

Integrated Diagnostics Holdings Plc reports record-breaking revenue and net profit growth in 1Q 2021

The Group's performance is a continuation of the strong growth witnessed in the second half of 2020 driven by IDH's Covid-19-related test offering as well as a 20% year-on-year rise in revenue generated by the Group's non-Covid-19 business

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(Cairo and London) — Integrated Diagnostics Holdings (“IDH,” “the Company” or “the Group,” IDHC on the London Stock Exchange), a leading consumer healthcare company with operations in Egypt, Jordan, Sudan and Nigeria, released today unaudited¹ highlights of its financial and operational performance in the first three months of 2021, reporting revenues of EGP 1,130 million, up 126% year-on-year, and a net profit of EGP 339 million, up 230% year-on-year in 1Q 2021.

IDH served a total of 2.4 million patients in the first quarter of the year, up 50% compared to 1Q2020, and conducted 8.1 million tests, a 32% year-on-year growth. The Group served its patients from its growing network of 483 branches as at 31 March 2020.

Financial Results

EGP mn	1Q 2021	1Q 2020	change
Revenues	1,130	500	126%
Cost of Sales	(491)	(257)	91%
Gross Profit	638	243	162%
Gross Profit Margin	57%	49%	7.8 pts
Operating Profit	535	159	236%
EBITDA²	586	203	189%
EBITDA Margin	52%	41%	11.3 pts
Net Profit	339	102	230%
Net Profit Margin	30%	21%	9.5 pts
Cash Balance	1,324	745	78%

The impressive performance in the first three months of the year was primarily supported by IDH's Covid-19-related³ test offering as the Group continued to play its role in the fight against the pandemic across its markets. It is also important to note that excluding revenues generated by IDH's Covid-19-related³ testing from the quarter's performance, consolidated revenue increased 20% year-on-year, in line with

¹ By the terms regulating the company's listing on the LSE, IDH is required to release reviewed financials at the half-year mark and audited full-year financials. Following the completion of IDH's dual-listing on the Egyptian Exchange in May 2021 complementary to its LSE listing, IDH will be required to release audited quarterly financials to satisfy EGX disclosure requirements starting the second quarter of 2021. All figures in this update are accordingly unaudited and provided from Management accounts.

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

³ Covid-19-related tests include both Covid-19 tests (Polymerase Chain Reaction (PCR), Antigen, and Antibody) as well as other Covid-19-related tests which include a bundle of routine inflammatory and clotting markers such as Complete Blood Picture, Erythrocyte Sedimentation Rate (ESR), D-Dimer, Ferritin and C-reactive Protein (CRP), among others.

the Company's historical averages and displaying a sustained recovery in the Group's non-Covid-19 business. IDH's consolidated top-line was also supported by its ramped-up house call service in Egypt and Jordan, which contributed to 23% to consolidated revenue for the quarter compared to 12% in 1Q 2020.

Regionally, Egypt contributed the lion share of consolidated revenue in 1Q 2021 at 81%, with the country's revenues expanding 117% year-on-year. The Group's Jordanian operations continued to be the standout performer in 1Q 2021 as revenues more than tripled year-on-year and with the country contributing to 17% of total revenue versus the 12% contribution this time last year. In Nigeria, IDH recorded a robust 44% year-on-year top-line growth as volumes continue their steady rise. Finally, in Sudan, despite a remarkable 74% year-on-year revenue expansion in local currency terms, the sharp devaluation of the Sudanese pound during the quarter weighed down on the country's results, which in 1Q 2021 made up just 0.6% of IDH's consolidated top-line.

On a segment basis, the Group's contract segment delivered 53% of revenue in 1Q 2021, while the walk-in segment contributed 47%.

Commenting on the results, IDH Chief Executive Officer Dr. Hend El-Sherbini said: "I am delighted to report that IDH started the new year building on the strong momentum from 4Q 2020 and leveraging an expanded service offering and delivery capabilities to drive exceptional top-line growth and improvements in profitability. In particular, our conventional test offering delivered a strong 20% year-on-year revenue growth, which is in line with our historical averages and signals a consistent recovery of our non-Covid-19 business. Combined with the significant revenue generated by our Covid-19-related test offering, we recorded an impressive 126% increase in consolidated revenues versus the comparable quarter of last year."

"In Egypt and Jordan, we continued to record exceptional revenue growth mainly on the back of strong demand for our Covid-19-related offering, along with double-digit test volume and revenue growth in our non-Covid-19 business across both geographies as restrictions related to Covid-19 were eased. Volume growth continues to be supported by our multi-pronged expansion strategy which aims to widen and diversify our medical service offering, expand our geographical reach, and strengthen our digital offering and delivery capabilities to ensure that we provide access to as many patients as possible. On the latter, we continued to witness strong contributions coming from our home call service, which we successfully ramped up in both countries to provide additional support to patients during the Covid-19 crisis. Egypt's performance was further bolstered by our radiology venture, Al-Borg Scan, which reported a remarkable 122% year-on-year rise in revenues supported by the addition of the new services to our roster coupled with contributions from Al-Borg Scan's second branch which was launched mid-way through the first quarter of last year," **El-Sherbini added.**

Strong consolidated revenue growth and improved operating leverage saw IDH deliver margin enhancements at all levels of profitability. Gross profit for the quarter was up 162% year-on-year with an associated margin of 57% versus 49% in 1Q 2020. EBITDA expanded 189% year-on-year with an EBITDA margin of 52% in 1Q 2021 versus 41% last year, supported in part by narrowing EBITDA losses in Nigeria. Finally, IDH's bottom-line recorded a 230% year-on-year increase with a net profit margin of 30% versus 21% in 1Q 2020.



“Looking ahead, while the Company’s immediate focus remains on continuing to play a frontline role in helping governments across our footprint combat the ongoing Covid-19 pandemic, IDH’s longer-term outlook remains strong as evidenced by the recovery of our conventional business witnessed in the first quarter of 2021. Our priorities for 2021 and beyond are the continued expansion and diversification of our test portfolio, geographical reach, and digital offering to ensure that we provide access to high-quality diagnostic services to as many patients as possible. In parallel, we are also pressing forward with our expansion plans into new geographies. More specifically, we are seeking value-accretive acquisition opportunities in African, Middle Eastern, and South Asian markets where our business model is well-suited to capitalise on healthcare and consumer trends similar to those prevailing in our existing markets. To support our expansion ambitions, in May 2021 we secured a USD 45 million loan from the International Finance Corporation (IFC). Through this new eight-year debt financing agreement, we are once again reinforcing our commitment to the healthcare sector across emerging markets, delivering on our shared strategy with the IFC and ESG goals to provide communities with the tools they need to better their lives,” **EI-Sherbini concluded.**

IDH’s full 1Q 2021 earnings release for the quarter ended 31 March 2021 are available at [idhcorp.com](https://www.idhcorp.com).

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About Integrated Diagnostics Holdings (IDH)

IDH is a leading consumer healthcare company in the Middle East and Africa with operations in Egypt, Jordan, Sudan and Nigeria. The Group's core brands include Al Borg, Al Borg Scan and Al Mokhtabar in Egypt, as well as Biolab (Jordan), Ultralab and Al Mokhtabar Sudan (both in Sudan) and Echo-Lab (Nigeria). A long track record for quality and safety has earned the Company a trusted reputation, as well as internationally recognised accreditations for its portfolio of over 2,000 diagnostics tests. From its base of 483 branches as of 31 March 2021, IDH will continue to add laboratories through a Hub, Spoke and Spike business model that provides a scalable platform for efficient expansion. Beyond organic growth, the Group's expansion plans include acquisitions in new Middle Eastern, African, and East Asian markets where its model is well-suited to capitalise on similar healthcare and consumer trends and capture a significant share of fragmented markets. IDH has been a Jersey-registered entity with a Standard Listing on the Main Market of the London Stock Exchange (ticker: IDHC) since May 2015 with a secondary listing on the EGX since May 2021 (ticker: IDHC.CA). Learn more at idhcorp.com.

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Forward-Looking Statements

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