

Highlights of the Unaudited Consolidated Financial Statements for the Nine Months Ended 30th June 2024

CHAIRMAN'S COMMENTS FOR THE THIRD QUARTER OF FY2024

We are pleased to share our financial results for the period ending June 30, 2024. These results indicate significant improvements in the Group's performance, particularly when compared to our exceptional FY2023.

Group Performance Overview

Our revenue has shown strong growth, with a 13% increase in third-party revenue, from TT\$10.3 billion (US\$1.5 billion) in Q3 FY2023 to TT\$11.7 billion (US\$1.7 billion) in Q3 FY2024.

While the Profit Before Tax (PBT) is down 4% over the prior year's 9-month period from TT\$760 million (US\$113 million) in Q3 FY2023 to TT\$731 million (US\$109 million) in Q3 FY2024, Earnings before interest, taxes, depreciation, and amortization (EBITDA) which measures the performance of the core businesses, increased 8% from TT\$1.2 billion (US\$174 million) to TT\$1.3 billion (US\$188 million). Despite higher interest expenses for acquisition financing, a one-time accounts receivable adjustment in Q2, and restructuring and legal costs, we have also observed a significant year-over-year improvement in cash generated from operations.

Financial Highlights

- Third-Party Revenue: Increased by 13% from TT\$10.3 billion (US\$1.5 billion) in Q3 FY2023 to TT\$11.7 billion (US\$1.7 billion) in Q3 FY2024, surpassing last year's record.
- Profit Before Tax (PBT): TT\$731 million (US\$109 million) in Q3 FY2024, an improvement from the 7% decline at the half-year mark but a 4% decrease from TT\$760 million (US\$113 million) in Q3 FY2023.
- Profit After Tax (PAT): TT\$465 million (US\$69 million) in Q3 FY2024, an improvement from the 13% decline in the previous half-year but a 10% decrease compared to Q3 2023.
- Cash Conversion: Improved significantly by 18%, resulting in Cash Flow from Operating Activities increasing 3.4 times from TT\$189 million to TT\$640 million.

Portfolio Performance Highlights

- Integrated Retail Portfolio (iRP): PBT improved by 7% year-over-year to TT\$463 million (US\$69 million). Third-party revenue rose 10% to TT\$7.4 billion (US\$1.1 billion). This was due to continued growth in our core market and our US acquisition of Rowe's IGA. However, increases in operational costs and logistical challenges in Barbados and Trinidad moderated these gains.
- Gas Products Portfolio (GPP): PBT increased by 10%, with third-party revenue up by 33% year-over-year to TT\$1.6 billion (US\$237 million). This growth was driven by strategic acquisitions in Jamaica and enhanced operations in Guyana and Trinidad, partially offset by a conservative provision for a significant customer's aged receivable, taken in FY2023 and Q2 2024.
- Motors and Machines Portfolio (MMP): Third-party revenue increased by 11% to TT\$2.5 billion (US\$373 million). However, PBT was stable compared to prior year due to macroeconomic challenges in Colombia and financing constraints in Guyana. We are finalising agreements to bring third-party funding to our customers in Guyana, which should support future growth.

Strategic Roadmap to 2030

We have established a comprehensive financial framework for our 2030 strategy, focusing on sustainable growth and increased shareholder returns. Our "currency resilience strategy" aims to protect shareholders from currency fluctuations over the medium and long term.

Intended Outcomes of the 2030 Strategy Include:

- Dividend Growth: Ensure consistent, healthy dividend growth.
- Disciplined M&A: Focus on M&A and organic capital deployment to generate "hard currency" cash flows with accretive Returns on Invested Capital (ROIC).
- Profitability and Cash Flow: Improve profitability and cash flow through expense management and revenue growth.
- Balance Sheet: Maintain historically conservative debt-to-equity levels.
- ESG and Community Impact: Accelerate ESG commitments, invest in employee development, and enhance stakeholder relationships.

Governance and Operational Investments

Our second quarter FY2024 statement highlighted our transformation into an Investment Holdings Company (IHC). This involves a comprehensive review of our structure, capabilities, governance, controls, and incentives across the Group. Implementation is set for Q4 FY2024 and H1 FY2025 to enhance efficiency and support our 2030 strategy. At its August 7th meeting, the Board approved several changes to the organisation, including enhanced performance management and clarity of accountability of the Board and management to reduce complexity and enhance all material decision-making.

Closing Remarks

Our unwavering focus is on delivering value to our shareholders and making a difference in our communities wherever we operate. For example, immediately following the passage of Hurricane Beryl last month, shipments of emergency relief supplies were dispatched to the Grenadine islands from Massy Distribution (Trinidad) and Massy Stores (SLU) Ltd. The Massy Foundation is assisting employees of Massy Stores (SVG) Ltd, some of whom suffered severe damage to their homes, and the Foundation will also provide additional support through partner organisations based in St. Vincent and the Grenadines.

We are committed to long-term sustainable growth and value creation through strategic initiatives and continuous operational improvements. We thank you for your continued trust, support, and challenge. We stand with and thank our staff of over 13,000 employees and partners who are dedicated to achieving sustainable growth and value for all stakeholders and striving to be the best company with the best talent.



Robert Riley, Chairman
August 8, 2024

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS For the Nine Months Ended 30th June 2024

	UNAUDITED THREE MONTHS ENDED		UNAUDITED NINE MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	30-Jun-24 TTS'000	30-Jun-23 TTS'000 (restated)	30-Jun-24 TTS'000	30-Jun-23 TTS'000 (restated)	30-Sep-23 TTS'000
Continuing Operations:					
Revenue	3,858,840	3,546,693	11,674,316	10,327,613	14,195,284
Operating profit after finance costs	239,236	246,263	619,164	757,761	1,225,263
Share of results of associates and joint ventures	4,534	(9,032)	112,322	2,188	3,792
Profit before tax	243,770	237,231	731,486	759,949	1,229,055
Income tax expense	(89,306)	(75,713)	(266,483)	(242,076)	(395,756)
Profit for the period from continuing operations	154,464	161,518	465,003	517,873	833,299
Discontinued Operations:					
Profit/(loss) for the period from discontinued operations	9,571	991	8,216	3,508	(20,367)
Profit for the period	164,035	162,509	473,219	521,381	812,932
Owners of the parent:					
Profit for the period from continuing operations	141,663	150,708	424,391	481,263	784,562
Profit/(loss) for the period from discontinued operations	9,571	991	8,216	3,508	(20,367)
Profit attributable to owners of the parent	151,234	151,699	432,607	484,771	764,195
Non-controlling interests:					
Profit for the period from continuing operations	12,801	10,810	40,612	36,610	48,737
Profit attributable to non-controlling interests	12,801	10,810	40,612	36,610	48,737
Profit for the period	164,035	162,509	473,219	521,381	812,932
Earnings per share attributable to the owners of the parent (cents):					
Basic earnings per share	7.16	7.61	21.44	24.31	39.64
- from continuing operations	0.49	0.05	0.42	0.18	(1.03)
- from discontinued operations	7.65	7.66	21.86	24.49	38.61

SUMMARY CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME For the Nine Months Ended 30th June 2024

	UNAUDITED THREE MONTHS ENDED		UNAUDITED NINE MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	30-Jun-24 TTS'000	30-Jun-23 TTS'000	30-Jun-24 TTS'000	30-Jun-23 TTS'000	30-Sep-23 TTS'000
Profit for the period	164,035	162,509	473,219	521,381	812,932
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
- remeasurement of defined benefit pension plans	-	-	-	-	(37,610)
Items that may be subsequently reclassified to profit or loss					
- financial assets at fair value through OCI	6,102	(8,696)	27,533	7,080	(109,062)
- currency translation differences	(45,348)	24,946	(65,661)	35,104	46,226
Other comprehensive (loss)/income for the period, net of tax	(39,246)	16,250	(38,128)	42,184	(100,446)
Total comprehensive income for the period	124,789	178,759	435,091	563,565	712,486
Attributable to:					
- owners of the parent	112,697	165,475	397,484	523,554	662,756
- non-controlling interests	12,092	13,284	37,607	40,011	49,730
Total comprehensive income for the period	124,789	178,759	435,091	563,565	712,486

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 30th June 2024

	UNAUDITED 30-Jun-24 TTS'000	UNAUDITED 30-Jun-23 TTS'000	AUDITED 30-Sep-23 TTS'000
Assets			
Non-current assets			
Property, plant and equipment and investment properties	3,633,356	3,264,070	3,399,878
Right of use assets	793,546	958,752	769,990
Goodwill	1,067,994	1,196,451	1,071,282
Investments in associates and joint ventures	99,740	131,262	104,014
Financial assets	1,563,584	1,676,988	1,622,259
Other non-current assets	711,891	673,021	697,843
	7,870,111	7,900,544	7,665,266
Current assets			
Cash and cash equivalents	1,405,452	1,024,415	1,289,686
Assets classified as held for sale	265,135	248,049	307,473
Other current assets	5,375,162	6,027,739	6,278,425
	7,045,749	7,300,203	7,875,584
Total assets	14,915,860	15,200,747	15,540,850
Equity and Liabilities			
Capital and reserves attributable to owners of the parent	7,487,903	7,253,974	7,401,469
Non-controlling interests	233,094	212,584	207,037
Total equity	7,720,997	7,466,558	7,608,506
Non-current liabilities			
Borrowings	1,573,948	2,067,478	1,487,613
Lease liabilities	882,307	1,001,684	795,533
Deferred tax liabilities	320,011	316,978	333,683
Other non-current liabilities	455,553	311,960	396,007
	3,231,819	3,698,100	3,012,836
Current liabilities			
Borrowings	1,532,954	1,471,269	2,002,927
Liabilities classified as held for sale	3,679	-	10,540
Other current liabilities	2,426,411	2,564,820	2,906,041
	3,963,044	4,036,089	4,919,508
Total equity and liabilities	14,915,860	15,200,747	15,540,850

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY For the Nine Months Ended 30th June 2024

	UNAUDITED NINE MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	30-Jun-24 TTS'000	30-Jun-23 TTS'000	30-Sep-23 TTS'000
Balance at the beginning of the year	7,401,469	7,066,954	7,066,954
Profit attributable to owners of the parent	432,607	484,771	764,195
Other comprehensive (loss)/income	(35,122)	38,782	(101,439)
Dividends paid	(313,337)	(313,337)	(313,337)
Other reserve movements	2,286	(23,196)	(14,904)
	7,487,903	7,253,974	7,401,469

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS For the Nine Months Ended 30th June 2024

	UNAUDITED NINE MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	30-Jun-24 TTS'000	30-Jun-23 TTS'000	30-Sep-23 TTS'000
Cash flows from operating activities			
Profit before income tax from continuing operations	731,486	759,949	1,229,055
Profit/(loss) before tax from discontinued operations	8,944	3,507	(20,348)
Share of results of associates and joint ventures	(112,322)	(2,188)	(3,792)
Adjustments for non cash items	483,376	303,903	453,500
Operating profit before working capital changes	1,111,484	1,065,171	1,658,415
Net working capital changes	(145,593)	(608,247)	(535,857)
Cash generated from operations	965,891	456,924	1,122,558
Tax payments	(325,439)	(267,989)	(320,161)
Cash flows from operating activities	640,452	188,935	802,397
Investing activities	243,006	(1,741,579)	(1,990,041)
Financing activities	(758,234)	1,293,505	1,226,431
Increase/(Decrease) in short term funds	125,224	(259,139)	38,787
Cash, cash equivalents and bank overdrafts at start of year	1,213,843	1,169,333	1,169,333
Translation difference on cash held	(9,827)	2,998	5,723
Cash, cash equivalents and bank overdrafts at end of year	1,329,240	913,192	1,213,843

SEGMENT INFORMATION TTS'000 CONTINUING OPERATIONS

Nine Months Ended 30th June 2024

Group revenue
Inter-segment revenue
Third party revenue
Operating profit/(loss) after finance costs
Share of results of associates and joint ventures
Profit/(loss) before income tax

Nine Months Ended 30th June 2023 (restated)

Group revenue
Inter-segment revenue
Third party revenue
Operating profit/(loss) after finance costs
Share of results of associates and joint ventures
Profit/(loss) before income tax

	Integrated Retail	Gas Products	Motors & Machines	Financial Services	Corporate Office & Other Adjustments	Total
7,817,184	1,674,914	2,745,069	128,715	31,575	12,397,457	
(397,991)	(79,739)	(233,354)	-	(12,057)	(723,141)	
7,419,193	1,595,175	2,511,715	128,715	19,518	11,674,316	
463,438	133,996	140,826	65,659	(184,755)	619,164	
-	112,322	-	-	-	112,322	
463,438	246,318	140,826	65,659	(184,755)	731,486	

7,084,668	1,228,583	2,511,029	122,795	32,742	10,979,817
(357,053)	(28,245)	(251,595)	-	(15,311)	(652,204)
6,727,615	1,200,338	2,259,434	122,795	17,431	10,327,613
432,525	206,158	156,595	69,499	(107,016)	757,761
-	17,013	(14,825)	-	-	2,188
432,525	223,171	141,770	69,499	(107,016)	759,949

	Group Revenue		Inter-Segment		Third Party Revenue		Profit Before Tax	
	Jun-24	Jun-23 (Restated)	Jun-24	Jun-23 (Restated)	Jun-24	Jun-23 (Restated)	Jun-24	Jun-23 (Restated)
Trinidad and Tobago	4,224,035	3,825,992	(214,685)	(207,584)	4,009,350	3,618,408	297,883	323,849
Barbados	1,887,240	1,807,467	(217,784)	(192,692)	1,669,456	1,614,775	114,956	103,477
Eastern Caribbean	1,202,624	1,176,453	-	-	1,202,624	1,176,453	103,908	98,466
Guyana	1,500,074	1,401,394	(76,666)	(61,293)	1,423,408	1,340,101	234,546	222,000
Jamaica	921,409	617,730	(30,334)	(3,888)	891,075	613,842	102,908	64,735
Colombia	1,572,618	1,298,783	(382)	-	1,572,236	1,298,783	32,018	26,943
U.S.A.	1,089,457	851,998	(183,290)	(186,747)	906,167	665,251	30,022	27,495
Corporate Office and Other adjustments	-	-	-	-	-	-	(184,755)	(107,016)
	12,397,457	10,979,817	(723,141)	(652,204)	11,674,316	10,327,613	731,486	759,949

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 2023.

For comparative purposes, adjustments and reclassifications to the interim prior year have been made to conform to the current year reporting.

The prior year results have been restated to disclose separately operations that have since been discontinued, namely