



The Board of Directors of Elite Diagnostic Limited is pleased to present the company's Unaudited Financial Statements for the first quarter ending September 30th, 2018.

Revenues for the first quarter were \$85.4M compared to \$69.8M the previous year. Net profit for the quarter amounted to \$1.8M compared to \$10.7M the previous year. Some of the expenses that weighed on our profits are housing and maintaining the 3rd MRI unit for our new location that has not yet been installed. The increase in depreciation from \$8.8M to \$14M for the quarter also weighed on our bottom line. There were also some non-recurring expenses during the quarter that affected our net profits. Revenues from the Liguanea location amounted to \$23.7M for the quarter as compared to the previous quarter of \$9.6M. All modalities at the Liguanea location, including the 3T MRI, continue to grow and the company has not yet begun to approach its full utilization.

Assets amounted to \$588M compared to last year's quarter of \$366M. Liabilities were \$186.7 compared to \$131.7M the previous year.

The demand for MRIs continues to be robust. With the Liguanea location fully operational for a complete quarter, the company expects steady growth moving forward. The opening of the company's 3rd location in the Parish of St Ann is expected in mid 2019

A handwritten signature in cursive script that reads 'Warren Chung'.

Warren Chung, Director

A handwritten signature in cursive script that reads 'Neil Fong'.

Neil Fong, Director

Elite Diagnostic Limited

Unaudited Interim Financial Statements

First Quarter ended September 30, 2018

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Unaudited statement of financial position

September 30, 2018

	Unaudited September 30, 2018 \$	Unaudited September 30, 2017 \$	Audited June 30, 2018 \$
Assets			
Non-current assets			
Property, plant and equipment	480,445,337	245,923,987	454,545,653
	<u>480,445,337</u>	<u>245,923,987</u>	<u>454,545,653</u>
Current assets			
Receivables	17,369,767	4,826,929	10,656,715
Prepayments	162,494	5,454,819	4,569,409
Cash and bank balances	90,100,502	109,697,258	122,019,683
	<u>107,632,763</u>	<u>119,979,006</u>	<u>137,245,807</u>
Total assets	<u><u>588,078,100</u></u>	<u><u>365,902,993</u></u>	<u><u>591,791,460</u></u>
Equity			
Share capital	348,898,459	217,848,063	348,898,459
Accumulated surplus	52,431,486	16,410,237	50,593,347
Total equity	<u>401,329,945</u>	<u>234,258,300</u>	<u>399,491,806</u>
Liabilities			
Non-current liabilities			
Deferred tax liability	-	13,033,019	-
Long-term loans	158,061,550	110,993,338	166,117,826
	<u>158,061,550</u>	<u>124,026,357</u>	<u>166,117,826</u>
Current liabilities			
Payables and accruals	1,649,605	4,250,881	4,637,328
Current portion of long-term loan	27,037,000	3,367,455	21,544,500
	<u>28,686,605</u>	<u>7,618,336</u>	<u>26,181,828</u>
Total liabilities	<u>186,748,155</u>	<u>131,644,693</u>	<u>192,299,654</u>
Total equity and liabilities	<u><u>588,078,100</u></u>	<u><u>365,902,993</u></u>	<u><u>591,791,460</u></u>

Approved for issue by the Directors on 13/11/18 and signed on its behalf by:


Warren Chung


Neil Fong

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

Unaudited statement of profit or loss and other comprehensive income First Quarter and Year ended September 30, 2018

	Unaudited Three months ended September 30, 2018 \$	Unaudited Three months ended September 30, 2017 \$	Audited Year ended June 30, 2018 \$
Income	85,437,038	69,814,899	297,756,789
Other income	45,406	-	472,998
Direct costs	(27,564,858)	(21,732,130)	(117,298,019)
Gross profit	57,917,586	48,082,769	180,931,768
Administrative expenses	(37,833,452)	(20,892,159)	(100,647,410)
Depreciation	(13,976,452)	(8,755,822)	(28,328,863)
Operating profit	6,107,682	18,434,788	51,955,495
Finance costs	(4,279,415)	(4,126,482)	(16,052,015)
Exchange gain/(loss)	9,872	-	(40,684)
Profit before tax	1,838,139	14,308,306	35,862,796
Income tax (expense)/credit	-	(3,578,000)	9,050,620
Net profit and comprehensive income for the period	1,838,139	10,730,306	44,913,416
Basic and diluted earnings per share	0.005	0.04	0.14

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

Unaudited statement of changes in equity First Quarter ended September 30, 2018

	Share capital \$	Accumulated surplus \$	Total \$
Balance at June 30, 2017 - Audited	217,848,063	5,679,931	223,527,994
Profit for the three months ended September 30, 2017 being total comprehensive income for the year	-	10,730,306	10,730,306
Balance at September 30, 2017 - Unaudited	<u>217,848,063</u>	<u>16,410,237</u>	<u>234,258,300</u>
Balance at June 30, 2017 - Audited	217,848,063	5,679,931	223,527,994
Issue of shares	131,050,396	-	131,050,396
Profit for the year ended June 30, 2018 being total comprehensive income for the year	-	44,913,416	44,913,416
Balance at June 30, 2018 - Audited	<u>348,898,459</u>	<u>50,583,347</u>	<u>399,491,806</u>
Profit for the three months ended September 30, 2018 being total comprehensive income for the year	-	1,838,139	1,838,139
Balance at September 30, 2018 - Unaudited	<u>348,898,459</u>	<u>52,421,486</u>	<u>401,329,945</u>

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

Unaudited statement of cash flows

First Quarter ended September 30, 2018

	Unaudited Three months ended September 30, 2018 \$	Unaudited Three months ended September 30, 2017 \$	Audited Year ended June 30, 2018 \$
Cash flows from operating activities:			
Profit before tax	1,838,139	14,308,306	35,862,796
Adjustments for:			
Interest expense	4,279,415	4,126,482	16,052,015
Depreciation	13,976,452	8,755,822	28,328,863
	20,094,006	27,190,610	80,243,674
Increase in receivables	(6,713,052)	(3,449,822)	(4,559,691)
Decrease/(increase) in prepayments	4,406,916	-	(3,834,507)
(Decrease)/increase in payables and accruals	(2,987,723)	750,065	1,136,512
Cash provided by operations	14,800,147	24,490,853	72,985,988
Interest paid	(4,279,415)	(4,126,482)	(16,052,015)
Income tax paid	-	-	(404,399)
Net cash provided by operations	10,520,732	20,364,371	56,529,574
Cash flow from investing activities			
Purchase of property, plant and equipment	(39,876,137)	(66,782,061)	(294,976,768)
Net cash used in investing activities	(39,876,137)	(66,782,061)	(294,976,768)
Cash flow from financing activities			
Increase in share capital	-	-	131,050,396
Proceeds from loans	-	-	167,420,000
Repayment of loans	(2,563,776)	79,811,824	(14,306,643)
Net cash (used in)/provided by financing activities	(2,563,776)	79,811,824	284,163,753
Net (decrease)/increase in cash and cash equivalents	(31,919,181)	33,394,134	45,716,559
Cash and cash equivalents at beginning of year	122,019,683	76,303,124	76,303,124
Cash and cash equivalents at end of year (Note 7)	90,100,502	109,697,258	122,019,683

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

Notes to the unaudited interim financial statements

September 30, 2018

1. General information and nature of operations

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

The company provides diagnostic imaging services.

2. Statement of compliance

a Basis of preparation

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

The interim financial report is to be read in conjunction with the audited financial statements for the year ended June 30, 2018. The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended June 30, 2017.

b Critical judgements and sources of estimation uncertainty

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

Elite Diagnostic Limited

Notes to the unaudited interim financial statements
Year ended September 30, 2018

3. Share capital

	Unaudited 3 months ended September 30, 2018	Year ended June 30, 2018
Authorised ordinary units of no par value	Unlimited	Unlimited
Issued ordinary units of no par value	353,400,000	353,400,000
	\$	\$
Stated capital: Issued and fully paid ordinary stocks of no par value	348,898,459	348,898,459

Earnings per share

	Unaudited 3 months ended September 30, 2018 \$	Unaudited 3 months ended September 30, 2017 \$
Profit attributable to shareholders	1,838,139	10,730,306
Weighted average number of shares	353,400,000	282,720,000
	0.005	0.04

Elite Diagnostic Limited

Notes to the unaudited interim financial statements
Year ended September 30, 2018

List of Directors and Shareholdings As at September 30, 2018

Directors

Names	Position	Shares Held	Percentages %
Steven Gooden	Chairman	242,230	0.0685
Warren Chung	Executive Director	352,780	0.0998
Neil Fong	Executive Director	140,000	0.0396
Andre Ho Lung	Non-Executive Director	161,494	0.0457
Kevin Donaldson	Non-Executive Director	140,000	0.0396
Paula Kerr-Jarrett	Non-Executive Director	-	-
Quentin Hugh Sam	Non-Executive Director	824,573	0.2333
Peter D. Chin	Non-Executive Director	140,000	0.0396
William Mahfood	Non-Executive Director	172,025	0.0487
		<u>2,173,102</u>	<u>1.0261</u>

Top 10 Shareholders

Names	Share Held	Percentages %
1. Excel Investments (See connected party note below)	145,140,264	41.0697
2. NCB Capital Markets Limited	66,043,392	18.6880
3. JCSD Trustee Services Limited - Sigma Optima	31,438,024	8.8959
4. West Indies Radiology Outsourcing Ltd.	17,670,000	5.0000
5. Barnett Limited	15,515,994	4.3905
6. Lizette Mowatt	3,703,632	1.0480
7. Kevin Keaton Palmer	3,550,000	1.0045
8. VM Wealth Equity Fund	3,390,939	0.9595
9. SJIML A/C 3119	3,188,169	0.9021
10. URUS Corporation Limited	2,373,000	0.6715
Total units owned by top 10 Shareholders	<u>292,013,414</u>	<u>82.6297</u>
Total Issued Capital	<u>353,400,000</u>	

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