



STANLEY MOTTA LIMITED

UNAUDITED FINANCIAL STATEMENTS

QUARTER ENDED 30 SEPTEMBER 2020



Stanley Motta Limited
Quarter Ended 30 SEPTEMBER 2020

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The Board of Directors of Stanley Motta Ltd. are pleased to present the unaudited financial statements of Stanley Motta Limited for the quarter ended 30 September 2020.

The highlights are as follows:

- Revenue for the nine-month period ended September 2020 increased by 10.1% from J\$312.4M to J\$343.9M over the corresponding period of the previous year. Revenue of J\$117.8M for the Quarter end also represents a 10.9% increase over J\$106.2M recorded for the same period of the prior year. These increases are mainly attributable to the devaluation of the Jamaican dollar which moved from an average of J\$136.69:1US\$ as at 30th September 2019 to J\$143.95:1US\$ at 30th September 2020.
- Administrative expenses for the Year to Date (YTD) period represent an increase of 48.4% over prior year, moving from J\$109.9M to J\$163.2M. Similarly, there was 14.8% increase for the Quarter ended September 30, 2020 when compared to that of September 30, 2019, moving from J\$43.5M to J\$49.9M. Increases are due to a significant FX loss of J\$48.74M arising from the revaluation of our DBJ loan, SEZ fees, and repairs & maintenance and additional requirements based on our response to COVID 19.
- Net Operating Income (NOI) declined year over year, moving from J\$203.2M for September 2019 to J\$186.1M for the said period ended September 30, 2020, a 8.4% decrease. This is due to the YTD impact of the FX loss. Without this loss, the company would have realized NOI of approx.. J\$234.8M for the nine-month period ended September 30, 2020.
- Funds from Operations (FFO) of J\$155.1M was generated YTD September 2020 compared to that of J\$167.5M generated for September 2019, a 7.4% decrease as a result of the YOY increases in our Administrative expenses.
- Net Profit Margin for the Quarter, September 2020 stands at 46.8% and YTD, 43%. This demonstrates the company's commitment to maintaining strong operational efficiency, while continuing the collection of rent in a timely manner.
- Earnings Per Share which is calculated as profit after tax divided by weighted average number of shares was 20 cents for the nine-month period ending September 2020 compared to 22 cents over the corresponding period of the previous year.



- We expect little fluctuations in our results through to the end of the financial year, based around earning rent in US\$, continuing with close to 100% occupancy and maintaining the status quo until year end.

Melanie Subratie

Melanie Subratie
Chairman

B. Walker

Blondell Walker
Director



Stanley Motta Limited
 Unaudited Consolidated Statement of Comprehensive Income
 Quarter Ended 30 September 2020
 (Expressed in Jamaican Dollars Unless Otherwise Indicated)


	UNAUDITED NINE (9) MONTHS ENDED 30 SEPT 2020 \$'000	UNAUDITED NINE (9) MONTHS ENDED 30 SEPT 2019 \$'000	UNAUDITED QUARTER ENDED 30 SEPT 2020 \$'000	UNAUDITED QUARTER ENDED 30 SEPT 2019 \$'000	AUDITED YEAR ENDED 31 DECEMBER 2019 \$'000
Revenue	343,996	312,439	117,819	106,244	419,850
Other operating income	5,265	747	15	158	91
Administrative expenses	(163,174)	(109,941)	(49,886)	(43,455)	(121,715)
Operating Profit	186,087	203,245	67,948	62,947	298,226
Finance cost	(32,662)	(34,807)	(11,065)	(11,521)	(65,941)
Revaluation gain on investment property	-	-	-	-	53,018
Profit before taxation	153,425	168,439	56,883	51,426	285,303
Taxation	(5,241)	(2,945)	(1,728)	(1,765)	(4,009)
Net Profit/(Loss)	148,184	165,494	55,154	49,661	281,294
Other Comprehensive Income					
Items that may be subsequently reclassified to the profit or loss:					
Unrealised losses on securities classified as FVOCI					
Currency translation differences on net assets of foreign subsidiary	75,872	27,032	25,637	27,032	10,119
	75,872	27,032	25,637	27,032	10,119
Total Comprehensive Income	224,056	192,526	80,791	76,693	291,413
Earning per stock unit for profit attributable to the equity holders of the Company during the year	0.20	0.22	0.07	0.07	0.37



Stanley Motta Limited
 Unaudited Consolidated Statement of Financial Position
 As at 30 September 2020
 (Expressed in Jamaican Dollars Unless Otherwise Indicated)

	UNAUDITED AT 30 SEPTEMBER 2020 \$'000	UNAUDITED AT 30 SEPTEMBER 2019 \$'000	AUDITED YEAR ENDED 31 DECEMBER 2019 \$'000
Non-Current Assets			
Property, plant and equipment	29,231	22,447	34,961
Investment properties	4,892,407	4,748,799	4,784,152
Investments	765	765	765
	<u>4,922,403</u>	<u>4,772,011</u>	<u>4,819,878</u>
Current Assets			
Inventories	-	630	630
Receivables	70,421	42,060	14,030
Taxation recoverable	-	202	-
Cash and cash equivalents	86,691	76,847	33,705
	<u>157,112</u>	<u>119,739</u>	<u>48,365</u>
Current Liabilities			
Payables	66,224	125,280	79,881
Income tax payable	4,277	-	3,806
Current portion of borrowings	6,604	59,471	64,665
	<u>77,105</u>	<u>184,751</u>	<u>148,352</u>
Net Current (Liabilities)/Assets	<u>80,008</u>	<u>(65,012)</u>	<u>(99,987)</u>
	<u>5,002,411</u>	<u>4,706,999</u>	<u>4,719,891</u>
Shareholders' Equity			
Share capital	811,933	811,933	811,933
Fair value reserve	762	762	762
Capital reserve	238,379	238,379	238,379
Cumulative translation reserve	89,265	27,032	13,393
Retained earnings/(accumulated deficit)	3,040,532	2,912,957	2,937,818
	<u>4,180,872</u>	<u>3,991,063</u>	<u>4,002,285</u>
Non-Current Liabilities			
Borrowings	787,016	715,936	683,166
Long term payable	34,523	-	34,440
	<u>821,538</u>	<u>715,936</u>	<u>717,606</u>
	<u>5,002,411</u>	<u>4,706,999</u>	<u>4,719,891</u>

Approved by the Board of Directors on November 09, 2020, and signed on its behalf by:


 Melanie Subratie
 Chairman


 Blondell Walker
 Director

Stanley Motta Limited

Unaudited Consolidated Statement of Changes in Equity

Quarter Ended 30 September 2020

(Expressed in Jamaican Dollars Unless Otherwise Stated)

	Share Capital \$'000	Fair Value Reserve \$'000	Capital Reserve \$'000	Cumulative Translation Reserve \$'000	Retained Earnings/ (Accumulated Deficit) \$'000	Total \$'000
Balance at 31 December 2018	811,933	762	238,379	3,274	2,840,449	3,894,797
Net profit for the year					165,494	165,494
Other comprehensive income:						
Currency translation differences on net assets of foreign subsidiary				23,758		23,758
Total comprehensive income		-		23,758	165,494	189,252
Transactions with owners of the company:						
Issue of shares	-				(92,986)	(92,986)
Balance at 30 September 2019	811,933	762	238,379	27,032	2,912,957	3,991,063
Balance at 31 December 2019	811,933	762	238,379	13,393	2,937,818	4,002,285
Net profit for the year					148,184	148,184
Other comprehensive income:						
Currency translation differences on net assets of foreign subsidiary				75,872		75,872
Total comprehensive income		-		75,872	148,184	224,056
Transactions with owners of the company:						
Dividend paid	-				(45,470)	(45,470)
Balance at 30 September 2020	811,933	762	238,379	89,265	3,040,532	4,180,872

Stanley Motta Limited
 Unaudited Consolidated Statement of Cash Flows
 Quarter Ended 30 September 2020
 (Expressed in Jamaican Dollars Unless Otherwise Indicated)

	UNAUDITED	UNAUDITED	AUDITED
	AT	AT	YEAR ENDED
	30 SEPT 2020	30 SEPT 2019	31 DECEMBER
	\$'000	\$'000	2019
			\$'000
Cash Flows from Operating Activities			
Net profit	148,184	165,494	281,294
Adjusted for:			
Taxation	5,240	2,952	4,009
Depreciation	6,931	1,973	5,875
Interest income	-	(68)	(91)
Interest expenses	32,662	34,432	44,840
Revaluation gain on investment property	-	-	(53,018)
Exchange loss on foreign currency balances	48,736	61,114	27,795
	<u>241,753</u>	<u>265,897</u>	<u>310,704</u>
Changes in operating assets and liabilities			
Inventories	-	(86)	(86)
Receivables	(56,391)	(19,289)	8,741
Former parent company	-	(26,821)	(26,821)
Due to/(from) other related parties	-	(2,712)	(2,712)
Payables	(13,657)	5,446	(5,513)
Cash provided by operating activities	<u>171,705</u>	<u>222,435</u>	<u>284,313</u>
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	-	(5,473)	(21,588)
Addition to investment property	(8,547)	(59,483)	(29,760)
Proceeds from sale of equity investment	-	-	-
Interest received	-	68	121
Taxation paid	(5,240)	(4,983)	(2,032)
Cash used in investing activities	<u>(13,787)</u>	<u>(69,871)</u>	<u>(53,259)</u>
Cash Flows from Financing Activities			
Repayment of long-term loan	(26,800)	(45,256)	(61,192)
Proceeds from the issue of shares	-	-	-
Dividend paid	(45,470)	(92,986)	(183,925)
Interest Paid	(32,662)	(34,432)	(44,840)
Cash (used in)/provided by financing activities	<u>(104,932)</u>	<u>(172,674)</u>	<u>(289,957)</u>
Effect of exchange rate changes on cash and cash equivalents	-	4,356	7
Increase in net cash and cash equivalents	<u>52,986</u>	<u>(15,754)</u>	<u>(58,896)</u>
Cash and cash equivalents at beginning of year	<u>33,705</u>	<u>92,601</u>	<u>92,601</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD/ YEAR	<u>86,691</u>	<u>76,847</u>	<u>33,705</u>

Stanley Motta Limited

Notes to the Unaudited Financial Statements

As at 30 September 2020

(Expressed in Jamaican Dollars Unless Otherwise Indicated)

1. Identification and Principal Activity

Stanley Motta Limited, (the Company) is a company limited by shares incorporated and domiciled in Jamaica. The company is publicly listed on the main market of the Jamaica Stock Exchange. The registered office of the company is located at 58 Half-Way-Tree Road, Kingston 10.

In November 2017 the Company acquired 100% of the shares of Unity Capital Incorporated resulting in Unity Capital becoming a wholly-owned subsidiary of the Company.

These financial statements present the results of operations and financial position of the Company and its subsidiary, which are collectively referred to as "the Group". The principal activity of the Group is property rental.

2. Statement of Compliance and Basis of Preparation

These unaudited interim consolidated financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS) and their interpretations issued by the International Accounting Standards Board (IASB), and the relevant provisions of the Companies Act.

The interim consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale securities and investment property.

The accounting policies and method of computation are consistent with the audited financial statements for the year ended December 31, 2019. These financial statements are expressed in Jamaican Dollars which are the currency of the primary economic environment in which the company operates.

3. Earnings per Stock Unit

Earnings per share are calculated on net profit and are based on the number of shares in Issue at the end of the period

	UNAUDITED NINE (9) MONTHS ENDED 30 SEPT 2020	UNAUDITED NINE (9) MONTHS ENDED 30 SEPT 2019	UNAUDITED QUARTER ENDED 30 SEPT 2020	UNAUDITED QUARTER ENDED 30 SEPT 2019	AUDITED YEAR ENDED 31 DECEMBER 2019
Net profit attributable to ordinary shareholders (\$'000)	148,184,385	165,493,878	55,154,385	49,661,402	281,294,000
Weighted average of number of ordinary shares in issue at the end of the period	757,828,490	757,828,490	757,828,490	757,828,490	757,828,490
Basic earnings per share	0.20	0.22	0.07	0.07	0.37

Stanley Motta Limited
 Shareholders Profile
 As at 30 September 2020

Ten Largest Shareholders	Number of Shares
1. Stony Hill Capital Limited	113,844,873
2. VM Wealth Property Fund	110,933,057
3. Caona Investments Limited	75,782,849
4. General Accident Insurance Company Limited	73,591,200
5. PAM- JPS Employees Superannuation Ltd	65,913,300
6. Sagicor Life - Lascelles Demercado Defined Contribution Fund	52,284,916
7. Perseverance Limited	37,891,425
8. PAM- Pooled Equity Fund	28,838,750
9. NCB Insurance Company Limited -A/C WT161	28,248,000
10. NCB Capital Markets Ltd. A/C 2231	13,671,315

Shareholding of Directors, along with their connected persons	Number of Shares
1. Melanie Subratie	Nil
Shareholding of connected person	75,782,849
2. Sandra Glasgow	100,000
3. Blondell Walker	200,000
4. Minna Israel	100,000
5. Patricia Sutherland	Nil
6. Jennifer Scott	Nil
Shareholding of connected person	37,891,425
7. Andrea Kinach	100,000

Shareholding of Management	Number of Shares
1. Melanie Subratie	Nil
Shareholding of connected person	75,782,849