



Image Plus Consultants Limited

Unaudited Interim Financial Statements

Third Quarter and Nine Months period ended
November 30, 2022

Image Plus Consultants Limited

Third quarter and nine months period ended November 30, 2022

Contents

	Page
Directors' report	1
Financial Statements	
Unaudited statement of financial position	4
Unaudited statement of profit or loss and other comprehensive income	4
Unaudited statement of changes in equity	6
Unaudited statement of cash flows	7
Notes to the interim financial statements	8

Image Plus Consultants Limited

Directors' Report

The board of directors of Image Plus Consultants limited is pleased to present the company's financial statements for the third quarter ended November 30, 2022.

Balance Sheet Growth

At end of Q3 FY22/23, assets stood at J\$651.5M when compared to J\$391M for the first nine months of FY 21/22. Since audited FY 21/22 results, assets have grown by J\$204.1M and liabilities by J\$55.7M. In addition to the new fluoroscopy unit acquired since the start of the financial year, in November 2022 the Company re-located its Ocho Rios operations to a new larger space in White River North Commercial Complex; the company invested in leasehold improvements at the new location to meet service delivery needs. With almost double the square footage the Ocho Rios branch now has accommodations for increased patient volumes and the new modalities of mammography and magnetic resonance imaging (MRI); both to be offered starting in FY 23/24. Trade receivables stand at more than double the FY21/22 comparative period figure given the increased volume of business in non-cash related payor settlements. Management continues to actively manage these receivables and there has been improvement in the ageing profile. As opportunity allows the Company has optimized cash in hand and made financial investments.

Growth in Revenues & Expenses

At J\$802.8M revenues at the end of nine months now exceed revenues for the full FY 21/22 and reflect growth of J\$247.9M in revenue since the second quarter. Year over year for the comparative period, there has been a 43.7% increase in revenues. The rate of revenue growth slowed somewhat since Q2 as a result of the Ocho Rios relocation exercise (all operations at that branch were closed for 4 days whilst CT and X-ray services were down for an additional 7 days when the branch reopened as we awaited relocation of the 3 phase power supply required to operate these units). Management is confident that the move and resulting downtime is an investment that will redound significantly to the benefit of all stakeholders in the months ahead. Despite this downtime the company's case count remains very healthy at 40,949 representing YTD an increase of over 17% compared to the comparative period in prior year. The number of cases at nine months represent 88.3% of the full financial year 21/22 case count. Expenses grew 12.7% over the last financial year driven by higher than normal costs in Q3. In the main these costs were associated with one-off marketing expenditure for the re-printing of all billboards, directional and office signs for the Ocho Rios branch. Traditionally too, Q3 costs are expected to be a little higher as we have expenditure associated with referring physician appreciation and end of year performance incentives for our team members.

Outlook to Financial Year End

At J\$179.7M the net profit before tax exceeds the full financial year 21/22 performance (PBT after adjustment for directors' fees paid of J\$66.5M was J\$179.6M). The outturn is also an increase of 163.9% over the comparative period in the prior year. Performance is anticipated to continue on this path and the directors remain optimistic about the performance outlook given the strategic plans that the team continues to execute. Prudent management remains a focus so that the company continues to perform even with the potential for economic changes in the short term. The board uses this opportunity to thank our hardworking team for their efforts, referring physicians and their patients for the trust and confidence placed in us and our shareholders for the opportunity to provide an attractive return on their investment.



Chairman



Managing Director

January 24, 2023

Image Plus Consultants Limited

Unaudited statement of financial position

November 30, 2022

	Nine months ended November 30, 2022 \$	Nine months ended November 30, 2021 \$	Audited February 28, 2022 \$
Assets			
Non-current assets			
Property, plant and equipment	321,721,689	212,465,354	206,273,018
Right of-use asset	4,025,836	7,476,552	6,326,313
Other investments	14,407,640	10,322,226	11,343,579
	340,155,165	230,264,132	223,942,910
Current assets			
Due from related party	20,033,770	14,728,337	19,505,269
Trade and other receivables	242,135,863	106,514,209	139,017,075
Financial investments	40,885,643	13,834,670	13,834,670
Cash and cash equivalents	8,274,600	25,699,775	51,100,414
	311,329,876	160,776,991	223,457,428
Total assets	651,485,041	391,041,123	447,400,338
Equity			
Share capital	1,027,000	1,027,000	1,027,000
Fair value reserve	4,334,664	4,334,664	4,334,664
Retained earnings	409,840,314	225,783,505	261,481,449
Total equity	415,201,978	231,145,169	266,843,113
Liabilities			
Non-current liabilities			
Borrowings	117,727,361	75,673,519	40,071,949
Lease liability	338,115	4,250,377	3,297,593
Deferred tax liability	5,906,817	9,981,500	5,829,814
	123,972,293	89,905,396	49,199,356
Current liabilities			
Trade and other payables	92,042,654	55,019,360	76,200,086
Current portion of borrowings	-	-	26,349,828
Current portion of lease liability	3,912,262	3,656,319	3,719,208
Income tax payable	16,355,854	11,314,879	25,088,747
	112,310,770	69,990,558	131,357,869
Total liabilities	236,283,063	159,895,954	180,557,225
Total equity and liabilities	651,485,041	391,041,123	447,400,338

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

Approved for issue by the Directors on **January 24, 2023**, and signed on its behalf by:

Dr. Karlene McDonnough
Chairman

Dr. Lilieth Bridgewater
Executive Director

Image Plus Consultants Limited

Unaudited statement of profit or loss and other comprehensive income

Third quarter and nine months period ended November 30, 2022

	Three months ended November 30, 2022	Three months ended November 30, 2021	Nine months ended November 30, 2022	Nine months ended November 30, 2021
Revenue	247,965,323	195,490,522	802,787,397	558,532,897
Costs of sales	(82,848,673)	(65,973,402)	(273,732,388)	(191,998,272)
Gross profit	165,116,650	129,517,120	529,055,009	366,534,625
Administrative expenses	(112,720,328)	(92,663,307)	(297,064,693)	(263,589,580)
Net movement on impairment provision	(6,290,959)	-	(6,290,959)	(63,180)
Depreciation and amortisation	(12,942,979)	(12,587,467)	(32,043,469)	(28,953,341)
Operating profit	33,162,384	24,266,346	193,655,888	73,928,524
Other income	373,500	569,842	373,500	569,842
Foreign exchange gain/(loss)	197,155	(264,601)	(19,023)	(1,388,186)
Gain on disposal of property, plant and equipment	-	172,907	-	172,907
Finance income	548,725	45,130	1,862,585	101,541
Finance costs	(7,076,616)	(1,820,734)	(16,180,709)	(5,312,748)
Profit before tax	27,205,148	22,968,890	179,692,241	68,071,880
Income tax expense	(3,456,828)	(1,411,852)	(31,333,376)	(9,475,138)
Profit for the year total comprehensive income	23,748,320	21,557,038	148,358,865	58,596,742
Earnings per share-basic and diluted	0.023	0.021	0.15	0.06

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

Image Plus Consultants Limited

Unaudited statement of changes in equity

Third quarter and nine months period ended November 30, 2022

	Share capital \$	Fair value reserve \$	Accumulated surplus \$	Total \$
Balance at February 28, 2021 - Audited	1,027,000	4,334,664	167,186,763	172,548,427
Profit for the nine months ended November 30, 2021	-	-	58,596,742	58,596,742
Balance at November 30, 2021	1,027,000	4,334,664	225,783,505	231,145,169
Balance at February 28, 2022 – Audited	1,027,000	4,334,664	261,481,449	266,843,113
Profit for nine months ended November 30, 2022	-	-	148,358,865	148,358,865
Balance at November 30, 2022 - Unaudited	1,027,000	4,334,664	409,840,314	415,201,978

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

Image Plus Consultants Limited

Unaudited statement of cash flows

Third quarter and nine months period ended November 30, 2022

	Unaudited November 30, 2022 \$	Unaudited November 30, 2021 \$	Audited February 28, 2022 \$
Cash flows from operating activities:			
Profit before tax	179,692,241	68,071,880	113,064,240
Adjustments for:			
Interest expense	15,676,948	4,509,963	5,722,555
Interest expense on lease liabilities	503,761	802,785	604,105
Interest income	(1,862,585)	(101,541)	(249,023)
Gain on disposal of property, plant and equipment	-	(172,907)	(233,857)
Depreciation and amortisation	32,043,469	28,953,341	36,425,843
	226,053,834	102,063,521	155,333,863
Increase in receivables	(103,118,781)	(33,850,414)	(66,353,279)
(Increase)/decrease in due from related party	(528,568)	(5,568,362)	759,433
(Decrease)/increase in trade and other payables	15,842,568	5,536,365	15,612,364
Cash generated from operations	138,249,112	68,181,110	105,352,381
Income tax paid	(9,989,266)	(3,853,384)	(3,525,618)
Interest paid	(15,676,948)	(4,509,963)	(5,722,555)
Net cash provided by operations	112,582,898	59,817,763	96,104,208
Cash flow from investing activities			
Interest received	1,862,585	101,541	249,023
Purchase of property, plant and equipment	(143,466,305)	(8,414,206)	(20,321,591)
Proceeds from sale of property, plant and equipment	-	-	10,285,957
Increase in investment	(30,115,034)	(16,898,732)	(17,920,085)
Net cash used in investing activities	(171,718,754)	(25,211,397)	(27,706,696)
Cash flow from financing activities			
Dividends	(30,000,000)	-	-
Repayment of borrowings	(21,755,044)	(28,573,451)	(37,825,193)
Proceeds from borrowings	73,060,628	-	-
Repayment of lease liability	(4,491,781)	(4,138,450)	(3,475,895)
Interest paid on lease payments	(503,761)	(802,785)	(604,105)
Net cash provided by/(used in) financing activities	16,310,042	(33,514,686)	(41,905,193)
Net (decrease)/increase in cash and cash equivalents	(42,825,814)	1,091,680	26,492,319
Cash and cash equivalents at beginning of period/year	51,100,414	24,608,095	24,608,095
Cash and cash equivalents at end of period/year	8,274,600	25,699,775	51,100,414

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

Image Plus Consultants Limited

Notes to the unaudited interim financial statements

Third quarter and nine months period ended November 30, 2022

1. General information and nature of operations

Image Plus Consultants Limited was incorporated under the laws of Jamaica on February 27, 1996 and is domiciled in Jamaica. The company operates from 3 locations in Kingston – 2A Molyneux Road, 3A Winchester Road, 129 Old Hope Road (Liguanea) and White River North Commercial Complex, in Ocho Rios, St. Ann.

The company offers diagnostic X-Ray, Ultrasound, Computerized Tomography, Nuclear medicine, Fluoroscopy and Intervention services under the business name of Apex Radiology.

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 February 28, 2022. The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended February 28, 2022.

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.

Image Plus Consultants Limited

Notes to the unaudited interim financial statements

Third quarter and nine months period ended November 30, 2022

3. Share Capital

	Unaudited nine months ended November 30, 2022	Unaudited nine months ended November 30, 2021
Authorised ordinary units of no par value	Unlimited	3,000,000
Issued ordinary units of no par value	991,559,744	1,027,000
	\$	\$
Stated capital:		
Issued and fully paid ordinary stocks units of no par value	1,027,000	1,027,000

By virtue of the provisions of the Companies Act, 2004, shares in the Company have no par value.

In anticipation of the Invitation and listing of the Shares on the JSE, the Company at an Extraordinary General Meeting held on November 8, 2022:

- (i) converted the Company from a private to a public company and adopted new Articles of Incorporation to comply with the requirements of the Rules of the JSE and generally modernise the Company's constitution;
- (ii) increased its authorized share capital from 3,000,000 ordinary shares to an unlimited amount of ordinary shares;
- (iii) resolved that the new ordinary shares to be issued pursuant to the Invitation be converted to ordinary stock units on issue, along with its existing ordinary shares;
- (iv) authorized the listing of the ordinary stock units on the JSE.

Image Plus Consultants Limited

Notes to the unaudited interim financial statements

Third quarter and nine months period ended November 30, 2022

4. Earnings per Shares

	Unaudited Nine months ended November 30, 2022 \$	Unaudited Nine months ended November 30, 2021 \$
Profit attributable to shareholders	148,358,865	58,596,742
Weighted average number of shares(retrospective adjustment)	991,559,744	991,559,744
Earnings per shares	0.15	0.06

Earnings per shares

	Unaudited Three months ended November 30, 2022 \$	Unaudited Three months ended November 30, 2021 \$
Profit attributable to shareholders	23,748,320	21,557,038
Weighted average number of shares(retrospective adjustment)	991,559,744	991,559,744
Earnings per shares	0.023	0.021

Image Plus Consultants Limited

List of Directors, Connected Parties and Senior Managers Shareholdings

As at November 30, 2022

Shareholders

Names	Position	Shares Held	Percentages %
Dr. Karlene McDonnough	Director	303,417,282	30.60
Dr. Lilieth Bridgewater	Director	160,632,679	16.20
Quad G Limited	-	210,210,666	21.20
Advanced Imaging Limited	-	168,565,156	17
SureScan Radiology Services Limited	-	49,577,987	5
Dr. Leon Vaughan & Dr. Marian Vaughan	Director	99,155,974	10
Total		991,559,744	100

Connected parties	Connected to
Quad G Limited	Dr. Gordon Bradshaw
SureScan Radiology Service Limited	Dr. Steven Lewis

Directors' and Managers Shareholdings

No senior managers hold any of the Company's shares. The Directors' shareholding in the Company (including beneficial holding) are set out below.

Name of Directors	Number of shares	Related Companies in which Director has a beneficial interest
Dr. Karlene McDonnough	303,417,282	
Dr. Lilieth Ann Bridgewater	160,632,679	
Dr. Gordon Bradshaw	210,210,666	Quad G Limited
Dr. Steven Lewis	49,557,987	Surescan Radiology Services Limited
Dr. Marian Allison- Vaughan	99,155,974	
Dr. Leon Vaughan	99,155,974	
Mrs. Carolyn DaCosta	Nil	
Dr. Jacqueline Leckie	Nil	
Mrs. Kisha Anderson	Nil	