









20 24 ANNUAL REPORT












We invest in
state-of-the-art equipment
... and carry out preventative
maintenance to ensure
optimal operational
efficiencies and first-class
patient care.

OUR SERVICES

-  **Magnetic Resonance Imaging (MRI)**
-  **Computed Tomography (CT Scan)**
-  **Ultrasound**
-  **X-Ray**
-  **Fluoroscopy**

As well as the following Interventional Procedures:

-  **Angiograms**
-  **Catheter Insertion**
-  **Aspirations & Biopsy**
-  **Selective HSG & Recanalization**
-  **Lumbar Puncture**
-  **Sclerotherapy**
-  **Implant Placement**



ELITE DIAGNOSTIC

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OUR MISSION

Elite Diagnostic is dedicated and committed to providing the highest level of patient care and service in a courteous and efficient manner.



OUR VISION

To be the premier provider in the medical services industry.

ABOUT THE COMPANY

Elite Diagnostic Limited (herein referred to as 'Elite' or 'the Company') was incorporated in 2012 and opened our doors in 2013 at our Holborn Road location. The Company was established with the vision of providing high-quality professional medical diagnostic services at an affordable price. In February 2018, we listed on the Junior Market of the Jamaica Stock Exchange and since then, we have expanded our services with the opening of two additional locations in Liguanea, St. Andrew and Drax Hall, St. Ann. We are open seven days a week to facilitate client needs.

We continue to be committed to providing the highest level of patient care and service in a courteous and efficient manner. Our medical procedures include a series of non-invasive out-patient services, such as:

- Interventional Radiology Procedures
- Magnetic Resonance Imaging (MRI)
- Computed Tomography (CT Scan)
- Ultrasound
- X-Ray
- Fluoroscopy
- Endoscopic Ultrasound, the only one of its kind in the Caribbean

We invest in state-of-the-art equipment from leading global technology and life sciences companies Siemens and General Electric, and we carry out preventative maintenance to ensure optimal operational efficiencies and first-class patient care.

Our Staff at Elite is led by a CEO, an Executive Director and a General Manager who oversee the major operations. They are supported by Branch Managers and a team of independent radiologists, radiographers, transcriptionists, patient assistant/practical nurses, and customer service agents to ensure speedy and accurate care. The back-office team includes accounts, housekeeping, technical support and security to ensure that the specialists are able to work in an optimal environment and that client experience is second to none.

At Elite we believe heavily in customer care and comfort. The combination of our customer-centric focus and state-of-the-art equipment has resulted in consistent referrals from Jamaica's leading physicians and repeat customers.

As the population and the need for medical services grow, Elite is striving to become one of Jamaica's premier medical services providers.



CHAIRMAN'S REPORT

The financial year ended June 2024 was filled with events that had varying effects on the performance of Elite during the twelve months.

Our Board of Directors commenced the year with the resolve that all major issues which historically affected the company's growth would be proactively resolved and the company would be able to graduate to the next stage of its long-term growth agenda: becoming the premier medical diagnostic imaging provider island wide.



An executive sub-committee of the Board of Directors was created late last year in order to play a more involved role in assisting senior management with resolving issues which affected the long-term performance of the company.

This allowed for more frequent dialogue between directors and senior management, and the pooling of ideas so as to select the best options available for forward planning.

Operational efficiency benefitted from this endeavor and we expect that this trend will continue to be reflected in our future financial performance.

One of our top priorities was to improve performance in the area of customer service and to incite continued growth from loyal customers and their family members and associates. The Board believes the renewed focus on service will enable Elite to capitalize on the opportunities in our industry to drive long-term value for investors. Early feedback from the strategy has been encouraging and the Board is closely engaged with management on its delivery.

I am pleased with the improved performances of growth in revenue and net profits, and this will allow a timely resumption of dividend payments to shareholders in line with expectations.

With continued growth in profits and shareholder equity, opportunities for both lateral and vertical integration within the healthcare industry will increase. Our Directors are determined to pursue strategies which will allow Elite to expand beyond our present service mandate, and we have expanded the examination of existing options outside the borders of Jamaica.

The Executive sub-committee of the Board had previously examined two options in keeping with those expansion goals, and discussions continue to ensure that if and when a final choice is made, all important criteria have been met and are satisfactorily substantiated.

Our increased focus on corporate governance policies and practices has strengthened the fabric of our company, and our deliberations throughout the years have always been guided by established criteria which can stand scrutiny from all our stakeholders.

We are also focused on succession planning for Executive Management and diversification of Board Directors, and where possible ensuring the engagement of most categories of personnel where appropriate.

Our company is people centric, as we believe that happy employees perform at their peak capability. The Board is determined to ensure that a reasonable rewards system is implemented at all levels so that the workplace is thought of as an environment in which service, productivity, fellowship, and profitability all go hand in hand.

On behalf of the entire Elite family I would like to take this opportunity to thank our valued stakeholders for continuing to be a part of a movement which will eventually result in Elite Diagnostic Limited being regarded as the pinnacle of the provision of health care services within Jamaica and the wider Caribbean.

Yours Respectfully,

A handwritten signature in black ink that reads "Steven Gooden". The signature is written in a cursive, flowing style.

Steven Gooden
Chairman

CEO'S REPORT

“ At the beginning of the third quarter we commenced an in-depth weekly audit of all our customer communication channels for the purposes of quality control and improvement in the way that we do business. Incoming telephone calls, WhatsApp messages, and customer service email correspondence were randomly audited and steps taken to ensure that every customer interaction met the standards required by the company. This resulted in a significant increase in customer satisfaction as follow-up polls and patient interviews reflected a greater than 91% positive feedback from our clients. ”



With a huge emphasis on team-work, information-sharing, and superb customer service, our staff members engaged their day-to-day activities with a resolve to overcome barriers and achieve the goals set for them.

In our first two quarters we experienced a continued bout of machine downtime as the MRI machine located at our Drax Hall branch, and the CT unit located at our Holborn Road branch were out of service for 99 days and 100 days respectively.

In the third and fourth quarters these same units were out of service for 26 days and 140 days respectively. This overall downtime represents total lost revenues of approximately \$15 million for the financial year.

At the end of the second quarter the company formed an Executive committee which met weekly in order to overcome our equipment woes. We instituted several new strategies including the creation of a new fulltime position of an in-house Service Manager, and the contracting of an overseas technical consulting firm who are now the sole source of equipment maintenance and diagnosis of all faults and errors experienced.

Our efforts began to bear fruit by the end of the third quarter and this is reflected in the significant improvement in our financial performance in the fourth quarter.

We also instituted several cost reduction initiatives chief among which was the installation of solar equipment at our Liguanea branch which offset our overall utility expenses by in excess of \$500,000 per month.

Our Drax Hall branch is slated to acquire similar equipment in the near future.

The pricing of our services was also reviewed and adjusted upwards subsequent to an informal market survey, and also after

consideration of inflationary increases in the maintenance and repair cost of our equipment.

At the beginning of the third quarter we commenced an in-depth weekly audit of all our customer communication channels for the purposes of quality control and improvement in the way that we do business. Incoming telephone calls, WhatsApp messages, and customer service email correspondence were randomly audited and steps taken to ensure that every customer interaction met the standards required by the company. This resulted in a significant increase in customer satisfaction as follow-up polls and patient interviews reflected a greater than 91% positive feedback from our clients.

Increased in-house customer service staff training sessions were also implemented in order to ensure the consistency in our performance.

In the latter part of the financial year, in an effort to recoup lost revenues resulting from machine downtime, we began to open our two corporate area branches on Sundays, with the offering of MRI scans only, as the demand for that modality dictated such a need.

The company has for some time not been able to meet the demand for ultrasound appointments due to the shortage of Radiologists and Sonographers in the island. Henceforth we successfully recruited Sonographers from overseas and expect to have their full-time services by the end of the second quarter of the subsequent financial year.

We have further cemented our relationship with the School of Medical Radiation Technology at the University of the West Indies in order to ensure easier recruitment of Radiographers in the future as the increasing competitiveness of the industry has led to an increase in the movement of technical staff between industry players.

During the year under review as a part of our corporate social responsibility mandate, we sponsored and attended several medical conferences and also financially contributed to community related events for neighbouring churches and schools. Staff welfare was also given increased attention as tuition loans for continued education and medical loans for health issues were advanced.

Elite Diagnostic Limited improved its performance in the financial year ended June 30, 2024, reporting strong growth and profitability. The company's revenue increased by 8.7%, reaching \$821.28 million, compared to \$755.33 million in the previous year. This growth was driven by a particularly strong fourth quarter, where revenue surged by nearly 29% to \$244.18 million when compared to the similar quarter in the previous financial year.

Elite also achieved a 12.7% increase in gross profit, reaching \$593.86 million, supported by a 0.2% reduction in direct costs. Although administrative expenses were 11.5% higher, the 12.7% growth in operating income supported a 47.7% increase in operating profits to \$95.37 million. Elite's net profit almost doubled, growing by 95.9% to \$26.16 million, compared to \$13.35 million the previous year. This resulted in an earnings per share (EPS) of \$0.07 for the year, up from \$0.04 in 2023.

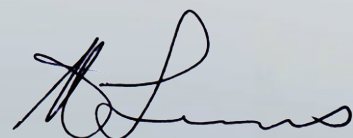
Despite these achievements, the company's total assets decreased slightly to \$1.06 billion, primarily due to a reduction in its "Right of Use" asset and cash reserves. Nonetheless, Elite improved its shareholder equity, ending the year with \$515.68 million, compared to \$484.83 million in 2023, reflecting a stronger financial position overall.

We have ingrained in our employees the benefits of increasing their day to day efficiency and maximizing revenues when possible, as we work together as a team to provide excellent diagnostic imaging services to our clientele and increasing financial rewards to our shareholders.

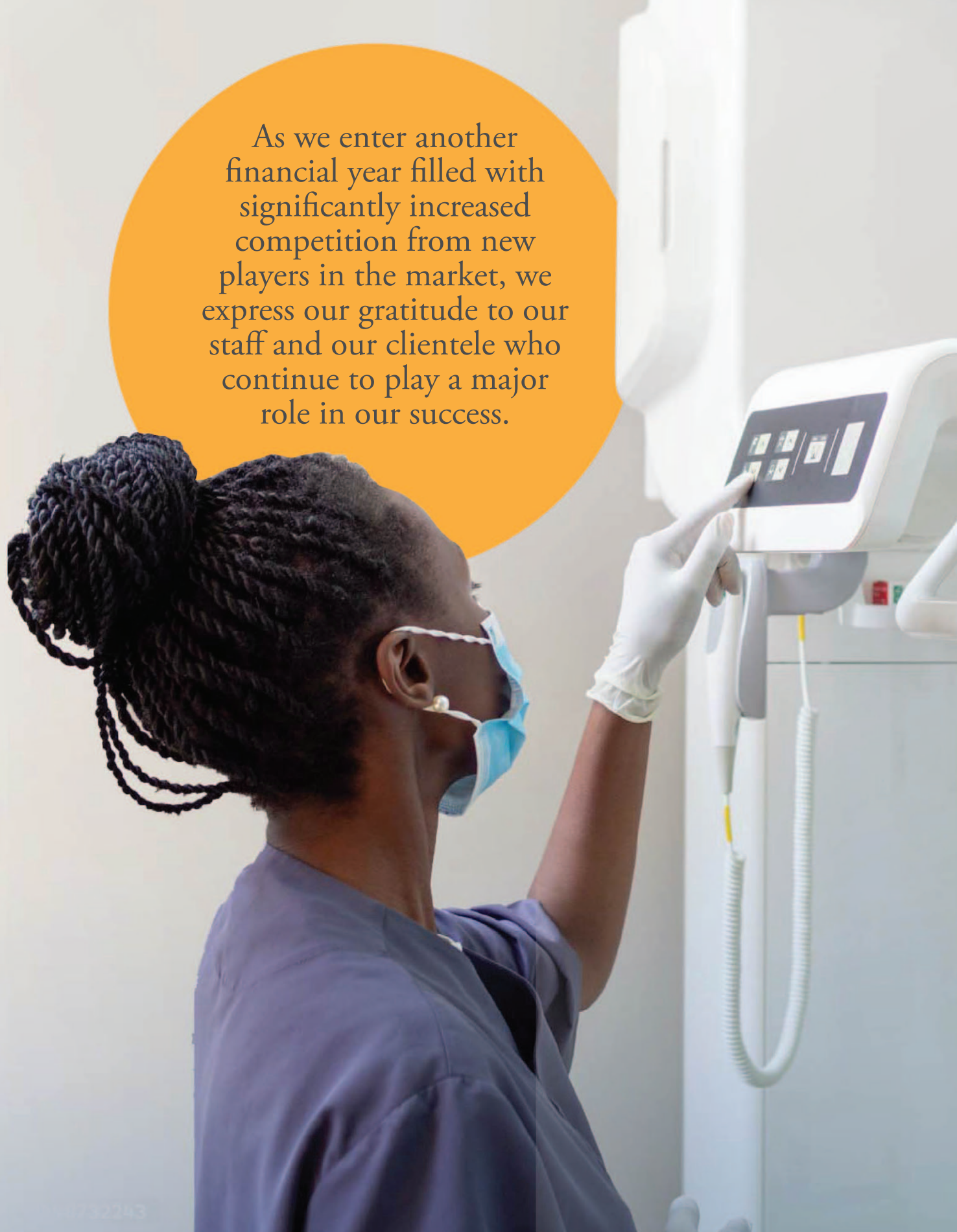
As we enter another financial year filled with significantly increased competition from new players in the market, we express our gratitude to our staff and our clientele who continue to play a major role in our success.

We foresee a very bright future for our extremely young organization, and give you our commitment to ensuring the continued growth in employee engagement, customer satisfaction, and shareholder equity.

Yours Respectfully,



Harvey Levers
Chief Executive Officer



As we enter another financial year filled with significantly increased competition from new players in the market, we express our gratitude to our staff and our clientele who continue to play a major role in our success.

NOTICE OF ANNUAL GENERAL MEETING 2024

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of **ELITE DIAGNOSTIC LIMITED** (the “Company”) will be held at The Courtleigh Hotel & Suites, 85 Knutsford Boulevard, Kingston 5, Jamaica **on Thursday, December 12, 2024 at 10:00 a.m.**, to consider and (if thought fit) the passing of the following resolutions:

ORDINARY BUSINESS

1. Audited Accounts

Resolution No. 1 – Directors’ Report, Auditor’s Report and Audited Financial Statements

To receive the Audited Financial Statements and the Reports of the Auditors and Directors for the year ended June 30, 2024

“THAT the Audited Financial Statements for the year ended June 30, 2024, together with the Reports of the Auditors and Directors of the Company thereon, be and are hereby adopted.”

2. Election & Re-Election of Directors:

(a) **Article 102** of the Company’s Amended Articles of Incorporation provides that at every Annual General Meeting one-third of the Directors are subject to retirement for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office. The Directors to retire by rotation pursuant to this Article are Mr. Warren Chung, Mr. Quentin Hugh Sam and Mr. Mark Kerr Jarrett, and who all being eligible, offer themselves for re-election.

Resolution No 2A - Re-election of Mr. Warren Chung

“THAT Mr. Warren Chung be and is hereby re-elected a Director of the Company.”

Resolution 2B - Re-election of Mr. Quentin Hugh Sam

“THAT Mr. Quentin Hugh Sam be and is hereby re-elected a Director of the Company.”

Resolution 2C - Re-election of Mr. Mark Kerr Jarrett

“THAT Mr. Mark Kerr Jarrett be and is hereby re-elected a Director of the Company.”

3. Appointment of Auditors and their remuneration

To re-appoint the retiring auditors and to Authorize the Directors to fix their remuneration.

Resolution No. 3

“THAT HLB Mair Russell of 3 Haughton Avenue, Kingston 10, having consented to continue as Auditors, be re-appointed as the Company’s Auditors to hold office until the conclusion of the next annual general meeting of the Company and THAT their remuneration be fixed by the Directors of the Company.”

4. Directors’ Remuneration

Resolution No. 4

“THAT the amount shown in the Audited Financial Statements of the Company for the year ended June 30, 2024, as remuneration paid to the Non-Executive Directors for their services as Directors be and is hereby approved”.

BY ORDER OF THE BOARD



CUBE CORPORATE SUPPORT LIMITED

CORPORATE SECRETARY

September 16, 2024

NOTES:

1. A member eligible to attend and vote at a General Meeting of the Company is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A proxy, so appointed, need not be a member of the Company.
2. All members are entitled to attend and vote at the meeting.

3. Enclosed is a **Form of Proxy** which must be deposited with the Secretary at the Registered Office of the Company 1b Holborn Road, Kingston 5, Jamaica or the Registrar, Jamaica Central Securities Depository (“JCSD”), 40 Harbour Street, Kingston, **not less than forty-eight (48) hours** before the time appointed for the holding the meeting.



OUR PEOPLE

CHIEF EXECUTIVE OFFICER

Harvey Levers joined Elite on July 1, 2022, as its Chief Executive Officer.

Mr. Levers gained extensive senior and executive management experience in both the healthcare industry and the financial services sector over the last 30 years.

Prior to being appointed CEO of Elite, Harvey served the previous ten years as the Chief Executive Officer of the Nuttall Memorial Hospital, where he guided the Hospital through an extensive restructuring and renovation programme. He has also worked for over ten years at management levels locally in the banking sector, and another ten years overseas within the mortgage industry in the United States.

Mr. Levers describes himself as a “people-person” and a sports enthusiast who prides himself on being detailed, forward-thinking, and a highly motivated self-starter.

Mr. Levers holds a Bachelor of Science degree from the University of the West Indies in Management Studies, and a Master of Business Administration from Nova Southeastern University.



Harvey Levers
Chief Executive Officer

BOARD OF DIRECTORS

Steven Gooden is the Founder and Principal of White River Capital Inc, a private equity and real estate outfit. For 10 years leading up to September 2023, he was the Chief Executive Officer of NCB Capital Markets Limited. Under his leadership, the entity became a leading investment house in the Caribbean, having significantly expanded its footprint via the establishment of strategic hubs in the Cayman Islands, Trinidad & Tobago, Barbados, and Guyana.

Steven’s ascent to executive leadership began at the age of 26 when he assumed the role of General Manager at one of Jamaica’s prominent fund management companies. Between 2017 and 2023, he served as the President of the Jamaica Securities Dealers Association (JSDA), presiding over an era marked by unprecedented growth and progress within Jamaica’s capital markets.

A Chartered Financial Analyst (CFA) charter holder, Steven has a Master of Science degree in Finance and Economics from the University of Southampton and a Bachelor of Science degree in Economics and Accounting from the University of the West Indies (UWI), Mona. He has also participated in executive development programs covering strategy, change Leadership and mergers & acquisitions.

Steven is the Chairman of the Jamaica International Financial Services Authority and the Students Loan Bureau. He is Deputy Chairman of the Jamaica Stock Exchange (JSE) and sits on the board a number of companies listed on the JSE.



Steven Gooden
CFA - Chairman



Dr. Neil Fong
Chief Operating Officer

Dr. Neil Fong is currently the Chief Operating Officer of Elite Diagnostic Limited and has nearly a decade of experience in the medical imaging field. He has a B.Sc. in Chemistry from Florida International University and a medical degree, M.B.B.S. (1999) from the University of the West Indies. He is also a Director of PDT Foods Ltd.

Neil has been with Elite Diagnostic since its inception and is a member of the Company's Audit Committee.



Stephen Ricketts

Stephen Ricketts is a Chartered Accountant with over twenty-five years' professional experience. He is the current Chief Financial Officer and Acting Chief Operating Officer at NCB Capital Markets Limited.

Stephen is a Fellow of the Association of Chartered Certified Accountants (ACCA) and the Institute of Chartered Accountants of Jamaica (ICAJ). He holds an MBA from the Manchester Business School, a Bachelor of Science in Management Studies and Accounting from the University of the West Indies and an Associate Degree in Small Business Management from Northcentral Technical College in Wisconsin, USA.

He has extensive knowledge of International Financial Reporting Standards (IFRS) and is experienced in Financial Reporting, Planning and Forecasting, Managing Statutory Audits, Internal Control Review and Strategic Financial Analyses. Throughout his career, he has been keen on using his financial and strategic insights to build enterprise value and develop people. Stephen chairs the Company's Audit Committee.



Warren Chung

Warren Chung previously served as the Chief Executive Officer of Elite Diagnostic Limited from inception until his resignation in September 2021. He has over ten years' experience in the medical imaging business during which he successfully spearheaded the growth of the Company from its incorporation in 2012. Prior to founding the company, Warren was part owner of Majesty Foods Inc., a USDA, HACCP and SQF food manufacturing company in South Florida where he was the Managing Director of the Company from 1997 – 2011. Warren brings years of business management experience to Elite's Board of Directors, after previously steering the day-to-day operations of all locations.

In his current role as a Non-Executive Director, he will continue to give strategic guidance to the Management team especially in the areas of machine acquisition, business development, and opportunities for expansion within the industry.

Warren has a Bachelor's degree in Business Management from Florida International University.



Simone Bowie Jones

dealing with a variety of complex commercial matters such as initial public offers, reverse takeovers, asset sales, securitizations and bond and note purchase arrangements. Her practice areas include Securities, Banking & Financial Regulation, Fintech, Competition, Corporate Finance, Public Private Partnerships and most significantly, Takeovers and Mergers.

Simone currently serves as a director of GK Investments Limited and GK Capital Management Limited where she sits on the Audit Committee of both companies and chairs the Conduct Review Committee of the latter. She also sits on the board of One Great Studio Limited, a digital first marketing and design company, where she sits on the Audit Committee, Corporate Governance Committee and chairs the Remuneration Committee. She is certified by the Dispute Resolution Foundation of Jamaica in Mediation Practice and Procedure and she is a member of the Jamaica Bar Association Commercial Law Sub-Committee.

Simone Bowie Jones is an Attorney-at-law and Partner at the firm Myers, Fletcher & Gordon where she is a member of the firm's Commercial Department. Simone has over 17 years of experience

Simone chairs the Company's Corporate Governance and Compensation Committee, and is a member of the Audit Committee.



Quentin Hugh Sam

Quentin Hugh Sam is an experienced entrepreneur with over 30 years in the business community in Canada and Jamaica. He is a graduate of the University of Miami in Accounting. Quentin is currently a Director of Clean Chem Limited. Over the years he has invested in several successful business ventures.

Quentin has been on the Board of Directors of Elite Diagnostic since 2012 and is a member of the Company's Corporate Governance and Compensation Committee.



Kevin Donaldson

Kevin Donaldson is an experienced investment banking executive, he has over 20 years of experience in finance, insurance, asset management and investment banking across Jamaica and the Caribbean. Kevin has a M.B.A. in Banking and Finance from Mona School of Business, a B.Sc. in Economics from the University of the West Indies and a Certification in Risk and Reinsurance from the Insurance College of Jamaica.

Kevin is a member of the Company's Audit Committee.



Mark N. Kerr-Jarrett
C.D., J.P., B.Sc.

Mark Kerr-Jarrett is the Managing Director and owner of Barnett Limited, a family business he has led since 1989. He is a graduate of the Virginia Polytechnic Institute and State University with a Bachelor of Science degree in Mechanical Engineering. During his career he has undertaken many local development projects, including the Barnett Tech Park, which have contributed to the growth and development of Montego Bay through the visioning and implementation of the Montego Bay South Master Plan to develop company-owned lands in Montego Bay.

A past President of the Montego Bay Chamber of Commerce and Industry, past Chairman of the St. James Parish Development Committee he is currently the Chairman of CWJ-FLOW, Director of the Global Services Association of Jamaica and sits on the UDC Advisory Board for Montego Bay.

Mark is a member of the Company's Corporate Governance and Compensation Committee, and also of the Audit Committee.



William Mahfood

William Mahfood is Chairman of Wisynco Group Limited. He began his career with Wisynco Trading Limited as Warehouse Supervisor in 1988. He then moved to Wisynco Group Limited where he served as Co-Director, Managing Director and Director for Wisynco Group and Walisa Marketing Limited for eleven years concurrently. Under his leadership, Wisynco has become one of the largest beverage companies in Jamaica.

William holds a B.Sc. in Industrial Engineering and Management Information Systems from North Eastern University in Boston, Massachusetts. He has served on over ten Boards during his career. This includes serving as President of the Private Sector Organization of Jamaica (PSOJ) and Trade Wind Citrus Limited.

**William Mahfood resigned from the Board of Directors of Elite Diagnostic effective December 31, 2023.*



Elite's unwavering commitment to exceptional customer service, coupled with prompt and effective communication, further solidified its reputation for reliability and trustworthiness.



Christopher Bovell
Company Mentor

Christopher Bovell has over 56 years in the legal field. He was admitted to the Bar in England, Jamaica, Barbados and Trinidad & Tobago. He was a Partner with DunnCox, Jamaica, served as Chairman of Barnett Limited and a Director of Hardware & Lumber Limited. He served as a Director of GraceKennedy Limited; First Caribbean International Bank (Jamaica) Limited; Kingston Wharves Limited and other Jamaica Stock Exchange listed companies, and Allied Insurance Brokers Limited. He also served as a Government Senator, 1983-89.

Mr. Bovell is currently an Attorney-at-Law and Notary Public and Consultant at Dunn Cox. Acting as the Mentor of the Board of Elite Diagnostic, he brings decades of business experience.

Cube Corporate Support Limited
Company Secretary



CUBE has a strong team with over 22 years' experience in corporate governance and corporate secretarial services within the public sector, the private sector and across several industries locally and internationally. At CUBE we know that strong corporate secretarial support and corporate governance are critical to the long term financial viability of the Company. We stand as a proud partner of Elite Diagnostic for the benefit of all its stakeholders.



MANAGEMENT TEAM

With continued growth in profits and shareholder equity, opportunities for both lateral and vertical integration within the healthcare industry will increase.

Marjorie Miller

General Manager

Mrs. Miller joined the company in 2014 and provides daily oversight of all operational matters for the three branches and the units (Accounts, Call Centre and WhatsApp) at the Head Office.

Role of the Branch Managers:

To oversee the daily administration of our administrative and customer service activities at the location, ensuring the proper scheduling of staff and patients, the purchase of supplies required for our daily activities and the coordination of external medical professionals, equipment maintenance affiliates, and regulatory audits by regional bodies.

Jonie Palmer

Manager, Holborn Road branch

Ms. Palmer joined the company in 2021 and assumed the role of Manager of what was our original branch.

Dayelis Thomas

Manager, Old Hope Road

Mrs. Thomas joined the company in 2017 in a customer service role and was eventually promoted to the Branch Manager position in 2022.

Kaydy Ann Williams

Manager, Drax Hall branch

Ms. Williams joined the company in 2019 which saw the opening of our third location in the fast-developing commercial town of Drax Hall, St Ann.

Dane Pierre Wedderburn

Chief Radiographer

Mr. Wedderburn joined the company from inception in August 2012. He was promoted to his present position in 2021.

In his role Dane supervises all the Radiographers which includes rostering them monthly, providing guidance to them on technical issues related to their daily functions, and when needed performs the main function of a Radiographer which is performing the actual scanning of patients in our MRI, CT, and X-Ray machines.

Richard Cole

Senior Radiographer

Mr. Cole joined Elite in 2019 as a newly graduated Radiographer. He was promoted to "Senior Radiographer" in 2021.

Richard provides supervisory assistance to the Chief Radiographer daily, whilst performing scan on patients on our MRI, CT, and X-Ray machines.

Dontae Rodney

Service Manager

Mr. Rodney joined the company in February 2024 in the newly created position of Service Manager.

In his new role Dontae is the first point of contact for the repair and maintenance of our diagnostic imaging machines. He is required to analyze causes of non-functioning equipment, and either repair them himself or arrange and oversee external technical assistance if required. He is also required to perform the regularly scheduled preventative maintenance servicing that each machine requires as per manufacturers specifications.

Whitney Ling

Marketing, Public Relations, and Customer Service Advocate

Ms. Ling joined the company initially on a six-month contract and was subsequently appointed full-time in her present role in December 2023.

Whitney's role is multi-faceted and consists of overseeing all aspects of customer service, marketing, and public relations in which the company gets involved.

She works closely with the CEO in the area of business development and marketing, and closely with the Branch Managers for attending to customer service feedback and implementation of strategies for improvement.

GOVERNANCE



CORPORATE DATA

as at June 30, 2024

Registered Office

1B Holborn Road
Kingston 5, St. Andrew
(876) 754-4169/4963
info@elite-diagnostic.com

Branches

1B Holborn Road
New Kingston
Kingston 5, St. Andrew

164 ½ Old Hope Road
Liguanea
Kingston 6, St. Andrew
(876) 702-2950

Lot 17, Drax Hall Estates
Drax Hall, St. Ann

Board of Directors

Steven Gooden, Chairman
Warren Chung
Neil Fong
Stephen Ricketts
Kevin Donaldson
Mark Kerr-Jarrett
Quentin Hugh Sam
Simone Bowie Jones

Company Secretary

Cube Corporate Support
Limited

Management Team

Harvey Levers,
Chief Executive Officer

Neil Fong,
Chief Operating Officer

Marjorie Miller,
General Manager

Registrar

Jamaica Central Securities
Depository Ltd.
40 Harbour Street
Kingston, Jamaica

Attorneys-at-Law

Patterson Mair Hamilton
Temple Court
85 Hope Road
Kingston 6, St. Andrew

External Auditors

HLB Mair Russell
Chartered Accountants
3 Haughton Avenue
Kingston 10, St. Andrew

Bankers

National Commercial Bank
1 Knutsford Boulevard
Kingston 5, St. Andrew

Sagicor Bank
85 Hope Road
Kingston 6, St. Andrew

First Global Bank
Liguanea Branch
121 Old Hope Road,
Kingston 6, St. Andrew

SHAREHOLDER INTEREST

TOP 10 SHAREHOLDERS AS AT JUNE 30, 2024

SHAREHOLDER	SHAREHOLDING	% SHARES ISSUED
1 Excel Investments Inc.	86,674,897	24.5
2 NCB Capital Markets Ltd.	66,028,392	18.7
3 Steven Gooden	35,289,628	10.0
4 JCSD Trustee Services Limited - Sigma Global Venture	31,438,024	8.9
5 Barnett Limited	15,515,994	4.4
6 Damian Chin-You	14,513,589	4.1
7 West Indies Radiology Outsourcing Ltd.	8,000,000	2.3
8 Everton Jasper Smith	5,720,000	1.6
9 QWI Investments Limited	4,386,691	1.2
10 Lizette L. Mowatt	3,703,632	1.0

DIRECTORS' SHAREHOLDINGS AS AT JUNE 30, 2024

DIRECTOR	DIRECT	CONNECTED PARTY	TOTAL
Steven Gooden	35,289,628	-	35,289,628
Warren A. Chung	778,355	Excel Investments Inc.	87,453,252
Neil A. Fong	140,000	Excel Investments Inc.	86,814,897
Kevin A. Donaldson	140,000	-	140,000
Mark Kerr-Jarrett	-	Barnett Limited	15,515,994
Quentin Hugh Sam	824,573	-	824,573
Stephen Ricketts	-	-	-
Simone Bowie-Jones	-	-	-

SENIOR MANAGERS' SHAREHOLDINGS AS AT JUNE 30, 2024

SENIOR MANAGER	DIRECT	CONNECTED PARTY	TOTAL
Harvey Levers	-	-	-
Neil A. Fong	140,000	Excel Investments Inc.	86,814,897
Marjorie Miller	-	-	-

CORPORATE GOVERNANCE

The Board of Directors of **ELITE DIAGNOSTIC LIMITED** (“Elite”) has recognized and embraced the importance of a robust and effective corporate governance structure.

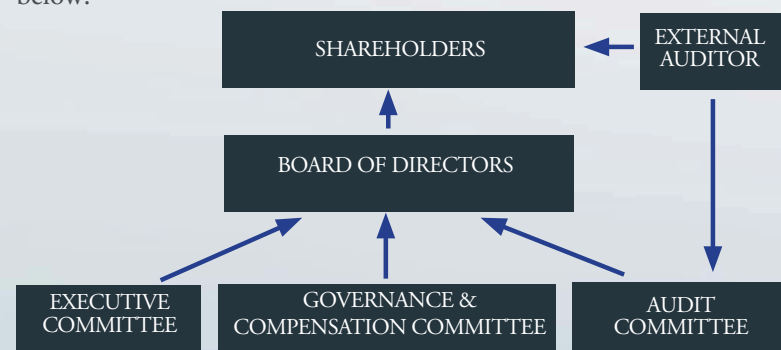
The Board is committed to the highest standard of corporate governance and considers changes in international and local best practices in corporate governance specific to its business type, its industry and as a publicly traded company.

To this end, the Company is focused on ensuring that it adheres to the principles of the Jamaica Corporate Governance Code issued by the Private Sector Organisation of Jamaica, the Jamaica Stock Exchange Junior Market Rules, international best practices on corporate governance and best practices of like industries internationally.

The Board of Directors view corporate governance as an evolving process. At every stage of growth and regulatory directive, enhancements are continually required. Elite is committed to the evolving and dynamic growth of its business alongside the dynamic governance, legal and regulatory landscape.

The existing **corporate governance structure is illustrated below** and depicts that the Board of Directors is elected or re-elected by shareholders and charged with the responsibility of overseeing management and ensuring long term financial viability in a corporate and socially responsible manner in the output of financial results.

The Corporate Governance Structure of the Company is illustrated below:



RESPONSIBILITY OF THE BOARD

The Board of Directors is required to act in the best interest of the Company at all times, exercising sound business judgment and independence.

The primary role and function of the Board of Directors is to direct and oversee the business of the Company in the interest of all shareholders and its stakeholders, (including optimizing its financial performance and ensuring long term stakeholder value), establishing parameters for management’s performance, approving strategy and the appropriate policies to safeguard its internal controls, systems of accounting, legal, regulatory and governance requirements and inculcating ethical standards for the Board and the Team, management development and succession planning.

The Board leverages its Sub-Committees and charges them with review and recommendations in relation to financial statements, internal controls, compliance, compensation and corporate governance. The Board in turn appoints management to execute the day to day operations and it approves policies, procedures, defines management parameters, charts the strategic direction of the company, and monitors performance.

The day to day performance of the Company is delegated to the Chief Executive Officer and the Board of Directors provides sage advice and counsel to management through its oversight responsibility.

The External Auditor interrogates and validates the financials and reports to the Board and to the Shareholders.

BOARD COMPOSITION

As at June 30, 2024, the Board comprised eight (8) directors; one (1) of which is an Executive Director, one (1) of which is a Non-Independent Director and six (6) of which are Independent Directors.

The Board of Director changes during the financial year included the resignation of Mr. William Mahfood on December 31, 2023.

The Company has adopted the **definition of Independence** in the Jamaica Corporate Governance Code. Independent directors are those who have not:

- been an employee of the Company within the last five (5) years;
- affiliated with a company that acts as an advisor or consultant to the company or its related parties, or is and has acted in such capacity at any time during the past five years;

- engaged in any personal service contracts with the company, its related parties or its senior management at any time during the past five (5) years;
- received additional remuneration from the Company apart from director’s fees and any performance related pay scheme;
- been employed as an executive officer of another company where any of the company’s executive serve on that company’s Board;
- possessed a significant portion of shares;
- been a member of the immediate family of any individual who is or has been at any time during the past five (5) years, employed by the company or its related parties as an executive officer.

DIVERSITY, SKILL SET & INDEPENDENCE

Members of the Board of Directors possess diverse skills and experience and sound business judgment. The Board as composed has a wide range of experiences which aids in the understanding of the various aspects of the Company’s business. The composition of the Board during the financial year under review and as at June 30, 2024, is as follows: -

NAMES	POSITION	AUDIT	CORPORATE GOVERNANCE
Steven Gooden, Chairman	Independent		
Stephen Ricketts, Audit Chairman	Independent	Member	
Simone Bowie Jones, Corporate Governance Chair	Independent	Member	Member
Warren Chung	Non-Independent		
Dr. Neil Fong	Executive Director	Member	Member
Quentin Hugh Sam	Independent		Member
Mark Kerr-Jarrett	Independent	Member	Member
Kevin Donaldson	Independent	Member	

The combined experience of the Board of Directors points to a strong base of diverse skill sets, that, when leveraged, produces dynamic and robust discussions, interrogation, full ventilation and thorough consideration of matters to produce informed decisions and resolutions of the Board. The directors are professionals in their respective fields and are present in the board room with an entrepreneurial mindset.

Below is a snapshot of the diverse skill set of the Board:

Expertise	Steven Gooden	Stephen Ricketts	Simone Bowie-Jones	Kevin Donaldson	Warren Chung	Dr. Neil Fong	Mark Kerr-Jarrett	Quentin Hugh Sam
Independent (I)/Non-Independent (NI) Executive Director (ED)	NI	NI	I	I	NI	ED	I	I
General Management	x	x		x	x	x	x	x
Strategic Management	x	x		x		x		
Finance & Accounting	x	x		x				
Engineer							x	
Sales & Marketing					x			
Legal			x					
Investment Banking	x	x		x				
Medical						x		
Risk Management	x	x		x				

The key matters deliberated by the Board of Directors (including decisions taken) during the financial year ended June 30, 2024 involved: -

- Reviewing and approving changes in the appropriate auditing and accounting principles and practices;
- Constitution of an Executive Committee to oversee critical operational matters;
- Approval of the annual operating and capital expenditure budgets;
- Approval of the Company's financial performance (quarterly unaudited financial results, and year end audited financial statements; Disclosures to the Jamaica Stock Exchange and Management Discussion & Analysis);
- The Company's strategic initiatives;
- Corporate Governance effectiveness;
- Overseeing compliance with applicable laws and regulations (including the Rules of the Jamaica Stock Exchange);
- Timely disclosures to the Jamaica Stock Exchange.

BOARD SUB COMMITTEES

The Board has constituted and delegated key oversight functions to three (3) standing sub committees: **Audit Committee, Governance and Compensation Committee and the Executive Committee.**

The Chair of each of the Board Committees formally reports to the Board (at each quarterly meeting) on the matters discussed at the Committee meetings and makes recommendations to the Board in accordance with its Terms of Reference.

AUDIT COMMITTEE

During the year under review, the members of the Audit Committee were: Mr. William Mahfood, (former Chairman for the period December 15, 2022 to September 15, 2023), Mr. Kevin Donaldson, Mrs. Simone Bowie Jones, Mr. Stephen Ricketts (Chairman) and Mr. Mark Kerr-Jarrett. The Chief Executive Officer and the External Auditor are invited to the Audit Committee Meetings.

**During the year under review, and upon the resignation of Director William Mahfood, Director Stephen Ricketts was appointed the Chairman of the Audit Committee.*

The Audit Committee meets quarterly or as required and plays a critical role in interrogating and overseeing the accuracy of the financial reporting, internal controls, risk management, internal audit, accuracy of the accounting systems and the auditing process of the Company's financials and compliance.

The role and function of the Audit Committee includes:

- Review and approval of the unaudited quarterly financials and audited financial statements;
- Monitoring and ensuring that the integrity of the financials is maintained;
- Compliance with proper accounting standards in the preparation of the financials;
- Ensuring internal controls and systems are in place to identify, report and manage business risks;
- Meeting with the external Auditor;
- Compliance with legal and regulatory requirements.

Main activities reviewed and recommended to the Board by the Audit Committee during the Financial Year ended June 30, 2024 were: -

- Quarterly unaudited financial statements and annual audited financial statements;
- Accounting policies;
- Annual Budget;
- Meeting with the external Auditor;
- Capital expenditure.

GOVERNANCE AND COMPENSATION COMMITTEE

During the year under review, the members comprising the Governance and Compensation Committee were: Mr. William Mahfood (former Chairman), Mrs. Simone Bowie Jones (Chair), Mr. Quentin Hugh Sam and Mr. Mark Kerr-Jarrett. The Chief Executive Officer, Harvey Levers and the Executive Director, Dr. Neil Fong, are invitees.

**During the year under review, and upon the resignation of Director William Mahfood, Director Simone Bowie Jones was appointed the Chair of the Governance and Compensation Committee.*

The Governance and Compensation Committee assists the Board with:

- ensuring the effectiveness of the Company's corporate governance framework (including the Board composition, structure, approval of policies to ensure adherence to applicable legal and regulatory requirements with a target of achieving international best practices for corporate governance and compliance);
- alignment of the objectives of the Management Team with the Company's annual compensation philosophy and performance assessment;
- adequacy and level of compensation for the management and staff;
- Management and Board succession review and planning.

During the year the Governance and Compensation Committee undertook the following functions:

- Review of its corporate governance effectiveness including review and amendment of policies (including the corporate governance policy review, Insider Trading Policy, and Committee Terms of Reference);
- Review of related party transactions;
- Work Plan for the year;
- Review of new or pending regulatory changes and the impact on the operations.

During the financial year under review, their respective attendance at meetings was recorded as follows in the table below:

NAMES	BOARD* (5)	AUDIT (5)	GOVERNANCE & COMPENSATION (2)	EXECUTIVE COMMITTEE (weekly)	ANNUAL GENERAL MEETING (1)
Steven Gooden	5	-	-	Weekly	1
Stephen Ricketts	5	5	-		
William Mahfood	1	1	1		1
Simone Bowie Jones	5	5	2		1
Warren Chung	4		-	Weekly	1
Quentin Hugh Sam	3		1	Weekly	1
Dr. Neil Fong	5	5	2	Weekly	1
Kevin Donaldson	4	4	-	-	1
Mark Kerr-Jarrett	3	5	2	-	-

*The Board held three (3) In Camera Sessions during the period under review.

With a huge emphasis on team-work information-sharing, and superb customer service, our staff members engaged their day-to-day activities with the resolve to overcome barriers and achieve the goals set for them.



EXECUTIVE COMMITTEE

The Executive Committee was constituted during the year under review and its membership includes the Chairman, Mr. Steven Gooden, Executive Director Dr. Neil Fong, Non-Independent Director Mr. Warren Chung, Independent Director Mr. Quentin Hugh Sam and the Chief Executive Officer, Mr. Harvey Levers. The Executive Committee’s mandate is to address key technical and operational issues including machine maintenance, procurement, performance optimization and technical staff training and development. The Executive Committee (combined management and Board Members) meets once per week.

IN CAMERA SESSIONS

At its quarterly Board Meetings, the Board routinely meets in camera to the exclusion of management to discuss either prior to or subsequent to the Board Meetings any matters required to be discussed with the Board of Directors only. The Board has adopted this international best practice of holding routine in camera sessions as the Board of Directors align or ventilate issues for the better functioning and performance of the Company.

BOARD AND COMMITTEE ATTENDANCE

A strong indicator of Directors’ involvement, dedication to and engagement with Elite is their record of attendance at the Board meetings, Annual General Meeting and Sub-Committee meetings held during the financial year.

TERM LIMITS

The appointment of board members is governed by the Company’s Articles of Incorporation (the “Articles”). The Articles state that the Directors shall appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. The Director appointed shall hold office only until the next Annual General Meeting and be eligible for re-election.

Board rotation and retirement is also governed by the Company’s Articles. At the first Annual General Meeting, one-third (1/3) of the directors shall retire. The Director who has been in office longest, since their last election or appointment, shall retire. However,

retiring directors shall be eligible for re-election or re-appointment. A Board member may resign or retire at any time by providing the Chairman with a written notice of resignation.

DIRECTOR ORIENTATION

During the year under review, select members of the Board toured the operations of the Memorial Hospital Health System in Miramar, Florida. They viewed several facilities and benefitted from presentations from Department Heads on emerging technologies and equipment trends in the diagnostic imaging industry, customer service management and diagnostic services. The Directors obtained the benefit of international best practices, data and trends in the industry to leverage and improve the diagnostic services offered in Jamaica by Elite.

INVESTOR RELATIONS & STAKEHOLDER ENGAGEMENT

Elite is committed to shareholder engagement and has available to its shareholders several channels of engagement including its Facebook and Instagram platforms, the Company’s website at www.elite-diagnostic.com and the website of the Jamaica Stock Exchange.

At the Annual General Meeting, shareholders are provided with copies of the Minutes of the previous Annual General Meeting and instructions are provided to shareholders ahead of the Annual General Meeting to submit comments and questions.

The Company continues to comply with the requirements of Timely Disclosure (of material information and developments) and financial reporting to its stakeholders and regulators, the Jamaica Stock Exchange (“JSE”), in accordance with the JSE Rules.

Stakeholders are invited to contact the company directly, the company’s senior management or its customer service team using the dedicated email address elite.diagnostic@yahoo.com.

Copies of the Corporate Governance Policy and Committee Terms of Reference are available at www.elite-diagnostic.com.

MANAGEMENT DISCUSSION & ANALYSIS



MANAGEMENT DISCUSSION & ANALYSIS

The financial year under review has marked a significant period of transformation and adaptability for Elite Diagnostic Limited, an achievement largely attributable to the strategic initiatives that were set in motion in late 2023. Our unwavering commitment to executing our strategic plan has borne fruit, positioning us for an even greater year to come.

As we reflect on the past year, it is evident that our focus on operational efficiency, people development, market expansion and patient satisfaction has significantly enhanced our competitive edge and yielded substantial results, driving both revenue and profitability to new heights, the benefits of which we are proud to report.

FINANCIAL PERFORMANCE

REVENUES

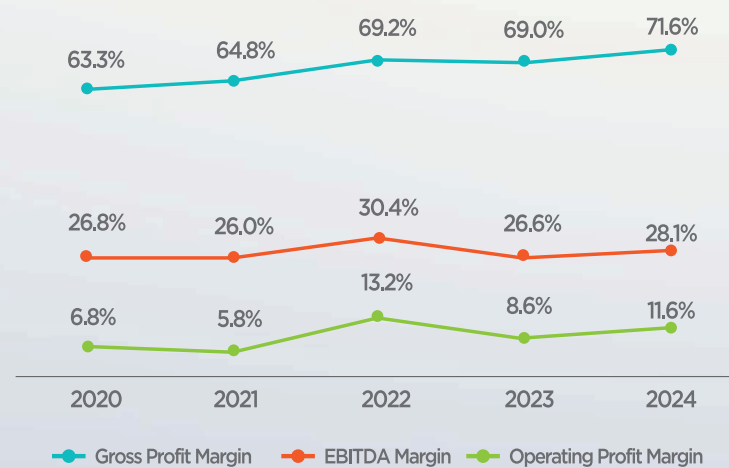
Elite continued its strong growth trajectory, posting an 8.7% increase in revenue, reaching \$821.28 million. While the first and second quarters were impacted by machine breakdowns, the company's agile leadership and proactive response strategies drove a rapid rebound. By implementing weekly progress reports and a solution-focused approach to addressing machine downtime, Elite resolved operational challenges, laying the groundwork for stronger sales performance. There was evident success in reducing machine breakdowns through focus on maintenance and concerted efforts to localise training to reduce the dependence on external professionals.

Key to the company's success has been convenient opening hours, including extended and weekend hours, which were initially implemented to enhance customer convenience and meet rising demand. This strategic move bolstered revenue generation by maximizing customer access. Although the company has since reduced its extended hours, they remain longer than those of most of its competitors, providing a

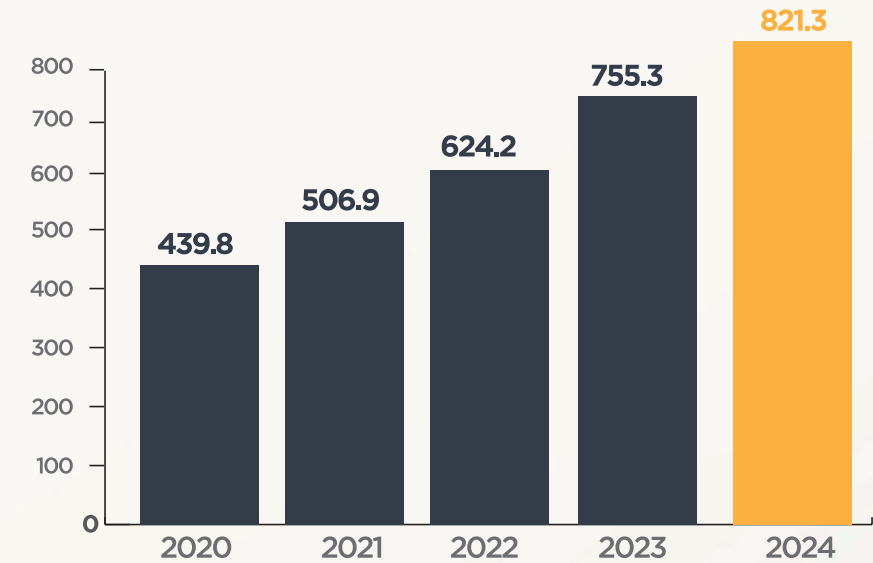
distinct advantage. Additionally, revenue losses from cancelled appointments have been minimized through an efficient waitlist system, ensuring seamless appointment management and optimizing revenue capture.

Elite's unwavering commitment to exceptional customer service, coupled with prompt and effective communication, further solidified its reputation for reliability and trustworthiness. The company's resilience, adaptability, and innovative approach to problem-solving are clear indicators of its potential for sustained growth in a dynamic and competitive market. This robust performance showcases Elite's ability to not only navigate challenges but also capitalize on opportunities to deliver strong, long-term value to its stakeholders.

MARGINS



REVENUE (J\$' MILLION)



GROSS PROFIT

The continued focus on performance assessment and proactive changes supported an improvement in Elite's margins. Despite inflationary pressures, direct costs registered a marginal 0.2% increase due to improved resource allocation and streamlined operations to increase efficiency. As part of its strategic initiatives, Elite began converting all branches to teleradiology facilities in 2023, a transformation that remains ongoing and beneficial. This shift has led to reduced costs on reading fees for consultant radiologists, who now provide diagnostic services remotely, rather than being physically present on-site. These tactical actions coupled with the revenue growth resulted in gross profit of \$587.69 million, a 12.7% increase when compared to the prior year. This translated to a gross profit margin of 71.6% (2022: 69%)

- a historic high for the company. Elite's disciplined approach to direct cost evaluations and containment has been integral in maintaining growth.

GROSS PROFIT (\$'Mn) vs GROSS PROFIT MARGIN (%)

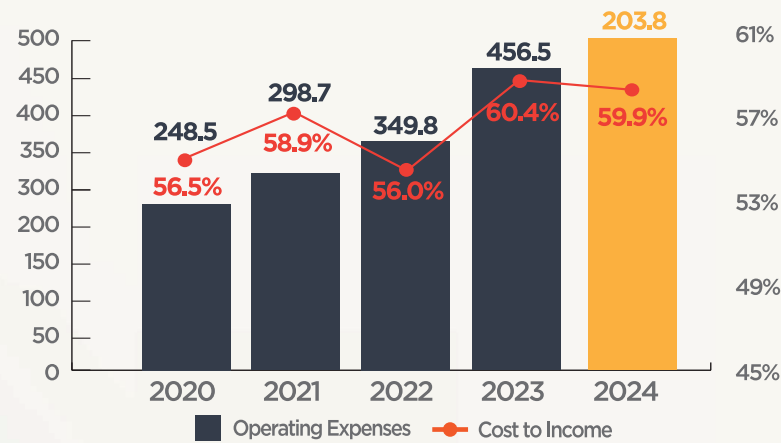


OPERATING EXPENSES

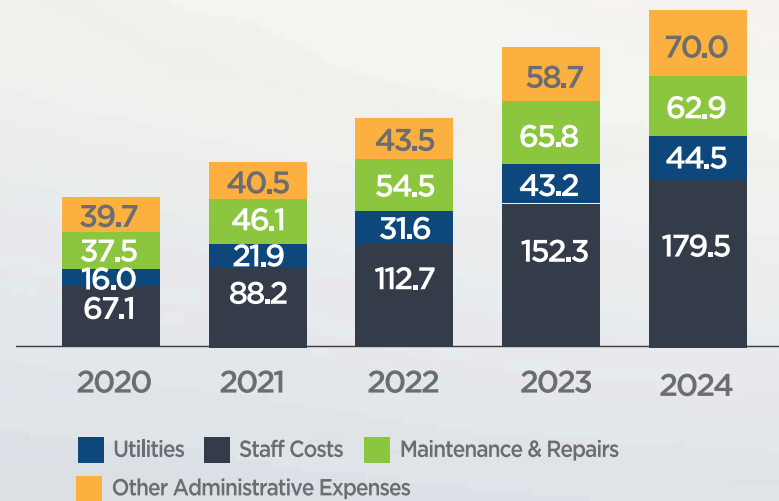
Total operating expenses rose by \$35.74 million, or 7.8%, reaching \$492.3 million. The rise in costs can be attributed to general inflationary pressures, alongside strategic investments designed to drive long-term growth and success. A significant portion of this increase stemmed from higher staff-related expenses, including enhanced compensation packages and the expansion of the workforce to support our company operations and growth. Notably, a Service Manager was hired to oversee machine maintenance, ensuring consistent equipment performance and minimizing downtime. Consequently, staff costs were \$27.26 million or 17.9% higher than prior year's outturn. Additionally, depreciation and amortization costs declined minimally due to the full depreciation of some machines in the previous financial year. However, the increase in revenues outpaced the upward movement in operating expenses. This resulted in the cost-to-income ratio improving to 59.9%, up from 60.4% in the previous year.

As a result, operating profit reached \$95.37 million, an increase of \$30.66 million or 47.4% compared to the previous year. Furthermore, Elite's EBITDA grew by 14.6%, reaching \$230.59 million.

OPERATING EXPENSES vs COST TO INCOME RATIO (J\$' MILLION)



BREAKDOWN OF ADMINISTRATIVE EXPENSES (J\$' MILLION)



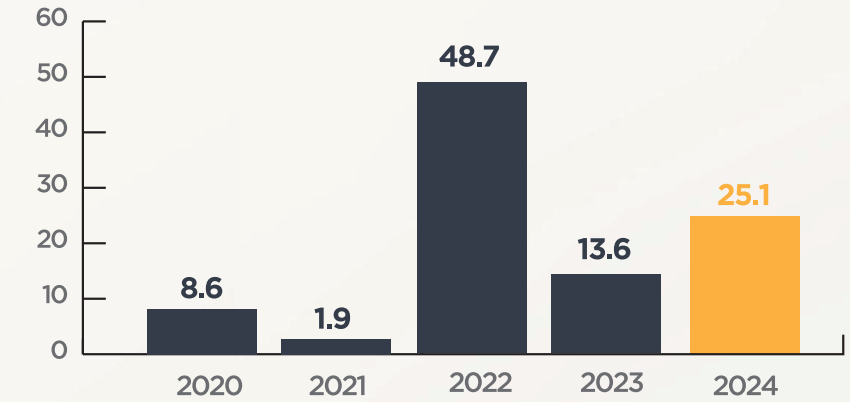
NET PROFIT

Elite's investment in state-of-the-art machinery, along with a refinancing strategy executed in 2023 to extend repayment periods and lower monthly payments, continues to be the primary driver of finance costs. Finance costs increased by 34% or \$15.93 million to \$62.79 million. Meanwhile, there was a 27.2% decrease in exchange loss to \$3.32 million.

The progress we have made is further reflected in our profit before tax, which saw a significant growth from \$13.35 million to \$29.35 million in the 2024 financial year. Our prudent financial management has supported our 95.9% (or \$12.80 million) increase in the company's net profits to \$26.16 million. Consequently, the net profit margin improved from 1.8% a year earlier to 3.2% in 2024.

As we continue to evaluate our performance and refine our strategies, we remain committed to proactive decision-making and innovation, driving sustainable growth in an increasingly competitive medical services landscape. This commitment ensures we are well-positioned to meet the evolving needs of our patients and stakeholders while strengthening our leadership in the industry.

NET PROFIT (J\$' MILLION)

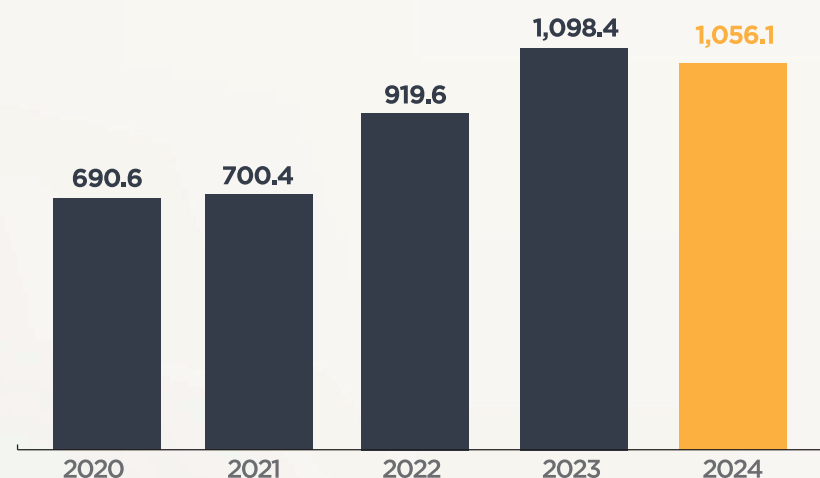


NET PROFIT vs NET PROFIT MARGIN



BALANCE SHEET

ASSETS (J\$' MILLION)



ASSETS

The Company's asset base decreased by 3.9% to \$1.06 billion. All major asset contributors registered year-over-year declines with the exception of receivables. Property, plant, and equipment (PP&E) and right of use assets, which accounted for over 80% of our assets, declined by 4.3% and 8.9%, respectively. At the inception of the lease, the full value of the lease obligation was recognized on the balance sheet, reflecting the total future lease payments. The decline of the rights of use assets reflects the decrease in value as lease payments are made.

Of note, receivables increased by 22.2% to \$142.34 million, which was driven primarily by our partnership with the Ministry of Health. Elite remains committed to its participation in the public-private partnership with the Ministry of Health. Under this agreement, Elite provides discounted healthcare services to patients referred by public hospitals due to the lack of resources. Despite the delay

in payments, this partnership offers a stable revenue stream while allowing Elite to contribute to a vital social initiative. However, the total current assets declined due to the 30.9% and 44.7% decrease in cash and cash equivalents and prepayments, respectively. The shortfall in short-term liquidity resulted in current ratio falling from 1.01x in 2023 to 0.78x a year later. Looking ahead, Elite is focused on improving liquidity through more efficient cash flow management and strategic debt restructuring. Additionally, we are exploring opportunities aimed at stabilizing working capital, which will help strengthen our financial position moving forward.

The overall reduction in total assets coupled with the growth in net profit, resulted in a notable improvement in the company's return on assets (ROA). ROA rose from 1.3% in 2023 to 2.4% this year, demonstrating a more efficient use of the company's asset base despite the challenges presented by delayed receivables and decreasing current assets.

LIABILITIES & EQUITY

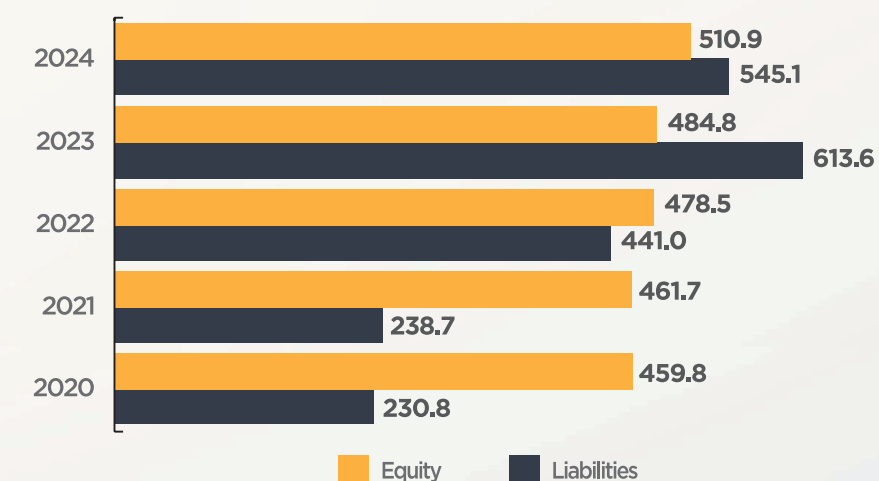
Elite's strategic focus on optimizing its capital structure continues to drive growth and operational efficiency. During the period, total liabilities decreased by 11.2% to \$545.08 million, primarily driven by a 16.5% reduction in total debt. This reduction in debt is attributed to continued principal repayments, which have strengthened the balance sheet, lowered financial risk, and enhanced the company's flexibility to support future growth initiatives.

Retained earnings grew by 19.2% to \$162.08 million and supported shareholders' equity of \$510.98 million as at the end of the financial year. The reduction in debt along with the growth in equity resulted in an improvement in the debt-to-equity ratio, moving from 1.12x in 2023 to 0.89x in 2024. The decrease in leverage positions the company on stronger financial footing, offering more flexibility to respond to future capital needs while continuing its business expansion. With a healthier balance sheet, Elite is well-equipped to capitalize on growth opportunities, especially as we navigate our partnership with the Ministry of Health and expand our service offerings.

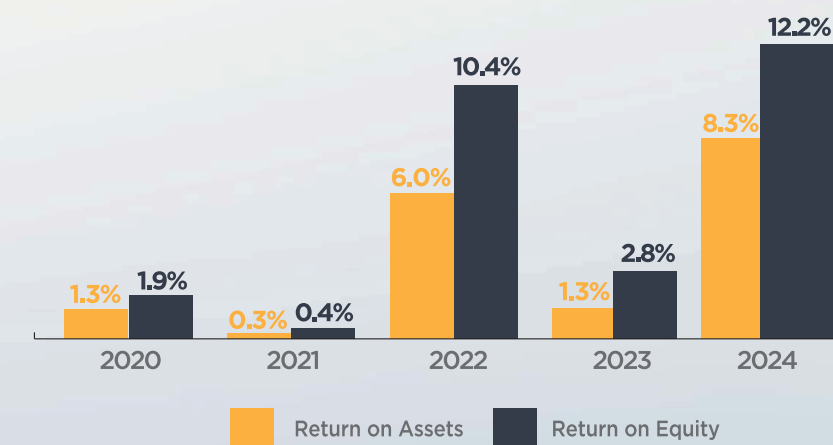
Return on equity improved from 2.8% in 2023 to 5.3% as at the end of the 2024 financial year. The outlook for the company remains positive, with a focus on growing solvency and driving shareholder value through prudent capital

management and strategic investments in long-term initiatives. This financial discipline will allow the company to sustain its growth trajectory while enhancing its competitive positioning in the healthcare sector.

LIABILITIES & EQUITY (J\$' MILLION)



LIABILITIES (J\$' MILLION)



OPERATIONAL PERFORMANCE

The year saw the successful completion of the solar power system installation at the Old Hope Road location. By March of the reporting year, as the daylight hours improved, we recorded a high of \$600,000 in savings in average monthly electricity expenditure. The installation at the Drax Hall branch remains underway and is expected to be completed during the upcoming fiscal year.

The local diagnostic medical imaging industry faces significant challenges, including growing competition and the unpredictability of machine downtime. In response to this, an Executive Committee was formed and tasked to oversee operations from a strategic perspective. The committee, which convenes weekly, enables the Board to promptly assist with major operational challenges and inefficiencies.

Noteworthy instances of machine downtime included the Holborn Road branch's Computed Tomography (CT) machine which was out of service for 240 days. Although the secondary machine at the Old Hope Road location mitigated much of the impact, we estimated a potential loss of approximately

\$33.6 million in gross revenue due to an anticipated minimum patient turnout of four (4) patients per day. At a gross margin of 66%, this translates to a net profits loss of \$22.1 million.

Similarly, the Drax Hall branch's Magnetic Resonance Imaging (MRI) machine experienced 125 days of downtime. With a minimum patient flow of eight (8) per day, this resulted in a projected gross profit loss of \$52 million, equating to a net profit loss of \$34.3 million for the year.

Despite these challenges our MRI services, particularly prostate scans performed on the 3T MRI at the Old Hope Road branch, remained largely unaffected, with less than two days of downtime during the year. This modality remains our most popular service, driving significant patient demand and revenue.

Owing to the consistent oversight of the Committee, we placed increased emphasis on customer service communications. Management regularly reviews the timeliness and tone of patient interactions, generating statistical reports to ensure adherence to our high standards of patient care. This focus enhanced our service quality and reinforced our commitment to delivering Grade A care.

We continue to monitor these factors closely and adjust our strategies to ensure operational stability. Our efforts to improve patient convenience and strengthen relationships with medical professionals are ongoing, with the goal of maintaining Elite's position as a leading choice in the industry.

OUR PEOPLE, OUR GREATEST ASSET

Fuelling our success is the unwavering dedication of our people. As of June 30, 2024, Elite boasts a workforce of 65 members, including executive management, three branch managers, radiographers, and customer service and support staff. The team's passion for creating an elite experience, ensuring patient comfort, and exceeding customer expectations are what owed to the year's strong performance.

In response to the growing demand for swift and accurate reporting, Elite has long utilised a network of Consultant Radiologists who read and report on scans from remote locations. Two of our branches having fully adopted this mode of reporting, and we intend to extend this support to all three branches in coming months.



Dontae Rodney

Recognizing the need for proactive technical support, we recruited a Technical Services Manager, Dontae Rodney, in February. With over twelve (12) years of experience in biomedical repairs and maintenance, and membership in the Jamaica Institute of Engineers, Mr. Rodney brings extensive expertise to his role. His leadership and technical skills have already yielded noticeable improvements, including prompt diagnostics and initial remedies for recurring issues, reducing our reliance on external maintenance services. Mr. Rodney's skills are complemented by internationally trained technicians, and he will continue to receive advanced training throughout his tenure.



Whitney Ling

To bolster our brand recognition and increase referrals, we have significantly enhanced our marketing efforts and have incorporated a new role to steer the company in this capacity. Whitney Ling has been appointed as the Marketing, Public Relations and Customer Service Advocate. In this role, she oversees our digital agency, streamlining our communications strategy and plans. In addition to direct communications, Ms. Ling is also responsible for the expansion of our professional network, driving industry referrals island-wide.

In our efforts to improve competitive edge and address local skill shortages, we initiated the onboarding of three Sonographers from the Philippines, a recruitment process which began in February of the reporting year. This addition is anticipated to boost the Ultrasound stream of revenue significantly in the upcoming year.

Central to the business ethos is a commitment to superior patient care and customer service. To further this objective, we have begun implementing the strategic plans for 2025, which includes the installation of customer satisfaction survey kiosks in the lobbies of all our branches. This initiative will help us continuously monitor and enhance patient's experience, ensuring that we maintain our industry-leading standards.

SERVING OUR COMMUNITY

Pouring into those who have given their all to the business, we continue to invest in our staff's professional development and provide academic loans and educational material assistance to our employees and their families. We are pleased to report a staff turnover rate of less than 5%, reflecting our commitment to their satisfaction.

Elite also remains invested in training the next generation of medical diagnostic professionals. Through partnership with the University of the West Indies' School of Medical Radiation Technology, at least two (2) paid six-month internship are provided to students annually, of which at least one (1) is offered a permanent role. This experience enables students to learn the modalities they would not be familiar with during their academic tenure.

Additionally, as part of the program initiated by the Ministry of Health and Wellness, Elite continues to provide significantly discounted services to patients of public hospitals across the island for scans not available at those facilities.

Beyond this Elite has continued to invest in the broader society by sponsoring a series of private and public functions and activities with the objective of encouraging participants to prioritise their preventative medical care.



Elite attended a Medical Conference to educate persons of our suite of services.



We supported our longstanding partner, Kingston Terminals and provided prizes and giveaways to attendees at the wharf.

STRATEGIC OUTLOOK

The industry is evolving rapidly with advancements in diagnostic imaging technology, increasing demand for early and accurate diagnosis, and competitive market changes. With all this occurring, Elite continues to demonstrate strong performance in the dynamic healthcare environment.

Looking forward we anticipate continued growth in line with the consistent demand for advanced imaging solutions and interventional procedures. Our focus however, will remain on patient satisfaction and continuously increasing the standard of care, and our leadership will seek to ensure this.

The next major step is further expanding Elite's footprint into the western region of the island.

Our focus on continued innovation, operational efficiency, and strategic growth position us well for the future. We remain dedicated to delivering cutting-edge imaging solutions and are confident that these initiatives will strengthen our market position and set the stage for continued success and sustained value creation for years to come.



FINANCIAL PERFORMANCE HIGHLIGHT

Our financial performance continues to improve each quarter as strategies implemented in our last financial year relating to (1) reduced machine down time (2) improved operational efficiency and (3) enhanced customer experience, have been producing positive results.

GROSS PROFIT MARGIN

69%

COST TO INCOME

60.4%

NET PROFIT
Q3 J\$6.1m

Q4 J\$33.9m

ASSETS
J\$1.1b



REVENUE

Q3 J\$202.2m

Q4 J\$244.2m

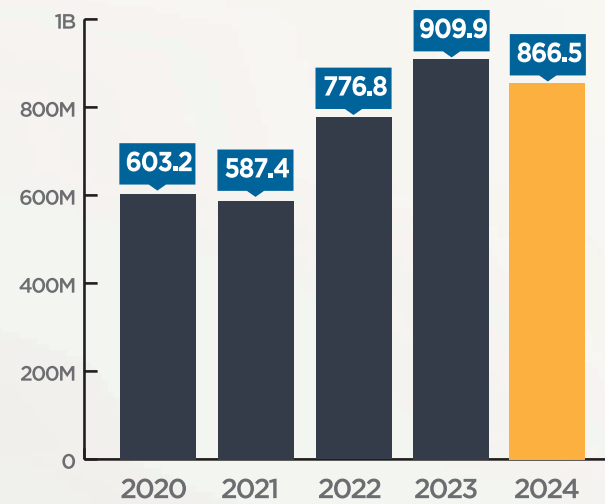
GROSS PROFIT

J\$521.3m

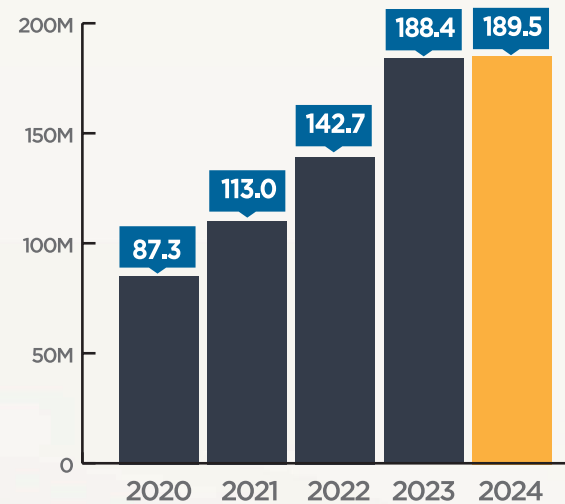
FIVE YEAR FINANCIAL REVIEW

BALANCE SHEET (J\$'000)

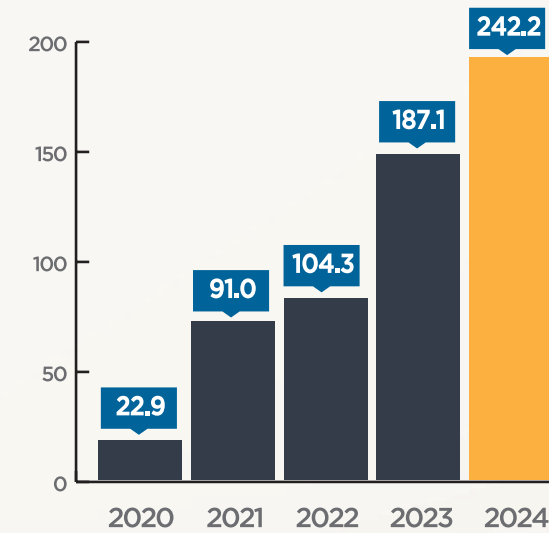
NON-CURRENT ASSETS



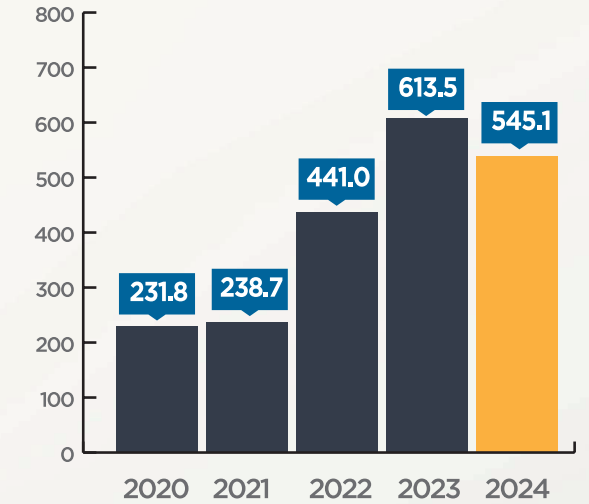
CURRENT ASSETS



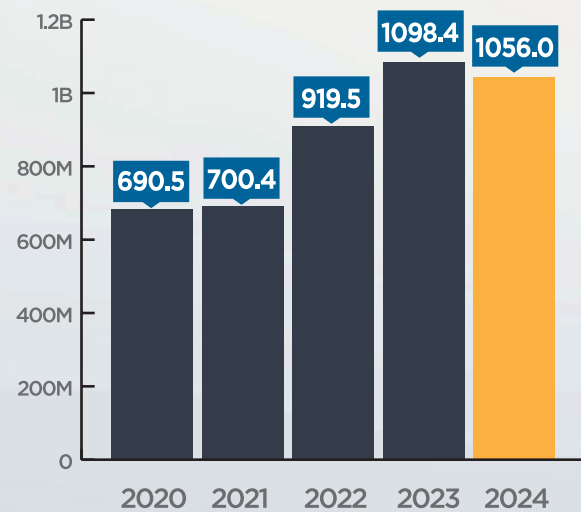
CURRENT LIABILITIES



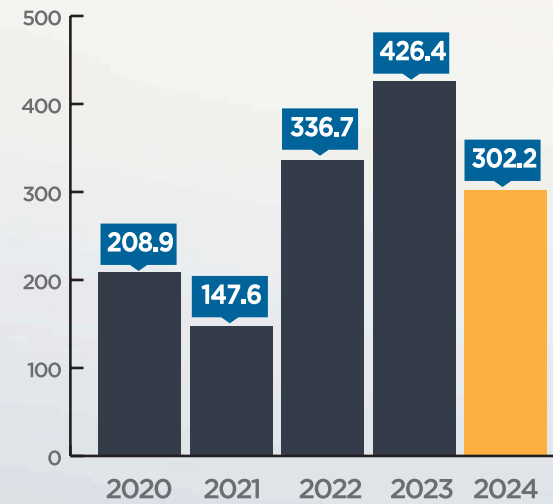
TOTAL LIABILITIES



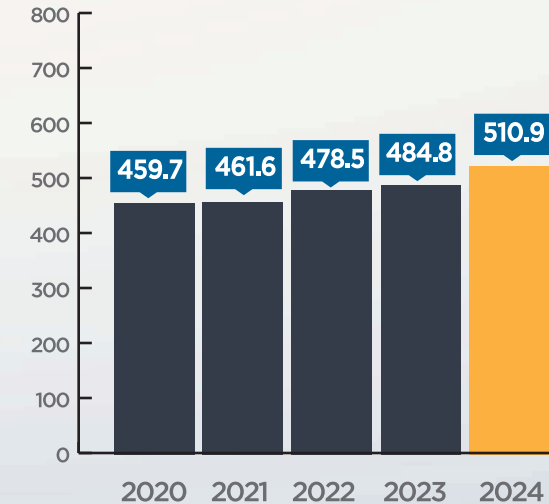
TOTAL ASSETS



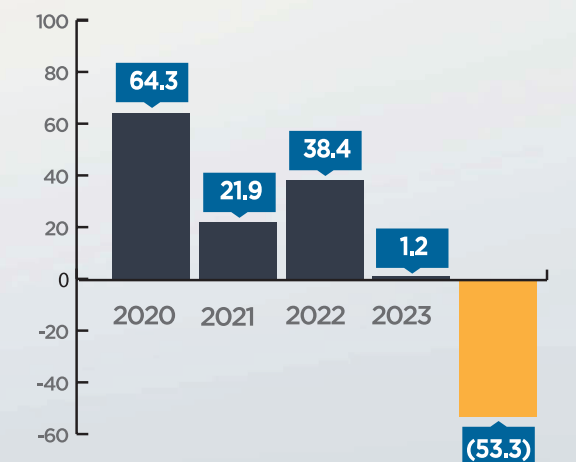
NON-CURRENT LIABILITIES



SHAREHOLDER'S EQUITY

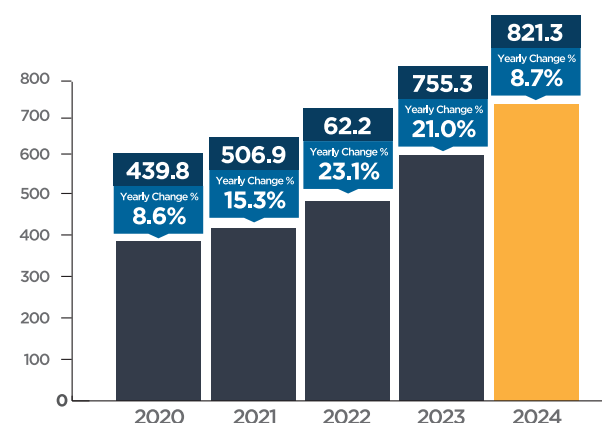


WORKING CAPITAL

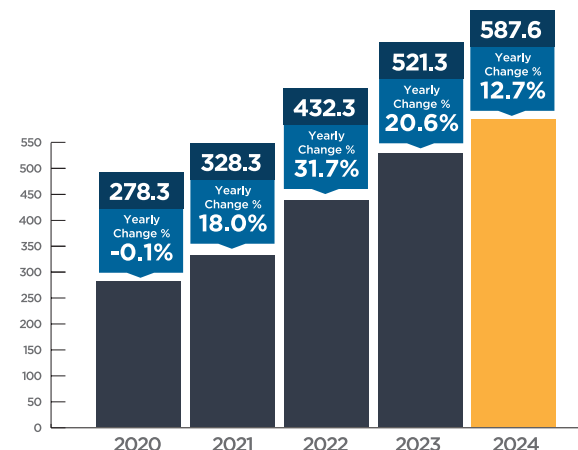


PROFIT & LOSS (J\$'000)

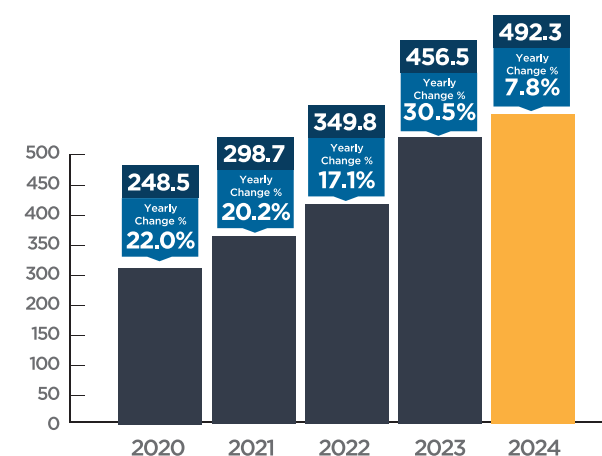
REVENUE (J\$' MILLION)



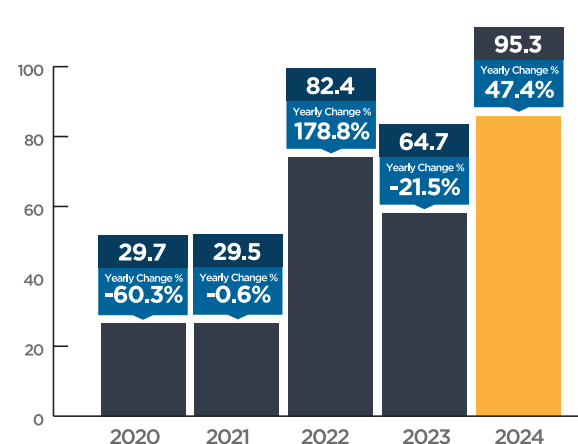
GROSS PROFIT



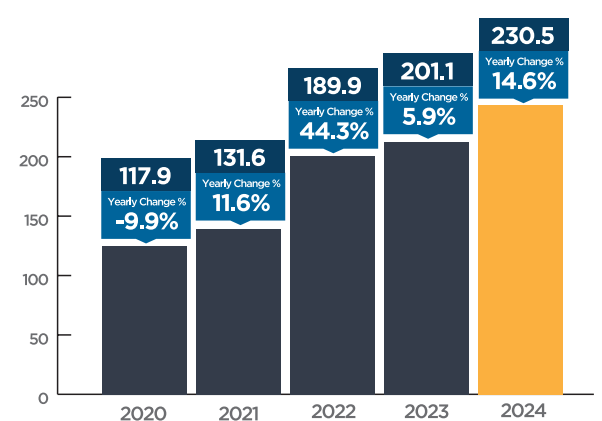
OPERATING EXPENSES



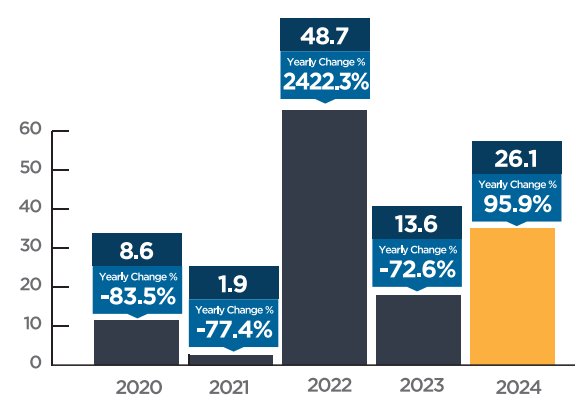
OPERATING PROFIT



EARNINGS BEFORE TAXES, INTEREST, DEPRECIATION & AMORTISATION



PROFIT FOR THE YEAR (J\$' MILLION)



KEY RATIOS

PROFITABILITY

	2024	2023	2022	2021	2020
Gross Profit Margin (%)	71.6%	69.0%	69.2%	64.8%	63.3%
Cost-to-Income Ratio (%)	59.9%	60.4%	56.0%	58.9%	56.5%
Interest Coverage Ratio	4.92	4.29	6.95	6.26	5.68
Return on Equity (%)	5.3%	2.8%	10.4%	0.4%	1.9%
Return on Total Asset (%)	2.4%	1.3%	6.0%	0.3%	1.3%

ACTIVITY

	2024	2023	2022	2021	2020
Debtor Days	63.3	42.5	29.5	17.4	3.0
Creditor Days	38.8	84.7	65.7	38.5	26.5

LIQUIDITY & SOLVENCY

	2024	2023	2022	2021	2020
Current ratio	0.78	1.0	1.4	1.2	3.8
Debt to Equity ratio	1.06	0.9	0.8	0.4	0.4
Debt to Total Assets ratio	0.52	0.4	0.4	0.3	0.3
Assets to Total Liabilities	1.9	1.8	2.1	2.9	3.0
Equity to Total Assets	0.5	0.4	0.5	0.7	0.7

AUDITED FINANCIAL STATEMENTS





Elite Diagnostic Limited

Report to Shareholders

Year Ended June 30, 2024



Directors' Report

The Board of Directors of Elite Diagnostic Limited presents the company's Audited Financial Statements for the year ended June 30, 2024.

Revenues for the year increased by 9% to \$821.3 Million compared to \$755.3 Million in the previous year.

Net profit was \$26.2 Million compared to \$13.4 Million in the prior year, representing an increase of 96%. A \$66.4 Million increase in our gross revenues was accompanied by an increase in administrative expenses of \$37.0 Million, resulting in an operating profit of \$95.4 Million which compares favourably to the operating profit of \$64.7 Million in the prior year.

We have achieved a continuous improvement in our financial performance over the last two reporting quarters, and our focus on maximising revenues due to proactive strategies implemented late last year continue to reap benefits for the company.

The level of machine downtime experienced in the previous financial year was significantly reduced in the latter part of the year and we are confident that further reductions will be achieved in subsequent quarters as we meticulously manage this area of our operations.

Total Assets declined by \$42 Million to \$1.06 Billion due mainly to the reduction in the net book value of some equipment, and a reduction in our "Right of Use Assets". Total Liabilities also reduced over the financial year by \$68.5 Million as the company's long term debt continued to be paid as scheduled.

As the competitiveness of the industry continues to increase, we have implemented strategic plans that will allow us to achieve a targeted level of growth across our branch network.

Our efforts to distinguish our service apart from the other industry players continue, as investment in training and customer service remain high on our list of priorities, along with our plans to provide more frequent returns to our shareholders.

We take this opportunity to thank our Directors, our customers, the referring doctors, all our shareholders, and our dedicated Elite team for their continued hard work and support to maintain Elite's positive presence within the medical diagnostic industry.

Warren Chung - Director

September 27, 2024

Neil Fong - Director



Elite Diagnostic Limited

Financial Statements
June 30, 2024

Elite Diagnostic Limited

June 30, 2024

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Independent auditor's report

To the Members of
Elite Diagnostic Limited

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of Elite Diagnostic Limited ("the Company") which comprise the statement of financial position as at June 30, 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements including a summary of material accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at June 30, 2024, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Jamaican Companies Act.

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 Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

hlbjm.com

Partners: Sixto P. Coy, Karen A. Lewis

3 Houghton Avenue, Kingston 10, Jamaica W.I. 56 Market Street, Montego Bay, Jamaica W.I.

TEL: (876) 926-2020/2 TEL: (876) 926-9400 TEL: (876) 952-2891 EMAIL: info@hlbjm.com

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Independent auditor's report (cont'd)

To the Members of
Elite Diagnostic Limited

Report on the audit of the Financial Statements (cont'd)

Other information

Management is responsible for the other information. The other information comprises the annual report (but does not include the financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 total, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Independent auditor's report (cont'd)

To the Members of
Elite Diagnostic Limited

Report on the audit of the Financial Statements (cont'd) Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

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

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that presents a true and fair view.

We communicate with the Board of Directors 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.

Independent auditor's report (cont'd)

To the Members of
Elite Diagnostic Limited

Report on the audit of the Financial Statements (cont'd) Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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 financial statements of the current period and are therefore the key audit matters. We describe the matter in our auditors' 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.

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act, in the manner required.

The engagement partner on the audit resulting in this independent auditor's report is Sixto Coy.

Kingston, Jamaica

September 27, 2024



HLB Mair Russell
Chartered Accountants


Elite Diagnostic Limited Statement of financial position

June 30, 2024

	Note	2024 \$'000	2023 \$'000
Assets			
Non-current assets			
Property, plant and equipment	(3)	747,543	781,374
Right-of-use assets	(4)	98,452	108,090
Restricted deposit	(5)	20,500	20,500
		866,495	909,964
Current assets			
Receivables	(6)	142,338	116,485
Prepayments		10,006	18,080
Cash and cash equivalents	(7)	37,221	53,882
		189,565	188,447
Total assets		1,056,060	1,098,411
Equity			
Share capital	(8)	348,898	348,898
Retained earnings		162,083	135,928
Total equity		510,981	484,826
Liabilities			
Non-current liabilities			
Lease liabilities	(4)	70,699	82,771
Long-term loans	(9)	228,926	343,653
Deferred tax liabilities	(10)	2,560	-
		302,185	426,424
Current liabilities			
Current portion of lease liabilities	(4)	30,005	26,582
Current portion of long-term loans	(9)	114,727	84,718
Trade and other payables	(11)	87,405	69,232
Short-term loans	(12)	6,775	6,594
Related party loan	(13)	3,384	-
Taxation payable		598	35
		242,894	187,161
Total liabilities		545,079	613,585
Total equity and liabilities		1,056,060	1,098,411

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

Approved for issue by the Directors on September 27, 2024 and signed on its behalf by:


Warren Chung


Neil Fong

Elite Diagnostic Limited Statement of profit or loss and other comprehensive income

Year ended June 30, 2024

	Note	2024 \$'000	2023 \$'000
Income		821,283	755,334
Direct costs		(233,624)	(234,073)
		587,659	521,261
Administrative and other expenses	(14)	(357,064)	(320,099)
Depreciation and amortisation	(14)	(135,227)	(136,449)
Operating profit		95,368	64,713
Finance income	(15)	88	95
Finance costs	(15)	(62,792)	(46,866)
Loss on foreign exchange		(3,315)	(4,556)
Profit before tax		29,349	13,386
Income tax expense	(16)	(3,194)	(35)
Profit for the year being total comprehensive income for the year		26,155	13,351
		\$	\$
Earnings per share	(17)	0.07	0.04

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

Elite Diagnostic Limited Statement of changes in equity

Year ended June 30, 2024

	Share capital \$'000	Retained earnings \$'000	Total \$'000
Balance at June 30, 2022	348,898	129,645	478,543
Dividends paid (Note 18)	-	(7,068)	(7,068)
Profit for the year being total comprehensive income for the year	-	13,351	13,351
Balance at June 30, 2023	348,898	135,928	484,826
Profit for the year being total comprehensive income for the year	-	26,155	26,155
Balance at June 30, 2024	348,898	162,083	510,981

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

Elite Diagnostic Limited Statement of cash flows

Year ended June 30, 2024

	2024 \$'000	2023 \$'000
Cash flows from operating activities:		
Profit before tax	29,349	13,386
Adjustments for:		
Depreciation and amortisation	(13)	136,449
Interest expense	(14)	46,866
Interest income	(14)	(95)
	227,280	196,606
Increase in receivables	(25,853)	(57,223)
Decrease/(increase) in prepayments	8,074	(10,513)
Increase in payables and accruals	18,172	29,876
Cash generated from operations	227,673	158,746
Income tax paid	(70)	-
Interest paid	(62,792)	(46,866)
Net cash provided by operating activities	164,811	111,880
Cash flow from investing activities		
Purchase of property, plant and equipment	(72,525)	(137,748)
Interest received	88	95
Restricted deposit	-	(20,500)
Net cash used in investing activities	(72,437)	(158,153)
Cash flow from financing activities		
Proceeds on long-term loan	-	365,424
Repayment of long-term loan	(84,718)	(311,002)
Proceed from short-term loan	9,688	9,135
Repayment of short-term	(9,507)	(8,367)
Proceeds on related party loan	4,400	-
Repayment of related party loan	(1,016)	-
Dividends paid	-	(7,068)
Repayment of lease liabilities	(27,882)	(23,857)
Net cash provided by financing activities	(109,035)	24,265
Net decrease in cash and cash equivalents	(16,661)	(22,008)
Cash and cash equivalents at beginning of year	53,882	75,890
Cash and cash equivalents at end of year	(7) 37,221	53,882

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

1. General information and nature of operations

Elite Diagnostic Limited was incorporated under the Laws of Jamaica on February 28, 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, with branches at 164½ Old Hope Road and Drax Hall, St. Ann.

The company provides diagnostic imaging services.

The company was listed on the Jamaica Stock Exchange (JSE) Junior Market via an Initial Public Offering (IPO) on February 20, 2018.

2. Summary of material accounting policies

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a Statement of compliance and basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and comply with the provisions of the Jamaican Companies Act. The measurement bases used are more fully described in the accounting policies below.

Changes in accounting policies

New Standards, interpretations and amendments to published standards that became effective in the current year

Certain new and amended standards came into effect during the current financial year. The adoption of those standards and amendments did not have a significant impact on the financial statements.

Standards and interpretations in respect of published standards that are not in effect:

Definition of Accounting Estimates (Amendments to IAS 8) (Effective January 1, 2024) The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

Non-current Liabilities with Covenants (Amendments to IAS 1) (Effective January 1, 2024) The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

These amendments affect financial statements for accounting periods beginning on or after the first day of the month stated. The Board is assessing the impact these amendments will have on its financial statements.

2. Summary of material accounting policies (cont'd)

b 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 Chief Executive Officer who makes strategic decisions.

c Property, plant and equipment

(i) Carrying amount

Property, plant, and equipment are carried at cost less accumulated depreciation.

(ii) Depreciation

Depreciation is provided on the straight-line basis at such rates as will write off the cost of the various assets over the period of their expected useful lives. The useful lives approximate to forty (40) years for buildings, five to ten (5 - 10) years for furniture, fixtures, machinery and equipment, three (3) years for computers and five (5) years for motor vehicle.

Leasehold building and improvements are being amortised over twenty years.

(iii) Repairs and renewals

The costs of repairs and renewals which do not enhance the carrying value of existing assets are written off to profit or loss as they are incurred.

d Functional and presentation currency

Functional and presentation currency

The financial statements are prepared and presented in Jamaican dollars, which is the functional currency of the company.

Foreign currency translations and balances

(i) Foreign currency monetary balances at the end of the reporting period have been translated at the rates of exchange ruling at that date.

(ii) Foreign currency transactions are translated into the functional currency at the exchange rate ruling at the dates of those transactions.

(iii) Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items are included in profit or loss. Non-monetary items are not retranslated at year-end and are measured at historical rates except for those measured fair value which are translated using the exchange rates at the date when the fair value was determined.

e Revenue recognition

Revenue is recognised when the company satisfies a performance obligation. Revenue is measured at the fair value of consideration received and receivable.

Elite Diagnostic Limited
Notes to the Financial StatementsYear ended June 30, 2024

2. Summary of material accounting policies (cont'd)**f Operating expenses**

Operating expenses are recognised in profit or loss upon utilisation of the service or the receipt on the goods or as incurred.

g Cash and cash equivalents

Cash and cash equivalents comprise amounts held in current and savings accounts with financial institutions and cash on hand balances net of bank overdraft.

h Trade and other receivables

Trade and other receivables are classified as loans and receivables. These are initially recognised at original invoice amount (which represents fair value) and subsequently measured at amortised cost.

i Financial instruments**Recognition and derecognition**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI)

In the periods presented the company does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Elite Diagnostic Limited
Notes to the Financial StatementsYear ended June 30, 2024

2. Summary of material accounting policies (cont'd)**i Financial instruments (cont'd)****Subsequent measurement of financial assets****Financial assets at amortised cost**

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Trade and other receivables and contract assets

The company makes use of a simplified approach in accounting for impairment of trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The company assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics, they have been grouped based on the days past due.

Classification and measurement of financial liabilities

The company's financial liabilities include borrowings, trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs, unless the company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

j Payables and accruals

Payables and accruals are obligations to pay for goods or services that have acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Elite Diagnostic Limited Notes to the Financial Statements

Year ended June 30, 2024

2. Summary of material accounting policies (cont'd)

k Income taxes

The Company will not be liable to pay corporate income tax in its first 5 years on the Junior Market. It will be liable to corporate income tax at half of the usual rate in years 6 to 10 on the Junior Market. If the Company breaches any Junior Market requirements, it may be liable to repay the tax that was remitted.

l Borrowings

Borrowings are recognised initially at fair value, being their issued proceeds net of transaction costs incurred, any difference between net proceeds and the redemption value is recognised in profit or loss over the period of the borrowings. Interest expense is reported on the accruals basis and other borrowing costs, are expensed to profit or loss in the period which they are incurred and are reported in finance costs.

m Impairment

The company's assets are subject to impairment testing.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment, and some are tested at cash-generating unit level.

Individual assets or cash-generating units 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 or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

n Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of shares are included in equity as a deduction from proceeds.

o Critical accounting judgements and key sources of estimation uncertainty

The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

Depreciation and amortisation of property, plant and equipment.

Depreciation and amortisation are provided so as to write down the respective assets to their residual values over their expected useful lives and, as such, the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are as disclosed in Note 2(c).

Expected credit loss

The measurement of expected credit loss requires significant assumptions about future economic conditions and credit behaviour such as the likelihood of customers defaulting. Details of these estimates are disclosed in Note 22(b).

Elite Diagnostic Limited Notes to the Financial Statements

Year ended June 30, 2024

3. Property, plant and equipment

The carrying amounts for equipment for the years included in these financial statements as at June 30, 2024, are reconciled as follows:

	Furniture and Fixtures \$'000	Medical Equipment \$'000	Computers \$'000	Computer Software \$'000	Solar System \$'000	Other Equipment \$'000	Leasehold Improvements \$'000	Total \$'000
Gross carrying amount	42,519	999,386	22,467	17,117	9,834	43,332	206,119	1,340,774
Balance at July 1, 2023	3,046	62,859	3,026	2,824	-	857	(87)	72,525
Additions/(transfers)	45,565	1,062,245	25,493	19,941	9,834	44,189	206,032	1,413,299
Balance at June 30, 2024	(22,182)	(403,269)	(14,245)	(11,114)	(7,208)	(23,298)	(78,084)	(559,400)
Depreciation	(3,322)	(76,581)	(3,668)	(3,070)	(730)	(3,110)	(15,875)	(106,356)
Current charge	(25,504)	(479,850)	(17,913)	(14,184)	(7,938)	(26,408)	(93,959)	(665,756)
Balance at June 30, 2024	20,061	582,395	7,580	5,757	1,896	17,781	112,073	747,543
Carrying amount at June 30, 2024								

Elite Diagnostic Limited Notes to the Financial Statements

Year ended June 30, 2024

4. Leases

Right-of-use assets

The carrying amounts for right-of-use assets for the years included in these financial statements can be analysed as follows:

	\$'000
Gross carrying amount	
Balance at July 1, 2023	134,292
Addition	19,233
Balance at June 30, 2024	153,525
Depreciation	
Balance at July 1, 2023	(26,202)
Charge for the year	(28,871)
Balance at June 30, 2024	(55,073)
Carrying amount at June 30, 2024	98,452

	\$'000
Gross carrying amount	
Balance at July 1, 2022	61,538
Addition	111,800
Adjustment	(39,046)
Balance at June 30, 2023	134,292
Depreciation	
Balance at July 1, 2022	(37,076)
Charge for the year	(28,172)
Adjustment	39,046
Balance at June 30, 2023	(26,202)
Carrying amount at June 30, 2023	108,090

The company leases office space under various lease agreements which typically runs for a period of three to five (3-5) years. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the statement of financial position as a right-of-use asset and a lease liability. Variable lease payments which do not depend on or a rate (such as lease payments based on a percentage of company sales) are excluded from the initial measurement of the lease liability and asset.

Elite Diagnostic Limited Notes to the Financial Statements

Year ended June 30, 2024

3. Property, plant and equipment (cont'd):

	Furniture and Fixtures \$'000	Medical Equipment \$'000	Computers \$'000	Computer Software \$'000	Solar System \$'000	Other Equipment \$'000	Leasehold Improvements \$'000	Total \$'000
Gross carrying amount								
Balance at July 1, 2022	41,191	937,095	18,664	14,171	9,683	38,440	144,258	1,204,502
Additions	1,328	101,162	3,803	2,946	151	3,005	25,353	137,748
Transfer	-	(38,871)	-	-	-	1,887	36,508	(476)
Balance at June 30, 2023	42,519	999,386	22,467	17,117	9,834	43,332	206,119	1,340,774
Depreciation								
Balance at July 1, 2022	(20,014)	(324,610)	(12,419)	(11,169)	(5,649)	(20,346)	(56,917)	(451,124)
Current charge	(2,168)	(78,659)	(1,826)	55	(1,559)	(2,952)	(21,167)	(108,276)
Balance at June 30, 2023	(22,182)	(403,269)	(14,245)	(11,114)	(7,208)	(23,298)	(78,084)	(559,400)
Carrying amount at June 30, 2023	20,337	596,117	8,222	6,003	2,626	20,034	128,035	781,374

Elite Diagnostic Limited
Notes to the Financial Statements

Year ended June 30, 2024

4. Leases (cont'd)

(a) Lease liabilities

The company operates from leased premises at its Holborn Road, Hope Road and Drax Hall locations.

Information about leases for which the company is a lessee is presented below:

Lease liabilities are presented in the statement of financial position is as follows:

	2024	2023
	\$'000	\$'000
Non-current	30,005	82,771
Current	70,699	26,582
	100,704	109,353

Future minimum lease payments are as follows:

2024

	Within 1 year	1 to 2 Years	1 to 3 Years	1 to 4 Years	4 to 5 Years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Lease payments	32,124	31,254	31,658	8,073	2,765	105,874
Finance charges	(2,119)	(1,559)	(971)	(442)	(79)	(5,170)
Net present values	30,005	29,695	30,687	7,631	2,686	100,704

2023

	Within 1 year	1 to 2 Years	Total
	\$'000	\$'000	\$'000
Lease payments	27,551	84,095	111,646
Finance charges	(971)	(1,324)	(2,295)
Net present values	26,580	82,771	109,351

(b) Amount recognised in the profit or loss

	2024	2023
	\$'000	\$'000
Depreciation charged on right-of-use-asset	28,871	28,172
Interest on lease liabilities	1,591	1,159
Net present values	30,462	29,331

Elite Diagnostic Limited
Notes to the Financial Statements

Year ended June 30, 2024

4. Leases (cont'd)

(c) Amount recognised in the statements of cash flows

	2024	2023
	\$'000	\$'000
Principal payment	27,882	23,857
Interest payments	1,591	1,159
Net present values	29,473	25,016

5. Restricted Deposit

This represents a Jamaican Dollar deposit of J\$20,500,000 being held as a reserve account at MF&G Asset Management Limited- NCB Capital Markets Limited Diversified Unit Trust Scheme (JMD Money Market Portfolio) a company duly incorporated under the Companies Act, in keeping with the terms and conditions of the loan agreement.

6. Receivables

	2024	2023
	\$'000	\$'000
Due from patients and insurance companies	143,398	116,812
Less: expected credit loss	(4,364)	(3,189)
	139,034	113,623
Other receivables	3,304	2,862
Total	142,338	116,485

The ageing of due from patients and insurance companies at the reporting date were:

	2024	2023
	\$'000	\$'000
0 – 30 days	14,035	18,383
31-60 days	58,916	29,287
Over 60 days	66,083	59,310
Total	139,034	113,623

Reconciliation of expected credit loss:

	2024	2023
	\$'000	\$'000
Balance at beginning of year	3,189	1,211
Write off during the year	-	317
Additional provision during the year	1,175	1,661
Balance at end of year	4,364	3,189

Elite Diagnostic Limited
Notes to the Financial Statements

Year ended June 30, 2024

7. Cash and cash equivalents

	2024 \$'000	2023 \$'000
Cash at bank	36,172	53,189
Cash in hand	1,049	693
Total	37,221	53,882

8. Share capital

	2024 \$'000	2023 \$'000
Authorised ordinary stock units of no par value	<u>Unlimited</u>	<u>Unlimited</u>
Issued shares at no par value		
Share capital		
353,400,000 ordinary stock units	<u>348,898</u>	<u>348,898</u>

9. Long-term loans

	2024 \$'000	2023 \$'000
(i) MF & G Asset Management Limited	122,354	181,271
(ii) National Commercial Bank	221,299	247,100
	<u>343,653</u>	<u>428,371</u>
Less: Current portion of long-term loans	(114,727)	(84,718)
Total	228,926	343,653

i On April 30, 2023, the loan was refinanced.

The loan bears interest rate of 11.25% per annum, and repayable in variable quarterly instalments starting with J\$14,729,135 on June 30 until and the final payment in February 2026.

The loan is secured by:

- Debt service reserve account in the amount of J\$20,500,000.
- Bill of sale over Borrower's equipment valued at \$424,918,000.
- Assignment of Low Voltage and Equipment All Risks and Commercial All Risks Insurance Policies for the equipment securing the Facility.

Elite Diagnostic Limited
Notes to the Financial Statements

Year ended June 30, 2024

9. Long-term loans (cont'd)

The transaction documents included:

- Subordination of inter-company and shareholder's loans and advances and Promissory Note.

ii The NCB loan bears interest of 9.85% per annum and is repayable over eighty-four (84) months. The loan is repayable in monthly instalments of \$4,083,027 inclusive of interest.

The loan is secured by:

- (i) Debenture over fixed and floating assets of the company stamped to cover J\$247,100,000.
- (ii) Security contract (Bill of Sale) over the following equipment/machinery registered and stamped collateral for J\$247,100,000.
 - (i) Siemens, Somatom go. Now (CT)
 - (ii) Alberex, UPS- Model AB-BRICM
 - (iii) Siemens, Magnetom, Altea (MR)
- Assignment of All Risks and Commercial All Risks Insurance Policies for the equipment/ machinery in items (3) above.
- (iii) Promissory note for \$247,100,000.

The transaction documents included:

- Subordination of all Directors', Shareholders', and related party debts to Banks Borrowings.
- Development Bank of Jamaica (DBJ) Credit Enhancement Fund (CEF) guarantee for J\$30 million.

10. Deferred tax liability

Deferred tax is calculated on all temporary differences under the liability method using a tax rate of 25%.

The movement on the deferred tax account is as follows:

	2024 \$'000	2023 \$'000
Balance at beginning of year	-	-
Deferred tax expense for the year (Note 16)	(2,560)	-
Balance at end of year	(2,560)	-

Deferred tax balance arose on temporary differences in respect of the following:

	2024 \$'000	2023 \$'000
Deferred tax liability on:		
Property, plant and equipment	(2,560)	-
Net deferred tax liability	(2,560)	-

Elite Diagnostic Limited
Notes to the Financial Statements

Year ended June 30, 2024

11. Trade and other payables

	2024	2023
	\$'000	\$'000
Trade payables	60,788	46,632
Accruals	15,588	14,486
Other payables	11,029	8,144
Total	87,405	69,232

12. Short-term loan

	2024	2023
	\$'000	\$'000
i Jamaica National Bank	2,398	2,362
ii Jamaica National Bank	4,377	4,232
Total	6,775	6,594

(i) This represents insurance premium financing at an interest rate of 2.81% per annum. It is repayable by March 2025 in monthly instalments of US\$3,152.

(ii) This represents insurance premium financing at an interest rate of 5.51% per annum. It is repayable by February 2025 in monthly instalments of J\$625,242.

13. Related party loan

This represents a loan from a director at an interest rate of 7% per annum. The loan is to be repayable over thirteen (13) months.

Elite Diagnostic Limited
Notes to the Financial Statements

Year ended June 30, 2024

14. Expenses by nature

Total administrative and other operating expenses:

	2024	2023
	\$'000	\$'000
Administrative expenses		
Audit fees	3,308	2,613
Legal and professional fees and stock exchange expenses	5,095	3,863
Staff costs (Note 20)	179,574	152,319
Advertising and promotion	5,232	9,614
Repairs and maintenance	44,503	43,197
Utilities	62,980	65,863
Insurance	9,309	8,161
Software licenses	4,492	4,401
Office and security expenses	19,761	15,224
AGM expenses	2,201	1,590
Directors' fees	2,569	2,268
Expected credit loss	1,175	1,978
Other expenses	16,865	9,008
Total	357,064	320,099
Depreciation and amortisation		
Property, plant and equipment	106,356	108,277
Right-of-use asset	28,871	28,172
	135,227	136,449

15. Finance income and finance costs

Finance income for the year comprise:

	2024	2023
	\$'000	\$'000
Interest income from financial assets	88	95
Finance costs		
	2024	2023
	\$'000	\$'000
Interest expense for borrowings at amortised cost:		
Interest on long-term loans	47,052	31,512
Interest expense on lease liabilities	1,591	1,159
Bank charges	14,149	14,195
Total finance costs	62,792	46,866

Elite Diagnostic Limited Notes to the Financial Statements

Year ended June 30, 2024

16. Income tax

The Company was listed on the Junior Stock Market of the Jamaica Stock Exchange (JSE) on 15 June 2022 which allows for the remission of taxes for ten (10) years (year 1 -5 at 100% and years 6-10 at 50%), provided the entity complies with the criteria set forth by the Junior Market rules of the JSE below:

- (a) The Company remains listed for 15 years and not suspended from the JSE due to breaches.
- (b) Maintain subscribed participating voting share capital not less than \$50 million and not exceeding \$500 million, and;
- (c) Maintaining at least 50 participating voting shareholders.

i Income tax expense is based on profit for the year, adjusted for taxation purposes and computed at the tax rate of 25% and comprises:

	2024 \$'000	2023 \$'000
Current tax expense	634	35
Deferred tax expense	2,560	-
Total	3,194	35

ii Reconciliation of theoretical tax charge to effective tax charge:

	2024 \$'000	2023 \$'000
Profit for the year	29,349	13,381
Tax at applicable tax rate of 25%	3,669	3,346
Adjustment for non-deductible expenses	17,050	14,219
Tax effect of allowances and remission of tax	(17,525)	(17,530)
Income tax charge for the year	3,194	35

17. Earnings per shares

Earnings per share is calculated by dividing the profit attributable to shareholders by the weighted average number of shares in issue for the year.

	2024	2023
Profit attributable to shareholders (J\$000s)	26,155	13,351
Weighted average number of shares (000s)	353,400	353,400
	\$	\$
Basic and diluted earnings per share (\$)	0.07	0.04

18. Dividends

No dividend was declared in the current year. Dividend of \$0.02 per stock unit was declared in the prior year.

Elite Diagnostic Limited Notes to the Financial Statements

Year ended June 30, 2024

19. Segment information

The company's revenue is derived mainly from diagnostic imaging services, as a result there is no relevant segment information.

20. Staff costs

	2024 \$'000	2023 \$'000
Salaries and wages	125,326	106,267
Statutory contributions	41,018	33,274
Staff welfare and training	13,230	12,778
Total	179,574	152,319

Salaries and wages included amounts paid to key management which is disclosed at Note 14.

21. Balances and transaction with related parties

(i) At the reporting date there were no balances due to or from related parties.

(ii) Transactions with key management.

The compensation of key management for services is shown below:

	2024 \$'000	2023 \$'000
Fees paid to directors	2,569	2,268
Salaries and other short-term employee benefits	13,696	13,772
Total	16,265	16,040

Compensation paid to directors

	2024 \$'000	2023 \$'000
Fees paid to directors	2,569	2,268
Salaries	6,584	7,937
Total	9,153	10,205

22. Risk management policies

The company's activities expose it to a variety of financial risks in respect of its financial instruments: market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The company seeks to manage these risks by close monitoring of each class of its financial instruments as follows:

a 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. The company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risk, which result from both its operating and investing activities.

i Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The company is exposed to currency risk due to fluctuations in exchange rates on balances that are denominated in currencies other than the Jamaican Dollar. For transactions denominated in United States Dollars (US\$) the company however, maintains US\$ bank accounts in an attempt to manage this risk.

At the end of the reporting period, there were net liabilities of approximately US\$163,000 (2023 - US\$86,000) which were subject to foreign exchange rate changes as follows:

Concentrations of currency risk

	2024 US\$'000	2023 US\$'000
Financial assets		
- Cash and cash equivalents	44	37
Financial liabilities		
- Trade payables	(21)	(18)
- Lease liabilities	(186)	(105)
Total	(163)	(86)

22. Risk management policies (cont'd)

a Market risk (cont'd)

Foreign currency sensitivity

The following table illustrates the sensitivity and the impact on profit for the year of company's financial assets and financial liabilities to foreign exchange rates, all other things being equal. The sensitivity analysis is based on the company's foreign currency financial instruments held at each reporting date. Only movements between the Jamaican dollar and the United States dollars are considered, as these are the two major currencies of the company.

Effect on profit before tax:

If the Jamaican dollar weakens by 4% (2023 - 4%) against the United States dollar then this would have the effect shown below on the basis that all other variables remain constant.

	Percentage change %	Effect on earnings \$'000
2024	4	(1,512)
2023	4	(800)

If the Jamaican dollar strengthens against the United States dollar by 1% (2023 - 1%) this would have the following effect:

	Percentage change %	Effect on earnings \$'000
2024	1	252
2023	1	133

ii Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The company's cash and cash equivalents are subject to interest rate risk. However, the company attempts to manage this risk by monitoring its interest-bearing instruments closely and procuring the most advantageous rates under contracts with interest rates that are fixed for the life of the contract, where possible.

The company holds cash in interest-earning bank accounts with licensed financial institutions. Interest rates on interest-earning bank accounts are not fixed but are subject to fluctuations based on prevailing market rates.

iii Other price risk

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The company's financial instruments are substantially independent of changes in market prices as they are short-term in nature.

Elite Diagnostic Limited
Notes to the Financial Statements

Year ended June 30, 2024

22. Risk management policies (cont'd)

b Credit risk

Credit risk is the risk that a counter party fails to discharge an obligation to the company.

The company faces credit risk in respect of its receivables, restricted certificate of deposit and cash and cash equivalents. There is a significant concentration of credit risk in trade and other receivables. However, this risk is controlled by close monitoring of these assets by the company.

In addition, cash and cash equivalents are maintained with licensed financial institutions considered to be stable. Savings and current accounts held at Commercial Banks are insured under the Jamaica Deposit Insurance Scheme (JDIS). At the end of the reporting period a maximum of \$1,200,000 per Commercial Bank is insured under the JDIS.

The maximum credit risk faced by the company is the total of these balances reflected in the financial statements.

Receivables

The company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for receivables. To measure expected credit losses on a collective basis, receivables are grouped based on similar credit risk and aging.

The expected loss rates are based on the company's historical credit losses experienced over the two-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The calculated expected credit losses are detailed below:

June 30, 2024

	Trade receivables days past due				
	Current \$'000	More than 30 days \$'000	More than 60 days \$'000	More than 90 days	Total \$'000
Expected credit loss rate	1.01%	2.05%	3.09%	4.12%	
Gross carrying amount	14,181	46,245	14,057	68,915	143,398
Lifetime expected credit loss	143	948	434	2,839	4,364

Elite Diagnostic Limited
Notes to the Financial Statements

Year ended June 30, 2024

22. Risk management policies (cont'd)

b Credit risk (cont'd)

Receivables (cont'd)

June 30, 2023

	Trade receivables days past due				
	Current \$'000	More than 30 days \$'000	More than 60 days \$'000	More than 90 days \$'000	Total \$'000
Expected credit loss rate	1.02%	2.06%	3.09%	4.12%	
Gross carrying amount	28,532	29,287	13,214	45,779	116,812
Lifetime expected credit loss	291	604	408	1,886	3,189

The closing balance of the trade and other receivables as at March 31, 2024, reconciles with the trade receivables loss allowance opening balance as follows:

	2024 \$'000	2023 \$'000
Opening loss allowance	3,189	1,211
Loss allowance recognised during the year	1,175	1,978
	4,364	3,189

c Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting its commitments associated with financial liabilities.

The company manages its liquidity risk by carefully monitoring its cash outflow needs for day-to-day business and maintaining an appropriate level of resources in liquid or near liquid form to meet its needs. The company maintains cash and demand deposits to meet its liquidity requirements.

The table below presents the undiscounted cash flows payable (both interest and principal) of the company's financial liabilities based on contractual repayment over the next 12 months.

Elite Diagnostic Limited
Notes to the Financial Statements

Year ended June 30, 2024

22. Risk management policies (cont'd)

c Liquidity risk (cont'd)

2024	Current	Non-current
	within 1 year \$'000	2 - 5 years \$'000
Long-term loans	114,727	228,926
Lease liabilities	30,005	70,699
Trade and other payables	87,405	-
Short-term loans	6,774	-
Directors loan	3,384	-
Total	242,295	299,625
2023		
	Current	Non-current
	within 1 year \$'000	2 - 5 years \$'000
Long-term loans	126,866	439,154
Lease liabilities	27,551	84,095
Trade and other payables	69,232	-
Short-term loans	6,594	-
Total	230,243	523,249

23. Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Market price is used to determine fair value where an active market (such as a recognised stock exchange) exists as it is the best evidence of the fair value of a financial instrument.

Financial instruments that, subsequent to initial recognition, are measured at fair value are grouped into levels 1 to 3 based on the degree to which the fair values are observable, as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities. (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is derived from prices). (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). (Level 3).

The company's financial assets and liabilities are measured at amortised costs and the fair values for these are disclosed at Note 24.

Elite Diagnostic Limited
Notes to the Financial Statements

Year ended June 30, 2024

24. Summary of financial assets and liabilities by category

The carrying amount of the company's financial assets and liabilities recognised at the end of the reporting periods under review and be categorised as follows:

	2024 \$'000	2023 \$'000
Financial assets at amortised costs		
Receivables	142,338	116,485
Cash and cash equivalents	37,221	53,882
Total	179,559	170,367
Financial liabilities at amortised costs		
Trade and other payables	87,405	69,232
Lease liabilities	100,704	109,353
Long-term loans	343,653	428,371
Short-term loans	6,775	6,594
Directors loan	3,384	-
Total	541,921	613,550

25. Capital management, policies and procedures

The company's capital management objectives are to ensure the company's ability to continue as a going concern and to sustain future development of the business. The company's Board of Directors review the financial position of the company at regular meetings.

The company is not subject to any externally imposed capital requirements.

Elite Diagnostic Limited

List of Directors, Connected Parties and Senior Managers Shareholdings

As at June 30, 2024

Directors and connected parties

Directors

Name	Position	Shares Held	Percentages %
Steven Gooden	Chairman	35,289,628	9.9857
Warren Chung	Non-Executive Director	778,355	0.2203
Neil Fong	Executive Director	140,000	0.0396
Kevin Donaldson	Non-Executive Director	140,000	0.0396
Mark Kerr-Jarrett	Non-Executive Director	-	-
Quentin Hugh Sam	Non-Executive Director	824,573	0.2333
Stephen Ricketts	Non-Executive Director	-	-
Simone Bowie-Jones	Non-Executive Director	-	-
Combined Directors Holdings		37,172,556	10.5185

Connected Parties

Connected to

Excel Investments	Warren Chung and Neil Fong	86,674,897	24.5260
Barnett Limited	Mark Kerr-Jarrett	15,515,994	4.3905
Combined Connected Parties Holdings		102,190,891	28.9165

Combined Holdings

139,363,447 **39.4837**

Senior Managers Shareholdings

Name	Position	Shares Held	Percentages %
Harvey Levers	Chief Executive Officer	-	-
Neil Fong	Executive Director	140,000	0.0396
Marjorie Miller	General Manager	-	-
Combined Senior Managers Holdings		140,000	0.0396

Connected Parties

Connected to

Excel Investments	Warren Chung and Neil Fong	86,674,897	24.5260
		86,674,897	24.5260

Combined Connected Parties Holdings

86,674,897 **24.5656**

Total issued capital

353,400,000

Elite Diagnostic Limited

List of Directors, Connected Parties and Senior Managers Shareholdings

As at June 30, 2024

Top 10 Shareholders

Names	Share Held	Percentages %
1. Excel Investments (Connected to Warren Chung and Neil Fong)	86,674,897	24.5260
2. NCB Capital Markets Limited (Connected to Stephen Ricketts)	66,028,392	18.6838
3. Steven Gooden	35,289,628	9.9857
4. JCSD Trustee Services Limited - Sigma Optima	31,438,024	8.8959
5. Barnett Limited (Connected to Mark Kerr-Jarrett)	15,515,994	4.3905
6. Damian Chin-You	14,513,589	4.1068
7. West Indies Radiology Outsourcing Ltd.	8,000,000	2.2637
8. Everton J. Smith	5,720,000	1.6186
9. QWI Investments Limited	4,386,691	1.2413
10. Lizette Mowatt	3,703,632	1.0480
Total units owned by top 10 Shareholders	271,270,847	76.7603

Total Issued Capital

353,400,000



Our focus on operational efficiency, people development, market expansion and patient satisfaction has significantly enhanced our competitive edge and yielded substantial results.

STAMP

I/We _____ of _____

being member/members of ELITE DIAGNOSTIC LIMITED (“ELITE”) hereby appoint _____ of _____ or failing him **The Chairman of the Board** of ELITE DIAGNOSTIC LIMITED as my/our proxy vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on **December 12, 2024, at The Courtleigh Hotel & Suites, 85 Knutsford Boulevard, Kingston 5, Jamaica at 10:00 a.m.** and at any adjournment thereof.

Please indicate with an X in the space provided how you wish your proxy to vote on the Resolution referred to. Unless otherwise indicated, the proxy will vote as he thinks fit.

Signed this _____ day of _____ 2024 Signature: _____

RESOLUTION	FOR	AGAINST
RESOLUTION NO. 1 “THAT the Directors’ Report and Auditors Report and Audited Financial Statements for the year ended June 30, 2024 be and are hereby approved.”		
RESOLUTION NO. 2A “THAT Mr. Warren Chung be and is hereby re-elected a Director of the Company.”		
RESOLUTION NO. 2B “THAT Mr. Quentin Hugh Sam be and is hereby re-elected a Director of the Company.”		
RESOLUTION 2C “THAT Mr. Mark Kerr Jarrett be and is hereby re-elected a Director of the Company”.		
RESOLUTION NO.3 “THAT HLB Mair Russell be appointed as the Auditors of the Company and their remuneration be fixed by the Directors.”		
RESOLUTION NO.4 “THAT the amount shown in the Audited Financial Statements as remuneration of non-executive Directors be and is hereby approved.”		

NOTES:

- I. This Form of Proxy must be lodged at the Registered Office of the Company (1B Holborn Road, Kingston 10, Jamaica) or the Registrar, Jamaica Central Securities Depository (“JCSD”), 40 Harbour Street, Kingston, not later than Forty-Eight (48) hours before the meeting.
- II. Any alterations in this Form of Proxy should be initialed.
- III. In the case of joint holders, the signature of one holder will be sufficient but the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint-holders, seniority being determined by the order in which the names stand on the register.
- IV. If the appointer is a Corporation, this Form of Proxy must be executed under its common seal or under the hand of an Office or Attorney duly authorized.
- V. An adhesive stamp of \$100.00 must be affixed to the Form of Proxy.



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ANNUAL REPORT

2024

