



*Building ON Excellence*  
THE CLEAR CHOICE FOR YOUR DIAGNOSTIC NEEDS



# UNAUDITED INTERIM FINANCIAL REPORT

## THIRD QUARTER - ENDED NOVEMBER 30, 2023

- ✓ Land Acquisition
- ✓ MRI Implementation in progress
- ✓ Mammogram services now offered

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# Image Plus Consultants Limited

Third quarter ended November 30, 2023

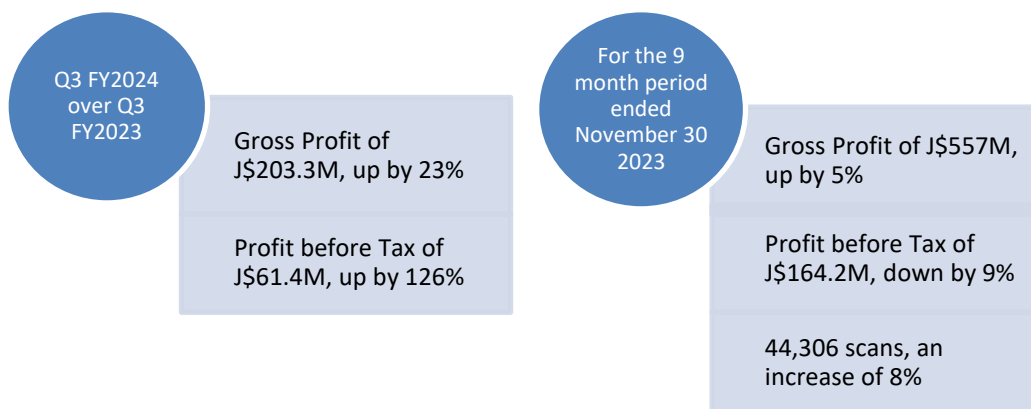
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# Directors' Report

The Board of Directors of Image Plus Consultants Limited is pleased to present the company's results as at November 30, 2023, that is the third quarter of the financial year ending February 29, 2024. The statements were prepared in accordance with International Financial Reporting Standards (IFRS). The financial highlights are as follows:



## Balance Sheet Growth

At the end of the third quarter of FY2024, total assets stood at J\$1.5B when compared to J\$651.5M for the corresponding period in the prior year. This significant growth of 130% or J\$848.8M was due primarily to increases in:

1. Property plant and equipment as a result of the:
  - a. acquisition of land at 33 Lady Musgrave Road ("33 LMR") in the third quarter, for the future relocation of the Winchester Road branch and the future headquarters of the company
  - b. Q2 acquisition of two (2) Ultrasound Units as well as the parts acquired for the repair of both the 129Pro and Ocho Rios branch CT units, returning them to operations.
  - c. purchase of two (2) Mammography Units and their accompanying Uninterrupted Power Supply (UPS) units in Q2, as well as the Uninterrupted Power Supply (UPS) unit for the Magnetic Resonance Imaging (MRI) system in Q3.
2. Right of Use Asset associated with the lease of our Ocho Rios location.
3. Trade and other receivables at J\$252M represent only a 4% increase over the prior period. There was a reduction in other receivables as the prepayments associated with lab equipment were capitalized. There was no deterioration in the ageing buckets of the trade receivables at J\$232M, as the largest payor continues to settle per written commitments and in keeping with detailed payment timelines.

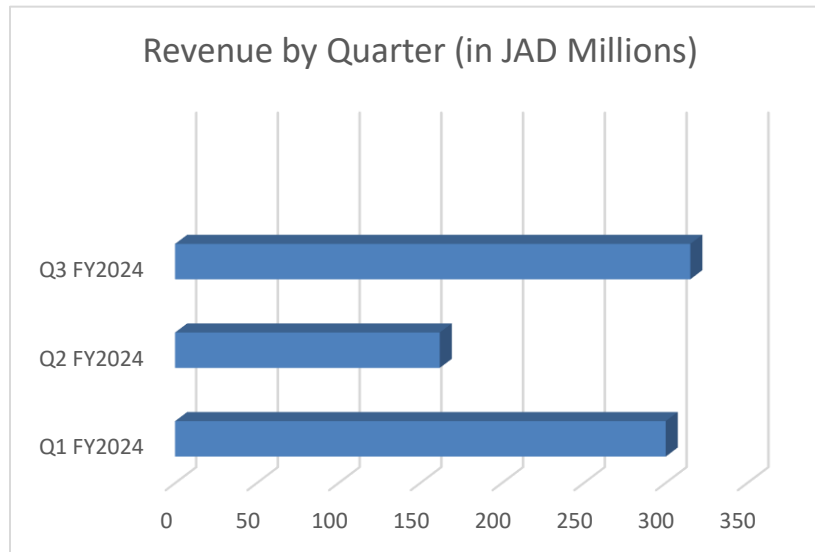
Total equity for the nine (9) months to November 30, 2023, grew by J\$643M to J\$1.03B. The significant year-over-year growth reflects the increase in share capital of \$465M from the proceeds of our IPO and the growth in retained earnings, resulting from the sustained positive company performance.

Total Liabilities grew by J\$252.5M during the nine (9) months to November 30, 2023, due primarily to increases in borrowings used to finance the acquisition of equipment (Mammography units, MRI unit and the attendant UPS units), and an increase in the lease liability associated with our Right-of-Use asset. These increases were partially offset by a reduction in income tax payable during the period.

## Growth in Revenues & Expenses

### Revenues

The Company continues to record strong revenue growth, with revenues for the nine months totalling J\$869.4M.



For Q3, revenue of J\$315.2M represents the best quarterly performance year to date and is an increase of J\$67.2M or 27% over the same period the prior year. YTD revenues of \$869.4M represent a J\$66.6M or 8.3% increase when compared to the similar period for FY2023. This growth in revenues was achieved despite the Q2 FY2024 results which were negatively affected by downtime of one of the CT units in Kingston.

### There is a direct relationship between scan count and revenue numbers

At the end of nine months, our total scan count stood at 44,306 representing an increase of 3,358 scans or 8% over the 40,948 scans completed at the end of nine months Q3 FY2023. We have registered significant growth in our X-Ray and Fluoroscopy modalities while our Ultrasound and Nuclear medicine case counts are in line with the prior period. Despite the extended CT downtime earlier this year at our 129Pro location, we only registered a 3% decline in overall CT case count year over year. This is a testament to the usage of our on-call services and efficient scheduling of patient bookings at the other two locations where our CT machines remained operational. Our mammogram case count to date is encouraging and is in keeping with our projections for the first four months of this new modality. We anticipate our overall modality case count to continue growing, especially with the introduction of the MRI modality in Q4 FY2024. We are building our brand strength as the clear choice for diagnostic imaging needs in Jamaica and the wider Caribbean.

## Expenses

Direct Costs for Q3FY2024 were \$112M, representing an increase of 35% over Q3 FY2023. For the nine months to Q3 FY2024, direct costs grew by J\$38.6M or 14.2% year over year. Direct Costs include medical supplies and consultants' fees. There have been increases in the costs of some of the medical supply items and we are in the process of assessing the impact of same as we balance managing our margins, with the affordability of our services in the wider context of the economy in which we operate.

Gross Profit margin for Q3FY2024 was 64.5% versus 66.6% for Q3FY2023. The gross profit margin for the nine months reflected a slight decline from 65.9% at the end of nine months in FY2023 to 64.1% at the end of the same period in FY2024.

Our administrative expenses grew by J\$8.7M for Q3 FY2024 compared to Q3 FY2023 resulting in an operating expense margin of 38.5% for Q3 FY2024 versus 45.5% for Q3 FY2023. As we introduce and drive new modality growth, the increased staffing costs brought on earlier in the year to prepare for growth will be absorbed by the increase in revenues. This is the direction we anticipate for the administrative expense margin and is a key performance indicator that we target. Operating Expenses grew by J\$56M for the nine months YTD FY2024 compared to nine months YTD FY2023. YTD, the administrative expense margin was 40.6% vs 37% in the prior year and would have been adversely impacted by our Q2 results.

At J\$61.4M the Net Profit Before tax (PBT) for Q3 FY2024 reflects an increase of J\$34.2M or 126% over the prior period FY2023. For the end of nine months at November 30, 2023, the Profit Before Tax (PBT) of J\$164M reflects a decline of J\$15.5M or 9% over the similar period for FY2023, due to the impact of our Q2FY2024 results.

## Outlook for Remainder of FY 2024 and beyond

Our commitment to our shareholders to build value through sustained and profitable growth remains our focus, and we are well underway with the implementation of the new modalities (mammography completed in Q2 FY2024 and MRI to come in Q4 FY2024). With the purchase of the land on Lady Musgrave Road, we are now in the design phase for our relocated 3a Winchester Road branch and new headquarters; the development plans for this will be a major goal for FY2025.

We continue to enjoy the confidence of referring private and public physicians and their patients, and for that we are grateful. We thank them for choosing us for their diagnostic imaging needs and remain committed to enhancing our service delivery. This commitment to patient experience and quality reporting as well as our accessible branch network and nimble management, augur well for our growth and increased market share. We have been able to manage through the challenges faced year to date, whilst keeping on the path of strategic build-out. We remain optimistic about the future and will continue to execute our organic growth plans whilst exploring any aligned opportunities for profitable inorganic growth.

The Board of Directors uses this opportunity to applaud our hardworking team for their efforts and thank our referring physicians, their patients and our shareholders for the continued trust and confidence placed in us.

  
\_\_\_\_\_) Chairman  
Dr. Karlene McDonnough

  
\_\_\_\_\_) Director  
Dr. Jacqueline Leckie

11<sup>th</sup> January 2024

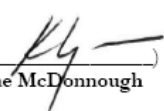
# Unaudited statement of financial position

November 30, 2023

	Nine months ended November 30, 2023 \$	Nine months ended November 30, 2022 \$	Audited February 28, 2023 \$
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1,154,526,433	321,721,689	318,767,478
Right-of-use asset	31,591,833	4,025,836	2,875,597
Other investments	18,508,100	14,407,640	19,989,671
Deferred tax asset	5,822,008	-	5,822,008
	<b>1,210,448,374</b>	<b>340,155,165</b>	<b>347,454,754</b>
<b>Current assets</b>			
Due from related party	22,548,089	20,033,770	19,655,616
Trade and other receivables	251,943,285	242,135,863	298,417,462
Financial investments	-	40,885,643	435,016,560
Cash and cash equivalents	15,421,792	8,274,600	57,459,994
	<b>289,913,166</b>	<b>311,329,876</b>	<b>810,549,632</b>
<b>Total assets</b>	<b>1,500,361,540</b>	<b>651,485,041</b>	<b>1,158,004,386</b>
<b>Equity</b>			
Share capital	465,765,789	1,027,000	465,765,789
Fair value reserve	4,334,664	4,334,664	4,334,664
Retained earnings	557,739,116	379,840,314	467,915,590
<b>Total equity</b>	<b>1,027,839,569</b>	<b>385,201,978</b>	<b>938,016,043</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	231,305,127	117,727,361	74,613,190
Lease liability	25,439,238	338,115	-
Deferred tax liability	-	5,906,817	-
	<b>256,744,365</b>	<b>123,972,293</b>	<b>74,613,190</b>
<b>Current liabilities</b>			
Trade and other payables	109,577,327	92,042,654	66,068,564
Director's loan	31,563,772	-	-
Current portion of borrowings	58,361,736	-	35,347,148
Current portion of lease liability	7,821,273	3,912,262	3,297,593
Income tax payable	8,453,498	46,355,854	40,661,848
	<b>215,777,606</b>	<b>142,310,770</b>	<b>145,375,153</b>
<b>Total liabilities</b>	<b>472,521,971</b>	<b>266,283,063</b>	<b>219,988,343</b>
<b>Total equity and liabilities</b>	<b>1,500,361,540</b>	<b>651,485,041</b>	<b>1,158,004,386</b>

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

Approved for issue by the Directors on 11<sup>th</sup> January 2024 and signed on its behalf by:

  
\_\_\_\_\_) Chairman  
Dr. Karlene McDonnough

  
\_\_\_\_\_) Director  
Dr. Jacqueline Leckie

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

Third quarter ended November 30, 2023

	Three months ended November 30, 2023	Three months ended November 30, 2022	Nine months ended November 30, 2023	Nine months ended November 30, 2022
<b>Revenue</b>	<b>315,203,453</b>	<b>247,965,323</b>	<b>869,348,239</b>	<b>802,787,397</b>
Direct Costs	(111,880,519)	(82,848,673)	(312,327,528)	(273,732,388)
<b>Gross profit</b>	<b>203,322,934</b>	<b>165,116,650</b>	<b>557,020,711</b>	<b>529,055,009</b>
Administrative expenses	(121,371,232)	(112,720,328)	(353,021,228)	(297,064,693)
Net movement on impairment provision	-	(6,290,959)	-	(6,290,959)
Depreciation	(13,928,958)	(12,942,979)	(37,814,988)	(32,043,469)
Amortisation	(3,052,988)	-	(9,067,955)	-
Other expense	(34,997)	-	(216,401)	-
<b>Operating profit</b>	<b>64,934,759</b>	<b>33,162,384</b>	<b>156,900,139</b>	<b>193,655,888</b>
Other income	-	373,500	15,500	373,500
Foreign exchange (loss)/gain	(603,132)	197,155	2,260,103	(19,023)
Finance income	555,114	548,725	13,180,579	1,862,585
Finance costs	(3,467,457)	(7,076,616)	(8,165,814)	(16,180,709)
<b>Profit before tax</b>	<b>61,419,284</b>	<b>27,205,148</b>	<b>164,190,507</b>	<b>179,692,241</b>
<b>Income tax expense</b>	<b>-</b>	<b>(3,456,828)</b>	<b>-</b>	<b>(31,333,376)</b>
<b>Profit for the year total comprehensive income</b>	<b>61,419,284</b>	<b>23,748,320</b>	<b>164,190,507</b>	<b>148,358,865</b>
<b>Earnings per share-basic and diluted</b>	<b>0.05</b>	<b>0.02</b>	<b>0.13</b>	<b>0.15</b>

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

## Image Plus Consultants Limited

### Unaudited statement of changes in equity

Third quarter ended November 30, 2023

	Share capital \$	Fair value reserve \$	Accumulated surplus \$	Total \$
<b>Balance at February 28, 2022 - Audited</b>	1,027,000	4,334,664	261,481,449	266,843,113
Dividend	-	-	(30,000,000)	(30,000,000)
Profit for the nine months ended November 30, 2022	-	-	148,358,865	148,358,865
<b>Balance at November 30, 2022 – Unaudited</b>	<b>1,027,000</b>	<b>4,334,664</b>	<b>379,840,314</b>	<b>385,201,978</b>
<b>Balance at February 28, 2023 – Audited</b>	<b>465,765,789</b>	<b>4,334,664</b>	<b>467,915,590</b>	<b>938,016,043</b>
Dividend for the year	-	-	(74,366,981)	(74,366,981)
Profit for nine months ended November 30, 2023	-	-	164,190,507	164,190,507
<b>Balance at November 30, 2023 - Unaudited</b>	<b>465,765,789</b>	<b>4,334,664</b>	<b>557,739,116</b>	<b>1,027,839,569</b>

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



# Image Plus Consultants Limited

## Unaudited statement of cash flows

Third quarter ended November 30, 2023

	Unaudited November 30, 2023 \$	Unaudited November 30, 2022 \$	Audited February 28, 2023 \$
<b>Cash flows from operating activities:</b>			
Profit before tax	164,190,507	179,692,241	251,983,396
Adjustments for:			
Interest expense	6,260,517	15,676,948	6,454,967
Interest expense on lease liabilities	1,905,297	503,761	360,792
Interest income	(13,180,579)	(1,862,585)	(84,500)
Depreciation	37,814,988	32,043,469	39,782,789
Amortisation	9,067,955	-	3,450,716
	<b>206,058,685</b>	<b>226,053,834</b>	<b>301,948,160</b>
Decrease/(Increase) in receivables	46,474,177	(103,118,788)	(159,400,387)
Increase in due from related party	(2,892,473)	(528,502)	(150,347)
(Decrease)/increase in trade and other payables	43,508,763	15,842,568	(10,131,522)
<b>Cash generated from operations</b>	<b>293,149,152</b>	<b>138,249,112</b>	<b>132,265,904</b>
Income tax paid	(32,208,350)	(9,989,266)	(11,627,976)
Interest paid	(6,260,517)	(15,676,948)	(6,454,967)
<b>Net cash provided by operations</b>	<b>254,680,285</b>	<b>112,582,898</b>	<b>114,182,961</b>
<b>Cash flow from investing activities</b>			
Interest received	13,180,579	1,862,585	84,500
Purchase of property, plant and equipment	(873,573,943)	(143,466,305)	(152,277,249)
Decrease/(Increase) in investment	436,498,131	(30,115,034)	(429,827,982)
<b>Net cash used in investing activities</b>	<b>(423,895,233)</b>	<b>(171,718,754)</b>	<b>(582,020,731)</b>
<b>Cash flow from financing activities</b>			
Repayment of borrowings	(17,759,690)	(21,755,044)	(29,522,067)
Repayment of lease liability	(7,821,273)	(4,491,781)	(3,719,208)
Interest paid on lease payments	(1,905,297)	(503,761)	(360,792)
Proceeds from borrowings	197,466,215	73,060,628	73,060,628
Dividend paid	(74,366,981)	(30,000,000)	(30,000,000)
Proceeds from Director's loan	31,563,772	-	-
Proceeds from issue of shares	-	-	495,779,872
Transaction costs on issue of shares	-	-	(31,041,083)
<b>Net cash provided by/(used in) financing activities</b>	<b>127,176,746</b>	<b>16,310,042</b>	<b>474,197,350</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(42,038,202)</b>	<b>(42,825,814)</b>	<b>6,359,580</b>
<b>Cash and cash equivalents at beginning of period/year</b>	<b>57,459,994</b>	<b>51,100,414</b>	<b>51,100,414</b>
<b>Cash and cash equivalents at end of period/year</b>	<b>15,421,792</b>	<b>8,274,600</b>	<b>57,459,994</b>

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

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# Image Plus Consultants Limited

## Notes to the unaudited interim financial statements

Third quarter ended November 30, 2023

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### **1. General information and nature of operations**

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

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

The company was listed on the Jamaica Stock Exchange (JSE) Junior Market via an 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, 2023. The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended February 28, 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.

# Image Plus Consultants Limited

## Notes to the unaudited interim financial statements

Third quarter ended November 30, 2023

### 3. Share Capital

	Unaudited nine months ended November 30, 2023	Unaudited nine months ended November 30, 2022
Authorised ordinary units of no par value	Unlimited	Unlimited
Issued ordinary units of no par value	1,239,449,680	991,559,744
Stated capital: Issued and fully paid ordinary stocks of no par value	465,765,789	1,027,000

### 4. Earnings per Shares

	Unaudited Nine months ended November 30, 2023 \$	Unaudited Nine months ended November 30, 2022 \$
<b>Profit attributable to shareholders</b>	<b>164,190,507</b>	<b>148,358,865</b>
Weighted average number of shares	1,239,449,680	991,559,744
Earnings per shares	0.13	0.15

#### Earnings per shares

	Unaudited Three months ended November 30, 2023 \$	Unaudited Three months ended November 30, 2022 \$
<b>Profit attributable to shareholders</b>	<b>61,419,284</b>	<b>23,748,320</b>
Weighted average number of shares	1,239,449,680	991,559,744
Earnings per shares	0.05	0.02

### 5. Property Acquisition

The company has now finalized the acquisition of a 0.73-acre property located at 33 Lady Musgrave Avenue, Kingston 5, Jamaica. This will be the future home of Apex Radiology's headquarters and we are now in the design phase of the construction of a multi-level, multi-purpose, state-of-the-art facility.

# Image Plus Consultants Limited

## Shareholdings of Directors and Connected Parties

As at November 30, 2023

### Directors

Names	Shares Held	Percentages %
Dr. Karlene McDonnough	303,417,282	24.48
Dr. Lilieth Bridgewater	160,632,679	12.96
Dr. Marian and Leon 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	-
	<b>569,207,896</b>	<b>45.92</b>

Connected parties	Connected to	Shares Held	Percentages %
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
Elizabeth Thompson	Mrs. Kisha Anderson	1,000,000	0.08
<b>Combined Connected Parties Holdings</b>		<b>261,370,330</b>	<b>21.08</b>
<b>Combined Holdings</b>		<b>830,578,226</b>	<b>67.00</b>

### Senior Managers Shareholder

Names	Shares Held	Percentages %
Kisha Anderson	2,750,000	0.222
Althia Frew Jones	600,000	0.048
Ramona Green	545,608	0.044
Kerry McDonnough Davis	525,000	0.042
Anthony Grizzle	200,394	0.016
Marcia Dolphy	200,000	0.016
Nicola Beccan-Morgan	100,000	0.008
	<b>4,921,002</b>	<b>0.397</b>

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# Image Plus Consultants Limited

## List of Top 10 Shareholders

As at November 30, 2023

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### 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	160,632,679	12.96
4. Advanced Imaging Limited	113,565,156	9.16
5. Dr.Marian and Leon Vaughan	99,155,974	8.00
6. Barita Investments Ltd	54,870,534	4.43
7. SureScan Radiology Services Limited	50,577,987	4.08
8. Jamaica Money Market Brokers Ltd	11,850,000	0.96
9. NCB Capital Market	9,650,000	0.78
10.JMMB Securities Ltd	9,500,000	0.77
<b>Total</b>	<b>1,022,983,033</b>	<b>82.54</b>
<b>Total Issued Capital</b>	<b>1,239,449,680</b>	