

Elite Diagnostic Limited

Unaudited Interim Financial Statements

Second Quarter ended December 31, 2017



Contents

	Page
Unaudited statement of financial position	1
Unaudited statement of profit or loss and other comprehensive income	2
Unaudited statement of changes in equity	3
Unaudited statement of cash flows	4
Notes to the interim financial statements	5

Unaudited statement of financial position

December 31, 2017

	Unaudited December 31, 2017 \$	Audited December 31, 2016 \$	Audited June 30, 2017 \$
Assets			
Non-current assets			
Property, plant and equipment	389,338,915	178,052,525	187,897,748
Deferred tax asset	-	1,069,498	-
	<u>389,338,915</u>	<u>179,122,023</u>	<u>187,897,748</u>
Current assets			
Receivables	10,345,464	7,875,520	6,097,024
Prepayments	92,894	734,902	734,902
Cash and bank balances	50,144,142	46,171,414	76,303,124
Certificate of deposit	-	17,014,167	-
	<u>60,582,500</u>	<u>71,796,003</u>	<u>83,135,050</u>
Total assets	<u>449,921,415</u>	<u>250,918,026</u>	<u>271,032,798</u>
Equity			
Share capital	217,848,063	217,848,063	217,848,063
Accumulated surplus/(deficit)	17,608,367	(24,441,211)	5,679,931
Total equity	<u>235,456,430</u>	<u>193,406,852</u>	<u>223,527,994</u>
Liabilities			
Non-current liabilities			
Deferred tax liability	9,455,019	-	9,455,019
Long-term loans	195,245,515	46,866,424	34,548,969
	<u>204,700,534</u>	<u>46,866,424</u>	<u>44,003,988</u>
Current liabilities			
Payables and accruals	5,787,074	10,644,750	3,500,816
Taxation payable	3,977,377	-	-
	<u>9,764,451</u>	<u>10,644,750</u>	<u>3,500,816</u>
Total liabilities	<u>214,464,985</u>	<u>57,511,174</u>	<u>47,504,804</u>
Total equity and liabilities	<u>449,921,415</u>	<u>250,918,026</u>	<u>271,032,798</u>

Approved for issue by the Directors on 11/4/18 and signed on its behalf by:


Warren Chung


Neil Fong

Unaudited statement of profit or loss and other comprehensive income

Six months ended December 31, 2017

	Three months ended December 31, 2017 \$	Three months ended December 31, 2016 \$	Six months ended December 31, 2017 \$	Six months ended December 31, 2016 \$
Income	71,852,668	57,237,148	141,667,567	114,118,799
Direct costs	(24,746,651)	(16,619,810)	(46,478,781)	(37,071,281)
Gross profit	47,106,017	40,617,338	95,188,786	77,047,518
Administrative expenses	(30,600,371)	(19,810,138)	(52,537,048)	(39,323,402)
Depreciation	(7,553,526)	(6,912,977)	(16,309,348)	(13,825,954)
Operating profit	8,952,120	13,894,223	26,342,390	23,898,162
Finance costs	(7,354,612)	(2,463,739)	(10,436,577)	(5,017,477)
Profit before tax	1,597,508	11,430,484	15,905,813	18,880,685
Income tax expense	(399,377)	(2,933,410)	(3,977,377)	(4,796,410)
Net profit and comprehensive income for the period	1,198,131	8,497,074	11,928,436	14,084,275
Basic and diluted earnings per share	0.004	2.79	0.04	4.63

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

Unaudited statement of changes in equity Six months ended December 31, 2017

	Share capital \$	Accumulated surplus/ (deficit) \$	Total \$
Balance at June 30, 2016 - Audited	217,848,063	(38,525,486)	179,322,577
Profit for the six months ended December 31, 2016 being total comprehensive income for the year	-	14,084,275	14,084,275
Balance at December 31, 2016 - Audited	217,848,063	(24,441,211)	193,406,852
Balance at June 30, 2017 - Audited	217,848,063	5,679,931	223,527,994
Profit for the six months ended December 31, 2017 being total comprehensive income for the year	-	11,928,436	11,928,436
Balance at December 31, 2017	217,848,063	17,608,367	235,456,430

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

Unaudited statement of cash flows

Six months period ended December 31, 2017

	Unaudited December 31, 2017 \$	Audited December 31, 2016 \$	Audited June 30, 2017 \$
Cash flows from operating activities:			
Profit before tax	15,905,813	18,880,685	59,556,344
Adjustments for:			
Depreciation	16,309,348	13,825,954	28,023,291
	32,215,161	32,706,639	87,579,635
(Increase)/decrease in receivables	(4,248,440)	(788,423)	990,073
Decrease in prepayments	642,008	-	-
Increase/(decrease) in payables and accruals	2,286,258	1,978,005	(5,165,928)
Cash provided by operations	30,894,987	33,896,221	83,403,780
Income tax paid	-	(30,000)	(60,000)
Net cash provided by operations	30,894,987	33,866,221	83,343,780
Cash flow from investing activities			
Purchase of property, plant and equipment	(217,750,515)	(6,512,771)	(30,555,332)
Certificates of deposits	-	(17,014,167)	-
Net cash used in investing activities	(217,750,515)	(23,526,938)	(30,555,332)
Cash flow from financing activities			
Proceeds from loans	167,420,000	-	-
Repayment of loans	(6,723,454)	(21,217,778)	(33,535,233)
Net cash provided by/(used in) financing activities	160,696,546	(21,217,778)	(33,535,233)
Net (decrease)/increase in cash and cash equivalents	(26,158,982)	(10,878,495)	19,253,215
Cash and cash equivalents at beginning of period/year	76,303,124	57,049,909	57,049,909
Cash and cash equivalents at end of period/year (Note 7)	50,144,142	46,171,414	76,303,124

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

Notes to the interim financial statements

Six months ended December 31, 2017

1. General information and nature of operations

Elite Diagnostic Limited was incorporated under the laws of Jamaica on February 12, 2012 and is domiciled in Jamaica. The company commenced operations in August 2013. The company's principal place of business is located at 1b Holborn Road, Kingston 5. It opened a branch at 164½ Old Hope Road on November 1, 2017.

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

2. Statement of compliance

a Basis of preparation

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

The interim financial report is to be read in conjunction with the audited financial statements for the year ended June 30, 2017. The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended June 30, 2017.

The company adopted full IFRS during the current financial year after previously using International Financial Reporting Standards for Small and Medium Entities (IFRS for SMEs) to prepare its financial statements. The adoption of full IFRS had no impact on these financial statements.

b Critical judgements and sources of estimation uncertainty

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

Elite Diagnostic Limited

Notes to the interim Financial Statements
Six months ended December 31, 2017

3. Share capital

	Six months ended December 31, 2017 \$	Year ended June 30, 2016 \$
Authorised ordinary units of no par value	Unlimited	3,040,000
Issued ordinary units of no par value	282,720,000	3,040,000
Stated capital:		
Issued and fully paid ordinary stocks of no par value	217,848,063	217,848,063

In anticipation of the IPO the company on November 11, 2017 adopted resolutions whereby:

- (i) the company was converted from a private company to a public company;
- (ii) the company adopted a new set of Articles of Incorporation to conform with its status as a public company and with the Rules prescribed by the JSE for listed Companies;
- (iii) the company is authorised to issue an unlimited number of shares;
- (iv) each of the issued shares in the capital of the company were subdivided into 93 Ordinary shares;
- (v) all the company's issued Ordinary shares were converted into stock units.

**List of Directors and Shareholders
As at December 31, 2017**

Directors

Names	Position
Steven Gooden	Chairman
Warren Chung	Executive Director
Dr. Neil Fong	Executive Director
Andre Ho Lung	Non-Executive Director
Kevin Donaldson	Non-Executive Director
Paula Kerr-Jarrett	Non-Executive Director
Quentin Hugh Sam	Non-Executive Director
Peter D. Chin	Non-Executive Director
William Mahfood	Non-Executive Director

Shareholders

Names	Shareholdings	Issued Capital %
Excel Investments	145,140,264	51.34
NCB Capital Markets Limited	83,713,392	29.61
Sagicor Investments Jamaica Limited	27,904,464	9.87
Barnett Limited	22,165,248	7.84
Lizette Mowatt	3,703,632	1.31
Warren Chung	93,000	0.03
Total	282,720,000	100



www.gtjamaica.com

©2018 Mair Russell Grant Thornton. All rights reserved.

Mair Russell Grant Thornton is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered by the member firms. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions.