

Stockbroker Briefing 2021



Disclaimer Forward Looking Statement

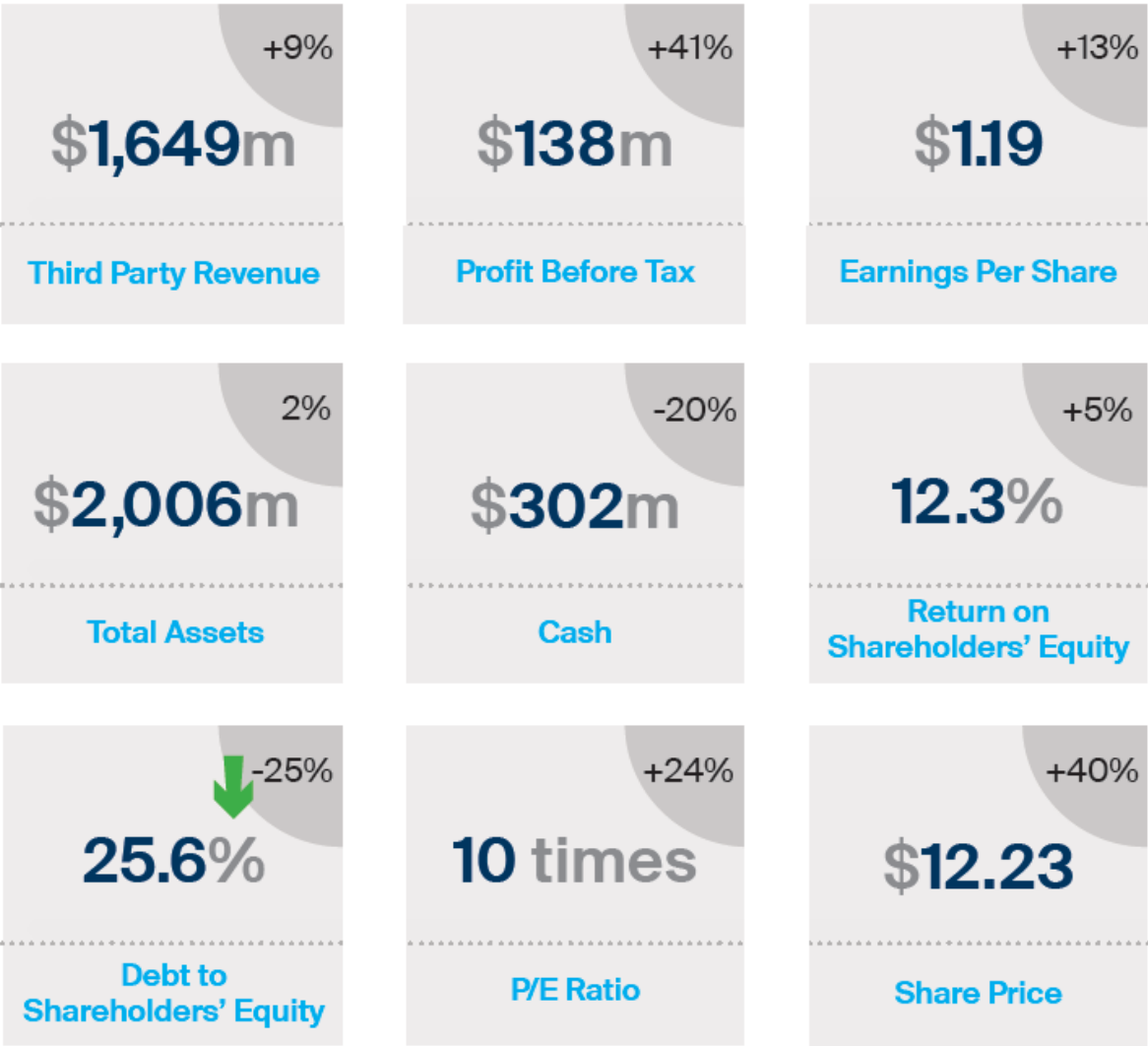
“This presentation does not contain material non-public information as defined in the Trinidad and Tobago Securities Act, 2012.

The presentation may however, contain ‘forward-looking statements’.

Forward-looking statements may include statements about our future business, operations, capital expenditures, capabilities and financial projections. Our forward-looking statements reflect our views and assumptions on the date of this presentation regarding future events and operating performance. They involve known and unknown risks, uncertainties and other factors, many of which may be beyond our control, that may cause actual results to differ materially from any future results, performance or achievements expressed or implied by forward-looking statements. We do not undertake any obligation, other than as required in accordance with the laws of Trinidad and Tobago, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.”

Performance Highlights FY 2021

US\$ except where otherwise stated



+% and -% Change over Q4 2020 YTD

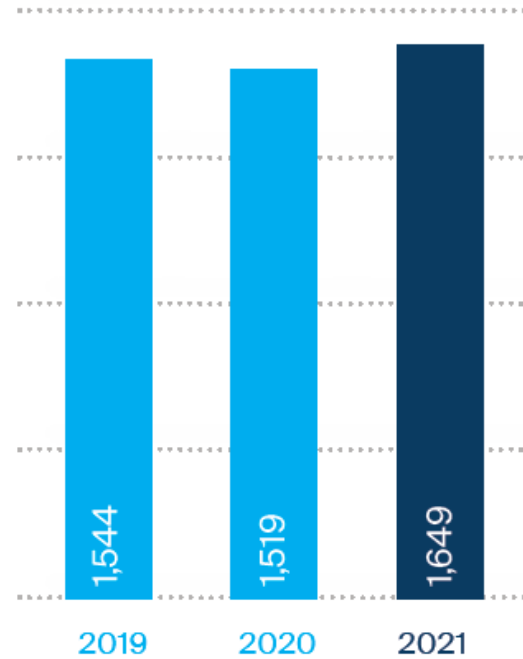
Strong FY 2021 performance despite ongoing economic challenges

- 9% increase in third party revenue driven by strong sales growth in our Motors and Machinery and Gas Products Portfolios, steady contributions from our Integrated Retail Portfolio and other notable recoveries within our Strategic and Other Investments Line of Business.
- 41% YoY PBT growth and 68% YoY PAT growth from Continuing Operations
- \$98M in cash from operations and \$33M generated from investing activities [largely due to proceeds from divestment funds and realized gains on foreign investments]
- 19% decrease in third party debt (excludes lease liabilities) to \$253M
- September 30, 2021 share price of \$12.23 (TT\$82.50) is indicative of an optimistic investor outlook with a healthy 40% growth compared to Q4 2020

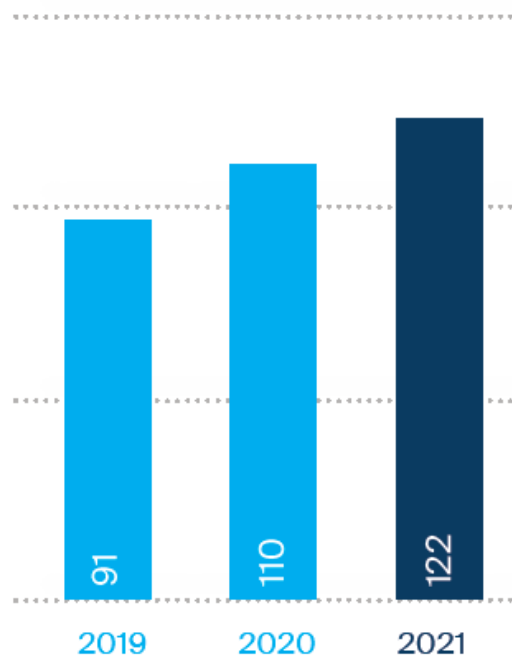
Financial Performance FY 2021

US\$ million except where otherwise stated

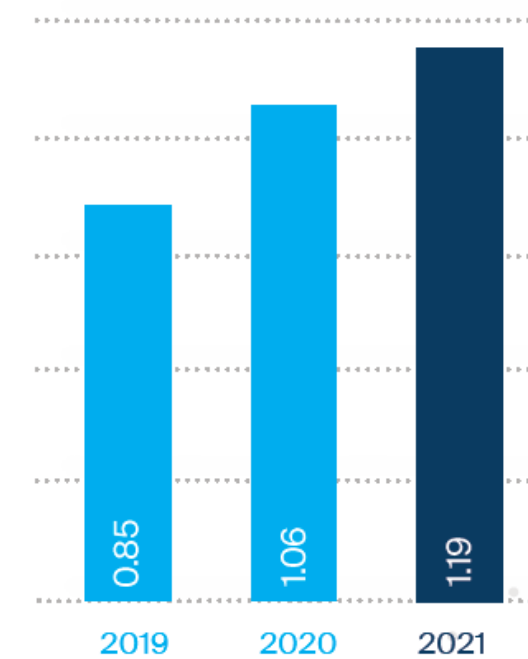
Third Party Revenue



Profit for the Period



EPS (US\$)



- Positive results from the businesses show resilience and growth in COVID-19 environment

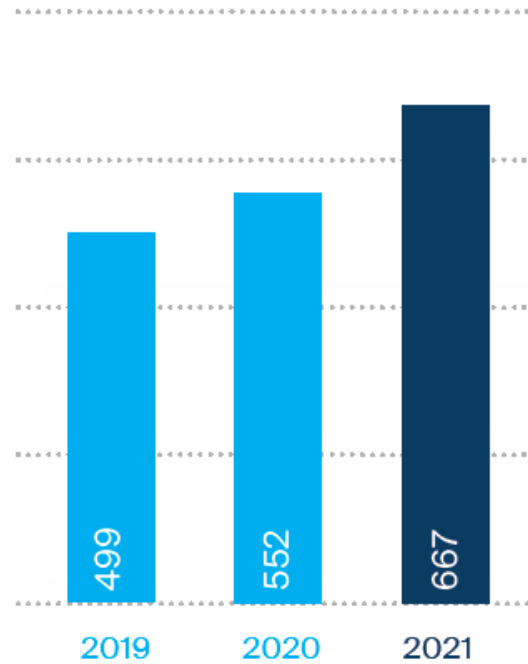
- Total EPS 2019-2021 CAGR of 18%

Financial Performance Summary FY2021

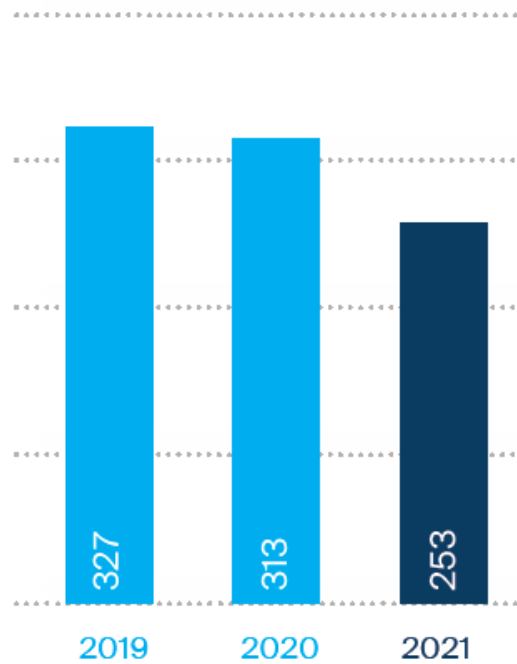
Full Year Comparisons

US\$ million except where otherwise stated

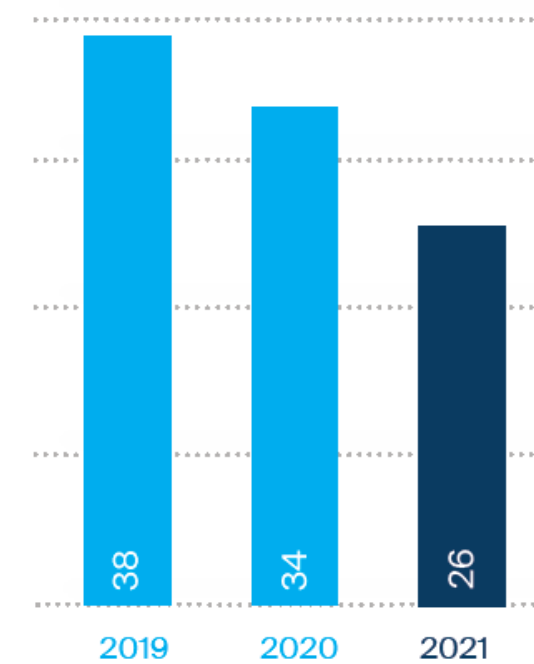
Group Working Capital



Group Debt



Debt to Equity (%)



● Continued third party debt reduction

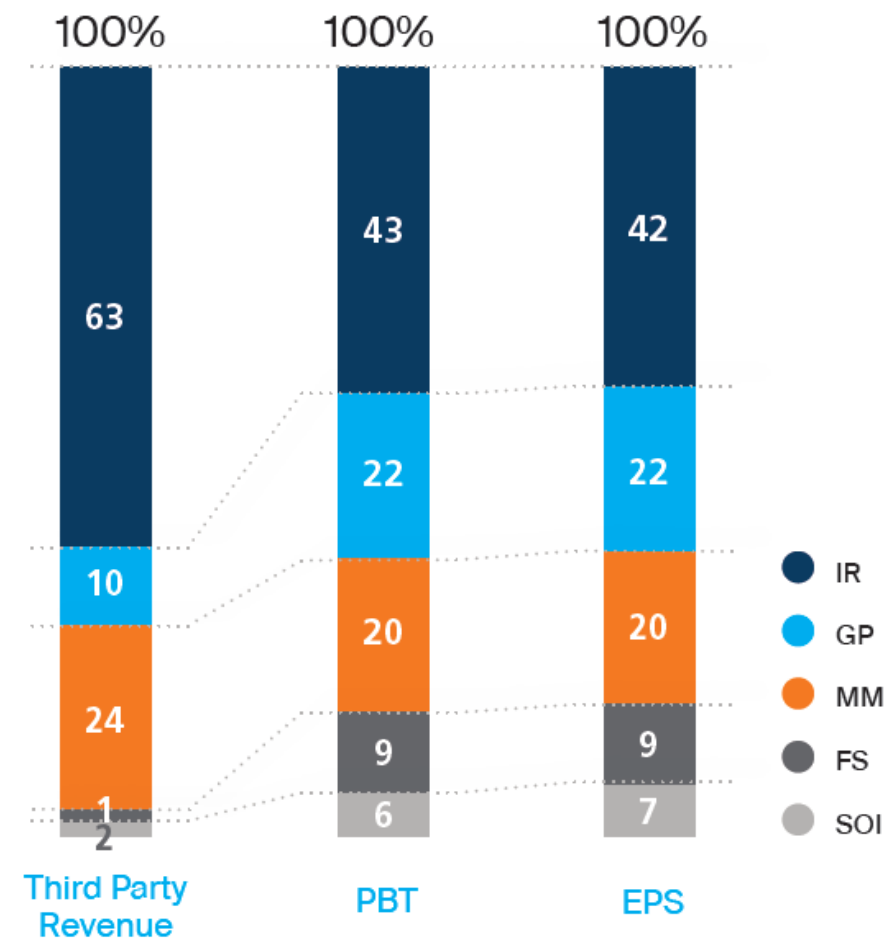
Financial Performance Summary FY2021

- Total Group Third Party Revenue grew to \$1.649 Bn [TT\$11.13 Bn] in FY2021, representing a 9% increase over 2020.
- Group Operating Expenses being held to only a 3% increase at \$325M, thus ensuring overall higher profit contributions from our incremental revenue growth.
- Combined, the above contributed to an amazing growth of 41% or \$39.7M [TT\$269M] in the Group's Profit Before Tax from Continuing Operations to \$137.6M from \$97.9M last year. This year over year growth in our pre-tax Continuing Operations' operating profit performance was driven primarily by a 21% [\$24.6 M] improvement from our combined Portfolios/LoBs, with every single one recording positive YoY growth!
- Another major contributor to this outstanding result in 2021 was Head Office's Corporate Treasury with investment income of over \$6.96M [TT\$47M] from the management of international investments and \$1.78M [TT\$12M] in Interest Cost expense savings due to the reduction of third-party debt balances in line with our strategy to strengthen our balance sheet and reduce our cost to carry.
- For 2021, we have realized a Gain on Sale of Discontinued Operations of \$13.45M. Note that this is 65% lower than the prior year cumulative Gain on Sale of Discontinued Operations of \$38.9M.

Portfolio Contribution FY 2021

A continued focus on investments which align with strategy and/or creates value for the Shareholders.

| PROFIT BEFORE TAX BY PORTFOLIO/LoB | SEPT-21 | SEPT-20 | VARIANCE | |
|---------------------------------------|----------------|----------------|---------------|------------|
| Integrated Retail | 63,124 | 54,592 | 8,532 | 16% |
| Gas Products | 31,974 | 28,587 | 3,387 | 12% |
| Motors & Machines | 28,534 | 25,607 | 2,927 | 11% |
| Financial Services | 13,102 | 10,001 | 3,101 | 31% |
| Strategic & Other Investments | 9,188 | (184) | 9,372 | 5092% |
| Total | 145,923 | 118,603 | 27,320 | 23% |

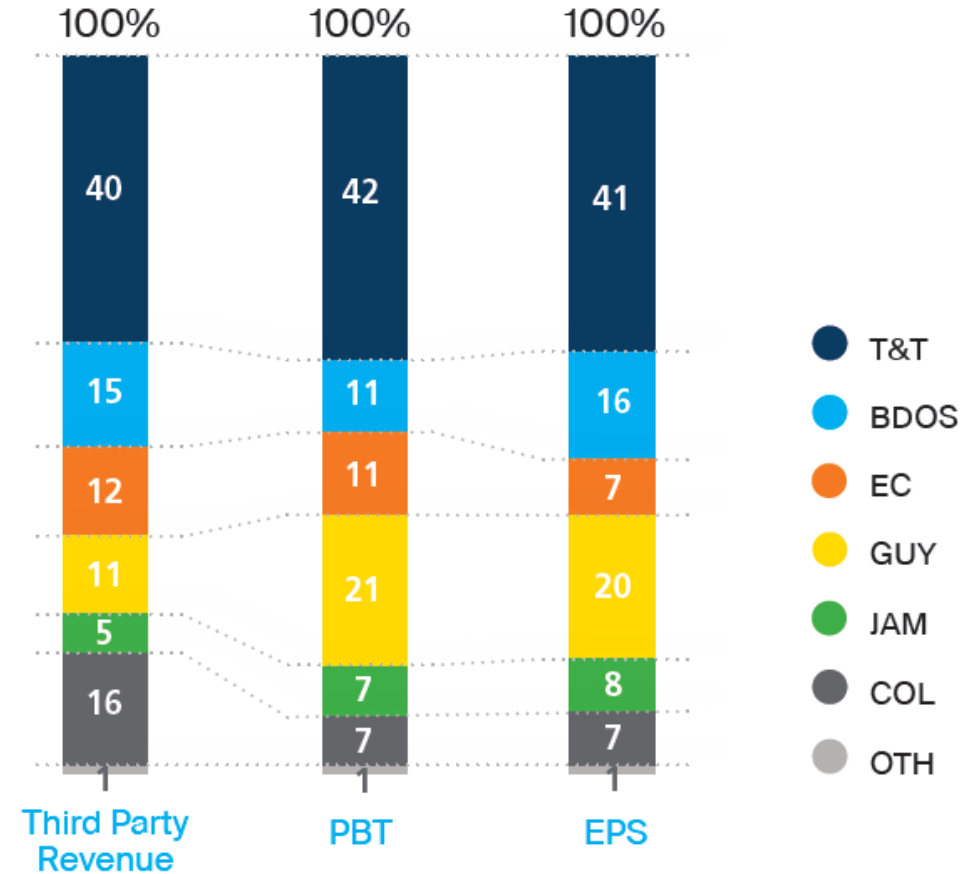


Motors & Machines includes the gain on sale from Highway Properties Limited

Territory Contribution FY 2021

- Most of our territories experienced some form of lockdown or curfew for the most part of the year ended 2021 vs 2020
- PBT growth in all territories with Colombia showing a significant 146% increase in 2021 vs 2020
- Trinidad & Tobago and Guyana* continue to be the major contributors to bottom line performance
- Noteworthy contribution from Eastern Caribbean which only consists of our Stores in Saint Lucia and St. Vincent

* Guyana represented 11% of PBT in 2015



Investment Return Summary Performance FY 2021

- For the 2nd year in a row, the Group has provided our shareholders with record Total Earnings per Share (EPS) performance! We have generated a Total EPS of \$1.19 (TT\$8.02) for 2021, which represents a 13% increase for 2021. This equates to a 2-year annualized growth of 18% and total growth of 39.2% in 2 years!
- For greater context, \$0.97 (TT\$6.51) of our EPS came from our Continuing Operations activities, including Head Office and other adjustments versus \$0.56 (TT\$3.75) in 2020 (a 74% increase), while \$0.22 (TT\$1.51) represented the contribution from the sale and operations of our Discontinued Operations versus \$0.50 (TT\$3.36) in 2020, which is a 55% decrease.
- Working Capital balance of \$667M [TT\$4.5 billion] and Group Debt (Total Current & Non-Current Borrowings, excluding lease liabilities) has been reduced by 19% in 2021 and Debt to Equity now stands at 25.6%, down from 34% at the end of 2020. [Note this is quite positive when compared with the LATAM Companies benchmark of 100.5% and the Caribbean Conglomerates benchmark of 29.5%.

Investment Return Summary Performance FY 2021

(all numbers subject to final external auditor confirmation)

- Our share price was \$59.00 on October 1st 2020 and closed the year at \$82.50 per share. This represents a Total Return to Shareholders (TRS) of 44.15% which consists of a 39.83% yoy share price appreciation and a 4.32% 12-month return on cash dividends paid.
- By comparison, a \$100 investment each on September 28, 2018, would yield a capital appreciation as follows:

| DATE/ITEM | MASSY | TTSE COMPOSITE INDEX | S&P 500 INDEX |
|-------------------------------------|---------------|----------------------------|------------------|
| PRICE: Sept 28, 2018 | 47.04 | 1219.43 | 2913.98 |
| PRICE: Sept 30, 2021 | 82.50 | 1430.69 | 4359.46 |
| % Return from Capital Gain | 75.38% | 17.32% | 49.61% |
| % Return from Dividend Reinvestment | 22.39% | 9.75% | 6.41% |
| \$100 Invested - 2018 | 197.77 | 127.07 | 156.02 |

Clearly, Massy's share price would have outperformed both the S&P 500 and the TTSE Composite Index!

- But the story is not over, since this performance still only generates a 10.3x P/E multiple from Total EPS and a 12.7x P/E multiple with EPS from Continuing Operations, so there is still room for the share price to grow!

Why Cross-List on the Jamaica Stock Exchange?

Massy took the decision to cross-list its shares on the Jamaica Stock Exchange (“JSE”) to accomplish 4 primary objectives:

- To enhance the **Accessibility** of Massy’s shares for regional and international investors;
- To provide **Additional Liquidity** and increase trading activity to benefit all Massy’s current and future shareholders;
- To unlock **Additional Value** in Massy share through greater price discovery given a larger investor trading pool;
- To allow Massy wider options to **Access Capital** for its future capital needs to fuel strategic growth.

Key Success Factors for the Cross Listing (our “ABCs”)

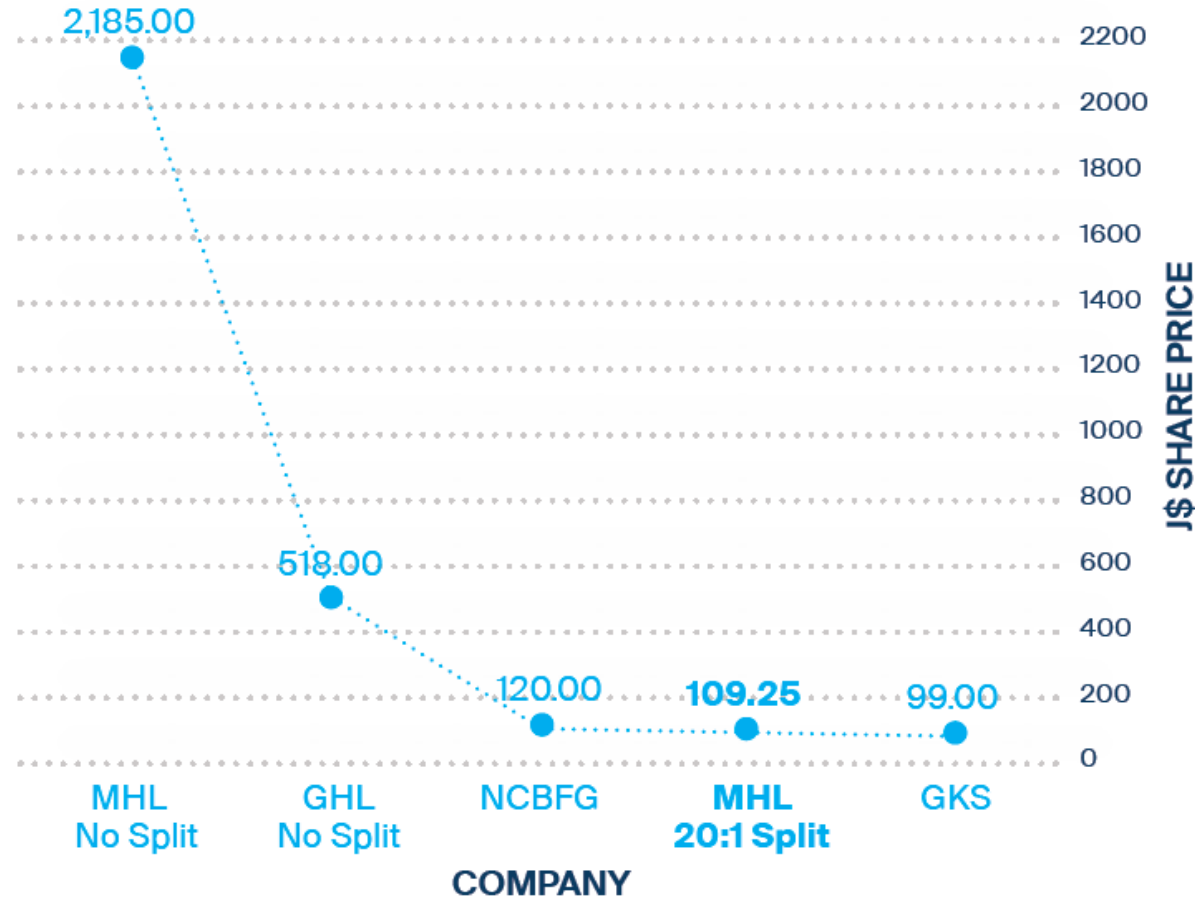
- **ACCESSIBLE** to a wide network of investor relationships both retail and institutional;
- **BROKERAGE** community partnership to drive trading and liquidity (market-making);
- **COMMUNICATION** of Massy’s global strategy, business performance and investor value creation.

Rationale for a 20 to 1 Stock Split

On the Jamaican Stock Exchange:

- Retail investors drive liquidity and trading activity of shares listed on the JSE;
- Affordability of the shares is a major part of the appeal to Jamaican Retail Investors;
- Reviewing the trading ranges of Massy's closest comparable entities in Jamaica have provided a benchmark entry price range expectation for our shares of between J\$99 and J\$125 per share;
- Lessons Learnt from other recent cross-listings and stock splits on the JSE have provided valuable reference points.

Why a 20 for 1 Stock Split?



We believe this decision to propose a Stock Split will support the Brokerage community to attract the active retail investor base of the JSE to Massy's shares and bring greater interest and excitement from investors to participate in the value creation that owning a Massy share can generate for both Value-seeking and Growth-minded investors.

Key Messages for Trinidad & Tobago Investors

Given the information presented on the rationale for the cross-listing of MHL's shares on the JSE and the value that a proposed 20 for 1 Stock Split will bring to all our shareholders, we want to share these messages with our cherished Trinidad and Tobago investors. **There will be...**

- **No loss in value to you** The value of your Massy shares are completely unaffected by the proposed stock split. You just have 20 times more shares now, each at 1/20th of the pre-split price!
- **Increased liquidity and trading activity leading to greater price discovery** JSE liquidity will provide an avenue for greater price discovery, which we expect will influence TTSE pricing.
- **Renewed opportunities for local investors to participate in the Massy share price performance that some investors may have missed over the last year** (i.e. a 345% over-performance of the MHL 44.15% Total Return to Shareholders ("TRS") compared to the TTSE's TRS in 2021).
- **Long term value creation** A successful cross-listing on the JSE is another step in MHL's strategic growth journey, as it provides us with greater access to a vibrant regional capital market.

Highlights from our strategic journey

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- New thinking on Group's Strategy introduced via the Long Tail.
- Researched PE mindset to evolve into more of an Investment Holding / Portfolio Management Company.
- Formed new Portfolios / Lines of Business.
- Started dismantling Head Office and forming new governance model.

Massy team analysis

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- Introduced Pillar Governing Bodies and articulated portfolio evolution.
- Formed Divestment Oversight Committee and Transaction Teams.
- Thinking Like an Institutional Investor Training with McKinsey in Miami.
- The "La Boucan Accord".
- Sale of all Security companies and Massy Technologies Applied Imaging.

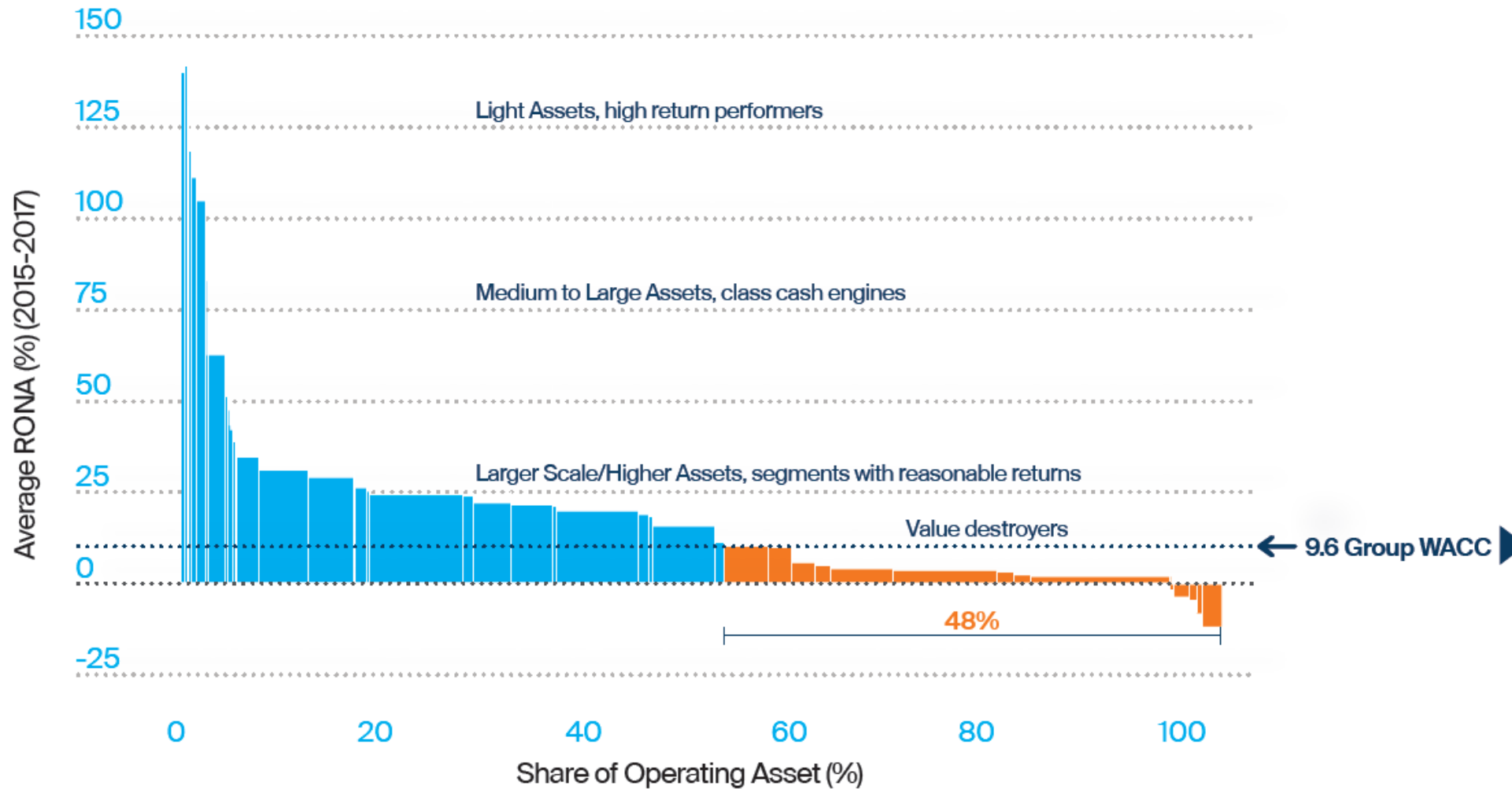
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- Adopted Investment Portfolio Boards for Integrated Retail, Gas Products and Motors & Machines.
- New Corporate Office & Group Professional Services operating model.
- Assessed the impact on Covid-19 on Strategic Plans.
- Sale of Seawell, MEPRL and Massy Technologies Group.
- Operationalizing Purpose & Strategy vs Traditional Budgeting.

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- Expanding our purpose of being a Force For Good – the NUDGE initiative.
- Introduced a new Group Corporate Treasury and Investment Management function.
- Continued to narrow the focus of the Group – wind up of Massy Realty TT operations; sale of Massy Pres-T-con and Roberts Manufacturing.
- Signed SPA for the sale of Massy United Insurance to Coralisle Group.

In 2018, 48% of the Group's Assets were Destroying Value



By 2021, only 19% of Group's Assets are Destroying Value as we continue to divest or transform value destroyers

Unleashing A New Energy

energy

A central diagram with the word 'energy' in a large, bold, dark blue font. The letter 'e' is filled with a blue dot pattern. Five dotted lines radiate from the 'e' to five icons: a person with arms raised, a thumbs up, a lightbulb, a tree, and a hand with a glowing finger. Below each icon is a blue text label: 'confidence', 'all is well', 'possibility', 'abundance', and 'responsibility'. The labels are separated by vertical dotted lines.

confidence



all is well



possibility



abundance



responsibility

Thank You

