

Initial Public Offering: First Rock Capital Holdings Ltd.

First Rock Capital Holdings Limited, the Company also known as “First Rock”, was incorporated in St. Lucia on October 4th, 2017 as an international business company. First Rock is an investment holding company with a primary focus on real estate assets and private equity opportunities.

The Company’s strategy involves buying income-generating real estate, properties for future sale, developing new and existing properties and investing in real estate linked financial instruments. The private equity aspect involves purchasing equity in companies not listed on a public exchange such as the JSE.

First Rock Capital Holdings Ltd. is a holding company which has First Rock USA LLC, First Rock Capital LATAM and First Rock Capital Cayman Ltd. as subsidiaries. This is to facilitate the purchase and oversight of real estate assets across The Company’s target regions, these being the Caribbean and Latin America and the United States of America. Targeted countries include Costa Rica, Jamaica, Cayman, Guyana and the USA. First Rock Capital Resource Ltd. is an affiliated management company which handles the day to day operations of First Rock Capital Holdings.

Analyst’s Opinion

As an investment holding company, First Rock’s points of differentiation include exposure to non-English speaking territories while providing exposure to real estate development as a public company and investments into other real estate linked instruments. The main value proposition is a diversified portfolio of real estate with the ability to deliver stable and attractive tax efficient cash flows through its investment activities which include the higher risk and higher return profile of development properties which is not an exposure that is currently available through other publicly listed comparables. However, the success of First Rock’s investment philosophy will be determined by the strength of its real estate selection, successful completion of development projects and property management expertise. Although construction experience exists among its leadership, the strength of the expertise was not emphasized in the prospectus. In other words, while there is an opportunity for the business model to succeed, there are high execution risks.

While First Rock’s shares are being offered at a discount of **4.6%** to our fair value estimate of **US\$0.1258** we believe the risks outweigh the benefits of investing in First Rock at this time.



First Rock’s goal is to provide investors with an attractive dividend yield (>50% of profits to shareholders and capital appreciation through a tax efficient vehicle that has diversified real estate exposure.

First Rock, though a start-up company, executed capital raising round via a J\$2.5B private placement in March 2019. The proceeds were used to purchase real estate in Costa Rica, USA and Jamaica. Thus, this initial public offering would serve as the second round of capital raising, to continue the build out of the firm’s investment portfolio.

First Rock was co-founded by Mr. Ryan Reid and Dr. Michael Banbury and is led by a board of directors with experience in real estate, technology, banking, financial services and legal affairs.

Summary of Offer

First Rock is seeking to raise **US\$12.32M** or the J\$ equivalent (pre-fees) through the issuance of **106,083,332** ordinary shares via two classes to prospective investors through an Initial Public Offering (IPO). These are **51,053,333** Class A ordinary shares at a price of **US\$0.12** each and **55,029,999** Class B ordinary shares at a price of **J\$16.17**. Both ordinary share classes hold the same rights and only vary by currency. The proceeds of the IPO will be used to build out its investment portfolio and pay the fees and expenses associated with the Invitation. The Company has the right to upsize the offer by an additional **53,041,666** ordinary shares in the event of oversubscription. After a successful completion of the IPO, the Company will apply to the Jamaica Stock Exchange (JSE) for the shares to be listed on The Main Market. The aggregate number of shares being offered to the public is **54,166,666** which, if the IPO is successful, would represent **~25%** of total shares outstanding.

Issuer	First Rock Capital Holdings Ltd. (FirstRock)
Arranger and Lead Broker	Sagikor Investments Jamaica Ltd
Co-Arranger	Sygnus Capital Limited
Exchange	Jamaica Stock Exchange, Main Market
	Opening Date: January 13, 2020 at 9 am
	Closing Date: January 31, 2019 at 4:30pm - subject to the right of the Company to designate an earlier or later date in the circumstances set out in the Prospectus.
Securities	Up to 51,053,333 Class A Ordinary Shares (US\$0.12), inclusive of 34,803,333 Reserved Shares for Key Strategic Partners (at US\$0.12) and First Rock Affiliates (at US\$0.108)
	Up to 55,029,999 Class B Ordinary Shares (J\$16.17), inclusive of 17,113,333 Reserved Shares for Key Strategic Partners (J\$16.17) and First Rock Affiliates (J\$14.55)
Pricing	Class A Ordinary Shares at US\$0.12 Per share to the General Public. Class B Ordinary Shares at J\$16.17 Per share to the General Public.
	Payments must be made at the time of application with a J\$163.10 Processing Fee.
Use of Proceeds	1. Acquire new investment properties 2. Support its regional expansion 3. Pay the fees and expenses associated with the Invitation.
Proposed Dividend Policy	An amount greater than 50% of net profit will be distributed as dividends paid quarterly.
Acceptable Payments Methods	Either (1) manager's Cheque payable to "Sagikor Investments Jamaica Ltd"; (2) cleared funds held in a Sagikor Investments Jamaica Ltd. investments account or (3) Transfer or Direct deposit to Sagikor Investments Jamaica Limited. No cash payments accepted.

Corporate Governance

First Rock has implemented a seven-member Board of Directors (BOD) and its Chairman is Dr. David Lowe. The Board Members have the duty to make decisions based on what ultimately is best for the long-term interest of the Company and its shareholders. The members of the Board’s

Director	Title	Expertise
Dr. David Lowe	Chairman	Investment Banking/Distribution
Norman Reid	Deputy Chairman	Banking
Douglas Halsall	Independent Director	Technology
Kisha Anderson	Independent Director	Retail Investments
Alton Morgan	Independent Director	Real Estate Law
Lisandra Rickards	Independent Director	Business Development
Y.P. Seaton	Independent Director	Construction

expertise span areas including Investment Banking, Distribution, Law and Construction. Of note, Director Y.P. Seaton’s construction experience includes residential and commercial property development and civil engineering, which augurs well for First Rock Capital Holdings Ltd. Over 75% of the BOD are independent.

Current Real Estate Holdings

First Rock’s current holdings consist of eight properties across the countries of Jamaica, USA, Costa Rica and Cayman Islands. Currently, the Jamaican properties account for **55%** of the Company’s holdings while the Cayman Islands, Costa Rica and USA properties account for **24%**, **13%** and **8%** respectively. The portfolio currently has a **55%** tilt towards residential properties while commercial properties account for **45%**. Six are held for rental income, one for development and one is held for capital appreciation purpose.

Property	Size (Sq.Ft.)	Cost (US\$)	Class	Strategy	Net Rental Yield	Territory	
21 Balmoral Ave	178,000	2,600,000.00	Commercial	Rental Income	8.50%		Jamaica
The Grove	~196020	3,136,000.00	Residential	Rental Income	11%		Cayman Islands
Icon Brickell (2 Units)	1,764	1,000,000.00	Residential	Rental Income	7%-8%		U.S.A.
Medinah 21	74,923	1,630,000.00	Residential	Development	N/A		Jamaica
5 Seaview Ave	68,727	2,200,000.00	Commercial	Development	N/A		Jamaica
Torres de Heredia (5 Units)	3,283	635,841.00	Residential	Rental Income	8.00%		Costa Rica
Ultima Park II (2 units)	64,584	1,129,000.00	Commercial	Rental Income	9.15%		Costa Rica
WaterMill Villas (2 Units)	3,780	872,426.00	Residential	Rental Income	8%		Jamaica




It must be noted that some of “income properties” are currently under renovation or not yet been

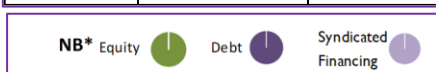
fully constructed. Additionally, the development property at Seaview Avenue has not yet been granted the necessary approvals from the authorities for the development which is being contemplated.

Pipeline Opportunities

The capital raised will be used in a variety of real estate opportunities spanning various jurisdictions.

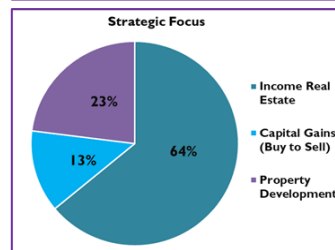
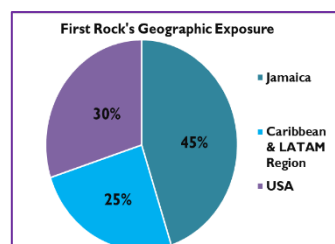
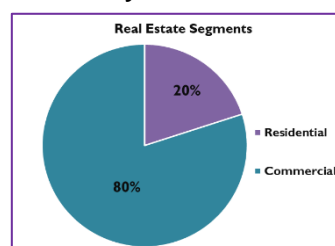
The properties in the table below are targeted as investments to be made in the near term.

Property	Size (Sq.Ft.)	Cost (US\$)	Class	Strategy	Territory	Financing Mix*
Bamboo Ave	148,104	5,000,000	Residential	Development	Jamaica	
Shoppes at Rosehall	261,360	13,250,000	Commercial	Rental Income	Jamaica	
Sun Trust	4,180	7,000,000	Commercial	Rental Income	U.S.A.	



The Company will continue to pursue opportunities that it expects will generate returns in excess of the eight per cent (8%) hurdle rate. For some of those opportunities, discussions are quite advanced, and First Rock expects that they could enter into contract for these within the next three (3) months.

With these investments the Company is hoping to move closer to its strategic mix of **80%** to commercial real estate and **20%** to residential real estate. Initially, First Rock intends to focus on Jamaica, the wider Caribbean and the United States of America.



- The Company expects to generate revenue from four main sources.
- I. **Income Producing** - properties generating rental income expected to account for **64%** of the portfolio income.
 - II. **Development Properties** - involves the acquisition of properties for development which is expected to account for **23%** of the portfolio income.
 - III. **Capital Gains** - this involves acquiring properties for capital appreciation and ultimate sale. This activity is expected to account for **13%** of the income generated by the portfolio.
 - IV. **Real Estate Linked and Other Financial Instruments** – the Company may invest in financial instruments securitized by real estate assets.

The Shoppes at Rose Hall

The largest acquisition the Company intends to make is the **US\$13.25M** purchase of The Shoppes at Rose Hall located in Montego bay. The property has twenty-nine retail shops and is **~76%** occupied. The shops currently include specialty boutiques, duty free stores, food and beverage outlets some engaging in trading local crafts and souvenirs geared at the tourism market.

Property Details	
Purchase Price	US\$13.25M
Financing	Mixed
Classification	Commercial
Type	Income Producing
Location	Montego Bay, Jamaica
Special Characteristics	Linked to retail trade and tourism



Dividend Policy

If the Shares are admitted to listing on the Jamaica Stock Exchange’s Main Market and the USD Market, the Board shall distribute a minimum of fifty per cent (50%) of profits to the Shareholders in the form of cash dividends to be paid quarterly.

Financial Analysis

While First Rock Capital Holdings Ltd. was incorporated in October 2017 it started its operations in March 2019, after completing its private placement where it raised **US\$16M**. As a result, its twenty-three months historical financial performance, largely reflects the activities from March 15, 2019 to September 30, 2019¹.

For the twenty-three months, the Company realized income totalling **US\$993.89K**. Of this amount, Property Revaluation Gains contributed **US\$393.04K**, FX gains added **US\$374.30K** and interest income from real estate linked notes and other financial instruments posted **US\$217.08K**. A small amount of **US\$9.47K** was also listed as revenues from contracts with customers.

¹ First Rock’s financial year end is the 31st December.

Of note, up to September 2019, no income was generated by way of rental income, however the Company expects profitability to improve in the fourth quarter of 2019 when they begin to realize rental income from its properties. Going forward, it is expected that the line item FX gains will be particularly volatile due to the two-way movement of the Jamaican Currency versus the US Dollar. Total operating expenses during the period came in at **US\$767.43K** and **as a result** the Company's profits was **US\$218.26K**

As at September 30, 2019 the Company had total assets of **US\$15.90M**. Investment Property accounted for **US\$8.6M**, Financial Assets **US\$4.2M** while Property Acquisition Deposit was **US\$1.1M**. First Rock's total liabilities was **US\$0.20M** as at September 30, 2019. As at that time the Company had no debt, however, the Company intends to apply leverage to a maximum of **75%** over time.

First Rock's Equity as at September 30, 2019 stood at **US\$15.70M**.

Industry Analysis

Against the economic backdrop of an improving Jamaican economy, real estate values have been improving due to increase demand further fuelled by increased liquidity. First Rock's largest

Territory	Gross Rental Yield	Avg. Sq. Metre (US\$)
Jamaica	9.75%	1,404
USA	2.91%	17,191
Costa Rica	7.48%	1,938
Cayman	7.25%	4,163

exposure is to Jamaican real estate, where opportunities include relatively higher gross rental yields due to traditionally depressed property prices, lower property transfer taxes and lower mortgage rates. According to Global Property Guide, the average price to purchase real estate in the US is **~US\$17,191** per square meter while in Jamaica, property averages **US\$1,404** per square meter. First Rock seeks to achieve its targeted return on equity of 12% by year five, by deploying its capital with a **45%** allocation to Jamaica, **30%** to US and **25%** to the wider Caribbean.

Jamaica

Jamaica's real estate demand continues to be driven by the stability in the macro-economic landscape. Since the country entered the standby arrangement with the International Monetary Fund (IMF) back in 2013, Jamaica's economy has steadily improved. For the quarter ended September 30, 2019 (Q3 2019) Jamaica recorded GDP growth of **0.60%** over the corresponding period a year earlier. This represented the 19th consecutive quarter of GDP growth for the country dating back to Q1 2015. In addition to the improved growth story, unemployment is at record low of **7.8%** and interest rates are very low, with the benchmark overnight rate now at **0.50%**.

The low interest rates locally and globally are benefitting Jamaica's real estate market in at least two ways. First, the trend has resulted in Asset Managers investing more into alternative investments such as outright real estate acquisitions or "real estate linked" investments in search of yield which is spurring demand. Secondly, the reduced interest rates have also led to a reduction in mortgage rates for real estate purchases. In addition to the reduced mortgage rates, there is also the increase in the loan limits for borrowers through NHT, plus the reduction in transfer taxes on the sale of properties which augurs well for the sector as these trends support the increased demand.

However, with this comes the risk that due to the additional flows to real estate in Jamaica this may lead to an overvaluation. As a result, First Rock will need to be very selective in its asset acquisition.

Cayman

The Cayman Islands is an international finance center and tourism hub. Between 1998 and 2007 the country experienced annual GDP growth of **3.1%** on average. However, the Cayman Island was not spared during the global financial crisis of 2008 and the knock-on effects of that event resulted in the Country's GDP falling by **7.2%** in 2009 and again by **2.7%** in 2010. Since then, however, the Country's annual GDP growth has averaged **2.3%** up to 2018 and as at Q1 2019 year over year, quarterly GDP growth was logged at **3.0%**².

Cayman's real estate market has recovered from the weakness experienced in 2010 and is approaching previous highs according to Charterland Surveying. Growth is primarily driven by demand for Seven Mile Beach condos and single-family homes near Cayman Kai. Seven Mile Beach Property prices rose **33%** in 2018. Property transaction values overall rose **17.8%** in 2018, however residential construction is falling. This is marked by a **15%** decline in approved applications and a **13.3%** decline in the value for permits for building apartments during the period according to Global property guide.

There have been aggressive acquisitions by Dart Group since 2011 which has partially tightened the supply of real estate relative to demand. Average yields in Cayman Kai can range from **5%** to **7%** while those in Grand Cayman can range between **7.48%** to **8.17%** according to Global Property Guide's research. Small and medium sized condos provide strong yields relative to larger properties. There are no taxes on rental income or capital gains in Cayman. Economic growth remains modest and unemployment is on the decline in the island.

First Rock's existing property in Cayman is along the Seven Mile Beach area which is highlighted as an area with high demand and may be a positive for the current property.

² Economics and Statistics Office – Indicators, Gross Domestic Product

Costa Rica

Costa Rica's real estate market has been buoyant against the background of strength in the tourism sector which has experienced consistent growth according to Global property guide research. Tourism represents approximately **6.0%** of Costa Rica's total output according to OECD. Tourists are the drivers of much of the real estate activity in Costa Rica.

Costa Rica's GDP growth came in at **~2.0%** in 2019, **2.7%** in 2018 and is projected to be **2.5%** for 2020 according to IMF data. Inflation has remained below **5%** over the last 5 years however, income inequality and unemployment, which is near **11.0%**, remain persistent. Gross rental yields on houses can reach **8.6%** while apartments yield **7.5%** on average according to Global Property Guide's research. Real estate prices in San Jose rose **3.7%** year over year as at July 2019. Capital Gains are not taxed in Costa Rica unless they are from habitual transactions, while habitual transactions are charged at **30.0%**. Rental income is taxed at rates ranging from **10.0%** to **25.0%** according to Global property guide.

It must be highlighted that in December 2018 Costa Rica's Long-Term rating was downgraded from **BB-** to **B+** with a negative outlook by Standard and Poors (S&P). They outlined in their projection that the country had a **33%** chance of being downgraded further within 24 months. A future downgrade of Costa Rica's rating would likely have a negative impact on asset prices in that country.

In October 2019, Fitch affirmed Costa Rica's **B+** rating with a negative outlook citing weakness in public finances and the political gridlock at the time, which prevented the timely passage of reforms to address its steep debt amortizing schedule and economic slowdown.

USA

The US economy has seen strong real estate demand in the recovery from 2008 recession. Declining interest rates, low inflation, a strong labour market and resilient consumer confidence has supported house price growth over the last 7 years. While house prices have declined slightly in the last 18 months, growth remains in many major cities such Boston, Miami, New York and Tampa according to Standard and Poors.

From January to July 2019, new and existing home sales rose **2.5%** while new home sales increased **4.3%**. Virginia real estate has shown strength partially due to Amazon's headquarters being moved to the state. Price growth is expected to continue but at a slower rate due to a slowing economy according to Global property guide research. Gross yields for a studio apartment are at **~7.0%**, a 1-bedroom apartment at **4.4%**

while yields for larger units such as a 3-bedroom apartment are nearer to **2.4%**. Capital gains are at **15.0%** but fall to **5.0%** if they are held for more than a year according to Global property guide.

According to PwC’s Emerging Trends in Real Estate: United States and Canada 2020 Report, Miami is highly ranked in terms of investor demand due to its reputation as the “de facto capital of Latin America,” global connections through its airport and seaport, and brand recognition among international investors now extending into Asia.

Investment Positives

Geographic & Asset Class

Diversification: To the extent that an investor does not currently have real state exposure or has a portfolio exposed to a single country, First Rock may provide diversification benefits due to its exposure to countries within the Latin America, the Caribbean Region and the United States.

High Return Potential: First Rock’s strategy is to participate in not only real estate geared towards rental income, but also real estate

linked investment vehicles and real estate development. Real estate development, if executed properly, has the potential for outsized returns which could boost the return from the Company’s portfolio.

Strong Dividend Opportunity: First Rock intends to pay out >50% of net profit attributable to shareholders in the form of dividends on a quarterly basis. This creates an opportunity for investors to earn steady dividend income while getting real estate exposure.

Investment Risks/Negatives

Market Risk: First Rock's portfolio will be heavily tilted to the Jamaican real estate market where it currently has a 55% exposure which is likely to increase after a successful raising of funds through this IPO. As a result, the portfolio will be impacted by the movements in the interest rates, inflation, crime or other local market trends. However, the Company seeks to minimize this through its diversification into Cayman, US and Costa Rica.

Lack of Proof of concept: First Rock has a short history having begun in October 2017 and starting commercial operations in March 2019. As a result, there is not enough evidence presented to demonstrate First Rock's capability to execute its strategy efficiently.

Development Risk: First Rock's current investments and pipeline opportunities include several properties that have not yet been developed. With this comes the possibility of construction delays. However, some of the projects are at an advanced stage of development and are scheduled to be completed in 2020.

Foreign Exchange Risks: First Rock's earnings are reported in US\$. As a result, it will face FX risk to the extent that it will earn rental income or invest in assets denominated in other non-US\$ currencies, as those income and assets are converted to the reporting currencies.

Competitive Regional Landscape: Over time, there have been an increasing number of players in the real estate business in the Caribbean region which could create competitive pressure for First Rock. Currently there is Sagikor X Fund, Pan Jam, KPREIT, Eppley Caribbean Property Fund listed on the Jamaica Stock Exchange. Additionally, as interest rates continue to trend down, we expect that additional competition may be seen in the space as more asset managers look to alternative investments in search for yields.

Asset Specific Risk: Real estate properties may be exposed to specific risks that are unique to the nature of property due to it being a certain type (commercial or residential) or in a specific location.

Exposure to Tourism: Several of the properties in the portfolio and in the pipeline are linked to tourism which is highly cyclical. If the listed pipeline projects are successful, the portfolio will consist of a 47% tilt to properties that are tourism linked based on out estimate.

Valuation Estimate

In selecting our valuation methods, we utilized a Price to Book Value (P/BV) multiple approach and Free Cash Flow to Equity (FCFE). In using the P/BV method we compared First Rock to other similar companies listed on the Jamaica Stock Exchange. The book value of each comparable company is divided by total shares outstanding to arrive at the Book Value per share which is then compared to its price. The average of those Price to Book Values of the comparable companies provide us with a good gauge of the price investors are willing to pay for these assets.

Valuation – P/BV

For comparative purposes we included Eppley Caribbean Property Fund (CPFV), Sagicor Real Estate Fund (XFUND) and Kingston Property Limited (KPREIT) as the locally listed entities have a regional focus like that of First Rock. As at January 3, 2020 the average P/BV estimate was **0.98X**. When applied to

Real Estate Peers Group	P/BV)
Eppley Caribbean Property Fund	0.93X
KPREIT	1.20X
Sagicor Real Estate X Fund	0.80X
Average	0.98X
NB - Prices as at January 3, 2020	

First Rock’s BV/Share multiple a fair value of **US\$0.092** was determined. This implies that at the offer price of **US\$0.12** the shares in First Rock are overpriced and are being offered at a premium of **30.43%**.

Valuation – FCFE

The second method used to estimate the value of First Rock shares was the FCFE method using a required return on equity of **18.86%** and a sustainable growth rate of **2.5%**. The required return on equity of **18.86%** reflects an additional premium given the fact that the Company is a start-up with limited operating history. In using this method, we arrived at Per Share Equity Value of **US\$0.1583** which implies that the shares are being offered at a discount of **24.19%**. However, this discount is less for investors considering an application in Jamaica Dollars as the J\$ share application price is higher than the current price implied given the BOJ US\$ selling rate on January 3, 2020.

Fair Value

The averaging of the values produced with the two valuation methods produced a final valuation of **US\$0.1258**, implying that the offer price of **US\$0.12** is at a slight discount of **~4.6%**.

Conclusion

We are of the view that First Rock's offer could provide an opportunity for attractive medium to long term dividend income from real estate investment exposures in Latin American and the Caribbean (LAC) region. This potential high-income bet is hinged on its ability to successfully complete and churn its targeted development projects. Additionally, as the current and targeted investment portfolio is tilted towards the tourism market, investors with the appropriate risk appetite may see this offer as an opportunity to get additional exposure to that sector, notwithstanding its cyclicity.

Based on our fair value estimate, the shares are being offered at a small discount of **~4.6%** which provides minimal potential capital appreciation. We took note of several risks inherent in this investment, which include the fact that the Company does not have a track record of real estate management. Delays in execution for these reasons could significantly impede the Company's achievement of its strategy.

Based on the foregoing, we believe the risks outweigh the benefits of investing in First Rock at this time. The First Rock Capital Holdings Ltd.'s share offer is rated **HIGH RISK** and may **ONLY** be suitable for investors with a very high-risk appetite.

APPENDIX I

Financial Summary:

FIRST ROCK'S CAPITAL HOLDING LTD.	
Income Statement	
For Twenty-Three Months Ended September 30, 2019	
Historical	2019
Revenue	
Revenue from contracts with customers	9,471
Other revenue - Interest Income	217,080
Net Gain from fair val adjustment on investment Property	393,042
Total Revenue	619,593
Expenses	
Direct property operating expenses	(18,641)
Net change in fair value of financial instruments at fair value	(6,828)
Depreciation of PP&E	(419)
Management Fees	(184,766)
Marketing and admin expenses	(368,643)
Operating expenses	(194,959)
Total Expenses	(774,256)
Operating Profit / Loss	(154,663)
FX Gain	374,301
Profit Before Tax	219,638
Income Tax Expense	(1,377)
Profit and Total Comprehensive Income	218,261

FIRST ROCK'S CAPITAL HOLDING LTD.	
Balance Sheet	
as at September 30, 2019	
Historical	2019
Non-current assets	
Investment property	8,602,992
Loan receivable	755,740
PP&E	35,796
Financial Assets at fair val through P&L	384,040
Financial Assets measured at amortised cost	4,198,571
Total	13,977,139
Current Assets	
Trade and other receivables	135,757
Property acquisition deposit	1,098,701
Due from related parties	37,384
Total Assets	15,896,914
Current Liabilities	
Trade and other payables	68,763
Tenant Deposits	17,800
Due to related parties	113,507
Net Current Assets	1,718,328
	15,695,467
Share Capital	15,477,206
Retained Earnings	218,261
Total Shareholder's Equity	15,695,467

Management's Financial Projection

FIRST ROCK'S CAPITAL HOLDING LTD.					
Balance Sheet					
as at September 30, 2019					
Projections	P 2020	P 2021	P 2022	P 2023	P 2024
Assets					
Cash and Bank balances	1,747,186	3,851,723	2,759,458	2,077,866	2,847,265
Securities purchased under resale agreements	4,000,000	2,000,000	1,000,000	1,000,000	1,000,000
Financial assets	11,935,185	12,750,000	12,525,000	12,800,000	13,850,000
Receivables	210,744	231,818	255,000	280,500	308,550
Loans receivable	850,000	950,000	950,000	950,000	950,000
Due from related parties	339,284	373,212	410,534	373,212	410,534
PP&E	103,771	124,525	149,430	179,316	215,179
Investment property	29,827,341	32,810,075	36,091,083	39,700,191	41,685,200
Pre-construction costs	1,900,000	2,280,000	2,736,000	3,009,600	3,160,080
Acquisition - land	7,200,000	8,640,000	9,504,000	9,979,200	10,478,160
Total Assets	65,615,586	73,013,843	76,283,244	81,242,898	86,887,282
Liabilities					
Long term loans	26,044,850	20,000,000	21,500,000	24,500,000	28,000,000
Other Liabilities	130,224	1,200,000	1,290,000	1,470,000	1,680,000
Total Liabilities	26,177,368	21,248,630	22,864,329	26,050,521	29,767,895
Shareholder's equity					
Share capital	37,757,243	47,757,243	47,757,243	47,757,243	47,757,243
Retained Earnings	1,680,974	4,007,971	5,661,671	7,435,134	9,362,144
Cash and cash equivalents at end of period	4,480,000	10,908,000	89,363,000	114,160,200	
Total Equity and Liabilities	65,615,585	73,013,844	76,283,243	81,242,898	86,887,282
FIRST ROCK'S CAPITAL HOLDING LTD.					
Projected Income Statement					
Years 2020 to 2024					
Projections	P 2020	P 2021	P 2022	P 2023	P 2024
Revenue					
Income from real estate notes	568,333	990,000	1,045,000	1,045,000	1,100,000
Sale of units	-	1,500,000	3,780,000	3,969,000	4,167,450
Rental Income Net of Property Expenses	3,249,556	3,759,400	4,156,000	4,726,100	5,767,080
Expenses	(467,970)	(498,692)	(524,132)	(549,390)	(1,015,302)
Net Real Estate Income	3,349,919	5,750,708	8,456,868	9,190,710	10,019,228
Interest Income	165,000	296,000	256,000	276,000	316,000
Interest Expense	(1,164,791)	(1,200,000)	(1,290,000)	(1,470,000)	(1,680,000)
Net Interest Income	(999,791)	(904,000)	(1,034,000)	(1,194,000)	(1,364,000)
Gains on sale of financial assets	60,000	75,000	90,000	100,000	175,000
Dividend Income	240,000	264,000	290,400	319,440	335,412
FX Gains/Losses	598,882	628,826	660,268	693,281	727,945
Unrealized FV Gains	775,109	813,865	854,558	897,286	942,150
Total Other Income	1,673,991	1,781,691	1,895,226	2,010,007	2,180,507
Total Income	4,024,119	6,628,399	9,318,094	10,006,717	10,835,735
Total Expenses	(1,306,462)	(1,765,377)	(1,885,157)	(1,954,570)	(2,046,207)
PBT	2,717,657	4,863,022	7,432,937	8,052,147	8,789,528
Preference Share Dividend	(29,197)	(136,085)	(706,641)	(837,514)	(949,647)
Taxation	(40,765)	(72,945)	(111,494)	(130,782)	(131,843)
Net Profit	2,647,695	4,653,992	6,614,802	7,083,851	7,708,038

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