

MAYBERRY JAMAICAN EQUITIES

Q1 2019

UNAUDITED FINANCIAL RESULTS



MANAGING DIRECTOR'S COMMENTARY ON FINANCIAL RESULTS

FOR THE FIRST QUARTER ENDED MARCH 31, 2019
(represented in J\$)

PERFORMANCE HIGHLIGHTS



**TOTAL
COMPREHENSIVE
INCOME**

378%

INCREASE OVER 2018

2019: \$4B
2018: \$847M



**NET BOOK VALUE
PER SHARE**

73%

INCREASE OVER 2018

2019: \$13.76
2018: \$7.96



**TOTAL
ASSETS**

79%

INCREASE OVER 2018

2019: \$18.9B
2018: \$10.6B

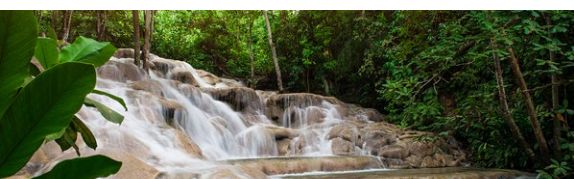


**TOTAL
EQUITY**

73%

INCREASE OVER 2018

2019: \$16.5B
2018: \$9.6B



Unaudited 1ST Quarter 2019 financial results for the months January – March 2019.

INVESTMENT ENVIRONMENT

Jamaica's macroeconomic indicators remained positive for 1st Quarter 2019 with the Net International Reserves above adequate levels at US\$3.08B. Fiscal performance continues in an upward trend and market interest rates continue to decline. Annual inflation as at February 2019 was 2.4 percent, relative to 4.4 percent in February 2018. In March 2019, BOJ further reduced its policy interest rate by 25 basis points to 1.25 per cent. Exchange rates during the quarter soared to an average daily high of \$137.21 and plummeted to a low of \$124.79, indicative of the two-way movement regime. Average exchange rates for the quarter were \$130.48. The labour market conditions continue to improve, in addition to companies posting strong earnings.

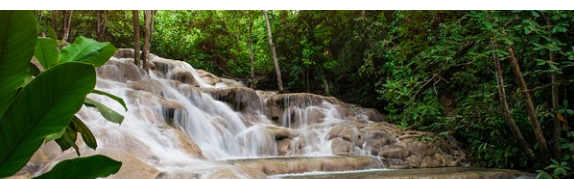
For Q1 2019, the JSE Main Market Index grew by 93,744 points or 31.8% up from 294,533 points when compared to Q1 2018. The JSE Junior Market also grew by 133 points or 4.5% at the end of March 2019 to 3,092 points. Both markets continue to reflect increased activity.

The company currently holds shares in 29 companies listed on the Main and Junior Markets of the Jamaica Stock Exchange (JSE).

FINANCIAL POSITION

SUMMARY OF CHANGES ON THE STATEMENT OF FINANCIAL POSITION				
Description	Quarter ended 31 March 2019 (J\$'000)	Quarter ended 31 March 2018 (J\$'000)	Change (J\$'000)	% Change
Total Assets	18,942,418	10,577,597	8,364,821	79.1%
Total Liabilities	2,414,182	1,018,278	(1,395,904)	-137.1%
Stockholders' Equity	16,528,236	9,559,319	6,968,917	72.9%
Net Book Value Per Share	\$13.76	\$7.96	\$5.80	72.9%

For the 1st quarter 2019, Mayberry Jamaican Equities (MJE) incurred an after-tax loss of J\$157.8M, a J\$315M decline over the corresponding period in 2018. This resulted mainly from the decrease in the fair value of certain equities held in the current portfolio amounting to J\$248M. Also, an increase in Operating Expenses of J\$28M contributed to this variance.



Notwithstanding, the total assets of MJE grew to \$18.94B for the 1st quarter 2019 compared to \$10.6B for the comparative quarter 2018. This represents a J\$8.3B increase in our asset base for this quarter due mainly to increased value of quoted equities, particularly, Lasco Financial Services Limited, Caribbean Producers (Jamaica) Limited, Blue Power Group Limited, Iron Rock Insurance Company Limited and Supreme Ventures Limited.

Total Liabilities increased over 1st quarter 2019 by J\$1.4B to J\$2.4B or 137%. This resulted from the undertaking of a Corporate Loan Note of \$2.2B during the period, further offset by a reduction in Accounts Payables of \$215M and Due to Parent company balance of \$642M.

SHAREHOLDERS' EQUITY

MJE's capital base continues to grow and remains in good standing, resulting from higher investment revaluation reserves, with Retained Earnings moving from J\$4.9B to J\$5.0B and Fair Value Reserves increasing by J\$6.9B to J\$10.1B.

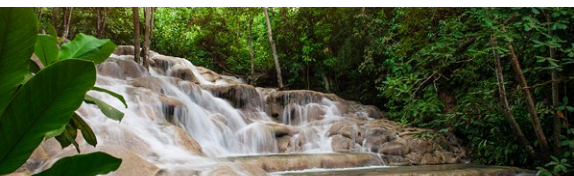
NET ASSET VALUE (NAV)

Net Asset Value per share moved to J\$13.76, a 72.9% increase over the corresponding period in 2018, due mainly to an increase in Equity Investments of \$7.7B. This represents Investment Securities of \$18B as at March 31, 2019 moving from \$10.3B at the end of 1st quarter 2018.

TOTAL COMPREHENSIVE INCOME

SUMMARY OF CHANGES ON THE STATEMENT OF COMPREHENSIVE INCOME				
Description	Quarter ended 31 March 2019 (J\$'000)	Quarter ended 31 March 2018 (J\$'000)	Change (J\$'000)	% Change
Net Interest Income and Other Revenues	-43,318	235,114	(278,432)	-118.4%
Operating Expenses	116,078	88,171	(27,907)	-31.7%
Profit before Taxation	-159,396	146,943	(306,339)	-208.5%
Net Profit	(157,771)	157,189	(314,960)	-200.4%
Other Comprehensive Income	4,206,011	690,547	3,515,464	509.1%
Total Comprehensive Income	4,048,240	847,736	3,200,504	377.5%

Total comprehensive income for Q1 2019 amounted to \$4B, compared to \$847M for the corresponding quarter of 2018; an increase of \$3.2B. This was attributable to an increase in the revaluation gains booked for stocks held in the equity portfolio.



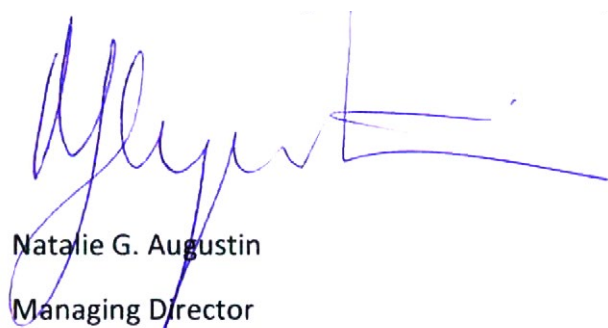
TOTAL REVENUES

Total Operating Revenues decreased by \$278M million over the corresponding period last year. This decline was driven by a J\$248M reduction in Unrealised gains on investment revaluation, in addition to a decrease in Dividend Income of \$12.3M or 13.1%. Dividend Income earned resulted mainly from holdings in Supreme Ventures Limited, Scotia Group Jamaica and Express Catering Limited.

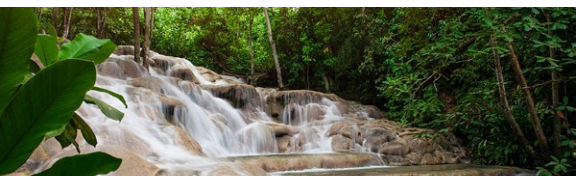
OPERATING EXPENSES

Operating expenses increased by \$28M or 31.7% when compared to the corresponding quarter in 2018, due to fees for Investment Management services as well as regulatory fees paid to the Jamaica Stock Exchange.

Mayberry Jamaican Equities Limited takes this opportunity to thank all our shareholders and the Board of Directors for your confidence and support.



Natalie G. Augustin
Managing Director



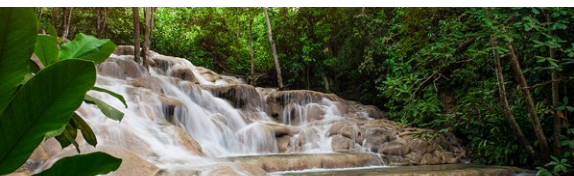
STATEMENT OF PROFIT OR LOSS

AS AT 31 MARCH 2019

	UNAUDITED 3 Months ended 31 March 2019 J\$'000	UNAUDITED 3 Months ended 31 March 2018 J\$'000	AUDITED 12 Months ended 31 DECEMBER 2018 J\$'000
Net Interest Income and Other Revenues			
Interest income	3,635	(15,330)	(9,406)
Interest expense	(47,293)	(13,361)	(92,259)
Net Interest income	(43,658)	(28,691)	(101,665)
Dividend Income	81,350	93,609	349,289
Net Trading Gains/(Losses)	5,316	-	(10,220)
Realised Gain on disposal of Associates	-	-	(2,920)
Unrealised (loss)/gain on investment revaluation	(71,841)	176,326	369,064
Net Foreign Exchange Gain / (Loss)	(14,485)	(6,131)	(57,468)
Impairment write-off	-	-	-
Other Income	-	-	-
	(43,318)	235,114	546,080
Operating Expenses:			
Other operating expenses	116,078	88,171	449,972
	116,078	88,171	449,972
Share of Profits in Associate	-	-	-
Operating (loss)/profit before Asset tax	(159,396)	146,943	(5,557)
Asset Tax	-	-	-
(Loss)/Profit before Taxation	(159,396)	146,943	96,108
Taxation (charge) / credit	1,625	10,246	(7,406)
NET PROFIT	(157,771)	157,189	103,514
OTHER COMPREHENSIVE INCOME			
Financial Reserve	4,206,011	690,547	3,507,666
Other Comprehensive Income, Net of Tax	4,206,011	690,547	3,507,666
TOTAL COMPREHENSIVE INCOME	4,048,240	847,736	3,611,180
Number of Shares in issue	1,201,149	1,201,149	1,201,149
Earnings per share	(0.13)	0.13	0.09

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 2018.



STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2019

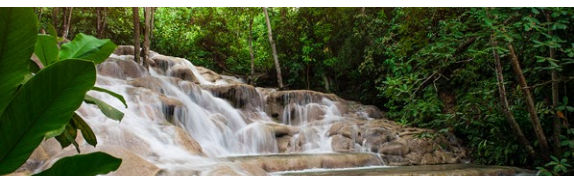
	UNAUDITED MARCH 31, 2019	UNAUDITED MARCH 31, 2018	AUDITED DECEMBER 31, 2018
	J\$'000	J\$'000	J\$'000
ASSETS			
CASH AND CASH EQUIVALENTS	238,491	244,321	238,685
INVESTMENTS	17,962,654	10,287,167	13,952,337
TAXATION RECOVERABLE	800	4,836	2,507
DUE FROM PARENT COMPANY	694,897	-	725,027
INTANGIBLE ASSET	42,390	-	34,744
OTHER RECEIVABLES	3,186	41,272	94,349
TOTAL ASSETS	18,942,418	10,577,597	15,047,648
LIABILITIES AND EQUITY			
LIABILITIES			
DUE TO PARENT COMPANY	-	642,241	-
DEFERRED TAX	100,549	33,976	62,298
INTEREST PAYABLE	7,910	4,127	4,091
ACCOUNTS PAYABLES	122,715	337,934	318,255
DEBT SECURITY IN ISSUE	2,183,009	-	2,183,009
TAXATION PAYABLE	-	-	-
TOTAL LIABILITIES	2,414,182	1,018,278	2,567,652
STOCKHOLDERS' EQUITY			
SHARE CAPITAL	1,468,027	1,468,027	1,468,027
PREFERENCE SHARES	135	-	135
FAIR VALUE RESERVE	10,072,310	3,202,262	5,955,575
RETAINED EARNINGS	4,987,763	4,889,029	5,056,259
	16,528,236	9,559,319	12,479,996
TOTAL STOCKHOLDERS' EQUITY	16,528,236	9,559,319	12,479,996
TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES	18,942,418	10,577,597	15,047,648

Net book Value per Stock Unit	Q1 2019 \$13.76	Q1 2018 \$7.96	DECEMBER 2018 \$10.90
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Approved by the Board of Directors for issue on 15th April, 2019 and signed on its behalf by:

Christopher Beck
Chairman

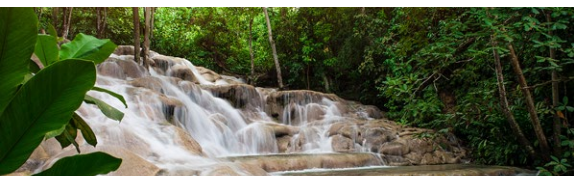
Natalie Agustin
Managing Director



STATEMENT OF COMPREHENSIVE INCOME

AS AT 31 MARCH 2019

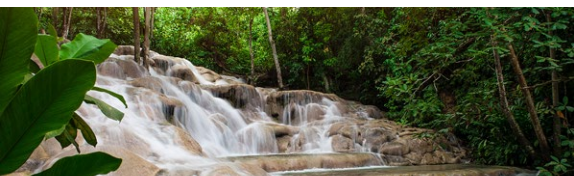
	UNAUDITED	UNAUDITED	AUDITED
	3 Months ended 31 March 2019 J\$'000	3 Months ended 31 March 2018 J\$'000	12 Months ended 31 DECEMBER 2018 J\$'000
Profit/Loss for the period	(157,771)	157,189	103,514
<i>Other Comprehensive Income for the period net of tax:</i>			
Items that will or maybe classified to statement of income			
Unrealised gains/ (losses) on financial instruments	4,206,011	690,547	3,507,666
Total Comprehensive income attributable to stockholders	4,048,240	847,736	3,611,180



STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 MARCH 2019

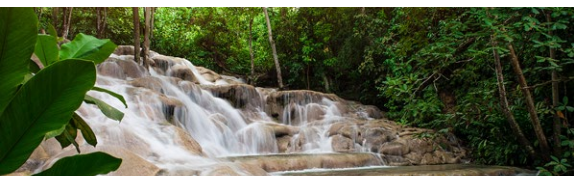
	SHARE CAPITAL \$'000	FAIR VALUE RESERVES \$'000	RETAINED EARNINGS \$'000	TOTAL \$'000
Balance at January 1, 2018	1,468,027	2,929,230	4,471,515	8,868,772
Realised gains / (losses) on fair value instruments transferred to retained earnings		(481,230)	481,230	-
Preference Shares				-
Ordinary dividends paid				-
Total comprehensive income		533,358	157,189	690,547
Translation adjustment				
Balance at March 31, 2018	1,468,027	2,981,358	5,109,934	9,559,319
Balance at January 1, 2019	1,468,162	5,955,575	5,056,259	12,479,996
Realised gains / (losses) on fair value instruments transferred to retained earnings		(89,275)	89,275	-
Ordinary dividends paid - in specie				-
Ordinary shares sold- in IPO (10%)				-
Preference Shares				-
Net Profit			(157,771)	(157,771)
Total comprehensive income		4,206,011		4,206,011
Translation adjustment				
Balance at March 31, 2019	1,468,162	10,072,310	4,987,763	16,528,236



STATEMENT OF CASH FLOWS

For the nine months ended 31 March 2019

	UNAUDITED 3 Months ended 31 March 2019 J\$'000	UNAUDITED 3 Months ended 31 March 2018 J\$'000	AUDITED 12 Months ended 31 December 2018 J\$'000
Cash Flows from Operating Activities			
Profit before taxation	(159,396)	146,943	96,108
Adjustments to reconcile profit to net cash used in operating activities:			
Interest Income	(3,635)	3,159	(2,765)
Interest Expense	47,293	13,361	92,259
Realized Fair Value gains transferred to Retained Earnings	89,275	260,325	481,230
Unrealized fair value (gain)/loss on financial instruments - FVPL	71,841	(176,326)	(369,064)
Unrealized Foreign Exchange Gains	(14,485)	6,131	113,136
Adjusted Profit / (Loss)	30,893	253,592	410,904
Changes in operating assets and liabilities:			
Decrease / (increase) in Investment securities	34,577	(573,366)	(1,296,843)
Decrease / (increase) in Other Receivables	91,162	144,651	77,148
Decrease / (increase) in Accounts Payables	(152,570)	79,923	63,624
Decrease / (increase) in Related companies	30,130	144,404	(1,231,585)
	34,192	49,205	(1,976,753)
Interest received	3,635	456	4,346
Interest Paid	(47,292)	(10,044)	(88,992)
Taxation paid	1,625	10,246	-
Cash (used in)/generated from Operating Activities	(7,840)	49,863	(2,061,398)
Cash Flows from Investing Activities			
Purchase of intangible asset	7,646		(34,744)
Associate holdings - purchased in the year			-
Dividend received from Associate			-
Cash (used in)/generated from Investing Activities	7,646	-	(34,744)
Cash Flows from Financing Activities			
Repayment of debt security			-
Preference share capital issued			127
Proceeds from issue of debt security			2,136,092
Cash generated from/(used in) Financing Activities	-	-	2,136,219
Increase in Cash and Cash Equivalents	(194)	49,863	40,077
Exchange gain/(loss) on foreign Cash & Cash Equivalents			891
Cash & Cash Equivalents - Beginning of the year	238,685	194,458	197,717
Cash & Cash Equivalents - End of the year	238,491	244,321	238,685

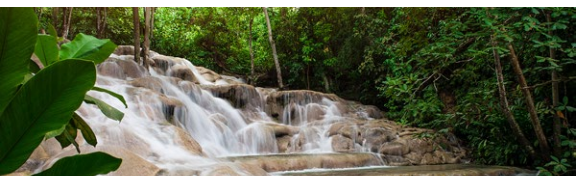


**MAYBERRY JAMAICAN EQUITIES LTD.
TOP TEN SHAREHOLDERS
AS AT MARCH 31, 2019**

Names	Shareholdings
MAYBERRY INVESTMENTS LIMITED	900,861,968
PWL BAMBOO HOLDINGS LIMITED	70,904,071
MAYBERRY ASSET MANAGERS LIMITED	57,991,865
K. MARK BERRY	52,662,834
KONRAD LIMITED	6,432,031
VICTORY ISLAND LIMITED	5,264,100
MAYBERRY INVESTMENTS LTD. PENSION SCHEME	5,041,490
APEX PHARMACY	4,817,068
GUARDIAN LIFE LIMITED - POOLED PENSION FUND	3,571,276
THE ARROL TRUST	3,400,000

CONNECTED PARTIES

A+ MEDICAL CENTRE	641,141
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**MAYBERRY JAMAICAN EQUITIES LTD.
Shareholdings of Directors and Senior Management
AS AT MARCH 31, 2019**

<u>Directors</u>	<u>Shareholdings</u>	<u>Connected Persons</u>
Christopher Berry	-	80,047,606
Konrad Berry	52,662,834	7,351,589

