



STANLEY MOTTA LIMITED

UNAUDITED FINANCIAL STATEMENTS

QUARTER ENDED 30 JUNE 2022



Stanley Motta Limited
Quarter Ended 30 June 2022

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The Board of Directors of Stanley Motta Limited is pleased to present the unaudited financial statements of the Company for the quarter ended 30 June 2022.

The highlights are as follows:

- Revenue for the six-month period ended 30 June 2022 increased by 2.8% from J\$243.2M to J\$250.1M over the corresponding period of the previous year. Revenue of J\$129.3M for the quarter end also represents a 4.5% increase over J\$123.7M recorded for the same quarter of the prior year. These increases are attributable to the depreciation of the Jamaican dollar which moved from an average of J\$150.15:US\$1 as at 30 June 2021 to J\$153.09:US\$1 at 30 June 2022. The Company successfully renewed the leases for two of its buildings which resulted in the increase of rental rates by 25% more per sq ft. This would have also contributed to the favourable year over year variance in revenue.
- Administrative expenses for the Year to Date (YTD) period represent a decrease of 2.3% over the prior year, moving from J\$111.2M to J\$108.7M. Similarly, there was a 24.7% decrease for the quarter ended 30 June 2022 when compared to the same quarter of the prior year. The decreases are mainly related to a reduction in Repair & Maintenance charges incurred for the period ended 30 June 2022. Significant building repairs were carried out for the same period in the prior year.
- Net Operating Income (NOI) increased year over year, moving from J\$134M for 30 June 2021 to J\$151.8M for the period ended 30 June 2022, a 13.3% increase. As a result, our operating margin as at 30 June 2022 remained strong at 61%.
- Funds from Operations (FFO) of J\$124.7M was generated YTD 30 June 2022 compared to J\$114.8M generated for the same period of the prior year, a 8.7% increase.
- Finance costs increased by 77.9% as the company incurred new fees in the period stemming from the refinancing of its USD denominated loan which included processing and commitment fees.
- Net Profit Margin for the YTD period ended 30 June 2022 stands at 42%. For the quarter ended 30 June 2022, the Net Profit Margin was at 53%. The Company continues to demonstrate its commitment to maintaining strong operational efficiency, while collecting rent in a timely manner.
- Earnings Per Share which is calculated as profit after tax divided by the weighted average number of shares was J\$0.15 for the six-month period ended 30 June 2022, the same as that of the corresponding period of the previous year.



STANLEY MOTTA LIMITED

- As a result of the 2021 revaluations, the value of Investment Property stands at \$6.2B as at 30 June 2022 compared to \$5.5B as at 30 June 2021.

Jennifer Scott
Director

Blondell Walker
Director



Stanley Motta Limited
 Unaudited Consolidated Statement of Comprehensive Income
 Quarter Ended 30 June 2022
 (Expressed in Jamaican dollars unless otherwise indicated)

	UNAUDITED SIX (6) MONTHS ENDED 30 JUNE 2022 \$'000	UNAUDITED SIX (6) MONTHS ENDED 30 JUNE 2021 \$'000	UNAUDITED QUARTER ENDED 30 JUNE 2022 \$'000	UNAUDITED QUARTER ENDED 30 JUNE 2021 \$'000	AUDITED YEAR ENDED 31 DECEMBER 2021 \$'000
Revenue	250,080	243,170	129,272	123,719	492,620
Other operating income	10,354	2,038	2,010	108	40,132
Administrative expenses	(108,662)	(111,241)	(41,942)	(55,715)	(180,576)
Operating Profit	151,773	133,967	89,340	68,112	352,176
Finance cost	(38,770)	(21,795)	(18,433)	(11,025)	(102,917)
Revaluation gain on investment property	-	-	-	-	553,986
Profit before taxation	113,004	112,172	70,907	57,087	803,245
Taxation	(2,557)	(1,993)	(1,269)	(960)	(4,945)
Net Profit	110,446	110,179	69,637	56,126	798,300
Other Comprehensive Income					
Items that may be subsequently reclassified to the profit or loss:					-
Currency translation differences on net assets of foreign subsidiary	(12,785)	48,095	1,158	(7,190)	78,992
	(12,785)	48,095	1,158	(7,190)	78,992
Total Comprehensive Income	97,661	158,274	70,795	48,936	877,292
Earning per stock unit for profit attributable to the equity holders of the Company during the year	0.15	0.15	0.09	0.07	1.05



Stanley Motta Limited
 Unaudited Consolidated Statement of Financial Position
 As at 30 June 2022
 (Expressed in Jamaican dollars unless otherwise indicated)

	UNAUDITED	UNAUDITED	AUDITED
	AT	AT	YEAR ENDED
	30 JUNE 2022	30 JUNE 2021	31 DECEMBER
	\$'000	\$'000	2021
			\$'000
Non-Current Assets			
Property, plant and equipment	13,552	22,371	17,896
Investment properties	6,234,358	5,538,518	6,169,094
Right of use Asset	200,671	102,779	209,819
	<u>6,448,582</u>	<u>5,663,669</u>	<u>6,396,809</u>
Current Assets			
Receivables	24,470	22,797	37,190
Taxation recoverable	-	-	528
Cash and cash equivalents	81,789	151,146	81,696
	<u>106,260</u>	<u>173,942</u>	<u>119,414</u>
Current Liabilities			
Payables	30,846	55,945	16,037
Income tax payable	2,541	510	1,745
Current portion of borrowings	35,675	53,933	40,499
Current portion of lease liability	30,398	2,107	21,948
	<u>99,460</u>	<u>112,495</u>	<u>80,229</u>
Net Current Assets	<u>6,799</u>	<u>61,447</u>	<u>39,185</u>
	<u>6,455,382</u>	<u>5,725,116</u>	<u>6,435,994</u>
Shareholders' Equity			
Share capital	811,933	811,933	811,933
Capital reserve	238,379	238,379	238,379
Cumulative translation reserve	117,312	99,200	130,097
Retained earnings	4,277,253	3,683,299	4,251,683
	<u>5,444,876</u>	<u>4,832,811</u>	<u>5,432,092</u>
Non-Current Liabilities			
Borrowings	799,789	753,449	776,607
Lease Liabilities	175,952	104,316	192,637
Long term payable	34,763	34,541	34,658
	<u>1,010,505</u>	<u>892,305</u>	<u>1,003,902</u>
	<u>6,455,381</u>	<u>5,725,116</u>	<u>6,435,994</u>

Approved by the Board of Directors on August 8, 2022, and signed on its behalf by:

Jennifer Scott
 Director

Blondell Walker
 Director

Stanley Motta Limited

Unaudited Consolidated Statement of Changes in Equity

Quarter Ended 30 June 2022

(Expressed in Jamaican dollars unless otherwise indicated)

	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 2020	811,933	-	238,379	51,105	3,642,840	4,002,285
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
Balance at 30 June 2021	811,933	-	238,379	99,200	3,683,299	4,832,811
Balance at 31 December 2021	811,933	-	238,379	130,097	4,251,683	5,432,092
Net profit for the year					110,446	110,446
Other comprehensive income:						
Currency translation differences on net assets of foreign subsidiary				(12,785)		(12,785)
Total comprehensive income		-		(12,785)	110,446	97,661
Transactions with owners of the company:						
Dividend paid	-				84,877	84,877
Balance at 30 June 2022	811,933	-	238,379	117,312	4,277,253	5,444,876

Stanley Motta Limited
 Unaudited Consolidated Statement of Cash Flows
 Quarter Ended 30 June 2022
 (Expressed in Jamaican dollars unless otherwise indicated)

	UNAUDITED	UNAUDITED	AUDITED
	AT	AT	YEAR ENDED
	30 JUNE 2022	30 JUNE 2021	31 DECEMBER
	\$'000	\$'000	2021
			\$'000
Cash Flows from Operating Activities			
Net profit	110,446	110,179	798,300
Adjusted for:			
Taxation	2,557	1,993	4,945
Depreciation	14,293	4,603	23,880
Impairment of financial assets	-	-	966
Interest income	(47)	(72)	(131)
Interest expenses	38,770	21,795	56,389
Revaluation gain on investment property	-	-	(553,986)
Exchange loss on foreign currency balances	18,831	20,679	13,725
	<u>184,851</u>	<u>159,177</u>	<u>344,088</u>
Changes in operating assets and liabilities			
Receivables	12,720	26,607	11,249
Payables	14,809	30,153	(24,454)
Long term payables	-	-	248
Cash provided by operating activities	<u>212,380</u>	<u>215,936</u>	<u>331,131</u>
Cash Flows from Investing Activities			
Addition to investment property	(68,925)	(5,786)	(45,818)
Interest received	47	72	130
Taxation paid	(2,557)	(1,759)	(3,355)
Cash used in investing activities	<u>(71,436)</u>	<u>(7,473)</u>	<u>(49,043)</u>
Cash Flows from Financing Activities			
Repayment of long-term loan	(17,259)	(22,547)	(20,625)
Dividend paid	(84,877)	(69,720)	(189,457)
Interest Paid	(38,770)	(21,795)	(56,389)
Cash (used in)/provided by financing activities	<u>(140,906)</u>	<u>(114,062)</u>	<u>(266,471)</u>
Effect of exchange rate changes on cash and cash equivalents	55	2,523	11,858
Increase in net cash and cash equivalents	<u>38</u>	<u>94,402</u>	<u>15,617</u>
Cash and cash equivalents at beginning of year	<u>81,696</u>	<u>54,221</u>	<u>54,221</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD/ YEAR	<u><u>81,789</u></u>	<u><u>151,146</u></u>	<u><u>81,696</u></u>

Stanley Motta Limited

Notes to the Unaudited Financial Statements

As at 30 June 2022

(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 31 December 2021. These financial statements are expressed in Jamaican Dollar which is the currency of the primary economic environment in which the company operates.

3. Earnings per Share

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 SIX (6) MONTHS ENDED 30 JUNE 2022	UNAUDITED SIX (6) MONTHS ENDED 30 JUNE 2021	UNAUDITED QUARTER ENDED 30 JUNE 2022	UNAUDITED QUARTER ENDED 30 JUNE 2021	AUDITED YEAR ENDED 31 DECEMBER 2021
Net profit attributable to ordinary shareholders (\$'000)	110,446,441	110,178,827	69,637,390	56,126,197	798,300,000
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	0.15	0.09	0.07	1.05

Stanley Motta Limited

Shareholders Profile

As at 30 June 2022

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. PAM- Pooled Equity Fund	73,448,377
5. PAM- JPS Employees Superannuation Ltd	65,913,300
6. Sagicor Life - Lascelles Demercado Defined Contribution Fund	52,284,916
7. VMWealth Property Fund	39,482,726
8. Perseverance Limited	37,891,425
9. VMWealth Equity Fund	35,201,500
10. NCB Insurance Company 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	200,000
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