%)	165 (4.9%)	53%
Tests performed (mn)	24.4	26.8	10%
Revenue per test (mn)	103	126	23%



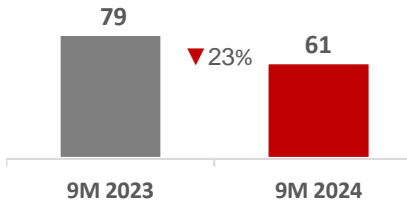
**Jordan Revenue**  
(EGP mn)



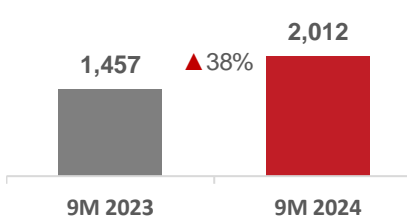
**Jordan Revenue**  
(JOD mn)



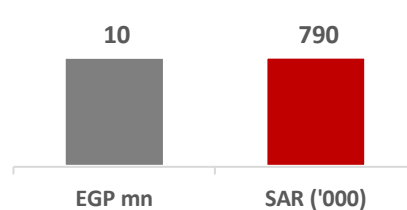
**Nigeria Revenue**  
(EGP mn)



**Nigeria Revenue**  
(NGN mn)



**Saudi Arabia Revenue**  
(9M 2024)



**Jordan (16.1% of Group revenue in 9M 2024)**

In IDH’s second largest market, Jordan, Biolab saw revenue reach JOD 10.6 million in 9M 2024, just 2% below last year’s top-line figure. Lower revenue came on the back of a 3% year-on-year decline in net revenue per test due to stringent pricing regulations imposed on Jordan’s health sector. In EGP terms, operations in Jordan reported revenues of EGP 662 million in 9M 2024 representing year-on-year rises of 43% due to the translation effect from a weakened EGP.

On a quarterly basis, Biolab recorded JOD 4.0 million in Q3 2024, up 1% year-on-year. In EGP terms, it recorded EGP 276 million, up 59% year-on-year.

**Detailed Jordan Performance Breakdown**

	9M 2023	9M 2024	Change
Revenue (EGP mn)	464	662	43%
Revenue (JOD mn)	10.8	10.6	-2%
Tests performed (mn)	1.9	1.9	1%
Revenue per test (mn)	249.7	351.5	41%

**Nigeria (1.5% of Group revenue in 9M 2024)**

Echo-Lab, IDH’s Nigerian subsidiary, reported revenue of NGN 2,012 million, an increase of 38% from last year’s figure. Higher revenue came on the back of a 63% year-on-year increase in average revenue per test as Echo-Lab continued to raise prices in step with inflation. Rising inflation weighed on patients purchasing power with test and patient volumes for the nine-month period declining 15% and 14%, respectively. In EGP-terms, revenue in Nigeria decline 23% year-on-year to EGP 61 million in 9M 2024 reflecting a weaker Naira during the period.

In Q3 2024, revenue in the country increased marginally year-on-year to reach EGP 22 million.

**Saudi Arabia (0.2% of Group revenue in 9M 2024)**

Biolab KSA, IDH’s newest venture in Saudi Arabia which began operations in Q1 2024 with one branch opening in January and another in March, reported revenue of SAR 790 thousand in 9M 2024. Since inception, Biolab KSA has performed 21 thousand tests with average revenue per test standing at SAR 38.

Operations in the new market are continuing to ramp up smoothly with revenue in Q3 2024 standing at SAR 451thousand, up 60% from revenue recorded in Q2 2024 as Biolab KSA continue to serve a growing number of patients across its two operational branches.

**Sudan**

In Q3 2024, IDH reopened one branch in Sudan after temporarily shutting down all branches earlier this year. It is worth noting that the remaining 17 branches remain closed indefinitely as the civil conflict in the countries continues. During the first nine months of the year, IDH’s Sudanese operations generate revenue of EGP 1.6 million.

**Revenue Contribution by Country**

	9M 2023	9M 2024	Change
<b>Egypt Revenue (EGP mn)</b>	<b>2,500</b>	<b>3,373</b>	<b>35%</b>
Pathology Revenue (EGP mn)	2,392	3,208	34%
Radiology Revenue (EGP mn)	108	165	53%
Egypt Contribution to IDH Revenue	81.9%	82.1%	
<b>Jordan Revenue (EGP mn)</b>	<b>464</b>	<b>662</b>	<b>43%</b>
<b>Jordan Revenues (JOD mn)</b>	<b>10.8</b>	<b>10.6</b>	<b>-2%</b>
Jordan Revenue Contribution to IDH Revenue	15.2%	16.1%	
<b>Nigeria Revenue (EGP mn)</b>	<b>79</b>	<b>61</b>	<b>-23%</b>
<b>Nigeria Revenue (NGN mn)</b>	<b>1,457</b>	<b>2,012</b>	<b>38%</b>
Nigeria Contribution to IDH Revenue	2.6%	1.5%	
<b>Saudi Arabia Revenue (EGP mn)</b>	<b>-</b>	<b>10</b>	<b>-</b>
<b>Saudi Arabia Revenue (SAR k)</b>	<b>-</b>	<b>790</b>	<b>-</b>
Saudi Arabia Contribution to IDH Revenue	-	0.2%	
<b>Sudan Revenue (EGP mn)</b>	<b>11</b>	<b>2</b>	<b>-85%</b>
<b>Sudan Revenue (SDG mn)</b>	<b>207</b>	<b>53</b>	<b>-75%</b>
Sudan Contribution to IDH Revenue	0.4%	0.04%	

**Average Exchange Rate**

	9M 2023	9M 2024	Change
USD/EGP	30.7	44.1	44%
JOD/EGP	43.02	62.13	44%
NGN/EGP	0.05	0.03	-46%
SAR/EGP	-	11.78	

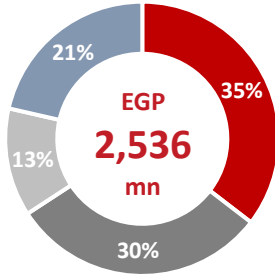
**Patients Served and Tests Performed by Country**

	9M 2023	9M 2024	Change
Egypt Patients Served (mn)	5.8	6.2	7%
Egypt Tests Performed (mn)	24.4	26.8	10%
Jordan Patients Served (k)	286	274	-4%
Jordan Tests Performed (k)	1,858	1,883	1%
Nigeria Patients Served (k)	102	88	-14%
Nigeria Tests Performed (k)	204	173	-15%
Saudi Arabia Patients Served (k)	-	2.2	-
Saudi Arabia Tests Performed (k)	-	21.0	-
<b>Total Patients Served (mn)</b>	<b>6.2</b>	<b>6.6</b>	<b>6%</b>
<b>Total Tests Performed (mn)</b>	<b>26.5</b>	<b>28.8</b>	<b>9%</b>

**Operational Branches by Country**

	30 September 2023	30 September 2024	Change
Egypt	537	567	+30
Jordan	27	26	-1
Nigeria	12	12	-
KSA	-	2	+2
Sudan	18	1	-17
<b>Total</b>	<b>594</b>	<b>608</b>	<b>+14</b>

**Cost of Goods Sold Breakdown**  
(9M 2024)



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

**Cost of Goods Sold**

IDH recorded cost of goods sold for the nine-month period of EGP 2,536 million, up 32% from the same time last year. As a percentage of consolidate revenue, cost of goods sold accounted for 62%, just below last year’s 63% figure. The marginal year-on-year reduction comes on the back of lower direct wages and salary expenses coupled with lower depreciation as a share of revenue for the nine-month period.

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

	9M 2023	9M 2024
Raw Materials	21.9%	21.9%
Wages & Salaries	19.2%	18.8%
Depreciation & Amortisation	8.7%	7.9%
Other Expenses	12.9%	13.2%
<b>Total</b>	<b>62.7%</b>	<b>61.7%</b>

**Raw material costs (35% of consolidated cost of goods sold in 9M 2024)** was the largest contributor to cost of goods sold in 9M 2024, having increased 34% year-on-year to reach EGP 898 million. As a share of revenue, raw materials stood at 21.9% unchanged from last year’s figure as the Company’s proactive inventory management and strong supplier relationships continued to shield its cost base from inflationary pressures and a weaker EGP.

**Wages and salaries, which include employee share of profits (30% share of consolidated cost of goods sold in 9M 2024),** remained the second largest contributor to IDH’s total cost of goods sold during the nine-month period, recording EGP 770 million, a 31% year-on-year increase. However, as a percentage of revenue, direct wages and salaries accounted for 18.8% in 9M 2024, down from 19.2% in 9M 2023. This decline reflects IDH’s efforts since the start of the year to optimize headcount.

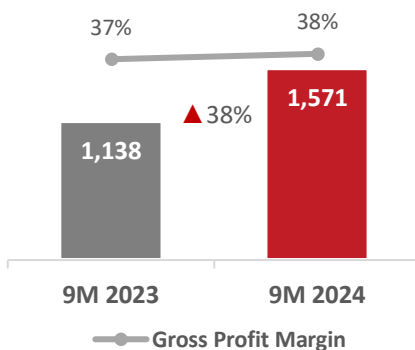
**Direct Wages and Salaries by Region**

	9M 2023	9M 2024	Change
Egypt (EGP mn)	445	562	26%
Jordan (EGP mn)	118	174	48%
Jordan (JOD mn)	2.8	2.8	0%
Nigeria (EGP mn)	22	16	-26%
Nigeria (NGN mn)	416	537	29%
Saudi Arabia (EGP mn)	0	17	0%
Saudi Arabia (SAR k)	0	185	N/A

**Direct depreciation and amortization costs (13% of consolidated cost of goods sold in 9M 2024)** increased 22% year-on-year to EGP 324 million in 9M 2024. As a percentage of revenue, direct depreciation and amortization declined to 7.9% in 9M 2024 from 8.7% in the same period of last year. The rise in depreciation expenses is attributed to the expansion of IDH’s branch network, which saw the addition of 30 new branches in Egypt and two in Saudi Arabia compared to this time last year.

**Other expenses (21% of consolidated cost of goods sold in 9M 2024)** recorded EGP 543 million in 9M 2024, a 37% year-on-year rise. Other expenses as a percentage of revenues stood at 13.2% largely consistent with the same period last year. The main components of other expenses during this time were repair and maintenance fees, hospital contracts, cleaning costs, transportation, and license expenses.

**Gross Profit**  
(EGP mn)



**Gross Profit**

IDH recorded a gross profit of EGP 1,571 million in 9M 2024, up 38% year-on-year. Gross profit margin (GPM) also improved to 38%, reflecting a decline in cost of goods sold as a percentage of revenue, lower depreciation thanks to enhanced fixed asset utilization,

decreased direct salary expenses relative to revenue as a result of IDH’s efforts to optimize headcount over the past year.

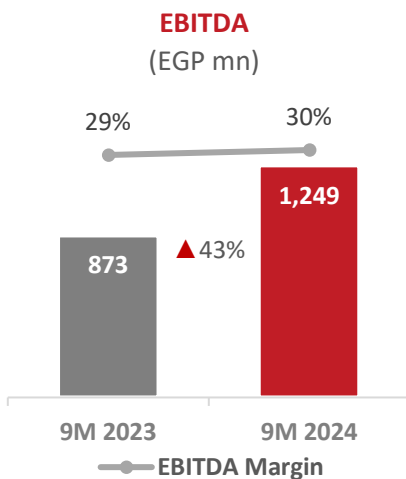
**Selling, General and Administrative (SG&A) Expenses**

SG&A outlays for the nine-month period ended 30 September 2024 reached EGP 677 million, marking a 21% year-on-year increase. As a percentage of revenues, SG&A accounted for 16%, down from 18% in 9M 2023. The rise in SG&A expenses was mainly due to:

- **Indirect wages and salaries** reached EGP 280 million, a 35% 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 remained stable at 6.8% owing to IDH’s headcount optimization strategy.
- **Other G&A expenses** rose by 18% year-on-year to EGP 219 million, primarily due to increased accounting fees (which are quoted in foreign currency) and traveling expenses.
- **Advertising expenses** increased by 47% year-on-year as the Company invested in the ramp-up of its operations in Saudi Arabia, which kicked off in Q1 2024. These expenses represented 34% of the Company’s total advertising costs for 9M 2024.

**Selling, General and Administrative Expenses**

EGP mn	9M 2023	9M 2024	Change
Wages & Salaries	207	280	35%
Accounting and Professional Fees	103	112	9%
Market – Advertisement expenses	77	113	47%
Other Expenses	98	122	24%
Depreciation & Amortisation	30	31	4%
Impairment loss on trade and other receivable	37	19	-48%
Travelling and transportation expenses	20	28	36%
Other (income)/expense	(11)	(27)	142%
<b>Total</b>	<b>561</b>	<b>677</b>	<b>21%</b>



**EBITDA**

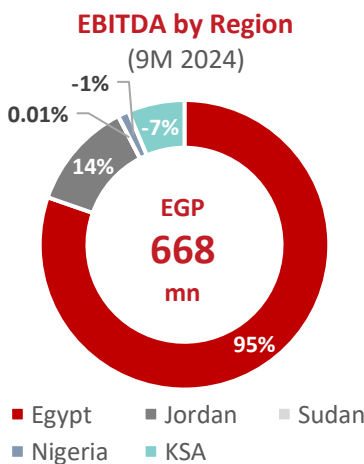
In 9M 2024, IDH recorded an EBITDA of EGP 1,249 million, representing a year-on-year increase of 43% supported by the gradual and consistent normalization over the last twelve months. The EBITDA margin also improved to 30% in the nine-month period.

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 131 million. Adjusting for non-recurring items, IDH’s EBITDA for the period would stand at EGP 1,380 million, with an associated margin of 34%.

**EBITDA by Country**

In **Egypt**, IDH recorded an EBITDA of EGP 1,182 million in 9M 2024, 54% above its EBITDA in 9M 2023, and with an associated margin of 35%, four percentage points above last year’s figure. Improved EBITDA profitability came on the back of enhanced gross profitability in the market coupled with lower SG&A expenses for the period, with notable declines versus last year in advertising outlays and accounting fees.

In **Jordan**, Biolab reported an EBITDA of JOD 2.8 million for 9M 2024, just 2% below last year’s EBITDA, and with an associated margin of 27% versus 26% in 9M 2023. In EGP terms, EBITDA amounted to EGP 178 million, marking a 45% year-on-year increase. The growth in EBITDA when converted to EGP reflects the devaluation of the EGP over the past year.



In **Nigeria**, ongoing economic challenges and rising inflation have negatively weighed on IDH's cost base, resulting in increased EBITDA losses for the nine-month period. In 9M 2024, EBITDA losses amounted to NGN 573 million, down from the NGN 294 million in EBITDA losses recorded in 9M 2023. When converted to EGP, EBITDA losses were EGP 18 million in 9M 2024, unchanged from the previous year.

In **Saudi Arabia**, EBITDA losses amounted to SAR 8 million (EGP 93 million) as the business remains in its early ramp up phase.

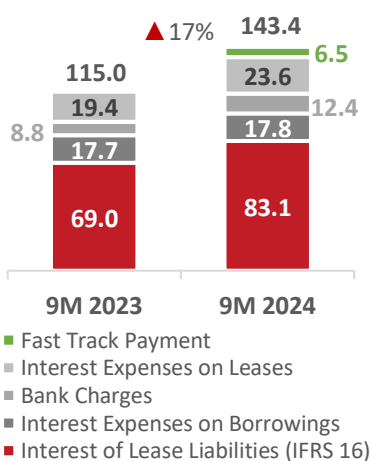
### Regional EBITDA in Local Currency

	9M 2023	9M 2024	Change
Egypt EBITDA (EGP mn)	766	1,182	54%
Margin	30.7%	35.0%	4.3 pts.
Jordan EBITDA (JOD mn)	2.9	2.8	-2%
Margin	26.4%	26.5%	0.1 pts.
Nigeria EBITDA (NGN mn)	(294)	(573)	95%
Margin	-20.2%	-28.5%	-8.3 pts.
Saudi Arabia EBITDA (SAR mn)	-	(8)	-
Margin	-	-	-
Sudan EBITDA (SDG mn)	20	6	-72%
Margin	9.6%	10.6	1.0 pts.

### Interest Income / Expense

IDH's interest income came in at EGP 85 million in 9M 2024, increasing 83% year-on-year. Higher interest income during the period reflects the rise in interest rates imposed by the Central Bank of Egypt (CBE) during the past twelve months.

#### Interest Expense (EGP mn)



**Interest expense**<sup>6</sup> stood at EGP 143 million, up 25% year-on-year in 9M 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 February and March 2024. It is important to note that IDH's interest bearing debt<sup>7</sup> (excluding accrued interest) decreased to EGP 81 million as at 30 September 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. Half the settlement was settled utilising internal funds, while the remaining amount (EGP 55 million) was financed through a bridge loan by Ahly United Bank– Egypt (AUBE). Interest expenses related to the AUBE facility recorded EGP 5.2 million in Q3 2024. The bridge loan was fully settled in Q2 2023.
- Fast track payments worth EGP 6.5 million, which encompass discounts provided for the rapid payment of receivables in 9M 2024.

<sup>6</sup> Interest expenses on medium-term loans include EGP 16.2 million related to the Group's facility with Ahli United Bank Egypt (AUBE).

<sup>7</sup> IDH's interest bearing debt as at 30 September 2024 included EGP 91 million related 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.

### Interest Expense Breakdown

EGP mn	9M 2023	9M 2024	Change
Interest on Lease Liabilities (IFRS 16)	69	83	20%
Interest Expenses on Leases	19	24	21%
Interest Expenses on Borrowings <sup>8</sup>	18	18	1%
Bank Charges	9	12	41%
Fast Track Payment	-	7	-
<b>Total Interest Expense</b>	<b>115</b>	<b>143</b>	<b>25%</b>

### Foreign Exchange

IDH booked a foreign exchange gain of EGP 265 million in 9M 2024, up from EGP 99 million during the same nine-month period of last year. The foreign exchange gain was due to intercompany balances revaluation.

### Taxation

Tax expenses, including income and deferred tax, came in at EGP 355 million in 9M 2024, up 80% year-on-year. IDH’s effective tax rate slightly declined to 33% in 9M 2024. The decline in this latest period’s effective tax rate 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.

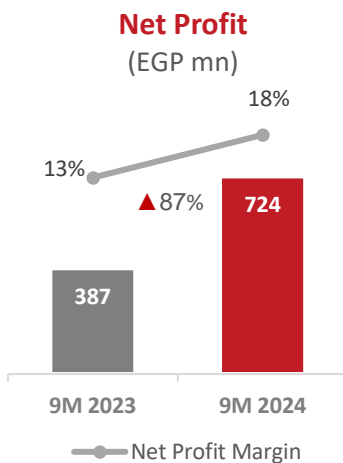
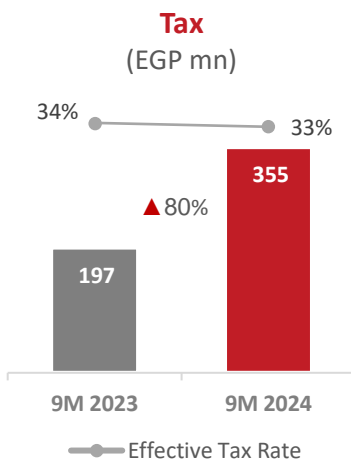
### Taxation Breakdown by Region

EGP mn	9M 2023	9M 2024	Change
Egypt	184	332	81%
Jordan	13	23	83%
Nigeria	(0.05)	0.01	-128%
KSA	-	-	-
Sudan	0.5	0.0	-
<b>Total Tax Expenses</b>	<b>197</b>	<b>355</b>	<b>80%</b>

### Net Profit

IDH recorded net profit of EGP 724 million in 9M 2024, an 87% year-on-year increase boosted by the substantial increase in foreign exchange gain from intercompany transactions. Meanwhile, the Company’s NPM came in at 18% compared to 13% in the comparable period of last year.

When accounting for contributions from foreign exchange gains during both periods, IDH booked an adjusted net profit of EGP 459 million in 9M 2024, growing 60% year-on-year from EGP 288 million during 9M 2023. The Company’s adjusted net profit margin stood at 11% during the period, up from 9% in 9M 2023.



<sup>8</sup> Interest expenses on medium-term loans include EGP 16.2 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 2,982 million as of 30 September 2024, up from EGP 2,554 million at the end of 2023. The increase in CAPEX as a share of revenue in the nine-month period is largely due to the addition of new branches, renovation of existing branches, improvements of IDH’s headquarters (constituting 3.1% of revenues), in addition to the translation effect related to Jordan, Nigeria, Saudi Arabia, and Sudan (comprising 7.2% of revenues).

#### Total CAPEX Addition Breakdown – 9M 2024

EGP mn	9M 2024	% of Revenue
Leasehold Improvements/new branches	104.9	2.6%
Al-Borg Scan Expansion	22.8	0.6%
<b>Total CAPEX Additions Excluding Translation</b>	<b>127.7</b>	<b>3.1%</b>
Translation Effect	296.0	7.2%
<b>Total CAPEX Additions</b>	<b>423.7</b>	<b>10.3%</b>

#### Trade Receivables and Provisions

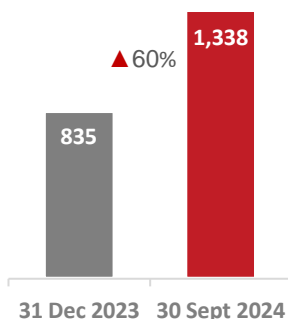
Net trade receivables at 30 September 2024 amounted to EGP 806 million, up 42% year-to-date. Meanwhile, IDH’s net receivables’ Days on Hand (DoH) booked 149 days, up from 134 days at the end of 2023.

Provision for doubtful accounts in 9M 2024 was recorded at EGP 19 million, a decrease from EGP 37 million booked in 9M 2023. This reduction is attributable to an improvement in overall economic conditions, increased stability, and reduced inflation across IDH’s markets of operation which have supported a noticeable increase in collected amounts during the current accounting period.

#### Inventory

At 30 September 2024, IDH booked an inventory balance of EGP 400 million, up 7% compared to the end of 2023. Meanwhile, Days Inventory Outstanding (DIO) decreased to 123 days, from 133 days at 31 December 2023. With improvements in the economic situation and a continued positive outlook, the company has been reducing DIO as the previous stockpiling is no longer necessary.

### Cash Balances (EGP mn)



#### Cash and Net Debt

Cash balances and financial assets at amortised cost at 30 September 2024 reached EGP 1,338 million, up from EGP 835 million at year-end 2023.

EGP mn	31 Dec 2023	30 September 2024
Treasury Bills	133	95
Time Deposits	289	770
Current Accounts	391	447
Cash on Hand	21	26
<b>Total</b>	<b>835</b>	<b>1,338</b>

IDH’s net debt<sup>9</sup> balance came in at EGP 74 million as of the end of 9M 2024, down from EGP 361 million as at year-end 2023.

<sup>9</sup> 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 mn	31 December 2023	30 September 2024
Cash and Financial Assets at Amortised Cost <sup>10</sup>	835	1,338
Lease Liabilities Property*	(828)	(917)
Total Financial Liabilities (Short-term and Long-term)	(240)	(257)
Interest Bearing Debt ("Medium Term Loans")	(128)	(90)
<b>Net Debt Balance</b>	<b>(361)</b>	<b>(74)</b>

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 991 million.

**Lease liabilities and financial obligations on property** recorded EGP 917 million at 30 September 2024, with the rise versus year-end 2023 attributable 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 257 million as at 30 September 2024, with the increase reflecting the increases in USD-linked contracts with equipment suppliers following the devaluation of the EGP.

Finally, **interest bearing debt**<sup>11</sup> (excluding accrued interest) reached EGP 81 million at the end of Q3 2024, down from EGP 111 million at year-end 2023.

## Liabilities

### Trade Payable<sup>12</sup>

Trade payable as of 30 September 2024 stood at EGP 321 million, up from EGP 272 million at the end of 2023. Meanwhile, Days Payable Outstanding (DPO) came in at 94 days, down from 113 days at 31 December 2023.

### Put Option

The put option current liability stood at EGP 447 million as at 30 September 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 seven 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 26 million at the end of 9M 2024, down from EGP 43 million at 31 December 2023, and is related to the option granted in 2022 to Izhoo, 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.

– End –

<sup>10</sup> As outlined in Note 9 of IDH's Consolidated Financial Statements, some term deposits and treasury bills cannot be accessed for over three months and are therefore not treated as cash. Term deposits which cannot be accessed for over three months stood at EGP 42 million at 30 September 2024 (2023: EGP 49 million). Meanwhile, treasury bills not accessible for over three months stood at EGP 70 million (2023: EGP 112 million).

<sup>11</sup> IDH's interest bearing debt as at 30 September 2024 included EGP 71 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.

<sup>12</sup> Accounts payable is calculated based on average payables at the end of each period.