

MAYBERRY JAMAICAN EQUITIES

JMD Q2 2021

UNAUDITED FINANCIAL RESULTS



MANAGING DIRECTOR'S COMMENTARY ON FINANCIAL RESULTS

FOR THE QUARTER APRIL TO JUNE 30, 2021.
(represented in J\$)

PERFORMANCE HIGHLIGHTS



**TOTAL
ASSETS**

34%

INCREASE OVER Q2 2020

Q2 2021: \$17.2B

Q2 2020: \$12.9B



**TOTAL EQUITY
TO SHAREHOLDERS**

40%

INCREASE OVER Q2 2020

Q2 2021: \$14.9B

Q2 2020: \$10.6B



**NET BOOK VALUE
PER SHARE**

40%

INCREASE OVER Q2 2020

Q2 2021: \$12.42

Q2 2020: \$8.85



**TOTAL COMPREHENSIVE
INCOME**

316%

INCREASE OVER Q2 2020

Q2 2021: \$3.2B

Q2 2020: \$0.8B



Unaudited Results for the 2nd Quarter 2021 – April to June 2021.

INVESTMENT ENVIRONMENT

From January to June 2021, Mayberry Jamaican Equities Limited (MJE) volumes traded on the Jamaica Stock Exchange (JSE) were 28.23 million units versus 63.65 million units compared to the corresponding period for the prior year. During the second quarter, MJE was listed in the JSE Top 10 Advancing Stocks for the month of March 2021.

The Jamaican economy contracted by 6.7% year-on-year in the first quarter of 2021, a fifth consecutive period of contraction largely reflecting the continued negative impact of the novel Coronavirus (COVID-19). This downward movement resulted from a 9.9% decline in the Services Industries, while the Goods Producing Industries expanded by 2.6%. The negative impact of the virus was also reflected on the employed labour force, which fell by 5.9% in January 2021, as indicated by the Labour Force Survey.

The inflation rate for May 2021 was 1.2%, primarily attributed to the 3.4% rise in the index for the heavily weighted 'Housing, Water, Electricity, Gas and Other Fuels' division. The inflation rate for the calendar year-to-date was 1.7%, while the point-to-point rate was 5.0%.

The exchange rate since the start of 2021 devalued by 4.1% or J\$5.87 to J\$148.52 as at June 30, 2021, while the movement year on year reflects a devaluation of 6.1% from J\$140.01 as of June 30, 2020. For the period January to June 2021, the JSE Main Market Index reflected an advance of 29,949.24 points or 7.6% from 395,614.93 to 425,564.15 points. However, when compared to June 2020 on a year-on-year basis, the June 2021 units improved by 41,808.35 or 10.9%. The JSE Junior Market reported similar trends, as it ended June 2021 at 3,370.59 points compared to 2,592.24 points for June 2020. Year-on-year, it rose by 778.35 points, a 30% increase.

The Company currently holds stock in 33 companies listed on the Main and Junior Markets of the Jamaica Stock Exchange (JSE).



PORTFOLIO HIGHLIGHTS

Mayberry Jamaican Equities (MJE) purchased stocks for April to June 2021, valuing J\$126.8 million compared to J\$129.7 million for the corresponding period in 2020.

| | 2021 J\$'000 | 2020 J\$'000 |
|--------------------|-----------------|-----------------|
| Q2 TOTAL ADDITIONS | 126,839 | 129,709 |
| Q2 TOTAL DISPOSALS | 39,379 | 316,490 |

The Top 5 additions and disposals for the portfolio for April to June 2021 were:

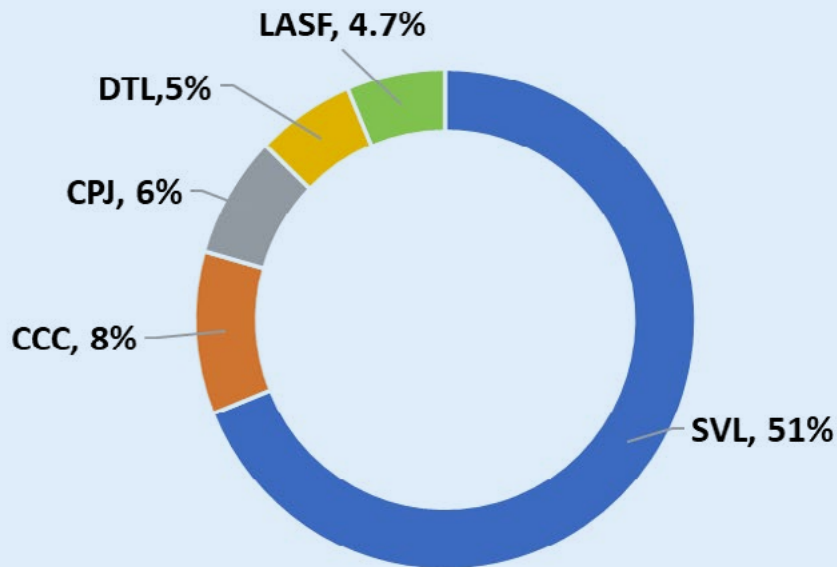
| | 2021 J\$'000 | | 2020 J\$'000 |
|-----------------------------|-----------------|-----------------------------|-----------------|
| TOP 5 ADDITIONS - Q2 | | TOP 5 ADDITIONS - Q2 | |
| JP | 54,927 | CAR | 31,106 |
| WIG | 14,033 | LASM | 17,955 |
| SVL | 13,403 | CCC | 17,202 |
| LASM | 13,059 | WIG | 13,471 |
| LUMBER | 8,193 | GENAC | 10,662 |

| | 2021 J\$'000 | | 2020 J\$'000 |
|-----------------------------|-----------------|-----------------------------|-----------------|
| TOP 5 DISPOSALS - Q2 | | TOP 5 DISPOSALS - Q2 | |
| DTL | 24,623 | JMMBGL | 126,963 |
| GK | 8,124 | MDS | 37,014 |
| JAMT | 3,621 | GENAC | 36,136 |
| KREMI | 818 | FTNA | 27,968 |
| SVL | 799 | HONBUN | 21,444 |

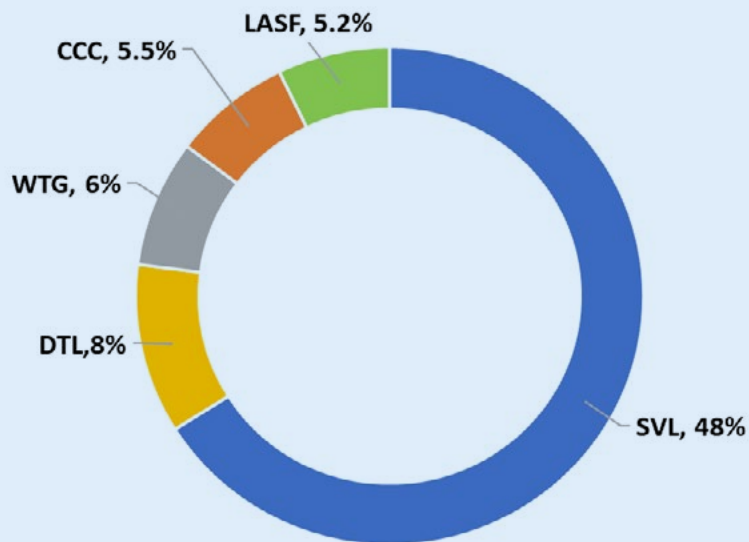


The Top 5 largest holdings (Value of Shares) as at June 30 were:

2021 -TOP 5 - % OF TOTAL VALUE OF INVESTMENTS

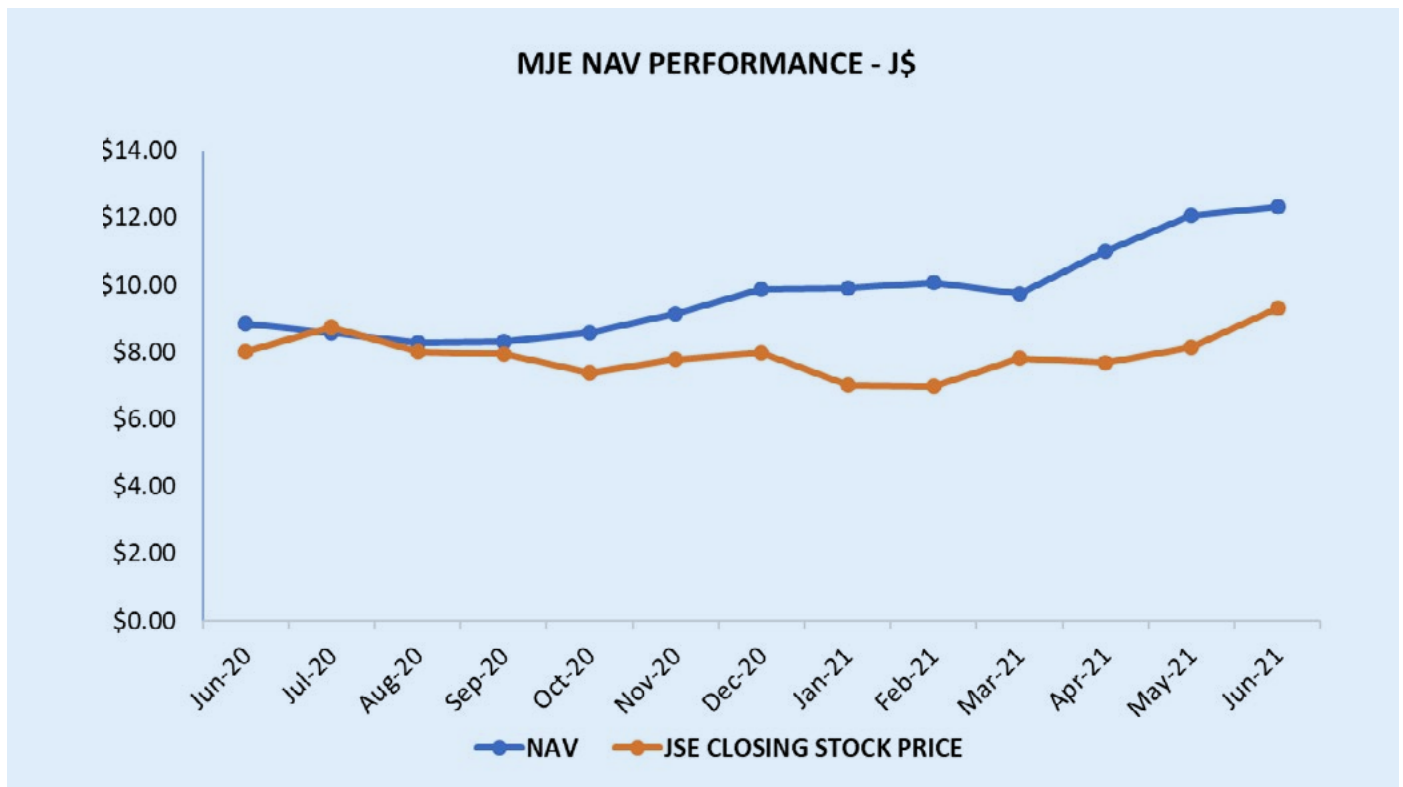


2020 - TOP 5 - % OF TOTAL VALUE OF INVESTMENTS



NET ASSET VALUE (NAV)

The net book value per share increased to J\$12.42 as at June 30, 2021, compared to J\$8.85 for the corresponding period in 2020. The 2021 performance continues to reflect significant improvement following the December 2020 close at J\$9.89. MJE's stock price closed at J\$9.31 on June 30, 2021, a 16.3% appreciation when compared to that of June 30, 2020.



PAYMENT OF DIVIDENDS

The Board of Directors of MJE convened a meeting on May 3, 2021 and approved an ordinary dividend of J\$0.06 per share.

The dividend of J\$72 million was paid on May 31, 2021 to all shareholders on record as at May 17, 2021.



FINANCIAL POSITION

| SUMMARY OF CHANGES ON THE STATEMENT OF FINANCIAL POSITION | | | | |
|---|---------------------------|---------------------------|---------------------|----------|
| Description | 30 June 2021 (J\$'000) | 30 June 2020 (J\$'000) | Change (J\$'000) | % Change |
| Total Assets | 17,203,086 | 12,869,434 | 4,333,652 | 33.7% |
| Total Liabilities | 2,289,313 | 2,234,247 | (55,066) | -2.5% |
| Stockholders' Equity | 14,913,773 | 10,635,188 | 4,278,585 | 40.2% |
| Net Book Value Per Share | \$12.42 | \$8.85 | \$3.56 | 40.2% |

Total assets as of June 2021 increased year on year to J\$17.2 billion, or 33.7% from the J\$12.9 billion which was reported as at June 2020. This movement was mainly attributable to an increase of J\$4.3 billion on values of quoted equities.

For Q2 2021, Total liabilities decreased by J\$55 million to J\$2.3 billion, or a reduction of 2.5% compared to the corresponding period in 2020.

SHAREHOLDERS' EQUITY

Mayberry Jamaican Equities Limited capital base remains robust at a close of J\$14.9 billion for shareholders' equity. This position increased by J\$4.3 billion when compared to Q2 2020.

Retained earnings for the quarter ending June 2021 increased by J\$658.5 million to J\$6.2 billion from J\$5.6 billion as at June 2020.

OVERALL PERFORMANCE

With the continued rebound of the local financial market and favourable performance of anchor stocks from MJE's portfolio, the Company for April to June 2021 recorded a net profit of J\$194 million. This performance mainly resulted from increased unrealized gains of J\$214.8 million on investment securities and dividend income of approximately J\$85 million. The operating results improved by J\$231.5 million over the corresponding period in 2020 during the onset of COVID-19. Total operating expenses were higher by J\$31 million, resulting from higher performance fees and costs associated with business process improvements. For Q2 2021, this resulted in earnings



per share (EPS) of J\$0.16. The Company reported a loss per share (LPS) of J\$0.03 for Q2 of 2020. The improved results for Q2 2021 were primarily attributable to the revaluation of the equities classified as fair value through profit or loss (FVPL). For the April to June 2020 quarter, MJE recorded a net loss of J\$37.4 million.

TOTAL COMPREHENSIVE INCOME

| SUMMARY OF CHANGES ON THE STATEMENT OF COMPREHENSIVE INCOME | | | | |
|---|---|---|---------------------|----------|
| Description | 3 Months ended 30 June 2021 (J\$'000) | 3 Months ended 30 June 2020 (J\$'000) | Change (J\$'000) | % Change |
| Net Interest Income and Other Revenues | 243,164 | (8,540) | 251,704 | 2947.4% |
| Operating Expenses | 49,127 | 17,711 | (31,416) | -177.4% |
| Profit/(Loss) before Taxation | 194,038 | (26,251) | 220,289 | 839.2% |
| Net Profit/(Loss) | 194,038 | (37,444) | 231,482 | 618.2% |
| Other Comprehensive Income | 3,031,746 | 812,410 | 2,219,336 | 273.2% |
| Total Comprehensive Income | 3,225,784 | 774,966 | 2,450,818 | 316.2% |
| Earnings Per Share (EPS) | \$0.16 | -\$0.03 | \$0.19 | 618.2% |

MJE recorded a total comprehensive income of J\$3.2 billion for the three months from April to June 2021 compared to a total comprehensive income of J\$775 million for the April to June 2020 quarter. This performance will continue to improve as consumer confidence grows, and local and global markets recover, following the worldwide rollout of COVID 19- vaccination programmes.

TOTAL REVENUES

Net revenues for April to June 2021 were J\$243.2 million reflecting an increase of J\$251.7 million over the corresponding 2020 quarter. This performance resulted from higher unrealized gains on investments.



OPERATING EXPENSES

Total operating expenses of J\$49.1 million for the second quarter of 2021 increased by J\$31 million compared to the corresponding quarter in 2020. The majority of this increase relates to management fees resulting from the significantly improved performance, and costs associated with business process improvements. For Q2 2021, MJE's operating costs relative to net revenues stood at 20%.

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




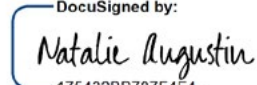
Natalie G. Augustin
Managing Director



STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED JUNE 30, 2021

| | UNAUDITED 3 Months ended 30 JUNE 2021 J\$'000 | UNAUDITED 3 Months ended 30 JUNE 2020 J\$'000 | UNAUDITED 6 Months ended 30 JUNE 2021 J\$'000 | UNAUDITED 6 Months ended 30 JUNE 2020 J\$'000 | AUDITED 12 Months ended 31 DECEMBER 2020 J\$'000 |
|--|---|---|---|---|--|
| Net Interest Income and Other Revenues | | | | | |
| Interest income | 286 | 359 | 548 | 1,185 | 1,751 |
| Interest expense | (40,504) | (49,727) | (82,658) | (93,807) | (180,992) |
| Net Interest income | (40,218) | (49,368) | (82,109) | (92,622) | (179,241) |
| Dividend Income | 85,330 | 185,141 | 204,077 | 193,608 | 320,721 |
| Net Trading gains/loss | - | 10,134 | 1,152 | 58,894 | 62,341 |
| Unrealized gain/(loss) on investment revaluation | 214,820 | (129,526) | 496,434 | (1,248,878) | (1,207,239) |
| Realized foreign exchange (loss)/gain | (16,767) | (24,921) | (45,734) | (14,512) | (11,631) |
| | 243,164 | (8,540) | 573,819 | (1,103,509) | (1,015,049) |
| Operating Expenses: | | | | | |
| Other operating expenses | 49,127 | 17,711 | 167,158 | 50,595 | 155,497 |
| | 49,127 | 17,711 | 167,158 | 50,595 | 155,497 |
| Share of Profits in Associate | - | - | - | - | - |
| Operating profit/(loss) before asset tax | 194,038 | (26,251) | 406,660 | (1,154,104) | (1,170,546) |
| Asset Tax | - | - | - | - | - |
| Profit/(Loss) before taxation | 194,038 | (26,251) | 406,660 | (1,154,104) | (1,170,546) |
| Taxation (charge) / credit | - | (11,194) | - | 615 | 26,045 |
| NET PROFIT/(LOSS) | 194,038 | (37,444) | 406,660 | (1,153,489) | (1,144,501) |
| OTHER COMPREHENSIVE INCOME | | | | | |
| Net unrealized gains/(loss) on financial instruments - FVOCI | 3,031,746 | 812,410 | 2,536,096 | (5,310,506) | (4,093,220) |
| Other Comprehensive Income, Net of Tax | 3,031,746 | 812,410 | 2,536,096 | (5,310,506) | (4,093,220) |
| TOTAL COMPREHENSIVE INCOME/(LOSS) | 3,225,784 | 774,966 | 2,942,757 | (6,463,995) | (5,237,721) |
| Number of Shares in issue | 1,201,149 | 1,201,149 | 1,201,149 | 1,201,149 | 1,201,149 |
| Earnings per share | 0.16 | (0.03) | 0.34 | (0.96) | (0.95) |

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

| | UNAUDITED JUNE 30, 2021 | UNAUDITED JUNE 30, 2020 | AUDITED DECEMBER 31, 2020 |
|---|----------------------------|----------------------------|------------------------------|
| | J\$'000 | J\$'000 | J\$'000 |
| CASH AND CASH EQUIVALENTS | 347,589 | 413,563 | 330,879 |
| INVESTMENTS | 16,558,970 | 12,295,989 | 13,726,499 |
| INTEREST RECEIVABLE | (6) | - | - |
| TAXATION RECOVERABLE | 2,804 | 2,277 | 2,610 |
| DUE FROM PARENT COMPANY | 228,114 | 92,799 | - |
| INTANGIBLE ASSET | 51,961 | 57,015 | 53,944 |
| OTHER RECEIVABLES | 13,653 | 7,789 | 33,495 |
| TOTAL ASSETS | 17,203,086 | 12,869,434 | 14,147,427 |
| LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| DEFERRED TAX | 12,027 | 31,321 | 17,585 |
| INTEREST PAYABLE | 3,649 | 3,462 | 4,145 |
| ACCOUNTS PAYABLES | 6,513 | 6,448 | 39,107 |
| LOANS | 2,191,951 | 2,188,374 | 2,190,163 |
| DUE TO RELATED COMPANY | 75,172 | 4,642 | 16,106 |
| TAXATION PAYABLE | - | - | - |
| TOTAL LIABILITIES | 2,289,313 | 2,234,247 | 2,267,106 |
| STOCKHOLDERS EQUITY | | | |
| SHARE CAPITAL | 1,468,162 | 1,468,162 | 1,468,162 |
| FAIR VALUE RESERVE | 7,199,966 | 3,579,925 | 4,731,631 |
| RETAINED EARNINGS | 6,245,644 | 5,587,101 | 5,680,529 |
| | 14,913,773 | 10,635,188 | 11,880,322 |
| NON- CONTROLLING INTERESTS | - | - | - |
| TOTAL STOCKHOLDERS' EQUITY | 14,913,773 | 10,635,188 | 11,880,322 |
| TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES | 17,203,086 | 12,869,435 | 14,147,427 |
| | Q2 2021 | Q2 2020 | DECEMBER 2020 |
| Net book Value per Stock Unit | \$12.42 | \$8.85 | \$9.89 |
| Approved by the Board of Directors for issue on July 7, 2021 and signed on its behalf by: | | | |
| DocuSigned by: | | | |
|  | | | |
| 9AAA2384C383463... | | | |
| Christopher Berry Chairman | | | |
| DocuSigned by: | | | |
|  | | | |
| 175432BB787E4E4 | | | |
| Natalie G. Augustin Managing Director | | | |

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 JUNE 2021

| | No. of Shares | Share Capital \$ J\$'000 | Fair Value Reserve \$ J\$'000 | Retained Earnings \$ J\$'000 | Total \$ J\$'000 |
|--|------------------|--------------------------------|-------------------------------------|------------------------------------|------------------------|
| Balance at January 1, 2020 | 1,201,149 | 1,468,162 | 9,037,154 | 6,568,530 | 17,073,847 |
| Total comprehensive income for the year | | | (5,310,506) | - | (5,310,506) |
| Realized gains / (loss) on fair value instruments transferred to retained earnings | | | (146,724) | 146,724 | - |
| Ordinary dividends paid | | | | 72,069 | 72,069 |
| Net Profit | | | | (1,153,489) | (1,153,489) |
| Translation adjustment | | | | (46,733) | (46,733) |
| Balance at June 30, 2020 | 1,201,149 | 1,468,162 | 3,579,925 | 5,587,101 | 10,635,188 |
| Balance at January 1, 2021 | 1,201,149 | 1,468,162 | 4,731,631 | 5,680,529 | 11,880,322 |
| Total comprehensive income for the year | | | 2,536,096 | - | 2,536,096 |
| Ordinary dividends paid | | | - | (72,069) | (72,069) |
| Realized gains / (loss) on fair value instruments transferred to retained earnings | | | (88,765) | 88,765 | - |
| Net Profit | | | - | 493,751 | 493,751 |
| Translation adjustment | - | - | 21,004 | 54,669 | 75,673 |
| Balance at June 30, 2021 | 1,201,149 | 1,468,162 | 7,199,966 | 6,245,644 | 14,913,773 |



STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED JUNE 30, 2021

| | UNAUDITED | UNAUDITED | UNAUDITED | UNAUDITED | AUDITED |
|---|---|---|---|---|--|
| | 3 Months ended 30 JUNE 2021 J\$'000 | 3 Months ended 30 JUNE 2020 J\$'000 | 6 Months ended 30 JUNE 2021 J\$'000 | 6 Months ended 30 JUNE 2020 J\$'000 | 12 Months ended 31 DECEMBER 2020 J\$'000 |
| Profit/Loss for the period | 194,038 | (37,444) | 406,660 | (1,153,489) | (1,144,501) |
| Other Comprehensive Income for the period net of tax: | | | | | |
| Items that will or maybe classified to the statement of income | | | | | |
| Unrealized gains/(loss) on financial instruments | 3,031,746 | 812,410 | 2,536,096 | (5,310,506) | (4,093,220) |
| Total Comprehensive loss/income attributable to stockholders | 3,225,784 | 774,966 | 2,942,757 | (6,463,995) | (5,237,721) |



STATEMENT OF CASHFLOW
FOR THE PERIOD ENDED JUNE 30, 2021

| | UNAUDITED 6 Months ended 30 JUNE 2021 J\$'000 | UNAUDITED 6 Months ended 30 JUNE 2020 J\$'000 | AUDITED Year ended 31 DECEMBER 2020 J\$'000 |
|--|--|--|--|
| Cash Flows from Operating Activities | | | |
| Profit/Loss before taxation | 493,751 | (1,154,104) | (1,170,546) |
| Adjustments to reconcile profit to net cash used in operating activities: | | | |
| Amortization | - | - | 4,159 |
| Interest income | (548) | (1,185) | (1,751) |
| Interest expense | 82,658 | 93,807 | 180,992 |
| Realized fair value gains/loss transferred to retained earnings | 88,765 | 146,724 | 212,303 |
| Unrealized fair value (loss)/gain on financial instruments - FVPL | (496,434) | 1,248,878 | 1,207,239 |
| Unrealized foreign exchange gains | 45,734 | 14,512 | 12,580 |
| Adjusted Profit / (Loss) | 213,925 | 348,631 | 444,976 |
| Changes in operating assets and liabilities: | | | |
| Decrease /(increase) in investment securities | 183,988 | (182,364) | (254,001) |
| Increase in other receivables | (10,342) | (4,586) | (11,536) |
| Decrease / (increase) in accounts payables & other liabilities | 1,519 | 1,274 | (434,470) |
| (Decrease) / increase in due to related companies | (240,942) | (143,419) | 263,771 |
| Interest received | 20,967 | 21,432 | 1,751 |
| Interest paid | (79,018) | (90,396) | (181,065) |
| Taxation paid | - | - | (7,542) |
| Cash used in Operating Activities | (123,828) | (398,059) | (623,093) |
| Net Cash used in Operating Activities | 90,098 | (49,428) | (178,118) |
| Cash Flows from Investing Activities | | | |
| Purchase of intangible asset | 470 | 1,087 | - |
| Net Cash Generated from Investing Activities | 470 | 1,087 | - |
| Cash Flows from Financing Activities | | | |
| Loans | - | - | - |
| Ordinary dividend payment | (72,069) | (72,069) | (73,182) |
| Increase/(decrease) in proceeds from issue of debt security | (1,789) | (1,789) | - |
| Net Cash used in Financing Activities | (73,858) | (73,858) | (73,182) |
| Increase in Cash and Cash Equivalents | 16,710 | (122,198) | (251,300) |
| Exchange gain/(loss) on foreign cash & cash equivalents | - | - | 3,401 |
| Cash & Cash Equivalents - Beginning of the year | 330,879 | 535,761 | 578,778 |
| Cash & Cash Equivalents - End of the year | 347,589 | 413,563 | 330,879 |

NOTES TO THE INTERIM FINANCIAL STATEMENTS

30 JUNE 2021

1. Accounting Policies

(a) Basis of preparation

This condensed interim financial report for the reporting period ended 30 June 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 JUNE 30, 2021**

| Names | Shareholdings |
|--|----------------------|
| MAYBERRY INVESTMENT LIMITED | 894,998,229 |
| PWL BAMBOO HOLDINGS LIMITED | 53,885,638 |
| MAYBERRY ASSET MANAGERS LIMITED | 41,122,865 |
| MANWEI INTERNATIONAL LIMITED | 40,251,196 |
| KONRAD BERRY | 39,205,594 |
| 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 |
| WILLIAM BERRY | 5,159,183 |

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, 2021**

| <u>Directors</u> | <u>Shareholdings</u> | <u>Connected Persons</u> |
|-------------------------|-----------------------------|---------------------------------|
| Christopher Berry | - | 71,025,795 |
| Konrad Berry | 39,205,594 | 7,362,345 |
| Natalie Augustin | 253,300 | - |

