

Integrated Diagnostics Holdings Reports First Half 2015 Results

- **Revenues** rise 18% year-on-year to EGP 493.2 million (a record revenue for any six-month period) amid improvements in all key operational metrics
- Normalised **EBITDA** of EGP 224.3 million, up 22% from 1H2014 (adjusted for one-time IPO expenses of EGP 122.9 million)
- **Net profit** for the period came in at EGP 22.1 million, while net profit normalised for IPO expenses stood at EGP 145.0 million, up 11% year-on-year (like-for-like comparison to 1H2014 net profit normalized for non-operational amortisation expenses)
- **Megalab**, the new automated central lab, has begun operations and will be fully functional by year end, serving as a core element of the growth strategy going forward

2.9 mn
patients served
▲ 7%

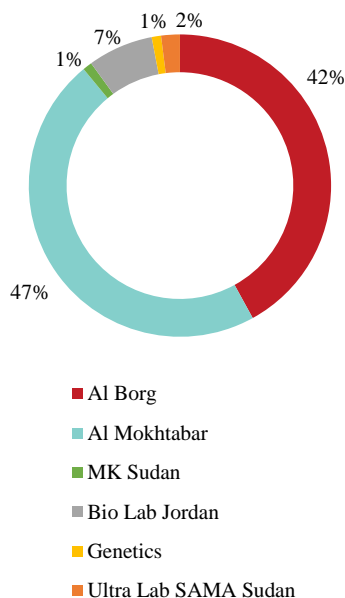
11.7 mn
tests completed
▲ 8%

300
operational branch labs,
▲ 12 new branches
in 1H2015

All comparisons are versus 1H2014

<i>Unaudited</i>	Financial Period for the six months ended 30 June		% change over period
	2015	2014	
Revenue (EGP '000)	493,232	416,830	18%
Number of patients	2,931,133	2,751,881	7%
Number of tests	11,721,224	10,850,277	8%
Number of branches	300	276	9%
New branches opened	12	14	-14%

Sales breakdown by subsidiary (1H2015)



Jersey, 21 August 2015

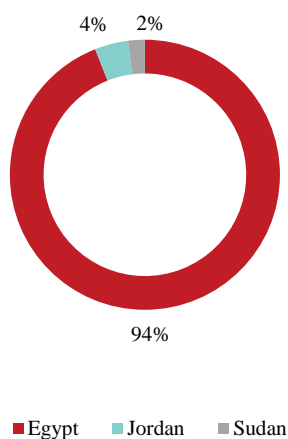
Integrated Diagnostics Holdings ('IDH'), IDHC on the London Stock Exchange, Egypt's largest fully integrated private-sector provider of medical diagnostics services, announced today its consolidated financial results for the six months ended 30 June 2015 (1H2015), reporting revenues of EGP 493.2 million, a record revenue performance for IDH in any six-month period.

IDH reported net profit of EGP 22.1 million in 1H2015, which includes EGP 122.9 million of one-time expenses related to the company's successful initial public offering (IPO) on the London Stock Exchange (LSE) in May 2015.

Adjusting for the impact of these IPO expenses, normalised net profit for 1H2015 would stand at EGP 145.0 million, compared to 1H2014 reported net profit of EGP 62.2 million (or EGP 130.6 million normalised for EGP 68.4 million of one-off charges related to the amortisation of intangible assets).

"Our first-half results speak to both the robustness of our business model and to the depth of our management team," noted Dr. Hend El-Sherbini, Chief Executive Officer of IDH. "We have delivered double-digit top- and normalised bottom-line growth and inaugurated our central 'Megalab' while simultaneously concluding our very successful IPO. Our financial and operational results are in line with management expectations, leaving us well-positioned to expand our reach in our core Egyptian market and begin making better use of the expanded, cost-effective capacity afforded by the Megalab as operations are fully ramped-up by the end of the current year."

Normalised EBITDA by region (1H2015)



Key Operational Highlights

Management continued to execute IDH's proven 'hub, spoke and spike' strategy in 1H2015. The Group brought 12 new labs into operation in the six months to 30 June 2015, including 11 in Egypt and one in Sudan, bringing the total to 300.

In parallel, initial operations of the Megalab began in May 2015. Capital expenditure in 1H2015 was dominated by spending to complete the fully automated facility, which will increase IDH's total testing capacity and accelerate cost savings due to its lower labour requirements. When fully operational by the end of 2015, the Megalab will replace the Group's two 'A' labs in Egypt, with one semi-automated 'A' lab remaining in place as a backup facility.

The Megalab is a key component of the company's growth strategy going forward. It will permit the widening and deepening of the Group's footprint through the rollout of new, capital-efficient 'C' labs (primarily collection centres in areas convenient to clients); allow the pursuit of new business by taking on outsourced work for hospitals and third-party labs; facilitate regional expansion; and see IDH introduce more esoteric tests. Management is presently preparing to secure CAP (College of American Pathologists) accreditation for the Megalab.

Financial Performance

Financial summary – All figures in the table below in EGP '000

<i>Unaudited</i>	Financial Period for the six months ended 30 June		% change over period
	2015	2014	
Revenue	493,232	416,830	18%
Gross Profit	271,087	158,832	71%
Adding back Amortization of intangible assets	352	68,400	
Normalized Gross Profit	271,439	227,232	19%
OPEX ¹	(184,444)	(56,227)	228%
EBITDA	101,407	183,685	-45%
Adding back Non-recurring expenses²	122,911	-	
Normalized EBITDA	224,318	183,685	22%
Depreciation and Amortization ³	14,293	80,053	-82%
Profit for the period	22,128	62,197	-64%
Normalized Profit for the period	145,028	130,597	11%
Cash Balance	209,602	106,735	96%
CAPEX ⁴	111,234	12,659	779%

Egypt continued to contribute 90% of Group revenues recorded during 1H2015 (47% from Al Mokhtabar, 42% from Al Borg and 1% from a genetics subsidiary), followed by Jordan (7%) and Sudan (3%). Continued successful advertising and marketing activities saw total patients served rise 7% in the period to 2.9 million.

Normalised EBITDA for the period improved 22% to EGP 224.3 million, with Egyptian operations contributing 94% of normalised EBITDA against 4% from Jordan and 2% from Sudan.

Taxation is paid at the level of operating companies in Egypt, Jordan and Sudan, then consolidated at the IDH level. As all IPO expenses were carried at the IDH Plc level, they were accordingly not a factor in calculating the tax basis of subsidiaries.

Recent Corporate Developments

Unconditional trading of IDH shares on the London Stock Exchange (LSE) began on 11 May 2015, marking the conclusion of the company's successful IPO. The offer consisted of 75 million shares (representing 50% of all shares) at an offer price of USD 4.45 per ordinary share. At listing, IDH had a market capitalisation of USD 668 million.

—Ends—

¹ OPEX comprises of marketing & advertising, administrative and other expenses.

² Non-Recurring expenses representing the IPO expenses amounting to EGP 122.9mln in 2015.

³ 2014 depreciation and amortization figure includes EGP 68.4mln in one-time amortization of intangible assets.

⁴ CAPEX is the total additions to Property, Plant & Equipment in the period. The six month period ended 30 June 2015 (1H2015) includes assets recognized under finance lease agreements for the new Mega Lab of EGP 74M for which there was no cash outflow in the period.

About Integrated Diagnostics Holdings (IDH)

IDH is the largest fully integrated private-sector medical diagnostics services provider in Egypt, comprehensively offering pathology and molecular diagnostics, genetics testing and basic radiology. IDH's core brands include Al Borg and Al Mokhtabar in Egypt, as well as Biolab (Jordan), Ultralab and Al Mokhtabar Sudan (both in Sudan) and the Molecular Diagnostic Center and Medical Genetics Center, both of which operate in Egypt. IDH is listed on the London Stock Exchange (ticker: IDHC) and was founded in 2012 by the merger of Al Borg and Al Mokhtabar, the most established diagnostics services brands in Egypt. Learn more at idhcorp.com.

Shareholder Information

LSE: IDHC.L
Bloomberg: IDHC:LN
Listed: May 2015
Shares Outstanding: 150 million

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Forward-Looking Statements

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 Company.

Forward-looking statements reflect the current views of the Company'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 Company'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 Company'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 Company'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 prospectus. 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 Company 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.

Income Statement

(All amounts in Egyptian Pounds "EGP")

	30 June 2015 (Unaudited)	30 June 2014 (Unaudited)
Revenue	493,231,588	416,830,059
Cost of sales	(222,144,686)	(257,997,634)
Gross profit	271,086,902	158,832,425
Other income	471,032	1,025,910
Marketing and advertising expenses	(22,465,287)	(24,878,745)
Administrative expenses	(158,409,813)	(27,304,407)
Other expenses	(3,568,796)	(4,043,933)
Operating profit	87,114,038	103,631,250
Finance income	6,424,343	2,770,302
Finance cost	(1,381,609)	(3,159,667)
Net finance income / (cost)	5,042,734	(389,365)
Profit before tax	92,156,772	103,241,885
Income tax expense	(70,028,434)	(41,044,385)
Profit for the period	22,128,338	62,197,500
Profit attributed to:		
Owners of the Company	16,900,969	56,562,856
Non-controlling interest	5,227,369	5,634,644
	22,128,338	62,197,500
Earnings per share (expressed in LE per share):		
Basic and diluted earnings per share	0.11	0.38

Balance Sheet

(All amounts in Egyptian Pounds "EGP")

	30 June 2015 (Unaudited)	31 December 2014 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	341,995,709	243,873,562
Intangible assets and goodwill	1,608,487,398	1,608,839,148
Total non-current assets	1,950,483,107	1,852,712,710
Current assets		
Inventories	33,024,631	36,007,252
Trade and other receivables	118,400,348	90,074,873
Cash and cash equivalents	209,601,554	252,109,940
Total current assets	361,026,533	378,192,065
Total assets	2,311,509,640	2,230,904,775
Equity		
Share Capital	1,072,500,000	1,072,500,000
Share premium reserve	929,692,727	929,692,727
Capital reserve	(216,411,871)	(216,411,871)
Legal reserve	27,130,957	26,945,448
Translation reserve	1,183,050	-
Retained earnings	17,762,851	-
Equity attributed to the owners of the Company	1,831,857,714	1,812,726,304
Non-controlling interest	44,236,792	42,841,767
Total equity	1,876,094,506	1,855,568,071
Deferred tax liabilities and other provisions	126,181,263	126,011,850
Non-current liabilities		
Long-term financial obligations	63,116,330	582,162
Total non-current liabilities	63,116,330	582,162
Current liabilities		
Trade and other payables	163,506,535	125,014,528
Borrowings	10,448	44,956
Current tax liabilities	82,600,558	123,683,208
Total current liabilities	246,117,541	248,742,692
Total liabilities	435,415,134	375,336,704
Total equity and liabilities	2,311,509,640	2,230,904,775

Cash Flows

(All amounts in Egyptian Pounds "EGP")

	30 June 2015 (Unaudited)	30 June 2014 (Unaudited)
Profit for the period before income tax	92,156,772	103,241,885
Adjustments		
Depreciation	13,941,145	11,618,432
Amortization	351,750	68,435,063
Loss on disposal of Property, plant and equipment	80,592	426,977
Impairment in trade and other receivables	2,478,171	2,913,179
Provisions made	1,010,033	703,777
Reversal of impairment in trade and other receivables	(85,106)	(77,433)
Provisions reversed	(6,145)	(788,974)
Interest expense	1,268,124	197,398
Interest income	(3,752,238)	(2,731,650)
Foreign currency exchange (gain) / loss	(2,672,104)	2,768,732
Operating income before changes in working capital	104,770,994	186,707,386
Provision used	(1,761,688)	(748,308)
Change in inventory	2,982,621	(7,954,319)
Change in trade and other receivables	(31,355,372)	(26,139,047)
Change in trade and other payables	16,746,414	3,408,301
Cash generated from operating activities	91,382,969	155,274,013
Income tax paid during period	(101,416,837)	(74,687,507)
Net cash from operation	(10,033,868)	80,586,506
Cash flows from investing activities		
Interest received	3,549,768	2,731,650
Acquisition of purchase of Property, plant and equipment	(33,750,049)	(12,658,855)
Proceeds from sale of property and equipment	267,104	45,053
Net cash flows used in investing activities	(29,933,177)	(9,882,152)
Cash flows from financing activities		
Repayments of borrowings	(34,508)	(2,049,550)
Interest paid	(1,268,124)	(197,398)
Proceeds from change in non-controlling interest	797,020	163,420
Dividends paid	(3,581,973)	(228,027,512)
Financial lease	428,822	-
Net cash flows used in financing activities	(3,658,763)	(230,111,040)
Net decrease in cash and cash equivalent	(43,625,808)	(159,406,686)
Cash and cash equivalent at the beginning of the period	252,109,940	264,692,392
Effect of exchange rate fluctuations on each held	1,117,422	1,449,421
Cash and cash equivalent at the end of the period	209,601,554	106,735,127