

**Massy Holdings Ltd.**

**Unaudited Consolidated Financial Statements**

**31 March, 2022**

**Expressed in Thousands of Trinidad & Tobago Dollars**

# Massy Holdings Ltd.

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## **CHAIRMAN'S STATEMENT**

### **CHAIRMAN'S STATEMENT FOR FIRST HALF OF FY2022**

During the First Half of the 2022 Financial Year (FY), the Group's main Portfolios and Lines of Business performed commendably. Third Party Revenue grew by 9.6% from \$5.61 billion in the first half of FY2021 to \$6.15 billion in the first half of FY2022. Profit Before Tax (PBT) from the Group's operating subsidiaries increased by 20% or \$87.7 million over the same period. PBT from the Integrated Retail Portfolio increased by 25% over prior year and PBT from the Motors and Machines Portfolio and the Gas Products Portfolio increased by 23% and 21% respectively. The growth in Integrated Retail came from all markets especially Guyana, Trinidad and Tobago and Barbados. The growth in Motors and Machines was driven by the rebound of Massy Motors in Trinidad but also supported by growth in Massy Machinery, Massy Motors Guyana and Massy Motors Colombia. Growth in the Gas Products Portfolio mainly derived from significant half year growth from Massy Gas Products Trinidad and from growth in Guyana and the Energy Services company in Trinidad. Strong half year performance by Massy Remittance Services in Guyana pulled the Financial Services Line of Business to a 6% improvement in PBT over prior year.

The stellar performance of the operating companies in the Group was overshadowed by disappointing performance in the Group's Divestment Funds (USD investments of proceeds of divested assets) and Captive Reinsurance portfolios, and from higher expenses in the Corporate Office recorded in the first half of FY2022 than in the same period in FY2021. In the first half of FY2021, the Divestment Funds and the Captive Reinsurance portfolios contributed \$35.7 million of income to the Head Office. During the same period in FY2022, these two portfolios produced losses of \$12 million to the Head Office. Increases in US federal interest rates as well as escalating inflation have negatively impacted both bond and equity markets in the US and beyond. This has all been further exacerbated by Russia's invasion of Ukraine. Higher department costs and consolidation adjustments in the first half of FY2022 also negatively impacted Head Office and Other Adjustments.

PBT from associate companies declined by 17% due to the termination and winding down of major contracts at Massy Wood but Profit After Tax (PAT) from Discontinued Operations increased by 43% driven by the strong performance of Massy United Insurance in the first half of FY2022. As a result, Group PAT for the first half of FY2022 increased by 4% from \$314.3 million in the same period of FY2021 to \$326.8 million.

The Group held its Annual Strategy Review in April 2022 in Bogotá Colombia, at which the Board reviewed credible growth strategies for each of the Group's core portfolios which maintain and accelerate the momentum that the portfolios have achieved. The Integrated Retail Portfolio launched five new Massy Stores in the first half of FY2022. In the same period, the Gas Products Portfolio acquired its second LPG distribution in the Boyacá region of Colombia, North of Bogotá; and the Motors and Machines Portfolio commenced operations of Motors and Machines Miami Distribution Inc. The business was set up to facilitate the distribution of Shell lubricants throughout the Caribbean and South America and has already made a positive contribution to the portfolio's half year results.

## **CHAIRMAN'S STATEMENT (Continued)**

In September 2021, Massy announced the signing of a Share Purchase Agreement to sell Massy United Insurance Ltd. to CG Insurance. All regulatory approvals were finally secured and subsequent to the end of the financial half year, the transaction has been closed. The net proceeds of this transaction will be added to the Divested Funds Portfolio.

On January 27th, 2022, Massy Holdings Ltd. shares commenced trading on the Jamaica Stock Exchange (JSE) through a cross-listing by introduction; and on March 11th, 2022, the Group implemented a stock split of 20 new Massy Holdings shares for each original share held. From trading data reported on the Jamaica Stock Exchange and Trinidad and Tobago Stock Exchange, combined trading volumes have increased by 70%, providing some early evidence that the intended objective to enhance retail trading in Massy's shares in Jamaica as well as in Trinidad and Tobago is being fulfilled. The Group's Earnings Per Share (EPS) increased by 4% consistent with its PAT growth. With the 20:1 stock split the Half Year EPS of 14.83 cents in FY2021 increased to 15.40 cents in FY2022. Given the strength of the underlying growth by the Group's operating subsidiaries, the Board of Directors has approved a half year dividend of 3.00 cents which represents a 9% increase over restated half year dividend in 2021 of 2.75 cents.

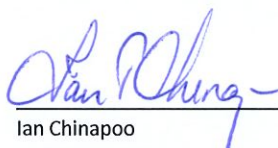
Robert Bermudez  
May 5, 2022

**Massy Holdings Ltd.**  
**Consolidated Statement of Financial Position**  
**(Expressed in Thousands of Trinidad & Tobago dollars)**

	UNAUDITED 31-Mar-22 \$'000	UNAUDITED 31-Mar-21 \$'000	AUDITED 30-Sep-21 \$'000
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment and investment properties	2,773,186	2,571,904	2,453,389
Right of use assets	819,215	773,471	854,536
Investments in associates and joint ventures	154,291	174,341	129,608
Financial assets	1,057,907	1,613,236	923,521
Other non-current assets	829,056	814,597	818,440
	5,633,655	5,947,549	5,179,494
<b>Current Assets</b>			
Cash and cash equivalents	1,315,142	1,673,502	2,034,141
Assets classified as held for sale	2,309,037	8,000	2,508,194
Other current assets	4,515,264	5,043,464	3,813,080
	8,139,443	6,724,966	8,355,415
<b>Total Assets</b>	<b>13,773,098</b>	<b>12,672,515</b>	<b>13,534,909</b>
<b>Equity and Liabilities</b>			
Capital and reserves attributable to owners of the parent	6,757,345	6,255,102	6,668,132
Non-controlling interests	184,815	234,657	164,039
<b>Total Equity</b>	<b>6,942,160</b>	<b>6,489,759</b>	<b>6,832,171</b>
<b>Non-Current Liabilities</b>			
Borrowings	1,588,067	1,442,058	1,448,159
Lease liabilities	894,833	835,629	919,516
Deferred tax liabilities	241,296	230,397	234,043
Other non-current liabilities	299,177	253,635	244,786
	3,023,373	2,761,719	2,846,504
<b>Current Liabilities</b>			
Borrowings	299,677	272,263	261,742
Liabilities classified as held for sale	1,521,562	-	1,699,489
Other current liabilities	1,986,326	3,148,774	1,895,003
	3,807,565	3,421,037	3,856,234
<b>Total Equity and Liabilities</b>	<b>13,773,098</b>	<b>12,672,515</b>	<b>13,534,909</b>

On May 05, 2022 the Board of Directors of Massy Holdings Ltd. authorized these consolidated financial statements for issue.

  
 Director  
 E. G. Warner

  
 Director  
 Ian Chinapoo

**Massy Holdings Ltd.**  
**Consolidated Income Statement**  
**(Expressed in Thousands of Trinidad & Tobago dollars)**

	UNAUDITED THREE MONTHS ENDED		UNAUDITED SIX MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	31-Mar-22 \$'000	31-Mar-21 \$'000 (restated)	31-Mar-22 \$'000	31-Mar-21 \$'000 (restated)	30-Sep-21 \$'000 (restated)
<b>Continuing Operations:</b>					
Revenue	2,915,212	2,628,129	6,146,714	5,609,160	11,127,944
Operating profit after finance costs	170,409	169,274	433,215	413,960	878,580
Share of results of associates and joint ventures	6,765	6,631	18,891	22,883	50,296
Profit before tax	177,174	175,905	452,106	436,843	928,876
Income tax expense	(64,522)	(53,570)	(149,827)	(139,782)	(250,863)
<b>Profit for the period from continuing operations</b>	<b>112,652</b>	<b>122,335</b>	<b>302,279</b>	<b>297,061</b>	<b>678,013</b>
<b>Discontinued Operations:</b>					
Profit for the period from discontinued operations	10,453	3,549	24,569	17,241	144,015
<b>Profit for the period</b>	<b>123,105</b>	<b>125,884</b>	<b>326,848</b>	<b>314,302</b>	<b>822,028</b>
<b>Owners of the parent:</b>					
Profit for the period from continuing operations	103,047	113,855	280,261	277,230	639,833
Profit for the period from discontinued operations	10,453	6,144	24,569	16,251	148,625
Profit attributable to owners of the parent	113,500	119,999	304,830	293,481	788,458
<b>Non-controlling interests:</b>					
Profit for the period from continuing operations	9,605	8,477	22,018	19,828	38,180
(Loss)/profit for the period from discontinued operations	-	(2,592)	-	993	(4,610)
Profit attributable to non-controlling interests	9,605	5,885	22,018	20,821	33,570
<b>Profit for the period</b>	<b>123,105</b>	<b>125,884</b>	<b>326,848</b>	<b>314,302</b>	<b>822,028</b>
<b>Earnings per share attributable to the owners of the parent (cents):</b>					
Basic earnings per share					
-from continuing operations	5.21	5.76	14.16	14.01	32.32
-from discontinued operations	0.53	0.31	1.24	0.82	7.51
	5.74	6.07	15.40	14.83	39.83

**Massy Holdings Ltd.**  
**Consolidated Statement of Other Comprehensive Income**  
**(Expressed in Thousands of Trinidad & Tobago dollars)**

	UNAUDITED SIX MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	31-Mar-22 \$'000	31-Mar-21 \$'000	30-Sep-21 \$'000
<b>Profit for the period</b>	<b>326,848</b>	314,302	822,028
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- remeasurement of defined benefit pension plans	-	-	(19,924)
<b>Items that may be subsequently reclassified to profit or loss</b>			
- currency translation differences	17,870	(4,188)	(12,750)
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>17,870</b>	<b>(4,188)</b>	<b>(32,674)</b>
<b>Total comprehensive income for the period</b>	<b>344,718</b>	310,114	789,354
<b>Attributable to:</b>			
Owners of the Parent	321,480	289,459	755,851
Non-controlling interests	23,238	20,655	33,503
<b>Total comprehensive income for the period</b>	<b>344,718</b>	310,114	789,354

**Massy Holdings Ltd.**  
**Consolidated Statement of Changes in Shareholders' Equity**  
**(Expressed in Thousands of Trinidad & Tobago dollars)**

	UNAUDITED SIX MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	31-Mar-22 \$'000	31-Mar-21 \$'000	30-Sep-21 \$'000
Balance at the beginning of the year	6,668,132	6,170,638	6,170,638
Profit attributable to owners of the Parent	304,830	293,481	788,458
Other comprehensive income/(loss)	16,650	(4,021)	(32,607)
Dividends paid	(227,629)	(196,685)	(250,775)
Other reserve movements	(4,638)	(8,311)	(7,582)
	6,757,345	6,255,102	6,668,132



**Massy Holdings Ltd.**  
**Consolidated Statement of Cash Flows**  
**(Expressed in Thousands of Trinidad & Tobago dollars)**

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	UNAUDITED SIX MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	31-Mar-22 \$'000	31-Mar-21 \$'000	30-Sep-21 \$'000
<b>Cash flows from operating activities</b>			
Profit before income tax from continuing operations	452,106	436,843	928,876
Profit before tax from discontinued operations	36,747	48,247	161,731
Share of results of associates and joint ventures	(18,880)	(24,772)	(52,344)
Adjustments for non-cash items	189,103	138,319	65,472
<b>Operating profit before working capital changes</b>	659,076	598,637	1,103,735
Net working capital changes	(142,775)	(240,919)	(444,244)
<b>Cash generated from operations</b>	516,301	357,718	659,491
Tax payments	(152,179)	(119,841)	(245,454)
<b>Cash flows from operating activities</b>	364,122	237,877	414,037
Investing activities	(836,990)	(422,664)	221,891
Financing activities	(101,110)	(682,115)	(794,623)
<b>Decrease in short term funds</b>	(573,978)	(866,902)	(158,695)
<b>Cash, cash equivalents and bank overdrafts at start of year</b>	2,362,092	2,525,521	2,525,521
<b>Translation difference on cash held</b>	3,257	(2,693)	(4,734)
<b>Cash, cash equivalents and bank overdrafts at end of year</b>	1,791,371	1,655,926	2,362,092

**Massy Holdings Ltd.**  
**Segment Information**  
**(Expressed in Thousands of Trinidad & Tobago dollars)**

	Integrated Retail	Gas Products	Motors & Machines	Financial Services	Real Estate	Head Office and Other Adjustments	Total		
<b>Six Months Ended 31st March 2022</b>									
Group revenue	4,053,700	794,607	1,568,480	70,143	23,124	-	6,510,054		
Inter-segment revenue	(231,317)	(8,819)	(116,723)	-	(6,481)	-	(363,340)		
Third party revenue	3,822,383	785,788	1,451,757	70,143	16,643	-	6,146,714		
Operating profit/(loss) after finance costs	256,200	120,420	93,358	46,033	495	(83,291)	433,215		
Share of results of associates and joint ventures	-	18,891	-	-	-	-	18,891		
Profit/(loss) before income tax	256,200	139,311	93,358	46,033	495	(83,291)	452,106		
<b>Six Months Ended 31st March 2021 (restated)</b>									
Group revenue	3,725,722	611,267	1,493,979	63,220	25,282	-	5,919,470		
Inter-segment revenue	(221,708)	(6,590)	(75,783)	-	(6,229)	-	(310,310)		
Third party revenue	3,504,014	604,677	1,418,196	63,220	19,053	-	5,609,160		
Operating profit/(loss) after finance costs	204,840	99,241	75,622	43,281	5,819	(14,843)	413,960		
Share of results of associates and joint ventures	-	22,883	-	-	-	-	22,883		
Profit/(loss) before income tax	204,840	122,124	75,622	43,281	5,819	(14,843)	436,843		
	Group Revenue		Inter-Segment		Third-party revenue		Profit Before Tax		
	Mar-22	Mar-21 (Restated)	Mar-22	Mar-21 (Restated)	Mar-22	Mar-21 (Restated)	Mar-22	Mar-21 (Restated)	
	Trinidad and Tobago	2,498,397	2,302,725	(88,786)	(82,799)	2,409,611	2,219,926	225,054	179,873
	Barbados	1,125,553	1,025,173	(139,186)	(135,835)	986,367	889,338	66,545	59,417
	Eastern Caribbean	735,259	646,317	(4,626)	(5,949)	730,633	640,368	62,509	55,426
	Guyana	780,264	626,862	(33,172)	(25,524)	747,092	601,338	116,304	95,264
	Jamaica	362,218	289,145	(1,098)	(1,755)	361,120	287,390	28,247	24,777
	Colombia	863,396	921,632	(44)	-	863,352	921,632	32,645	34,208
	Other	144,967	107,616	(96,428)	(58,448)	48,539	49,168	4,093	2,721
	Head Office and other adjustments	-	-	-	-	-	-	(83,291)	(14,843)
		6,510,054	5,919,470	(363,340)	(310,310)	6,146,714	5,609,160	452,106	436,843

**Notes:**

All monetary amounts are stated in Trinidad and Tobago dollars. Highlights of the Unaudited Consolidated Financial Statements (Highlights) have been prepared in accordance with International Financial Reporting Standards. The Highlights do not include all information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Group's Annual Financial Statements as at 30th September 2021. For comparative purposes, adjustments and reclassifications to the interim prior year have been made to conform to the current year reporting.

The interim prior year results have been restated to disclose separately, operations that were sold during FY2021 as well as operations that are deemed discontinued for this quarter for a like to like comparison. These include: Massy Pres-T-Con Holdings Ltd., Roberts Manufacturing Co. Ltd., Massy United Insurance Ltd., Highway Properties Ltd. and a major line of business within Massycard (Barbados) Ltd.

These financial highlights can be accessed online at [www.massygroup.com](http://www.massygroup.com)