

Dolla Financial Services Limited

**Unaudited Interim Financial Statements
31 March 2022**

Dolla Financial Services Limited

Index

31 March 2022

Financial Statements

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Dolla Financial Services Limited

Unaudited Consolidated Statement of Financial Position

31 March 2022

(expressed in Jamaican dollars unless otherwise indicated)

	Note	31 March 2022 \$'000	31 March 2021 \$'000	31 December 2021 \$'000
Assets				
Cash and cash equivalents		2,108	(3,164)	65,587
Loans, net of provisions for ECL	2	870,263	325,628	750,503
Other receivables	3	32,561	7,691	8,304
Deferred tax asset		-	-	-
Intangible assets		11	1,448	32
Property, plant and equipment		34,105	29,883	36,668
Total assets		939,048	361,486	861,094
Liabilities				
Other payables and accruals	4	43,718	21,112	17,804
Taxation payable		36,333	8,175	29,865
Loans payable	5	452,832	100,000	455,901
Lease liabilities		28,347	25,201	31,550
Preference shares		-	186,550	5,151
Deferred tax liabilities		4,682	-	5,839
Total liabilities		565,912	341,038	546,110
Equity				
Share capital		240,348	63,799	240,349
Translation reserves		(1,971)	-	(587)
Capital redemption reserve		10,000	-	10,000
Retained earnings/(Accumulated deficit)		124,759	(43,351)	65,222
Total shareholders' equity		373,136	20,448	314,984
Total liabilities and shareholders' equity		939,048	361,486	861,094

Approved for Issue by the Board of Directors on 16 May 2022 and signed on its behalf by:

Ryan Reid

Chairman

Christopher Yeung

Director

Kadeen Mairs

Chief Executive Officer

Dolla Financial Services Limited

Unaudited Consolidated Statement of Comprehensive Income

Quarter ended 31 March 2022

(expressed in Jamaican dollars unless otherwise indicated)

	Note	Quarter Ended 31 March 2022 \$'000	Quarter Ended 31 March 2021 \$'000	Year Ended 31 December 2021 \$'000
Interest income		141,436	53,859	379,049
Interest expense		(12,806)	(10,165)	(53,582)
Net interest income		<u>128,630</u>	<u>43,694</u>	<u>325,467</u>
Provision for expected credit losses		(4,842)	(2,487)	(20,423)
Net interest income after loan impairment		<u>123,788</u>	<u>41,207</u>	<u>305,044</u>
Non-interest income:				
Fees and other income		(3)	10,377	16,226
Foreign exchange Gains/losses		<u>1,327</u>	<u>-</u>	<u>(33)</u>
Total net interest income and other revenue		<u>125,112</u>	<u>51,584</u>	<u>321,237</u>
Operating expenses				
Administrative expenses	1	(59,218)	(34,549)	(153,440)
Profit before taxation		<u>65,894</u>	<u>17,035</u>	<u>167,797</u>
Income tax		(6,046)	(5,347)	(38,248)
Net profit		<u>59,848</u>	<u>11,688</u>	<u>129,549</u>
Other comprehensive income, net of tax -				
Exchange differences on translation of foreign operations		(1,384)	-	(587)
Total other comprehensive income		<u>(1,384)</u>	<u>-</u>	<u>(587)</u>
TOTAL COMPREHENSIVE INCOME		<u><u>58,464</u></u>	<u><u>11,688</u></u>	<u><u>128,962</u></u>

Dolla Financial Services Limited

Unaudited Consolidated Statement of Changes in Equity

Quarter ended 31 March 2022

(expressed in Jamaican dollars unless otherwise indicated)

	Share Capital \$'000	Translation Reserves	Capital Redemption Reserve \$'000	(Accumulated Deficit)/ Retained Earnings \$'000	Total \$'000
Balance at March 31, 2021	63,799		-	(43,351)	20,448
Total comprehensive income for the period	-	(587)	-	108,573	107,986
Capital redemption reserve	-	-	10,000	-	10,000
Issue of share capital	176,550	-	-	-	176,550
Balance at 31 December 2021	240,349	(587)	10,000	65,222	314,984
Total comprehensive income for the period	-	(1,384)	-	59,848	58,464
Prior year adjustment	-	-	-	(312)	(312)
Balance at 31 March 2022	240,349	(1,971)	10,000	124,758	373,136

Dolla Financial Services Limited

Unaudited Consolidated Statement of Cash Flows

Quarter ended 31 March 2022

(expressed in Jamaican dollars unless otherwise indicated)

	Quarter Ended 31 March 2022 \$'000	Quarter Ended 31 March 2021 \$'000	Year Ended 31 December 2021 \$'000
Cash flows from operating activities:			
Net profit	59,848	11,688	129,549
Adjustment for:	-	-	-
Depreciation and Amortization	3,761	2,325	12,731
Interest Income	(141,436)	(53,877)	(379,049)
Taxation expense	6,045	5,347	38,248
Interest Expense	(12,806)	(10,165)	53,582
Foreign exchange losses	(1,308)	-	33
Expected credit losses	4,876	2,487	20,423
	(81,020)	(42,195)	(124,483)
Change in operating assets and liabilities:	-	-	-
Loans receivable	(89,258)	(27,726)	(451,001)
Other receivables	(23,296)	(89)	(3,161)
Other liabilities	25,914	5,480	7,127
Deferred Tax liability	(4,627)	-	-
Cash used in operations	(172,287)	(64,530)	(571,518)
Interest Received	106,057	47,746	353,383
Interest paid	4,432	10,165	(29,980)
Taxation paid	-	-	(4,972)
Net cash used in operating activities	(61,798)	(6,619)	(253,087)
Cash flows from investing activities:			
Acquisition / Disposal of PPE	(1,599)	(6,442)	(2,399)
Acquisition / Disposal of Right of use	(10,930)	-	-
Net cash used in investing activities	(12,529)	(6,442)	(2,399)
Cash flows from financing activities:			
Loans payable	597	-	351,112
Lease Liability	5,821	4,319	(7,182)
Short Term Debt	-	-	-
Preference shares interest paid	5,296	-	(16,865)
Redemption of preference shares	-	-	(10,000)
Net cash provided by financing activities	11,714	4,319	317,065
Net (decrease)/increase cash and cash equivalents	(62,613)	(8,742)	61,579
Effects of exchange rate changes on cash and cash equivalents:	(866)	-	(1,569)
Cash and cash equivalents at beginning of year	65,587	5,577	5,577
Cash and cash equivalents at end of quarter	2,108	(3,165)	65,587

Dolla Financial Services Limited

Notes to the Financial Statements

31 March 2022

(expressed in Jamaican dollars unless otherwise indicated)

1. Expenses by Nature

Total direct, administration and other operating expenses recognized were:

	Quarter ended 31 March 2022 \$'000	Quarter ended 31 March 2021 \$'000	Year ended 31 December 2021 \$'000
Staff Costs	38,848	20,939	94,802
Depreciation	446	-	2,138
Depreciation - Right of Use	3,314	2,325	10,570
Audit Fees	1,630	450	4,513
Legal and Professional fees	2,629	1,706	5,917
Marketing, Public Relations, Sponsorship & Donations	625	1,211	4,268
Directors' fees	740	1,030	3,442
Occupancy, Utilities & Maintenance	1,475	1,216	5,757
Fees & subscriptions	2,175	2,382	7,574
Regulatory fees	210	8	370
GCT irrecoverable	1,272	675	2,786
Bank charges	415	240	1,149
Travelling and Entertainment	754	210	3,652
Accommodation	79	264	411
Stationery and Office Supplies	616	436	1,962
Insurance	-	90	134
IT Expenses	155	807	2,135
Courier Charges	90	32	194
Other Miscellaneous	194	9	166
Security	299	233	2,198
Janitorial Services	402	287	1,706
Management Fees	2,847	-	-
	<u>59,215</u>	<u>34,550</u>	<u>155,844</u>

Dolla Financial Services Limited

Notes to the Financial Statements

31 March 2022

(expressed in Jamaican dollars unless otherwise indicated)

	Quarter Ended 31 March 2022 \$'000	Quarter Ended 31 March 2021 \$'000	Year Ended 31 December 2021 \$'000
2. Loans receivable			
Principal	841,857	333,224	750,343
Interest Receivable	70,379	15,882	35,001
Fees Receivable	5,375	1,058	7,631
	<u>917,611</u>	<u>350,164</u>	<u>792,975</u>
ECL Provision	(47,348)	(24,536)	(42,472)
	<u>870,263</u>	<u>325,628</u>	<u>750,503</u>
3. Other Receivables			
Prepaid Expenses	19,334	3,517	5,636
Security Deposit	1,464	668	1,464
Staff Loan and Advance	529	529	529
GCT	812	2,658	-
Other Receivables	547	255	675
Withholding Tax Recoverable	9,875	64	-
	<u>32,561</u>	<u>7,691</u>	<u>8,304</u>
4. Other Payables and accruals			
Audit Fees Payable	4,940	3,385	3,403
Statutory Payable	6,267	1,380	2,346
Unallocated Cash and Unidentified Deposits	13,554	2,967	6,440
Accrued Expenses	7,692	2,609	5,615
Interest Payable	9,794	8,120	-
GCT - Output	(389)	2,665	-
Asset Tax	(252)	(252)	-
Non Statutory Payable/Payroll Clearing	651	90	-
Stale Dated Cheques	144	144	-
SBJ- Credit Card	8	24	-
GOJ 3% Tax Withheld	15	15	-
Credit report	(52)	1	-
Creditors Life Insurance	(91)	(35)	-
Withholding Tax Payable	1,437	-	-
	<u>43,718</u>	<u>21,113</u>	<u>17,804</u>

Dolla Financial Services Limited

Notes to the Financial Statements

31 March 2022

(expressed in Jamaican dollars unless otherwise indicated)

	Quarter Ended	Quarter Ended	Year Ended
	31 March	31 March	31 December
	2022	2021	2021
	\$'000	\$'000	\$'000
5. Loans Payable			
Corporate Bond Payable			
Nominal Value	200,154	-	200,154
Transaction Costs	(2,421)	-	(3,385)
Net	<u>197,733</u>	<u>-</u>	<u>196,769</u>

The Corporate bond payable attracts interest at a rate of 9.25% per annum

Unsecured Notes

Unsecured Loan Notes	100,000	100,000	100,000
	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

This represents an unsecured syndicated loan facility which attracts

Derrimon Loan

Short Term Facility (Guyana) USD	155,099	-	155,044
	<u>155,099</u>	<u>-</u>	<u>155,044</u>

This represents USD 1,000,000 an unsecured syndicated loan facility for Dolla Guyana which attracts interest at a rate of 11% for 12 months.