



UNAUDITED FINANCIAL STATEMENTS
SIX MONTHS | ENDED 31 March 2023



138 STUDENT LIVING JAMAICA LIMITED
UNAUDITED FINANCIAL STATEMENTS
SIX MONTHS | ENDED 31 March 2023

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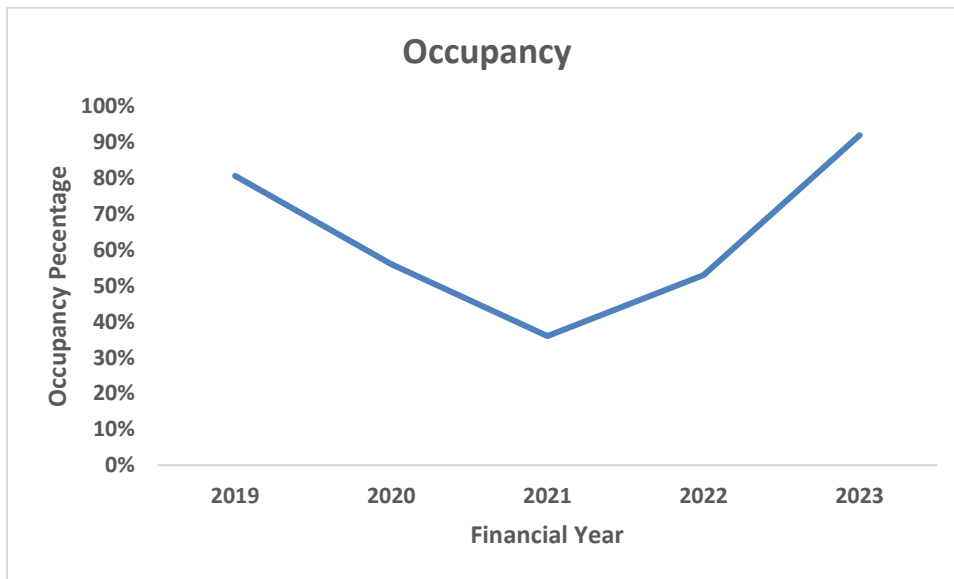


CHAIRMAN'S INTERIM REPORT TO THE SHAREHOLDERS

The Board of Directors of 138 Student Living Jamaica Limited (the Group) presents the unaudited consolidated financial statements for the second quarter ended 31 March 2023.

Overview

The Group continues to perform above expectations with room occupancy peaking at 92% during the quarter. We are pleased with the performance as it is a strong indicator that our operations returned to normalcy quite quickly once The Mona Campus returned to “face to face teaching.”



Our outlook is that this trend will continue, as many students prefer on campus quality accommodation in a secured environment.



Financial Highlights

	3 months ended 31 March 2023	3 months ended 31 March 2022	Q-O-Q CHANGE %	6 months ended 31 March 2023	6 months ended 30 March 2022	Y-T-D CHANGE %
	\$'000	\$'000		\$'000	\$'000	
Revenue	354,302	305,341	16	700,653	584,229	20
Expenses	162,048	124,436	(30)	335,835	258,939	(30)
Finance Costs	89,840	90,050	0	181,398	181,019	(0)
Operating Profit before taxation	102,414	90,855	13	183,420	144,271	27
Taxation	(2,182)	4,750	(146)	(2,278)	10,929	(121)
Net Profit	100,232	95,605	5	181,142	155,200	17

For the quarter under review the Group's revenue was \$354m, an increase of 16%, when compared to the \$305m achieved in the corresponding period last year. The increase was partly due to the strong performance in long-term occupancy as well as our short-term rental business, which continues its venture into new areas, contributing \$23m for this quarter and \$61m for the 6 months compared to \$12m and \$23m for the corresponding periods respectively.

For the current quarter, the Group recorded an increase of 13% profit before taxation when compared to 31 March 2022, and a 5% increase in net profit when compared to 31 March 2022 which is reflected in our Earnings Per Stock Unit of 24 cents when compared with 23 cents earned in the same period last year. The EPS for the 6 months is 44 cents compared to 37 Cents for the 6 months period to March 2022.

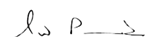
The Group paid its first dividend in February 2023, which was 13 cents per share. Our Board considers this an important step in returning value to our Stockholders.

The Consolidated Statement of Financial Position shows Assets at \$9.8 billion and Shareholders' Equity at \$4.7 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 remains a stable source of working capital and allows us to honour our financial obligations as they fall due.

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 1,800 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
SIX MONTHS | ENDED 31 March 2023

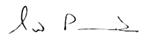
	3 Months ended 31 March 2023	3 Months ended 31 March 2022	6 Months ended 31 March 2023	6 Months ended 31 March 2022
	J\$'000	J\$'000	J\$'000	J\$'000
REVENUE				
Income	320,058	294,916	661,124	571,184
Other Operating Income	34,245	10,425	39,530	13,045
	<u>354,302</u>	<u>305,341</u>	<u>700,653</u>	<u>584,229</u>
EXPENSES				
Administrative Expenses	162,048	124,436	335,835	258,939
PROFIT FROM OPERATIONS	<u>192,254</u>	<u>180,905</u>	<u>364,818</u>	<u>325,290</u>
Finance Costs	89,840	90,050	181,398	181,019
PROFIT BEFORE TAXATION	<u>102,414</u>	<u>90,855</u>	<u>183,420</u>	<u>144,271</u>
Taxation	(2,182)	4,750	(2,278)	10,929
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>100,232</u>	<u>95,605</u>	<u>181,142</u>	<u>155,200</u>
Profit per stock unit	(Note 6)	0.24	0.23	0.44
		0.23	0.44	0.37



UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 March 2023

	Unaudited 31-Mar-23 J\$'000	Unaudited 31-Mar-22 J\$'000	Audited 30-Sep-22 J\$'000
NON-CURRENT ASSETS			
Financial Asset -Service Commission Rights	8,463,278	8,517,064	8,442,711
Motor Vehicle	805	1,456	1,117
Deferred Tax Asset	188,182	291,606	180,643
	8,652,266	8,810,126	8,624,471
CURRENT ASSETS			
Receivables	964,240	1,482,856	903,293
Taxation Recoverable	24,837	24,753	24,767
Short Term Deposits	-	760	-
Cash and Cash Equivalents	114,098	36,469	170,444
	1,103,175	1,544,838	1,098,504
Total Assets	9,755,441	10,354,964	9,722,975
EQUITY AND LIABILITIES			
Share Capital	721,153	721,153	721,153
Fair Value Reserve	2,949,430	3,047,573	2,949,430
Retained Earnings	1,011,808	809,725	884,551
	4,682,391	4,578,451	4,555,134
NON-CURRENT LIABILITIES:			
Long Term Loans	3,700,949	4,210,004	3,847,369
Redeemable Preference Shares	172,643	172,643	172,642
	3,873,592	4,382,647	4,020,011
CURRENT LIABILITIES:			
Payables	539,090	1,176,683	561,874
Taxation	14,523	7,183	13,322
Current Portion of Long Term Loan	435,844	-	362,634
Short Term Borrowing	210,000	210,000	210,000
	1,199,458	1,393,866	1,147,830
Total Equity & Liabilities	9,755,441	10,354,964	9,722,975


 IAN PARSARD
 CHAIRMAN


 SHARON DONALDSON-LEVINE
 DIRECTOR



UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED 31 March 2023

	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	-	-	155,200	155,200
Balance at 31 March 2022	721,153	3,047,573	809,725	4,578,451
Change in Fair Value of Financial Asset-	-	(98,143)	-	(98,143)
Profit for the Period	-	-	74,826	74,826
Balance at 30 September 2022	721,153	2,949,430	884,551	4,555,134
Profit for the Period	-	-	181,142	181,142
Dividend (Note 7)	-	-	(53,885)	(53,885)
Balance at 31 March 2023	721,153	2,949,430	1,011,808	4,682,391



CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 31 March 2023

	Unaudited 31-Mar-23 J\$'000	Unaudited 31-Mar-22 J\$'000	Audited 30-Sep-22 J\$'000
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit	181,142	155,200	318,362
Items not Affecting Cash Resources:			
Effects of Foreign Exchange Gains	1,498	-	4,353
Taxation	(7,539)	(10,929)	16,690
Interest Income	(309)	-	(62)
Interest Expense	181,398	181,019	363,487
Depreciation	312	312	624
Loss on disposal of financial assets	-	-	(12)
Adjustment to property, plant & equipment	-	-	27
	356,502	325,602	703,469
Changes in Operating Assets and Liabilities:			
Receivables	(63,666)	(224,231)	374,540
Taxation Recoverable	(70)	(9)	(25)
Payables	(30,407)	69,907	(572,973)
	(94,143)	(154,333)	(198,458)
Net cash provided by operating activities	262,360	171,269	505,011
CASH FLOW FROM INVESTING ACTIVITIES:			
Additions to Financial Asset - Service Concession Rights	(20,567)	(4,063)	(27,854)
Short Term Deposits	-	-	760
Interest Received	171	-	62
Interest Paid	(169,716)	(167,779)	(340,237)
Proceeds from Disposal of Financial Assets	-	-	12
Net Cash used in Investing Activities	(190,112)	(171,842)	(367,257)
CASH FLOW FROM FINANCING ACTIVITIES:			
Short Term Loans	-	-	75,000
Dividends Paid	(53,885)	-	-
Loan Repaid	(73,210)	(1,892)	(76,892)
Net Cash used in Financing Activities	(127,095)	(1,892)	(1,892)
Net (decrease)/increase in cash and cash equivalents	(54,847)	(2,464)	135,862
Exchange Loss on Foreign Cash Balance	(1,498)	-	(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	114,098	36,471	170,444



NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 March 2023

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.

7. The Company at its Board of Directors Meeting on December 19, 2022, declared an interim dividend of \$0.13 per share to be paid to shareholders on record at the close of business on January 6, 2023, paid on February 23, 2023.



**138 STUDENT LIVING JAMAICA LIMITED
QUARTERLEY REPORT
AS AT MARCH 31, 2023**

Top Ten Shareholders

Shareholder	Shareholdings	% Shareholding
Sagicor Related Share Accounts		
Sagicor Pooled Equity Fund	91,314,520	
JCSD Trustee Services Limited - Sigma Equity	42,657,002	
Sagicor Pooled Mortgage & Real Estate Fund	16,233,333	39.68
JCSD Trustee Services Ltd - Sigma Global Venture	14,256,173	
	164,461,028	
NCB Insurance Agency and Fund Managers Ltd WT040		
	82,832,770	19.98
K Limited		
	68,803,832	16.60
Barita Related Share Accounts		
JCSD Trustee Services Limited a/c Barita Unit Trust Real Estate Portfolio	10,974,925	
Barita Investment Ltd - Long A/C (Trading)	2,041,386	3.14
	13,016,311	
JMMB Related Share Accounts		
JMMB Pension Fund	3,773,734	
JMMB Fund Managers Ltd. T1-Equities Fund	2,535,595	
JMMB Retirement Scheme (Moderate)	2,345,300	2.44
JMMB Retirement Scheme (Conservative)	767,300	
JMMB Retirement Scheme (Aggressive)	692,600	
	10,114,529	
Wisynco Group Limited Pension Fund		
	10,000,000	2.41
VMPM - Pooled Pension Real Estate		
	8,729,048	2.11
Mr. Barrington Brown		
	7,334,592	1.77
MF&G Asset Management - Jamaica Investment Fund		
	6,111,300	1.47
Conley Salmon/Juliet Salmon		
	5,000,000	1.21
TOTAL AGGREGATED SHAREHOLDINGS	376,403,410	90.81
Other Minority Shareholdings		
	38,096,590	9.19
TOTAL ISSUED ORDINARY SHARE CAPITAL	414,500,000	100.00



Shareholdings of Directors & Connected Parties

Name of Director	Personal / Sole Ownership	Connected Parties	Combined Shareholdings
Ian Parsard (Chair)	Nil	Karen Parsard*	1,000,000 (ordinary)
John W. Lee	Nil	K Limited	68,803,832 (ordinary)
Ivan Carter	Nil	N/A	N/A
Sharon Donaldson	100,000 (ordinary)	N/A	225,000
	125,000 (preference)		
Marrynette Lee	Nil	K. Limited	68,803,832 (ordinary)
Brenda-Lee Martin	Nil	N/A	N/A
Peter Pearson	Nil	Yvonne Pearson*	400,000 (ordinary)
Stephen Greig (Company Secretary)	Nil	N/A	N/A

*Joint ownership with director

Shareholdings of Senior Management and Connected Parties

Senior Manager	Personal / Sole Ownership	Connected Parties	Combined Shareholdings
Cranston Ewan	NIL	N/A	NIL
Semour Millen	NIL	Dominique Millen	NIL
		Antoine Millen	
		Aniyah Millen	
Renelle Wilson-Pearson	NIL	Elvis Pearson	NIL