

Jermaine McDonald: [00:01:11] Good morning and welcome to the Dolla Financial Services Q3 2022 Earnings Call. I'm Jermaine from Learn Grow Invest, and I'll be your moderator today. I'll just hand over now to Kadeen Mairs, the CEO of Dolla Financial Services.

Kadeen Mairs: [00:01:27] Thanks. Thanks a lot, Jermaine. Good morning, everyone, and welcome to our quarterly Earnings Call for Quarter 3 of 2022. Before we begin, I'd just like to say a small word of prayer before we get into the discussions.

Dear Lord in Heaven, as we partake in this proceeding, we ask that you bless the words that we're about to spread. May it be in Your name, dear Lord. Thank you for another day. Thank you for health. Thank you for strength. May this call be of blessings upon others, as well as may Dolla Financial continue to make a positive impact on the lives of not only our customers but our investors and our nation at large. Amen.

All right. Thanks again, Jermaine. So welcome to our Earnings Call. This is pretty much something that is not practised, I'd say, amongst a lot of listed entities. But at Dolla Financial, we found it very important that for each quarter, we have a public discussion on our financial statements, as it's important to get our financial statements out. As notice, we have about 45 days after the quarter to get out our financials. We typically get out our financials to the market within 20 days. So we kind of take pride in that.

Additionally, putting out the financials is one, but it's also important for us to have a call where we can interact with investors, shareholders, analysts, and the general public at large, interact in terms of the company performance, the financial statements, in good times and bad times, basically highlight the successes during the prosperous times, and of course, calm any fears during adverse ones.

So on the call today, I have my CFO Trevene McKenzie. So Trevene will be going through the financial statements as we can see by the agenda, and then we'll just look at the company outlook, and then we'll allow some questions and answers as well.

So for today, I guess I'd just like to speak just mainly on highlights just before we get into the numbers by Trevene. For the quarter, basically, the main highlight for the quarter is that our loan portfolio was up quarter-over-quarter by 125%, which is like \$1.1 billion, as well as our profitability was up year-to-date at 201 million. So before I get too deep into the numbers, I'll just allow Trevene to just come in and just walk us through the unaudited financial statements that were submitted to the Stock Exchange.

Trevene McKenzie: [00:04:40] Thanks, Kadeen. And good morning, everyone on the call. So let's just jump right into the numbers. The group recorded a total income year-to-date of 475 million, which represents an overall increase of 170% over September 2021. Our net interest income also moved upward to 436 million,

and by 213% year-on-year. The movement in net interest income, of course, is directly attributable to the stellar performance of the sales team and the more or less maintenance of interest expense.

Moving into our operating expenses, the group saw a 93% increase year-over-year with OpEx, standing at 241 million. And we will discuss that later on in a short while. And through all of the above, net profit before tax rose to 201 million, increasing by 257% year-over-year. The loan portfolio, once more, grew to 1.17 billion, and total assets followed suit to 1.36 billion. Cash and cash equivalents increased to 106 million, and total debt stood at 532 million.

Now, our strong results this quarter reflect the resilience of the group in the dynamic operating environment, and we performed quite well when compared to our competitors in terms of credit, which is still healthy, and with non-performing loans remaining relatively low at 8.7%. Our ECL stood at 6.1%, and we have a nice, low efficiency ratio at 51%.

So let's move into more detail. Now, in terms of our assets, the two areas of focus were, of course, cash and loans. You'll notice our cash balance has increased by 354% up to 106 million. And this is mainly due to the company's mandate to, one, maintain a minimum cash balance, as well as we did receive a bridge loan from our parent company, FirstRock Private Equity, for working capital support during this quarter-- well, the previous quarter.

When compared to last year, the company in September 2021 would have geared up to do the IPO and would have had immense demand due to the increasing knowledge of the company's services as well as opening new branches, including Guyana. So that would've contributed to the cash balance in 2021 versus the current balance in 2022. The demand was quite high last year, and we were in the process of seeking more funding at that time.

Now, loans net of ECL saw a significant movement to 1.2 billion, increasing by just about 125%. And this is as a result of the hard work of the sales team, as mentioned before, taking advantage of the demand, coupled with the manageable increase in the ECL which offsets the balance.

Now, loans payable saw an increase to 432 million or just about 46% year-over-year. And since we have not yet acquired the Derrimon loan in 2021, which was approximately \$1 million, you will see where in 2021, it was 296 million, jumped to 432 million this year. And as I said, directly attributable to the Derrimon loan which we would've acquired in Q4 of 2021.

Now, the company also received a bridge loan from the parent company, FirstRock Private Equity, in the amount of 100 million. This increased short-term borrowing by just about 100%.

Now, to conclude on equity, it's pretty clear on the year-on-year increase of 624%. The company successfully completed its IPO in June of this year and listed on the Jamaica Stock Exchange, which saw a 400-million-dollar increase

in additional paid-in capital. And of course, the retained earnings jumped by a whopping 2,322% to 253 million due to the year-on-year earnings of both the company and its subsidiary Dolla Guyana Inc. who has seen year-to-date profits of 22 million Guyanese.

Now, let's move on to the much-anticipated earnings. Dolla recorded total net profit before tax of 201 million on income of 475 million, which was up 235% year-on-year. Now, our expenses moved up to 241 million, primarily driven by the investments to support our growth strategy. Now, these investments include the recruitment of talent, costs related to the IPO, and of course, the impact of the ECL.

Now, the company's adherence to the IFRS 9 methodology of expected credit losses requires that we recognise the provision, even if the accounts are still performing. And Dolla is mindful that with the increase in the loan book, there is an inevitable increase in the ECL as the ECL is a percentage of the overall loan portfolio. And what this means is that where, let's say, the ECL stays at 5% or 6%, with the growth in the portfolio, inevitably, we would be recognising more expected credit losses as we go along. But the good thing about this reality is that with the increase in the loan book, there's a corresponding increase in the income which offsets the net profit line.

Our earnings per share for the quarter as you may have seen from the financials were 4 cents and 7 cents for the nine months ending 2022. Now, you'll notice a large decrease in the number. However, this is solely due to the increase in shares during the year to facilitate the IPO process. And just to put this into more context, we would have commenced the year with approximately 27 million shares, and you'll see this on the financials. And now, the company has 2.5 billion shares with a weighted average of just around 1.5 billion as at September 2022. So this isn't unusual at all with these activities.

Now, let's move on to our cashflows. Now, the group saw an overall movement of 354% year-over-year in terms of our cashflows. And of course, in growing the business, the company will be utilising cash rather than generating, in order to build the loan book and to achieve those revenues that you're seeing here today. And as mentioned before in previous forums, cash is Dolla's inventory as it is with other financial markets. And you'll notice that the use of cash goes solely towards the core function of the business if you take a keen look at the cashflow statement. Now, cashflows from financing, however, remains positive as we would've received firstly the funds from the IPO as well as, more recently, the short-term loan from FirstRock Private Equity.

Now, as we wrap up the financial segment, let's talk ratios. Now, the group's efficiency ratio remains low and steady over both periods as we continue to maintain low costs and build income. And you'll notice in comparison with other players, our efficiency ratio is really one of the lowest.

Another great metric of profitability is the net profit before tax margin, standing at 42%. And what this tells us is that 42% of the company's income turns into profit, which is quite good and has been maintained year-over-year. The company's debt to capital ratio moved from 91% to 43%, and of course, this has reduced due to the additional capital raised in June. This metric also explains the company's ability to take on more debt financing as financial companies tend to do in their operating models.

And lastly, we look at the much-anticipated NPLs. Now, we have seen an increase in NPLs year-over-year by just about 0.8% and quarter-over-quarter by 2%. And we do believe that this is marginal. Now, there are a couple sizable loans which experienced some delinquency as at September 2022; however, all efforts have been made to regularise these accounts, and we should see improvement as at the end of Q4. Now, the company continues to operate at a very high standard regarding delinquency, and the industry standard is currently 10%. And we aim to keep it well below that as we have been doing over the past few years.

At this time, I'll now hand over to Kadeen for the outlook and closing remarks.

Kadeen Mairs:

[00:14:31] Trevene, I have to say, "Well presented." Before I get into the outlook, I'll just like to say it's very important here at Dolla that we continue to build out the team. If you really zoom in at the numbers compared to last year, you would notice that our staff cost has increased significantly. And the main reason for that is that we have been building out the team. We have been incentivising the current team for their performance. We have increased our staff complement. We have built out our executive team. We have Trevene on board now. She started earlier this year. She has been a significant asset to the company in terms of producing these financial statements, and high-quality financial statements as well.

We've also hired a Chief Strategy Officer who'll be assisting me as I get the mandates from the board to expand regionally. So our strategy officer is also there. That's Deveta. So Deveta is definitely there helping us with strategy and expansion and any business plans that we have in place. We also have our COO, Kenroy Kerr, as well.

It's very important to note that at Dolla, we have very low staff turnover. I'd say we have 0% amongst execs and senior managers. We have incentivised our entire team with employee share offering programmes. So each staff has a share in the company. And this really reaps results for us in the performance as everybody recognises their single effort and what it does for the team on a whole. So just wanted to highlight that before I go into the outlook.

So thanks again, Trevene. A very important milestone for us was crossing the billion-dollar mark in the bond. We did an upsize, and we managed to raise over \$1 billion. We're still reconciling exactly where we are. But we have made plans so far in terms of how we will be managing this debt to ensure

that we can service the debt and we can get this money out on the road working prudently.

So for that billion dollars, one of the main things that we plan to do is we plan to continue to grow the loan portfolio of Guyana. We plan to inject about 100 million down in Guyana. We're looking at expanding the Guyana location, open a new location in Berbice in Guyana.

We're also looking at a new subsidiary called Ultra, and what we see from Ultra is that we want to tap into another segment of the market. So the team and management and board is currently looking at that business model. And shortly, we will announce the final decisions there and who the key operator of that day-to-day operations will be. We're thinking about allocating around 350 million towards growing that business.

In terms of organic growth, definitely, we will be continuing to grow organically. The more money that we have is the more money that we need to get out there working. Money in the bank account doesn't earn for us. And getting money out there is one thing but getting it out there prudently is very important as we take pride in our ECL as Trevene mentioned. And our non-performing loans, we want to keep that as low as possible.

So what we'll be doing is opening new branches as well so that we create a bigger network that we can distribute from. We're looking at a location in Trelawny currently. I think we've finalised a lease arrangement, so I think that will be announced shortly. As well as we have also been looking at a location in May Pen which might take a little bit of branch build-out. Not big CapEx or anything. Normally our spaces are about 800 square foot just to host admin, sales, and a manager. Everything is centralised at Dolla, so all costs go back to head office. So we shouldn't see much cost increase in terms of branch build-out there. So those are some of our plans now that we've raised some capital.

Additionally, we are still eyeing some acquisitions, and what we've decided to do-- or the board and management along with the direction and guidance of the Board of Directors, is to reserve some funding from the bond raise for a potential acquisition or acquisitions that may come up over the next three to five months. So that's also one of the plans that we have for the company.

In terms of regional expansions, we have been speaking on regional expansions over and over again. What I can say there is that we have engaged professional services in three main Caribbean countries. We've engaged professional services, specifically legally professional services for some legal guidance in terms of regulatory framework in three countries, particularly St. Lucia, Barbados, and Bahamas. These territories we see as low hanging fruits. We're familiar with countries, two of which are CARICOM countries which creates a lower barrier to entry for us being a member of CARICOM. We've made trips to Bahamas as well to feel what the landscape is like, get our ear closer to the ground, see what the culture is like, what the people is like, what

the competition is like. So we have been, from a strategy standpoint, continuously exploring places to grow Dolla Financial outside of Jamaica which will create significant shareholder benefits over the medium term.

We have one quarter left to basically double down our efforts, so definitely the team, we'll be putting out some promotions leading up to the Christmas period so that we can have a spectacular year end, to say the least. We have come a long way as a company as the financials can clearly show. We have a very young, very aggressive team, a team that believes in the company, which we'll see this team continuing to build this company over the next decade or more. We spoke on the branches. We spoke on the build-out, and those are the main outlooks that we can look for over the next quarter and entering into the new year, 2023.

So at this time, I guess we will allow-- I think this is my favourite part of the segment, and one of the main reasons for the Earnings Call as well is for the interaction, the question and answers. So I will allow Jermaine to just come in at this point so that he can facilitate the question and answer.

And Jermaine, I'd like to say thanks for allowing us to use your platform so that we can use Learn Grow Invest. You've been doing an excellent job in terms of educating the general public on investment, and we thought that this would have been the best platform for us to have our quarterly Earnings Call.

And I'd like to see other companies as well do their Earnings Call because it's very important to not only talk about the financials, but just generally educate people on what to look for in the financial statements, what's happening within a company and how this can affect performance. We will celebrate not only the successes, but we'll also calm fears, as I said before, in the inverse. So just like to thank you for the platform, Jermaine.

Jermaine McDonald: [00:22:51] You're very welcome, Kadeen. And it's great to see companies take us up on our offer to be here. So it's definitely mutual in terms of that appreciation. We believe that the more information investors have, the better decisions [inaudible]. Thank you for this partnership as well. [inaudible] let's take some questions from our community members. So [inaudible] the chat as well. So I'll ask my [inaudible]--

Kadeen Mairs: [00:23:31] I think you're breaking up. I'm not sure if it's me or-- Trevene, are you--?

Trevene McKenzie: [00:23:35] I'm experiencing the same, yes.

Kadeen Mairs: [00:23:37] Oh yeah.

Jermaine McDonald: [00:23:38] Is that better?

Kadeen Mairs: [00:23:41] Um--

Trevene McKenzie: [00:23:42] At the moment, it is. Let's just keep going [inaudible].

Jermaine McDonald: [00:23:46] All right. Okay, so Phillip is saying, “Congratulations on an excellent quarter. So for clarity, the growth in the loan book up to quarter ending September does not include any funds from the bond?”

Kadeen Mairs: [00:24:00] Correct. The bond was closed on the 18th of this month. So we would not have had access to that money being raised during that period. So the benefits of the bond have not been realised as yet. [But?] definitely, the third quarter will show some results of having capital to grow the business.

Jermaine McDonald: [00:24:22] Okay. Okay, great. Next question here from Phillip again: “When do you expect to receive your license from the BOJ?”

Kadeen Mairs: [00:24:31] So what BOJ has given to us is a No Objection letter that basically states that they have no objection with us continuing as a microfinancing institution. And what they’ve done is basically ask us for some time as they had a lot of applications. Obviously, they would have prioritized the listed companies, given the impact that it might have on the market, etc. I’m expecting that we should get that money lending license if not by the end of this month, I’d say by some time in November. So I think it’s just a matter of time, and we’re just being patient with them as it’s also a new thing for them. It’s a new license being offered. So it’s a learning process for everybody.

In terms of information on Ultra, it’s very simple what Ultra is. It’s a premium loan product that offers capital or loans to persons of high net worth that have-- it’s asset-based lending, so it would be fully secured loans, but higher size loans, so loan sizes that we normally would not consider as a microfinance company. So you’re talking about loans sizes-- to make it simple, a person can come with a property, their personal property. It’s valued 100 million and they want \$20 million to borrow. That’s the kind of concept. Or they might have luxury items that they would want to use as collateral for a loan.

So it’s just a different market. It’s a product that-- or a business model that is done in North America and Europe that we’ve been studying for the last, probably, four to five years. So we’re finally at the point now where we’ve tested it, and we’ve decided that it’s something that we want to introduce to the market.

Jermaine McDonald: [00:26:29] Okay. Okay. All right. Next question should be up shortly. From Limitless Podcast: “Do you think you will still be able to--” well, I don’t think [crosstalk].

(Question: Do you think you will still be able to lend the 1.5 billion by EOY?)

Kadeen Mairs: [00:26:41] Yeah, by end of year.

Jermaine McDonald: [00:26:44] Right. Yeah, yeah.

Kadeen Mairs: [00:26:45] Yeah. So very, very good question. I’d say it’s one thing to lend out the money, but to do it prudently is the biggest challenge. We could always

lend out the 1.5 billion because people always want money to borrow. But what we have to do is be very prudent with the lending. So we do have strategies to ensure that we at least on-lend half of that money raised within the next two months - it's really two months that we have left, two and a half months - and have enough capital to start the new year so that we can see an even significant performance in Quarter 1 for 2023.

So definitely over the next six months, we'll definitely see some uptrend in the loan book, uptrend in interest, fee income, and definitely having the capital allows us to explore other strategic moves in the market.

Jermaine McDonald: [00:27:44] All right. Great. Next question: "Being an investor in Dolla Financial, are there any special packages on loans?"

Kadeen Mairs: [00:27:52] Well, actually, I think we're going to be announcing some loan specials. So this person is an investor, so I hope they become a customer as well. Of course, Dolla has a lot of products that are tailored to your every needs. We have the Medi Pay. We have green energy loans. We have different products. So they can always visit our website and find out which product really fits whatever need that they have currently.

Jermaine McDonald: [00:28:22] Okay. Next question: "How do you see the growth and performance in Guyana, going forward?"

Kadeen Mairs: [00:28:27] To be frank and candid, I think that we won't have enough money to meet the demand for loans in Guyana. And these loans aren't consumer loans. These loans are business loans, people who want bridge financing, who want factoring, who are providing services to the oil and gas industry, who want to expand their businesses to meet the needs of this industry, and also to expand in other industries within Guyana, based on the significant--

I mean, they're the fastest growing economy in the world, and that brings a lot of opportunity for us. So right now, we are just doing the best we can to manage the demand, manage our delinquency, and just continue to grow the loan book. As we said before, we are planning to open a location in Berbice. So we're contemplating that currently. And we definitely see the loan book and profitability continuing to trend up in Guyana.

Jermaine McDonald: [00:29:31] All right. Next question: "How do you balance the challenges with cashflow for on-lending, and then wanting to reserve funds for potential acquisitions?"

Kadeen Mairs: [00:29:43] All right. Trevene spoke on it before, but liquidity risk is very important to us. It's always important to have a cash balance in reserve for any unforeseen circumstances that might come up. It's also very important for us, if we are viewing potential acquisitions, to have cash reserve so that we can take on these opportunities. So in terms of balancing the cashflow, as I said before, we've already budgeted where money will be allocated for each opportunity, whether it is for organic growth through our branches, whether

it is send 100 million to Guyana to grow the loan book there, whether it is to put 300 million towards Ultra. So in terms of balancing, I think it's just simply planning, which we have done.

Trevene McKenzie: [00:30:42] Yes. And just to add some context to that, Devon, in the planning, we would have determined how much we would need for potential acquisitions versus how much, as a business, we would plan to on-lend. And what we do is to ensure we separate the cash itself to ensure that there is no co-mingling. And with on-lending, of course, what we would do is if we're planning to lend, let's say, 200 million, just for an example, we ensure that the collections is also coming in. And that would further fund on-lending. So we do separate the two to ensure that there's proper planning and disbursement of the funds.

Jermaine McDonald: [00:31:20] Okay. Great. Next question: "How do you manage risk in this current environment?" Well, I guess you were speaking a little bit about that already. But anything else you want to [crosstalk]?

Kadeen Mairs: [00:31:30] I guess they're speaking on the environment of increasing interest rates, speculations of a recession. And my answer to that remains the same: we've survived COVID as a company, and I think that COVID is one of the worse things that could have happened. I've never heard of a recession causing planes to not fly anymore and for people to stay in the houses and the country entirely shut down and you can't even see your grandparents. So I think we have learnt a lot from COVID.

And a lot of the strategies that we have within Dolla was implemented for the same purpose of us weathering any catastrophic event, whether it is financially or economically or otherwise. So I think we're in a good position. If you look at our secured loan portfolio, it continues to increase. So it's always good for worse case to have recourse, to be able to liquidate assets in the event that there's a recession so that you can get cash flow and all of that. So we have put plans in place to mitigate any economic risk that might come up.

Jermaine McDonald: [00:32:43] Okay. All right. Limitless Podcast is asking: "Would you guys consider becoming an approved MFI with the DBJ?"

Kadeen Mairs: [00:32:53] Yeah. I think we are in the process of becoming an approved microfinance institution with DBJ. It has its benefits. As you can see, everything that has its benefits also has its restrictions as well. But we're definitely-- currently, actually, exploring being an approved MFI. I think within the next two to three months, we'll definitely be an MFI with DBJ.

Jermaine McDonald: [00:33:23] Okay. Great. Next question is, "What percentage of the bond would be on-lent?"

Kadeen Mairs: [00:33:28] All of the bond money will be on-lent. Our core business is to actually on-lend money. So all of that money will be on-lent to the market. If we even do an acquisition, what you have to realise is that we're buying a

company that has a loan book already, so all the money that we get from this bond will go towards income earning activities. So if we raise \$1 billion, \$1.5 billion, we should see within six months our loan portfolio doubling in size and the earnings coming from that.

Jermaine McDonald: [00:34:05] Okay. Great. Next question: "Can you--" I think this one is for Trevene "--break down the factors that led to an increase in NPL?"

Trevene McKenzie: [00:34:15] So really, with the factors that led to the increase in the NPL, as I'd mentioned in the presentation, we had a couple significant loans that went into a non-performing state. And that is pretty much what it is. It's not a widespread issue. It's just based on specific loans that went into a non-performing state. And what management is doing is really actively managing those. We have seen improvement coming out of September 30th already. And we do plan to wind that down going into December 31st.

Kadeen Mairs: [00:34:50] Yeah. Just to add to that, so non-performing loans is really defined as loans that pass 90 days. So if we have a loan with a significant balance or two or three loans and it hits 90 days, even if the person is making payments, we still have to classify it as non-performing. However, if you look at the estimated credit loss, the ECL, you'll realise that the ECL has remained, I'd say, frozen or just about the same as it was the last quarter because the ECL now takes into consideration a lot of other things in terms of making a provision. And the ECL is what really affect the P&L and the bottom line. So the ECL will determine how much provision to make for a loan.

So a person might have a loan with us that is overly collateralized by a motor vehicle and they weren't able to make payments, or is making small payments but the loan goes up to 90 days. So you will have to make a 90-day provision. But an ECL provision might not have to be made because you've actually collateralized that loan, and there's a greater risk of collecting on that loan. So it's just balancing both, the NPL as well as the ECL. But the key thing with the ECL is that that's the one that we watch because that is the one that actually can reduce your profitability on the P&L.

Jermaine McDonald: [00:36:15] Okay. All right. Next question: "Is there a target NPL range?"

Kadeen Mairs: [00:36:20] Definitely single digit. Our aim is always to stay within the single digits when it comes to non-performing loans and ECL. Industry standard for microfinance, which is a high-risk business, is about 15%. That's industry standard. We don't hold ourself to that standard. Internally, we always try to stay single digits.

Jermaine McDonald: [00:36:43] Okay. All right. Next question: "With the aggressive nature of Dolla Financial, will we see any acquisition anytime soon?"

Kadeen Mairs: [00:36:52] [laughter]. We're always looking for opportunities. And our shareholders will be the first to know as soon as we tie down any certain acquisitions. But discussions are always being had for a potential acquisition.

Always comes down to the price and the benefit that it will bring to Dolla and its shareholders. So we won't be doing an acquisition just to say we do an acquisition. Has to be a good buy.

Jermaine McDonald: [00:37:22] Okay. All right. Next question: "Will this recording be available after?" I can take this one. Yes, it will be available here on the Learn Grow Invest YouTube channel. It will also be accessible through the Dolla Financial Services investor relations webpage.

All right. I think we got those questions already. Okay. Phillip is asking: "Will you take stocks as collateral with Ultra?"

Kadeen Mairs: [00:37:48] Looks like we need to give Phillip a job, you know, because we definitely will be. There's a big demand for that and we see where there's a lot of liquidity issues with institutions, and they can be a lot stricter in terms of the stock that they will take. So a product is needed to give margin facilities and assist the market.

Everybody knows we charge higher interest rates because we like to see bigger profits as shareholders. So at the same time, if you borrow against your stock, it definitely won't be at a bank rate. But it does create an ease of access, which is of most importance in our business. So definitely, we'll be looking to take stocks as collateral at Ultra.

Jermaine McDonald: [00:38:32] Okay. Great. Next question: "How important is the stock price to Dolla Financial?"

Kadeen Mairs: [00:38:39] Well, your stock price is-- each person owns a stock, so how important your stock price is, is how it is important to you, I would say. Personally, where the stock price is or how the stock price behaves, we're actually very impressed because it shows stability and steady growth. It's always good to see stocks that-- it's not erratic in movement and can be very reactive to what the results of a company are whether good or bad. And we definitely see that with Dolla where each time our performance increases, our stock price increases.

So we're definitely looking to continue to perform, to give returns and be able to provide dividends to our shareholders and continue to grow the value of their stock. So that's what we're here for and we do that through providing a service through Dolla and running a business model that continues to be profitable.

Trevene McKenzie: [00:39:45] And just to add to that as well, with the stock price where it is, it really shows the confidence that the market has in Dolla. And Dolla really takes that into account in terms of how we operate and do our performance because we want to ensure that we live up to the standard of our investors. So we do ensure that we take a look at it. It's very important to us.

Jermaine McDonald: [00:40:08] Okay. All right. Next question. All right, Christopher is asking: “What would be any other strategic moves that you may explore to utilize these additional funds?”

Kadeen Mairs: [00:40:22] I think the main strategic moves are, if we going generalize them, organic growth. So we will have more salespeople, more branches. So what that does is increase monthly disbursements in loans. So that’s one strategy. Another strategy is when we look at new products or subsidiaries that focus on a whole different market, which is what we’re focusing on Ultra.

Diversification, we look at other territories outside of Jamaica to diversify our risk, economies that are growing. That’s where Guyana comes in as well. And then we also we also explore other opportunities to have a presence in markets that we’re not. And that’s where we look at St. Lucia, Barbados, and Bahamas. Bahamas will give us hard currency return. So that will be beneficial when it comes to FX risk.

Jermaine McDonald: [00:41:21] Okay. All right. Next question: “Do you expect progress on acquisitions to be easier to execute once your microfinance license is secured?”

Kadeen Mairs: [00:41:32] Well, having the microfinance license or not does not prevent you from making an acquisition. So if that information is being shared, that is misinformation. Once you have a No Objection from the BOJ and they say that you can continue to operate, then you can continue to operate. So that shouldn't be a challenge in terms of doing acquisitions.

Jermaine McDonald: [00:41:59] Okay. [inaudible] *Question from Gregory Lawson:* “Not sure if you made mention of how the Guyana investment’s going? What’s your plans on gaining more market share from Access Finance and others to grow faster?”

Kadeen Mairs: [00:42:15] Investment in Guyana is going good. Probably Trevene can talk on the year-to-date profitability. But I think last quarter we were at about 19 million or somewhere thereabout. Continue to grow the loan book. It’s always good to take it slow when you’re in a new territory. That’s what we’ve been doing, learning the market as we go along, and as I mentioned, looking to open a new branch in Berbice. That’s another region of Guyana.

In terms of market share, I think persons can just look at other companies and see if their earnings are increasing or decreasing, their loan books are increasing or decreasing, and that will tell if a market share is going somewhere else. So I think that one can be explained on its own. I won’t particularly speak on a competitor. But definitely, we see markets outside of the market that we’re operating in, which we continue to grow.

As I said to Jermaine earlier, it’s just a matter of having the capital to on-lend. The demand is there for our products, and people love the quality of service that we give.

- Trevene McKenzie: [00:43:28] Yes. And just to add to that in terms of Guyana, so their loan book is currently at 190 million Guyanese. And for their first year of operations, that is pretty excellent performance. They are currently looking at 67 million Guyanese in terms of income to date. And they are also looking at 22 million in terms of net profit. So Guyana has been doing pretty well for the first year, and we expect to see this trajectory continue into the future.
- Jermaine McDonald: [00:43:58] Great. Chipmunk Financials: “Early days yet but when can we expect a dividend?”
- Kadeen Mairs: [00:44:08] That will be disclosed to the JSE once the board has approved. But I’d say that, for me, Dolla is one of those stocks that you want to hold on to. And you buy a stock for two purposes, to see the value of the share increase as well as the potential dividend payout that you can get. So that’s important to us for you to note. But I can’t say when as yet. But I’d say that based on the performance and our retained earnings, you can see that there’s a possibility that this can be made.
- Jermaine McDonald: [00:44:52] Okay. “Any timeline for the Trelawny location opening?”
- Kadeen Mairs: [00:44:58] So we’ve signed the lease arrangement. It’s in the heart of Trelawny. I think it’s just a matter of time for us to announce it. Mario Brown who’s our Country Manager, he leads these strategic moves. So Mario will make that announcement as soon as everything is up and running. He likes to cut a ribbon and bless the location, so as soon as he does that, I’m sure it will be on social media.
- Jermaine McDonald: [00:45:24] Great. All right. “Any plans to open anymore locations here or overseas?” I guess outside of the ones you’ve already spoken about.
- Kadeen Mairs: [00:45:34] No. We were specific in terms of the ones locally. And we definitely spoke of more locations in Guyana and exploring other territories.
- Jermaine McDonald: [00:45:44] Okay. All right. “What is Ultra?” Random World is asking.
- Kadeen Mairs: [00:45:50] It’s an asset-based lender, in short, that provides loan to high-net-worth individuals.
- Jermaine McDonald: [00:45:59] Okay. All right. So, “How many locations will you have in total over the next 12 months?”
- Kadeen Mairs: [00:46:07] That’s a good question. I can speak in the short-term, May Pen and Trelawny. We’ll continue to explore more branches when the opportunities come up. But as I say, it’s very important to continue to raise capital because once we on-lend this billion dollars and the loan book increases, we’ll be relying on cash inflow to continue to grow the loan book. So if the current locations are able to continue to grow the business, then we’ll stick to that new location. However, if we continue to raise capital, which we will always do, then we’ll continue to open new branches and see how best we can continue to grow the business.

Jermaine McDonald: [00:46:53] Okay. I believe that was our final question. So should there be any other questions if you're watching the replay, for example, feel free to leave them in the comments below, and we'll maybe wait at the end of a week or a month and just forward them to the Dolla team. I'm sure we'll have Kadeen and his team, again, join us in the future, as we've now created a standard for these Earnings Calls.

So I want to thank the Dolla team. Thank you for joining us here. We had over 200 persons, I believe, join us. So that is excellent to see. And, well-- yes, [inaudible 00:47:33]. Aliane is asking: "What about a Mandeville location?"

Kadeen Mairs: [00:47:38] We do have a location in Mandeville. [We think?] we opened that about over a year now, probably two years now. It's in the same plaza across from the hospital where the Island Grill is, Midtown Mall.

Jermaine McDonald: [00:47:53] Okay. All right. So thank you for that. Any final comments or thoughts you want to leave with your potential and existing investors?

Kadeen Mairs: [00:48:03] Go again for me, Jermaine.

Jermaine McDonald: [00:48:05] Any final thoughts or comments [crosstalk]?

Kadeen Mairs: [00:48:06] Oh. No, as I said before, these quarterly Earnings Calls will be something that we'll be having each time that we release our quarterly financial statements. Trevene will be here to go through the financial statements in details. I'll be here to speak on the strategy. Jermaine will be here providing the Learn Grow Invest platform. And we'll speak on the highlights. We'll speak both on the good and the bad and keep our investors in the know at all times.

Jermaine McDonald: [00:48:38] Great. All right. Thank you so much. All right. I hope everyone enjoy the rest of their day. Thank you so much for watching.

Kadeen Mairs: [00:48:45] Thanks for having us.

Trevene McKenzie: [00:48:45] [Thanks?] everyone. Bye-bye.

Kadeen Mairs: [00:48:47] Bye.

END OF AUDIO