

JAMAICA MONEY MARKET BROKERS LIMITED

Consolidated Profit and Loss Account

Three-month period ended 30 June 2021

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Three Months Ended 30-Jun-21 \$000	Unaudited Three Months Ended 30-Jun-20 \$000
Net Interest Income and Other Revenue		
Interest income	2,477,947	2,106,597
Interest expense	(1,808,351)	(1,337,099)
Net Interest Income	669,596	769,498
Fees and commissions income	542,756	459,028
Gain on securities trading, net	1,216,985	1,211,512
Foreign exchange margins from cambio trading	113,802	81,617
Dividends	15,333	11,861
Operating Revenue Net of Interest Expense	2,558,472	2,533,516
Operating expenses	(2,110,439)	(1,738,087)
Impairment loss on financial assets	(741)	(1,606)
Operating Profit	447,292	793,823
Other income	42,495	7,526
Profit before Taxation	489,787	801,349
Taxation	(169,942)	(300,383)
Profit for the Period	319,845	500,966
Earnings per stock unit (Note 3)	\$0.20	\$0.31

JAMAICA MONEY MARKET BROKERS LIMITED

Consolidated Statement of Comprehensive Income

Three-month period ended 30 June 2021

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Three Months Ended 30-Jun-21 \$000	Unaudited Three Months Ended 30-Jun-20 \$000
Profit for the Period	319,845	500,966
Other comprehensive income		
<i>Items that may be reclassified to profit or loss:</i>		
Net gain on investment in debt instruments measured at FVOCI	26,613	520,233
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	(63,388)	29,968
Total other comprehensive income/(loss), net of tax	(36,775)	684,114
Total comprehensive income for period	283,070	1,185,080
Total comprehensive income attributable to:		
Owners of the parent	283,070	1,185,080

JAMAICA MONEY MARKET BROKERS LIMITED

Consolidated Statement of Financial Position

Three-month period ended 30 June 2021

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited as at 30-Jun-21 \$'000	Unaudited as at 30-Jun-20 \$'000	Audited as at 31-Mar-21 \$'000
ASSETS			
Cash and cash equivalents	17,200,323	19,958,755	15,629,482
Interest receivable	1,903,290	1,754,551	1,862,896
Income tax recoverable	369,266	374,101	353,067
Loans and notes receivable	29,711,500	14,996,648	14,217,458
Other receivables	6,922,858	4,779,243	2,134,264
Due from other related party	1,817,105	10,904,744	13,783,924
Investments and resale agreements	197,660,764	151,741,129	189,132,382
Investment properties	698,931	698,932	698,931
Property, plant and equipment and intangible assets	4,438,066	4,095,424	4,321,964
Deferred tax asset	3,622,574	2,743,048	3,499,320
Right-of-use asset	146,597	185,991	155,531
	264,491,274	212,232,566	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	2,101,959	(625,806)	2,138,734
Retained earnings	12,173,972	9,730,597	11,854,127
	25,745,040	20,573,900	25,461,970
LIABILITIES			
Securities sold under agreements to repurchase	199,994,283	162,362,428	178,862,034
Notes payable	11,979,078	10,134,424	21,823,542
Lease liabilities	165,239	188,526	171,658
Redeemable preference shares	20,284,141	13,587,555	14,116,815
Interest payable	1,251,863	869,827	1,070,696
Income tax payable	2,220,824	1,548,024	2,234,854
Other payables	2,842,372	2,960,283	2,039,216
Defered income tax liabilities	8,434	7,599	8,434
	238,746,234	191,658,666	220,327,249
	264,491,274	212,232,566	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

Three-month period ended 30 June 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	-	-	-	-	500,966	500,966	500,966
Other comprehensive income for period	-	-	550,201	133,913	-	684,114	684,114
Total comprehensive income for period	-	-	550,201	133,913	500,966	1,185,080	1,185,080
Effects of Group Reorganisation	-	-	3,314,783	(911,048)	(2,403,735)	-	-
Balances at 30 June 2020 (Unaudited)	1,864,054	9,605,055	(625,806)	-	9,730,597	20,573,900	20,573,900
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	-	-	-	-	319,845	319,845	319,845
Other comprehensive income for period	-	-	(36,775)	-	-	(36,775)	(36,775)
Total comprehensive income for period	-	-	(36,775)	-	319,845	283,070	283,070
Balances at 30 June 2021 (Unaudited)	1,864,054	9,605,055	2,101,959	-	12,173,972	25,745,040	25,745,040

JAMAICA MONEY MARKET BROKERS LIMITED

Consolidated Statement of Cash Flows

Three-month period ended 30 June 2021

(Expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Three Months Ended 30-Jun-21 \$'000	Unaudited Three Months Ended 30-Jun-20 \$'000
Cash Flows from Operating Activities		
Profit for the period	319,845	500,966
Adjustments for:		
Unrealised loss on trading securities	(134,974)	(6,903)
Depreciation and amortisation	81,020	94,012
	265,891	588,075
Changes in operating assets and liabilities	45,862,186	17,499,375
Net cash provided by operating activities	46,128,077	18,087,450
Cash Flows from Investing Activities		
Investment securities, net	(44,369,048)	10,411,576
Purchase of property, plant and equipment and computer software	(188,188)	(115,365)
Net cash (used in)/ provided by investing activities	(44,557,236)	10,296,211
Cash Flows from Financing Activities		
Notes payable	-	(19,871,622)
Net cash used in financing activities	-	(19,871,622)
Net increase in cash and cash equivalents	1,570,841	8,512,039
Cash and cash equivalents at beginning of year	15,629,482	11,446,716
Cash and cash equivalents at end of period	17,200,323	19,958,755

JAMAICA MONEY MARKET BROKERS LIMITED

Notes to the Financial Statements

Three-month period ended 30 June 2021

(Expressed in Jamaican dollars unless otherwise indicated)

Segment Reporting

	Three-month period ended 30 June 2021			
	Financial & Related Services	Others	Eliminations	Total
	\$'000	\$'000	\$'000	\$'000
External revenues	4,346,492	62,825	-	4,409,317
Intersegment revenue	70,943	-	(70,943)	-
Total segment revenue	4,417,435	62,825	(70,943)	4,409,317
Profit before tax	468,382	21,405	-	489,787
Taxation				(169,942)
Profit for the period				319,845
Total segment assets	267,270,051	2,178,509	(4,957,286)	264,491,274
Total segment liabilities	241,331,834	1,873,391	(4,458,991)	238,746,234
Interest Income	2,476,569	1,378	-	2,477,947
Operating expenses	2,069,554	40,885	-	2,110,439
Depreciation & amortisation	77,719	3,301	-	81,020
Capital expenditure	185,412	2,776	-	188,188

JAMAICA MONEY MARKET BROKERS LIMITED

Notes to the Financial Statements

Three-month period ended 30 June 2021

(Expressed in Jamaican dollars unless otherwise indicated)

Segment Reporting

	Three-month period ended 30 June 2020			
	Financial & Related Services	Others	Eliminations	Total
	\$'000	\$'000	\$'000	\$'000
External revenues	3,750,674	127,467	-	3,878,141
Intersegment revenue	775,592	-	(775,592)	-
Total segment revenue	4,526,266	127,467	(775,592)	3,878,141
Profit before tax	712,440	88,909	-	801,349
Taxation				(300,383)
Profit for the period				500,966
Total segment assets	214,037,035	2,107,348	(3,911,817)	212,232,566
Total segment liabilities	193,315,759	1,845,279	(3,502,372)	191,658,666
Interest Income	2,105,365	1,232	-	2,106,597
Operating expenses	1,700,518	37,569	-	1,738,087
Depreciation & amortisation	90,512	3,500	-	94,012
Capital expenditure	115,365	-	-	115,365

JAMAICA MONEY MARKET BROKERS LIMITED

Notes to the Financial Statements

Three-month period ended 30 June 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

Three-month period ended 30 June 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\$319,844,602 (2020 – J\$500,965,785) 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.