



GWEST CORPORATION LIMITED
Unaudited Financial Statements
1st Quarter Ended June 30, 2018

GWEST CORPORATION LIMITED
DIRECTORS' REPORT
FOR THE QUARTER ENDING June 30th, 2018

The Board of Directors of GWest Corporation Limited is pleased to present the company's unaudited financial statements for the first quarter ended June 30, 2018.

On December 21, 2017, the company's shares were listed on the Junior Market of the Jamaica Stock Exchange as the company prepared to raise the standard of medical services and healthcare in Western Jamaica.

Total assets increased over the quarter by 9.7% moving to \$1,629.2 million from \$1,485.3 million in the corresponding quarter last year. This growth is reflective of the current market value of the GWest Centre as we continue to invest in building out our 4-storey multi-purpose commercial complex. Revenue increased over the reporting period by 36.8% growing to \$25,405 million from \$18,564 million. This was due to the expansion of our operations to include the provision of medical services such as Urgent Care, General Practice and Laboratory Services which are now open to the public and all visitors to the Western part of our island.

In keeping with the recent commencement of our operations, a net loss of \$41.6 million was recorded in this quarter compared to a loss of \$13.4 million in the corresponding period last year. This is due to higher Administrative expenses associated with the new operations for the reporting period related to normal increases for salaries and medical supplies. The company recorded an earnings per share of (0.09%) for the reporting period.

As we begin our journey in providing affordable health care to Jamaicans and visitors alike, we are appreciative of the dedicated work of our new shareholders, management, staff and professional partners in making the GWest Centre the reality it is today.



Konrad Kirlew
Director



Dennis Samuels
Director

GWEST CORPORATION LIMITED
STATEMENT OF FINANCIAL POSITION
AT JUNE 30, 2018

	UNAUDITED JUNE 30, 2018 \$'000	UNAUDITED June 30, 2017 \$'000	AUDITED MARCH 31, 2018 \$'000
<u>ASSETS</u>			
Non-current assets			
Property and equipment	392,705	350,259	389,234
Investment property	915,596	927,981	915,596
Deferred tax asset	<u>4,052</u>	<u>4,746</u>	<u>4,052</u>
Total non-current assets	<u>1,312,352</u>	<u>1,282,985</u>	<u>1,308,882</u>
Current assets			
Receivables	73,947	69,383	105,203
Due from related parties	96,656	78,500	62,997
Tax recoverable	16,370	9,914	793
Short term deposits	129,897	42,004	177,607
Cash and bank balances	<u>-</u>	<u>2,598</u>	<u>1,350</u>
Total current assets	<u>316,871</u>	<u>202,398</u>	<u>347,950</u>
Total assets	<u>1,629,223</u>	<u>1,485,384</u>	<u>1,656,832</u>
<u>EQUITY AND LIABILITIES</u>			
Shareholders' equity			
Share capital	419,152	50,000	419,152
10% Non redeemable preference shares	250,000	-	-
Property revaluation reserve	65,186	55,204	65,186
Retained earnings	<u>80,677</u>	<u>196,982</u>	<u>122,298</u>
Total shareholders' equity	<u>815,015</u>	<u>302,186</u>	<u>606,636</u>
Non-current liabilities			
Borrowings - shareholders' loans	425,810	545,658	675,810
Borrowings - others	<u>226,817</u>	<u>339,100</u>	<u>262,500</u>
Total non-current liabilities	<u>652,627</u>	<u>884,758</u>	<u>938,310</u>
Current liabilities			
Borrowings	68,495	83,017	49,665
Owed to related parties	12,306	12,306	4,078
Trade and other payables	74,659	194,783	56,343
Bank overdraft	6,122	-	1,800
Taxation payable	<u>-</u>	<u>8,333</u>	<u>-</u>
Total current liabilities	<u>161,582</u>	<u>298,439</u>	<u>111,886</u>
Total equity and liabilities	<u>1,629,223</u>	<u>1,485,384</u>	<u>1,656,832</u>

GWEST CORPORATION LIMITED
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
THREE MONTHS ENDED JUNE 30, 2018

	3 MONTHS ENDED JUNE 30, 2018 \$'000	3 MONTHS ENDED JUNE 30, 2017 \$'000
Revenue	25,405	18,564
Cost of sales	(11,901)	(2,937)
	13,504	15,627
Other gains or losses	(12)	572
Administrative expenses	(33,047)	(15,363)
Other operating expenses	(13,709)	(2,636)
Operating Loss	(33,263)	(1,800)
Interest income	0	4
Finance costs	(8,358)	(11,630)
Loss before taxation	(41,621)	(13,425)
Taxation	-	-
NET LOSS BEING TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(41,621)	(13,425)
Earnings per share (Note 4) *	<u>0.09</u>	<u>0.03</u>

* The calculation of the earnings per share for 2017 has been adjusted to reflect the shares issued and listed on the Junior Stock Exchange on December 21, 2017. This is done for comparative purposes.

GWEST CORPORATION LIMITED
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
PERIOD ENDED JUNE 30, 2018

	<u>Share Capital</u>	<u>Property</u> <u>Revaluation</u> <u>Reserve</u>	<u>Retained</u> <u>Earnings</u>	<u>Total</u>
<u>Three months ended June 30, 2018</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Balance at April 1, 2018	419,152	65,186	122,298	606,636
Issue of 10% Non redeemable preference hares	250,000	-	-	250,000
Net loss being total comprehensive income for the period	-	-	(41,621)	(41,621)
Balance at June 30, 2018	<u>669,152</u>	<u>65,186</u>	<u>80,677</u>	<u>815,015</u>

	<u>Share Capital</u>	<u>Property</u> <u>Revaluation</u> <u>Reserve</u>	<u>Retained</u> <u>Earnings</u>	<u>Total</u>
<u>Three months ended June 30, 2017</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Balance at April 1, 2017	50,000	55,204	210,407	315,611
Net loss being total comprehensive income for the period	-	-	(13,425)	(13,425)
Balance at June 30, 2017	<u>50,000</u>	<u>55,204</u>	<u>196,982</u>	<u>302,186</u>

GWEST CORPORATION LIMITED
STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE THREE MONTHS ENDED JUNE 30, 2018

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
	<u>\$'000</u>	<u>\$'000</u>
OPERATING ACTIVITIES		
Net loss	(41,621)	(13,425)
Adjustments for:		
Depreciation of property and equipment	1,605	-
Fair value gain on revaluation of investment property		55,205
Taxation	-	(9,216)
	<u>(40,016)</u>	<u>32,563</u>
 (Decrease)/ Increase in receivables/prepayments	 (3,681)	 2,126
Increase in payables	<u>16,967</u>	<u>7,831</u>
Cash used in operating activities	(26,730)	42,520
INVESTING ACTIVITIES		
Short term investments	(129,897)	(42,004)
Property and Equipment /Land and development costs	<u>(5,076)</u>	<u>(206,123)</u>
Cash used in investing activities	(161,703)	(205,607)
FINANCING ACTIVITIES		
Bank borrowings repaid	(10,938)	(10,900)
Issue of non-redeemable preference shares	250,000	50,000
Shareholders' loans converted to Non- redeemable preference shares	(250,000)	(19,082)
Related parties - (Repayments)/Advances	(10,605)	116,675
ZDA performance bond repaid	-	(12,856)
Cash flows from financing activities	<u>(21,543)</u>	<u>123,837</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(183,246)</u>	<u>(81,770)</u>
OPENING CASH AND CASH EQUIVALENTS	<u>177,124</u>	<u>84,368</u>
CLOSING CASH AND CASH EQUIVALENTS	<u>(6,122)</u>	<u>2,598</u>

GWEST CORPORATION LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

FOR THREE (3) MONTHS ENDED JUNE 30, 2018

1. IDENTIFICATION

Gwest Corporation Limited (the company) is a limited liability company which is incorporated in Jamaica. Its main activities are to complete the build out of its medical facilities and the management of those facilities for the purpose of providing specialized and general medical services.

The registered office of the company is 34 Market Street, Montego Bay

The company's shares were listed on the Jamaica Junior Stock Exchange on 21 December 2017.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS) and comply with the relevant requirements of the Jamaican Companies Act.

The accounting policies are consistent with those applied to the audited financial statements for the year ended 31 March 2018.

The financial statements have been prepared under the historical cost basis as modified by the revaluation of property, and equipment and investment property. The financial statements are expressed in Jamaican Dollars.

3. SEGMENT REPORTING

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses. An operating segment's operating results are received regularly by the Board of Directors to make decisions about resources to be allocated to the segment and assess its performances.

Based on the nature of the company's business activities, management has determined that disclosure of segment information is not applicable as the company is operating in one segment.

4. EARNINGS PER SHARE

Earnings per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares in issue for the period. The weighted number of shares for the period was calculated as follows:

	<u>1st Quarter</u> <u>June 30,</u> <u>2018</u>	<u>1st Quarter</u> <u>June 30, 2017</u>
Weighted Average number of Ordinary shares held during the period	<u>484,848,485</u>	<u>484,848,485</u>

5. PREFERENCE SHARES

The company had 1,000,000 units of 10% Non-Redeemable Cumulative Preference shares which were authorized in November 2017. During the period June 30, 2018 the company issued 1,000,000 units of 10% Non-Redeemable Cumulative Preference shares. This was done by the conversion of \$250,000,000 of Shareholders Loan.

The company has one class of preference shares which carry no voting rights.

GWEST CORPORATION LIMITED**Top 10 shareholdings as at June 30, 2018**

	Primary Account Holder	Joint Holder(s)	Volume	Percentage
1.	Cornwall Medical and Dental Supplies	Dennis Samuels Denise Crichton-Samuels Client total ownership	82,591,455	17.0345%
2.	Dr. Konrad Kirlew	Client total ownership	62,210,449	12.8309%
3.	Ladi Doonquah	Client total ownership	61,520,637	12.6886%
4.	Bull Investments Limited	Client total ownership	35,374,366	7.2960%
5.	Mrs. Elva Williams Richards	Mr. Jhameque Jamara Richards Client total ownership	115,665 30,760,319 30,875,984	0.0239% 6.3443% 6.3682%
6.	North Coast Imaging Ltd	Konrad Kirlew Canute Johnson Geoffrey Williams Client total ownership	30,760,319	6.3443%
7.	MF&G Trust & Finance Ltd - A/C 57	Client total ownership	28,000,000	5.7750%
8.	JMMBSL AVAILABLE FOR SALE	Client total ownership	19,977,018	4.1203%
9.	JAMAICA MONEY MARKET BROKERS LTD FM10	Client total ownership	15,200,000	3.1350%
10.	JMMB RETIREMENT SCHEME (AGGRESSIVE)	Client total ownership	8,800,000	1.8150%
	Total issued capital		484,848,485	
	Total units owned by top 10 shareholders		375,310,228	

GWEST CORPORATION LIMITED
DIRECTORS AND CONNECTED PARTIES SHAREHOLDINGS AS AT JUNE 30 2018

NAME	POSITION	CONNECTED PARTY	UNITS	%
Konrad Kirlew	Director	Self	62,210,449	12.83%
		Northcoast Imagining Ltd.	30,760,319	6.34%
Dennis Samuels	Director	Cornwall Medical and Dental Supplies	80,653,955	16.63%
Denise Samuels	Director			
Leyford Doonquah	Director	Self	61,520,637	12.69%
Wayne Gentles	Director	Self	1,538,016	0.32%
		Bull Investments Limited	34,374,366	7.09%
Elva Williams-Richards	Director	Self	30,760,319	6.34%
		Jhameque Richards	115,665	0.02%
Wayne Wray	Mentor	Self	400,000	0.08%
		Christine Randle		
Karl Townsend	Director	None	189,170	0.00%
Peter Pearson	Director	None	142,159	0.02%
Mark Hart	Director	None	0	0.00%

SENIOR MANAGERS

Richard Barrow	General Manager	None	0	0.00%
Karen Christie-Harris	Chief Accountant	None	0	0.00%