

# Highlights of the Unaudited Consolidated Financial Statements for the Six Months Ended 31st March 2021

## CHAIRMAN'S STATEMENT FOR SECOND QUARTER OF FY2021

Pandemic restrictions remain in place in all of the countries in which the Group operates. While vaccination rollout programmes have begun in all of our countries, herd immunity is unlikely to be achieved in the immediate future. The Massy Group continues to provide support to governments in the region to combat vaccine hesitancy and by making workplaces available for vaccination distribution. The economies of countries in which we operate continue to struggle when compared to prior year and without the extra consumer spending which took place in March 2020 ahead of lockdowns and restrictions, consumer demand was even lower in the Second Quarter (Q2) of Financial Year (FY) 2021 than FY2020.

Despite these challenges, the Group's Q2 Year To Date (YTD) performance is commendable. While Group Third Party Revenue from Continuing Operations declined by 1% from the same period in FY2020, Profit After Tax (PAT) increased by 20% from \$263 million to \$314 million; and the Group's Earnings Per Share (EPS) improved by 24% from \$2.41 to \$2.98 per share. The Group's strategy to manage its operations as an Investment Holding Company paid off in Q2 FY2021. The new active management of the investment portfolios held throughout the Group under the leadership of the Group Corporate Treasury produced significant gains which more than compensated for weaker performance by the business Portfolios in Q2 FY2021. Investment Gains contributed approximately \$61 million more to Profit Before Tax (PBT) in Q2 FY2021 than Q2 FY2020, when the Group experienced investment losses in its portfolios, emanating from a decline in US Equities, precipitated by pandemic uncertainty. These Gains are reflected in the performance of the TIRCL and Treasury investment portfolios managed by the Corporate Head Office, as well as in the performance of the Financial Services Line of Business which produced a 120% increase in PBT contribution versus prior year.

The Group's three main business portfolios experienced an interruption to their growth trajectories in Q2 FY2021. Integrated Retail Third Party Revenue declined versus prior year by 5%, consistent with the slowing of consumer demand

discussed above, this was however expected to be lower than Q1 FY2021 bearing in mind the extra sales which occurred in March 2020 ahead of lockdowns and restrictions. Motors and Machines Third Party Revenue grew by 9% on the strength of its performance in Colombia. However, reduced sales in Trinidad due to low stock levels contributed to a decline in its PBT by 9% versus prior year. Challenges with low volumes of bulk LPG sales in Jamaica arising from little activity at hotels and restaurants and low volumes of Nitrogen sales in Trinidad arising from declining activity in the petrochemical sector of the economy constrained the Gas Products Portfolio to a modest 4% improvement in Revenue in Q2 YTD FY2021 versus prior year. However, Gas Products Portfolio PBT declined by 10% as the mix of increased sales in CO<sub>2</sub> from Trinidad came at much lower margins.

With increased autonomy provided to the Portfolios, the Group is unleashing the creativity and ambition of executives and professionals in the Group to drive the performance of their Portfolios. We are confident in our Portfolio teams to overcome this interruption to their growth trajectory in the coming months. We therefore believe it is prudent to declare a Half Year dividend of \$0.55 which represents a 10% increase over prior year.

Consistent with the Company's ongoing support for regional integration, the Board of Directors made the decision to apply to cross-list the Company's shares on the Jamaica Stock Exchange. The Board considered the market sophistication and growth opportunities evident in the Jamaican securities market, which has become increasingly more dynamic over the past few years. The Board expects this will promote greater regional and international interest in the Company's shares, which will redound to the benefit of all shareholders.

Robert Bermudez  
May 6, 2021

## SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS For the Six Months Ended 31st March 2021

	UNAUDITED THREE MONTHS ENDED		UNAUDITED SIX MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	31-Mar-21 TTS'000	31-Mar-20 TTS'000 (restated)	31-Mar-21 TTS'000	31-Mar-20 TTS'000 (restated)	30-Sep-20 TTS'000
<b>Continuing Operations:</b>					
Revenue	2,864,186	2,952,541	6,072,754	6,116,859	11,163,818
Operating profit after finance costs	173,354	138,318	437,435	360,071	676,141
Share of results of associates and joint ventures	7,633	6,432	24,772	33,984	53,459
Profit before tax	180,987	144,750	462,207	394,055	729,600
Income tax expense	(55,103)	(47,767)	(147,905)	(130,038)	(276,330)
<b>Profit for the period from continuing operations</b>	<b>125,884</b>	<b>96,983</b>	<b>314,302</b>	<b>264,017</b>	<b>453,270</b>
<b>Discontinued Operations:</b>					
Profit/(loss) for the period from discontinued operations	-	(1,492)	-	(1,332)	289,881
<b>Profit for the period</b>	<b>125,884</b>	<b>95,491</b>	<b>314,302</b>	<b>262,685</b>	<b>743,151</b>
<b>Owners of the parent:</b>					
Profit for the period from continuing operations	119,999	83,115	293,481	236,780	408,484
Profit/(loss) for the period from discontinued operations	-	(1,590)	-	(1,487)	287,919
Profit attributable to owners of the parent	119,999	81,525	293,481	235,293	696,403
<b>Non-controlling interests:</b>					
Profit for the period from continuing operations	5,885	13,867	20,821	27,236	44,786
Profit for the period from discontinued operations	-	99	-	156	1,962
Profit attributable to non-controlling interests	5,885	13,966	20,821	27,392	46,748
<b>Profit for the period</b>	<b>125,884</b>	<b>95,491</b>	<b>314,302</b>	<b>262,685</b>	<b>743,151</b>
<b>Earnings per share attributable to the owners of the parent (\$/cents):</b>					
Basic earnings per share	1.22	0.85	2.98	2.42	4.17
- from continuing operations	-	(0.01)	-	(0.01)	2.94
- from discontinued operations	1.22	0.84	2.98	2.41	7.11

## SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 31st March 2021

	UNAUDITED 31-Mar-21 TTS'000	UNAUDITED 31-Mar-20 TTS'000	AUDITED 30-Sep-20 TTS'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment and investment properties	2,571,904	2,761,247	2,588,416
Right of use assets	773,471	901,418	792,920
Investments in associates and joint ventures	174,341	172,631	170,498
Financial assets	1,613,236	1,171,231	1,021,432
Other non-current assets	814,597	1,092,209	872,122
	5,947,549	6,098,736	5,445,388
<b>Current assets</b>			
Cash and cash equivalents	1,673,502	1,569,453	2,533,621
Other current assets	5,051,464	5,343,487	5,260,738
	6,724,966	6,912,940	7,794,359
<b>Total assets</b>	<b>12,672,515</b>	<b>13,011,676</b>	<b>13,239,747</b>
<b>Equity and Liabilities</b>			
Capital and reserves attributable to owners of the parent	6,255,102	5,707,427	6,170,638
Non-controlling interests	234,657	244,642	246,406
Total equity	6,489,759	5,952,069	6,417,044
<b>Non-current liabilities</b>			
Borrowings	1,442,058	1,395,285	1,440,184
Lease liabilities	835,629	1,014,715	844,004
Deferred tax liabilities	230,397	220,965	236,050
Other non-current liabilities	253,635	316,285	243,863
	2,761,719	2,947,250	2,764,101
<b>Current liabilities</b>			
Borrowings	272,263	763,789	677,096
Other current liabilities	3,148,774	3,348,568	3,381,506
	3,421,037	4,112,357	4,058,602
<b>Total equity and liabilities</b>	<b>12,672,515</b>	<b>13,011,676</b>	<b>13,239,747</b>

## SUMMARY CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME For the Six Months Ended 31st March 2021

	UNAUDITED SIX MONTHS ENDED 31-Mar-21 TTS'000	UNAUDITED SIX MONTHS ENDED 31-Mar-20 TTS'000	AUDITED TWELVE MONTHS ENDED 30-Sep-20 TTS'000
<b>Profit for the period</b>	314,302	262,685	743,151
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- remeasurement of defined benefit pension plans	-	26,550	54,778
<b>Items that may be subsequently reclassified to profit or loss</b>			
- currency translation differences	(4,188)	(30,909)	(24,739)
	(4,188)	(4,359)	30,039
<b>Total comprehensive income for the period</b>	<b>310,114</b>	<b>258,326</b>	<b>773,190</b>
<b>Attributable to:</b>			
- owners of the parent	289,459	231,049	722,715
- non-controlling interests	20,655	27,277	50,475
<b>Total comprehensive income for the period</b>	<b>310,114</b>	<b>258,326</b>	<b>773,190</b>

## SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY For the Six Months Ended 31st March 2021

	UNAUDITED SIX MONTHS ENDED 31-Mar-21 TTS'000	UNAUDITED SIX MONTHS ENDED 31-Mar-20 TTS'000	AUDITED TWELVE MONTHS ENDED 30-Sep-20 TTS'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	293,481	235,293	696,403
Other comprehensive income/(loss)	(4,021)	(4,244)	26,312
Dividends paid	(196,685)	(168,118)	(217,289)
Other reserve movements	(8,311)	998	21,714
	6,255,102	5,707,427	6,170,638

## SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS For the Six Months Ended 31st March 2021

	UNAUDITED SIX MONTHS ENDED 31-Mar-21 TTS'000	UNAUDITED SIX MONTHS ENDED 31-Mar-20 TTS'000	AUDITED TWELVE MONTHS ENDED 30-Sep-20 TTS'000
<b>Cash flows from operating activities</b>			
Profit before income tax	462,207	394,055	729,600
Operating profit/(loss) from discontinued operations	-	(1,987)	308,535
Share of results of associates and joint ventures	(24,772)	(33,984)	(53,459)
Adjustments for non cash items	161,202	256,022	117,020
<b>Operating profit before working capital changes</b>	<b>598,637</b>	<b>614,106</b>	<b>1,101,696</b>
Net working capital changes	(240,919)	(339,622)	780
<b>Cash generated from operations</b>	<b>357,718</b>	<b>274,484</b>	<b>1,102,476</b>
Tax payments	(119,841)	(135,947)	(263,303)
<b>Cash flows from operating activities</b>	<b>237,877</b>	<b>138,537</b>	<b>839,173</b>
Investing activities	(422,664)	(415,935)	14,898
Financing activities	(682,115)	(220,190)	(389,621)
<b>(Decrease)/Increase in short-term funds</b>	<b>(866,902)</b>	<b>(497,588)</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>(2,693)</b>	<b>(2,964)</b>	<b>(3,191)</b>
<b>Cash, cash equivalents and bank overdrafts at end of year</b>	<b>1,655,926</b>	<b>1,563,710</b>	<b>2,525,521</b>

SEGMENT INFORMATION TTS'000 CONTINUING OPERATIONS	Integrated Retail	Gas Products	Motors & Machines	Financial Services	Strategic and Other Investments	Head Office and Other Adjustments	Total
<b>Six Months Ended 31st March 2021</b>							
Group revenue	3,719,773	524,049	1,494,744	339,239	323,184	-	6,400,989
Inter-segment revenue	(215,759)	(6,445)	(75,783)	(1,049)	(29,199)	-	(328,235)
Third party revenue	3,504,014	517,604	1,418,961	338,190	293,985	-	6,072,754
Operating profit/(loss) after finance costs	204,840	95,164	75,622	74,045	41,696	(53,932)	437,435
Share of results of associates and joint ventures	-	2,432	-	1,888	20,452	-	24,772
Profit/(loss) before income tax	204,840	97,596	75,622	75,933	62,148	(53,932)	462,207
<b>Six Months Ended 31st March 2020</b>							
Group revenue	3,877,311	503,463	1,391,350	348,318	333,543	-	6,453,985
Inter-segment revenue	(205,224)	(6,696)	(93,569)	(785)	(30,852)	-	(337,126)
Third party revenue	3,672,087	496,767	1,297,781	347,533	302,691	-	6,116,859
Operating profit/(loss) after finance costs	200,220	102,569	82,742	33,035	24,659	(83,154)	360,071
Share of results of associates and joint ventures	-	5,498	-	1,536	26,950	-	33,984
Profit/(loss) before income tax	200,220	108,067	82,742	34,571	51,609	(83,154)	394,055

	Group Revenue		Inter-Segment		Third Party Revenue		Profit Before Tax	
	Mar-21	Mar-20 (Restated)	Mar-21	Mar-20 (Restated)	Mar-21	Mar-20 (Restated)	Mar-21	Mar-20 (Restated)
Trinidad and Tobago	2,317,938	2,388,655	(82,799)	(103,023)	2,235,139	2,285,632	199,235	202,485
Barbados	1,497,428	1,583,136	(159,709)	(156,642)	1,337,719	1,426,494	104,508	87,487
Eastern Caribbean	640,368	705,726	-	-	640,368	705,726	55,426	59,421
Guyana	626,862	563,718	(25,524)	(19,831)	601,338	543,887	95,264	71,851
Jamaica	289,145	299,989	(1,755)	(2,205)	287,390	297,784	24,777	29,518
Colombia	921,632	808,570	-	-	921,632	808,570	34,208	24,339
Other	107,616	104,191	(58,448)	(55,425)	49,168	48,766	2,721	2,108
Head Office and Other Adjustments	-	-	-	-	-	-	(53,932)	(83,154)
	6,400,989	6,453,985	(328,235)	(337,126)	6,072,754	6,116,859	462,207	394,055

**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. The interim prior year results have been restated to disclose separately, operations that were discontinued at the end of the financial year. The discontinued operations are the Information, Technology and Communications Business Unit, Massy Energy Production Resources Ltd. and Seawell Air Services Ltd. These financial highlights can be accessed online at [www.massygroup.com](http://www.massygroup.com)