INTEGRATED DIAGNOSTICS HOLDINGS plc – "IDH"
AND ITS SUBSIDIARIES

Consolidated Financial Statements

for the year ended 31 December 2023

Independent auditor's report to the shareholders of Integrated Diagnostics Holdings PLC

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Integrated Diagnostics Holdings PLC "the Company" and its subsidiaries (together" the Group) as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International financial reporting standards as adopted by the IASB.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2023;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in equity for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in the Arab Republic of Egypt. We have fulfilled our other ethical responsibilities in accordance with IESBA Code and the ethical requirements in the Arab Republic of Egypt.

PricewaterhouseCoopers Ezzeldeen, Diab & Co., Public Accountants
Plot no 211, Second Sector, City Center, New Cairo 11835, Egypt, PO Box 170 New Cairo
T: +20 2 2759 7700, F: +20 2 2759 7711, www.pwc.com

Independent auditor's report to the shareholders of Integrated Diagnostics Holdings PLC

Our audit approach

Overview
Key audit matter

- Revenue recognition.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition The Group reported revenue of EGP 4,123 Millions from health diagnostics related activities. We considered this area to be a matter of most significance, as there is an inherent risk around the recognition of revenue in the services rendered given that revenue is processed by complex IT systems involving large volumes of data with a combination of different products, services, and related prices. This resulted in a significant portion of our audit effort directed towards this area and related IT systems. Refer to the following notes to the consolidated financial statements for detail:	We performed audit procedures over this significant risk area, which included a combination of tests of controls and substantive procedures as described below: • We obtained an understanding of the various significant revenue streams and identified the relevant controls, IT systems and reports. • We assessed the Group's revenue accounting policies, including the key judgments and estimates applied by management in consideration of the requirements of IFRS 15. • We performed manual controls testing and substantive procedures, to verify accuracy and occurrence of revenue. This included testing the end-to-end reconciliations from data records extracted from the source system to the cash / credit balances ledger.

Key audit matter	How our audit addressed the key audit matter
Note 3: Significant accounting policies Note 6: Revenue	• We used data analytic tools to assess the reasonableness of the total value of the revenue recorded based on all price lists and traced them back to what has been charged to the customers. • We performed a reconciliation and selected a sample to check the underlying source documentation to test the completeness, accuracy and validity of the postings, including those journals we considered unusual in nature. We also assessed the adequacy of the Group's disclosures in respect to revenue.

Other Information
Management is responsible for the other information. The other information comprises annual report and the earnings release (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as the management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ashraf Mamdouh
R.A.A. 26231
F.R.A. 383

27 March 2024
Cairo

Consolidated statement of financial position as at 31 December 2023

	Notes	2023 EGP'000	2022 EGP'000
Assets			
Non-current assets			
Property, plant and equipment	11	1,414,725	1,326,262
Intangible assets and goodwill	12	1,710,183	1,703,636
Right of use assets	25	683,025	622,975
Financial assets at fair value through profit and loss	14	-	18,064
Total non-current assets		**3,807,933**	**3,670,937**
Current assets			
Inventories	15	374,650	265,459
Trade and other receivables	16	727,235	543,887
Financial assets at fair value through profit and loss	14	25,157	-
Financial assets at amortized cost	18	161,098	167,404
Cash and cash equivalents	17	674,253	648,512
Total current assets		**1,962,393**	**1,625,262**
Total assets		**5,770,326**	**5,296,199**
Equity			
Share capital	19	1,072,500	1,072,500
Share premium reserve	19	1,027,706	1,027,706
Capital reserves	19	(314,310)	(314,310)
Legal reserve	19	51,641	51,641
Put option reserve	19	(356,583)	(490,695)
Translation reserve	19	(82,341)	24,173
Retained earnings		1,280,287	783,081
Equity attributable to the owners of the Company		**2,678,900**	**2,154,096**
Non-controlling interests	2	421,888	292,885
Total equity		**3,100,788**	**2,446,981**
Non-current liabilities			
Provisions	21	17,758	3,519
Borrowings	24	67,465	93,751
Other financial obligations	25	891,350	914,191
Non-current put option liability	23	42,786	51,000
Deferred tax liabilities	9	374,729	321,732
Total non-current liabilities		**1,394,088**	**1,384,193**
Current liabilities			
Trade and other payables	22	637,761	701,095
Other financial obligations	25	176,704	148,705
Current put option liability	23	313,796	439,695
Borrowings	24	43,680	22,675
Current tax liabilities	28	103,509	152,855
Total current liabilities		**1,275,450**	**1,465,025**
Total liabilities		**2,669,538**	**2,849,218**
Total equity and liabilities		**5,770,326**	**5,296,199**

The accompanying notes on pages 11 – 60 form an integral part of these consolidated financial statements.

These consolidated financial statements were approved and authorised for issue by the Board of Directors and signed on their behalf on 27 March 2024 by:

H. El Sherbini

Dr. Hend El Sherbini
Chief Executive Officer

Hussein Choucri
Independent Non-Executive Director

Consolidated income statement for the year ended 31 December 2023

	Notes	2023 EGP'000	2022 EGP'000
Revenue	6	4,122,506	3,605,047
Cost of sales	8.1	(2,598,159)	(2,142,984)
Gross profit		**1,524,347**	**1,462,063**
Marketing and advertising expenses	8.2	(211,623)	(213,151)
Administrative expenses	8.3	(510,393)	(398,533)
Impairment loss on trade and other receivables	16	(51,255)	(29,914)
Other (expenses)/income	8.4	(13,314)	11,726
Operating profit		**737,762**	**832,191**
Net fair value losses on financial assets at fair value through profit or loss	8.9	-	(142,950)
Finance costs	8.7	(160,983)	(135,586)
Finance income	8.7	160,577	299,992
Net finance (costs)/income	8.7	(406)	164,406
Profit before income tax		**737,356**	**853,647**
Income tax expense	9	(268,993)	(327,064)
Profit for the year		**468,363**	**526,583**
Profit attributed to:			
Owners of the Company		510,304	541,110
Non-controlling interests		(41,941)	(14,527)
		468,363	**526,583**
Earnings per share	10		
Basic and diluted		**0.85**	**0.90**

The accompanying notes on pages 11 – 60 form an integral part of these consolidated financial statements.

INTEGRATED DIAGNOSTICS HOLDINGS

Consolidated statement of comprehensive income for the year ended 31 December 2023

	2023 EGP'000	2022 EGP'000
Net profit for the year	**468,363**	**526,583**
Other comprehensive income:		
Items that may be reclassified to profit or loss:		
Exchange difference on translation of foreign operations	(7,206)	69,081
Other comprehensive income for the year, net of tax	**(7,206)**	**69,081**
Total comprehensive income for the year	**461,157**	**595,664**
Attributable to:		
Owners of the Company	403,790	414,553
Non-controlling interests	57,367	181,111
	461,157	**595,664**

The accompanying notes on pages 11 – 60 form an integral part of these consolidated financial statements.

INTEGRATED DIAGNOSTICS HOLDINGS

Consolidated statement of cash flows for the year ended 31 December 2023

	Note	2023 EGP'000	2022 EGP'000
Cash flows from operating activities			
Profit before tax		737,356	853,647
Adjustments for:			
Depreciation of property, plant and equipment	11	259,455	206,993
Depreciation of right of use assets	25	134,033	103,099
Amortisation of intangible assets	12	7,750	7,251
Unrealised foreign exchange gains and losses	8.7	(87,798)	(188,442)
Fair value losses on financial assets at FV through profit or loss		-	142,950
Finance income	8.7	(72,779)	(95,371)
Finance Expense	8.7	160,983	135,586
Loss/(gain) on disposal of PPE		(734)	200
Impairment in trade and other receivables	16	51,255	29,914
Impairment in goodwill		11,265	1,755
Impairment in assets		6,705	-
Equity settled financial assets at fair value		(7,093)	(7,594)
ROU Asset/Lease Termination		(512)	305
Hyperinflation		-	(16,179)
Change in Provisions	21	14,238	(569)
Change in Inventories		(104,909)	(30,159)
Change in Trade and other receivables		(198,078)	(53,445)
Change in Trade and other payables		(99,191)	(166,130)
Cash generated from operating activities before income tax payment		**811,946**	**923,811**
Taxes paid		(268,283)	(715,082)
Net cash generated from operating activities		**543,663**	**208,729**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		2,366	10,212
Interest received on financial asset at amortised cost		73,316	95,897
Payments for acquisition of property, plant and equipment		(323,439)	(299,762)
Payments for acquisition of intangible assets		(2,490)	(9,076)
Payments for the purchase of financial assets at amortised cost		(243,563)	(267,819)
Proceeds from the sale of financial assets at amortized cost		249,868	1,603,611
Payment for purchase of global depository receipts (short-term investment)	8.9	-	(1,011,376)
Proceeds from sale of global depository receipts (short-term investments)	8.9	-	868,426
Net cash (used in)/generated from investing activities		**(243,942)**	**990,113**
Cash flows from financing activities			
Proceeds from borrowings	27	71,630	40,081
Repayment of borrowings	27	(76,911)	(21,721)
Proceeds loan received from related party	26	-	17,025
Repayment loan paid to related party	26	-	(17,025)
Payments of lease liabilities	27	(94,854)	(71,635)
Payment of financial obligations	27	(144,278)	(29,206)
Dividends paid		-	(1,411,752)
Interest paid	27	(138,390)	(119,308)
Bank charge paid		(19,294)	(12,909)
Cash injection by owner of non-controlling interest		74,748	8,763
Paid cash to non-controlling interest		(3,112)	-
Net cash flows used in financing activities		**(330,461)**	**(1,617,687)**
Net (decrease) / increase in cash and cash equivalents		(30,740)	(418,845)
Cash and cash equivalents at the beginning of the year		648,512	891,451
Effect of exchange rate		56,481	175,906
Cash and cash equivalents at the end of the year	17	**674,253**	**648,512**

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

- acquisition of right-of-use assets – note 25
- Put option liability – note 23

The accompanying notes on pages 11 – 60 form an integral part of these consolidated financial statements.

INTEGRATED DIAGNOSTICS HOLDINGS

Consolidated statement of changes in equity for the year ended 31 December 2023

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
As 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 / (loss) for the year	-	-	-	-	-	-	510,304	510,304	(41,941)	468,363
Other comprehensive (expense)/ income for the year	-	-	-	-	-	(106,514)	-	(106,514)	99,308	(7,206)
Total comprehensive income	-	-	-	-	-	(106,514)	510,304	403,790	57,367	461,157
Transactions with owners in their capacity as owners										
Impact of hyperinflation	-	-	-	-	-	-	(13,098)	(13,098)	-	(13,098)
Movement in put option liabilities for the year	-	-	-	-	134,112	-	-	134,112	-	134,112
Paid share from non-controlling interests	-	-	-	-	-	-	-	-	(3,112)	(3,112)
Acquisition of non-controlling interests without change in control	-	-	-	-	-	-	-	-	74,748	74,748
Total	-	-	-	-	134,112	-	(13,098)	121,014	71,636	192,650
At 31 December 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**
As at 1 January 2022	**1,072,500**	**1,027,706**	**(314,310)**	**51,641**	**(956,397)**	**150,730**	**1,550,976**	**2,582,846**	**211,513**	**2,794,359**
Profit for the year	-	-	-	-	-	-	541,110	541,110	(14,527)	526,583
Other comprehensive income for the year	-	-	-	-	-	(126,557)	-	(126,557)	195,638	69,081
Total comprehensive income	-	-	-	-	-	(126,557)	541,110	414,553	181,111	595,664
Transactions with owners in their capacity as owners										
Dividends	-	-	-	-	-	-	(1,304,805)	(1,304,805)	(106,947)	(1,411,752)
Impact of hyperinflation	-	-	-	-	-	-	(4,200)	(4,200)	(1,555)	(5,755)
Movement in put option liabilities for the year	-	-	-	-	465,702	-	-	465,702	-	465,702
Acquisition of non-controlling interests without change in control	-	-	-	-	-	-	-	-	8,763	8,763
Total	-	-	-	-	465,702	-	(1,309,005)	(843,303)	(99,739)	(943,042)
At 31 December 2022	**1,072,500**	**1,027,706**	**(314,310)**	**51,641**	**(490,695)**	**24,173**	**783,081**	**2,154,096**	**292,885**	**2,446,981**

* 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 11 – 60 form an integral part of these consolidated financial statements.

INTEGRATED DIAGNOSTICS HOLDINGS

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

1. Corporate information

The consolidated financial statements of Integrated Diagnostics Holdings plc and its subsidiaries (collectively, "the Group") for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on 27 March 2024. Integrated Diagnostics Holdings plc "IDH" or "the company" is a public company incorporated in Jersey. Has been established according to the provisions of the Companies (Jersey) law 1991 under No. 117257. The registered office address of the Company is 12 Castle Street, St Helier, Jersey, JE2 3RT. The Company is a dually listed entity, in both London stock exchange (since 2015) and in the Egyptian stock exchange (in May 2021).

The principal activity of the group is 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 IDH has. 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 each year.

2. Group information

Information about subsidiaries

The consolidated financial statements of the Group include:

	Principal activities	Country of Incorporation	% Equity interest 2023	% Equity interest 2022	Non-Controlling interest 2023	Non-Controlling interest 2022
Al Borg Laboratory Company ("Al-Borg")	Medical diagnostics service	Egypt	99.3%	99.3%	0.7%	0.7%
Al Mokhtabar Company for Medical Labs ("Al Mokhtabar")	Medical diagnostics service	Egypt	99.9%	99.9%	0.1%	0.1%
Medical Genetic Center	Medical diagnostics service	Egypt	55.0%	55.0%	45.0%	45.0%
Al Makhbariyoun Al Arab Group	Medical diagnostics service	Jordan	60.0%	60.0%	40.0%	40.0%
Golden Care for Medical Services	Holding company of SAMA	Egypt	100.0%	100.0%	0.0%	0.0%
Integrated Medical Analysis Company (S.A.E)*	Medical diagnostics service	Egypt	100.0%	99.6%	0.0%	0.4%
SAMA Medical Laboratories Co. ("Ultralab medical laboratory ")	Medical diagnostics service	Sudan	80.0%	80.0%	20.0%	20.0%
AL-Mokhtabar Sudanese Egyptian Co.	Medical diagnostics service	Sudan	65.0%	65.0%	35.0%	35.0%
Integrated Diagnostics Holdings Limited	Intermediary holding company	Caymans Island	100.0%	100.0%	0.0%	0.0%
Dynasty Group Holdings Limited	Intermediary holding company	England and Wales	51.0%	51.0%	49.0%	49.0%
Eagle Eye-Echo Scan Limited	Intermediary holding company	Mauritius	77.18%	77.18%	22.82%	22.82%
Echo-Scan**	Medical diagnostics service	Nigeria	100.0%	100.0%	0.0%	0.0%
WAYAK Pharma	Medical services	Egypt	99.99%	99.99%	0.01%	0.01%
Medical Health Development***	Medical services	Saudi Arabia	51%	-	49%	-

INTEGRATED DIAGNOSTICS HOLDINGS

*In the financial period of 23, Al Mokhtabar, a medical laboratory, acquired a 0.4% ownership share in Integrated Medical Analysis (S.A.E). In connection with this acquisition, Al Mokhtabar made a payment of 3,112K to non-controlling interest. This transaction resulted in Al Mokhtabar becoming the full owner of the stake by the end of the year 2023.

** The group consolidate "Echo scan" a subsidiary based in Nigeria despite of 39.4% indirect ownership for more details refer to note 4.1.

*** On March 8, 2023, the Group completed the establishment of Medical Health Development, a limited liability company based in Saudi Arabia with a total stake of 51% directly and indirectly through one of the Group's subsidiaries, where Integrated Diagnostics Holdings (IDH) owns 30% and Al Makhbariyoun Al Arab Group ("Biolab")-Jordan a subsidiary owns 21%., The group consolidate "Medical Health Development" a subsidiary based in Saudi Arabia despite of 42.51% direct and indirect ownership for more details refer to note 4.1.

Non-Controlling interest

Non-Controlling Interest is measured at the proportionate share basis.

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

	Country of incorporation	2023	2022
Medical Genetic Center	Egypt	45.0%	45.0%
Al Makhbariyoun Al Arab Group	Jordan	40.0%	40.0%
SAMA Medical Laboratories Co. " Ultra lab medical laboratory "	Sudan	20.0%	20.0%
AL-Mokhtabar Sudanese Egyptian Co.	Sudan	35.0%	35.0%
Al Borg Laboratory Company	Egypt	0.7%	0.7%
Dynasty Group Holdings Limited	England and Wales	49%	49%
Eagle Eye-Echo Scan Limited	Mauritius	22.82%	22.82%
Medical Health Development	Saudi Arabia	49%	-

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

	Medical Genetic Center EGP'000	Al Makhbariyoun Al Arab Group (Hashemite Kingdom of Jordan) EGP'000	Alborg Laboratory Company EGP'000	Other individually immaterial subsidiaries EGP'000	Dynasty Group EGP'000	Total EGP'000
Summarised statement of Income for 2023:						
Revenue	-	604,025	1,449,344	2,065,051	96,394	4,214,814
(loss)/Profit	(107)	32,811	183,045	387,628	(54,740)	548,637
Other comprehensive (expense)/income	-	65,142	-	(3,606)	131,234	192,770
Total comprehensive (expense)/income	**(107)**	**97,953**	**183,045**	**384,022**	**76,494**	**741,407**
(loss)/Profit allocated to non-controlling interest	(48)	13,124	1,296	(9,597)	(12,514)	(7,739)
Other comprehensive income/(expense) allocated to non-controlling interest	-	26,333	-	(847)	71,847	97,333
Summarised statement of financial position as at 31 December 2023:						
Non-current assets	670	494,904	751,597	681,583	51,913	1,980,667
Current assets	1,801	254,412	405,125	830,799	(6,623)	1,485,514
Non-current liabilities	(27)	(202,510)	(406,229)	(302,827)	(3,189)	(914,782)
Current liabilities	(15,409)	(187,663)	(224,305)	(316,886)	(24,911)	(769,174)
Net (liabilities)/assets	**(12,965)**	**359,143**	**526,188**	**892,669**	**17,190**	**1,782,225**
Net (liabilities)/assets attributable to non-controlling interest	**(5,837)**	**143,657**	**3,724**	**47,167**	**4,579**	**193,291**

INTEGRATED DIAGNOSTICS HOLDINGS

	Medical Genetic Center EGP'000	Al Makhbariyoun Al Arab Group EGP'000	Alborg Laboratory Company EGP'000	Other subsidiaries with immaterial NCI EGP'000	Dynasty Group EGP'000	Total EGP'000
Summarised statement of Income for 2022:						
Revenue	383	611,840	1,210,716	2,348,371	78,864	4,250,174
(loss)/Profit	(10,339)	57,917	266,201	470,492	(54,602)	729,669
Other comprehensive (expense)/income	-	134,909	-	(3,796)	248,726	379,839
Total comprehensive (expense)/income	(10,339)	192,826	266,201	466,696	194,124	1,109,508
(loss)/Profit allocated to non-controlling interest	(4,655)	23,167	1,884	555	(11,913)	9,038
Other comprehensive income/(expense) allocated to non-controlling interest	-	53,964	-	(876)	140,041	193,129
Summarised statement of financial position as at 31 December 2022:						
Non-current assets	670	367,404	710,836	775,581	121,770	1,976,261
Current assets	1,909	247,636	428,668	1,212,429	14,130	1,904,772
Non-current liabilities	(27)	(164,478)	(516,784)	(351,111)	(11,286)	(1,043,686)
Current liabilities	(15,409)	(189,371)	(244,970)	(449,373)	(33,181)	(932,304)
Net (liabilities)/assets	(12,857)	261,191	377,750	1,187,526	91,433	1,905,043
Net (liabilities)/assets attributable to non-controlling interest	(5,788)	104,476	2,674	(993)	16,608	116,977

3. Basis of preparation

Statement of compliance

Integrated Diagnostics Holdings plc "IDH" or "the company" has been established according to the provisions of the Companies (Jersey) law 1991 under No. 117257. The Company is a dually listed entity, in both London stock exchange and in the Egyptian stock exchange. The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as adopted by the IASB.

Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except where adopted IFRS mandates that fair value accounting is required which is related to financial assets and liabilities measured at fair value.

New standards and interpretations adopted

The Group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2023:

- Insurance Contracts IFRS 17
- Definition of Accounting Estimates – Amendments to IAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

The amendments listed above did not have any impact on current and prior years and not expected to affect future years.

There has been one amendment that has been applied for the first time in the current year that has had an impact on the financial statement disclosures. The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement ti disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's consolidated financial statements.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2023 reporting period and have not been early adopted by the company. These standards, amendments or interpretations are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

Going concern

These consolidated financial statements have been prepared on the going concern basis. On 31 December 2023, the Group had (cash and cash equivalent balance plus treasury bills / deposits minus borrowing) amounting to KEGP 724,206. The Directors have considered a number of downside scenarios, including the most severe but plausible scenario, for a period of 16 months from the signing of the financial statements. We have conducted multiple sensitivity analyses to assess the impact of inflationary pressures and potential currency evaluation for the next 16 months. We did not consider the Biolab put option since it is improbable that the option will be exercised refer to (note 23). We assume no dividends are expected to be paid during the period for which going concern is being assessed or those in respect of merger and acquisition 'M&A' activity. Under all of these scenarios, there remains significant headroom from a liquidity and covenant perspective. Therefore, the Directors believe the Group has the ability to meet its liabilities as they fall due and the use of the going concern basis in preparing the financial statements is appropriate.

2.1. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

i. Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of income statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

ii. Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the group.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.2. Material accounting policy information and other explanatory information

The accounting policies set out below have been consistently applied to all the years presented in these consolidated financial statements.

a) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:
• consideration transferred,
• amount of any non-controlling interest in the acquired entity, and
• acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

b) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

c) Fair value measurement

The Group measures financial instruments such as non-derivative financial instruments and contingent consideration assumed in a business combination at fair value at each balance sheet date.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

INTEGRATED DIAGNOSTICS HOLDINGS

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

The fair value less any estimated credit adjustments for financial assets and liabilities with maturity dates less than one year is assumed to approximate their carrying value. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contracted cash flows at the current market interest rate that is available to the Group for similar transactions.

d) Revenue recognition:

Revenue represents the value of medical diagnostic services rendered in the year and is stated net of discounts. The Group has two types of customers: Walk-in patients and patients served under contracts. For patients under contracts, rates are agreed in advance on a per-test, client-by-client basis based on the pricelists agreed within these contracts.

The following steps are considered for all types of patients:

1. Identification of the Contracts: written contracts are agreed between IDH and customers. The contracts stipulate the duration, price per test and credit period.
2. Determining performance obligations are the diagnostics tests within the pathology and radiology services. The performance obligation is achieved when the customer receives their test results, and so are recognised at point in time.
3. Transaction price: Services provided by the Group are distinct in the contract, as the contract stipulates the series of tests' names/types to be conducted along with its distinct prices.
4. Allocation of price to performance obligations: Stand-alone selling price per test is stipulated in the contract. In case of discounts, it is allocated proportionally to all of tests prices in the contract.
5. Revenue is being recorded after the satisfaction of the above mentioned conditions.

The group considers whether it is the principal or the agent in each of its contractual arrangements. In line with IFRS 15 "Revenue from contracts" in assessing the appropriate treatment of each contract, factors that are considered include which party is controlling the service being performed for the customer and bears the inventory risk. Where the group is largely controlling the service and bearing the inventory risk it is deemed to be the principal and the full consideration received from the customer is recognised as revenue, with any amounts paid to third parties treated as cost of sales.

Customer loyalty program:
The group operates a loyalty program where customers accumulate points for purchases made which entitle them to a discount on future purchases. The points are valid for 12 months from the time they are awarded. The value of points to be provided is based on the expectation of what level will be redeemed in the future before their expiration date. This amount is netted against revenue earned and included as a contract liability and only recognised as revenue when the points are then redeemed or have expired.

e) Income Taxes

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

i. Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

ii. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

f) Foreign currency translation

i) Functional and presentation currency

Each of the Group's entities is using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group's consolidated financial statements are presented in Egyptian Pounds, being the reporting currency of the main Egyptian trading subsidiaries within the Group and the primary economic environment in which the Group operates.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

g) Hyperinflationary Economies

The financial statements of "SAMA Medical Laboratories Co. and AL-Mokhtabar Sudanese Egyptian Co." report their financial statements in the currency of a hyperinflationary economy. In accordance with IAS 29 financial reporting in Hyperinflationary Economies, the financial statements of those subsidiaries were restated by applying the consumer price index at closing rates before they were included in the consolidated financial statements.

h) Property, plant and equipment

All property and equipment are stated at historical cost or fair value at acquisition, less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of income during the financial period in which they are incurred. Land is not depreciated.

Depreciation expense is calculated using the straight-line method to allocate the cost or to their residual value over their estimated useful lives, as follows:

Buildings	50 years
Medical, electric and information systems equipment	4-10 years
Leasehold improvements	4-5 years
Fixtures, fittings & vehicles	4-16 years

The assets useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains – net' in the consolidated statement of income.

i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of income in the expense category that is consistent with the function of the intangible assets. The Group amortises intangible assets with finite lives using the straight-line method over the following periods:

- IT development and software 4-5 years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquire.

Goodwill is stated at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (CGUs), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. the impairment assessment is done on an annual basis.

Brand

Brand names acquired in a business combination are recognised at fair value at the acquisition date and have an indefinite useful life.

The Group brand names are considered to have indefinite useful life as the Egyptian brands have been established in the market for more than 40 years and the health care industry is very stable and continues to grow.

The brands are not expected to become obsolete and can expand into different countries and adjacent businesses, in addition, there is a sufficient ongoing marketing efforts to support the brands and this level of marketing effort is economically reasonable and maintainable for the foreseeable future.

Impairment of intangible assets
The Group tests annually whether goodwill and other intangibles with indefinite lives have suffered any impairment. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

The recoverable amounts of cash generating units have been determined based on value in use or realisable value. The value in use calculation is based on a discounted cash flow ("DCF") model. Realisable value is based on the market value of the CGU or their underlying assets.

The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested.

We test for impairment at the smallest grouping of CGUs at which a material impairment could arise or at the lowest level at which goodwill is monitored. References to testing being performed at a CGU level throughout the rest of the financial statements is referring to the grouping of CGUs at which at the test is performed. The grouping of CGUs is shown in note 13 where the assumptions for the impairment assessment are disclosed.

l) Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Classification
The group reclassifies debt investments when and only when its business model for managing those assets changes.

The group classifies its investments in debt Instruments in the following measurement categories:
• those to be measured subsequently at fair value (either through OCI or through income statement), and
• those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For investment is equity instrument measured at fair value, gains and losses will either be recorded in income statement or OCI.

For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Recognition and derecognition

According to the standard purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

• Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the consolidated income statement.

• FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as separate line item in the consolidated income statement.

• FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises. Management has assessed the underlying nature of the investments and designated upon investment that this should be treated as an investment held at fair value with movements going through the income statement on the basis of the size of the investment and the reasons for making the investment.

Equity instruments

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant estimates and assumptions Note 4.2
- Financial assets Note 5
- Trade receivables Note 16

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on credit risk characteristics, age of customer relationship.

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Groups view of economic conditions over the expected lives of the receivables.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified at FVTPL if it is classified as held for trading, financial liabilities at FVTPL are measured at fair value and net gains and losses including any interest expenses are recognised in profit or loss.

Put options included in put option liabilities are carried at the present value of the redemption amount in accordance with IAS 32 in regard to the guidance on put option on an entity's own equity shares. The group has written put options over the equity of its (Bio Lab,Echo Scan and Medical Health Development) subsidiaries. The option on exercise is initially recognised at the present value of the redemption amount with a corresponding charge directly to equity. The charge to equity is recognised separately within the put option reserve and this is in line with paragraph 23 of IFRS 10.

All of the Group's financial liabilities are classified as financial liabilities carried at amortised cost using the effective interest method. The Group does not use derivative financial instruments or hedge account for any transactions. Unless otherwise indicated, the carrying amounts of the Group's financial liabilities are a reasonable approximation of their fair values.

The Group's financial liabilities include trade and other payables, put option liabilities, borrowings, and other financial obligations.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of income.

iii. Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

j) Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

- Disclosures for significant assumptions and estimates — Note 4.2
- Goodwill and intangible assets — Note 13

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill and indefinite lived intangible assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased.

If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated income statement.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Management takes into consideration any changes that occur and have impacts between the impairment report date of 31 October and date of end year of 31 December.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 October at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (CGU). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

k) Inventories

Raw materials are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

l) Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with original maturities of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

m)Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

n) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

p) Pensions and other post-employment benefits

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Obligations for contributions to defined contribution pension plans are recognized as an expense in the income statement in the periods during which services are rendered by employees.

q) Segmentation

The Group has five operating segments based on geographical location rather than two operating segments based on service provided.

r) Leases as lessee (IFRS 16)

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, along with one or more other lease or non-lease components, the Group accounts for each lease component separately from the non-lease components. However, for the non-leases element of the underlying asset, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component. The Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price and the aggregate stand-alone price of the non-lease components.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate for the IFRS 16 calculations. This is set based upon the interest rate attached to the groups financing and adjusted, where appropriate, for specific factors such as asset or company risk premiums.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable under a residual value guarantee,
- the exercise price under a purchase option that the Group is reasonably certain to exercise,
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, to the extent that the right-of-use asset is reduced to nil, with any further adjustment required from the remeasurement being recorded in profit or loss.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for lease of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4. Key judgments and critical accounting estimates

4.1. Judgement

Useful economic lives of Brands

Management have assessed that the brands within the group which have a value have an indefinite life. This is based on their strong history and existence in the market over a large number of years, in addition to the fact that these brands continue to grow and become more profitable. As the brands have been assigned an indefinite life then they are not amortised and assessed for impairment on an annual basis.

Control over subsidiaries

The group makes acquisitions that often see a non-controlling interest retained by the seller. The assessment of if the group has control of these acquisitions in order to consolidate is a critical judgement in these financial statements.

The group consolidate the subsidiaries assessed for the following reasons:
1) The group holds the majority of the share capital
2) The group has the majority on the board of subsidiaries
3) The group has full control of the operations and is involved in all decisions.

The group is able to consolidate its subsidiaries, Echo scan in Nigeria and Medical Health Development in Saudi Arabia, despite owning only 39.4% and 42.51% through direct and indirect ownership, respectively. This is due to several reasons:

1) The group exercises control over all intermediate entities that connect the parent company to Echoscan and Medical Health Development.
2) The group has a technical service agreement in place, which grants them the authority to direct and oversee the operations of the subsidiaries in Nigeria.
3) The appointment of Dr. Amid Abdelnour as CEO in Saudi Arabia further strengthens the group's ability to control the subsidiary.
Despite not having majority ownership, the group's control over the intermediate entities, technical service agreement, and CEO appointment allows them to exercise control in their financial statements.

4.1. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of intangible assets
The Group tests annually whether goodwill and other intangibles with indefinite lives have suffered any impairment. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

The recoverable amounts of cash generating units have been determined based on value in use. The value in use calculation is based on a discounted cash flow ("DCF") model. The exception to this was Echo Scan where the realisable value was greater than the value in use, therefore, the recoverable amount was based on realisable value.

The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. For more detailed assumptions refer to (note 13).

Customer loyalty program

The group operates a loyalty program where customers accumulate points for purchases made which entitle them to a discount on future purchases to be utilised within one year. A contract liability is recognised for the points awarded at the time of the sale based on the expected level of redemption. At 31 December 2023 the level of points accumulated by customers which had not expired was equivalent to 189MEGP. The estimate made by management is how much of this amount ought to be recognised as a liability based on future usage. The level of future redemption is estimated using historical data and adjustments for likely future trends in usage. Therefore, upon initial recognition of the sale to a customer, if management expects the group to be entitled to a breakage amount (i.e., not all points will be redeemed and so it is highly probable that there will be no significant reversal of revenue) this breakage amount is recognised within revenue. This assessment is reviewed periodically, to ensure that only revenue which is highly probable not to result in a significant reversal in future periods is recognised. Management has estimated that 60 MEGP out of the total potential amount that could be redeemed is likely to be utilised by customers. If the points utilised during the year were 10% more than estimated, this would result in an additional charge of 6m EGP.

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's history and existing market conditions, as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 16.

5. Financial assets and financial liabilities

	2023 EGP'000	2022 EGP'000
Cash and cash equivalents (Note 17)	674,253	648,512
Term deposits and treasury bills (Note 18)	161,098	167,404
Trade and other receivables (Note 16)	685,050	509,806
Total financial assets	**1,520,401**	**1,325,722**

	2023 EGP'000	2022 EGP'000
Trade and other payables (Note 22)	556,563	628,313
Put option liability (Note 23)	356,582	490,695
Financial obligations (Note 25)	1,068,054	1,062,896
Loans and borrowings (Note 27)	125,439	127,420
Total other financial liabilities	**2,106,638**	**2,309,324**
Total financial instruments*	**(586,237)**	**(983,602)**

* The financial instruments exclude prepaid expenses, deferred revenue, and tax (current tax, payroll tax, withholding tax,...etc).

The fair values of financial assets and liabilities are considered to be equivalent to their book value. The fair values measurements for all the financial assets and liabilities have been categorized as Level 3, it is fair value can't be determined by using readily observable measures and Echo-Scan put option (note 23) has been categorized as Level 3 as the fair value of the option is based on un-observable inputs using the best information available in the current circumstances, including the company's own projection and taking into account all the market assumptions that are reasonably available.

Financial instruments risk management objectives and policies

The Group's principal financial liabilities are trade and other payables, put option liabilities, borrowings and other financial liabilities. The Group's principal financial assets include trade and other receivables, financial assets at amortised cost, financial asset at fair value and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

- **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at 31 December 2023 and 2022. The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

The analysis excludes the impact of movements in market variables on provisions, and the non-financial assets and liabilities of foreign operations. The following assumptions have been made in calculating the sensitivity analysis:

➢ The sensitivity of the relevant consolidated income statement item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 December 2023 and 31 December 2022.

- **Interest rate risk**

The Group is trying to minimize its interest rate exposure, especially in Egypt region, which has seen several interest rate rises over the year. Minimising interest rate exposure has been achieved partially by entering into fixed-rate instruments.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the group is as follows:

	2023 EGP'000	2022 EGP'000
Fixed-rate instruments		
Financial obligations (note 25)	1,068,054	1,062,896
Loans and borrowings (note 24)	16,694	-
Variable-rate instruments		
Loans and borrowings (note 24)	94,451	116,426

Cash flow sensitivity analysis for variable-rate instruments

A reasonable possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts EGP 945k (2022: EGP 1,164K). This analysis assumes that all other variables, remain constant.

- **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar, Sudanese Pound, the Jordanian Dinar, Nigerian Naira and Saudi Riyal. Foreign exchange risk arises from the Group's operating activities (when revenue or expense is denominated in a foreign currency), recognized assets and liabilities and net investments in foreign operations. However, management aims to minimize open positions in foreign currencies to the extent that is necessary to conduct its activities.

Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

At year end, major financial assets / (liabilities) denominated in foreign currencies were as follows:

31-Dec-23

	Assets			Liabilities				
	Cash and cash equivalents	Other assets	Total assets	Put option	Finance lease	Trade payables	Total liability	Net exposure
US	22,698	-	22,698	-	(49,290)	(28,767)	(78,057)	**(55,359)**
JOD	-	-	-	(301,383)	-	-	(301,383)	**(301,383)**
SAR	-	-	-	(42,786)	-	-	(42,786)	**(42,786)**

31-Dec-22

	Assets			Liabilities				
	Cash and cash equivalents	Other assets	Total assets	Put option	Finance lease	Trade payables	Total liability	Net exposure
US	13,112	-	13,112	-	(299,128)	(8,840)	(307,968)	**(294,856)**
JOD	-	-	-	(439,695)	-	-	(439,695)	**(439,695)**

The following is the exchange rates applied:

	Average rate for the year ended	
	31-Dec-23	31-Dec-22
US Dollars	30.76	19.67
Euros	33.31	20.59
GBP	38.35	24.02
JOD	43.12	27.71
SAR	8.20	5.24
SDG	0.05	0.04
NGN	0.05	0.05

	Spot rate for the year ended	
	31-Dec-23	31-Dec-22
US Dollars	30.84	24.70
Euros	34.04	26.27
GBP	39.26	29.70
JOD	43.42	34.78
SAR	8.22	6.57
SDG	0.05	0.04
NGN	0.03	0.06

At 31 December 2023, if the Egyptian Pound had weakened/strengthened by 40% against the US Dollar with all other variables held constant, total equity for the year would have increased/decreased by EGP (22.14m) (2022: EGP 118m), mainly as a result of foreign exchange gains/losses and translation reserve on the translation of US dollar-denominated financial assets and liabilities as at the financial position of 31 December 2023.

At 31 December 2023, if the Egyptian Pound had weakened / strengthened by 10% against the Jordanian Dinar with all other variables held constant, total equity for the year would have increased/decreased by EGP (30m) (2022: EGP (44m)), mainly as a result of foreign exchange gains/losses and translation reserve on translation of JOD -denominated financial assets and liabilities as at the financial position of 31 December 2023.

At 31 December 2023, if the Egyptian Pound had weakened / strengthened by 10% against the Saudi Riyal with all other variables held constant, total equity for the year would have increased/decreased by EGP (4m), mainly as a result of foreign exchange gains/losses and translation reserve on translation of SAR -denominated financial assets and liabilities as at the financial position of 31 December 2023.

- **Price risk**

The group's exposure to equity securities price risk arises from investments held by the group and classified in the balance sheet as at fair value through profit or loss (FVPL) (note 14).

- **Credit risk**

Credit risk is the risk a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and it arises principally from under the Groups receivables. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and financial assets at amortised cost, such as term deposits and treasury bills.

Credit risk is managed on a group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

The cash balance and financial assets at amortized cost within the group is held within financial institutions, 76% with a rating of B- ,6% is rated at least A and 18% is rated at least Aa3.

Trade receivables
The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country or region in which customers operate. Details of concentration of revenue are included in the operating segment note (see Note 6).

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered and credit limit is set for each customer. The Group's review includes external ratings, if available, financial statements, industry information and in some cases bank references. Receivable limits are established for each customer and reviewed quarterly. Any receivable balance exceeding the set limit requires approval from the risk management committee. Outstanding customer receivables are regularly monitored and the average general credit terms given to contract customers are 45 - 60 days.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data and expected future credit losses. The Group does not hold collateral as security. That maximum exposure to credit risk is disclosed in note 16.

Cash and cash equivalents
Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Group's management. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The maximum exposure to credit risk at the reporting date is the carrying value of cash and cash equivalents disclosed in Note 17.

- **Liquidity risk**

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of finance leases and loans.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted cashflows:

31 December 2023	1 year or less	1 to 5 years	more than 5 years	Total
Financial obligations	291,342	1,054,902	166,965	1,513,209
Put option liabilities	313,796	42,786	-	356,582
Borrowings	60,199	83,211	-	143,410
Trade and other payables	556,563	-	-	556,563
	1,221,900	**1,180,899**	**166,965**	**2,569,764**

31 December 2022	1 year or less	1 to 5 years	more than 5 years	Total
Financial obligations	285,962	1,030,750	227,715	1,544,427
Put option liabilities	439,695	51,000	-	490,695
Borrowings	41,681	119,673	-	161,354
Trade and other payables	628,313	-	-	628,313
	1,395,651	**1,201,423**	**227,715**	**2,824,789**

Cash flow forecasting is performed in the operating entities of the group and aggregated by group finance. Group finance monitors rolling forecasts of the group's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the group's compliance with internal financial position ratio targets and, if applicable external regulatory or legal requirements – for example, currency restrictions.

The group's management retain cash balances in order to allow repayment of obligations in due dates, without taking into account any unusual effects which it cannot be predicted such as natural disasters. All suppliers and creditors will be repaid over a period not less 30 days from the date of the invoice or the date of the commitment.

6. 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 preparation of the Group's consolidated financial statements in conformity with adopted IFRSs requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities.

The Group has five operating segments based on geographical location, with the Group's Chief Operating Decision Maker (CODM) reviewing the internal management reports and KPIs of each geography. The CODM does not separately review assets and liabilities of the group by reportable segment.

INTEGRATED DIAGNOSTICS HOLDINGS

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 adjusted EBITDA split (being the key profit measure reviewed by CODM), impairment loss on trade receivables and net profit and loss between the five regions is set out below.

	Revenue by geographic location					
For the year ended	**Egypt region**	**Sudan region**	**Jordan region**	**Nigeria region**	**Saudi Arabia**	**Total**
31-Dec-23	3,410,720	11,367	604,025	96,394	-	**4,122,506**
31-Dec-22	2,894,042	20,301	611,840	78,864	-	**3,605,047**

	Adjusted EBITDA by geographic location					
For the year ended	**Egypt region**	**Sudan region**	**Jordan region**	**Nigeria region**	**Saudi Arabia**	**Total**
31-Dec-23	1,058,254	1,107	157,306	(24,623)	-	**1,192,044**
31-Dec-22	1,052,881	(196)	136,195	(17,087)	-	**1,171,793**

	Impairment loss / (reversed of impairment) on trade receivables by geographic location					
For the year ended	**Egypt region**	**Sudan region**	**Jordan region**	**Nigeria region**	**Saudi Arabia**	**Total**
31-Dec-23	45,268	5,013	-	974	-	**51,255**
31-Dec-22	27,734	3	(628)	2,805	-	**29,914**

	Net profit / loss by geographic location					
For the year ended	**Egypt region**	**Sudan region**	**Jordan region**	**Nigeria region**	**Saudi Arabia**	**Total**
31-Dec-23	530,207	(1,735)	33,813	(72,536)	(21,386)	**468,363**
31-Dec-22	514,353	16,978	53,065	(57,813)	-	**526,583**

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

	2023 EGP'000	2022 EGP'000
Profit from operations	**737,762**	**832,191**
Property, plant and equipment and right of use depreciation	393,488	310,092
Amortization of Intangible assets	7,750	7,251
EBITDA	**1,139,000**	**1,149,534**
Nonrecurring items*	53,044	22,259
Adjusted EBITDA	**1,192,044**	**1,171,793**

* Nonrecurring items

IDH recorded several one-off expenses during the year, namely:

	2023 EGP'000	2022 EGP'000
Transactions fees related to aborted Pakistan acquisition	-	22,259
The Egyptian government for vocational training	11,865	-
Pre-operating expenses in Saudi Arabia	18,196	-
Impairment expenses due to the ongoing conflict in Sudan	5,013	-
Impairment expenses in goodwill and assets for operations in Nigeria	17,970	-
	53,044	**22,259**

The non-current assets reported to CODM is in accordance with IFRS are as follows:

For the year ended	Non-current assets by geographic location: Egypt region	Sudan region	Jordan region	Nigeria region	Saudi Arabia	Total
31-Dec-23	3,091,485	3,848	609,699	47,639	55,262	3,807,933
31-Dec-22	3,039,930	14,993	494,244	121,770	-	3,670,937

7. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The repatriation of a declared dividend from Egyptian group entities are subject to regulation by Egyptian authorities. The outcome of an Ordinary General Meeting of Shareholders declaring a dividend is first certified by the General Authority for Investment and Free Zones (GAFI).

Approval is subsequently transmitted to Misr for Central Clearing, Depository and Registry (MCDR) to distribute dividends to all shareholders, regardless of their domicile, following notification of shareholders via publication in one national newspapers.

The Group monitors capital on the basis of the net debt to equity ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as (short-term and long-term financial obligation plus short-term and long term borrowings) less cash and cash equivalents and financial assets at amortised cost.

	2023 EGP'000	2022 EGP'000
Financial obligations (note 25)	1,068,054	1,062,896
Borrowings (note 27)	125,439	127,420
Less: Financial assets at amortised cost (note 18)	(161,098)	(167,404)
Less: Cash and cash equivalents (Note 17)	(674,253)	(648,512)
Net debt	358,142	**374,400**
Total Equity	3,100,788	2,446,981
Net debt	**11.6%**	**15.3%**

No changes were made in the objectives, Policies, or processes for managing capital during the years ended 31 December 2023 and 31 December 2022.

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8. Expense

Included in consolidated income statement are the following:

8.1 Cost of sales

	2023 EGP'000	2022 EGP'000
Raw material	875,296	703,693
Cost of specialized analysis at other laboratories	38,765	30,756
Wages and salaries	773,565	613,495
Property, plant and equipment, right of use depreciation and Amortisation	362,230	284,740
Other expenses	548,303	510,300
Total	**2,598,159**	**2,142,984**

8.2 Marketing and advertising expenses

	2023 EGP'000	2022 EGP'000
Advertisement expenses	98,034	123,442
Wages and salaries	65,580	54,750
Property, plant and equipment depreciation	718	739
Other expenses	47,291	34,220
Total	**211,623**	**213,151**

8.3 Administrative expenses

	2023 EGP'000	2022 EGP'000
Wages and salaries	216,037	142,689
Property, plant and equipment and right of use depreciation	38,290	31,864
Transactions fees related to aborted Pakistan acquisition	-	22,259
Other expenses	256,066	201,721
Total	**510,393**	**398,533**

8.4 Other expenses and income

	2023 EGP'000	2022 EGP'000
Other expenses		
Impairment in assets	(6,705)	(1,830)
Impairment in goodwill	(11,265)	-
Provision for end of service	(331)	-
Provision for legal claims	(3,496)	(3,950)
Provision for Egyptian Government Training Fund for employees	(11,865)	-
Total	**(33,662)**	**(5,780)**

	2023 EGP'000	2022 EGP'000
Other income	20,348	17,506
Total	**20,348**	**17,506**

Other expenses and income	**(13,314)**	**11,726**

8.5 Expenses by nature

	2023 EGP'000	2022 EGP'000
Raw material	875,296	703,693
Wages and Salaries	1,055,182	810,934
Property, plant and equipment, right of use depreciation and amortisation	401,238	317,343
Advertisement expenses	98,034	123,442
Cost of specialized analysis at other laboratories	38,765	30,756
Transportation and shipping	100,850	87,490
Cleaning expenses	78,400	74,290
Call Center	27,874	32,976
Hospital Contracts	69,342	14,357
Consulting Fees	170,319	142,012
Transactions fees related to aborted Pakistan acquisition	-	22,259
Utilities	59,915	49,453
License Expenses	46,583	30,492
Other expenses	298,377	315,171
Total	**3,320,175**	**2,754,668**

8.6 Auditors' remuneration

The group paid or accrued the following amounts to its auditor for the financial year ended 31 December 2023 and 2022 and its associates in respect of the audit of the financial statements and for other services provided to the group.

	2023 EGP'000	2022 EGP'000
Fees payable to the Company's auditor for the audit of the Group's annual financial statements	49,217	28,919
The audit of the Company's subsidiaries pursuant to legislation	15,779	9,443
Assurance services*	308	197
	65,304	**38,559**

*Assurance services relate to review of Corporate Governance report in Egypt that is required to be performed by the auditor.

8.7 Net finance (costs) / income

	2023 EGP'000	2022 EGP'000
Interest expense	(141,688)	(122,677)
Bank Charges	(19,295)	(12,909)
Total finance costs	**(160,983)**	**(135,586)**
Interest income	72,779	95,371
Gain on hyperinflationary net monetary position	-	16,179
Net foreign exchange gain	87,798	188,442
Total finance income	**160,577**	**299,992**
Net finance (cost) / income	**(406)**	**164,406**

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8.8 Employee numbers and costs

The average number of persons employed by the Group (including directors) during the year and the aggregate payroll costs of these persons, analysed by category, were as follows:

	2023			2022		
	Medical	Administration and marketing	Total	Medical	Administration and marketing	Total
Number of employees	5,435	1,257	**6,692**	5,428	1,290	**6,718**

	2023 EGP'000			2022 EGP'000		
	Medical	Administration and marketing	Total	Medical	Administration and marketing	Total
Wages and salaries	710,515	253,729	**964,244**	566,385	185,628	**752,013**
Social security costs	49,786	24,386	**74,172**	36,053	8,925	**44,978**
Contributions to defined contribution plan	13,264	3,502	**16,766**	11,057	2,886	**13,943**
Total	773,565	281,617	**1,055,182**	613,495	197,439	**810,934**

Details of key management remuneration are provided in note 26 and details of amounts paid to directors are included in the Remuneration Committee Report.

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

During 2023 the group didn't invest in Global Depositary Receipt (GDR) tradable in stock exchanges. In the third quarter of 2022 the ALmokhtabar and Alborg companies invested in Global Depositary Receipts (GDR) tradable in stock exchanges, where the companies purchased 27,304 million shares, EGP 1,011.4 M from the Egyptian Stock Exchange and sold them during the same period on the London Stock exchange at USD 45.8 M excluding the transaction cost.

		Number of shares'000	2023 EGP'000	2022 EGP'000
listed equity securities	Shares bought	27,304	-	(1,011,376)
	Shares sale	27,304	-	868,426
			-	**(142,950)**

9. Income tax

a) Amounts recognised in profit or loss.

	2023 EGP'000	2022 EGP'000
Current year tax	(216,425)	(210,477)
WHT suffered	-	(122,731)
Current tax	**(216,425)**	**(333,208)**
DT on undistributed reserves	(50,004)	46,554
DT on reversal of temporary differences	(2,564)	(40,410)
Total Deferred tax	**(52,568)**	**6,144**
Tax expense recognized in profit or loss	**(268,993)**	**(327,064)**

b) Reconciliation of effective tax rate

The company is considered to be a UK tax resident, and subject to UK taxation. Dividend income into the company is exempt from taxation when received from a wholly controlled subsidiary, and costs incurred by the company are considered unlikely to be recoverable against future UK taxable profits and therefore form part of our unrecognised deferred tax assets. Our judgement on tax residency has been made based on where we hold board meetings, our listing on the London Stock Exchange and interactions with investors, and where our company secretarial function is physically based. Our external company secretarial function manages a number of activities of our parent and its board. Board meetings are chaired in London and are now largely taking place physically in London with the expectation of one physical board meeting a year in Cairo.

	2023 EGP'000	2022 EGP'000
Profit before tax	**737,356**	**853,647**
Profit before tax multiplied by rate of corporation tax in Egypt of 22.5% (2022: 22.5%)	165,905	192,071
Effect of tax rate in UK of 23.5% (2022: UK 19%)	(2,335)	1,871
Effect of tax rates in Jordan, Sudan, and Nigeria of 21%, 30% and 30% respectively (2022: 21%, 30% and 30%); and Saudi Arabia with a rate of 20%	(4,188)	(3,317)
Tax effect of:		
Deferred tax not recognised	37,684	19,960
Deferred tax arising on undistributed dividend	50,004	76,177
Non-deductible expenses for tax purposes - employee profit share	14,075	16,653
Non-deductible expenses for tax purposes - other	7,848	23,649
Tax expense recognised in profit or loss	**268,993**	**327,064**

Deferred tax

Deferred tax relates to the following:

	2023		2022	
	Assets EGP'000	**Liabilities EGP'000**	**Assets EGP'000**	**Liabilities EGP'000**
Property, plant and equipment	-	(39,552)	-	(35,804)
Intangible assets	-	(111,033)	-	(109,118)
Undistributed reserves from group subsidiaries	-	(226,875)	-	(176,871)
Tax Losses	2,731		61	
Total deferred tax assets – (liability)	**2,731**	**(377,460)**	**61**	**(321,793)**
		(374,729)		(321,732)

All deferred tax amounts are expected to be recovered or settled more than twelve months after the reporting period.

The difference between net deferred tax balances recorded on the income statement is as follows:

2023	Net Balance 1 January	Deferred tax recognized in profit or loss	Effect of translation to presentation currency	WHT tax paid	Net Balance 31 December
Property, plant and equipment	(35,804)	(3,319)	(429)	-	(39,552)
Intangible assets	(109,118)	(1,915)	-	-	(111,033)
Undistributed dividend from group subsidiaries	(176,871)	(50,004)	-	-	(226,875)
Tax losses	61	2,670	-	-	2,731
	(321,732)	(52,568)	(429)	-	(374,729)

2022	Net Balance 1 January	Deferred tax recognised in profit or loss	Effect of translation to presentation currency	WHT tax paid	Net balance 31 December
Property, plant and equipment	(28,925)	(6,315)	(564)	-	(35,804)
Intangible assets	(105,358)	(3,760)	-	-	(109,118)
Undistributed dividend from group subsidiaries	(223,425)	(76,177)	-	122,731	(176,871)
Tax losses	25,559	(30,335)	4,837	-	61
	(332,149)	(116,587)	4,273	122,731	(321,732)

All movements in the deferred tax asset/liability in the year have been recognised in the profit or loss account.

Deferred tax liabilities and assets have been calculated based on the enacted tax rate at 31 December 2023 for the country the liabilities and assets has arisen. The enacted tax rate in Egypt is 22.5% (2022: 22.5%), Jordan 21% (2022: 21%), Sudan 30% (2022: 30%) and Nigeria 30% (2022: 30%).

*** Undistributed reserves from group subsidiaries**

The Group's dividend policy is to distribute any excess cash after taking into consideration all business cash requirements and potential acquisition considerations. The expectation is to distribute profits held within subsidiaries of the Group in the near foreseeable future. During 2015 the Egyptian Government imposed a tax on dividends at a rate of 5% of dividends distributed from Egyptian entities. On September 30, 2020, the Egyptian government issued a law to increase the tax rate to 10%. As a result, a deferred tax liability has been recorded for the future tax expected to be incurred from undistributed reserves held within the Group which will be taxed under the new legislation imposed and were as follows:

	2023 EGP'000	2022 EGP'000
Al Mokhtabar Company for Medical Labs	72,642	44,640
Alborg Laboratory Company	42,514	31,035
Integrated Medical Analysis Company	86,917	83,277
Al Makhbariyoun Al Arab Company	24,802	17,919
	226,875	176,871

Unrecognized deferred tax assets

The following items make up unrecognised deferred tax assets. The local tax law does not permit deductions for provisions against income tax until the provision becomes realised. No deferred tax asset has been recognised on tax losses for both Echo-Scan Nigeria and Wayak Egypt due to the uncertainty of the available future taxable profit, which the Group can use the benefits therefrom.

	2023 Gross Amount EGP'000	2023 Tax Effect EGP'000	2022 Gross Amount EGP'000	2022 Tax Effect EGP'000
Impairment of trade receivables (Note 16)	183,070	41,191	136,981	30,821
Impairment of other receivables (Note 16)	8,509	1,915	8,604	1,936
Provision for legal claims (Note 21)	5,561	1,251	3,519	792
Tax losses*	500,171	122,047	382,999	93,768
	697,311	**166,404**	**532,103**	**127,317**
Unrecognized deferred tax asset		**166,404**		**127,317**

* The company has carried forward tax losses on which no deferred tax asset is recognised as follows:

Company	Country	2023 Gross Amount EGP'000	2023 Tax Effect EGP'000	2022 Gross Amount EGP'000	2022 Tax Effect EGP'000
Integrated Diagnostics Holdings plc	Jersey	418,561	104,639	325,155	81,289
Dynasty Group Holdings Limited	England and Wales	11,445	2,175	11,359	2,158
Eagle Eye-Echo Scan Limited	Mauritius	278	42	1,839	276
WAYAK Pharma	Egypt	24,767	5,573	20,564	4,627
Medical Genetic Center	Egypt	15,264	3,435	15,156	3,410
Golden care	Egypt	8,470	1,906	8,926	2,008
Medical health care	Saudi Arabia	21,386	4,277	-	-
		500,171	**122,047**	**382,999**	**93,768**

10. Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. There are no dilutive effects from ordinary share and no adjustment required to weighted-average numbers of ordinary shares.

The following table reflects the income and share data used in the basic and diluted EPS computation:

	2023	2022
Profit attributable to ordinary equity holders of the parent for basic earnings EGP'000	510,304	541,110
Weighted average number of ordinary shares for basic and dilutive EPS'000	600,000	600,000
Basic and dilutive earnings per share EGP'000	**0.85**	**0.90**

Earnings per diluted share are calculated by adjusting the weighted average number of shares by the effects resulting from all the ordinary potential shares that causes this dilution.

The Company has no potentially dilutive shares as of the 31 December 2023 and 31 December 2022, therefore; the earnings per diluted share are equivalent to basic earnings per share.

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11. Property, plant and equipment

	Land & Buildings EGP'000	Medical, & electric equipment EGP'000	Leasehold improvements EGP'000	Fixtures, fittings & vehicles EGP'000	Building & Leasehold improvements in construction EGP'000	Payment on account EGP'000	Total EGP'000
Cost							
At 1 January 2022	**380,883**	**824,628**	**335,203**	**95,966**	**15,937**	**6,761**	**1,659,378**
Additions*	38,275	179,954	114,235	25,287	17,258	3,853	**378,862**
Hyper inflation	-	6,628	-	-	-	-	**6,628**
Disposals	-	(6,877)	(523)	(8,617)	-	-	**(16,017)**
Exchange differences	7,803	107,534	53,675	20,559	246	-	**189,817**
Transfers	-	-	4,852	-	(4,852)	-	-
At 31 December 2022	**426,961**	**1,111,867**	**507,442**	**133,195**	**28,589**	**10,614**	**2,218,668**
Additions	31,772	174,589	99,977	18,841	28,091	268	**353,538**
Hyper inflation	-	(13,098)	-	-	-	-	**(13,098)**
Disposals	-	(4,981)	(506)	(2,139)	-	-	**(7,626)**
Exchange differences	2,136	(13,483)	19,660	5,271	(70)	-	**13,514**
Transfers	-	-	18,383	-	(18,383)	-	-
At 31 December 2023	**460,869**	**1,254,894**	**644,956**	**155,168**	**38,227**	**10,882**	**2,564,996**
Depreciation and impairment							
At 1 January 2022	**53,490**	**333,806**	**177,230**	**33,044**	-	-	**597,570**
Depreciation charge for the year	6,765	131,569	58,404	10,255	-	-	**206,993**
Disposals	-	(3,414)	(457)	(1,734)	-	-	**(5,605)**
Exchange differences	1,323	51,908	26,528	13,689	-	-	**93,448**
At 31 December 2022	**61,578**	**513,869**	**261,705**	**55,254**	-	-	**892,406**
Depreciation charge for the year	7,169	152,583	83,522	16,181	-	-	**259,455**
Disposals	-	(3,890)	(443)	(1,661)	-	-	**(5,994)**
Exchange differences	564	(8,393)	5,558	(30)	-	-	**(2,301)**
Impairment*	-	1,480	3,466	1,759	-	-	**6,705**
At 31 December 2023	**69,311**	**655,649**	**353,808**	**71,503**	-	-	**1,150,271**
Net book value							
At 31-12-2023	**391,558**	**599,245**	**291,148**	**83,665**	**38,227**	**10,882**	**1,414,725**
At 31-12-2022	**365,383**	**597,998**	**245,737**	**77,941**	**28,589**	**10,614**	**1,326,262**

*For one of the Group's CGUs ""Echo Scan"" an impairment loss of EGP 6.7M has been recorded as a result of the decreased value of PPE. This impairment loss in the carrying value of the assets to reflect their realisable amount is recorded as an impairment expense in the financial statements. Further details on the impairment are made within note 13.

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12. Intangible assets and goodwill

	Goodwill EGP'000	Brand Name EGP'000	Software EGP'000	Total EGP'000
Cost				
At 1 January 2022	**1,260,965**	**383,909**	**77,394**	**1,722,268**
Additions	-	-	9,076	9,076
Effect of movements in exchange rates	30,858	11,642	6,366	48,866
At 31 December 2022	**1,291,823**	**395,551**	**92,836**	**1,780,210**
Additions	-	-	2,490	2,490
Effect of movements in exchange rates	13,144	7,910	4,032	25,086
At 31 December 2023	**1,304,967**	**403,461**	**99,358**	**1,807,786**
Amortisation and impairment				
At 1 January 2022	**4,552**	**372**	**58,477**	**63,401**
Impairment*	1,755	-	-	1,755
Amortisation	-	-	7,251	7,251
Effect of movements in exchange rates	66	9	4,092	4,167
At 31 December 2022	**6,373**	**381**	**69,820**	**76,574**
Impairment*	11,265	-	-	11,265
Amortisation	-	-	7,750	7,750
Effect of movements in exchange rates	80	11	1,923	2,014
At 31 December 2023	**17,718**	**392**	**79,493**	**97,603**
Net book value				
At 31 December 2023	**1,287,249**	**403,069**	**19,865**	**1,710,183**
At 31 December 2022	**1,285,450**	**395,170**	**23,016**	**1,703,636**

* The Group has identified an impairment indicator on the goodwill associated with the Medical Genetics Center company in both 2022 and 2023, as well as the Echo Scan CGU in 2023. This is primarily due to the company's negative free cash flow and EBITDA.

13. Goodwill and intangible assets with indefinite lives (note 3.2-i)

Goodwill acquired through business combinations and intangible assets with indefinite lives are allocated to the Group's CGUs as follows:

	2023 EGP'000	2022 EGP'000
Al Makhbariyoun Al Arab Group ("Biolab")		
Goodwill	90,872	72,783
Brand name	39,684	31,785
	130,556	**104,568**
Alborg Laboratory Company ("Al-Borg")		
Goodwill	497,275	497,275
Brand name	142,066	142,066
	639,341	**639,341**
Al Mokhtabar Company for Medical Labs ("Al-Mokhtabar")		
Goodwill	699,102	699,102
Brand name	221,319	221,319
	920,421	**920,421**
Echo-Scan		
Goodwill*	-	16,290
	-	**16,290**
Balance at 31 December	**1,690,318**	**1,680,620**

* The Group has recorded an impairment in relation to Echo-Scan in Nigeria as a result of its history of recording losses at a cash flow and EBITDA level. The value in use was considered lower than the realisable value of the assets the Group had and therefore this was used as the recoverable amount, as the value in use could not be guaranteed to be positive given the history of making losses. The realisable value was largely based on the value of PPE and totalled EGP 43,283k compared to a carrying value of the CGU of EGP 61,253k. Therefore, goodwill of EGP 11,265k has been fully impaired with an additional impairment of EGP 6,705k recorded on PPE.

Assumptions used in value in use calculations and sensitivity to changes in assumptions.
IDH worked with Alpha Capital, management's expert, to prepare an impairment assessment of the Group's CGUs. The assessment was carried out based on business plans provided by IDH.

These plans have been prepared based on criteria set out below:

	Year 2023		
	Bio Lab	Al-Mokhtabar	Al-Borg
Average annual patient growth rate from 2024 -2028	5%	8%	5%
Average annual price per test growth rate from 2024 -2028	5%	11%	11%
Annual revenue growth rate from 2024 -2028	10%	16%	17%
Average gross margin from 2024 -2028	41%	44%	37%
Terminal value growth rate from 1 January 2028	3%	5%	5%
Discount rate (WAAC)	17%	25%	25%

	Year 2022			
	Bio Lab	Al-Mokhtabar	Al-Borg	Echo-Scan
Average annual patient growth rate from 2023 -2027	5%	8%	8%	21%
Average annual price per test growth rate from 2023 -2027	0%	6%	7%	5%
Annual revenue growth rate from 2023 -2027	3%	13%	13%	33%
Average gross margin from 2023 -2027	46%	51%	45%	81%
Terminal value growth rate from 1 January 2027	3%	5%	5%	4%
Discount rate (WAAC)	19%	25%	25%	28%

Management have compared the recoverable amount of CGUs to the carrying value of CGUs. The recoverable amount is the higher of value in use and fair value less costs of disposal. In the exercise performed and the assumptions noted above the value in use was noted to be higher than the carrying value of disposal. The exception to this was Echo-Scan where the realisable value was greater than the value in use as noted above and therefore the recoverable amount was based on realisable value.

During 2023, excluding Echo-Scan, management has conducted a business plan projection with the support of a management expert (Alpha Capital), with the assumptions above used to calculate the net present value of future cashflows to determine recoverable amount. The projected cash flows from 2024- 2028 have been based on detailed forecasts prepared by management for each CGU and a terminal value thereafter. Management have used experience and historical trends achieved to determine the key growth rate and margin assumptions set out above. The terminal value growth rate applied is not considered to exceed the average growth rate for the industry and geographic locations of the CGUs.

As a sensitivity analysis, Management considered a change in the discount rates of 2% increase to reflect additional risk that could reasonably be foreseen in the marketplaces in which the Group operates.This did not result in an impairment under any of the CGUs that had a recoverable amount based on value in use.

Management has also considered a change in the terminal growth rate by 1% decrease to reflect additional risk, This did not result in an impairment under any of the CGUs that had a recoverable amount based on value in use.

This recoverable amount is then compared to the carrying value of the asset as recorded in the books and records of IDH plc. The WACC has been used considering the risks of each CGU. These risks include country risk, currency risk as well as the beta factor relating to the CGU and how it performs relative to the market.

The headroom/(impairment) between carrying value and recoverable amount is as follows:

Company	Recoverable amount EGP'000	CGU carrying value EGP'000	Headroom/(Impairment) EGP'000
Almokhtabar	3,449,092	1,649,728	1,799,364
Alborg	2,215,534	1,600,213	615,321
Al Makhbariyoun Al Arab	1,071,711	654,342	417,369
Echo Scan	43,283	61,253	(17,970)

14. Financial asset at fair value through profit and loss

	2023 EGP'000	2022 EGP'000
Non-current equity investments	-	18,064
Current equity investments	25,157	-
Balance at 31 December	**25,157**	**18,064**

* On August 17, 2017, Al Makhbariyoun 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 December 31, 2023, 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 of BioLab Shares/total stake (being USD 400,000.00) plus 15% annual IRR (including preceding 5 Financial years). After the expiration of above 12 months from the date of the put option period expiration, which allows CHG to purchase Biolab's all shares at a price of equity value of Biolab's stake (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 SLA 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 all Shares at a price of the equity value of BioLab's stake in JSC Mega Lab (having value of USD 400,000.00) plus 205 annual IRR. If JCI accreditation is not obtained, immediately after the expiration of the additional 12 months period of the CHG shall have a call option (the Accreditation Call option), exercisable within 6 months period, which allows CHG to purchase BioLab's all Shares at a price of the equity value of BioLab's stake in JSC Mega Lab (having value of USD 400,00.00) plus 20% annual IRR.

15. Inventories

	2023 EGP'000	2022 EGP'000
Chemicals and operating supplies	374,650	265,459
	374,650	**265,459**

During 2023, EGP 875,296 K (2022: EGP 703,693K) was recognised as an expense for inventories, this was recognised in cost of sales. The major balance of the raw material is represented in the Kits, slow-moving items of those Kits are immaterial. It is noted that day's inventory outstanding (based on the average of opening and closing inventory) stands as 133 days at 31 Dec 2023.

The COVID-19 pandemic had a significant impact on inventory, leading to impairment in 2023. Specifically, there was an impairment of kit materials related to COVID-19, resulting in an amount of EGP 17,372K. This is a notable increase compared to the previous year when no impairment was recorded. Additionally, there was an impairment of inventory in the Sudan region, totalling EGP 1,529K, also showing an increase from the previous year's absence of impairment. the specific challenges faced in the Sudan region.

16. Trade and other receivables

	2023 EGP'000	2022 EGP'000
Trade receivables – net	569,738	395,220
Prepayments	42,185	34,081
Due from related parties note (26)	5,037	5,930
Other receivables	108,521	106,363
Accrued revenue	1,754	2,293
	727,235	**543,887**

As at 31 December 2023, the expected credit loss related to trade and other receivables was EGP 191,580K (2022: EGP 145,586K). Below show the movements in the provision for impairment of trade and other receivables:

	2023 EGP'000	2022 EGP'000
At 1 January	145,586	109,768
Charge for the year	51,255	29,914
Exchange differences	(5,261)	5,904
At 31 December	**191,580**	**145,586**

The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (historical customer's collection, Customers' contracts conditions) and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default.

Expected credit loss assessment is based on the following:

1. The customer list was divided into 9 sectors,
2. Each sector was divided according to customers aging,
3. Each sector was studied according to the historical events of each sector. According to the study conducted, the expected default rate was derived from each of the aforementioned period,
4. General economic conditions.

The results of the quarterly assessment will increase/decrease the percentage allocated to each period. Balances overdue by at least one year are fully provided for. On a quarterly basis, IDH revises its forward-looking estimates and the general economic conditions to assess the expected credit loss.

Impairment of trade and notes receivables

The requirement for impairment of trade receivables is made through monitoring the debts aging and reviewing customer's credit position and their ability to make payment as they fall due. An impairment is recorded against receivables for the irrecoverable amount estimated by management. At the year end, the provision for impairment of trade receivables was EGP 183,070K (31 December 2022: EGP 136,981K). This is lower than the amount of EGP 191,580k (31 December 2022: EGP 145,586k) as that amount also includes provision on other receivables.

A reasonable possible change of 100 basis points in the expected credit loss at the reporting date would have increased (decreased) profit or loss by the amount of EGP 7,528k. This analysis assumes that all other variables remain constant.

The following table provides information about the exposure to expected credit loss (ECL) for trade receivables from individual customers for the nine segments at:

31-Dec-23	Weighted average loss rate EGP'000	Gross carrying amount EGP'000	Loss allowance EGP'000
Current (not past due)	2.42%	227,746	(5,507)
1–30 days past due	6.41%	115,230	(7,389)
31–60 days past due	8.13%	95,834	(7,790)
61–90 days past due	13.53%	49,489	(6,694)
91–120 days past due	14.56%	35,089	(5,109)
121–150 days past due	16.47%	24,383	(4,017)
More than 150 days past due	71.48%	205,037	(146,564)

31-Dec-22	Weighted average loss rate EGP'000	Gross carrying amount EGP'000	Loss allowance EGP'000
Current (not past due)	1.11%	174,249	(1,927)
1–30 days past due	4.06%	85,072	(3,451)
31–60 days past due	4.55%	65,470	(2,982)
61–90 days past due	13.61%	32,563	(4,433)
91–120 days past due	18.12%	25,868	(4,688)
121–150 days past due	27.81%	19,275	(5,360)
More than 150 days past due	88.00%	129,704	(114,140)

As at 31 December, the ageing analysis of trade receivables is as follows:

	EGP'000 Total	EGP'000 < 30 days	EGP'000 30-60 days	EGP'000 61-90 days	EGP'000 > 90 days
2023	**569,738**	330,080	88,044	42,795	108,819
2022	**395,220**	253,943	62,488	28,130	50,659

INTEGRATED DIAGNOSTICS HOLDINGS

17. Cash and cash equivalents

	2023 EGP'000	2022 EGP'000
Cash at banks and on hand	412,561	399,957
Treasury bills (less than 3 months)	21,461	185,513
Term deposits (less than 3 months)	240,231	63,042
	674,253	**648,512**

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 three 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, EGP 210,000k (2022: EGP 20,000k) relates to amounts held in Egypt with a weighted average rate of 16.40% (2022: 11.93%), EGP 20,103k (2022: EGP 34,777k) relates to amounts held in Jordan with a weighted average rate of 5.00% (2022: 4.50%) and EGP 10,128k (2022: EGP: 8,265k) relates to amounts held in Nigeria with a weighted average rate of 5.6% (2022:7%). Treasury bills are denominated in EGP and earn interest at a weighted average rate of 24.95% (2022: 15.76%) per annum.

18. Financial assets at amortised cost

	2023 EGP'000	2022 EGP'000
Term deposits (more than 3 months)	49,244	60,200
Treasury bills (more than 3 months)	111,854	107,204
	161,098	**167,404**

The maturity date of the fixed term deposit and treasury bills is between 3–12 months. Treasury bills are denominated in EGP and earn interest at an effective rate of 25.34% (2022: 14.09%) per annum. Of the above Term deposits, EGP 17,126k (2022: EGP 6,626k) relates to amounts held in Egypt with a weighted average rate of 5.17% (2022: 5.19%) and EGP 32,118k (2022: EGP 53,574k) relates to amounts held in Jordan with a weighted average rate of 5.38% (2022: 4.24%).

19. Share capital and reserves

The Company's ordinary share capital is $150,000,000 equivalent to EGP 1,072,500,000.
All shares are authorised and fully paid and have a par value $0.25.

	31-Dec-23	31-Dec-22
In issue at beginning of the year	600,000,000	600,000,000
In issue at the end of the year	600,000,000	600,000,000

The table below shows the number of shares held by Hena Holdings Limited and Actis IDH BV as well as how many shares are then held which are floating and not held by companies that do not have individuals on the board of the Group.

Ordinary share capital Name	Number of shares	% of contribution	Ordinary shares Par value USD	Ordinar
Hena Holdings Limited	162,445,383	27.07%	40,611,346	
Actis IDH B V	126,000,000	21.00%	31,500,000	
Free floating	311,554,617	51.93%	77,888,654	
	600,000,000	**100%**	**150,000,000**	

Capital reserve
The capital reserve was created when the Group's previous parent company, Integrated Diagnostics Holdings LLC – IDH (Caymans) arranged its own acquisition by Integrated Diagnostics Holdings PLC, a new legal parent. The balances arising represent the difference between the value of the equity structure of the previous and new parent companies.

Legal reserves
Legal reserve was formed based on the legal requirements of the Egyptian law governing the Egyptian subsidiaries. According to the Egyptian subsidiaries' article of association 5% (at least) of the annual net profit is set aside to from a legal reserve. The transfer to legal reserve ceases once this reserve reaches 50% of the entity's issued capital. If the reserve falls below the defined level, then the entity is required to resume forming it by setting aside 5% of the annual net profits until it reaches 50% of the issued share capital.

Put option reserve
Through acquisitions made within the Group, put option arrangements have been entered into to purchase the remaining equity interests in subsidiaries from the vendors at a subsequent date. At acquisition date an initial put option liability is recognised and a corresponding entry recognised within the put option reserve. After initial recognition the accounting policy for put options is to recognise all changes in the carrying value of the liability within put option reserve. When the put option is exercised by the vendors the amount recognised within the reserve will be reversed.

Translation reserve
The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

20. Distributions made and proposed

	2023 EGP'000	2022 EGP'000
Cash dividends on ordinary shares declared and paid:		
Nil per qualifying ordinary share (2022: US$ 0.116)	-	1,304,805
	-	1,304,805
After the balance sheet date, the following dividends were proposed by the directors (the dividends have not been provided for):	-	-
	-	-

INTEGRATED DIAGNOSTICS HOLDINGS

21. Provisions

	Provision for end Of Service EGP'000	Provision for Egyptian Government Training Fund for employees EGP'000	Provision for legal claims EGP'000	Total
At 1 January 2023	-	-	3,519	3,519
Provision made during the year	331	11,865	3,496	15,692
Provision used during the year	-	-	(771)	(771)
Provision reversed during the year	-	-	(683)	(683)
Effect of translation currency	1	-	-	1
At 31 December 2023	332	11,865	5,561	17,758
Current	-	-	-	-
Non- Current	332	11,865	5,561	17,758

	Provision for end Of Service EGP'000	Provision for Egyptian Government Training Fund for employees EGP'000	Provision for legal claims EGP'000	Total
At 1 January 2022	-	-	4,088	4,088
Provision made during the year	-	-	3,950	3,950
Provision used during the year	-	-	(3,997)	(3,997)
Provision reversed during the year	-	-	(522)	(522)
At 31 December 2022	-	-	3,519	3,519
Current	-	-	-	-
Non- Current	-	-	3,519	3,519

Egyptian Government Training Fund for employees

According to Article 134 of the Labor Law for Vocational Guidance and Training issued by the Egyptian government in 2003, Al-Borg, Almokhtabar and Integrated Medical Analysis Company shall comply with the requirements stipulated in this law to provide 1% of net profits each year in the training fund.

End Of Service

As per Article 88 of the Labor Law in Saudi Arabia, in the event of the termination of an employee's service, the company is required to settle the wages owed within one week. Conversely, if the employee terminates the contract, the company is obligated to fulfil their rights within two weeks.

Legal claims provision

The amount comprises the gross provision in respect of legal claims brought against the Group. Management's opinion, after taking appropriate legal advice, is that the outcome of these legal claims will not give rise to any significant loss beyond the amounts provided as at 31 December 2023.

22. Trade and other payables

	2023 EGP'000	2022 EGP'000
Trade payables	271,741	269,782
Accrued expenses	178,499	241,060
Due to related parties note (26)	5,962	25,058
Other payables	112,750	98,204
Deferred revenue	59,918	60,948
Accrued finance cost	8,891	6,043
	637,761	701,095

23. Put option liability

	2023 EGP'000	2022 EGP'000
Current put option - Al Makhbariyoun Al Arab	301,383	439,695
Current put option - Eagle Eye-Echo scan	12,413	-
	313,796	**439,695**

	2023 EGP'000	2022 EGP'000
Non-current put option - Eagle Eye-Echo scan	-	51,000
Non-current put option - Medical Health Development	42,786	-
	42,786	**51,000**

Put option - Al Makhbariyoun Al Arab Group

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

Through the historical acquisitions of Al Makhbariyoun Al Arab the Group entered into separate put option arrangements to purchase the remaining equity interests from the vendors at a subsequent date. At acquisition a put option liability has been recognised for the net present value for the exercise price of the option.

The options is calculated at seven times EBITDA of the last 12 months – Net Debt and exercisable in whole from the fifth anniversary of completion of the original purchase agreement, which fell due in June 2016. The vendor has not exercised this right at 31 December 2023. 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 relationship, there is no expectation that this will happen in next 21 months. The option has no expiry date.

Put option - Eagle Eye-Echo scan

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

According to the International Private Equity and Venture Capital Valuation Guidelines, there are multiple ways to calculate the put option including Discounted Cash Flow, Multiples, Net assets. Multiple valuation was applied and EGP 12 million was calculated as the valuation as at 31 December 2023 (2022; EGP 51m). In line with applicable accounting standards with IAS 32 the entity has recognised a liability for the present value of the exercise price of the option price.

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 Makhbariyoun 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.

The company has not yet commenced its operations, the group has recognized a put option as a liability in the non-current assets. This put option represents a 49% share of non-controlling interest in the total equity, amounting to EGP 43 million. The valuation was determined as of December 31, 2023. Following the IAS 32 accounting standard, the entity has recorded a liability for the present value of the exercise price of the option.

24. Borrowings

The terms and conditions of outstanding loans are as follows:

	Currency	Nominal interest rate	Maturity	31 Dec 23	31 Dec 22
AUB – BANK	EGP	CBE corridor rate*+1%	26 January 2027	94,451	116,426
AUB – BANK	EGP	Secured 5%	3 March 2024	13,121	-
Bank: Sterling BANK	NGN	Secured 19%	26-May 2024	3,573	-
-				111,145	116,426
Amount held as:					
Current liability				43,680	22,675
Non- current liability				67,465	93,751
				111,145	116,426

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 31 December 2023 only EGP 124.9M had been drawn down from the total facility available with EGP 30.4M had been repaid. Loan withdrawal availability period was extended till July 2023 and the loan will be fully repaid by January 2027.

The loan contains the following financial covenants which if breached will mean the loan is repayable on demand:

1. The financial leverage shall not exceed 0.7 throughout the period of the loan

   "**Financial leverage**": total bank debt divided by net equity

2. The debt service ratios (DSR) shall not be less than **1.35 starting 2020**
   "**Debt service ratio**": cash operating profit after tax plus depreciation for the financial year less annual maintenance on machinery and equipment adding cash balance (cash and cash equivalents) divided by total financial payments.

   "**Cash operating profit**": Operating profit after tax, interest expense, depreciation and amortization, 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 interest expense and fees and dividends distributions.

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

*As at 31 December 2023 corridor rate 20.25% (2022: 17.25%)
AL- Borg company didn't breach any covenants for MTL agreements.

IDH opted to reduce its exposure to foreign currency risk by agreeing with General Electric (GE) for the early repayment of its dollar obligation. The Group agreed to settle this balance early for USD 3.55 million, payable in EGP, equivalent to EGP 110 million and made this repayment in March 2023.
To finance the settlement, IDH utilized a bridge loan facility, with half of the amount (EGP 55 million) being funded internally and the other half (EGP 55 million) provided by a loan from Ahly United Bank – Egypt, this credit facility was fully repaid in two instalments of EGP 28.5M in May and a final instalment of EGP 26.5M in June 2023.

25. Financial obligations

The Group leases property and equipment. Property leases include branches, warehouse, parking and administration buildings. The leases typically run for average period from 5-10 years, with an option to renew the lease after that date. Lease payments are renegotiated with renovation after the end of the lease term to reflect market rentals. For certain leases, the Group is restricted from entering into any sub-lease arrangements. The property leases were entered into as combined leases of land and buildings.

Adding to remaining agreement signed in 2015, to service the Group's state-of-the-art Mega Lab. The agreement periods are 5 and 8 years which is deemed to reflect the useful life of the equipment. If the minimum annual commitment payments are met over the agreement period ownership of the equipment supplied will legally transfer to the IDH. The finance asset and liability has been recognised at an amount equal to the fair value of the underlying equipment. This is based on the current cost price of the equipment supplied provided by the suppliers of the agreement. The averaged implicit interest rate of finance obligation has been estimated to be 10.3%. The equipment is being depreciated based on units of production method as this most closely reflects the consumption of the benefits from the equipment.

Information about the agreements for which the Group is lessee is presented below.

a) **Right-of-use assets**

	Buildings 2023 EGP'000	Buildings 2022 EGP'000
Balance at 1 January	**622,975**	**462,432**
Addition for the year	157,482	214,846
Depreciation charge for the year	(134,033)	(103,099)
Terminated Contracts	(5,170)	(13,564)
Exchange differences	41,771	62,360
Balance at 31 December	**683,025**	**622,975**

b) Other Financial obligations

Future minimum financial obligation payments under leases and sales purchase contracts, together with the present value of the net minimum lease payments are, as follows:

	2023 EGP'000	2022 EGP'000
*Financial liability– laboratory equipment	240,015	335,470
*Lease liabilities building	828,039	727,426
	1,068,054	**1,062,896**

*The financial obligation liabilities for the laboratory equipment and building are payable as follows:

At 31 December 2023	Minimum payments 2023 EGP'000	Interest 2023 EGP'000	Principal 2023 EGP'000
Less than one year	291,342	114,638	176,704
Between one and five years	1,054,902	295,586	759,316
More than 5 years	166,965	34,931	132,034
	1,513,209	**445,155**	**1,068,054**

At 31 December 2022	Minimum payments 2022 EGP'000	Interest 2022 EGP'000	Principal 2022 EGP'000
Less than one year	285,962	137,257	148,705
Between one and five years	1,030,750	314,656	716,094
More than 5 years	227,715	29,618	198,097
	1,544,427	**481,531**	**1,062,896**

c) **Amounts other financial obligations recognised in consolidated income statement**

	2023 EGP'000	2022 EGP'000
Interest on lease liabilities	93,298	73,393
Expenses related to short-term lease	10,540	87,962

26. Related party transactions disclosures

The significant transactions with related parties, their nature volumes and balance during the period 31 December 2023 and 2022 are as follows:

Related Party	Nature of transaction	Nature of relationship	2023 Transaction amount of the year EGP'000	2023 Amount due from / (to) EGP'000
ALborg 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 Medical Test analysis	Entity owned by Company's CEO	217 591	1,664
HENA HOLDINGS LTD	shareholders' dividends deferral agreement	shareholder	(590)	(2,963)
ACTIS IDH LIMITED	shareholders' dividends deferral agreement	shareholder	(485)	(2,440)
Business Flower Holding	Put option liability	Medical Health Development sharholder	-	(42,786)
				(357,507)

Related Party	Nature of transaction	Nature of relationship	2022 Transaction amount of the year EGP'000	2022 Amount due from /to EGP'000
ALborg Scan (S.A.E)*	Expenses paid on behalf	Affiliate	-	351
International Fertility (IVF)**	Expenses paid on behalf	Affiliate	4	1,771
H.C Security	Provide service	Entity owned by Company's board member	220	(99)
Life Health Care	Provide service	Entity owned by Company's CEO	424	2,518
Dr. Amid Abd Elnour	Put option liability	Bio. Lab C.E.O and shareholder	481,665	(439,695)
	Current account	Bio. Lab C.E.O and shareholder	(20,008)	(20,008)
International Finance corporation (IFC)	Put option liability	Echo-Scan shareholder	(15,963)	(51,000)
International Finance corporation (IFC)	Current account	Echo-Scan shareholder	(12,292)	(623)
Integrated Treatment for Kidney Diseases (S.A.E)	Rental income Medical Test analysis	Entity owned by Company's CEO	116 381	1,290
Dr. Hend El Sherbini***	Loan arrangement	CEO**	17,025	-
HENA HOLDINGS LTD	shareholders' dividends deferral agreement	shareholder	(2,373)	(2,373)
ACTIS IDH LIMITED	shareholders' dividends deferral agreement	shareholder	(1,955)	(1,955)
				(509,823)

* 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).

*** During the year 2022, Dr. Hend (C.E.O) granted a loan to IDH Cayman amounting to USD 750K. and the loan was settled by Al Mokhtabar on behalf of IDH Cayman for EGP 17m at the prevailing exchange rate of US$/EGP 22.70. The loan was not interest bearing.

During 2022 Chief Executive Officer Dr. Hend El-Sherbini and her mother, Dr. Moamena Kamel jointly hold the 25.5% of shares held by Hena Holdings Limited, Hena Holdings Limited is a related party and received dividends of USD 17,745,953 in year 2022.

During the year payments relating to lease obligations of Biolab were made to entities considered to be related parties due to the interest in them held by Dr Amid Abd Elnour. Payments made during 2023 were JOD 240,991 (EGP 10,392,148) and during 2022 were JOD 241,038 (EGP 6,679,163).

Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2023, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2022: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

IDH opts to pay approximately 1% of the net after-tax profit of the subsidiaries Al Borg and Al Mokhtabar to the Moamena Kamel Foundation for Training and Skill Development. Established in 2006 by Dr. Moamena Kamel, a Professor of Pathology at Cairo University and founder of IDH subsidiary Al-Mokhtabar Labs and mother to the CEO Dr. Hend El Sherbini. The Foundation allocates this sum to organisations and groups in need of assistance. The foundation deploys an integrated program and vision for the communities it helps that include economic, social, and healthcare development initiatives. In 2023 EGP 6,631 K (2022: EGP 8,934 K) was paid to the foundation by the IDH Group in relation to profits earned for companies Al Borg and Al Mokhtabar in the prior year.

Compensation of key management personnel of the Group

Key management people can be defined as the people who have the authority and responsibility for planning, directing, and controlling some of the activities of the Company, directly or indirectly.

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

	2023 EGP'000	2022 EGP'000
Short-term employee benefits	68,621	48,078
Total compensation paid to key management personnel	**68,621**	**48,078**

27. Reconciliation of movements of liabilities to cash flows arising from financing activities

EGP'000	Other loans ,borrowings and accrued interest	Other financial obligation
Balance at 1 January 2023	**127,420**	**1,062,896**
Proceeds from loans and borrowings	71,630	-
Repayment of borrowings	(76,911)	-
Payment of liabilities	-	(239,132)
Interest paid	(19,612)	(118,777)
Exchange differences	-	62,391
Total changes from financing cash flows	**(24,893)**	**(295,518)**
New agreements signed in the period	-	187,581
Terminated contracts during the year	-	(5,682)
Interest expense	22,912	118,777
Total liability-related other changes	**22,912**	**300,676**
Balance at 31 December 2023	**125,439**	**1,068,054**

EGP'000	Other loans ,borrowings and accrued interest	Other financial obligation
Balance at 1 January 2022	**105,694**	**760,674**
Proceeds from loans and borrowings	40,081	-
Repayment of borrowings	(21,721)	-
Payment of liabilities	-	(100,841)
Interest paid	(24,513)	(94,795)
Exchange differences	-	122,376
Total changes from financing cash flows	**(6,153)**	**(73,260)**
New agreements signed in the period	-	293,946
Terminated contracts during the year	-	(13,259)
Interest expense	27,879	94,795
Total liability-related other changes	**27,879**	**375,482**
Balance at 31 December 2022	**127,420**	**1,062,896**

28. Current tax liabilities

	2023 EGP'000	2022 EGP'000
Debit withholding Tax (Deduct by customers from sales invoices)	(10,412)	(26,166)
Income Tax	87,835	162,773
Credit withholding Tax (Deduct from vendors invoices)	8,762	7,719
Other	17,324	8,529
	103,509	**152,855**

29. Post Balance Sheet Events

- In January 2024 Al Borg repaid EGP 13.4m of due borrowings.
- On 1 February 2024, interest rates were hiked a further 200 basis points to 21.75%. Significant improvements in the country's economic situation and outlook were recorded starting in late February and early March 2024, following the signing of a historic USD 35 billion agreement between the Egyptian government and Abu Dhabi's sovereign wealth fund, ADQ, granting the latter development rights to Ras El Hekma on Egypt's North Coast. Following the announcement, the black-market rate decreased significantly settling in the low 50 to the US Dollar range. This is expected to be just the first in a series of announcements and initiatives aimed at attracting FX and investments back into the country.
- On 6 March 2024, the Central Bank devalued the Egyptian Pound, settling at nearly EGP 49.5 to the US Dollar at official bank rates, compared to the EGP 30.85 which had remained nearly unchanged for the past year. Following the decision, the Central Bank increased interest rates by another 600 basis points, reaching 27.75%.
- On the heels of the devaluation, Egypt and the International Monetary Fund (IMF) finalized an agreement, securing an expanded loan package of USD 8 billion. At the same time, in 2024 the Egyptian government is looking to raise over USD 6 billion from its privatization program through the sale of stakes in government and military-owned businesses to private local and foreign investors. Combined, these are set to cover Egypt's short-term financing needs for the coming three to four years.