

Important Notice: Treatment of Revenue Sharing Agreements and Use of Alternative Performance Measures
The Group has opted to utilise “alternative performance measure” (APM) alongside the IFRS measure when describing the business’ performance throughout this document. A detailed reconciliation of APM and IFRS measures is provided in the Company’s Earnings Report available on the Company’s website.

Integrated Diagnostics Holdings Plc concludes outstanding 2021 reporting revenues in excess of EGP 5 billion and record-high margins

21 April 2022

(Cairo and London) — Integrated Diagnostics Holdings (“IDH,” “the Group,” or “the Company”), a leading consumer healthcare company with operations in Egypt, Jordan, Sudan and Nigeria, released today its audited financial statements and operational performance for the year ended 31 December 2021, reporting revenue of EGP 5,225 million, up 97% compared to FY 2020. Net sales, which excludes concession fees paid by Biolab to Queen Alia International Airport (QAIA) and Aqaba Port, recorded EGP 5,048 million for the year, up 90% versus the previous twelve months. Profitability came in at an all-time high, with adjusted EBITDA¹ growing 116% year-on-year to record EGP 2,530 million, and net profit recording a 145% year-on-year increase to reach EGP 1,493 million in FY 2021. In the final quarter of the year, IDH reported revenue of EGP 1,458 million, 48% above the previous year’s figure, and net profit of EGP 345 million, up 47% from the comparable three month period of 2020.

In light of IDH’s outstanding performance for the twelve months ended 31 December 2021, IDH’s board of directors has recommended a dividend distribution of EGP 2.17 per share, or EGP 1.3 billion in aggregate, to shareholders (exact US dollar amount is subject to the exchange rate at the time of the upstreaming from the subsidiaries to the holding company). This represents a significant increase compared to a final dividend of US\$ 29.1 million distributed for the previous financial year.

Financial Results

EGP mn	FY 2020	FY 2021	Change
Revenues	2,656	5,225	97%
Net Sales	2,656	5,048	90%
Gross Profit	1,343	2,804	109%
Gross Profit Margin on Net Sales	51%	56%	5.0 pts
Adjusted Operating Profit ²	986	2,292	132%
Adjusted EBITDA¹	1,171	2,530	116%
Adjusted EBITDA Margin on Net Sales	44%	50%	6.1 pts
Net Profit	609	1,493	145%
Net Profit Margin on Net Sales	23%	30%	6.6 pts
Cash Balance	877	2,350	168%

¹ Adjusted EBITDA is calculated as operating profit plus depreciation and amortization and excluding one-off fees incurred in FY 2021 (EGP 29.0 million) related to the Company’s dual listing on the EGX completed in May 2021.

² Adjusted Operating Profit excludes one-off fees incurred in FY 2021 (EGP 29.0 million) related to the Company’s dual listing on the EGX completed in May 2021.

Throughout the year, IDH leveraged an expanded branch network, which currently stands at 502 branches, and its increasingly popular house call service to serve 10.3 million patients, up 56% year-on-year, and to perform 33.7 million tests, up 24% compared to 2020. Both patients served and test performed reached an all-time high in 2021, supported by strong demand for both its Covid-19-related and conventional test offerings. Consolidated net sales continued to be supported by IDH's house call service in Egypt and Jordan, with revenue generated by the service expanding an impressive 87% year-on-year to reach EGP 990 million in FY 2021.

On a geographic basis, Egypt and Jordan reported strong revenue growth in FY 2021 expanding 89% and 113%³, respectively. Highlights for the year included the remarkable growth of Al-Borg Scan with two new branches inaugurated in the final months of 2021; the continued ramp up of IDH's house call services and of its AI-focused subsidiary Wayak; and strong contributions from Biolab's revenue-sharing partnerships in Jordan. Meanwhile, in Nigeria revenues expanded 49% year-on-year supported by steady growth in patients served and tests performed. Finally, in Sudan the Group's results for the year were heavily impacted by the devaluation of the Sudanese Pound in February 2021. However, management's continued success in raising prices in step with inflation, saw revenue in local currency terms grow an impressive 159% in FY 2021.

Commenting on the Group's full-year performance, IDH Chief Executive Officer Dr. Hend El-Sherbini said: "2021 was an exceptional year for IDH which saw our 5,000 employees serve more than 10 million patients and perform more tests than ever before, helping us deliver outstanding financial results. In parallel, we added new services to our roster, expanded our reach across both digital and physical channels, enhanced the overall experience of our patients, grew our footprint, and completed our dual-listing on the Egyptian Exchange, complementing our LSE listing. This saw us end the year having built new foundations on which to drive the next phase of growth across all our markets."

"In the midst of a challenging operating environment, we displayed a remarkable ability to adapt to changing market and demand dynamics and consistently cater to the evolving needs of our growing patient base, ensuring we continue to provide our communities with access to high quality, affordable healthcare and diagnostic services. Over the past twelve months, we continued to effectively care for both our conventional and Covid-19 patients leveraging an expanded branch network, a ramped-up house call service, and a growing digital presence to make our services increasingly accessible and our payment methods increasingly convenient. Our efforts translated in significant improvements in our patients' overall experience, with the Group's net promoter score for the year recording consistently above the 80 mark, ahead of last year's value and well above industry averages," **El-Sherbini said.**

Further down the income statement, the Group reported impressive margin expansions at all levels of profitability supported by strong revenue growth and the subsequent dilution of IDH's fixed costs. More specifically gross profit for the year more than doubled with a five-point margin expansion. Meanwhile, EBITDA adjusted for one-off listing fees expanded 116% with a margin on net sales of 50%, up six percentage points from 2020. Strong adjusted EBITDA level profitability supported a 145% year-on-year

³ The growth rate represents year-on-year expansion in Jordan's net sales. Revenues (IFRS) reported by Biolab expanded 156% year-on-year in FY 2021.

expansion in net profit which reached EGP 1,493 million in 2021. Net profit margin on net sales expanded seven percentage points versus 2020 to record 30% for the.⁴

“Heading into 2022, there are several exciting developments I am looking forward to across both new and existing markets. In Egypt and Jordan, we are aiming to capitalise on our market leading position, expanded product offering and patient base, increased service delivery capabilities, and growing visibility to continue delivering robust growth in the year ahead. In particular, we are eager to capitalise on the post-Covid-19 rebound in conventional testing as patients’ focus shifts back to conventional healthcare as the threat of Covid-19 subsides. Moreover, across both markets, our attention will now pivot towards patient retention as well look to maintain the new relationships we were able to establish during the pandemic thanks to our Covid-19-dedicated offering. In Nigeria, thanks to the consistent revenue growth and the stellar work being done by Dr. Bhatia and his team to streamline operations, Echo-Lab is on track to turn EBITDA positive in 2022. We are confident that the investments undertaken since the acquisition of Echo-Lab back in 2018 have built a stronger, leaner, and growth-oriented business which is well-placed to take full advantage of the significant growth opportunities offered Nigeria’s diagnostics market,” **El-Sherbini added.**

“In the first few months of the new year, globally we have been confronted with a new set of challenges related to the long-term economic spill overs of the pandemic coupled with the impacts of the ongoing Russia-Ukraine war. Supply chain issues, fast-rising consumer demand, and the increased volatility in commodity prices which has been exacerbated by the ongoing war in Eastern Europe, are continuing to push up prices, with countries around the world recording inflation figures not seen for many years. In light of rising inflation, central banks around the world have commenced a cycle of monetary tightening, with many raising interest rates for the first time in years. Here in Egypt, on 21 March 2022, the Central Bank raised policy rates by 100bps and allowed the Egyptian Pound to devalue by more than 17% against the US Dollar. Despite the heightened uncertainty following the announcement, we are confident that our proven track record in navigating similar turbulent times and the strong mitigation frameworks we have in place provide ample protection from the short and longer-term impacts of the decision,” **El-Sherbini concluded.**

IDH’s full FY 2021 earnings release for the twelve-month period ended 31 December 2021 are available at [idhcorp.com](https://www.idhcorp.com).

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⁴ Gross profit margin on revenues recorded 54% in FY 2021, adjusted EBITDA margin on revenue recorded 48% in FY 2021, and net profit margin on revenues recorded 29% for the year.



About Integrated Diagnostics Holdings (IDH)

IDH is a leading consumer healthcare company in the Middle East and Africa with operations in Egypt, Jordan, Sudan and Nigeria. The Group's core brands include Al Borg, Al Borg Scan and Al Mokhtabar in Egypt, as well as Biolab (Jordan), Ultralab and Al Mokhtabar Sudan (both in Sudan) and Echo-Lab (Nigeria). A long track record for quality and safety has earned the Company a trusted reputation, as well as internationally recognised accreditations for its portfolio of over 2,000 diagnostics tests. From its base of 502 branches as of 31 December 2021, IDH will continue to add laboratories through a Hub, Spoke and Spike business model that provides a scalable platform for efficient expansion. Beyond organic growth, the Group's expansion plans include acquisitions in new Middle Eastern, African, and East Asian markets where its model is well-suited to capitalise on similar healthcare and consumer trends and capture a significant share of fragmented markets. IDH has been a Jersey-registered entity with a Standard Listing on the Main Market of the London Stock Exchange (ticker: IDHC) since May 2015 with a secondary listing on the EGX since May 2021 (ticker: IDHC.CA). Learn more at idhcorp.com.

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Forward-Looking Statements

These results for the twelve-month period ended 31 December 2021 have been prepared solely to provide additional information to shareholders to assess the group's performance in relation to its operations and growth potential. These results should not be relied upon by any other party or for any other reason. This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as "according to estimates", "aims", "anticipates", "assumes", "believes", "could", "estimates", "expects", "forecasts", "intends", "is of the opinion", "may", "plans", "potential", "predicts", "projects", "should", "to the knowledge of", "will", "would" or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding business and management, future growth or profitability and general economic and regulatory conditions and other matters affecting the Group.

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

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