

# Highlights of the Unaudited Consolidated Financial Statements for the Three Months Ended 31st December 2020

## CHAIRMAN'S STATEMENT FOR FIRST QUARTER OF FY2021

The new financial year (FY) commenced under similar pandemic restrictions under which all of the countries in which we operate ended FY2020. The economies of those countries are all performing worse during the first quarter (Q1) of FY2021, than they were in Q1 of FY2020 when the pandemic had not yet hit our region.

Notwithstanding these challenges, the Massy Group of investment holdings has started the FY2021 well. The Group's Third Party Revenue from Continuing Operations grew by 1.4% from \$3.16 billion to \$3.21 billion in Q1 FY2021. Operating Profit after finance costs grew by 19%, aided by strong growth in the Integrated Retail Portfolio, Financial Services Line of Business, and Motors and Machines Portfolio, as well as favourable expense management and income generation in the Corporate Office. Profit from Associates declined by \$10.4 million in Q1 FY2021, versus prior year, based on the timing of turnaround expenses for the CIG plant and reduced activity with Massy Wood clients over this period, versus Q1 FY2020. As a result, Group Profit Before Tax (PBT) from Continuing Operations was \$281.2 million, 13% above Q1 FY2020. With the same Effective Tax Rate of 33% in Q1 FY2021 as in Q1 FY2020, Group Profit After Tax (PAT) from Continuing Operations also increased by 13% from \$167 million in Q1 FY2020 to \$188 million in

Q1 FY2021. There were no profits or losses generated from Discontinued Operations in Q1 FY2021 and the operating losses from Seawell Air Services in Q1 FY2020 offset the profit contribution from Massy Technologies in the same period in FY2020. So, Profit/Losses from Discontinued Operations had no impact on the Group's PAT growth over prior year. With \$1.5 million more of profit attributable to non-controlling shareholders in Q1 FY2021 than Q1 FY2020, Group Earnings per Share (EPS) growth (12%) was slightly lower than Group PAT growth, increasing from \$1.57 per share in the prior year to \$1.76 per share in Q1 FY2021.

We anticipate that the Group will continue operating in similar pandemic restricted environments in most of the countries in which we operate for much of the rest of the Financial Year. Although vaccines have begun to be rolled out in developed countries, we recognise it will take more time to get to many of the countries in our region at the scale needed to dramatically change the current operating paradigm. As we begin FY2021, we see the Portfolio structure of the Group continuing to provide more autonomy and participation for executives and professionals in the Portfolios to drive the successes of their businesses as they unleash their creativity and ambition. The Massy Portfolios and Lines of Business have been able to adjust to

changes in their industries and inspire their teams to adapt strategies and operations to keep growing our core businesses while creating benefits for all stakeholders. The Group will continue to do its part to assist the countries in which we operate through securing food, pharmaceutical products, cooking and industrial gases, and transportation and construction equipment supply during these uncertain times. The Group will also continue its charitable contributions with increased funding to its Foundations, while simultaneously investing in its Nudge initiative to support nurturing and growing entrepreneurs and small and medium businesses in the region. We view this as critical for rebuilding our economies from the impact of the COVID-19 pandemic.



**Robert Bermudez, Chairman**  
February 10, 2021

## SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS For the Three Months Ended 31st December 2020

	UNAUDITED THREE MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	31-Dec-20 TT \$'000	31-Dec-19 TT \$'000 (restated)	30-Sep-20 TT \$'000
<b>Continuing Operations:</b>			
Revenue	3,208,568	3,164,318	11,163,818
Operating profit after finance costs	264,081	221,753	676,141
Share of results of associates and joint ventures	17,139	27,552	53,459
Profit before tax	281,220	249,305	729,600
Income tax expense	(92,802)	(82,271)	(276,330)
<b>Profit for the period from continuing operations</b>	<b>188,418</b>	<b>167,034</b>	<b>453,270</b>
<b>Discontinued Operations:</b>			
Profit for the period from discontinued operations	-	160	289,881
<b>Profit for the period</b>	<b>188,418</b>	<b>167,194</b>	<b>743,151</b>
<b>Owners of the parent:</b>			
Profit for the period from continuing operations	173,482	153,665	408,484
Profit for the period from discontinued operations	-	103	287,919
Profit attributable to owners of the parent	173,482	153,768	696,403
<b>Non-controlling interests:</b>			
Profit for the period from continuing operations	14,936	13,369	44,786
Profit for the period from discontinued operations	-	57	1,962
Profit attributable to non-controlling interests	14,936	13,426	46,748
<b>Profit for the period</b>	<b>188,418</b>	<b>167,194</b>	<b>743,151</b>
<b>Earnings per share attributable to the owners of the parent (\$/cents):</b>			
Basic earnings per share			
- from continuing operations	1.76	1.57	4.17
- from discontinued operations	-	-	2.94
	1.76	1.57	7.11

## SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 31st December 2020

	UNAUDITED 31-Dec-20 TT \$'000	UNAUDITED 31-Dec-19 TT \$'000	AUDITED 30-Sep-20 TT \$'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment and investment properties	2,597,804	2,760,708	2,588,416
Right of use assets	783,887	819,657	792,920
Investments in associates and joint ventures	168,791	169,487	170,498
Financial assets	1,152,499	1,033,749	1,021,432
Other non-current assets	833,382	1,097,905	872,122
	5,536,363	5,881,506	5,445,388
<b>Current assets</b>			
Cash and cash equivalents	1,986,143	1,791,154	2,533,621
Other current assets	5,259,314	5,559,204	5,260,738
	7,245,457	7,350,358	7,794,359
	-	-	-
<b>Total assets</b>	<b>12,781,820</b>	<b>13,231,864</b>	<b>13,239,747</b>
<b>Equity and Liabilities</b>			
Capital and reserves attributable to owners of the parent	6,359,729	5,839,421	6,170,638
Non-controlling interests	229,273	237,101	246,406
Total equity	6,589,002	6,076,522	6,417,044
<b>Non-current liabilities</b>			
Borrowings	1,444,994	1,821,215	1,440,184
Lease liabilities	843,201	834,251	844,004
Deferred tax liabilities	233,790	222,684	236,050
Other non-current liabilities	236,552	345,545	243,863
	2,758,537	3,223,695	2,764,101
<b>Current liabilities</b>			
Borrowings	280,214	436,358	677,096
Other current liabilities	3,154,067	3,495,289	3,381,506
	3,434,281	3,931,647	4,058,602
<b>Total equity and liabilities</b>	<b>12,781,820</b>	<b>13,231,864</b>	<b>13,239,747</b>

## SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY For the Three Months Ended 31st December 2020

	UNAUDITED THREE MONTHS ENDED	UNAUDITED THREE MONTHS ENDED	AUDITED TWELVE MONTHS ENDED
	31-Dec-20 TT \$'000	31-Dec-19 TT \$'000	30-Sep-20 TT \$'000
Balance at the beginning of the year	6,170,638	5,713,898	5,713,898
IFRS 16 initial application adjustment	-	(70,400)	(70,400)
Balance at the beginning of the year - restated	6,170,638	5,643,498	5,643,498
Profit attributable to owners of the parent	173,482	153,768	696,403
Other comprehensive income	22,267	44,443	26,312
Dividends paid	-	-	(217,289)
Other reserve movements	(6,658)	(2,288)	21,714
	6,359,729	5,839,421	6,170,638

## SUMMARY CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME For the Three Months Ended 31st December 2020

	UNAUDITED THREE MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	31-Dec-20 TT \$'000	31-Dec-19 TT \$'000	30-Sep-20 TT \$'000
<b>Profit for the period</b>	<b>188,418</b>	<b>167,194</b>	<b>743,151</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- remeasurement of defined benefit pension plans	-	13,276	54,778
<b>Items that may be subsequently reclassified to profit or loss</b>			
- currency translation differences	22,249	32,358	(24,739)
<b>Other comprehensive income for the period, net of tax</b>	<b>22,249</b>	<b>45,634</b>	<b>30,039</b>
<b>Total comprehensive income for the period</b>	<b>210,667</b>	<b>212,828</b>	<b>773,190</b>
<b>Attributable to:</b>			
- owners of the parent	195,749	198,208	722,715
- non-controlling interests	14,918	14,620	50,475
<b>Total comprehensive income for the period</b>	<b>210,667</b>	<b>212,828</b>	<b>773,190</b>

## SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS For the Three Months Ended 31st December 2020

	UNAUDITED THREE MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	31-Dec-20 TT \$'000	31-Dec-19 TT \$'000	30-Sep-20 TT \$'000
<b>Cash flows from operating activities</b>			
Profit before income tax	281,220	249,305	729,600
Operating profit from discontinued operations	-	239	308,535
Share of results of associates and joint ventures	(17,139)	(27,552)	(53,459)
Adjustments for non-cash items	67,081	88,011	117,020
<b>Operating profit before working capital changes</b>	<b>331,162</b>	<b>310,003</b>	<b>1,101,696</b>
Net working capital changes	(210,072)	(287,819)	780
<b>Cash generated from operations</b>	<b>121,090</b>	<b>22,184</b>	<b>1,102,476</b>
Tax payments	(37,243)	(24,106)	(263,303)
<b>Cash flows from operating activities</b>	<b>83,847</b>	<b>(1,922)</b>	<b>839,173</b>
Investing activities	(167,497)	(236,556)	14,898
Financing activities	(468,905)	(53,954)	(389,621)
<b>(Decrease)/Increase in short-term funds</b>	<b>(552,555)</b>	<b>(292,432)</b>	<b>464,450</b>
<b>Cash, cash equivalents and bank overdrafts at start of year</b>	<b>2,525,521</b>	<b>2,064,262</b>	<b>2,064,262</b>
<b>Translation difference on cash held</b>	<b>3,313</b>	<b>6,777</b>	<b>(3,191)</b>
<b>Cash, cash equivalents and bank overdrafts at end of year</b>	<b>1,976,279</b>	<b>1,778,607</b>	<b>2,525,521</b>

SEGMENT INFORMATION TT \$'000	Integrated Retail	Gas Products	Motors & Machines	Financial Services	Strategic & Other Investments	Head Office & Other Adjustments	Total
<b>CONTINUING OPERATIONS</b>							
<b>Three Months Ended 31st December 2020</b>							
Group revenue	1,999,548	265,758	786,396	165,386	160,775	-	3,377,863
Inter-segment revenue	(108,180)	(3,419)	(41,061)	(521)	(16,114)	-	(169,295)
Third party revenue	1,891,368	262,339	745,335	164,865	144,661	-	3,208,568
Operating profit/(loss) after finance costs	127,272	57,911	46,324	35,397	11,104	(13,927)	264,081
Share of results of associates and joint ventures	-	1,241	-	887	15,011	-	17,139
Profit/(loss) before income tax	127,272	59,152	46,324	36,284	26,115	(13,927)	281,220
<b>Three Months Ended 31st December 2019</b>							
Group revenue	1,973,691	258,271	734,831	175,490	182,767	-	3,325,050
Inter-segment revenue	(95,949)	(3,161)	(44,781)	(394)	(16,447)	-	(160,732)
Third party revenue	1,877,742	255,110	690,050	175,096	166,320	-	3,164,318
Operating profit/(loss) after finance costs	106,711	60,680	42,613	31,334	11,982	(31,567)	221,753
Share of results of associates and joint ventures	-	6,718	-	1,173	19,661	-	27,552
Profit/(loss) before income tax	106,711	67,398	42,613	32,507	31,643	(31,567)	249,305

	Group Revenue		Inter-Segment		Third Party Revenue		Profit before Tax	
	Dec-20	Dec-19 (Restated)	Dec-20	Dec-19 (Restated)	Dec-20	Dec-19 (Restated)	Dec-20	Dec-19 (Restated)
Trinidad and Tobago	1,277,172	1,252,211	(43,176)	(50,339)	1,233,996	1,201,872	114,220	123,391
Barbados	756,850	786,324	(79,932)	(74,936)	676,918	711,388	55,821	54,983
Eastern Caribbean	348,856	355,908	-	-	348,856	355,908	33,720	29,624
Guyana	320,891	283,139	(15,913)	(6,294)	304,978	276,845	50,424	36,616
Jamaica	148,092	153,149	(745)	(1,304)	147,347	151,845	14,895	14,448
Colombia	469,964	442,453	-	-	469,964	442,453	24,634	20,785
Other	56,038	51,866	(29,529)	(27,859)	26,509	24,007	1,433	1,025
Head Office and Other Adjustments	-	-	-	-	-	-	(13,927)	(31,567)
	3,377,863	3,325,050	(169,295)	(160,732)	3,208,568	3,164,318	281,220	249,305

### 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 2020. For comparative purposes, adjustments and reclassifications to the interim prior year have been made to conform to the current year reporting. These financial highlights can be accessed online at [www.massygroup.com](http://www.massygroup.com)