



**Elite Diagnostic Limited**

Unaudited Interim Financial Statements

Second Quarter ended December 31, 2023

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# Elite Diagnostic Limited

Second Quarter ended December 31, 2023

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## Directors' Report

The Board of Directors presents the unaudited financial statements for the second quarter ended December 31, 2023.

Revenue for the quarter reflected a performance of \$175.7M, which was a mere 1% or \$1.8M decrease over the comparative period in the prior year. Despite the dip in gross revenues, our gross profit increased by 8.06%, moving from \$120.2M to \$129.9M, and our operating profit increased by 23.82% from \$2.8M to \$3.5M over the comparative period.

A 15% increase in administrative expenses of \$11.96M resulted in our net loss for the second quarter ended December 31, 2023, declining by 23% or \$1.68M, moving to a loss of \$9.03M when compared to the loss of \$7.35M for the second quarter ended December 31, 2022.

An increase in our debt-servicing requirement and greater depreciation expenses, resulting from the acquisition of new machinery, were the main contributors to the significant increase in the administrative expenses.

Total Assets were \$1,056.6M compared to \$1,047.1M for the corresponding period in the prior year. Total Liabilities were \$586.3M compared to \$577.1M for the comparative period in the prior year.

The acquisition of a new CAT Scan machine in February 2023 and an Ultrasound machine in April 2023 along with the associated debt-financing resulted in the variances reflected between the comparative periods.

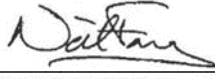
Arrangements have been made for a complete overhaul and refurbishing of our four most problematic machines. This exercise should be completed by the end of the third quarter and thereafter we expect to have minimal downtime on these units.

The recently constituted executive committee of the Board of Directors is focused on providing the requisite support to guide strategies going forward. We are anticipating a significant reduction in machine downtime whilst concurrently growing our customer base through exceptional customer service.

We are executing a refurbishing exercise which will be accompanied by a monthly service and maintenance contract with a proven overseas firm to mitigate against the main causes of reduced extended downtime. This is expected to positively impact on the revenue growth of the company.

We thank our loyal customers, the referring physicians, the specialists with whom we partner, all our shareholders and the dedicated Elite team for their continued hard work and support.

  
\_\_\_\_\_) Director  
Warren Chung

  
\_\_\_\_\_) Director  
Neil Fong

February 12, 2024

# Elite Diagnostic Limited

## Unaudited statement of financial position

December 31, 2023

	Unaudited December 31, 2023 \$	Unaudited December 31, 2022 \$	Audited June 30, 2023 \$
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	767,166,517	752,601,338	781,374,488
Right-of-use assets	94,455,359	121,723,231	108,089,296
Restricted deposit	20,500,000	-	20,500,000
	<b>882,121,876</b>	<b>874,324,569</b>	<b>909,963,784</b>
<b>Current assets</b>			
Deposit on equipment	-	34,425,000	-
Receivables	121,713,052	103,798,526	116,485,055
Prepayments	7,856,715	3,629,152	18,080,482
Cash and cash equivalents	44,942,732	30,930,259	53,882,276
	<b>174,512,499</b>	<b>172,782,937</b>	<b>188,447,813</b>
<b>Total assets</b>	<b>1,056,634,375</b>	<b>1,047,107,506</b>	<b>1,098,411,597</b>
<b>Equity</b>			
Share capital	348,898,459	348,898,459	348,898,459
Retained earnings	121,407,045	121,039,787	135,928,010
<b>Total equity</b>	<b>470,305,504</b>	<b>469,938,246</b>	<b>484,826,469</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities	82,770,900	109,353,102	82,770,900
Long-term loans	343,653,098	286,130,010	343,653,098
	<b>426,423,998</b>	<b>395,483,112</b>	<b>426,423,998</b>
<b>Current liabilities</b>			
Payables and accruals	87,914,173	66,319,132	69,232,358
Short-term loan	1,209,150	25,000,000	6,594,031
Current portion of lease liabilities	13,342,405	13,029,327	26,582,199
Current portion of long-term loans	57,404,301	77,337,689	84,717,698
Taxation payable	34,844	-	34,844
	<b>159,904,873</b>	<b>181,686,148</b>	<b>187,161,130</b>
<b>Total liabilities</b>	<b>586,328,871</b>	<b>577,169,260</b>	<b>613,585,128</b>
<b>Total equity and liabilities</b>	<b>1,056,634,375</b>	<b>1,047,107,506</b>	<b>1,098,411,597</b>

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

Approved for issue by the Directors on February 12, 2024 and signed on its behalf by:

  
Warren Chung

  
Neil Fong

**Elite Diagnostic Limited**  
**Unaudited statement of profit or loss and**  
**Other comprehensive income**

Second Quarter ended December 31, 2023

	Unaudited Three months ended December 31, 2023 \$	Unaudited Three months ended December 31, 2022 \$	Unaudited Six months ended December 31, 2023 \$	Unaudited Six months ended December 31, 2022 \$	Audited year ended June 30, 2023 \$
<b>Income</b>	175,743,220	177,548,750	371,968,820	363,510,381	755,334,185
Direct costs	(45,794,023)	(57,284,661)	(103,983,118)	(108,492,846)	(234,073,182)
<b>Gross profit</b>	<b>129,949,197</b>	<b>120,264,089</b>	<b>267,985,702</b>	<b>255,017,535</b>	<b>521,261,003</b>
Administrative expenses	(91,747,135)	(79,782,438)	(179,723,264)	(159,544,541)	(320,099,645)
Depreciation	(34,655,376)	(37,617,141)	(76,326,517)	(76,576,524)	(136,448,621)
<b>Operating profit</b>	<b>3,546,686</b>	<b>2,864,510</b>	<b>11,935,921</b>	<b>18,896,470</b>	<b>64,712,737</b>
Other income	20,217	18,082	49,916	41,378	94,896
Finance costs	(11,660,932)	(8,288,410)	(25,271,731)	(16,302,712)	(46,866,014)
Foreign exchange loss	(944,061)	(1,946,372)	(1,235,071)	(4,172,477)	(4,555,893)
<b>(Loss)/profit before tax</b>	<b>(9,038,090)</b>	<b>(7,352,190)</b>	<b>(14,520,965)</b>	<b>(1,537,341)</b>	<b>13,385,726</b>
Income tax expense	-	-	-	-	(34,844)
<b>Net (loss)/profit for the year</b>	<b>(9,038,090)</b>	<b>(7,352,190)</b>	<b>(14,520,965)</b>	<b>(1,537,341)</b>	<b>13,350,882</b>
<b>Basic and Diluted (Loss)/Earnings per share</b>	<b>(0.03)</b>	<b>(0.02)</b>	<b>(0.04)</b>	<b>(0.004)</b>	<b>0.04</b>

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

# Elite Diagnostic Limited

## Unaudited statement of changes in equity

Second Quarter ended December 31, 2023

	Share Capital \$	Accumulated surplus \$	Total \$
<b>Balance at June 30, 2022 - Audited</b>	348,898,459	129,645,128	478,543,587
<b>Transactions with owners</b>			
Dividends paid	-	(7,068,000)	(7,068,000)
Loss for the period ended December 31, 2022 being total comprehensive income for the period	-	(1,537,341)	(1,537,341)
<b>Balance at December 31, 2022</b>	<b>348,898,459</b>	<b>121,039,787</b>	<b>469,938,246</b>
<b>Balance at June 30, 2022 – Audited</b>	<b>348,898,459</b>	<b>129,645,128</b>	<b>478,543,587</b>
<b>Transactions with owners</b>			
Dividends paid	-	(7,068,000)	(7,068,000)
Profit for the year ended June 30, 2023 being total comprehensive income for the year	-	13,350,882	13,350,882
<b>Balance at June 30, 2023 – Audited</b>	<b>348,898,459</b>	<b>135,928,010</b>	<b>484,826,469</b>
Loss for the period ended December 31, 2023 being total comprehensive loss for the period - <b>unaudited</b>	-	(14,520,965)	(14,520,965)
<b>Balance at December 31, 2023 - Unaudited</b>	<b>348,898,459</b>	<b>121,407,045</b>	<b>470,305,504</b>

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

# Elite Diagnostic Limited

## Unaudited statement of cash flows

Second Quarter ended December 31, 2023

	Unaudited Six months ended December 31, 2023	Unaudited Six months ended December 31, 2022	Audited Year ended June 30, 2023
	\$	\$	\$
<b>Cash flows from operating activities:</b>			
(Loss)/profit before tax	(14,520,965)	(1,537,341)	13,385,726
Adjustments for:			
Depreciation and amortisation	76,326,517	76,576,524	136,448,621
Foreign exchange loss on lease liabilities	25,271,731	16,302,712	46,866,014
Interest expense	1,113,451	1,009,490	(94,896)
	<b>88,190,734</b>	<b>92,351,385</b>	<b>196,605,465</b>
(Increase) in receivables	(5,227,997)	(44,536,606)	(57,223,135)
Decrease/(increase) in prepayments	10,223,767	3,938,443	(10,512,886)
Increase in payables and accruals	18,681,815	26,963,765	29,876,992
<b>Cash provided by operations</b>	<b>111,868,319</b>	<b>78,716,987</b>	<b>158,746,436</b>
Interest paid	(25,271,731)	(16,302,712)	(46,866,014)
<b>Net cash provided by operations</b>	<b>86,596,588</b>	<b>62,414,275</b>	<b>111,880,422</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment	(48,484,609)	(61,200,257)	(137,747,708)
Deposit on equipment	-	(34,425,000)	94,896
Restricted deposit	-	-	(20,500,000)
<b>Net cash used in investing activities</b>	<b>(48,484,609)</b>	<b>(95,625,257)</b>	<b>(158,152,812)</b>
<b>Cash flow from financing activities</b>			
Proceeds from long-term loans	-	-	365,423,598
Repayment of long-term loans	(27,313,397)	(7,755,208)	(311,002,342)
Short-term loan	(5,384,881)	19,174,385	768,416
Dividends paid	-	(7,068,000)	(7,068,000)
Repayment of lease liabilities	(14,353,245)	(16,100,108)	(23,857,167)
<b>Net cash (used in)/provided by financing activities</b>	<b>(47,051,523)</b>	<b>(11,748,931)</b>	<b>24,264,505</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(8,939,544)</b>	<b>(44,959,913)</b>	<b>(22,007,885)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>53,882,276</b>	<b>75,890,161</b>	<b>75,890,161</b>
<b>Cash and cash equivalents at end of year</b>	<b>44,942,732</b>	<b>30,930,248</b>	<b>53,882,276</b>

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

# Elite Diagnostic Limited

## Notes to the unaudited interim financial statements

December 31, 2023

### 1. General information and nature of operations

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

The company provides diagnostic imaging services.

### 2. Statement of compliance

#### a Basis of preparation

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

The interim financial report is to be read in conjunction with the audited financial statements for the year ended June 30, 2023. The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended June 30, 2023.

#### b Critical judgements and sources of estimation uncertainty

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

### 3. Share capital

	Unaudited Six months ended December 31, 2023 \$	Unaudited Six months ended December 31, 2022 \$
Authorised ordinary units of no par value	<b>Unlimited</b>	<b>Unlimited</b>
Issued ordinary units of no par value	<b>353,400,000</b>	<b>353,400,000</b>
Stated capital:		
Issued and fully paid ordinary stocks of no par value	<b>348,898,459</b>	<b>348,898,459</b>
<b>Earnings per shares</b>		
	Unaudited Six months ended December 31, 2023 \$	Unaudited Six months ended December 31, 2022 \$
Loss attributable to shareholders	<b>(14,520,965)</b>	<b>(1,537,341)</b>
Weighted average number of shares	<b>353,400,000</b>	<b>353,400,000</b>
Loss per share	<b>(0.04)</b>	<b>(0.004)</b>



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**Elite Diagnostic Limited**  
**Notes to the unaudited interim financial statements**  
December 31, 2023

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**3. Share capital (cont'd)**

Earnings per shares (cont'd)

	<b>Unaudited Three months ended December 31, 2023 \$</b>	<b>Unaudited Three months ended December 31, 2022 \$</b>
Loss attributable to shareholders	(9,038,090)	(7,352,190)
Weighted average number of shares	353,400,000	353,400,000
Loss per share	(0.03)	(0.02)

# Elite Diagnostic Limited

## List of Directors, Connected Parties and Senior Managers Shareholdings

As at December 31, 2023

### Directors and connected parties

#### Directors

Name	Position	Shares Held	Percentages %
Steven Gooden	Chairman	35,289,628	9.9857
Warren Chung	Director	778,355	0.2203
Neil Fong	Director	140,000	0.0396
Kevin Donaldson	Director	140,000	0.0396
Mark Kerr-Jarrett	Director	-	-
Quentin Hugh Sam	Director	824,573	0.2333
William Mahfood	Director	172,025	0.0487
Simone Bowie-Jones	Director	-	-
Stephen Ricketts	Director	-	-

**Combined Directors Holdings** **37,344,581** **10.5672**

#### Connected Parties

#### Connected to

Excel Investments	Warren Chung and Neil Fong	86,674,897	24.5260
Barnett Limited	Mark Kerr-Jarrett	15,515,994	4.3905

**Combined Connected Parties Holdings** **102,190,891** **28.9165**

**Combined Holdings** **139,535,472** **39.4837**

### Senior Managers' Shareholdings

Name	Position	Shares Held	Percentages %
Harvey Levers	Chief Executive Officer	-	-
Neil Fong	Chief Operating Officer	140,000	0.0396
Marjorie Miller	Manager	-	-

**Combined Senior Managers Holdings** **140,000** **0.0396**

#### Connected Parties

#### Connected to

Excel Investments	Warren Chung and Neil Fong	86,674,897	24.5260
		<b>86,674,897</b>	<b>24.5260</b>

**Combined Connected Parties Holdings** **86,814,897** **24.5656**

**Total issued capital** **353,400,000**

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# Elite Diagnostic Limited

## List of Top 10 Shareholders

As at December 31, 2023

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### Top 10 Shareholders

Names	Share Held	Percentages %
1. Excel Investments (Connected to Warren Chung and Neil Fong)	86,674,897	24.5260
2. NCB Capital Markets Limited (Connected to Steven Gooden)	66,028,392	18.6838
3. Steven Gooden	35,289,628	9.9857
4. JCSD Trustee Services Limited - Sigma Optima	31,438,024	8.8959
5. Barnett Limited (Connected to Mark Kerr-Jarrett)	14,513,589	4.1068
6. Damian Chin-You	8,000,000	2.2637
7. West Indies Radiology Outsourcing Ltd.	15,515,994	4.3905
8. Everton J. Smith	5,720,000	1.6186
9. QWI Investments Limited	4,386,691	1.2413
10. Lizette Mowatt	3,703,632	1.0480
<b>Total units owned by top 10 Shareholders</b>	<b>271,270,847</b>	<b>76.7603</b>
<b>Total Issued Capital</b>	<b>353,400,000</b>	