



**STANLEY MOTTA LIMITED**

UNAUDITED FINANCIAL STATEMENTS

QUARTER ENDED 30 JUNE 2021



Stanley Motta Limited  
Quarter Ended 30 JUNE 2021

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The Board of Directors of Stanley Motta Limited are pleased to present the unaudited financial statements of Stanley Motta Limited for the quarter ended 30 June 2021.

The highlights are as follows:

- Revenue for the six-month period ended June 2021 increased by 8.1% from J\$224.9M to J\$243.2M over the corresponding period of the previous year. Revenue of J\$123.7M for the Quarter-end also represents a 9.6% increase over J\$112.8M recorded for the same period of prior year. These increases are mainly attributable to the devaluation of the Jamaican dollar which moved from an average of J\$141.00 to J\$150.15:US\$1 over the period, June 2020 to June 2021.
- Administrative expenses for the YTD period represents a decrease of 1.4% over prior year, moving from J\$112.8M to J\$111.2M. Similarly, there was a 27.4% decrease for the Quarter ended June 2021 when compared to that of June 2020. The decreases are due to a lower FX loss of J\$20.7M for the YTD period compared to a loss of J\$35.2M for the same period of prior year. The FX Losses are associated with the revaluation of our DBJ loan based in US dollars. This J\$15M reduction in FX Loss year over year was offset by costs associated with planned building maintenance totaling J\$14M.
- Funds from Operations (FFO) of J\$114.8M was generated Year To Date ("YTD") June 2021 compared to that of J\$97.1M generated for June 2020, a 18.2% increase as a result of the year on year ("YOY") decrease in FX Losses. Without the FX Loss, FFO of J\$135.5M would have been generated for June 2021 versus J\$132.3M for June 2020, a 2.4% increase. FFO is calculated as net operating income plus depreciation.
- Net Operating Income (NOI) increased year over year, moving from J\$117.3M for June 2020 to J\$134M for the period ended June 30 2021, a 14.2% increase. As a result, our operating margin for this period remained strong at 55%.
- Net Profit Margin for the YTD period ended June 30 2021 stands at 45%. This is up from 41% for the same period of prior year. This increase is attributable to the increase in revenue and 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 comes out at 15 cents for the first half of the year compared to 12 cents over the corresponding period of the previous year.

  
Melanie Subratie  
Chairman

  
Blondell Walker  
Director



Stanley Motta Limited  
 Consolidated Statement of Comprehensive Income  
 Quarter Ended 30 June 2021  
 (Expressed in Jamaican Dollars Unless Otherwise Indicated)

	UNAUDITED SIX (6) MONTHS ENDED 30 JUNE 2021 \$'000	UNAUDITED SIX (6) MONTHS ENDED 30 JUNE 2020 \$'000	UNAUDITED QUARTER ENDED 30 JUNE 2021 \$'000	UNAUDITED QUARTER ENDED 30 JUNE 2020 \$'000	AUDITED YEAR ENDED 31 DECEMBER 2020 \$'000
<b>Revenue</b>	243,170	224,871	123,719	112,850	458,177
Other operating income	2,038	5,249	108	5,244	800
Administrative expenses	(111,241)	(112,815)	(55,715)	(76,744)	(149,024)
<b>Operating Profit</b>	133,967	117,305	68,112	41,349	309,953
Finance cost	(21,795)	(21,302)	(11,025)	(10,942)	(84,400)
Revaluation gain on investment property	-	-	-	-	626,061
<b>Profit before taxation</b>	112,172	96,003	57,087	30,407	851,614
Taxation	(1,993)	(3,456)	(960)	(1,067)	(3,367)
<b>Net Profit/(Loss)</b>	110,179	92,547	56,126	29,340	848,247
<b>Other Comprehensive Income</b>					
<b>Items that may be subsequently reclassified to the profit or loss:</b>					
Currency translation differences on net assets of foreign subsidiary	48,095	50,235	(7,190)	31,295	37,712
	48,095	50,235	(7,190)	31,295	37,712
<b>Total Comprehensive Income</b>	158,274	142,782	48,936	60,635	885,959
Earning per stock unit for profit attributable to the equity holders of the Company during the year	0.15	0.12	0.07	0.04	1.12



Stanley Motta Limited  
 Consolidated Statement of Financial Position  
 As at 30 June 2021  
 (Expressed in Jamaican Dollars Unless Otherwise Indicated)

	UNAUDITED	UNAUDITED	AUDITED
	AT	AT	YEAR ENDED
	30 JUNE 2021	30 JUNE 2020	31 DECEMBER
	\$'000	\$'000	2020
			\$'000
<b>Non-Current Assets</b>			
Property, plant and equipment	22,371	31,224	26,601
Investment properties	5,538,518	4,857,166	5,480,126
Right of use Asset	102,779		102,779
Investments	-	765	-
	<u>5,663,669</u>	<u>4,889,154</u>	<u>5,609,506</u>
<b>Current Assets</b>			
Inventories	-	630	-
Receivables	22,797	78,918	49,404
Cash and cash equivalents	151,146	91,191	54,221
	<u>173,942</u>	<u>170,738</u>	<u>103,625</u>
<b>Current Liabilities</b>			
Payables	55,945	101,753	46,784
Income tax payable	510	3,275	2,269
Current portion of borrowings	53,933	33,617	16,198
Current portion of lease liability	2,107	-	2,107
	<u>112,495</u>	<u>138,645</u>	<u>67,358</u>
<b>Net Current (Liabilities)/Assets</b>	<u>61,447</u>	<u>32,094</u>	<u>36,267</u>
	<u>5,725,116</u>	<u>4,921,248</u>	<u>5,645,773</u>
<b>Shareholders' Equity</b>			
Share capital	811,933	811,933	811,933
Fair value reserve	-	762	-
Capital reserve	238,379	238,379	238,379
Cumulative translation reserve	99,200	63,628	51,105
Retained earnings/(accumulated deficit)	3,683,299	3,030,365	3,642,840
	<u>4,832,811</u>	<u>4,145,067</u>	<u>4,744,257</u>
<b>Non-Current Liabilities</b>			
Borrowings	753,449	741,767	762,789
Lease Liabilities	104,316	-	104,317
Long term payable	34,541	34,414	34,410
	<u>892,305</u>	<u>776,180</u>	<u>901,516</u>
	<u>5,725,116</u>	<u>4,921,248</u>	<u>5,645,773</u>

Approved by the Board of Directors on August 9, 2021, and signed on its behalf by:

Melanie Subratie  
 Chairman

Blondell Walker  
 Director

Stanley Motta Limited

Consolidated Statement of Changes in Equity

Quarter Ended 30 June 2021

(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
<b>Balance at 31 December 2019</b>	811,933	762	238,379	13,393	2,937,818	4,002,285
Net profit for the year					92,547	92,547
Other comprehensive income:						
Currency translation differences on net assets of foreign subsidiary				50,235		50,235
Total comprehensive income		-		50,235	92,547	142,782
Transactions with owners of the company:						
Dividend paid					-	-
<b>Balance at 30 June 2020</b>	<b>811,933</b>	<b>762</b>	<b>238,379</b>	<b>63,628</b>	<b>3,030,365</b>	<b>4,145,067</b>
<b>Balance at 31 December 2020</b>	811,933	-	238,379	51,105	3,642,840	4,744,257
Net profit for the year					110,179	110,179
Other comprehensive income:						
Currency translation differences on net assets of foreign subsidiary				48,095		48,095
Total comprehensive income		-		48,095	110,179	158,274
Transactions with owners of the company:						
Dividend paid	-				69,720	69,720
<b>Balance at 30 June 2021</b>	<b>811,933</b>	<b>-</b>	<b>238,379</b>	<b>99,200</b>	<b>3,683,299</b>	<b>4,832,811</b>

Stanley Motta Limited  
Consolidated Statement of Cash Flows  
Quarter Ended 30 June 2021  
(Expressed in Jamaican Dollars Unless Otherwise Indicated)

	UNAUDITED	UNAUDITED	AUDITED
	AT	AT	YEAR ENDED
	30 JUNE 2021	30 JUNE 2020	31 DECEMBER
	\$'000	\$'000	2020
			\$'000
<b>Cash Flows from Operating Activities</b>			
Net profit	110,179	92,547	848,247
Adjusted for:			
Taxation	1,993	3,456	3,367
Depreciation	4,603	4,573	14,490
Loss on disposal of investment securities	-	-	765
Impairment of financial assets	-	-	2,202
Interest income	(72)	(20)	(74)
Interest expenses	21,795	21,302	52,397
Revaluation gain on investment property	-	-	(626,061)
Exchange loss on foreign currency balances	20,679	35,213	29,079
	<u>159,177</u>	<u>157,072</u>	<u>324,412</u>
Changes in operating assets and liabilities			
Inventories	-	-	630
Receivables	26,607	(65,928)	(41,459)
Payables	30,153	15,084	(36,638)
Long term payables	-	-	(30)
Cash provided by operating activities	<u>215,936</u>	<u>106,228</u>	<u>246,915</u>
<b>Cash Flows from Investing Activities</b>			
Purchase of property, plant and equipment	-	-	(162)
Addition to investment property	(5,786)	(5,269)	(14,692)
Interest received	72	20	74
Taxation paid	(1,759)	(2,004)	(4,904)
Cash used in investing activities	<u>(7,473)</u>	<u>(7,253)</u>	<u>(19,684)</u>
<b>Cash Flows from Financing Activities</b>			
Repayment of long-term loan	(22,547)	(20,331)	(21,005)
Dividend paid	(69,720)	-	(143,987)
Interest Paid	(21,795)	(21,302)	(44,847)
Cash (used in)/provided by financing activities	<u>(114,062)</u>	<u>(41,633)</u>	<u>(209,839)</u>
Effect of exchange rate changes on cash and cash equivalents	2,523	144	3,124
Increase in net cash and cash equivalents	<u>94,402</u>	<u>57,486</u>	<u>17,392</u>
Cash and cash equivalents at beginning of year	<u>54,221</u>	<u>33,705</u>	<u>33,705</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD/ YEAR</b>	<u><u>151,146</u></u>	<u><u>91,191</u></u>	<u><u>54,221</u></u>



Stanley Motta Limited

Notes to the Unaudited Financial Statements

As at 30 June 2021

(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

	<b>UNAUDITED SIX (6) MONTHS ENDED 30 JUNE 2021</b>	<b>UNAUDITED SIX (6) MONTHS ENDED 30 JUNE 2020</b>	<b>UNAUDITED QUARTER ENDED 30 JUNE 2021</b>	<b>UNAUDITED QUARTER ENDED 30 JUNE 2020</b>	<b>AUDITED YEAR ENDED 31 DECEMBER 2020</b>
Net profit attributable to ordinary shareholders (\$'000)	110,178,827	92,546,720	56,126,197	29,339,873	848,247,000
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	0.15	0.12	0.07	0.04	1.12

## Stanley Motta Limited

### Shareholders Profile

As at 30 June 2021

Ten Largest Shareholders	Number of Shares
1. Stony Hill Capital Limited	113,844,873
2. VM Wealth Property Fund	111,479,319
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	35,643,488
9. NCB Insurance Company Limited -A/C WT161	28,248,000
10. Guardian Life Limited – Pooled Real Estate Fund	16,948,000

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