



GWEST CORPORATION LIMITED
Unaudited Financial Statements
3rd Quarter Ended December 31, 2018

GWEST CORPORATION LIMITED

DIRECTORS' REPORT

FOR THE QUARTER ENDING DECEMBER 31, 2018

The Board of Directors of GWest Corporation Limited presents the unaudited financial statements for the third quarter ending December 31, 2018 and the nine months of the year to date ending December 31, 2018.

Revenue for the 3 months was \$32.4million, representing a 49% increase relative to the corresponding period in 2017. Revenue for the nine month period to December 31, 2018 was \$90.1million, an increase of 46% relative to the same period in 2017.

The Company recorded a net loss for the 3 months reporting period of \$28.9 million, which represents an improvement of \$24.1 million when compared to the net loss of \$53.1 million reported for the corresponding period in 2017. The net loss for the nine months ending December 2018 was \$112.3 million.

We continue to work closely with the Ministry of Health (MOH) and the National Public Health Laboratory (NPHL) to finalize registrations that will allow us to accept health insurance cards as payment for urgent care and laboratory services. With this added payment method, we anticipate a significant increase in revenues. Our customers will be able, then, to access our services using through their health insurance provider. The first step in this process has been completed with the inspection by the MOH of our Urgent Care and Lab during the quarter and we now await the MOH's formal registration letters to complete the process.

The Company saw a significant increase in cost of sales for the quarter and for the nine months ending December 31, 2018. These expenses as well as administrative expenses increased during the period under review as we prepared our facilities to more efficiently provide 24-hour urgent care services, increased lab services and build-out our staff complement to better serve our customers.


In keeping with our business strategy, the Company is increasing productivity and operating efficiencies to enhance profitability. We have signed contracts with hotels and businesses in the Montego Bay area and continue to aggressively seek to sign new contracts with hotels and other employers for Managed care services. We have also signed agreements with other medical service providers who are owners and tenants in the GWest Centre building that allow, the Company to market a "one-stop" health care facility to customers. These contractual agreements will contribute to increased revenues in the near future.

We thank our customers, staff, clients and business partners for their ongoing support as we grow and thrive.



Konrad Kirlew

Director



Denise Samuels

Director

GWEST CORPORATION LIMITED

STATEMENT OF FINANCIAL POSITION

December 31, 2018

	(UNAUDITED) DECEMBER 31, 2018 \$'000	(UNAUDITED) DECEMBER 31, 2017 \$'000	(AUDITED) MARCH 31, 2018 \$'000
ASSETS			
Non-current assets			
Land and development costs	-	51,751	-
Property and equipment	395,255	313,256	389,234
Investment property	915,596	907,951	915,596
Deferred tax asset	4,053	-	4,052
Total non-current assets	1,314,903	1,272,958	1,308,882
Current assets			
Receivables	98,941	18,303	105,203
Due from related parties	114,134	31,767	62,997
Tax recoverable	702	420	793
Short term deposits	45,430	47,299	177,607
Cash and bank balances	-	268,170	1,350
Total current assets	259,206	365,959	347,950
Total assets	1,574,110	1,638,917	1,656,832
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	419,152	450,000	419,152
10% Non- redeemable preference shares	250,000	-	-
Property revaluation reserve	65,186	55,204	65,186
Retained earnings	10,047	129,396	122,298
Total shareholders' equity	744,385	634,600	606,636
Non-current liabilities			
Borrowings - shareholders' loans	425,810	594,029	675,810
Borrowings - others	273,438	317,225	262,500
Total non-current liabilities	699,248	911,254	938,310
Current liabilities			
Borrowings	26,828	12,790	49,665
Owed to related parties	37,260	-	4,078
Trade and other payables	63,883	75,306	56,343
Bank overdraft	2,506	-	1,800
Taxation payable	-	4,967	-
Total current liabilities	130,477	93,063	111,886
Total equity and liabilities	1,574,110	1,638,917	1,656,832

GWEST CORPORATION LIMITED
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
NINE MONTHS ENDED DECEMBER 31, 2018

	3 MONTHS ENDED DECEMBER 31, 2018 \$'000	3 MONTHS ENDED DECEMBER 31, 2017 \$'000	9 MONTHS ENDED DECEMBER 31, 2018 \$'000	9 MONTHS ENDED DECEMBER 31, 2017 \$'000
Revenue	32,383	21,662	90,080	61,583
Cost of sales	(9,642)	(4,812)	(31,334)	(12,157)
	22,741	16,850	58,747	49,426
Other gains or losses	2,179	1,058	1,703	2,190
Administrative expenses	(44,686)	(32,670)	(144,585)	(71,398)
Other operating expenses	(275)	(23,456)	(1,880)	(28,057)
Operating Loss	(20,040)	(38,218)	(86,015)	(47,839)
Interest income	0	-	1	5
Finance costs	(8,886)	(10,107)	(26,237)	(28,431)
Loss before taxation	(28,926)	(48,325)	(112,251)	(76,265)
Taxation	-	(4,746)	-	(4,746)
NET LOSS BEING TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>(28,926)</u>	<u>(53,071)</u>	<u>(112,251)</u>	<u>(81,011)</u>
Earnings per share (Note 4)	<u>0.06</u>	<u>0.11</u>	<u>0.23</u>	<u>0.17</u>

GWEST CORPORATION LIMITED
 STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
 NINE MONTHS ENDED DECEMBER 31, 2018

	<u>Share Capital</u>	<u>Property Revaluation Reserve</u>	<u>Retained Earnings</u>	<u>Total</u>
<u>Nine months ended December 31, 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 shares	250,000			250,000
Net loss being total comprehensive income for the period	-	-	(112,251)	(112,251)
Balance at December 31, 2018	<u>669,152</u>	<u>65,186</u>	<u>10,047</u>	<u>744,385</u>

	<u>Share Capital</u>	<u>Property Revaluation Reserve</u>	<u>Retained Earnings</u>	<u>Total</u>
<u>Nine months ended December 31, 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
Issue of Shares in IPO	400,000			400,000
Net loss being total comprehensive income for the period	-	-	(81,011)	81,011
Balance at December 31, 2017	<u>450,000</u>	<u>55,204</u>	<u>129,396</u>	<u>634,600</u>

GWEST CORPORATION LIMITED
STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE MONTHS ENDED DECEMBER 31, 2018

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
	<u>\$'000</u>	<u>\$'000</u>
OPERATING ACTIVITIES		
Net loss	(112,251)	(81,011)
Adjustments for:		
Depreciation of property and equipment	4,816	1,854
Fair value gain on revaluation of investment property	-	55,204
Taxation	-	4,746
Land and development cost of completed units	-	(104,415)
	<u>(107,434)</u>	<u>(123,622)</u>
(Decrease) increase in receivables/prepayments	(13,088)	2,038
Increase (decrease) in payables	<u>33,019</u>	<u>(28,952)</u>
Cash used in operating activities	(87,503)	(150,536)
INVESTING ACTIVITIES		
Short term investments	(45,430)	-
Property and equipment /Land and development costs	<u>(10,837)</u>	<u>(98,280)</u>
Cash used in by investing activities	(143,770)	(248,816)
FINANCING ACTIVITIES		
Bank borrowings repaid	(32,813)	(32,775)
Issue of non-redeemable preference shares	250,000	-
Share capital issue	-	450,000
Shareholders' loans converted to Non-redeemable preference shares	(250,000)	-
Shareholder's loan	-	28,429
Advances to related parties	(3,048)	82,838
ZDA performance bond repaid	-	(95,874)
Cash flows from financing activities	<u>(35,860)</u>	<u>432,618</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(179,630)	183,802
OPENING CASH AND CASH EQUIVALENTS	<u>177,124</u>	<u>84,368</u>
CLOSING CASH AND CASH EQUIVALENTS	<u>(2,506)</u>	<u>268,170</u>

GWEST CORPORATION LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

FOR NINE (9) MONTHS ENDED DECEMBER 31, 2018

1. IDENTIFICATION

Gwest Corporation Limited (the company) is a limited liability company which is incorporated in Jamaica. Its main activities are to undertake the development of its commercial property and the management of health care facilities.

The company which was incorporated on December 3, 2007, has completed its major project of development of a medical and dental complex on lands at Fairview, Montego Bay. 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 with 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, plant 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>3rd Quarter</u> <u>December 31,</u> <u>2018</u>	<u>3rd Quarter</u> <u>December 31,</u> <u>2017</u>	<u>Nine Months ended</u> <u>December 31, 2018</u>	<u>Nine Months ended</u> <u>December 31, 2017</u>
Weighted Average number of Ordinary shares held during the period	<u>484,848,485</u>	<u>484,848,485</u>	<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 Shareholder's Loan

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

GWEST CORPORATION LIMITED

Top 10 shareholdings as at DECEMBER 31, 2018

Primary Account Holder	Joint Holder(s)	Volume	Percentage
1. Cornwall Medical and Dental Supplies	Dennis Samuels Denise Crichton-Samuels Client total ownership	71,232,461	14.6900%
2. Dr. Konrad Kirlew	Client total ownership	62,210,449	12.8300%
3. Ladi Doonquah	Client total ownership	61,520,637	12.6900%
4. Bull Investments Limited	Client total ownership	34,374,366	7.0900%
5. JMMB T1 EQUITY FUND (JMD)	Client total ownership	32,173,018	6.6400%
6. Mrs. Elva Williams Richards	Mr. Jhameque Jamara Richards Client total ownership	115,665 30,760,319 30,760,319	0.0239% 6.3161% 6.3400%
7. North Coast Imaging Ltd	Konrad Kirlew Canute Johnson Geoffrey Williams Client total ownership	30,760,319	6.3400%
8. MF&G Trust & Finance Ltd - A/C 57	Client total ownership	29,290,000	6.0400%
9. JMMBSL AVAILABLE FOR SALE	Client total ownership	16,393,009	3.3800%
10. PATRICK THELWELL	Client total ownership	9,421,494	1.9400%
Total issued capital		484,848,485	
Total units owned by top 10 shareholders		378,136,072	

**GWEST CORPORATION
LIMITED**

DIRECTORS AND CONNECTED PARTIES SHAREHOLDINGS AS AT DECEMBER 31, 2018

NAME	POSITION	CONNECTED PARTY	UNITS	%
Konrad Kirlew	Director	Self	62,210,449	12.83%
		Northcoast Imaging Ltd.	30,760,319	6.34%
Dennis Samuels	Director	Cornwall Medical and Dental Supplies	71,232,461	14.69%
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	6.32%
		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				
Joy Clark	General Manager	None	0	0.00%
Karen Christie-Harris	Chief Accountant	None	0	0.00%