

**IMAGE
PLUS**
CONSULTANTS LTD.



**UNAUDITED INTERIM
FINANCIAL REPORT
SECOND QUARTER
FINANCIAL
YEAR 2025**
ENDED AUGUST 31, 2024.



MRI SERVICES

AVAILABLE AT OUR **OCHO RIOS BRANCH**
BREAST • PROSTATE • MRCP
FISTULA PELVIS • PELVIS & MORE

MAMMOGRAM SERVICES

AVAILABLE AT OUR **OCHO RIOS & MOLYNES BRANCHES**
SCREENING • DIAGNOSTIC • MAMMO-BREAST ULTRASOUND





Image Plus Consultants Limited

Unaudited Interim Financial Statements

Second Quarter ended August 31, 2024



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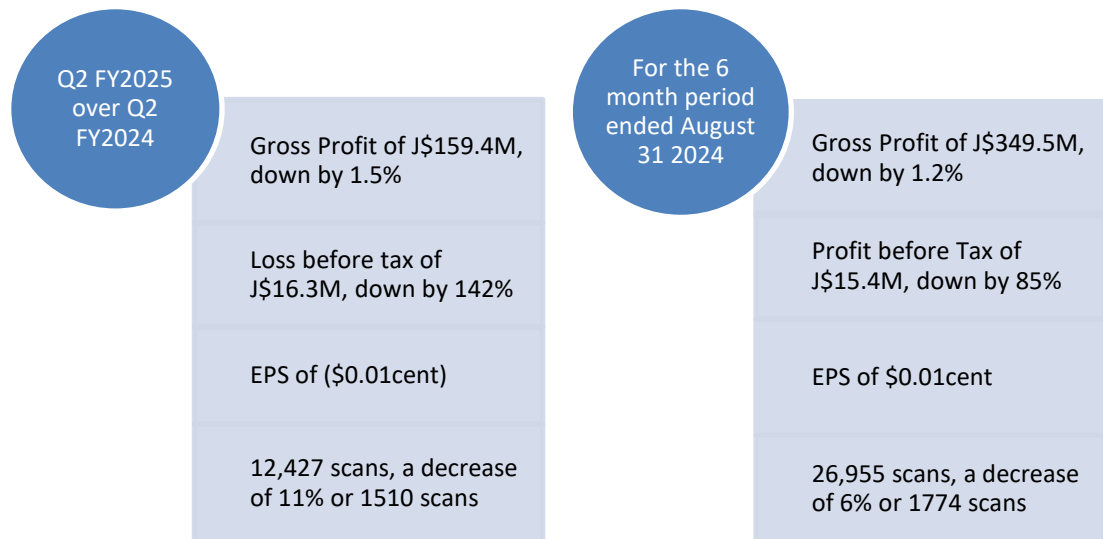
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Directors' Report

The Board of Directors of Image Plus Consultants Limited (the Company) presents the Company's unaudited financial statements for the second quarter ended August 31, 2024.

The financial highlights are as follows:



Revenues & Expenses

Revenues for the second quarter, declined by 3.4% to \$245.3M when compared to the second quarter in the prior year. Revenues for the six months to August 2024 was \$539M representing a decline of \$15M or 2.8% when compared to the similar period in 2023. Revenue performance was impacted by the following factors:

1. **Scan volume** for the six-month period to August 31, 2024, was 26,955 cases when compared to 28,729 cases for the same period in the prior year, representing a decline of 6%. This decline was seen across all modalities. Mammography and MRI were launched in August 2023 and February 2024, respectively. The Molyne's and 129Pro scan numbers exceeded prior year performance but the volumes at Ocho Rios and Winchester were below prior year performance by 1% and 15% respectively.
2. **Reduction in the CT modality case count** (which accounts for a higher per patient revenue compared to other modalities), due to machine downtime at both the Ocho Rios and Winchester branches. Both units needed CT tube replacements, which are routine and triggered by high volumes. In both cases, the replacement part required was quickly identified, but the repair of the units was impacted by the protracted delivery timelines from the overseas manufacturer. Unfortunately, in August the tube received for the Winchester unit was found to be defective on arrival and had to be replaced under warranty, leading to additional downtime. CT tubes are not easily procured ahead of the need. This is due to its delicate storage condition requirements and the necessity for the local supplier to validate replacements with the manufacturer.



3. **The 129Pro CT unit malfunctioned** again in Q2 and given the findings and monies already invested in that unit in FY2024, the decision was made to retire the unit. To compensate for this, patients were redirected to the Winchester location, which also extended its opening hours. As a result, the entire 129Pro branch operations were consolidated at Winchester to ensure greater efficiency and that branch transitioned to opening seven days per week instead of six to accommodate demand.
4. Though growing, our **MRI and Mammography scan count performed below expectations**. There continues to be strong demand for MRI and we continue to work on optimizing scan volumes and mix to ensure projected revenues are realised from our investments. For Mammography we are exploring strategies to increase scan volumes, especially in in the competitive Kingston and St. Andrew market.

Looking ahead, we anticipate improved revenue performance for the second half of the year.

Direct costs for both the second quarter and YTD ended 31August 2024 were contained and below prior year by 6.7% or \$6M and 5.5% or \$11M respectively. As a result, the gross profit margin improved to 65% vs 63.8% for the prior year quarter and 64.9% YTD versus 63.8% YTD FY 2024. Conversely, the administrative expense margin for the six months to August 2024 stood at 49.7% vs 41.8% over the prior period. The growth in administrative expenses was due largely to:

- 80% increase in depreciation due to acquisition of imaging equipment and increase in right-of-use asset associated with leases for our locations
- 14.5% or \$20.9M increase in salaries and related expenses resulting from increased staff count
- 52.3% or \$8.1M increase in utilities (driven largely by the MRI unit in Ocho Rios)

Though these expenses were largely planned and in keeping with continued business growth, the revenue shortfall severely impacted our performance.

The aforementioned factors resulted in the Company recording a Net Loss of J\$16.2M for Q2 FY2024 and a Net Profit of J\$15.4M for the six-months to August. This represents a reduction of \$54.9M and J\$87.4M respectively over the prior years.

Balance Sheet

At the end of the first six months of FY2025, total assets stood at J\$1.5B when compared to J\$1.6B at the start of the year. This reduction was primarily due to:

1. A \$19M decrease in Property, plant and equipment (PP&E) due to increased depreciation
2. A reduction in other investments,
3. A structured sale of some of our receivables, effectively reducing our Trade and other receivables

Right-of-Use Asset increased by 39.2% or \$11.2M associated with the lease of our Winchester Road location. Total Liabilities decreased by \$56.4M during the six months to August 2024 due to reduction in trade and other payables. An increase of \$33M was however registered in borrowings as the balance of the MRI unit loan facility was disbursed post end of FY 2024. There was also an increase of \$4.3M in our overdraft facility.



Total equity for the six months to August 2024 declined by \$21.8M to J\$1.1B. This is due to the decrease in our retained earnings as a result of the performance year to date.

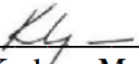
Outlook for Remainder of Financial Year 2025

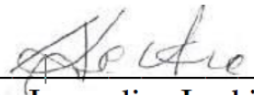
Despite the desired build-out of modalities, we have not achieved the targeted growth in revenue from our diversified revenue streams. We continue to take a very clinical approach to review actions needed to achieve the desired mix of scans by modality and source (private versus public patients). We are also actively scanning the market for inorganic growth opportunities that would add value to our performance.

Discussions with potential partners in regard to the build out of our 33LMR facility are progressing as we work towards the best option for the execution of that project.

The Board of Directors uses this opportunity to acknowledge our committed team members and to express our heartfelt gratitude to the referring physicians who continue to trust us with the imaging needs of their patients.

To our shareholders, we express appreciation for their trust and confidence as we work through our current short-term challenges to deliver the performance to which they have become accustomed and grow the long-term profitability of the Company.


_____) Chairman
Dr. Karlene McDonnough


_____) Director
Dr. Jacqueline Leckie

October 14, 2024

Image Plus Consultants Limited

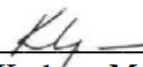
Unaudited statement of financial position

August 31, 2024

	Unaudited August 31, 2024 \$	Unaudited August 31, 2023 \$	Audited February 29, 2024 \$
Assets			
Non-current assets			
Property, plant and equipment	1,194,632,991	414,992,637	1,213,261,657
Right of-use asset	39,715,941	34,644,821	28,530,235
Other investments	13,534,449	18,463,526	19,544,971
Deferred tax asset	5,822,008	7,175,308	5,822,008
	1,253,705,389	475,276,292	1,267,158,871
Current assets			
Due from related party	24,611,599	21,978,869	23,321,220
Trade and other receivables	251,872,299	630,808,045	316,747,583
Cash and cash equivalents	515,256	110,237,678	1,659,659
	276,999,154	763,024,592	341,728,462
Total assets	1,530,704,543	1,238,300,884	1,608,887,333
Equity			
Share capital	465,765,789	465,765,789	465,765,789
Fair value reserve	4,334,664	4,334,664	4,334,664
Retained earnings	583,693,632	496,319,835	605,476,045
Total equity	1,053,794,085	966,420,288	1,075,576,498
Liabilities			
Non-current liabilities			
Borrowings	265,616,720	130,421,190	232,568,527
Lease liability	30,471,505	24,795,671	19,138,948
	296,088,225	155,216,861	251,707,475
Current liabilities			
Bank overdraft	12,716,205	-	8,405,872
Trade and other payables	95,378,303	69,423,548	151,135,396
Current portion of borrowings	60,990,660	26,274,748	58,361,564
Current portion of lease liability	11,737,065	11,155,643	11,405,184
Directors' loan	-	-	31,874,422
Income tax payable	-	9,809,796	20,420,922
Total current liabilities	180,822,233	116,663,735	281,603,360
Total liabilities	476,910,458	271,880,596	533,310,835
Total equity and liabilities	1,530,704,543	1,238,300,884	1,608,887,333

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

Approved for issue by the Directors on 14th October 2024, and signed on its behalf by:


_____) Chairman
Dr. Karlene McDonnough

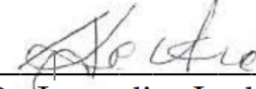

_____) Director
Dr. Jacqueline Leckie

Image Plus Consultants Limited

Unaudited statement of profit or loss and other comprehensive income

Second quarter ended August 31, 2024

	Unaudited Three months ended August 31, 2024 \$	Unaudited Three months ended August 31, 2023 \$	Unaudited Six months ended August 31, 2024 \$	Unaudited Six months ended August 31, 2023 \$
Revenue	245,346,842	253,960,907	538,805,785	554,144,786
Direct costs	(85,902,298)	(92,041,185)	(189,357,519)	(200,447,009)
Gross profit	159,444,544	161,919,722	349,448,266	353,697,777
Administrative expenses	(142,558,962)	(114,242,646)	(267,941,628)	(231,649,996)
Net movement on impairment provision	-	-	-	-
Depreciation and amortisation	(27,080,720)	(15,492,072)	(53,746,647)	(29,900,997)
Other expense	-	(135,437)	-	(181,401)
Operating (loss)/profit	(10,195,138)	32,049,567	27,759,991	91,965,383
Other income	436,996	3,000	436,996	15,500
Foreign exchange gain	263,151	1,835,620	338,656	2,863,235
Finance income	571,352	7,750,352	1,137,857	12,625,465
Interest expense	(7,328,430)	(2,981,405)	(14,272,423)	(4,698,357)
(Loss)/profit before tax	(16,252,069)	38,657,134	15,401,077	102,771,226
(Loss)/profit for the period/year being total comprehensive income (loss) for the period/year	(16,252,069)	38,657,134	15,401,077	102,771,226
Earnings per share	(0.01)	0.03	0.01	0.08

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

Image Plus Consultants Limited

Unaudited statement of changes in equity

Second quarter ended August 31, 2024

	Share capital \$	Fair value reserve \$	Accumulated surplus \$	Total \$
Balance at February 28, 2023 - Audited	465,765,789	4,334,664	467,915,590	938,016,043
Transaction with owners				
Dividend for the year	-	-	(74,366,981)	(74,366,981)
Profit for the six months ended August 31, 2023	-	-	102,771,226	102,771,226
Balance at August 31, 2023 – Unaudited	465,785,789	4,334,664	496,319,835	966,420,288
Balance at February 29, 2024 - Audited	465,765,789	4,334,664	605,476,045	1,075,576,498
Dividend for the year	-	-	(37,183,490)	(37,183,490)
Profit for the six months being total comprehensive income	-	-	15,401,077	15,401,077
Balance at August 31, 2024 – Unaudited	465,765,789	4,334,664	583,693,632	1,053,794,085

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

Image Plus Consultants Limited

Unaudited statement of cash flows

Second quarter ended August 31, 2024

	Unaudited Six months ended August 31, 2024 \$	Unaudited Six months ended August 31, 2023 \$	Audited Year ended February 29, 2024 \$
Cash flows from operating activities:			
Profit before tax	15,401,077	102,771,226	211,927,436
Adjustments for:			
Interest expense	12,487,485	3,398,137	11,695,932
Interest expense on lease liabilities	1,784,938	1,300,220	2,465,968
Interest income	(1,137,857)	(12,625,465)	(84,500)
Income tax expense	-	-	12,398,433
Depreciation	41,530,850	23,886,030	51,985,372
Amortisation on right of use asset	12,215,797	6,014,967	12,129,553
	82,282,290	124,745,115	302,518,194
Decrease(increase) in receivables	64,875,284	(332,390,583)	(18,330,121)
Increase in due from related parties	(1,290,379)	(2,323,253)	(3,665,604)
(Decrease)/increase in payables and accruals	(55,757,093)	3,354,984	85,066,832
Decrease in directors' loan	(31,874,422)	-	-
Cash generated from/(used in) operations	58,235,680	(206,613,737)	365,589,301
Income tax paid	(20,420,922)	(30,852,052)	(32,639,359)
Interest paid	(12,487,485)	(3,398,137)	(11,091,510)
Net cash provided by/(used in) operations	25,347,273	(240,863,926)	321,858,432
Cash flow from investing activities			
Interest received	1,137,857	12,625,465	84,500
Purchase of property, plant and equipment	(22,902,184)	(120,111,189)	(946,479,551)
Decrease in investment	-	435,189,405	435,016,560
Decrease in other investment	6,010,522	-	444,700
Net cash (used in)/provided by investing activities	(15,753,805)	327,703,681	(510,933,791)
Cash flow from financing activities			
Repayment of borrowings	(32,359,711)	(11,370,000)	(29,641,032)
Repayment of lease liability	(11,737,065)	(5,130,470)	(10,537,652)
Interest paid on lease payments	(1,784,938)	(1,300,220)	(2,465,968)
Proceeds from borrowings	68,037,000	58,105,600	241,880,785
Dividend	(37,183,490)	(74,366,981)	(74,366,981)
Net cash (used in)/provided by financing activities	(15,028,204)	(34,062,071)	124,869,152
Net (decrease)/increase in cash and cash equivalents	(5,454,736)	52,777,684	(64,206,207)
Cash and cash equivalents at beginning of period/year	(6,746,213)	57,459,994	57,459,994
Cash and cash equivalents at end of period/year	(12,200,949)	110,237,678	(6,746,213)

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

Image Plus Consultants Limited

Notes to the unaudited interim financial statements

Second quarter ended August 31, 2024

1. General information and nature of operations

Image Plus Consultants Limited was incorporated under the laws of Jamaica on February 27, 1996 and is domiciled in Jamaica. The company operates from 3 locations in Kingston – 2A Molyneux Road, 3A Winchester Road, 129 Old Hope Road (Liguanea) and White River North Commercial Complex, Shops 8 -10, in Ocho Rios, St. Ann.

The company offers diagnostic X-Ray, Ultrasound, Computerized Tomography, Nuclear medicine, Fluoroscopy, Interventional Radiology Magnetic Resonance Imaging (MRI) and Mammography services under the business name of Apex Radiology.

The company was listed on the Jamaica Stock Exchange (JSE) Junior Market via Initial Offering (IPO) on January 20, 2023.

2. Statement of compliance

a Basis of preparation

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

The interim financial report is to be read in conjunction with the audited financial statements for the year ended February 28, 2024. The material accounting policies adopted are consistent with those of the audited financial statements for the year ended February 28, 2024.

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. Cash and cash equivalents

	Unaudited six months ended August 31, 2024 \$	Unaudited six months ended August 31, 2023 \$	Audited year ended February 29, 2024 \$
Bank and cash	515,256	110,237,678	1,659,659
Bank overdraft	(12,716,205)	-	(8,405,872)
Cash and cash equivalents	<u>(12,200,949)</u>	<u>110,237,678</u>	<u>(6,746,213)</u>

Image Plus Consultants Limited

Notes to the unaudited interim financial statements

Second quarter ended August 31, 2024

4. Share capital

	Unaudited Six months ended August 31, 2024 \$	Unaudited Six months ended August 31, 2023 \$
Authorised ordinary units of no par value	Unlimited	Unlimited
Issued ordinary units of no par value	1,239,449,680	1,239,449,680
Stated capital:		
Issued and fully paid ordinary stocks of no par value	465,765,789	465,765,789

5. Earnings per share

	Unaudited Six months ended August 31, 2024 \$	Unaudited Six months ended August 31, 2023 \$
Profit attributable to shareholders	15,401,077	102,771,226
Weighted average number of shares	1,239,449,680	1,239,449,680
Basic and diluted earnings per share	0.01	0.08

	Unaudited three months ended August 31, 2024 \$	Unaudited three months ended August 31, 2023 \$
Profit attributable to shareholders	(16,252,108)	38,657,134
Weighted average number of shares	1,239,449,680	1,239,449,680
Basic and diluted earnings per share	(0.01)	0.03

Image Plus Consultants Limited

List of Top Ten Shareholders

As at August 31, 2024

Directors

Names	Shares Held	Percentages %
Dr. Karlene McDonnough	303,417,282	24.48
Dr. Lilieth Bridgewater	158,091,321	12.75
Dr. Marian Allison Vaughan	99,155,974	8.00
Mrs. Kisha Anderson	2,750,000	0.22
Mr. Karl Townsend	2,587,400	0.21
Ms. Carolyn DaCosta	614,561	0.05
Dr. Jacqueline Leckie	50,000	0.00
Dr. Gordon Bradshaw	Connected	-
Dr. Steven Lewis	Connected	-
	566,666,538	45.71

Connected parties

Connected to

Quad G Limited	Dr. Gordon Bradshaw	209,763,421	16.92
SureScan Radiology Service Limited	Dr. Steven Lewis	50,577,987	4.08
Craig DaCosta	Ms. Carolyn DaCosta	28,922	0.00
Vyacheslav Moskalev	Dr. Karlene McDonnough	786,200	0.06
Katherine Pottinger	Dr. Karlene McDonnough	200,000	0.02
Kimberly Lyon	Dr. Karlene McDonnough	500,000	0.04
Karen Gauntlett	Dr. Karlene McDonnough	500,000	0.04
Kai Bridgewater	Dr. Lilieth Bridgewater	2,000,000	0.16
Kiri – Ann Bridgewater	Dr. Lilieth Bridgewater	4,522,623	0.36
Taryn Bridgewater	Dr. Lilieth Bridgewater	1,000,000	0.08
Lee – Ann Bridgewater	Dr. Lilieth Bridgewater	2,000,000	0.16
Elizabeth Thompson/ Rebekah Hoilet Duncan	Mrs. Kisha Anderson	1,000,000	0.08
Janice Mcleod	Mr. Karl Townsend	24,275	0.00
Courtney – Ann Vaughan	Dr. Marian Allison Vaughan	250,000	0.02
Mathieu Vaughan	Dr. Marian Allison Vaughan	250,000	0.02
Combined Connected Parties Holdings		273,403,428	22.06
Combined Holdings		840,069,966	67.77

Senior Managers Shareholder

Names	Shares Held	Percentages %
Kisha Anderson	2,750,000	0.22
Althia Frew Jones	600,000	0.05
Ramona Green	545,608	0.04
Kerry McDonnough Davis	525,000	0.04
Anthony Grizzle	278,198	0.02
Marcia Dolphy	200,000	0.02
Nicola Beccan-Morgan	100,000	0.01
	4,998,806	0.40

Image Plus Consultants Limited

List of Top Ten Shareholders

As at August 31, 2024

Shareholders

	Shares Held	Percentages %
1. Dr.Karlene McDonnough	303,417,282	24.48
2. Quad G Limited	209,763,421	16.92
3. Dr.Lilieth Bridgewater	158,091,321	12.96
4. Advanced Imaging Limited	113,565,156	9.16
5. Dr.Marian Allison Vaughan	99,155,974	8.00
6. Barita Investments Ltd	58,680,147	4.73
7. SureScan Radiology Services Limited	50,577,987	4.08
8. Jamaica Money Market Brokers Ltd	11,850,000	0.96
9. Solid Life & General Insurance Brokers Limited	10,290,000	0.81
10.NCB Capital Market	9,600,000	0.77
Total	1,024,991,288	82.69
Total Issued Capital	1,239,449,680	

**IMAGE
PLUS**
CONSULTANTS LTD.



4 CONVENIENT *Locations*

KINGSTON BRANCHES:

- ▶ **MOLYNES - 2A MOLYNES ROAD**
 - Ultrasounds · X-Rays · **Mammograms**
- ▶ **WINCHESTER - 3A WINCHESTER ROAD**
 - CT Scans · Ultrasounds · X-Rays
 - Fluoroscopy · Nuclear Medicine
 - Interventional Studies
- ▶ **129 PRO - 129 OLD HOPE ROAD**
 - CT Scans · Ultrasounds · X-Rays



OCHO RIOS BRANCH:

- ▶ **OCHO RIOS - WHITE RIVER NORTH
COMMERCIAL COMPLEX**
 - MRI · **Mammograms** · CT Scans
 - Ultrasounds · X-Rays