



**STANLEY MOTTA LIMITED**

UNAUDITED FINANCIAL STATEMENTS

QUARTER ENDED 31 DECEMBER 2021



Stanley Motta Limited

Quarter Ended 31 December 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 year ended 31 December 2021.

The highlights are as follows:

- Revenue for year ended December 2021 increased by 7.6% from J\$458.2M to J\$492.9M over the previous year. Revenue of J\$126.7M for the quarter ended December 2021 also represents a 7.6% increase over J\$117M 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\$144.41 to J\$155.15:US\$1 over the period, December 2020 to December 2021.
- Administrative expenses for the Year to Date (YTD) period represents an increase of 15.6% over the prior year, moving from J\$181M to J\$209.2M. Similarly, there was a 47.5% increase for the quarter ended December 2021 when compared to that of December 2020. The increases are due to a higher Foreign Exchange Loss (FX loss) of J\$38.6M for the YTD period compared to a loss of J\$32M for the same period of the prior year. The FX Losses are associated with the revaluation of our US dollar (US\$) denominated loan. This was coupled with the costs associated with planned building repairs & maintenance totaling approximately J\$25M.
- Funds from Operations (FFO) of J\$262.8M was generated YTD December 2021 compared to that of J\$236.7M generated for December 2020, an 11% increase as a result of the year on year increase in Revenue. FFO is calculated as net operating income plus depreciation.
- Net Operating Income (NOI) increased year over year, moving from J\$278M for December 2020 to J\$296.4M for the period ended December 30 2021, a 6.6% increase. As a result, our operating margin for 2021 remains strong at 60%.
- Net Profit Margin for Quarter, December 2021 stands at 540% and YTD, 180% as a result of the Revaluation Gains on our Investment Property. Without these gains, the Net Profit Margin for the Quarter, December 2021 would have been 41% and YTD, 49%. 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 \$1.20 for the YTD period ended December 2021 compared to \$1.12 for the corresponding period of the previous year.



- As a result of the 2021 revaluations, the value of Investment Property stands at \$6.3b in December 2021 compared to \$5.5b at December 2020.
- We have substantially reduced our Receivables from \$49.4M as at December 2020 to \$16.7M as at December 2021. All rent deferment offered in 2020 because of the pandemic, has now been fully recovered.

Revenue for 2022 is expected to remain stable excluding significant fluctuations in the foreign exchange and property revaluations. The collection of rent in US dollars is expected to continue on a timely basis.

Melanie Subratie  
Chairman

Blondell Walker  
Director



Stanley Motta Limited  
 Consolidated Statement of Comprehensive Income  
 Quarter Ended 31 December 2021  
 (Expressed in Jamaican Dollars Unless Otherwise Indicated)

	UNAUDITED TWELVE (12) MONTHS ENDED 31 DECEMBER 2021 \$'000	AUDITED YEAR ENDED 31 DECEMBER 2020 \$'000	UNAUDITED QUARTER ENDED 31 DECEMBER 2021 \$'000	UNAUDITED QUARTER ENDED 31 DECEMBER 2020 \$'000
<b>Revenue</b>	492,920	458,177	125,954	117,035
Other operating income	12,656	800	6,339	169
Depreciation charge	(14,760)	(14,490)	(7,727)	(2,283)
Exchange gain/(loss)	(38,631)	(32,003)	(30,756)	(7,932)
Administrative expenses	<u>(155,823)</u>	<u>(134,534)</u>	<u>(27,426)</u>	<u>(34,456)</u>
<b>Operating Profit</b>	296,363	277,950	66,384	72,533
Finance cost	(44,586)	(52,397)	(11,402)	(11,113)
Revaluation gain on investment property	<u>660,145</u>	<u>626,061</u>	<u>660,145</u>	<u>626,061</u>
<b>Profit before taxation</b>	911,922	851,614	715,127	687,481
Taxation	<u>(3,722)</u>	<u>(3,367)</u>	<u>(820)</u>	<u>(1,002)</u>
<b>Net Profit/(Loss)</b>	<u>908,200</u>	<u>848,247</u>	<u>714,307</u>	<u>686,479</u>
<b>Other Comprehensive Income</b>				
<b>Items that may be subsequently reclassified to the profit or loss:</b>				
Unrealised losses on securities classified as FVOCI				
Currency translation differences on net assets of foreign subsidiary	<u>73,257</u>	<u>37,712</u>	<u>7,080</u>	<u>(11,082)</u>
	<u>73,257</u>	<u>37,712</u>	<u>7,080</u>	<u>(11,082)</u>
<b>Total Comprehensive Income</b>	<u><u>981,457</u></u>	<u><u>885,959</u></u>	<u><u>721,387</u></u>	<u><u>675,397</u></u>
Earning per stock unit for profit attributable to the equity holders of the Company during the year	<u>1.20</u>	<u>1.12</u>	<u>0.94</u>	<u>0.91</u>



Stanley Motta Limited  
 Consolidated Statement of Financial Position  
 As at 31 December 2021  
 (Expressed in Jamaican Dollars Unless Otherwise Indicated)

	<b>UNAUDITED</b> <b>YEAR ENDED 31</b> <b>DECEMBER 2021</b> <b>\$'000</b>	<b>AUDITED</b> <b>YEAR ENDED 31</b> <b>DECEMBER 2020</b> <b>\$'000</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	17,909	26,601
Investment properties	6,270,163	5,480,126
Right of Use Asset	132,817	102,779
	<u>6,420,889</u>	<u>5,609,506</u>
<b>Current Assets</b>		
Receivables	16,817	49,404
Taxation recoverable	527	-
Cash and cash equivalents	70,763	54,221
	<u>88,108</u>	<u>103,625</u>
<b>Current Liabilities</b>		
Payables	16,035	46,784
Income tax payable	510	2,269
Current portion of lease liability	1,730	2,107
Current portion of borrowings	48,256	16,198
	<u>66,532</u>	<u>67,358</u>
<b>Net Current (Liabilities)/Assets</b>	<u>21,576</u>	<u>36,267</u>
	<u>6,442,465</u>	<u>5,645,773</u>
<b>Shareholders' Equity</b>		
Share capital	811,933	811,933
Capital reserve	238,379	238,379
Cumulative translation reserve	124,362	51,105
Retained earnings/(accumulated deficit)	4,361,583	3,642,840
	<u>5,536,257</u>	<u>4,744,257</u>
<b>Non-Current Liabilities</b>		
Borrowings	778,845	762,789
Lease Liability	92,693	104,317
Long term payable	34,671	34,410
	<u>906,208</u>	<u>901,516</u>
	<u>6,442,465</u>	<u>5,645,773</u>

Approved by the Board of Directors on February 11, 2021, and signed on its behalf by:

Melanie Subratie  
 Chairman

Blondell Walker  
 Director

Stanley Motta Limited

Consolidated Statement of Changes in Equity

Quarter Ended 31 December 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					848,247	848,247
Other comprehensive income:						
Currency translation differences on net assets of foreign subsidiary				37,712		37,712
Total comprehensive income		-		37,712	848,247	885,959
Transfer of gain on disposal of Investment Securities		(762)	-		762	-
Transactions with owners of the company:						
Dividend paid					(143,987)	(143,987)
<b>Balance at 31 December 2020</b>	811,933	-	238,379	51,105	3,642,840	4,744,257
<b>Balance at 31 December 2020</b>	811,933	-	238,379	51,105	3,642,840	4,744,257
Net profit for the year					908,200	908,200
Other comprehensive income:						
Currency translation differences on net assets of foreign subsidiary				73,257		73,257
Total comprehensive income		-		73,257	908,200	981,457
Transactions with owners of the company:						
Dividend paid	-				(189,457)	(189,457)
<b>Balance at 31 December 2021</b>	811,933	-	238,379	124,362	4,361,584	5,536,257

Stanley Motta Limited  
Consolidated Statement of Cash Flows  
Quarter Ended 31 December 2021  
(Expressed in Jamaican Dollars Unless Otherwise Indicated)

	UNAUDITED	AUDITED
	YEAR ENDED 31 DECEMBER 2021	YEAR ENDED 31 DECEMBER 2020
	\$'000	\$'000
<b>Cash Flows from Operating Activities</b>		
Net profit	908,200	848,247
Adjusted for:		
Taxation	3,722	3,367
Depreciation	14,760	14,490
Loss on disposal of Investment Security	-	765
Impairment of Financial Assets		2,202
Interest income	(130)	(74)
Interest expenses	44,586	52,397
Revaluation gain on investment property	(660,145)	(626,061)
Exchange loss on foreign currency balances	38,631	29,079
	<u>349,623</u>	<u>324,412</u>
Changes in operating assets and liabilities		
Inventories	-	630
Receivables	32,587	(41,459)
Payables	(30,749)	(36,638)
Long term payables	(9,633)	(30)
Cash provided by operating activities	<u>341,828</u>	<u>246,915</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(30,038)	(162)
Addition to investment property	(36,926)	(14,692)
Interest received	130	74
Taxation paid	(3,369)	(4,904)
Cash used in investing activities	<u>(70,202)</u>	<u>(19,684)</u>
<b>Cash Flows from Financing Activities</b>		
Repayment of Long Term Loan	(34,542)	(21,005)
Dividend paid	(189,457)	(143,987)
Interest Paid	(44,586)	(44,847)
Cash (used in)/provided by financing activities	<u>(268,585)</u>	<u>(209,839)</u>
Effect of exchange rate changes on cash and cash equivalents	13,501	3,124
Increase in net cash and cash equivalents	<u>16,542</u>	<u>20,516</u>
Cash and cash equivalents at beginning of year	54,221	33,705
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD/ YEAR</b>	<u><u>70,763</u></u>	<u><u>54,221</u></u>



Stanley Motta Limited

Notes to the Unaudited Financial Statements

As at 31 December 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 TWELVE (12) MONTHS ENDED 31 DEC 2021</b>	<b>AUDITED YEAR ENDED 31 DEC 2020</b>	<b>UNAUDITED QUARTER ENDED 31 DEC 2021</b>	<b>UNAUDITED QUARTER ENDED 31 DEC 2020</b>
Net profit attributable to ordinary shareholders (\$'000)	908,200,068	848,247,000	714,306,737	686,479,025
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
Basic earnings per share	1.20	1.12	0.94	0.91

Stanley Motta Limited  
Shareholders Profile  
As at 31 December 2021

Ten Largest Shareholders	Number of Shares
1. Stony Hill Capital Limited	113,844,873
2. Caona Investments Limited	75,782,849
3. General Accident Insurance Company Limited	73,591,200
4. VM Wealth Property Fund	69,912,989
5. PAM- JPS Employees Superannuation Ltd	65,913,300
6. Sagicor Life - Lascelles Demercado Defined Contribution Fund	52,284,916
7. PAM- Pooled Equity Fund	43,054,377
8. Perservance Limited	37,891,425
9. VM Wealth Equity Fund	35,198,000
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