

MAYBERRY JAMAICAN EQUITIES

USD
Q3 2020

UNAUDITED FINANCIAL RESULTS



MANAGING DIRECTOR'S COMMENTARY ON FINANCIAL RESULTS

FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2020.
(represented in US\$)

Results for the Unaudited 3RD Quarter 2020 – July to September 2020.

INVESTMENT ENVIRONMENT

For the period July to September 2020, Mayberry Jamaican Equities Limited (MJE) volumes traded on the JSE was 1.69 million units versus 52.5 million units when compared to July to September 2019. During the third quarter MJE was listed in the JSE Top 10 Advancing Stocks for the month of July 2020. For Q2 March to June 2020 61.3 million units were traded.

Market Statistics

	2020	2019	Change (%)
GDP (Q2)	-18.4%	1.4%	
Inflation Rate (YTD August)	3.4%	3.3%	3.0%
Exchange Rate (Sept. 30)	\$142.10	\$135.16	5.1%

Main Market	2020	2019	Change (%)
JSE Main Market Index - Jan. 1	509,916	379,791	34.3%
JSE Main Market Index - Mar. 31	379,242	388,277	-2.3%
JSE Main Market Index - Jun. 30	383,756	467,896	-18.0%
JSE Main Market Index - Sept. 30	380,426	516,043	-26.3%
Junior Market			
JSE Junior Market Index - Jan. 1	3,349	3,247	3.1%
JSE Main Market Index - Mar. 31	2,304	3,092	-25.5%
JSE Main Market Index - Jun. 30	2,592	3,104	-16.5%
JSE Junior Market Index - Sept. 30	2,556	3,533	-27.7%



The Jamaica economy contracted 18.4% for the April to June 2020 quarter compared to the same quarter of 2019, largely due to the negative impact of the continued spread of the novel Coronavirus (COVID-19) and measures to limit its spread. As such, the performance stemmed from declines in the Services Industry and Goods Producing Industries by 20.3% and 12.7% respectively. The inflation rate for the August 2020 was 0.2%, primarily attributed to the 1.2% increase in the index for 'Housing, Water, Electricity, Gas and Other Fuels' division. The inflation rate for the calendar year-to-date was 3.4%, while the point-to-point rate was 5.1%. The exchange rate since the start of 2020 devalued by 7.2% or \$9.54 to \$142.10 as at September 30, 2020, while the movement year on year reflects a devaluation of 5.1% from \$135.16 as at September 30, 2019. For the period January to September 2020, the JSE Main Market Index declined by 129,490.46 points or 25.4% from 509,916 to 380,42598 points. When compared to year on year September 2019, units fell by 135,617 or 26.3%. Local and global stock markets were impacted negatively since the outbreak of the Novel Coronavirus (COVID-19) which was declared a global pandemic by the World Health Organization on March 9, 2020. The JSE Junior Market reported similar downward trends and closed September 2020 at 2,556 points when compared to 3,533 points for September 2019 and 3,349 points as at January 2020, a 23.7% decline year to date.

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

PORTFOLIO HIGHLIGHTS

Mayberry Jamaican Equities purchased stocks for the nine months ended September 2020 in the value of J\$534 million compared to J\$1.7 billion for corresponding period in 2019. The Portfolio's cash balance as at 30 September 2020 stood at J\$539 million.

PERIOD	VALUE OF PURCHASES	VALUE OF PURCHASES	PORTFOLIO CASH	PORTFOLIO CASH
	JM\$ 2020	JM\$ 2019	JM\$ 2020	JM\$ 2019
YTD SEPTEMBER	\$534M	\$1.7B	\$539M	\$723M

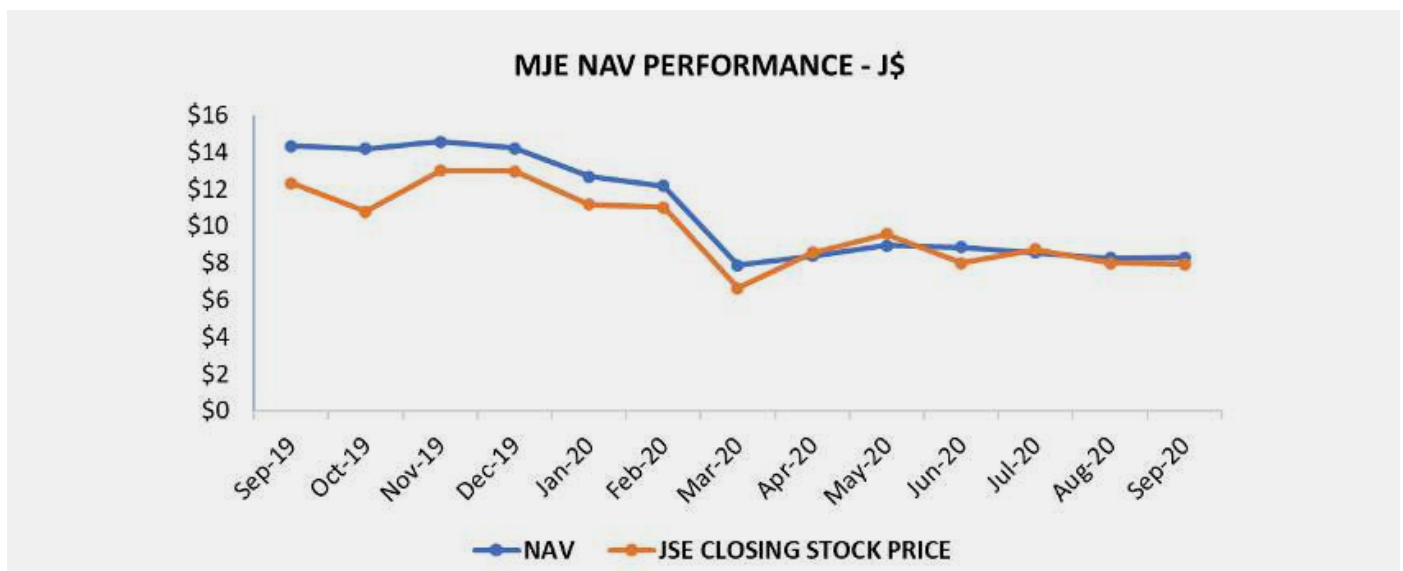


Price movements for the Top 10 stocks in the portfolio since the beginning of the quarter were:

COMPANIES	PRICE CHANGE	% OF HOLDINGS
SUPREME VENTURES LIMITED	-6.4%	48%
DERRIMON TRADING COMPANY LIMITED	31.1%	11%
WIGTON WIND FARMS LIMITED	-1.3%	7%
CARIBBEAN CEMENT COMPANY LIMITED	-0.1%	6%
LASCO FINANCIALS SERVICES	-18.4%	5%
CARIBBEAN PRODUCERS GROUP	0.0%	4%
JAMAICA BROILERS GROUP	-3.4%	4%
BLUE POWER GROUP LIMITED	-17.4%	3%
LASCO DISTRIBUTORS LIMITED	3.0%	2%
LUMBER DEPOT LIMITED	-6.3%	2%

NET ASSET VALUE (NAV)

Net Book Value per share moved to J\$8.30 as at 30 September 2020, a J\$6.03 reduction over the corresponding period in 2019. MJE's stock price closed at J\$7.93 on September 30, 2020.



FINANCIAL POSITION

SUMMARY OF CHANGES ON THE STATEMENT OF FINANCIAL POSITION				
Description	Quarter ended 30 September 2020 (US\$'000)	Quarter ended 30 September 2019 (US\$'000)	Change (US\$'000)	% Change
Total Assets	86,695	147,586	(60,891)	-41.3%
Total Liabilities	16,294	19,517	3,223	16.5%
Stockholders' Equity	70,401	128,069	(57,669)	-45.0%
Net Book Value Per Share	\$0.06	\$0.11	-\$0.05	-45.0%

Total Assets as of September 2020 closed at US\$87 million, a US\$5 million decline from the US\$92 million reported as at the end of June 2020. The decline year over year amounted to US\$61 million from the US\$148 million reported as of September 2019. This movement was attributable to reduced values of quoted equities. The year over year reduction was due to reduced values of quoted equities, particularly:

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

For the nine months ending September 2020, Total Liabilities decreased by US\$3.2 million to US\$16.3 million or a 16.5% reduction compared to the corresponding period in 2019.

SHAREHOLDERS' EQUITY

Mayberry Jamaican Equities capital base remained robust with a close of US\$70 million for Shareholders' Equity. This decreased by US\$5.6 million when compared to Q2 2020.

Retained earnings for the nine months ending September 2020 decreased by US\$1.9 million to US\$28 million from US\$30 million as at June 2020.



OVERALL PERFORMANCE

For the period July to September 2020, MJE recorded a Net profit of US\$721K. This, however, was lower than the profits of US\$3.5 million for the corresponding period in 2019, despite overall lower expenses. For Q3 2020, this resulted in Earnings per share (EPS) of J\$0.07 (US\$0.0006). The company reported an EPS of J\$0.39 (US\$0.003) for Q3 2019. The improved results for Q3 2020 was mainly due to the revaluation of the equities classified as Fair Value through Profit or Loss (FVPL). For the nine months ending September 2020, MJE recorded a Net loss of US\$7.5 million.

MJE recorded a Total comprehensive loss of US\$6.9 million for the three months July to September 2020 compared to a Total comprehensive income of US\$6.5 million for the April to June 2020 quarter. Total comprehensive loss for the July to September 2019 quarter was US\$2.5 million.

SUMMARY OF CHANGES ON THE STATEMENT OF COMPREHENSIVE INCOME				
Description	Quarter ended 30 September 2020 (US\$'000)	Quarter ended 30 September 2019 (US\$'000)	Change (US\$'000)	% Change
Net Interest Income and Other Revenues	1,032	4,482	(3,450)	-77.0%
Operating Expenses	311	939	629	66.9%
Profit before Taxation	721	3,542	(2,821)	-79.6%
Net Profit	721	3,461	(2,739)	-79.2%
Other Comprehensive Income	(7,657)	(5,956)	(1,701)	-28.6%
Total Comprehensive Income	(6,936)	(2,496)	(4,441)	-177.9%
Earnings Per Share (EPS)				
	\$0.0006	\$0.003	-\$0.002	-79.2%

TOTAL REVENUES

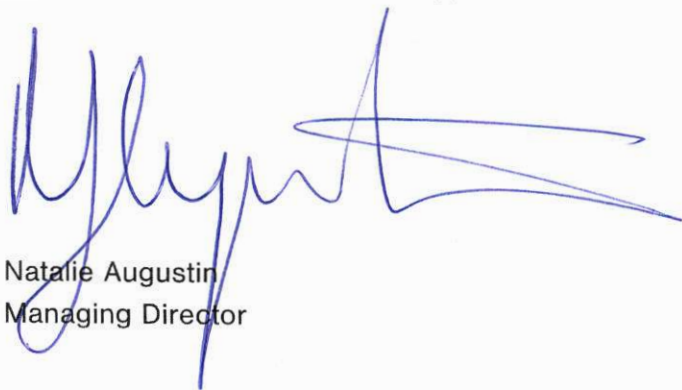
Net Revenues for July to September totaled US\$1 million and declined by US\$3.5 million over the corresponding 2019 quarter. This was an improved performance over Q2 2020 of US\$200K, resulting from higher unrealized gain on investments and lower realized foreign exchange losses. For the accumulated nine-month period of 2020, revenues were negative (US\$6.9) million compared to US\$6.2 million for the corresponding period in 2019.



OPERATING EXPENSES

Total Operating expenses of US\$311K for the third quarter decreased by US\$629K or 67% when compared to the corresponding quarter in 2019. For Q3 2020 MJE's operating costs relative to assets was 0.004 compared to 0.007 for the corresponding quarter in 2019. Total operating expenses of US\$672K for the nine months of 2020 declined by US\$2.3 million when compared to the same period in 2019.

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



Natalie Augustin
Managing Director



STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED SEPTEMBER 30, 2020

	UNAUDITED 3 Months ended 30 September 2020 US\$'000	UNAUDITED 3 Months ended 30 September 2019 US\$'000	UNAUDITED 9 Months ended 30 September 2020 US\$'000	UNAUDITED 9 Months ended 30 September 2019 US\$'000	AUDITED 12 Months ended 31 DECEMBER 2019 US\$'000
Net Interest Income and Other Revenues					
Interest income	2	19	10.2	134	166
Interest expense	(283)	(279)	(954)	(953)	(1,345)
Net Interest income	(281)	(260)	(943)	(818)	(1,179)
Dividend Income	263	757	1,647	2,094	2,759
Net Trading Gains/(Losses)	6	168	428	403	334
Unrealised (loss)/gain on investment revaluation	1,104	3,619	(7,826)	4,032	400
Realized Foreign Exchange Loss/Gain	(60)	198	(164)	507	225
	1,032	4,482	(6,859)	6,217	2,539
Operating Expenses:					
Salaries, statutory contributions and staff costs					
Provision for credit losses					
Provision / (write back) for Impairment - Investments					
Depreciation and amortisation					
Other operating expenses	311	939	672	3,007	3,967
	311	939	672	3,007	3,967
Share of Profits in Associate	-	-	-	-	-
Operating (loss)/profit before Asset tax	721	3,542	(7,531)	3,210	(1,428)
Asset Tax	-	-	-	-	-
(Loss)/Profit before Taxation	721	3,542	(7,531)	3,210	(1,428)
Taxation (charge) / credit	(0.06)	(82)	4	(51)	(45)
NET PROFIT	721	3,461	(7,527)	3,159	(1,473)
OTHER COMPREHENSIVE INCOME					
Financial Reserve	(7,657)	(5,956)	(45,629)	32,667	35,061
Other Comprehensive Income, Net of Tax	(7,657)	(5,956)	(45,629)	32,667	35,061
TOTAL COMPREHENSIVE INCOME	(6,936)	(2,496)	(53,156)	35,825	33,588
Number of Shares in issue	1,201,149	1,201,149	1,201,149	1,201,149	1,201,149
Earnings per share	0.0006	0.003	(0.01)	0.0026	(0.001)

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

	UNAUDITED SEPTEMBER 30, 2020	UNAUDITED SEPTEMBER 30, 2019	AUDITED DECEMBER 31, 2019
	US\$'000	US\$'000	US\$'000
CASH AND CASH EQUIVALENTS	4,333	1,917	4,084
INVESTMENTS	81,718	138,894	144,395
INTANGIBLE ASSET	392	-	-
TAXATION RECOVERABLE	17	(29)	-
DUE FROM PARENT COMPANY	-	5,926	1,611
INTANGIBLE ASSET	-	431	443
OTHER RECEIVABLES	235	447	147
TOTAL ASSETS	86,695	147,586	150,679
LIABILITIES AND EQUITY			
<u>LIABILITIES</u>			
DEFERRED TAX	185	724	700
INTEREST PAYABLE	25	18	28
DUE TO PARENT COMPANY	534	-	-
ACCOUNTS PAYABLES	31	2,540	3,086
LOANS	15,453	16,236	16,669
DUE TO RELATED COMPANY	67	-	-
TAXATION PAYABLE	-	-	38
TOTAL LIABILITIES	16,294	19,517	20,520
<u>STOCKHOLDERS EQUITY</u>			
SHARE CAPITAL	20,556	20,556	20,556
FAIR VALUE RESERVE	21,847	69,735	68,893
RETAINED EARNINGS	27,997	37,778	40,710
	70,401	128,069	130,159
NON- CONTROLLING INTERESTS	-	-	-
TOTAL STOCKHOLDERS' EQUITY	70,401	128,069	130,159
TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES	86,695	147,586	150,679

Net book Value per Stock Unit **Q3 2020** **Q3 2019** **DECEMBER 2019**
\$0.06 **\$0.11** **\$0.11**

Approved by the Board of Directors for issue on October 21, 2020 and signed on its behalf by:

DocuSigned by:

Christy M. Brown

Chairman

Natalie Augustin

Managing Director



STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 SEPTEMBER 2020

	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
	3 Months ended 30 September 2020 US\$'000	3 Months ended 30 September 2019 US\$'000	9 Months ended 30 September 2020 US\$'000	9 Months ended 30 September 2019 US\$'000	12 Months ended 31 DECEMBER 2019 US\$'000
Profit for the period	721	3,461	(7,527)	3,159	(1,473)
<i>Other Comprehensive Income for the period net of tax:</i>					
Items that will or maybe classified to statement of income					
Unrealised gains/ (losses) on financial instruments	(7,657)	(5,956)	(45,629)	32,667	35,061
Total Comprehensive income attributable to stockholders	(6,936)	(2,496)	(53,156)	35,825	33,588



STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2020

	SHARE CAPITAL	FAIR VALUE RESERVES	RETAINED EARNINGS	TOTAL
	US\$'000	US\$'000	US\$'000	US\$'000
Balance at January 1, 2019	20,556	46,966	30,896	98,419
Realised gains / (losses) on fair value instruments transferred to retained earnings	-	(7,225)	7,225	-
Ordinary dividends paid	-	-	(573)	(573)
Net Profit	-	-	3,158	3,158
Total comprehensive income	-	29,993	-	29,993
Translation adjustment	-	-	(2,929)	(2,929)
Balance at September 30, 2019	20,556	69,735	37,777	128,069
Balance at January 1 2020	20,556	68,893	40,710	130,159
Realised gains / (losses) on fair value instruments transferred to retained earnings	-	(1,416)	1,416	-
Ordinary dividends paid	-	-	(509)	(509)
Net Profit	-	-	(7,527)	(7,527)
Total comprehensive income	-	(45,629)	-	(45,629)
Translation adjustment	-	-	(6,092)	(6,092)
Balance at September 30, 2020	20,557	21,847	27,998	70,401



STATEMENT OF CASHFLOW
FOR THE PERIOD ENDED 30 SEPTEMBER 2020

	UNAUDITED 9 Months ended 30 September 2020 US\$'000	UNAUDITED 9 Months ended 30 September 2019 US\$'000	AUDITED Year ended 31 December 2019 US\$'000
Cash Flows from Operating Activities			
Profit before taxation	(7,532)	3,210	(1,428)
Adjustments to reconcile profit to net cash used in operating activities:			
Depreciation			32
Interest Income	(10)	(134)	(166)
Interest Expense	953	953	1,345
Realized Fair Value (gains)/loss transferred to Retained Earnings	1,416	7,225	11,570
Unrealized fair value (gain)/loss on financial instruments - FVPL	7,826	-	(400)
Unrealized Foreign Exchange Gains	164	(493)	(53)
Adjusted Profit / (Loss)	2,817	10,760	10,899
Changes in operating assets and liabilities:			
Decrease / (increase) in Investment securities	(2,248)	(9,685)	(12,056)
Unrealized Foreign Exchange Loss	-	493	-
Prepayments	-	(169)	-
(Decrease) / increase due from parent company	-	(534)	-
Decrease / (increase) in Other Receivables	(212)	471	597
Decrease / (increase) in Accounts Payables & Other Liabilities	(7)	433	576
(Decrease) / increase in Due to Related companies	1,220	-	4,107
Interest received	153	134	166
Interest Paid	(929)	(965)	(1,349)
Taxation paid	-	(51)	-
Cash used in Operating Activities	(2,023)	(9,873)	(7,959)
Net Cash used in Operating Activities	794	886	2,941
Cash Flows from Investing Activities			
Purchase of Intangible asset	(18)	(172)	(201)
Net Cash Generated from Investing Activities	(18)	(172)	(201)
Cash Flows from Financing Activities			
Ordinary Dividend Payment	(509)	(573)	(590)
Increase/(decrease) in Proceeds from issue of debt security	(19)	-	-
Net Cash used in Financing Activities	(528)	(573)	(590)
Increase in Cash and Cash Equivalents	248	142	2,149
Exchange gain/(loss) on foreign Cash & Cash equivalents	-	-	53
Cash & Cash Equivalents - Beginning of the year	4,084	1,775	1,882
Cash & Cash Equivalents - End of the year	4,332	1,917	4,084

NOTES TO THE INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2020

1. Accounting Policies

(a) Basis of preparation

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



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

Names	Shareholdings
MAYBERRY INVESTMENT LIMITED	821,843,677
PWL BAMBOO HOLDINGS LIMITED	72,403,636
MAYBERRY MANAGED ACCOUNT	51,216,022
MAYBERRY ASSET MANAGERS LIMITED	41,122,865
MANWEI INTERNATIONAL LIMITED	40,251,196
K. MARK BERRY	39,205,594
VICTORY ISLAND LIMITED	10,000,000
VDWSD LIMITED	8,499,000
KMB HOLDINGS INC	6,957,740
SAGICOR SELECT FUNDS LIMITED - CLASS B - FINANCIAL	6,482,385

CONNECTED PARTIES

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



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

<u>Directors</u>	<u>Shareholdings</u>	<u>Connected Persons</u>
Christopher Berry	-	81,861,793
Konrad Berry	39,205,594	7,356,589
Natalie Augustin	253,300	0

