



STANLEY MOTTA LIMITED

UNAUDITED FINANCIAL STATEMENTS
QUARTER ENDED 31 MARCH 2023



STANLEY MOTTA LIMITED

QUARTER ENDED 31 MARCH 2023

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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 31 March 2023.

The highlights are as follows:

- There was a slight increase in the rental income for the period ended March 31, 2023 when compared to the corresponding period of the previous year, moving from \$126.79Mil to \$127.03Mil. This can be attributed to the stability in the USD/ JMD rate over the quarter as our rental income is earned in USD. The business maintained its occupancy level for Q1.
- Administrative expenses for Q1 2023 showed a substantial reduction of \$26.5Mil when compared to the same period in 2022, moving from \$67.5Mil to \$41.01Mil. This reduction is mainly due to a significant decrease in the foreign exchange (FX) loss of J\$19M recognized in Q1 2022 arising from the revaluation of the USD denominated loan.
- Net Operating Income (NOI) for the 3-months period in 2023 was \$85.7Mil when compared to \$67.6Mil recognized for the similar period in 2022. The main contributing factor to the \$18Mil net movement in the NOI was the FX loss that was recognized in 2022.
- Funds from Operations (FFO) of J\$77.3M was generated YTD March 2023 compared to J\$48.5M generated for March 2022.
- Finance costs decreased by 21% from J\$24.9M to J\$19.6M as amounts recognized in Q1 2022 included processing and commitment fees for the loan refinancing.
- The Net profit for Q1 2023 showed a \$24.5M increase when compared to the same period last year. This was due to reduction in administrative expenses and reduced finance costs incurred.
- Net Profit Margin for the Quarter ending March 31, 2023, stands at 52% compared to 36% for the period ending March 31, 2022. 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\$0.09 for the three-month period ending March 2023 compared to J\$0.05 over the corresponding period of the previous year.

OUTLOOK:

The 2022 financial year closed with high point-to-point inflation of 9.4%. Based on the budget presentation by the Government of Jamaica for the 2023/ 2024 fiscal year, a rate increase was granted to the security industry as well as announced minimum wage increase. These increases are expected to impact the company for 2023.



Unit 1

The construction of new Unit 1 building commenced in January 2023. The building will span over 100,000 square feet, 10 floors and with 84,000 square feet of rentable space. Tenants have been secured, in advance, for occupancy. The company looks forward to the progressive development on the Unit 1 project which is expected to significantly boost revenue and profits while improving shareholder value.

A handwritten signature in black ink, appearing to read "Melanie Subratie".

Melanie Subratie
Chairman

A handwritten signature in black ink, appearing to read "Blondell Walker".

Blondell Walker
Director



Stanley Motta Limited
 Unaudited Consolidated Statement of Comprehensive Income
 Quarter Ended 31 March 2023
 (Expressed in Jamaican Dollars Unless Otherwise Indicated)


	UNAUDITED	UNAUDITED	AUDITED
	THREE (3) MONTHS ENDED 31 MARCH 2023 \$'000	THREE (3) MONTHS ENDED 31 MARCH 2022 \$'000	YEAR ENDED 31 DECEMBER 2022 \$'000
Revenue	127,038	126,791	499,370
Other operating income	233	8,344	11,791
Administrative expenses	<u>(41,012)</u>	<u>(67,564)</u>	<u>(179,773)</u>
Operating Profit	86,259	67,571	331,388
Finance cost	(19,613)	(24,935)	(89,648)
Revaluation gain on investment property	-	-	616,834
Profit before taxation	66,646	42,636	858,574
Taxation	<u>(724)</u>	<u>(1,296)</u>	<u>(9,993)</u>
Net Profit	<u>65,923</u>	<u>41,340</u>	<u>848,581</u>
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	10,643	13,943	(8,015)
	<u>10,643</u>	<u>13,943</u>	<u>(8,015)</u>
Total Comprehensive Income	<u>76,566</u>	<u>55,283</u>	<u>840,566</u>
Earning per stock unit for profit attributable to the equity holders of the Company during the period	<u>0.09</u>	<u>0.05</u>	<u>1.12</u>

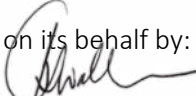


Stanley Motta Limited
 Unaudited Consolidated Statement of Financial Position
 as at 31 March 2023
 (Expressed in Jamaican Dollars Unless Otherwise Indicated)

	UNAUDITED AT 31 MARCH 2023 \$'000	UNAUDITED AT 31 MARCH 2022 \$'000	AUDITED YEAR ENDED 31 DECEMBER 2022 \$'000
Non-Current Assets			
Property, plant and equipment	8,302	15,741	9,660
Investment properties	7,082,849	6,193,525	6,860,231
Right of use Asset	162,626	205,653	172,235
	<u>7,253,777</u>	<u>6,414,919</u>	<u>7,042,126</u>
Current Assets			
Receivables	28,253	35,994	8,426
Cash and cash equivalents	55,534	127,107	143,308
	<u>83,787</u>	<u>163,100</u>	<u>151,734</u>
Current Liabilities			
Payables	139,064	25,810	84,627
Dividends Payable	-	84,877	-
Due to other related parties	206	-	3,516
Income tax payable	9,482	2,143	12,485
Current portion of borrowings	36,525	35,000	36,525
Current portion of lease liability	16,557	26,578	16,557
	<u>201,834</u>	<u>174,408</u>	<u>153,710</u>
Net Current (Liabilities)/Assets	<u>(118,047)</u>	<u>(11,308)</u>	<u>(1,976)</u>
	<u>7,135,731</u>	<u>6,403,611</u>	<u>7,040,150</u>
Shareholders' Equity			
Share capital	811,933	811,933	811,933
Capital reserve	238,379	238,379	238,379
Cumulative translation reserve	132,725	116,154	122,082
Retained earnings/(accumulated deficit)	4,974,456	4,208,146	4,908,533
	<u>6,157,493</u>	<u>5,374,612</u>	<u>6,080,927</u>
Non-Current Liabilities			
Borrowings	794,036	810,391	773,340
Lease Liabilities	156,272	183,866	157,953
Long term payable	27,930	34,742	27,930
	<u>978,238</u>	<u>1,028,999</u>	<u>959,223</u>
	<u>7,135,731</u>	<u>6,403,611</u>	<u>7,040,150</u>

Approved by the Board of Directors on May 8, 2023, and signed on its behalf by:


 Melanie Subratie
 Chairman


 Blondell Walker
 Director

Stanley Motta Limited
 Unaudited Consolidated Statement of Changes in Equity
 Quarter Ended 31 March 2023
 (Expressed in Jamaican Dollars Unless Otherwise Stated)

	Share Capital	Capital Reserve	Cumulative Translation Reserve	Retained Earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 31 December 2021	811,933	238,379	130,097	4,251,683	5,432,092
Net profit for the year				848,581	848,581
Currency translation differences on net assets of foreign subsidiary			(8,015)		(8,015)
Total comprehensive income			(8,015)	848,581	840,566
Transactions with owners of the company:					
Dividend paid	-			(191,731)	(191,731)
Balance at 31 December 2022	811,933	238,379	122,082	4,908,533	6,080,927
Balance at 31 December 2022	811,933	238,379	122,082	4,908,533	6,080,927
Net profit for the period				65,923	65,923
Currency translation differences on net assets of foreign subsidiary			10,643		10,643
Total comprehensive income			10,643	65,923	76,566
Transactions with owners of the company:					
Dividend Proposed/Paid	-			-	-
Balance at 31 March 2023	811,933	238,379	132,725	4,974,456	6,157,493

Stanley Motta Limited
Unaudited Consolidated Statement of Cash Flows
Quarter Ended 31 March 2023
(Expressed in Jamaican Dollars Unless Otherwise Indicated)

	UNAUDITED AT 31 MARCH 2023 \$'000	UNAUDITED AT 31 MARCH 2022 \$'000	AUDITED YEAR ENDED 31 DECEMBER 2022 \$'000
Cash Flows from Operating Activities			
Net profit	65,923	45,908	848,581
Adjusted for:			
Taxation	724	1,296	9,993
Depreciation	11,396	7,155	46,640
Impairment of financial assets	-	-	-
Interest income	(7)	(26)	(77)
Interest expenses	19,612	17,075	62,669
Revaluation gain on investment property	-	-	(616,834)
Exchange (gains)/losses on foreign currency balances	63	19,939	18,938
	<u>97,710</u>	<u>91,347</u>	<u>369,910</u>
Changes in operating assets and liabilities			
Receivables	(19,827)	2,208	28,764
Due to/(from) other related parties	(3,310)	-	3,516
Long term payables	-	84	(6,728)
Payables	54,437	(5,637)	68,590
Cash (used in)/provided by operating activities	<u>129,010</u>	<u>88,002</u>	<u>464,052</u>
Cash Flows from Investing Activities			
Addition to investment property	(229,845)	(19,123)	(83,355)
Interest received	7	26	77
Taxation paid	(3,661)	(1,296)	-
Cash used in investing activities	<u>(233,499)</u>	<u>(20,393)</u>	<u>(83,278)</u>
Cash Flows from Financing Activities			
Repayment of Long Term Loan	(8,931)	(8,740)	(753,776)
Long term loan	37,604	-	698,396
Dividend paid	-	-	(191,731)
Interest Paid	(19,612)	(17,075)	(62,670)
Cash provided by financing activities	<u>9,061</u>	<u>(25,815)</u>	<u>(309,781)</u>
Effect of exchange rate changes on cash and cash equivalents	7,654	3,128	(9,381)
(Decrease)/Increase in net cash and cash equivalents	<u>(95,428)</u>	<u>41,793</u>	<u>70,993</u>
Cash and cash equivalents at beginning of year	<u>143,308</u>	<u>81,696</u>	<u>81,696</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD/ YEAR	<u>55,534</u>	<u>126,617</u>	<u>143,308</u>

Stanley Motta Limited
Notes to the Unaudited Financial Statements
As at 31 March 2023
(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, 2022. 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 is calculated on net profit and are based on the number of shares issued at the end of the period.

	Unaudited Quarter ended March 2023	Unaudited Quarter ended March 2022	Audited Year ended December 2022
Net profit attributable to ordinary shareholders (\$'000)	65,922,598	41,339,761	848,581,000
Weighted average of number of ordinary shares in issue at the end of the period	757,828,490	757,828,490	757,828,490
Basic earnings per share	0.09	0.05	1.12

Stanley Motta Limited
Shareholders Profile
As at 31 March 2023

Ten Largest Shareholders	Number of Shares
1. Stony Hill Capital Limited	113,844,873
2. PAM- Pooled Equity Fund	81,242,427
3. Caona Investments Limited	75,782,849
4. General Accident Insurance Company Limited	73,591,200
5. Prime Asset Management JPS Employees Superannuation Fund	65,913,300
6. Sagicor Life - Lascelles Demercado Defined Contribution Fund	49,149,565
7. VMWealth Property Fund	39,394,048
8. Perseverance Limited	37,891,425
9. VMWealth Equity Fund	35,222,611
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	263,218,922
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	111,482,625
7. Andrea Kinach	100,000

Shareholding of Management	Number of Shares
1. Melanie Subratie	Nil
Shareholding of connected person	263,218,922