

ANNUAL REPORT 2024

**BUILDING ON STRENGTH,
INVESTING IN THE FUTURE**



STANLEY MOTTA LIMITED

ABOUT US

Stanley Motta Limited (SML) is a publicly listed real estate investment company specializing in commercial property development and management. The company owns and operates Jamaica's largest privately owned Business Process Outsourcing (BPO) facility, located at 58 Half Way Tree Road, Kingston.

58^{HWT}

SML is committed to delivering world-class commercial spaces designed to meet the needs of international and local tenants. Through sustainable development practices and strategic partnerships, the company continues to expand its portfolio, drive economic growth, and support Jamaica's position as a regional hub for business process outsourcing and corporate services.

With a proven track record in property investment, governance, and operational excellence, Stanley Motta Limited remains at the forefront of Jamaica's commercial real estate sector, providing high-quality infrastructure solutions for the evolving global business landscape.

58 Half Way Tree Road is a state-of-the-art business complex designed to accommodate Business Process Outsourcing (BPO) and commercial tenants, offering a secure, modern, and high-tech office environment. Centrally located at the nexus of Half Way Tree and New Kingston, offering over 330,000 square feet of premium office space across 5 acres of property, the development has played a pivotal role in strengthening Jamaica's position as a hub for outsourcing, attracting global tenants and providing employment opportunities for thousands of professionals in the industry. 58 HWT continues to drive economic growth and innovation, reinforcing Stanley Motta's leadership in commercial real estate



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UPDATE ON THE NEW UNIT 1 BUILDING



- Structural completion was achieved in 2024, expanding our footprint in the commercial real estate sector and marking a major step forward in our development pipeline.
- Internal fit-out has commenced, ensuring the space is tailored to meet the needs of prospective tenants.
- Developed with sustainability and energy efficiency in mind, Unit 1 incorporates rainwater harvesting systems, enhanced insulation, and shading devices to optimize energy use.
- The building is strategically positioned to accommodate new and expanding tenants in the Business Process Outsourcing (BPO) and commercial sectors, expanding our rental base and reducing tenant concentration risk.
- We have prioritized attracting tenants with five- and ten-year leases, reinforcing long-term income stability and occupancy.
- Extra security has also been integrated into the expansion, ensuring a safe and secure environment for all occupants.

The addition of Unit 1 strengthens SML's competitive advantage by increasing our overall rental capacity and long-term revenue potential. This expansion aligns with our mission to provide best-in-class commercial facilities that support economic growth and employment opportunities in Jamaica.

Future-Proofing with a Smart Building Management System

Using technology, SML remains focused on future-proofing our real estate assets, ensuring we maintain high standards of sustainability, environmental responsibility, efficiency, and innovation. SML has started planning for the implementation of a state-of-the-art Building Management System (BMS). This system will allow for:

- Automated energy management, ensuring optimal lighting, cooling, and ventilation control to minimize environmental impact.
- Remote monitoring of critical systems, improving security, maintenance, and operational efficiency.
- Data-driven insights, enabling more sustainable building operations, reduced energy consumption, and long-term cost savings.
- Enhanced tenant experience, providing seamless integration with smart workplace solutions and contributing to greener, more responsive work environments.

Tenants:

- Productive Business Solutions
- Canopy Insurance
- Jamaica Social Investment Fund
- Eppley Limited
- Bowl and Spoon Limited



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **Seventh Annual General Meeting** of Stanley Motta Limited will be held in the Training Room at General Accident Insurance Company Jamaica Limited, 58 Half Way Tree Road, Kingston 10, St. Andrew, on **September 22, 2025, at 10:00 a.m.**, for the purpose of transacting the following business:

1.To Receive the Audited Accounts and the Reports of the Directors and Auditors

To consider and, if thought fit, pass the following resolution:
That the Directors' Report, the Auditors' Report, and the Audited Financial Statements for the year ended December 31, 2024, be and are hereby adopted.

2.To Declare the Interim Dividends as Final for the Year Under Review.

To consider and, if thought fit, pass the following resolution:
That the interim dividends paid on January 15, 2024, May 10, 2024, and September 5, 2024, as recommended by the Directors, be and are hereby declared final, and that no further dividend be paid in respect of the year under review.

3.To Re-Elect Directors

The Directors retiring from office by rotation pursuant pursuant to Article 111 of the Company's Articles of Incorporation are Minna Israel and Blondell Walker, who being eligible, offered themselves for re-election.

To consider and if thought fit, pass the following resolutions:

- I. That Minna Israel be re-elected as a Director of the Company.
- II. That Blondell Walker be re-elected as a Director of the Company.

4.To Elect Director

Pursuant to section 109 of the Company's Articles of Incorporation, Ms. Jacquelin Watson who was appointed by the Board of Directors on February 13th, 2025, to fill a casual vacancy being eligible offers herself for re-election.

To consider and if thought fit, pass the following resolution:
That Jacquelin Watson be elected as a Director of the Company.

5.To Fix the Remuneration of Directors

To consider and, if thought fit, pass the following resolution:
That the amount shown in the Audited Accounts for the year ended December 31, 2024, as Directors' fees be and is hereby approved.

6.To Appoint the Auditors and Authorize the Directors to Fix Their Remuneration

To consider and, if thought fit, pass the following resolutions:
I. That PricewaterhouseCoopers, having indicated their willingness to continue in office as Auditors, be re-appointed as the Auditors of the Company for the ensuing year.
II. That the Directors be authorized to agree on the remuneration of the Auditors.

7.To Transact Any Other Business Which May Properly Be Transacted at an Annual General Meeting.

NOTES:

- 1.Right to Attend and Vote: Only shareholders whose names appear on the Register of Members as of the record date will be entitled to attend and vote at the meeting.
- 2.Proxies: A member entitled to attend and vote is entitled to appoint a proxy to attend, speak, and vote in their stead. A proxy need not be a shareholder of the Company. Proxy forms must be deposited at the Registered Office of the Company at least 48 hours before the meeting.
- 3.Availability of Documents: The Audited Financial Statements, Directors' Report, and Proxy Forms will be available for review on the Company's website and at the Company's Registered Office in accordance with JSE regulations.

DATED this 29th day of April 2025

BY ORDER OF THE BOARD

Blondell Walker
Company Secretary



DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors of Stanley Motta Limited submit herewith their Annual Report and Audited Financial Statements for the year ended December 31, 2024.

• Financial Results

The Group ended the year with a net profit attributable to shareholders of J\$1.115 billion, and an Earnings per Share (EPS) of J\$1.47. Details of these results along with a comparison with the previous year's performance and the state of affairs of the Company are set out in the Management, Discussion and Analysis and the Financial Statements which are included as a part of the report.

• Dividend

During the year, the Company paid an interim dividend of J\$0.79 per share, totaling J\$59.4 million.

• Directors

In accordance with Article 111 of the Company's Articles of Incorporation, Blondell Walker and Minna Israel will retire by rotation and, being eligible, offer themselves for re-election.

• Auditors

The Auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office for the ensuing year, and the Directors recommend their re-appointment.

• Audit Committee

The Board of Directors of Stanley Motta Limited exercises its oversight of financial reporting and internal controls through the Audit Committee, chaired by Mrs. Blondell Walker, with independent members Sandra Glasgow, Minna Israel, and Andrea Kinach. The Committee meets quarterly to review financial statements, audit processes, and compliance matters. The independent auditors have full and free access to the Committee.

• Corporate Governance Committee

The Corporate Governance Committee is chaired by Sandra Glasgow and comprises Andrea Kinach and Jennifer Scott. The Committee supports the Board in fulfilling its responsibility to uphold high standards of corporate governance, including Board effectiveness, compliance with applicable laws and regulations, and stakeholder accountability. During the year, the Committee reviewed governance policies to ensure continued alignment with best practices.

Submitted on behalf of the Board of Directors

Melanie Subratie
Chairman and CEO
Stanley Motta Limited



CORPORATE DATA



REGISTERED OFFICE:

Stanley Motta Limited
58 Half Way Tree Road
Kingston 10, Jamaica

PHONE: +1-876-923-7311

EMAIL: INFO@STANLEYMOTTA.COM

WEBSITE: WWW.STANLEYMOTTA.COM

AUDITORS:

PRICEWATERHOUSECOOPERS
SCOTIABANK CENTRE
CORNER OF DUKE & PORT ROYAL STREETS
KINGSTON, JAMAICA

BANKERS:

FIRST GLOBAL BANK (JAMAICA) LTD.
2 ST. LUCIA AVENUE
KINGSTON 5, JAMAICA

ATTORNEYS:

DUNNCOX
48 DUKE STREET
KINGSTON, JAMAICA

REGISTRAR AND TRANSFER AGENTS:

JAMAICA CENTRAL SECURITIES DEPOSITORY LTD.
40 HARBOUR STREET
KINGSTON, JAMAICA

SUBSIDIARY COMPANY:

UNITY CAPITAL INC.
SERAPHINE POINTE
CASTRIES, ST. LUCIA



SHAREHOLDERS' PROFILE

AS AT 31 DECEMBER 2024

TEN LARGEST SHAREHOLDERS	NO. OF SHARES
1. PAM- POOLED EQUITY FUND	133,040,806
2. STONY HILL CAPITAL LIMITED	113,844,873
3. CAONA INVESTMENTS LIMITED	75,782,849
4. GENERAL ACCIDENT INSURANCE COMPANY LIMITED	73,591,200
5. PRIME ASSET MANAGEMENT JPS EMPLOYEES SUPERANNUATION FUND	73,425,531
6. SAGICOR LIFE - LASCELLES DEMERCADO DEFINED CONTRIBUTION FUND	40,649,565
7. PERSEVERANCE LIMITED	37,891,425
8. VM WEALTH BOND FUND IV	29,652,471
9. NCB INSURANCE COMPANY LIMITED -A/C WT161	28,248,000
10. VMWEALTH PROPERTY FUND	20,468,704

SHAREHOLDING OF DIRECTORS, ALONG WITH THEIR CONNECTED PERSONS	NO. 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	NIL

SHAREHOLDING OF MANAGEMENT	NO. OF SHARES
1. MELANIE SUBRATIE	NIL
SHAREHOLDING OF CONNECTED PERSON	263,218,922

MESSAGE FROM THE CHAIRMAN



**MELANIE
SUBRATIE**

CHAIRMAN & CEO

Dear Shareholders,

It is with great pleasure that I present to you the performance of Stanley Motta Limited (SML) for the year ended December 31, 2024.

This year has been a testament to our strategic growth, operational resilience, and commitment to excellence.

We have navigated an evolving economic landscape while reinforcing our position as Jamaica's premier commercial real estate provider.

Financial Performance

For the year ending December 31, 2024, SML recorded total income of \$564.11m, a 6.9% increase over the prior year.

Our Net Operating Income (NOI) grew by 4.9%, moving from \$345.88m in 2023 to \$362.89m in 2024.

Funds from Operations (FFO), a key metric of our ability to generate cash flow, also increased by 8.6% to \$317.72m, while our net profit decreased to \$1.11bn, reflecting a 36.9% reduction from the previous year. Earnings per share (EPS) saw a reduction to \$1.47 or 36.9% compared to 2023.

Our total assets grew to \$11.49bn, an increase from \$9.76bn in 2023, largely due to strategic capital investments in our ongoing expansion projects

Strategic Developments

This year, we made substantial progress on our expansion initiatives, including the continued development of our latest commercial property, ensuring that we provide cutting-edge, sustainable commercial spaces.

Our commitment to environmental sustainability remains unwavering, with a focus on energy efficiency, rainwater harvesting, and improved infrastructure resilience.

This year, we made substantial progress on our expansion initiatives, including the continued development of our latest commercial property, ensuring that we provide cutting-edge, sustainable commercial spaces.

An Award Winning Company

We are proud to announce that Stanley Motta Limited was recognized with two prestigious awards this year including the **Sustain-a-Livity Environmental Award** from the Jamaica Special Economic Zone Authority. Stanley Motta Limited was also recognized as the First Runner-Up for the **Best Performing Company on the Main Market at the Jamaica Stock Exchange Best Practice Awards**. These recognitions reaffirm our leadership in Jamaica's commercial real estate sector and highlight our continued efforts in corporate governance, sustainability, and industry innovation.



Training and Continuous Learning

Investing in the continuous learning and professional development of our team is critical to maintaining our industry leadership. This year, our team actively participated in specialized training programs aimed at enhancing our expertise in regulatory compliance, governance, and best practices.

Disaster Preparedness and Response

Ensuring the safety and readiness of our team and tenants remains a top priority. In the wake of Hurricane Beryl, we activated our emergency protocols, reinforcing our ability to respond quickly and effectively to natural disasters. The event underscored the importance of robust disaster preparedness, and we have since further strengthened our emergency response systems. This year, we conducted fire and earthquake drills across our properties to ensure all tenants and employees are well-prepared for unforeseen events. Our proactive approach to risk management and disaster readiness highlights our ongoing commitment to providing a secure, resilient, and responsive work environment.

Looking Ahead

As we look to the future, SML **remains committed to growth and value creation**. We will continue to execute our strategic initiatives, ensuring that we enhance shareholder returns, strengthen tenant relationships, and support Jamaica's economic development.

I take this opportunity to thank our shareholders, tenants, employees, and stakeholders for their continued confidence and support. Your trust fuels our ambition, and we look forward to another year of success together.

Sincerely,

Melanie Subratie

Chairman of the Board

MANAGEMENT DISCUSSION & ANALYSIS

Stanley Motta Limited (“SML” or the Group”) is pleased to report on the audited financials for the financial year ended December 31, 2024. The audited results are accompanied by a summary management discussion and analysis (“MD&A”), which is to be read in conjunction with the audited financial statements.

For the financial year ended December 31, 2024, the Group achieved a sustained revenue growth of 6.9% with revenues moving from J\$527.45m in 2023 to J\$564.11m in 2024.

This increase was attributable with the Group maintaining high occupancy levels and the net effect of a movement in the Jamaican Dollar against the United States Dollar, the currency in which rental income is collected. Rental income as a percentage of investment property value was 5.1%.

The foreign exchange rate opened 2024 at J\$154.31 and closed the year at J\$155.47. The administrative expenses of the Group increased by 8.5% for the financial year ended 2024, moving to J\$202.80m from J\$187.00m for 2023.

Net operating income (“NOI”) decreased to \$362.9m, a 5% increase over the prior year. Total Investment Property for the year increased to J\$11.14bn up from J\$9.55bn as at December 2023. This increase resulted from the annual revaluation exercise which saw investment properties increasing by J\$824.63m for 2024 (2023: J\$1.51bn). The increase in the fair value of the investment property is substantially linked to the values recognized for the newly constructed 11-storey building.

The decrease in the fair value gain on investment properties coupled with the upward movement in the administrative expenses led to a decrease in net profit of 36.9% or J\$650.6m when compared to prior year. Earnings per share decreased to J\$1.47 from J\$2.33 in 2023.

Funds from operations (“FFO”) of J\$317.72m was generated this year compared to J\$292.50m, a 8.6% increase.. Dividends declared during the year totaled J\$159.43m or J\$0.21 per share.

Shareholders equity grew to J\$8.61bn, a 12.5% growth over the prior year figure of J\$7.66bn. The increase can be attributed to the currency translation difference and rising retained earnings balance. The value of Total Assets also increased year over year moving from J\$9.76bn in December 2023 to J\$11.49bn as at December 2024, a J\$1.73bn or 17.7% increase. Cash and cash equivalents at the close of the financial year was J\$124.31m.

The increase in the fair value of the investment property is substantially linked to the values recognized for the newly constructed 11 storey building. The fair value of the investment property is assessed annually by an independent valuator, and thereafter checked by the auditors to ensure accurate financial reporting and compliance with regulatory standards.

Total debt increased by 49% to J\$2.53bn mainly as a result of the financing for the construction of the new 11-storey building. SML has a reasonable debt to equity ratio of 29.4% this year, which is 7.2% more than the previous year.

 **5%**
NOI
\$362.9m

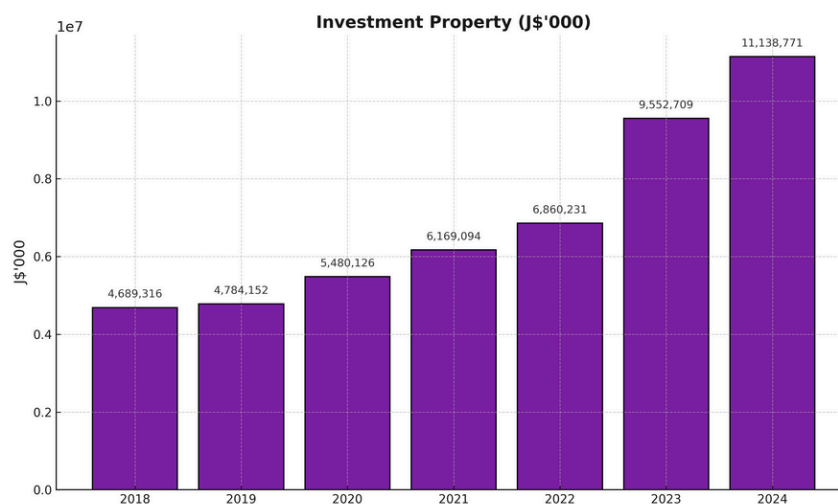
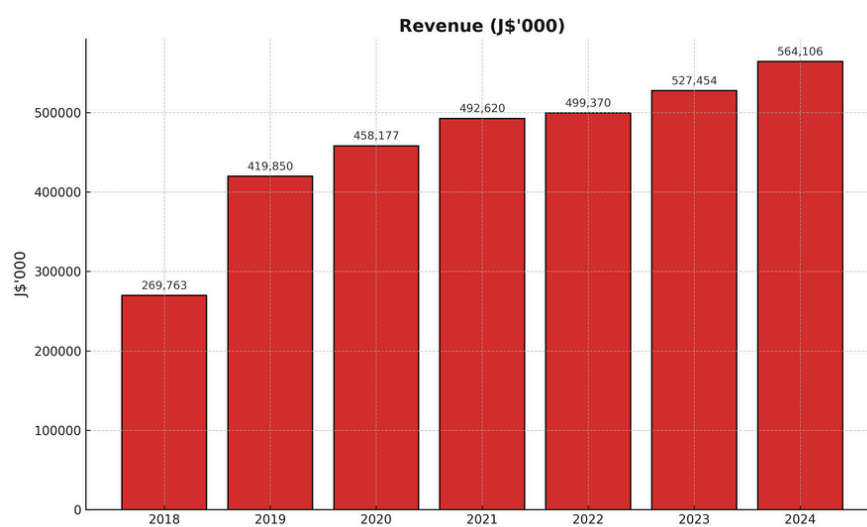
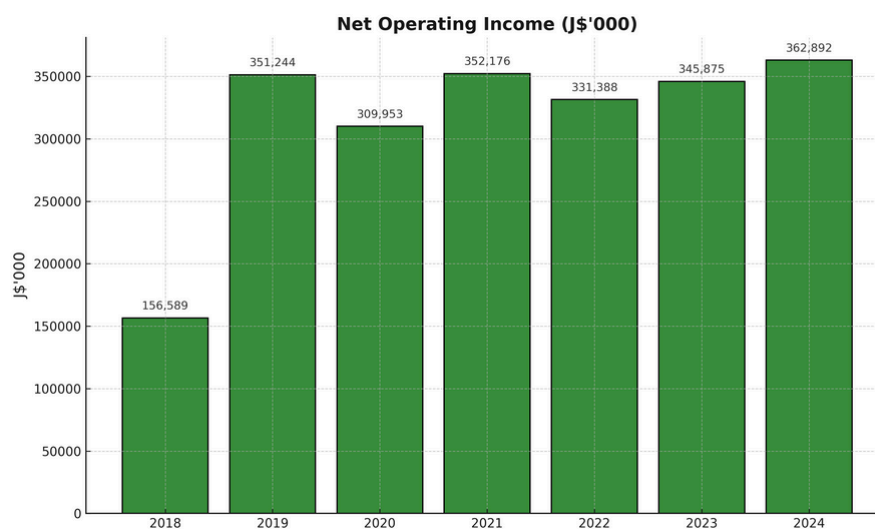
SUMMARY OF FINANCIAL RESULTS

ITEM	2024	2023	CHANGE
Revenue (J\$'000)	564,106	527,454	+6.9%
Operating Expenses (J\$'000)	202,792	186,966	+8.5%
Net Operating Income (J\$'000)	362.9	345.8	+5%
Net Profit (J\$'000)	1,114,851	1,765,445	-36.9%
Funds from Operations (FFO) (J\$'000)	317,723	292,504	+8.6%
Investment Properties (J\$'000)	11,138,771	9,552,709	+16.5%
Shareholders Equity (J\$'000)	8,619,563	7,664,142	+12.5%
Book Value per Share (J\$)	11.37	10.11	+12.5%
Earnings per Share (J\$)	1.47	2.33	-36.9%
Gross Dividends paid and proposed (J\$'000)	159,430	191,730	-16.8%
Year End Market Capitalization (J\$'000)	4,925,885	4,084,696	20.6%
Share Price	6.50	5.39	20.6%

↑ **12.5%**
SHAREHOLDERS
EQUITY
\$8.6bn

↑ **12.5%**
BOOK VALUE
PER SHARE
\$11.37

↑ **18%**
TOTAL
ASSETS
\$11.48bn





BOARD OF DIRECTORS



**MELANIE
SUBRATIE**

Chairman and CEO

Melanie M. Subratie is Chairman and CEO at Stanley Motta Limited. She serves as the Deputy Chairman of Musson (Jamaica) Limited and serves as Chairman and CEO at Felton Property Management Services, and Arel Limited.

She is the Vice-Chairman of General Accident Insurance Company Limited and T. Geddes Grant Limited, and a director of PBS Group, Interlinc Limited, Eppley Limited, Eppley Caribbean Property Fund, Facey Group, and all of its subsidiaries. She also serves on the boards of Seprod Limited, A.S. Bryden Limited, and the subsidiaries of both companies.

Melanie is the Chairman of the Audit Committee at Interlinc Limited sits on the audit committees of PBS Group, A.S. Bryden, Seprod Group, and Eppley Ltd. Additionally, she is Chairman of the Seprod Pension Fund. Melanie is the Executive Chairman of both the Musson Foundation and the Seprod Foundation and a founding director of Freedom Skatepark.

Melanie is the Chairman of First Angels Caribbean and a director of Bookfusion Limited. Melanie is a proud graduate of the LSE and mother to three teenage girls.



**SANDRA A. C.
GLASGOW**

Director

Sandra is the Founder & Managing Director of BizTactics Limited, a Co-Founder and Manager of Jamaica's first angel investor network, FirstAngels Caribbean, Founder and Managing Director of RevUP Caribbean Limited, a virtual business incubator.

She serves on several boards – she has been an Independent Director of the National Commercial Bank Jamaica Limited since 2002. She chairs the Bank's Risk Committee and serves on its Audit Committee. In addition to her directorship on the Board of Stanley Motta Limited, Sandra serves on the boards of SiFi Studios Jamaica Limited and the Multicare Youth Foundation and is Chairman of the Board of the National Crime Prevention Fund (Crime Stop). She is the Chairman and Trustee of JAMPRO's Pension Fund, Chairman and Trustee of the SMART Retirement Fund and Trustee of the NCB Pension Funds (1986 and 1999);

She was Jamaica's Eisenhower Fellow in 2000 and is a member of the Global Network Council, of the Eisenhower Fellowships, USA.

She earned a Bachelor of Science Degree in Applied Zoology and Applied Botany and a Master of Business Administration specializing in the Management of Technology, from the University of the West Indies, Mona. She is a Fellow of the National Association of Corporate Directors in the USA, a certified Trainer of Trainers in Corporate Governance Board Leadership by the International Finance Corporation (IFC) and a certified Trainer of Trainers in Business Ethics by the Inter-American Investment Corporation and the US Department of the US Department of Commerce.

Sandra's career over the past 40 years has centred on business development and supporting growth-aspiring firms. She has played pivotal roles in developing Jamaica's entrepreneurial ecosystem.



A former banker with over 30 years of corporate, commercial and retail banking experience; Minna held senior executive positions, serving as President & Country Head of RBC Royal Bank (Jamaica) and Managing Director of Scotiabank (Bahamas) Limited. She has extensive Board service experience, gaining a strong understanding of a wide variety of businesses. She currently serves on the boards of First Global Bank, Radio Jamaica Limited, Jamaica Public Service Company, Carimed Group Limited, the Mona School of Business & Management, and Quadrant Home Developers Ltd, and is a member of the Rating Committee of Caribbean Information and Credit Rating Services (CariCRIS)

Minna holds an MBA from the Richard Ivey School of Business at the Western University, Canada, and a BSc Degree in Management Studies from The UWI, where she was also awarded a UWI Honorary Doctor of Laws degree in 2011. She also holds a Diploma in Business Administration from the University of Technology, Jamaica (UTECH).



Andrea Kinach first studied Economics at Trinity College, University of Toronto, Canada and received her B.A (Honours).

She subsequently moved to the UK to study law at the University of Kent, Canterbury, England and graduated with her LL.B (First Class Honours).

She qualified as a Solicitor of the Supreme Court of England and Wales in 2000 and spent time working as a solicitor and then as a regulator.

She migrated to Jamaica in 2008 and currently practises as a consulting attorney-at-law with her focus on financial markets, data, regulatory matters, and corporate work.



Jennifer Scott has been a practicing Attorney-at-Law at Clinton Hart & Co., Attorneys-at-Law, where she specializes in the areas of Securities, Trusts, Commercial and Corporate Law and Estates, since 2003.

She is a Director of Musson (Jamaica) Limited, General Accident Insurance Company Limited, Eppley Limited, Stanley Motta Limited, and Arel Limited. She is also a Director and Chair of the Human Resources and Compliance Committee of the Environmental Foundation of Jamaica.

She is a graduate of the University of Newcastle-upon-Tyne, and holds a Graduate Diploma in Legal Studies from University of Keele, a Postgraduate Diploma in Legal Practice from The College of Law of England and Wales, and a Postgraduate Diploma in Legal Studies from Norman Manley Law School. She was admitted to the Jamaican Bar in 2003 and as Solicitor of Supreme Court of England and Wales in 2006.



Patricia is the Chief Operations Officer for JMMB Group Limited. She has over 30 years' experience in management, operations, and strategic planning in both the financial services and manufacturing sectors. Patricia has held senior positions at the ICD Group of Companies (now ICD Group Limited), Butterkist Limited and HoFAB Manufacturing Company Limited. She holds a B.Sc. in Pure and Applied Chemistry from the University of the West Indies. She has completed several professional development and leadership courses and seminars, including Women and Power: Leadership in a New World with John F. Kennedy School of Government at Harvard.

Patricia has contributed to nation building through voluntary service with the Adoption Board, eGov Jamaica Limited, Dress for Success Jamaica, The Jamaica Social Investment Fund (JSIF) and the Ministry of National Security's Unite for Change Programme. She continues to give back through an active political career and her charity, The Partnership & Love Foundation. She currently serves as Chairman of the JMMB Joan Duncan Foundation and Director of The MultiCare Youth Foundation. She also serves on the Board of Commissioners of the Early Childhood Commission and National Commission on Violence Prevention.



Blondell Walker has been part of the Musson Group of Companies for over 20 years and is currently the ICT Director, a position she has held since 2000.

She is a member of the Board for several Companies namely PBS Group, T. Geddes Grant (Distributors) Limited and Musson Jamaica Limited. She is the Chairman for the Western United Basic School. Blondell studied Accounting and Systems Analysis at the University of the West Indies, Jamaica Institute of Management and the Heriot Watt University of Edinburgh, Scotland.

She has completed several programs in the field of Information Technology and advanced Management Studies. Blondell brings to the Group a wealth of knowledge garnered from her over thirty five (35) years of experience in the Information, Communication and Technology field.





BOARD MEMBER ACHIEVEMENTS

HONOURING A TRAILBLAZER IN BANKING AND PUBLIC SERVICE

MINNA ISRAEL, Director of Stanley Motta Limited, was appointed as a Member of the Order of Distinction in the Rank of Commander (CD) in 2024. This prestigious national honor was bestowed in recognition of her exceptional contributions to the banking sector, educational development, and public service in Jamaica. Minna's legacy of leadership and excellence continues to shape Jamaica's financial landscape. Her strategic insight and steadfast governance play a vital role in guiding Stanley Motta's long-term vision and growth.

HONOURING A VISIONARY IN ANGEL INVESTING

MELANIE SUBRATIE, Chairman and CEO, was recognized by First Angels Caribbean at its 10th Anniversary Dinner for her pioneering role in developing Jamaica's startup ecosystem. As a founding member of the network, Melanie has championed entrepreneurship through impactful investments, mentorship, and governance. Her commitment to innovation and national development mirrors Stanley Motta's mission of bold leadership and forward-thinking growth. Her recognition is a testament to the broader impact of her leadership—both within our organization and across the Caribbean.

BOARD MEETING REGISTER

Names	FEB	MAY	AUG	NOV
Melanie Subratie	X	X	X	X
Patricia Sutherland			X	X
Minna Israel	X	X	X	X
Blondell Walker	X			X
Andrea Kinach	X	X		
Jennifer Scott	X	X		X
Sandra Glasgow		X	X	X

AUDIT COMMITTEE MEETING REGISTER

Names	FEB	MAY	AUG	NOV
Blondell Walker	X	X		X
Minna Israel	X	X	X	X
Andrea Kinach	X			
Sandra Glasgow		X	X	X

CORPORATE GOVERNANCE COMMITTEE MEETING REGISTER

Names	NOV
Sandra Glasgow	X
Andrea Kinach	
Jennifer Scott	X

ANNUAL GENERAL MEETING REGISTER

Names	SEPT
Melanie Subratie	X
Patricia Sutherland	X
Minna Israel	
Blondell Walker	X
Andrea Kinach	
Sandra Glasgow	X
Jennifer Scott	X

SUBCOMMITTEES OF THE BOARD



Audit Committee	Compensation Committee	Corporate Governance Committee
Blondell Walker (Chairman)	Minna Israel (Chairman)	Sandra Glasgow (Chairman)
Andrea Kinach (Member)	Andrea Kinach (Member)	Andrea Kinach (Member)
Minna Israel (Member)	Blondell Walker (Member)	Jennifer Scott (Member)
Sandra Glasgow (Member)	Sandra Glasgow (Member)	



CORPORATE GOVERNANCE

COMMITMENT TO GOVERNANCE EXCELLENCE

- * At Stanley Motta Limited, we recognize that strong corporate governance is the foundation of a sustainable and successful business. Our approach is guided by the principles of transparency, accountability, and ethical leadership, ensuring that we continue to operate in the best interests of our shareholders, tenants, and stakeholders.

BOARD OVERSIGHT AND LEADERSHIP

- * Our Board of Directors remains committed to upholding the highest standards of governance, actively overseeing the company's strategic direction and ensuring compliance with Jamaican Stock Exchange (JSE) regulations and international best practices. Throughout the year, the Board and its committees diligently monitored the company's performance, financial integrity, and risk management framework. Ethical decision-making is embedded in our culture. This year, we reviewed and reinforced our Code of Ethics and Business Conduct, ensuring that all stakeholders uphold the highest standards of integrity.

BOARD COMMITTEES AND INDEPENDENCE

- * Our Board committees play a critical role in ensuring effective governance and oversight. Each committee is structured to uphold independence and accountability, with a majority of its members being independent non-executive directors. The Audit Committee provides oversight of financial reporting, risk management, and internal controls, ensuring that SML remains compliant with industry and regulatory standards. The Audit Committee consists of Blondell Walker (Chair), Sandra Glasgow, Minna Israel and Andrea Kinach. The Corporate Governance Committee is responsible for monitoring governance structures, ethical conduct, and board effectiveness, ensuring that best practices are embedded in SML's operations. The Corporate Governance Committee consists of Sandra Glasgow (Chair), Jennifer Scott and Andrea Kinach.

SHAREHOLDER ENGAGEMENT AND TRANSPARENCY

- * We remain committed to open and transparent communication with our shareholders. In 2024, we continued to enhance our reporting structures, ensuring timely and accurate disclosures in accordance with JSE corporate governance guidelines. Our annual shareholder meetings and digital reporting enhancements have further strengthened our engagement with investors.

JAMAICA STOCK EXCHANGE BEST PRACTICE AWARDS

- * Excellence in corporate governance, financial reporting, and stakeholder transparency remains at the heart of Stanley Motta Ltd.'s operations. We are honored to have been recognized as First Runner-Up for the Best Performing Company on the Main Market at the Jamaica Stock Exchange Best Practice Awards, which celebrates companies that uphold the highest standards of financial and operational integrity. This achievement reflects our unwavering commitment to accountability and best practices in the Jamaican business landscape.

JAMAICA STOCK EXCHANGE CEO AWARD

- * This prestigious award acknowledges the outstanding leadership and strategic vision that drive Stanley Motta Ltd. forward. Our CEO's commitment to innovation, corporate governance, and long-term value creation continues to position us as a leader in Jamaica's business sector. This recognition by the Jamaica Stock Exchange reinforces our dedication to excellence, resilience, and sustained growth.

LOOKING FORWARD

- * As we move into 2025, SML will continue to refine its governance framework to drive sustainable growth. We will remain vigilant in our regulatory compliance, uphold best-in-class governance practices, and foster a corporate culture rooted in accountability, innovation, and resilience. Stanley Motta Limited remains committed to governance excellence, ensuring that we create long-term value for our shareholders and stakeholders.

ENVIRONMENTAL SUSTAINABILITY



JAMAICA SPECIAL ECONOMIC ZONE AUTHORITY SUSTAINABILITY AWARDS

- * Stanley Motta Ltd. is proud to be recognized by the Jamaica Special Economic Zone Authority for our commitment to sustainable business practices. This award underscores our dedication to environmental responsibility, operational efficiency, and long-term sustainability within the SEZ framework. Through innovative energy solutions, green building initiatives, and a focus on corporate social responsibility, we continue to set industry standards for sustainable development.

TRAINING ACTIVITIES

- * We began the year with Corporate Governance Training led by Facey Law, alongside a Jamaica Stock Exchange (JSE) rules orientation session, ensuring our team remains up to date with compliance and governance expectations.

Additionally, our team participated in Jamaica Special Economic Zone Authority (JSEZA) Business Acceleration Centre (BAC) Sessions throughout the year. These included:

- BAC Accelerator Series (August 23, 2024): Focused on the Roles and Responsibilities of the Developer and Occupant, featuring insights from JSEZA's Legal Services Unit.
- Data Protection & ISO Certification for SEZs (September 19, 2024): Hosted by United Consulting International, with expert speakers Ms. Majuequa Barnes, Chief Privacy Officer/Managing Director, and Ms. Shelly-Ann Brown, Team Lead, National Certification Body of Jamaica.

These sessions provided invaluable insights into SEZ regulations, data protection requirements, and operational best practices, equipping our team with the knowledge to maintain compliance while driving operational efficiency.

Blondell Walker, Company Secretary and Director, was awarded a Certificate of Achievement for successfully completing a 24-hour course in Data Protection at the Mona School of Business and Management. This accomplishment reflects the company's commitment to strong governance, regulatory compliance, and safeguarding stakeholder data in an increasingly digital business environment.

CORPORATE SOCIAL RESPONSIBILITY

OUR CHAIRMAN AND CEO AS THE KEYNOTE SPEAKER AT THE UNITED WAY OF JAMAICA'S NATION BUILDERS' & WORKPLACE PHILANTHROPY AWARDS CEREMONY



* Melanie Subratie, Chairman and CEO of Stanley Motta Limited, delivered the keynote address at the United Way of Jamaica's Nation Builders' & Workplace Philanthropy Awards Ceremony on October 19th. This prestigious event celebrated the impact of philanthropy in nation-building, recognizing outstanding contributions from corporate and individual donors who have played a vital role in supporting community development and social transformation. As a business leader, philanthropist, and advocate for education and social empowerment, Melanie shared her insights on the importance of corporate responsibility, sustainable giving, and fostering long-term economic resilience through strategic philanthropic initiatives.

SUPPORTING COMMUNITY PARTNERS

* As part of our ongoing commitment to community development, we make annual donations to Websters Memorial Church, our neighbor on Half-Way Tree Road, in support of their outreach programs. These contributions help fund initiatives that serve vulnerable groups and uplift the surrounding community through education, care, and support services.

HIGHLIGHTS

TENANT SPOTLIGHT: GENERAL ACCIDENT – A LEGACY OF GIVING BACK THROUGH BLOOD DRIVES AND LIFE-SAVING PARTNERSHIPS



At Stanley Motta Limited, we're proud to spotlight tenants who go above and beyond in their commitment to community impact. As the first feature in our Tenant Highlight Series, we are honored to celebrate General Accident Insurance Company Jamaica Limited (GenAc) — a company known not only for excellence in insurance but also for its enduring commitment to saving lives.

Powering the Nation's Blood Supply

Since 2019, General Accident has led the charge in supporting Jamaica's national blood supply through its Annual Blood Drive. In collaboration with the National Blood Transfusion Service (NBTS) and the Musson Foundation, the company has turned corporate goodwill into tangible impact, rallying employees, clients, and partners to donate blood each year. Between 2019 and 2024 alone, GenAc has contributed an estimated 445 units of blood to Jamaica's blood bank - a vital resource that helps save lives daily across hospitals and emergency rooms islandwide.

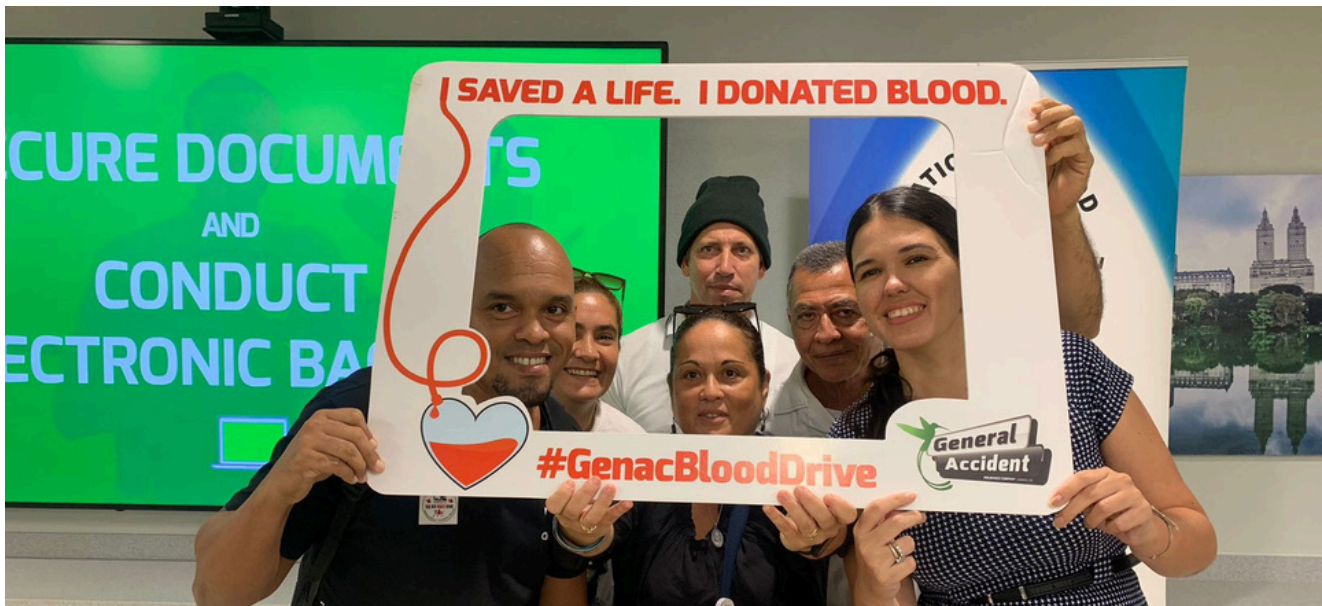
"We believe that giving blood is one of the simplest, most meaningful ways to contribute to our country's well-being," shared Sharon Donaldson, Managing Director of General Accident. "Our annual drives reflect who we are - a team that cares deeply about community and service."

SUPPORTING CHILDREN WITH HEART DISEASE: CHAIN OF HOPE JAMAICA

Through these Blood Drives, General Accident supports Chain of Hope Jamaica, a charity dedicated to providing heart surgeries and specialist care for Jamaican children with congenital and rheumatic heart disease.

The blood donations received through the blood drive help in ensuring that these life-saving surgeries can take place.

This partnership reflects the company's deeper ethos of supporting health equity and giving children a fighting chance at life.



A CULTURE OF GIVING

General Accident fosters a culture of care that goes far beyond business. Their efforts inspire a spirit of volunteerism, health advocacy, and corporate social responsibility that sets a high standard across sectors.

As Stanley Motta continues to grow as a hub for innovative and mission-driven companies, we salute General Accident for making community care a pillar of its corporate identity.

Stay tuned for the next installment of our Tenant Highlight Series, where we continue to share how the businesses at 58HWT are shaping lives, and livelihoods, across Jamaica.



IN THE NEWS

CANOPY INSURANCE MOVES IN: A BOLD VISION REALIZED AT 58HWT

Stanley Motta Limited is proud to announce that Canopy Insurance has officially completed its move into Unit 1, our newest commercial development at 58 Half-Way Tree Road. As the very first tenant to fully occupy and activate their space, Canopy sets the tone for what is to come in this vibrant new business ecosystem

Spread across the seventh floor, Canopy's new headquarters was designed by architectural firm, Synergy Design Studios, who partnered closely with Canopy and Felton Property Management teams to bring the space to life.

The space is more than just a workplace — it's a thoughtfully designed, future-ready environment tailored for productivity, collaboration, and comfort. Featuring custom finishes, breakout zones, a state-of-the-art meeting room, and wellness spaces including a sick bay and lunch room, the office seamlessly blends functionality with elevated aesthetics.

Canopy's floor plan includes dedicated offices for their executive, IT, HR, and marketing teams, open-concept workspaces for team collaboration, and areas for client interaction — all brought to life with a clean, sophisticated interior design palette and an emphasis on user experience. The integration of personalized branding elements and a strong architectural identity signals Canopy's continued commitment to innovation and client-centered service.

Unit 1 at 58HWT is Stanley Motta's latest step in redefining Kingston's commercial landscape — offering purpose-built spaces for Jamaica's most dynamic companies. Canopy Insurance's move-in represents a major milestone for the development and a glimpse of the community of leading enterprises that will soon follow.

Stay tuned as more tenants prepare to open their doors, and as 58HWT evolves into a hub for innovation, collaboration, and next-generation Jamaican business.



“Our vision was to create a workplace that is as dynamic and people-centric as the company it houses,” said Bruce Lopez, Principal Architect at Synergy Design Studio. “We incorporated thoughtful materials, natural light, spatial flow, and custom detailing to ensure every element enhances the experience - for both the Canopy team and their clients.”

“We’re thrilled to be the first tenants to fully move into Unit 1. This space reflects the growth, ambition, and modern culture of Canopy. Stanley Motta and the Felton Property Management team have gone above and beyond to deliver a space that’s not only operationally efficient but inspiring,” said Oliver Tomlinson, CEO of Canopy Insurance.



FINANCIAL STATEMENTS





STANLEY MOTTA LIMITED

Financial Statements

31 December 2024

Stanley Motta Limited

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31 December 2024

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Independent auditor's report

To the Members of Stanley Motta Limited

Report on the audit of the consolidated and stand-alone financial statements

Our opinion

In our opinion, the consolidated financial statements and the stand-alone financial statements give a true and fair view of the consolidated financial position of Stanley Motta Limited (the Company) and its subsidiary (together 'the Group') and the stand-alone financial position of the Company as at 31 December 2024, and of their consolidated and stand-alone financial performance and their consolidated and stand-alone cash flows for the year then ended in accordance with IFRS Accounting Standards and with the requirements of the Jamaican Companies Act.

What we have audited

The Group's consolidated and stand-alone financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the company statement of financial position as at 31 December 2024;
- the company statement of comprehensive income for the year then ended;
- the company statement of changes in equity for the year then ended;
- the company statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the **Auditor's responsibilities for the audit of the consolidated and stand-alone financial statements** section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.



Our audit approach

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and stand-alone financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group comprises the parent, Stanley Motta Limited, and a wholly-owned subsidiary, Unity Capital Incorporated, which are incorporated in Jamaica and St. Lucia respectively. A full scope audit was performed for both entities as they were determined to be individually significant based on size. engagement team.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and stand-alone financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and stand-alone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of Investment Properties (Group & Company) Refer to notes 2 (g), 4 and 15 to the consolidated and stand-alone financial statements for disclosures of related accounting policies, judgments, estimates and balances. Investment properties represented \$11,139 million or 96.9% of total assets for the Group and \$9,418 million or 95.2% of total assets for the Company as at 31 December 2024. The determination of the fair value of investment properties requires significant judgement and is inherently subjective due to, among other factors, the individual nature of each property, their location and the expected future rental for each property. This, combined with the fact that a small percentage difference in individual property valuation assumptions, when aggregated, could result in a material misstatement, is why we focused on this area.	Our approach to addressing the matter, with the assistance of our valuation expert, involved the following procedures, amongst others: - Evaluated the competence and objectivity of management's experts. This included confirming that they are appropriately qualified and not affiliated to the Group. - Obtained an understanding of the valuation methods used by management along with significant developments within the industry. - Evaluated the appropriateness of the valuation methodology used and its suitability for determining market value in accordance with the financial reporting framework. - Agreed rental income to signed rental agreements and other supporting documents including renewal terms for a sample of contracts.



Key audit matter	How our audit addressed the key audit matter
Management, with the assistance of independent valuation experts, used the income capitalisation approach, which consists of a discounted cash flow forecast to value the investment properties. The income capitalisation approach considers the following key assumptions, and changes to these may have a significant impact on the carrying value of the investment properties: - capitalisation rate; - discount rate; and - estimation of rental income.	Compared management's discount and capitalization rates to those of comparable companies taking into account entity and industry risk factors as well as historical financial information.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated and stand-alone financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and stand-alone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and stand-alone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and stand-alone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated and stand-alone financial statements

Management is responsible for the preparation of the consolidated and stand-alone financial statements that give a true and fair view in accordance with IFRS Accounting Standards and with the requirements of the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of consolidated and stand-alone financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and stand-alone financial statements, management is responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.



Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and stand-alone financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and stand-alone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and stand-alone financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and stand-alone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group or Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and stand-alone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and stand-alone financial statements, including the disclosures, and whether the consolidated and stand-alone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and stand-alone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the Jamaican Companies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the accompanying consolidated and stand-alone financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required.

The engagement partner on the audit resulting in this independent auditor's report is Tricia-Ann Smith DaSilva.

A handwritten signature in black ink that reads "PricewaterhouseCoopers".

Chartered Accountants

Kingston, Jamaica

30 April 2025

Stanley Motta Limited

Consolidated Statement of Comprehensive Income

Year ended 31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

		2024	2023
	Note	\$'000	\$'000
Revenue	6	564,106	527,454
Other operating income	7	1,576	5,387
Fair value gain on investment properties	15	824,632	1,511,156
Administrative expenses	8	(202,792)	(186,966)
Operating Profit		<u>1,187,522</u>	<u>1,857,031</u>
Finance cost	10	(67,275)	(84,539)
Profit before Taxation		<u>1,120,247</u>	<u>1,772,492</u>
Taxation	11	(5,396)	(7,047)
Net Profit		<u>1,114,851</u>	<u>1,765,445</u>
Other Comprehensive Income			
<i>Items that may be reclassified to profit or loss</i>			
Currency translation difference on net asset of foreign subsidiary		-	9,500
Total Comprehensive Income		<u><u>1,114,851</u></u>	<u><u>1,774,945</u></u>
 Earning per stock unit for profit attributable to the equity holders of the Company during the year	 12	 <u><u>1.47</u></u>	 <u><u>2.33</u></u>

Stanley Motta Limited

Consolidated Statement of Financial Position

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2024 \$'000	2023 \$'000
Non-Current Assets			
Property, plant and equipment	14	1,099	4,683
Investment properties	15	11,138,771	9,552,709
Right-of-use assets	16	117,920	138,997
		<u>11,257,790</u>	<u>9,696,389</u>
Current Assets			
Receivables	18	106,097	25,607
Tax Recoverable		1,055	-
Cash and cash equivalents	19	124,310	38,265
		<u>231,462</u>	<u>63,872</u>
Current Liabilities			
Payables	20	147,957	157,697
Due to related parties	24	8,609	22,574
Deferred income		-	30,462
Current portion of borrowings	26	179,034	39,224
Current portion lease liabilities	16	15,942	21,683
		<u>351,542</u>	<u>271,640</u>
Net Current Liabilities		<u>(120,080)</u>	<u>(207,768)</u>
		<u>11,137,710</u>	<u>9,488,621</u>
Shareholders' Equity			
Share capital	21	811,933	811,933
Capital reserve	22	238,379	238,379
Cumulative translation reserve	23	131,582	131,582
Retained earnings	13	7,437,669	6,482,248
		<u>8,619,563</u>	<u>7,664,142</u>
Non-Current Liabilities			
Borrowings	26	2,351,309	1,657,105
Lease liabilities	16	121,831	138,827
Long term payables	27	45,007	28,547
		<u>2,518,147</u>	<u>1,824,479</u>
		<u>11,137,710</u>	<u>9,488,621</u>

Approved for issue by the Board of Directors on 30 April 2025 and signed on its behalf by:



Melanie Subratie

Director



Blondell Walker

Director

Stanley Motta Limited

Consolidated Statement of Changes in Equity

Year ended 31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

		Number of shares	Share Capital	Capital Reserve	Cumulative Translation Reserve	Retained Earnings	Total
	Note	'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 31 December 2022		757,828	811,933	238,379	122,082	4,908,533	6,080,927
Net profit for the year			-	-	-	1,765,445	1,765,445
Currency translation difference on net asset of foreign subsidiary		-	-	-	9,500	-	9,500
Total comprehensive income		-	-	-	9,500	1,765,445	1,774,945
Transactions with owners of the company:							
Dividends	28	-	-	-	-	(191,730)	(191,730)
Balance at 31 December 2023		757,828	811,933	238,379	131,582	6,482,248	7,664,142
Net profit for the year, being total comprehensive income		-	-	-	-	1,114,851	1,114,851
Transactions with owners of the company:							
Dividends	28	-	-	-	-	(159,430)	(159,430)
Balance at 31 December 2024		757,828	811,933	238,379	131,582	7,437,669	8,619,563

Stanley Motta Limited

Consolidated Statement of Cash Flows

Year ended 31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2024 \$'000	2023 \$'000
Cash Flows from Operating Activities			
Net profit for the year		1,114,851	1,765,445
Adjusted for:			
Taxation	11	5,396	7,047
Depreciation	8	27,504	38,215
Interest income	7	(26)	(39)
Interest expense	10	72,260	75,068
Fair value gain on investment properties	15	(824,632)	(1,511,156)
Exchange gain on foreign currency balances		(10,528)	(1,030)
		<u>384,825</u>	<u>373,550</u>
Changes in operating assets and liabilities			
Receivables		(80,490)	(17,181)
Long term payable		16,460	617
Due to other related parties		(13,965)	19,058
Payables		(109,772)	129,907
Deferred income		(30,462)	30,462
Cash generated from operations		<u>166,596</u>	<u>536,413</u>
Taxation paid		<u>(5,396)</u>	<u>(19,534)</u>
Cash provided by operating activities		<u>161,200</u>	<u>516,879</u>
Cash Flows from Investing Activities			
Additions to investment properties		(602,460)	(1,170,792)
Interest received		<u>26</u>	<u>39</u>
Cash used in investing activities		<u>(602,434)</u>	<u>(1,170,753)</u>
Cash Flows from Financing Activities			
Repayment of long-term loan	26	(52,451)	(53,295)
Lease payment		(25,579)	-
Long term loan received		737,820	925,390
Dividend paid	28	(59,398)	(248,567)
Interest paid		<u>(72,260)</u>	<u>(75,067)</u>
Cash provided by financing activities		<u>528,132</u>	<u>548,461</u>
Effect of exchange rate changes on cash and cash equivalents		(853)	370
Increase/(decrease) in cash and cash equivalents		86,898	(105,413)
Cash and cash equivalents at beginning of year		<u>38,265</u>	<u>143,308</u>
Cash and Cash Equivalents at End of Year	19	<u>124,310</u>	<u>38,265</u>

Stanley Motta Limited

Company Statement of Comprehensive Income

Year ended 31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

		2024	2023
	Note	\$'000	\$'000
Revenue	6	473,241	452,549
Other operating income	7	1,602	2,521
Fair value gains on investment properties	15	509,477	1,371,665
Administrative expenses	8	(173,650)	(156,791)
Operating Profit		810,670	1,669,944
Finance cost	10	(54,783)	(71,993)
Profit before Taxation		755,887	1,597,951
Taxation	11	-	(724)
Net Profit, being Total Comprehensive Income		755,887	1,597,227

Stanley Motta Limited

Company Statement of Financial Position

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2024 \$'000	2023 \$'000
Non-Current Assets			
Property, plant and equipment	14	1,099	4,683
Investment properties	15	11,138,771	9,552,709
Right-of-use assets	16	117,920	138,997
		<u>11,257,790</u>	<u>9,696,389</u>
Current Assets			
Receivables	18	106,097	25,607
Tax Recoverable		1,055	-
Cash and cash equivalents	19	124,310	38,265
		<u>231,462</u>	<u>63,872</u>
Current Liabilities			
Payables	20	147,957	157,697
Due to related parties	24	8,609	22,574
Deferred income		-	30,462
Current portion of borrowings	26	179,034	39,224
Current portion lease liabilities	16	15,942	21,683
		<u>351,542</u>	<u>271,640</u>
Net Current Liabilities		<u>(120,080)</u>	<u>(207,768)</u>
		<u>11,137,710</u>	<u>9,488,621</u>
Shareholders' Equity			
Share capital	21	811,933	811,933
Capital reserve	22	238,379	238,379
Cumulative translation reserve	23	131,582	131,582
Retained earnings	13	7,437,669	6,482,248
		<u>8,619,563</u>	<u>7,664,142</u>
Non-Current Liabilities			
Borrowings	26	2,351,309	1,657,105
Lease liabilities	16	121,831	138,827
Long term payables	27	45,007	28,547
		<u>2,518,147</u>	<u>1,824,479</u>
		<u>11,137,710</u>	<u>9,488,621</u>

Approved for issue by the Board of Directors on 30 April 2025 and signed on its behalf by:



Melanie Subratie

Director



Blondell Walker

Director

Stanley Motta Limited

Company Statement of Changes in Equity

Year ended 31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

		Number of shares	Share Capital	Retained Earnings	Total
	Note	'000	\$'000	\$'000	\$'000
Balance at 31 December 2022		757,828	811,933	4,245,786	5,057,719
Net profit, being Total Comprehensive Income for the Year		-	-	1,597,227	1,597,227
Transactions with owners of the company:					
Dividends	28	-	-	(191,730)	(191,730)
Balance at 31 December 2023		757,828	811,933	5,651,283	6,463,216
Net profit, being Total Comprehensive Income for the Year		-	-	755,887	755,887
Transactions with owners of the company:					
Dividends	28	-	-	(159,430)	(159,430)
Balance at 31 December 2024		757,828	811,933	6,247,740	7,059,673

Stanley Motta Limited

Company Statement of Cash Flows

Year ended 31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2024 \$'000	2023 \$'000
Cash Flows from Operating Activities			
Net profit for the year		755,887	1,597,227
Adjusted for:			
Taxation	11	-	724
Depreciation	8	27,504	38,084
Interest income	7	(23)	(30)
Interest expense	10	59,768	62,522
Fair value gain on investment properties	15	(509,477)	(1,371,665)
Exchange losses on foreign currency balances		-	6,154
		<u>333,659</u>	<u>333,016</u>
Changes in operating assets and liabilities			
Receivables		(73,691)	(14,841)
Due to related parties		(37,720)	92,811
Long term payable		16,459	618
Payables		(110,981)	138,171
Taxation paid		-	(3,662)
Cash provided by operating activities		<u>127,726</u>	<u>549,775</u>
Cash Flows from Investing Activities			
Additions to investment properties		(602,460)	(1,170,792)
Interest received		23	30
Cash used in investing activities		<u>(602,437)</u>	<u>(1,170,762)</u>
Cash Flows from Financing Activities			
Repayment of long-term loan	26	(42,457)	(28,822)
Lease payment		(25,579)	(14,000)
Addition of long-term loan		737,820	925,390
Dividend paid	28	(59,398)	(248,567)
Interest paid		(59,768)	(62,521)
Cash provided by financing activities		<u>550,618</u>	<u>571,480</u>
Effect of exchange rate changes on cash and cash equivalents		(1,186)	(6,157)
Increase/(decrease) in cash and cash equivalents		75,907	(53,169)
Cash and cash equivalents at beginning of year		36,371	95,697
Cash and Cash Equivalents at End of Year	19	<u>111,092</u>	<u>36,371</u>

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(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 Jamaica Stock Exchange and its registered office is located at 58 Halfway Tree Road, Kingston 10, Jamaica.

The company together with wholly owned subsidiary, Unity Capital Incorporated, incorporated and resident in St. Lucia, is referred to as 'the Group'. The principal activities of the Group are the rental and management of commercial real estate.

2. Material Accounting Policy Information

(a) Basis of preparation

These financial statements have been prepared in accordance with IFRS® Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS® Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC® Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain items of Investment Properties.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Although these estimates are based on managements' best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Standards, interpretations and amendments to existing standards effective in the current year

Certain new standards, amendments and interpretations to existing standards have been published that became effective during the current financial year. The Group has assessed the relevance of all such new standards, interpretations and amendments and has affected the following, which are immediately relevant to its operations:

Amendment to IFRS 16 – Leases on sale and leaseback (effective for annual periods beginning on or after 1 January 2024). These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. There was no material impact on the Group on adoption of this amendment.

Amendment to IAS 7 and IFRS 7 - Supplier finance (effective for annual periods beginning on or after 1 January 2024 (with transitional reliefs in the first year). These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis. There was no material impact on the Group on adoption of this amendment.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to existing standards effective in the current year (continued)

IFRS S1, 'General requirements for disclosure of sustainability-related financial information' (effective for reporting periods beginning on or after 1 January 2024. This is subject to endorsement of the standards by local jurisdictions). This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain. There was no material impact on the Group on adoption of this amendment.

Amendments to IAS 1, 'Presentation of financial statements' (effective for accounting periods starting not earlier than 1 January 2024; previously 1 January 2023). These amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. They must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. On 31 October 2022, the IASB has issued a new exposure draft proposing change to this amendment. This was in response to concerns raised on applying previous amendments to the classification of liabilities as current or non-current that would have become effective for reporting periods beginning on or after 2023. The new amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period. The new amendments are effective for annual reporting periods beginning on or after 1 January 2024 and override the previous amendments. There was no material impact on the Group on adoption of this amendment.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(a) Basis of preparation (continued)

~~Standards, interpretations and amendments to published standards that are not yet effective~~

The Group has concluded that the following standards, which are published but not yet effective, are relevant to its operations and will impact the Group's accounting policies and financial disclosures as discussed below. These standards and amendments to existing standards are mandatory for the Group's accounting periods beginning after 1 January 2024, but the Group has not early adopted them:

Amendments to IAS 21 – Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025). An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. The adoption of this standard is not anticipated to have a significant impact on the group.

Amendments to IFRS 18, Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027). This is the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals.
- requirement to determine the most useful structure summary for presenting expenses in the statement of profit or loss
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Group is assessing the impact of the standards on its operations.

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026). On 30 May 2024, the IASB issued targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- (a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- (b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- (c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- (d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments in (b) are most relevant to financial institutions, but the amendments in (a), (c) and (d) are relevant to all entities. The adoption of the standard is not anticipated to have any significant impact on the operations of the Group.

There are no other IFRS, IFRIC interpretations or IFRS sustainability standards that are not yet effective that would be expected to have a significant impact on the Group.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(b) Consolidation

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group uses the acquisition method of accounting to account for business combinations.

The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

In the company stand-alone financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The Group's subsidiary, country of incorporation, and the Group's percentage interest are as follows:

	Country of incorporation	Group's Percentage Interest	
		2024	2023
Unity Capital Incorporated	St. Lucia		100%

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(c) Income recognition

(i) Rental income

Revenue comprises the invoiced value of rental and maintenance charges net of General Consumption Tax. Revenue from maintenance charges are recognised in the period earned. Rental income from operating leases is recognised on a straight-line basis over the lease term. The Group currently does not provide incentives to its tenants.

The Group assesses the individual elements of the lease agreements and assesses whether these individual elements are separate performance obligations. Where the contracts include multiple performance obligations, and/or lease and non-lease components, the transaction price is allocated to each performance obligation (lease and non-lease component) based on the stand-alone selling prices. These selling prices are predominantly fixed price per the agreements where the tenant pays the fixed amount based on a payment schedule. If the services rendered should exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Revenue is measured at the transaction price agreed under the contract. The group currently does not have arrangements that include deferred payment terms.

A receivable is recognised when services are provided as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(d) Foreign currency translations

Functional and presentation currency Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Jamaican dollars, which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the financial period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

At the year end, monetary assets and liabilities denominated in foreign currency are translated using the buying and selling rate of exchange rate of the transactions and unrealised foreign exchange differences on unsettled foreign currency monetary assets and liabilities are recognised in the statement of comprehensive income.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(e) Income taxes

Taxation expense in the statement of comprehensive income comprises current and deferred tax charges.

Current tax charges are based on taxable profits for the year, which differ from the profit before tax reported because it excludes items that are taxable or deductible in other years, and items that are never taxable or deductible. The group's liability for current tax is calculated at tax rates that have been enacted at the year end.

Deferred tax is the tax expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Current and deferred tax assets and liabilities are offset when they arise from the same taxable entity, relate to the same tax authority and when the legal right of offset exists.

Deferred tax is charged or credited to the statement of comprehensive income, except where it relates to items charged or credited to equity, in which case, deferred tax is also dealt with in equity.

Impairment of non – current assets

- (f) Property, plant and equipment and other non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

Investment properties

- (g) Investment properties comprise land and buildings. Investment properties are carried at fair value, representing the open market value determined annually by external valuers. These valuations are done annually by independent valuers. Changes in fair values are recorded in the statement of comprehensive income.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(g) Investment properties (continued)

Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably, but for which the Company expects the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed – whichever is earlier. It might sometimes be difficult to determine reliably the fair value of the investment property under construction. In order to evaluate whether the fair value of an investment property under construction can be determined reliably, management considers the following factors, among others:

- the provisions of the construction contract;
- the level of reliability of cash inflows after completion; and
- past experience with similar construction.

(h) Borrowings and borrowings costs

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred.

Borrowings are subsequently stated at amortised cost and any difference between net proceeds and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective yield method.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(i) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity of another entity.

Financial instruments carried on the Statement of Financial Position include cash and cash equivalents, receivables, payables and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. The determination of the fair values of the company's financial instruments is discussed in Note 3(d).

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(i) Financial instruments (continued)

Financial assets

Trade receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The group holds the trade receivables with the objective to collect the contractual cash flows. The cash flows of the company's trade receivables are solely payments of principal and interest (SPPI). After initial recognition at fair value, the company measures trade receivables at amortised cost using the effective interest method.

Other Financial Assets at Amortised Cost

The Group classifies its other financial assets as at amortised cost only if both the asset is held within a business model the objective of which is to collect the contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest. Other financial assets at amortised cost include cash and bank balances, balances dues from related parties and other receivables.

Impairment

The Group's trade receivables and other financial assets at amortised cost are subject to the expected credit loss model in the determination of impairment. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles for services provided over a period of 36 months respectively and the corresponding historical credit losses experienced within this period. The Group has identified the GDP and the inflation rate to be the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(i) Financial instruments (continued)

Financial liabilities

The Group's financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method. At the reporting date, payables and bank overdraft were classified as financial liabilities.

Cash and cash equivalents

- (j) Cash and cash equivalents are carried in the statement of financial position at amortised cost. For the purpose of the cash flow statement, cash and cash equivalents comprise cash and bank balances.

(k) Payables

Trade and other payables are stated at amortised cost.

(l) Share capital

Ordinary shares and non-redeemable cumulative preference shares where the declaration of dividends is discretionary are classified as equity instruments.

(m) Dividends

Dividends are recorded as a deduction from equity in the period in which they are approved.

(n) Related parties

A party is related to the Group, if

- (i) Directly, or indirectly through one or more intermediaries, the party:
 - (a) is controlled by, or is under common control with the Group;
 - (b) has a direct or indirect interest in the Group that gives influence; or
 - (c) has joint control over the Group;
- (ii) the party is an associate of the Group;
- (iii) the party is a joint venture of the Group;
- (iv) the party is a member of the key management personnel of the Group;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv)
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

A related party transaction is a transfer of resources, services or obligated between related parties, regardless of whether a price is charged.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(o) Investment in subsidiary

Investment in subsidiary is stated at cost. **Leases Lessee**

(p) The Group leases commercial land and building. Rental contracts are typically made for fixed periods of 1 to 20 years but may have extension options as described below.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group entities use that rate as a starting point to determine the incremental borrowing rate.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(p) Leases (continued)

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

3. Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Group's risk management activities set risk limits and controls and monitor the risks and adherence to limits.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

There has been no significant change to the Group's exposure to financial risks or the way it manages and measures risk.

(a) Credit risk

The Group takes on exposure to credit risk, which is the risk that a party to a financial instrument will fail to discharge their contractual obligation and cause the other party to incur a loss. Credit exposures arise principally from receivables and cash at bank.

The company assesses its credit losses, using the expected credit loss model, discussed in Note 2 (i).

(i) Trade and other receivables

The Group and the Company's exposure to credit risk is low.

The Group and the Company's policy are not to give credit. There were no breaches in the prior year.

During the year, the Group provided a moratorium to several customers which provided allowed for deferred rental payments. The moratorium arrangement was honoured by the customers.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

(ii) Cash at bank

Cash is held with high credit quality financial institutions.

Maximum exposure to credit risk

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Receivables	33,870	9,270	31,496	8,349
Cash and cash equivalents	124,310	38,265	111,092	36,371
	<u>158,180</u>	<u>47,535</u>	<u>142,588</u>	<u>44,720</u>

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

Loss allowance

Over the term of the financial asset, the Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of financial assets and adjusts forward-looking macroeconomic data. Historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the subsidiary to settle the receivables. The Company has identified indicators such as trends, concentration risk and macroeconomic fundamentals, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The Group						
2024			2023			
	Gross Carrying Amount \$'000	Loss Allowance \$'000	Expected loss rate	Gross Carrying Amount \$'000	Loss Allowance \$'000	Expected loss rate
90 days or more	36,437	2,567	7.05%	5,002	2,567	51.32%
	<u>36,437</u>	<u>2,567</u>		<u>5,005</u>	<u>2,567</u>	
The Company						
2024			2023			
	Gross Carrying Amount \$'000	Loss Allowance \$'000	Expected loss rate	Gross Carrying Amount \$'000	Loss Allowance \$'000	Expected loss rate
90 days or more	34,063	2,567	7.54%	4,081	2,567	62.90%
	<u>34,063</u>	<u>2,567</u>		<u>4,081</u>	<u>2,567</u>	

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

Loss allowance (continued)

Movements on the provision for impairment of trade receivables are as follows:

	The Group and Company	
	2024	2023
	\$'000	\$'000
At 1 January	2,567	3,890
Decrease in expected credit loss	-	(1,323)
At 31 December	<u>2,567</u>	<u>2,567</u>

Assets written off

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the company. The company categorises receivables for write off when a debtor fails to make contractual payments, even after several attempts at enforcement and/or recovery efforts. Where receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(b) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due. The Group manages its liquidity risk through monitoring outstanding balances and accessing funding, if necessary, from its former parent company, in advance of amounts becoming due.

Liquidity risk management process The Group's and Company's liquidity management process includes:

- (i) Monitoring future cash flows and liquidity on a regular basis. This incorporates an assessment of expected cash flows and the availability of high-grade collateral which could be used to secure funding if required; and
- (ii) Managing the concentration and profile of debt maturities

Undiscounted cash flows of financial liabilities

The maturity profile of the Group's and the Company's financial liabilities at year end based on contractual undiscounted payments was as follows:

	The Group					Total
	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	2024					
Liabilities						
Payables	105,659	42,298	-	-	-	147,957
Due to related parties	-	8,609	-	-	-	8,609
Borrowings	8,035	89,803	293,514	1,956,760	1,397,366	3,745,478
Lease liability	3,239	6,478	29,156	81,862	105,651	226,386
Long-term payables	-	-	-	45,007	-	45,007
Total financial liabilities	116,933	147,188	322,670	2,083,629	1,503,017	4,173,437

Stanley Motta Limited

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31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

Undiscounted cash flows of financial liabilities (continued)

	The Group					
	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	2023					
Liabilities						
Payables	109,334	48,363	-	-	-	157,697
Due to related parties	-	22,574	-	-	-	22,574
Borrowings	-	24,093	147,860	809,415	1,024,541	2,005,909
Lease liability	-	-	28,567	114,619	121,433	264,619
Long-term payables	-	-	-	28,547	-	28,547
Total financial liabilities	109,334	95,030	176,427	952,581	1,145,974	2,479,346
	2024					
Liabilities						
Payables	102,690	36,361	-	-	-	139,051
Due to related parties	-	98,467	-	-	-	98,467
Borrowings	6,326	86,385	278,134	1,854,229	1,352,936	3,578,010
Lease liability	3,239	6,478	29,156	81,862	105,651	226,386
Long-term payables	-	-	-	45,007	-	45,007
Total financial liabilities	112,255	227,691	307,290	1,981,098	1,458,587	4,086,921

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

Undiscounted cash flows of financial liabilities (continued)

	The Company					
	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	2023					
Liabilities						
Payables	107,411	42,589	-	-	-	150,000
Due to related parties	-	136,187	-	-	-	136,187
Borrowings	-	18,979	137,632	707,139	942,720	1,806,470
Lease liability	-	-	28,567	114,619	121,433	264,619
Long-term payables	-	-	-	28,548	-	28,548
Total financial liabilities	107,411	197,755	166,199	850,306	1,064,153	2,385,824

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(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk

The Company takes on exposure to market risks, which is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which it manages and measures the risk.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The group is exposed to foreign exchange risk primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities.

The group manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The group further manages this risk by maximising foreign currency earnings and holding foreign currency balances.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(i) Currency risk (continued)

Concentrations of currency risk

	The Group		
	Jamaican\$	US\$	Total
	J\$'000	J\$'000	J\$'000
2024			
Financial Assets			
Receivables	31,996	1,874	33,870
Cash and cash equivalents	2,976	121,334	124,310
Total financial assets	34,972	123,208	158,180
Financial Liabilities			
Payables	147,925	32	147,957
Long term payable	-	45,007	45,007
Due to related parties	-	8,609	8,609
Borrowings	727,843	1,802,500	2,530,343
Lease liability	137,773	-	137,773
Total financial liabilities	1,013,541	1,856,148	2,869,689
Net financial position	(978,569)	(1,732,940)	(2,711,509)

	The Group		
	Jamaican\$	US\$	Total
	J\$'000	J\$'000	J\$'000
2023			
Financial Assets			
Receivables	7,405	1,865	9,270
Cash and cash equivalents	250	38,015	38,265
Total financial assets	7,655	39,880	47,535
Financial Liabilities			
Payables	156,037	1,660	157,697
Long term payable	-	28,547	28,547
Due to related parties	-	22,574	22,574
Borrowings	770,939	925,390	1,696,329
Lease liability	155,713	4,797	160,510
Total financial liabilities	1,082,689	982,968	2,065,657
Net financial position	(1,075,034)	(943,088)	(2,108,122)

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(i) Currency risk (continued)

Concentrations of currency risk (continued)

	The Company		
	Jamaican\$	US\$	Total
	J\$'000	J\$'000	J\$'000
	2024		
Financial Assets			
Receivables	30,551	945	31,496
Cash and cash equivalents	20	111,072	111,092
Total financial assets	30,571	112,017	142,588
Financial Liabilities			
Payables	137,709	1,342	139,051
Due to related parties	-	98,467	98,467
Long term payable	-	45,007	45,007
Borrowings	614,084	1,802,500	2,416,584
Lease	137,773	-	137,773
Total financial liabilities	889,566	1,947,316	2,836,882
Net financial position	(858,995)	(1,835,299)	(2,694,294)
	2023		
Financial Assets			
Receivables	7,404	945	8,349
Cash and cash equivalents	20	36,351	36,371
Total financial assets	7,424	37,296	44,720
Financial Liabilities			
Payables	148,658	1,342	150,000
Due to related parties	-	136,187	136,187
Long term payable	-	28,548	28,548
Borrowings	647,186	925,390	1,572,576
Lease	155,713	4,797	160,510
Total financial liabilities	951,557	1,096,264	2,047,821
Net financial position	(944,133)	(1,058,968)	(2,003,101)

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(i) Currency risk (continued)

The following table indicates the currencies to which the Company had significant exposure on its monetary assets and liabilities and its forecast cash flows. The change in currency rate below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for the percentage change in foreign exchange rates as noted below. The sensitivity of the profit was mainly as a result of foreign exchange gains on translation of foreign currency-denominated trade receivables, cash, short-term deposits, trade payables and borrowings. The percentage change in the currency rate will impact each financial asset/liability included in the sensitivity analysis differently. Consequently, individual sensitivity analyses were performed.

	The Group			
	% Change in Currency Rate	Effect on profit before tax 2024 in \$'000	% Change in Currency Rate	Effect on profit before tax 2023 \$'000
Currency:				
USD – Revaluation	1	17,329	1	9,431
USD – Devaluation	(4)	(69,318)	(4)	(37,734)
	The Company			
	% Change in Currency Rate	Effect on profit before tax 2024 in \$'000	% Change in Currency Rate	Effect on profit before tax 2023 \$'000
Currency: USD –				
Revaluation USD –	1	18,353	1	10,590
Devaluation	(4)	(73,412)	(4)	(42,359)

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Floating rate instruments expose the group to cash flow interest risk, whereas fixed interest rate instruments expose the group to fair value interest risk.

The group's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest-bearing financial assets and interest-bearing financial liabilities.

The following tables summarises the exposure to interest rate risk. It includes the financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

	The Group						Total \$'000
	Within 1 Month \$'000	1 to 3 Months \$'000	3 to 12 Months \$'000	1 to 5 Years \$'000	Over 5 Years \$'000	Non – Interest Bearing \$'000	
	2024						
Financial Assets							
Receivables	-	-	-	-	-	33,870	33,870
Cash and cash equivalent	124,290	-	-	-	-	20	124,310
Total financial assets	124,290	-	-	-	-	33,890	158,180
Financial Liabilities							
Payables	-	-	-	-	-	147,957	147,957
Due to related parties	-	-	-	-	-	8,609	8,609
Long term payable	-	-	-	-	-	45,007	45,007
Borrowings	3,439	39,895	135,768	1,169,925	1,181,316	-	2,530,343
Lease liability	2,131	4,311	21,020	41,071	69,240	-	137,773
Total financial liabilities	5,570	44,206	156,788	1,210,996	1,250,556	201,573	2,869,689
Total interest repricing gap	118,720	(44,206)	(156,788)	(1,210,996)	(1,250,556)	(167,683)	(2,711,509)

Stanley Motta Limited

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31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Group						Total \$'000
	Within 1 Month \$'000	1 to 3 Months \$'000	3 to 12 Months \$'000	1 to 5 Years \$'000	Over 5 Years \$'000	Non – Interest Bearing \$'000	
	2023						
Financial Assets							
Receivables	-	-	-	-	-	9,270	9,270
Cash and cash equivalent	38,245	-	-	-	-	20	38,265
Total financial assets	38,245	-	-	-	-	9,290	47,535
Financial Liabilities							
Payables	-	-	-	-	-	157,697	157,697
Due to related parties	-	-	-	-	-	22,574	22,574
Long term payable	-	-	-	-	-	28,547	28,547
Borrowings	-	-	-	232,299	1,464,030	-	1,696,329
Lease liability	-	-	-	91,066	69,444	-	160,510
Total financial liabilities	-	-	-	323,365	1,533,474	208,818	2,065,657
Total interest repricing gap				(323,365)	(1,533,474)	(199,528)	(2,018,122)

	The Company						Total \$'000
	Within 1 Month \$'000	1 to 3 Months \$'000	3 to 12 Months \$'000	1 to 5 Years \$'000	Over 5 Years \$'000	Non – Interest Bearing \$'000	
	2024						
Financial Assets							
Receivables	-	-	-	-	-	31,496	31,496
Cash and cash equivalent	111,072	-	-	-	-	20	111,092
Total financial assets	111,072	-	-	-	-	31,516	142,588
Financial Liabilities							
Payables	-	-	-	-	-	139,051	139,051
Due to related parties	-	-	-	-	-	98,467	98,467
Long term payable	-	-	-	-	-	45,007	45,007
Borrowings	2,666	38,330	128,402	1,104,378	1,142,808	-	2,416,584
Lease liability	2,131	4,311	21,020	41,071	69,240	-	137,773
Total financial liabilities	4,797	42,641	149,422	1,145,449	1,212,048	282,525	2,836,882
Total interest repricing gap	106,275	(42,641)					(2,694,294)
			(149,422)	(1,145,449)	(1,212,048)	(251,009)	

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Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Company						Total
	Within 1 Month \$'000	1 to 3 Months \$'000	3 to 12 Months \$'000	1 to 5 Years \$'000	Over 5 Years \$'000	Non – Interest Bearing \$'000	
	2023						
Financial Assets							
Receivables	-	-	-	-	-	8,349	8,349
Cash and cash equivalent	36,351	-	-	-	-	20	36,371
Total financial assets	36,351	-	-	-	-	8,369	44,720
Financial Liabilities							
Payables	-	-	-	-	-	150,000	150,000
Due to related parties	-	-	-	-	-	136,187	136,187
Long term payable	-	-	-	-	-	28,548	28,548
Borrowings	-	-	-	178,323	1,394,253	-	1,572,576
Lease liability	-	-	-	91,066	69,444	-	160,510
Total financial liabilities	-	-	-	269,389	1,463,697	314,735	2,047,821
Total interest repricing gap	36,351	-	-	(269,389)	(1,463,697)	(306,366)	(2,003,101)

Interest rate sensitivity

The group and company have no significant sensitivity to interest rate risk.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(d) Fair values of investments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The following tables provide an analysis of financial assets held as at the year-end that, subsequent to initial recognition, are measured at fair value. The financial assets are grouped into levels 1 to 3 based on the degree to which the fair value is observable, as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical instruments.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the instrument, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the instrument that are not based on observable market data (unobservable inputs).

The amounts included in the financial statements for cash and cash equivalents, receivables, payables, and due to related party reflect their approximate fair values because of the short-term maturity of these instruments.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(e) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

	The Group		The Company	
	2024	2023	2024	2023
Gearing ratio	22%	19%	25%	21%

Stanley Motta Limited

Notes to the Financial Statements

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(expressed in Jamaican dollars unless otherwise indicated)

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a)

Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has not made any judgements that would have a significant impact on the amounts recognised in the financial statements.

(b) Key Sources of estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

i. Valuation of investment properties

Investment properties are carried in the statement of financial position at market value. The Group used independent qualified property appraisers to value its investment properties annually, generally using the income capitalisation approach. This approach takes into consideration various assumptions and factors that require estimation and judgement. Assumptions are made about key factors, in particular rental income, capitalisation rate and discount rate. A change in any of these assumptions and factors could have a significant impact on the carrying value of the investment properties.

ii. Determination of the classification of right-of-use asset

The Company leases commercial property from its former parent company. As a condition of its license under the Special Economic Zone Act, it was required that the leased commercial property be included in the designated special economic zone based upon the landholdings and its previous inclusion as part of the Free Zone. In order to satisfy this requirement, the Company entered into a leasing arrangement for the full square footage of the commercial property and all existing leases in relation to the commercial property were assigned to the Company. The effect of this arrangement is that the Company holds a building under a lease and sub-lets square footage under operating leases. The right-of-use asset that is recognised in relation to the head lease is not held for the intention of earning rent or holding for capital appreciation. The right-of-use asset is held for administrative purposes to satisfy the requirements of its business as a multi-purpose developer within the real estate management and development sector. As a result of this, the right-of-use asset is classified a property, plant and equipment.

Stanley Motta Limited

Notes to the Financial Statements

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5. Segment Financial Reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The main activities of the Group comprise the rental of properties in Kingston, Jamaica. These activities are organised and reported on as one main business segment.

The Group operates in one geographical segment - Jamaica. It operates in the provision of rental properties to the BPO sector. The majority of the revenue earned by the Group is obtained from one main tenant which accounts for approximately 78% (2023 – 80%) of the total revenue for the Group and 93% (2023-94%) of the total revenue for the company.

Stanley Motta Limited

Notes to the Financial Statements

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6. Revenue

	The Group		The Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Business process outsourcing sector	441,278	423,554	441,278	423,554
Other	122,828	103,900	31,963	28,995
	<u>564,106</u>	<u>527,454</u>	<u>473,241</u>	<u>452,549</u>

Revenue is earned on a monthly basis based on the contract terms with the customers.

7. Other Operating Income

	The Group		The Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Interest income	26	39	23	30
Foreign exchange (loss)/gain	(29)	1,929	-	-
Other Income	<u>1,579</u>	<u>3,419</u>	<u>1,579</u>	<u>2,491</u>
	<u>1,576</u>	<u>5,387</u>	<u>1,602</u>	<u>2,521</u>

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

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8. Expenses by Nature

Total direct, administration, other operating expenses and net impairment losses on financial assets:

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Administration fees	7,342	2,988	6,244	2,497
Auditors' remuneration	5,278	4,326	3,952	2,826
Depreciation (Notes 14 and 16)	27,504	38,215	27,504	38,084
Directors Expenses	1,425	1,725	1,425	1,725
Electricity	1,348	1,475	1,348	1,475
Insurance	16,500	16,310	12,436	10,293
Legal and professional fees	5,243	1,045	5,243	1,035
Other	3,399	8,717	2,832	8,397
Property Management Fees	51,553	47,390	43,059	38,898
Rates and taxes	1,740	1,178	1,009	381
Registration and subscription fees	5,858	12,937	5,858	12,937
Rental Expenses	16,938	6,809	16,938	6,809
Repair and maintenance	9,821	3,835	9,639	3,642
Salaries and related costs (Note 9)	4,407	2,813	4,407	2,813
Security	44,436	37,203	31,756	24,979
Total Administration Expenses	202,792	186,966	173,650	156,791

Audit fees for the year ended 31 December 2024 totalled \$5,278,000 (2023: \$4,326,000) and \$3,952,000 (2023: \$2,826,000 for the Group and Company respectively. Other fees paid to the auditor (and related network firms) for non-assurance services totalled \$719,000 (2023: \$532,000).

Stanley Motta Limited

Notes to the Financial Statements

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9. Salaries and Related Costs

	The Group and The Company	
	2024	2023
	\$'000	\$'000
Salaries	3,788	2,242
Payroll taxes – employer portion	347	336
Other	272	235
	<u>4,407</u>	<u>2,813</u>

10. Finance Costs

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Exchange (gain)/losses	(4,985)	7,671	(4,985)	7,671
Interest on lease liability (Note 16d)	12,473	14,910	12,473	14,910
Financing charge	-	1,800	-	1,800
Loan interest	59,787	60,158	47,295	47,612
	<u>67,275</u>	<u>84,539</u>	<u>54,783</u>	<u>71,993</u>

11. Taxation

(a) Taxation comprises income tax at 12.5% (2023: 12.5%) on the profit for the year, adjusted for tax purposes:

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current income tax	5,396	7,047	-	724

(b) The tax on the Group's profit before tax differs from the theoretical amount that would arise using the statutory tax rate as follows:

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Profit before tax	1,120,247	1,772,492	755,888	1,597,951
Tax calculated at 12.5% (2022: 12.5%)	94,482	199,744	94,482	199,744
Income taxed at 25%	91,098	43,902	-	-
Income not subject to tax	(146,876)	(209,907)	(68,088)	(174,820)
Amount not deemed taxable under the Special Economic Zone Act	(29,656)	(37,665)	(29,656)	(37,665)
Deferred tax asset not recognised	2,063	923	2,063	923
Expenses not deductible for tax	1,578	6,742	1,578	6,742
Other	(7,293)	3,308	(379)	5,800
	<u>5,396</u>	<u>7,047</u>	<u>-</u>	<u>724</u>

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

11. Taxation (Continued)

The company was granted special economic zone status under the Special Economic Zone Act of Jamaica effective on 1 January 2022. Based on the company's tax status resulting in uncertainty of its ability to utilize tax losses in the foreseeable future, deferred taxes resulting therefrom are not recognised. The tax rate applied to entities within the SEZ act is 12.5% and it is applied once the company is not renting space to entities with which they share common control. In the prior year the company earned rental income from entities with which they shared common control; hence the 25% tax rate was applicable during the period. In the current period they were no longer renting space to entities under common control, making them applicable to apply the 12.5% rate. The group's subsidiary, Unity Capital Incorporated, is not a part of the Special Economic Zone Act and as such is taxed at a rate of 25%.

12. Earnings per Stock Unit

	2024 \$'000	2023 \$'000
Profit for the year attributable to ordinary stockholders	<u>1,114,851</u>	<u>1,765,445</u>
Weighted average number of shares	<u>757,828</u>	<u>757,828</u>
Total basic and diluted earnings per stock unit attributable to ordinary shareholders	<u>1.47</u>	<u>2.33</u>

13. Net Profit and Retained Earnings

The net profit and retained earnings attributable to the shareholders of the Group are reflected in the accounts of the Company and its subsidiaries as follows:

	2024 \$'000	2023 \$'000
Net Profit		
The Company	755,888	1,597,227
Subsidiary	<u>358,963</u>	<u>168,218</u>
	<u>1,114,851</u>	<u>1,765,445</u>
	2024 \$'00 0	2023 \$'000
Retained Earnings		
The Company	6,247,740	5,651,283
Subsidiary	<u>1,189,929</u>	<u>830,965</u>
	<u>7,437,669</u>	<u>6,482,248</u>

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

14 Property, Plant and Equipment

	The Group		
	Leasehold Improvements \$'000	Machinery and Equipment \$'000	Total \$'000
Cost -			
31 December 2023 and 2024	316	62,732	63,048
Accumulated Depreciation -			
1 January 2023	316	52,927	53,243
Charge for the year	-	4,978	4,978
Exchange rate adjustment	-	144	144
31 December 2023	316	58,049	58,365
Charge for the year	-	3,717	3,717
Exchange rate adjustment	-	(133)	(133)
31 December 2024	316	61,633	61,949
Net Book Value -			
31 December 2024	-	1,099	1,099
31 December 2023	-	4,683	4,683

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

14. Property, Plant and Equipment (Continued)

	The Company		
	Leasehold Improvements \$'000	Machinery and Equipment \$'000	Total \$'000
Cost -			
31 December 2023 and 2024	316	44,943	45,259
Accumulated Depreciation -			
1 January 2023	316	35,415	35,731
Charge for the year	-	4,845	4,845
31 December 2023	316	40,260	40,576
Charge for the year		3,584	3,584
31 December 2024	316	43,844	44,160
Net Book Value -			
31 December 2024	-	1,099	1,099
31 December 2023	-	4,683	4,683

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

15. Investment Properties

Fair value -

1 January 2023
Capitalised subsequent expenditure
Net gain from fair value adjustment
Exchange differences
31 December 2023
Capitalised subsequent expenditure
Net gain from fair value adjustment
Exchange differences
31 December 2024

The Group		
Land	Building	Total
\$'000	\$'000	\$'000
1,742,519	5,117,712	6,860,231
-	1,170,792	1,170,792
29,450	1,481,706	1,511,156
3,640	6,890	10,530
1,775,609	7,777,100	9,552,709
-	751,105	751,105
20,300	804,332	824,632
3,640	6,685	10,325
1,799,549	9,339,222	11,138,771

Fair value -

1 January 2023
Capitalised subsequent expenditure
Net gain from fair value adjustment
31 December 2023
Capitalised subsequent expenditure
Net gain from fair value adjustment
31 December 2024

The Company		
Land	Building	Total
\$'000	\$'000	\$'000
1,312,189	4,303,153	5,615,342
-	1,170,792	1,170,792
29,450	1,342,215	1,371,665
1,341,639	6,816,160	8,157,799
-	751,105	751,105
20,300	489,177	509,477
1,361,939	8,056,442	9,418,381

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

15. Investment Properties (Continued)

i. Amounts recognised in profit or loss for investment properties

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Rental income from operating lease	564,106	527,454	473,241	452,549
Direct operating expenses from property that generated rental income	83,490	56,727	74,815	47,543
Direct operating expenses from property that did not generate rental income	34,756	33,382	22,075	21,158
Fair value gain recognised	824,632	1,511,156	509,477	1,371,655

ii. Measuring investment properties at fair value

Investment properties were valued at current market value as at 31 December 2024 by NAI Jamaica Langford and Brown, independent qualified property appraisers and valuers. The values of the properties have been established using the income capitalisation approach, which uses as key inputs rental income from existing contracts, discount rate and a capitalisation rate, reflective of a rate of return. The company has opted to present the fair values of its land and building separately.

The fair values on the investment properties are at level 3 in the fair value hierarchy, as, consistent with the requirements of IFRS 13, certain of the inputs into the valuation process are deemed to be unobservable; those being the discount rate and capitalisation rate. Management considers the rental rates used in the calculations to be observable as they represent actual rentals which are unadjusted. An explanation of each level is provided in note 3.

During the year, a certain piece of investment property under construction has been measured at fair value as it is considered to be reliably determinable due to construction being substantially completed.

The valuations are done in United States dollars which means the exchange rate for the Jamaican dollar

against

the United States dollar will affect the valuation proportionately. Any percentage change in the exchange rate will affect the valuations proportionately.

The exchange rate used was 157.25 (2023: 154.99)

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

15. Investment Properties (Continued)

ii. Measuring investment properties at fair value (continued)

	The Group			
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
	2024			
Investment properties	-	-	11,138,771	11,138,771
	2023			
Investment properties	-	-	9,552,709	9,552,709
	2024			
Investment properties	-	-	9,418,381	9,418,381
	2023			
Investment properties	-	-	8,157,799	8,157,799

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year.

There were no transfers into and out of level 3 measurements.

The movement analysis table included above shows the changes in Level 3 investment properties for the years ended 31 December 2024 and 31 December 2023.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

15. Investment Properties (Continued)

iii. Significant estimate – fair value of investment property

The assumptions to which the fair values are most sensitive to are the capitalisation rate and the discount rate

The Group

Fair value at December 2024 \$'000	Fair value at December 2023 \$'000	Valuation Technique	Unobservable Inputs \$'000	Value of unobservable inputs 2024	Value of unobservable inputs 2023	Relationship of unobservable inputs to fair values \$'000
11,138,771	9,552,709	Income Capitalisation Approach	Capitalisation Approach	7%-7.5%	7%	If the capitalization rate increases/ (decreases), the fair value will decrease /increase
			Discount rates	8%-8.5%	8%	If the discount rate decreases/ increases, the fair value will decrease/increase

The Company

Fair value at December 2024 \$'000	Fair value at December 2023 \$'000	Valuation Technique	Unobservable Inputs \$'000	Value of unobservable inputs 2024	Value of unobservable inputs 2023	Relationship of unobservable inputs to fair value \$'000
9,418,381	8,157,799	Income Capitalisation Approach	Capitalisation Approach	7%-7.5%	7%	If the capitalization rate increases/ (decreases), the fair value will decrease /increase
			Discount rates	8%-8.5%	8%	If the discount rate decreases/ increases, the fair value will decrease/increase

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

15. Investment Properties (Continued)

iii. Significant estimate – fair value of investment property (continued)

The increase or decrease in the key assumptions would have an effect on the fair value of investment properties as reflected below:

	The Group			
	2024 Increase 0.50%	2024 Decrease 0.50%	2023 Increase 0.50%	2023 Decrease 0.50%
	\$'000	\$'000	\$'000	\$'000
Capitalisation rate	(373,618)	460,453	(323,226)	435,703
Discount rate	(379,571)	429,075	(327,290)	404,155
	The Company			
	2024 Increase 0.50%	2024 Decrease 0.50%	2023 Increase 0.50%	2023 Decrease 0.50%
	\$'000	\$'000	\$'000	\$'000
Capitalisation rate	(31,000)	\$'000	(28,000)	\$'000
Discount rate	(320,036)		(291,173)	
		388,636		367,930
iv. Non – current assets pledged as security		361,505		339,135

Refer to note 26 for information on non-current assets pledged as security by the Group.

v. Leasing arrangements

The investment properties are leased to tenants under operating leases with rentals payable monthly.

Lease payments for some contracts include an annual increase.

Although the Group is exposed to changes in the residual value at the end of the current leases, the Group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

15. Investment Properties (Continued)

vi. Leasing arrangements (continued)

Minimum lease payments receivable on leases of investment properties are as follows:

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Within 1 year	584,650	512,081	515,019	431,825
Between 1 year and 2 years	561,903	584,650	487,986	515,019
Between 2 years and 3 years	582,107	561,903	505,095	487,986
Between 3 years and 4 years	585,964	582,107	522,916	505,095
Between 4 years and 5 years	796,108	585,964	696,108	522,916
	<u>3,110,732</u>	<u>2,826,705</u>	<u>2,727,124</u>	<u>2,462,841</u>

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

16. Leases

This note provides information for leases where the Group and Company are lessees.

(a) Amounts recognised in the statement of financial position

	The Group and Company	
	2024	2023
	\$'000	\$'000
Right-of-use asset		
Property, plant and equipment	117,920	138,997

The right-of-use asset in the statement of financial position relate to leased commercial property.

	The Group and Company	
	2024	2023
	\$'000	\$'000
Lease liability		
Current	15,942	21,683
Non-current	121,831	138,827
	137,773	160,510

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

16. Leases (Continued)

(b) Right-of-use asset

	The Group and Company \$'000
Cost-	
At 31 December 2023	230,623
Addition	2,843
At 31 December 2024	<u>233,466</u>
Accumulated Depreciation-	
At 1 January 2023	58,388
Charge for the year	33,238
At 31 December 2023	<u>91,626</u>
Charge for the year	23,920
At 31 December 2024	<u>115,546</u>
Carrying Amount	
31 December 2024	<u><u>117,920</u></u>
31 December 2023	<u><u>138,997</u></u>

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

16. Leases (Continued)

(c) Lease liability

	The Group and Company \$'000
At 1 January 2023	174,510
Lease payments	(28,910)
Interest	14,910
At 31 December 2023	160,510
Addition	2,842
Lease payments	(38,052)
Interest	12,473
At 31 December 2024	137,773

The incremental borrowing rate applied to the lease liability is 9.28% (2023 – 9.28%).

(d) Amounts recognised in the statement of profit or loss

	The Group and Company	
	2024	2023
	\$'000	\$'000
Depreciation charge – right-of-use assets	23,920	33,238
Interest expense	12,473	14,910
Income from subleasing right-of-use assets	8,331	8,284

(e) Amounts recognised in statement of cash flows

	The Group and Company	
	2024	2023
	\$'000	\$'000
The total cash outflow for leases	35,210	28,910

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

17. Investment in Subsidiary

	The Company	
	2024 \$'000	2023 \$'000
Unity Capital Incorporated		
Shares, at cost	151,765	151,765

18. Receivables

	The Group		The Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Trade receivables	36,437	5,002	34,063	4,081
Less: provision for credit losses	(2,567)	(2,567)	(2,567)	(2,567)
Trade receivables, net	33,870	2,435	31,496	1,514
Other	-	6,835	-	6,835
General Consumption Tax	-	4,376	-	4,376
Prepayments	72,227	11,961	64,802	8,697
	106,097	25,607	96,298	21,422

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

19. Cash and Cash Equivalents

	The Group		The Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cash at bank	124,290	38,245	111,072	36,351
Cash in hand	20	20	20	20
	<u>124,310</u>	<u>38,265</u>	<u>111,092</u>	<u>36,371</u>

Cash at bank includes United States dollar savings account. Interest is currently 0.03% (2022 - 0.10%) per annum for the Group and the Company.

20. Payables

	The Group		The Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Accruals	4,035	1,531	3,978	1,196
Audit fees	5,373	5,169	3,952	3,524
Construction payables	15,747	127,640	15,747	127,640
Other Payables	22,770	23,357	15,342	17,640
Dividends payable	100,032	-	100,032	-
	<u>147,957</u>	<u>157,697</u>	<u>139,051</u>	<u>150,000</u>

Construction payables are amounts payable to the contractor and material suppliers.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

20. Share Capital

	2024 \$'000	2023 \$'000
Authorised -		
11,000 (2023 -11,000) 6% Cumulative Preference shares		
757,870,478 (2023 - 757,870,478) Ordinary shares		
Issued and fully paid -		
10,830 (2023 -10,830) 6% Cumulative Preference shares	22	22
757,828,490 (2023 – 757,828,490) Ordinary shares	811,911	811,911
	<u>811,933</u>	<u>811,933</u>

22. Capital Reserve

This represents capital reserve on the acquisition of fellow subsidiary Unity Capital Incorporated.

23. Cumulative Translation Reserve

The cumulative translation reserve comprises currency translation differences from the unrealised gains and losses on the translation of the net assets of the subsidiary which has a different functional currency from the Company.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

24. Related Party Transactions and Balances

(a) Related party transactions

	The Group		The Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Revenue				
Canopy Insurance Limited	18,604	17,644	18,604	17,644
General Accident Insurance Company Limited	77,273	57,024	3,120	3,120
The Musson Group Foundation	1,243	1,226	1,243	1,226
Eppley Jamaica Limited	7,867	7,652	-	-
Property Management Fees				
Felton Property Services Limited	51,553	47,390	43,059	38,898

(b) Year-end balances arising from transactions with related parties:

Payable to related parties

	The Group		The Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Unity Capital Incorporated	-	-	90,020	113,613
Felton Property Management Limited	3,681	15,247	3,519	15,247
Eppley Jamaica Limited	-	7,327	-	7,327
General Accident Insurance Company	4,786	-	4,786	-
Musson Jamaica Ltd	142	-	142	-
	8,609	22,574	98,467	136,187

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

24. Related Party Transactions and Balances (Continued)

(c) Key management compensation

	The Group and Company	
	2023	2022
	\$'000	\$'000
Directors' emoluments:		
Fees	1,425	1,725

(d) Dividends declared

	2024	2023
	\$'000	\$'000
Dividends paid	106	127

25. Deferred Income Taxes

Deferred income taxes are calculated in full on temporary differences under the liability method using a principal tax rate of 25%. Due to the fact that the Company was granted special economic zone status, the Group has not recognised deferred taxes. The attributed deferred tax asset that have not been recognised in the statement of financial position is \$2,984,000 (2023: \$923,000) for the Group and \$2,984,000 (2023: \$923,000) for the Company. Deferred income tax assets and liabilities that would have been recognised in the statement of financial position are attributable to the following items:

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment	3,205	1,188	3,205	1,188
Unrealised foreign exchange gain/(loss)	(221)	(265)	(221)	(265)
	<u>2,984</u>	<u>923</u>	<u>2,984</u>	<u>923</u>

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

26. Borrowings

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
First Global Bank-Syndicated Loan Facility (a)	1,802,500	925,390	1,802,500	925,390
First Global Bank (b)	614,084	647,186	614,084	647,186
Jamaica National Building Society (c)	113,759	123,753	-	-
	2,530,343	1,696,329	2,416,584	1,572,576
Current portion	(179,034)	(39,224)	(169,397)	(30,418)
	2,351,309	1,657,105	2,247,187	1,542,158

(a) First Global Bank – Syndicated Loan Facility

The loan amount disbursed was US\$10,561,761. This loan is repayable over 10 years and is amortised over 13 years with a moratorium of 24 months on principal. The interest rate on this loan is 9.05%. The rate is variable.

The loan is secured by the following:

- Second registered mortgage over Lot B1, Lot B3, Lot 2, Lot 4, Lot 6, and Lot 8 of land situated at 58 Half - Way Tree Road, registered at volume 1512 folio 520, volume 1512 folio 522, volume 1496 folio 9, volume 1495 folio 819, volume 1475 folio 670, volume 1496 folio 10 of the Registered Book of Titles;
- Endorsement of Lender as loss payee in relation to Contractors All Risk Insurance and Fire and Allied Peril Insurance for the full replacement value of all assets the subject;
- Assignment of lease agreements concerning those properties owned by the Company;
- Second Debenture in favour of Syndicated Lenders over real property, other fixed and floating future assets belonging to the borrower

(b) First Global Bank Limited

This loan facility was used to refinance a United States Dollar denominated facility previously granted by the Development Bank of Jamaica Limited for the construction of Unit 4 at 58 Half-Way Tree Road, Kingston 10. The total credit facility is J\$786,000,000. The loan amount disbursed was \$698,395,693 and is repayable over 180 months. The facility has a 7.125% fixed interest rate for three (3) years, thereafter the interest rate is variable at a rate pegged to the six (6) month weighted average treasury bill yield.

The loan is secured by the following;

- First Demand Debenture over all present and future assets of the borrower, stamped to cover J\$786,000,000.
- First Legal Mortgage over commercial property located at Building 4, 58 Half Way Tree Road, Kingston 10, registered in the name of the borrower at Volume 1496 Folio 9; Volume 1495 Folio 819; Volume 1475 Folio 670; Volume 1496 Folio 10 and Volume 1512 Folio 522.
- Assignment of Peril Insurance over the mortgaged property for the full replacement value.
- Subordination of loans made to the borrower by its Directors and Shareholders to the facilities extended by the Bank.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

26. Borrowings (Continued)

(c) Jamaica National Building Society

This is secured by a first registered mortgage over Volume 1128 and folio 126, situated at 58 Half-Way Tree Road. These land and buildings are owned by Unity Capital Incorporated. The original loan amount is J\$170,000,000 and is repayable over 202 months and at an interest rate of 9.75%. The loan matures in December 2032.

(d) Debt reconciliation

This section sets out an analysis of Debt and the movements in Debt for each of the periods presented.

	The Group			The Company		
	Borrowings \$'000	Lease \$'000	Total \$'000	Borrowing \$'000	Lease \$'000	Total \$'000
Debt as at 1 January 2023	809,865	174,510	984,375	676,008	174,510	850,518
Loans received	925,390	-	925,390	925,390	-	925,390
Loans repaid	(39,295)	(14,000)	(53,295)	(28,822)	(14,000)	(42,822)
Interest expense	60,157	14,910	75,067	47,611	14,910	62,521
Interest capitalised during the year	22,759	-	22,759	22,759	-	22,759
Interest paid	(82,547)	(14,910)	(97,457)	(70,370)	(14,910)	(85,280)
Debt as at 31 December 2023	1,696,329	160,510	1,856,839	1,572,576	160,510	1,733,086
Loans received	737,820	2,842	740,662	737,820	2,842	740,662
Loans received – non-cash	148,645	-	148,645	148,645	-	148,645
Loans repaid	(52,451)	(25,579)	(78,030)	(42,457)	(25,579)	(68,036)
Interest expense	59,787	12,473	72,260	47,295	12,473	59,768
Interest paid	(59,787)	(12,473)	(72,260)	(47,295)	(12,473)	(59,768)
Debt as at 31 December 2024	2,530,343	137,773	2,668,116	2,416,584	137,773	2,554,357

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

26. Borrowings (Continued)

(e) Fair value of non-current borrowings

The fair values of non-current borrowings are based on discounted cash flows using the current borrowing rate of 9.05% for the First Global Bank Syndicated loan, 7.125% for the First Global Bank loan and 9.75% (2023 - 9.75%) for the Jamaica National Building Society loan. They are classified as level 2 fair values in the fair value hierarchy.

	Group			
	Carrying amount		Fair value	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
First Global Bank – Syndicated	1,666,155	925,390	2,109,572	1,139,552
First Global Bank	581,032	616,768	458,501	605,411
Jamaica National Building Society	104,122	114,947	108,053	185,517
	<u>2,351,309</u>	<u>1,657,105</u>	<u>2,676,126</u>	<u>1,930,480</u>

	Company			
	Carrying amount		Fair value	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
First Global Bank	581,032	616,768	458,501	605,411
First Global Bank – Syndicated	1,666,155	925,390	2,109,572	1,139,552
	<u>2,247,187</u>	<u>1,542,158</u>	<u>2,568,073</u>	<u>1,744,963</u>

27. Long Term Payables

This represents rent deposit payable for leased property rented by the Company. The rent deposit payable becomes due upon the lessee terminating the lease. The lease period attributed with the lease properties is five (5) years with an option to terminate in the fourth year.

Stanley Motta Limited

Notes to the Financial Statements

31 December 2024

(expressed in Jamaican dollars unless otherwise indicated)

28. Dividends

	2024 \$'000	2023 \$'000
First interim dividend for 2024 declared 16 May 2024 – 7.9¢	59,398	-
Second interim dividend for 2024 declared 17 December 2024 – 13.2¢	100,032	-
First interim dividend for 2023 declared 05 October 2023 – 13.5¢	-	102,306
Second interim dividend for 2023 declared 23 November 2023 – 11.8¢	-	89,424
	<u>159,430</u>	<u>191,730</u>

STANLEY MOTTA LIMITED

PROXY FORM

I/WE, _____ OF
_____, IN THE PARISH OF _____
BEING A MEMBER/MEMBERS OF THE ABOVE-NAMED COMPANY, HEREBY
APPOINT _____
_____ OF _____
_____ OR FAILING HIM/ HER
_____ OF _____ AS MY/OUR PROXY
TO VOTE ON MY/OUR BEHALF AT THE ANNUAL GENERAL MEETING OF THE
COMPANY TO BE HELD AT THE GENERAL
ACCIDENT TRAINING ROOM, 58 HALF WAY TREE ROAD, KINGSTON 10,
JAMAICA, WEST INDIES, ON FRIDAY
SEPTEMBER 22ND, 2025 AT 10:00 A.M. AND AT ANY ADJOURNMENT
THEREOF.

DATED THE _____ DAY OF _____ 2025.

SIGNED _____

NOTES:

IF THE APPOINTER IS A CORPORATION, THIS FORM MUST BE UNDER ITS
COMMON SEAL AND UNDER THE HAND OF AN OFFICER OR ATTORNEY
DULY AUTHORISED.

THIS FORM OF PROXY MUST BE RECEIVED BY THE SECRETARY OF THE
COMPANY AT 58 HALF WAY TREE ROAD, KINGSTON, JAMAICA , W.I., NOT
LESS THAN 48 HOURS BEFORE THE TIME APPOINTED FOR THE MEETING.

THIS FORM OF PROXY SHOULD BEAR STAMP DUTY OF J\$100.00 OR ITS
EQUIVALENT. ADHESIVE STAMPS ARE TO BE CANCELLED BY THE PERSON
SIGNING THE PROXY.



STANLEY MOTTA LIMITED