MEDICAL DISPOSABLES & SUPPLIES LIMITED

Audited Consolidated Financial Statements for the Year Ended March 31, 2023.

TOP TEN (10) SHAREHOLDERS

Shareholders	Number of Units	Shareholding %
Kurt Boothe	51,154,333	19.44%
Myrtis Boothe	50,000,000	19.00%
Winston Boothe	50,000,000	19.00%
Nikeisha Boothe	50,000,000	19.00%
Mayberry Jamaican Equities Limited	10,280,334	3.91%
Mayberry Managed Clients A/Cs	5,546,813	2.11%
Apex Pharmacy	3,496,926	1.33%
Nigel Coke	2,528,365	0.96%
VM Wealth Equity Fund	2,344,948	0.89%
QWI Investments limited	2,000,000	0.76%
JMMB Securities Ltd. (House Account)	1,743,923	0.66%
Lawrence and Associates Ltd.	1,284,222	0.49%

SHAREHOLDING OF DIRECTORS AND SENIOR MANAGERS

Directors	Total	Direct	Connected Parties
Kurt Boothe	201,154,333	51,154,333	150,000,000
Myrtis Boothe	201,154,333	50,000,000	151,154,333
Winston Boothe	201,154,333	50,000,000	151,154,333
Nikeisha Boothe	201,154,333	50,000,000	151,154,333
Dahlia McDaniel-Dickson	1,459,398	1,159,398	300,000
Vincent Lawrence	1,284,222	Nil	1,284,222
Sandra Glasgow	Nil	Nil	Nil
Senior Managers	**Total**	**Direct**	**Connected Parties**
Kurt Boothe	201,154,333	51,154,333	150,000,000
Myrtis Boothe	201,154,333	50,000,000	151,154,333
Nikeisha Boothe	201,154,333	50,000,000	151,154,333
Lenworth Murray	63,000	63,000	Nil
Gerard Whyte	54,000	54,000	Nil
Antoinette McDonald	30,500	Nil	30,500

Medical Disposables & Supplies Limited

Consolidated Financial Statements

March 31, 2023

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Independent auditors' report

To the Members of
Medical Disposables & Supplies Limited

Report on the Audit of the Financial Statements

We have audited the consolidated and stand-alone financial statements of Medical Disposables & Supplies Limited ("the Company") and its subsidiaries (together the Group) which comprise the consolidated and stand-alone statement of financial position as at March 31, 2023, the consolidated and stand-alone statement of profit or loss and other comprehensive income, consolidated and stand-alone statement of changes in equity and consolidated and stand-alone statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated and stand-alone financial statements give a true and fair view of the consolidated and stand-alone financial position of the Group and the Company as at March 31, 2023, and of the consolidated and stand-alone financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Jamaican Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

We have determined there are no key audit matters to communicate in our report.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Stand-alone Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and stand-alone financial statements, management is responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and Company's financial reporting process.

hlbjm.com
Partners: Sixto P. Coy, Karen A. Lewis
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Independent auditors' report (cont'd)

To the Members of
Medical Disposables & Supplies Limited

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Consolidated and Stand-alone Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and stand-alone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and stand-alone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and stand-alone financial statements, including the disclosures, and whether the consolidated and stand-alone financial statements represent the underlying transactions and events in a manner that presents a true and fair view.

Independent auditors' report (cont'd)

To the Members of
Medical Disposables & Supplies Limited

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Consolidated and Stand-alone Financial Statements (cont'd)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and Company to express an opinion on the consolidated and stand-alone financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act, in the manner required.

The Engagement Partner on the audit resulting in this independent auditor's report is Sixto P. Coy.

HLB Mair Russell
Chartered Accountants

Kingston, Jamaica

May 26, 2023

Medical Disposables & Supplies Limited
Consolidated Statement of Financial Position
March 31, 2023

	Note	2023 $	Restated 2022 $	Restated 2021 $
Assets				
Non-current assets				
Property, plant and equipment	(3)	782,591,603	784,345,334	819,679,345
Right of use asset	(4)	4,663,379	6,140,411	780,065
Intangible assets	(5)	31,758,157	36,541,572	33,423,182
		819,013,139	**827,027,317**	**853,882,592**
Current assets				
Inventories	(6)	1,491,110,412	1,136,293,546	853,802,501
Trade and other receivables	(7)	527,635,566	533,271,081	457,389,463
Prepayments		13,302,713	10,743,890	5,188,312
Due from related party	(8)	41,090,831	23,800,688	-
Taxation recoverable	(9)	754,217	737,554	2,350,718
Cash and short-term deposits	(10)	141,513,590	145,701,094	116,644,932
		2,215,407,329	**1,850,547,853**	**1,435,375,926**
Total assets		**3,034,420,468**	**2,677,575,170**	**2,289,258,518**
Equity and liabilities				
Equity				
Share capital	(11)	107,835,764	107,835,764	107,835,764
Revaluation reserve	(12)	108,518,073	108,518,073	108,518,073
Retained profits		844,864,942	796,413,997	717,869,736
Non-controlling interest		138,921,718	130,858,434	122,391,000
Total equity		**1,200,140,497**	**1,143,626,268**	**1,056,614,573**
Liabilities				
Non-current liabilities				
Due on business acquisition	(13)	21,098,000	31,098,000	31,098,000
Lease liability	(4)	3,527,315	4,917,676	-
Borrowings	(14)	365,406,863	243,488,782	157,464,241
Deferred tax liability	(15)	44,886,065	42,403,680	21,710,392
		434,918,243	**321,908,138**	**210,272,633**
Current liabilities				
Lease liability	(4)	1,412,872	1,372,173	660,520
Bank overdraft	(10 & 16)	195,204,686	159,209,087	144,996,589
Borrowings	(14)	430,915,710	571,439,927	351,190,677
Trade and other payables	(17)	748,731,913	460,019,009	392,107,020
Due on business acquisition		-	-	121,500,000
Income tax payable		23,096,547	20,000,568	11,916,506
		1,399,361,728	**1,212,040,764**	**1,022,371,312**
Total liabilities		**1,834,279,971**	**1,533,948,902**	**1,232,643,945**
Total equity and liabilities		**3,034,420,468**	**2,677,575,170**	**2,289,258,518**

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

Approved for issue by the Board of Directors on May 26, 2023 and signed on its behalf by:

_________________ Director   _________________ Director

Winston Boothe   **Kurt Boothe**

Medical Disposables & Supplies Limited
Consolidated Statement of Profit or Loss
Year ended March 31, 2023

	Note	2023 $	2022 $
Revenue		**3,769,710,645**	**3,416,303,288**
Cost of sales	(19)	(2,755,988,748)	(2,479,839,025)
Gross profit		**1,013,721,897**	**936,464,263**
Other income	(18)	10,096,785	9,266,092
Administrative expenses	(19)	(456,386,711)	(395,864,896)
Selling and promotional costs	(19)	(327,111,807)	(274,278,543)
Impairment of financial assets		(3,657,179)	(14,392,991)
Depreciation and amortisation	(19)	(40,943,064)	(39,394,892)
Operating profit		**195,719,921**	**221,799,033**
Finance income	(21)	2,473,980	11,102,605
Finance costs	(21)	(104,173,425)	(71,654,631)
(Loss)/gain on disposal of property, plant and equipment		(171,046)	3,179,640
Gain/(loss) on foreign exchange		2,869,457	(17,968,707)
Profit before tax		**96,718,887**	**146,457,940**
Income tax expense	(22)	(16,520,447)	(41,025,192)
Net profit for the year		**80,198,440**	**105,432,748**
Net profit for the year attributable to:			
Owners of Medical Disposables & Supplies Limited		72,135,156	96,965,314
Non-Controlling interest		8,063,284	8,467,434
		80,198,440	**105,432,748**
Earnings per share attributable to owners of the company during the year:	(23)		
Basic and diluted		**0.27**	**0.37**

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

Medical Disposables & Supplies Limited
Consolidated Statement of Changes in Equity
Year ended March 31, 2023

	Share Capital $	Revaluation Reserve $	Retained Profits $	Noncontrolling Interest $	Total $
Balance at March 31, 2021- As previously reported	107,835,764	108,518,073	678,401,286	122,391,000	1,017,146,123
Prior year adjustment - Additional gain on business acquisition (Note 2u)	-	-	39,468,450	-	39,468,450
Balance at March 31,2021 restarted	**107,835,764**	**108,518,764**	**717,869,736**	**122,391,000**	**1,056,614,573**
Dividend (Note 24)	-	-	(18,421,053)	-	(18,421,053)
Profit for the year	-	-	96,965,314	8,467,434	105,432,748
Total comprehensive income	-	-	96,965,314	8,467,434	105,432,748
Balance at March 31, 2022 – restated	**107,835,764**	**108,518,073**	**796,413,997**	**130,858,434**	**1,143,626,268**
Dividends (Note 24)	-	-	(23,684,211)	-	(23,684,211)
Profit for the year	-	-	72,135,156	8,063,284	80,198,440
Total comprehensive income	**-**	**-**	**48,450,945**	**8,063,284**	**56,514,229**
Balance at March 31, 2023	**107,835,764**	**108,518,073**	**844,864,942**	**138,921,718**	**1,200,140,497**

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

Medical Disposables & Supplies Limited
Consolidated Statement of Cash Flows
Year ended March 31, 2023

	Note	2023 $	2022 $
Cash flows from operating activities:			
Profit before tax		96,718,887	146,457,940
Adjustments for:			
Depreciation and amortisation		40,943,064	39,394,892
Interest expense	(21)	104,173,425	71,654,631
Interest income	(21)	(2,473,980)	(11,102,605)
Loss/(gain) on disposal of property, plant, and equipment		171,046	(3,179,640)
		239,532,442	**243,225,218**
Increase in inventories		(354,816,866)	(282,491,044)
Decrease/(increase) in trade and other receivables		5,635,515	(75,881,617)
Increase in prepayments		(2,558,823)	(5,555,578)
Increase in trade and other payables		288,712,904	67,911,988
Increase in due from related party		(17,290,143)	(23,800,688)
Cash used in from operations		**159,215,029**	**(76,591,721)**
Interest paid		(104,190,088)	(71,654,631)
Income taxes paid		(10,942,082)	(11,382,341)
Net cash used in operating activities		**44,082,859**	**(159,628,693)**
Cash flows from investing activities:			
Interest received (net of withholding tax)		2,473,980	12,152,470
Purchase of property, plant and equipment	(3)	(33,099,932)	(1,972,272)
Proceeds from disposal of property, plant and equipment		-	6,830,000
Purchase of intangible asset	(5)	-	(7,132,613)
Net cash (used) in/provided by investing activities		**(30,625,952)**	**9,877,585**
Cash flows from financing activities:			
Proceeds from borrowings		693,500,000	671,500,000
Repayment of borrowings		(712,106,137)	(365,226,209)
Lease repayment	(4)	(1,349,662)	(1,757,966)
Dividends paid	(24)	(23,684,211)	(18,421,053)
Paid on business acquisition		(10,000,000)	(121,500,000)
Net cash (used in)/provided by financing activities		**(53,640,010)**	**164,594,772**
Net increase in cash and cash equivalents		**(40,183,103)**	**14,843,664**
Cash and cash equivalents at beginning of year		**(13,507,993)**	**(28,351,657)**
Cash and cash equivalents at end of year	(10)	**(53,691,096)**	**(13,507,993)**

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

Medical Disposables & Supplies Limited
Statement of Financial Position (The Company)
Year ended March 31, 2023

	Note	2023 $	2022 $
Assets			
Non-current assets			
Property, plant and equipment	(3)	571,402,806	568,535,295
Right of use asset	(4)	4,663,379	6,140,411
Intangible assets	(5)	5,377,157	6,911,572
Investment in subsidiaries		121,500,000	121,500,000
		702,943,342	**703,087,278**
Current assets			
Inventories	(6)	1,209,811,159	914,156,800
Trade and other receivables	(7)	449,709,305	469,220,034
Prepayments		13,108,650	10,743,890
Taxation recoverable	(9)	748,615	735,696
Due from related party	(8)	-	77,361,221
Cash and short-term deposits	(10)	124,182,447	105,188,435
		1,797,560,176	**1,577,406,076**
Total assets		**2,500,503,518**	**2,280,493,354**
Equity and liabilities			
Equity			
Share capital	(11)	107,835,764	107,835,764
Revaluation reserve	(12)	108,518,073	108,518,073
Retained profits		718,515,416	682,159,396
Total equity		**934,869,253**	**898,513,233**
Liabilities			
Non-current liabilities			
Lease liability	(4)	3,527,315	4,917,676
Borrowings	(14)	315,406,863	243,488,782
Deferred tax liability	(15)	7,721,301	10,750,392
		326,655,479	**259,156,850**
Current liabilities			
Lease liability	(4)	1,412,872	1,372,173
Bank overdraft	(10 & 16)	134,366,446	156,088,774
Borrowings	(14)	430,915,710	571,439,927
Trade and other payables	(17)	660,904,646	380,881,543
Due on related party	(13)	414,185	-
Income tax payable		10,964,927	13,040,854
		1,238,978,786	**1,122,823,271**
Total liabilities		**1,565,634,265**	**1,381,980,121**
Total equity and liabilities		**2,500,503,518**	**2,280,493,354**

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

Approved for issue by the Board of Directors on May 26, 2023 and signed on its behalf by:

Director | Director

Winston Boothe | **Kurt Boothe**

Medical Disposables & Supplies Limited
Statement of Profit or Loss (The Company)
Year ended March 31, 2023

	Note	2023 $	2022 $
Revenue		**3,209,889,482**	**2,825,999,494**
Cost of sales	(19)	(2,411,028,599)	(2,086,080,238)
Gross profit		**798,860,883**	**739,919,256**
Other income	(18)	5,488,530	5,486,130
Administrative expenses	(19)	(314,554,116)	(288,880,592)
Selling and promotional costs	(19)	(304,358,549)	(256,192,216)
Impairment of financial assets		(1,046,664)	(1,000,000)
Depreciation and amortisation	(19)	(28,367,791)	(26,676,720)
Operating profit		**156,022,293**	**172,655,859**
Finance income	(21)	2,457,586	11,056,883
Finance costs	(21)	(96,074,742)	(71,137,965)
(Loss)/gain on disposal of property, plant and equipment		(171,046)	2,899,640
Gain/(loss) on foreign exchange		2,099,903	(17,838,064)
Profit before tax		**64,333,994**	**97,636,353**
Income tax expense	(22)	(4,293,763)	(13,372,190)
Net profit for the year		**60,040,231**	**84,264,163**

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

Medical Disposables & Supplies Limited
Statement of Changes in Equity (The Company)
Year ended March 31, 2023

	Share Capital $	Revaluation Reserve $	Retained Profits $	Total $
Balance at March 31, 2021	107,835,764	108,518,073	616,316,286	832,670,123
Dividend (Note 24)	-	-	(18,421,053)	(18,421,053)
Profit for the year	-	-	84,264,163	84,264,163
Total comprehensive income for the year	**-**	**-**	84,264,163	84,264,162
Balance at March 31, 2022	107,835,764	108,518,073	682,159,396	898,513,233
Dividend (Note 24)	-	-	(23,684,211)	(23,684,211)
Profit for the year	-	-	60,040,231	60,040,231
Total comprehensive income for the year	**-**	**108,518,073**	**60,040,231**	**60,040,231**
Balance at March 31, 2023	**107,835,764**	**108,518,073**	**718,515,416**	**934,869,253**

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

Medical Disposables & Supplies Limited
Statement of Cash Flows (The Company)
Year ended March 31, 2023

	Note	2023 $	2022 $
Cash flows from operating activities:			
Profit before tax		**64,333,994**	**97,636,353**
Adjustments for:			
Depreciation and amortisation	(19)	28,367,791	26,676,720
Interest expense	(21)	96,074,742	71,137,965
Interest income	(21)	(2,457,586)	(11,056,883)
Loss/((gain) on disposal of property, plant, and equipment		171,046	(2,899,640)
		186,489,987	**181,494,515**
Increase in inventories		(295,654,359)	(184,835,299)
Decrease/(increase) in trade and other receivables		19,510,729	(83,691,571)
Increase in prepayments		(2,364,760)	(5,555,578)
Increase in trade and other payables		280,023,103	54,804,073
Decrease/(increase) in due from related party		77,361,221	(77,361,221)
Increase in due to related party		414,185	-
Cash generated from/(used in) operations		**265,780,106**	**(115,145,081)**
Interest paid		(96,074,742)	(71,137,965)
Income taxes paid		(9,398,781)	(10,330,616)
Net cash used in operating activities		**160,306,583**	**(196,613,662)**
Cash flows from investing activities:			
Interest received (net of withholding tax)		2,444,669	11,056,883
Purchase of property, plant and equipment	(3)	(28,394,902)	(1,004,062)
Proceeds from disposal of property, plant and equipment		-	6,550,000
Purchase of intangible asset	(5)	-	(7,132,613)
Net cash (used in)/provided by investing activities		**(25,950,233)**	**9,470,208**
Cash flows from financing activities:			
Proceeds from borrowings		618,500,000	671,500,000
Repayment of borrowings		(687,106,137)	(365,226,209)
Lease repayment	(4)	(1,349,662)	(1,757,966)
Dividends paid	(24)	(23,684,211)	(18,421,053)
Paid on business acquisition		-	(121,500,000)
Net cash (used in)/provided by financing activities		**(93,640,010)**	**164,594,772**
Net increase/(decrease) in cash and cash equivalents		40,716,340	(22,548,682)
Cash and cash equivalents at beginning of year		(50,900,339)	(28,351,657)
Cash and cash equivalents at end of year	(10)	**(10,183,999)**	**(50,900,339)**

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

1. Identification and principal activities

Medical Disposables & Supplies Limited (the Company) is a limited liability company and was incorporated under the Laws of Jamaica on November 27, 1998. The Company is domiciled in Jamaica with registered offices located at 83 Hagley Park Road, Kingston 10, Jamaica. The main activity during the year was the sale of pharmaceutical, medical and other supplies.

Medical Disposables & Supplies Limited is the parent company of Cornwall Enterprises Limited. The subsidiary is 60% owned by the Company. The Company and its subsidiary are referred to as the Group.

The Company's shares were listed on the Junior Market of the Jamaica Stock Exchange on December 24, 2013.

Subsidiary

The subsidiary incorporated in Jamaica, with operating activities as follows:

Company	Shareholdings	Main activities
Cornwall Enterprises Limited	60%	Retail and wholesale of Pharmaceutical, medical and other supplies

2. Summary of significant accounting policies

a Basis of preparation

These consolidated and stand-alone financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS) and have been prepared under the historical cost convention as modified by the revaluation of certain fixed and financial assets, investment properties and financial liabilities.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2t.

Standards, interpretations and amendments to published standards effective in the current year

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The Group has assessed the relevance of all such new standards, interpretations and amendments and has put into effect the following:

Amendments to IAS 1, Presentation of financial statements', on classification of liabilities, (effective for annual periods beginning on or after January 1,2022. These narrow-scope amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.

2. Summary of significant accounting policies

a Basis of preparation (cont'd)

Standards, interpretations and amendments to published standards effective in the current year (cont'd)

A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9 and IFRS 16, (effective for annual periods beginning on or after January 1, 2022). Amendments to IFRS 3, 'Business combinations' update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. Amendments to IAS 16, 'Property, plant and equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss. Amendments to IAS 37, 'Provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making. Annual improvements make minor amendments to IFRS 1, 'First-time Adoption of IFRS', IFRS 9, 'Financial instruments and the Illustrative examples accompanying IFRS 16, 'Leases'.

Standards, amendments and interpretations issued but not yet effective and have not been early adopted by the company

At the date of approval of these financial statements, certain new standards amendments and interpretations to existing standards have been published but are not yet effective, and have not been early adopted by the Group.

Management anticipates that all relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement.

New standards, interpretations and amendments not early adopted or listed below are not expected to have a material impact on the Group's financial statements.

Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8, (effective for annual periods beginning on or after January 1, 2023). The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.

Amendment to IAS 12 - deferred tax relates to assets and liabilities arising from a single transaction. (effective for annual periods beginning on or after January 1, 2023). These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.

2. Summary of significant accounting policies

b Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has control. The Group has control over an entity when the Group is exposed to the variable returns from its ownership interest in the entity and when the Group can effect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group, and subsidiaries are de-consolidated from the date on which control ceases.

All material intra-Group balances, transactions and gains are eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

The Group uses the acquisition method of accounting when control over entities and insurance businesses is obtained by the Group. The cost of an acquisition is measured as the fair value of the identifiable assets given, the equity instruments issued and the liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date irrespective of the extent of any minority interest. Acquisition-related costs are expensed as incurred.

The excess of the cost of the acquisition, the non-controlling interest recognised and the fair value of any previously held equity interest in the acquiree, over the fair value of the net identifiable assets acquired is recorded as goodwill. If there is no excess and there is a shortfall, the Group reassesses the net identifiable assets acquired. If after reassessment, a shortfall remains, the acquisition is deemed to be a bargain purchase and the shortfall is recognised in income as a gain on acquisition. Any non-controlling interest balances represent the equity in a subsidiary not attributable to the Group's interests.

On an acquisition-by-acquisition basis, the Group recognises at the date of acquisition the components of any minority interest in the acquiree either at fair value or at the proportionate share of the acquiree's net identifiable assets. The latter option is only available if the minority interest component is entitled to a proportionate share of net identifiable assets of the acquiree in the event of liquidation.

Non-controlling interest balances are subsequently re-measured by the minority's proportionate share of changes in equity after the date of acquisition. Investments in subsidiaries are stated in the Company's financial statements at cost less impairment.

(ii) Change in ownership interests in subsidiaries without change in control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity, Gains or losses on disposals to non-controlling interests are also recorded in equity.

2. Summary of significant accounting policies (cont'd)

c Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Chief Operating Decision Makers to make decisions about resources to be allocated to the segment and assess its performance. The Group has three operating segments, pharmaceuticals, medical and consumables.

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

d Property, plant and equipment

(i) Property, plant and equipment are carried at cost or fair value less accumulated depreciation and impairment losses.

Land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation less accumulated depreciation and accumulated impairment losses, if any. Fair values are based on appraisals prepared by external professional valuators once every (3) years, or more frequently, if market factors indicate a material change in fair value. Any surplus arising on revaluation of land and buildings is recognised in other comprehensive income and credited to revaluation reserve in equity. To the extent that any decrease or impairment loss had previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the increase recognised in other comprehensive income.

Downward revaluations of land and buildings are recognised upon revaluation or impairment testing, with the decrease being charged to other comprehensive income to the extent of any surplus in equity relating to this asset and any remaining decrease recognised in profit or loss.

(ii) Depreciation is charged on assets from the date of acquisition.

Depreciation is provided on the straight-line basis at such rates as will write off the cost of various assets over the period of their expected useful lives.

The following useful lives are applied:

Furniture, fixtures and equipment	10% – 20%
Computers	20%
Motor vehicles	20%
Buildings	2.5%

(iii) Repairs and renewal

The costs of repairs and renewals which do not enhance the value of existing assets are written off to profit or loss as they are incurred.

e Inventories

Inventories are stated at the lower of cost, determined on the average cost basis, and net realisable value. Cost represents invoiced cost-plus direct inventory related expenses; net realisable value is based upon estimated selling price less cost to sell.

2. Summary of significant accounting policies (cont'd)

f Revenue recognition

Revenue arises from the sale of goods. It is measured at the fair value of consideration received or receivable, excluding General Consumption Tax, trade discounts or rebates.

g Finance and other income

Finance and other income comprise interest earned on short-term investments and rental income. Income is recognised on the basis of agreements in place or when it has been transferred to the third parties.

h Foreign currency translation

Functional and presentation currency

The financial statements are prepared and presented in Jamaican dollars, which is the functional currency of the Group.

Foreign currency translations and balances:

(i) Foreign currency balances at the end of the reporting period have been translated at rates of exchange ruling at that date.

(ii) Transactions in foreign currency are converted at rates of exchange ruling at the dates of those transactions.

(iii) Gains/losses arising from fluctuations in exchange rates are included in profit or loss.

i Cash and cash equivalents

The above comprise cash on hand and demand deposits together with other short-term highly liquid investments maturing within ninety (90) days from the date of acquisition that are readily convertible in known amounts of cash and bank overdraft.

j Income tax

Income tax on the results for the year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using the tax rate enacted at statement of financial position date, and any adjustments to tax payable in respect of previous years.

Deferred tax is accounted for using the liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding basis used in the computation of taxable profit. In principle, deferred tax liabilities are recognised for taxable differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary difference can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply to the year when the asset is realised or the liability settled. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it is related to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

2. Summary of significant accounting policies (cont'd)

k Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:
- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI)

In the periods presented, the Group had no financial assets categorised as FVOCI.

The classification is determined by both:
- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):
- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows.
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or hold to collect and sell are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

2. Summary of significant accounting policies (cont'd)

k Financial instruments (cont'd)

Financial assets at fair value through profit or loss (FVTPL) (cont'd)

The category also contains equity investments. The Group accounts for these equity investments at FVTPL and did not make the irrevocable election to account for these equity investments at fair value through other comprehensive income (FVOCI).

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at fair value through other comprehensive income (FVOCI)

The Group account for financial assets at FVOCI if the assets meet both of the following conditions:

- they are held under a business model whose objective is achieved by both collecting the contractual cash flows and selling the financial assets and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses are recognised in other comprehensive income (OCI).

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Group first identifying a credit loss event. Instead, the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').
- 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

  '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

2. Summary of significant accounting policies (cont'd)

k Financial instruments (cont'd)

Other receivables and contract assets

The Group makes use of a simplified approach in accounting for impairment of other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators, and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of other receivables on a collective basis as they possess shared credit risk characteristics and have been grouped based on the days past due.

Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings, lease liability, bank overdraft, trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs, unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method. Any difference between the proceeds, net of transaction costs, and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

2. Summary of significant accounting policies (cont'd)

m Impairment

The Group property, plant and equipment are subject to impairment testing.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment, and some are tested at cash-generating unit level.

Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the assets or cash-generating units carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

n Intangible assets

Certain relations and trade names acquired in a business combination that qualify for separate recognition are recognised as intangible assets at their fair values.

All finite-lived intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 2(m). The following useful lives are applied:

- Acquired software: 5 years
- Customer relations: 7 years

Trade name is carried at cost less amortised impairment losses.

Subsequent expenditures on the maintenance of computer software are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset and is recognised in profit or loss within other income or other expenses.

o Equity, reserves and dividend payments

Share capital is determined using the par value of shares that have been issued and any premiums received on the initial issuing of shares. Any transaction costs associated with the issuing of shares are deducted from premiums received.

Revaluation reserve comprises the accumulated surplus arising on the revaluation of property, plant and equipment.

Retained profits include all current and prior period results as disclosed in the statement of comprehensive income.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved by the shareholders prior to the reporting date.

2. Summary of significant accounting policies (cont'd)

p Leases

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

q Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin. Expenditure for warranties is recognised and charged against the associated provision when the related revenue is recognised.

r Interest income and expense

Interest income and expense are recognised in the statement of comprehensive income on an accrual basis using the effective interest method.

s Short-term employee benefits

Short-term employee benefits including holiday entitlement are current liabilities included in accruals, measured at the undiscounted amount that the Group expects to pay as a result of the unused entitlement.

t Use of estimates and judgments

Information about estimates and assumptions that may have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

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.

There were no critical judgements, apart from those involving estimation, that management has made in the process of applying the Group's accounting policies that have a significant effect on the amounts recognised in the financial statements.

2. Summary of significant accounting policies (cont'd)

t Use of estimates and judgments (cont'd)

The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

(i) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

(ii) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management basis its assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

2. Summary of significant accounting policies (cont'd)

u Restatement of comparative information

Certain prior year figures have been restated as a result of increased gain on business acquisition in year ended March 31, 2021.

	As previously reported year ended March 31, 2022 $	Effect of restatement $	Restated year ended March 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	784,345,334	-	784,345,334
Right of use asset	6,140,411	-	6,140,411
Intangible assets	36,541,572	-	36,541,572
	827,027,317	**-**	**827,027,317**
Current assets			
Inventories	1,136,293,546	-	1,136,293,546
Trade and other receivables	533,271,081	-	533,271,081
Prepayments	10,743,890	-	10,743,890
Due from related party	23,800,688	-	23,800,688
Taxation recoverable	737,554	-	737,554
Cash and short-term deposits	145,701,094	-	145,701,094
	1,850,547,853	-	**1,850,547,853**
Total assets	**2,677,575,170**	**-**	**2,677,575,170**
Equity and liabilities			
Equity			
Share capital	107,835,764	-	107,835,764
Revaluation reserve	108,518,073	-	108,518,073
Retained profits	756,945,547	39,468,540	796,413,997
Non-controlling interest	130,858,434	-	130,858,434
Total equity	**1,104,157,818**	**39,468,540**	**1,143,626,268**
Liabilities			
Non-current liabilities			
Due on business acquisition	31,098,000	-	31,098,000
Lease liability	4,917,676	-	4,917,676
Borrowings	243,488,782	-	243,488,782
Deferred tax liability	42,403,680	-	42,403,680
	321,908,138	**-**	**321,908,138**
Current liabilities			
Lease liability	1,372,173	-	1,372,173
Bank overdraft	159,209,087	-	159,209,087
Borrowings	571,439,927	-	571,439,927
Trade and other payables	499,487,459	(39,468,450)	460,019,009
Income tax payable	20,000,568	-	20,000,568
	1,251,509,214	**-**	**1,212,040,764**
Total liabilities	**1,573,417,352**	**(39,468,450)**	**1,533,948,902**
Total equity and liabilities	**2,677,575,170**	**-**	**2,677,575,170**

2. Summary of significant accounting policies (cont'd)

u Restatement of comparative information (cont'd)

	As previously reported year ended March 31, 2021 $	Effect of restatement $	Restated year ended March 31, 2021 $
Assets			
Non-current assets			
Property, plant and equipment	819,679,345	-	819,679,345
Right of use asset	780,065	-	780,065
Intangible assets	33,423,182	-	33,423,182
	853,882,592	**-**	**853,882,592**
Current assets			
Inventories	853,802,501	-	853,802,501
Trade and other receivables	457,389,463	-	457,389,463
Prepayments	5,188,312	-	5,188,312
Due from related party	-	-	-
Taxation recoverable	2,350,718	-	2,350,718
Cash and short-term deposits	116,644,932	-	116,644,932
	1,435,375,926	-	**1,435,375,926**
Total assets	**2,389,258,518**	**-**	**2,389,258,518**
Equity and liabilities			
Equity			
Share capital	107,835,764	-	107,835,764
Revaluation reserve	108,518,073	-	108,518,073
Retained profits	678,401,286	39,468,540	717,869,736
Non-controlling interest	122,391,000	-	122,391,000
Total equity	**1,017,146,123**	**39,468,540**	**1,056,614,573**
Liabilities			
Non-current liabilities			
Due on business acquisition	31,098,000	-	31,098,000
Lease liability	-	-	-
Borrowings	157,464,241	-	157,464,241
Deferred tax liability	21,710,392	-	21,710,392
	210,272,633	**-**	**210,272,633**
Current liabilities			
Lease liability	660,520	-	660,520
Bank overdraft	144,996,589	-	144,996,589
Borrowings	351,190,677	-	351,190,677
Trade and other payables	431,575,470	(39,468,450)	392,107,020
Due on business acquisition	121,500,000		121,500,000
Income tax payable	11,916,506	-	11,916,506
	1,061,839,762	**-**	**1,022,371,312**
Total liabilities	**1,272,112,395**	**(39,468,450)**	**1,232,643,945**
Total equity and liabilities	**2,389,258,518**	**-**	**2,389,258,518**

3. Property, plant and equipment comprise: (The Group)

The carrying amounts for property, plant and equipment for the period included in these financial statements as at March 31, 2023 can be analysed as follows:

	Land and Buildings $	Furniture Fixtures and Equipment $	Computers $	Motor Vehicles $	Total $
Gross carrying amount					
Balance at April 1, 2022	743,461,791	96,073,554	42,302,543	36,619,364	918,457,252
Additions	-	6,846,849	3,027,914	23,225,169	33,099,932
Disposals	-	(171,046)	-	-	(171,046)
Balance at March 31, 2023	**743,461,791**	**102,749,357**	**45,330,457**	**59,844,533**	**951,386,138**
Depreciation					
Balance at April 1, 2022	(26,654,698)	(60,862,415)	(15,803,050)	(30,791,755)	(133,968,918)
Charge for the year	(14,837,696)	(8,429,194)	(5,399,815)	(6,015,912)	(34,682,617)
Balance at March 31, 2023	**(41,492,394)**	**(69,291,609)**	**(21,202,865)**	**(36,807,667)**	**(168,794,535)**
Carrying amount at March 31, 2023	**701,969,397**	**33,457,748**	**24,127,592**	**23,036,866**	**782,591,603**

i Land and buildings were revalued by independent valuators, David Thwaites and Associates, Chartered Valuation Surveyors, on February 25, 2020, February 27, 2020 and February 29, 2020. The resulting increase in valuation has been debited to revaluation reserve in equity.

ii Under the cost model, the carrying amount of revalued land and buildings at reporting date would be $503,994,417 (2020 - $514,280,017).

iii Land and buildings have been pledged as security for loans received from a financial institution (Note 14).

3. Property, plant and equipment comprise: (The Group) (cont'd)

	Land and Buildings $	Furniture Fixtures and Equipment $	Computers $	Motor Vehicles $	Total $
Gross carrying amount					
Balance at April 1, 2021	743,461,791	122,608,914	15,620,350	42,950,106	924,641,161
Additions	-	1,050,613	921,659	-	1,972,272
Disposals	-	(20,601)	-	(8,135,580)	(8,156,181)
Balance at March 31, 2022	**743,461,791**	**123,638,926**	**16,542,009**	**34,814,526**	**918,457,252**
Depreciation					
Balance at April 1, 2021	(11,848,625)	(52,465,180)	(10,418,206)	(30,229,804)	(104,961,815)
Charge for the year	(14,806,073)	(12,452,924)	(2,076,657)	(4,320,270)	(33,655,924)
Disposals	-	3,948	-	4,501,873	4,505,821
Balance at March 31, 2021	**(26,654,698)**	**(64,944,156)**	**(12,494,863)**	**(30,048,201)**	**(134,111,918)**
Carrying amount at March 31, 2022	**716,870,093**	**58,724,770**	**4,047,146**	**4,766,325**	**784,345,334**

3. Property, plant and equipment comprise: (The Company)

The carrying amounts for property, plant and equipment for the period included in these financial statements as at March 31, 2023 can be analysed as follows:

	Land and Buildings $	Furniture Fixtures and Equipment $	Computers $	Motor Vehicles $	Total $
Gross carrying amount					
Balance at April 1, 2022	547,552,791	95,636,914	14,737,170	42,950,106	700,330,160
Additions	-	4,217,131	1,211,191	22,966,580	28,394,902
Disposals	-	(171,046)	-	-	(171,046)
Balance at March 31, 2023	**547,552,791**	**100,119,639**	**15,948,361**	**57,781,106**	**721,401,897**
Depreciation					
Balance at April 1, 2022	(21,980,821)	(60,862,415)	(11,751,309)	(30,048,201)	(124,642,746)
Charge for the year	(10,132,196)	(8,374,821)	(1,343,896)	(5,473,808)	(25,356,345)
Balance at March 31, 2023	**(32,144,641)**	**(69,237,236)**	**(13,095,205)**	**(35,522,009)**	**(149,999,091)**
Carrying amount at March 31, 2023	**515,408,150**	**30,882,403**	**2,853,156**	**22,259,097**	**571,402,806**

i Land and buildings were revalued by independent valuators, David Thwaites and Associates, Chartered Valuation Surveyors, on February 25, 2020, February 27, 2020 and February 29, 2020. The resulting increase in valuation has been debited to revaluation reserve in equity.

ii Under the cost model, the carrying amount of revalued land and buildings at reporting date would be $323,044,894 (2022 - $329,637,647).

iii Land and buildings have been pledged as security for loans received from a financial institution (Note 14).

3. Property, plant and equipment comprise (The Company) (cont'd):

	Land and Buildings $	Furniture Fixtures and Equipment $	Computers $	Motor Vehicles $	Total $
Gross carrying amount					
Balance at April 1, 2021	547,552,791	95,636,914	14,190,349	42,950,106	700,330,160
Additions	-	457,241	546,821	-	1,004,062
Disposals	-	(20,601)	-	(8,135,580)	(8,156,181)
Balance at March 31, 2022	**547,552,791**	**96,073,554**	**14,737,170**	**34,814,526**	**693,178,041**
Depreciation					
Balance at April 1, 2021	(11,848,625)	(52,465,180)	(10,418,206)	(30,229,804)	(104,961,815)
Charge for the year	(10,132,196)	(8,401,183)	(1,333,103)	(4,320,270)	(24,186,752)
Disposals	-	3,948	-	4,501,873	4,505,821
Balance at March 31, 2022	**(21,980,821)**	**(60,862,415)**	**(11,751,309)**	**(30,048,201)**	**(124,642,746)**
Carrying amount at March 31, 2022	**525,571,970**	**35,211,140**	**2,985,861**	**4,766,324**	**568,535,295**

4. Leases (The Group and Company)

The Group leased premises at 85 Hagley Park Road, for a period of 28 months with an option to renew.

Information about the lease for which the Group is a lessee is presented below:

(a) **Right of use asset**

2023

	Leasehold properties $
Gross carrying amount	
Balance at April 1, 2022	7,085,091
Balance at March 31, 2023	**7,085,091**
Depreciation	
Balance at April 1, 2022	(944,680)
Charge for the year	(1,477,032)
Balance at March 31, 2023	**(2,421,712)**
Carrying amount at March 31, 2023	**4,663,379**

2022

	Leasehold properties $
Gross carrying amount	
Balance at April 1, 2021	-
Addition	7,085,091
Balance at March 31, 2022	**7,085,091**
Depreciation	
Charge for the year	(944,680)
Carrying amount at March 31, 2022	**6,140,411**

(b) **Lease liability**

(The Group and Company)

	2023 $
Maturity analysis- contractual	
Current	1,412,872
Non-current	3,527,315
	4,940,187

	2022 $
Maturity analysis- contractual	
Current	1,372,173
Non-current	4,917,676
	6,289,849

4. Leases (The Group and Company) (cont'd)

(b) Lease liability (cont'd)

	2023 $	2022 $
Balance at April 1,	6,289,849	6,289,849
Addition	-	7,085,091
Lease payment	(1,349,662)	(1,349,662)
Balance at March 31,	**4,940,187**	**6,289,849**

2023

	Within 1 year $	1 - 2 years $	2 - 3 years $	Over 5 years $	Total $
Lease payments	1,742,470	1,702,954	1,702,098	448,058	5,595,580
Finance charges	(329,598)	(219,016)	(100,376)	(6,403)	(655,393)
Net present values	**1,412,972**	**1,482,938**	**1,601,722**	**441,655**	**4,940,187**

2022

	Within 1 year $	1 - 2 years $	2 - 3 years $	3 - 4 years $	Over 5 years $	Total $
Lease payments	1,802,679	1,742,470	1,702,954	1,702,098	425,547	7,374,748
Finance charges	(430,506)	(329,598)	(219,016)	(100,376)	(5,403)	(1,084,899)
Net present values	**1,372,173**	**1,412,872**	**1,482,938**	**1,601,722**	**420,144**	**6,289,849**

(c) Amounts recognised in profit or loss

	2023 $	2022 $
Amortisation charged on right-of-use asset	1,477,032	1,724,744
Interest expense on lease liabilities	1,055,093	225,309
	2,532,125	**1,950,053**

(d) Amounts recognised in the statement of cash flow

	2023 $	2022 $
Depreciation	1,477,032	1,724,744
Interest expense on lease	1,055,093	225,309
Repayment of lease	(1,349,662)	(1,757,966)

5. Intangible assets (The Group) (cont'd)

Details of intangible assets and their carrying amounts are as follows:

	Customer relations and trade name $	Acquired Software $	Total $
Gross carrying amount			
Balance at April 1, 2022	32,879,000	15,410,307	48,289,307
Balance at March 31, 2023	**32,879,000**	**15,410,307**	**48,289,307**
Amortisation			
Balance at April 1, 2022	(3,249,000)	(8,498,735)	(11,747,735)
Charge for the year	(3,249,000)	(1,534,415)	(4,783,415)
Balance at March 31, 2023	**(6,498,000)**	**(10,033,150)**	**(16,531,150)**
Carrying amount at March 31, 2023	**26,381,000**	**5,377,157**	**31,758,157**

	Customer relations and trade name $	Acquired Software $	Total $
Gross carrying amount			
Balance at April 1, 2021	32,879,000	8,277,694	41,156,694
Additions	-	7,132,613	7,132,613
Balance at March 31, 2022	**32,879,000**	**15,410,307**	**48,289,607**
Amortisation			
Balance at April 1, 2021	-	(7,733,512)	(7,733,512)
Charge for the year	(3,249,000)	(765,223)	(4,014,223)
Balance at March 31, 2022	**(3,249,000)**	**(8,498,735)**	**(11,747,735)**
Carrying amount at March 31, 2022	**29,630,000**	**6,911,572**	**36,541,572**

Intangible assets (The Company)

Details of intangible assets and their carrying amounts are as follows:

	Acquired Software $	Total
Gross carrying amount		
Balance at April 1, 2022	15,410,307	15,410,307
Balance at March 31, 2023	**15,410,307**	**15,410,307**
Amortisation		
Balance at April 1, 2022	(8,498,735)	(8,498,735)
Charge for the year	(1,534,415)	(1,534,415)
Balance at March 31, 2023	**10,033,150**	**10,033,150**
Carrying amount at March 31, 2023	**5,377,157**	**5,377,157**

5. Intangible assets (The Company)

	Acquired Software $	Total $
Gross carrying amount		
Balance at April 1, 2021	8,277,694	8,277,694
Addition	7,132,613	7,132,613
Balance at March 31, 2022	**15,410,307**	**15,410,307**
Amortisation		
Balance at April 1, 2021	(7,733,512)	(7,733,512)
Charge for the year	(765,223)	(765,223)
Balance at March 31, 2022	**(8,498,735)**	**(8,498,735)**
Carrying amount at March 31, 2022	**6,911,572**	**6,911,572**

6. Inventories

	The Group		The Company	
	2023 $	2022 $	2023 $	2022 $
Pharmaceuticals	701,484,758	607,365,798	632,317,669	555,560,478
Medical and other supplies	668,403,622	462,174,186	471,455,853	291,842,761
Goods in transit	121,222,032	66,753,562	106,037,637	66,753,561
Total	**1,491,110,412**	**1,136,293,546**	**1,209,811,159**	**914,156,800**

The cost of inventories recognised as an expense during the year was $2,755,988,748 (2022 - $2,479,839,025). This includes $13,280,880 (2022 – $22,412,217) in respect of expired items and write-downs to net realisable value.

7. Trade and other receivables

	The Group		The Company	
	2023 $	2022 $	2023 $	2022 $
Trade	465,319,411	437,496,716	384,998,656	366,626,737
Less: Allowance for expected credit loss	(25,262,087)	(21,604,908)	(9,258,581)	(8,211,917)
	440,057,324	415,891,808	375,740,075	358,414,820
Other	87,578,242	117,379,273	73,969,230	110,805,214
Total	**527,635,566**	**533,271,081**	**449,709,305**	**469,220,034**

The average credit period on sale of goods is 30 – 60 days. The Group provides for approximately 100% of trade receivables over 365 days.

7. Trade and other receivables (cont'd)

The age of trade and other receivables past due but not impaired is as follows:

	The Group		The Company	
	2023 $	2022 $	2023 $	2022 $
Not more than 3 months	388,777,206	340,351,079	349,421,334	317,241,326
More than 3 months but not more than 6 months	33,386,971	42,721,054	22,154,351	38,065,514
More than 6 months but not more than 1 year	17,893,147	16,206,716	4,164,390	3,107,980
More than 1 year	-	16,612,959	-	-
Total	**440,057,324**	**415,891,808**	**375,740,075**	**358,414,820**

8. Related party balances and transactions (The Group)

i The statement of financial position includes balances arising in the normal course of business, with related parties as follows:

	2023 $	2022 $
Included in trade and other payables	53,845,723	22,961,763
Disclosed as due from related party	41,090,831	23,800,688

ii Transactions with key management personnel

Transactions with key management includes renumeration for executive members of the board.

	2023 $	2022 $
Short-term employee benefits – Salaries including bonuses	51,710,109	43,673,572
Total	**51,710,109**	**43,673,572**

iii The statement of profit or loss and other comprehensive income includes transactions with Charlie Pharmacy, and Benchmark Trading Co. Ltd, controlled by directors.

	2023 $	2022 $
Sales	4,611,636	14,207,408
Purchases	267,436,838	108,160,543
Directors' fees	2,968,188	5,230,904

8. Related party balances and transactions (The Company) (cont'd)

i The statement of financial position includes balances arising in the normal course of business, with related parties as follows:

	2023 $	2022 $
Disclosed as due from related party	414,185	77,361,221
Included in trade and other receivables	21,408,082	16,656,843
Included in trade and other payables	53,845,723	22,961,763

ii Transactions with key management personnel

Transactions with key management includes renumeration for executive members of the board.

	2023 $	2022 $
Short-term employee benefits – Salaries including bonuses	27,097,743	25,073,572
Total	**27,097,743**	**25,073,572**

iii The statement of profit or loss and other comprehensive income includes transactions with Charlie Pharmacy, Benchmark Trading Co. Ltd, controlled by directors, and Cornwall Enterprise Limited, a related company.

	2023 $	2022 $
Sales	30,400,926	47,322,402
Purchases	267,435,838	108,160,543
Directors' fees	2,968,188	3,498,750

9. Taxation recoverable (The Group and Company)

This represents withholding tax recoverable that is still being pursued by management.

10. Cash and short-term deposit (The Group)

	Interest Rate % p.a.	2023 $	2022 $
Cash and short-term deposits:			
Bank and cash:			
Petty Cash		1,480,313	6,239,511
J$ Current account		62,443,823	58,160,860
US$ Savings account (US$529,416) (2022 – US$ 665,078)	0.01 – 0.05	77,394,274	81,164,788
Sterling savings account (£76) (2022 - £95))	0.05	65,596	14,975
Cash at bank and in hand		**141,384,010**	**145,580,134**
Short-term deposits	2.0 - 2.85	129,580	120,960
Total cash and short-term deposits		**141,513,590**	**145,701,094**
Less: Bank overdraft (Note 16)		(195,204,686)	(159,209,087)
Total cash and cash equivalents		**(53,691,096)**	**(13,507,993)**

10. Cash and short-term deposit (The Company) (cont'd)

	Interest Rate % p.a.	2023 $	2022 $
Cash and short-term deposits:			
Bank and cash:			
Petty Cash		74,036	143,304
J$ Current account		49,086,756	24,873,813
US$ Savings account (US$522,049) (2022 – US$ 655,078))	0.01 – 0.05	74,826,479	80,035,383
Sterling savings account (£76) (2022 - £95))	0.05	65,596	14,975
Cash at bank and in hand		**124,052,867**	**105,067,475**
Short-term deposits	2.0 - 2.85	129,580	120,960
Total cash and short-term deposits		**124,182,447**	**105,188,435**
Less: Bank overdraft (Note 16)		(134,366,446)	(156,088,774)
Total cash and cash equivalents		**(10,183,999)**	**(50,900,339)**

11. Share capital (The Group and Company)

	2023 $	2022 $
Authorised:		
408,000,000 ordinary shares		
Issued shares at no par value		
263,157,895 ordinary shares	107,835,764	107,835,764

12. Revaluation reserve (The Group and Company)

This represents revaluation surplus arising on the revaluation of property, plant and equipment.

	2023 $	2022 $
Balance at April 1	108,518,073	117,135,199
Deferred tax related to revaluation	-	(8,617,126)
Balance at end of the year	**108,518,073**	**108,518,073**

13. Due on business acquisition (The Group)

	2023 $	2022 $
April 1	31,098,000	31,098,000
Earn out paid during the year	(10,000,000)	-
	21,098,000	**31,098,000**

14. Borrowings (The Group and Company)

	2023 $	2022 $
(a) National Commercial Bank (NCB):		
Revolving loan	380,000,000	550,000,000
Amortising loan facility	401,603,976	248,964,469
(b) Sagicor Bank of Jamaica		
Demand loan	14,718,597	15,964,240
	796,322,573	**814,928,709**
Current portion	(430,915,710)	(571,439,927)
Non-current	**365,406,863**	**243,488,782**

(a) National Commercial Bank (NCB)

- Loan of $141,500,000, was received July 29, 2021. The loan is repayable by one hundred and twenty (120) monthly instalments of $1,606,704. Interest on the loan is 6.50%.
- A revolving loan of $400,000,000 available via multiple short term drawdowns with maximum tenure of six (6) months. Interest on the loan facility is 9.5%
- Loan of $121,500,000, was received April 05, 2021. The loan is repayable by one hundred and twenty (120) monthly instalments of $1,379,607 with a principal moratorium of 6 months. Interest rate fixed is 6.5% for the first 96 months and is variable thereafter.
- Loan of $200,000,000, was received June 27, 2022. The loan is repayable by thirty-six (36) monthly instalments of $6,500,488. Interest rate fixed is 10.5%.
- Loan of $18,500,000 was received June 30, 2022. The loan is repayable by ninety-six (96) monthly instalments of $252,223.77. Interest rate fixed is 7%.
- Loan of $75,000,000 was secured October 27, 2022. The loan is a revolving facility that is repayable in six (6) months at an annual interest rate of 5.93%.

The loans and overdraft are secured by:

Debenture for J$1.093B over MDS Group's fixed and floating assets collaterally stamped and supported by:

- First Legal Mortgage over commercial property located at Units 25, 26 & 27 The Domes, 85 Hagley Park Road, Kingston 10 in the name of Medical Disposal & Supplies Limited registered at Vol 132 folios 620 & 621 and Vol 1312 folio 165; CMV J$89M, FSV $J75.5M; STC J$57.85M – valuation dated February 27, 2020, done by David Thwaites and Associates Limited.

14. Borrowings (The Group and Company) (cont'd)

- First Legal Mortgage over commercial property located at 83 Hagley Park Road, Kingston 10 in the name of Medical Disposable & Supplies Limited registered at Vol 1066 folio 337 and Vol 1501 folio 504; CMV J$420M, FSV J$336M; STC J$273M – valuation dated June 23, 2020 done by David Thwaites and Associates Limited.
- Lien over credited balances on Debt Service Reserve Account No. 29423399 in name of Medical Disposables Supplies Limited to be built up at a rate of J$1, 100, 000 over twelve (12) months until an amount of J$16,784,538 is achieved. Current balance J$19,216,136.99 as at 24.03.2023.
- Bill of sale over 2023 Land Rover Discovery HSE Motor Vehicle costing US$142,400 (J$22,143,200); Registered and Stamped to cover J$18,500,000. Comprehensively insured with BIN.
- Debenture for J$200,000,000 over MDS Group's fixed and floating assets.
- Assignment of All Risk Peril Insurance policy over assets of the Company.

(b) Sagicor Bank Jamaica Limited

A demand loan of $17,250,000 was received December 24, 2020. The loan is repayable by one hundred and twenty (120) monthly instalments of $207,925. Interest on loan is 7.85%.

The loan is secured by:

- First Demand Mortgage over commercial property located at 4 Carpenter Road, Kingston 11 registered at Volume 1194 Folio 596 in the name of Medical Disposables and Supplies Limited STC: JMD$17,250,000.

15. Deferred tax liabilities (The Group and Company)

Deferred tax balance arose on temporary differences in respect of the following:

	2023 $	2022 $
Property, plant, and equipment	**44,886,065**	**42,403,680**

Deferred tax is calculated on all temporary differences under the liability method using a tax rate of 25%. The movement on the deferred tax is as follows:

	The Group		The Company	
	2023 $	2022 $	2023 $	2022 $
Balance at beginning of year	42,403,680	21,710,392	10,750,392	10,750,392
Charges to tax expense (Note 23)	2,482,385	20,693,288	(3,029,090)	-
Deferred tax liability	**44,886,066**	**42,403,680**	**7,721,302**	**10,750,392**

16. Bank overdraft (The Group)

(i) The Group and Company have an overdraft facility of $130,000,000 with Sagicor Bank Limited at a rate of 8.5% per annum. The facility is unsecured.

(ii) The Group and Company have an overdraft facility of $200,000,000 with National Commercial Bank at a rate of 9.5% per annum. The facility is unsecured.

(iii) The Group has an overdraft facility of $75,000,000 with National Commercial Bank at a rate of 9.5% per annum. The facility is unsecured.

17. Trade and other payables

	The Group		The Company	
	2023 $	2022 $	2023 $	2022 $
Trade	630,289,495	367,678,908	558,646,613	394,257,304
Accruals	28,481,184	25,730,892	27,329,184	257,730,892
Other	89,961,234	66,609,217	74,928,849	60,893,347
Total	**748,731,913**	**460,019,009**	**660,904,646**	**380,881,543**

All amounts are short-term and the carrying value is considered a reasonable approximation of fair value.

18. Other income

	The Group		The Company	
	2023 $	2022 $	2023 $	2022 $
Warehousing service fee	5,488,530	5,485,129	5,488,530	5,486,130
Rental	4,608,255	3,779,963	-	-
Total	**10,096,785**	**9,266,092**	**5,488,530**	**5,486,130**

The Company has a Warehousing Service Agreement with a supplier to provide warehousing and other ancillary services and Cornwall Enterprise Limited has a rented office space to a tenant at Fairview, Montego Bay, St James.

19. Expenses by nature (The Group)

Total direct, administrative and other operating expenses:

	2023 $	2022 $
Cost of inventories recognised as expense	**2,755,988,748**	**2,479,839,025**
Administrative and other expenses		
Directors' remuneration	51,710,109	43,673,572
Directors' fees	2,968,188	5,230,904
Salaries, wages and related expenses (Note 20)	183,718,810	177,732,629
Medical and other staff benefits (Note 20)	32,551,053	11,987,990
Insurance	18,853,060	15,803,083
Legal and professional fees	5,899,914	9,501,978
Motor vehicle expenses	14,335,299	9,951,668
Auditors' remuneration	5,032,648	6,087,500
Utilities	39,213,944	33,030,621
Printing and stationery	7,766,000	5,917,088
Donations	18,220,237	9,682,039
Security	12,447,318	8,362,778
Bank charges	12,032,430	14,148,922
Other administrative expenses	51,637,701	44,315,124
	456,386,711	**395,864,896**
Selling and promotional costs		
Salaries, wages and related expenses (Note 20)	104,397,417	80,099,489
Travel and accommodation	2,699,614	2,081,126
Postage and courier service	61,476,503	57,317,485
Rent	17,303,112	13,347,512
Advertising and promotion	58,175,810	43,122,864
Commission	83,059,349	78,310,067
	327,111,805	**274,278,543**
Depreciation and amortisation		
Depreciation	34,682,617	33,655,924
Amortisation - intangible asset	4,783,415	4,014,223
- right of use asset	1,477,032	1,724,745
	40,943,064	**39,394,892**

19. Expenses by nature (The Company)

Total direct, administrative and other operating expenses:

	2023 $	2022 $
Cost of inventories recognised as expense	**2,411,028,599**	**2,086,080,238**
Administrative and other expenses		
Directors' remuneration	27,097,743	25,073,572
Directors' fees	2,968,188	3,498,750
Salaries, wages and related expenses (Note 20)	109,459,665	127,057,938
Medical and other staff benefits (Note 20)	30,253,251	11,939,606
Insurance	16,208,220	15,224,818
Legal and professional fees	5,899,914	5,642,906
Motor vehicle expenses	8,478,000	6,563,694
Auditors' remuneration	2,780,648	3,351,500
Utilities	28,424,897	24,939,741
Printing and stationery	5,430,447	3,959,138
Donations	15,105,838	9,351,362
Security	9,353,085	7,773,620
Bank charges	11,247,775	10,897,655
Other administrative expenses	41,846,445	33,606,292
	314,554,116	**288,880,592**
Selling and promotional costs		
Salaries, wages and related expenses (Note 20)	104,397,417	80,099,489
Travel and accommodation	2,699,614	2,081,127
Postage and courier service	61,044,725	56,377,350
Advertising and promotion	54,356,621	40,102,664
Commission	81,860,171	77,531,586
	304,358,548	**256,192,216**
Depreciation and amortisation		
Depreciation	25,356,344	24,186,752
Amortisation - intangible asset	1,534,415	765,223
- right of use asset	1,477,032	1,724,745
	28,367,791	**26,676,720**

20. Employee benefits (The Group)

	2023 $	2022 $
Salaries, wages and related expenses		
- Administrative and other expenses	183,718,810	177,732,629
- Selling and promotional costs	104,397,417	80,099,489
Medical and other staff benefits	32,551,053	11,987,990
Total	**320,667,280**	**269,820,108**

The average number of employees at year-end was one-hundred and twenty one (121), (2022 – one hundred and eighteen (118).

20. Employee benefits (cont'd) (The Company)

	2023 $	2022 $
Salaries, wages and related expenses		
- Administrative and other expenses	109,459,665	127,057,938
- Selling and promotional costs	104,397,417	80,099,489
Medical and other staff benefits	30,253,251	11,939,606
Total	**244,110,333**	**219,097,033**

The average number of employees at year-end was eighty-seven (87), (2022 –seventy-six (76)).

21. Finance income and finance cost (The Group)

Finance income comprises:

	2023 $	2022 $
Interest income on financial assets measured at amortised cost	2,473,980	11,102,605
Total	**2,473,980**	**11,102,605**

Finance cost comprises:

	2023 $	2022 $
Interest expense for borrowings measured at amortised cost	95,019,649	71,429,322
Interest expense on lease liabilities	1,055,093	225,309
Interest expense	7,128,370	-
Total	**104,173,425**	**71,654,631**

Finance income and finance cost (The Company)

Finance income comprises:

	2023 $	2022 $
Interest income on financial assets measured at amortised cost	2,457,586	11,056,883
Total	**2,457,586**	**11,056,883**

Finance cost comprises:

	2023 $	2022 $
Interest expense for borrowings measured at amortised cost	95,019,649	71,912,656
Interest expense on lease liabilities	1,055,093	225,309
Total	**96,074,742**	**71,137,965**

22. Income tax (The Group)

The Company's shares were listed on the Junior Market of the Jamaica Stock Exchange on December 24, 2013. As a result, the Group is entitled to a remission of taxes for an allowable period not exceeding ten (10) years from the date of the listing on the JSE Junior Market provided the shares remain listed for at least fifteen (15) years. The remissions of taxes are applicable as follows:

Years 1 to 5	100%
Years 6 to 10	50%

The Group is in its tenth year since being listed on the Junior Market of the Jamaica Stock Exchange and is now subject to fifty percent (50%) tax remission up to December 24, 2023.

i Income tax adjusted for tax purposes and computed at the tax rate of 12.5% comprise:

	2023 $	2022 $
Current tax expense	14,038,061	20,331,904
Deferred tax charges/(credit) (Note 15)	2,482,386	20,693,288
Total	**16,520,447**	**41,025,192**

ii Reconciliation of theoretical tax charge to effective tax charge:

	2023 $	2022 $
Profit before tax	**96,718,887**	**146,457,940**
Tax at the applicable rate of 25%	23,161,259	36,614,485
Tax effect of expenses not deductible for tax purposes	15,897,254	12,640,486
Tax effect of income not subject to tax	-	(4,957,085)
Tax effect of allowable capital allowances and other charges	(11,070,604)	10,252,186
Remission of tax	(11,467,462)	(13,524,880)
Income tax expense for the year	**16,520,447**	**41,025,192**

Income tax (The Company)

The Company's shares were listed on the Junior Market of the Jamaica Stock Exchange on December 24, 2013. As a result, the Company is entitled to a remission of taxes for an allowable period not exceeding ten (10) years from the date of the listing on the JSE Junior Market provided the shares remain listed for at least fifteen (15) years. The remissions of taxes are applicable as follows:

Years 1 to 5	100%
Years 6 to 10	50%

The Company is in its tenth year since being listed on the Junior Market of the Jamaica Stock Exchange and is now subject to fifty percent (50%) tax remission up to December 24, 2023.

i Income tax adjusted for tax purposes and computed at the tax rate of 12.5% comprise:

	2023 $	2022 $
Current tax expense	7,322,853	13,372,190
Deferred tax credit (Note 14)	(3,029,090)	-
Total	**4,293,763**	**13,372,190**

22. Income tax (The Company) (Cont'd)

ii Reconciliation of theoretical tax charge to effective tax charge:

	2023 $	2022 $
Profit before tax	**64,333,994**	**97,636,352**
Tax at the applicable rate of 25%	16,083,499	24,409,088
Tax effect of expenses not deductible for tax purposes	4,714,696	9,255,248
Tax effect of income not subject to tax	-	(1,810,181)
Tax effect of allowable capital allowances and other charges	(6,583,322)	(4,957,085)
Remission of tax	(9,921,110)	(13,524,880)
Income tax expense for the year	**4,293,763**	**13,372,190**

23. Earnings per share (The Group)

Basic earnings per share is calculated by dividing profit for the year by the weighted average number of ordinary shares outstanding during the year.

	2023 $	2022 $
Net profit attributable to owners	72,135,156	96,965,314
Weighted average number of shares outstanding	263,157,895	263,157,895
Basic earnings per share	**0.27**	**0.37**

24. Dividends (The Group)

The Group declared a dividend for the year ended March 31, 2022. A dividend of $0.09 per share was paid on January 30, 2023.

25. Segment reporting (The Group)

Segment information by divisions are as follows:

2023

	Pharmaceutical $	Medical $	Consumables $	Total $
Revenue	2,665,309,756	709,064,760	395,336,130	3,769,710,645
Less: Cost of sales	(1,970,322,090)	(472,609,167)	(313,057,491)	(2,755,983,748)
Gross profit	**694,987,666**	**236,455,593**	**82,283,639**	**1,013,721,898**

2022

	Pharmaceutical $	Medical $	Consumables $	Total $
Revenue	2,363,721,524	464,913,921	587,667,840	3,416,303,288
Less: Cost of sales	(1,724,027,724)	(318,823,402)	(436,987,698)	(2,479,839,024)
Gross profit	**639,684,600**	**146,090,519**	**150,680,142**	**936,464,263**

25. Segment reporting (The Company)

Segment information by divisions are as follows:

2023

	Pharmaceutical $	Medical $	Consumables $	Total $
Revenue	2,442,706,892	396,700,026	370,482,562	3,209,889,482
Less: Cost of sales	(1,827,443,563)	(290,716,734)	(292,863,302)	(2,411,028,599)
Gross profit	**615,263,329**	**105,983,292**	**77,614,262**	**798,860,883**

2022

	Pharmaceutical $	Medical $	Consumables $	Total $
Revenue	2,164,231,145	450,706,404	211,061,945	2,825,999,494
Less: Cost of sales	(1,596,763,659)	(318,823,402)	(170,493,177)	(2,086,080,238)
Gross profit	**567,467,486**	**131,883,002**	**40,568,768**	**739,919,256**

26. Risk management policies

The Group's activities expose it to a variety of financial risks in respect of its financial instruments: market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group seeks to manage these risks by close monitoring of each class of its financial instruments as follows:

a Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risk, which result from both its operating and investing activities.

Foreign currency denominated financial assets and liabilities which expose the Group to currency risk are described below. The amounts shown are those reported to key management translated into J$ at the closing rate.

i Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to currency risk due to fluctuations in exchange rates on transactions and balances that are denominated in currencies other than the Jamaican Dollar. Foreign currency bank accounts denominated in United States Dollars (US$) is maintained to minimise this risk.

Foreign currency denominated financial assets and liabilities which expose the Group to currency risk are described below. The amounts shown are those reported to key management translated into J$ at the closing rate.

26. Risk management policies (cont'd)

a Market risk (cont'd)

i Currency risk (cont'd)

Concentrations of currency risk

	2023 US$	2022 US$
Financial assets		
- Cash and cash equivalents	514,326	529,416
	514,326	529,416
Financial liabilities		
- Trade payables	(2,577,472)	(483,768)
	(2,577,472)	(483,768)
Total net assets/liabilities	**(2,063,146)**	**45,648**

The above assets/(liabilities) are receivable/payable in United States dollars (US$) and Jamaican Dollars (J$). The exchange rate applicable at the end of the reporting period was J$150.44 to US$1 (2022 – J$153.31 to US$1).

Foreign currency sensitivity

The following table illustrates the sensitivity of the net result for the year end and equity with regards to the Group's financial assets and financial liabilities and US Dollar to Jamaican (JA) Dollar exchange rate. Only movements between the Jamaican Dollar and US Dollar are considered, as these are the two major currencies of the Group.

The sensitivity analysis is based on the Group's United States Dollar financial instruments at the date of the statement of financial position.

Effect on results of the operations:

If the JA Dollar weakens by 4% (2022 – 8%) against the US Dollar then this would have the effect of the amounts shown below on the basis that all other variables remain constant.

	Rate %	Weakens $
2023	4	(12,415,187)
2022	8	(559,863)

If the JA Dollar strengthens against the US Dollar by 1% (2022 – 2%) this would have the following impact:

	Rate %	Strengthens $
2023	1	(3,103,797)
2022	2	139,966

26. Risk management policies (cont'd)

a Market risk (cont'd)

ii Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Group's cash and cash equivalents are subject to interest rate risk. However, the Group attempts to manage this risk by monitoring its interest-bearing instruments closely and procuring the most advantageous rates under contracts with interest rates that are fixed for the life of the contract, where possible.

The Group invests excess cash in short-term deposits and maintains interest-earning bank accounts with licensed financial institutions. Short-term deposits are invested for three (3) months or less at fixed interest rates and are not affected by fluctuations in market interest rates up to the dates of maturity. Interest rates on interest-earning bank accounts are not fixed but are subject to fluctuations based on prevailing market rates.

Interest rate sensitivity

Interest rates on the Group's loans are fixed up to the date of maturity expiring at varying dates beginning April 05, 2021. As such there would be no impact on the results of the Group's operations as a result of fluctuations in interest rates.

iii Other price risk

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Group's financial instruments are substantially independent of changes in market prices as they are short-term in nature.

b Credit risk

Credit risk is the risk that a counter party fails to discharge an obligation to the Group. The Group is exposed to credit risk from financial assets including cash and cash equivalents held at banks, trade and other receivables.

Credit risk management

The credit risk in respect of cash balances held with banks and deposits with banks are managed via diversification of bank deposits and are only with reputable financial institutions.

The Group continuously monitors the credit quality of its customers. The Group's policy is to deal with only credit worthy counterparties. The credit terms range between 15 and 30 days. The credit terms for customers are subject to an internal approval process which considers the credit rating scorecard. The on going credit risk is managed through regular review of aging analysis together with credit limit per customer.

Trade receivables consists of a large number of customers. The Group does not require collateral or other credit enhancements in respect of its trade and other receivables.

26. Risk management policies (cont'd)

b Credit risk (cont'd)

Credit risk management (cont'd)

The maximum credit risk faced by the Group is limited to the carrying amount of financial assets recognised at the end of the reporting period, as summarised below:

	The Group		The Company	
	2023 $	2022	2023 $	2022 $
Trade and other receivables	527,635,566	533,271,081	449,709,305	469,220,034
Cash and cash equivalents	141,513,590	145,701,094	124,182,447	105,188,435
Total	**669,149,156**	**678,972,175**	**573,891,752**	**574,408,469**

Trade receivables

The Group applies the IFRS 9 simplified model of recognising lifetime estimated credit losses, for all trade receivables as these items do not have significant financing component. In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

The expected loss rates are based on the payment profile for sales over the last 24 months as well as the corresponding historical losses during the period. The historical rates are adjusted to reflect forward looking macro-economic factors affecting the customers' ability to settle the amount outstanding.

The Group has identified gross domestic product (GDP) and inflation rates to be the most relevant factors and accordingly adjusts historical loss rates for expected changes in these factors.

Trade receivables are written off when there is no reasonable expectation of recovery, failure to make payments within 365 days from the invoice date and failure to engage with the Group on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

26. Risk management policies (cont'd)

b Credit risk (cont'd)

On the above basis, the expected credit loss for the trade receivables as at March 31, 2023 and 2022 were determined as follows:

March 31, 2023 (The Group)

	Trade receivables days past due						
	Current	**More than 30 days**	**More than 60 days**	**More than 90days**	**More than 180**	**Over 365 days**	**Total $**
Expected credit loss rate	1.05%	5.6%	25.78%	82.38%	52.5%	100%	
Gross carrying amount	35,249,959	338,298,175	26,316,112	54,837,659	6,511,055	4,106,451	465,319,411
Lifetime expected credit loss	**284,032**	**2,827,341**	**1,162,199**	**14,535,199**	**2,346,665**	**4,106,451**	**25,262,087**

March 31, 2022 (The Group)

	Trade receivables days past due						
	Current	**More than 30 days**	**More than 60 days**	**More than 90days**	**More than 180**	**Over 365 days**	**Total $**
Expected credit loss rate	1%	1.50%	4%	28.75%	3%	100%	
Gross carrying amount	294,869,106	54,311,486	33,101,404	49,959,994	3,204,256	2,050,470	437,496,716
Lifetime expected credit loss	**2,956,084**	**814,672**	**1,324,056**	**14,363,498**	**96,128**	**2,050,470**	**21,604,908**

26. Risk management policies (cont'd)

b Credit risk (cont'd)

March 31, 2023 (The Company)

	Trade receivables days past due						
	Current	More than 30 days	More than 60 days	More than 90days	More than 180	Over 365 days	Total $
Expected credit loss rate	-	0.9%	10.1%	45.8%	52.5%	100%	
Gross carrying amount	8,069,828	330,682,153	20,147,250	15,481,920	6,511,055	4,106,451	384,998,656
Lifetime expected credit loss	**-**	**2,469,397**	**195,230**	**140,838**	**2,346,665**	**4,106,451**	**9,258,581**

March 31, 2022 (The Company)

	Trade receivables days past due						
	Current	More than 30 days	More than 60 days	More than 90days	More than 180	Over 365 days	Total $
Expected credit loss rate	0.5%	1%	2%	12.5%	3%	100%	
Gross carrying amount	292,685,570	27,155,743	16,550,702	24,979,997	3,204,256	2,050,470	366,626,737
Lifetime expected credit loss	**1,463,428**	**271,557**	**331,014**	**3,134,171**	**96,276**	**2,050,470**	**8,211,917**

26. Risk management policies (cont'd)

b Credit risk (cont'd)

Trade receivables (cont'd) (The Group)

The closing balance of the trade and other receivables as at March 31, 2023 reconciles with the trade receivables loss allowance opening balance as follows:

	2023 $	2022 $
Opening loss allowance at April 1	21,604,908	7,211,917
Loss allowance recognised during the year	3,657,179	14,392,991
	25,262,087	**21,604,908**

Trade receivables (The Company)

The closing balance of the trade and other receivables as at March 31,2023 reconciles with the trade receivables loss allowance opening balance as follows:

	2023 $	2022 $
Opening loss allowance at April 1,	8,211,917	7,211,917
Loss allowance recognised during the year	1,046,664	1,000,000
	9,258,581	**8,211,917**

c Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting its commitments associated with financial liabilities.

The Group manages its liquidity risk by carefully monitoring its cash outflow needs for day-to-day business and maintaining an appropriate level of resources in liquid or near liquid form to meet its needs. The Group maintains cash and short-term deposits for up to three months or less to meet its liquidity requirements.

As at March 31, 2023, the Group's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

The Group
2023

	Current Within 12 Months $	Non-current 2 to 5 Years $
Lease Liability	1,412,872	3,527,315
Borrowings	365,406,863	430,915,710
Bank overdraft	195,204,686	-
Trade and other payables	788,200,363	-
Total	**1,350,224,784**	**434,444,025**

26. Risk management policies (cont'd)

c Liquidity risk (cont'd)

The Group (cont'd)
2022

	Current Within 12 Months $	Non-current 2 to 5 Years $
Lease Liability	1,372,173	-
Borrowings	571,439,927	4,917,676
Bank overdraft	159,209,087	243,488,782
Trade and other payables	499,487,459	-
Total	**1,231,508,646**	**248,406,458**

The Company
2023

	Current Within 12 Months $	Non-current 2 to 5 Years $
Lease Liability	1,412,872	3,527,315
Borrowings	315,406,863	430,915,710
Bank overdraft	134,366,446	-
Trade and other payables	660,904,646	-
Total	**1,112,090,827**	**434,443,025**

2022

	Current Within 12 Months $	Non-current 2 to 5 Years $
Lease Liability	1,372,173	4,917,676
Borrowings	571,439,927	243,488,782
Bank overdraft	156,088,774	-
Trade and other payables	376,061,219	-
Total	**1,109,782,417**	**243,406,458**

The above contractual maturities reflect the gross cash flows, which may differ from the carrying values of the liabilities at the end of the reporting period.

27. Fair value measurement

i The Group's financial assets and liabilities are measured at amortised costs, and the fair values for these are disclosed at Note 28(ii).

ii Fair value of non-financial assets

The following table shows the Levels within the hierarchy of non-financial assets measured at fair value on a recurring basis at March 31, 2023.

March 31, 2023	Level 1 $	Level 2 $	Level 3 $	Total $
Property, plant and equipment				
Land and buildings	-	-	701,969,397	701,969,397
Total	**-**	**-**	**701,969,397**	**701,969,397**

March 31, 2022	Level 1 $	Level 2 $	Level 3 $	Total $
Property, plant and equipment				
Land and buildings	-	-	716,870,931	716,870,931
Total	**-**	**-**	**716,870,931**	**716,870,931**

Land and buildings (Level 3).

Fair value of the Group's land and buildings was estimated based on an appraisal by a professionally qualified valuator. The significant inputs and assumptions were developed in close consultation with management.

The appraisal was carried out using a market approach that reflects observed prices for market transactions and incorporates adjustments for factors specific to the Group's property, including size, location, encumbrances, and current use of the property.

Land and buildings at 83 and 85 Hagley Park Road, Kingston 10 were revalued on February 25, 2020, February 27, 2020 , and February 29, 2020 respectively.

Land and buildings at Anchovy St James were revalued March 29, 2022, Fairview Montego Bay St James were revalued on March 29, 2022, and March 31, 2022, respectively.

Reconciliation of opening and closing balances of the Group's land and buildings:

	2023 $
Balance at April 1, 2022	743,461,791
Depreciation	(41,492,394)
Balance at March 31, 2023	**701,969,397**

27. Fair value measurement
(The Company) (Cont'd)

Reconciliation of opening and closing balances of the Company's land and buildings:

	2023	2022
	$	$
Balance at April 1	547,552,791	547,552,791
Depreciation	(10,163,820)	(10,132,196)
Balance at March 31	**537,388,971**	**537,420,595**

28. Summary of financial assets and liabilities by category

The carrying amount of the Group's financial assets and liabilities recognised at the statement of financial position date may be categorised as follows:

	2023 $	2022 $
Financial assets measured at amortised cost		
Trade and other receivables	527,635,566	533,271,081
Due from related party	41,505,016	23,800,688
Cash and short-term deposits	141,513,590	145,701,094
Total	**710,654,172**	**702,772,863**
Financial liabilities measured at amortised cost		
Non-current liabilities		
Due on business acquisition	21,098,000	31,098,000
Lease liability	3,527,315	4,917,676
Borrowings	430,915710	243,488,782
Current liabilities		
Lease liability	1,412,872	1,372,173
Bank overdraft	195,204,686	159,209,087
Borrowings	365,406,863	571,439,927
Due on business acquisition	414,185	-
Trade and other payables	748,731,913	460,019,009
Total	**1,766,711,544**	**1,471,544,654**

28. Summary of financial assets and liabilities by category (cont'd)

The carrying amount of the Company's financial assets and liabilities recognised at the statement of financial position date may be categorised as follows:

	2023 $	2022 $
Financial assets measured at amortised cost		
Trade and other receivables	449,709,305	473,026,624
Cash and short-term deposits	124,182,447	105,188,435
Total	**573,891,752**	**578,215,059**
Financial liabilities measured at amortised cost		
Non-current liabilities		
Borrowings	315,406,863	243,488,782
Current liabilities		
Bank overdraft	134,366,446	156,088,774
Borrowings	430,915,710	571,439,927
Trade and other payables	660,904,653	376,061,219
Total	**1,541,593,672**	**1,347,078,702**

29. Capital management, policies and procedures

The Group's capital management objectives are to ensure its ability to continue as a going concern and to sustain future development of the business. The Group's Board of Directors reviews the financial position of the Group at regular meetings.

There was no change to the Group's approach to capital management polices during the year.