



One on One Educational Services Limited

2023



Q1

Unaudited Financial
Statements

FIRST QUARTER
Ended 30 November 2023



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AUDITED FINANCIAL REPORT TO THE SHAREHOLDERS

Company Performance for the 1st Quarter Ended 30 November 2023

The Board of Directors of One on One Educational Services Limited is pleased to present its unaudited financial statements for the 1st quarter ended November 30, 2023.

In the 1st quarter of 2023, the company reported revenues of J\$54.6 million, a decrease of J\$26.4 million or 32.6% compared to the same quarter in 2022. This decline is primarily attributed to a strategic shift towards building recurring revenue through the OneAcademy revenue lines for the Teacher Availability Solution. The challenges experienced in implementing the technology during the quarter, resulted in a deferral in the generation of revenue earmarked for the quarter.

However, the company maintained its annual recurring business based on existing contracts, excluding short-term contracts that did not recur in the quarter. With direct costs totaling \$13.8 million, representing a \$1.1 million reduction from the previous year's comparative quarter, the company ended the quarter with a gross profit of J\$40.6 million, reflecting a 38.4% reduction compared to the same quarter in 2022.

Operating expenses for Q1 increased by J\$4.0 million or 7.3% compared to the 2022 comparative quarter. The rise in expenses is mainly attributed to increased staff costs, driven by the need to support its existing product development as well as amortization costs related to right-of-use assets for leased building space, and depreciation charges due to additions to property, plant, and equipment to support the companies recurring revenue business line under development.

At the end of the 1st quarter, the company reported a net loss of J\$21.5 million, a significant decline from the net profit of J\$11.2 million in the comparable period of 2022.

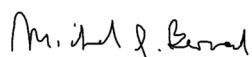
The total assets of the company at the end of the quarter November 2023 were J\$565.7 million, showing a decrease of J\$9.5 million or 2% compared to the comparable quarter in November 2022. This decrease is mainly attributed to a decline in cash and bank balances, primarily due to funds invested in working capital support and loan repayment.

The company's total equity as of November 2023 was J\$382.6 million, a decrease from J\$453.1 million in the same period in 2022.

Throughout the quarter, the company's primary focus was on enhancing and implementing the One Academy for Schools, specifically the Teacher Availability Solution (TAS) feature, in various educational institutions across the island for the 2023/2024 school year.

The Teacher Availability Solution serves as just one facet of the comprehensive One Academy for Schools product line, where we provide a range of classroom solutions dedicated to helping schools, teachers, and students achieve academic success. To further develop One Academy, we continued to make strategic investments, including the establishment of five studios to support content development and the procurement of equipment. These efforts align with our goal to install One Academy for Schools, encompassing classroom solutions like TAS, after-school programs, and workshops, in 100 schools across the island by the end of the year.

The company is grateful for the continued support of its shareholders and customers and acknowledges the steadfast commitment and loyalty of its staff as it seeks to develop its business.



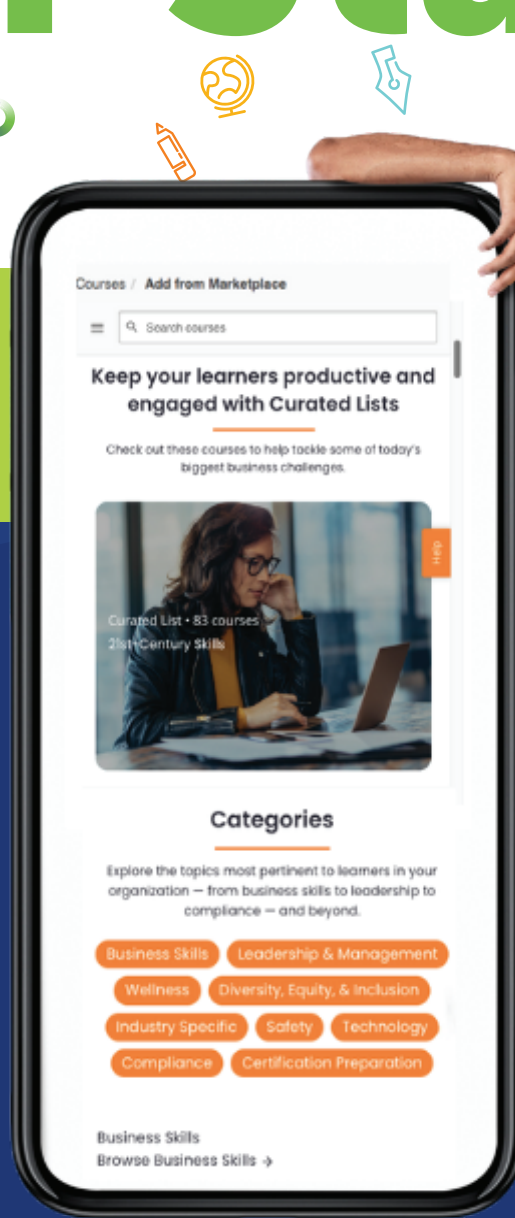
Mr. Michael Bernard

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ONE on ONE EDUCATIONAL SERVICES LIMITED

UNAUDITED FINANCIAL STATEMENTS

PERIOD ENDED

30 NOVEMBER 2023



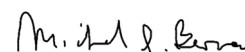
ONE ON ONE EDUCATIONAL SERVICES LIMITED
STATEMENT OF FINANCIAL POSITION
30 NOVEMBER 2023

	Note	Un-Audited November 2023 \$	Un-Audited November 2022 \$	Audited August 2023 \$
ASSETS				
NON-CURRENT ASSETS:				
Intangible assets		284,006,439	216,066,064	266,414,969
Property, plant and equipment		53,253,569	5,569,060	31,548,058
Right of use asset		9,109,610	-	9,680,716
		<u>346,369,618</u>	<u>221,635,124</u>	<u>307,643,742</u>
CURRENT ASSETS:				
Due from Directors		19,050,483	17,861,549	22,022,574
Inventories		28,769,168	25,760,812	30,743,378
Trade and other receivables		116,630,956	152,150,124	97,016,296
Cash and Bank Balances		54,888,331	157,750,472	57,129,431
		<u>219,338,938</u>	<u>353,522,957</u>	<u>206,911,679</u>
Total Assets		<u><u>565,708,556</u></u>	<u><u>575,158,081</u></u>	<u><u>514,555,421</u></u>
EQUITY AND LIABILITIES				
SHAREHOLDERS' EQUITY:				
Issued share capital	5	413,838,628	413,838,628	413,838,628
Accumulated (loss)/ surplus		(31,276,352)	39,235,179	(9,759,955)
		<u>382,562,276</u>	<u>453,073,807</u>	<u>404,078,673</u>
NON-CURRENT LIABILITIES:				
Long term loans and convertible promissory notes		-	37,260,640	-
Lease Liability		8,312,492	-	8,312,492
Deferred tax liability		21,829,865	13,980,634	19,102,791
		<u>30,142,357</u>	<u>51,241,274</u>	<u>27,415,283</u>
CURRENT LIABILITIES:				
Current portion of long term loan		35,000,000	21,421,425	28,500,000
Current portion of long term lease		1,528,270	-	1,824,184
Due to Directors		10,124,311	-	-
Deferred income		6,451,148	17,847,903	8,198,470
Trade and other payables		53,219,919	31,573,672	44,538,811
Bank overdraft		46,680,275	-	-
		<u>153,003,923</u>	<u>70,843,000</u>	<u>83,061,465</u>
Total Equity & Liabilities		<u><u>565,708,556</u></u>	<u><u>575,158,081</u></u>	<u><u>514,555,421</u></u>

Approved for issue by the Board of Directors on January 13, 2024 and signed on its behalf by:



Ricardo Allen- Director



Michael Bernard- Director



ONE ON ONE EDUCATIONAL SERVICES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 NOVEMBER 2023

	Note	3 Months Ended November <u>2023</u> \$	3 Months Ended November <u>2022</u> \$	Audited 12 Months Ended August <u>2023</u> \$
Revenues from contract with customers		54,455,860	80,858,266	266,584,552
Direct Cost		<u>(13,815,505)</u>	<u>(14,917,562)</u>	<u>(65,446,369)</u>
Gross Profit		40,640,355	65,940,704	201,138,183
Other Income		<u>525,958</u>	<u>1,800,055</u>	<u>10,931,154</u>
		41,166,313	67,740,759	212,069,337
Administrative Expenses		(50,915,654)	(45,209,610)	(195,475,353)
Selling Expense		<u>(6,947,885)</u>	<u>(8,675,115)</u>	<u>(34,933,802)</u>
OPERATING (LOSS)/PROFIT		(16,697,226)	13,856,034	(18,339,818)
Expected credit loss		-	-	(9,658,306)
Finance costs		<u>(2,092,097)</u>	<u>(1,514,805)</u>	<u>(4,776,041)</u>
(LOSS)/PROFIT BEFORE TAXATION		(18,789,323)	12,341,229	(32,774,165)
Taxation		<u>(2,727,074)</u>	<u>(1,110,474)</u>	<u>(4,990,214)</u>
NET (LOSS)/PROFIT being total comprehensive income		<u>(21,516,397)</u>	<u>11,230,755</u>	<u>(37,764,379)</u>
EARNINGS PER STOCK UNIT	4	<u>-\$0.011</u>	<u>\$0.006</u>	<u>-\$0.020</u>



ONE ON ONE EDUCATIONAL SERVICES LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED 30 NOVEMBER 2023

	Share Capital \$	Accumulated Surplus \$	Total \$
Balance at 31 August 2022	413,838,628	28,004,424	441,843,052
Net profit, being total comprehensive income for the period	-	11,230,755	11,230,755
Balance at 30 November 2022	<u>413,838,628</u>	<u>39,235,179</u>	<u>453,073,807</u>
Balance at 31 August 2022	413,838,628	(9,759,955)	404,078,673
Net loss, being total comprehensive income for the period	-	(21,516,397)	(21,516,397)
Balance at 30 November 2023	<u>413,838,628</u>	<u>(31,276,352)</u>	<u>382,562,276</u>



ONE ON ONE EDUCATIONAL SERVICES LIMITED

STATEMENT OF CASHFLOW PERIOD ENDED 30 NOVEMBER 2023

	Un-Audited November 2023 \$	Un-Audited November 2022 \$	Audited August 2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net (loss)/ profit	(21,516,397)	11,230,755	(37,764,379)
Adjustments for items not affecting cash resources:			
Amortization on intangible assets	91,252	13,804	232,003
Depreciation	1,364,640	245,619	2,069,702
Depreciation charge on right-of-use asset	571,106	-	1,328,142
Expected credit loss provision	-	-	(9,658,306)
(Gain)/ loss on disposal fixed asset	-	-	-
Taxation	2,727,074	1,110,474	4,990,214
Lease interest expense	170,333	-	625,740
Interest expense	1,891,213	1,588,939	4,837,140
Operating cash flows before movements in working capital	(14,700,779)	14,189,591	(33,339,744)
Decrease / (Increase) in operating assets:			
Inventories	1,974,210	(12,766,478)	(17,749,044)
Trade & other receivables	(19,614,660)	(63,891,737)	2,279,523
Due from related parties	13,096,402	(103,359)	(4,264,384)
(Decrease) / Increase in operating liabilities:			
Trade and other payables	8,681,108	(14,637,197)	1,547,380
Deferred income	(1,747,322)	9,047,262	(602,171)
Taxation paid	-	-	(3,356,148)
Net cash (used in)/ provided by operating activities	(12,311,041)	(68,161,918)	(55,484,588)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisition of intangible assets	(17,682,722)	(13,387,322)	(63,954,426)
Acquisition of property, plant and equipment	(23,070,151)	(85,864)	(27,888,944)
Net cash (used in) investing activities	(40,752,873)	(13,473,186)	(91,843,370)
CASH FLOW FROM FINANCING ACTIVITIES:			
Lease liability payments, net	(466,248)	-	(1,497,921)
Proceeds from loan and convertible notes	6,500,000	-	28,500,000
Loan repayment	-	(12,336,710)	(71,018,775)
Interest paid	(1,891,213)	(1,588,939)	(4,837,140)
Net cash (used in)/ provided by financing activities	4,142,539	(13,925,649)	(48,853,836)
NET (DECREASE)/ INCREASE IN CASH AND BANK BALANCES	(48,921,375)	(95,560,753)	(196,181,794)
Opening cash and bank balances	57,129,431	253,311,225	253,311,225
CLOSING CASH & BANK BALANCES	8,208,056	157,750,472	57,129,431



ONE ON ONE EDUCATIONAL SERVICES LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

30 NOVEMBER 2023

1 IDENTIFICATION AND PRINCIPAL ACTIVITIES:

- (a) One On One Educational Services Limited is a limited liability company incorporated under the Jamaican Companies Act (the "Act"). The registered office of the Company is 9th Floor, PanJam Building, 60 Knutsford Boulevard, Kingston 5.
- (b) The principal activities of the company are the provision of personalized online learning solutions and off-the-shelf content.
- (c) The company became listed on the Junior Market of the Jamaica Stock Exchange on 1 September 2022. Consequently the company is entitled to a remission of taxes for ten (10) years in proportions set out below, provided the shares remain listed for at least 15 years.

Years 1-5	100%
Years 6-10	50%

2 REPORTING CURRENCY:

Items included in the financial statements of the company are measured using the currency of 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 SIGNIFICANT ACCOUNTING POLICIES:

The same accounting policies and methods of computations are followed in the interim financial statements as compared with the most recent annual audited financial statements.

4 EARNINGS PER STOCK UNIT:

Earnings per stock unit is calculated by dividing the net profit attributable to stockholders by the weighted average number of ordinary stock units in issue at end of period.

	30 November	
	<u>2023</u>	<u>2022</u>
	\$	\$
Profit attributable to shareholders	(21,516,397)	11,230,755
Weighted average number of shares in issue	1,900,000,000	1,900,000,000
Earning per share	-\$0.011	\$0.006



ONE ON ONE EDUCATIONAL SERVICES LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
30 NOVEMBER 2023

5 SHARE CAPITAL:

	<u>2023</u>	<u>2022</u>
	\$	\$
<u>Authorized share capital:</u>		
100,000,000,000		
 <u>Issued and fully paid:</u>		
1,900,000,000 (2022 - 1,900,000,000)	<u>413,838,628</u>	<u>413,838,628</u>

6 TOP TEN SHAREHOLDERS:

	<u>Shares Held</u>	<u>% of Issued</u>
	<u>Shares</u>	
Sagicor Life Jamaica Limited (Managing Agent of the Sagicor SIGMA Fund (Sagicor Sigma Venture))	300,250,000	15.80
SOHO Investment Ltd.	262,921,851	13.84
Ricardo Allen	187,770,000	9.88
John Bailey	156,561,232	8.24
Raby D. Williams	145,065,850	7.63
Cecil Boswell Facey Foundation Ltd.	106,000,000	5.58
Douglas R. Orane	97,143,911	5.11
Michael Bernard	87,067,063	4.58
PanJam Investment Limited	72,500,000	3.82
Conrod Vic Hanson	<u>57,300,000</u>	<u>3.02</u>
 Total	 <u>1,472,579,907</u>	 <u>77.50</u>
 Total Issued shares	 <u>1,900,000,000</u>	 <u>100.00</u>



ONE ON ONE EDUCATIONAL SERVICES LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
30 NOVEMBER 2023

7 DIRECTORS & SENIOR OFFICERS:

	<u>Connected</u>	<u>Shares Held</u>	<u>% of Issued Shares</u>
Directors:			
Ricardo Allen		187,770,000	9.88
Ricardo Allen	SOHO Investment Ltd.	262,921,851	13.84
John Bailey		156,561,232	8.24
Michael Bernard		87,067,063	4.58
Karen Vaz		1,000,000	0.05
Dr. Carol Grantson		367,153	0.02
Mischa McLeod-Hines		<u>16,025</u>	-
		<u>695,703,324</u>	<u>36.61</u>
Senior Officers:			
Conrod Hanson		57,300,000	3.02
Jadelle Holder-Remy		11,250,000	0.59
Daniel Dawson		6,895,167	0.36
Yohan Brown		6,802,167	0.36
Donnisha Brooks		1,298,340	0.07
Dr. Ricardo Anderson		1,198,338	0.06
Juanita Neil		1,104,062	0.06
Kerry-Ann Kudo		175,000	0.01
Brittany Williams		<u>34,327</u>	-
		<u>86,057,401</u>	<u>4.53</u>



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Classes
Tutor Sessions

02

 **Academy**
Teachers

Earn

Selling courses
Tutor sessions
Classes
Ambassadors

Learn

Free Courses
Lesson Plans

03

 **Academy**
Schools

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One on One Educational Services leverages teachers, in-class facilitators, technology and content to deliver an innovative approach to modern, engaging continuous learning in high schools and beyond, regardless of their geographical location.

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