



**ELITE
DIAGNOSTIC**

Elite Diagnostic Limited

Unaudited Interim Financial Statements
Third Quarter ended March 31, 2019

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The Board of Directors of Elite Diagnostic Limited is pleased to present the company's unaudited financial statements for the 3rd quarter and year to date (9 months) ending March 31st 2019.

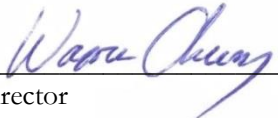
Net profit for the quarter was \$16 Million compared to \$6.7 Million for the same period a year ago. Year to date net profit for the 9 months was \$22.8 Million compared to \$18.6 Million for the same period a year ago.

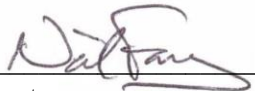
Revenues were \$107 Million during the 3rd quarter compared to \$78.2 Million for the same period last year. The increase in revenue for the 3rd quarter was due to the increase in demand for imaging scans and increase in intervention procedures. For the 9 months ending March 31, 2019, revenues were \$289.2 Million compared with \$219.9 Million for the same period a year ago.

Total assets grew 18.3% from \$583.2 Million to \$690.4 Million over the same period last year. Total liabilities grew from \$205.5 Million to \$268.1 Million.

While the demand for imaging services remains strong and still maintaining steady growth, the company is increasing their focus on Interventional Procedures. Elite being the only company in the English speaking Caribbean to offer Endoscopic Ultrasound (EUS), the company is well positioned for growth in these types of procedures.

Construction of the new St Ann location is well underway and the company is expecting a 1st quarter opening. The company is beginning its marketing efforts on the new location. The new medical center will offer full imaging services along with doctor's offices. Elite continues to execute its long term goal of increasing its market share while continuing to provide excellent patient care and outstanding service.


Director



Director

Unaudited statement of financial position

March 31, 2019

	Unaudited March 31, 2019 \$	Unaudited March 31, 2018 \$	Audited June 30, 2018 \$
Assets			
Non-current assets			
Property, plant and equipment	507,757,549	434,260,415	454,545,653
	507,757,549	434,260,415	454,545,653
Current assets			
Receivables	23,765,128	11,547,244	8,949,154
Prepayment and other receivables	3,890,591	92,894	6,276,970
Cash and bank balances	155,033,529	137,365,107	122,019,683
	182,689,248	149,005,245	137,245,807
Total assets	690,446,797	583,265,660	591,791,460
Equity			
Share capital	348,898,459	353,498,993	348,898,459
Accumulated surplus	73,401,227	24,316,120	50,593,347
Total equity	422,299,686	377,815,113	399,491,806
Liabilities			
Non-current liabilities			
Deferred tax liability	-	9,455,019	-
Long-term loans	259,568,656	191,775,158	166,117,826
	259,568,656	201,230,177	166,117,826
Current liabilities			
Payables and accruals	4,575,515	242,993	4,637,328
Current portion of loan	4,002,940	-	21,544,500
Taxation payable	-	3,977,377	-
	8,578,455	4,220,370	26,181,828
Total liabilities	268,147,111	205,450,547	192,299,654
Total equity and liabilities	690,446,797	583,265,660	591,791,460

Approved for issue by the Directors on May 12, 2019 and signed on its behalf by:


Warren Chung


Neil Fong

The notes on the accompanying pages form an integral part of these financial statements.

Unaudited statement of profit or loss and other comprehensive income

Third quarter and nine months period ended March 31, 2019

	Three months ended March 31, 2019 \$	Three months ended March 31, 2018 \$	Nine months ended March 31, 2019 \$	Nine months ended March 31, 2018 \$
Income	107,004,690	78,243,070	289,248,574	219,910,637
Direct costs	(31,048,706)	(24,365,917)	(89,593,831)	(70,844,698)
Gross profit	75,955,984	53,877,153	199,654,743	149,065,939
Administrative expenses	(40,546,060)	(33,764,018)	(119,424,737)	(86,301,066)
Depreciation	(15,096,116)	(9,606,192)	(41,798,629)	(25,915,540)
Operating profit	20,313,808	10,506,943	38,431,377	36,849,333
Finance costs	(4,293,479)	(3,799,191)	(13,819,297)	(14,235,767)
Exchange gain/(loss)	1,364	-	(1,804,200)	-
Profit before tax	16,021,693	6,707,752	22,807,880	22,613,566
Income tax expense	-	-	-	(3,977,377)
Net profit and comprehensive income for the period	16,021,693	6,707,752	22,807,880	18,636,189
Basic and diluted earnings per share	0.05	0.02	0.06	0.06

The notes on the accompanying pages form an integral part of these financial statements.

Unaudited statement of changes in equity

Nine months period ended March 31, 2019

	Share capital \$	Accumulated surplus/ (deficit) \$	Total \$
Balance at June 30, 2017 - Audited	217,848,063	5,679,931	223,527,994
Issue of shares	135,650,930	-	135,650,930
Profit for the nine months ended March 31, 2018 being total comprehensive income for the period	-	18,636,189	18,636,189
Balance at March 31, 2018 - Unaudited	<u>353,498,993</u>	<u>24,316,120</u>	<u>377,815,113</u>
Balance at June 30, 2018 - Audited	348,898,459	50,593,347	399,491,806
Profit for the nine months ended March 31, 2019 being total comprehensive income for the period	-	22,807,880	22,807,880
Balance at March 31, 2019 - Unaudited	<u>348,898,459</u>	<u>73,401,227</u>	<u>422,299,686</u>

The notes on the accompanying pages form an integral part of these financial statements.

Unaudited statement of cash flows

Nine months period ended March 31, 2019

	Unaudited March 31, 2019	Unaudited March 31, 2018	Audited June 30, 2018
	\$	\$	\$
Cash flows from operating activities:			
Profit before tax	22,807,880	22,613,566	35,862,796
Adjustments for:			
Finance costs	13,819,297	14,235,767	16,052,015
Depreciation	41,798,629	25,915,540	28,328,863
	78,425,806	62,764,873	80,243,674
Increase in receivables	(14,815,974)	(5,450,220)	(4,192,426)
Decrease/(increase) in prepayment and other receivables	2,386,379	642,008	(4,201,772)
(Decrease)/increase in payables and accruals	(61,813)	(3,257,823)	1,136,512
Cash provided by operations	65,934,398	54,698,838	72,985,988
Finance costs paid	(13,819,297)	(14,235,767)	(16,052,015)
Income tax paid	-	-	(404,399)
Net cash provided by operations	52,115,101	40,463,071	56,529,574
Cash flow from investing activities			
Purchase of property, plant and equipment	(95,010,524)	(272,278,207)	(294,976,768)
Net proceeds from issue of shares	-	135,650,930	131,050,396
Net cash used in investing activities	(95,010,524)	(272,278,207)	(163,926,372)
Cash flow from financing activities			
Proceeds from loans	93,450,829	167,420,000	167,420,000
Repayment of loans	(17,541,560)	(10,193,811)	(14,306,643)
Net cash provided by financing activities	75,909,269	292,877,119	153,113,357
Net increase in cash and cash equivalents	33,013,846	61,061,983	45,716,559
Cash and cash equivalents at beginning of period/year	122,019,683	76,303,124	76,303,124
Cash and cash equivalents at end of period/year (Note 7)	155,033,529	137,365,107	122,019,683

The notes on the accompanying pages form an integral part of these financial statements.

Notes to the unaudited interim financial statements

Third Quarter ended March 31, 2019

1. General information and nature of operations

Elite Diagnostic Limited was incorporated under the laws of Jamaica on February 12, 2012 and is domiciled in Jamaica. The company commenced operations in August 2013. The company's principal place of business is located at 1b Holborn Road, Kingston 5.

The company provides diagnostic imaging services.

2. Statement of compliance

a Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34, Interim Financial Reporting.

The interim financial report is to be read in conjunction with the audited financial statements for the year ended June 30, 2018. The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended June 30, 2018.

b Critical judgements and sources of estimation uncertainty

The preparation of these financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements. These estimates are based on historical experience and management's best knowledge of current events and actions. Actual results may differ from these estimates and assumptions.

Elite Diagnostic Limited

Notes to the unaudited interim Financial Statements
Third Quarter ended March 31, 2019

3. Share capital

	Nine months ended March 31, 2019 \$	Nine months ended March 31, 2018 \$
Authorised ordinary units of no par value	Unlimited	Unlimited
Issued ordinary units of no par value	353,400,000	353,400,000
Stated capital:		
Issued and fully paid ordinary stocks of no par value	348,898,459	353,498,993

Earnings per shares

	Nine months ended March 31, 2019 \$	Nine months ended March 31, 2018 \$
Profit attributable to shareholders	22,807,880	18,636,189
Weighted average number of shares	353,400,000	293,191,111
Earnings per shares	0.06	0.06

Elite Diagnostic Limited

Notes to the unaudited interim Financial Statements
Third Quarter ended March 31, 2019

List of Directors, Senior Managers and Shareholdings As at March 31, 2019

Directors

Names	Position	Shares Held	Percentages %
Steven Gooden	Chairman	242,230	0.0685
Warren Chung	Executive Director	757,626	0.2144
Neil Fong	Executive Director	140,000	0.0396
Andre Ho Lung	Non-Executive Director	161,494	0.0457
Kevin Donaldson	Non-Executive Director	140,000	0.0396
Paula Kerr-Jarrett	Non-Executive Director	NIL	NIL
Quentin Hugh Sam	Non-Executive Director	824,573	0.2333
Peter D. Chin	Non-Executive Director	140,000	0.0396
William Mahfood	Non-Executive Director	172,025	0.0487
		2,577,948	0.7294

Senior Managers

Names	Position	Shares Held	Percentages %
Warren Chung	Chief Executive Officer	757,626	0.2144
Neil Fong	Manager	140,000	0.0396
Marjorie Miller	Manager	-	-
		897,626	0.2540

Top 10 Shareholders

Names	Share Held	Percentages %
1. Excel Investments (See connected party note below)	145,140,264	41.0697
2. NCB Capital Markets Limited	66,028,392	18.6838
3. JCSD Trustee Services Limited - Sigma Optima	31,438,024	8.8959
4. West Indies Radiology Outsourcing Ltd.	17,670,000	5.0000
5. Barnett Limited	15,515,994	4.3905
6. Lizette Mowatt	3,703,632	1.0480
7. Kevin Keaton Palmer	3,888,626	1.1003
8. VM Wealth Equity Fund	3,390,939	0.9595
9. SJIML A/C 3119	3,188,169	0.9021
10. URUS Corporation Limited	2,373,000	0.6715
Total units owned by top 10 Shareholders	292,337,040	82.7213
Total Issued Capital	353,400,000	

Excel Investments is a connected party to Warren Chung and Neil Fong, Executive Directors.

