



**ELITE  
DIAGNOSTIC**

**Elite Diagnostic Limited**

Unaudited Interim Financial Statements  
Third Quarter ended March 31, 2020

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# Elite Diagnostic Limited

Third Quarter ended March 31, 2020

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## The Board of Directors Report

The Board of Directors of Elite Diagnostic Limited is pleased to present the company's 3<sup>rd</sup> Quarter Unaudited Financial Statements ending March 31<sup>st</sup>, 2020.

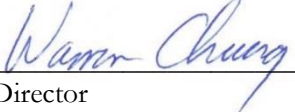
Revenues for the 3<sup>rd</sup> quarter were \$111.4 Million compared to \$107 Million the previous year. For the period, the company experienced a loss of \$2.1 Million compared to a profit of \$16 Million the previous year. Revenue and net profit was impacted by equipment breakdowns at the Kingston locations and St. Ann location.


Total Assets were \$687.3 Million compared to \$690.4 Million the previous year. Total Liabilities were \$217 Million compared to \$268.1 Million the previous year.

The breakdown of MRI and CT equipment at the Kingston locations were unusually lengthy amounting to a potential revenue loss of \$12 Million. Both CT and MRI in the Kingston locations were repaired during the quarter. Revenues at the St. Ann location underperformed due to the breakdown of CT and MRI. We continue to have challenges with getting the 2 machines operational. The company revenues were also impacted by the Covid-19 outbreak towards the end of the 3<sup>rd</sup> quarter.

The company expects performance to be negatively impacted by Covid-19 for the upcoming quarters. The company has taken prudent steps to mitigate the risk of Covid-19 on our staff and patients.

The company wishes to thank all of our dedicated staff, valued customers and referring physicians for their continued support as they navigate through this unprecedented crisis.

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

# Elite Diagnostic Limited

## Unaudited statement of financial position

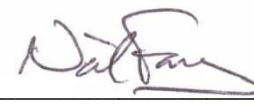
March 31, 2020

	Unaudited March 31, 2020 \$	Unaudited March 31, 2019 \$	Audited June 30, 2019 \$
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	580,378,040	507,757,549	561,751,984
	<b>580,378,040</b>	<b>507,757,549</b>	<b>561,751,984</b>
<b>Current assets</b>			
Receivables	32,667,631	23,765,128	25,238,546
Prepayment and other receivables	3,869,589	3,890,591	652,798
Cash and bank balances	70,390,688	155,033,529	76,422,723
	<b>106,927,908</b>	<b>182,689,248</b>	<b>102,314,067</b>
<b>Total assets</b>	<b>687,305,948</b>	<b>690,446,797</b>	<b>664,066,051</b>
<b>Equity</b>			
Share capital	348,898,459	348,898,459	348,898,459
Accumulated surplus	121,381,411	73,401,227	102,309,387
<b>Total equity</b>	<b>470,279,870</b>	<b>422,299,686</b>	<b>451,207,846</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long-term loans	195,266,563	259,568,656	195,666,638
	<b>195,266,563</b>	<b>259,568,656</b>	<b>195,666,638</b>
<b>Current liabilities</b>			
Payables and accruals	20,959,515	4,575,515	15,591,567
Current portion of loan	800,000	4,002,940	1,600,000
	<b>21,759,515</b>	<b>8,578,455</b>	<b>17,191,567</b>
<b>Total liabilities</b>	<b>217,026,078</b>	<b>268,147,111</b>	<b>212,858,205</b>
<b>Total equity and liabilities</b>	<b>687,305,948</b>	<b>690,446,797</b>	<b>664,066,051</b>

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

Approved for issue by the Directors on May 22, 2020 and signed on its behalf by:

  
Warren Chung

  
Neil Fong

## Elite Diagnostic Limited

### Unaudited statement of profit or loss and other comprehensive income

Third quarter and nine months period ended March 31, 2020

	Three months ended March 31, 2020 \$	Three months ended March 31, 2019 \$	Nine months ended March 31, 2020 \$	Nine months ended March 31, 2019 \$
<b>Income</b>	<b>111,370,765</b>	107,004,690	<b>347,287,865</b>	289,248,574
Direct costs	(38,682,815)	(31,048,706)	(126,680,118)	(89,593,831)
<b>Gross profit</b>	<b>72,687,950</b>	75,955,984	<b>220,607,747</b>	199,654,743
Administrative expenses	(49,995,453)	(40,546,060)	(129,024,712)	(119,424,737)
Depreciation	(19,348,730)	(15,096,116)	(55,199,716)	(41,798,629)
<b>Operating profit</b>	<b>3,343,767</b>	20,313,808	<b>36,383,319</b>	38,431,377
Finance costs	(4,925,684)	(4,293,479)	(15,622,532)	(13,819,297)
Exchange (loss)/gain	(471,428)	1,364	(1,688,763)	(1,804,200)
<b>Net (loss)/profit and comprehensive income for the period</b>	<b>(2,053,345)</b>	16,021,693	<b>19,072,024</b>	22,807,880
<b>Basic and diluted earnings per share</b>	<b>(0.006)</b>	0.05	<b>0.05</b>	0.06

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

# Elite Diagnostic Limited

## Unaudited statement of changes in equity

Nine months period ended March 31, 2020

	Share capital \$	Accumulated surplus \$	Total \$
<b>Balance at June 30, 2018 - Audited</b>	348,898,459	50,593,347	399,491,806
Profit for the nine months ended March 31, 2019 being total comprehensive income for the period	-	22,807,880	22,807,880
<b>Balance at March 31, 2019 - Unaudited</b>	348,898,459	73,401,227	422,299,686
<b>Balance at June 30, 2019 - Audited</b>	348,898,459	102,309,387	451,207,846
Profit for the nine months ended March 31, 2020 being total comprehensive income for the period	-	19,072,024	19,072,024
<b>Balance at March 31, 2020 - Unaudited</b>	<b>348,898,459</b>	<b>121,381,411</b>	<b>470,279,870</b>

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

# Elite Diagnostic Limited

## Unaudited statement of cash flows

Nine months period ended March 31, 2020

	Unaudited March 31, 2020 \$	Unaudited March 31, 2019 \$	Audited June 30, 2019 \$
<b>Cash flows from operating activities:</b>			
Profit before tax	19,072,024	22,807,880	51,822,601
Adjustments for:			
Finance costs	15,622,532	13,819,297	20,077,997
Adoption of IFRS 9	-	-	(106,561)
Depreciation	55,199,716	41,798,629	55,825,533
	89,894,272	78,425,806	127,619,570
Increase in receivables	(7,429,085)	(14,815,974)	(14,581,831)
(Increase)/decrease in prepayment and other receivables	(3,216,791)	2,386,379	3,916,611
Increase/(decrease) in payables and accruals	5,367,946	(61,813)	10,954,239
<b>Cash provided by operations</b>	<b>84,616,342</b>	<b>65,934,398</b>	<b>127,908,589</b>
Finance costs paid	(15,622,532)	(13,819,297)	(20,077,997)
<b>Net cash provided by operations</b>	<b>68,993,810</b>	<b>52,115,101</b>	<b>107,830,592</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment	(73,825,770)	(95,010,524)	(163,031,864)
<b>Net cash used in investing activities</b>	<b>(73,825,770)</b>	<b>(95,010,524)</b>	<b>(163,031,864)</b>
<b>Cash flow from financing activities</b>			
Proceeds from loans	-	93,450,829	195,000,000
Repayment of loans	(1,200,075)	(17,541,560)	(185,395,688)
<b>Net cash (used in)/provided by financing activities</b>	<b>(75,025,845)</b>	<b>75,909,269</b>	<b>(153,427,552)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(6,032,035)</b>	<b>33,013,846</b>	<b>(45,596,960)</b>
<b>Cash and cash equivalents at beginning of period/year</b>	<b>76,422,723</b>	<b>122,019,683</b>	<b>122,019,683</b>
<b>Cash and cash equivalents at end of period/year (Note 7)</b>	<b>70,390,688</b>	<b>155,033,529</b>	<b>76,422,723</b>

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

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# **Elite Diagnostic Limited**

## **Notes to the unaudited interim financial statements**

Third Quarter ended March 31, 2020

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### **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, 2019. The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended June 30, 2019.

#### **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

Third Quarter ended March 31, 2020

### 3. Share capital

	Unaudited Nine months ended March 31, 2020 \$	Unaudited Nine months ended March 31, 2019 \$
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 shares

	Unaudited Nine months ended March 31, 2020 \$	Unaudited Nine months ended March 31, 2019 \$
Profit attributable to shareholders	19,072,024	22,807,880
Weighted average number of shares	353,400,000	353,400,000
Earnings per shares	0.05	0.06

### Earnings per shares

	Unaudited Three months ended March 31, 2020 \$	Unaudited Three months ended March 31, 2019 \$
Profit attributable to shareholders	(2,053,345)	16,021,693
Weighted average number of shares	353,400,000	353,400,000
Earnings per shares	(0.006)	0.05

### 4. COVID 19 effect

The spread of the Coronavirus disease (COVID-19) which was declared a global pandemic by the World Health Organization (WHO) on March 11, 2020, has negatively impacted the operations of the company. This has resulted in reduced opening hours and social distancing rules have also reduced the number of patients booked each day. However, as this is an evolving situation, the likely financial impact on the company cannot be made at this time.

# Elite Diagnostic Limited

## Notes to the unaudited interim financial statements

Third Quarter ended March 31, 2020

### Directors and Connected Parties Shareholdings As at March 31, 2020

#### Directors

Names	Position	Shares Held	Percentages %
Steven Gooden	Chairman	242,230	0.0685
Warren Chung	Executive Director	768,355	0.2174
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 Wegman	Non-Executive Director	NIL	NIL
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
		<b>2,588,677</b>	<b>0.7324</b>

#### Connected parties

#### Connected to

Excel Investments	Warren Chung and Neil Fong	130,726,675	36.9911
Barnett Limited	Paula Wegman	15,515,994	4.3905
		<b>148,831,346</b>	<b>42.1140</b>

#### Combined Key Member Shareholdings

### Senior Managers shareholdings

Names	Position	Shares Held	Percentages %
Warren Chung	Chief Executive Officer	768,355	0.2174
Neil Fong	Manager	140,000	0.0396
Marjorie Miller	Manager	-	-
		<b>897,626</b>	<b>0.2570</b>

### Top 10 Shareholdings

Names	Share Held	Percentages %
1. Excel Investments (See connected party note above)	130,726,675	36.9911
2. NCB Capital Markets Limited	66,028,392	18.6838
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 (See connected party note above)	15,515,994	4.3905
6. Damian Chin-You	14,413,589	4.0785
7. Lizette Mowatt	3,703,632	1.0480
8. Kevin Keaton Palmer	3,538,151	1.0012
9. SJIML A/C 3119	3,188,169	0.9021
10. VM Wealth Equity Fund	3,061,708	0.8664
<b>Total units owned by top 10 Shareholders</b>	<b>289,284,334</b>	<b>81.8575</b>
<b>Total Issued Capital</b>	<b>353,400,000</b>	