



CHIEF EXECUTIVE OFFICER'S COMMENTARY ON FINANCIAL RESULTS

FOR THE SECOND QUARTER ENDED 30th JUNE 2017.

The performance of Mayberry Investments Limited, for the second quarter ended June 30, 2017, is presented within the framework of the global bond and local equity markets.

For this quarter, business confidence slightly dipped, though consumer confidence remained high. Whilst investors preferred high-quality bonds over high yield, investment grade corporate bonds and high yield bonds were among the strongest areas of the fixed income market.

Notwithstanding, the equities market outperformed the bond market, in this quarter, as investors continue to express confidence in local equities.

Inflation rate for the month of June 2017 was 0.7%, which represents the highest inflationary impulse recorded for the year. Cumulatively, for the quarter, inflation rate was 1.1%.

- **Net Book Value per share increases to \$6.28**
- **Realised equity gains during the quarter totaled \$433.9 million**





SUMMARY OF CHANGES ON THE STATEMENT OF FINANCIAL POSITION				
Description	Quarter ended 30 June 2017 (\$'000)	Quarter ended 30 June 2016 (\$'000)	Change (\$'000)	% Change
Total Assets	20,239,008	22,333,946	(2,094,938)	-9.4%
Total Liabilities	12,700,246	15,360,595	2,660,349	17.3%
Stockholders' Equity	7,538,761	6,973,351	565,410	8.1%
Net Book Value Per Share	\$ 6.28	\$ 5.81	\$ 0.47	8.1%

We are pleased to have created increased value for our shareholders in this quarter as our net book value per share increased to \$6.28, when compared to \$5.81 in the corresponding quarter of 2016. The increase in our net book value was attributable to an 8.1% increase in our Stockholders' equity which moved to \$7.54B when compared to \$6.97B for the corresponding quarter in 2016.

Profit Performance for the half year ended June 30, 2017

Mayberry Group reported an after-tax profit of J\$4.29 million for the half-year ended 30th June 2017. In addition, total comprehensive income amounted to \$569.9 million for the period, as our stock portfolio continues to reap unrealized gains from equities.

Dividend declared and paid for the financial year ended December 31, 2016

A dividend of 23 cents per share (\$276 million) was declared and paid in the quarter ended, 30th June 2017.





SUMMARY OF CHANGES ON THE STATEMENT OF COMPREHENSIVE INCOME				
Description	Quarter ended 30 June 2017 (\$,000)	Quarter ended 30 June 2016 (\$,000)	Change (\$'000)	% Change
Net Interest Income and Other Revenues	241,610	446,574	(204,965)	-45.9%
Operating Expenses	276,985	247,644	(29,341)	-11.8%
Share of Profit/losses in Associate Companies	25,268	8,712	16,556	190.0%
Profit before Taxation	(10,108)	207,642	(217,750)	-104.9%
Net Profit	3,679	177,135	(173,456)	-97.9%
Other Comprehensive Income	46,151	621,057	(574,905)	-92.6%
Total Comprehensive Income	49,830	798,192	(748,361)	-93.8%
Earnings Per Share(EPS)	\$ 0.003	\$ 0.15		

Profit Performance for the Quarter ended 30th June 2017

The highlights of our operating performance for the 3-month period ending June 30, 2017 are as follows:

Profit after tax for the 2nd quarter of our 2017 financial year, amounted to J\$3.68 million, a decrease of J\$173 million over the corresponding quarter in 2016. The total comprehensive income for the quarter was J\$49.8 million, compared to J\$798.2 million for the corresponding quarter in 2016, representing a decrease of 94%, over prior year.

Realised gains from securities totaled J\$433.9 million for the second quarter and were transferred to Retained Earnings, as mandated by IFRS 9. This represented a significant increase of 164% when compared to the realized gains of J\$164.6 million, for the similar period in 2016.

During the quarter, we experienced mixed revenue performance as we remained focused on maintaining a diversified revenue stream while minimizing risks. There were increases in fees, commission income and net trading gains, countered



by reductions in unrealized gains on investments and net interest income. The decrease in net interest income was as a result of the strategic reduction in the size of the fixed income portfolio, while increasing the equities portfolio.

Our share of profit in associated companies increased by J\$16.56 million or 190%, compared to the corresponding quarter in 2016, moving from \$8.71 million to \$25.27 million. The group has investments in four associate companies spanning the trading and financial sectors, with a book value totaling \$1.34 billion at June 30, 2017.

Operating expenses incurred during the period under review totaled \$276.99 million compared to \$247.64 million for the corresponding quarter in 2016, an increase of \$29.34 million or 11.8%.

Summary of Financial Position

Total assets declined by \$2.1 billion tempered by a \$2.7 billion or 17% reduction in total liabilities. This fueled the aforementioned 8.1% increase in shareholders' equity, a result of the continuing process of de-risking the company's asset profile.

The outlook for the remainder of the financial year would be based on increased revenues while maintaining tight control over operational costs, thus increasing the company's performance (within the framework of a bullish equity market and a stable bond market).





Regulatory Capital

Our capital base remains in good standing. The capital to risk weighted asset ratio of 14.6% exceeds the minimum benchmark prescribed by the Financial Services Commission (FSC) of 10%. Additionally, our tier-one capital is 99% of the overall capital of the company and exceeds the regulatory minimum of 50% established by the FSC.

With respect to Resolution 7, approved at the Annual General Meeting on June 28, 2017, we expect to complete the recommendation to enhance the shareholder value, by September 30, 2017.

I would like to express gratitude to our Board of Directors, Management and Staff for their dedication and hard work during this period. Also, many thanks to our valued and loyal clients for their continued support.

Gary Peart
Chief Executive Officer





CONSOLIDATED INCOME STATEMENT

for the six months ended 30 June 2017

	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
	3 Months ended 30 June 2017	3 Months ended 30 June 2016	6 Months ended 30 June 2017	6 Months ended 30 June 2016	12 Months ended 31 Dec. 2016
	\$'000	\$'000	\$'000	\$'000	\$'000
Net Interest Income and Other Revenues					
Interest income	206,080	196,319	390,579	384,380	733,835
Interest expense	(205,612)	(149,851)	(369,300)	(272,772)	(599,874)
Net Interest income	468	46,468	21,279	111,608	133,961
Fees and Commission Income	71,302	41,916	140,156	99,831	224,561
Dividend Income	24,132	29,242	37,946	47,815	97,723
Net Trading Gains/(Losses)	82,959	59,850	84,517	268,343	437,012
Net Foreign Exchange Gain/(Loss)	31,430	87,296	53,054	121,509	209,273
Unrealised (loss)/gain on investment revaluation	29,522	176,046	32,751	82,398	92,591
Other income	1,796	5,756	4,252	8,348	12,175
	241,610	446,574	373,956	739,852	1,207,296
Operating Expenses					
Salaries, statutory contributions and staff costs	115,804	110,962	215,607	204,375	444,633
Provision for credit losses	7,500	7,500	15,000	15,000	22,723
Provision /(write back) for Impairment - Investments	(0)	-	(105,337)	-	155
Depreciation and amortisation	6,921	6,065	13,655	12,124	24,961
Other operating expenses	146,760	123,118	248,140	219,812	555,619
	276,985	247,644	387,065	451,311	1,048,091
Share of Profit in Associates	25,268	8,712	43,506	36,748	65,798
Operating (loss)/profit before asset tax	(10,108)	207,642	30,396	325,290	225,003
Asset tax	(0)	-	33,435	30,992	30,992
(Loss)/Profit before taxation	(10,107)	207,642	(3,038)	294,298	194,011
Taxation charge / (credit)	(13,786)	(30,507)	(7,324)	(23,549)	(21,896)
NET PROFIT	3,679	177,135	4,286	270,749	172,115
OTHER COMPREHENSIVE INCOME					
Financial Reserve	46,151	621,057	565,613	721,364	1,090,324
Employee share option	-	-	-	-	-
Other Comprehensive Income(Net of Tax):	46,151	621,057	565,613	721,364	1,090,324
TOTAL COMPREHENSIVE INCOME	49,830	798,192	569,899	992,113	1,262,439
Number of shares in issue	1,201,149	1,201,149	1,201,149	1,201,149	1,201,149
Earnings per share	\$ 0.003	\$ 0.15	\$ 0.004	\$ 0.23	\$ 0.14

BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with the accounting policies as set out in note 2 of the audited financial statements for the year ended 31 December 2016.



Sustaining our **growth**,
driving **profitability**.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

	(UNAUDITED) JUNE 2017 \$'000	(UNAUDITED) JUNE 2016 \$'000	(AUDITED) DECEMBER 2016 \$'000
ASSETS:			
Cash resources	673,557	624,782	756,392
Investment securities	11,948,179	14,644,391	13,903,408
Reverse repurchase agreements	2,862,234	2,834,773	2,599,763
Promissory notes	957,147	640,905	748,470
Interest receivable	112,198	134,681	148,304
Loan and Other Receivables	1,362,748	1,199,440	1,398,823
Deferred taxation	159,202	174,097	159,202
Property, plant and equipment	120,263	699,507	124,368
Investment in associate	1,337,265	124,788	1,293,759
Other Assets	706,216	1,256,582	706,216
TOTAL ASSETS	20,239,008	22,333,946	21,838,705
LIABILITIES AND EQUITY:			
LIABILITIES :			
Bank overdraft	30,437	130,708	32,780
Securities sold under repurchase agreements	7,808,264	9,502,319	7,328,703
Interest payable	35,814	25,272	31,785
Loans	2,738,162	4,461,263	5,333,313
Accounts Payable	2,068,174	1,241,033	1,846,338
Deferred Taxation	19,395		22,114
TOTAL LIABILITIES	12,700,246	15,360,595	14,595,033
STOCKHOLDERS' EQUITY			
Share capital	1,582,380	1,582,381	1,582,381
Fair value reserves	2,179,286	2,038,846	2,272,532
Other reserves	77,939	77,939	77,939
Retained earnings	3,699,157	3,274,185	3,310,820
TOTAL STOCKHOLDERS' EQUITY	7,538,762	6,973,351	7,243,672
TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES	20,239,008	22,333,946	21,838,705

Net Book Value per Stock Unit :	2017	2016	2016
	\$6.28	\$5.81	\$6.03

Approved by the Board of Directors for issue on 28 July 2017 and signed on its behalf by:

Gary Peart
Chief Executive Officer/Director

Konrad M. Berry
Director





CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2017

	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
	3 months ended 30 June 2017	3 months ended 30 June 2016	6months ended 30 June 2017	6months ended 30 June 2016	12 months ended 31 December 2016
	\$'000	\$'000	\$'000	\$'000	\$'000
Profit for the period	3,679	177,135	4,286	270,749	172,115
Other Comprehensive Income for the period net of tax: Items that will or maybe classified to statement of income					
Unrealised gains/ (losses)on financial instruments	46,151	621,057	565,613	721,364	1,090,324
Total Comprehensive income atributable to stockholders	49,830	798,192	569,899	992,113	1,262,439





CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2017

	Share Capital	Fair Value Reserve	Other Reserve	Retained Profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2016	1,582,381	1,663,532	77,939	2,921,634	6,245,486
Other Comprehensive Income	-	721,364	-	-	721,364
Transfers from Capital Redemption Reserve	-	-	-	-	-
Realised gains(net) transferred to retained earnings	-	(346,050)	-	346,050	-
Net profit	-	-	-	270,750	270,750
Dividends	-	-	-	(264,252)	(264,252)
Balance at 30 June 2016	1,582,381	2,038,846	77,939	3,274,182	6,973,348
Balance at 1 January 2017	1,582,381	2,272,532	77,939	3,312,273	7,245,125
Other Comprehensive Income	-	565,613	-	-	565,613
Realised profit(net) transferred to retained earnings	-	(658,860)	-	658,860	-
Net profit	-	-	-	4,286	4,286
Dividends	-	-	-	(276,264)	(276,264)
Balance at 30 June 2017	1,582,381	2,179,285	77,939	3,699,155	7,538,760





CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2017

	Unaudited six months ended 30 June 2017	Unaudited six months ended 30 June 2016	Audited Year ended 31 December 2016
	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation	(3,039)	294,299	194,011
Adjustments to reconcile profit to net cash used in operating activities:			
Provision for credit losses	15,000	15,000	22,723
Gain on disposal of property, plant and equipment	-	-	40
Depreciation and amortization	13,655	12,124	24,961
Provision /(write back) for impairment on investments	(105,337)	-	155
Interest Income	(390,579)	(384,380)	(733,835)
Interest Expense	369,300	272,772	599,874
Unrealised (gain) / loss on investment revaluation	104,661	(82,398)	(92,591)
Realized fair value losses transferred to retained earnings - IFRS 9	493,701	346,050	481,324
Gain on disposal of investment in associate	1,458	-	-
Unrealised foreign exchange gain	(3,268)	(58,750)	(75,372)
Foreclosure of loans	0	-	-
Share of profit in Associate Company	(43,506)	36,748	(65,798)
Employee share options	-	-	-
Income tax (charge)/credit	7,324	(23,549)	(21,896)
	459,370	427,916	333,596
Changes in operating assets and liabilities:			
Loans and other receivables	36,076	(50,855)	(250,238)
Investments	2,031,084	1,639,012	2,652,754
Promissory notes	(223,677)	(338,589)	(453,877)
Securities purchased under resale agreements	(262,471)	(2,244,822)	(2,009,812)
Accounts payable	219,116	(999,294)	(388,499)
Securities sold under resale agreement	479,560	793,010	(1,380,606)
Loans	(2,595,151)	976,322	1,848,372
	143,907	202,700	351,691
Interest received	426,685	398,397	734,229
Interest paid	(365,271)	(292,410)	(612,999)
Income tax paid	-	-	(5,490)
Net cash provided by/(used in) operating activities	205,321	308,687	467,431
CASH FLOWS FROM INVESTING ACTIVITIES:			
Additions to property, plant and equipment	(9,548)	(9,256)	(22,547)
Dividends received from subsidiary	-	-	24,017
Proceeds from disposal of investment in associate company	-	-	-
Proceeds from disposal of property, plant and equipment	-	-	834
Investment in associate company	-	(152,444)	(129,000)
Net cash used in investing activities	(9,548)	(161,700)	(126,696)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Dividend payment made to parent company	-	-	-
Ordinary dividend payment	(276,266)	(264,252)	(264,252)
Redemption of preference shares	-	-	-
Net cash provided by financing activities	(276,266)	(264,252)	(264,252)
Net decrease) in cash and cash equivalents	(80,493)	(117,265)	76,483
Effects of exchange rate changes on cash and cash equivalent			
Cash and cash equivalents at beginning of the period	723,613	611,340	611,340
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	643,120	494,075	723,613





Top Ten Shareholders and Connected Persons

30 June, 2017

Name	Shareholdings
Bamboo Group Holdings Limited	471,414,754
Konrad Mark Berry**	433,686,104
Mayberry Employee Share Scheme	40,564,274
Konrad Limited	28,607,890
Gary Peart**	24,566,665
VDWSD Limited	19,990,000
Mayberry Foundation	11,298,116
Christine Wong	8,103,167
Mayberry Investments Limited Pension Scheme	6,406,472
Sharon Harvey-Wilson	6,230,858

Connected Persons

Mayberry Employee Share Scheme	40,564,274
Konrad Limited	28,607,890
Mayberry Foundation	11,298,116
Mayberry Investments Limited Pension Scheme	6,406,472
Mayberry Managed Client Account	3,540,964
Apex Pharmacy	3,000,000
Mayberry West Indies Limited	1,366,527
Mayberry Investments Individual Limited Retirement Scheme	1,000,000
Doris Berry	732,262
Est. Maurice Berry	10





Shareholdings of Directors and Senior Management

30 June, 2017

Directors

	Shareholdings	Connected Persons
Christopher Berry		471,414,754
Konrad Berry**	433,686,104	28,607,890
Gary Peart**	24,566,665	19,990,000
Erwin Angus**	1,000,000	2,507,886
Sushil Jain	2,328,068	
Benito Palomino	2,283,105	
David McBean	1,446,521	
Gladstone "Tony" Lewars	1,431,500	

Managers

Andrea Hosang	1,231,934	
Kayree Berry-Teape	635,680	149,893
Tania Waldron-Gooden	102,000	

**Includes holdings in joint accounts

