

JAMAICA MONEY MARKET BROKERS LIMITED

Consolidated Profit and Loss Account

Period ended 30 September 2021

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Three Months Ended 30-Sep-21 \$000	Unaudited Three Months Ended 30-Sep-20 \$000	Unaudited Six Months Ended 30-Sep-21 \$000	Unaudited Six Months Ended 30-Sep-20 \$000
Net Interest Income and Other Revenue				
Interest income	2,598,846	2,179,386	5,076,793	4,285,983
Interest expense	(1,982,858)	(1,481,170)	(3,791,209)	(2,818,269)
Net Interest Income	615,988	698,216	1,285,584	1,467,714
Fees and commissions income	905,336	460,011	1,448,092	919,039
Gain on securities trading, net	532,443	1,088,423	1,749,428	2,299,935
Foreign exchange margins from cambio trading	142,701	106,464	256,503	188,081
Dividends	8,605	4,950	23,938	16,811
Operating Revenue Net of Interest Expense	2,205,073	2,358,064	4,763,545	4,891,580
Operating expenses	(1,863,736)	(1,432,190)	(3,974,175)	(3,170,277)
Impairment loss on financial assets	216	(686)	(525)	(2,292)
Operating Profit	341,553	925,188	788,845	1,719,011
Other income	46,153	57,883	88,648	65,409
Profit before Taxation	387,706	983,071	877,493	1,784,420
Taxation	(31,262)	(221,194)	(201,204)	(521,577)
Profit for the Period	356,444	761,877	676,289	1,262,843
Earnings per stock unit	\$0.22	\$0.47	\$0.41	\$0.77

JAMAICA MONEY MARKET BROKERS LIMITED

Consolidated Statement of Comprehensive Income

Period ended 30 September 2021

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Three Months Ended 30-Sep-21 \$000	Unaudited Three Months Ended 30-Sep-20 \$000	Unaudited Six Months Ended 30-Sep-21 \$000	Unaudited Six Months Ended 30-Sep-20 \$000
Profit for the Period	356,444	761,877	676,289	1,262,843
Other comprehensive income				
<i>Items that may be reclassified to profit or loss:</i>				
Net gain/(loss) on investment in debt instruments measured at FVOCI	(269,331)	1,220,180	(242,718)	1,740,413
Foreign exchange translation differences on translation of foreign subsidiaries	-	-	-	133,913
<i>Items that will not be reclassified to profit or loss:</i>				
Net gain/(loss) on investment in equity instruments designated at FVOCI	(34,440)	(7,920)	(97,828)	22,048
Total other comprehensive income/(loss), net of tax	(303,771)	1,212,260	(340,546)	1,896,374
Total comprehensive income for period	52,673	1,974,137	335,743	3,159,217
Total comprehensive income attributable to:				
Owners of the parent	52,673	1,974,137	335,743	3,159,217

JAMAICA MONEY MARKET BROKERS LIMITED

Consolidated Statement of Financial Position

Six-month Period ended 30 September 2021

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited as at 30-Sep-21 \$'000	Unaudited as at 30-Sep-20 \$'000	Audited as at 31-Mar-21 \$'000
ASSETS			
Cash and cash equivalents	12,607,698	14,694,055	15,629,482
Interest receivable	1,985,624	1,577,946	1,862,896
Income tax recoverable	391,443	380,383	353,067
Loans and notes receivable	28,374,717	17,512,601	14,217,458
Other receivables	1,377,737	4,953,682	2,134,264
Due from other related party	3,535,406	11,603,333	13,783,924
Investments and resale agreements	211,255,198	173,131,371	189,132,382
Investment properties	697,954	698,932	698,931
Property, plant and equipment and intangible assets	4,841,280	4,157,279	4,321,964
Deferred tax asset	3,841,621	2,387,940	3,499,320
Right-of-use asset	145,709	185,157	155,531
	269,054,387	231,282,679	245,789,219
STOCKHOLDERS' EQUITY			
Share capital	1,864,054	1,864,054	1,864,054
Retained earnings reserve	9,605,055	9,605,055	9,605,055
Investment revaluation reserve	1,798,188	586,454	2,138,734
Retained earnings	12,530,417	10,492,474	11,854,127
	25,797,714	22,548,037	25,461,970
Liabilities			
Securities sold under agreements to repurchase	204,913,405	176,569,936	178,862,034
Notes payable	11,893,687	12,358,722	21,823,542
Lease liabilities	156,734	183,816	171,658
Redeemable preference shares	20,250,494	13,815,809	14,116,815
Interest payable	1,304,047	972,300	1,070,696
Income tax payable	2,156,702	1,841,993	2,234,854
Other payables	2,573,170	2,984,467	2,039,216
Deferred income tax liabilities	8,434	7,599	8,434
	243,256,674	208,734,642	220,327,249
	269,054,388	231,282,679	245,789,219

Archibald Campbell
Chairman

Keith P. Duncan
Group Chief Executive Officer

JAMAICA MONEY MARKET BROKERS LIMITED

Consolidated Statement of Changes in Stockholders' Equity

Six-month period ended 30 September 2021

(Expressed in Jamaican dollars unless otherwise indicated)

	Share Capital	Retained Earnings Reserve	Investment Revaluation Reserve	Cumulative Translation Reserve	Retained Earnings	Attributable to holders of the Parent	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balances at March 31, 2020 (Audited)	1,864,054	9,605,055	(4,490,790)	777,135	11,633,366	19,388,820	19,388,820
Profit for the period	-	-	-	-	1,262,843	1,262,843	1,262,843
Other comprehensive income for period	-	-	1,762,461	133,913	-	1,896,374	1,896,374
Total comprehensive income for period	-	-	1,762,461	133,913	1,262,843	3,159,217	3,159,217
Effects of Group Reorganisation	-	-	3,314,783	(911,048)	(2,403,735)	-	-
Balances at 30 September 2020 (Unaudited)	1,864,054	9,605,055	586,454	-	10,492,474	22,548,037	22,548,037
Balances at March 31, 2021 (Audited)	1,864,054	9,605,055	2,138,734	-	11,854,127	25,461,970	25,461,970
Profit for the period	-	-	-	-	676,289	676,289	676,289
Other comprehensive loss for period	-	-	(340,546)	-	-	(340,546)	(340,546)
Total comprehensive income/(loss) for period	-	-	(340,546)	-	676,289	335,743	335,743
Balances at 30 September 2021 (Unaudited)	1,864,054	9,605,055	1,798,188	-	12,530,416	25,797,713	25,797,713

JAMAICA MONEY MARKET BROKERS LIMITED

Consolidated Statement of Cash Flows

Six-month period ended 30 September 2021

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Six Months Ended 30-Sep-21 \$'000	Unaudited Six Months Ended 30-Sep-20 \$'000
Cash Flows from Operating Activities		
Profit for the period	676,289	1,262,843
Adjustments for:		
Unrealised loss on trading securities	(68,320)	(63,204)
Depreciation and amortisation	163,951	182,958
	<u>771,920</u>	<u>1,382,597</u>
Changes in operating assets and liabilities	19,342,127	45,425,988
Net cash provided by operating activities	<u>20,114,047</u>	<u>46,808,585</u>
Cash Flows from Investing Activities		
Investment securities, net	(22,463,362)	(45,570,298)
Purchase of property, plant and equipment and computer software	(672,469)	(265,333)
Net cash used in investing activities	<u>(23,135,831)</u>	<u>(45,835,631)</u>
Cash Flows from Financing Activities		
Notes payable	-	2,274,385
Dividends paid	-	-
Net cash provided by financing activities	<u>-</u>	<u>2,274,385</u>
Net (decrease)/increase in cash and cash equivalents	(3,021,784)	3,247,339
Cash and cash equivalents at beginning of year	<u>15,629,482</u>	<u>11,446,716</u>
Cash and cash equivalents at end of period	<u><u>12,607,698</u></u>	<u><u>14,694,055</u></u>

JAMAICA MONEY MARKET BROKERS LIMITED

Notes to the Financial Statements

Six-month period ended 30 September 2021

(Expressed in Jamaican dollars unless otherwise indicated)

Segment Reporting

	Six-month period ended 30 September 2021			
	Financial & Related Services	Others	Eliminations	Total
	\$'000	\$'000	\$'000	\$'000
External revenues	8,527,180	116,222	-	8,643,402
Intersegment revenue	892,429	-	(892,429)	-
Total segment revenue	9,419,609	116,222	(892,429)	8,643,402
Profit before tax	848,484	29,009	-	877,493
Taxation				(201,204)
Profit for the period				676,289
Total segment assets	271,501,821	2,487,055	(4,934,489)	269,054,387
Total segment liabilities	245,512,048	2,180,818	(4,436,193)	243,256,673
Interest income	5,073,394	3,399	-	5,076,793
Operating expenses	3,887,089	87,085	-	3,974,174
Depreciation & amortisation	154,412	9,539	-	163,951
Capital expenditure	381,411	291,058	-	672,469

JAMAICA MONEY MARKET BROKERS LIMITED

Notes to the Financial Statements

Six-month period ended 30 September 2021

(Expressed in Jamaican dollars unless otherwise indicated)

Segment Reporting

	Six-month period ended 30 September 2020			
	Financial & Related Services	Others	Eliminations	Total
	\$'000	\$'000	\$'000	\$'000
External revenues	7,670,152	105,106	-	7,775,258
Intersegment revenue	806,662	-	(806,662)	-
Total segment revenue	8,476,814	105,106	(806,662)	7,775,258
Profit before tax	1,678,622	105,798	-	1,784,420
Taxation				(521,577)
Profit for the period				1,262,843
Total segment assets	233,185,935	2,130,751	(4,034,007)	231,282,679
Total segment liabilities	210,422,777	1,858,726	(3,546,861)	208,734,642
Interest Income	4,283,592	2,391	-	4,285,983
Operating expenses	3,094,359	75,918	-	3,170,277
Depreciation & amortisation	175,452	7,506	-	182,958
Capital expenditure	265,333	-	-	265,333

JAMAICA MONEY MARKET BROKERS LIMITED

Notes to the Financial Statements

Six-month period ended 30 September 2021

1. Identification

Jamaica Money Market Brokers Limited (the “Company”) is incorporated and domiciled in Jamaica. The registered office of the Company is located at 6 Houghton Terrace, Kingston 10, Jamaica. The Company is a wholly owned subsidiary of JMMB Group Limited (“parent”), a company incorporated in Jamaica. The principal activities of the Company are securities brokering, securities trading, dealing in money market instruments, and managing funds on behalf of clients.

The Company is exempt from the provisions of the Money Lending Act.

Certain of the Company’s preference shares are listed on the Jamaica Stock Exchange.

Jamaica Money Market Brokers Limited has interest in the operating subsidiaries listed below. The Company and its subsidiaries are collectively referred to as the “Group”.

Name of Subsidiary	% Shareholding Held by the Company	Country of Incorporation	Principal Activities
JMMB Securities Limited	100	Jamaica	Stock brokering
JMMB Insurance Brokers Limited	100	Jamaica	Insurance brokering
JMMB Real Estate Holdings Limited	100	Jamaica	Real estate holding
Capital & Credit Securities Limited	100	Jamaica	Investment holding
JMMB Fund Managers Limited	100	Jamaica	Fund management

2. Summary of Significant Accounting Policies

(a) Basis of preparation

The Group’s condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The condensed consolidated financial statements should be read in conjunction with the accounting policies as set out in Note 2 and 31 of the audited financial statements for the year ended 31 March 2021.

All amounts are stated in Jamaican dollars unless otherwise indicated.

JAMAICA MONEY MARKET BROKERS LIMITED

Notes to the Financial Statements

Six-month period ended 30 September 2021

2. Summary of Significant Accounting Policies (continued)

(b) Basis of consolidation

The consolidated financial statements include the assets, liabilities and results of operations of the company and its subsidiaries presented as a single economic entity.

Subsidiaries are all entities over which the company has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the company controls another entity. Subsidiaries are consolidated from the date on which control is attained by the Group. They are no longer consolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of subsidiaries are consistent with those of the Group.

The Group uses the acquisition method of accounting for business combinations. The cost of acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated statement of revenue and expenses.

3. Earnings per stock unit

Earnings per stock unit ("EPS") is computed by dividing profit attributable to the equity holders of the parent of J\$676,288,687 (2020 – J\$1,262,842,927) by the number of stock units in issue during the period, numbering 1,630,552,530 (2020 – 1,630,552,530).

4. Comparative Information

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current period.