



**STATIONERY &  
OFFICE SUPPLIES  
LTD.**

Agents for



**Kingston:** 23 Beechwood Avenue, Kingston 5, Jamaica, West Indies. Tel: (876) 926-5688, 926-2649 Fax: (876) 968-8200  
**Montego Bay:** Unit #8, Fairview Office Park, Alice Eldermire Drive. Tel: (876) 953-6351 Fax: (876) 953-6386  
Website: [www.sosjm.com](http://www.sosjm.com) Email: [mail@sosjm.com](mailto:mail@sosjm.com)

# UNAUDITED FINANCIAL STATEMENTS – 2<sup>nd</sup> QUARTER ENDED JUNE 30<sup>TH</sup>, 2023



# EVOLVE





**STATIONERY &  
OFFICE SUPPLIES  
LTD.**



Agents for



**Kingston:** 23 Beechwood Avenue, Kingston 5, Jamaica, West Indies. Tel: (876) 926-5688, 926-2649 Fax: (876) 968-8200  
**Montego Bay:** Unit #8, Fairview Office Park, Alice Eldermire Drive. Tel: (876) 953-6351 Fax: (876) 953-6386  
Website: [www.sosjm.com](http://www.sosjm.com) Email: [mail@sosjm.com](mailto:mail@sosjm.com)

## **UNAUDITED FINANCIAL STATEMENTS FOR THE 2<sup>nd</sup> QUARTER & 6 MONTHS ENDED JUNE 30<sup>TH</sup> 2023**

The Board of Directors of Stationery & Office Supplies Limited is pleased to present the unaudited results for the company for the 2<sup>nd</sup> Quarter & 6 Months ended June 30<sup>th</sup>, 2023.

The second quarter of 2023 proved to be one of the busiest times in the history of SOS and during the second quarter the following is a list of major events that occurred:

1. In June, SOS shipped its initial container of office furniture to its newest distributor, The Apex Group in Cayman.
2. In June another container of office furniture was shipped to The Office Authority, our distributor in Trinidad.
3. In June, production started on our newest 5,000sq foot warehouse located at 25 Beechwood Avenue. The new warehouse which is a starting point for SOS's next expansion phase should be ready for use by the end of August.
4. On June 1, 2023, SOS declared a dividend of \$.20 per ordinary share payable on July 10 to shareholders on record as of June 23, 2023.
5. On June 19<sup>th</sup>, SOS announced that the board of directors would meet on the 21<sup>st</sup> of June to discuss and consider whether or not it should recommend a stock split to its shareholders.

Along with the above, SOS is proud to announce that after having its best quarter in its 58-year history to start this year, the second quarter results have now surpassed them and are now the best in its history. During the second quarter SOS had one of its largest individual projects in its history, installed a 200-seat call centre, delivered and installed its first significant project with the AIS furniture line. With the additional sales being generated during this record setting quarter SOS had to increase its delivery fleet and added an additional 5 tonne truck to the fleet with plans to further expand the fleet in the near future. It was also in June that we signed an agreement to double our warehousing capacity in our Montego Bay office. This additional space was severely needed as the revenues being generated from the Montego Bay location rose 25% for the first half of the year from \$113.2M to \$141M.



# STATIONERY & OFFICE SUPPLIES LTD.



Agents for



**Kingston:** 23 Beechwood Avenue, Kingston 5, Jamaica, West Indies. Tel: (876) 926-5688, 926-2649 Fax: (876) 968-8200  
**Montego Bay:** Unit #8, Fairview Office Park, Alice Eldermire Drive. Tel: (876) 953-6351 Fax: (876) 953-6386  
Website: [www.sosjm.com](http://www.sosjm.com) Email: [mail@sosjm.com](mailto:mail@sosjm.com)

During the 2<sup>nd</sup> quarter SOS realized all-time highs in the following categories:

1. Highest revenues in a quarter - \$525.2M
2. Highest revenues in a month (June) - \$209.5M
3. Highest Pre-tax profit in a quarter - \$121.2M
4. Highest Pre-tax profit in a month (June) - \$51.5M
5. Highest Share price in the company's history - \$34.31

Please see below the comparative results for the 2<sup>nd</sup> quarter of 2022 compared to 2023 and the corresponding notes.

1 - Revenues rose 25% to an all time high of \$525.2M. This can be credited to continued increases in all areas of the business including EVOLVE which continues to grow with the addition of several new items to the product line. Evolve in the first 6 months of 2023 has already doubled its revenues compared to the 5 months it was available in 2022.

2 - Gross profit percentage rose with the continued reduction in the input costs of the various products, as well as better sourcing of material and parts used in manufacturing of the SEEK products.

3 - SEEK continues to excel with the manufacturing of additional products. The increased availability and accessibility of its books within the Jamaican market has seen the demand for the SEEK products increase leading to a 29% sales increase year on year.

4 – With the increase in revenues, gross profit percentage and a marginal increase in expenses (12%), this has all led to the growth in SOS's pre-tax profit, rising substantially by 77% from \$68.8M to \$121.3M, the highest in the company's history.

5 – With the tourism industry now back at near pre covid levels, the Montego Bay branch of SOS has now returned to a profitable stage. For the first 6 months of 2023, revenues from this branch have increased by 25%.



# STATIONERY & OFFICE SUPPLIES LTD.

Agents for



Kingston: 23 Beechwood Avenue, Kingston 5, Jamaica, West Indies. Tel: (876) 926-5688, 926-2649 Fax: (876) 968-8200

Montego Bay: Unit #8, Fairview Office Park, Alice Eldermire Drive. Tel: (876) 953-6351 Fax: (876) 953-6386

Website: [www.sosjm.com](http://www.sosjm.com)

Email: [mail@sosjm.com](mailto:mail@sosjm.com)

<b>2<sup>nd</sup> Quarter 2022 &amp; 2023</b>			
	<b>2022</b>	<b>2023</b>	<b>% INCREASE</b>
<b>REVENUES</b>	\$420.M	\$525.2M	25%
<b>GROSS PROFIT %</b>	51%	53%	4%
<b>GROSS-PROFIT</b>	\$213M	\$287.5M	35%
<b>SEEK REVENUES</b>	\$14.4M	\$17.8M	24%
<b>EXPENSES</b>	\$148.2M	\$166.3M	12%
<b>PRE-TAX-PROFIT</b>	\$68.8M	\$121.2M	77%

For the first 6 months of 2022, SOS has experienced continued growth over the same period in 2023, crossing for the first-time revenues exceeding \$1B in the first half of the year. All comparative numbers are up in 2023 including the most important, pre-tax profit. The pre-tax profit has risen by 32% year on year from \$173.6M to \$229.3M

SEEK sales are up 29% year over year and this number expects to continue to rise with a number of new dealers and the availability of inventory to meet market.

Revenues and the gross profit % rose by 23% and 4% respectively, with expenses rising marginally by 16% which has led to the previously mentioned pre-tax profit figure of \$229.3M.

<b>6 MONTHS ENDED JUNE 30<sup>TH</sup>, 2022 &amp; 2023</b>			
	<b>2022</b>	<b>2023</b>	<b>% INCREASE</b>
<b>REVENUES</b>	\$847,704,240	\$1,044,419,146	23%
<b>EXPENSES</b>	\$285,043,746	\$329,395,729	16%
<b>GROSS PROFIT %</b>	50.9%	53%	4%
<b>SEEK REVENUE</b>	\$32,938,157	\$42,404,257	29%
<b>PRE-TAX-PROFIT</b>	\$173,668,574	\$229,343,093	32%



# STATIONERY & OFFICE SUPPLIES LTD.



**Kingston:** 23 Beechwood Avenue, Kingston 5, Jamaica, West Indies. Tel: (876) 926-5688, 926-2649 Fax: (876) 968-8200  
**Montego Bay:** Unit #8, Fairview Office Park, Alice Eldermire Drive. Tel: (876) 953-6351 Fax: (876) 953-6386  
Website: [www.sosjm.com](http://www.sosjm.com) Email: [mail@sosjm.com](mailto:mail@sosjm.com)

SOS has continued to adjust with the ever-changing market place and this is a significant reason why we have been able to continue to be profitable in an unpredictable and unstable economy.

## FINANCIAL POSITION

At the end of the 2<sup>nd</sup> Quarter, SOS increased its total assets year on year by 42% (\$980M - \$1.38B). The bulk of this increase was due to SOS's revaluation of the 4 properties that it currently owns in the Kingston 5 area. Total current assets also rose led by inventory increasing significantly by 23% to \$350M and Bank and Cash rising by 151%, to \$304M

Earnings per share at the end of the 2<sup>nd</sup> Quarter for 2023 was \$.79, an increase of \$.09 compared to \$.70 the end of the 2<sup>nd</sup> Quarter of 2022. For the quarter, earnings per share was at \$.36 up from \$.09 for the same period in 2022. It should be noted that during the first half of 2022, Stationery & Office Supplies Ltd was still benefiting from the tax-free incentive received from joining the JSE in 2017. All profit figures so far in 2023 have attracted a 12.5% tax rate that has been used in these comparative figures.

Handwritten signature of Allan McDaniel in black ink.

---

Allan McDaniel  
Managing Director

Handwritten signature of Marjorie E. McDaniel in black ink.

---

Marjorie McDaniel  
Chief Administrative officer & Company Secretary



# STATIONERY & OFFICE SUPPLIES LTD.

Agents for



Kingston: 23 Beechwood Avenue, Kingston 5, Jamaica, West Indies. Tel: (876) 926-5688, 926-2649 Fax: (876) 968-8200

Montego Bay: Unit #8, Fairview Office Park, Alice Eldermire Drive. Tel: (876) 953-6351 Fax: (876) 953-6386

Website: www.sosjm.com Email: mail@sosjm.com

## SOS TOP 10 SHAREHOLDERS AS OF JUNE 30<sup>TH</sup>, 2023

#	<u>SHARE HOLDER</u>	<u>SHAREHOLDING</u>	<u>% SHARES ISSUED</u>
1	OUTLOOK LIMITED	200,096,400.	80.0
2	QWI INVESTMENTS LIMITED	7,390,000.	2.9
3	ANJANETTE MARIANNA MCDANIEL	5,427,926.	2.2
4	JASON CARL CARBY	4,201,435.	1.7
5	KENDALL MARIE TODD	1,784,900.	0.7
6	NIGEL COKE	1,777,453.	0.7
7	BARITA INVESTMENT LTD-LONG	1,485,651.	0.6
8	BRIDGETON MANAGEMENT SERVICES LTD	1,329,623.	0.5
9	JCSD TRUSTEE SERVICESLTD	1,185,053.	0.5
10	DAVID ANTHONY STEPHENS	1,000,000.	0.4

## DIRECTORS SHARE HOLDINGS AS OF JUNE 30<sup>TH</sup>, 2023

#	<u>DIRECTORS NAMES</u>	<u>SHAREHOLDING</u>	<u>CONNECTED PARTY</u>	<u>SHAREHOLDING</u>
1	DAVID MCDANIEL	NIL	OUTLOOK LTD	200,096,400.
2	MARJORIE MCDANIEL	NIL	OUTLOOK LTD	200,096,400.
3	ALLAN MCDANIEL	NIL		
4	KELLI MUSCHETT	NIL	OUTLOOK LTD	200,096,400.
5	STEPHEN TODD	NIL	OUTLOOK LTD	200,096,400.
6	KERRI TODD	NIL	OUTLOOK LTD	200,096,400.
7	ANTHONY BELL	NIL	-	
9	JERMAINE DEANS	NIL	-	
10	R. EVAN D. THWAITES	28,165.	-	

## SENIOR MANAGERS SHARE HOLDING AS OF JUNE 30<sup>TH</sup>, 2023

#	<u>SHARE HOLDER</u>	<u>SHAREHOLDING</u>	<u>% SHARES ISSUED</u>
1	DENISE MCINTOSH	295,650.	0.12

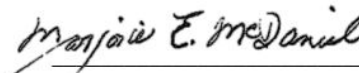
# Stationery & Office Supplies Limited

## Statement of financial position

June 30, 2023

	June 30, 2023	June 30, 2022	December 31, 2022
	6 Months Unaudited	6 Months Unaudited	Audited
<b>Assets</b>	\$	\$	\$
<b>Non-current assets</b>			
Property, plant and equipment	654,959,837	390,887,908	623,053,643
Right-of use-asset	8,164,219	0	11,635,861
Intangible asset	9,193,376	10,049,500	9,537,207
Investments	3,350,092	4,317,066	3,825,362
	<u>675,667,524</u>	<u>405,254,474</u>	<u>648,052,073</u>
<b>Current assets</b>			
Inventories	349,545,073	283,587,922	368,619,712
Trade and other receivables	231,409,390	163,812,328	200,131,122
Prepayments	72,142,384	119,278,471	36,407,054
Taxation recoverable	523,633	1,121,564	-
Bank and cash	304,487,302	119,640,293	131,939,033
	<u>958,107,782</u>	<u>687,440,578</u>	<u>737,096,921</u>
<b>Total assets</b>	<u>1,633,775,306</u>	<u>1,092,695,052</u>	<u>1,385,148,994</u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	88,151,214	88,151,214	88,151,214
Capital reserve	327,330,852	112,423,398	327,330,853
Retained profits	886,835,404	649,924,928	687,742,311
<b>Total equity</b>	<u>1,302,317,470</u>	<u>850,499,540</u>	<u>1,103,224,378</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	10,379,989	44,200,628	25,904,186
Other loans	21,632,061	42,915,721	23,557,636
Lease liability	5,573,835	0	7,788,540
Deferred tax liability	43,348,277	11,480,476	43,348,280
	<u>80,934,162</u>	<u>98,596,825</u>	<u>100,598,642</u>
<b>Current liabilities</b>			
Trade and other payables	181,297,567	102,541,633	125,857,814
Owing to Directors	33,284	33,204	33,204
Current portion of borrowings	30,122,945	34,634,533	33,271,248
Current portion of other loans	4,708,904	6,389,317	4,567,855
Current portion of lease liability	4,708,904	0	4,281,011
Taxation payable	29,652,070	0	13,314,842
	<u>250,523,674</u>	<u>143,598,687</u>	<u>181,325,974</u>
<b>Total liabilities</b>	<u>331,457,836</u>	<u>242,195,512</u>	<u>281,924,616</u>
<b>Total equity and liabilities</b>	<u>1,633,775,306</u>	<u>1,092,695,052</u>	<u>1,385,148,994</u>

  
\_\_\_\_\_) Director

  
\_\_\_\_\_) Director



# Stationery & Office Supplies Limited

## Statement of profit or loss and other comprehensive income

Period ended June 30, 2023

	Quarter to June 30, 2023 Unaudited	YTD June 30, 2023 Unaudited	Quarter to June 30, 2022 Unaudited	YTD June 30, 2022 Unaudited	Year End December 31, 2022 Audited
	\$		\$		\$
<b>Revenue</b>	525,234,751	1,044,419,146	420,080,303	847,704,240	1,748,142,622
Cost of sales	(237,779,504)	(486,498,254)	(206,393,606)	(416,210,284)	(911,916,644)
Gross Profit	287,455,247	557,920,892	213,686,697	431,493,956	836,225,978
Other (expense) income	(343,215)	(343,215)	(279,526)	259,107	18,565
Administrative and general expenses	(124,667,574)	(240,034,667)	(104,979,051)	(202,170,838)	(399,141,415)
Selling and promotional costs	(33,858,479)	(68,288,888)	(31,846,548)	(60,557,776)	(131,873,350)
Impairment loss on financial assets		0	0	0	(11,500,943)
Depreciation amortisation & impairment	(9,030,122)	(18,008,027)	(9,426,203)	(17,699,184)	(30,080,584)
Operating profit	119,555,857	231,246,095	67,155,369	151,325,265	263,648,251
Finance income	1,161,146	1,161,146	0	5,137	104,894
Loss on foreign exchange	(257,030)	489,747	(23,094)	(64,490)	(1,198,462)
Finance costs	(1,491,653)	(3,553,895)	(1,926,924)	(4,551,457)	(8,709,885)
Profit / (Loss) on disposal of property plant and equipment	0	0	3,577,492	26,954,119	29,997,905
Profit before tax	118,968,320	229,343,093	68,782,843	173,668,574	283,842,703
Income tax (expense) / credit	(14,000,000)	(30,250,000)	0	0	(27,305,056)
<b>Profit for the period, total comprehensive income for the period / year</b>	<b>104,968,320</b>	<b>199,093,093</b>	<b>68,782,843</b>	<b>173,668,574</b>	<b>256,507,647</b>
Basic earnings per share	<u>0.38</u>	<u>0.79</u>	<u>0.27</u>	<u>0.69</u>	<u>1.03</u>



# Stationery & Office Supplies Limited

## Statement of changes in equity

### 6 months ended June 30, 2023

	Share Capital \$	Capital Reserve \$	Retained Profits \$	Total \$
Balance at December 31, 2021	88,151,214	112,423,398	476,256,354	676,830,966
Transaction with owners:				
Dividend Paid	0	0	(45,021,690)	(45,021,690)
Revaluation on land and buildings		214,907,455		214,907,455
Profit for the year being total comprehensive income	0	0	256,507,647	256,507,646
<b>Balance at December 31, 2022</b>	88,151,214	327,330,853	687,742,311	1,103,224,377
Profit for the period being total comprehensive income	0	0	199,093,093	199,093,093
Balance June 30 2023	88,151,214	327,330,853	886,835,404	1,302,317,470
Balance at December 31, 2021	88,151,214	112,423,398	476,256,354	676,830,966
Profit for the period being total comprehensive income	0	0	173,668,574	104,885,731
Balance June 30, 2022	88,151,214	112,423,398	649,924,928	781,716,697

# Stationery & Office Supplies Limited

## Statement of cash flows

### 6 months ended June 30, 2023

	June 30, 2023	June 30, 2022	December 31 2022
	Unaudited	Unaudited	Audited
	\$	\$	\$
<b>Cash flows from operating activities:</b>			
Profit before tax	229,343,093	173,668,574	283,842,703
Adjustments for:			
Depreciation amortisation	18,008,027	17,699,184	35,706,994
Amortisation right-of-use			1,057,805
Loss/ (profit) on foreign exchange on foreign currency loans	(469,843)	(1,229,764)	(719,276)
Profit on disposal of property, plant and equipment	0	(26,954,119)	(29,997,905)
Loss/(gain) on investments	0	0	232,598
Interest income	(1,161,146)	(5,137)	(104,894)
Interest expense	3,553,895	4,551,457	8,709,885
	249,274,026	167,730,195	298,727,910
( Increase) /decrease in inventories	19,074,639	12,427,750	(72,604,040)
Decrease / ( Increase) in trade and other receivables	(31,278,268)	(40,083,094)	(76,401,888)
Decrease/( Increase) in prepayments	(35,735,330)	(50,650,780)	32,220,637
( Decrease) / increase in trade and other payables	55,439,753	179,466	23,495,647
<b>Cash generated from operations</b>	256,774,820	89,603,537	205,438,266
Taxation Paid	(13,838,475)	0	0
Interest paid	(3,553,895)	(4,551,457)	(8,709,885)
<b>Net cash provided by operating activities</b>	239,382,450	85,052,080	196,728,381
<b>Cash flows from investing activities:</b>			
Interest received	1,161,146	5,137	104,894
Purchase of property, plant and equipment	(46,938,968)	(34,272,401)	(50,057,040)
Proceeds from sale of fixed assets.	0	43,077,500	45,637,909
<b>Net cash used in investing activities</b>	(45,777,822)	8,810,236	(4,314,237)
<b>Cash flows from financing activities</b>			
Dividends Paid	0	0	(45,021,690)
Repayment of lease liability	(482,463)	0	(624,115)
Proceeds from Borrowings	0	13,495,000	14,925,397
Repayment of borrowings	(18,319,527)	(20,156,649)	(40,559,520)
Repayment of other loans	(2,254,369)	(2,023,226)	(23,658,035)
<b>Net cash provided by financing activities</b>	(21,056,359)	(8,684,875)	(94,937,963)
<b>Net increase in cash and cash equivalents</b>	172,548,269	85,177,441	97,476,181
<b>Cash and cash equivalents at beginning of period</b>	131,939,033	34,462,852	34,462,852
<b>Cash and cash equivalents at end of period</b>	304,487,302	119,640,293	131,939,033



# STATIONERY & OFFICE SUPPLIES LTD.



Agents for



**Kingston:** 23 Beechwood Avenue, Kingston 5, Jamaica, West Indies. Tel: (876) 926-5688, 926-2649 Fax: (876) 968-8200  
**Montego Bay:** Unit #8, Fairview Office Park, Alice Eldermire Drive. Tel: (876) 953-6351 Fax: (876) 953-6386  
Website: [www.sosjm.com](http://www.sosjm.com) Email: [mail@sosjm.com](mailto:mail@sosjm.com)

## Notes to the Unaudited Financial Statements

**June 30, 2023**

### 1. Identification and activities

Stationery and Office Supplies Limited is a limited liability company incorporated under the Laws of Jamaica on July 23, 1965. The company became a subsidiary of Outlook Limited ( see note 3) and is domiciled in Jamaica with registered offices located at 23 Beechwood Avenue, Kingston 5, Jamaica, West Indies.

The main activity of the company is the sale of office furniture, fixtures, stationery and other office supplies.

These financial statements are presented in Jamaica Dollars.

### 2. Articles Of Incorporation

At an Extraordinary General Meeting held on March 29, 2017 the company approved the adoption of new Articles of Incorporation to replace the existing Articles and Memorandum of Association; as is necessary for the transition to a public company. The Articles of Incorporation were amended in order to make them complaint with the requirements of a public company pursuant to the Companies Act of Jamaica, and to also make the Articles compliant with the requirements of a public listed company pursuant to the rules of the Junior Market of the Jamaica Stock Exchange.

### 3. Share Capital

Following a Directors Meeting and an Extraordinary General Meeting held on March 29, 2017 approval was given to restructure the share capital of the company. The authorised ordinary share capital moved from 2,000 shares without par value to 10,000,000 ordinary shares without par value. The Company's ordinary share capital was then sub divided with each ordinary share being divided into 50 ordinary shares.



# STATIONERY & OFFICE SUPPLIES LTD.



Agents for



**Kingston:** 23 Beechwood Avenue, Kingston 5, Jamaica, West Indies. Tel: (876) 926-5688, 926-2649 Fax: (876) 968-8200  
**Montego Bay:** Unit #8, Fairview Office Park, Alice Eldermire Drive. Tel: (876) 953-6351 Fax: (876) 953-6386  
Website: [www.sosjm.com](http://www.sosjm.com) Email: [mail@sosjm.com](mailto:mail@sosjm.com)

Under a scheme of reorganisation Outlook Limited were allotted 199,996,400 shares; the shares held by David & Marjorie McDaniel (100,000) were also transferred to Outlook Limited.

#### 4 Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and have been prepared on the accruals and under the historical cost convention as modified by the revaluation of properties.

5. These unaudited financial financials are consistent with the accounting policies of the most recent Audited Financial Statements.

#### 6. Use of estimates and judgements

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make estimates and assumptions that affect the amounts reported in the financial statements. These estimates are based on historical experience and managements best knowledge of current events and actions. Actual results may differ from these estimates and assumptions.

There were no critical judgements, apart from those involving estimation, that management has made in the process of applying the company's accounting policies that have a significant effect on the amounts recognised in the financial statements.