

# MAYBERRY JAMAICAN EQUITIES

## JMD Q1 2021

### UNAUDITED FINANCIAL RESULTS





# MANAGING DIRECTOR'S COMMENTARY ON FINANCIAL RESULTS

FOR THE FIRST QUARTER ENDED MARCH 31, 2021.

(represented in J\$)

Unaudited Results for the 1<sup>ST</sup> Quarter 2021 – January to March 2021.

## INVESTMENT ENVIRONMENT

For the period January to March 2021, Mayberry Jamaican Equities Limited (MJE) volumes traded on the JSE was 20.94 million units versus 2.35 million units when compared to January to March 2020. During the first quarter MJE was listed in the JSE Top 10 Advancing Stocks for the month of March 2021.

<b>Market Statistics</b>	<b>2021</b>	<b>2020</b>	<b>Change (%)</b>
Inflation (YTD February)	-0.1%	0.4%	0.5%
Exchange Rate (Mar. 31)	\$146.58	\$135.39	8.3%

  

<b>Main Market</b>	<b>2021</b>	<b>2020</b>	<b>Change (%)</b>
JSE Main Market Index - Dec. 31	395,614.93	509,916.44	-22%
JSE Main Market Index - Jan. 29	387,937.83	500,463.33	-22%
JSE Main Market Index - Feb. 28	394,528.81	482,310.09	-18%
JSE Main Market Index - Mar. 31	394,659.55	379,242.11	4%

  

<b>Junior Market</b>	<b>2021</b>	<b>2020</b>	<b>Change (%)</b>
JSE Main Market Index - Dec. 31	2,646.39	3,348.97	-21%
JSE Main Market Index - Jan. 29	2,774.17	3,087.77	-10%
JSE Main Market Index - Feb. 28	2,920.35	2,911.92	0%
JSE Main Market Index - Mar. 31	2,982.95	2,304.14	29%



The Jamaica economy contracted 8.3% for the last quarter of 2020 compared to the same quarter of 2019, largely due to the negative impact of the continued spread of the novel Coronavirus (COVID-19) and the measures imposed to limit its spread. This downward movement resulted from a 11.1% decline in the Services Industries, even though the Goods Producing Industries grew by 0.2%. The inflation rate for February 2021 was -0.1%, primarily attributed to the 1.3% decrease in the index for the heavily weighted 'Food and Non-Alcoholic Beverages' division. The inflation rate for the calendar year-to-date was -0.1%, while the point-to-point rate was 3.8%.

The exchange rate since the start of 2021 devalued by 2.8% or \$3.93 to \$146.58 to the US\$ as at March 31, 2021, while the movement year on year reflects a devaluation of 8.26% from \$135.39 as of March 31, 2020. For the period January to March 2021, the JSE Main Market Index declined by 955.38 points or 0.24% from 395,614.93 to 394,659.55 points. However, when compared to March 2020 on year-on-year bases, the March 2021 units improved by 15,417.44 or 4.1%. The JSE Junior Market reported similar trends, it ended March 2021 at 2,982.96 points when compared to 2,304.14 points for March 2020. Year-on-year it fell by 678.81 points, a 29.5% decline.

The company currently holds stock in over 31 companies listed on the Main and Junior Markets of the Jamaica Stock Exchange (JSE).

## PORTFOLIO HIGHLIGHTS

Mayberry Jamaican Equities purchased stocks for the three months ended March 2021 valuing J\$49 million compared to J\$313 million for the corresponding period in 2020. The Portfolio's cash balance as at 31 March 2021 stood at J\$330 million.

PERIOD	PURCHASES VOLUME 2021	PURCHASES VOLUME 2020	CHANGE	SALES VOLUME 2021	SALES VOLUME 2020	CHANGE
JAN	1,426,240	147,213,931	(145,787,691)	77,783,934	13,471,523	64,312,411
FEB	13,306,933	5,546,343	7,760,590	25,381,410	2,832,402	22,549,008
MAR	1,978,991	135,278,610	(133,299,619)	23,683,701	13,553,105	10,130,596



The Top 10 largest holdings (Value of Shares) as at March 31, 2021 were:

STOCK	% OF TOTAL VALUE OF INVESTMENTS
SUPREME VENTURES LTD	46.9%
CARIBBEAN CEMENT COMPANY LTD	6.9%
DERRIMON TRADING COMPANY LTD	6.1%
CARIBBEAN PRODUCERS JAMAICA LTD	5.8%
LASCO FINANCIAL SERVICES LTD	5.6%
WIGTON WINDFARMS LIMITED	5.3%
GRACEKENNEDY LIMITED	3.4%
JAMAICA BROILERS GROUP LTD	3.3%
BLUE POWER GROUP LTD	3.2%
LUMBER DEPOT LIMITED	3.1%

## NET ASSET VALUE (NAV)

Net Book Value per share moved to J\$9.75 as at 31 March 2021, versus J\$7.88 for March 2020 and closed at J\$9.89 when compared to December 2020. MJE's stock price closed at J\$7.80 on March 31, 2021 versus J\$6.63 on March 31, 2020.



## FINANCIAL POSITION

SUMMARY OF CHANGES ON THE STATEMENT OF FINANCIAL POSITION				
Description	31 March 2021 (J\$'000)	31 March 2020 (J\$'000)	Change (J\$'000)	% Change
Total Assets	13,641,179	11,899,017	1,742,162	14.6%
Total Liabilities	1,926,864	2,437,123	510,259	20.9%
Stockholders' Equity	11,714,315	9,461,894	2,252,421	23.8%
Net Book Value Per Share	\$9.75	\$7.88	\$1.88	23.8%

Total Assets as of March 2021 increased year over year to J\$13.6 billion, or 14.6% from the J\$11.9 billion reported as at the end of March 2020. This movement was mainly attributable to an increase of J\$1.8 billion on values of quoted equities.

For the three months ending March 2021, Total Liabilities decreased by J\$510.2 million to J\$1.9 billion, or a 21% reduction compared to the corresponding period in 2020.

## SHAREHOLDERS' EQUITY

Mayberry Jamaican Equities capital base remains resilient with a close of J\$11.7 billion for Shareholders' Equity. This increased by J\$2.3 billion when compared to Q1 2020.

Retained earnings for the three months ending March 2021 increased by J\$751 million to J\$6.1 billion from J\$5.3 billion as at March 2020.

## OVERALL PERFORMANCE

Following signs of some level of confidence returning to the financial markets, for the period January to March 2021, MJE recorded a Net profit of J\$299.7 million mainly resulting from increased unrealized gains of J\$282 million on investment securities. This showed a 125% improved performance over the corresponding period in 2019. In addition, overall expenses were lower by J\$1.9 million. For Q1 2021, this resulted in Earnings per share (EPS) of J\$0.25. The company reported a Loss per share (LPS) of J\$0.93 for Q1 2020. The improved results for Q1 2021 were primarily attributable to the revaluation of the equities classified as Fair Value through Profit or Loss (FVPL). For the three months ending March 2020, MJE recorded a Net loss of J\$1.1 billion.



MJE recorded a Total comprehensive loss of J\$196 million for the three months January to March 2021 compared to a Total comprehensive loss of J\$7.1 billion for the January to March 2020 quarter. This performance is expected to improve as consumer confidence and market activity gains momentum throughout the year.

SUMMARY OF CHANGES ON THE STATEMENT OF COMPREHENSIVE INCOME				
Description	3 Months ended 31 March 2021 (J\$'000)	3 Months ended 31 March 2020 (J\$'000)	Change (J\$'000)	% Change
Net Interest Income and Other Revenues	330,654	(1,094,970)	1,425,624	130.2%
Operating Expenses	30,942	32,884	1,942	5.9%
Profit before Taxation	299,713	(1,127,853)	1,427,566	126.6%
Net Profit	299,713	(1,116,045)	1,415,758	126.9%
Other Comprehensive Income/(Loss)	(495,650)	(6,020,075)	5,524,425	91.8%
Total Comprehensive (Loss)/Income	(195,937)	(7,136,120)	6,940,183	97.3%
Earnings Per Share (EPS)	\$0.25	-\$0.93	\$1.18	126.9%

## TOTAL REVENUES

Net Revenues for January to March 2021 was J\$331 million reflecting an increase of 130% or J\$1.4 billion over the corresponding 2020 quarter. This resulted from a higher unrealized gain on investments and increased dividend income.

## OPERATING EXPENSES

Total Operating expenses of J\$31 million for the first quarter of 2021 decreased by J\$1.9 million or 6% when compared to the corresponding quarter in 2020. For Q1 2021 MJE's operating costs relative to net revenues stood at 9.4%.

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



Natalie Augustin  
Managing Director





# STATEMENT OF PROFIT AND LOSS

FOR THE PERIOD ENDED MARCH 31, 2021

	UNAUDITED 3 Months ended 31 March 2021 J\$'000	UNAUDITED 3 Months ended 31 March 2020 J\$'000	AUDITED 12 Months ended 31 December 2020 J\$'000
<b>Net Interest Income and Other Revenues</b>			
Interest income	263	826	1,751
Interest expense	(42,154)	(44,080)	(180,992)
<b>Net Interest income</b>	<b>(41,891)</b>	<b>(43,254)</b>	<b>(179,241)</b>
Dividend Income	118,747	8,467	320,721
Net Trading (Gains)/Losses	1,152	48,760	62,341
Unrealized loss/(gain) on investment revaluation	281,614	(1,119,351)	(1,207,239)
Realized Foreign Exchange (Loss)/Gain	(28,967)	10,410	(11,631)
Net Foreign Exchange Gain /Loss	-	-	-
	<b>330,654</b>	<b>(1,094,970)</b>	<b>(1,015,049)</b>
<b>Operating Expenses:</b>			
Other operating expenses	30,942	32,884	155,497
	<b>30,942</b>	<b>32,884</b>	<b>155,497</b>
<b>Share of Profits in Associate</b>	-	-	-
<b>Operating profit/loss before Asset tax</b>	<b>299,713</b>	<b>(1,127,853)</b>	<b>(1,170,546)</b>
<b>Asset Tax</b>	-	-	-
<b>Profit/Loss before Taxation</b>	<b>299,713</b>	<b>(1,127,853)</b>	<b>(1,170,546)</b>
Taxation (charge) / credit	-	11,808	26,045
<b>NET PROFIT/LOSS</b>	<b>299,713</b>	<b>(1,116,045)</b>	<b>(1,144,501)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Net unrealized (loss)/gains on financial instruments - FVOCI	(495,650)	(6,020,075)	(4,093,220)
<b>Other Comprehensive Income, Net of Tax</b>	<b>(495,650)</b>	<b>(6,020,075)</b>	<b>(4,093,220)</b>
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME</b>	<b>(195,937)</b>	<b>(7,136,120)</b>	<b>(5,237,721)</b>
<b>Number of Shares in issue</b>	<b>1,201,149</b>	<b>1,201,149</b>	<b>1,201,149</b>
<b>Earnings per share</b>	<b>0.25</b>	<b>(0.93)</b>	<b>(0.95)</b>



# STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2021

	UNAUDITED MARCH 31, 2021	UNAUDITED MARCH 31, 2020	AUDITED DECEMBER 31, 2020
	J\$'000	J\$'000	J\$'000
CASH AND CASH EQUIVALENTS	337,510	449,304	330,879
INVESTMENTS	13,225,135	11,377,996	13,726,499
INTEREST RECEIVABLE	(20)	-	-
TAXATION RECOVERABLE	2,544	2,228	2,610
INTANGIBLE ASSET	52,285	55,774	53,944
OTHER RECEIVABLES	23,725	13,715	33,495
<b>TOTAL ASSETS</b>	<b>13,641,179</b>	<b>11,899,017</b>	<b>14,147,427</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
DEFERRED TAX	14,902	15,846	17,585
INTEREST PAYABLE	4,076	1,655	4,145
DUE TO PARENT COMPANY	(339,517)	213,322	-
ACCOUNTS PAYABLES	5,537	3,365	39,107
LOANS	2,191,057	2,187,480	2,190,163
DUE TO RELATED COMPANY	50,808	15,455	16,106
<b>TOTAL LIABILITIES</b>	<b>1,926,864</b>	<b>2,437,123</b>	<b>2,267,106</b>
<b>STOCKHOLDERS' EQUITY</b>			
SHARE CAPITAL	1,468,162	1,468,027	1,468,162
PREFERENCE SHARES	-	135	-
FAIR VALUE RESERVE	4,178,367	2,676,955	4,731,631
RETAINED EARNINGS	6,067,785	5,316,777	5,680,529
	11,714,315	9,461,894	11,880,322
NON- CONTROLLING INTERESTS	-	-	-
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>11,714,315</b>	<b>9,461,894</b>	<b>11,880,322</b>
<b>TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES</b>	<b>13,641,179</b>	<b>11,899,017</b>	<b>14,147,427</b>
<b>Net book Value per Stock Unit</b>	<b>Q1 2021 \$9.75</b>	<b>Q1 2020 \$7.88</b>	<b>DECEMBER 2020 \$9.89</b>
<p>Approved by the Board of Directors for issue on April 26, 2021 and signed on its behalf by:</p> <p>DocuSigned by:</p> <p>9AAA2384C383463</p> <p>Christopher Berry Director</p> <p>Natalie Augustin Managing Director</p>			



# STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED MARCH 31, 2021

	UNAUDITED	UNAUDITED	AUDITED
	3 Months ended 31 March 2021 J\$'000	3 Months ended 31 March 2020 J\$'000	12 Months ended 31 December 2020 J\$'000
Profit/Loss for the period	299,713	(1,116,045)	(1,144,501)
<b>Other Comprehensive Income</b> <b>for the period net of tax:</b> Items that will or maybe classified to the statement of income			
Unrealised gains/ (losses) on financial instruments	(1,147,128)	(6,020,075)	(4,093,220)
<b>Total Comprehensive loss/income attributable to stockholders</b>	<b>(847,415)</b>	<b>(7,136,120)</b>	<b>(5,237,721)</b>



## STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 MARCH 2021

	No. of Shares	Share Capital \$ J\$'000	Fair Value Reserve \$ J\$'000	Retained Earnings \$ J\$'000	Total \$ J\$'000
<b>Balance at January 1, 2020</b>	1,201,149	1,468,162	9,037,154	6,568,530	17,073,847
Total comprehensive income for the year			(6,020,075)	-	(6,020,075)
Realized gains / (losses) on fair value instruments transferred to retained earnings			(340,124)	340,124	-
Ordinary dividends paid				-	-
Net Profit				(1,116,045)	(1,116,045)
Translation adjustment				(475,833)	(475,833)
<b>Balance at March 31, 2020</b>	<b>1,201,149</b>	<b>1,468,162</b>	<b>2,676,955</b>	<b>5,316,777</b>	<b>9,461,894</b>
<b>Balance at January 1, 2021</b>	1,201,149	1,468,162	4,731,631	5,680,529	11,880,322
Total comprehensive income for the year			(495,650)	-	(495,650)
Ordinary dividends paid			-	-	-
Realized gains / (losses) on fair value instruments transferred to retained earnings			(78,617)	78,617	-
Net Profit			-	299,713	299,713
Translation adjustment	-	-	21,004	8,926	29,930
<b>Balance at March 31, 2021</b>	<b>1,201,149</b>	<b>1,468,162</b>	<b>4,178,367</b>	<b>6,067,785</b>	<b>11,714,315</b>



# STATEMENT OF CASHFLOW

FOR THE PERIOD ENDED MARCH 31, 2021

	UNAUDITED 3 Months ended 31 March 2021 J\$'000	UNAUDITED 3 Months ended 31 March 2020 J\$'000	AUDITED Year ended 31 December 2020 J\$'000
<b>Cash Flows from Operating Activities</b>			
Profit/Loss before taxation	299,713	(1,127,853)	(1,170,546)
<b>Adjustments to reconcile profit to net cash used in operating activities:</b>			
Amortization	-	2,226	4,159
Interest income	(263)	(826)	(1,751)
Interest expense	42,154	44,092	180,992
Realized fair Value (gains)/loss transferred to retained earnings	78,617	340,124	212,303
Unrealized fair value gain/(loss) on financial instruments - FVPL	(281,614)	1,119,351	1,207,239
Unrealized foreign exchange gains	28,967	6,600	12,580
Un-realized Gain on disposal of investment in associates		11,808	-
<b>Adjusted Profit / (Loss)</b>	<b>167,574</b>	<b>395,522</b>	<b>444,976</b>
<b>Changes in operating assets and liabilities:</b>			
Decrease /increase in investment securities	103,068	(369,835)	(254,001)
Decrease / (increase) in Tax Recoverable	-	(2,228)	-
Decrease / (increase) in other receivables	(20,408)	8,044	(11,536)
Decrease / (increase) in accounts payables & other liabilities	544	311,279	(434,470)
(Decrease) / increase in due to related companies	(228,884)	(384,090)	263,771
Interest received	20,681	826	1,751
Interest paid	(38,077)	(46,077)	(181,065)
Taxation paid	-		(7,542)
<b>Cash used in Operating Activities</b>	<b>(163,077)</b>	<b>(482,081)</b>	<b>(623,093)</b>
<b>Net Cash used in Operating Activities</b>	<b>4,497</b>	<b>(86,559)</b>	<b>(178,118)</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of intangible asset	3,028	102	-
<b>Net Cash Generated from Investing Activities</b>	<b>3,028</b>	<b>102</b>	<b>-</b>
<b>Cash Flows from Financing Activities</b>			
Loans	-	-	-
Ordinary Dividend Payment	-	-	(73,182)
Increase/(decrease) in proceeds from issue of debt security	(894)	-	-
<b>Net Cash used in Financing Activities</b>	<b>(894)</b>	<b>-</b>	<b>(73,182)</b>
<b>Increase in Cash and Cash Equivalents</b>	<b>6,631</b>	<b>(86,457)</b>	<b>(251,300)</b>
Exchange gain/(loss) on foreign Cash & Cash equivalents	-	-	3,401
<b>Cash &amp; Cash Equivalents - Beginning of the year</b>	<b>330,879</b>	<b>535,761</b>	<b>578,778</b>
<b>Cash &amp; Cash Equivalents - End of the year</b>	<b>337,510</b>	<b>449,304</b>	<b>330,879</b>





## NOTES TO THE INTERIM FINANCIAL STATEMENTS

31 MARCH 2021

### 1. Accounting Policies

#### (a) Basis of preparation

This condensed interim financial report for the reporting period ended 31 March 2021 have been prepared under the historical cost convention as modified by the revaluation of investment securities at fair value through other comprehensive income, and investment securities at fair value through profit or loss. These financial statements are presented in Jamaican dollars unless otherwise indicated. This report is supplemental to the United States dollar Interim Report and is intended to provide additional information in the local currency of the listed stock to enhance analysis by users.



**MAYBERRY JAMAICAN EQUITIES LTD.  
TOP TEN SHAREHOLDERS  
AS AT MARCH 31, 2021**

<b>Names</b>	<b>Shareholdings</b>
MAYBERRY INVESTMENT LIMITED	<b>834,009,020</b>
PWL BAMBOO HOLDINGS LIMITED	<b>57,408,836</b>
MAYBERRY MANAGED ACCOUNT	<b>51,076,404</b>
MAYBERRY ASSET MANAGERS LIMITED	<b>41,122,865</b>
MANWEI INTERNATIONAL LIMITED	<b>40,251,196</b>
K. MARK BERRY	<b>39,205,594</b>
VICTORY ISLAND LIMITED	<b>10,000,000</b>
VDWSD LIMITED	<b>8,499,000</b>
KMB HOLDINGS INC	<b>6,957,740</b>
SAGICOR SELECT FUNDS LIMITED - CLASS B - FINANCIAL	<b>6,482,385</b>

**CONNECTED PARTIES**

A+ MEDICAL CENTRE	641,141
MAYBERRY FOUNDATION	554,868



**MAYBERRY JAMAICAN EQUITIES LTD.  
Shareholdings of Directors and Senior Management  
AS AT MARCH 31, 2021**

<b><u>Directors</u></b>	<b><u>Shareholdings</u></b>	<b><u>Connected Persons</u></b>
Christopher Berry	-	70,866,993
Konrad Berry	39,205,594	7,362,345
Natalie Augustin	253,300	0

