



MAYBERRY
INVESTMENTS LIMITED

1985 - 2018

33
CELEBRATING 33 YEARS

Sales Inquiries
mayberryinv.com

General Sales Inquiries
(876) 929-1908-9

(876) 929-1901

mayberryinvja

facebook.com/mayberryinvja

Featured Stock: MDS

Medical Disposables & Supplies Limited (MDS):
Opening price - \$4.40 Price to book - 1.26 times;
P/E - 11.33 times

Medical Disposables & Supplies Limited (MDS) is a distributor of pharmaceutical products and disposable medical supplies, founded in 1998. MDS distributes medical and hospital supplies and disposable items such as surgical mask, gloves, tubes, gauze, adhesive and other bandages.

Revenue amounted to \$682.58 million for the three months ended June 30, 2021, an increase of 34% compared to the \$510.08 million booked the previous year. MDS indicated that, "the revenue reflects a positive change in the sales mix with the introduction of additional medical and consumer business lines. "This increase in sales is the result of increased consumer demand for pharmaceutical and medical disposable items." Cost of Sales increased to \$506.10 million nevertheless Gross Profit rose by 56% to total \$176.49 million. Total Operating Cost rose 13% to close at \$128.36 million due to the costs associated with boosting the sales effort, particularly in the Consumer Division. As a result, operating profit closed the first quarter at \$48.13 million relative to an operating loss of \$583,360 in 2020. Net profit for the quarter amounted to \$25.48 million after taxation of \$3.64 million (2020: nil) relative to a net loss of \$7.07 million a year prior.

Additionally, Total Assets rose by 25% amounting to \$2.47 billion, according to MDS, "This was due to the acquisition of a 60% stake in subsidiary company, Cornwall Enterprises Limited (CEL). This resulted in assets totalling \$453.5M being consolidated into the Group." The deal will expand Kingston-based MDS's distribution network deeper into western Jamaica, while adding dental distribution and three pharmacies to its portfolio.

MDS, (as at Friday August 13, 2021) was trading at 1.26 times its book value with a P/E ratio of 11.33 times.

Our weekly pick features a stock currently held in the Mayberry Managed Equity Portfolio (MMEP). For more information on the MMEP, please contact your investment advisor today.