MAYBERRY JAMAICAN EQUITIES

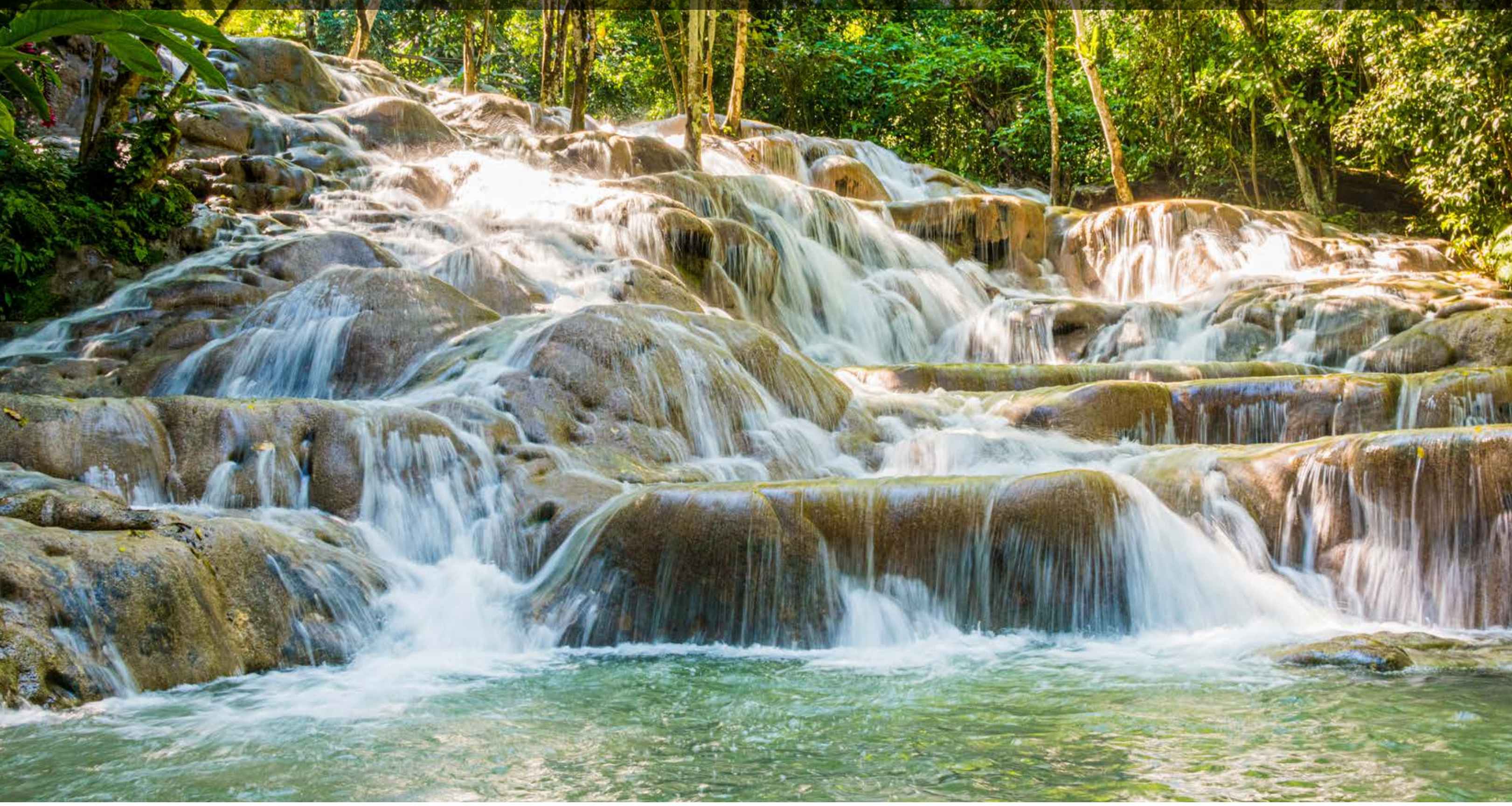
YE 2022 | $US

Audited Financial Results

Actively Managed

Broadly Diversified

Facilitating Economic Growth



Sustaining our growth, investing in Jamaica, land we love

Performance Highlights

For The Year Ended December 31, 2022

(Expressed in $US unless otherwise indicated)

EARNINGS PER SHARE

102%

INCREASE OVER YTD DECEMBER 2021

YTD DEC 2022: US$0.028

YTD DEC 2021: US$0.014

TOTAL COMPREHENSIVE INCOME

146%

INCREASE OVER YTD DECEMBER 2021

YTD DEC 2022: US$34.2M

YTD DEC 2021: US$13.9M

TOTAL ASSETS

35%

INCREASE OVER 2021

2022: US$161.3M

2021: US$119.6M

TOTAL EQUITY TO SHAREHOLDERS

35%

INCREASE OVER 2021

2022: US$131M

2021: US$97.3M

NET BOOK VALUE PER SHARE

35%

INCREASE OVER 2021

2022: US$0.11

2021: US$0.08

CLOSING SHARE PRICE

46%

INCREASE OVER DECEMBER 2021

2022: J$13.16

2021: J$9.01

SALES INQUIRIES
sales@mayberryinv.com

FAX
(876) 929-1501

GENERAL & SALES INQUIRIES
(876) 929-1908-9

www.mayberryinv.com

MAYBERRYINVJA

@MAYBERRYINVJA

MAYBERRY INVESTMENTS LTD

(Expressed in $US unless otherwise indicated)

MANAGING DIRECTOR'S COMMENTARY ON FINANCIAL RESULTS

AUDITED RESULTS FOR THE YEAR ENDED DECEMBER 31, 2022

Economic And Business Environment

The Jamaican economy improved in the December 2022 quarter as the nation's post-COVID-19 recovery continues. The Bank of Jamaica's gross foreign reserves remained robust, and the financial system remained stable. The Jamaican economy is expected to have expanded at a slower rate of 3.0% to 5.0% in the December 2022 quarter according to the Bank of Jamaica, compared to the 5.9% increase recorded in the September 2022 quarter.

The point-to-point inflation rate as of December 2022 was 9.4%, while the rate for the month of December was 0.0%. The negligible movement in the inflation rate for December was primarily driven by a 1.0% decrease in the index for the heaviest weighted division, 'Food and Non-Alcoholic Drinks,' as well as a 0.9% decrease in the index for the 'Transport' division. The index for 'Restaurants and Accommodation Services' (+3.4%), was primarily impacted by increased prices for meals consumed away from home, and 'Housing, Water, Electricity, Gas, and Other Fuels' (+0.7%), was primarily impacted by increases in rates for electricity, water, and sewage. Of note, the fiscal year-to-date inflation rate was 6.2% as at December 2022.

The Monetary Policy Committee (MPC) declared in December 2022 that it will stop policy rate rises and maintain the policy interest rate beginning December 21, 2022. The MPC also agreed to keep the Jamaican dollar's liquidity expansion under control while maintaining relative market stability. The Bank of Jamaica made its judgment based on incoming data that was largely favorable for the inflation outlook.

For the December 2022 quarter, the Jamaican dollar appreciated by 0.5%. This compares to a 5.3% depreciation in the December 2021 quarter. B-FXITT sales of $150.0 million alleviated demand difficulties throughout the quarter. Their sales exceeded the US$10.0 million sold to the market during the same time in 2021.

For the period January to December 2022, the JSE Main Market Index fell by 40,258.97 points or 10.16% from 396,155.61 to 355,896.64 points. The JSE Junior Market enjoyed greater growth in its index which closed December 2022 at 3,986.44 points when compared to 3428.30 points as at December 31, 2021, a 16.28% increase over the twelve-month period.

Business Objective

MJE is an investment Company whose objective is to achieve long term capital appreciation, while preserving capital, by investing in public equity securities in Jamaica ("Jamaican equities"). The Company employs a value - based approach to identifying and investing in high quality public businesses. This approach is designed to compound book value per share over the long term. While the Company will seek attractive risk-adjusted returns, it will at all times seek downside protection and attempt to minimize loss of capital.

FINANCIAL HIGHLIGHTS

Performance Overview

The year was marked by high inflation, global conflicts and the tightening of monetary policies which resulted in increases in interest rates and a challenging financial landscape both locally and globally. Q4 2022 market conditions reflected continued moderate improvements and the local financial environment remained resilient compared to global counterparts.

For the year ended December 31, 2022, MJE reported profits of US$33 million representing an increase of US$16.7 million or 102% over the corresponding period in 2021. The pull back in the local equities market beginning in the third quarter of 2022 adversely impacted MJE's half year results but several strategic stocks in the portfolio rebounded in the fourth quarter buttressing the full year's solid performance with net unrealised gains on investments in associates increasing by US$17.3 million or 102% to US$34.2 million. This was complemented by dividend income increasing by 39% or US$1 million to US$3.6 million. Full year earnings per share (EPS) was US$0.028 (2021: (EPS) US$0.014).

(Expressed in $US unless otherwise indicated)

Total Comprehensive Income

MJE reported total comprehensive income of US$34.2 million for the year ended December 31, 2022 representing an increase of 146% or US$20.3 million due to solid overall performances on the managed Jamaican equities portfolio.

SUMMARY OF CHANGES ON THE STATEMENT OF COMPREHENSIVE INCOME				
Description	Audited 12 Months ended Dec. 31, 2022 (US$'000)	Audited 12 Months ended Dec. 31, 2021 (US$'000)	Change (US$'000)	% Change
Net Operating Income	36,317	18,465	17,852	96.7%
Operating Expenses	3,124	2,033	1,091	53.7%
Profit before Taxation	33,193	16,433	16,760	102.0%
Net Profit	33,193	16,450	16,743	101.8%
Other Comprehensive Income/(Loss)	984	(2,537)	3,521	138.8%
Total Comprehensive Income	34,177	13,913	20,264	145.6%
Earnings Per Share (EPS)	$0.028	$0.014	$0.014	101.8%

Total Revenues

Net revenues generated for the year ended December 31, 2022 increased by 97% or US$18 million to US$36.3 million attributed primarily to the significant appreciation in the market value of investments in associates. For the year ended December 31, 2022, dividend income grew by US$1 million or 39% to US$3.6 million when compared to US$2.6 million for the 2021 comparative period. For the year ended December 31, 2022, the major contributors to dividend revenues were Supreme Ventures Limited, GraceKennedy Limited, Jamaica Broilers Group Limited, Lasco Distributors Limited and Lumber Depot Limited.

Operating Expenses

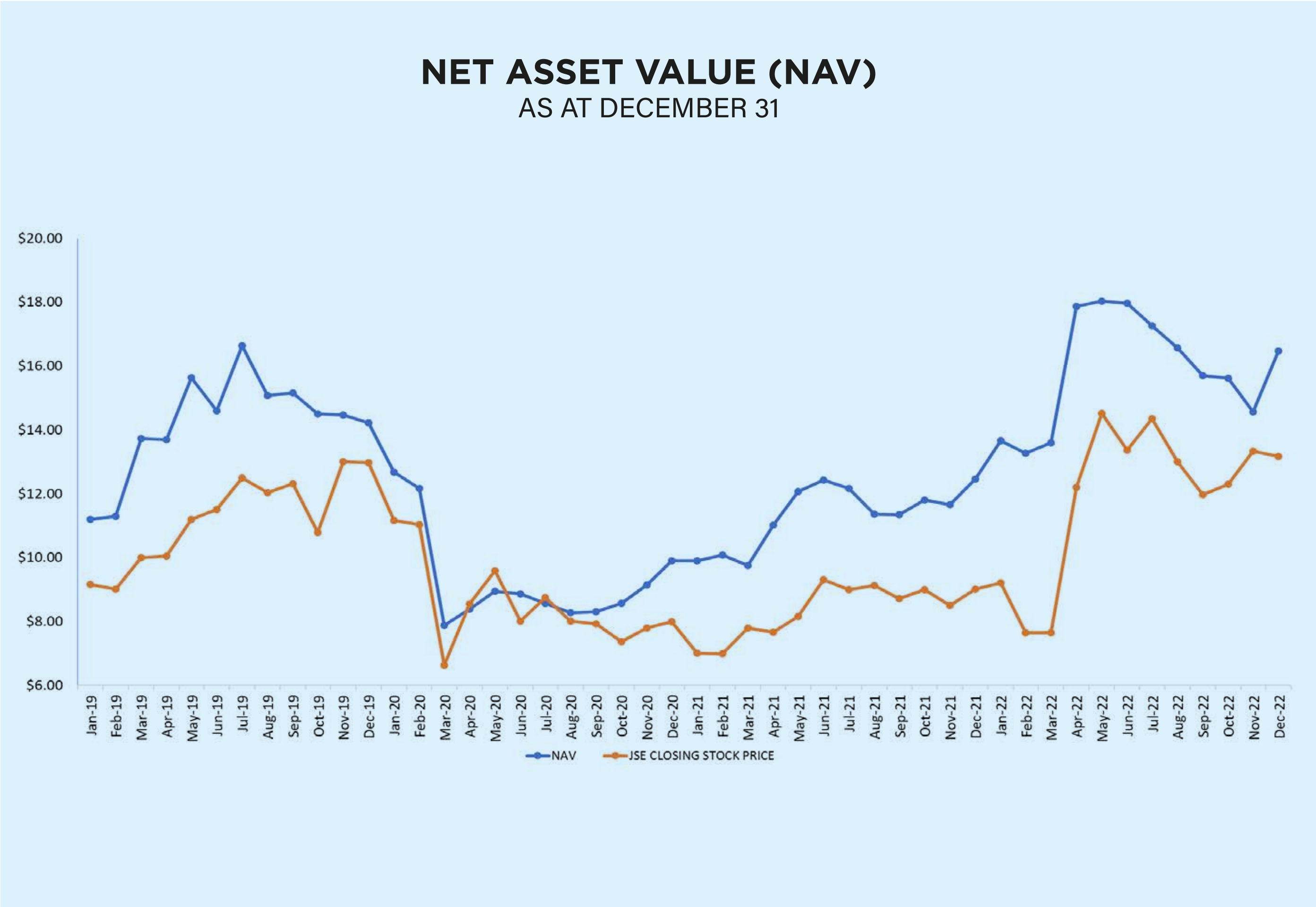
Total operating expenses of US$3.1 million for the year ended December 31, 2022 increased by US$1 million or 54% over the corresponding 2021 period driven mainly by increased expenses incurred for management and incentive fees following the significant growth in the net asset value under management.

(Expressed in $US unless otherwise indicated)

NET ASSET VALUE (NAV)

The net book value per share increased by 35% to US$0.11 (J$16.46) as at December 31, 2022, compared to US$0.08 (J$12.46) for the corresponding period in 2021. The increase primarily resulted from the US$36.5 million or 44% increase in investments in associates to US$119.3 million.

MJE's stock price closed at J$13.16 on December 30, 2022 increasing 46% over its price of J$9.01 at December 31, 2021.



Financial Results

MAYBERRY JAMAICAN EQUITIES

Year Ended 31 December 2022

(Expressed in $US unless otherwise indicated)

PAYMENT OF DIVIDENDS

The Board of Directors of MJE convened a meeting on June 16, 2022 and approved an ordinary dividend of US$0.0004 per share. The dividend of US$479K was paid on July 18, 2022 to all shareholders on record as at June 30, 2022.

PORTFOLIO HIGHLIGHTS

Mayberry Jamaican Equities Limited (MJE) currently holds stock in 33 companies listed on the Main and Junior Markets of the Jamaica Stock Exchange (JSE).

The Company made net additions to investments during the year reflecting the continued favorable pricing of some stocks relative to the Investment Manager's growth projections for earnings and dividend yield.

THE TOP TEN PERFORMERS FOR THE PORTFOLIO
AS AT DECEMBER 31, 2022

	CLOSING SHARE PRICE ($)		
Stock ID	DEC. 2022	DEC. 2021	$ CHANGE
SVL	$29.93	$17.79	$12.14
JBG	$31.00	$29.03	$1.97
WIG	$0.71	$0.52	$0.19
BPOW	$3.06	$3.15	($0.09)
LASF	$2.88	$3.00	($0.12)
DTL	$2.14	$2.30	($0.16)
CPJ	$11.58	$13.04	($1.46)
JMMBGL	$32.95	$39.44	($6.49)
CCC	$60.48	$69.86	($9.38)
GK	$83.22	$100.02	($16.80)

TOP 5 ADDITIONS

TOP 5 ADDITIONS – Q4	2022 US$'000
JBG	$1,758
JMMBGL	$1,233
LUMBER	$63
LASM	$62
CCC	$56

TOP 5 ADDITIONS – Q4	2021 US$'000
GK	$1,149
JMMBGL	$953
SVL	$775
JAMT	$289
CAR	$266

TOP 5 DISPOSALS

TOP 5 DISPOSALS – Q4	2022 US$'000
CCC	$596
DOLLA	$41
DTL	$35
LEARN	$21
QWI	$4

TOP 5 DISPOSALS – Q4	2021 US$'000
CCC	$2,712
LUMBER	$2,442
CPJ	$52
SVL	$36
ECL	$9

(Expressed in $US unless otherwise indicated)

THE TOP TEN LARGEST HOLDINGS (VALUE OF SHARES) AS AT DECEMBER 31, 2022

Stock ID	% OF TOTAL VALUE OF INVESTMENTS
SVL	60.7%
CPJ	10.8%
JBG	3.7%
WIG	3.5%
LASF	3.2%
JMMBGL	3.0%
GK	3.0%
DTL	2.9%
BPOW	1.4%
CCC	1.3%

THE TOP TEN LARGEST HOLDINGS (VALUE OF SHARES) AS AT DECEMBER 31, 2021

Stock ID	% OF TOTAL VALUE OF INVESTMENTS
SVL	49.8%
CPJ	15.9%
GK	4.8%
LASF	4.2%
DTL	4.0%
WIG	3.5%
CCC	3.3%
JBG	2.5%
BPOW	1.9%
JAMT	1.8%

FINANCIAL POSITION

SUMMARY OF CHANGES ON THE STATEMENT OF FINANCIAL POSITION

Description	Audited December 31, 2022 (US$'000)	Audited December 31, 2021 (US$'000)	Change (US$'000)	% Change
Total Assets	161,262	119,638	41,624	34.8%
Total Liabilities	30,299	22,374	7,926	35.4%
Stockholders' Equity	130,962	97,264	33,698	34.6%
Net Book Value Per Share	$0.11	$0.08	$0.03	34.6%

Total assets as at December 31, 2022 were valued at US$161.3 million. This represents a 35% increase from the US$119.6 million reported as at December 31, 2021. The US$41.6 million increase was mainly attributable to a US$36.5 million increase in investments in associates attributable primarily to capital appreciation on these investments. This was complemented by a year over year US$5.3 million increase in investment securities.

Total liabilities amounted to US$30.3 million as at December 31, 2022, an increase of US$7.9 million compared to the corresponding period in 2021, driven mainly by an increase in funding from debt for investment purchases.

SHAREHOLDERS' EQUITY

Mayberry Jamaican Equities Limited's capital base continues to be strong, closing the quarter with US$131 million in shareholders' equity. This represents an increase of US$33.7 million when compared to December 2021. This was attributable primarily to an increase in net profits for the 12-month period by US$33 million. This was however, offset by a year over year decline in total fair value reserves of US$2.6 million due primarily to reductions in the market value of some investments carried at fair value through other comprehensive income.

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

Natalie G. Augustin
Managing Director

Top Ten Shareholders and Connected Persons

December 31, 2022

Names	Shareholdings
MAYBERRY INVESTMENTS LIMITED	681,359,200
PWL BAMBOO HOLDINGS LIMITED	119,427,545
KONRAD BERRY	81,744,294
VDWSD LIMITED	67,252,400
MAYBERRY ASSET MANAGERS LIMITED	41,122,865
MANWEI INTERNATIONAL LIMITED	33,809,902
KMB HOLDINGS INC	25,257,740
THE MAYBERRY FOUNDATION LIMITED	10,554,868
APEX PHARMACY	9,817,068
KONRAD LIMITED	7,432,031

Connected Persons	Shareholdings
A+ MEDICAL CENTRE	6,641,141

Shareholdings of Directors and Senior Management

MAYBERRY JAMAICAN EQUITIES

December 31, 2022

Directors	Shareholdings	Connected Persons
Christopher Berry	-	149,461,840
Konrad Berry	81,744,294	12,362,345
Natalie Augustin	253,300	-

Financial Statements

Financial Year ended 31 December 2022

MAYBERRY JAMAICAN EQUITIES

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MAYBERRY JAMAICAN EQUITIES

Independent auditors' report

To the Members of Mayberry Jamaican Equities Limited

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Mayberry Jamaican Equities Limited (the Company) as at 31 December 2022 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2022;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in shareholders' equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

PricewaterhouseCoopers East Caribbean, Unit 111 Johnsons Centre, No. 2 Bella Rosa Road, P.O. Box BW 304, Gros Islet, St. Lucia, West Indies
T: (758) 722 6700, www.pwc.com/bb

Our audit approach

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Investment in Associates *Refer to notes 2 (b), 3 (a) and 7 to the financial statements for disclosures of related accounting policies and balances.* The Company's total investments in associates was US $119 million as at 31 December 2022, representing holdings in certain investment securities, which range between 18% to 21% of the issued share capital and where there is board and/or board sub-committee representation. As per the Company's accounting policies, management recognises associates as all entities over which the Company has significant influence but not control, generally accompanying a shareholding of 20% of the voting rights. As the Company is deemed to have a similar business model to an investment entity as defined by IFRS 10, the Company has elected the exemption from applying the equity method in IAS 28 for its investment in associates and recognises its investment in associates at FVTPL in accordance with IFRS 9.	We performed the following procedures, amongst others, as it pertains to Investment in Associates as follows: ● Performed inquiries and evaluated management's accounting policies against the requirements of the applicable accounting standards; ● Read and evaluated management's position papers on the determination of the designation of the investments as associated companies; ● Independently confirmed shareholdings of related associates with the local securities deposits registry.

pwc

Key audit matter	How our audit addressed the key audit matter
We focused our audit efforts on this balance due to its material impact on the financial statements. The determination of the applicable accounting standard being IAS28, Investment in Associated Companies and Joint Ventures, versus IFRS 9, Financial Instruments, involved a level of applied judgement by management.	• Corroborated board and sub committee membership through inspection of published submissions to the Jamaica Stock Exchange; and • Challenged management's assertion that it qualifies for the exemption from equity accounting under IAS 28 paragraph 18 by assessing the following: ○ The nature of the Company's operations; ○ How the business is managed; ○ How the performance of the Company is assessed and management of the Company is remunerated; and ○ Compared the underlying information to the types of entities that IAS 28 describes as being eligible for exemption. Based on the results of our audit procedures, we concluded that management's treatment of investment in associates is consistent with the requirements of the IAS 28 and IFRS 9.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the financial statements and our Auditors' report thereon), which is expected to be made available to us after the date of this Auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements that is presented fairly, in all material respects, in accordance with IFRS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement leader on the audit resulting in this independent auditors' report is Tonya Graham.

PricewaterhouseCoopers

Chartered Accountants
Castries, St. Lucia
27 February 2023

Mayberry Jamaican Equities Limited

Statement of Financial Position

31 December 2022

(expressed in United States dollars unless otherwise indicated)

	Note	2022 $	2021 $
Assets			
Cash and deposits	4	2,370,150	2,310,575
Investment securities	6	39,562,421	34,299,736
Investments in associates	7	119,274,824	82,776,256
Other receivables		55,655	239,012
Taxation recoverable		-	1,851
Intangible asset	9	-	10,188
Total Assets		161,263,050	119,637,618
Liabilities			
Due to parent company	8(b)	7,263,456	170,408
Accounts payable	10	1,855,345	1,408,451
Debt security in issue	13	14,559,660	14,272,342
Promissory note payable	12	6,622,157	6,522,299
Total Liabilities		30,300,618	22,373,500
Equity			
Share capital	15	20,556,260	20,556,260
Fair value reserve	16	5,557,924	8,138,917
Translation reserve	17	(31,930,901)	(34,239,323)
Retained earnings		136,779,149	102,808,264
Total Equity		130,962,432	97,264,118
TOTAL LIABILITIES AND EQUITY		161,263,050	119,637,618

The accompanying notes on pages 5 – 29 form an integral part of these financial statements.

Approved for issue by the Board of Directors on 24 February 2023 and signed on its behalf by:

DocuSigned by:
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Christopher Berry — Chairman

DocuSigned by:
Richard Surage
53698B1CA2694B9...

Richard Surage — Director

Mayberry Jamaican Equities Limited

Statement of Profit or Loss and Other Comprehensive Income
Year ended 31 December 2022
(expressed in United States dollars unless otherwise indicated)

	Note	2022 $	2021 $
Income			
Dividend income		3,587,640	2,583,849
Net unrealized gains on financial instruments at FVTPL		54,944	153,377
Net unrealized gains on investments in associates at FVTPL		34,190,302	16,930,920
Interest income	18	21,449	6,655
Net trading gains		140,114	43,341
Net foreign exchange (losses)/gains		(17,454)	134,476
Total operating income		37,976,995	19,852,618
Interest expense	18	(1,659,923)	(1,387,270)
Net operating income		36,317,072	18,465,348
Expenses			
Audit fees		(23,816)	(23,284)
Other expenses	19	(3,099,955)	(2,009,441)
		(3,123,771)	(2,032,725)
Profit before Taxation		33,193,301	16,432,623
Taxation credit	20	-	17,446
Net Profit for the Year		33,193,301	16,450,069
Other Comprehensive Income, net of taxes -			
Item that will not be reclassified to profit or loss:			
Changes in the fair value of equity investments at FVTOCI		(1,324,686)	4,533,241
Item that may be subsequently reclassified to profit or loss:			
Foreign currency translation adjustments		2,308,422	(7,069,925)
Total Comprehensive Income for the Year		34,177,037	13,913,385
Earnings per stock unit (Basic and fully diluted)	21(a)	0.028	0.014

The accompanying notes on pages 5 – 29 form an integral part of these financial statements.

Mayberry Jamaican Equities Limited

Statement of Changes in Shareholders' Equity

Year ended 31 December 2022

(expressed in United States dollars unless otherwise indicated)

	Number of Shares	Share Capital $	Fair Value Reserve $	Translation Reserve	Retained Earnings $	Total $
Balance at 1 January 2021	1,201,149,292	20,556,260	9,425,881	(27,169,398)	81,023,300	83,836,043
Net profit for the year	-	-	-	-	16,450,069	16,450,069
Other comprehensive income	-	-	4,533,241	(7,069,925)	-	(2,536,684)
Total comprehensive income	-	-	4,533,241	(7,069,925)	16,450,069	13,913,385
Transfer of gain on disposal of equity investments at FVTOCI to retained earnings	-	-	(5,820,205)	-	5,820,205	-
Transactions with owners - Dividends	-	-	-	-	(485,310)	(485,310)
Balance at 31 December 2021	**1,201,149,292**	**20,556,260**	**8,138,917**	**(34,239,323)**	**102,808,264**	**97,264,118**
Net profit for the year	-	-	-	-	33,193,301	33,193,301
Other comprehensive income	-	-	(1,324,686)	2,308,422	-	983,736
Total comprehensive income	-	-	(1,324,686)	2,308,422	33,193,301	34,177,037
Transfer of gain on disposal of equity investments at FVTOCI to retained earnings	-	-	(1,256,307)	-	1,256,307	-
Transactions with owners - Dividends	-	-	-	-	(478,723)	(478,723)
Balance at 31 December 2022	**1,201,149,292**	**20,556,260**	**5,557,924**	**(31,930,901)**	**136,779,149**	**130,962,432**

The accompanying notes on pages 5 – 29 form an integral part of these financial statements.

Mayberry Jamaican Equities Limited

Statement of Cash Flows

Year ended 31 December 2022

(expressed in United States dollars unless otherwise indicated)

	Note	2022 $	2021 $
Cash flows from operating activities			
Profit before taxation		33,193,301	16,432,623
Adjustments for:			
Interest income on financial assets at amortised cost	18	(21,449)	(6,655)
Amortisation of intangible asset	9	10,188	49,240
Write-off of intangible asset	19	-	299,674
Net trading gains		(140,114)	(43,341)
Net foreign exchange losses/(gains)		17,454	(134,476)
Interest expense on financial liabilities at amortised cost	18	1,659,923	1,387,270
Net unrealised gains on investments in associates at FVTPL		(34,190,302)	(16,930,920)
Net unrealized gains on financial instruments - FVTPL		(54,944)	(153,377)
		474,057	900,038
(Increase)/decrease in investment securities		(5,744,595)	3,722,533
Increase in investments in associates		(170,787)	(10,582,204)
Decrease/(Increase) in other receivables		180,143	(7,528)
(Decrease)/Increase in accounts payable		(544,836)	411,931
Due to/from related parties		8,090,818	642,876
		2,284,800	(4,912,354)
Taxation paid		-	-
Interest received		20,676	6,592
Interest paid		(1,781,021)	(1,235,638)
Net cash provided by/(used in) operating activities		524,455	(6,141,400)
Cash flows from financing activities			
Proceeds from promissory note		-	7,953,480
Repayment of promissory note		-	(1,325,823)
Dividend paid		(478,723)	(485,310)
Net cash (used in)/provided by financing activities		(478,723)	6,142,347
Increase in cash and cash equivalents		45,732	947
Exchange gain on foreign cash and cash equivalents		560	(3,334)
Cash and cash equivalents at beginning of the period		2,039,380	2,041,767
Cash and cash equivalents at the end of the period	4	2,085,672	2,039,380

The accompanying notes on pages 5 – 29 form an integral part of these financial statements.

1. Identification and Principal Activities

Mayberry Jamaican Equities Limited (the Company) is a public limited liability company which is listed on the Jamaica Stock Exchange ("JSE"). It is incorporated in St. Lucia under the *International Business Companies Act* and its registered office is located at Bourbon House, Bourbon Street, Castries, St. Lucia. On January 5, 2018, the Company changed its name from Mayberry West Indies Limited to Mayberry Jamaican Equities Limited under the International Business Companies Act, Cap 12.14.

Mayberry Investments Limited ("MIL") is the Company's parent and owns 50.42% (2021 - 59.78%) of Mayberry Jamaican Equities Limited as at December 31, 2022.

The Company is an investment company whose objective is to achieve long term capital appreciation, while preserving capital, by investing in and trading public equity securities in Jamaica ("Jamaican equities").

2. Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied for all the years presented unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) interpretations applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment securities at fair value through other comprehensive income ("FVTOCI"), investments in associates at fair value through profit or loss ("FVTPL") and financial assets at FVTPL. The company has determined that it is a similar entity to an investment entity as defined in IFRS 10 and it continues to meet this definition (see note 2 (b)).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

New, revised and amended standards and interpretations that became effective during the year

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The Company has assessed the relevance of all such new standards, interpretations and amendments and has concluded that there are no new standards, interpretations and amendments which are relevant to its operations.

2. Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

New, revised and amended standards and interpretations not yet effective and not early adopted by the Company

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Company. The standards, amendments and interpretations relevant to the Company are discussed below. These standards, amendments or interpretations are not expected to have a material impact on the Company entity in the current or future reporting periods and on foreseeable future transactions.

Amendments to IAS 1, Presentation of financial statements', on classification of liabilities, (effective for annual periods beginning on or after 1 January 2024). These narrow-scope amendments to IAS 1 *Presentation of financial statements*, clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.

Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8, (effective for annual periods beginning on or after 1 January 2023). The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.

(b) Investment in Associates

An entity that meets the IFRS 10 *Consolidated Financial Statements* definition of an investment entity is required to measure its investments at FVTPL in accordance with IFRS 9 *Financial Instruments*. This is because using fair value results in more relevant information than, for example, consolidation for subsidiaries or the use of the equity method for interests in associates or joint ventures. The Company has determined that its business model and operations are similar to that of an 'investment entity' as defined in IFRS 10.

An investment entity is an entity that obtains funds from one or more investors for the purpose of providing them with investment management services, commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and measures and evaluates the performance of substantially all of its investments on a fair value basis. The company has met and continues to meet the substantive definition of an investment entity and is therefore considered similar to this type of entity, as its strategic objective of investing in Jamaican equities and providing investment management services to investors for the purpose of generating returns in the form of long term capital appreciation, remains unchanged. The company has no subsidiaries but has investments in associates.

The Company may from time to time seek to liquidate its positions in any of its Jamaican equities. The circumstances under which the company may sell some or all of its investments include: (i) where the company believes that the Jamaican equities are fully valued or that the original investment thesis has played out; or (ii) where the company has identified other investment opportunities which it believes present more attractive risk-adjusted return opportunities and additional capital is needed to make such alternative investments.

For its Jamaican equities, the company's exit strategies may include selling the investments through private placements, hedge funds or in public markets. While most stocks are traded daily, some anchor holdings have a 10 – 15 year horizon for the full growth potential anticipated to be realised (See note 3(a)).

2. Significant Accounting Policies (Continued)

(b) Investment in Associates (continued)

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. As the company is deemed to have a similar business model to an investment entity as defined by IFRS 10, the company has elected the exemption from applying the equity method in IAS 28 for its investments in associates and accounts for its investments in associates at FVTPL in accordance with IFRS 9.

The Company's associates are as follows:

Name of Entity	Accounting Year-end	Nature of Business	The Company's proportion of ordinary shares held (%)	
			2022	2021
Lasco Financial Services Ltd	March 31	Money Services	21	20
Caribbean Producers (Jamaica) Limited	June 30	Food trading	20	20
Iron Rock Insurance Limited	December 31	General insurance	19	19
Supreme Ventures Limited	December 31	Betting, gaming and lottery	18	18

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the Company is Jamaican dollars based on its primary operating and regulatory environment.

The financial statements are presented in United States Dollars, the Company's presentation currency in accordance with its Articles of Association.

(ii) Transactions and balances

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions. At the date of the statement of financial position, monetary assets and liabilities denominated in foreign currencies are translated using the closing exchange rate.

Exchange differences resulting from the settlement of transactions at rates different from those at the dates of the transactions, and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are recognised in the statement of profit or loss and other comprehensive income.

Translation differences on non-monetary financial assets and liabilities are a component of the change in their fair value. Translation differences on non-monetary financial assets and liabilities such as equities held at FVTPL, are recognised in the statement of profit or loss as part of the fair value gain or loss. Translation differences, on non-monetary financial assets such as equities classified as FVTOCI are recognised in other comprehensive income.

(iii) Translation from functional to presentation currency

Assets and liabilities for the balance sheet are translated into the presentation currency at the closing rate at the date of the balance sheet. Income and expenses are translated at exchange rates at the dates of the transactions. All resulting exchange differences are recognised in other comprehensive income.

2. Significant Accounting Policies (Continued)

(d) Intangible assets

Acquired computer software licenses and proprietary developed systems are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over the estimated useful life of the software, which ranges from 5 to 10 years.

Impairment

Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's fair value less costs to sell and value in use.

(e) Financial assets

i. Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. This includes regular way purchases of financial assets and liabilities that require delivery of assets within the time frame generally established by regulation or convention in the market place.

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, plus or minus directly attributable transaction costs for all instruments except in the case of financial assets recorded at FVTPL. All other financial instruments including instruments designated at FVTPL are measured at fair value, and transaction costs are expensed in the statement of profit and loss and comprehensive income.

ii. Classification and subsequent measurement

The Company classifies all of its financial assets based on the business model for managing the assets and the assets contractual terms. The following measurement categories are used in accordance with the requirements of IFRS 9:

- those to be measured at fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL), and
- those to be measured at amortised cost.

iii. Business model assessment

IFRS 9 requires an assessment of the nature of the Company's business model at a level that best reflects how it manages portfolios of financial assets. The business model reflects how the company manages the assets in order to generate cash flow; this is, whether the company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g., financial assets are held for trading purposes), then the financial assets are classified as "Other" business model and measured at FVTPL.

2. Significant Accounting Policies (Continued)

(e) Financial assets (continued)

iii. Business model assessment (continued)

Factors considered by the company in determining the business model for a group of assets include:

1. How the asset's performance is evaluated and reported to key management personnel;
2. How risks are assessed and managed; and
3. How managers are compensated.

The company has determined that it has two business models:
Hold-to-collect business model: This comprises, cash and cash equivalents accounts receivable. These financial assets are held to collect contractual cash flows.

Other business model: This comprises equity investments. These financial assets are managed and their performance is evaluated, on a fair value basis.

iv. Equity Instruments

Financial assets measured at FVTOCI
Where the company has made an irrevocable election to classify equity investments at FVTOCI, they are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the related fair value reserve. There is no subsequent reclassification of fair value gains/losses to profit or loss. Following the derecognition of the investment, these realised gains/losses are transferred to retained earnings.

Financial assets measured at FVTPL
This category comprises equity investments which are held for trading and are carried in the statement of financial position at fair value with changes in fair value recognised in profit or loss.

Dividend income
When representing a return on such equity investments, dividend income is recognised in profit or loss when the Company's right to receive payments is established.

v. Financial assets measured at amortised cost

Financial assets that are held to collect the contractual cash flows and that contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) are measured at amortised cost. Any gain or loss arising on derecognition is recognised directly in profit or loss together with foreign exchange gains or losses. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method less provision for impairment.

The company's financial assets measured at amortised cost comprise cash and cash equivalents, and other receivables in the statement of financial position.

Cash and cash equivalents include cash in hand, bank balances and other short term highly liquid investments with original maturities of three months or less.

2. Significant Accounting Policies (Continued)

(e) Financial assets (continued)

vi. Impairment

Expected credit losses ("ECL") are established for all financial assets, except for financial assets classified or designated as FVTPL and equity securities designated as FVTOCI, which are not subject to impairment assessment. The impact of ECLs on other financial assets is considered immaterial as this comprises primarily cash and cash equivalents.

The Company assesses on a forward looking basis the ECL associated with its financial assets classified at amortised cost. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not been increased significantly since initial recognition of the financial asset, twelve month ECLs along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime ECLs along with interest income on a net basis are recognised. The company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company assumes that there is no significant increase in credit risk for instruments that have a low credit risk. This assumption is used primarily for cash and cash equivalents.

vii. Derecognition

Regular way sales of financial assets are recognised on trade date, being the date on which the Company commits to sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

(f) Financial liabilities

Financial liabilities are initially recognised at fair value, being their issue proceeds, net of transaction costs directly attributable to the issue of the instrument. Borrowings are subsequently carried at amortised cost using the effective interest rate method, which ensures that any interest expense recognised in the statement of profit or loss and other comprehensive income over the period to repayment is a constant rate on the balance of the liability carried in the statement of financial position.

The Company's financial liabilities comprise promissory note payable, accounts payable, debt security in issue and due to related companies.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

(g) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an unconditional and legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

(h) Borrowings

Borrowings are recognized initially at cost, being their issue proceeds, net of transaction costs incurred. Subsequently, borrowings are stated at amortised cost and any difference between net proceeds and the redemption value is recognized in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective yield method.

(i) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

2. Significant Accounting Policies (Continued)

(j) Revenue Recognition

Interest income is recognised in the statement of profit or loss and other comprehensive income for all interest-bearing instruments on the accrual basis using the effective yield method based on the actual purchase price. Interest income includes coupons earned on fixed investments and discount or premium on financial instruments.

(k) Income Taxes

Taxation expense in the statement of profit or loss and other comprehensive income comprises current and deferred tax charges.

Current tax charges are based on taxable profit for the year, which differs from the profit before tax reported because it excludes items that are taxable or deductible in other years, and items that are never taxable or deductible. The Company's liability for current tax is calculated at tax rates that have been enacted or substantively enacted at the statement of financial position date. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is the tax expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted or substantively enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Current and deferred tax assets and liabilities are offset when they arise from the same taxable entity and relate to the same Tax Authority and when the legal right of offset exists. Deferred tax is charged or credited in the statement of profit and other comprehensive income except where it relates to items charged or credited to equity, in which case deferred tax is also accounted for in equity. The principal temporary differences arise from depreciation of property, plant and equipment, revaluation of certain financial assets and tax losses carried forward

(l) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds, net of tax. Incremental costs directly attributable to the issue of new ordinary stock units are included in the cost of acquisition as part of the purchase consideration.

Preference share capital is classified as equity except where it is redeemable on a specific or determinable date or at the option of the shareholders and/or if dividend payments are not discretionary, in which case it is classified as a liability. Dividend payments on preference shares classified as a liability are recognized in the statement of profit or loss and other comprehensive income as interest expense.

(m) Segment reporting

The Board of directors considers the Company to have a single operating segment. The Board of Directors' asset allocation decisions are based on a single, integrated investment strategy and the Company's performance is evaluated on an overall basis which is as per the primary financial statements of the Company.

(n) Dividend distributions

Dividends are recognized as an appropriation in the Company's financial statements, in the period which the dividends are approved.

Dividends for the year that are declared after the reporting date are dealt with in the subsequent events note.

3. Critical Accounting Judgements and Estimates

(a) Critical judgements in applying the Company's accounting policy

The preparation of the financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. This note provides an overview of the areas that involve a higher degree of judgement or complexity, and major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Detailed information about each of these estimates and judgements is included in the related notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of an error and changes to previous estimates:

i. Investment Entity Business Model
With the Company's listing in 2018, there was considerable deliberation and consideration given to the Company's business model and objectives which were also associated with the unavailability of licenses for certain types of collective investment schemes in Jamaica. Management is of the view that its business model is, and always has been, similar to that of an "investment entity" as defined in IFRS 10 having consideration to the following key matters amongst other facts:

1. The Company provides investment management services to multiple investors who have invested in the Company via the JSE to take advantage of the management of a portfolio of Jamaican equities on their behalf.
2. The Company's principal objective is solely to invest in Jamaican equities for returns from capital appreciation and investment income.
3. The company manages and evaluates performance on the Jamaican equities on a fair value basis. A Net Asset Value (NAV) is tracked daily and communicated to the Company's investors and potential investors via the JSE and the Company's website. Additionally, the Company's Investment Manager is compensated based on the fair value appreciation of the portfolio over time (note 8(b (ii))).

The purpose and design of the company is therefore similar to that of an investment entity per IFRS 10.

ii. Investments in associated companies
IAS 28 prescribes the accounting requirements for entities that while not controlled or jointly controlled by the reporting entity, are subject to significant influence by it and are deemed associates. The standard indicates that a holding of 20% or more of the voting power of the investee is presumed to give rise to significant influence, unless it can be clearly demonstrated that this is in fact not the case. Conversely, a holding of less than 20% of the voting power is presumed not to give rise to significant influence, unless it can be clearly demonstrated that there is in fact significant influence. The Company has four investments which meet the criteria of having influence based on management's representation on the Board of directors which places it in a position to contribute to policy formation and participate in decisions about dividends and other distributions.

3. Critical Accounting Judgements and Estimates (Continued)

(a) Critical judgements in applying the Company's accounting policy (continued)

ii. Investments in associated companies (continued)
The Company also has shareholdings of 20% in Blue Power Limited, however the Company has never sat on the Board of Directors, nor any key operational committees and Management is not of the view they exercise any significant influence over this entity's activities. This entity has therefore been accounted for as a financial investment.

The Company elected the IAS 28 exemption from applying the equity method of accounting to measure its investments in associates and instead measure them at FVTPL in accordance with IFRS 9. Management is of the view that fair value measurement provides more useful information for users of the financial statements. This election is consistent with the determination by Management that the Company is an entity of similar type to an investment entity defined in IFRS 10 as discussed above.

(b) Key Sources of estimation uncertainty

Fair value of financial instruments
Substantially all the Company's financial assets and some liabilities included in the company's financial statements require measurement at, and/or disclosure of fair value. Management uses its judgment in selecting appropriate valuation techniques to determine fair value of investment securities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market price is used to determine the fair value of a financial instrument. For financial instruments where no market price is available, the fair values presented have been estimated using present value or other estimation and valuation techniques based on market conditions existing at the end of the reporting period.

The values derived from applying these techniques are significantly affected by the underlying assumptions used concerning both the amounts and timing of future cash flows and the discount rates. The following methods and assumptions have been used:

3. Critical Accounting Judgements and Estimates (Continued)

(b) Key Sources of estimation uncertainty (continued)

Fair value of financial instruments (continued)

(i) Investment securities classified as FVTPL and FVTOCI are measured at fair value by reference to quoted market prices when available re last bid, ask and trade prices. If quoted market prices are not available, then fair values are estimated on the basis of pricing models or discounted cash flows or other recognized valuation techniques.

The fair values of liquid assets and other assets maturing within one year are assumed to approximate their carrying amount. The assumption is applied to liquid assets and short term elements of all financial assets and liabilities.

(ii) The fair values of variable rate financial instruments are assumed to approximate their carrying amounts.

The company uses the following three level fair value hierarchy in accordance with IFRS in determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 quoted prices in active markets for identical assets or liabilities

Level 2 other techniques for which all inputs which have a significant effect on the recorded fair value is observable, either directly or indirectly.

Level 3 techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Transfers of items between levels are recognised in the period they occur.

The company measures its investment securities at fair value using level 1 inputs.

Income Taxes

There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for actual and anticipated tax audit issues based on estimates of whether additional taxes will be due. In determining these estimates, Management considers the merit of any tax audit issues raised, based on their interpretation of the taxation laws, and their knowledge of any precedents established by the taxation authorities. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences could materially impact the current tax and deferred tax provisions in the period in which such determination is made. The Company also recognises deferred tax assets on tax losses carried forward where it anticipates making future taxable income to offset these losses.

The St. Lucian tax authorities enacted certain tax laws in 2012 and 2019 that contain certain grandfathering provisions. Some of those changes came into effect during 2021 for the Company, while others were effective in 2022. These are discussed in note 24.

(expressed in United States dollars unless otherwise indicated)

4. Cash and Deposits

	2022 $	2021 $
Cash and cash equivalents (as per statement of cash flows)	2,085,672	2,039,380
Restricted deposit account	284,478	271,195
	2,370,150	2,310,575

Included in deposits is interest receivable of $846 (2021: $63)

5. Reconciliation of Liabilities arising from Financing Activities

The table below details the movement in debt for each of the periods presented. Financing activities represent debt security issued and other loans.

	Debt security in issue		Promissory note payable	
	2022 $	2021 $	2022 $	2021 $
At 1 January 2021	14,272,342	15,484,054	6,522,299	-
Interest payable	(19,873)	(28,699)	(25,418)	-
	14,252,469	15,455,355	6,496,881	-
Loans received	-	-	-	7,953,480
Principal repayments	-	-	-	(1,325,823)
Interest payable	8,681	19,873	-	25,418
Amortisation of borrowing costs	23,372	23,733	-	-
Currency translation adjustments	275,138	(1,226,619)	125,276	(130,776)
At 31 December 2022	14,559,660	14,272,342	6,622,157	6,522,299

6. Investment Securities

	2022 $	2021 $
Equity securities at FVTOCI	31,424,608	31,625,471
Equity securities at FVTPL	8,137,813	2,674,265
	39,562,421	34,299,736

7. Investments in Associates

Details of each of the Company's material associates at FVTPL at the end of the reporting period are as follows:

	2022 $	2021 $
Supreme Ventures Limited	96,478,979	58,369,859
Caribbean Producers Jamaica Limited	17,154,430	18,651,405
Lasco Financial Services Limited	5,009,774	4,949,736
Ironrock Insurance Company Limited	631,641	805,256
	119,274,824	82,776,256

(expressed in United States dollars unless otherwise indicated)

8. Related Party Transactions and Balances

	2022 $	2021 $
(a) Transactions with related parties		
Interest expense (i)	594,426	312,046
Investment management fee and incentive fee (ii)	2,318,639	597,123
Dividend income	2,949,310	2,273,979
Administrative support and professional fees	386,847	103,862
Key management compensation	50,346	29,829
Directors' emoluments	36,333	44,549
(b) Year-end balances arising from transactions with related parties		
Due to -		
Parent company – Mayberry Investments Limited (i)	13,885,613	6,692,707
Mayberry Asset Managers Limited (included in note 10) (ii)	1,797,207	809,647
	15,682,820	7,502,354

(i) This comprises a promissory note payable as discussed in note 12, and an outstanding inter-company balance of $7,263,456 (2021 - $170,408) which attracts interest at a rate of 6.8% per annum. The inter-company balance of $7,263,456 has no fixed repayment terms.

(ii) On February 15, 2017, the Company entered into an agreement with Mayberry Asset Managers Limited, a company incorporated in St. Lucia that is controlled by two of the Company's directors. The agreement provides for the following fees to be paid to Mayberry Asset Managers Limited as compensation for the services rendered, and expenses borne by it, calculated as follows:

1. A management fee calculated as 0.50% of the net asset value; and
2. An incentive fee calculated as 8.00% of the increase in the comprehensive income.

The management fee is accrued and charged quarterly in arrears. The amount charged for the year was $740,471 (2021 - $597,123) (note 19)

The incentive fee is accrued and charged on the last day of each calendar year with reference to the comprehensive income earned for the calendar year in question. No incentive fee is payable if the net book value per share falls below previous levels attained ('hurdle per share") until and unless those previous levels are regained and surpassed. The amount charged for the year was $1,578,168 (2021 – nil) (note 19).

(expressed in United States dollars unless otherwise indicated)

9. Intangible Asset

	2022
	$
Cost	
At December 2020	475,242
Amounts written off during the period (note 10)	431,581
At December 2021 and 2022	43,661
Accumulated depreciation-	
At December 2020	94,578
Charge for the year	49,240
Relieved on write-off	(110,345)
At December 2021	33,473
Charge for the year	10,188
At December 2022	43,661
Net book value	
At December 2022	-
At December 2021	10,188

10. Accounts Payable

	2022	2021
	$	$
Audit fee payable	21,828	20,634
Contract termination fees payable (i)	-	440,000
Investment management fee (note 8 (b))	197,673	809,647
Investment incentive fee	1,599,534	-
Dividend payable	24,426	-
Other payables	11,884	138,170
	1,855,345	1,408,451

(i) A computer application previously used for the Company's operations was discontinued during the prior year. This represents amounts provided for the early termination of the contract with the vendor.

(expressed in United States dollars unless otherwise indicated)

11. Deferred Taxation

Movement on the Company's deferred tax liability is as follows: -

	2022 $	2021 $
Balance at beginning of year	-	124,089
Deferred tax credit (note 20)	-	(91,186)
Deferred tax credit to other comprehensive income on investment securities	-	(32,903)
Balance at end of year	-	-

	Investment securities & Associates $	Tax Losses $	Total $
At 1 January 2021	252,399	(128,310)	124,089
Charged/(Credit)			
- to profit or loss	(219,496)	128,310	(91,186)
- to other comprehensive income	(32,903)	-	(32,903)
At 31 December 2021 and 31 December 2022	-	-	-

At December 31, 2022 the Company had unused tax losses of $2,924,150 (2021 - $2,924,150) available for offset against future profits. No deferred taxes have been calculated as with several laws that came into effect July 1, 2021 in St. Lucia, it is not considered probable that there will be taxable profits for the foreseeable future based on the Company's primary sources of revenue being external to St. Lucia (note 24).

12. Promissory Note Payable

On September 1, 2021, the Company entered into a loan facility with MIL, executed via a promissory note, amounting to $7,953,480 (J$1.2 billion) at a fixed rate of 6.80% per annum with quarterly interest payments. The note matures in 2026, however the loan can be prepaid upon giving the requisite notice without premium or penalty and shall be made with the accrued interest on the amount prepaid. Interest payable included in the balance at year end amounted to $nil (2021 – $25,418).

The note is secured by some of the Company's investments in associated companies included in note 14. The loan is subject to a material adverse change in financial condition clause.

(expressed in United States dollars unless otherwise indicated)

13. Debt Security in Issue

	2022	2021
	$	$
Corporate Bond Holders	14,550,979	14,252,469
Interest payable	8,681	19,873
	14,559,660	14,272,342

On September 24, 2018 the Company completed a secured corporate bond issue amounting to $17,349,489 (J$2.2 billion). The above amount is shown net of transaction costs which are being amortised over the life of the bond. The bond matures in 2023 and is at a fixed interest rate of 7.25% per annum which is paid quarterly. The bond was arranged by Sagicor Investments Jamaica Limited and is registered with JCSD Trustee Services Limited.

The bond is secured by some of the Company's quoted equity investments, included in note 14, in various entities that are being traded on the JSE. The following financial covenants are required to be maintained:

i. Interest coverage ratio must be at least 1.5x;
ii. Total debt to equity ratio must not exceed 40%, and;
iii. Carrying value of the quoted equity investments must be at least 1.5x the carrying amount of the debt security in issue.

The company has complied with these covenants.

14. Pledged Securities

The carrying amounts of assets pledged as security for current and non–current borrowings are:

	2022	2021
	$	$
Restricted deposit	284,478	271,195
Investment securities at FVTOCI	6,812,039	9,009,179
Investments in associates at FVTPL	116,350,329	80,075,507
	123,446,846	89,355,881

15. Share Capital

	2022 No. of Shares	2022 $	2021 No. of Shares	2021 $
Authorised:				
1 special rights preference share of $1,000 par value				
4,000,000 ordinary shares $0.01 par value				
Issued and fully paid				
Preference share	1	1,000	1	1,000
Ordinary shares	1,201,149,291	20,555,260	1,201,149,291	20,555,260
	1,201,149,292	20,556,260	1,201,149,292	20,556,260

On January 19, 2018 a resolution was passed by the Board that each of the issued ordinary shares of the Company be sub-divided into 100 ordinary shares of $0.01 each and also creating a single special rights preference share of $1,000 par value. After the subdivision of shares, the parent company, MIL, surrendered 854,376,709 units of its shareholdings to the Company.

On February 28, 2018, MIL issued a dividend in specie to its shareholders by transferring 10% or 120,114,929 units of Mayberry Jamaican Equities Limited's issued share capital to all MIL shareholders on record as at February 16, 2018.

On July 31, 2018, 120,114,929 of MIL's shares in the Company were issued through an IPO for a value of $908,292,799 and an additional 60,057,465 shares at a value of $81,077,577 were transferred by MIL to Mayberry Asset Managers Limited on September 28, 2018, to be placed in Mayberry Investments Limited Employee Share Incentive Plan.

The rights of the Special Share are set out in section 10A of the amended Articles of Association of the Company and require the consent in writing of the holder of the Special Share to vary some provisions of the Articles.

16. Fair Value Reserve

This represents net unrealized gains on the revaluation of equity securities classified as FVTOCI.

17. Translation Reserve

This represents the foreign currency translation gains or losses arising from the conversion from functional currency (Jamaican dollar) to presentation currency (United States dollar).

18. Interest Income and Interest Expense

	2022 $	2021 $
Interest income on financial assets at amortised cost	21,449	6,655
Interest expense on financial liabilities at amortised cost:		
Inter-company finance charges (note 8(a))	(594,426)	(312,046)
Debt security in issue	(1,065,497)	(1,075,224)
	(1,659,923)	(1,387,270)

(expressed in United States dollars unless otherwise indicated)

19. Expenses by Nature

	2022 $	2021 $
Legal and professional fees	439,931	235,200
Investment management fee (note 8a)	740,471	597,123
Investment incentive fee (note 8a)	1,578,168	-
Registrar and brokerage fees	110,746	44,419
Salaries	50,346	29,786
Marketing & public relations	47,354	47,069
Amortisation of intangible asset (note 9)	10,188	49,240
Write-off of intangible asset (note 9/10)	-	299,674
Contract termination fees (note 10)	-	440,000
Computer license fees	2,424	218,604
Directors' fees	36,333	23,071
Other	83,994	25,255
	3,099,955	2,009,441

20. Taxation

The taxation charge on net profit for the year consists of the following:

	2022 $	2021 $
Current tax	-	73,740
Deferred tax (note 11)	-	(91,186)
	-	(17,446)

The tax on the Company's net profit before taxation differs from the theoretical amount that would arise using the applicable tax rates to profits as follows:

	2022 $	2021 $
Profit before taxation	33,193,301	16,432,623
Tax at 1%	-	164,326
Tax at 30%	9,957,990	-
Non-taxable income	(9,957,990)	(13,570)
Effect of changes in tax rates (see below)	-	(168,202)
	-	(17,446)

The tax rate has changed effective July 1, 2022 when the Company became subject to the Income Tax Act (ITA) No. 7 of 2012. As of that date, the previous elective of being subject to taxation at the rate of 1% was repealed and the Company deemed fully resident for tax and other purposes in Saint Lucia. The Company is subject to taxation at a rate of 30%. The company has applied the provisions of the Foreign Source Income exemption under Section 8(3) of the ITA to its income derived from sources outside of Saint Lucia (note 24).

(expressed in United States dollars unless otherwise indicated)

21. Financial Ratios

(a) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of shares in issue during the year.

	2022	2021
Net profit attributable to stockholders ($)	33,193,301	16,450,069
Weighted average number of ordinary shares (units)	1,201,149,291	1,201,149,291
Basic earnings per stock unit ($)	0.028	0.014
Fully diluted earnings per stock unit ($)	0.028	0.014

The following metrics are non - GAAP financial measures which provide additional information on the value of each share. We believe this provides useful information to investors in interpreting the Company's financial results relative to their individual investments.

(b) Net book value per stock unit

Net book value is calculated by dividing the value of the total assets less its total liabilities by the number of ordinary stock share units in issue at the end of the year.

	2022	2021
Net book value end of year ($)	130,962,432	97,264,118
Number of ordinary shares in issue (units)	1,201,149,291	1,201,149,291
Net book value per stock unit ($)	0.109	0.081

(c) Market value of ordinary stock

Market value of ordinary stock units is calculated by multiplying the closing bid price per share as quoted on the JSE converted into United States dollars by the number of ordinary stock share units in issue at the end of the year.

	2022	2021
Closing bid price per unit as at 31 December ($)	0.081	0.052
Number of ordinary shares in issue (units)	1,201,149,291	1,201,149,291
Market value of ordinary shares ($)	97,293,093	62,429,817

22. Dividends

	2022	2021
Dividends paid	478,723	485,310

On June 16, 2022, an ordinary dividend of $0.0004 (J$0.06) per share was approved by the Board of Directors for payment on July 18, 2022.

On May 03, 2021, an ordinary dividend of $0.0004 (J$0.06) per share was approved by the Board of Directors for payment on May 21, 2021.

(expressed in United States dollars unless otherwise indicated)

23. Financial Risk Management

The Company is exposed through its operations to the following financial risks:

- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Liquidity risk, and
- Equity price risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

In addition to the financial risks outlined above, the Company may be impacted by the lingering effects of the COVID-19 pandemic and geo-political events such as the war in Ukraine also with the potential to negatively impact the world economy if there is escalation. These events have dampened the global growth forecasts for 2023 and are a risk to financial markets. The Company has reviewed the objectives, policies and processes for managing the risks and the methods used to measure them in order to improve the effectiveness of its risk management strategies.

(a) Financial instruments by category

	At amortised cost		FVTOCI		FVTPL	
	2022 $	2021 $	2022 $	2021 $	2022 $	2021 $
Financial Assets						
Cash and bank balances	2,370,150	2,310,575	-	-	-	-
Investment securities	-	-	31,424,608	31,625,471	8,137,813	2,674,265
Investments in associates	-	-	-	-	119,274,824	82,776,256
Other receivables	55,655	239,012	-	-	-	-
Total Financial Assets	2,425,805	2,549,587	31,424,608	31,625,471	127,412,637	85,450,521
Financial Liabilities						
Due to parent company	7,263,456	170,408	-	-	-	-
Accounts payable	1,855,345	1,408,451	-	-	-	-
Debt security in issue	14,559,660	14,272,342	-	-	-	-
Promissory note payable	6,622,157	6,522,299	-	-	-	-
Total Financial Liabilities	30,300,618	22,373,500	-	-	-	-

23. Financial Risk Management (Continued)

(b) Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and bank balances, other receivables, debt security in issue, promissory note payable, due to parent company, and accounts payable.

Due to their short-term nature, the carrying values of cash and bank balances, other receivables, due to parent company, and accounts payable approximate their fair value.

The fair value of debt security in issue is $14,374,405 (2021 - $13,976,705) and the fair value of promissory note payable is $5,576,031 (2021 - $6,248,818). The fair values are based on cash flows discounted using a borrowing rate of 9.25% (2021 - 8.50%) and 12.25% (2021 – 7.75%) respectively.

(c) Financial instruments measured at fair value

All of the Company’s investment securities and investments in associates that are subsequently measured at fair value are Level 1 instruments. There were no transfers between levels during the period.

(d) Financial risk factors

The Board has overall responsibility for the determination of the Company’s risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company’s finance function. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, investments of excess liquidity and the impacts of global and geo-political events.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below:

Market risk
Market risk arises from the Company's use of interest-bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

Price risk
Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

(expressed in United States dollars unless otherwise indicated)

23. Financial Risk Management (Continued)

(e) Financial risk factors (continued)

Equity price risk
The Company is exposed to equity securities price risk, which arises from the securities held by the Company as part of its investment portfolio. The primary goal of the Company's investment strategy is to maximise investment returns. To manage its price risk arising from equity securities in the Company's investment portfolio, the Company uses equity diversification. The company's investments in associates which are not characterised as financial assets are measured at FVTPL and have therefore been included in this sensitivity analysis below as they account for a material proportion of equity securities held.

The table below summaries the sensitivity of the Company's net income and other comprehensive income to a reasonable possible change in equity price movements as at December 31. The analysis is based on the assumption of a 6% (2021 – 5%) increase or a 6% (2021 – 10%) decrease in equity prices, with all other variables remaining constant.

	Net effect on profit after tax 2022 $	Effect on Other Comprehensive Income 2022 $	Net effect on profit after tax 2021 $	Effect on Other Comprehensive Income 2021 $
6% (2021 – 5%) increase	7,644,758	1,885,476	4,272,526	1,581,274
6% (2021 – 10%) decrease	(7,644,758)	(1,885,476)	(8,545,052)	(3,162,548)

Currency risk
Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

Currency risk arises from other receivables, accounts payable, due to/from related companies and cash and cash equivalents. The Company manages this risk by ensuring that the net exposure in foreign assets and liabilities are kept to an acceptable level by monitoring currency positions.

(expressed in United States dollars unless otherwise indicated)

23. Financial Risk Management (Continued)

(e) Financial risk factors (continued)

Currency risk (continued)

The Company is exposed to foreign currency risk in respect of the fluctuation of the United States dollars ("USD") against the Jamaican Dollar ("JMD") as follows:

	2022 $	2021 $
Assets:		
Cash and bank balances	2,032,051	2,009,941
Other receivable	55,655	160,000
Total assets	2,087,706	2,169,941
Liabilities		
Due to parent company	802,879	170,408
Accounts payable	1,202	463,823
Total liabilities	804,081	634,231
Net position	1,283,625	1,535,710

The following table indicates the sensitivity of profit or loss before tax to changes in foreign exchange rates. The change in currency rate below represents Management's assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated balances listed above and adjusts their translation at the year-end for 4% (2021 – 6%) depreciation and a 1% (2021 – 2%) appreciation of the USD against the JMD.

The changes below would have no impact on other components of equity.

	% Change in Currency Rate 2022	Effect on Profit before tax 31 December 2022	% Change in Currency Rate 2021	Effect on Loss before tax 31 December 2021
Currency:				
USD	-4	51,345	-6	92,143
USD	+1	(12,836)	+2	(30,714)

Cash flow and fair value interest rate risk
Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Floating rate instruments expose the Company to cash flow interest rate risk, whereas fixed rate instruments expose the Company to fair value interest rate risk.

At the reporting date the Company had no material financial assets or liabilities that were subject to cash flow interest rate risk and therefore no interest rate mismatches from interest bearing assets and liabilities. There are two fixed rate debt instruments: promissory note payable and corporate debt which exposes the Company to fair value interest rate risk. The intention is to hold these instruments to maturity with prepayments where the terms facilitate.

23. Financial Risk Management (Continued)

(e) Financial risk factors (continued)

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk arises from other receivables, and cash and bank balances.

The maximum exposure to credit risk is equal to the carrying amount of other receivables, and cash and bank balances in the statement of financial position.

Cash transactions are limited to high credit quality financial institutions. The Company has policies that limit the amount of credit exposure to any one financial institution. The ECL related to other receivables is considered immaterial.

Liquidity risk
Liquidity risk is the risk that the Company is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk management process
The Company's liquidity risk management process, as carried out within the Company and monitored by the finance department includes:

(i) Monitoring future cash flows and liquidity on a daily basis.

(ii) The maintenance of stable funding facilities to meet ongoing cash commitments even during periods of stress.

(iii) Ongoing assessment of expected cash flows and the availability of high-grade collateral which could be used to secure funding if required.

(iv) Maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow.

(v) Optimising cash returns on investments.

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23. Financial Risk Management (Continued)

(e) Financial risk factors (continued)

Liquidity risk (continued)
The table below presents the undiscounted cash flows (both interest and principal cash flows) to settle financial liabilities, based on contractual repayment obligation.

	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Total
	$	$	$	$	$	$
Financial Liabilities 2022						
Accounts payable	36,310	1,819,035	-	-	-	1,855,345
Debt security in issue	-	260,441	15,043,327	-	-	15,303,768
Promissory note payable	-	111,035	339,272	7,808,993	-	8,259,300
Due to parent company	8,760	-	7,254,696	-	-	7,263,456
Total financial liabilities (contractual maturity dates)	45,070	2,190,511	22,637,295	7,808,993	-	32,681,869

	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Total
	$	$	$	$	$	$
Financial Liabilities 2021						
Accounts payable	20,634	1,387,817	-	-	-	1,408,451
Debt security in issue	-	19,873	1,036,253	15,070,329	-	16,126,455
Promissory note payable	-	134,352	332,854	8,153,053	-	8,620,259
Due to parent company	170,408	-	-	-	-	170,408
Total financial liabilities (contractual maturity dates)	191,042	1,542,042	1,369,107	23,223,382	-	26,325,573

24. Tax Laws Coming into Effect

End of Grandfathered Status

As of 1st July 2021, all Grandfathered International Business Corporations (IBC's) incorporated prior to 15th November 2018 became subject to the Income Tax Act (ITA) No. 7 of 2012. Amongst other matters, this requires additional filing requirements of affected companies and see IBC's now being able to do business in and with Saint Lucians and be deemed fully tax resident for tax and other purposes in Saint Lucia. The previous electives of being tax exempt or subject to taxation at the rate of 1% were repealed and, the Company is now subject to taxation at the rate of 30%.

As of July 1, 2021, the Company also became subject to the Economic Substance Act (as amended by Act 15 of 2020) (ESA) and previously grandfathered IBC's are required to commence Economic Substance Return ("ESR") filings by specified dates.

Section 13 of the Economic Substance (Amendment) Act No. 15 of 2020 prescribes that all relevant entities formed prior to 1st January 2019 are required to submit a first ESR filing twelve months after the end of the year of income.

Economic Substance

In December 2019, Saint Lucia enacted the Economic Substance Act No.33 of 2019, in order to comply with international initiatives and demands. This is a precursor to the Economic Substance Return Form to be introduced for the purpose of proving that companies can demonstrate sufficient substance in its economic activities undertaken, which proof will be measured amongst other things, by looking at, extent of physical presence, place and conduct of meetings of the Directors, and the number of employees engaged commensurate with revenue generated by the Company.

The Company is a Pure Equity Holding Company which under S.11.(3) of the ESA, are subjected to a lesser amount of "substance". The Company awaits the competent authorities review of its first ESR filing due by December 31, 2022, to determine if its Core income Generating Activities (CIGA) and operations meet the required standards. Once in compliance with the provisions of the ESA, the provisions of the Foreign Source Income exemption under Section 8(3) of the ITA applies to income derived from sources outside of Saint Lucia.