

MAYBERRY JAMAICAN EQUITIES

Q2 2020

UNAUDITED FINANCIAL RESULTS



MANAGING DIRECTOR'S COMMENTARY ON FINANCIAL RESULTS

FOR THE SECOND QUARTER ENDED JUNE 30, 2020.
(represented in US\$)

Results for the Unaudited 2nd Quarter 2020 – April to June 2020.

INVESTMENT ENVIRONMENT

The company currently holds stock in over 32 companies listed on the Main and Junior Markets of the Jamaica Stock Exchange (JSE).

For the period April to June 2020, Mayberry Jamaican Equities Limited (MJE) volumes traded on the JSE was 61.3 million units versus 16.2 million units when compared to April to June 2019. MJE was listed in the JSE Top 10 Advancing Stocks for the months of April and May 2020 and reflected appreciation in price of 28.9% and 12.1%, respectively. The JSE Main Market Index advanced to 383,755 points for Q2 2020 from 379,242 points for Q1 2020, a growth of 1.2%. This compares to a growth of 21% in MJE stock over the same period. The JSE Junior Market reported similar improved trends and closed Q2 2020 at 2,592 points compared to 2,304 points for Q1 2020. With this initial rebound of prices in the equities market, MJE posted an improved Total comprehensive income of US\$6.5 million for the three months April to June 2020 compared to a Total comprehensive loss in the first quarter of 2020.

The economic impact of COVID-19 continues to evolve and in May 2020 the Government of Jamaica received approval from the Executive Board of the International Money Fund (IMF) for access to the Fund's Rapid Financing Instrument valued at approximately US\$520 million, the maximum under the facility. The Government of Jamaica is expecting this effort to augment the country's foreign exchange reserve and in addition meet the balance of payment challenges resulting from the financial impact of the global pandemic. Of note, the Net International Reserves closed at US\$2.95 billion which can support approximately 38.2 estimated weeks of imports of goods and services.



PORTFOLIO HIGHLIGHTS

Mayberry Jamaican Equities was a net purchaser of stocks for Q2 June 2020 with 43.3 million units.

PERIOD	PURCHASES VOLUME 2020	PURCHASES VOLUME 2019	CHANGE	SALES VOLUME 2020	SALES VOLUME 2019	CHANGE
Q2	43,260,957	42,677,940	583,017	40,722,267	20,504,020	20,218,247

Price movements for the Top 10 stocks in the portfolio since
the beginning of the quarter were:

COMPANIES	PRICE CHANGE	HOLDINGS
SUPREME VENTURES LIMITED	17.6%	48%
DERRIMON TRADING COMPANY LIMITED	19.4%	8%
WIGTON WIND FARM	15.5%	6%
CARIBBEAN CEMENT COMPANY LTD	24.6%	5%
LASCO FINANCIAL SERVICES LIMITED	-12.1%	5%
CARIBBEAN PRODUCERS JAMAICA LIMITED	1.1%	4%
JAMAICA BROILERS GROUP LIMITED	-14.3%	4%
BLUE POWER GROUP LIMITED	-3.5%	3%
LASCO DISTRIBUTORS LIMITED	0.2%	2%
LUMBER DEPOT LIMITED	-0.5%	1%



FINANCIAL POSITION

SUMMARY OF CHANGES ON THE STATEMENT OF FINANCIAL POSITION				
Description	Quarter ended 30 June 2020 (US\$'000)	Quarter ended 30 June 2019 (US\$'000)	Change (US\$'000)	% Change
Total Assets	92,021	152,713	(60,691)	-39.7%
Total Liabilities	15,976	19,375	3,399	17.5%
Stockholders' Equity	76,046	133,338	(57,293)	-43.0%
Net Book Value Per Share	\$0.06	\$0.11	-\$0.05	-43.0%

Total Assets increased over Q1 2020 by US\$4.1 million to close the second quarter at US\$92 million. This positive movement was attributable to increased values of quoted equities. A year over year reduction of US\$56 million from US\$144 million was due mainly to reduced values of quoted equities, particularly:

- Supreme Ventures Limited
- Lasco Financial Services Limited
- Caribbean Producers Jamaica Limited
- Caribbean Cement Company Limited
- Blue Power Group Limited

For Q2 2020, Total Liabilities decreased by US\$3.4 million to US\$16 million or an 17.5% reduction compared to the corresponding quarter in 2019. This was primarily driven by reductions in Accounts Payables and Deferred Taxation, which was partially offset by increases in Interest Payable, Loans and Due to related company. Total Liabilities showed a reduction of US\$4.5 million when compared to a close of US\$20.5 million as at 31 December 2019.

SHAREHOLDERS' EQUITY

Mayberry Jamaican Equities capital base remained strong with a close of US\$76 million for Shareholders' Equity. This decreased by US\$57.3 million from US\$133 million as at 30 June 2019. The year over year reduction is mainly attributable to a decrease in Fair Value reserve.

Retained earnings for Q2 2020 decreased marginally by US\$77K from US\$30 million when compared to Q2 2019 and US\$29.6 million for Q1 2020.



NET ASSET VALUE (NAV)

Net Book Value per share moved to J\$8.85 as at 30 June 2020, a J\$5.64 reduction over the corresponding period in 2019, resulting from a reduction in Investment Securities of US\$56 million. MJE's stock price closed at J\$8.50 on June 30, 2020.

PAYMENT OF DIVIDENDS

The Board of Directors of MJE convened a meeting on Thursday, April 2, 2020 and approved an ordinary dividend of J\$0.06 (US\$0.0004) per share.

The dividend of J\$72 million (US\$515K) was paid on Friday, June 26, 2020 to all shareholders on record as at May 12, 2020.

OVERALL PERFORMANCE

For the second quarter of 2020, MJE recorded a net loss of US\$1.2K; US\$950K lower than the profits of US\$949 million for the corresponding 2019 quarter, despite overall lower expenses. This resulted in Loss per share (LPS) of (US\$0.000001), an improvement over Q1 2020 (LPS) of (US\$0.01). The improved results for Q2 2020 was mainly due to the revaluation of the equities classified as Fair Value through Profit or Loss (FVPL). The downward trend in the local equities market, due to the impact of the global pandemic continues to negatively impact the performance of the company. Earnings per share (EPS) for Q2 2019 was US\$0.001.

TOTAL COMPREHENSIVE INCOME

SUMMARY OF CHANGES ON THE STATEMENT OF COMPREHENSIVE INCOME				
Description	Quarter ended 30 June 2020 (US\$'000)	Quarter ended 30 June 2019 (US\$'000)	Change (US\$'000)	% Change
Net Interest Income and Other Revenues	200	2,078	(1,878)	-90.4%
Operating Expenses	119	1,147	1,028	89.6%
Profit before Taxation	82	931	(850)	-91.2%
Net Profit	(1)	949	(950)	-100.1%
Other Comprehensive Income	6,512	5,267	1,245	23.6%
Total Comprehensive Income	6,511	6,216	294	4.7%
Earnings Per Share (EPS)	-\$0.000001	\$0.001	-\$0.001	-100.1%



Total comprehensive income for the second quarter of 2020 amounted to US\$6.5 million, compared to US\$6.2 million for the corresponding quarter of 2019. MJE recorded an improved position for Q2 2020 when compared to Total comprehensive losses of (US\$52.7) million posted for Q1 2020. This resulted from an initial price rebound in the equities market.

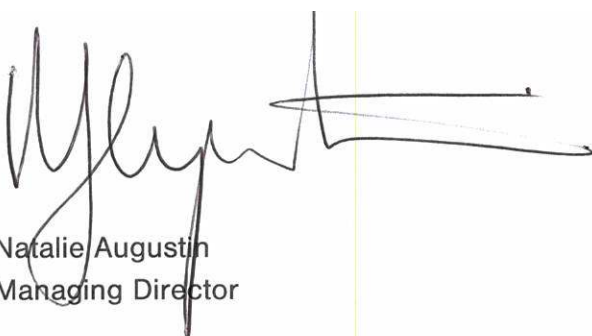
TOTAL REVENUES

Net Revenues totaled US\$200K for the period April to June 2020 and declined by US\$1.9 million over the corresponding 2019 quarter. This was despite a mixed performance for Q2 with higher Dividend income which was offset by unrealized loss on investments, realized foreign exchange loss and reduced interest income resulting from lower interest rates.

OPERATING EXPENSES

Total Operating expenses of US\$119K for the second quarter were contained and decreased by US\$1 million or 89.6% when compared to the corresponding quarter in 2019. This was due primarily to reduced incentive and management fees for Investment management services. Total operating expenses of US\$362K for the first six months of 2020 declined by US\$1.7 million when compared to the same period in 2019.

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



Natalie Augustin
Managing Director



STATEMENT OF PROFIT AND LOSS

FOR THE PERIOD ENDED JUNE 30, 2020

	UNAUDITED 3 Months ended 30 June 2020 US\$'000	UNAUDITED 3 Months ended 30 June 2019 US\$'000	UNAUDITED 6 Months ended 30 June 2020 US\$'000	UNAUDITED 6 Months ended 30 June 2019 US\$'000	AUDITED 12 Months ended 31 DECEMBER 2019 US\$'000
Net Interest Income and Other Revenues					
Interest income	2	86	8.5	115	166
Interest expense	(345)	(299)	(671)	(674)	(1,345)
Net Interest income	(343)	(212)	(662)	(558)	(1,179)
Dividend Income	1,322	692	1,384	1,337	2,759
Net Trading Gains/(Losses)	61	193	421	235	334
Unrealised (loss)/gain on investment revaluation	(659)	983	(8,930)	413	400
Realized Foreign Exchange Loss/Gain	(181)	423	(104)	309	225
	200	2,078	(7,891)	1,735	2,539
Operating Expenses:					
Other operating expenses	119	1,147	362	2,068	3,967
	119	1,147	362	2,068	3,967
Share of Profits in Associate	-	-	-	-	-
Operating (loss)/profit before Asset tax	82	931	(8,252)	(333)	(1,428)
Asset Tax	-	-	-	-	-
(Loss)/Profit before Taxation	82	931	(8,252)	(333)	(1,428)
Taxation (charge) / credit	(83)	18	4	31	(45)
NET PROFIT	(1)	949	(8,248)	(302)	(1,473)
OTHER COMPREHENSIVE INCOME					
Financial Reserve	6,512	5,267	(37,972)	38,623	35,061
Other Comprehensive Income, Net of Tax	6,512	5,267	(37,972)	38,623	35,061
TOTAL COMPREHENSIVE INCOME	6,511	6,216	(46,220)	38,321	33,588
Number of Shares in issue	1,201,149	1,201,149	1,201,149	1,201,149	1,201,149
Earnings per share	(0.000001)	0.001	(0.01)	(0.0003)	(0.001)



STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2020

	UNAUDITED JUNE 30, 2020	UNAUDITED JUNE 30, 2019	AUDITED DECEMBER 31, 2019
	US\$'000	US\$'000	US\$'000
CASH AND CASH EQUIVALENTS	2,957	1,927	4,084
INVESTMENTS	87,921	144,197	144,395
INTANGIBLE ASSET	408	-	-
TAXATION RECOVERABLE	16	19	-
DUE FROM PARENT COMPANY	664	6,149	1,611
INTANGIBLE ASSET	-	395	443
OTHER RECEIVABLES	56	25	147
TOTAL ASSETS	92,021	152,713	150,679
LIABILITIES AND EQUITY			
LIABILITIES			
DEFERRED TAX	224	822	700
INTEREST PAYABLE	25	23	28
ACCOUNTS PAYABLES	46	1,806	3,086
LOANS	15,648	16,723	16,669
DUE TO RELATED COMPANY	33	-	-
TAXATION PAYABLE	-	-	38
TOTAL LIABILITIES	15,976	19,375	20,520
STOCKHOLDERS' EQUITY			
SHARE CAPITAL	20,556	20,556	20,556
FAIR VALUE RESERVE	25,598	82,814	68,893
RETAINED EARNINGS	29,892	29,968	40,710
	76,046	133,338	130,159
NON- CONTROLLING INTERESTS	-	-	-
TOTAL STOCKHOLDERS' EQUITY	76,046	133,338	130,159
TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES	92,021	152,713	150,679

	Q2 2020	Q2 2019	DECEMBER 2019
Net book Value per Stock Unit	\$0.06	\$0.11	\$0.11

Approved by the Board of Directors for issue on 31 July 2020 and signed on its behalf by:

Christopher Berry
Chairman

Natalie Agustin
Managing Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 JUNE 2020

	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
	3 Months ended 30 June 2020 US\$'000	3 Months ended 30 June 2019 US\$'000	6 Months ended 30 June 2020 US\$'000	6 Months ended 30 June 2019 US\$'000	12 Months ended 31 DECEMBER 2019 US\$'000
Profit for the period	(1)	949	(8,248)	(302)	(1,473)
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	6,512	5,267	(37,972)	38,623	35,061
Total Comprehensive income attributable to stockholders	6,511	6,216	(46,220)	38,321	33,588



STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 JUNE 2020

	SHARE CAPITAL	FAIR VALUE RESERVES	RETAINED EARNINGS	TOTAL
	US\$'000	US\$'000	US\$'000	US\$'000
Balance at January 1, 2019	20,556	46,966	30,896	98,419
Realised gains / (losses) on fair value instruments				-
transferred to retained earnings	-	(1,432)	1,432	-
Ordinary dividends paid	-	-	(587)	(587)
Net Profit			(302)	(302)
Total comprehensive income	-	37,280	-	37,280
Translation adjustment	-	-	(1,471)	(1,471)
Balance at June 30, 2019	20,556	82,814	29,968	133,338
Balance at January 1 2020	20,556	68,893	40,710	130,159
Realised gains / (losses) on fair value instruments				-
transferred to retained earnings	-	(1,049)	1,049	-
Ordinary dividends paid	-	-	(515)	(515)
Net Profit	-	-	(8,248)	(8,248)
Total comprehensive income	-	(42,246)	-	(42,246)
Translation adjustment	-	-	(3,104)	(3,104.157)
Balance at June 30, 2020	20,557	25,598	29,892	76,046



STATEMENT OF CASHFLOW

FOR THE PERIOD ENDED JUNE 30, 2020

	UNAUDITED 6 Months ended 30 June 2020 US\$'000	UNAUDITED 6 Months ended 30 June 2019 US\$'000	AUDITED Year ended 31 December 2019 US\$'000
Cash Flows from Operating Activities			
Profit before taxation	(8,252)	(333)	(1,428)
Adjustments to reconcile profit to net cash used in operating activities:			
Depreciation			32
Interest Income	(8)	(115)	(166)
Interest Expense	670	674	1,345
Realized Fair Value (gains)/loss transferred to Retained Earnings	1,049	1,432	11,570
Unrealized fair value (gain)/loss on financial instruments - FVPL	8,930		(400)
Unrealized Foreign Exchange Gains	104	(309)	(53)
Adjusted Profit / (Loss)	2,493	1,349	10,899
Changes in operating assets and liabilities:			
Decrease / (increase) in Investment securities	(2,588)	(123)	(12,056)
Unrealized Foreign Exchange Loss	-	309	-
Loans	-	(595)	-
Decrease / (increase) in Other Receivables	(33)	698	597
Decrease / (increase) in Accounts Payables & Other Liabilities	9	(287)	576
(Decrease) / increase in Due to Related companies	(1,025)	-	4,107
Interest received	153	115	166
Interest Paid	(646)	(682)	(1,349)
Taxation paid	-	31	-
Cash used in Operating Activities	(4,130)	(535)	(7,959)
Net Cash used in Operating Activities	(1,637)	814	2,941
Cash Flows from Investing Activities			
Purchase of Intangible asset	8	(129)	(201)
Net Cash Generated from Investing Activities	8	(129)	(201)
Cash Flows from Financing Activities			
Ordinary Dividend Payment	515	(587)	(590)
Increase/(decrease) in Proceeds from issue of debt security	(13)	-	-
Net Cash used in Financing Activities	502	(587)	(590)
Increase in Cash and Cash Equivalents	(1,127)	98	2,149
Exchange gain/(loss) on foreign Cash & Cash equivalents	-	-	53
Cash & Cash Equivalents - Beginning of the year	4,084	1,828	1,882
Cash & Cash Equivalents - End of the year	2,957	1,927	4,084



NOTES TO THE INTERIM FINANCIAL STATEMENTS

31 MARCH 2020

1. Accounting Policies

(a) Basis of preparation

This condensed interim financial report for the reporting period ended 30 June 2020 has been prepared in accordance with Accounting Standard IAS 34 'Interim Financial Reporting'. These financial statements are presented in United States dollars unless otherwise indicated.

(b) Re-issue of Interim Results

The interim results for the period ending 30 June 2020 were previously presented in Jamaican dollars and are now re-issued in United States dollars which is consistent with the presentation of the 2019 Audited Statements.



**MAYBERRY JAMAICAN EQUITIES LTD.
TOP TEN SHAREHOLDERS
AS AT JUNE 30, 2020**

Names	Shareholdings
MAYBERRY INVESTMENT LIMITED	871,274,023
PWL BAMBOO HOLDINGS LIMITED	72,403,636
MAYBERRY ASSET MANAGERS LIMITED	41,122,865
MANWEI INTERNATIONAL LIMITED	40,251,196
K. MARK BERRY	40,130,152
VICTORY ISLAND LIMITED	10,000,000
VDWSD LIMITED	8,499,000
KMB HOLDINGS INC	6,957,740
SAGICOR SELECT FUNDS LIMITED - CLASS B - FINANCIAL	6,482,385
KONRAD LIMITED	6,432,031

CONNECTED PARTIES

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



**MAYBERRY JAMAICAN EQUITIES LTD.
Shareholdings of Directors and Senior Management
AS AT JUNE 30, 2020**

<u>Directors</u>	<u>Shareholdings</u>	<u>Connected Persons</u>
Christopher Berry	-	81,861,793
Konrad Berry	40,130,152	924,558
Natalie Augustin	253,300	0

