



## UNAUDITED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED JUNE 30, 2015

**MEDICAL DISPOSABLES  
& SUPPLIES LIMITED**

### RELEASE TO SHAREHOLDERS

The Board of Directors of Medical Disposables and Supplies Limited (MDS) is pleased to present the unaudited financial statements for the three months ended June 30, 2015.

### FINANCIAL HIGHLIGHTS

Highlights of the three months ended June 30, 2015 compared to the three months ended June 30, 2014

	<b>June 2015</b>	<b>June 2014</b>	<b>Inc/(Dec)%</b>
✚ Sales revenue	\$291.0m	\$257.2m	13.1%
✚ Gross profit	\$84.1m	\$65.6m	28.2%
✚ Net profit after tax	\$19.3m	\$16.8m	14.5%
✚ Earnings per stock unit	7 cents	6 cents	16.7%
✚ Dividends paid per share	4 cents	nil	
✚ Total assets	\$929.0m	\$610.8m	52.1%
✚ Total stockholders' equity	\$411.2m	\$345.7m	19.0%

- Sales revenue of \$291m, an increase of \$33.8m or 13.1%.

The Board of Directors has approved a strategic plan which forecast growth in market share, increase product offerings and widening the customer base in all categories of its business operations. The performance in the first quarter reflects progress in meeting these strategic targets.

- Gross profit of \$84.1m, an increase of \$18.5m or 28%.

This improvement was due to the increased sales in all categories, changes in product mix and maintaining gross margin efficiency.

- Total operational expenses of \$60.3m, an increase of \$13.8m or 29.6%.

The increase in expenses was driven mainly by staff related expenses, insurance, utilities, professional fees, information technology services and expenses related to the new property purchased earlier in the year. Staff related expenses, in particular, increased because of the strategic decision to realign the staff complement and compensation to sustain the current growth, development and expansion of the business.

- Total non operational expenses of \$4.5m, an increase of \$2.3m or 102%

The increase was as a result of a decrease in interest income as funds that were placed on competitively priced interest bearing facilities, was used as the deposit to purchase a property and other related capital expenditure.

- Profit after tax of \$19.3m, an increase of \$2.5m or 14.5%.

The increase in profit was as a direct result of the improved performance in sales revenue in the period ended June 30, 2015.

Despite a challenging economic environment, the company has experienced growth as forecasted in its corporate strategic plan. MDS is committed to maintaining high standards in efficient product movement and market penetration, while strengthening relationships with our customers, suppliers, employees and other stakeholders.

## **DIVIDEND PAYMENTS**

In addition to the interim dividends of \$0.04 disbursed on November 19, 2014, a final dividend payment of \$0.04 per share was paid on June 19, 2015 to shareholders on record as at June 8, 2015. This brings the total dividends paid to \$0.08 based on profits for the financial year ended March 31, 2015.

## **OTHER BUSINESS HIGHLIGHTS**

The company is in the process of developing plans for refurbishing the property at 83 Hagley Park Road, acquired in January 2015 for the purpose of housing its operation. Refurbishing of the building and the move to the new property should be completed by the end of the third quarter.

A handwritten signature in black ink that reads "K. Boothe". The signature is written in a cursive, slightly slanted style.

**Kurt Boothe**  
**General Manager**

**July 28, 2015**

## Medical Disposables & Supplies Limited

Unaudited Statement of Profit or Loss

For the Three Months Period Ended June 30, 2015

	Three Months To June 2015 \$	Three Months To June 2014 \$	Audited March 2015 \$
Revenue	290,981,964	257,191,031	1,158,720,962
Cost of sales	(206,839,670)	(191,558,325)	(860,624,282)
<b>Gross profit</b>	<b>84,142,294</b>	<b>65,632,706</b>	<b>298,096,680</b>
			25.73%
Administrative expenses	(30,568,455)	(33,920,556)	(146,175,671)
Selling and promotional costs	(23,869,953)	(9,697,154)	(41,825,123)
Other operating expenses	(5,897,100)	(2,938,643)	(18,851,771)
<b>Total Operational Costs</b>	<b>(60,335,508)</b>	<b>(46,556,354)</b>	<b>(206,852,565)</b>
<b>Profit after Operational Costs</b>	<b>23,806,786</b>	<b>19,076,352</b>	<b>91,244,115</b>
Finance and other income	182,850	1,163,580	8,365,058
Gain on disposal of property, plant & equipment	-	300,000	300,000
Finance cost	(4,396,394)	(3,340,917)	(14,536,283)
Loss on foreign exchange	(272,659)	(344,894)	(744,065)
	<b>(4,486,203)</b>	<b>(2,222,231)</b>	<b>(6,615,290)</b>
<b>Profit before tax</b>	<b>19,320,583</b>	<b>16,854,121</b>	<b>84,628,825</b>
Tax expense	(30,000)	-	(60,000)
<b>PROFIT FOR THE PERIOD / YEAR</b>	<b>19,290,583</b>	<b>16,854,121</b>	<b>84,568,825</b>
<b>EARNINGS PER SHARE</b>	<b>0.07</b>	<b>0.06</b>	<b>0.32</b>

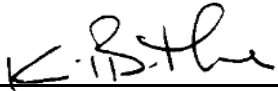
## Medical Disposables & Supplies Limited

Unaudited Statement of Financial Position

As At June 30, 2015

	3 Months To 30-Jun -15 \$	3 Months To 30-Jun -14 \$	Audited 31-Mar-15 \$
<b>Assets</b>			
<b>Non- Current Assets</b>			
Property, Plant and Equipment	350,881,846	96,469,898	351,627,170
<b>Current Assets</b>			
Inventories	259,064,817	182,027,246	266,401,044
Trade Receivables	210,311,720	220,875,436	236,589,731
Other Receivables & Prepayments	36,527,208	16,097,394	28,780,560
Cash and Bank Balances	69,893,056	94,029,062	72,944,208
	<u>575,796,801</u>	<u>513,029,138</u>	<u>604,715,543</u>
<b>Total Assets</b>	<b><u>926,678,647</u></b>	<b><u>609,499,036</u></b>	<b><u>956,342,713</u></b>
<b>Equity</b>			
<b>Capital and Reserve</b>			
Share Capital	107,835,764	107,835,764	107,835,764
Revaluation Reserve	35,613,267	35,613,267	35,613,267
Retained Profits	267,777,610	201,824,955	259,013,343
<b>Total Equity</b>	<b><u>411,226,641</u></b>	<b><u>345,273,986</u></b>	<b><u>402,462,374</u></b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Interest-bearing borrowings	242,835,721	44,379,866	242,600,872
	<u>242,835,721</u>	<u>44,379,866</u>	<u>242,600,872</u>
<b>Current Liabilities</b>			
Trade Payables	148,744,935	96,705,162	191,251,200
Other payables	32,122,267	23,488,267	30,205,305
Income tax payable	3,654,841	15,718,897	10,166,098
Short Term Borrowings	56,895,560	30,000,000	56,895,560
Bank Overdraft	31,198,683	53,932,857	22,761,304
	<u>272,616,286</u>	<u>219,845,184</u>	<u>311,279,467</u>
<b>Total Liabilities</b>	<b><u>515,452,006</u></b>	<b><u>264,225,050</u></b>	<b><u>553,880,339</u></b>
<b>Total Equity and Liabilities</b>	<b><u>926,678,647</u></b>	<b><u>609,499,036</u></b>	<b><u>956,342,713</u></b>

Approved for issue by the Board of Directors on July 28, 2015 and signed on its behalf by:

  
 \_\_\_\_\_  
 Director

  
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 Director

## Medical Disposables and Supplies Limited

Unaudited Statement of Changes In Equity

For the Three Months Period Ended June 30, 2015

	Share Capital \$	Revaluation Reserve \$	Retained Profit \$	Total \$
<b>Balance at April 1, 2014</b>	107,835,764	35,613,267	184,970,834	328,419,865
<b>Changes in equity 2015</b>				
Total comprehensive income for the period	-	-	16,854,121	16,854,121
<b>BALANCE AT JUNE 30, 2014</b>	<b>107,835,764</b>	<b>35,613,267</b>	<b>201,824,955</b>	<b>345,273,986</b>
<b>Balance at April 1, 2015</b>	107,835,764	35,613,267	259,013,343	402,462,374
<b>Changes in equity 2016</b>				
Dividends paid			(10,526,316)	(10,526,316)
Total comprehensive income for the period	-	-	19,290,583	19,290,583
<b>BALANCE AT JUNE 30, 2015</b>	<b>107,835,764</b>	<b>35,613,267</b>	<b>267,777,610</b>	<b>411,226,641</b>

## Medical Disposables & Supplies Limited

Unaudited Statement of Cash Flows  
For The Three Months Ended June 2015

	June 2015 \$	June 2014 \$
<b>Cash flows from operating activities:</b>		
Profit before tax	19,320,583	16,854,121
Adjustments for:		
Depreciation	2,987,279	1,745,143
Interest expenses	4,396,394	3,340,917
Interest income	(182,850)	(1,163,580)
Loss on foreign exchange - other loans	972,660	1,351,455
Gain on disposal of fixed asset	-	(300,000)
	<u>27,494,066</u>	<u>21,828,056</u>
Increase in inventories	7,336,227	17,311,985
Increase / (decrease) in trade and other receivables	18,531,363	(9,727,472)
Decrease in trade and other payables	(40,589,303)	(31,661,251)
	<u>12,772,352</u>	<u>(2,248,682)</u>
<b>Cash provided by / (used in) operations</b>		
Income tax paid	(6,541,257)	(5,719,736)
Interest paid	(4,396,394)	(3,340,917)
<b>Net cash provided by / (used in) operating activities</b>	<u>1,834,701</u>	<u>(11,309,335)</u>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant & equipment	(2,241,955)	(1,933,937)
Interest received	182,850	1,163,580
<b>Net cash used in investing activities</b>	<u>(2,059,105)</u>	<u>(770,358)</u>
<b>Cash flows from financing activities:</b>		
Dividend payments	(10,526,316)	-
Proceeds from borrowings	30,000,000	25,000,000
Repayment of borrowings	(30,737,812)	(25,663,597)
Proceeds on disposal of fixed asset	-	300,000
<b>Net cash used in financing activities</b>	<u>(11,264,128)</u>	<u>(363,597)</u>
Net increase in cash & cash equivalents	(11,488,531)	(12,443,290)
Cash and cash equivalent at beginning of period	50,182,904	52,539,493
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	<u>38,694,373</u>	<u>40,096,203</u>

# Medical Disposables & Supplies Limited

Notes to the Unaudited Financial Statements

Three Months Ended June 30, 2015

## 1. Identification and activities

Medical Disposables and Supplies Limited is a limited liability company incorporated under the Laws of Jamaica on November 27, 1998.

The company is domiciled in Jamaica with its registered office located at Shop # 26, The Domes, 85 Hagley Park Road, Kingston 10.

The main activity of the company is the sale of medical disposables and supplies.

The company's shares were listed on the Junior Market of the Jamaica Stock Exchange on December 24, 2013.

## 2. Basis of preparation

The condensed interim financial statements for the three months ended June 30, 2015 have been prepared in accordance with IAS 34 – Interim Financial Reporting. The interim financial statements should be read in conjunction with the audited financial statements ended March 31, 2015 which have been prepared in accordance with IFRSs as issued by the International Accounting Standards Board (IASB).

## 3. Accounting Policies

There have been no changes in accounting policies since the most recent audited financial statements as at March 31, 2015.



# Medical Disposables & Supplies Limited

Notes to the Unaudited Financial Statements

Three Months Ended June 30, 2015

## 4. Taxation

The company's shares were listed on the Junior Market of the Jamaica Stock Exchange on December 24, 2013. Consequently, the company is entitled to a waiver of income taxes for ten years in the proportions set out below, provided that the shares remain listed for at least fifteen years.

Year 1 – 5	100%
Year 6 – 10	50%

## 5. Shareholders' Information

<b>Directors' Holdings As at June 30, 2015</b>	<b>No. Of Units</b>
Kurt Boothe	50,300,000
Winston Boothe	50,000,000
Myrtis Boothe	50,000,000
Nikeisha Boothe	50,000,000
Dahlia McDaniel	1,073,100

# Medical Disposables & Supplies Limited

Notes to the Unaudited Financial Statements

Three Months Ended June 30, 2015

<b>Holdings of Senior Managers As at June 30, 2015</b>	<b>No. Of Units</b>
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Kurt Boothe	50,300,000
Myrtis Boothe	50,000,000
Nikeisha Boothe	50,000,000
Janice Pitter *	87,000
Lenworth Murray	163,000
Gerard Whyte	54,000

\* Includes shareholdings for connected parties

<b>Top Ten Shareholders As at June 30, 2015</b>	<b>No. Of Units</b>
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Kurt Boothe	50,300,000
Winston Boothe	50,000,000
Myrtis Boothe	50,000,000
Nikeisha Boothe	50,000,000
Mayberry West Indies Limited	9,082,808
Mayberry Managed Clients Account	8,240,884
Apex Pharmacy	3,496,926
Bamboo Group Holdings	3,350,631
Catherine Adella Peart	2,931,050
Manwei International Ltd.	2,148,432
Leon O. W. Headley	1,596,957
Lawrence and Associates Limited	1,284,222