



STANLEY MOTTA LIMITED

UNAUDITED FINANCIAL STATEMENTS

QUARTER ENDED 30 SEPTEMBER 2021



Stanley Motta Limited
Quarter Ended 30 SEPTEMBER 2021

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

The highlights are as follows:

- Revenue for the 9-month period ended September 2021 increased by 6.4% from J\$349.3M to J\$371.7M over the corresponding period of the previous year. Revenue of J\$125.7M for the quarter-end also represents a 6.6% increase over J\$117.8M recorded for the same period of the prior year. These increases are mainly attributable to the devaluation of the Jamaican dollar (J\$) which moved from an average of J\$143.95 to J\$149.34:US\$1 over the period, September 2020 to September 2021.
- Administrative expenses for the Year to Date (YTD) period represents a decrease of 12.7% over the prior year, moving from J\$163.2M to J\$142.5M. Similarly, there was a 37.7% decrease for the quarter ended September 2021 when compared to that of September 2020. The decreases are due to a lower Foreign Exchange Loss (FX loss) of J\$7.9M for the YTD period compared to a loss of J\$48.7M for the same period of the prior year. The FX Losses are associated with the revaluation of our US dollar (US\$) denominated loan. This J\$41M reduction in FX Loss year over year was offset by costs associated with planned building maintenance totaling J\$17.5M.
- Funds from Operations (FFO) of J\$200.4M was generated YTD September 2021 compared to that of J\$155.1M generated for September 2020, a 29.2% increase as a result of the year on year decrease in FX Losses. Without the FX Loss, FFO of J\$208.3M would have been generated for September 2021 versus J\$203.9M for September 2020, a 2.2% increase. FFO is calculated as net operating income plus depreciation.
- Net Operating Income (NOI) increased year over year, moving from J\$186.1M for September 2020 to J\$229.2M for the period ended September 30 2021, a 23.2% increase. As a result, our operating margin for this period remained strong at 61.7%.
- Net Profit Margin for the YTD period ended September 30 2021 was at 52%. This is up from 43% 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, calculated as profit after tax divided by weighted average number of shares was at 26 cents for the YTD period ended September 2021 compared to 20 cents for the corresponding period of the previous year.

Melanie Subratie
Chairman

Blondell Walker
Director



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

	UNAUDITED NINE (9) MONTHS ENDED 30 SEPT 2021 \$'000	UNAUDITED NINE (9) MONTHS ENDED 30 SEPT 2020 \$'000	UNAUDITED QUARTER ENDED 30 SEPT 2021 \$'000	UNAUDITED QUARTER ENDED 30 SEPT 2020 \$'000	AUDITED YEAR ENDED 31 DECEMBER 2020 \$'000
Revenue	365,400	343,996	121,366	117,819	458,177
Other operating income	6,322	5,265	4,290	15	800
Administrative expenses	(142,498)	(163,174)	(31,055)	(49,886)	(149,024)
Operating Profit	229,225	186,087	94,601	67,948	309,953
Finance cost	(32,889)	(32,662)	(10,933)	(11,065)	(84,400)
Revaluation gain on investment property	-	-	-	-	626,061
Profit before taxation	196,336	153,425	83,667	56,883	851,614
Taxation	(2,851)	(5,241)	(820)	(1,728)	(3,367)
Net Profit/(Loss)	193,485	148,184	82,847	55,154	848,247
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	66,177	75,872	18,082	25,637	37,712
	66,177	75,872	18,082	25,637	37,712
Total Comprehensive Income	259,662	224,056	100,929	80,791	885,959
Earning per stock unit for profit attributable to the equity holders of the Company during the year	0.26	0.20	0.11	0.07	1.12



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

	UNAUDITED AT 30 SEPTEMBER 2021 \$'000	UNAUDITED AT 30 SEPTEMBER 2020 \$'000	AUDITED YEAR ENDED 31 DECEMBER 2020 \$'000
Non-Current Assets			
Property, plant and equipment	20,163	29,231	26,601
Investment properties	5,576,644	4,892,407	5,480,126
Right of use Asset	104,616	-	102,779
Investments	-	765	-
	<u>5,701,423</u>	<u>4,922,403</u>	<u>5,609,506</u>
Current Assets			
Receivables	31,651	70,421	49,404
Cash and cash equivalents	111,099	86,691	54,221
	<u>142,751</u>	<u>157,112</u>	<u>103,625</u>
Current Liabilities			
Payables	40,905	66,224	46,784
Income tax payable	510	4,277	2,269
Current portion of borrowings	65,725	6,604	16,198
Current portion of lease liability	2,107	-	2,107
	<u>109,247</u>	<u>77,105</u>	<u>67,358</u>
Net Current (Liabilities)/Assets	<u>33,503</u>	<u>80,008</u>	<u>36,267</u>
	<u>5,734,926</u>	<u>5,002,411</u>	<u>5,645,773</u>
Shareholders' Equity			
Share capital	811,933	811,933	811,933
Fair value reserve	-	762	-
Capital reserve	238,379	238,379	238,379
Cumulative translation reserve	117,282	89,265	51,105
Retained earnings/(accumulated deficit)	3,696,884	3,040,532	3,642,840
	<u>4,864,478</u>	<u>4,180,872</u>	<u>4,744,257</u>
Non-Current Liabilities			
Borrowings	729,416	787,016	762,789
Lease Liabilities	106,423	-	104,317
Long term payable	34,608	34,523	34,410
	<u>870,448</u>	<u>821,538</u>	<u>901,516</u>
	<u>5,734,926</u>	<u>5,002,410</u>	<u>5,645,773</u>

Approved by the Board of Directors on November 8, 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 September 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
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:						
Issue of shares	-				(45,470)	(45,470)
Balance at 30 September 2020	811,933	762	238,379	89,265	3,040,532	4,180,872
Balance at 31 December 2020	811,933	-	238,379	51,105	3,642,840	4,744,257
Net profit for the year					193,485	193,485
Other comprehensive income:						
Currency translation differences on net assets of foreign subsidiary				66,177		66,177
Total comprehensive income		-		66,177	193,485	259,662
Transactions with owners of the company:						
Dividend paid	-				(139,440)	(139,440)
Balance at 30 September 2021	811,933	-	238,379	117,282	3,696,884	4,864,478

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

	UNAUDITED	UNAUDITED	AUDITED
	AT	AT	YEAR ENDED
	30 SEPT 2021	30 SEPT 2020	31 DECEMBER
	\$'000	\$'000	2020
			\$'000
Cash Flows from Operating Activities			
Net profit	193,485	148,184	848,247
Adjusted for:			
Taxation	2,851	5,240	3,367
Depreciation	6,961	6,931	14,490
Loss on disposal of investment securities	-	-	765
Impairment of financial assets	-	-	2,202
Interest income	-	-	(74)
Interest expenses	32,889	32,662	52,397
Revaluation gain on investment property	-	-	(626,061)
Exchange loss on foreign currency balances	7,868	48,736	29,079
	<u>244,053</u>	<u>241,753</u>	<u>324,412</u>
Changes in operating assets and liabilities			
Inventories	-	-	630
Receivables	17,753	(56,391)	(41,459)
Payables	10,623	(13,657)	(36,638)
Long term payables	-	-	(30)
Cash provided by operating activities	<u>272,429</u>	<u>171,705</u>	<u>246,945</u>
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	-	-	(162)
Addition to investment property	(22,720)	(8,547)	(14,692)
Interest received	-	-	74
Taxation paid	(2,851)	(5,240)	(4,904)
Cash used in investing activities	<u>(25,571)</u>	<u>(13,787)</u>	<u>(19,684)</u>
Cash Flows from Financing Activities			
Repayment of long-term loan	(24,812)	(26,800)	(21,005)
Dividend paid	(139,440)	(45,470)	(143,987)
Interest Paid	(32,889)	(32,662)	(44,847)
Cash (used in)/provided by financing activities	<u>(197,141)</u>	<u>(104,932)</u>	<u>(209,839)</u>
Effect of exchange rate changes on cash and cash equivalents	7,132	-	3,124
Increase in net cash and cash equivalents	<u>56,848</u>	<u>52,986</u>	<u>20,546</u>
Cash and cash equivalents at beginning of year	<u>54,251</u>	<u>33,705</u>	<u>33,705</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD/ YEAR	<u>111,099</u>	<u>86,691</u>	<u>54,251</u>

Stanley Motta Limited

Notes to the Unaudited Financial Statements

As at 30 September 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

	UNAUDITED NINE (9) MONTHS ENDED 30 SEPT 2021	UNAUDITED NINE (9) MONTHS ENDED 30 SEPT 2020	UNAUDITED QUARTER ENDED 30 SEPT 2021	UNAUDITED QUARTER ENDED 30 SEPT 2020	AUDITED YEAR ENDED 31 DECEMBER 2020
Net profit attributable to ordinary shareholders (\$'000)	193,484,887	148,184,385	82,847,212	55,154,385	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	0.26	0.20	0.11	0.07	1.12

Stanley Motta Limited
 Shareholders Profile
 As at 30 September 2021

Ten Largest Shareholders	Number of Shares
1. Stony Hill Capital Limited	113,844,873
2. VM Wealth Property Fund	76,779,319
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	35,654,377
9. VM Wealth Equity Fund	35,015,000
10. NCB Insurance Agency & Fund Managers Limited -A/C WT161	28,248,000

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
Shareholding of connected person	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