

THIS PROSPECTUS is dated January 22, 2025 and is issued by MAYBERRY INVESTMENTS LIMITED (the “Company” or “Mayberry”). A copy of this Prospectus was delivered to the Registrar of Companies for registration pursuant to sub-section 40(2) of the Companies Act, 2004 and was so registered on January 23, 2025. The Registrar of Companies accepts no responsibility whatsoever for the contents of this Prospectus. A copy of this Prospectus was also delivered to the Financial Services Commission (“FSC”) for the purpose of registration of the Company as an issuer pursuant to section 26 of the Securities Act, and the Company was so registered on January 24, 2025. The FSC has neither approved this Prospectus nor passed upon the accuracy or adequacy of this Prospectus.

This Prospectus is intended for use in Jamaica only and is not to be construed as an invitation to any person outside Jamaica to subscribe or apply for any of the Secured Bonds.

No person is authorised to provide information or to make any representation whatsoever in connection with this Prospectus, which is not contained herein.

The Company’s Ordinary Shares were listed on the Main Market of the Jamaica Stock Exchange in April 2005 and delisted in December 2023. The Company’s financial statements between 2005 up to the quarter ended December 2023 are available at <https://www.mayberryinv.com/investor-relations/>

PROSPECTUS

By



Amount:	J\$2,300,000,000.00
Tenor:	Twenty-Four (24) Months
Interest Rate:	10.25% per annum
Financial Covenants:	(i) Maximum Leverage Ratio of no more than 4.0x (ii) Minimum Current Ratio of no less than 1.20x
Collateral:	1. Secured by charge over the Secured Loan Book Pool
Minimum Subscription:	2. Minimum of J\$20,000.00 with increments in multiples of J\$10,000.00

MAYBERRY INVESTMENTS LIMITED
Registered Office: 1½ Oxford Road, Kingston 5, Jamaica
Telephone: (876) 929-1908-9
Website: <https://www.mayberryinv.com/>

This invitation relates to the offer by MAYBERRY INVESTMENTS LIMITED (“Mayberry”) for subscription of Secured Bonds having an aggregate principal amount of up to J\$2,300,000,000.00 with an option to up-size to J\$3,450,000,000.00.

The Form of Bond is set out in Appendix 3. Each Secured Bond shall be issued subject to the terms and conditions set out therein, and in the Trust Deed entered into by the Company and the Security Trustee. Application Guidelines are set out in Appendix 1, together with instructions on completing and submitting an Application. The Invitation for Applicants to apply to purchase the Secured Bonds will open at 9:00 a.m. on January 31, 2025 and will close at 4:30 p.m. on February 28, 2025 subject to the right of the Company to (a) close the Invitation at any time after 9:00 a.m. on January 31, 2025 with notice posted on the website of the Jamaica Stock Exchange (www.jamstockex.com), once all of the Secured Bonds are fully subscribed and (b) extend the Closing Date for receipt of Applications with notice posted on the aforementioned website of the Jamaica Stock Exchange. It is expected that the Secured Bonds will be admitted to listing on the Bond Market of the Jamaica Stock Exchange within twenty-one (21) days of the Closing Date (or extended Closing Date, as the case may be) and that dealings in the Secured Bonds will commence on the date of admission. Please note that this statement of the Company's intention is not a guarantee that the Secured Bonds will in fact be admitted to trading on the Bond Market of the Jamaica Stock Exchange.

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IMPORTANT NOTICE & **DISCLAIMER**

Invitation is made to Jamaican Residents in Jamaica

This Prospectus is intended for use in Jamaica only and is not to be construed as an invitation to any person outside of Jamaica to subscribe or apply to purchase any interest in the Secured Bonds. The distribution or publication of this Prospectus and the offering of Secured Bonds in certain jurisdictions may be restricted by law and, accordingly, persons into whose possession this Prospectus may come are required to inform themselves about, and to observe, such restrictions.

The Secured Bonds have not been nor will they be registered or qualified under the United States Securities Act, 1933, as amended, (the "1933 Act") or any applicable Blue Sky law or other security law of any State or political sub-division of the United States of America. The Secured Bonds may not be offered, sold, transferred, or delivered, directly or indirectly in the United States of America, its territories or possessions or any area subject to the jurisdiction of the United States or in any other country in which an invitation to subscribe for the Secured Bonds or the offering of the Secured Bonds is not permitted by applicable law.

Content of this Prospectus

This Prospectus contains important information for prospective investors in the Company. All prospective investors should read the Prospectus carefully in its entirety before submitting an Application Form.

If you are in doubt about the contents of this Prospectus, you should consult your stockbroker, securities dealer, investment adviser, bank manager, attorney-at-law, professional accountant or other professional adviser.

This Prospectus contains summaries of certain documents which the Board of Directors of the Company believe are accurate. Prospective investors may wish to inspect the actual documents that are summarized, copies of which will be available for inspection as described in Part 16. Any summaries of such documents (including any of the documents relating to issuance of the Secured Bonds) appearing in this Prospectus are qualified in their entirety by reference to the complete document. In cases of any conflict between the terms of this Prospectus and the transaction documents relating to the Secured Bonds, the latter will prevail.

The publication of this Prospectus shall not imply that there has been no change in the business, results of operations, financial condition or prospects of the Company since the date of this Prospectus.

Neither the FSC, nor the Registrar of Companies or any other Government agency or regulatory authority in Jamaica has made any determination as to the accuracy or adequacy of the matters contained in this Prospectus.

Responsibility for Content of this Prospectus

The Directors of Mayberry Investments Limited, whose names appear in Part 17 of this Prospectus, are the persons responsible for the information contained herein. To the best of the knowledge and belief of such Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to materially affect the import of such information. Each of such persons accepts responsibility accordingly.

No person is authorised to provide information or to make any representation whatsoever in connection with this Prospectus, which is not contained in this Prospectus.



Application to Subscribe for Secured Bonds

This Prospectus is not a recommendation by the Company that prospective investors should submit Application Forms to subscribe for Secured Bonds issued by the Company. Prospective investors in the Company are expected to make their own assessment of the Company, and the merits and risks of subscribing for Secured Bonds. Prospective investors are also expected to seek appropriate advice on the financial and legal implications of subscribing for Secured Bonds, including but not limited to any tax implications.

Each Applicant who submits an Application Form acknowledges and agrees that:

- (i) he/she has been afforded a meaningful opportunity to review the Prospectus (including in particular the terms and conditions set out in Section 6.14), and to gather and review all additional information considered by him/her to be necessary to verify the accuracy of the information contained in this Prospectus;;
- (ii) he/she has not relied on the Company or any other person in connection with his/her investigation of the accuracy of such information or his/her investment decision; and
- (iii) no person connected with the Company has made any representation concerning the Company or this Prospectus not contained in this Prospectus, on which the Applicant has relied in submitting his/her Application Form.





SUMMARY OF **INVITATION**

SUMMARY OF INVITATION

ISSUER:

Mayberry Investments Limited, a company incorporated under the laws of Jamaica (the "Issuer", "Mayberry", the "Company" or "MIL").

INSTRUMENTS:

The Secured Bonds are being issued in one (1) series as follows:

Amount (J\$)	J\$2,300,000,000.00
Interest Rate (per annum)	10.25%
Tenor	24 months

OPTION UP-SIZE:

The Company reserves the right to up-size the Invitation by issuing an additional J\$1,150,000,000.00 in Secured Bonds.

ISSUE PRICE:

100% of principal face value.

MINIMUM SUBSCRIPTION:

J\$20,000.00, and further increments of no less than J\$10,000.00.

INTEREST CALCULATION:

Interest will be calculated and accrued from day to day (after as well as before any judgment) but prorated on the basis of a 360-day year and paid quarterly on each Interest Payment Date. The first Interest Payment Date will be March 31, 2025.

Interest will begin to accrue from the date an Applicant receives an Allocation Certificate or other written confirmation of the commencement of accrual of interest (whichever is earlier).

INTEREST PAYMENT DATE:

Interest will be due and payable on December 31, March 31, June 30, and September 30 in each year, save and except that the first Interest Payment Date shall be March 31, 2025 and the final Interest Payment Date shall also be the Maturity Date.

MATURITY DATE:

The Business Day falling twenty-four (24) months after the Issue Date.

SECURITY:

The Company's obligation to pay will be secured by a charge over the Secured Loan Book Pool.

See Section 6.8 for a more detailed description of the collateral.



FINANCIAL COVENANTS:	<p>The Secured Bonds benefit from two (2) financial covenants (the “Financial Covenants”). In brief, the Financial Covenants require the Company to maintain a:</p> <ul style="list-style-type: none"> (i) Maximum Leverage Ratio of 4.00x (ii) Minimum Current Ratio of 1.20x <p>See Section 6.7 for more information on the Financial Covenants.</p>
EARLY REDEMPTION:	<p>The Company may voluntarily prepay the Secured Bonds or redeem, at par, all or some only of the Secured Bonds in issue without premium or penalty on any Interest Payment Date subject to giving thirty (30) days’ notice.</p>
PRINCIPAL:	<p>Principal along with accrued interest will be due and payable on the relevant Maturity Date without a prepayment penalty or early redemption fee on the date of early redemption or prepayment.</p>
USE OF PROCEEDS:	<p>The Company intends to use the proceeds to repay in full the Mayberry Investments Limited J\$2.282b – 11.00% Fr Secured Bond January 2025 – Tranche III aggregating to J\$2,282,770,000.00.</p> <p>The Company also intends to pay the expenses associated with the Invitation out of the proceeds.</p>
EVENTS OF DEFAULT:	<p>The Events of Default are set out in full at Section 6.9.</p>
TAXATION:	<p>Interest payments to Jamaican resident Bondholders will be subject to tax at 25%. Such interest will be withheld by the Registrar and Paying Agent and paid to the relevant tax authority. A certificate in the usual form confirming payment of such tax will be issued to the relevant Bondholder by the Registrar and Paying Agent.</p> <p>Bondholders that are resident outside of Jamaica may be subject to higher or lower rates of tax on interest and principal depending on their circumstances.</p> <p>Each prospective Bondholder should consult with an independent advisor as to the rate of withholding and other taxes that is applicable to them.</p> <p>If the Secured Bonds are listed on the Bond Market of the JSE as anticipated, the transfer of the Secured Bonds will be exempt from both Transfer Tax and Stamp Duty.</p>
LISTING:	<p>The Company will apply to the JSE to list the Secured Bonds on the Bond Market Platform of the JSE. This is not a guarantee that the application will be successful.</p>
JCSD PROCESSING FEE:	<p>J\$172.50 per Application.</p>
SECURITY TRUSTEE ADMINISTRATION AGENT:	<p>JCSD Trustee Services Limited.</p>
TERMS AND CONDITIONS:	<p>See Section 6.14 of this Prospectus.</p>



KEY DATES:

Registration of Prospectus with COJ: January 23, 2025

Registration of Prospectus with FSC: January 24, 2025

Publication of Prospectus: January 24, 2025

Opening Date: 9:00 A.M. on January 31, 2025

Closing Date: 4:30 P.M. on February 28, 2025

*subject to the right of the Company to shorten or extend the subscription period in the circumstances set out in this Prospectus.

APPLICATION GUIDELINES:

See Appendix 1 of this Prospectus.

APPLICATION PROCEDURES:

See Section 6.14 of this Prospectus.

APPROVED PAYMENT METHODS:

- (i) Manager's cheque payable to the Applicant's stockbroker, Mayberry and/or any of the approved Selling Agents for amounts less than J\$1.0 million;
- (ii) Cleared funds held in an equity/investment account in the Applicant's name at Mayberry supported by an authorization from the Applicant instructing Mayberry to debit the Applicant's equity/investment account;
- (iii) (Transfer from the Applicant's account held with the Applicant's stockbroker;
- (iv) (Transfer in the Real Time Gross Settlement (RTGS) system to an account designated by Mayberry;
- (v) Transfer via the Automated Clearing House (ACH) to an account designated by Mayberry.

Note that: A penalty of J\$5,000.00 is imposed by commercial banks in Jamaica in respect of cheques (including manager's cheques) tendered for payment in an amount greater than or equal to J\$1,000,000.00.

Application Forms that meet the requirements set out in this Prospectus and the Application Guidelines in Appendix 1 will be accepted on a "first come first served basis".

BASIS OF ALLOTMENT:

If the Secured Bonds are oversubscribed (after the exercise of the option to up-size), it is likely that the Secured Bonds will be allocated on a pro rata basis, in which event Applicants may be allotted fewer Secured Bonds than were the subject of their Application(s). However, the Company (in the event of oversubscription) reserves the right to allot Secured Bonds on an alternative basis to be determined in its sole discretion including allotting a minimum of Secured Bonds to each Applicant and then allocating the excess on a pro rata basis or on such alternative basis as seems justifiable having regard to fairness and efficacy.

CONFIRMATION OF ALLOTMENT:

All Applicants may refer to the confirmation instructions that will be posted on the JSE Website (www.jamstockex.com) within six (6) Business Days of the Closing Date.

**RETURNED APPLICATIONS
REFUNDS:**

Available for collection where originally submitted within 10 (ten) days of the Closing Date (or the extended Closing Date, as the case may be).

*The Invitation will close at 4:30 p.m. on the Closing Date of February 28, 2025, subject to the right of the Company to: (i) close the Invitation at any time after 9:00 a.m. on the Opening Date of January 31, 2025 once the issue is fully sold and subscribed; and/or (ii) extend the Closing Date. In either case, notice will be posted on the website of the JSE (www.jamstockex.com).

**It is the intention of the Company to apply to the JSE for listing of the Secured Bonds on the Bond Market of the JSE. Please note that this statement of the Company's intention is not a guarantee that the Secured Bonds will in fact be admitted to trading on the Bond Market of the JSE.





LETTER TO **PROSPECTIVE INVESTORS**



MESSAGE TO PROSPECTIVE INVESTORS



January 16, 2025

Dear Prospective Investor,

Introduction

The Board of Mayberry Investments Limited is pleased to invite you to subscribe for a new series of Secured Bonds to be issued by the Company on the terms set out in this Prospectus.

A Balanced Portfolio

We continue to believe that investors should allocate a portion of their portfolio into fixed income investments such as the Secured Bonds as a part of a balanced portfolio.

The Secured Bonds carry a contractual right to quarterly interest payments. This under-appreciated quality was demonstrated during the past quarter when a number of locally listed corporates chose to either reduce or omit entirely their quarterly dividends.

Another valuable benefit of fixed income investments issued by blue-chip corporates is that they tend to have lower price movement than shares. A softer than expected quarterly financial update will typically cause more significant downward pressure on the share price than on the fixed-income instruments issued by the very same corporate.

In summary, allocating a portion of the Secured Bonds to your portfolio can reduce the overall risk of your portfolio and in our view better enable you in meeting your investment objectives.

Fixed Income Investments in Declining Interest Rate Environment

On September 30, 2024, the Bank of Jamaica's Monetary Policy Committee reduced its policy rate by 25 basis points

to 6.50% per annum. That was the second consecutive 25 basis point cut by the BOJ's MPC in the second half of 2024.

If interest rates continue their downward trajectory, the prevailing yield on the Secured Bonds will look even more attractive.

Opportunity for Small Investor

A significant benefit of the Secured Bonds is the low threshold to participate. The minimum investment in Secured Bonds is J\$20,000.00 with additional increments in multiples of J\$10,000.00. It can be difficult for smaller investors to find opportunities to make decent fixed income returns on their savings. For instance, real estate has gone on a multi-decade run-up, the small or the young investor that is looking to make their money work for them by investing in real estate, will typically need a minimum investment running well into eight (8) figures. There are of course ways for small investors to obtain exposure to real estate, but they will typically need to either accept lower yields than if they owned the investment property themselves or accept higher risk from a leveraged financing structure.

The Secured Bonds

A summary of the terms relating to the Secured Bonds is set out in Part 2. Part 6 provides more details on the Secured Bonds and this Invitation. The Secured Bonds will be allocated on a "first come first served" basis. In the event of over-subscription, the Board reserves the right (after up-sizing) and to allocate the Secured Bonds on a pro rata or other basis as the Board deems fit.

Mayberry will make an application to list the Secured Bonds on the Bond Market Platform of the JSE. If admitted to trading, Bondholders will have significantly more liquidity

¹<https://boj.org.jm/monetary-policy-press-release-may-2024/>

² <https://www.ecb.europa.eu/press/pr/date/2024/html/ecb.mp240606-2148ecdb3.c.en.htm?text=Key%20ECB%20interest%20rates.The%20Governing%20Council&text=Accordingly%2C%20the%20interest%20rate%20on%20from%2012%20June%202024>



as well as a quoted market price for the Secured Bonds for valuation purposes. Regardless of whether the Secured Bonds are in fact listed, the Secured Bonds will constitute a public issuance of freely tradable debt securities, so that a Bondholder may sell his/her Secured Bonds or a portion thereof to members of the general public. The freely tradable character of the Secured Bonds provides a Bondholder with additional methods to monetize their Secured Bonds without holding until maturity.

How to Apply for Secured Bonds

We are pleased to invite members of the public to invest in the Secured Bonds. Those persons who are interested in subscribing for Secured Bonds should read this Prospectus in its entirety inclusive of the full Terms and Conditions of the Invitation set out in Section 6.14, the Risk Factors in Part 11 and then follow the Application Guidelines set out in Appendix 1.

Hurricane Beryl

The 2024 hurricane season has been challenging for Jamaica and the Caribbean as a whole. I and team at Mayberry wish to extend our sympathies to all who have been negatively impacted by Hurricane Beryl and the adverse weather conditions during this difficult hurricane season.

Yours sincerely,
For and on behalf of the Company



Patrick Bataille Chief Executive Officer)





MAYBERRY
INVESTMENTS LIMITED
INCORPORATED IN 1988

DEFINITIONS

DEFINITIONS

The following definitions apply throughout this Prospectus unless the context otherwise requires:

"Act"	the Companies Act, 2004;
"Allocation Certificate"	the certificate of debt issued by the Security Trustee evidencing a Bondholder's proportionate interest in the Secured Bond;
"Allotment"	the issuance of Allocation Certificates by the Registrar to successful Applicants;
"Applicant"	a person (being an individual(s), company, body corporate or other legal entity) who submits an Application in accordance with the terms and conditions of this Prospectus;
"Application"	a duly completed application for Secured Bonds made by an Applicant(s) in the required Application Form obtained in accordance with the Application Guidelines in Appendix 1, and submitted as contemplated in this Prospectus along with payment of the price using an Approved Payment Method, with respect to the Secured Bonds, the subject of the Application;
"Application Form" or "Subscription Form"	the form of application to be used by all Applicants who wish to subscribe for Secured Bonds in the Invitation. The Application Guidelines in Appendix 1 set out where an Application Form may be obtained and submitted;
"Approved Payment Method"	any of the methods of payment described in Sub-Section 6.14.6 of this Prospectus required to be used by Applicants in effecting payment of the price;
"Articles"	the Articles of Incorporation of the Company;
"Auditors"	PricewaterhouseCoopers;
"Auditors' Report"	the report of PricewaterhouseCoopers set out in pages 75 to 78 of Appendix 5;
"Bond Market"	the trading platform for debt securities established by JSE;
"Bondholder(s)"	a registered holder(s) of the Secured Bonds from time to time;
"Bondholders' Majority"	at any time, one or more Bondholder(s) holding Secured Bonds having an aggregate principal value of more than 50% of all outstanding principal value of all the Secured Bonds;



"Business Day"	any day (other than a Saturday, Sunday or public general holiday) on which banks are open for business in the Corporate Area of Kingston & Saint Andrew, Jamaica;
"Closing Date"	the date on which the Subscription List in respect of this Invitation closes, being 4:30 p.m. on February 28, 2025, subject to the right of the Company to shorten or extend the subscription period in the circumstances set out in this Prospectus;
"the Company"	Mayberry Investments Limited, a company incorporated under the laws of Jamaica, and being the Company making this Invitation;
"Directors" or "Board"	the Board of Directors of the Company including a duly authorised committee "Board" thereof;
"Dollars" or "J\$"	Jamaican dollars;
"Enforcement Action"	any action taken by the Security Trustee on behalf of Bondholders to enforce recovery of obligations due under the Secured Bonds or under the Trust Deed or otherwise pursuant to any common law or statutory right including, without limitation, appointment of a receiver over the collateral;
"FSC"	the Financial Services Commission;
"Government"	the Government of Jamaica;
"IFRS"	International Financial Reporting Standards as adopted and applied in Jamaica by the Institute of Chartered Accountants of Jamaica
"Interest Payment Date"	any day on which an interest payment falls due on the Secured Bonds being: September 30, December 31, March 31, June 30 of each year commencing on March 31, 2025; provided that the final Interest Payment Date shall be the Maturity Date;
"Insolvency Event"	any of the following events occurring with respect to the Company namely: (i) the filing by the Company of a Notice of Intention or a Proposal under the Insolvency Act; or (ii) the commencement of proceedings by the Company to secure a composition of its debts under a court-approved scheme of arrangement or the making of any proposal to its creditors or any of them to compromise its debts; or (iii) the making by the Company of an application to the Supervisor of Insolvency for an assignment for the benefit of its creditors or if a creditor of the Company (or the Company itself) shall apply to the court for a receiving order to be made against it; or (iv) if the Company shall commit an act of bankruptcy under section 57 of the Insolvency Act; or (v) if a receiver (or an interim receiver) shall be appointed over the whole or any part of the assets of the Company;



"Invitation"	this Invitation to apply to purchase Secured Bonds on the terms and conditions set out in Section 6.14 and the Prospectus generally;
"JSE" or "the Exchange"	the Jamaica Stock Exchange;
"List"	the Subscription List applicable to this Invitation;
"Secured Loan Book Pool"	the Securities Loan Book and the Other Secured Loan Book as described in Section 6.8.
"Maturity Date"	the Business Day falling twenty-four (24) months after the Issue Date;
"Mayberry" or "MIL"	Mayberry Investments Limited, a company incorporated under the laws of Jamaica, and being the company making this Invitation;
"Minimum Denomination"	the minimum principal amount for which Applications will be received being J\$20,000, with increments of no less than J\$10,000;
"Opening Date"	the date on which the Subscription List in respect of this Invitation opens, being 9:00 a.m. on January 31, 2025;
"Ordinary Resolution"	a resolution (i) passed at a meeting of Bondholders (duly convened and held in accordance with the provisions of the Trust Deed) by the affirmative vote of the Bondholders holding not less than 50% in nominal value of the outstanding Secured Bonds who shall all be present in person or by proxy at such a meeting or (ii) approved in writing or on a poll of Bondholders by Bondholders holding not less than 50% in nominal value of the outstanding Secured Bonds;
"Selling Agents"	means the persons listed in Appendix 4 and any other licensed secured dealer appointed by the Company to act as a selling agent for the Secured Bonds;
"Shareholders"	holders of the Shares and includes Stockholders and vice versa;
"Shares"	no par value ordinary shares (including stock units) in the capital of the Company;
"Total Equity"	means the sum of the share capital, share premium, fair value reserve, retained profits, capital reserves and capital redemption reserve (if any);
"Security Trustee"	JCSD Trustee Services Limited;
"Tranche II"	means the Mayberry Investments Limited J\$2.282b – 11.00% Fr Secured Bond January 2025 – Tranche III that was listed on the Bond Market of the JSE on March 13, 2023.

In this Prospectus, the singular includes the plural and vice versa and references to one gender include all other genders. References to "person" include any individual, company or other corporate body or any firm or partnership.





FORWARD-LOOKING **STATEMENTS**



FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. Forward-looking statements are statements that are not about historical facts and speak only as of the date they are made and include without limitation the discussion of future plans and financial projections. Although the Company believes that in making any such statements its expectations are based on reasonable assumptions, such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. Prospective investors in the Company are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they have been made. Future events or circumstances could cause actual results to differ materially from historical or anticipated results.

Forward-looking statements may be identified by accompanying language such as “expects”, “intends”, “anticipates”, “estimates” and other cognate or analogous expressions or by qualifying language or assumptions. These forward-looking statements are subject to numerous risks and uncertainties. Once this Prospectus has been signed by or on behalf of the Company, and prior to the admission of the Secured Bonds to trade on the Bond Market of the JSE, the Company undertakes no obligation to update publicly or revise any of the forward-looking statements in light of new information or future events, including changes in the Company’s financial or regulatory position, or to reflect the occurrence of unanticipated events (subject to any legal or regulatory requirements for such disclosure to be made).

There are important factors that could cause actual results to differ materially from those in forward-looking statements, certain of which are beyond the Company’s control. These factors include, without limitation, the following:

- general economic and business conditions prevailing both locally and internationally including: actual rates of growth of the Jamaican and regional economies, interest rates or exchange rate volatility
- competition
- changes in political, social and economic conditions impacting market conditions in general and on the Company in particular
- adverse climatic events and natural disasters
- unfavourable market receptiveness to new products
- changes in any legislation or policy adversely affecting the revenues or expenses of the Company
- any other factor negatively impacting on the realization of the assumptions on which the Company’s financial projections are based
- other factors identified in this Prospectus

Neither the FSC nor any Government agency or regulatory authority in Jamaica has made any determination on the accuracy or adequacy of the matters contained in the Prospectus.



THE INVITATION



THE INVITATION

6.1 Authorization of the Invitation

6.1.1 The Company's Board of Directors by a resolution dated November 12, 2024 authorised the Company to raise up to J\$2,300,000,000.00 of Secured Bonds with the option to up-size to a maximum of J\$3,450,000,000.00 from an Invitation to the general public. The Company reserves the right to take up any sum more than J\$1,000,000,000.00. The Company's borrowing powers are set out at Appendix 2. The board resolution approving the Invitation is amongst the Documents Available for Inspection.

6.1.2 The Company will make an application to the JSE for the Secured Bonds to be admitted to trading on the Bond Market. If the application is successful, it is anticipated that the Secured Bonds will be admitted to trading within twenty-one (21) days of the Closing Date (or the extended Closing Date, as the case may be).

6.1.3 Prospective investors should read all of the sections referred to carefully together with the remainder of this document. Those prospective investors who wish to apply for Secured Bonds should also refer to the full terms and conditions set out in Section 6.14.

6.2 The Secured Bonds

The Secured Bonds will be issued in one (1) series as follows:

Amount:	J\$2,300,000,000.00
Tenor:	Twenty-Four (24) Months
Interest Rate:	10.25% per annum
Financial Covenants:	(i) Maximum Leverage Ratio of no more than 4.0x (ii) Minimum Current Ratio of no less than 1.20x
Collateral:	Secured by charge over the Secured Loan Book Pool
Minimum Subscription:	Minimum of J\$20,000.00 with increments in multiples of J\$10,000.00

6.3 Trust Deed

The Secured Bonds will be issued under a Trust Deed between the Company and JCSD Trustee Services Limited. Pursuant to the Trust Deed, JCSD Trustee Services Limited has been appointed security trustee for the benefit of Bondholders (the "**Security Trustee**"). The Security Trustee has also been appointed the registrar and paying agent (the "**Registrar and Transfer Agent**"). The Security Trustee's rights, powers and duties are set out in the Trust Deed.

6.4 Form of Secured Bond

6.4.1 On the Issue Date, the Company will issue the Secured Bond. The Secured Bond will be in the principal amount purchased by all Bondholders for the Secured Bonds. The Form of Secured Bond is set out in Appendix 3 hereto.

6.4.2 The Secured Bond is only being issued in Jamaica.



Patrick Bataille

Chief Executive Officer,
Mayberry Investments Limited



6.5 Interest Rate

6.5.1 The interest rate will be 10.25% per annum.

6.5.2 Interest will be calculated and accrued from day to day (as well after as before any judgment) but be prorated on the basis of a 360-day year and will be paid quarterly on each Interest Payment Date. The first Interest Payment Date will be March 31, 2025.

6.5.3 Interest will begin to accrue from the date an Applicant receives an Allocation Certificate or other written confirmation of the commencement of accrual interest (whichever is earlier).

6.6 Dates for payment of Principal and Interest

6.6.1 Interest will be due and payable on December 31, March 31, June 30, September 30 in each year, save and except that the first Interest Payment Date shall be March 31, 2025 and the final Interest Payment Date shall also be the Maturity Date.

6.6.2 Principal along with accrued interest will be due and payable on the relevant Maturity Date without a prepayment penalty or early redemption fee or on the date of early redemption or prepayment.

6.7 Financial Covenants

6.7.1 The Secured Bonds include two (2) financial covenants for the benefit of the Bondholders:

- (i) Maximum Leverage Ratio of no more than 4.00x as follows:
 - The Company shall not incur **Debt** which would result in its **Debt to Total Equity** exceeding 4.00 to 1.0
- (ii) Minimum Current Ratio of no less than 1.20x
 - The Company shall maintain a ratio of its Current Assets to Current Liabilities of no less than 1.20 to 1.00

6.7.2 For purposes of the Financial Covenants the following definitions are applicable:

"Current Assets" means all assets that would, in accordance with IFRS, be classified on the balance sheet of the Issuer as a current asset at such date of determination;

"Current Liabilities" means all liabilities that would, in accordance with IFRS, be classified on the balance sheet of the Issuer as a current liability at such date of determination;

"IFRS" means International Financial Reporting Standards as adopted and applied in Jamaica by the Institute of Chartered Accountants of Jamaica;



“Debt” means the sum (without double counting) of: (a) all indebtedness of the Issuer for borrowed money (including bank loans, lease obligations, overdrafts, short-term loans, shareholders’ loans, directors’ loans, and preference shares); (b) all obligations of the Issuer for the deferred purchase price of property or services (other than trade payables with payment terms not greater than 180 days, not overdue by more than 60 days and incurred in the ordinary course of the Issuer’s business); (c) all obligations of the Issuer evidenced by notes, bonds, debentures or other similar instruments; (d) all obligations of the Issuer created or arising under any conditional sale or other title retention agreement with respect to property acquired by the Issuer (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property); (e) all obligations of the Issuer as lessee under finance leases; (f) all obligations of the Issuer under acceptances, letters of credit or similar facilities; (g) all contingent obligations of the Issuer; and (h) guarantees, indemnities or other assurances against financial loss in respect of the indebtedness and other payment obligations referred to in sub-paragraphs (a) through (g) above of another person;

“Total Equity” means the sum of the share capital, share premium, fair value reserve, retained profits, capital reserves and capital redemption reserve (if any).

6.8 Collateral

6.8.1 In the course of its business Mayberry lends monies to its customers to allow them to purchase securities (equities or bonds). Mayberry as the lender under the credit facility has certain rights, benefits and entitlements as set-out in the specific credit facility documentation with the customer (the “Securities Loan Book”). Among Mayberry’s rights are that Mayberry has a charge (security interest) over the securities held by the customer to secure the loan. Accordingly, the Securities Loan Book is comprised of a pool of secured loans made to Mayberry customers.

6.8.2 Additionally, from time to time, Mayberry lends monies to its customers that grant a charge over securities (equities or bonds) and real property or other assets. Mayberry will, under the relevant credit facility, have recourse to the assets charged by the customer to secure the loan (the “Other Secured Loan Book”).

6.8.3 Mayberry will grant a charge over both the Securities Loan Book and the Other Secured Loan Book (collectively the “Secured Loan Book Pool”) as collateral for the Secured Bonds, the subject of this Prospectus. The security documentation will be stamped to secure a sum equal to the aggregate principal amount owing on the Secured Bonds, with the power to up-stamp to a higher sum.

6.8.4 The table below provides additional detail on the composition of the Secured Loan Book Pool that will be used as collateral for the Secured Bonds, the subject of this Prospectus.

Description of Secured Loan Book Pool	Aggregate Value of Loan Book (J\$)	Market Value of Assets (J\$)	Minimum Security Coverage Ratio
Securities Loan Book	6,528,398,278.23	17,953,095,265.13	2.75x
Other Secured Loan Book	2,500,000,000.00	4,337,369,163.96	1.55x
Total	9,028,398,278.23	22,290,464,429.09	

6.8.5 The Minimum Security Coverage Ratio refers to the amount by which the market value of assets exceeds the loan book value.

6.8.6 As at September 30, 2024, approximately J\$6,528,398,278.23 of the Securities Loan Book is subject to a security interest. That includes J\$2,282,770,000.00 attributable to Tranche III. Part of the proceeds from this Invitation are intended to be used to repay in full Tranche III.



6.9 Events of Default

6.9.1 The following is a summary of the Events of Default which would allow the Security Trustee on behalf of the Bondholders to demand immediate payment of all principal and interest upon the Secured Bonds:

- (i) default by the Company in paying any sum due under the Secured Bonds for a period of five (5) Business Days; or
- (ii) any representation or warranty made by the Company in the Trust Deed being incorrect in any material respects when made and the Company either knew or ought reasonably to have known it was incorrect; or
- (iii) default by the Company in the performance or observance of any covenant, condition or other provision in the Trust Deed including the Financial Covenants; or
- (iv) if an order is made or resolution passed for the Company to be wound up, except a voluntary winding-up previously approved by the Company; or
- (v) if an encumbrancer shall take possession of, or a receiver is appointed over, all or any part of the Company's assets and the Security Trustee certifies that in its opinion such action is materially prejudicial to the interest of Bondholders; or
- (vi) if any distress or execution is levied against the Company and the Security Trustee certifies that in its opinion such action is materially prejudicial to the interest of Bondholders; or
- (vii) if the Company stops or threatens to stop payment of its debts or shall cease or threaten to cease to carry on the whole or substantially the whole of its business and the Security Trustee certifies that in its opinion, such event will be materially prejudicial to the interest of Bondholders; or
- (viii) if the Trust Deed or the Secured Bonds is, or becomes, or is alleged to be, unlawful or unenforceable; or
- (ix) if any Insolvency Event shall occur with respect to the Company; or
- (x) if final judgment is rendered against the Company and such judgment remains unsatisfied for a period of forty-five (45) days unless such judgment is the subject of a bona fide appeal.

In respect of the events listed at (iii), (viii) and (x) above the Company has a cure period of fourteen (14) days after notice from the Security Trustee to remedy the breach and if such breach is not remedied within such period only then will an Event of Default occur.

6.9.2 Upon (i) receipt of a notice or certificate from the Company or a Bondholders' Majority that an Event of Default has occurred and is continuing; or (ii) the occurrence and continuance of an Event of Default by reason of non-payment of any sum payable to the Bondholders or the Security Trustee as aforesaid (after giving effect to any grace period applicable thereto or service of any requisite notice upon the Company or issuing of any certificate), then, the Security Trustee shall summon one or more meetings of Bondholders or otherwise poll Bondholders to determine by Ordinary Resolution whether any one or more or all of the following action(s) shall be taken by the Security Trustee on behalf of Bondholders:

- (i) making a demand for payment under the Secured Bonds; and/or
- (ii) declaring the principal sum owing on the Secured Bonds (with accrued interest thereon) and all other amounts owing in respect thereof be due and payable forthwith, whereupon the same shall immediately become due and payable; and/or
- (iii) taking legal proceedings against the Company on behalf of Bondholders; and/or
- (iv) taking any one or more Enforcement Actions (including the appointment of a receiver); and/or
- (v) taking any other action deemed appropriate.



6.10 Conversion to Shares

The Secured Bonds cannot be converted to Shares or any other securities of the Company.

6.11 Minimum Denomination

Each Applicant must apply for a principal amount of Secured Bonds no less than J\$20,000.00, with further increments of no less than J\$10,000.00.

6.12 Price

Each Applicant must pay in full with their Application a price equivalent to 100% of the face value of the principal amount for which the Application is made.

6.13 Sale and Resale Restrictions

This Prospectus has been registered with the Financial Services Commission on January 24, 2025 and Registrar of Companies on January 23, 2025 and is intended for use in Jamaica only and is not to be construed as an invitation to any person outside of Jamaica to subscribe or apply for any of the Secured Bonds. Pursuant to the said Prospectus, the Secured Bonds are tradable debt securities that are freely tradable to members of the general public in multiples of J\$10,000.00.

6.14 Application Procedures and Terms and Conditions of Invitation

6.14.1 Applications must be made in accordance with the Application Guidelines set out at Appendix 1 of this Prospectus.

6.14.2 Each Applicant must have provided:

- (i) For all individual Applicants, a copy of: valid identification (Driver's Licence, Passport or National Identification (ID));
- (ii) Copy of Taxpayer Registration Number card for all Applicants resident in Jamaica; and
- (iii) Evidence of payment for the full amount of the purchase principal amount of Secured Bonds applied for, using an Approved Payment Method, along with the processing fee of J\$172.50.

6.14.3 Each Applicant must apply for a principal amount of no less than J\$20,000.00, with further increments of no less than J\$10,000.00.

6.14.4 All Secured Bonds are priced at 100% of principal face value of amount applied for.

6.14.5 Payment for the full amount of the price for the Secured Bonds applied for must be remitted to the Lead Broker or Selling Agent, as the case may be.

6.14.6 **An Approved Payment Method** shall be any of the following:

- (i) Manager's cheque payable to the Applicant's stockbroker, Mayberry and/or any of the approved Selling Agents for amounts less than J\$1.0 million;
- (ii) Cleared funds held in an equity/investment account in the Applicant's name at Mayberry supported by an authorisation from the Applicant instructing Mayberry to debit the Applicant's equity/investment account;
- (iii) Transfer from the Applicant's account held with the Applicant's stockbroker;
- (iv) Transfer in the Real Time Gross Settlement (RTGS) system to an account designated by Mayberry;
- (v) Transfer via the Automated Clearing House (ACH) to an account designated by Mayberry.

A penalty of J\$5,000.00 is imposed by commercial banks in Jamaica in respect of cheques (including manager's cheques) tendered for payment in an amount greater than or equal to J\$1,000,000.00.



6.14.7 Each Applicant acknowledges and agrees that:

- (i) he/she has been afforded a meaningful opportunity to review the Prospectus (including the terms and conditions in this Section 6.14), and to gather and review all additional information considered by him/her to be necessary to verify the accuracy of the information contained in this Prospectus;
- (ii) he/she has not relied on the Company or any other persons in connection with his/her investigation of the accuracy of such information or his/her investment decision; and
- (iii) no person connected with the Company has made any representation concerning the Company or this Prospectus not contained in this Prospectus, on which the Applicant has relied in submitting his/her Application Form.

6.14.8 Applicants will be deemed to have accepted the terms and conditions of this Invitation and any other terms and conditions set out in this Prospectus.

6.14.9 All Application Forms will be time stamped for processing in the order in which they were received. Application Forms that meet the requirements set out in this Prospectus will be accepted on a first come first served basis. Early Applications will be received, but not processed until the Opening Date. All early Applications will be treated as having been received at the same time, being 9:00 a.m. on the Opening Date.

6.14.10 The Company and the Board in their sole discretion, may:

- (i) accept or reject any Application Form in whole or part without giving reasons, and neither the Board (nor any of the Directors) nor the Company shall be liable to any Applicant or any other person for doing so; and
- (ii) treat multiple applications by any person (whether in individual or joint names) as a single application.

6.14.11 Neither the submission of an Application Form by an Applicant nor its receipt by the Company will result in a binding contract between the Applicant and the Company. Only the allotment of Secured Bonds by the Company to an Applicant (whether such Secured Bonds represent all or part of those specified by the Applicant in his/her Application Form) will result in a binding contract under which the Applicant will be deemed to have agreed to purchase the principal amount of Secured Bonds applied for at the 100% of the face value of the Secured Bonds.

6.14.12 The Board, in its sole discretion, may accept (in whole or in part) or reject, in whole or in part, any Application for Secured Bonds, even if the Application is received, validated and processed. Accordingly, the principal amount of Secured Bonds allocated to you may be reduced.

6.14.13 Successful Applicants will be allotted Secured Bonds for credit to their account in the Jamaica Central Securities Depository specified in their Application Forms. Applicants may refer to the confirmation instructions that will be posted on the website of the Jamaica Stock Exchange (www.jamstockex.com) after the Closing Date.

6.14.14 If the Secured Bonds are oversubscribed (after the exercise of the option to up-size), it is likely that the Secured Bonds will be allocated on a pro rata basis, in which event Applicants may be allotted fewer Secured Bonds than were the subject of their Application(s). However, the Company (in the event of oversubscription) reserves the right to issue Secured Bonds on an alternative basis to be determined in its sole discretion including allotting a minimum of Secured Bonds to each Applicant and then allocating the excess on a pro rata basis or on such alternative basis as seems justifiable having regard to fairness and efficacy.

6.14.15 The Company will endeavour to return cheques for the amounts refundable to Applicants whose Application Forms are not accepted, or whose Application Forms are only accepted in part, to the Applicant's address shown in the Application Form within 10 (ten) working days after the Closing Date (or the extended Closing Date, as the case may be) or as soon as practicable thereafter. If an Applicant so indicates on his Application Form his refund cheque will be sent to Mayberry for collection by the Applicant (or the first-named joint Applicant) stated in the Application Form. Any other persons purporting to collect a cheque on behalf of the Applicant must be authorised in writing by the Applicant(s) to do so. All refunds of a quantum greater than the RTGS threshold of J\$1 million, will be refunded via RTGS to the account of origin.

6.14.16 Applicants must be at least 18 years old. However, Applicants who have not yet attained the age of eighteen (18) years may apply jointly with Applicants who are at least eighteen (18) years of age.





INFORMATION ABOUT **THE COMPANY**



INFORMATION ABOUT THE COMPANY

General Information

7.1 Mayberry Investments Limited ("Mayberry" or the "Company") was incorporated on May 29, 1985. Mayberry is a licensed securities dealer and has been a member of the Jamaica Stock Exchange since 1985. Mayberry is also a BOJ Designated Primary Dealer (and was one of the first to be appointed by the Bank of Jamaica). It is also a dealer in foreign exchange through its Cambio operations.

7.2 Mayberry's Shares were listed on the Main Market of the Jamaica Stock Exchange in April 2005. As part of a corporate re-organisation Mayberry's Shares were delisted from the JSE in December 2023 (by request of the Issuer) and replaced by Mayberry Group Limited (see sub-section 7.4 below at which the new organization structure is set out).

7.3 The Company's latest interim and Audited Financial Statements will be posted on the website of Jamaica Stock Exchange at: www.jamstockex.com

Organization Structure

7.4 As at the date hereof the ownership structure of the Mayberry group is as follows:

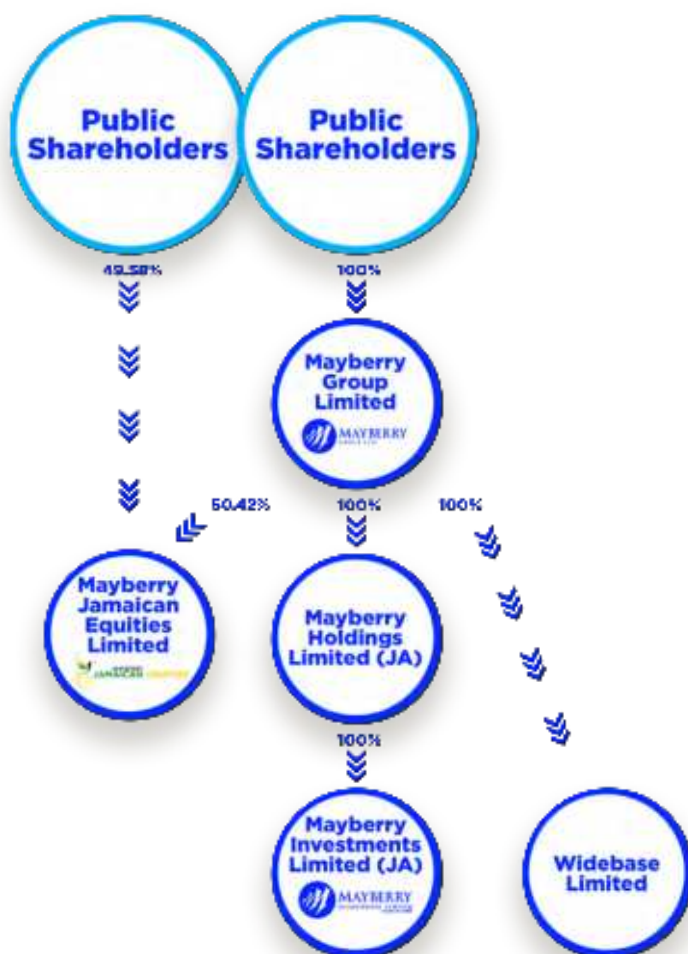


Corporate Reorganisation

7.5 During fiscal year 2023, the Company undertook a significant corporate reorganisation. The Company carried out the following:

- (a) created a new ultimate holding company called Mayberry Group Limited;
- (b) created a new intermediate holding company, Mayberry Holdings Limited;
- (c) demerged Mayberry Jamaican Equities Limited and Widebase Limited;
- (d) delisted the Company from the JSE and listed Mayberry Group Limited;
- (e) corporate governance enhancements.

7.6 As a result of the corporate reorganisation, the group structure is now as follows:



7.7 In brief the main reasons for the Corporate Reorganisation were firstly to bring the Group in line with the preferred structure desired by the regulators and consistent with best practice in the regulated sector. Secondly, to better position the Group to take advantage of opportunities whether in the regulated sector or the unregulated sector.

7.8 For more information on the Corporate Reorganisation see the following:

- (a) the Scheme Booklet is available at: <https://www.jamstockex.com/wp-content/uploads/2023/07/MIL-Scheme-Booklet.pdf>
- (b) the Corporate Governance enhancements were disclosed at: <https://www.mayberryinv.com/mayberry-group-ltd-mgl-notice-of-subsiary-board-and-executive-management-changes/>

Details of Authorised and Issued Share Capital

7.9 As at December 31, 2024, the Company's authorised and issued share capital is as follows:

Authorised: 2,120,000,000 Ordinary Shares
380,000,000 Redeemable Cumulative Preference Shares

Issued and fully paid: 1,201,149,290 Ordinary Shares

Shareholders

7.10 As at December 31, 2024, the Company is a wholly-owned subsidiary of Mayberry Holdings Limited, a company incorporated under the laws of Jamaica and having its registered office located at 1 ½ Oxford Road, Kingston 5, Jamaica.

7.11 Mayberry Holdings Limited is in turn a wholly-owned subsidiary of Mayberry Group Ltd., a public company incorporated under the laws of Saint Lucia and having its registered office located at Bourbon House, Bourbon Street, Castries, Saint Lucia.

Security Interests Registered against Assets of the Company

7.12 As at September 30, 2024 the Company has the following charges registered against its assets:

- (i) (i) An equitable mortgage granted over 2 parcels of land in February 2018 to JCSD Trustee Services Limited as security trustee for Noteholders under a Mortgaged-Backed Exempt Distribution Programme. The aggregate amount of Notes secured under the Mortgage is J\$750,000,000. As at September 30, 2024 the debt outstanding under this programme is J\$413,800,000.00;
- (ii) (ii) A Debenture creating a security interest over Mayberry's Margin Assets Portfolio. The Margin Assets Portfolio includes (i) securities, cash and other assets held by Mayberry in the account of margin loan customers; (ii) all rights, title and interest of Mayberry under margin account agreements with its margin account customers including the right to be repaid margin loans and all rights to enforce margin loan agreements. The aggregate amount secured under the Debenture up to J\$725,000,000.00. As at September 30, 2024 the debt outstanding under this facility is J\$583,100,000.00;
- (iii) (iii) A Charge And Security Assignment granted by the Company in favour of the JCSD Trustee Services Limited for the benefit of the Bondholders granting first ranking security interests inclusive of fixed and floating charges over the Company's interest in the Secured Loan Portfolio. As at September 30, 2024 the debt outstanding under this facility is Tranche II: J\$2,061,270,000.00, Tranche III: J\$2,282,770,000.00; and Tranche IV: J\$1,981,010,000.00.

Applicable Regulatory Regime

7.13 Mayberry relies on its Securities Dealer's License, Primary Dealer's License and Cambio License as the basis for a substantial part of its business operations. The Securities Dealer's licence does not have an expiration date but is subject to cancellation or suspension in a number of circumstances. (See further section 9(6) of the Securities Act).

7.14 The Primary Dealer's licence is renewed on an annual basis, and is based on a minimum score of 10 as assessed by the Bank of Jamaica ("BOJ"). The achievement of this score is dependent on the accurate filing of reports with BOJ, the level of participation in BOJ and Ministry of Finance (MOF) issued instruments and the instances of overdraft with BOJ which ideally should be zero. Mayberry's current Primary Dealer's license expires on June 30, 2025. At the present time Mayberry knows of no reason why this licence would be withdrawn or would not be renewed on expiration subject to a proper application being made.



7.15 The Cambio License is granted by the BOJ acting on behalf of the Ministry of Finance & the Public Service. The Company's most recent Cambio license expires on October 31, 2025. This license is typically renewed based on reviews conducted by BOJ officials.

7.16 The Company is also a trading member of the Jamaica Stock Exchange.

Intellectual and Real Property

7.17 As at December 31, 2024 being the latest practicable date prior to the publication of this Prospectus, the Company has the following interests in intellectual and real property:

(a) Intellectual Property

7.18 The Company has registered the following intellectual property for use in Jamaica: Mayberry Financial Network – Registration No. 8977/2022.

(b) Real Property

7.19 The Company owns the following real estate:

Property Description	Title Reference - New	Size (sq m)
Mahoe Bay, St. James - Section 1	Volume 1472 Folio 589	21,033
Mahoe Bay, St. James - lot 4&5	Volume 1472 Folio 590	2,630
Mahoe Bay, St. James - Lot 2	Volume 1472 Folio 587	1,778
Mahoe Bay, St. James - Lot 3	Volume 1472 Folio 588	1,757
Mahoe Bay, St. James - Lot 68	Volume 1472 Folio 865	1,559
Mahoe Bay, St. James - Lot 86	Volume 1472 Folio 867	1,199
Mahoe Bay, St. James - Lot 85	Volume 1472 Folio 866	2,202
Mahoe Bay, St. James - Lot 30 (Public Beach)	Volume 1479 Folio 665	1,509
Providence, St. James - Lot 29	Volume 1479 Folio 660	1,704
Providence, St. James - Lot 30	Volume 1479 Folio 661	1,787
Providence, St. James - Lot 38	Volume 1479 Folio 663	1,422
Providence, St. James - Lot 39	Volume 1479 Folio 664	1,559
Providence, St. James - Lot 36	Volume 1479 Folio 662	1,812



7.20 The Company also leases the following real property:

Property Description	Lessor
1 Oxford Terrace, Kingston 5	Hablaban Ltd
11 Ardenne Road	Carol Khaleel
Lot 47, Unit 806 The Soleil Montego Bay, Freeport, St. James	Mayberry Pension Fund Nominee Ltd
1a Oxford Road	Broadleaf Properties Ltd

Material Contracts

7.21 The following material contracts, not being contracts entered into in the ordinary course of business, or a contract entered into more than two (2) years before the date of the Prospectus, have been entered into by the Company with the following persons ("Counterparties"):

	Date	Maturity/Expiry Date	Counterparty	Description
1.	September 19, 2022	October 31, 2025	Sagicor Bank Jamaica Limited	Overdraft facility not exceeding J\$575,000,000.00.
2.	June 16, 2022	June 30, 2025	JMMB Bank (Jamaica) Limited	Credit Facility in the amount of J\$500 million.
3.	October 11, 2019	February 23, 2025	JCSD Trustee Services Limited	Master Trust Deed establishing programme for issuance of notes totaling J\$750,000,000.

Litigation

7.22 There is no material litigation, arbitration, or similar proceedings pending or threatened against the Company as defendant nor is the Company a claimant to any material litigation.

Dividend Policy

7.23 The Company has been a steady dividend payer. There is however no obligation on the Company or the Board to declare and pay a dividend. The Board determines the level of dividends which are justifiable based on the profits of the Company as well as its internal needs for capital.

Interim and Audited Financial Statements

7.24 The Company's ordinary shares were listed on the Main Market of the Jamaica Stock Exchange in April 2005 and were delisted in December 2023. The Company's latest interim and Audited Financial Statements will be posted on the website of Jamaica Stock Exchange at: www.jamstockex.com





MAYBERRY
INVESTMENTS LIMITED
Established 1999

DIRECTORS AND SENIOR MANAGERS **AND THEIR INTERESTS**



DIRECTORS AND SENIOR MANAGERS AND THEIR INTERESTS

8.1 Board of Directors of the Company

Brief biographical details of the Directors of the Company are set out below. The Directors' addresses are set out in paragraph (c) of Section 14.1 hereto.



Gary H. Peart, M.B.A., B.Sc. (Econ) (Hons.) *Chairman of the Board*

Mr. Gary Peart is currently Chairman of the Board of Directors having assumed that role in November 2024.

Mr. Peart joined Mayberry Investments Limited as the Chief Executive Officer in May 2005 and was later appointed to the Board of Directors in April 2006. He has over twenty years of experience in Corporate Finance, having operated at the helm of several leading institutions in Jamaica's financial industry. His prowess in the finance sector has garnered him several accolades including the title of Jamaica's Top CEO in 2015.

Mr. Peart stepped down as CEO of Mayberry Investments Limited in October 2024 and assumed the role of CEO of Mayberry Group Limited.

Mr. Peart currently serves as the Executive Chairman on the Board of Supreme Ventures Limited and is also a Director on several other Boards, such as, Lasco Distributors Limited and IronRock Insurance Company Limited.



Konrad M. Berry, B.Sc. (Hons.) *Director*

Mr. Konrad Berry is one of the founding Directors of Mayberry Investments Limited. He served as the Company Secretary from 1985 to 2023, and as Finance Director from 1992 - 1995. In 1995, he assumed his present position of Executive Vice Chairman.

Mr. Berry is Chairman of the Project Steering Committee and a member of the Remuneration, Assets and Liabilities and Audit Committees.



Christopher M. Berry, B.Sc.

Mr. Christopher Berry, who has over 30 years of experience in the Securities industry in Jamaica, joined Mayberry Investments Limited in 1987 and has been the Executive Chairman since 1993.

He joined the team following his graduation from the Georgia Institute of Technology in Atlanta, Georgia, USA, where he acquired his Bachelor of Industrial Engineering (Hons).

Mr. Berry is also an alumni of St. George's College in Kingston, Jamaica which he attended from 1971 to 1977. In September 2024 Mr. Berry was inducted into the St. George's College Hall of Fame for his service to the St. George's College Old Boys' Association and broader society.

He currently sits on the Board of Directors of several Jamaican companies, namely, Supreme Ventures Limited, Apex Health Care Associates Limited, Apex Pharmacy Limited, and IronRock Insurance Company Limited.

Mr. Berry is currently the Chairman of the Board of Directors of Mayberry Group Limited.





Patrick Bataille,

Chief Executive Officer and Director

Patrick Bataille is a seasoned executive with nearly thirty (30) years of experience leading growth, operational excellence, and digital innovation across financial services, fintech, and related sectors. He has held leadership roles at renowned firms including Donaldson, Lufkin & Jenrette (DLJ), Pershing, TD Waterhouse Institutional, Citigroup, PwC Advisory, and BNY Mellon.

Patrick's diverse experience spans operations, technology, relationship management, product development, and strategic leadership, with a proven track record of aligning business goals with IT solutions, driving P&L performance, and leading high-impact teams. His expertise in both traditional and digital financial services has enabled him to deliver strategic insights and results that foster business transformation and sustained growth.

Patrick has a strong track record of leading cross-functional, high-performing global teams to address complex business challenges. He is adept at connecting strategic goals with operational execution, consistently delivering measurable improvements in revenue, profitability, and client outcomes.

Throughout his career, Patrick has successfully led several high-profile initiatives, including:

- Key member of the deal team for the second largest cash acquisition Citi has done since the merger of Travelers & Citicorp and executed the global integration across six countries and ~2k employees 12 months ahead of schedule.
- Advised a US\$500B+ global insurance and investment manager on executing against a performance improvement initiative focused on front office consolidations, improving post-trade straight-through-processing and executing on a global location strategy.
- Pitched and secured funding for a new digital business with a US\$1B revenue target by developing the value proposition, product offerings, and go-to-market strategies.
- Developed and executed a 24-month performance improvement plan, driving profitability through revenue growth, product diversification, and automation, resulting in a US\$40M margin improvement.
- Collaborated with asset managers and service providers to define post-trade operating models and enhance data usage for better investment decisions.
- Directed a US\$1T+ global passive asset manager through the launch of a new direct indexing product, targeting the intermediary market and significantly broadening their offerings.
- Advised a Midwest closed-end growth fund on a US\$100M new fund launch.

Patrick's deep understanding of digital technologies, particularly in financial services, has allowed him to leverage tools to drive operational efficiency and uncover substantial revenue opportunities.

Patrick holds a Bachelor of Business Administration in Management Information Systems from Bernard M. Baruch College: Zicklin School of Business. Outside of his professional achievements, he is an avid traveler who enjoys exploring new cultures, and he is also passionate about culinary arts, frequently sharing meals with friends and family.



Erwin L. Angus, C.D., JP, B.A. (Hons.)

Executive Director

Mr. Erwin Angus was among the first staff cohort to join Mayberry Investments Limited in 1986. Since then, he has held the post of Managing Director, guiding the growth of the Company with his expertise and knowledge.

Angus' impact has extended far beyond the reach of the Company. He was awarded the Commander of the Order of Distinction (CD) in October 1976 for his contribution to Jamaica's bauxite industry and became a Justice of the Peace (J.P.) in 1977.

He currently serves as a member of the Company's Assets and Liabilities Committee and Audit Committee.





Gladstone L. Lewars, B.Sc. (Econ) (Hons.), M.Sc. (Econ), M.Sc. (Accounting), FCA

Lead Independent Director

Mr. Gladstone “Tony” Lewars was appointed to the Board of Directors of Mayberry Investments Limited in September 2012.

He is a Chartered Accountant and has consulted extensively across the region in the areas of Organizational Development, Human Resource Management, and Financial Effectiveness Reviews.

His contribution to national development has awarded him several accolades. In 2015, he received the Commander of the Order of Distinction (CD) for his exemplary service in both the public and private sectors.

He is a former Chairman of the Students’ Loan Bureau and a former partner of PricewaterhouseCoopers (PwC), where he was the Leader of the Advisory division of the firm.

He currently serves as the Chairman of JN Cayman, JN Cayman Money Services, and the Guardian Foundation. He also serves as Director of the National Insurance Fund and the Secretary/Treasurer of the Jamaica College Trust.

In addition to this, Mr. Lewars is the Chairman of the Assets and Liabilities and Nominations and Governance Committees and a member of the Company’s Audit Committee.



Alok K. Jain, M.Sc., F.C.A, FCCA, CGMA, CISA, CFS

Independent Director

Mr. Alok Jain is a former partner of PricewaterhouseCoopers (PwC) where he held a number of leadership roles, most recently as leader of PwC’s Advisory practice in the Caribbean. He previously served as leader of PwC’s Assurance practice in Jamaica. Mr. Jain currently serves as a Consultant at the Office of the Prime Minister and is an Adjunct Lecturer at the Mona School of Business and Management at the University of the West Indies. He is also Chairman of the Port Authority of Jamaica and a director of TransJamaican Highway Limited. Mr. Jain is a Chartered Accountant, Certified Information Systems Auditor as well as a CFA Charter holder. He has extensive experience in accounting and auditing as well as in corporate finance, valuations of companies, due diligence investigations, stock exchange listings, capital restructuring, and acquisitions and mergers.

He is the Chairman of the Audit Committee and sits on the Nominations and Corporate Governance Committee.



Walter H. Scott, K.C.

Independent Director

Former Senior Partner at Rattray Patterson Rattray, Mr. Walter Scott KC has been a practising Attorney-At-Law in Jamaica for more than thirty years. Mr. Scott is prestigiously recognized as a King's Counsel and is also admitted to practice law in Barbados. A proud graduate of the University of the West Indies and Norman Manley Law School, he has gone on to offer his services to a myriad of entities, including the Office of Director of Public Prosecutions; Grant Stewart Phillips & Co, Attorneys-at-law; Chancellor & Co, Attorneys-at-Law; and Rattray Patterson Rattray, Attorneys-at-Law.

In 2019, he formed his own practice as Counsel. His areas of practice include Commercial, Civil and Criminal Litigation, Gaming, Regulatory, Labour, Mining, and Libel Law.

In 2021, Mr. Scott was conferred with the national honour of the Order of Distinction in the rank of Commander (CD).

Mr. Scott is the former Chairman of Sygnus Capital Limited, Sygnus Capital Management Limited, Betting Gaming & Lotteries Commission, Casino Gaming Commission, and Private Security Regulations Authority. He currently serves as the Chairman of Supreme Ventures Guyana Holdings Inc., Chairman of Dolla Financial Services Limited, and is a Director of several private companies.

Mr. Scott is Chairman of the Compliance and Remuneration Committees and sits on the Audit Committee as an Independent Director.

8.2 Directors' and Senior Managers' Interest in the Company

As at December 31, 2024 the Company is a wholly-owned subsidiary of Mayberry Holdings Limited, which is in-turn wholly owned by Mayberry Group Limited. Accordingly in relation to the Company neither the Directors nor the Senior Managers hold any ownership interest in the Company.

8.3 Audit Committee

Among the committees established by the Board is an Audit Committee comprised of a majority of independent, non-executive directors as follows:

Audit Committee
Alok Jain (Chairman)
Walter Scott
Gladstone Lewars
Erwin Angus
Konrad Berry





MANAGEMENT DISCUSSION **AND ANALYSIS**



MANAGEMENT DISCUSSION AND ANALYSIS

9.1 Mayberry Investments Limited ("Mayberry" or the "Issuer" or "MIL") started operations in 1985 as a member of the Jamaica Stock Exchange. Mayberry is also a BOJ Designated Primary Dealer (and was one of the first to be appointed by the Bank of Jamaica). It is also a dealer in foreign exchange through its Cambio operations.

9.2 Mayberry is a full service financial advisory firm, which is committed to enhancing its customers' investments through quality financial products suited to its customers' needs as well as financial advice. Some of the products and services offered by Mayberry include brokerage services, managed equity accounts, personalized managed accounts, trading in international bonds, fixed income investments, and pension fund management services.

9.3 Mayberry is regulated by the Financial Services Commission ("FSC") and its cambio operations are supervised by the Bank of Jamaica. MIL has been a member of the Jamaica Stock Exchange since 1985.

9.4 Mayberry currently has total financial assets under management of approximately J\$19.9 billion and serves a client base in excess of 37,000 customers with a staff complement of approximately 118 employees. Mayberry has organized and executed large transactions such as the placement of debt securities, initial public offerings ("IPO"), mergers and acquisitions and takeover bids. Mayberry has also played a major role in the development of the Junior Market of the Jamaica Stock Exchange - having acted as lead broker in respect of the IPO and listing of the majority of the companies which are now listed on that market

Products

9.5 Mayberry offers a wide range of products and services under its three main business divisions:

Investment Advisory Services

- o Securities trading on the Jamaican and US stock and bond markets
- o Portfolio Planning and Management
- o Risk Management
- o Retirement Planning
- o Pension Fund Management
- o Investment Banking Services including arranging IPO's, private placements and other capital market transactions

Primary Dealer Services

- o Government of Jamaica Treasury Bills
- o Local Registered Stock
- o Repurchase Agreements (Repos)
- o Jamaican and U.S. denominated bonds

Cambio Dealer Services

- o Foreign exchange transactions in all major currencies (including US dollars, Pound Sterling, Canadian dollars)

Corporate Reorganisation

9.6 In analyzing the financial performance of the Company, prospective investors should take note that in December 2023 the Company completed a significant reorganization of its corporate structure. Sub-sections 7.5 to 7.7 include a brief explanation of the Corporate Reorganisation. However, prospective investors should also consider the impact that the Corporate Reorganisation has and will have on the presentation of the Company's financial results.

9.7 Firstly, in future the Company's accounts will no longer include presentation on a consolidated basis. That is due to the transfer of the Company's holdings in Mayberry Jamaican Equities Limited and Widebase Limited to its ultimate parent company (Mayberry Group Limited.).



9.8 Additionally, with the transfer of Mayberry Jamaican Equities Limited, the Company's Investment in Associates, Fair Value Through Profit and Loss was impacted as shown below:

Material Associates	Business	December 31, 2023	December 31, 2022
Lasco Financial Services Limited	Money services	Nil	J\$756,517,000
Caribbean Producers (Jamaica) Limited	Distribution and packaged foods	Nil	J\$2,590,460,000
Iron Rock Insurance Limited	General Insurance	Nil	J\$95,383,000
Supreme Ventures Limited	Betting, gaming and lottery	Nil	J\$14,569,117,000

9.9 The Company's Audited Financial Statements for the Year Ended December 31, 2023 sets out in detail the overall impact of the Corporate Reorganisation. Those financial statements are set out in full at Appendix 5 hereto.

Management's Discussion and Analysis of Financial and Operating Performance for the quarter ended September 30, 2024

9.10 For the quarter ending September 30, 2024, the Company reported a net profit of J\$36.7 million, compared to a loss of J\$83.2 million for the corresponding quarter in the prior year. Total operating income increased by J\$240.8 million or 72.5% to J\$572.8 million, when compared to J\$331.9 million for the corresponding quarter in 2023. Total operating expenses increased by 34% for the three-month period when compared to the similar quarter in 2023. This resulted in an earnings per share (EPS) of \$0.03 (2023: (EPS) (\$0.07)).

Net Interest Income

9.11 Net interest income for the quarter ended September 30, 2024, amounted to J\$133 million representing an increase of J\$4.5 million or 3.5% over the corresponding quarter in 2023. The performance is mainly attributed to the increased uptake of our loan products compared to the third quarter of September 2023. Interest expense increased by J\$18.1 million or 4% for the quarter driven mainly by growth in securities sold under repurchase agreements.

9.12 For the quarter ended September 30, 2024, the Company reported consulting fees & commission income of J\$347 million an increase of J\$248 million or 251% over the comparative period. Significant contributors to this performance were:

- Brokerage fees increased by J\$89 million or 255% on account of increased earnings from selling fees, equity and corporate advisory transactions during the period.
- Equity commission was higher by J\$75 million or 418% based on increased volumes and value of equity trades over the comparative period in 2023.
- Fixed income fees were higher by J\$16 million or 126%.

Other Income

9.13 For the three months ended September 30, 2024, other operating income grew by J\$11.8 million or 11% when compared with the corresponding quarter in 2023. Notable variances for the quarter include:

- Dividend income increased by 151% or J\$2.9 million to J\$4.8 million. Some corporates paid lower dividends during the period due to the impact of Hurricane Beryl on earnings
- Gains from investment activities totaled J\$7.4 million compared to losses of J\$9.6 million for the prior period, due to the prevailing local and international market conditions in the equities and bond markets. With two successive interest rate reductions announced by the Bank of Jamaica's Monetary Policy Committee (MPC) in recent months, the local outlook for portfolio improvement is positive in the medium term.
- Net foreign exchange gains of J\$66.4 million compared to gains of J\$71 million for 2023 primarily due to unrealized losses on the revaluation of foreign currency balance sheet positions. Cambio gains increased by 12% resulting from improved cambio volumes and spreads.



Operating Expenses

9.14 Total operating expenses for the quarter and nine months ended September 30, 2024 reflected increases attributable primarily to higher depreciation and amortisation expenses on the implementation of several phases of the Company's new proprietary operating systems initiated in January 2024 and an increase in employee compensation costs due primarily to inflation adjustments. The new proprietary software is integral to our digitization strategy. It is expected to transform the customer service experience as well as improve the operational efficiency of the Company.

9.15 For the quarter, lower provision for expected credit losses of J\$17.5 million reflects net reductions in expected credit loss provisions for credit facilities due to the review and reassessment of the probability of default and loss given default parameters.

Summary of Financial Position

Assets and Liabilities

9.16 Total assets as at September 30, 2024, increased by 4% to J\$37.8 billion from the J\$36.2 billion reported as at September 30, 2023. The J\$1.6 billion increase was mainly attributable to a J\$2.9 billion increase in loan and other receivables and a J\$2.5 billion increase in investment in securities. This was offset by decreases in reverse repurchase agreements of J\$2.7 billion and amounts due from a related company of J\$1.8 billion.

9.17 Total liabilities increased by J\$244 million or 1% as at September 30, 2024. This increase was mainly due to a J\$1.6 billion increase in securities sold under repurchase agreements, a 27% increase. This was offset by a 54% decline in bank overdraft or J\$966 million.

9.18 Mayberry's capital base remains strong with total shareholders' equity valued at J\$6.4 billion. This resulted in a net book value per share of J\$5.34 (Sept. 30, 2023: J\$4.20).

Capital Adequacy and Liquidity

9.19 The Company's regulatory capital base continues to be robust and compliant with regulatory benchmarks. As at September 30, 2024, the capital to risk-weighted asset ratio of 17.7% exceeds the established minimum of 10% set by the FSC. In addition, Tier One Capital is 99% of the Company's overall capital base and exceeds the regulatory minimum of 50% established by the FSC.

9.20 The maturities of assets and liabilities and the ability to replace interest bearing liabilities at an acceptable cost as they mature are important factors in assessing the liquidity of the Company as well as exposure to changes in interest rates and exchange rates. The Company's policy is to hold a high proportion of liquid assets to cover withdrawals at unexpected levels of demand.



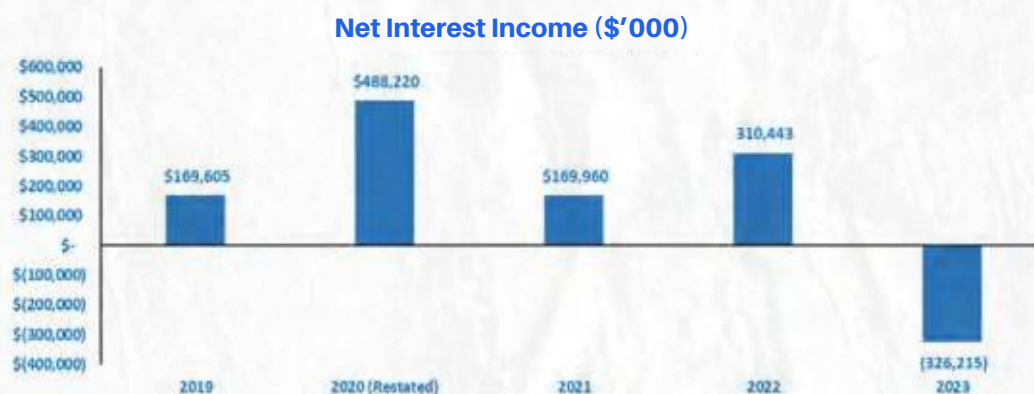


FINANCIAL **HIGHLIGHTS**

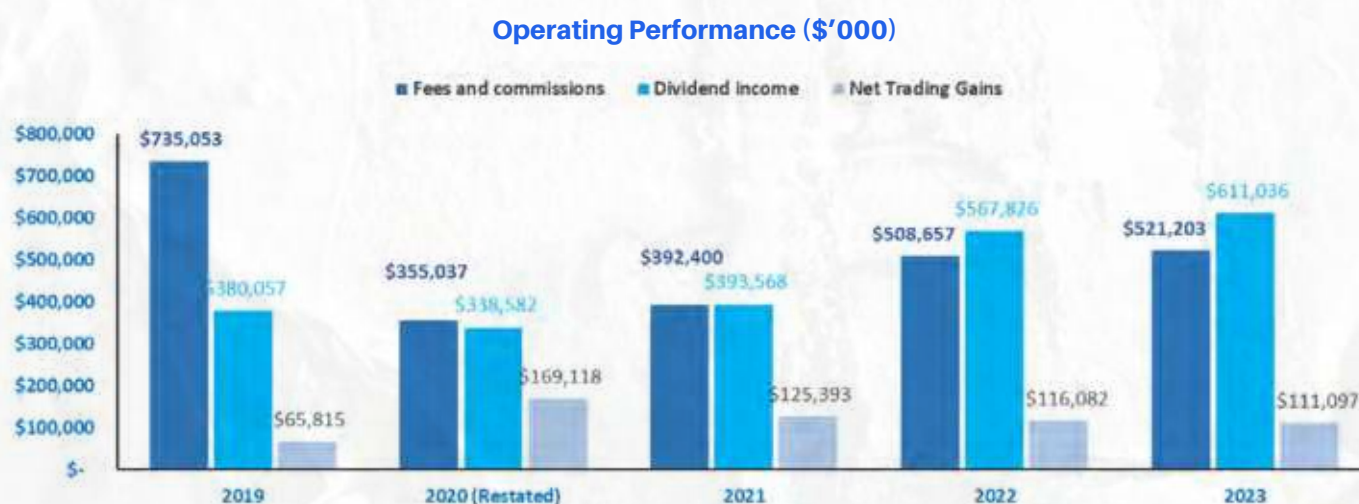


5 YEAR FINANCIAL HIGHLIGHTS

10.1 This Section sets out five-year financial highlights. For a summary of historical financial information relating to the Company see Sections 13.4 to 13.6 below.

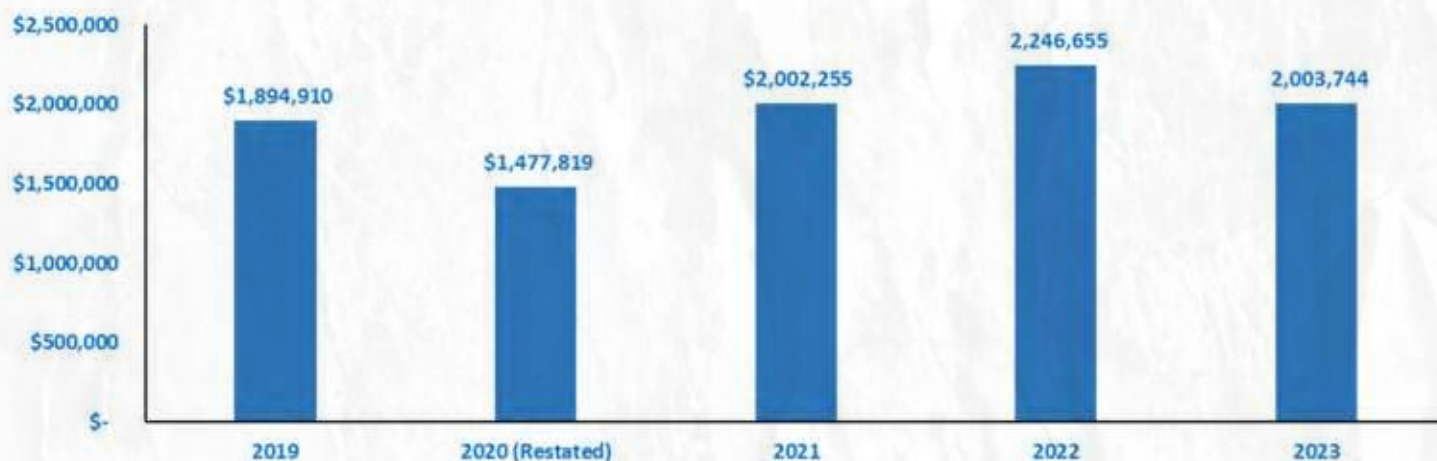


- Net Interest Income** - Net Interest Income moved from J\$169 million in 2019 to a Net Interest Loss of J\$326 million in 2023. Notably, 2020 includes a restated amount of J\$488 million which was J\$318 million higher than the previous year. This unusually high amount for 2020 is explained primarily by a J\$279 million one-off gain associated with the capitalization and restatement of a loan balance (and the related interest income) due from a joint venture company. Net interest income for 2023 declined by 205% to (\$326) million compared to \$310 million for financial year 2022. This decline in net interest income was mainly a result of higher interest costs resulting from the Mayberry public bond issued in January 2023. Notwithstanding the outturn, the results reflect continuous growth in interest income on loans, investments, and promissory notes at amortized costs which grew 52% based on year over year loan growth of \$3.8 billion or 60%.



- Fees and Commission** - Fee and Commission income is driven primarily by the level of investment banking activity in any year. That includes income from IPO selling fees, equity commissions and financial advisory fees. In 2020 to 2021, this reflected normalized operating levels and the impact of the slow-down in IPO transactions; compared to 2019 where operating levels were unusually high as a result of a few large transactions (e.g. the Wigton IPO in 2019). Fees and commission income fell from \$735.05 million in 2019 to \$355.04 million as per the rational above. Since 2020, Fees and commission income grew at a 4 year compounded annual growth rate (CAGR) of 14%.
- Dividend income** - The Dividend Income is driven primarily by investments in associates, which are all publicly listed companies on the Jamaica Stock Exchange and the notable and steady dividend paying trend of one such associate, Supreme Ventures Limited. The Dividend Income has been fairly consistent from these associates for the last 4 years, climbing from \$380.06 million in 2019, to \$611.04 million in 2023, reflecting a 5 year CAGR

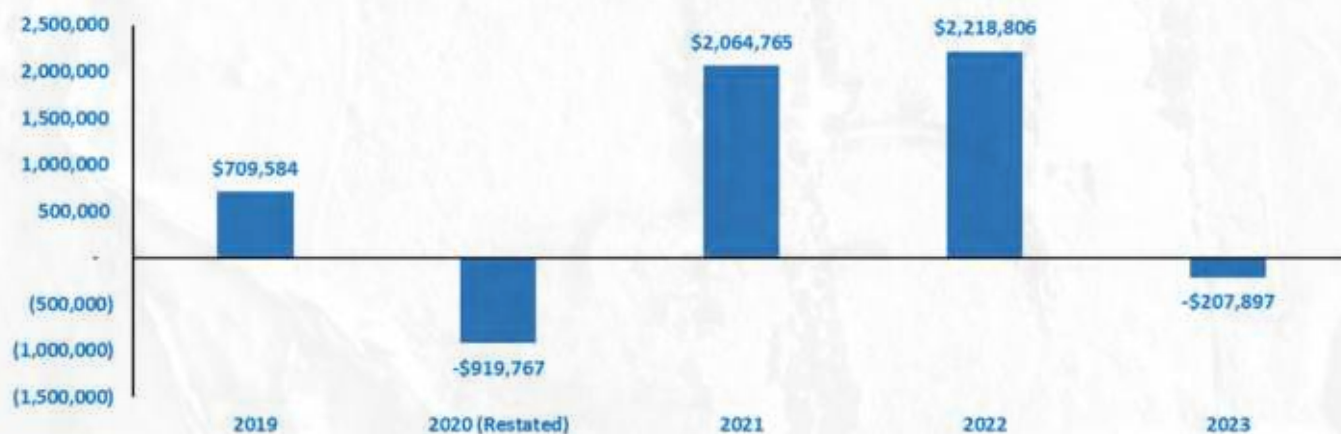
Operating Expense (\$'000)



of 13%.

- **Operating Expense** - Due to prudent expense management, Mayberry's Operating Expenses over the past five years grew at a five-year CAGR of 1.12%, closing 2023 at J\$2.0 billion relative to J\$1.89 billion in 2019. Additionally, there was a slight decline in expenses year over year of 11% from the J\$2.25 billion reported for 2022.

Net Profit Attributable to Shareholders (\$'000)

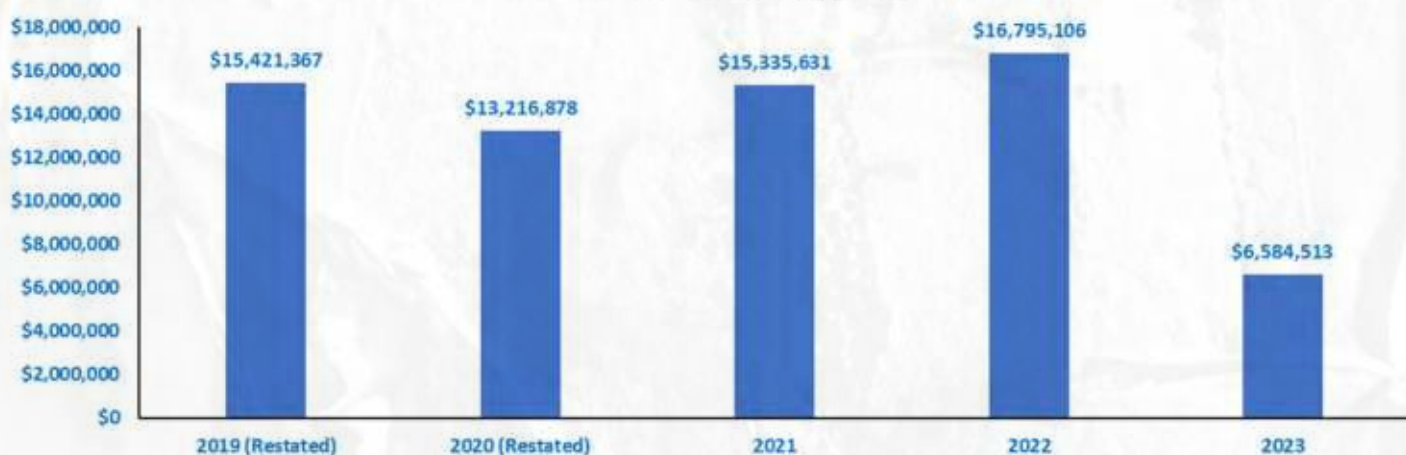


- **Net profit attributable to shareholders** -The Issuer reported a Net Loss attributable to shareholders for 2023 of J\$207.90 million compared to a profit of J\$2.22 billion for 2022. This performance was primarily attributable to the recording of net unrealised losses on investments in associates and financial instruments at fair value through profit and loss (FVTPL) attributable to the fall in price during the year of key equities on the stock market. The fluctuations in profitability between 2019 and 2020 was due to the large unrealized losses in the subsidiary, Mayberry Jamaican Equities Limited at the time.



- **Total Assets** - The Issuer's asset base continues to increase at a notable rate, reflecting a 5-year CAGR of 1.79%. Total Assets rose from J\$37.02 billion in 2019 to end the 2023 financial year at J\$40.44 billion. Among the reasons for the reduction in Total Assets in 2023 was the impact of the Corporate Reorganisation whereby Investments in Associates were reduced by J\$18.01 billion.
- **Total Liabilities** - Total Liabilities as of December 31, 2023 amounted to J\$33.86 billion, reflecting a 5-year CAGR of 15.03% since 2019's outturn of J\$16.81 billion.

Shareholders Equity (\$'000)



- **Total Shareholders' Equity** - Mayberry's Shareholders' Equity as of December 31, 2023, amounted to J\$6.58 billion. Among the reasons for the reduction in Shareholders' Equity as of December 31, 2023, is the impact of the Corporate Reorganisation which reduced retained earnings from J\$14.49 billion to J\$4.60 billion



RISK FACTORS

A close-up photograph of a magnifying glass with a gold-colored frame. The lens is focused on the word 'Risk', which is printed in a large, bold, red serif font on a piece of paper. The background is blurred, showing what appears to be a financial chart or map with lines and colors like orange and blue. The lighting is bright, creating reflections on the glass and the paper.

Risk



RISK FACTORS

11.1 In addition to other information set forth in this prospectus, investors should consider carefully the risks described below before subscribing for Secured Bonds in the Company. These risks are not the only ones facing investors. Additional risks, not presently known to the Directors, or that the Directors may presently consider immaterial, may also impair the Company's operations.

11.2 This Prospectus also contains forward-looking statements that involve risks and uncertainties. The Company's actual results could differ materially from those anticipated as a result of certain factors, including the risks faced by the Company described below and elsewhere in this Prospectus.

Operational Risks

11.3 Operational risks may arise from inadequate or failed internal processes, failure of computer systems, employee fraud or other criminal activity or un-authorised ("rogue") trading. Although the Company carries adequate insurance and has an off-site recovery system nevertheless, loss or damage to physical assets (including clients' files) by fire, hurricane, earthquake or other peril could severely disrupt the Company's operations and cause financial loss. The Company has established internal controls and administrative systems to deter and identify employee fraud and un-authorised trading activity.

Changes in Laws, Regulations, and/or Regulatory Policies

11.4 The Company operates in a heavily regulated industry. Changes in approach by the Bank of Jamaica, the Financial Services Commission, the Institute of Chartered Accountants of Jamaica or other regulatory body in relation to existing Regulations or the introduction of new laws or regulations or standards may affect the operations of the Company.

11.5 The Governor of the BOJ and the Minister of Finance & The Public Service have made clear the intention to bring into force new legislation to regulate and supervise the securities industry under a 'twin peaks' model. Under this approach the BOJ would assume prudential supervision of all financial institutions whilst the FSC would be tasked with supervising market conduct and investor/consumer protection.

11.6 The implementation of the new legislative regime is likely to increase the compliance burden or costs necessary

to become compliant. That is likely to negatively impact the financial performance of the Company at least in the short to medium term while the Company and the industry become familiar with the new regulations.

Risk of default

11.7 Holders of the Secured Bonds or beneficiaries to payment based thereon assume or face the risk that the Company will be unable to pay the liabilities arising from the Secured Bonds (i.e. risk of default).

11.8 The Company's liabilities towards the holders of the Secured Bonds will be secured by a charge over the Secured Loan Book Pool as more particularly described at Section 6.8.

Liquidity Risk

11.9 Liquidity risk is the risk that the Company will encounter difficulties in meeting its commitments - it is also referred to as funding risk. An institution might lose liquidity if its credit rating falls, it experiences sudden unexpected cash outflows, or some other event causes counterparties to avoid trading with or lending to it. The Company is also exposed to liquidity risk if markets on which it depends are subject to loss of liquidity.

Interest Rate Risk

11.10 The Company's business is sensitive to volatility in interest rates. Interest rates are affected by several factors that are out of the Company's control, including fiscal and monetary policies of governments and central banks, as well as domestic and international political conditions.

11.11 A fixed interest rate is set at the time of issue of the Secured Bonds. Until maturity, holders of the Secured Bonds are exposed to the risk of a change in interest rates available on similar or alternative investment opportunities in Jamaica. Due to the short maturity period of the Secured Bonds, the risk is lower than with long-term financial instruments; however, it is possible that the interest rate on the Company's Secured Bonds will be lower than the then prevailing market interest rate.



Inflation Risk

11.12 The Secured Bonds have a fixed rate of interest, the risk exists that the rate of price increases in the economy (the inflation rate) will increase to the point where it materially reduces or even overtakes the real rate of return on the Secured Bonds.

Risks Associated with International Operations & Currency Risk

11.13 If the Company does not adequately anticipate and respond to the risks inherent in international operations it could be exposed to materially adverse effects on its operating results. Changes in exchange rates can unpredictably and adversely affect the Company's operating results by reason of exchange losses and otherwise.

11.14 The Company does not hedge against the risks associated with fluctuations in exchange rates. Although the Company may use hedging techniques in the future such techniques may not fully protect the Company against the effects of currency fluctuations.

11.15 The Company's financial results may be adversely affected by other international risks, such as (i) a recession in US economy and other international political and economic conditions; (ii) changes in government regulations in overseas markets; (iii) trade barriers; (iv) material changes in the tax treatment by the USA of outbound investment flows; (v) geo-political risks which may impact commodity prices such as oil and, by extension, the local cost of energy; (vi) the collective actions of countries acting in concert (such as through the Organization of the Petroleum Exporting Countries (OPEC)) to influence the price of commodities (such as oil) produced by them.

Competitive Risks

11.16 The securities industry is highly competitive. The Company faces intense competition not only from security dealers, but also from other financial institutions such as commercial banks and building societies with respect to the wealth management and investment segments of its business. The Company's success is dependent on its ability to retain current clients and to attract new ones. Many of the Company's competitors have substantial resources which would allow them to develop competing services that could be more attractive to some clients. Accordingly, competition may therefore have a material adverse effect on the Company's business, financial conditions, results of operations or prospects.

Litigation Risks

11.17 The Company's business is exposed to certain inherent litigation risks. For instance, it is susceptible to

claims by clients who suffer loss on their investment based on negligent advice. In addition, in spite of its robust compliance and anti-money laundering measures, it could be exposed, as a result of the activities of clients, to criminal liability based on violation of inter alia the Proceeds of Crime Act and the Securities Act and Regulations made under those Acts as well disciplinary action by the Jamaica Stock Exchange and/or the Financial Services Commission for disciplinary misconduct.

Regulatory risks

11.18 The securities industry in Jamaica is highly regulated. The continued operation of the Company depends upon holding its dealer's licence granted by the FSC and to a lesser extent its stock brokering licence granted by the JSE. The Company will continue to comply with all applicable regulations and other requirements affecting it however, such regulations may become overly burdensome and therefore could have a negative effect on the Company's ability to perform as intended and could also expose the Company to other operational risks.

Workforce and management Risks

11.19 Mayberry's performance and competitive standing is heavily dependent on the talent and efforts of highly skilled key individuals on its staff. Such individuals not only manage the Company's existing lines of business but are also instrumental in developing new products. Competition in the securities industry for those individuals is quite intense and that is likely to continue in the near future. To retain those individuals Mayberry has to design attractive compensation packages to attract and retain such individuals. If Mayberry were to suffer a sustained period of low profitability that could hinder its ability to attract and retain suitable experienced and skilled staff critical to its business.

11.20 The Company does not carry keyman's insurance on any of its employees or directors.

Foreign Exchange Risk

11.21 The Company holds assets and liabilities denominated in Jamaican currency and foreign currencies. It is therefore exposed to currency risks as the value of its assets and more particularly the amount of its liabilities denominated in foreign currencies may fluctuate due to changes in exchange rates. The exchange losses arising from devaluation of the Jamaican dollar is particularly acute as the Jamaican dollar has had a history of persistent devaluation against major currencies. The Company manages its exchange risk exposure very carefully but holds no foreign currency hedge agreement or forward exchange purchase agreement.



Risks relating to hurricanes, earthquakes, fire, power outages, floods, pandemics and other natural disasters and catastrophic events, and interruptions by man-made problems such as cyber-attacks

11.22 A significant natural disaster or other catastrophic event such as a hurricane, earthquake, fire, flood, power outage, telecommunications failure, cyberattack, geopolitical event, pandemic or other public health crisis -such as the COVID-19 pandemic which led to significant business disruptions, including travel bans- could result in significant interruptions in the Company's activities, adversely affecting the Company's assets, financial condition and business generally. Those events could, in turn, have a negative impact on the ability of the Company to service its debt obligations. Furthermore, the amount recovered under relevant insurance policy may be less than anticipated due to the effect of under-insurance and the pro rata conditions of coverage.

Comparability of Accounts

11.23 In December 2023 the Company underwent a corporate reorganization among the effects of which was to transfer the Company's ownership of Mayberry Jamaican Equities Limited ("MJE") (amounting to 50.42%) and Widebase Limited ("Widebase"), a wholly-owned subsidiary, upstream to the new group holding company Mayberry Group Limited.

11.24 Prior to 2023, the Company's financial statements would have consolidated its interests in MJE and Widebase. Since the corporate reorganisation, the Issuer no longer has any subsidiaries nor does it produce consolidated accounts.

11.25 The Company's financial statements post corporate reorganization may not be comparable (without adjustments) to its results prior to the corporate reorganization.

Changes in Fiscal or Monetary Policies

11.26 Changes in fiscal and monetary policies by the Government of Jamaica may affect the behaviour of capital markets. Such changes in policies may create opportunities as well as challenges for the Company.

Changes in Government's credit rating

11.27 A substantial portion of the securities held by Mayberry for its own account as well its customers are in debt securities issued by the Government of Jamaica. Changes in the credit worthiness of the Government could affect the value of such securities and hence the financial performance of the Company.

Changes in accounting policies

11.28 The Institute of Chartered Accountants of Jamaica or the FSC or other regulatory authority may issue new accounting rules or standards that differ from those that are presently applicable. Such new accounting rules or standards could require significant changes from the way the Company currently reports its financial position, operating results or cash flows. Such changes could be applied on a cumulative or prospective basis.

Information Technology Risks

11.29 If the Company's information systems are breached or destroyed or fail due to cyber-attack, unauthorized access, natural disaster, or equipment breakdown, then the Company's business could be interrupted, proprietary information could be lost or stolen, and its reputation could be damaged. The Company takes measures to protect its information systems from such occurrences, including maintaining adequate disaster recovery systems. Nevertheless assurance cannot be given that such efforts will always prevent incidents against which such safeguards are designed to protect.

Counterparty credit risk

11.30 The Company grants credit facilities to customers and has counter-party credit and settlement exposure to financial institutions, other security dealers and market participants including deposits with banks and financial institutions, foreign exchange transactions, settlement on securities dealing transactions and financial instruments issued by third parties. The insolvency of one or more of such counterparties, or the failure of one or more of such counterparties to perform under their various contracts with the Company could have a material adverse effect on the Company's financial performance.

Trading Risks

11.31 Mayberry maintains large trading and investment positions in the fixed income and equity markets. To the extent that it owns assets, i.e., has long positions, in any of those markets, a downturn in those markets could result in losses from a decline in the value of those long positions. Conversely, to the extent that it may have sold assets it did not own, i.e., have short positions, in any of those markets, an upturn in those markets could expose Mayberry to potentially substantial losses as it attempts to cover its short positions by acquiring assets in a rising market.





PROFESSIONAL ADVISERS FOR **INVITATION**



PROFESSIONAL ADVISORS FOR INVITATION

Lead Broker

Mayberry Investments Limited
1^{1/2}Oxford Road
Kingston 5

Primary Contacts

Mr. Dan Theoc (SVP-Investment Banking)
dan.theoc@mayberryinv.com
OR
Ms. Rachel Kirlaw (AVP-Investment Banking)
rachel.kirlaw@mayberryinv.com

Legal Advisors

Patterson Mair Hamilton
Attorneys-at-Law
Temple Court
85 Hope Road
Kingston 6

Security Trustee, Registrar and Transfer Agents

JCSD Trustee Services Limited
40 Harbour Street
Kingston

External Auditors

PricewaterhouseCoopers,
Scotiabank Centre,
Duke Street
Kingston



HISTORICAL **FINANCIAL DATA**



HISTORICAL FINANCIAL DATA

13.1 Summary of Unaudited Income Statement for the quarter ended September 30, 2024 compared to the quarter ended September 30, 2023

Statement of Profit or Loss and Other Comprehensive Income		
For the Period Ended 30-September-2024		
(Figures expressed in \$'000)	Unaudited	Unaudited
	Sep-24	Sep-23
Net Interest Income and Other Revenues		
Interest income	591,204	568,602
Interest expense	-457,750	-439,687
Net interest income	133,454	128,915
Consulting fees and commissions	347,064	98,966
Dividend income	4861	1938
Net trading gains/(losses)	-1,457	24,707
Net unrealized gains on investment revaluation	7,442	-9,559
Net foreign exchange gains	66,388	70,750
Other income	15,070	16,263
Net interest income & other operating revenue	572,822	331,980
Operating Expenses		
Salaries, statutory contributions and other staff costs	240,665	153,955
Provision for credit losses	28,631	11,138
Operational Losses	2693	0
Depreciation and amortisation	36,800	11,024
Other operating expenses	227,326	225,218
	536,115	401,335
PROFIT/(LOSS) BEFORE TAXATION	36,707	-69,355
Taxation	0	-13,827
Net Profit for the Year	36,707	-83,182
Other Comprehensive Income Net of Taxation:		
Item that will not be reclassified to profit or loss		
Net unrealized (loss)/gains on financial instruments - FVOCI	-28,899	-159,165
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		
Profit/(loss) Attributable to Stockholders	36,707	-83,182



13.2 Summary of Unaudited Balance Sheet for the quarter ended September 30, 2024 compared to the quarter ended September 30, 2023

	Unaudited	Unaudited
Mayberry Investment Limited	Sep-23	Sep-24
	\$'000	\$'000
ASSETS		
Cash resources	3,889,638	2,543,776
Investment securities	3,173,366	5,681,421
Cash resources		
Investment securities		
Reverse repurchase agreements	5,973,043	3,265,480
Capital management funds		
Promissory notes	3,374,585	5,148,924
Interest receivable	317,171	521,281
Loans and other receivables	7,668,940	10,596,083
Deferred taxation	443,387	1,148,464
Right of use assets	57,365	51,826
Investment property	2,027,738	2,113,472
Taxation recoverable	194,434	194,434
Externally funded loans	1,822,227	2,035,114
Investment in joint ventures		
Investment in Subsidiary - MWI & Widebase	1,092,779	
Due from related company	4,844,265	3,006,341
Intangible asset	1,179,634	1,345,004
Property, plant and equipment	172,086	194,816
Other assets		
Investment in associate		
TOTAL ASSETS	36,230,658	37,846,436
	36,230,658	37,846,436
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Bank overdraft	1,777,458	810,600
Capital management funds obligation		
Securities sold under repurchase agreements	6,238,748	7,921,074
Interest payable	124,397	86,348
Due to Related Party		
Loans	10,516,691	10,200,215
Accounts payable	10,632,607	10,209,854
Externally funded loans	1,820,659	2,128,820
Deferred Taxation		
Taxation payable		
Lease liabilities	73,910	71,355
Dividend Payable		
Redeemable preference shares		
	31,184,470	31,428,266
STOCKHOLDERS' EQUITY		
Share capital	1,582,382	1,582,382
Preference Shares		
Fair value reserve	220,347	392,980
Translation Reserve		
Capital Redemption Reserve		
Other reserve	77,939	77,939
Retained earnings	3,165,520	4,364,869
Equity to shareholders	5,046,188	6,418,170
Non-controlling interest		
	5,046,188	6,418,170
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	36,230,658	37,846,436



Summary of Unaudited Cash Flow Statement for the quarter ended September 30, 2024 compared to the quarter ended September 30, 2023

Mayberry Investments Limited	Unaudited	Unaudited
	Sep-23	Sep-24
	J\$'000	J\$'000
Cash Flows from Operating Activities		
Profit Before Taxation	(494,078)	(231,660)
Adjustments for:		
Adjustments to reconcile net profit to net cash provided by operating activities.	(644,931)	(586,939)
Changes in operating assets and liabilities		
Loans and other receivables	(1,432,761)	(384,939)
Investments	(14,119)	(2,003,480)
Promissory notes	5,567	(898,290)
Reverse repurchase agreements	(1,618,023)	435,352
Due from related companies	(3,189,402)	5,043,806
Due to Subsidiary		
Accounts payables	(143,342)	(1,477,620)
Securities sold under repurchase agreements	1,464,301	1,051,521
Loans	(1,312,333)	(992,672)
	(6,885,043)	186,739
Interest received	1,323,451	1,686,302
Interest paid	(1,234,135)	(1,436,647)
Income tax paid		
Net cash provided by/ (used in) operating activities	(6,795,727)	436,394
Cash Flow from Investing Activities		
Additions to property, plant and equipment	(31,712)	(57,627)
Purchase of intangible asset	(201,433)	(181,617)
Additions to investment properties		
Right of use asset	12,709	1,293
Net cash used in investing activities	(220,436)	(237,951)
Cash Flows from Financing Activities		
Dividend payment made to parent company		
Loan received	6,893,179	2,061,270
Loan repaid	(624,950)	(3,143,871)
Ordinary dividend payment	(360,345)	
Lease payment	(9,735)	1,568
Net cash provided by financing activities	5,898,149	(1,081,033)
Net decrease in cash and cash equivalents	(1,118,012)	(882,590)
Effects of exchange rate changes on cash and cash equivalent		
Cash and cash equivalents at beginning of the period	4,367,667	3,607,431
Cash and Cash equivalents at the end of the period	3,249,655	2,724,841



13.4 Summary of Five-Year Audited Income Statement

	Yr End	Yr End	Yr End	Yr End	Yr End
Mayberry Investments Limited	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2023
	J\$'000	J\$'000	J\$'000	J\$'000	J\$'000
Interest Income	790,788	959,046	736,374	1,118,845	1,587,993
Interest expense	(621,183)	(470,826)	(566,414)	(808,402)	(1,914,208)
Net interest income	169,605	488,220	169,960	310,443	(326,215)
Fees and commissions	735,053	355,037	392,400	508,657	521,203
Dividend Income	380,057	338,582	393,568	567,826	611,036
Gain/loss on sale of investments/ Unrealised gain/loss on investment revaluations	889,955	(1,351,183)	67,117	90,097	170,946
Net foreign exchange (loss)/gain	292,640	286,227	406,809	97,271	207,093
Net Trading Gains	65,815	169,118	125,393	116,082	111,097
Unrealised gain/loss on investment revaluations	165	(2,746,804)	2,551,857	5,232,917	(2,235,227)
Unrealised gain on other assets		634,701	337,900	-22,065	85,734
Net Gains on Disposal of Associate Holding					
Loan provision recovered/written back					
Other income	8,743	1,874	40,703	60,601	10,577
Net interest income & other operating revenue	2,542,033	(1,824,228)	4,485,707	6,961,829	(843,756)
Salaries, Statutory Contributions and Other Staff Costs	660,814	681,318	806,676	761,476	808,338
Provision for credit losses	48,249	(82,557)	219,535	128,708	(59,669)
Depreciation and amortization	48,371	57,013	68,566	53,669	45,130
Net Provision for impairment on investment					
Net foreign exchange loss					
Other Operating Expenses	1,137,476	822,045	907,478	1,302,802	1,209,945
Total expenses	1,894,910	1,477,819	2,002,255	2,246,655	2,003,744
Operating Profit	647,123	(3,302,047)	2,483,452	4,715,174	(2,847,500)
Gain in disposal of holdings in former associates					
Share of results of associate		1,026,474	326,147	21,440	833,575
Profit before taxation	647,123	(2,275,573)	2,809,599	4,736,614	(2,013,925)
Taxation (charge)/credit	(1,259)	111,604	251,630	1,016	593,632
Net Profit	645,864	(2,163,969)	3,061,229	4,737,630	(1,420,293)



13.5 Summary of Five-Year Audited Balance Sheet

	Yr End	Yr End	Yr End	Yr End	Yr End
Mayberry Investment Limited	Dec. 31 2019	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2023
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Cash resources	1,556,248	1,592,658	1,282,456	2,732,187	3,604,504
Investment securities	12,074,929	9,583,270	9,620,410	9,548,026	3,662,388
Reverse repurchase agreements	3,499,851	2,556,071	3,681,300	5,303,950	3,615,228
Capital management funds					
Promissory notes	1,812,878	4,054,135	2,940,903	4,255,247	6,455,155
Interest receivable					
Loans and other receivables	3,319,672	4,863,522	5,094,893	6,405,384	10,133,864
Deferred taxation			216,920	387,764	1,148,464
Right of use assets	133,459	114,701	109,557	70,074	53,119
Investment property	1,217,626	1,852,402	2,174,302	2,027,738	2,113,472
Taxation recoverable	120,759	128,263	127,325	198,601	194,434
Investment in joint ventures	517,539	2,142,092	2,654,808	1,964,454	
Investment in Subsidiary - MWI & Widebase					
Due from related company					8,050,147
Intangible asset	58,103	389,007	708,987	978,201	1,242,262
Property, plant and equipment	145,365	122,229	108,605	174,239	168,763
Other assets					
Investment in associate	12,559,355	8,594,096	12,740,921	18,011,477	
TOTAL ASSETS	37,015,784	35,992,446	41,461,387	52,057,342	40,441,800
LIABILITIES AND STOCKHOLDERS' EQUITY					
LIABILITIES					
Bank overdraft	329,875	255,976	375,633	50,337	994,193
Capital management funds obligation					
Securities sold under repurchase agreements	4,239,528	3,607,520	4,819,396	4,869,274	7,006,504
Interest payable					
Due to Related Party					
Loans	7,187,610	7,468,552	5,825,050	9,407,868	14,251,269
Accounts payable	4,611,980	7,595,020	8,964,785	11,045,972	11,535,534
Deferred Taxation	304,511	85,731			
Taxation payable					
Lease liabilities	140,236	128,579	124,090	83,645	69,787
Dividend Payable					
Redeemable preference shares					
	16,813,740	19,141,378	20,108,954	25,457,096	33,857,287
STOCKHOLDERS' EQUITY					
Share capital	1,582,382	1,582,382	1,582,382	1,582,382	1,582,382
Preference Shares					
Fair value reserve	2,526,639	1,400,809	1,174,016	558,897	327,663
Translation Reserve	(5,665)	4,625	119,536	85,800	
Capital Redemption Reserve					
Other reserve	77,939	77,939	77,939	77,939	77,939
Retained earnings	1,240,072	10,151,123	12,381,758	14,490,088	4,596,529
Equity to shareholders	15,421,367	13,216,878	15,335,631	16,795,106	6,584,513
Non-controlling interest	4,780,677	3,634,190	6,016,802	9,805,140	
	20,202,044	16,851,068	21,352,433	26,600,246	6,584,513
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	37,015,784	35,992,446	41,461,387	52,057,342	40,441,800



13. 6 Summary of Five-Year Cash Flow Statement

	Yr End	Yr End	Yr End	Yr End	Yr End
Mayberry Investment Limited	Dec. 31 2019	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2023
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Profit Before Taxation	647,123	(780,843)	2,809,599	4,736,614	(2,013,925)
Adjustments for:					
Provision for credit losses	48,249	(82,557)			
Intangible asset - amortisation	4,238	4,159			
Adjustments to reconcile net profit to net cash provided by operating activities			(2,260,056)	(6,432,228)	(2,456,693)
Gain on disposal of property, plant and equipment					
Right of use assets - amortisation	17,216	18,758			
Depreciation and amortization	26,917	29,408			
Provision for impairment on investments					
Loss on disposal of property, plant & equipment					
Interest Income	(790,788)	(679,932)			
Interest Expense	621,183	484,990			
Interest expense - right of use	10,978	10,600			
Unrealised gain on disposal of investment in associates					
Realised fair value losses transferred to retain earnings	1,517,668	212,303			
Impairment loss on unquoted investment					
Unrealised gains on investment revaluation					
Unrealized fair value gain on other assets		(536,149)			
Unrealized gain on disposal of investment in associate	(889,955)	1,145,692			
Unrealised foreign exchange losses/ (Gains)	173,232	179,762			
Share of after tax profit of associate					
Gain on disposal of associate holdings in former associates					
Foreclosure of loans					
Employee share options					
Income tax charge/ credit					
	1,386,059	6,191	549,543	(1,695,614)	(4,470,618)
Changes in operating assets and liabilities					
Loans and other receivables	1,015,196	14,829			
Investments	56,172	622,993			
Promissory notes	(374,471)	(2,196,626)			
Reverse repurchase agreements	(1,736,551)	1,221,363			
Tax Recoverable	2,441				
Accounts payables	(366,802)	686,083			
Securities sold under repurchase agreements	258,026	(626,212)			
Loans	(18,634)	276,938			
	221,436	5,559	549,543	(1,695,614)	(4,470,618)
Interest received	767,296	763,158	732,864	1,151,634	1,465,931
Interest paid	(611,512)	(498,927)	(574,490)	(859,192)	(1,823,828)
Income tax paid		(8,605)		(70,146)	
Net cash provided by/ (used in) operating activities	377,220	261,185	707,917	(1,473,318)	(4,828,515)
Cash Flow from Investing Activities					
Additions to property, plant and equipment	(59,661)	(6,272)	(21,425)	(65,762)	(17,231)
Purchase of intangible asset	(27,596)		(372,355)	(304,251)	(269,529)
Dividends received from subsidiary				670,239	
Investment in associate company					
Dividend Payment					
Proceeds from sale of investmetn property			16,000	92,310	
Proceeds from partial disposal of investment in subsidiary					(223,030)
Proceeds from disposal of investment in associate company					
Proceeds from disposal of property, plant and equipment					
Net cash used in investing activities	(87,257)	(6,272)	(377,780)	392,536	(509,790)
Cash Flows from Financing Activities					
Dividend payment made to parent company					
Loan received			1,171,100	4,159,677	7,883,446
Loan repaid			(1,976,570)	(2,708,805)	(3,228,195)
Proceeds from partial disposal of subsidiary			1,253,281	1,047,436	
Ordinary dividend payment	(319,806)	(169,971)	(405,229)	(372,056)	(402,033)
Purchase of additional shares in subsidiary			(191,927)		
Issue of preference shares					
Lease payment	(21,405)	(22,257)	(29,546)	(19,466)	(13,858)
Redemption of Preference Shares					
Net cash provided by financing activities	(341,211)	(192,228)	(178,891)	2,106,786	4,239,360
Net decrease in cash and cash equivalents	(51,248)	62,685	151,246	1,026,004	(1,098,945)
Effects of exchange rate changes on cash and cash equivalent	43,636	48,525	163,409	(23,970)	23,758
Cash and cash equivalents at beginning of the period	1,274,628	1,267,014	3,365,929	3,680,584	4,682,618
Cash and Cash equivalents at the end of the period	1,267,014	1,378,224	3,680,584	4,682,618	3,607,431

13.7 Auditors' Report

The Auditors' Report of PricewaterhouseCoopers, Chartered Accountants is set out at pages 82 to 180 in Appendix 5 hereto.





STATUTORY & GENERAL **INFORMATION**



STATUTORY & GENERAL INFORMATION

Statutory Information required to be set out in the Prospectus by section 42 and the Third Schedule to the Companies Act ("the Act").

14.1 (a) The Company has no founders or management or deferred shares.

(b) The Articles of Incorporation of the Company fix no shareholding qualification for directors and none have been otherwise fixed by the Company in general meeting. The Articles of Incorporation contain the following provisions with respect to the remuneration of directors:

i. *"The remuneration of the directors shall be such sum or sums as may from time to time be determined by them and approved by the Company in general meeting."* – Article 91.

ii. *"The Directors shall be paid such travelling, hotel and other expenses as may properly be incurred by them in the execution of their duties, including any such expenses incurred in connection with their attendance at meetings of Directors and at general meetings or in connection with the business of the Company."* -Article 92.

iii. *"A Director may enter into or be interested in contracts or arrangements with the Company (whether with regard to any such office or place of profit or any such acting in a professional capacity or as vendor, purchaser or otherwise howsoever) and may have or be interested in dealings of any nature whatsoever with the Company and shall not be disqualified from office thereby. No such contract, arrangement, or dealing shall be liable to be avoided nor shall any Director so contracting, dealing or being so interested be liable to account to the Company for any profit arising out of any such contract, arrangement, or dealing to which he is a party or in which he is interested by reason of his being a Director of the Company or of the fiduciary relationship thereby established. A Director may vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid and shall be counted in the quorum at any meeting at which such matter is considered."* – Article 100.

iv. *"A Director may be or continue or may become a director or other officer or servant of, or otherwise interested in, any other company in which the Company is in any way interested and shall not (in the absences of agreement to the contrary) be liable to account to the Company for any emoluments or other benefits received or receivable by him as director, officer or servant of, or from his interest in such other company."* -Article 101.

v. *"A Director may hold any other office or place of profit under the Company in conjunction with the office of Director for such period and on such terms as to remuneration and otherwise as the Directors may determine, and a Director or any firm in which he is interested may act in a professional capacity for the Company and he or such firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing contained in these presents shall authorise a Director or any such firm to act as auditor to the Company."* -Article 103.

vi. *"The Directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been Directors of or employed by or in the service of the Company, or any company which is a subsidiary of the Company and to the wives, widows, children and other relatives and dependants of any such persons, and may set up, establish, support and maintain pension, superannuation or other funds or schemes (whether contributory or non-contributory) for the benefit of such persons as are hereinbefore referred to or any of them or any class of them. Any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit, and may vote as a Director in respect of the exercise of any of the powers of this article conferred upon the Directors notwithstanding that he is or may be or become interested therein."* – Article 105.



vii. “The Directors may from time to time appoint one or more of their body to be a Managing Director or Managing Directors of the Company, and may fix his or their remuneration either by way of salary or commission or by conferring a right to participation in the profits of the Company, or by a combination of two or more of those modes, and may provide as a term of his appointment that there be paid to him, his widow or other dependents a pension or gratuity on retirement or death and the terms of such employment need not be confirmed by the Company in general meeting.” – Article 125.

(c) The names and descriptions of the Directors of the Company are set out in Section 8.1 of this Prospectus. The addresses of the Directors are as follows:

Name of Director	Residential address
Christopher W. Berry	1 1/2 Oxford Road, Kingston 5, Jamaica
Konrad M. Berry	1 1/2 Oxford Road, Kingston 5, Jamaica
Patrick Bataille	1 1/2 Oxford Road, Kingston 5, Jamaica
Erwin L. Angus	1 1/2 Oxford Road, Kingston 5, Jamaica
Gary H. Peart	1 1/2 Oxford Road, Kingston 5, Jamaica
Gladstone L. Lewars	7 Whalley Close, Kingston 6, Jamaica
Alok K. Jain	78 Barbican Road, Kingston 6, Jamaica
Walter H. Scott, K.C.	Unit 13, 22 Trafalgar Road, Kingston 10, Jamaica

- 14.2 (a) Shares are not being offered by the Company to the public for subscription. Accordingly, paragraph 2 of Part 1 of the Third Schedule to the Act does not apply.
- 14.3 (a) The Invitation will open for subscription at 9:00 a.m. on January 31, 2025 and will close at 4:30 pm on the Closing Date, February 28, 2025, subject to the Company’s right to close the application list at any time after 9:00 a.m. on the Opening Date if Applications have been received for an amount in excess of the Secured Bonds offered under this Prospectus, or to extend the Closing Date subject to section 42 of the Companies Act, 2004.
- (b) Shares are not being offered by the Company. Accordingly, paragraph 3(2) of Part 1 of the Third Schedule to the Act does not apply.
- 14.4 No person has, or is entitled to be given, any option to subscribe for any shares in, or debentures of, the Company.
- 14.5 (a) The Table below discloses the relevant assets or liabilities as at September 30, 2024, pursuant to paragraph 5 of Part 1 of the Third Schedule to the Companies Act.



Asset/Liability	Aggregate amount (J\$)
(a) Trade investments	5,681,421,000
(b) Quoted investments other than trade investments	Nil
(c) Unquoted investments other than trade investments	Nil
Goodwill, patents, trademarks or part of that amount is shown as a separate item in or is otherwise ascertainable from the books of the Company, or from any contract for the sale or purchase of any property to be acquired by the Company or from any documents in the possession of the Company relating to the stamp duty payable in respect of any such contract or the conveyance of any such property, the said amount so shown or ascertained so far as it is shown or ascertainable and as so shown or ascertained, as the case may be	Nil
Bank loans and overdrafts	11,010,815,000
Net Amount recommended for distribution of dividend after tax	Nil

Note that the complete Unaudited Financial Results for the first quarter ended September 30, 2024 showing the assets and liabilities of the Company is set out in Appendix 6 hereto.

(b) Details of the Company's trademark, real property and business name are set out in Section 7.13 to 7.16 of this Prospectus. However, there is no amount for goodwill, patent, or trademarks shown in the financial statements of the Company and there is no contract for sale and purchase which would involve any goodwill, patent or trademark.

(c) As at September 30, 2024 being the latest practicable date prior to publication of this Prospectus, the aggregate amount of bank loans owing by the Company are J\$10,200,215,000.00. The aggregate amount of overdrafts owing by the Company are J\$810,600,000.00.

(d) No amount is currently recommended for distribution by way of dividend.

14.6 As at the date of this Prospectus, no negotiations to purchase any properties which are to be paid for wholly or partly out of the proceeds of this Invitation, have been entered into, and accordingly, paragraphs 6 to 9 (inclusive) of Part 1 of the Third Schedule of the Companies Act do not apply.

14.7 (a) Within the two (2) preceding years, no commissions have been paid, nor will any be payable to anyone for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares or debentures of the Company.

(b) The Company also intends to pay the expenses associated with the Invitation out of the proceeds, which it estimates will not exceed J\$46 million inclusive of General Consumption Tax, as follows:

Expenses	
Legal and Professional fees:	J\$8,050,000.00
JSE fees:	J\$2,959,583.00
JCSD Trustee Services Fees	J\$460,000.00
Companies Office of Jamaica	J\$150,000.00
Marketing Expenses	J\$26,944,067.00
Selling Fees	J\$6,870,900.00
Total	J\$45,434,550.00



- 14.8 The issue is not underwritten.
- 14.9 The material contracts of the Company are set out in Section 7.21.
- 14.10 The name and address of the auditors to the Company is:
- PricewaterhouseCoopers
Duke Street,
Scotiabank Center
Kingston
- 14.11 PricewaterhouseCoopers have given and have not withdrawn their consent to the issue of this Prospectus with the inclusion of the Auditors' Report, and the complete audited financial statements of the Company for the financial year ended December 31, 2023, and their name in the form and context in which it is included.
- 14.12 The Company was incorporated on May 29, 1985 under the Companies Act of 1965 (which act has since been repealed and replaced by the Companies Act, 2004) and commenced trading in June 1985 and accordingly, paragraph 13 of Part 1 of the Third Schedule of the Companies Act does not apply.
- 14.13 The Company registered a prospectus in March 2005. Pursuant to that prospectus the Company offered 159,098,560 ordinary shares to the public. The Company subsequently listed its ordinary shares on the Main Market of the Jamaica Stock Exchange on April 21, 2005. The Company's ordinary shares were delisted from the JSE in December 2023 (by request of the Issuer).
- 14.14 The Company last registered a prospectus on August 12, 2024 . Pursuant to that prospectus the Company offered secured bonds having an aggregate principal amount of up to J\$1,374,180,000.00 with an option to up-size to J\$2,061,270,000.00. The Secured Bonds were listed on the Bond Market of the Jamaica Stock Exchange on November 5, 2024.



CONSENTS



CONSENTS

15.1 PricewaterhouseCoopers, the Auditors of the Company, have given and have not withdrawn their written consent to the issue of this Prospectus with the inclusion therein of a copy of their Independent Auditor's Report for year ended December 31, 2023 in the form and context in which it is included. The Auditors' Consent is set out at Appendix 7.

15.2 The Directors of the Company have given and have not withdrawn their written consent to the issue of the Prospectus and the inclusion therein of all material facts relevant to the Company as required by the Act. The Directors' Consent is set out at Section 17.1.





DOCUMENTS AVAILABLE FOR **INSPECTION**



DOCUMENTS AVAILABLE FOR INSPECTION

During the period that the invitation remains open for purchase of Secured Bonds, the following documents will be available for inspection on any weekday during the hours of 9:00 am to 4:30 pm, at the office of Patterson Mair Hamilton, Temple Court, 85 Hope Road, Kingston 6.

- (a) written consent of the Auditors, PricewaterhouseCoopers;
- (b) written consent of the Directors of the Company;
- (c) audited financial statements of the Company for the year ended December 31, 2023;
- (d) unaudited financial statements of the Company for the first quarter ended September 30, 2024;
- (e) Articles of Incorporation;
- (f) Resolution of the Board of Directors authorising the Invitation dated November 12, 2024;
- (g) The material contracts referred to in Section 7.21.


DIRECTORS' **SIGNATURES**



DIRECTORS' SIGNATURES

17 Directors' Consent


Signed on behalf of Mayberry Investments Limited by its Directors
on this the 22nd day of January, 2025.



Gary H. Peart



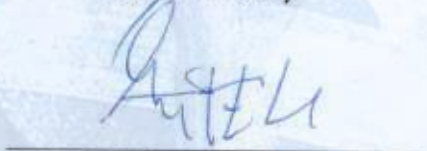
Christopher W. Berry




Konrad M. Berry



Erwin L. Angus



Gladstone L. Lewars



Patrick Bataille



Walter H. Scott, K.C.



Alok Jain



APPLICATION **GUIDELINES**



APPLICATION GUIDELINES

OPTION I - INDIVIDUAL & INDIVIDUALS WITH JOINT ACCOUNTS & COMPANIES

Mayberry Clients

Mayberry Clients with existing online access can apply by following the steps immediately below. Mayberry Clients who have not signed up for online access will first need to sign up (see steps further below) and then apply for the IPO after the online account has been successfully created.

How to apply for the IPO:

1. Go to <https://www.mayberryinv.com> and click **SIGN IN** in the upper right corner.
2. Enter your credentials (registered email address and password) and enter the One Time Password sent to your email click **Sign In**.
3. Click the **IPO** option from the menu on the left side of the page.
4. Click on the **Apply** button for the IPO.
5. Select the relevant bond tranche (if the tranche requires attachments upload the file) and click the **Apply** button.
6. Select your Mayberry account, complete the application form, and click **Review Application**.
7. Review the displayed application details and tick the checkboxes at the end of the page. You will need to click on the **form** link and agree to the and tick the last checkbox.
8. Click the **Submit Application** button.
9. For joint accounts, the joint account holder(s) will receive an email with a link to click to confirm the application so it can be fully submitted.

Special Note:

- i. **The application process will only be considered complete for joint accounts when all holders have verified the application.**
- ii. **Please ensure that all minors are flagged during the application for joint account holders. Once flagged, minors will not receive the email link to verify.**

How to sign up:

1. Go to <https://www.mayberryinv.com> and click **SIGN UP** in the upper right corner.
2. Click on the **Already Have An Account link**.
3. Select the type of account (Individual) and enter the requested details on record at Mayberry, then click **Next**.
4. Enter the email address and phone number on record for your Mayberry account, create your password and click **Sign Up**.
5. If all your entered details match with the details on record at Mayberry, you will be prompted to enter the One Time Password sent to your email.
6. You may now apply for the Secured Public Offering using the above steps.



OPTION II - INDIVIDUALS, INDIVIDUALS WITH JOINT ACCOUNTS & COMPANIES

Mayberry Clients

Mayberry Clients with existing online access can apply by following the steps immediately below:

How to apply for the IPO:

1. Go to <https://ipo.mayberryinv.com/mi-ipo> and enter your TRN
2. Click the **Send OTP** button (a one time password will be sent to your email address).
3. Enter the **OTP code** to login to the application
4. Click on the **Primary Account(s)** dropdown to select your account then click **Next**.
5. Select the **IPO** and the relevant **bond tranche**. If the tranche requires attachments, upload the files then click **Next**.
6. Enter the **Quantity of Secured Bonds** or **Nominal Amount** then click **Next**
7. Review the application details, click the relevant checkboxes then click **Finish**
8. **Ensure the correct email is provided for the primary and joint account holders (if applicable)**
9. A copy of the application receipt will be sent to your email address. An email will be sent to all adult joint account holders (if applicable) to verify the application.

Special Note:

- i. **The application process will only be considered complete for joint accounts when all holders have verified the application.**
- ii. **Please ensure that all minors are flagged during the application for joint account holders. Once flagged, minors will not receive the email link to verify.**

OPTION III - Non-Mayberry Clients

I. Brokers with Electronic Platform

Please contact your Broker to get the details to complete and submit your electronic application.

II. Brokers with No Electronic Platform

(Mayberry's MI-IPO platform will be used to process applications)

- III. Non-Mayberry Clients can apply via a link that will be provided by your broker. Please follow the steps below to create the application:

How to apply for the IPO:

1. Contact your broker for the link to access the application
2. Enter your **Name** and **Email address**
3. Click the **Send OTP** button (a one time password will be sent to your email address).
4. Enter the **OTP code** to login to the application
5. Enter information for the **Company** or **Primary**
6. Primary with Joint Account holders, joint account information will be automatically defaulted
7. Select the relevant **bond tranche**. If the tranche requires attachments, upload the files then click **Next**.
8. Enter the **Quantity of Secured Bonds** or **Nominal Amount** then click **Next**
9. Review the application details, click the relevant checkboxes then click **Finish**
10. A copy of the application receipt will be sent to your email address. An email will be sent to all adult joint account holders (if applicable) to verify the application.

Special Note:

- i. **The application process will only be considered complete for joint accounts when all holders have verified the application.**
- ii. **Please ensure that all minors are flagged during the application for joint account holders. Once flagged minors will not receive the email link to verify the application**



APPENDIX 2: **BORROWING POWER OF THE COMPANY**



BORROWING POWERS OF COMPANY

The Company's borrowing powers are derived from Articles 95 of the Company's Articles of Incorporation which providethat:

"The Directors may raise or borrow for the purposes of the Company such sum or sums of money as they think fit. The Directors may secure the repayment of or raise any such sum or sums as aforesaid and also secure the repayment of any sum or sums due or owing by the Company or by any other person by bill of sale, mortgage or charge upon the whole or any part of the property and assets of the Company, present and future including its uncalled capital, or by issue, at such price as they may think fit, of bonds, debentures or debenture stock either charged upon the whole or any part of the property and assets of the Company or not so charged or by bonds, bills of exchange, promissory notes or in such other way as the Directors may think expedient."





APPENDIX 3: **FORM FOR BOND**



FORM OF BOND

J\$_____

Issue Date: _____, 2025

Serial No: ____

Maturity Date: _____

FOR VALUE RECEIVED, the Undersigned, **MAYBERRY INVESTMENTS LIMITED** of 1 1/2 Oxford Road, Kingston 5 ("the Promisor") HEREBY UNCONDITIONALLY PROMISES TO PAY to the order of **JCSD TRUSTEE SERVICES LIMITED** of 40 Harbour Street, Kingston (the "**Security Trustee**") on the _____ day of _____, ("the Maturity Date"), without grace, the principal sum of _____ Jamaican Dollars (J\$ _____) ("the Principal Sum").

The Promisor further promises to pay interest at the rate of 10.25% per annum ("the Agreed Rate") on the unpaid Principal Sum hereof for each day during each Interest Period until the Principal Sum is repaid in full. Accrued interest shall be payable in arrears on each Interest Payment Date. Interest at the Agreed Rate shall accrue from day to day (as well as after as before any judgment) and shall be computed based on the number of days elapsed in the Interest Period for which the calculation is being made multiplied by a daily rate based on a three hundred sixty (360) day year. Principal, interest and other sums payable hereunder shall be payable in Jamaican currency at the office of JCSD Trustee Services Limited located at 40 Harbour Street, Kingston ("the Place of Payment").

The Promisor may at any time after the Issue Date voluntarily prepay or redeem this Note without premium or penalty by giving notice to the Noteholder and the Security Trustee that on a fixed future date (which shall fall on an Interest Payment Date and shall not be less than 30 days from the date of the notice) the Promisor shall effect prepayment or redemption (a "**Notice of Pre-payment**" or "**Notice of Redemption**" respectively) provided that in the case of a partial prepayment such prepayment shall be effected ratably across all Notes in the Series.

A Notice of Prepayment or Notice of Redemption, once given, may not be withdrawn and the amount prepaid or redeemed may not be re-borrowed under a new Note or Notes. Prepayment must occur pro rata across all Notes in the series simultaneously. The right of prepayment may be exercised only once during the life of the Notes.

All prepayment or redemption must be made with accrued interest up to the date of prepayment or redemption on the amount prepaid or redeemed.

This Global Note is issued in respect of a Series of Notes (the serial number of which is stated on the face hereof) ("the Individual Notes") issued by the Promisor. The Promisor intends that this Global Note shall be impressed with stamp duty in Jamaica and held by the Noteholder for enforcement in Jamaica, if deemed necessary, as trustee for the holders of the Individual Notes. Payments of principal and interest under the Individual Notes shall pro tanto reduce the Promisor's obligations under this Global Note. This Note is the Global Note referred to in the Trust Deed. All such Individual Notes shall rank pari passu and ratably in all respects.

All payments hereunder shall be made in same day funds or such other funds as are equivalent to same day funds. Payment of the Principal Sum and interest shall be made without set-off or counterclaim but subject to any applicable withholding tax (if any) which the Promisor is obliged to deduct by applicable law.

Upon the occurrence of an **Event of Default** (as defined below) the Noteholders may by Ordinary Resolution resolve that the Security Trustee shall serve a Notice of Acceleration declaring all principal and interest owing under this and other Notes in the Series to be, immediately due and payable, as provided in the Trust Deed and/or to take Enforcement Action.



The Promisor hereby irrevocably and unconditionally waives all requirements as to diligence, presentment, demand, protest, notice of dishonour and all other notices whatsoever, and agrees to pay all expenses, including reasonable attorney's fees incurred in the collection of this Note.

The failure of the holder hereof to exercise any of its rights hereunder in any particular instance shall not constitute a waiver thereof in that or any other instance.

In this Note:

"Agreed Rate" means 10.25% per annum provided that during the continuance of an Event of Default the Agreed Rate shall be the aggregate of the aforesaid rate applicable at that time plus 2% per annum;

"Business Day" means any day other than a Saturday or Sunday or Public Holiday on which commercial banks are opened generally for business in the Corporate Area of Kingston and Saint Andrew;

"Event of Default" means the occurrence of any of the following events:

- (i) *default by the Promisor in paying any sum due under this Note for a period of five (5) Business Days; or*
- (ii) *any representation or warranty made by the Promisor in the Trust Deed or in any Transaction Document being incorrect in any material respects when made and the Promisor either knew or ought reasonably to have known it was incorrect; or*
- (iii) *default by the Promisor in the performance or observance of any covenant, condition or other provision in the Trust Deed or any Transaction Document; or*
- (iv) *if an order is made or resolution passed for the Promisor to be wound up, except a voluntary winding-up previously approved by the Promisor; or*
- (v) *if an encumbrancer shall take possession of, or a receiver is appointed over, all or any part of Promisor's assets and the Security Trustee certifies that in its opinion such action is materially prejudicial to the interest of Bondholders; or*
- (vi) *if any distress or execution is levied against the Promisor and the Security Trustee certifies that in its opinion such action is materially prejudicial to the interest of Bondholders; or*
- (vii) *if the Promisor stops or threatens to stop payment of its debts or shall cease or threaten to cease to carry on the whole or substantially the whole of its business and the Trustee certifies that in its opinion, such event will be materially prejudicial to the interest of Bondholders; or*
- (viii) *if the Trust Deed or the Bond or any Transaction Document is, or becomes, or is alleged to be, unlawful or unenforceable; or*
- (ix) *if any Insolvency Event shall occur with respect to the Promisor; or*
- (x) *if final judgment is rendered against the Promisor and such judgment remains unsatisfied for a period of forty-five (45) days unless such judgment is the subject of a bona fide appeal.*



PROVIDED THAT In respect of the events listed at (iii), (viii) and (x) above the Promisor has a cure period of fourteen (14) days after notice from the Trustee to remedy the breach and if such breach is not remedied within such period only then will an Event of Default occur.

"Insolvency Event" means any of the following events occurring to the Promisor; namely: (i) the filing by the Promisor of a Notice of Intention or a Proposal under the Insolvency Act; or (ii) the commencement of proceedings by the Promisor to secure a composition of its debts under a court-approved scheme of arrangement or the making of any proposal to its creditors or any of them to compromise its debts; or (iii) the making by the Promisor of an application to the Supervisor of Insolvency for an assignment for the benefit of its creditors or if a creditor of the Promisor (or the Promisor itself) shall apply to the court for a receiving order to be made against it; or (iv) if the Promisor shall commit an act of bankruptcy under section 57 of the Insolvency Act; or (v) if a receiver (or an interim receiver) shall be appointed over the whole or any part of the assets of the Promisor;

"Interest Payment Date" means March 31, June 30, September 30 and December 31, of each year before save and except that the final Interest Payment Date shall also be the Maturity Date and subject to the customary Business Day adjustment;

"Interest Period" means (i) in the case of the first Interest Period, the period commencing on the Issue Date and ending on the date immediately preceding March 31, 2025; and (ii) after the first Interest Period, each subsequent Interest Period shall commence on the Interest Payment Date in the previous Interest Period and shall end on the day immediately preceding the next Interest Payment Date EXCEPT that (a) the last Interest Period shall end on the day immediately preceding the Maturity Date; and (b) if an Interest Period would end on a day which is not a Business Day then such Interest Period shall be shortened to end on the immediately preceding Business Day which shall be the ending date for that Interest Period and the extra day(s) to the Interest Payment Date shall be added to the next Interest Period;

"Maturity Date" means the maturity date stated at the head of this Note or the date on which a Prepayment Notice expires.

This Note shall be governed by and construed in accordance with the laws of Jamaica and may be enforced in the Courts of Jamaica.

MAYBERRY INVESTMENTS LIMITED

By: _____

Signature
Name:
Title:

By: _____

Signature
Name:
Title:

AUTHENTICATED without recourse, warranty or liability
JCSD Trustee Services Limited

By: _____
(Authorised Signatory)



SELLING **AGENTS**



SELLING AGENTS

The following securities dealers have been appointed selling agents:

Sagicor Investments Jamaica Limited





APPENDIX 5:

AUDITOR'S REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023



Mayberry Investments Limited

**Financial Statements
31 December 2023**



Mayberry Investments Limited

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31 December 2023

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Independent auditor's report

To the Members of Mayberry Investments Limited

Report on the audit of the consolidated and stand-alone financial statements

Our opinion

In our opinion, the consolidated financial statements and the stand-alone financial statements give a true and fair view of the consolidated financial position of Mayberry Investments Limited (the Company) and its subsidiaries (together 'the Group') and the stand-alone financial position of the Company as at 31 December 2023, and of their consolidated and stand-alone financial performance and their consolidated and stand-alone cash flows for the year then ended in accordance with IFRS Accounting Standards and with the requirements of the Jamaican Companies Act.

What we have audited

The Group's consolidated and stand-alone financial statements comprise:

- the consolidated statement of financial position as at 31 December 2023;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the company statement of financial position as at 31 December 2023;
- the company statement of profit or loss for the year then ended;
- the company statement of comprehensive income for the year then ended;
- the company statement of changes in equity for the year then ended;
- the company statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

PricewaterhouseCoopers, Scotiabank Centre, Duke Street, Box 372, Kingston, Jamaica
T: (876) 922 6230, F: 876) 922 7581, www.pwc.com/jm

B.L. Scott B.J. Denning G.A. Reece P.A. Williams R.S. Nathan C.I. Bell-Wadon G.K. Moore T.N. Smith DaSilva K.D. Powell





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 *Auditor's responsibilities for the audit of the consolidated and stand-alone 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 Group 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.

Responsibilities of management and those charged with governance for the consolidated and stand-alone financial statements

Management is responsible for the preparation of the consolidated and stand-alone financial statements that give a true and fair view in accordance with IFRS Accounting Standards and with the requirements of the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of consolidated and stand-alone financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and stand-alone financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the consolidated and stand-alone financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and stand-alone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 consolidated and stand-alone financial statements.



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

- Identify and assess the risks of material misstatement of the consolidated and stand-alone 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and stand-alone 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and stand-alone financial statements, including the disclosures, and whether the consolidated and stand-alone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.



Report on other legal and regulatory requirements

As required by the Jamaican Companies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the accompanying consolidated and stand-alone financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required.

A handwritten signature in dark ink, appearing to read "Priewatshand Cooper".

Chartered Accountants
Kingston, Jamaica
31 May 2024



Mayberry Investments Limited

Consolidated Statement of Financial Position

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 \$'000	2022 \$'000
ASSETS			
Cash resources	13	3,604,504	2,732,187
Investment securities	14	3,662,388	9,548,026
Investment in associates	21	-	18,011,477
Investment in joint ventures	22	-	1,964,454
Reverse repurchase agreements	15	3,615,228	5,303,950
Promissory notes	16	6,455,155	4,255,247
Loans and other receivables	17	10,133,864	6,405,384
Due from related companies	34	8,050,147	-
Investment properties	19	2,113,472	2,027,738
Property, plant and equipment	18	168,763	174,239
Right of use assets	20(a)	53,119	70,074
Taxation recoverable		194,434	198,601
Deferred tax asset	27	1,148,464	387,764
Intangible asset	33	1,242,262	978,201
Total Assets		40,441,800	52,057,342
LIABILITIES			
Bank overdraft	13	994,193	50,337
Securities sold under repurchase agreements		7,006,504	4,869,274
Loans	26	14,251,269	9,407,868
Accounts payable	28	11,535,534	11,045,972
Lease liabilities	20(b)	69,787	83,645
Total Liabilities		33,857,287	25,457,096
EQUITY			
Share capital	29	1,582,382	1,582,382
Fair value reserves	30	327,663	558,897
Translation reserve		-	85,800
Other reserves	31	77,939	77,939
Retained earnings	32	4,596,529	14,490,088
Equity Attributable to Shareholders of the Parent		6,584,513	16,795,106
Non-Controlling Interest	36	-	9,805,140
Total Equity		6,584,513	26,600,246
Total Equity and Liabilities		40,441,800	52,057,342

Approved for issue by the Board of Directors on May 30, 2024 and signed on its behalf by:

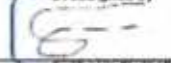
DocuSigned by:



Christopher Berry

Chairman

DocuSigned by:



Gary Peart

Chief Executive Officer / Director



Mayberry Investments Limited

Consolidated Statement of Profit or Loss

Year ended 31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 \$'000	2022 \$'000
Net Interest Income and Other Revenues			
Interest income	4	1,587,993	1,118,845
Interest expense	4	(1,914,208)	(808,402)
Net interest income	4	(326,215)	310,443
Consulting fees and commissions	5	521,203	508,657
Dividend income	6	611,036	567,826
Net trading gains	7	111,097	116,082
Net unrealised gains on financial assets measured at fair value through profit or loss		170,946	90,097
Net unrealised (losses)/gains on investment in associates measured at fair value through profit or loss		(2,235,227)	5,232,917
Net foreign exchange gains		207,093	97,271
Net unrealised gains/(losses) on investment properties		85,734	(22,065)
Other income		10,577	60,601
		<u>(843,756)</u>	<u>6,961,829</u>
Operating Expenses			
Salaries, statutory contributions and other staff costs	8	808,338	761,476
Provision for credit losses	14/16/17	(59,669)	128,708
Depreciation and amortisation		45,130	53,669
Other operating expenses		1,209,945	1,302,802
	9	<u>2,003,744</u>	<u>2,246,655</u>
Operating (loss)/profit		<u>(2,847,500)</u>	<u>4,715,174</u>
Share of profit of joint venture		<u>833,575</u>	<u>21,440</u>
(Loss)/Profit before taxation		<u>(2,013,925)</u>	<u>4,736,614</u>
Taxation credit	10	593,632	1,016
Net (Loss)/Profit for the Year	11	<u>(1,420,293)</u>	<u>4,737,630</u>
Attributable to:			
Stockholders of the parent		(207,897)	2,218,806
Non-controlling interest	36	<u>(1,212,396)</u>	<u>2,518,824</u>
		<u>(1,420,293)</u>	<u>4,737,630</u>
EARNINGS PER STOCK UNIT – BASIC AND DILUTED	12(a)	<u>\$ (0.17)</u>	<u>\$ 1.85</u>



Mayberry Investments Limited

Consolidated Statement of Comprehensive Income

Year ended 31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 \$'000	2022 \$'000
Net (Loss)/Profit for the Year		(1,420,293)	4,737,630
Other Comprehensive Income Net of Taxation:			
<i>Items that will not be reclassified to profit or loss</i>			
Net unrealised gains/(losses) on financial instruments – fair value through other comprehensive income		36,518	(131,465)
<i>Item that may be reclassified to profit or loss</i>			
Foreign currency translation adjustments		43,290	(33,736)
Other comprehensive income, net of taxes		79,808	(165,201)
Total Comprehensive Income for the Year		<u>(1,340,485)</u>	<u>4,572,429</u>
Total Comprehensive Income Attributable to:			
Stockholders of the parent		(153,167)	2,154,126
Non–controlling interest	36	<u>(1,187,318)</u>	<u>2,418,303</u>
		<u>(1,340,485)</u>	<u>4,572,429</u>
		\$	\$
COMPREHENSIVE INCOME PER STOCK UNIT - BASIC AND DILUTED	12(b)	<u>(0.13)</u>	<u>1.79</u>



Mayberry Investments Limited

Consolidated Statement of Changes in Equity

Year ended 31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

	No. of Shares	Share Capital	Fair Value Reserves	Translation Reserve	Other Reserves	Retained Earnings	Non controlling Interest	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 31 December 2022	1,201,149,291	1,582,382	1,174,016	119,536	77,939	12,381,758	6,016,802	21,352,433
Total Comprehensive Income								
Net profit	-	-	-	-	-	2,218,806	2,518,824	4,737,630
Other comprehensive income	-	-	(30,944)	(33,736)	-	-	(100,521)	(165,201)
Total comprehensive income	-	-	(30,944)	(33,736)	-	2,218,806	2,418,303	4,572,429
Transfer Between Reserves								
From fair value reserves	-	-	(603,218)	-	-	603,218	-	-
Transaction with Owners								
Dividends paid by subsidiary to non-controlling interests	-	-	-	-	-	-	(35,734)	(35,734)
Dividend paid (Note 35)	-	-	-	-	-	(336,322)	-	(336,322)
Change in ownership interest in subsidiary	-	-	19,043	-	-	(377,372)	1,405,769	1,047,440
	-	-	19,043	-	-	(713,694)	1,370,035	675,384
Balance at 31 December 2023	1,201,149,291	1,582,382	558,897	85,800	77,939	14,490,088	9,805,140	26,600,246
Total Comprehensive Income								
Net profit	-	-	-	-	-	(207,897)	(1,212,396)	(1,420,293)
Other comprehensive income	-	-	11,440	43,290	-	-	25,078	79,808
Total comprehensive income	-	-	11,440	43,290	-	(207,897)	(1,187,318)	(1,340,485)
Transfer Between Reserves								
From fair value reserves	-	-	(36,812)	-	-	36,812	-	-
Transactions with Owners								
Dividends paid by subsidiary to non-controlling interests	-	-	-	-	-	-	(41,689)	(41,689)
Dividend paid (Note 35)	-	-	-	-	-	(360,344)	-	(360,344)
Relieved on disposal of subsidiaries (Note 1(b) and Note 24)	-	-	(205,862)	(129,090)	-	(9,362,130)	(8,576,133)	(18,273,215)
	-	-	(205,862)	(129,090)	-	(9,722,474)	(8,617,822)	(18,675,248)
Balance at 31 December 2023	1,201,149,291	1,582,382	327,663	-	77,939	4,596,529	-	6,584,513



Mayberry Investments Limited

Consolidated Statement of Cash Flows

Year ended 31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 \$'000	2022 \$'000
Cash Flows from Operating Activities			
(Loss)/Profit before taxation		(2,013,925)	4,736,614
Adjustments for:			
Items not affecting cash:			
Adjustments to reconcile net profit to net cash provided by operating activities.	23	(2,456,693)	(6,432,228)
Interest received		1,465,931	1,151,634
Interest paid		(1,823,828)	(859,192)
Taxation paid		-	(70,146)
Cash used in operating activities		<u>(4,828,515)</u>	<u>(1,473,318)</u>
Cash Flows from Investing Activities			
Net purchase of intangible asset		(269,529)	(304,251)
Purchase of property, plant and equipment		(17,231)	(65,762)
Proceeds from sale of investment properties		-	92,310
Dividends received from joint venture		-	670,239
Cash relieved on disposal of subsidiaries	24	<u>(223,030)</u>	<u>-</u>
Cash (used in)/provided by investing activities		<u>(509,790)</u>	<u>392,536</u>
Cash Flows from Financing Activities			
Loans received		7,883,446	4,159,677
Loans repaid		(3,228,195)	(2,708,805)
Proceeds from partial disposal of subsidiary		-	1,047,436
Dividend payment		(402,033)	(372,056)
Lease payment	20	<u>(13,858)</u>	<u>(19,466)</u>
Cash provided by financing activities		<u>4,239,360</u>	<u>2,106,786</u>
Net /(Decrease)/Increase in Cash and Cash Equivalents		<u>(1,098,945)</u>	<u>1,026,004</u>
Exchange gain/(loss) on foreign cash balances		23,758	(23,970)
Cash and cash equivalents at beginning of year		<u>4,682,618</u>	<u>3,680,584</u>
Cash and Cash Equivalents at End of Year	13	<u><u>3,607,431</u></u>	<u><u>4,682,618</u></u>



Mayberry Investments Limited

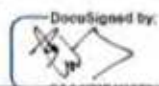
Company Statement of Financial Position

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 \$'000	2022 \$'000
ASSETS			
Cash resources	13	3,604,504	2,417,235
Investment securities	14	3,662,388	3,168,325
Reverse repurchase agreements	15	3,615,228	5,303,950
Promissory notes	16	6,455,155	5,255,247
Due from related companies	34	8,050,147	1,654,863
Loans and other receivables	17	10,133,864	6,291,802
Property, plant and equipment	18	168,763	174,239
Investment properties	19	2,113,472	2,027,738
Right of use assets	20(a)	53,119	70,074
Investments in subsidiaries	24	-	1,092,779
Intangibles	33	1,242,262	978,201
Taxation recoverable		194,434	194,434
Deferred tax asset	27	1,148,464	387,764
Total Assets		40,441,800	29,016,651
LIABILITIES			
Bank overdraft	13	994,193	50,337
Securities sold under repurchase agreements		7,006,504	4,869,274
Loans	26	14,251,269	7,209,240
Accounts payable	28	11,535,534	10,759,530
Lease liabilities	20(b)	69,787	83,645
Total Liabilities		33,857,287	22,972,026
EQUITY			
Share capital	29	1,582,382	1,582,382
Fair value reserves	30	327,663	348,423
Other reserves	31	77,939	77,939
Retained earnings	32	4,596,529	4,035,881
Total Equity		6,584,513	6,044,625
Total Equity and Liabilities		40,441,800	29,016,651

Approved for issue by the Board of Directors on May 30, 2024 and signed on its behalf by:

DocuSigned by:


Christopher Berry

Chairman

DocuSigned by:


Gary Peart

Chief Executive Officer / Director



Mayberry Investments Limited

Company Statement of Profit or Loss

Year ended 31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 \$'000	2022 \$'000
Net Interest Income and Other Revenues			
Interest income		2,062,748	1,192,332
Interest expense		(1,740,279)	(645,324)
Net interest income	4	322,469	547,008
Consulting fees and commissions	5	521,203	508,657
Dividend income	6	848,142	55,063
Net trading gains	7	96,945	1,005,621
Net unrealised gains/(losses) on investment revaluation		13,830	(24,562)
Net foreign exchange gains		202,234	110,120
Unrealised gains/(losses) on investment properties		85,734	(22,065)
Other income		63,736	63,747
		<u>2,154,293</u>	<u>2,243,589</u>
Operating Expenses			
Salaries, statutory contributions and other staff costs	8	800,581	753,770
Provision for credit losses		(59,669)	128,708
Depreciation and amortisation		45,130	52,101
Other operating expenses		1,047,592	891,400
	9	<u>1,833,634</u>	<u>1,825,979</u>
Profit before Taxation		320,659	417,610
Taxation credit		593,632	1,016
Net Profit for the Year		<u>914,291</u>	<u>418,626</u>



Mayberry Investments Limited

Company Statement of Comprehensive Income

Year ended 31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

	2023 \$'000	2022 \$'000
Net Profit for the Year	914,291	418,626
Other Comprehensive Income Net of Taxation:		
Item that will not be reclassified to profit or loss		
Net unrealised (losses)/gains on financial instruments – fair value through other comprehensive income	(14,059)	71,281
Total Comprehensive Income for the Year	<u>900,232</u>	<u>489,907</u>



Mayberry Investments Limited

Company Statement of Changes in Equity

Year ended 31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

	No. of Shares	Share Capital	Fair Value Reserves	Other Reserves	Retained Earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 31 December 2021	1,201,149,291	1,582,382	688,078	77,939	3,542,641	5,891,040
Profit for the year	-	-	-	-	418,626	418,626
Other comprehensive income	-	-	71,281	-	-	71,281
Total comprehensive income	-	-	71,281	-	418,626	489,907
Transfer Between Reserves						
From fair value reserves	-	-	(410,936)	-	410,936	-
Transactions with Owners						
Dividend paid (Note 35)	-	-	-	-	(336,322)	(336,322)
Balance at 31 December 2022	1,201,149,291	1,582,382	348,423	77,939	4,035,881	6,044,625
Profit for the year	-	-	-	-	914,291	914,291
Other comprehensive income	-	-	(14,059)	-	-	(14,059)
Total comprehensive income	-	-	(14,059)	-	914,291	900,232
Transfer Between Reserves						
From fair value reserves	-	-	(6,701)	-	6,701	-
Transactions with Owners						
Dividend paid (Note 35)	-	-	-	-	(360,344)	(360,344)
Balance at 31 December 2023	1,201,149,291	1,582,382	327,663	77,939	4,596,529	6,584,513

Mayberry Investments Limited

Company Statement of Cash Flows

Year ended 31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 \$'000	2022 \$'000
Cash Flows from Operating Activities			
Profit before taxation		320,659	417,610
Adjustments for:			
Items not affecting cash:			
Adjustments to reconcile net profit to net cash provided by operating activities	23	(7,576,129)	(1,754,833)
Tax paid		-	(69,697)
Interest received		1,940,843	1,147,807
Interest paid		(1,655,115)	(586,602)
Cash used in operating activities		<u>(6,969,742)</u>	<u>(845,715)</u>
Cash Flows from Investing Activities			
Additions to intangible assets		(269,529)	(304,251)
Additions to property, plant and equipment	18	(17,231)	(65,762)
Proceeds from sale of investment properties		-	92,310
Proceeds from partial disposal of subsidiary	24	-	1,047,436
Cash (used in)/provided by investing activities		<u>(286,760)</u>	<u>769,733</u>
Cash Flows from Financing Activities			
Dividend payment	35	(360,344)	(336,322)
Lease principal payment	20	(13,858)	(19,466)
Loans received		7,883,446	4,159,676
Loans repaid		(1,028,195)	(2,708,805)
Cash provided by financing activities		<u>6,481,049</u>	<u>1,095,083</u>
Net (Decrease)/Increase in Cash and Cash Equivalents		<u>(775,453)</u>	<u>1,019,101</u>
Exchange gain/(loss) on foreign cash balances		15,218	(18,117)
Cash and cash equivalents at beginning of year		<u>4,367,666</u>	<u>3,366,682</u>
Cash and Cash Equivalents at End of Year	13	<u><u>3,607,431</u></u>	<u><u>4,367,666</u></u>

Mayberry Investments Limited

Notes to the Financial Statements

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

1. Identification and Principal Activities

- (a) Mayberry Investments Limited ("the Company") is a company limited by shares, incorporated and domiciled in Jamaica. The registered office of the Company is located at 1 ½ Oxford Road, Kingston 5. The Company is a licensed securities dealer and is a member of the Jamaica Stock Exchange. The Company has primary dealer status from the Bank of Jamaica.

The principal activities of the Company comprise dealing in securities, portfolio management, investment advisory services, operating a foreign exchange cambio, managing funds on behalf of clients and administrative and investment management services for pension plans.

The principal activities of its subsidiaries, associated companies and joint venture operation comprise the investing and trading of Jamaican equity securities, the investing in unquoted securities, money services, general insurance business, the distribution of food and beverages and gaming and lottery operations.

The Company its subsidiaries, associates and joint venture operations are collectively referred to as "the Group".

- (b) Reorganisation of the Mayberry Group of Companies

At an extraordinary General Meeting held on July 26, 2023, the stockholders of Mayberry Investments Limited (MIL) approved the reorganisation of the Mayberry Group of Companies under a Scheme of Arrangement. The Scheme of Arrangement was then approved by the Supreme Court of Jamaica in September 2023 in accordance with the Jamaica Companies Act. In December 2023, the new holding company, Mayberry Group Limited (MGL) was listed on the Jamaica Stock Exchange and at the same time MIL was delisted. The existing shareholders of MIL exchanged their shares for MGL shares of equal value. At December 31, 2023, MIL also transferred ownership of all its subsidiaries directly to MGL.

The consideration for the transfer of ownership of the subsidiaries from MIL to MGL was effected by interest bearing promissory notes.



Mayberry Investments Limited

Notes to the Financial Statements

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

2. Material 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 Accounting Standards) and IFRS Interpretations Committee (IFRS IC) interpretations applicable to companies reporting under IFRS Accounting Standards. 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"), investment properties and certain financial assets at FVTPL. The Group has determined that one of its subsidiaries is a similar entity to an investment entity as defined in IFRS 10 and that it continues to meet this definition (see note 2 (c)). These financial statements are also prepared in accordance with requirements of the Jamaican Companies Act.

The financial statements comprise the statement of profit and loss and statement of comprehensive income shown as two statements, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes.



Mayberry Investments Limited

Notes to the Financial Statements

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(a) Basis of preparation (continued)

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and contingent liabilities at the end of the reporting period and the total comprehensive income during the reporting period. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an ongoing basis and any adjustments that may be necessary would be reflected in the year in which actual results are known. The areas involving more judgement and complexity or areas where assumptions or 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.

- *Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8*
- *Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction*
- *Amendment to IAS 12 – International tax reform*

The Group has assessed the relevance of all such new standards, interpretations and amendments and has concluded that they did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

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

Certain amendments to accounting standards have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the group.

- *Amendment to IFRS 16 – Leases on sale and leaseback*
- *Amendment to IAS 1 – Non-current liabilities with covenants*
- *Amendment to IAS 7 and IFRS 7 – Supplier finance*
- *Amendments to IAS 21 – Lack of Exchangeability*

These amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.



Mayberry Investments Limited

Notes to the Financial Statements

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(b) Basis of consolidation

A subsidiary is an entity which is controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are considered. The consolidated financial statements comprise those of the Company and its NIL% (2022- 59.8%) owned subsidiary, Mayberry Jamaican Equities Limited (MJE) and its NIL% (2022 – 100%) owned subsidiary, Widebase Ltd., presented as a single economic entity. During the year, MIL transferred ownership of all its subsidiaries directly to Mayberry Group Limited as part of the Groups reorganisation. Intra-group transactions, balances and unrealized gains and losses are eliminated in preparing the consolidated financial statements. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

On consolidation, transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. At the company level, the gains or losses are recorded in the profit or loss account.

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss. The Company's subsidiaries as December 31, 2022, were as follows:

Entity	Country of incorporation and place of business	Principal Activities	Proportion of ordinary shares held by the parent company %	Proportion of ordinary shares held by non- controlling interests %
Mayberry Jamaican Equities Limited	St. Lucia	Investing in Jamaican equities	50.42	49.58
Widebase Limited	St. Lucia	Investing in unquoted equities	100	-



Mayberry Investments Limited

Notes to the Financial Statements

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(c) Investment in Associates and Joint Ventures

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Joint ventures are entities over which the Group has joint control and has rights to the net assets of the investment. The Group has determined that its subsidiary Mayberry Jamaican Equities Limited (MJE) business model and operations are similar to that of an "investment entity" as defined by IFRS 10.

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.

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. MJE 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.

As MJE is deemed to have a similar business model to an investment entity as defined by IFRS 10, the Group 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 *Financial Instruments*.

The Group's investment in joint ventures is accounted for using the equity method of accounting and are initially recognised at cost. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investee's share of profit or loss and other comprehensive income after the date of acquisition. IAS 28 requires investment in joint ventures to include goodwill identified on acquisition, net of any accumulated impairment loss where present.

If the ownership interest in a joint venture is reduced but significant influence or joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

Mayberry Investments Limited

Notes to the Financial Statements

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(c) Investment in Associates and Joint Ventures (continued)

The Group's share of its joint venture's post-acquisition profit or loss is recognised in the statement of profit or loss, and its share of post-acquisition movements in other comprehensive income are recognised in other comprehensive income. These cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of loss in a joint venture equal or exceeds its interest in the joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

The Group determines at each reporting date whether there is any objective evidence that investments in joint ventures are impaired. If this is the case, the Group recognises an impairment charge in the statement of profit or loss for the difference between the recoverable amount of the joint venture and its carrying value. The Company's associates and joint venture operations are as follows:

Name of Entity	Accounting Year-end	Nature of Business	Nature of Relationship	The Company's Proportion of ordinary shares held (%)	
				2023	2022
Cherry Hills Development Limited	31 December	Real Estate Development	Joint Venture	-	50
Lasco Financial Services Ltd	31 March	Money Services	Associate	-	21
Caribbean Producers (Jamaica) Limited	30 June	Food trading	Associate	-	20
Iron Rock Insurance Limited	31 December	General insurance	Associate	-	19
Supreme Ventures Limited	31 December	Betting, gaming and lottery	Associate	-	18



Mayberry Investments Limited

Notes to the Financial Statements

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(d) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Jamaican dollars, which is the Company's functional and presentation currency, unless otherwise stated.

Transaction 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 at the date.

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 recognized in the statement of profit or loss and other comprehensive income.

Translation differences on non-monetary financial assets are a component of the change in their fair value. Depending on the classification of a non-monetary financial asset, exchange differences are either recognized in the statement of profit or loss (applicable for financial assets at fair value through profit or loss), or within other comprehensive income if non-monetary financial assets are equity instruments which are designated as fair value through other comprehensive income.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that balance sheet.
- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on transaction dates, in which case income and expenses are translated at the dates of the transactions) and;
- All resulting exchange differences are recognized in other comprehensive income.

(e) Impairment of Non-Financial Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation 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 asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

(f) Intangible assets

Computer software

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.



Mayberry Investments Limited

Notes to the Financial Statements

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(g) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for services provided in the ordinary course of the Group's business and is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured taking into account contractually defined terms of payment.

Consulting fees and commission income:

Consulting fees and commission income are recognized on an accrual basis when the performance obligations are satisfied, that is over time or at a point in time. Where a customer contract contains multiple performance obligations, the transaction price is allocated to each distinct performance obligation based on the relative stand-alone selling prices of the goods or services being provided to the customer.

Consulting fees and commission arising from negotiating or participating in the negotiation of a transaction for a third party are recognized on completion of the underlying transaction. Portfolio and other management advisory and service fees are recognized based on the applicable service contracts. Asset management fees related to investment funds are recognized over the period the service is provided. Performance linked fees or fee components are recognized when the performance criteria are fulfilled.

The Group recognizes contract liabilities in respect of contracts with customers for consideration received before the Group transfers the service to the customer.



Mayberry Investments Limited

Notes to the Financial Statements

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(h) Repurchase and reverse repurchase agreements

Securities sold under agreements to repurchase (repurchase agreements), and securities purchased under agreements to resell (reverse repurchase agreements), are treated as collateralized financing transactions. The difference between the sale/purchase and repurchase/resale price is treated as interest and accrued over the lives of the agreements using the effective yield method.

(i) Loans and receivables and provisions for credit losses

The Group recognizes loss allowances for expected credit losses (ECL) on the following financial instruments: loans and other receivables, promissory notes, debt instruments carried at amortised cost, and debt instruments carried at FVTOCI. Loans are recognized when cash is advanced to borrowers. They are initially recorded at cost, which is the cash given to originate the loan including any transaction costs, and subsequently measured at amortized cost using the effective interest rate method.

The Group applies the "three stage model under IFRS 9 in measuring the ECL on loans and receivables, and makes estimations about likelihood of defaults occurring, associated loss ratios, changes in market conditions, and expected future cash flows. This is measured using the Probability of Default (PD), Exposure at Defaults (EAD) and Loss Given Default (LGD) for a portfolio of assets.

- Probability of Default - This represents the likelihood of a borrower defaulting on its financial obligation either over the next 12 months (12-month PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- Exposure at Default - This represents the expected balance at default, taking into account the repayment of principal and interest from the statement of financial position date to the default event together with any expected drawdowns of committed facilities.
- Loss Given Default - The LGD represents expected losses on the EAD given the event of default, taking into account the mitigating effect of collateral value at the time it is expected to be realised and also the time value of money.

The 'three stage' model is used to categorise financial assets according to credit quality as follows:

- Stage 1 – financial assets that are not credit impaired on initial recognition or are deemed to have low credit risk. These assets generally abide by the contractual credit terms. The ECL is measured using a 12-month PD, which represents the probability that the financial asset will default within the next 12 months.
- Stage 2 – financial assets with a significant increase in credit risk (SICR) since initial recognition, but are not credit impaired. The ECL is measured using a lifetime PD.
- Stage 3 – credit impaired financial assets. The ECL is measured using a lifetime PD.

Transfer between stages

Financial assets can be transferred between the different categories depending on their relative increase in credit risk since initial recognition. Financial instruments are transferred out of stage 2 if their credit risk is no longer considered to be significantly increased since initial recognition. Financial instruments are transferred out of stage 3 when they no longer exhibit any evidence of credit impairment. This assessment is done on a case-by-case basis.

Mayberry Investments Limited

Notes to the Financial Statements

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(i) Loans and receivables and provisions for credit losses (continued)

The Group considers forward-looking information in determining the PDs of financial assets.

Significant Increase in Credit Risk (SICR)

The assessment of SICR is performed for individual loans, taking into consideration the sector grouping of the individual exposures, and incorporates forward-looking information. It also considers qualitative criteria specific to the borrower's risk rating, early signs of cash flow/liquidity problems and expected significant adverse change in the financial condition of the borrower. However, this assessment will differ for different types of lending arrangements.

Backstop

Irrespective of the above qualitative assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due. The Group has monitoring procedures in place to assess whether the criteria used to identify SICR continue to be appropriate.

The ECL is determined by projecting the PD, LGD and EAD, which are multiplied together and discounted back to the reporting date. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

A loan is classified as impaired when, in management's opinion there has been deterioration in credit quality to the extent that there is no longer reasonable assurance of timely collection of the full amount of principal and interest.

Write offs are made when the Group determines that there is no realistic prospect of recovery. Write offs are charged against previously established provisions for credit losses. Recoveries in part or in full of amounts previously written off are credited to provision for credit losses in the statement of profit or loss.



Mayberry Investments Limited

Notes to the Financial Statements

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(j) Financial assets

i. Initial recognition and measurement

Financial assets are recognised when the Group 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. For financial instruments measured at FVTPL transaction costs are expensed in the statement of profit and loss.

ii. Classification and subsequent measurement

The Group 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 Group'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.

Factors considered by the Group 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 Group has determined that it has three business models:

- Hold-to-collect (HTC) business model: This comprises, cash and cash equivalents debt securities, promissory notes, loans and other receivables, reverse repurchase agreements and accounts receivables. These financial assets are held to collect contractual cash flows.
- Hold-to-collect-and-sell (HTCS): where both collecting and contractual cash flows and cash flows arising from the sale of assets are the objective of the business model.
- Other business model: This comprises equity investments. These financial assets are managed and their performance is evaluated, on a fair value basis.

Solely payments of principal and interest (SPPI) assessment.

Instruments held within HTC or HTCS business model are assessed to evaluate if their contractual cash flows are SPPI. SPPI payments are those which would typically be expected from basis lending arrangements. Principal amounts include par repayments from lending and financing arrangements, and interest primarily relates to basic lending returns, including compensation for credit risk and the time value of money associated with the principal amount outstanding over a period of time. Interest can also include other basic lending risks and costs (for example, liquidity risk, servicing or administrative costs) associated with holding the financial asset for a period of time, and a profit margin.



Mayberry Investments Limited

Notes to the Financial Statements

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(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(j) Financial assets (continued)

iv. Debt Instruments

Debt instruments include cash and bank balances, loans and other receivables, investment securities, guarantees and other assets. Classification and subsequent measurement of debt instruments depend on the Group's business model for managing the asset and the cash flow characteristics of the asset.

Debt instruments are measured at amortised cost if they are held for collection of contractual cash flows where those cash flows represent SPPI. Interest income from these financial assets is included in interest income using the effective interest method. Any gain or loss arising on de-recognition is recognized directly in profit or loss together with foreign exchange gains or losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

The Group's financial assets measured at amortised cost comprise cash resources, trade receivables, investment securities for which the objective is to hold these investment securities in order to collect contractual cash flows and the contractual cash flows are SPPI, reverse repurchase agreements, promissory notes, other receivables and amounts due from related companies in the statement of financial position.

Debt instruments are measured at FVTOCI if they are held for collection of contractual cash flows and for selling the financial assets, where the financial assets' cash flows represent payments of principal and interest. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in (losses)/gains on investment activities. Interest income from these financial assets is recognized in interest income using the effective interest rate method. Foreign exchange gains or losses are presented in gains in foreign exchange translation and trading and impairment losses are presented as a separate line item in the statement of profit or loss.

Debt instruments are measured at FVTPL are those which were either acquired for generating a profit from short term fluctuations in price or dealers' margin, or are securities included in a portfolio in which a pattern of short term profit taking exists or which fail the SPPI test.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent, and none occurred during the period.

v. Equity Instruments

Financial assets measured at FVTOCI

Where the Group has made an irrevocable election to classify equity investments at fair value through other comprehensive income, 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 and losses to profit or loss following the derecognition of the investment, these realised gains are reclassified directly to retained earnings.

Financial assets measured at FVPL

This category comprises financial instruments which are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of profit or loss in the "financial instruments – FVPL" line. The Group has equity investments held for trading which it has classified as being at fair value through profit and loss.



Mayberry Investments Limited

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2. Material Accounting Policies (Continued)

(j) Financial assets (continued)

vi. Impairment

Credit loss allowance are measured on each reporting date according to a three-stage expected credit loss impairment model. Changes in the required credit loss allowance are recorded in profit or loss for the period at each reporting date.

Expected credit losses (ECL) are established for all financial assets, except for financial assets classified or designated as FVPL and equity securities designated as FVOCI, which are not subject to impairment assessment. Financial assets subject to impairment assessment include loans and advances, debt securities, promissory notes and other assets. Loans, promissory notes and debt securities carried at amortised cost are presented net of ECL on the statement of financial position. ECL on debt securities measured at FVOCI is recognised in profit or loss with a corresponding entry in OCI.

The Group assesses on a forward looking basis the ECL associated with its financial assets classified at amortised cost and FVOCI. The estimation of credit exposure for risk management purposes requires the use of complex models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of defaults correlations between counterparties. The Group measures risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD).

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 Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

Mayberry Investments Limited

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2. Material Accounting Policies (Continued)

(j) Financial assets (continued)

vii. De-recognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset have expired, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in transferred financial assets that qualify for de-recognition that is created or retained by the Group is recognized as a separate asset or liability in the statement of financial position. On de-recognition of a financial asset, the difference between the carrying amount of the asset (or carrying amount allocated to the portions of the asset transferred), and the sum of (i) the consideration received (including any new assets obtained less any new liability assumed) and (ii) any cumulative gain/loss recognized in OCI in respect of equity investment securities but transferred from OCI to retained earnings on disposal.

viii. Revenue

Interest income and expense are recognised in arriving at net profit or loss for all interest-bearing instruments on the accrual basis using the effective yield method based on the actual purchase price. Interest income includes coupons earnings on fixed income investments and accrued discounts or premiums on instruments.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, the Group estimates cash flows considering the contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts.

When a loan is classified as impaired it is written down to its recoverable amount and interest income on the loans is thereafter recognized based on the rate of interest that was used to discount the future cash flows for measuring the recoverable amount.

Dividend income is recognized when the stockholder's right to receive payment is established.

(k) 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 over the period to repayment is a constant rate on the balance of the liability carried in the statement of financial position.

The Group's financial liabilities comprise primarily amounts due to banks, repurchase agreements, accounts payable, debt security in issue and amounts due to related companies.

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



Mayberry Investments Limited

Notes to the Financial Statements

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(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(l) Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated on the straight-line basis at annual rates estimated to write off the cost of the assets over their expected useful lives as follows:

Furniture, fixtures and fittings	10 years
Office equipment	5 years
Computer equipment	5 years
Motor vehicles	3 years
Leasehold improvements	30 years

Depreciation methods, useful lives and carrying values are reassessed at the reporting date.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Gains or losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining profit or loss.

(m) Investment properties

Investment properties, principally comprising land and buildings from foreclosed assets, are held for capital appreciation and sale and are treated as long-term investments. They are measured initially at cost, including related transaction costs and are subsequently carried at fair value with changes in the carrying amount recognised in profit or loss. The carrying amount includes the cost of the investment property at the time that cost is incurred only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to income during the financial period in which they are incurred.

Capital gains on disposals of investment properties are calculated by comparison with their latest market value recorded in the closing statement of financial position for the previous year.

Fair value is determined periodically by an independent registered valuer. Fair value is based on current prices in an active market for similar properties in the same location and condition.

Some of these properties are used as collateral for the Group's corporate paper (note 26)

Mayberry Investments Limited

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2. Material Accounting Policies (Continued)

(n) Investments in subsidiaries

Investments by the Company in its subsidiaries are stated at cost less impairment loss.

(o) Borrowings

Borrowings including those arising under securitization arrangements 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 over the period of the borrowings using the effective yield method.

(p) Share capital

Ordinary shares are classified as equity when there is no obligation to transfer cash or other assets.

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.

(q) Employee benefits

(i) Pension scheme costs

The Group operates a defined contribution pension scheme (note 40), the assets of which are held in a separate trustee administered fund. Contributions to the scheme are fixed and are made on the basis provided for in the rules. Contributions are charged to the statement of profit or loss when due. The Group has no legal or constructive obligation beyond paying these contributions.

(ii) Profit-sharing and bonus plan

The Group recognizes a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the Company's stockholders after certain adjustments. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(iii) Other employee benefits:

Employee entitlement to annual leave and other benefits are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave and other benefits as a result of services rendered by employees up to the end of the reporting period.

Mayberry Investments Limited

Notes to the Financial Statements

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2. Material Accounting Policies (Continued)

(r) Leases

The Group leases various offices, and vehicles. Rental contracts are typically made for fixed periods of 1 to 25 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

All leases are accounted for by recognising a right-of-use asset and a lease liability for all leases with a term greater than 12 months.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes amounts expected to be payable under any residual value guarantee, the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to exercise that option, any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for lease payments made at or before commencement of the lease, initial direct costs incurred and the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset, whichever is shorter.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining lease term.

Mayberry Investments Limited

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2. Material Accounting Policies (Continued)

(s) Taxation

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

Current taxation charge is the expected taxation payable on the taxable income for the year, using tax rates enacted at the reporting date and any adjustment to tax payable and tax losses in respect of previous years.

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 tax rates are used in the determination of deferred income tax. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset will be realized or the liability will be settled based on enacted rates.

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.

Management has reviewed the investment portfolio and concluded that none of the Company's investment properties are held under a business model whose objective is to consume substantially all the economic benefits embodied in the investment properties over time, rather than entirely through sale. As a result the Company has not recognized any deferred taxes on changes in fair value of the investment properties as the Company is not subject to any income taxes on the fair value changes of the investment properties on disposal.

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 or loss 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.

(t) Provisions

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

(u) Cash and cash equivalents

Cash and cash equivalents include cash on hand, and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with original maturities of less than three months from the date of acquisition, including cash resources and bank overdraft.

Mayberry Investments Limited

Notes to the Financial Statements

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2. Material Accounting Policies (Continued)

(v) Funds under management

The Company accepts funds from individuals and institutions to manage with complete discretion and without reference to the account holders, in accordance with the relevant guidelines issued by the Financial Services Commission, taking into account the investment objective and risk profile of the account holder. The Company also acts in other fiduciary capacities that result in holding or placing of assets on behalf of individuals and institutions. These assets and income arising thereon are excluded from these financial statements, as they are not assets of the Company.

(w) Dividends

Dividends are recognized when they become legally payable. In the case of interim dividends to equity shareholders, these are payable when declared by the directors. In the case of final dividends, these are payable when approved by shareholders at the Annual General Meeting.

(x) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available.

Based on the information presented to and reviewed by the CODM, the entire operations of the Group are considered as one operating segment.

(y) 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.

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 Group 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.

Mayberry Investments Limited

Notes to the Financial Statements

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3. Critical Accounting Judgements and Estimates (Continued)

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

i. Investment Entity Business Model

The Group has determined that the business model of its subsidiary MJE 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:

- i. MJE 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.
- ii. MJE's principal objective is solely to invest in Jamaican equities for returns from capital appreciation and investment income.
- iii. MJE 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 MJE's website. Additionally, MJE's Investment Manager is compensated based on the fair value appreciation of the portfolio over time (note 34)

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

Mayberry Investments Limited

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(expressed in Jamaican dollars unless otherwise indicated)

3. Critical Accounting Judgements and Estimates (Continued)

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

ii. Investments in associated companies

During 2022, the Group reviewed the accounting principles for accounting for equity investments held by its subsidiary MJE. It included a review of the requirements of IAS 28 - Investments in associates and joint ventures which expound on 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 Group 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.

Some of the directors of the Group are members of the Board of Directors of Lascelles Financial Services Limited, Caribbean Producers Group Ltd, Supreme Ventures Limited and Iron Rock Insurance Limited and are able to participate in all significant financial and operating decisions. Based on the foregoing, the Group has determined that it has significant influence over these entities though some shareholdings are below 20%.

The Group also has shareholdings of 20% in Blue Power Limited, however the Group 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 Group 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 MJE is an entity of similar type to an investment entity defined in IFRS 10 as discussed above.

Though MJE's business model had been clearly articulated in the financial statement in previous years, management had not applied the provisions of relevant accounting standards (IFRS 10 and IAS 28) and the elections based on its business model.

Mayberry Investments Limited

Notes to the Financial Statements

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3. Critical Accounting Judgements and Estimates (Continued)

(b) Key Sources of estimation uncertainty

(i) Impairment losses on loans, investments and receivables

The Group reviews its loan and investment portfolios to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recorded in the statement of income, the Group makes judgements as to whether there are any observable data indicating that there is a measurable decrease in the estimated future cash flows from the loans resulting from adverse change in the payment status of the borrower or national and economic conditions that correlate with defaults on loans and investments in the Company. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

(ii) Income taxes

There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group 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 Group also recognises deferred tax assets on tax losses carried forward where it anticipates making future taxable income to offset these losses.



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3. Critical Accounting Judgements and Estimates (Continued)

(b) Key Sources of estimation uncertainty (continued)

(iii) Fair value of financial assets

A significant amount of financial assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of fair value. Management uses its judgment in selecting appropriate valuation techniques supported by appropriate assumptions to determine fair value of investment securities (note 39).

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 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:

- (i) Investment securities classified as fair value through profit or loss and fair value through other comprehensive income are measured at fair value by reference to quoted market prices when available. 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 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 Group uses the following hierarchy 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.



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4. Net Interest Income

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Interest income -				
Investment securities measured at FVTPL	123,991	152,533	123,991	152,533
Investments, loans and promissory notes at amortised cost	1,464,002	966,312	1,938,757	1,039,799
	<u>1,587,993</u>	<u>1,118,845</u>	<u>2,062,748</u>	<u>1,192,332</u>
Interest expense -				
Margin loans with brokers	37,544	72,971	37,544	72,971
Securities sold under repurchase agreements	401,210	247,336	418,701	247,335
Corporate papers and notes	1,219,425	431,086	1,044,072	268,009
Other	256,029	57,009	239,962	57,009
	<u>1,914,208</u>	<u>808,402</u>	<u>1,740,279</u>	<u>645,324</u>
	<u>(326,215)</u>	<u>310,443</u>	<u>322,469</u>	<u>547,008</u>



Mayberry Investments Limited

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5. Consulting Fees and Commissions

	The Group and Company	
	2023 \$'000	2022 \$'000
Services transferred at a point in time -		
Brokerage fees and commissions	321,554	314,836
Structured financing fees	90,690	68,155
	<u>412,244</u>	<u>382,991</u>
Services transferred over time -		
Portfolio management	108,959	125,666
	<u>521,203</u>	<u>508,657</u>

6. Dividend Income

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Subsidiaries	-	-	842,391	36,335
Investments in associates measured at FVTPL	472,148	451,400	-	-
Equity securities measured at FVTPL	62,773	81,371	38	209
Equity securities measured at FVTOCI	76,115	35,055	5,713	18,519
	<u>611,036</u>	<u>567,826</u>	<u>848,142</u>	<u>55,063</u>

7. Net Trading Gains

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Gains on partial disposal of subsidiary	-	-	-	910,214
Gains on disposal of investment securities measured at FVTPL	75,341	146,578	61,189	125,903
Gains on disposal of investment securities measured at amortised cost	35,756	1,693	35,756	1,693
Loss on disposal of investment properties	-	(32,189)	-	(32,189)
	<u>111,097</u>	<u>116,082</u>	<u>96,945</u>	<u>1,005,621</u>



Mayberry Investments Limited

Notes to the Financial Statements

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8. Salaries, Statutory Contributions and Staff Costs

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Wages and salaries	694,408	699,896	686,651	692,190
Profit share and bonus	-	(54,159)	-	(54,159)
Statutory contributions	71,871	71,605	71,871	71,605
Pension contributions	15,301	14,016	15,301	14,016
Training and development	15,272	14,512	15,272	14,512
Staff welfare	11,486	15,606	11,486	15,606
	<u>808,338</u>	<u>761,476</u>	<u>800,581</u>	<u>753,770</u>

The number of employees at year-end was 108 (2022 – 134).



Mayberry Investments Limited

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9. Expenses by Nature

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Sales, marketing, and public relations	116,395	143,845	105,550	136,597
Auditors' remuneration	23,091	14,827	17,845	10,249
Computer expenses	102,689	74,105	99,168	73,734
Depreciation (Note 18)	22,707	28,838	22,707	28,838
Amortisation of intangibles (Note 33)	5,468	6,327	5,468	4,759
Amortization – right-of-use assets (Note 20)	16,955	18,504	16,955	18,504
Provision for credit losses	(59,669)	128,708	(59,669)	128,708
Insurance	35,734	23,678	35,734	23,678
Licensing fees	103,021	91,141	103,021	91,141
Short term lease expense	11,164	6,974	11,164	6,974
Legal and professional fees	222,098	152,031	216,129	143,064
Registrar and broker fees	23,007	18,754	15,120	9,663
Directors' fees	34,761	34,872	29,456	29,311
Bank charges	22,285	24,462	21,811	23,657
Repairs and maintenance	19,043	15,414	19,043	15,414
Investment, incentive and management fee	119,479	354,874	-	-
Salaries, statutory contributions and staff costs (Note 8)	808,338	761,476	800,581	753,770
Security	33,358	18,756	33,358	18,756
Travelling and motor vehicles expenses	28,956	64,219	28,956	64,219
Assets tax	57,916	48,507	57,916	48,507
Operational losses	120,491	88,883	120,491	88,883
Utilities	56,428	65,857	56,428	65,857
Other operating expenses	80,029	61,603	76,402	41,696
	<u>2,003,744</u>	<u>2,246,655</u>	<u>1,833,634</u>	<u>1,825,979</u>



Mayberry Investments Limited

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10. Taxation

- (a) Taxation is based on the operating results for the year, adjusted for taxation purposes, and is made up as follows:

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current year income tax at 33 1/3% / 30%	-	-	-	-
Deferred tax charge/(credit) (Note 27)	(593,632)	(1,016)	(593,632)	(1,016)
Taxation charge/(credit)	(593,632)	(1,016)	(593,632)	(1,016)

- (b) Reconciliation of theoretical tax charge that would arise on profit before taxation using applicable tax rate to actual tax charge.

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
(Loss)/Profit before taxation	(2,013,925)	4,736,614	320,659	417,610
Tax calculated at a tax rate 33 1/3%/30%	(340,772)	1,411,864	106,885	139,202
Adjustments for the effects of:				
Expenses not deductible for tax	25,977	156,943	25,977	156,943
Income not subject to tax	(340,389)	(1,618,077)	(788,046)	(345,415)
Other adjustments	61,552	48,254	61,552	48,254
Taxation charge/(credit)	(593,632)	(1,016)	(593,632)	(1,016)

- (c) Subject to agreement with Tax Administration Jamaica, the MIL tax losses of approximately \$3,083 million (2022 - \$1,397 million) available for set-off against future taxable profits. The Group's subsidiaries have tax losses of US\$NIL (2022 - US\$1,992,573) available for set-off against future taxable profits.

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10. Taxation (Continued)

(d) Tax charge relating to components of other comprehensive income is as follows:

	The Group					
	2023 \$'000			2022 \$'000		
	Before tax	Tax credit/ (charge)	After tax	Before tax	Tax charge	After tax
Net unrealised losses on financial instruments - FVOCI	(130,550)	167,068	36,518	(301,293)	169,828	(131,465)
Foreign currency translation adjustments	43,290	-	43,290	(33,736)	-	(33,736)
Other Comprehensive Income for the Year	(87,260)	167,068	79,808	(335,029)	169,828	(165,201)
Deferred taxation (Note 27)		167,068			169,828	

	The Company					
	2023 \$'000			2022 \$'000		
	Before tax	Tax charge	After tax	Before tax	Tax charge	After tax
Item that will not be reclassified to profit or loss						
Net unrealised losses on financial instruments - FVOCI	(181,127)	167,068	(14,059)	(98,547)	169,828	71,281
Other Comprehensive Income for the Year	(181,127)	167,068	(14,059)	(98,547)	169,828	71,281
Deferred taxation (Note 27)		167,068			169,828	



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11. Net Profit

	2023 \$'000	2022 \$'000
Dealt with in the financial statements of:		
The Company	914,291	418,626
Subsidiaries	(1,492,193)	5,265,553
	(577,902)	5,684,179
Dividends received from subsidiaries (Note 6)	(842,391)	(36,335)
Gains on partial disposal of subsidiary included in equity on consolidation (Note 7)	-	(910,214)
	(1,420,293)	4,737,630
Attributable to:		
Stockholders of the parent	(207,897)	2,218,806
Non-controlling interest	(1,212,396)	2,518,824
	(1,420,293)	4,737,630



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12. Financial Ratios

(a) Earnings per stock unit:

Earnings-per-stock unit is calculated by dividing the net profit attributable to stockholders of the parent by the weighted average number of ordinary stock units in issue during the year. There are no dilutive potential instruments.

	<u>2023</u>	<u>2022</u>
Net profit attributable to stockholders of the parent (\$'000)	(207,897)	2,218,806
Number of ordinary stock units in issue ('000)	1,201,149	1,201,149
Earnings per stock unit – basic and fully diluted	<u>(\$0.17)</u>	<u>\$1.85</u>

(b) Comprehensive income per stock unit:

Comprehensive income per stock unit is calculated by dividing the comprehensive income attributable to stockholders of the parent by the weighted average number of ordinary stock units in issue during the year.

	<u>2023</u>	<u>2022</u>
Comprehensive income attributable to stockholders of the parent (\$'000)	(153,167)	2,154,126
Number of ordinary stock units in issue ('000)	1,201,149	1,201,149
Comprehensive income per stock unit – basic and fully diluted	<u>(\$0.13)</u>	<u>\$1.79</u>

(c) Net book value per stock unit:

Net book value per stock unit is calculated by dividing the stockholder's equity attributable to the owners of the parent by the weighted average number of ordinary stock units in issue during the year.

	<u>2023</u>	<u>2022</u>
Stockholders' equity attributable to stockholders of the parent (\$'000)	6,584,513	16,795,106
Number of ordinary stock units in issue ('000)	1,201,149	1,201,149
Net book value per stock unit	<u>\$5.48</u>	<u>\$13.98</u>

(d) Market value of ordinary stock units:

Market value of ordinary stock units is calculated by multiplying the closing bid price per stock unit as quoted on the Jamaica Stock Exchange by the weighted average number of ordinary stock units in issue during the year.

	<u>2023</u>	<u>2022</u>
Closing bid price per stock unit as at 31 December	\$8.45	\$8.12
Number of ordinary stock units in issue ('000)	1,201,149	1,201,149
Market value of ordinary stock units (\$'000)	<u>10,149,712</u>	<u>9,753,332</u>



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13. Cash Resources

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Current accounts - Jamaican dollar	779,202	901,222	779,202	894,237
Current accounts - Foreign currencies	2,823,756	1,829,243	2,823,756	1,521,276
Deposits - Jamaican dollar	1,488	1,488	1,488	1,488
Cash in hand	58	234	58	234
	<u>3,604,504</u>	<u>2,732,187</u>	<u>3,604,504</u>	<u>2,417,235</u>

For the purposes of cash flow statement, cash and cash equivalents comprise the following:

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Cash resources	3,604,504	2,732,187	3,604,504	2,417,235
Investment securities with 90-day maturity	997,120	2,000,768	997,120	2,000,768
Bank overdraft	(994,193)	(50,337)	(994,193)	(50,337)
	<u>3,607,431</u>	<u>4,682,618</u>	<u>3,607,431</u>	<u>4,367,666</u>

The bank overdraft resulted from un-presented cheques at year-end. National Commercial Bank Jamaica Limited (NCB) holds as security, Government of Jamaica Global Bond with a nominal value of US\$219,000 (2022 - US\$219,000), to cover its overdraft facility of \$300,000,000. NCB also holds as security Government of Jamaica Benchmark Notes with a nominal value of \$18,400,000 (2022 - \$11,800,000) and a lien over idle cash balances to cover 10% of the un-cleared effects limit of \$60,000,000 i.e. \$6,000,000.

A revolving credit line facility of \$575,000,000 was granted in February 2020, by Sagicor Bank Jamaica Limited to assist with the working capital requirements of MIL. This overdraft facility is unsecured at a current effective interest rate of 9% per annum. The facility is reviewed on an annual basis.



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14. Investment Securities

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Investment securities at FVTPL -				
Debt securities				
Government of Jamaica bonds	16,404	15,316	16,404	15,316
Foreign government bonds	15,191	14,800	15,191	14,800
Corporate bonds	73,256	164,372	73,256	164,372
Equities	37,978	1,454,501	37,978	36,418
Total FVTPL	142,829	1,648,989	142,829	230,906
Investment securities at FVTOCI -				
Equities	425,812	5,588,024	425,812	626,406
Total FVTOCI	425,812	5,588,024	425,812	626,406
Investment securities at amortised cost, net of ECL -				
Debt securities				
Government of Jamaica bonds	1,555,204	50,546	1,555,204	50,546
Foreign government bonds	201	196	201	196
Corporate bonds	1,442,789	2,262,977	1,442,789	2,262,977
Less ECL	(8,997)	(37,724)	(8,997)	(37,724)
Total investment securities at amortised cost, net of ECL	2,989,197	2,275,995	2,989,197	2,275,995
	3,557,838	9,513,008	3,557,838	3,133,307
Accrued interest	104,550	35,018	104,550	35,018
Total investment securities	3,662,388	9,548,026	3,662,388	3,168,325

The Government and Corporate bonds are used as collateral for the Group's demand loans received from, Oppenheimer and Co. Inc., Raymond James and Morgan Stanley (Note 26).

The movement in the ECL determined under the requirements of IFRS is as follows:

	2023	2022
	\$'000	\$'000
Balance at beginning of year	37,724	15,352
Net (decrease)/increase included in provision for credit losses	(28,727)	22,372
Balance at end of year	8,997	37,724

The current portion of investment securities is \$1,661.3 million (2022 - \$617.3 million).



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15. Reverse Repurchase Agreements

The Company enters into repurchase and reverse repurchase agreements collateralised by Government of Jamaica debt securities. These agreements may result in credit exposure in the event that the counterparty to the transaction is unable to fulfil its contractual obligations.

	The Group and Company	
	2023	2022
	\$'000	\$'000
Reverse repurchase agreements	3,526,965	5,218,312
Interest receivable	88,263	85,638
	<u>3,615,228</u>	<u>5,303,950</u>

Included in reverse repurchase agreements is \$3,526,965,000 (2022: \$5,218,312,000) which matures within the next 12 months, of which \$997,120,000 (2022: \$2,000,768,000) with original maturities of 90 days or less, are regarded as cash and cash equivalents for the purposes of the statement of cash flows.

16. Promissory Notes

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Gross loans	6,628,287	4,501,659	6,628,287	5,501,659
Less: Allowance for credit losses	(228,680)	(252,211)	(228,680)	(252,211)
Interest receivable	55,548	5,799	55,548	5,799
	<u>6,455,155</u>	<u>4,255,247</u>	<u>6,455,155</u>	<u>5,255,247</u>

This represents Jamaican and United States dollar promissory notes from customers. These are hypothecated against balances held for the customers, registered mortgages and other properties.

The current portion of promissory notes is \$1,949.2 million (2022 - \$575.1 million).

The movement in the ECL determined under the requirements of IFRS is as follows:

	2023	2022
	\$'000	\$'000
Balance at beginning of year	252,211	274,160
Net decrease included in provision for credit losses	(23,531)	(21,949)
Balance at end of year	<u>228,680</u>	<u>252,211</u>



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17. Loans and other Receivables

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Client margins	4,838,121	3,818,358	4,838,121	3,818,358
Client receivables	4,197,386	1,646,547	4,197,386	1,646,547
Due from broker	63,284	144,563	63,284	144,563
Current account with joint venture	222,377	276,741	222,377	222,377
Withholding tax recoverable	214,869	180,557	214,869	180,557
GCT recoverable	-	21,343	-	21,343
Prepayments	103,214	70,587	103,214	62,313
Other receivables	745,639	545,165	745,639	494,221
	<u>10,384,890</u>	<u>6,703,861</u>	<u>10,384,890</u>	<u>6,590,279</u>
Less: Allowance for credit losses	<u>(251,026)</u>	<u>(298,477)</u>	<u>(251,026)</u>	<u>(298,477)</u>
	<u>10,133,864</u>	<u>6,405,384</u>	<u>10,133,864</u>	<u>6,291,802</u>

Client margins are secured against their equity portfolios held at the Jamaica Central Securities Depository.

The movement in the ECL determined under the requirements of IFRS is as follows:

	2023	2022
	\$'000	\$'000
Balance at beginning of year	298,477	170,192
Write offs	(40,040)	-
Net (decrease)/increase included in provision for credit losses	<u>(7,411)</u>	<u>128,285</u>
Balance at end of year	<u>251,026</u>	<u>298,477</u>



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18. Property, Plant and Equipment

	Leasehold Improvements \$'000	Computer Equipment \$'000	Office Equipment \$'000	Furniture, Fixtures & Fittings \$'000	Motor Vehicles \$'000	CWIP	Total \$'000
Cost -							
At 1 January 2022	79,836	250,857	35,826	63,551	28,244	-	458,314
Additions	2,675	13,987	1,398	76	-	47,626	65,762
Transfers	-	2,225	-	-	-	26,485	28,710
At 31 December 2022	82,511	267,069	37,224	63,627	28,244	74,111	552,786
Additions	-	10,606	3,716	-	-	2,909	17,231
At 31 December 2023	82,511	277,675	40,940	63,627	28,244	77,020	570,017
Accumulated Depreciation -							
At 1 January 2022	29,267	211,470	29,085	57,862	22,025	-	349,709
Charge for the year	1,777	16,301	2,344	2,468	5,948	-	28,838
At 31 December 2022	31,044	227,771	31,429	60,330	27,973	-	378,547
Charge for the year	1,813	16,226	2,561	1,836	271	-	22,707
At 31 December 2023	32,857	243,997	33,990	62,166	28,244	-	401,254
Net Book Value -							
31 December 2023	49,654	33,678	6,950	1,461	-	77,020	168,763
31 December 2022	51,467	39,298	5,795	3,297	271	74,111	174,239

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19. Investment Properties

	The Group and Company	
	2023 \$'000	2022 \$'000
Balance at beginning of year	2,027,738	2,174,302
Disposals	-	(124,499)
Net gain/(loss) from fair value adjustment	85,734	(22,065)
Balance at end of year	2,113,472	2,027,738

Amounts recognised in profit or loss for investment properties

	The Group and Company	
	2023 \$'000	2022 \$'000
Direct operating expenses from property that did not generate rental income	-	-
Fair value (loss)/gain recognised in other income	85,734	(22,065)
	85,734	(22,065)

Some of these properties are used as collateral for the Company's corporate paper (note 26)

The properties held are stated at fair market value as appraised by professional independent valuers. The valuation is done on the basis of market value as defined by the RICS Valuation Global Standard as:

The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Valuations have been performed using a comparable sales approach incorporating a review of sales with similar highest and best use using public and private data sources. There has been no change in the valuation technique during the year.



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20. Leases

(a) Right-of-use assets

	Land & Building \$'000	Motor Vehicles \$'000	Total \$'000
As at December 2021	96,564	12,993	109,557
Addition	13,523	-	13,523
Amortization	(13,307)	(5,197)	(18,504)
Adjustments	(34,502)	-	(34,502)
As at December 2022	62,278	7,796	70,074
Amortization	(11,758)	(5,197)	(16,955)
At 31 December 2023	50,520	2,599	53,119

(b) Lease liabilities

	Land & Building \$'000	Motor Vehicles \$'000	Total \$'000
As at 31 December 2021	108,845	15,245	124,090
Interest expense	6,935	1,237	8,172
Lease payments	(18,086)	(9,552)	(27,638)
Addition	13,523	-	13,523
Adjustments	(34,502)	-	(34,502)
As at 31 December 2022	76,715	6,930	83,645
Interest expense	7,654	656	8,310
Lease payments	(17,328)	(4,840)	(22,168)
At 31 December 2023	67,041	2,746	69,787

(c) Amount recognised in the income statement

	2023 \$'000	2022 \$'000
Amortization charge of right-of-use assets	16,955	18,504
Interest expense	8,310	8,172
Short term lease expense	11,164	6,974



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21. Investment in Associates

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

	2023	2022
	\$'000	\$'000
Supreme Ventures Limited	-	14,569,117
Caribbean Producers Jamaica Limited	-	2,590,460
Lasco Financial Services Limited	-	756,517
Ironrock Insurance Company Limited	-	95,383
	<u>-</u>	<u>18,011,477</u>

22. Investment in Joint Venture

- i) Details of the Group's material joint venture accounted for using the equity method at the end of the reporting period are as follows:

	2023	2022
	\$'000	\$'000
Cherry Hills Development Limited:		
Balance at 1 January	1,964,454	2,654,808
Adjustments	-	88,285
Share of after tax earnings	833,575	(66,845)
Dividend	-	(661,286)
Translation adjustments	44,924	(50,508)
Relieved on disposal of subsidiaries	(2,842,953)	-
Balance at 31 December	<u>-</u>	<u>1,964,454</u>

- ii) Summarised financial information for joint venture.

The tables below provide summarised financial information in respect of the Group's investment in joint venture. The information disclosed reflects the amounts presented in the financial statements of the joint venture in accordance with IFRS Accounting Standards, and not the Company's share of those amounts.

Summarised statement of financial position

	2023	2022
	\$'000	\$'000
Current Assets	-	134,371
Non-current Assets	-	6,397,659
Total Assets	<u>-</u>	<u>6,532,030</u>
Current Liabilities	-	754,193
Non-current Liabilities	-	1,878,985
Total Liabilities	<u>-</u>	<u>2,633,178</u>
Net Assets	<u>-</u>	<u>3,898,852</u>



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22. Investment in Joint Venture (Continued)

iii) Summarised financial information for joint venture (continued)

Statement of profit or loss and other comprehensive income

	2023 \$'000	2022 \$'000
Revenue	-	96,260
Interest expenses	-	(136,896)
Other expenses	-	(75,442)
Loss before income tax	-	(116,078)
Taxation credit	-	-
Loss after tax and Total comprehensive income	-	(116,078)



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23. Cash Flows

Adjustments to reconcile net profit to net cash provided by operating activities.

	Note	The Group		The Company	
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
Adjustments for non-cash items:					
Provision for credit losses		(59,669)	128,708	(59,669)	128,708
Intangible asset – amortization		5,468	4,759	5,468	4,759
Depreciation	18	22,707	30,406	22,707	28,838
Right-of-use assets - amortization	19	16,955	18,504	16,955	18,504
Interest income	4	(1,587,993)	(1,118,845)	(2,062,748)	(1,192,332)
Interest expense	4	1,914,208	808,402	1,740,279	645,324
Interest expense – right-of-use assets		8,310	8,172	8,310	8,172
Realized gains on trading		(111,097)	(116,082)	(96,945)	(1,005,621)
Unrealised fair value gains on Investment in associates		2,235,227	(5,232,917)	-	-
Unrealised fair value (gains)/losses on financial instruments - FVTPL		(170,946)	(90,097)	(13,830)	24,562
Unrealised foreign exchange gains		(207,093)	(97,271)	(202,234)	(110,120)
Share of profits in joint venture		(833,575)	(21,440)	-	-
Unrealised fair value losses/(gains) on investment properties		(85,734)	22,065	(85,734)	22,065
		1,146,768	(5,655,636)	(727,441)	(1,427,141)
Changes in operating assets and liabilities:					
Loans and other receivables		(3,813,705)	(1,234,022)	(3,834,651)	(1,253,587)
Investments		(1,834,265)	(46,648)	(279,140)	986,138
Promissory notes		(33,849)	(1,364,159)	(33,849)	(1,364,159)
Reverse repurchase agreements		532,099	(2,374,867)	687,699	(2,374,867)
Investment in associates		(1,312,364)	(26,141)	-	-
Accounts payable		662,294	2,989,855	776,003	2,900,179
Due from related parties		(34,205)	-	(6,395,284)	(500,787)
Demand loans		135,426	1,275,055	135,426	1,275,056
Securities sold under repurchase agreements		2,095,108	4,335	2,095,108	4,335
		(2,456,693)	(6,432,228)	(7,576,129)	(1,754,833)



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24. Investments in subsidiaries

	2023 \$'000	2022 \$'000
Balance at beginning of the year	1,092,779	1,230,001
9.4% disposal through trade over the Jamaica Stock Exchange	-	(137,222)
Relieved on disposal of Mayberry Jamaican Equities	(1,092,654)	-
Relieved on disposal of Widebase Limited	(125)	-
	<u>-</u>	<u>1,092,779</u>

During 2018, the Company disposed of 20% of its ownership in its subsidiary, Mayberry Jamaican Equities Limited, through a 10% dividend in specie to its shareholders and an initial public offering of 10% of its shareholdings in MJEL. A further 5% was transferred to a related party which is to be placed in a Share Incentive Plan. As part of the divestment arrangement, the Company received a Special reference Share in the subsidiary which gave it special rights as set out in section 10A of the amended Articles of Association of that subsidiary and require the consent in writing of the holder of the Special Share to vary some provisions of the Articles.

Consequent on the reorganisation of the Mayberry Group of Companies, at December 31, 2023, MIL transferred ownership of all its subsidiaries directly to MGL. The consideration for the transfer of ownership of the subsidiaries from MIL to MGL was effected by interest bearing promissory notes.

	Mayberry Jamaican Equities Limited \$'000	Widebase Limited \$'000	Total \$'000
Carrying value as at 31 December 2023	17,297,566	2,068,428	19,365,994
Transfer price to Mayberry Group Limited	(1,092,654)	(125)	(1,092,779)
Relieved on disposal of subsidiaries	<u>16,204,912</u>	<u>2,068,303</u>	<u>18,273,215</u>

25. Pledged Assets

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

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Restricted Deposit	-	42,959	-	-
Investment securities at FVTOCI	-	1,136,117	-	-
Investment securities at FVTPL	59,117	246,629	59,117	236,541
Investment securities at amortised cost	159,220	288,953	159,220	288,953
Investments in associates at FVTPL	-	17,452,322	-	-
Loans and receivables	6,509,800	-	6,509,800	-
Investment property at FVTPL	1,446,108	1,300,181	1,446,108	1,300,181
Investment in subsidiaries	-	-	-	107,360
Total assets pledged as collateral	<u>8,174,245</u>	<u>20,467,161</u>	<u>8,174,245</u>	<u>1,933,035</u>



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26. Loans

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Demand loans (i) -				
Oppenheimer & Co. Inc.	2,238,548	1,423,314	2,238,548	1,423,314
Morgan Stanley	139,679	331,466	139,679	331,466
Raymond James	-	488,021	-	488,021
Term loans -				
Corporate paper (unsecured) (ii)	1,906,540	1,860,782	1,906,540	1,860,782
Corporate paper (secured) (ii)	967,000	643,850	967,000	643,850
Corporate bond (iii)	-	2,200,000	-	-
Revolving line of credit (iv)	500,000	500,000	500,000	500,000
Development Bank of Jamaica	2,154,225	1,957,745	2,154,225	1,957,745
Bonds -				
Bondberry bond (iii)	6,393,365	-	6,393,365	-
	14,299,357	9,405,178	14,299,357	7,205,178
Unamortised Transaction Fees	(50,755)	(2,683)	(50,755)	-
Interest Payable	2,667	5,373	2,667	4,062
	<u>14,251,269</u>	<u>9,407,868</u>	<u>14,251,269</u>	<u>7,209,240</u>

(i) The demand loans attract interest at 6.19% (2022 – 2.5%) per annum - Oppenheimer & Co. Inc., 5.86% (2022 – 2.15%) per annum - Morgan Stanley and 6.7% (2022 – 3.48%) per annum – Raymond James. The collaterals for the demand loans are investment securities which were purchased with the proceeds of the loans received from Morgan Stanley, Oppenheimer & Co. Inc. and Raymond James (Note 14).

(ii) The Unsecured Corporate Paper attracts interest at 10% per annum (2022 - 6.5%) and matures January 14, 2026. The previous paper matured November 19, 2023.

A Secured Corporate Paper is backed by real estate and attracts a weighted average rate of interest at 10.47% per annum (2022 – 7.5%) with outstanding Tranches maturing between February 9, 2024 and February 23, 2025.

A Secured Corporate Paper is backed by secured loans and attracts an interest rate of 11% per annum (2022 – 7.5%) and matures November 30, 2025. The previous paper matured November 2023.



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26. Loans (continued)

- (iii) On 24 September 2018 the Company's subsidiary, Mayberry Jamaican Equities Limited, completed a secured corporate bond issue amounting to \$2.2 billion. The bond matured in 2023, and was at a fixed interest rate of 7.25% per annum paid quarterly. The bond was arranged by Sagcor Investments Jamaica Limited and registered with JCSD Trustee Services Limited.

The bond was secured by some of the Group's quoted equity investments in various entities that are being traded on the Jamaica Stock Exchange. These shares were required to have a fair value coverage of 1.5 times the principal amount and a maintenance margin of 1.5 times. The company complied with these covenants.

On January 20, 2023, the Company's sub-subsidiary, MIL, completed a secured corporate bond issue amounting to \$6.3 billion. The bonds are in four Tranches and are repayable between 2024 and 2026. The fixed rate notes attract interest between 9.25% and 12% with interest paid quarterly. The bonds are secured by a charge over the Secured Loan Portfolio of MIL included in note 16 and note 17.

- (iv) On June 16, 2022, the Company's sub-subsidiary, MIL, entered into a revolving line of credit facility amounting to \$500 million attracting interest at 12% (2022-9.75%) per annum with monthly interest payments. The effective interest rate is subject to change based on prevailing market conditions and the facility matures in 36 months. The loan is secured by some of the Group's shares in Mayberry Jamaican Equities Limited.

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%
- iii. Carrying value of the quoted equity investments must be at least 2X the outstanding principal balance of the credit facility.

At year end MIL had complied with these covenants.

- (v) The loans from Development Bank of Jamaica are granted in Jamaican dollars and are utilized by the Group to finance customers with projects in various sectors of the economy. These loans are for terms up to 10 years and at rates ranging from 5.75% - 9%.



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27. Deferred Taxation

Deferred income taxes are calculated on all temporary differences under the liability method using a tax rate of 33 1/3% for the Company and 1% for its subsidiaries. The movement in the net deferred income tax balance is as follows:

	The Group and Company	
	2023	2022
	\$'000	\$'000
Net balance at beginning of year	387,764	216,920
Deferred tax credit (Note 10)	593,632	1,016
Deferred tax charge on investment securities (OCI)	167,068	169,828
Net balance at end of year	<u>1,148,464</u>	<u>387,764</u>

Net deferred income taxation is due to the following items:

	The Group and Company	
	2023	2022
	\$'000	\$'000
Deferred income tax assets:		
Interest payable	46,539	31,609
Property, plant and equipment	7,992	5,907
Provisions	162,901	200,913
Tax losses carried forward	1,027,698	351,841
Unrealised foreign exchange loss	33,066	33,066
Other	12,339	11,030
	<u>1,290,535</u>	<u>634,366</u>
Deferred income tax liabilities:		
Property, plant and equipment	32,900	33,651
Intangibles	21,575	-
Investment securities:		
- Trading	(3,412)	(3,412)
- Other comprehensive income	7,143	174,211
Interest receivable	83,865	42,152
	<u>142,071</u>	<u>246,602</u>
Net deferred tax asset	<u>1,148,464</u>	<u>387,764</u>

Deferred income taxes are recognized for tax losses carried forward only to the extent that realization of the related tax benefit is probable (Note 10).



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27. Deferred Taxation (Continued)

The movement in deferred income taxation is due to the following items:

	The Group and Company					
	Interest payable	Property, plant and equipment	Unrealised foreign exchange loss	Other	Tax losses carried forward	Provisions
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Deferred income tax assets:						
As at 1 January 2022	10,665	3,712	76,015	14,454	352,197	153,235
(Charged)/Credited to profit or loss	20,944	2,195	(42,949)	(3,424)	(356)	47,678
As at 31 December 2022	31,609	5,907	33,066	11,030	351,841	200,913
(Charged)/Credited to profit or loss	14,930	2,085	-	1,309	675,857	(38,012)
As at 31 December 2023	46,539	7,992	33,066	12,339	1,027,698	162,901
						1,290,535

	Interest receivable	Property, plant and equipment	Unrealised fair value gain	Intangibles	Total
	\$'000	\$'000	\$'000		\$'000
Deferred income tax liabilities:					
As at 1 January 2022	36,828	10,996	345,534	-	393,358
Charged/(Credited) to profit or loss	5,324	22,655	(4,907)	-	23,072
Credited to other comprehensive income	-	-	(169,828)	-	(169,828)
As at 31 December 2022	42,152	33,651	170,799	-	246,602
Charged/(Credited) to income statement	41,713	(751)	-	21,575	62,537
Credited to other comprehensive income	-	-	(167,068)	-	(167,068)
As at 31 December 2023	83,865	32,900	3,731	21,575	142,071

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27. Deferred Taxation (Continued)

The gross amounts shown in the above tables include the following:-

	The Group and Company	
	2023	2022
	\$'000	\$'000
Deferred income tax assets:		
Deferred tax assets to be recovered after more than 12 months	1,210,931	569,691
Deferred tax assets to be recovered within 12 months	79,604	64,675
	<u>1,290,535</u>	<u>634,366</u>
Deferred income tax liabilities:		
Deferred tax assets to be settled after more than 12 months	54,475	33,651
Deferred tax assets to be settled within 12 months	87,596	212,951
	<u>142,071</u>	<u>246,602</u>
Deferred tax asset, net	<u>1,148,464</u>	<u>387,764</u>

28. Accounts Payable

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Accounts payable	613,715	433,206	613,715	418,157
Due to brokers	1,464	38,790	1,464	38,790
Management and incentive fee payable	-	271,393	-	-
Client payables	10,920,355	10,302,583	10,920,355	10,302,583
	<u>11,535,534</u>	<u>11,045,972</u>	<u>11,535,534</u>	<u>10,759,530</u>

29. Share Capital

	The Group and The Company	
	2023	2022
	\$'000	\$'000
Authorized – 2,120,000,000 Ordinary Shares - 380,000,000 Redeemable Cumulative Preference Shares		
Issued and fully paid – 1,201,149,291 Ordinary Shares	<u>1,582,382</u>	<u>1,582,382</u>



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30. Fair Value Reserves

These represent net unrealised gains on the revaluation of equity securities. These unrealised gains are transferred to retained earnings on disposal of the equities. The fair value through other comprehensive income securities are based on short term fluctuations in market prices.

31. Other Reserves

	2023	2022
	\$'000	\$'000
Capital redemption reserve fund	51,343	51,343
Stock option reserve	26,596	26,596
	<u>77,939</u>	<u>77,939</u>

32. Retained Earnings

	2023	2022
	\$'000	\$'000
Reflected in the financial statements of:		
The Company	4,596,529	4,035,881
Subsidiaries	-	10,454,207
	<u>4,596,529</u>	<u>14,490,088</u>



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33. Intangible Asset

	The Group		
	Computer Software \$'000	Work in progress \$'000	Total \$'000
At Cost –			
1 January 2022	6,720	707,419	714,139
Additions	-	304,251	304,251
Transfers	27,343	(27,343)	-
Adjustments	-	(28,710)	(28,710)
At 31 December 2022	34,063	955,617	989,680
Additions	-	269,529	269,529
Transfers	996,980	(996,980)	-
Disposed on reorganisation	(6,720)	-	(6,720)
At 31 December 2023	1,024,323	228,166	1,252,489
Amortisation –			
1 January 2022	5,152	-	5,152
Charge for the year	6,327	-	6,327
31 December 2022	11,479	-	11,479
Charge for the year	5,468	-	5,468
Relieved on reorganisation	(6,720)	-	(6,720)
31 December 2023	10,227	-	10,227
Net book value -			
31 December 2023	1,014,096	228,166	1,242,262
31 December 2022	22,584	955,617	978,201

Work in progress represents the development of a new integrated client service, customer management, operations management and back office financial management system to digitise the Group's operations.

	The Company		
	Computer Software \$'000	Work in progress \$'000	Total \$'000
At Cost –			
1 January 2022	-	707,419	707,419
Additions	27,343	304,251	331,594
Transfers out	-	(56,053)	(56,053)
At 31 December 2022	27,343	955,617	982,960
Additions	-	269,529	269,529
Transfers out	996,980	(996,980)	-
At 31 December 2023	1,024,323	228,166	1,252,489
Amortisation -			
1 January 2022	4,759	-	4,759
At 31 December 2022	4,759	-	4,759
Charge for the year	5,468	-	5,468
At 31 December 2023	10,227	-	10,227
Net book value -			
31 December 2023	1,014,096	228,166	1,242,262
31 December 2022	22,584	955,617	978,201

34. Related Party Transactions and Balances



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Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operational decisions.

(i) The following are the balances with related parties:

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Due from other group companies:				
Mayberry Jamaican Equities Limited	6,044,514	-	6,044,514	1,096,373
Widebase Limited	1,991,341	-	1,991,341	558,490
Mayberry Group Limited	14,292	-	14,292	-
	<u>8,050,147</u>	<u>-</u>	<u>8,050,147</u>	<u>1,654,863</u>
Loans and other receivables:				
Joint venture	277,913	276,741	277,913	276,741
Companies controlled by directors	349,237	271,892	349,237	271,892
Directors and key management personnel	<u>356,116</u>	<u>307,743</u>	<u>356,116</u>	<u>307,743</u>
Promissory Note				
Mayberry Jamaican Equities Limited	1,000,000	-	1,000,000	1,000,000
Cherry Hill Developments	366,949	-	366,949	-
Mayberry Group Limited	<u>1,092,779</u>	<u>-</u>	<u>1,092,779</u>	<u>-</u>
Accounts payable:				
Management fees payable (Mayberry Asset Managers Limited)	-	271,393	-	493
Companies controlled by directors	206,623	181,848	206,623	181,848
Directors and key management personnel	<u>219,352</u>	<u>141,732</u>	<u>219,352</u>	<u>141,732</u>
(ii) The following are transactions with related parties				
Dividend Income	842,391	451,400	842,391	36,335
Interest income	445,729	-	445,729	94,616
Other income earned	63,093	-	63,093	65,060
Investment management and incentive fees	<u>119,479</u>	<u>354,874</u>	<u>119,479</u>	<u>-</u>

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34. Related Party Transactions and Balances (Continued)

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Key management compensation				
Salaries and other short term employee benefits	188,030	195,808	188,030	188,102
Pension contributions	4,626	4,129	4,626	4,129
Directors' emoluments:-				
Fees	60,382	61,513	60,382	56,337
Executive directors' remuneration	75,915	82,240	75,915	82,240
Pension contributions	3,166	3,475	3,166	3,475

On 15 February 2017, the Company's subsidiary, Mayberry Jamaican Equities Limited, entered into an agreement with Mayberry Asset Managers Limited, a company incorporated in St. Lucia that is jointly controlled with the Company by Christopher Berry and K. Mark Berry. The said agreement ratifies and confirms a course of conduct that had been entered into by Mayberry West Indies Limited whereby the principals of Mayberry Asset Managers Limited had previously performed investment management services. The new 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:

- (i) A management fee calculated as 0.50% of the net asset value; and
- (ii) 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 \$119,479,000 (2022 – \$113,331,000).

The incentive fee is accrued and charged on the last day of each calendar year with reference to the total 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 \$nil (2022 – \$241,543,000).

35. Dividends

	The Group	
	2023 \$'000	2022 \$'000
Final dividend to ordinary shareholders –28 cents per share (2022 – 32 cents per share)	360,344	336,322
Payment to minority shareholders	41,689	35,734
	<u>402,033</u>	<u>372,056</u>

A dividend of \$0.30 was approved and paid in June 2023 to those shareholders on record as at 12 July 2023.

A dividend of \$0.28 was approved and paid in September 2022 to those shareholders on record as at 29 June 2022.



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36. Non-Controlling Interest

The table below shows the summarised financial information for Mayberry Jamaican Equities Limited that has non-controlling interest and is material to the Group:

	2023 \$'000	2022 \$'000
Summarized statement of financial position		
Total assets	-	24,355,036
Total liabilities	-	(4,578,635)
Net assets	-	19,776,401
Attributable to non-controlling interest	-	9,805,140
Summarized statement of comprehensive income		
Revenue	(1,586,367)	5,812,480
Profit for the period	(2,445,333)	5,080,322
Other comprehensive income	50,577	(202,746)
Total comprehensive income	(2,394,756)	4,877,576
Profit allocated to non-controlling interest	(1,212,396)	2,518,824
Other comprehensive income allocated to non-controlling interest	25,078	(100,521)
Attributable to non-controlling interest	(1,187,318)	2,418,303
Summarized statement of cash flows		
Cash flows from operating activities	2,976,467	348,397
Interest received	10,988	3,165
Interest paid	(638,983)	(272,590)
Income tax paid	-	-
Net cash from operating activities	2,348,472	78,972
Cash flows used in financing activities	(2,283,705)	(72,069)
Net increase/(decrease) in cash and cash equivalents	64,767	6,903
Cash and cash equivalents at the beginning of year	314,952	313,902
Exchange (losses)/gains on cash and cash equivalents	(170)	(5,853)
Cash and cash equivalents at end of year	379,549	314,952



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37. 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.

	The Group			
	Loans		Lease liabilities	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
As at 1 January	9,407,868	6,676,050	83,645	124,090
Interest payable	(5,373)	(3,059)	-	-
	9,402,495	6,672,991	83,645	124,090
Changes related to Operating Activities				
Loans received	815,234	1,364,443	-	-
Principal repayments	(679,808)	(89,388)	-	-
Net Changes related to Operating Activities	135,426	1,275,055	-	-
Changes related to Financing Activities				
Loan received	7,883,446	4,159,677	-	-
Lease additions	-	-	-	13,523
Repayments	(3,228,195)	(2,708,805)	(13,858)	(19,466)
Adjustments	-	-	-	(34,502)
Amortization of borrowing costs	52,747	3,577	-	-
Interest payable	2,667	5,373	-	-
Disposed on reorganisation	2,683	-	-	-
Net Changes related Financing Activities	4,713,348	1,459,822	(13,858)	(40,445)
As at 31 December	14,251,269	9,407,868	69,787	83,645

	The Company			
	Loans		Lease liabilities	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
As at 1 January	7,209,240	4,479,251	83,645	124,090
Interest payable	(4,062)	-	-	-
	7,205,178	4,479,251	83,645	124,090
Changes related to Operating Activities				
Loans received	815,234	1,364,444	-	-
Principal repayments	(679,808)	(89,388)	-	-
Net Changes related to Operating Activities	135,426	1,275,056	-	-
Changes related to Financing Activities				
Loan received	7,883,446	4,159,676	-	-
Lease additions	-	-	-	13,523
Repayments	(1,028,195)	(2,708,805)	(13,858)	(19,466)
Adjustments	-	-	-	(34,502)
Amortization of borrowing costs	52,747	-	-	-
Interest payable	2,667	4,062	-	-
Net Changes related Financing Activities	6,910,665	1,454,933	(13,858)	(40,445)
As at 31 December	14,251,269	7,209,240	69,787	83,645



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38. Financial Risk Management

Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Assets and Liabilities Committee (ALCO) which is responsible for developing and monitoring the Group's risk management policies in their specified areas.

ALCO places trading limits on the level of exposure that can be taken and monitors risks and adherence to limits. The Group, through its training and management standards and procedures, aims to develop disciplined and constructive control environment, in which all employees understand their roles and obligations. This is supplemented by the Compliance Committee which was established in 2020, to specifically monitor regulatory measures.

The Audit Committee is responsible for monitoring compliance with the Group's risk management policies and procedures and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in these functions by both the Compliance Unit and Internal Audit. The Compliance Unit and Internal Audit undertake both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors and the Audit Committee, respectively.

By its nature, the Group's activities are principally related to the use of financial instruments. The Company accepts funds from customers at both fixed and floating rates and for various periods and seeks to earn above average interest margins by investing these funds in high quality assets. The Company seeks to increase these margins by consolidating short-term funds and lending for longer periods at higher rates while maintaining sufficient liquidity to meet all claims that might fall due.

The Company also seeks to raise its interest margins by obtaining above average margins, net of provisions, through lending to commercial and retail borrowers with a range of credit standing.

The Group also trades in financial instruments where it takes positions to take advantage of short-term market movements in equity and bond prices and in foreign exchange and interest rates.



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38. Financial Risk Management (Continued)

Risk Management Framework (continued)

(a) Liquidity risk

The Company is exposed to daily calls on its available cash resources from maturing repurchase agreements and loan draw downs. The Company does not maintain cash resources to meet all of these needs as experience shows that a minimum level of re-investment of maturing funds can be predicted with a high level of certainty. The Company's treasury and securities department seek to have available a minimum proportion of maturing funds to meet such calls. The Company's policy is to hold a high proportion of liquid assets to cover withdrawals at unexpected levels of demand. Daily reports cover the liquidity position of the Company as well as any exceptions and remedial actions taken.

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Company. It is unusual for the Company ever to be completely matched since business transacted is often of uncertain term and of different types. An unmatched position potentially enhances profitability but can increase the risk of loss. The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the Company and exposure to changes in interest rates and exchange rates.

The key measure used by the Company for managing liquidity risk is the ratio of liquid assets to securities sold under repurchase agreements and loans. For this purpose liquid assets are considered as including cash and cash equivalents, investment grade securities, excluding equities, for which there is an active and liquid market and loans and other receivables.

The tables below present the undiscounted cash flows (both interest and principal cash flows) to settle financial liabilities, based on contractual repayment obligations. However, the Group expects that many customers will not request repayment on the earliest date the Group could be required to pay.



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38. Financial Risk Management (Continued)

(a) Liquidity risk (continued)

	The Group and Company					
	2023					
	Within 1 Month \$'000	1 to 3 Months \$'000	3 to 12 Months \$'000	1 to 5 Years \$'000	Over 5 Years \$'000	Total \$'000
Financial Liabilities						
Bank overdraft	994,193	-	-	-	-	994,193
Securities sold under repurchase agreements	2,209,011	2,290,461	2,624,645	-	-	7,124,117
Loans	2,908,695	1,288,111	2,587,574	8,260,987	1,114,151	16,159,518
Lease liabilities	1,098	2,216	10,310	20,987	49,326	83,937
Accounts payable	11,535,534	-	-	-	-	11,535,534
Total liabilities (contractual maturity dates)	17,648,531	3,580,788	5,222,529	8,281,974	1,163,477	35,897,299
	The Group					
	2022					
	Within 1 Month \$'000	1 to 3 Months \$'000	3 to 12 Months \$'000	1 to 5 Years \$'000	Over 5 Years \$'000	Total \$'000
Financial Liabilities						
Bank overdraft	50,337	-	-	-	-	50,337
Securities sold under repurchase agreements	1,520,233	2,130,756	1,283,060	-	-	4,934,049
Loans	2,245,362	456,869	2,899,799	2,382,508	-	7,984,538
Lease liabilities	1,086	2,192	10,202	20,840	49,325	83,645
Accounts payables	10,539,373	280,959	225,640	-	-	11,045,972
Total liabilities (contractual maturity dates)	14,356,391	2,870,776	4,418,701	2,403,348	49,325	24,098,541

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38. Financial Risk Management (Continued)

(a) Liquidity risk (continued)

	The Company					Total \$'000
	2022					
	Within 1 Month \$'000	1 to 3 Months \$'000	3 to 12 Months \$'000	1 to 5 Years \$'000	Over 5 Years \$'000	
Financial Liabilities						
Bank overdraft	50,337	-	-	-	-	50,337
Securities sold under repurchase agreements	1,520,233	2,130,756	1,283,060	-	-	4,934,049
Loans	2,245,362	417,540	628,133	4,340,253	-	7,631,288
Lease liabilities	1,086	2,192	10,202	20,840	49,325	83,645
Accounts payable	10,533,890	-	225,640	-	-	10,759,530
Total liabilities (contractual maturity dates)	14,350,908	2,550,488	2,147,035	4,361,093	49,325	23,458,849

(b) Market risk

Market 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 security, its issuer or factors affecting all securities traded in the market. The Group manages this risk through extensive research and monitors the price movement of securities on the local and international markets. The Group's portfolio is balanced with respect to the duration of the securities included in order to minimize exposure to volatility, based on projected market conditions.

Management of market risks

The Group separates its exposure to market risk between trading and non-trading portfolios. The trading portfolios are held by the Company and include positions arising from market making and proprietary position taking, together with financial assets and liabilities that are managed on a fair value basis. The Group's foreign exchange positions relating to Foreign Currency Trading are treated as part of the Group's trading portfolios for risk management purposes.

The Group's market risk is monitored on a daily basis by its Compliance Unit, which is responsible for the development of risk management policies (subject to review and approval by ALCO) and for the daily review of their implementation.



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38. Financial Risk Management (Continued)

(c) Interest rate risk

The following table summarizes the Group's exposure to interest rate risk. Included in the table are the Company's financial assets and liabilities at carrying amounts, categorized by the earlier of contractual repricing or maturity dates.

	The Group and Company						Total
	2023						
	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Non-Interest Bearing	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets							
Cash resources	3,604,504	-	-	-	-	-	3,604,504
Investment securities	1,659,348	95,027	57,478	1,356,076	30,668	463,791	3,662,388
Reverse repurchase agreements	1,403,162	1,286,231	925,835	-	-	-	3,615,228
Promissory notes	939,622	952,917	1,604,939	1,651,816	1,305,861	-	6,455,155
Due from related parties	-	-	-	-	-	8,050,147	8,050,147
Loans and other receivables	9,529,420	-	-	-	-	604,444	10,133,864
Total assets	17,136,056	2,334,175	2,588,252	3,007,892	1,336,529	9,118,382	35,521,286
Financial Liabilities							
Bank overdraft	994,193	-	-	-	-	-	994,193
Securities sold under repurchase agreements	2,172,940	2,339,071	2,494,493	-	-	-	7,006,504
Loans	2,995,429	967,375	1,870,336	7,414,141	1,003,988	-	14,251,269
Other	906	1,828	8,506	17,314	41,047	11,535,720	11,605,321
Total liabilities	6,163,468	3,308,274	4,373,335	7,431,455	1,045,035	11,535,720	33,857,287
Total interest rate sensitivity gap	10,972,588	(974,099)	(1,785,083)	(4,423,563)	291,494	(2,417,338)	1,663,999
Cumulative interest rate sensitivity gap	10,972,588	9,998,489	8,213,406	3,789,843	4,081,337	1,663,999	



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38. Financial Risk Management (Continued)

(c) Interest rate risk (continued)

	The Group						Total
	2022						
	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Non-Interest Bearing	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets							
Cash resources	2,732,187	-	-	-	-	-	2,732,187
Investment securities	15,375	128,846	480,441	1,666,826	201,345	7,055,193	9,548,026
Reverse repurchase agreements	2,359,124	1,883,132	1,061,694	-	-	-	5,303,950
Promissory notes	461,010	173,130	96,088	2,176,519	1,348,500	-	4,255,247
Loans and other receivables	5,472,108	59,225	-	-	-	874,051	6,405,384
Total assets	11,039,804	2,244,333	1,638,223	3,843,345	1,549,845	7,929,244	28,244,794
Financial Liabilities							
Bank overdraft	50,337	-	-	-	-	-	50,337
Securities sold under repurchase agreements	1,516,573	2,116,059	1,236,642	-	-	-	4,869,274
Loans	2,242,800	454,279	2,750,052	2,954,099	1,006,638	-	9,407,868
Other	1,086	2,192	10,201	20,840	49,326	11,045,972	11,129,617
Total liabilities	3,810,796	2,572,530	3,996,895	2,974,939	1,055,964	11,045,972	25,457,096
Total interest rate sensitivity gap	7,229,008	(328,197)	(2,358,672)	868,406	493,881	(3,116,728)	2,787,698
Cumulative interest rate sensitivity gap	7,229,008	6,900,811	4,542,139	5,410,545	5,904,426	2,787,698	



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38. Financial Risk Management (Continued)

(c) Interest rate risk (continued)

	The Company					
	2022					
	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Non-Interest Bearing
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets						
Cash resources	2,417,235	-	-	-	-	-
Investment securities	15,375	128,846	480,441	1,666,826	214,012	662,825
Reverse repurchase agreements	2,359,124	1,883,132	1,061,694	-	-	-
Promissory notes	461,010	173,130	96,088	3,176,519	1,348,500	-
Due from subsidiaries	-	-	-	-	-	1,654,863
Loans and other receivables	5,430,642	-	-	-	-	861,160
Total assets	10,683,386	2,185,108	1,638,223	4,843,345	1,562,512	3,178,848
Financial Liabilities						
Bank overdraft	50,337	-	-	-	-	-
Securities sold under repurchase agreements	1,516,573	2,116,059	1,236,642	-	-	-
Loans	2,242,800	414,950	590,753	2,954,099	1,006,638	-
Other	1,086	2,192	10,201	20,840	49,326	10,759,530
Total liabilities	3,810,796	2,533,201	1,837,596	2,974,939	1,055,964	10,759,530
Total interest rate sensitivity gap	6,872,590	(348,093)	(199,373)	1,868,406	506,548	(7,580,682)
Cumulative interest rate sensitivity gap	6,872,590	6,524,497	6,325,124	8,193,530	8,700,078	1,119,396



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38. Financial Risk Management (Continued)

(c) Interest rate risk (continued)

The table below summarises the effective interest rate by major currencies for financial instruments of the Group and the Company.

	JAS	US\$	JAS	US\$
	2023		2022	
	%	%	%	%
Assets				
Investment securities	7.98	8.73	4.43	5.16
Reverse repurchase agreements	9.03	5.39	8.79	3.96
Promissory notes	13.11	9.05	6.75	4.05
Liabilities				
Securities sold under repurchase agreements	8.20	3.04	5.91	2.51
Loans	7.76	-	-	4.29
Corporate papers	10.72	-	6.57	-

The management of interest rate risk is supplemented by monitoring the sensitivity of the Group's financial assets to various standard and non-standard interest rate scenarios. Standard scenarios that are considered include a 25 basis point (bp) (2022 - 100 bp) parallel rise and a 25 bp (2022 - 50 bp) parallel fall in the yield curve applicable to Government of Jamaica local instruments and a 25 bp (2022 - 100 bp) parallel rise and a 25 bp (2022 - 50 bp) parallel fall in the yield curves applicable to Government of Jamaica global bonds and other sovereign bonds. An analysis of the Group's sensitivity to an increase or decrease in market interest rates and the likely impact on equity and statement of income (fair value through profit or loss account instruments) is as follows:

The Group and Company					
Change in basis points	Effect on Net Profit	Effect on other components of equity	Change in basis points	Effect on Net Profit	Effect on other components of equity
JMD / USD	2023	2023	JMD / USD	2022	2022
	\$'000	\$'000		\$'000	\$'000
-50/-50	5,280	-	-50/-50	1,432	-
+100/+100	(5,280)	-	+100/+100	(2,864)	-



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38. Financial Risk Management (Continued)

(d) Currency risk

The Group takes on exposure to effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows.

Net exposure is kept to an acceptable level by matching foreign assets with liabilities as far as possible. The following foreign currency balances are included in these financial statements:

	The Group and Company			
	2023			
	GBP	US\$	CAN\$	EURO
	J\$'000	J\$'000	J\$'000	J\$'000
Financial Assets				
Cash resources	30,786	2,737,436	33,852	817
Investment securities	-	496,658	-	-
Promissory notes	-	1,490,541	-	-
Reverse repurchase agreement	-	1,740,457	-	-
Interest receivable	-	120,858	-	-
Due from subsidiaries	-	541,562	-	-
Loans and other receivables	2,736	1,562,379	102	67,487
Total assets	33,522	8,689,891	33,954	68,304
Financial Liabilities				
Bank overdraft	-	-	-	-
Securities sold under repurchase agreements	57,009	2,439,679	20,213	-
Loans and other payables	-	5,374,640	-	-
Total liabilities	57,009	7,814,319	20,213	-
Net position	(23,487)	875,572	13,741	68,304

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38. Financial Risk Management (Continued)

(d) Currency risk (continued)

	The Group			
	2022			
	GBP	US\$	CAN\$	EURO
	J\$'000	J\$'000	J\$'000	J\$'000
Financial Assets				
Cash resources	94,965	1,387,873	53,192	754
Investment securities	-	1,410,645	-	-
Promissory notes	-	1,894,928	-	-
Reverse repurchase agreement	-	2,333,826	-	-
Interest receivable	-	50,152	-	-
Loans and other receivables	2,239	240,796	-	62,465
Total assets	97,204	7,318,220	53,192	63,219
Financial Liabilities				
Securities sold under repurchase agreements	-	1,011,118	-	-
Loans and other payables	80,430	5,667,046	16,363	-
Other	-	121,423	-	-
Total liabilities	80,430	6,799,587	16,363	-
Net position	16,774	518,633	36,829	63,219



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38. Financial Risk Management (Continued)

(d) Currency risk (continued)

	The Company			
	2022			
	GBP	US\$	CAN\$	EURO
	J\$'000	J\$'000	J\$'000	J\$'000
Financial Assets				
Cash resources	94,965	1,081,017	53,192	754
Investment securities	-	1,177,659	-	-
Promissory notes	-	1,894,928	-	-
Reverse repurchase agreement	-	2,303,780	-	-
Interest receivable	-	50,152	-	-
Due from subsidiaries	-	529,313	-	-
Loans and other receivables	2,239	170,173	-	62,465
Total assets	97,204	7,207,022	53,192	63,219
Financial Liabilities				
Bank overdraft	-	643	-	-
Securities sold under repurchase agreements	80,430	1,011,118	-	-
Loans and other payables	-	5,667,046	16,363	-
Total liabilities	80,430	6,678,807	16,363	-
Net position	16,774	528,215	36,829	63,219

Sensitivity analysis

Changes in the exchange rates of the Jamaican dollar (J\$) to the following currencies would have the effects as described below:

	The Group			
	Change in	Effect on	Change in	Effect on
	Currency	Loss	Currency	Loss
	Rate	before	Rate	before
	2023	Taxation	2022	Taxation
	%	2023	%	2022
		\$'000		\$'000
Currency:				
GBP	-4	(939)	-4	564
GBP	+1	235	+1	(141)
US\$	-4	20,555	-4	20,745
US\$	+1	(5,139)	+1	(5,186)
CAN\$	-4	550	-4	2,056
CAN\$	+1	(137)	+1	(514)
EURO	-4	2,732	-4	2,388
EURO	+1	(683)	+1	(597)



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38. Financial Risk Management (Continued)

(d) Currency risk (continued)

	The Company			
	Change in Currency Rate 2023 %	Effect on Profit before Taxation 2023 \$'000	Change in Currency Rate 2022 %	Effect on Profit before Taxation 2022 \$'000
Currency:				
GBP	-4	(940)	-4	671
GBP	+1	235	+1	(168)
US\$	-4	13,279	-4	20,745
US\$	+1	(3,320)	+1	(5,186)
CAN\$	-4	552	-4	1,473
CAN\$	+1	(138)	+1	(368)
EURO	-4	2,737	-4	2,529
EURO	+1	(684)	+1	(632)

The analysis assumes that all other variables, in particular interest rates, remain constant. It is performed on the basis of 4% weakening and 1% strengthening (2022 – 4% weakening and 1% strengthening) in exchange rates.

(e) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's loans and advances to customers, promissory notes and investment securities. For risk management reporting purposes, the Group considers and consolidates all elements of credit risk exposure (such as individual obligor default risk, country and sector risk).

For risk management purposes, credit risk arising on trading securities is managed independently, but reported as a component of market risk exposure.



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38. Financial Risk Management (Continued)

(e) Credit risk (continued)

The Board of Directors has delegated responsibility for the management of credit risk to its ALCO and its Risk Unit. The Risk Unit is responsible for oversight of the Company's credit risk, including:

- Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.
- Establishing the authorization structure for the approval and renewal of credit facilities. Authorisation limits are allocated to business unit credit officers. Larger facilities require approval by the Board of Directors as appropriate.
- Reviewing and assessing credit risk. The Risk Unit assesses all credit exposures in excess of designated limits, prior to facilities being committed to customers by the business unit concerned. Renewals and reviews of facilities are subject to the same review process.
- Limiting concentrations of exposure to counterparties, geographies and industries (for loans and advances), and by issuer, credit rating band, market liquidity and country (for investment securities).
- Developing and maintaining the Group's risk grading in order to categorise exposures according to the degree of risk of the financial loss faced and to focus management on the attendant risks. The risk grading system is used in determining where impairment provisions may be required against specific credit exposures. The current risk grading framework consists of six grades reflecting varying degrees of risk of default and the availability of collateral or other credit risk mitigation. The responsibility for setting risk grades lies with the final approving executive as appropriate.
- Reviewing compliance of business units with agreed exposure limits, including those for selected industries, country risk and product types. Regular reports are provided to the Board of Directors on the credit quality of loan portfolios and appropriate corrective actions taken.
- Providing advice, guidance and specialist skills to business units to promote best practice throughout the Group in the management of credit risk.

Each business unit is required to implement credit policies and procedures, with credit approval authorities delegated by the Board of Directors. In addition, each business unit is responsible for the quality and performance of its credit portfolio and for monitoring and controlling all credit risks in its portfolios.

Regular audits of business units and credit processes are undertaken by Internal Audit.



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38. Financial Risk Management (Continued)

(e) Credit risk (continued)

Exposure to credit risk is also managed in part by obtaining collateral, corporate and personal guarantees. It is the policy of the Group to obtain or take possession of or register lien against securities. The Group monitors the market value of the underlying securities which collateralize the related receivable including accrued interest and request additional collateral where deemed appropriate.

An estimate of fair value of collateral held against defaulted promissory notes is \$232,194,000 (2022 - \$233,994,000).

The Group monitors concentrations of credit risk by sector and geographic location. Other than exposure to Government of Jamaica securities, there is no significant concentration of credit risk for the Group's investment securities at amortised cost. An analysis of concentrations of credit risk at the reporting date for promissory notes and loans and other receivables is shown below:

	Group			
	Promissory Notes		Loans and Other Receivables	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Concentration by sector -				
Corporate	6,294,810	3,810,842	372,374	180,557
Retail	160,345	444,405	9,761,490	6,111,245
Total carrying amount	6,455,155	4,255,247	10,133,864	6,291,802

	Company			
	Promissory Notes		Loans and Other Receivables	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Concentration by sector -				
Corporate	6,294,810	4,810,842	372,374	180,557
Retail	160,345	444,405	9,761,490	6,111,245
Total carrying amount	6,455,155	5,255,247	10,133,864	6,291,802



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38. Financial Risk Management (Continued)

(e) Credit risk (continued)

Loss allowance recognised in profit or loss during the year is summarized below:

	The Group and Company	
	2023 \$'000	2022 \$'000
Promissory notes	(23,531)	(21,948)
Loans and other receivables	(7,411)	128,284
Investment securities – at amortised cost	(28,727)	22,372
	(59,669)	128,708

Loans and other receivables

The loss allowance as at 31 December 2023 and 1 January 2023 was determined as follows for trade and other receivables:

	The Group					
	At 31 December 2023			At 31 December 2022		
	Gross Carrying Amount	Loss Allowance	Expected Loss Rate	Gross Carrying Amount	Loss Allowance	Expected Loss Rate
	\$'000	\$'000	%	\$'000	\$'000	%
Less than 1 month	6,615,731	767	0.01	4,502,803	6,889	0.15
Within 1 to 3 months	3,172,996	697	0.02	490,024	2,111	0.43
Over 3 months	278,080	249,562	89.74	1,438,547	289,477	20.12
	10,066,807	251,026		6,431,374	298,477	

	The Company					
	At 31 December 2023			At 31 December 2022		
	Gross Carrying Amount	Loss Allowance	Expected Loss Rate	Gross Carrying Amount	Loss Allowance	Expected Loss Rate
	\$'000	\$'000	%	\$'000	\$'000	%
Less than 1 month	6,615,731	767	0.01	4,397,495	6,889	0.16
Within 1 to 3 months	3,172,996	697	0.02	490,024	2,111	0.43
Over 3 months	278,080	249,562	89.74	1,438,547	289,477	20.12
	10,066,807	251,026		6,326,066	298,477	

Mayberry Investments Limited

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38. Financial Risk Management (Continued)

(e) Credit risk (continued)

Promissory notes

The expected credit loss is summarised as follows:

The Group and Company				
2023				
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	\$'000	\$'000	\$'000	\$'000
Standard risk	6,283,763	-	-	6,283,763
Past due risk	-	-	-	-
Credit impaired	-	-	400,072	400,072
Gross carrying amount	6,283,763	-	400,072	6,683,835
Loss allowance	(28,108)	-	(200,572)	(228,680)
Carrying amount	6,255,655	-	199,500	6,455,155

The Group				
2022				
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	\$'000	\$'000	\$'000	\$'000
Standard risk	4,083,817	-	-	4,083,817
Past due risk	-	23,633	-	23,633
Credit impaired	-	-	400,008	400,008
Gross carrying amount	4,083,817	23,633	400,008	4,507,458
Loss allowance	(47,052)	(259)	(204,900)	(252,211)
Carrying amount	4,036,765	23,374	195,108	4,255,247



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38. Financial Risk Management (Continued)

(e) Credit risk (continued)

Promissory notes (continued)

	The Company			
	2022			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	\$'000	\$'000	\$'000	\$'000
Standard risk	5,083,817	-	-	5,083,817
Past due risk		23,633	-	23,633
Credit impaired	-	-	400,008	400,008
Gross carrying amount	5,083,817	23,633	400,008	5,507,458
Loss allowance	(47,052)	(259)	(204,900)	(252,211)
Carrying amount	5,036,765	23,374	195,108	5,255,247

Movement in the maximum exposure to credit risk

	The Group and Company			
	2023			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	\$'000	\$'000	\$'000	\$'000
Maximum exposure to credit risk as at January 01, 2023	5,083,817	23,633	400,008	5,507,458
New financial assets originated or purchased	2,861,950	-	-	2,861,950
Financial assets fully recognised during the period	(1,042,336)	(23,633)	-	(1,065,969)
Changes in principal and interest	(637,502)	-	-	(637,502)
Foreign exchange adjustments	17,834	-	64	17,898
Maximum exposure to credit risk as at December 31, 2023	6,283,763	-	400,072	6,683,835



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38. Financial Risk Management (Continued)

(e) Credit risk (continued)

Promissory notes (continued)

Movement in the maximum exposure to credit risk (continued)

	The Group			
	2022			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	\$'000	\$'000	\$'000	\$'000
Maximum exposure to credit risk as at January 01, 2022	2,894,949	-	320,114	3,215,063
Transfer from Stage 1 to Stage 3	(79,894)	-	79,894	-
Transfer from Stage 1 to Stage 2	(23,633)	23,633	-	-
New financial assets originated or purchased	1,443,265	-	-	1,443,265
Financial assets fully recognised during the period	(60,152)	-	-	(60,152)
Changes in principal and interest	(23,228)	-	-	(23,228)
Foreign exchange adjustments	(67,490)	-	-	(67,490)
Maximum exposure to credit risk as at December 31, 2022	4,083,817	23,633	400,008	4,507,458
	The Company			
	2022			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	\$'000	\$'000	\$'000	\$'000
Maximum exposure to credit risk as at January 01, 2022	3,898,861	-	320,114	4,218,975
Transfer from Stage 1 to Stage 3	(79,894)	-	79,894	-
Transfer from Stage 1 to Stage 2	(23,633)	23,633	-	-
New financial assets originated or purchased	1,443,265	-	-	1,443,265
Financial assets fully recognised during the period	(60,152)	-	-	(60,152)
Changes in principal and interest	(23,228)	-	-	(23,228)
Foreign exchange adjustments	(71,402)	-	-	(71,402)
Maximum exposure to credit risk as at December 31, 2022	5,083,817	23,633	400,008	5,507,458



Mayberry Investments Limited

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31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

38. Financial Risk Management (Continued)

(e) Credit risk (continued)

Promissory notes (continued)

Movement in the loss allowance:

The Group and Company				
2023				
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	\$'000	\$'000	\$'000	\$'000
At 1 January 2023	47,052	259	204,900	252,211
Movements with profit or loss impact:				
New financial assets originated	12,384	-	-	12,384
Changes in PDs/LGD/EADs	(22,276)	-	-	(22,276)
Financial assets derecognised during the period	(9,052)	(259)	-	(9,311)
Write offs	-	-	(4,328)	(4,328)
Loss allowance recognised in profit or loss	(18,944)	(259)	(4,328)	(23,531)
At 31 December 2023	28,108	-	200,572	228,680

The Group and Company				
2022				
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	\$'000	\$'000	\$'000	\$'000
At 1 January 2023	63,296	-	210,864	274,160
Movements with profit or loss impact:				
Transfers from Stage 1 to Stage 2	(259)	259	-	-
Transfer from Stage 1 to Stage 3	(72,084)	-	72,084	-
New financial assets originated	12,989	-	-	12,989
Changes in PDs/LGD/EADs	43,531	-	-	43,531
Financial assets derecognised during the period	(421)	-	-	(421)
Recoveries	-	-	(78,048)	(78,048)
Loss allowance recognised in profit or loss	(16,244)	259	(5,964)	(21,949)
At 31 December 2023	47,052	259	204,900	252,211

Mayberry Investments Limited

Notes to the Financial Statements

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

38. Financial Risk Management (Continued)

(e) Credit risk (continued)

Debt securities

The expected credit loss is summarised as follows:

The Group and Company				
2023				
	Stage 1 12-month ECL \$'000	Stage 2 Lifetime ECL \$'000	Stage 3 Lifetime ECL \$'000	Total \$'000
Standard risk	2,998,194	-	-	2,998,194
Past due risk	-	-	-	-
Credit impaired	-	-	-	-
Gross carrying amount	2,998,194	-	-	2,998,194
Loss allowance	(8,997)	-	-	(8,997)
Carrying amount	2,989,197	-	-	2,989,197

The Group and Company				
2022				
	Stage 1 12-month ECL \$'000	Stage 2 Lifetime ECL \$'000	Stage 3 Lifetime ECL \$'000	Total \$'000
Standard risk	2,313,719	-	-	2,313,719
Past due risk	-	-	-	-
Credit impaired	-	-	-	-
Gross carrying amount	2,313,719	-	-	2,313,719
Loss allowance	(37,724)	-	-	(37,724)
Carrying amount	2,275,995	-	-	2,275,995



Mayberry Investments Limited

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(expressed in Jamaican dollars unless otherwise indicated)

38. Financial Risk Management (Continued)

(e) Credit risk (continued)

Debt securities (continued)

Movement in the maximum exposure to credit risk:

	The Group and Company			
	2023			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	\$'000	\$'000	\$'000	\$'000
Maximum exposure to credit risk as at January 01, 2023	2,313,718	-	-	2,313,718
New financial assets originated or purchased	1,504,658	-	-	1,504,658
Financial assets fully recognised during the period	(826,298)	-	-	(826,298)
Foreign exchange adjustments	6,116	-	-	6,116
Maximum exposure to credit risk as at December 31, 2023	2,998,194	-	-	2,998,194

	The Group and Company			
	2022			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	\$'000	\$'000	\$'000	\$'000
Maximum exposure to credit risk as at January 01, 2022	3,196,032	-	-	3,196,032
New financial assets originated or purchased	78,957	-	-	78,957
Financial assets fully recognised during the period	(955,807)	-	-	(955,807)
Foreign exchange adjustments	(5,463)	-	-	(5,463)
Maximum exposure to credit risk as at December 31, 2022	2,313,719	-	-	2,313,719

The loss allowance recognised in profit or loss for debt securities was \$28,727,000 (2022 – (\$22,372,000)). There were no transfers between stages during the period.



Mayberry Investments Limited

Notes to the Financial Statements

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38. Financial Risk Management (Continued)

(f) Settlement risk

The Company's activities may give rise to risk at the time of settlement of transactions and trades. Settlement risk is the risk of loss due to the failure of a company to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For certain types of transactions, the Company mitigates this risk by conducting settlements through a settlement/clearing agent to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

(g) Regulatory capital management

The Group's objectives when managing capital, which is a broader concept than the "equity" on the face of the statement of financial position, are:

- To comply with the capital requirements set by the regulators of the financial markets where the entities within the group operate;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for stockholder and benefits for other stakeholders; and
- To maintain a strong and efficient capital base consistent with the Company's risk profile, strategic objectives to support the development of its business.

Mayberry is subject to regulatory capital standards issued by the Financial Services Commission (FSC) which, are largely guided by international criteria set by the Basel Committee on Banking Supervision (BCBS). FSC, The FSC requires the Company to hold a specified level of regulatory capital and to maintain the following:

- a minimum ratio of total regulatory capital to total risk weighted assets of 10%,
- and capital to total assets ratio of 6%.

At year end, the Company's was in compliance with all external externally imposed capital requirements to which it is exposed.

Through the capital management framework, capital adequacy and regulatory capital are monitored by the Company's management, employing techniques based on the guidelines developed by the FSC.

The required information including early warning ratios is filed with the regulator at the stipulated intervals.

In addition, the Company is subject to bi-annual Stress Testing by the Financial Services Commission to determine if capital is sufficient to absorb losses during economic and financial market stress as well as effective capital planning processes.

The Company's capital adequacy ratios have passed all individual and combined shocks applied to its balance sheet data in the bi-annual stress tests. Passing the bi-annual stress tests underscores the Company's commitment to a sustained capital planning process that satisfies the expectations of our stakeholders.

The Company remains adequately capitalized well in excess of the minimum regulatory capital adequacy requirements which further underscores the strength and resilience of the business and is a key component of the Company's growth strategy.



Mayberry Investments Limited

Notes to the Financial Statements

31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

38. Financial Risk Management (Continued)

(g) Regulatory capital management (continued)

The Company's policy is to maintain a strong capital base to ensure investor, creditor and market confidence and to sustain the future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Company recognises the need to maintain a balance between higher returns that might be possible with greater leverage and the advantages and security afforded by a sound capital position.

The Company has complied with all regulatory capital requirements throughout the period. There have been no material changes in the management of capital during the period.

Capital allocation

Although maximization of the return on risk-adjusted capital is the principal basis used in determining how capital is allocated within the Company to operations or activities, it is not the sole basis used for decision making. Account is also taken of synergies with other operations and activities, availability of management and other resources, and the fit of the activity with the Company's longer-term strategic objectives. Capital management and allocation are reviewed regularly by the Board of Directors.

39. Fair Values

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. However, market prices are not available for some of the financial assets held by the Group. Therefore, 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:

- (i) Investment securities and investment in associates classified as FVTPL and investment securities FVTOCI are measured at fair value by reference to quoted market prices when available. 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.
- (ii) The fair values of liquid assets and other assets maturing within one year are assumed to approximate their carrying amount. This assumption is applied to liquid assets and short term elements of all financial assets and financial liabilities.
- (iii) The fair values of variable rate financial instruments are assumed to approximate their carrying amounts.

Mayberry Investments Limited

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39. Fair Values (Continued)

- (iv) The fair values of fixed rate loans are estimated by comparing market interest rates when the loans were granted with the current market rate offered on similar loans. Changes in the credit quality of loans within the portfolio are not taken to account in determining gross fair values as the impact of credit risk is recognized separately by deducting the amount of the provisions for credit losses from both book and fair values.

The Group uses the following hierarchy 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 are 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.

A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets and investments in associates held by the Group when available is with reference to the current bid, ask and trade prices.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This category includes government bonds, certificates of deposit and corporate paper. Indicative prices or yields of these instruments are obtained from regular, publicly available quotes by reputable pricing services, dealers and brokers.

Mayberry Investments Limited

Notes to the Financial Statements

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39. Fair Values (Continued)

The following table shows an analysis of assets measured at the date of the statement of financial position that, subsequent to initial recognition, are measured at fair value. The assets are grouped into levels of the fair value hierarchy:

The Group and Company				
2023				
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets -				
Debt securities				
Government of Jamaica	-	16,404	-	16,404
Foreign government	-	15,191	-	15,191
Corporate bonds	-	73,256	-	73,256
Quoted equity securities	463,790	-	-	463,790
Non Financial assets:	-	-	-	-
Investment Properties	-	2,113,472	-	2,113,472
	<u>463,790</u>	<u>2,218,323</u>	<u>-</u>	<u>2,682,113</u>
The Group				
2022				
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets -				
Debt securities				
Government of Jamaica	-	15,316	-	15,316
Foreign government	-	14,936	-	14,936
Corporate bonds	-	178,563	-	178,563
Equities				
Quoted	6,826,280	-	-	6,826,280
Unquoted	-	-	216,245	216,245
Investment in associates	18,011,477	-	-	18,011,477
Non financial assets				
Investment Properties	-	2,027,738	-	2,027,738
	<u>24,837,757</u>	<u>2,236,553</u>	<u>216,245</u>	<u>27,290,555</u>

Mayberry Investments Limited

Notes to the Financial Statements

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(expressed in Jamaican dollars unless otherwise indicated)

39. Fair Values (Continued)

	The Company			
	2022			
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets -				
Debt securities				
Government of Jamaica	-	15,316	-	15,316
Foreign government	-	14,936	-	14,936
Corporate bonds	-	178,563	-	178,563
Quoted equity securities	662,824	-	-	662,824
Non Financial Assets:				
Investment Properties	-	2,027,738	-	2,027,738
	<u>662,824</u>	<u>2,236,553</u>	<u>-</u>	<u>2,899,377</u>

As at 31 December 2023, the fair value of the financial instruments valued at amortized cost is detailed below:

	The Group and Company	
	2023	
	Carrying Value	Fair Value
	\$'000	\$'000
Assets		
Debt Securities	2,263,754	2,204,754
Reverse Repurchase Agreements	3,615,228	3,615,228
Promissory Notes	6,455,155	6,683,497
Loans and Advances	10,133,864	10,133,864
Liabilities		
Securities purchased under resale agreements	7,006,504	7,006,504
Loans	14,251,259	14,251,259
Accounts Payable	<u>11,535,534</u>	<u>11,535,534</u>



Mayberry Investments Limited

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31 December 2023

(expressed in Jamaican dollars unless otherwise indicated)

39. Fair Values (Continued)

	2022			
	Group		Company	
	Carrying Value \$'000	Fair Value \$'000	Carrying Value \$'000	Fair Value \$'000
Assets				
Debt Securities	2,263,754	2,204,568	2,263,754	2,204,568
Reverse Repurchase Agreements	5,303,950	5,303,950	5,303,951	5,303,951
Promissory Notes	4,192,813	4,318,999	5,211,144	5,230,126
Loans and Advances	9,250,435	9,250,435	11,014,447	11,014,447
Liabilities				
Securities purchased under resale agreements	4,869,274	4,869,274	4,869,274	4,869,274
Loans	9,407,868	9,407,868	7,209,240	6,990,278
Accounts Payable	11,045,972	11,045,972	10,759,530	10,759,530

The tables below show a reconciliation of the movement in the assets measured at fair value, that are classified as level 3.

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Opening balance	216,245	139,233	-	-
Additions	-	77,012	-	-
Relieved on disposal of subsidiaries	(216,245)	-	-	-
Closing balance	-	216,245	-	-

Mayberry Investments Limited

Notes to the Financial Statements

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40. Pension Scheme

The Company operates a defined contribution pension scheme for employees who have satisfied certain minimum service requirements. The scheme is funded by equal contributions of employer and employees of 5% of pensionable salaries and an option for employees to contribute an additional 10%. The Company's contribution for the year amounted to \$15,272,000 (2022: \$14,016,000).

41. Funds Under Management

The Company provides custody, investment management and advisory services for both institutions and individuals which involve the Company making allocation and purchases and sales decisions in relation to quoted shares and government financial instruments on a non-recourse basis. Those assets that are held in a fiduciary capacity are not included in these financial statements.

42. Segment Information

The Company is a licensed Securities Dealer (note 1).

Based on the information presented to and reviewed by the CODM, the entire operations of the Group are considered as one operating segment.

Financial information related to the operating segment results from continuing operations for the two years ended 31 December 2023, can be found in the consolidated statement of income. There are no differences in the measurement of the reportable segment results and the Group's results.

Details of the segment assets and liabilities for the two years ended 31 December 2023, can be found in the consolidated statement of financial position and related notes. There are no differences in the measurement of the reportable segment assets and liabilities and the Group's assets and liabilities.

Entity-wide disclosure:

The revenue from operations can be found in the consolidated statement of income.

43. Capital Commitments

Significant capital expenditure contracted for the at the end of the reporting period but not recognized as liabilities is as follows:

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Intangible assets	104,160	154,912	104,160	40,935

The above commitments relate to the development of a new integrated client service, customer management and operations management system supporting the Group's digitisation strategy.



Mayberry Investments Limited

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44. Reclassification

In prior years the Group had loans with the Development Bank of Jamaica under its Approved Financial Institutions program. These loans were classified as Accounts Payable in the Statement of Financial Position. To improve the presentation of the financial statements, these loans have been reclassified from Accounts Payable to Borrowings in the Statement of Financial Position and correspondingly from Operating Activities to Financing Activities in the Statement of Cashflow.





MAYBERRY
INVESTMENTS LIMITED
Established 1989

APPENDIX 6:

UNAUDITED FINANCIAL STATEMENTS FOR THIRD QUARTER ENDED SEPTEMBER 30, 2024



Summary of Unaudited Income Statement for the quarter ended September 30, 2024 compared to the quarter ended September 30, 2023

Statement of Profit or Loss and Other Comprehensive Income		
For the Period Ended 30-September-2024		
(Figures expressed in \$'000)	Unaudited	Unaudited
	Sep-24	Sep-23
Net Interest Income and Other Revenues		
Interest income	591,204	568,602
Interest expense	-457,750	-439,687
Net interest income	133,454	128,915
Consulting fees and commissions	347,064	98,966
Dividend income	4861	1938
Net trading gains/(losses)	-1,457	24,707
Net unrealized gains on investment revaluation	7,442	-9,559
Net foreign exchange gains	66,388	70,750
Other income	15,070	16,263
Net interest income & other operating revenue	572,822	331,980
Operating Expenses		
Salaries, statutory contributions and other staff costs	240,665	153,955
Provision for credit losses	28,631	11,138
Operational Losses	2693	0
Depreciation and amortisation	36,800	11,024
Other operating expenses	227,326	225,218
	536,115	401,335
PROFIT/(LOSS) BEFORE TAXATION	36,707	-69,355
Taxation	0	-13,827
Net Profit for the Year	36,707	-83,182
Other Comprehensive Income Net of Taxation:		
Item that will not be reclassified to profit or loss		
Net unrealized (loss)/gains on financial instruments - FVOCI	-28,899	-159,165
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		
Profit/(loss) Attributable to Stockholders	36,707	-83,182

Summary of Unaudited Balance Sheet for the quarter ended September 30, 2024 compared to the quarter ended September 30, 2023

Mayberry Investments Limited	Unaudited Sep-23	Unaudited Sep-24
	\$'000	\$'000
ASSETS		
Cash resources	3,889,638	2,543,776
Investment securities	3,173,366	5,681,421
Cash resources		
Investment securities		
Reverse repurchase agreements	5,973,043	3,265,480
Capital management funds		
Promissory notes	3,374,585	5,148,924
Interest receivable	317,171	521,281
Loans and other receivables	7,668,940	10,596,083
Deferred taxation	443,387	1,148,464
Right of use assets	57,365	51,826
Investment property	2,027,738	2,113,472
Taxation recoverable	194,434	194,434
Externally funded loans	1,822,227	2,035,114
Investment in joint ventures		
Investment in Subsidiary - MWI & Widebase	1,092,779	
Due from related company	4,844,265	3,006,341
Intangible asset	1,179,634	1,345,004
Property, plant and equipment	172,086	194,816
Other assets		
Investment in associate		
TOTAL ASSETS	36,230,658	37,846,436
	36,230,658	37,846,436
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Bank overdraft	1,777,458	810,600
Capital management funds obligation		
Securities sold under repurchase agreements	6,238,748	7,921,074
Interest payable	124,397	86,348
Due to Related Party		
Loans	10,516,691	10,200,215
Accounts payable	10,632,607	10,209,854
Externally funded loans	1,820,659	2,128,820
Deferred Taxation		
Taxation payable		
Lease liabilities	73,910	71,355
Dividend Payable		
Redeemable preference shares		
	31,184,470	31,428,266
STOCKHOLDERS' EQUITY		
Share capital	1,582,382	1,582,382
Preference Shares		
Fair value reserve	220,347	392,980
Translation Reserve		
Capital Redemption Reserve		
Other reserve	77,939	77,939
Retained earnings	3,165,520	4,364,869
Equity to shareholders	5,046,188	6,418,170
Non-controlling interest		
	5,046,188	6,418,170
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	36,230,658	37,846,436



AUDITOR'S **CONSENT**





