



UNAUDITED FINANCIAL STATEMENTS
THREE MONTHS | ENDED 31 December 2022



138 STUDENT LIVING JAMAICA LIMITED

UNAUDITED FINANCIAL STATEMENTS

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CHAIRMAN'S INTERIM REPORT TO THE SHAREHOLDERS

The Board of Directors of 138 Student Living Jamaica Limited (138 SL) presents the unaudited consolidated financial statements for the first quarter ended 31 December 2022 which has been prepared in accordance with International Financial Reporting Standards (IFRS).

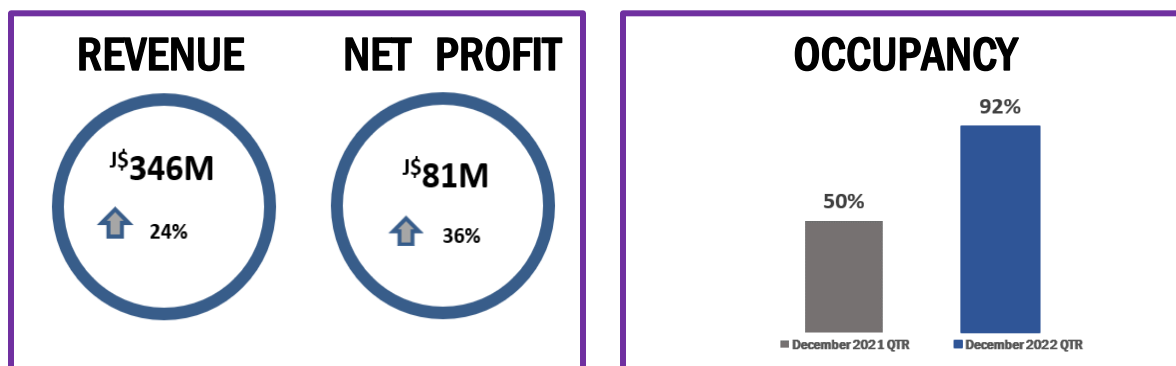
Overview

The lifting of the Covid-19 restrictions and the subsequent return to face-to-face classes has resulted in a return to normalcy in operations with average occupancy at the end of the quarter peaking at 94%. Under the Concession Agreement with the University of the West Indies, Mona (UWI), 138 SL is guaranteed a 90% occupancy.

Our outlook is that this trend will continue, as students seek for quality accommodation in a secured environment. We expect to see a slight increase in occupancy in the second quarter.

Our short-term rental business continues to show resilience contributing \$37.4 million of revenue during the quarter with more than ten groups being hosted during the quarter.

For the three-month period ending December 31, 2022, The Group recorded net profit of \$81.0 million.





Financial Highlights

	3 months ended 31 December 2022	3 months ended 31 December 2021	Q-O-Q CHANGE %
	\$'000	\$'000	
Revenue	346,351	278,888	24
Expenses	173,787	134,503	(29)
Finance Costs	91,558	90,969	(1)
Operating Profit before taxation	81,006	53,416	52
Taxation	(96)	6,179	(102)
Net Profit	80,910	59,595	36

For the quarter under review revenue increased by 24% when compared to the corresponding period last year; the increase was driven by an increase in occupancy from short-term rental business as well as long-term occupancy rates being above 90%, a general increase in room rates for long term resident and the Irvine Hall variation claim.

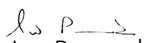
For the current quarter, the group recorded an increase of 52% profit before taxation when compared to December 31, 2021, and a 36% increase in net profit when compared to December 31, 2021.

The Consolidated Statement of Financial Position shows Assets at \$9.8 billion and Shareholders' Equity at \$4.8 billion. The lower receivables are due to arrangements arrived at with the UWI, Mona for settlement of outstanding balances. Student receivables balances reduced significantly as we continue to enforce strict collection measures.

Our Net cash position from operations grew significantly primarily due to the return to normalcy of revenue from long-term accommodation, the increase in short term rentals revenue and the strict collection measures that are in place. We continue to be nimble in our approach to managing the business recognising that good fiscal management is essential for long term sustainability.

During the period under review, 138 SL operated 1,464 world-class rooms at its four (4) locations on the UWI Mona Campus consisting of 1,692 beds.

The Staff, Management, and Board of Directors of 138 Student Living remain grateful to our Investors, Partners and Residents for believing in and supporting us. We look forward to your continued support.


Ian Parsard
Chairman



UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

THREE MONTHS | ENDED 31 December 2022

	Note		
		3 Months ended 31 December 2022 J\$'000	3 Months ended 31 December 2021 J\$'000
REVENUE			
Income		341,066	276,268
Other Operating Income		5,285	2,620
		<u>346,351</u>	<u>278,888</u>
EXPENSES			
Administrative Expenses		<u>173,787</u>	<u>134,503</u>
PROFIT FROM OPERATIONS		<u>172,564</u>	<u>144,385</u>
Finance Costs		<u>91,558</u>	<u>90,969</u>
PROFIT BEFORE TAXATION		<u>81,006</u>	<u>53,416</u>
Taxation		<u>(96)</u>	<u>6,179</u>
NET PROFIT FOR THE PERIOD		<u>80,910</u>	<u>59,595</u>
Other Comprehensive Income		-	-
Change In Fair Value of Financial Asset		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>80,910</u>	<u>59,595</u>
Profit per stock unit	6	0.20	0.14



UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 December 2022

	Unaudited 31-Dec-22 J\$'000	Unaudited 31-Dec-21 J\$'000	Audited 30-Sep-22 J\$'000
NON-CURRENT ASSETS			
Financial Asset -Service Commission Rights	8,450,956	8,513,035	8,442,711
Motor Vehicle	961	1,612	1,117
Deferred Tax Asset	186,797	286,856	180,643
Other Asset	-	-	-
	8,638,714	8,801,503	8,624,471
CURRENT ASSETS			
Receivables	976,578	1,431,246	903,293
Taxation Recoverable	24,823	24,745	24,767
Short Term Deposits	83,359	761	-
Cash and Cash Equivalents	113,058	21,559	170,444
	1,197,818	1,478,311	1,098,504
	9,836,532	10,279,814	9,722,975
EQUITY AND LIABILITIES			
Share Capital	721,153	721,153	721,153
Fair Value Reserve	2,949,430	3,047,572	2,949,430
Retained Earnings	965,461	714,120	884,551
	4,636,044	4,482,845	4,555,134
NON-CURRENT LIABILITIES:			
Long Term Loans	4,210,003	4,210,004	3,847,369
Redeemable Preference Shares	172,643	172,643	172,642
	4,382,646	4,382,647	4,020,011
CURRENT LIABILITIES:			
Payables	591,945	1,197,139	561,874
Taxation	15,898	7,184	13,322
Current Portion of Long Term Loan	-	-	210,000
Short term Borrowing	210,000	210,000	362,634.00
	817,843	1,414,323	1,147,830
	9,836,532	10,279,814	9,722,975

IAN PARSARD

IAN PARSARD
CHAIRMAN

SHARON DONALDSON-LEVINE

SHARON DONALDSON-LEVINE
DIRECTOR



UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE PERIOD ENDED 31 December 2022

	SHARE CAPITAL <u>J\$'000</u>	FAIR VALUE RESERVE <u>J\$'000</u>	RETAINED EARNINGS <u>J\$'000</u>	TOTAL <u>J\$'000</u>
Balance at 30 September 2021 (Restated)	721,153	3,047,573	566,189	4,334,915
Deferred Tax Adjustment	-	-	88,336	88,336
Balance at September 2021	721,153	3,047,573	654,525	4,423,251
Profit for the Period	-	-	59,595	59,595
Balance at 30 December 2021	721,153	3,047,573	714,120	4,482,846
Change in Fair Value of Financial Asset-	-	(98,143)	-	(98,143)
Profit for the Period	-	-	170,431	170,431
Balance at 30 September 2022	721,153	2,949,430	884,551	4,555,134
Profit for the Period	-	-	80,910	80,910
Balance at 31 December 2022	721,153	2,949,430	965,461	4,636,044



CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS PERIOD ENDED 31 December 2022

	Unaudited 31-Dec-22 J\$'000	Unaudited 31-Dec-21 J\$'000	Audited 30-Sep-22 J\$'000
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit	80,910	59,595	318,362
Items not Affecting Cash Resources:			
Effects of Foreign Exchange Gains	-	-	4,353
Taxation	(3,769)	(6,180)	16,690
Interest Income	(309)	-	(62)
Interest Expense	91,558	90,969	363,487
Depreciation	156	156	624
Loss on disposal of financial assets	-	-	(12)
Adjustment to property, plant & equipment	-	-	27
	168,546	144,540	703,469
Changes in Operating Assets and Liabilities:			
Receivables	(98,364)	(164,853)	374,540
Taxation Recoverable	(12)	-	(25)
Payables	42,253	26,343	(572,973)
	(56,123)	(138,510)	(198,458)
Net cash provided by operating activities	112,423	6,030	505,011
CASH FLOW FROM INVESTING ACTIVITIES:			
Additions to Financial Asset - Service Concession Rights	(8,244)	(35)	(27,854)
Short Term Deposits	(83,209)	-	760
Interest Received	172	-	62
Interest Paid	(78,527)	(21,480)	(340,237)
Proceeds from Disposal of Financial Assets	-	-	12
Net Cash Used in by Investing Activities	(169,809)	(21,515)	(367,257)
CASH FLOW FROM FINANCING ACTIVITIES:			
Short Term Loans	-	-	75,000
Loan Repaid	-	(1,892)	(76,892)
Net Cash Used in Financing Activities	-	(1,892)	(1,892)
Net decrease/increase in cash and cash equivalents	(57,385)	(17,376)	135,862
Exchange Gain on Foreign Cash Balance	-	-	(4,353)
Cash and Cash Equivalents at Start of The Period	170,444	38,935	38,935
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	113,058	21,559	170,444



NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 December 2022

1. IDENTIFICATION AND PRINCIPAL ACTIVITIES:

- (a) 138 Student Living Jamaica Limited (138 SL) is a limited liability company. The company was incorporated in Jamaica on 15 August 2014 and is domiciled in Jamaica. The registered office of the company is located at 2 Castries Drive, UWI Mona, Kingston 7.
- (b) The company is established to construct and rent living facilities at the University of the West Indies under a 65-year concession agreement granted by the University of the West Indies.
- (c) The company, (138SL), is a public listed company and was listed on the Jamaica Stock Exchange on 18 December 2014.
- (d) The company has a 100% subsidiary, 138SL Restoration Limited, a limited liability company, incorporated in Jamaica on 31 April 2015 and domiciled in Jamaica and which has a 35-year concession agreement. The concession was granted by the University of the West Indies, Mona, for the restoration and reconstruction of certain Traditional Halls.

2. REPORTING CURRENCY:

Items included in the financial statements of the company are measured using the primary economic environment in which the company operates (“the functional currency”). These financial statements are presented in Jamaican dollars which is considered the company’s functional and presentation currency.

3. BASIS OF CONSOLIDATION:

The consolidated financial statements combine the financial position, results of operations and cash flows of the Company and its subsidiary, 138SL Restoration Limited.

4. SIGNIFICANT ACCOUNTING POLICIES:

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs), their interpretations issued by the International Accounting Standards Board and have been prepared under the historical cost convention as modified by revaluation of financial



asset – services concession rights. The financial statements also comply with the provisions of the Jamaican Companies Act.

The principal accounting policies applied in the preparation of these unaudited financial statements are consistent with those used in the audited financial statements for the year ended 31 September 2022 and comply with the requirements of the International Financial Reporting Standards (IAS 34, Interim Financial Reporting). Where necessary, prior year comparatives have been restated and reclassified to conform to the current year's presentation.

An entity shall apply International Financial Reporting Standards (IFRS) 16 to all leases, including leases of right-of-use assets in a sublease, except for Service Concession Arrangements within the scope of IFRIC 12 Service Concession Arrangements, accordingly IFRS 16 is not applicable to the company.

5. ACCOUNTING ESTIMATES AND JUDGEMENTS

Certain amounts recorded in these unaudited consolidated financial statements reflect estimates and assumptions made by management. Actual results may differ from the estimates and assumptions made. Interim results are not necessarily indicative of the full year's results.

6. EARNINGS PER STOCK UNIT:

Earning per stock unit

Earning per stock unit is calculated by dividing the net profit attributable to stockholders by the 414,500,000 weighted average number of ordinary stock units in issue.

	3 months ended 30 Sep 2022 J\$ 000	3 months ended 30 Sep 2021 J\$ 000
Net profit attributable to stockholders	80,910	59,595
Earnings per stock unit	\$0.20	\$0.14



138 STUDENT LIVING JAMAICA LIMITED QUARTERLEY REPORT AS AT DECEMBER 31, 2022

TOP TEN (10) LARGEST SHAREHOLDERS

SHAREHOLDER	NO. OF SHARES	TOTAL NO. OF SHARES	SHAREHOLDING
SAGICOR		164,461,028	39.68%
SAGICOR POOLED EQUITY FUND	91,314,520		
JCSD TRUSTEE SERVICES LTD - SIGMA EQUITY	42,657,002		
SAGICOR POOLED MORTGAGE & REAL ESTATE FUND	16,233,333		
JCSD TRUSTEE SERVICES LTD - SIGMA GLOBAL VENTURE	14,256,173		
NCB INSURANCE CO. LTD. A/C WT040		82,832,770	19.98%
K LIMITED		68,803,832	16.60%
BARITA INVESTMENTS		13,016,311	3.14%
JCSD TRUSTEE SERVICES LIMITED A/C BARITA UNIT TRUST REAL ESTATE PORTFOLIO	10,974,925		
BARITA INVESTMENTS LTD - LONG A/C (TRADING)	2,041,386		
JMMB		10,114,529	2.44%
JMMB RETIREMENT SCHEME (AGGRESSIVE)	692,600		
JMMB RETIREMENT SCHEME (CONSERVATIVE)	767,300		
JMMB RETIREMENT SCHEME (MODERATE)	2,345,300		
JMMB FUND MANAGERS LTD. T1- EQUITIES FUND	2,535,595		
JMMB PENSION FUND	3,773,734		
WISYNCO GROUP LIMITED PENSION FUND		10,000,000	2.41%
VMPM - POOLED PENSION REAL ESTATE		8,667,518	2.09%
BARRINGTON PHILLIP BROWN		7,334,592	1.77%
MF&G ASSET MANAGEMENT LTD. - JAMAICA INVESTMENTS FUND		6,111,300	1.47%
CONLEY SALMON/JULIET SALMON		5,000,000	1.21%
TOTAL			81.84%

138 STUDENT LIVING JAMAICA LIMITED

For purposes of compliance with Rule 407 of the Jamaica Stock Exchange Rules, details of stockholdings of Directors and Senior Management and their connected persons as at 31 December 2022 are set out hereunder:

SHAREHOLDINGS OF DIRECTORS AND CONNECTED PARTIES

DIRECTORS	SHAREHOLDING	CONNECTED PARTIES	SHAREHOLDING
IAN PARSARD	NIL	IAN PARSARD/ KAREN PARSARD	1,000,000
JOHN W. LEE	NIL	K LIMITED	68,803,832
IVAN CARTER	NIL		
SHARON DONALDSON	100,000		
MARRYNETTE LEE	NIL	K LIMITED	68,803,832
BRENDA-LEE MARTIN	NIL		
PETER PEARSON	NIL	PETER/YVONNE PEARSON	400,000

SHAREHOLDINGS OF SENIOR MANAGEMENT AND CONNECTED PARTIES

SENIOR MANAGEMENT	SHAREHOLDING	CONNECTED PARTIES	SHAREHOLDING
CRANSTON EWAN	NIL		
SEMOUR MILLEN	NIL	DOMINIQUE MILLEN/ANTOINE MILLEN/ANAYAH MILLEN	NIL
RENELLE WILSON-PEARSON	NIL	ELVIS PEARSON	NIL

COMPANY SECRETARY	SHAREHOLDING	CONNECTED PARTIES	SHAREHOLDING
STEPHEN GREIG	NIL		