



UNAUDITED FINANCIAL STATEMENTS

TWELVE MONTHS | ENDED 30 September 2022

138 STUDENT LIVING JAMAICA LIMITED  
UNAUDITED FINANCIAL STATEMENTS  
TWELVE MONTHS | ENDED 30 SEPTEMBER 2022

INDEX

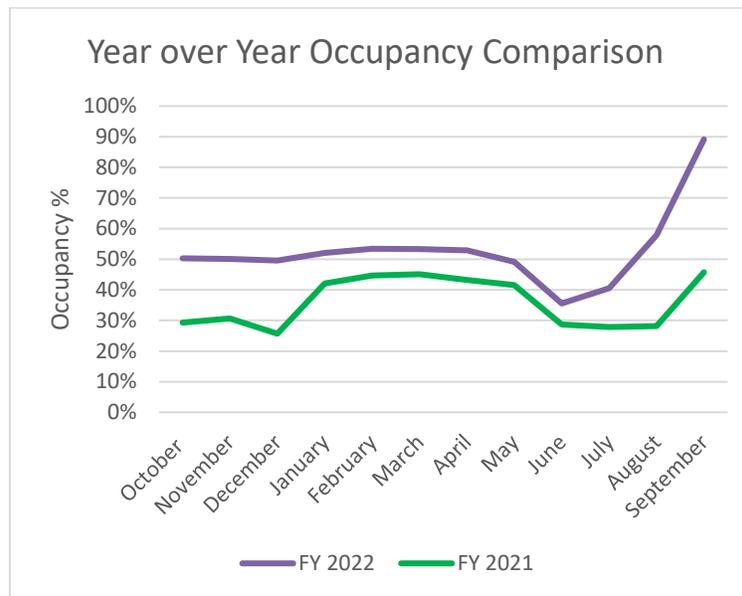
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## CHAIRMAN'S INTERIM REPORT TO THE SHAREHOLDERS

The Board of Directors of 138 Student Living Jamaica Limited (138 SL) presents below the unaudited consolidated financial statements for the quarter and twelve months ended 30 September 2022.

### 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 90%. Under the Concession Agreement with the University of the West Indies, Mona (UWI), 138 SL is guaranteed a 90% occupancy.

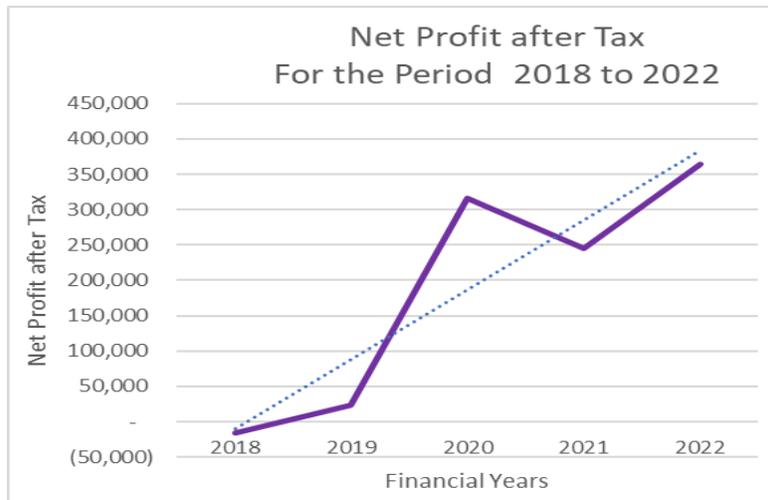


Our expectation is that this trend will continue as students seek for quality accommodation in a secured environment. As applications for student long-term accommodations are still being received, we expect to be at full capacity for the second semester beginning January 2023.

The Company saw a strong rebound in the demand for short-term rentals, for group accommodations. During the quarter, we hosted more than fifteen groups which contributed \$39.0 million in revenue.

Measures of prudent fiscal controls that were implemented in 2020 with the onset of Covid-19, continue to be 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.

For the three-month period ending 30 September 2022, The Group recorded profit before taxation of \$114.3 million and an after-tax profit of \$126.3 million. For the twelve-month period ending 30 September 2022, The Group recorded profit before taxation of \$335.1 million and an after-tax profit of \$364.9 million. The results benefitted from the variation claims relating to Irvine Hall.



## Financial Highlights

### Financial Results Highlights

	3 Months ended 30 September 2022 \$'000	3 Months ended 30 September 2021 \$'000	Q-O-Q CHANGE %	12 Months ended 30 September 2022 \$'000	12 Months ended 30 September 2021 \$'000	Y-T-D CHANGE % \$'000
<b>Revenue</b>	292,032	184,113	59	1,185,597	860,479	38
<b>Expenses</b>	86,170	202,708	57	487,058	422,017	(15)
<b>Finance Costs</b>	91,560	65,555	(40)	363,488	242,209	(50)
<b>Operating Profit</b>	114,303	(84,150)	236	335,052	196,253	71
<b>Taxation</b>	11,952	28,888	(59)	29,867	48,309	(38)
<b>Net Profit after taxation</b>	126,255	(55,262)	328	364,919	244,562	49

For the quarter under review revenue increased by 59% when compared to the corresponding period last year; the increase was driven by an increase in occupancy under the short-term rental business and a general increase in room rates for long term residents.

For the current quarter, we recorded a 328% increase in net profit when compared to the September 2021. Additionally, finance cost increased 40% when compared to the September 2021 period, driven by an increase in interest rates from an average of 5% to 8% on outstanding loan notes.

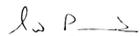
The Consolidated Statement of Financial Position shows Assets at \$9.9 billion and Shareholders' Equity at \$4.7 billion. The lower receivables are due to arrangements arrived at with UWI for settlement of outstanding balances. Student receivables balances reduced significantly as we continue to enforce strict collection measures.

Net cash from operations grew significantly primarily due to the return to normalcy of long-term rentals and the increase in short term rentals. This is helped by the strict collections measures that are in place. Cash and cash equivalents at the end of the period increased significantly.

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.

Although the Ministry of Health and Wellness relaxed the national Covid-19 measures, management of 138 SL continues to place high priority on the health and wellbeing of our employees and residents, as such we have chosen to maintain certain safety measures that were implemented.

We remain grateful to our team members, our various partners, residents, and other stakeholders who have helped us to navigate during the challenging times. We look forward to your continued support. Special thanks to you our financiers and stockholders for your continued confidence in the business.

  
Ian Parsard  
Chairman

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

TWELVE MONTHS | ENDED 30 SEPTEMBER 2022

	3 Months ended 30 September 2022	3 Months ended 30 September 2021	12 Months ended 30 September 2022	12 Months ended 30 September 2021	
	J\$'000	J\$'000	J\$'000	J\$'000	
<b>REVENUE</b>					
Income	301,267	178,965	1,185,233	813,205	
Other Operating Income	(6,456)	5,148	3,143	47,274	
	294,810	184,113	1,188,375	860,479	
<b>EXPENSES</b>					
Administrative Expenses	88,948	202,708	489,836	422,017	
<b>PROFIT FROM OPERATIONS</b>	205,863	(18,595)	698,540	438,462	
Finance Costs	91,560	65,555	363,488	242,209	
<b>PROFIT BEFORE TAXATION</b>	114,303	(84,150)	335,052	196,253	
Taxation	11,952	28,888	29,867	48,309	
<b>PROFIT FOR THE PERIOD</b>	126,255	(55,262)	364,919	244,562	
Other Comprehensive Income					
Change In Fair Value of Financial Asset	(98,144)	(355,819)	(98,144)	(355,818)	
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	28,111	(411,081)	266,775	(111,256)	
<b>Profit per stock unit</b>	(Note 5)	0.30	(0.13)	0.88	0.59

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2022

	Unaudited 30-Sep-22 J\$'000	Audited 30-Sep-21 J\$'000
<b>NON-CURRENT ASSETS</b>		
Financial Asset -Service Commission Rights	8,442,712	8,513,000
Motor Vehicle	1,117	1,768
Deferred Tax Asset	310,544	280,678
	8,754,373	8,795,446
<b>CURRENT ASSETS</b>		
Receivables	903,293	1,277,833
Taxation Recoverable	24,767	24,742
Short Term Deposits	-	760
Cash and Cash Equivalents	170,444	38,935
	1,098,504	1,342,270
	<b>9,852,877</b>	<b>10,137,716</b>
<b>EQUITY AND LIABILITIES</b>		
Share Capital	721,153	721,153
Fair Value Reserve	2,949,429	3,047,573
Retained Earnings	1,019,444	654,525
	4,690,026	4,423,251
<b>NON-CURRENT LIABILITIES:</b>		
Long Term Loans	3,847,369	4,211,895
Redeemable Preference Shares	172,643	172,642
	4,020,012	4,384,537
<b>CURRENT LIABILITIES:</b>		
Payables	561,874	1,112,745
Taxation	8,330	7,183
Current Portion of Long Term Loan	362,634	-
Short term Borrowing	210,000	210,000
	1,142,838	1,329,928
	<b>9,852,877</b>	<b>10,137,716</b>

*IAN PARSARD*

IAN PARSARD  
CHAIRMAN

*SHARON DONALDSON-LEVINE*

SHARON DONALDSON-LEVINE  
DIRECTOR

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE PERIOD ENDED 30 SEPTEMBER 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>
<b>Balance at 30 September 2020</b>	<b>721,153</b>	<b>3,403,391</b>	<b>409,963</b>	<b>4,534,507</b>
Change in Fair Value of Financial Asset-	-	(355,818)	-	- 355,818.00
Profit for the Period	-	-	244,562	244,562
<b>Balance at 30 September 2021</b>	<b>721,153</b>	<b>3,047,573</b>	<b>654,525</b>	<b>4,423,251</b>
Change in Fair Value of Financial Asset-	-	(98,144)	-	- 98,144.11
Profit for the Period	-	-	364,919	364,919
<b>Balance at 30 September 2022</b>	<b>721,153</b>	<b>2,949,429</b>	<b>1,019,444</b>	<b>4,690,026</b>

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE TWELVE MONTHS PERIOD ENDED 30 SEPTEMBER 2022

	Unaudited 30-Sep-22 J\$'000	Audited 30-Sep-21 J\$'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit	364,919	244,562
Items not Affecting Cash Resources:		
Effects of Foreign Exchange Gains	-	(864)
Taxation	(29,867)	(48,309)
Interest Income	-	(441)
Interest Expense	363,488	242,209
Depreciation	624	624
Loss on disposal of financial assets	-	(5)
	699,164	437,776
Changes in Operating Assets and Liabilities:		
Other Assets	-	3,850
Receivables	425,381	(662,156)
Taxation Recoverable	-	(234)
Payables	(623,813)	362,133
	(198,432)	(296,407)
<b>Net cash provided by operating activities</b>	500,731	141,369
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Additions to Financial Asset - Service Concession Rights	(27,855)	(7,375)
Short Term Deposits	761	257,799
Interest Received	-	1,566
Interest Paid	(340,238)	(313,632)
Proceeds from Disposal of Financial Assets	-	7
<b>Net Cash Used in Investing Activities</b>	(367,331)	(61,635)
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Short Term Loans	-	75,000
Loan Repaid	(1,891)	(160,147)
<b>Net Cash Used in Financing Activities</b>	(1,891)	(85,147)
<b>Net increase/(decrease) in cash and cash equivalents</b>	131,509	(5,413)
Exchange Gain on Foreign Cash Balance	-	864
Cash and Cash Equivalents at Start of The Period	38,935	43,484
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>170,444</b>	<b>38,935</b>

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE TWELVE MONTHS ENDED 30 SEPTEMBER 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 30 September 2021 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 <u>J\$</u> <u>000</u>	3 months ended 30 Sep 2021 <u>J\$</u> <u>000</u>	12 months ended 30 Sep 2022 <u>J\$</u> <u>000</u>	12 months ended 30 Sep 2021 <u>J\$</u> <u>000</u>
Net profit attributable to stockholders	126,255	(55,262)	364,919	244,562
Earnings per stock unit	\$0.3	\$0.28	\$0.88	\$0.59

**138 STUDENT LIVING JAMAICA LIMITED**  
**QUARTERLEY REPORT**  
**AS AT SEPTEMBER 30, 2022**

**TOP TEN (10) LARGEST SHAREHOLDERS**

SHAREHOLDER	NO. OF SHARES	TOTAL NO. OF SHARES	PERCENTAGE SHAREHOLDING
<b>SAGICOR</b>		<b>164,501,807</b>	<b>39.69%</b>
SAGICOR POOLED EQUITY FUND	91,314,520		
JCSD TRUSTEE SERVICES LTD - SIGMA EQUITY	42,697,781		
SAGICOR POOLED MORTGAGE & REAL ESTATE FUND	16,233,333		
JCSD TRUSTEE SERVICES LTD - SIGMA GLOBAL VENTURE	14,256,173		
<b>NCB INSURANCE CO. LTD. A/C WT040</b>		<b>82,832,770</b>	<b>19.98%</b>
<b>K LIMITED</b>		<b>68,803,832</b>	<b>16.60%</b>
<b>BARITA INVESTMENTS</b>		<b>13,878,975</b>	<b>3.35%</b>
JCSD TRUSTEE SERVICES LIMITED A/C BARITA UNIT TRUST REAL ESTATE PORTFOLIO	10,974,925		
BARITA INVESTMENTS LTD - LONG A/C (TRADING)	2,904,050		
<b>WISYNCO GROUP LIMITED PENSION FUND</b>		<b>10,000,000</b>	<b>2.41%</b>
<b>BARRINGTON PHILLIP BROWN</b>		<b>7,334,592</b>	<b>1.77%</b>
<b>VMPM - POOLED PENSION REAL ESTATE</b>		<b>7,294,744</b>	<b>1.76%</b>
<b>MF&amp;G ASSET MANAGEMENT LTD. - JAMAICA INVESTMENTS FUND</b>		<b>6,111,300</b>	<b>1.47%</b>
<b>CONLEY SALMON/JULIET SALMON</b>		<b>5,000,000</b>	<b>1.21%</b>
<b>DOUGLAS O. STIEBEL/CHRISTINE STIEBEL</b>		<b>4,693,129</b>	<b>1.13%</b>
<b>TOTAL</b>		<b>370,451,149</b>	<b>89.37%</b>

**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 **30 September 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/ANIYAH MILLEN	NIL
RENELLE WILSON-PEARSON	NIL	ELVIS PEARSON	NIL

COMPANY SECRETARY	SHAREHOLDING	CONNECTED PARTIES	SHAREHOLDING
STEPHEN GREIG	NIL		