



SSL VENTURE CAPITAL JAMAICA LIMITED

UNAUDITED FINANCIAL STATEMENTS

THREE MONTHS ENDING 30TH SEPTEMBER 2020

TABLE OF CONTENTS

	PAGE(S)
MANAGEMENT DISCUSSION & ANALYSIS	1
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	3
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	4
CONSOLIDATED STATEMENT OF CASH FLOW	5
COMPANY STATEMENT OF FINANCIAL POSITION	6
COMPANY STATEMENT OF COMPREHENSIVE INCOME	7
COMPANY STATEMENT OF CHANGES IN EQUITY	8
COMPANY STATEMENT OF CASH FLOW	12
NOTES TO THE FINANCIAL STATEMENTS	14-24



**REPORT TO OUR STOCKHOLDERS
QUARTER ENDING 30th SEPTEMBER 2020**

We hereby present the 1st Quarter Results for SSL Venture Capital Limited (SSLVC).

SSL Venture Capital Group comprises one active company and one inactive company for the three months ending 30th September 2020. Bar Central Limited (Distribution Segment) with a stake of 75% and Muse 360 (Marketing Segment) with a stake of 51% respectively.

Despite the crippling effects of COVID-19 on the group's performance, for the three months ending 30th September 2020, the group incurred losses before taxes of **\$23.5M**, compared with **\$25.6M** for the same period last year, an improvement of **\$2.1M**. Being a venture capital company, the head office that provides support services to the portfolio companies is a cost centre and relies primarily on Revenue growth from portfolio companies to offset the costs at the head office level. With COVID-19, those revenues have been under pressure to grow to a comfortable level to offset some of the losses at the head office level.

REVENUES

For the quarter ending 30th September 2020, the Group recorded revenues of **\$18.2M** driven by the distribution segment. This is a decline of **\$32.7M** when compared to the Pre-COVID-19 levels and prior year's revenue of **\$51.0M**. Included in the prior years revenue numbers is **\$28.5M** which previously was contributed by Blue Dot Data Insights, an investment that was exited in the prior year. When this is adjusted for, the Group's revenue for the current year is showing a marginal decline of **\$4.3M** despite the onslaught the pandemic has brought to the distribution segment. Overall Revenues continue to be heavily impacted by cashflow challenges and COVID 19.

EXPENSES

For the quarter ending 30th September 2020, The Group's Administrative & Operational Expenses were **\$20.8M** in addition to the finance related costs of **\$2.0M** bringing overall expenses to **\$22.8M**. This is a significant improvement of **\$19.3M** when compared to the prior year's figure of **\$42.3M**. For this quarter, the Group was able to realise savings from the cost containment and efficiency improvement measures implemented toward the end of the last financial year.

FINANCIAL POSITION

Total Assets of the Group totalled **\$122M**, with Shareholder's Equity recording a negative outturn of **\$251.3M**. Total liabilities of **\$374.3M** is a deterioration of **\$32.2M**, over the prior year's figure of **\$342.1M**.

OUTLOOK

The September 2020 results is trending in the right direction despite the challenges brought on by COVID-19. The group is now realising benefits from the financial and operational efficiency improvements implemented in the prior year. It is our hope that this trend will continue. The executive management along with the Board of Directors continue to review the company's strategic direction and will communicate with shareholders those decisions as they occur.

The Board of Directors would like to thank the management and staff for their support during these challenging times and our shareholders for the confidence they have placed in us as we continue to make SSL Venture's mandate to "Fund, Grow and Lead" Jamaica's venture capital industry.

Zachary Harding
Group CEO

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

	Unaudited 30-Sept-20 \$	Unaudited 30-Sept-19 \$	Audited 30-Jun-20 \$
Assets			
<u>Non-current assets</u>			
Property and equipment	10,727,460	19,581,186	12,813,696
Intangible Assets	54,273	2,485,120	62,688
Goodwill	-	112,013,299	-
Deferred Income Taxes	51,181,783	33,151,288	47,392,303
Total non-current assets	61,963,516	167,230,892	60,268,687
<u>Current assets</u>			
Inventory	2,262,643	6,357,311	2,176,841
Director's Account	3,390,301	-	3,390,301
Taxation recoverable	3,161,539	1,471,114	3,161,539
Receivables	48,844,006	49,235,803	45,935,442
Cash and bank balances	3,297,452	3,888,761	3,443,572
Total current assets	60,955,941	60,952,989	58,107,695
Total assets	122,919,457	228,183,882	118,376,382
EQUITY & LIABILITIES			
<u>Equity</u>			
Share capital	111,880,297	111,880,297	111,880,297
Capital Reserves	294,881	294,881	294,881
Accumulated deficit	(337,013,516)	(200,861,335)	(319,544,465)
Total equity	(224,838,338)	(88,686,157)	(207,369,287)
Non- Controlling interest	(26,561,611)	(25,208,088)	(24,294,385)
	(251,399,949)	(113,894,245)	(231,663,672)
<u>Non-current liabilities</u>			
Due to Related Companies	288,214,768	148,510,815	270,910,072
Long term Loan	2,718,273	6,855,333	2,718,273
Total Non-current liabilities	290,933,041	155,366,148	273,628,345

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

	Unaudited 30-Sept-20 \$	Unaudited 30-Sept-19 \$	Audited 30-Jun-20 \$
<u>Current liabilities</u>			
Payables	61,944,880	132,920,981	53,377,530
Short Term Loan	13,309,028	46,250,317	13,309,028
Current portion of long term loans	3,616,916	-	5,252,813
Taxation	581,919	967,854	581,919
Bank Overdraft	3,933,622	6,572,828	3,890,419
Total current liabilities	83,386,365	186,711,980	76,411,709
Total equity & liabilities	122,919,458	228,183,882	118,376,382

Approved by the Board of Directors and signed on its behalf by:

Jeffrey Cobham
Chairman

Zachary Harding
CEO

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
THREE MONTHS ENDING 30TH SEPTEMBER 2020

	Unaudited Quarter 30-Sep-20 \$	Unaudited Quarter 30-Sep-19 \$	Audited Year End 30-Jun-20 \$
Revenues	18,252,328	51,026,810	116,756,540
Cost of Sales	(18,072,696)	(34,706,144)	(105,121,032)
Gross Profit	179,632	16,320,666	11,635,508
Other Income	(782,613)	322,591	42,821,734
Impair. losses on financial assets	-	-	(1,622,879)
Loss on disposal of subsidiary	-	-	(13,065,240)
Goodwill Impairment	-	-	(53,812,657)
Administrative expense	(20,830,210)	(37,902,401)	(139,692,325)
Operating Profit/Loss	(21,433,192)	(21,259,144)	(153,735,859)
Finance Costs, net	(2,092,566)	(4,428,700)	(16,024,651)
Profit/Loss before taxation	(23,525,758)	(25,687,844)	(169,760,510)
Taxation	3,789,480	-	16,934,148
Loss after taxes	(19,736,277)	(25,687,844)	(152,826,362)
Net loss Attributable to:			
Stockholders of the Company	(17,469,051)	(20,258,929)	(138,942,059)
Non-Controlling interest	(2,267,226)	(5,428,915)	(13,884,303)
	(19,736,277)	(25,687,844)	(152,826,362)
Loss per Stock Unit	(0.05)	(0.05)	(0.35)

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES TO SHAREHOLDERS EQUITY
THREE MONTHS ENDING 30TH SEPTEMBER 2020

	Number of Shares	Share Capital	Capital Reserve	Accumulated (deficit)/profits	Total	Non- Controlling Interest	Total Equity
		\$	\$	\$	\$	\$	\$
Audited Balances as at 30 June 2019	400,000,000	111,880,297	294,881	(180,602,406)	(68,427,228)	(19,779,173)	(88,206,401)
Total Comprehensive profits/(losses)	-	-	-	(20,258,929)	(20,258,929)	(5,428,915)	(25,687,844)
Unaudited Balances as at 30th Sep 2019	400,000,000	111,880,297	294,881	(200,861,335)	(88,686,157)	(25,208,088)	(113,894,245)
Audited Balances as at 30 June 2020	400,000,000	111,880,297	294,881	(319,544,465)	(207,369,287)	(24,292,385)	(231,663,672)
Total Comprehensive profits/(losses)	-	-	-	(17,469,051)	(17,469,051)	(2,267,226)	(19,736,277)
Unaudited Balances as at 30th Sept2020	400,000,000	111,880,297	294,881	(337,013,516)	(224,838,338)	(26,561,611)	(251,399,949)

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW
THREE MONTHS ENDING 30TH SEPTEMBER 2020

	Unaudited 30-Sep-20 \$	Unaudited 30-Sep-19 \$	Audited 30-Jun-20 \$
Cash flow from operating activities:			
Profit/(Loss) for the period	(19,736,277)	(25,687,844)	(169,760,510)
Adjustment for:			
Depreciation & Amortisation	846,178	1,338,080	4,954,923
Bad Debts	68,080	-	1,622,879
Amortisation of rights of use assets	-	-	5,402,152
Foreign exchange losses	-	-	870,747
Goodwill impairment	-	-	53,812,657
Loss on disposal of subsidiary	-	-	13,065,240
Lease interest expense	-	-	1,167,211
Loss on Disposal of motor vehicle	587,163	-	406,725
Interest expense	2,092,566	4,428,700	14,051,318
Interest Income	(31,572)	(343,064)	(64,625)
Operating cash flows before movements in working capital	(16,173,862)	(20,264,128)	(74,471,283)
Changes in working capital:			
Accounts receivable	(2,908,564)	(25,772,222)	(28,693,733)
Accounts Payables	4,709,790	29,182,729	(23,357,923)
Inventories	(85,802)	349,765	4,530,235
Cash provided/(used) by operations	(14,458,438)	(16,503,856)	(121,992,704)
Taxes paid	-	-	(2,268,010)
Lease Interest paid	-	-	(1,167,211)
Interest paid	(2,092,566)	(4,428,700)	(13,267,256)
Interest received	31,572	343,064	64,625
Net cash provided/(used) by operating activities	16,519,431	(20,589,492)	(138,630,556)
Investing Activities			
Purchase of property, plant and equipment	(7,689)	(2,259,035)	(2,671,750)
Disposal of discontinued operation, net of cash disposed of	-	-	34,717,465
Proceeds from disposal of motor vehicle	669,000	-	-
	661,311	(2,259,035)	32,045,715
Financing Activities			
Directors' loans repayment	-	-	(2,400,919)
Related companies, net	17,304,696	(2,394,557)	118,725,019
Lease principal payment	-	-	(1,420,678)
Short term loans, net	-	2,503,793	(23,765,675)
Loans payables, net	(1,635,897)	977,263	(4,128,542)
	15,668,799	1,086,498	87,009,205
Net Increase/(Decrease) in Cash and Bank Balances	(189,322)	(21,762,028)	(19,575,636)
Effects of changes in exchange rates on cash and cash equivalents	-	-	50,825
Cash and Bank Balances at the beginning of year	(446,847)	19,077,963	19,077,964
Cash and Bank Balances at the end of year	(636,170)	(2,684,066)	(446,847)
Cash at Bank	3,297,452	3,888,761	3,443,572
Bank Overdraft	(3,933,622)	(6,572,827)	(3,890,419)
Represented by Cash & Bank	(636,170)	(2,684,066)	(446,847)

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED COMPANY STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

	Unaudited 30-Sep-20 \$	Unaudited 30-Sep-19 \$	Audited 30-Jun-20 \$
Assets			
<u>Non-current assets</u>			
Property and equipment	1,247,507	1,468,963	1,295,655
Intangible Assets	54,273	87,976	62,688
Due from Related Company	64,129,364	35,167,833	59,049,365
Investment in subsidiaries	32,365,577	86,070,182	32,365,577
Deferred Income Taxes	10,472,662	3,778,713	9,096,057
Total non-current assets	108,269,383	126,573,667	101,869,342
<u>Current assets</u>			
Taxation recoverable	3,079,391	1,471,114	3,079,391
Receivables	5,075,979	7,892,408	3,460,365
Receivables – Larren Peart	39,758,250	-	39,758,250
Due to Related company	1,535,546	-	1,535,546
Cash and bank balances	982,966	1,458,736	1,109,589
Total current assets	50,432,132	10,822,258	48,943,141
Total assets	158,701,515	137,395,925	150,812,483
EQUITY & LIABILITIES			
<u>Equity</u>			
Share capital	111,880,297	111,880,297	111,880,297
Accumulated deficit	(233,233,884)	(182,900,695)	(222,553,282)
Total equity	(121,353,587)	(71,020,398)	(110,672,985)
<u>Non-current liabilities</u>			
Long-term Debt	260,717,798	141,468,221	243,248,818
Total Non-current liabilities	260,717,798	141,468,221	243,248,818
<u>Current liabilities</u>			
Payables	1,595,119	37,436,786	766,818
Other Payables	3,288,308	-	3,396,628
Loan Payables	13,309,028	29,511,317	13,309,028
Payroll Liabilities	1,144,850	-	764,176
Total current liabilities	19,337,304	66,948,103	18,236,650
Total equity & liabilities	157,701,515	137,395,926	150,812,483

Approved by the Board of Directors and signed on its behalf by:

Jeffrey Cobham
Chairman

Zachary Harding
CEO

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED COMPANY STATEMENT OF COMPREHENSIVE INCOME
THREE MONTHS ENDING 30TH SEPTEMBER 2020

	Unaudited Quarter 30-Sep-20	Unaudited Quarter 30-Sep-19	Unaudited Year End 30-Jun-20
	\$	\$	\$
Revenues	-	942,472	1,914,187
Other Income	(243,850)	-	17,078,447
Loss on disposal of subsidiary	-	-	(13,946,355)
Administrative expense	(10,080,144)	(13,047,691)	(55,100,736)
Operating Loss	(10,323,994)	(12,105,219)	(50,054,457)
Finance Costs, net	(1,733,312)	(3,380,038)	(10,400,731)
Loss before taxation	(12,057,306)	(15,485,257)	(60,455,188)
Taxation	1,376,605	-	5,317,344
Loss after taxation	(10,680,701)	(15,485,257)	(55,137,844)

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED COMPANY STATEMENT OF CHANGES TO SHAREHOLDERS EQUITY
TWELVE MONTHS ENDING 30TH SEPTEMBER 2020

	Number of Shares	Share Capital	Accumulated profit/(deficit)	Total
		\$	\$	\$
Audited Balances as at 30 June 2019	111,880,297	111,880,297	(167,415,438)	(55,535,141)
Net Profit/(Loss)	-	-	(15,485,257)	(15,485,257)
Unaudited Balances as at 30th Sep 2019	111,880,297	111,880,297	(182,900,695)	(71,020,398)
Audited Balances as at 30 June 2020	111,880,297	111,880,297	(222,553,282)	(110,672,985)
Total Comprehensive loss	-	-	(10,680,701)	(10,680,701)
Misc.	-	-	99	99
Unaudited Balances as at 30th Sep 2020	111,880,297	111,880,297	(233,233,884)	(121,353,587)

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW
THREE MONTHS ENDING 30TH SEPTEMBER 2020

	Unaudited 30-Sep-20 \$	Unaudited 30-Sep-19 \$	Audited 30-Jun-20 \$
Cash flow from operating activities:			
Profit/(loss) for the period/year	(10,680,701)	(15,485,257)	(60,455,188)
Adjustment for:			
Depreciation and amortization	64,253	55,916	254,515
Foreign exchange losses	-	-	860,083
Loss on disposal of subsidiary	-	-	13,946,355
Loss on disposal of plant & equipment	-	-	132,808
Interest expense	1,733,312	3,380,038	9,543,676
Interest income	(484)	(1,248)	(3,028)
Operating cash flows before movements in working Changes in working capital:	(8,883,620)	(12,050,551)	(35,720,781)
Accounts receivable	(1,615,614)	(5,056,081)	(40,391,288)
Accounts Payables	(275,850)	(88,173)	(18,605,859)
Cash provided/(used) by operations	(10,775,084)	(17,203,805)	(94,717,928)
Taxes paid	-	-	(1,608,277)
Interest paid	(1,733,312)	(3,380,038)	(8,759,615)
Interest received	484	1,242	3,028
Net cash provided/(used) by operating activities	(12,507,912)	(20,582,601)	(105,082,791)
Investing Activities			
Acquisition of subsidiaries	-	-	-
Proceeds from disposal in subsidiary	-	-	39,758,250
Purchase of Equipment/Assets	(7,689)	(657,825)	(790,633)
	(7,689)	(657,825)	38,967,617
Financing Activities			
Related companies, net	(9,043,301)	1,894,798	78,258,317
Loans payables, net	3,345,571	5,977,836	(25,910,908)
	12,388,872	7,872,634	52,347,409
Net Increase/(Decrease) in Cash and Bank Balances	(126,622)	(13,367,792)	(13,767,765)
Effects of exchange losses on cash and cash equivalents	-	-	50,824
Cash and Bank Balances at the beginning of year	1,109,588	14,826,529	14,826,529
Cash and Bank Balances at the end of year	982,966	1,458,736	1,109,588
Represented by Cash & Bank	982,966	1,458,736	1,109,589

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

1. IDENTIFICATION AND PRINCIPAL ACTIVITIES

The company was incorporated under the Companies Act of Jamaica on 24 November 2011. The registered office of the company is located at Unit 15, Barbican Centre, 88 Barbican Road Kingston 6.

On July 1, 2018, the shareholders of Stocks and Securities Limited entered into a rescue plan to acquire the majority shares in C2W Music Limited in an effort to rescue the company from financial failure. The rescue of C2W Music Limited was approved by the Jamaica Stock Exchange and the Financial Services Commission.

The business model of the company was changed to specializing in investing in equity of companies that show great potential through sale to private parties. The company’s income thereafter, consists mainly of management fees earned from its affiliated companies.

Effective August 8, 2018, C2W Music Limited’s name was legally changed to SSL Venture Capital Jamaica Limited (“SSL Ventures”). The Company is listed as a member of the Junior Market of the Jamaica Stock Exchange.

The company’s subsidiaries, together with the company are referred to as “the group”; the subsidiaries are as follows:

Date of Acquisition	Subsidiaries	Principal Activities	Proportion of issued share capital held by company
Jul 2, 2018	Bar Central Ltd.	Distribution and provision of branding services	75%
July 20, 2018	Muse 360 Integrated Ltd.	Marketing and commercial solutions	51%

All of the company's subsidiaries are incorporated and domiciled in Jamaica.

The consolidated financial statements include the financial statements for the company and its subsidiaries. The financial statements are presented in Jamaican dollars, which is the functional currency.

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The interim financial report is to be read in conjunction with the audited financial statements for the year ended June 30, 2019. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the financial year ended June 30, 2019.

The principal accounting policies are set out below:

a) Property and Equipment

Owned Assets: Items of plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets. The cost of self-constructed assets includes the cost of materials, direct labour and related costs to put the asset into service.

Depreciation are stated as cost less accumulated depreciation and impairment losses (see below). Depreciation is calculated on a straight line basis at rates to write-off carrying values of the assets over their period of expected useful lives. The annual depreciation rates are as follows:

Camera equipment - 10%; Computer Equipment 25%; Furniture - 10%; Leasehold improvements - 10%; Motor Vehicles - 20% & Office Equipment- 10%

Gains and losses on disposal are determined by comparing proceeds with the carrying amount and are included in the statement of comprehensive income. Repairs and Maintenances are charged to the statement of comprehensive income during the financial period in which they are incurred.

b) Intangible Assets

Intangible assets represent purchased computer software not integral to computer hardware, with finite useful lives that are acquired separately and are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life of three years.

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

c) Inventories

Inventories are stated at the lower of cost and net realisable value, cost being determined on a first in first out basis. Net Realisable value is the estimate of the selling price in the ordinary course of the business, less selling expenses.

d) Cash and bank balances

Cash comprises cash in hand and deposits with bank.

e) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance. For trade receivables impairment provisions, the group and company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing.

f) Payables

Payables including provisions are stated at their nominal value.

g) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts for services provided in the normal course of business, net of discounts.

Interest Income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

h) Related Parties

A party is related to the Company if:

- i) Directly, or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the Company (this includes parent, subsidiaries and fellow subsidiaries); has an interest in the entity that gives it significant influence over the group; or has joint control over the group;
- ii) the party is an associate of the Company;
- iii) the party is a joint venture in which the Company is a venture;
- iv) the party is a member of the key management personnel of the Company or its parent;
- 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 (v); or
- vii) the party is a post-employment benefit plan for the benefit of employees of the Company, or of any entity that is a related party of the Company.

Related party transactions and balances are recognised and disclosed in the financial statements.

Transactions with related parties are recorded in accordance with the normal policies of the Company at transaction dates.

i) Foreign Currencies

Foreign currency transactions are accounted for at the exchange rate prevailing at the rate of the transactions. Monetary assets and liabilities that are denominated in foreign currencies are translated into Jamaican dollars at the exchange rate prevailing at the statement of financial position date; that is in the case of each currency, the Bank of Jamaica weighted average buying and selling rates at that date. Gains or losses arising from fluctuations in the exchange rates are reflected in the statement of comprehensive income.

j) Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of comprehensive income.

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

k) Taxation

Taxation on the profit or loss for the year comprises current and deferred tax. Current and deferred taxes are recognized as income tax expense or benefit in the statement of comprehensive income except, where they relate to items recorded in shareholders' equity, they are also charged or credited to shareholders' equity.

Current taxation - is the expected taxation payable on the taxable income for the year using the tax rates enacted at the statement of financial position date and any adjustment to tax payable and tax losses in respect of previous years.

Deferred Income taxes - are recognised for temporary differences between the carrying amounts of assets and liabilities and their amounts as measured for tax purposes, which will result in taxable amounts in future periods. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset will be realised or the liability will be settled based on enacted rates.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies.

Management believe there were no judgements made in the process of applying the Company's accounting policies that had a significant effect on the amounts recognised in the financial statements.

Management is of the opinion that there were no critical assumptions concerning the future that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

4. PROPERTY, PLANT & EQUIPMENT

The Group

	Computer Equip- ment	Furniture & Fixtures	Office Equip- ment	Motor Vehicle	Lease-hold Improvements	Total
	\$	\$	\$	\$	\$	\$
At Cost						
At June 30, 2020	4,043,053	2,520,085	1,506,436	11,075,606	266,960	19,412,140
Additions	-	-	7,689	-	-	7,689
Disposals	-	-	-	(2,483,132)	-	(2,483,132)
Reclass	-	-	-	-	-	-
At Sep 30, 2020	4,043,053	2,520,085	1,514,125	8,592,474	266,960	16,936,697
Accumulated depreciation						
At June 30, 2020	1,313,129	384,047	382,765	4,492,522	25,951	6,598,414
Charge for period	239,026	42,710	18,920	530,462	6,673	837,791
Eliminated Depreciation from discontinued operation	-	-	-	(1,226,968)	-	(1,226,968)
Write-off	-	-	-	-	-	-
At Sep 30, 2020	1,552,155	426,757	401,685	3,796,016	32,624	6,209,237
Net Book Value						
At Sep 30, 2020	2,490,898	2,093,328	1,112,440	4,796,458	234,336	10,727,460
At June 30, 2020	2,729,924	2,136,038	1,123,671	6,583,084	241,009	12,813,726

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

PROPERTY, PLANT & EQUIPMENT

The Company

	Computer Equipment	Camera Equip- ment	Office Equip- ment	Leasehold Improve- ments	Total
	\$	\$	\$	\$	\$
At Cost					
At June 30, 2020	438,489	144,315	943,988	266,960	1,793,752
Write-off	-	-	-	-	-
Addition	-	-	7,689	-	7,689
Disposals	-	-	-	-	-
At Sep 30, 2020	<u>438,489</u>	<u>144,315</u>	<u>951,677</u>	<u>266,960</u>	<u>1,801,441</u>

Accumulated depreciation

At June 30, 2020	146,702	144,214	181,131	25,950	498,097
Write-off	-	-	-	-	-
Charge for the period	30,244	-	18,920	6,673	55,837
Relieved on disposal	-	-	-	-	-
At Sep 30, 2020	<u>176,946</u>	<u>144,314</u>	<u>200,051</u>	<u>32,623</u>	<u>553,934</u>

Net Book Value

At Sep 30, 2020	261,543	1	751,626	234,337	1,247,507
At June 30, 2020	291,787	1	762,857	241,010	1,295,655

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

5. INTANGIBLE ASSETS

The Group	Unaudited 30-Sep-20
Cost	\$
30 June 2020	2,219,403
Additions/(Disposals)	-
Balance at end of Period	<u><u>2,219,403</u></u>
 Amortisation	
30 June 2020	2,156,715
Charge for the period	8,415
Balance at end of Period	<u><u>2,165,130</u></u>
 Net Book Value	
At Sep 30, 2020	<u><u>54,273</u></u>
At June 30, 2020	<u><u>62,688</u></u>
 The Company	 Unaudited 30-Sep-20
Cost	\$
30 June 2020	2,219,403
Additions/(Disposals)	-
Balance at end of Period	<u><u>2,219,403</u></u>
 Amortisation	
30 June 2020	2,156,715
Charge for the period	8,415
Balance at end of Period	<u><u>2,165,130</u></u>
 Net Book Value	
At Sep 30, 2020	<u><u>54,273</u></u>
At June 30, 2020	<u><u>62,688</u></u>

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

6. DEFERRED TAXES

Deferred Income Taxes are calculated in full on all temporary differences under the liability method using the applicable tax rate.

Deferred Assets recognised on the statement of financial position are as follows:

	The Group		The Company	
	Unaudited Sep-20 \$	Audited Jun-20 \$	Unaudited Sep-20 \$	Audited Jun-20 \$
Deferred Income Tax	51,181,783	47,392,303	10,472,662	9,096,057

The movement on the net deferred income tax balance is as follows:

	The Group		The Company	
	Unaudited Sep-20 \$	Audited Jun-20 \$	Unaudited Sep-20 \$	Audited Jun-20 \$
Net Assets at beginning of year	47,392,303	33,151,288	9,096,057	-
Transferred on Acquisition	-	-	-	-
Deferred Tax credit (Note 13)	3,789,480	17,456,068	1,376,605	9,096,057
Transferred on Disposal	-	(3,215,053)	-	-
	<u>51,181,783</u>	<u>47,392,303</u>	<u>10,472,662</u>	<u>9,096,057</u>

Deferred income tax assets are attributable to the following items:

	The Group		The Company	
	Unaudited Sep-20 \$	Audited Jun-20 \$	Unaudited Sep-20 \$	Audited Jun-20 \$
Deferred Income Tax Assets:				
Property, plant & Equipment	(290,588)	261,906	(130,559)	(60,052)
Unutilized taxes losses	51,472,372	47,130,397	10,603,220	9,156,109
	<u>51,181,783</u>	<u>47,392,303</u>	<u>10,472,662</u>	<u>9,096,057</u>

*A recalculation of deferred taxes will be done at the end of the year in the audited financial statements.

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

7. RECEIVABLES

Group

	Unaudited	Unaudited	Audited
	30-Sep-20	30-Sep-19	30-Jun-20
	\$	\$	\$
Trade	1,593,830	43,683,194	4,122,557
Other	47,250,176	5,552,609	41,812,885
	48,844,006	49,235,803	45,935,442

Other receivables significantly increased over prior year as a result of sale of shares in Bluedot Data Intelligence Limited to Larren Peart in March 2020. The consideration, to be paid in Financial Year 2020-2021.

8. SHARE CAPITAL

	Unaudited	Unaudited	Audited
	30-Sep-20	30-Sep-19	30-Jun-20
Authorised capital:			
Ordinary shares at no par value	1,000,000,000	1,000,000,000	1,000,000,000
Issued and fully paid:			
400,000,00 Ordinary shares of no par value	\$111,880,297	\$111,880,297	\$111,880,297

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

9. NON-CONTROLLING INTEREST

	Unaudited 30-Sep-20 \$
Balance as at June 30, 2020	(24,294,385)
Share of Loss for the year	(2,267,226)
Balance as at September 30, 2020	(26,561,611)

10. REVENUE

Revenue represents the price of goods sold or services rendered to customers, and management fees and is stated net of discounts, allowances and General Consumption Tax.

11. OTHER INCOME

	30-Sep-20 The Group \$	30-Sep-20 The Company \$
Net Payables Write off	-	-
Other	(782,613)	(243,850)
	(782,613)	(243,850)

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

12. ADMINISTRATIVE EXPENSES

	The Group		The Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19
	\$	\$	\$	\$
Accounting Fees	-	1,129,903	-	-
Advertising and Promotion	10,000	494,890	-	346,890
Audit Fee	913,115	1,244,512	478,415	478,414
Rent	1,445,937	2,664,256	553,925	474,900
Bad Debt	68,080	-	-	-
Depreciation & Amortization	846,178	1,338,081	64,253	55,918
Director Fees	525,000	-	525,000	-
Company Secretary	341,400	1,165,927	341,400	1,165,927
Legal Fees & Professional Fees	325,425	7,164,467	222,425	6,224,113
Motor Expenses	1,543,037	-	419,500	-
Dues & Subscriptions	183,871	-	114,776	-
Office / Admin Expense	1,170,724	186,995	626,634	85,845
Registrar and JSE Fees	427,123	87,375	427,123	87,375
Other expenses	1,015,013	11,175,141	148,686	737,449
Payroll Expenses	11,676,462	10,053,897	6,048,987	3,254,291
Meals & Entertainment& Travel	10,965	231,536	-	113,619
Security	2,177	-	-	-
Utilities	325,703	965,419	109,020	22,950
Total Operating Expenses	20,830,210	37,902,399	10,080,144	13,047,691

SSL VENTURE CAPITAL JAMAICA LIMITE-D
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

13. TAXATION

Taxation is computed on the loss for the year adjusted for taxation purposes and comprises:

	The Group		The Company	
	Unaudited	Audited	Unaudited	Audited
	Sep-20	Jun-20	Sep-20	Jun-20
	\$	\$	\$	\$
Income Tax @ 25%	-	521,920	-	-
Deferred Income Tax (Note 6)	(3,789,480)	(17,456,068)	(1,376,605)	(5,317,344)
	<u>(3,789,480)</u>	<u>(16,934,148)</u>	<u>(1,376,605)</u>	<u>(5,317,344)</u>

Entities listed on the Junior Stock Exchange in Jamaica benefit from tax incentives of tax rates of 0% in year 1-5, and 50% of regular tax rates in year 6 -10.

The taxation charged in the statement of comprehensive income differs from the theoretical amount that would arise using the appropriate income tax rate:

	The Group		The Company	
	Unaudited	Audited	Unaudited	Audited
	Sep-20	Jun-20	Sep-20	Jun-20
	\$	\$	\$	\$
Loss before tax	(23,525,757)	(169,760,510)	(12,057,306)	(60,455,188)
Tax calculated at the appropriate tax rate	(4,374,276)	(28,266,800)	(1,507,163)	(7,556,898)
Adjusted for the effects of :				
Expenses not allowed for tax purposes*	584,796	9,640,682	130,559	1,743,293
Other charges and allowances*	-	1,691,970	-	496,261
	<u>(3,789,480)</u>	<u>(16,934,148)</u>	<u>(1,376,605)</u>	<u>(5,317,344)</u>

* A recalculation of taxes will be done at the end of the year in the audited financial statements.

SSL VENTURE CAPITAL JAMAICA LIMITED
UNAUDITED NOTES TO THE FINANCIAL STATEMENT
THREE MONTHS ENDING 30TH SEPTEMBER 2020

14. PROFIT/LOSS PER SHARE

Basic profit/(loss) per share as calculated by dividing the loss by the weighted average number of ordinary shares in issue.

	Unaudited	Unaudited	Audited
	30-Sep-20	30-Sep-20	30-Jun-20
	\$	\$	\$
Profit / (Loss)	(17,469,051)	(20,258,929)	(138,942,059)
Weighted average number of ordinary shares	400,000,000	400,000,000	400,000,000
Basic profit /(loss) per share	(0.05)	(0.05)	(0.35)