MASSY

energy unleashed

2021 Annual Report

Our Report

Presented with the uniquely challenging landscape of 2021, the Group rose to the occasion and answered the call on all fronts. Within and across our companies, we have cultivated a positive, can-do approach, that we characterise as the "Massy Energy".

The fruits of these efforts speak for themselves. Not only have we outperformed our previous financial results and provided outstanding value for our shareholders, but we have also brought that same energy to bear in every facet of our operations.

We ensured the mental and physical wellbeing of our people; we provided vital support for pandemic relief and vaccination drives; we took our committment to environmental protection seriously; and we embraced technology as a means of bringing us closer than ever to the communities that we serve.

In short, we lived our purpose
To be a Force For Good, Creating Value, Transforming Life

All of us, from the leadership to the front lines, are committed to carrying that "Massy Energy" forward, to meet the new challenges and opportunities that lie ahead and to help shape our world for the better.

Thank you for continuing to be a part of our story.

A printed version is available on request. In the event of any difference between the on-line and printed versions, the information in the on-line version prevails.

The Social Responsibility Report is available on-line only.

What Inspires Us

We are a Group that is inspired by a purpose:

A Force for Good;

Creating Value, Transforming Life.

This purpose defines who we are,

what we do and how we work.

Our Purpose

Guided by

Our Values

Honesty & Integrity
Our actions always match our words. We believe that everything that we do must be able to withstand the test of public scrutiny.

Growth & Continuous Improvement
We strive for leadership and global competitiveness in the business sectors in which we operate.

Responsibility
We are responsible stewards of our businesses and our communities and we are accountable to each other and to our stakeholders.

Love & Care
We believe that everybody matters, and that everyone deserves to be treated with kindness, respect, consideration and compassion.

Collaboration
Understanding different perspectives and constantly working to create a space where everyone fearlessly shares ideas, is an ideal to which we are all committed.

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Our Performance 2021

11,128
Revenue (TT$M) ↑ 9%

929
Profit Before Tax (TT$M) ↑ 41%

8.02
Earnings per Share (TT$) ↑ 13%

2.85
Dividends per Share (TT$) ↑ 14%

35.5
Dividend Payout Ratio (%) ↑ 1%

44%
Total Return to Shareholders (%) ↑ 267%

1,528*
Salaries & Wages (TT$M) ↑ 4%

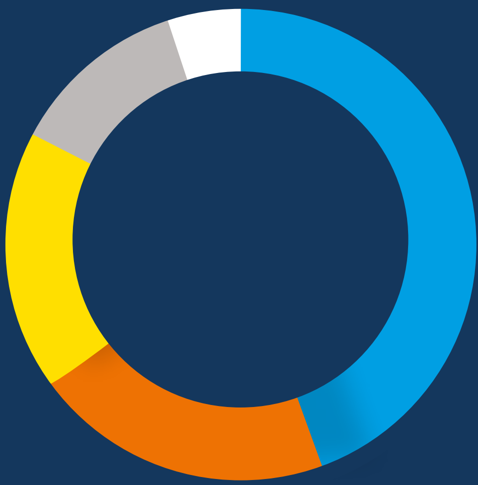
12.42
Community Contributions (TT$M)

288*
Statutory Contributions (TT$M) ↓ 2%

1.23
Safety – TRIF (%)

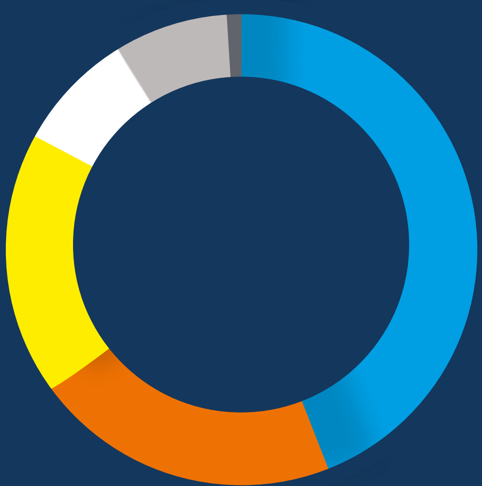
** Includes discontinued operations*

At a Glance



Profit Before Tax by Portfolio/Line of Business

- Integrated Retail **44%**
- Gas Products **22%**
- Motors & Machines **18%**
- Financial Services **9%**
- Strategic & Other Investments **7%**



Profit Before Tax by Territory

- Trinidad & Tobago **43%**
- Barbados & Eastern Caribbean **22%**
- Guyana **21%**
- Colombia **7%**
- Jamaica **6%**
- Other **1%**

13,000+ Employees

15+ Countries

60+ Companies

Territories at a Glance

Miami

Cayman Islands

Belize

Jamaica

Colombia

Guyana

Curacao

Aruba

Trinidad & Tobago

Grenada

St Vincent

Barbados

Saint Lucia

St Kitts & Nevis

Antigua

Turks & Caicos Islands

Our Business as at September 30

Holding Companies

Massy Holdings Ltd. | Massy (Guyana) Ltd. | Massy (Barbados) Ltd. | Massy Integrated Retail Ltd. | Massy Energy (Trinidad) Ltd. | Massy Energy Holdings (Guyana) Inc. | Massy Gas Products Holdings Ltd. | Massy Transportation Group Ltd.

The Portfolios and their Operating Companies

Integrated Retail

Trinidad & Tobago

Massy Stores (Trinidad)

Massy Distribution (Trinidad)

Massy Loyalty (Trinidad) Ltd.

Guyana

Massy Distribution (Guyana) Inc.

Massy Stores (Guyana) Inc.

Barbados

Massy Stores (Barbados) Ltd.

Massy Distribution (Barbados) Ltd.

Massy Loyalty Ltd.

Jamaica

Massy Distribution (Jamaica) Limited

Saint Lucia

Massy Stores (SLU) Ltd.

Massy Distribution (St. Lucia) Ltd.

Massy Card (St. Lucia) Ltd.

St Vincent

Massy Stores (SVG) Ltd.

USA

Massy Distribution (USA) Inc.

Gas Products

Trinidad & Tobago

Massy Gas Products (Trinidad) Ltd.

Massy Carbonics Ltd.

Caribbean Industrial Gases Unlimited (50%)

Guyana

Massy Gas Products (Guyana) Ltd.

Jamaica

Massy Gas Products (Jamaica) Limited

Colombia

Massy Energy Colombia S.A.S.

Motors & Machines

Trinidad & Tobago

Automotive

Massy Motors Ltd.

Massy Automotive Components Ltd.

Massy Motors Best Auto Ltd.

Master Serv Limited

Massy Motors (Tobago) Ltd.

Industrial Equipment

Massy Machinery Ltd.

Guyana

Massy Motors (Guyana) Ltd.

Colombia

Massy Motors Colombia S.A.S.

USA

Massy Motors and Machines Miami Distribution Inc.

Corporate Information as at September 30

Chairman

Mr. Robert Bermudez

President & Group CEO

Mr. E. Gervase Warner

Corporate Secretary

Ms. Wendy Kerry

Assistant Corporate Secretary

Mrs. Shalini Rambachan Maharaj

Directors

Mr. Robert Bermudez
Mr. E. Gervase Warner
Mr. David Affonso
Mr. Ian Chinapoo
Mr. Anton Gopaulsingh
Mr. Patrick Hylton
Ms. Soraya Khan
Ms. Luisa Lafaurie Rivera
Mr. Suresh Maharaj
Mr. Bruce Melizan
Mr. David O'Brien
Mr. Robert Riley
Ms. Maxine Williams

Audit & Risk Committee

Mr. Anton Gopaulsingh (Chairman)
Mr. Patrick Hylton
Ms. Soraya Khan
Mr. Suresh Maharaj
Mr. Bruce Melizan
Mr. E. Gervase Warner (ex-officio)

Governance, Nomination & Remuneration Committee

Mr. Robert Riley (Chairman)
Ms. Luisa Lafaurie Rivera
Ms. Maxine Williams
Mr. Robert Bermudez (ex-officio)

Registered Office

63 Park Street
Port of Spain
Trinidad and Tobago
West Indies
Telephone: 868) 625 3426
Facsimile: 868 627 9061
Email: info@massygroup.com
Website: www.massygroup.com

Auditors

PricewaterhouseCoopers
11-13 Victoria Avenue
Port of Spain
Trinidad and Tobago
West Indies

Principal Bankers

RBC Royal Bank (Trinidad & Tobago) Limited
55 Independence Square
Port of Spain
Trinidad and Tobago
West Indies

Registrar and Transfer Office

The Trinidad and Tobago Central Depository Limited
10th Floor
Nicholas Towers
63-65 Independence Square
Port of Spain
Trinidad and Tobago
West Indies
Telephone: 868 625 5107-9
Email: registrar@stockex.co.tt
Website: http://www.stockex.co.tt/

Notice of Annual Meeting

To: All Shareholders

NOTICE IS HEREBY GIVEN that the Ninety-Eighth Annual Meeting of Shareholders of Massy Holdings Ltd. ("the Company") will be held at the **La Boucan Room, Hilton Trinidad and Conference Centre**, 1B Lady Young Road, Port-of-Spain, Trinidad and Tobago, on **January 21, 2022**, at **10:00 a.m.** in a hybrid format whereby Shareholders may attend and participate in the Meeting via a live webcast for the following purposes:

1 To receive and consider the Report of the Directors and the Audited Financial Statements for the financial year ended September 30, 2021, together with the Report of the Auditors thereon.

2 To elect and re-elect Directors for specified terms and if thought fit, to pass the following Ordinary Resolutions:

a THAT, the Directors to be elected and re-elected, be elected and re-elected en bloc; and

b THAT, in accordance with the requirements of paragraphs 4.4.1, and 4.6.1 of By-Law No. 1 of the Company, Mr. Peter Jeewan be and is hereby elected a Director of the Company to hold office until the close of the third Annual Meeting of the Shareholders of the Company following this election;

c THAT, in accordance with the requirements of paragraphs 4.4.1, 4.4.2 and 4.6.1 of By-Law No. 1 of the Company, Mr. Bruce Melizan be and is hereby elected a Director of the Company to hold office until the close of the third Annual Meeting of the Shareholders of the Company following this election; and

d THAT, in accordance with the requirements of paragraphs 4.4.1 and 4.6.1 of By-Law No. 1 of the Company, Mr. David O' Brien be and is hereby re-elected a Director of the Company to hold office until the close of the third Annual Meeting of the Shareholders of the Company following this election; and

e THAT, in accordance with the requirements of paragraphs 4.4.1, 4.6.1 and 4.8 of By-Law No. 1 of the Company, Mr. Suresh Maharaj having attained the age of seventy-two, be and is hereby re-elected a Director of the Company to hold office until the close of the third Annual Meeting of the Shareholders of the Company following this election.

3 To re-appoint the incumbent Auditors and authorise the Directors to fix their remuneration and expenses for the ensuing year.

4 To consider and if thought fit, pass the following Special Resolution:

THAT, on the recommendation of the Board of Directors, pursuant to a resolution passed at a Meeting on December 10, 2021, that each of the Ordinary Shares in the capital of the Company be subdivided into twenty (20) Ordinary Shares of no par value, with effect from March 11, 2022, subject to regulatory approvals; and

THAT the authorized number of issued and outstanding Ordinary Shares in the capital of the Company be increased from 98,969,227 to 1,979,384,540 Ordinary Shares of no par value to give effect to the Share Split; and

THAT the Board of Directors of the Company are hereby authorized to do and perform any and all such acts necessary or advisable, to carry out the purposes and intent of the foregoing.

By Order of the Board

Wendy Kerry
CORPORATE SECRETARY

December 10, 2021

Notes to the Notice of Annual Meeting

1 Shareholders may participate in the Meeting electronically and are required to **pre-register during the period commencing on December 24, 2021, and ending at 4:00 p.m. on January 18, 2022**, to remotely attend the Meeting. Once you have pre- registered and are confirmed as a Shareholder, you will receive an email with a Zoom link, Meeting ID and password for the Meeting. A Proxy holder may be authorised by the Shareholder to use the login credentials to attend the meeting on behalf of the Shareholder. Further details to pre- register and attend via the live webcast is included in the enclosed **Appendix 1 - Guidelines for Shareholders' Pre-Registration and Online Attendance at Massy Holdings Ltd.'s Ninety-Eighth Annual Meeting**.

2 Members are reminded that the By-Laws provide that the Directors may require that any Member, Proxy or duly Authorised Representative, provide satisfactory proof of his/her identity before being admitted to the Annual Meeting.

3 No service contracts were entered into between the Company and any of its Directors.

4 A Member of the Company entitled to attend and vote at the above Meeting is entitled to appoint a Proxy to attend and vote in his or her stead. Such Proxy need not also be a Member of the Company. Where a Proxy is appointed by a corporate member, the Form of Proxy should be executed under seal or signed by its attorney.

5 Corporate members are entitled to attend and vote by a duly Authorised Representative who need not himself be a member. Such appointment must be by resolution of the Board of Directors of the corporate member.

6 Attached is a Form of Proxy which must be completed, signed and then deposited with the Secretary of the Company, at the Company's Registered Office, 63 Park Street, Port of Spain, not less than 48 hours before the time fixed for holding the Meeting. Forms may also be emailed to corporate.secretary@massygroup.com Shareholders wishing to appoint a Proxy may also visit the website **www.massygroup.com** to download a Form of Proxy.

Shareholders who return completed Forms of Proxy are not from attending the Meeting via the live webcast instead of their Proxies and voting via that medium if subsequently they so wish.

Item 1 – Presentation of Consolidated Financial Statements and Auditors' Report

The Consolidated Financial Statements of the Company for the year ended September 30, 2021, and the Auditors' Report thereon are included in the Annual Report which is published on the Company's website: **www.massygroup.com**.

Item 2 - Election and Re-Election of Directors

The Board presently consists of 13 Members. Messrs. Anton Gopaulsingh, Suresh Maharaj, Bruce Melizan and David O' Brien will retire on rotation at the end of the Meeting. Messrs. Peter Jeewan, Suresh Maharaj, Bruce Melizan and David O' Brien being eligible, will be seeking either election or re-election.

Following are the bios of the eligible persons proposed as nominees for election and re-election as Directors of the Company and for whom, it is intended that votes will be cast pursuant to the form of proxy enclosed:

PETER JEEWAN – 52 years of age

Peter Jeewan is a Chartered Professional Accountant in Ontario and has worked in various accounting, tax, finance, sales and business roles at industry-leading organizations. He was President and CEO of the Lannick Group of Companies, Canada's largest regional finance and accounting specialist firm, for ten years before serving as President and CEO of Vaco Canada until April 30, 2021. Vaco Canada is under the umbrella of Vaco International, a US $800 million professional staffing firm, which acquired Lannick in 2017.

Over the course of his tenure, Mr. Jeewan developed a strong reputation for connecting people and processes to execute on strategy and achieve outstanding results. He led the transformation of Lannick from a small, boutique, professional staffing and recruiting firm, to Canada's largest finance and accounting specialist. He has always taken the approach that all stakeholders, including clients, candidates and employees, need to have a clear understanding of 'what is in it for them.' Through personal example and relentless communication, he has helped Lannick's employees and leaders to think and behave in the right way, to get the best experience and results for their clients, their candidates, themselves and the company.

Mr. Jeewan also led the transformation of the company's culture to a performance-based, employee-owned and employee-sponsored culture. He also led the implementation of a best in class career path to attract and retain millennial employees at a time when the general workforce struggled with engaging this cohort. He and his team saw engaging the millennial workforce as an opportunity and set about creating a purpose-built workplace for this demographic to thrive and call their own. The Lannick training process teaches these individuals to capably approach and build trust relationships with senior leaders in some of Canada's largest companies.

He is proud of the contribution that he and Lannick have made to the lives of all of its stakeholders – shareholders, employees, candidates and clients.

Peter is an avid fisherman and enjoys fishing in both the Caribbean and North America.

SURESH MAHARAJ – 72 years of age

SURESH MAHARAJ is an Independent, Non-Executive Director. He is a highly-recognized International Banker and Global Senior Executive with 43 years of experience in the financial services industry. Prior to his retirement from Citibank in 2015, he held the position of Chief Executive Officer ("CEO") for Citibank Caribbean, Central America and Equador, with responsibility for Citibank's Corporate, Commercial and Investment and Consumer operations. He also served in the position of CEO and Country Head for the company's operations in the Philippines and Guam.

Mr. Maharaj is the past Chairman of Citibank TT Ltd. and Citicorp Merchant Bank. Following his retirement in June 2015, he held a number of directorships for Citibank's operations in Costa Rica, Panama, El Salvador, Honduras and Nicaragua. He was also the former Chairman of the Trinidad Cement Limited and served as a Director of the Trinidad and Tobago Unit Trust Corporation, Bankers Association of Trinidad and Tobago, Bankers Association of Philippines, American Chamber of Commerce Trinidad and Tobago, American Chamber of Commerce Philippines and the South Trinidad Chamber of Industry & Commerce.

His areas of expertise include mergers and acquisitions, divestments, private equity, investment banking, corporate and consumer banking, organizational restructuring, return on economical capital strategies, revenue growth initiatives, compliance direction and management, corporate governance and global market identification.

BRUCE MELIZAN – 54 years of age

BRUCE MELIZAN is an Independent, Non-Executive Director. He holds a BSc in Electrical Engineering from Queen's University, Canada, and an MBA from Cranfield University in the United Kingdom ("UK"). He is an alumnus of Presentation College, San Fernando.

Mr. Melizan started his career as an engineer with Schlumberger working in Indonesia, Bolivia, and Trinidad & Tobago where he also worked for TYE Manufacturing. Since moving to the UK twenty-five years ago, he has worked internationally in outsourcing, project finance and equipment rental in both Financial Times Stock Exchange listed and private equity owned businesses including Mowlem Plc, Amey Plc, Interserve Plc and Algeco SA. Mr. Meliza has been a Main Board and Non-Executive Director for more than 10 years. He has also served as Trustee and Chair of Safer London, one of the UK's leading charities serving young women and men affected by violence and exploitation, for more than 10 years. He currently Chairs EcoSync Ltd., a UK based clean-tech start-up.

DAVID O' BRIEN – 64 years of age

DAVID O'BRIEN serves as an Executive Director and is also the Executive Vice President and Chairman of the board for the Motors & Machines Portfolio. He joined the Group in November 2005; prior to this, he held various senior positions at Sagicor, and also served as the President of the Trinidad & Tobago Chamber of Industry and Commerce in 2002 and 2003. Mr. O'Brien has held directorships on the boards of RGM Limited, DFL Caribbean Limited, and the Tourism and Development Company of Trinidad and Tobago. He was the Chairman of the North Central Regional Health Authority, a member of the Multi-Sectorial Core Group for Trinidad and Tobago's Vision 2020 and Chairman of the committee to establish the National Policy for Disabled Persons. Mr. O'Brien is also the Honorary Consul for Sweden in Trinidad and Tobago.

Item 3 – Re-Appointment of Incumbent Auditors

PricewaterhouseCoopers are the incumbent Auditors of the Company. It is proposed to re-appoint PricewaterhouseCoopers as Auditors of the Company to hold office until the next Annual Meeting of Shareholders.

Item 4 – Share Split of the Company's Ordinary Shares

There are currently 98,969,227 ordinary shares issued and outstanding in the capital of the Company. The proposed Share Split will increase the ordinary shares issued and outstanding to 1,979,384,540.

This Appendix forms part of the Notice of Meeting of Shareholders of Massy Holdings Ltd. dated, December 10, 2021

Appendix 1

Guidelines for Shareholders' pre-registration and online attendance at Massy Holdings Ltd. Nighty-Eighth Annual Meeting

N.B.: Shareholders are encouraged NOT to attend the meeting in person as part our response and commitment to ensuring and maintaining the health and well-being of all our stakeholders, as far as is reasonably possible, and in accordance with the latest directives from local public health and government officials in relation to public gatherings, as a national response to the COVID-19 virus pandemic.

Convening of Annual Meeting

The Ninety-Eighth Annual Meeting of Shareholders of Massy Holdings Ltd. will be held in the **La Boucan Room, Hilton Trinidad and Conference Centre**, 1B Lady Young Road, Port-of-Spain, Trinidad and Tobago, on **January 21, 2022** at **10:00 a.m**., in a hybrid format whereby Shareholders may attend and participate in the Meeting via a live webcast.

Pre-Registration for Annual Meeting

To attend the Meeting, Shareholders are required to pre-register during the period **commencing** on **December 24, 2021**, and **ending** at **4.00 p.m.** on **January 18, 2022**, via the following steps:

- Visit **www.massygroup.com**.
- Complete the form - type in full name, address, valid identification number (ID Card, Passport or Driver's Permit) and valid email address in the spaces provided.
- Click "Submit" to complete your request.
- Once you are confirmed as a Shareholder or proxy on record, you will receive an email with a Zoom link, Meeting ID and password to attend the live webcast meeting.

Attendance at Annual Meeting

- Shareholders who have pre-registered and have been confirmed, will be able to login to attend the live webcast of the Annual Meeting of the Shareholders of Massy Holdings Ltd.
- **You will need to download the Zoom app, as voting can only be done from the Zoom app**. There is no need to create a Zoom account.
- Click on the Zoom link provided in your confirmation email. This is an example only of how the link will look: **https://otago.zoom.us/j/123456789**.
- If a pop-up appears on your computer asking to open the link in the Zoom app, select "Allow".
- Please enter the Meeting I.D.
- You **must** enter your full name (First Name and Last Name) as pre-registered.
- Enter password.

Notes

- As an attendee to this meeting, you will **NOT** be able to unmute your microphone or turn on your camera. You will **NOT** be able to see or message other attendees. You will have the ability to see and hear the Chairman of the meeting, as well as any presentations made at the meeting. You will be able to vote on the resolutions put before the meeting, and you will be able to post questions during the question and answer segment.
- For security reasons, you will **NOT** be able to login and view the meeting on more than one device at a time.
  - If switching devices, you will need to log out of the current device first.
  - The invitation link received, will only work on one device, so please do not share this link.
- You will have an opportunity to ask questions by text only, via the Q&A section of your Zoom app when prompted by the Chairman.
- To return to the meeting after asking a question click "Close".
- Do not use the "Hands Up" feature for this meeting as it will not be acknowledged.
- When it is time to vote on the Resolutions, a popup screen will appear stating the Resolution number e.g., Resolution 1 and the text of the resolution. Simply click (press for touch screens) on the button next to the word "For" or "Against" depending on your vote.
- Please select carefully, as you cannot change your vote or vote multiple times.
- Please be advised that the use of the Zoom app requires either a working smart phone/tablet with enough space for installation or a working computer and an internet connection.
  - Remember, internet browsers do not support voting, so you must download the Zoom app on your computer or smart phone/tablet before the event.
- We recommend the use of a high-speed internet connection and a fully charged mobile device. If on a wi-fi network, limit the amount of video streaming from other devices.
- Massy Holdings Ltd. is NOT responsible for the reliability of Shareholders' devices or internet connection speed.

Robert Bermudez

Letter from the Chairman

With greater autonomy, Portfolios were able to adjust to the needs of the new environment, quickly innovating new methods to safely satisfy customers' needs

Dear Valued Stakeholders,

As we approach the end of 2021, I am pleased to say that the Massy Group has demonstrated tremendous resilience, in one of the most challenging times in its 98-year history. In responding to the many challenges brought by the Covid-19 pandemic, amidst much uncertainty and a rapidly changing business landscape, we were guided, motivated and strengthened by our values and our purpose of being 'A Force for Good, Creating Value, Transforming Life'. Our businesses are now more streamlined and operate with a pace, agility and autonomy that is poised for excellence. Our Leaders have undertaken a bold challenge to produce unprecedented results while leading with compassion. Our people continue to work exceptionally hard and remain committed and focused on our vision – this has caused and continues to cause, a transformational shift not only for the Group but in the lives of the people that we serve.

2021 Recap

Portfolio executives delivered improved results for Financial Year 2021, reflecting the Group's ability to adjust and succeed, despite the effects of the global pandemic. All companies maintained critical health and safety protocols while altering their processes to operate in the new environment. We are proud of our businesses for stepping up to the challenge and upgrading their use of technology to remain safe and accessible to customers.

A resilient response to the pandemic was reflected in the results for 2021, as Massy Group's Profit After Tax (PAT) from its Continuing Operations grew by 68 percent from $403 million to $678 million. PAT from Discontinued Operations decreased from $340 million in 2020 to $144 million in 2021, resulting in overall Group PAT growing by 11 percent from $743 million to $822 million. This is consistent with the Group's strategy to focus on its 3 main Portfolios which are driving significant growth, as it divests non-core and underperforming assets freeing up more capital to be invested in the three core Portfolios.

Our executives have continued to validate the Group's strategy by consistently delivering improved results. With greater autonomy, Portfolios were able to adjust to the needs of the new environment, quickly innovating new methods to safely satisfy customers' needs. I am pleased with the Company's progress for 2021 and am excited to see Massy's values of growth and continuous improvement, bolster creative strategies to increase shareholder returns.

The economies of our main territories are regaining some strength from 2020's economic downturn. Barbados is seeing increased tourist arrivals, while Trinidad & Tobago's economy benefitted from a recovery in oil and gas prices. Notwithstanding their improvements, these economies are still coping with the prolonged effects of the pandemic. Massy's regional footprint allows it to benefit from economies which are recovering more quickly like Guyana and Colombia. Guyana's economy has experienced expansion in oil and non-oil sectors, the International Monetary Fund (IMF) projects real Gross Domestic Product (GDP) growth of 19.5 percent for 2021. Large expansionary fiscal and monetary stimulus allowed Colombia to stand out from its neighbours, with projections to grow GDP above pre-pandemic levels.

Governance – Inculcating a Strong, Values-Based Culture

We, at Massy, continuously strive for improvements in our governance and in our leadership. We strive to live our Values which means, doing the right thing but also, cleaning up our mistakes when they are made. How we lead, how we care, how we behave is being sown into the fabric of our culture. We are resolved to nurture this culture because Massy recognises that good Corporate Governance is critical, but can only thrive with strong values at its roots.

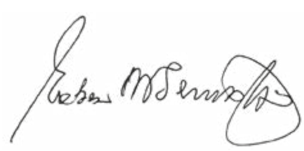
The pandemic has brought many lessons home to us, clarifying what was most important, both at a corporate and at an individual level. Our culture therefore, continues to be one of responsibility and love for our people, our communities, our country, our region and our world. Our businesses provide fertile ground for living our purpose, while working to produce excellent results. Our good corporate governance practices and values are cascaded though the Portfolios who are also working to continuously strengthen their Enterprise Risk Management systems, which underpin the autonomy, agility and bold aspirations which now exist across our businesses.

Board Changes and Acknowledgements

In continuing to foster and strengthen our leadership we looked at the following: Board refreshment, Director tenure, Director training and performance management. These were key areas of focus in informing and guiding the Board's succession planning as the Group evolves. During the past year, the Board welcomed Ms. Luisa Lafaurie Rivera and Mr. Bruce Melizan as Independent, Non-Executive Directors. Luisa has joined the Governance Nominations and Remuneration Committee and Bruce has agreed to serve on the Audit and Risk Committee. They each bring a broad range of skills and experience and we have seen that the Board is already benefitting from their valuable perspectives.

This year, we bade farewell to Mr. William Lucie-Smith, who retired from the Board after 16 plus years of impressive service to both the Company and the Group. I wish to thank William for his great service to the Board and this Company and wish him all the best in his retirement.

Finally, I would like to thank the Group CEO, his senior executives and all Massy staff, for their dedication and excellent performance in 2021. I also recognise the sacrifice made by employees on the front lines who maintained the supply of essentials during the pandemic. To my fellow Board members, I am grateful for the direction and counsel you provided to inform the Group's strategy and good governance. Shareholders, you can rest assured that the Board will continue to challenge the Group's executives to increase future returns.



E. Gervase Warner

Letter from the CEO

We are now experiencing and cultivating a new energy within and across our Group of companies in all the countries in which we operate

Dear Valued Stakeholders,

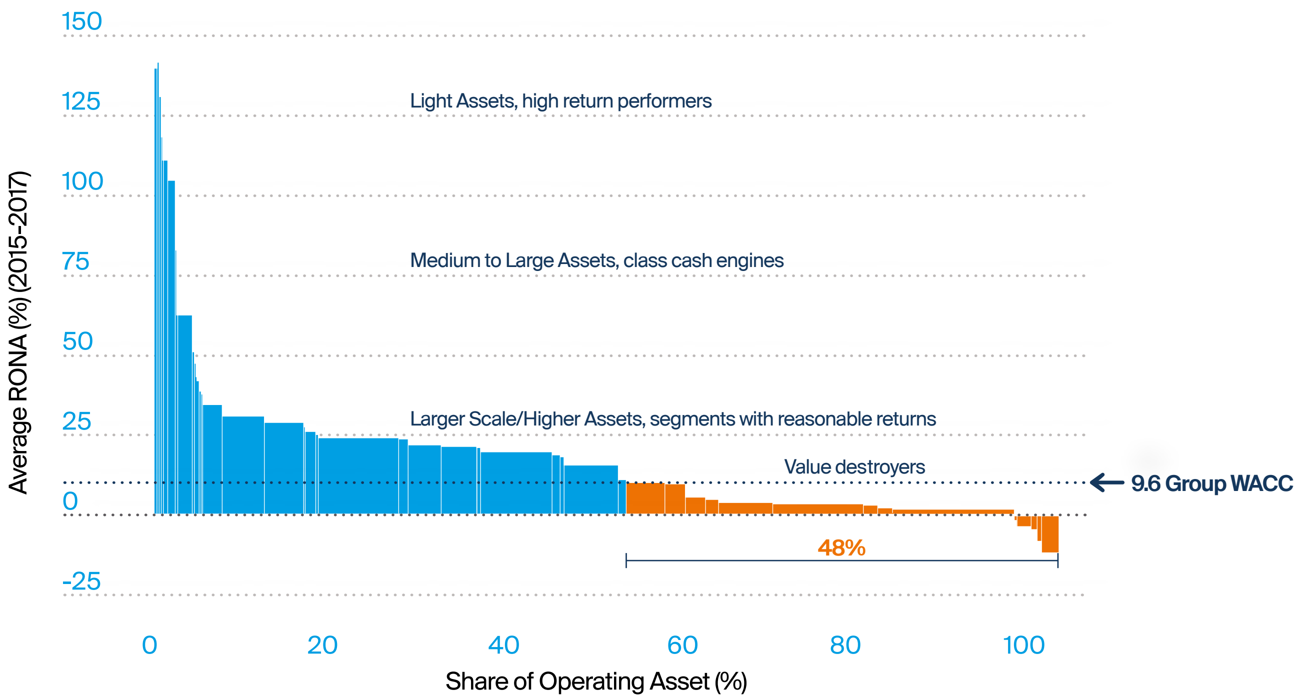
Financial Year (FY) 2021 was another extraordinary year for the Massy Group of companies. The transformational work that the Group has been undertaking for years, has unleashed a new energy across our organisation, in our business operations, among our people and within the societies in which we operate. The Group's commendable financial results are a lagging indicator of the way the Group is operating.

When we began the journey in 2011 to become a "conscious company", purpose-driven and values-based, we held the belief that our Group could sustain outstanding financial performance by operating "consciously". We believed that companies in which leaders are expected to engage, grow, motivate, and reward employees with a focus on delighting customers could create a virtuous cycle of loyalty and value that would produce superior returns. We believed that conscious companies, which used profits to better reward employees and invest in surrounding communities, could create an environment in which multiple stakeholders would support the company's future. We believed that embracing suppliers and creating unbeatable value propositions for customers would secure sustainable returns.

As we initiated the journey many years ago, we quickly recognised the challenges and the need to change our own leadership behaviours. Personal transformation takes time and courage. Over the course of the last 10 years, senior leadership has completed significant personal leadership transformation. I acknowledge the courage, determination, and generosity it took for many of us to recognise unproductive ways of being and remain open to feedback to become more effective leaders. The process is ongoing.

A major breakthrough for the Group came through our strategy exercise in 2018, when we examined the performance of the companies in the Group and identified that 48 percent of the Group's Operating Assets at an operating company level were producing returns below the Group's Weighted Average Cost of Capital (WACC).

Weighted Average Cost of Capital



Over the course of the last three years, the Group has implemented a strategy to focus on it three main Portfolios, improving the returns on some underperforming assets and divesting non-core and underperforming assets. As a result, less than 20 percent of the Group's Operating Assets are now producing returns below the Group's WACC and most of those assets are related to non-core real estate.

With the shift to focus the Group on the Portfolios and Lines of Business (LoB) that we know well, and in which have scale, we are experiencing the magic of truly empowered organisations and leaders. Strengthening governance at the Portfolio level with Portfolio Boards with non-executive directors, and devolving autonomy and authority deeper into the organisation has been rewarded with faster decision making and greater responsibility being assumed by our employees throughout the Group. We are now experiencing and cultivating a new energy within and across our Group of companies in each of the countries in which we operate. That "Massy Energy" is characterised by the following qualities:

- **Confidence.** The increased autonomy and focus on the Portfolios has brought confidence to set bold objectives. Implementing strategic initiatives and achieving strong financial results, in an unprecedented time of crisis, have only served to increase confidence in our organisations.
- **All is Well.** Despite the significant challenges faced, as the economic and health crisis persists in many of the countries in which we operate, our organisations can hold that "we are okay and we will get through this together". This creates an ability to avoid being overwhelmed and to focus on providing the support and strategic action that are appropriate now.
- **Possibility.** Our employees now live in a space in which things are possible. There is a "Yes, we can" opening to new ideas and aspirations that encourages creativity, so necessary to respond to the increased rate of change in all our industries.
- **Abundance.** This is a new mindset for most of us, especially during a crisis, one could adopt a more frugal mindset. The Abundance mindset encourages the organisation to make further investments. The Abundance mindset supports the setting of ambitious targets and the creativity to achieve them. It is very much matched with the energy of Possibility.
- **Responsibility.** This is a familiar energy within the Massy Group. We have a huge sense of responsibility for taking care of our employees and for being a part of the recovery efforts in all the countries in which we operate. We also have a great sense of responsibility for being conscientious stewards of shareholders' capital.

Strategy Update

Our Group's Strategy is now centered around four priorities:

1. Assuring the Future
2. Growing the Group: both Bottom Line and Top Line
3. Creating Value for our Shareholders
4. Leading in Environmental, Social and Governance (ESG)

Assuring the Future

We continue to believe that assuring the future of the Group, will require greater focus and agility, in a world in which the rate of pace of change is only increasing and in which volatility, uncertainty, complexity and ambiguity abound. Hence our strategy to evolve from being a traditional Conglomerate to an Investment Holding Company, with a deliberate focus on, and devolved autonomy to, our core Portfolios and Lines of Business, which can provide the platforms for future growth with consistent strong returns.

In FY 2021, we successfully divested non-core assets, such as Massy Pres-T-Con Ltd. and Roberts Manufacturing Co. Limited. The successful execution of these divestments will allow us to provide even more attention to the things we do and know well, while simultaneously unlocking capital to optimally reinvest in our strategic priorities.

Additionally in 2021, we entered into a Share Purchase Agreement with the Coralisle Group to sell 100 percent of the share capital in Massy United Insurance Ltd. for US$90.5 million. The Coralisle Group is a leading multi-line insurance company with headquarters in Bermuda,

> With constant devolvement of autonomy at all organisational levels, we are proud of our businesses in how fast they are responding to environmental shifts with great agility

which serves several Caribbean territories and select international markets. While we continue to work with the various regulators to close the transaction in financial year 2022, we consider this to be a significant achievement, consistent with our corporate strategy to focus our operations and future growth agenda on the core businesses.

The three main Portfolios have shown great resilience, as they continuously navigate the uncertainty associated with operating in the new normal of the Covid-19 pandemic. The leadership and employees in the Portfolios are functioning autonomously and are fully empowered to focus on pursuing their growth plans in a responsible manner. As a Group, we have benefitted from such focus in the Portfolios, as evidenced in our 2021 financial performance with 41 percent improvement in (Profit Before Tax) PBT from Continuing Operations.

At this time, we primarily operate in developing markets, but we know that we cannot escape the momentum of global trends, such as direct to consumer online commerce platforms, mobility evolution from "usership" to "ownership" and the market evolution to cleaner energy sources for climate change mitigation and adaption. Even though these are just a sample of the trends, they present real threats to our Portfolios, while at the same time offering opportunities to participate in new vectors of growth for the future. With constant devolvement of autonomy at all organisational levels, we are proud of our businesses in how fast they are responding to environmental shifts with great agility, which certainly bodes well in credibly addressing and capitalising on these disruptive forces.

As indicated last year, we are actively diversifying geographically, to reduce our reliance on Trinidad and Tobago and Barbados. In financial year 2021, these two countries collectively contributed 54 percent to PBT from Continuing Operations, compared to 56 percent in 2020 and 61 percent in 2019, so our geographic composition is evolving in alignment with this strategy. Existing markets, such as Colombia and Guyana, present huge opportunities for growth, given a combination of market size and/or economic buoyancy. We will continue to fervently search for new opportunities in these territories. Moreover, our Portfolios are exploring opportunities in new geographic markets in the Caribbean, Latin America, and the USA, which is also an important aspect of assuring the future of our Group.

Growing the Group: Both Bottom Line and Top Line

Despite the deleterious effects of the pandemic on the economies in which we participate, it would be remiss of me not to recognise that the pandemic has also helped us to optimally improve how we operate. Fundamentally, it has taught us that we can efficiently 'do things differently', and that we can also effectively 'do different things'. One clear example of the first point is how embedded remote working has become in our organisation which enabled us to further cut back on business travel, occupancy and administrative costs regionally.

The second point relates to how creative our businesses have been in operationalising their strategic plans, in this new paradigm, by offering new products and services, as well as serving new channels and customer segments. I highlighted a few examples last year – launching the new Massy Stores Mini format in Integrated Retail, alternative uses for Liquified Petroleum Gas (LPG) in Gas Products and pursuit of hybrid and electric vehicle (EV) lines in Motors & Machines. The segment reports coming up will provide greater insights on how the Portfolios are progressing with these initiatives and many other exciting projects. However, what I want to really emphasise here is that we are not only committed to developing our core businesses organically, but we also have a valid pipeline of new ideas and strategic plans that will allow us to capture inorganic value to sustainably grow both our Top and Bottom Line.

Creating Value for our Shareholders

Our Group continues to perform well, and we are pleased to report that our Third Party Revenue grew by 9 percent and PBT from Continuing Operations improved by 41 percent to $929 million. This is a key profit measure that demonstrates that our strategy is working, because as we continue to narrow the focus of the Group by divesting non-core assets, it is important that our main Portfolios and Lines of Business remain as the primary engines of growth.

In 2021, the Group's Earning Per Share increased by 13 percent from $7.11 to $8.02, and our Share Price increased significantly to $82.50 on September 30, 2021, compared to $59.00 at the start of the financial year. Moreover, our Total Return to Shareholders (TRS) increased from 12 percent to 44.15 percent. We continue to deliver enhanced value to our shareholders as TRS has been excellent for the past few years, Return on Equity (ROE) is improving and our upcoming cross-listing in Jamaica in 2022 will increase trading activity, expand the base of shareholders, and give international investors better access to hard currency from their trades.

Leading in ESG

As I alluded to earlier, Massy has been on a journey for over a decade to transform our Group to one that is purpose-driven and values-based. The pandemic has brought the need for this type of business transformation into sharp focus as it has crippled economies and has disrupted societies and businesses. Our Group views ESG issues as core to the sustainability of our businesses and key lenses for decision making.

Environmental Leadership

Consistent with our purpose and values, the Massy Group is committed to environmental leadership. While we have made strides to be a leader in this area, we admit that the urgency of the current situation calls for us to do even more. In service of protecting and preserving our environment, Massy Stores implemented a fee for plastic bags in its stores throughout the region and introduced colourful reusable bags for which patrons are awarded extra loyalty points for using. Through this initiative, Massy Stores has achieved 70 percent reduction in plastic bag use across the region, when compared to the usage of plastic bags prior to 2018.

Our stores across the region continue to seek ways to further reduce the use of plastic in packaging and to work with partners to serve as collection points for plastic bottles.

Our Gas Products Portfolio, through the Energy Service companies in the Portfolio has been pursuing regional renewable energy opportunities. In 2019, we provided a proposal under the Request for Proposal (RFP) for the Trinidad and Tobago utility scale solar photovoltaic (PV) opportunity. Unfortunately, we were not awarded the project, but we continue to seek opportunities throughout the region. We would like to see more Renewable Energy projects tendered in the region in service of our governments' own objectives and promises.

Our pivot to remote and hybrid work has helped considerably to reduce our Carbon footprint. Commutes to offices have been substantially reduced, whilst electricity and other utility consumption has been reduced. We also consume far less paper, as more and more communication and documentation sign-off has moved to electronic formats. We expect these improvements to stick and only improve with time.

Social Leadership

From its inception, the Massy Group of companies maintained a responsibility for contributing to the societies in which it operates. This is a core part of our belief system and how we do business. All companies in our Group set aside one percent of PBT to be used for charitable purposes. The Massy Foundation's Annual Report provides details on the Foundation's activities and responsibilities in Trinidad and Tobago, but similar structures exist in each of the countries in which we operate.

The People and Purpose section of this Annual Report gives additional insight into the spectrum of support that we share with our employees, our communities, and our stakeholders in those territories where we do business. Whether it is bringing a new vision of the future of entrepreneurship to life, empowering a culture of accountability and integrity, putting a whole-person lens on our approach to health, or embracing a Group-wide dedication to learning, we are constantly pushing ourselves to be and do better.

In this section, I would like to include a couple initiatives which were and continue to be particularly effective:

NUDGE –
Social Enterprise powered by Massy

Last year, we introduced Nudge, a social enterprise to support nurturing and growing entrepreneurs, as well as small and medium businesses in the region. This year has been a 'Year of Discovery' for Nudge, even as many businesses faced the challenges of this ongoing pandemic. We discovered a community that is full of potential and in need of a fertile environment for growth and hope.

We believe that as an organisation we have an obligation to give back to the communities and countries where we operate. It's part of our business model and Nudge is an excellent vehicle, because it is not a handout. It is a means by which we can help stimulate entrepreneurial activity and create employment and opportunity. The entrepreneurs we work with are our partners, who lead the way to development on their own terms. The Massy Board of Directors has, for a second year, approved funding in the amount of the equivalent of US$1 million for Nudge to continue this work. More details about Nudge, including feedback from the entrepreneurs involved can be found in the 2021 Corporate Social Responsibility Report on our website at **www.massygroup.com**.

Support for National Vaccination Efforts

In Trinidad, the Group provided significant support for the national vaccination efforts via the Massy Foundation, by assisting with the funding and operation of the mass vaccination sites. The Group was instrumental in coordinating support from other major corporations in Trinidad and Tobago for the mass vaccination sites in an unprecedented public private sector collaboration, in the battle towards returning the country to some degree of normalcy.

In addition to the Group's financial contribution, Massy Motors provided SUVs and drivers to support transportation of vaccines to the mass vaccination sites. We also made available IT equipment to Ministry of Health facilities to fill gaps where the health facilities lacked laptops, tablets and printers required to register patients and perform data entry.

Governance Leadership

Governance leadership has been an important priority for Massy for many years. Good governance is part of the Group's DNA and is completely consistent with our values. Over the course of the last 10 years, the Group has been on a constant journey of continuous improvement in our Corporate Governance and today we are confident that our Governance is at world class level. The Group maps its governance to local and other major international standards and reports on its advances annually.

Details regarding enhancements to the Governance of the Group can be found in the Corporate Governance Report, as well as in the Governance sections of the Portfolio Reports.

In Closing

I would like to acknowledge Eugene Tiah, who retired as Executive Chairman of our Gas Products Portfolio, at the end of September. The Group recognises Eugene's significant contributions to this business and to the wider Group and we wish him well in his retirement. Vaughn Martin, Senior Vice President and Executive Chairman of Strategic & Other Investments LoB, will be promoted to Executive Vice President and Executive Chairman of Gas Products Portfolio. With most of the businesses in that LoB having been divested, Jeremy Nurse (Vice President, Corporate Strategy and Transactions) will take over as Chairman for the property companies in Trinidad and Barbados. The responsibility for Massy Energy Engineered Solutions and Massy Wood, will move with Vaughn Martin to the Gas Products Portfolio.

Our Board of Directors continues to be a tremendous source of support and counsel. The strength of our Directors and the diversity of their perspectives and experience, is undoubtedly an important component in the success of the Group. I would also like to acknowledge our Chairman, whose wisdom and exemplary leadership continue to inspire us all.

I cannot close without expressing my gratitude to the leaders and employees of the Massy Group of companies. We are blessed with great people, creating strong benches for succession and who we can rely on for engagement and ideas. We will continue to provide a rich, rewarding, and purposeful working experience at our companies as we recognise that cultivating talent will only become increasingly important in the future.

If I have a worry, it is for the blurring of the lines between personal and professional life and the stresses that parents continue to face with remote or blended school arrangements for their children. We are supporting our employees with mental health support via our Employee Assistance Programmes, and remote or rostered work where that is feasible, but this remains a real challenge.

As always, I must express our gratitude to our loyal customers and Shareholders. Thank you for your confidence and trust in us. The future looks very bright. Our Portfolios have been awakened to the threats and opportunities from digital and other technologies. Our mindset is more expansive and the landscape for growth continues to expand.

We closely monitor and adjust the product selection in all of our stores to ensure that it remains relevant and reflects changing trends, customers' preferences and spending ability

Ian Chinapoo

Letter from the CFO

Each of our industry Portfolios has performed with distinction in 2021, consistently adapting and evolving to maintain their growth momentum, even during the most unpredictable and challenging operating circumstances

Dear Shareholders,

I am once again pleased to update you on our annual Group consolidated financial performance. Our exciting and transformative journey into the "new normal" continued in Financial Year (FY) 2021, with the Massy team eagerly embracing our ambitious strategies and targets within the spirit of new possibilities. We remained passionate and excited, facing our many challenges with the confidence that we can and will overcome them.

Last year, I shared our story of deep focus and resilience, evidenced in the financial results of the Massy Group in the face of the extremely trying socio-economic circumstances, including the impact of the Covid-19 pandemic. Our 2021 story however, is nothing short of Inspirational! Not only did we ensure that all our Investment Portfolios and Lines of Business (LoB) responded creatively and innovatively to the business realities that have evolved, but our people have risen above all challenges and, with unwavering focus on many transformative initiatives and opportunities, they delivered growth in virtually every business operation. Even now, the planning and strategic thinking done in 2021 positions the Group well for continuous growth within the framework of our Values, Purpose and Vision well into the future.

Thus, your Group remains purpose-driven and responsible, assuring its future by supporting our de-centralised Portfolios, who are accountable. We are constantly reviewing and designing a business Portfolio investment mix that provides the optimal long-term value creation for the Group's invested and earned capital.

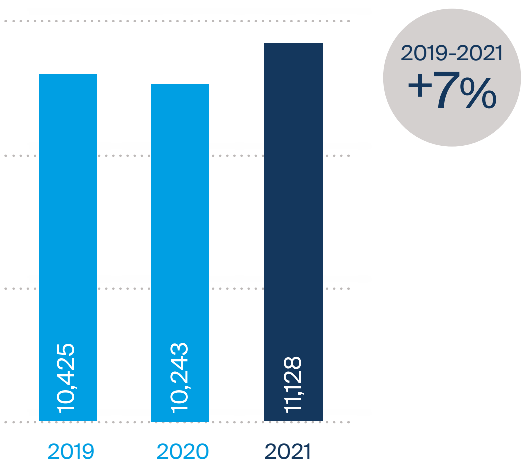
2021 Financial Performance Review

[Note that for comparative purposes in this report, we have again revised all our prior year numbers for 2019 and 2020, to exclude all Group entities that are now included in the Discontinued Operations category. For 2021, the most substantive of these entities include Massy United Insurance Limited, the credit card portfolio of Massycard (Barbados) Limited., Pres-T-Con Holdings Ltd. as well as Roberts Manufacturing Co. Limited].

Allow me as usual ,to begin with an analysis of the Massy Group's Continuing Operations for the year, in particular our top line Revenue performance for 2021.

Table 1

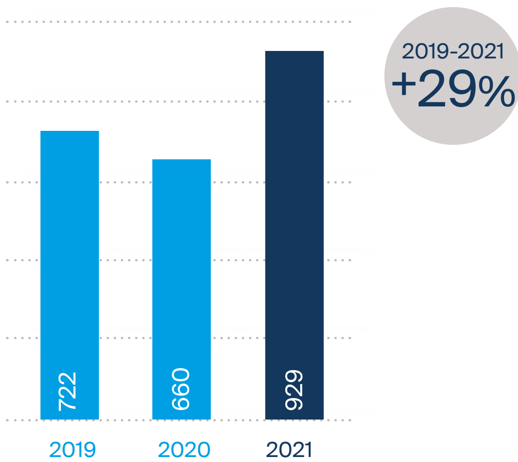
Revenue (TT$M)



Total Group Third Party Revenue grew to $11.128 billion in 2021, representing a 9 percent increase over 2020. This Revenue growth was achieved with Group Operating Expenses being held to only a 3 percent increase, thus ensuring overall higher profit contributions from our incremental revenue growth. This also contributed to an amazing growth of 41 percent or $269 million in the Group's Profit Before Tax (PBT) from Continuing Operations to $929 million from $660 million last year. This Year-over-Year (YoY) growth in our pre-tax Continuing Operations' operating profit performance was driven primarily by a 21 percent ($165.9 million) 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 $47 million from the management of international investments and $12 million 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 of carry, especially on excess local currency liquidity.

Table 2

Profit Before Tax (TT$M)



Once again in 2021, mandatory health restrictions in many jurisdictions challenged both our customers' patronage and our employees' ability to physically attend work. This year, however, we implemented the many lessons learnt from 2020, fully embraced a "can do" attitude and saw every curve ball thrown as an opportunity to explore new ideas and creative solutions to, not only survive, but thrive!

Discontinued Operations Strategic Update

As we continue to devote significant focus on our core Portfolio businesses, we continued our strategic divestment programme in 2021. In this regard, we have either fully disposed of the assets and/or shares or executed contractual arrangements, for the planned sale of several businesses across the Group.

Specifically, we have disposed of our respective shareholding in Massy Pres-T-Con Holdings Ltd. to PRESTCON 2021 LIMITED, an affiliate of Inez Investments Limited (established in June 2015 and is a part of the Warner Group of Companies which includes several other companies spanning various sectors such as construction, retail and hardware.) Roberts Manufacturing Co. Limited to PROVEN Investments Limited (a private equity investment holding company listed on the Jamaica Stock Exchange) and Highway Properties Ltd to Mouttet Capital Limited (an investment company based in Trinidad and Tobago with primary activities in commercial real estate, hotels and retail). These disposals also generated net proceeds of $165.2 million to support future growth and investment in the Portfolios, in pursuit of the Group's strategic plans.

Furthermore, the Group entered into a Share Purchase Agreement with the Coralisle Group (a leading multi-line insurance company with headquarters in Bermuda) to sell our equity interest in Massy United Insurance Ltd. (MUIL). We are currently seeking regulatory approvals for the sale. We also intend to sell MUIL's 20 percent stake in SigniaGlobe Financial Group, the credit card portfolio assets of Massycard (Barbados) Limited (leaving the business to focus on Remittances), and Endervelt Ltd. which is a non-core property holding company in Trinidad. These are therefore considered Held for Sale and included in our Discontinued Operations disclosures. These disposals are all on track to be completed during the 2022 financial year. We will update on these potential transactions in our market disclosures at the appropriate time and subject to regulatory approvals, where appropriate.

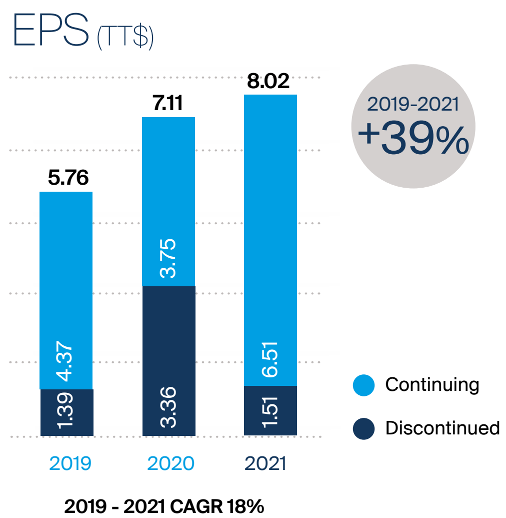
Overall, these entities represented a combined contribution of 7 percent each to Group Revenue and Group PBT and represented 13 percent of Group Net Assets at the end of 2021. For 2021, we have realised a Gain on Sale of Discontinued Operations of $90.78 million. Note that this is 65 percent lower than the prior year cumulative Gain on Sale of Discontinued Operations of $262.44 million, which was substantially driven by the sale of the remaining companies in the Information Technology and Communications (ITC) Line of Business in 2020.

Analysis of MHL's Investment Performance and Value Chain Contribution

For the second 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 $8.02 for 2021, which represents a 13 percent increase for 2021. This equates to a 2-year annualised growth of 18 percent!

For greater context, $6.51 (US$0.97) of our EPS came from our Continuing Operations, including Head Office and other adjustments versus $3.75 (US$0.56) in 2020 (a 74 percent increase), while $1.51 (US$0.22) represented the contribution from the sale and operations of our Discontinued Operations, versus $3.36 (US$0.50) in 2020, which is a 55 percent decrease.

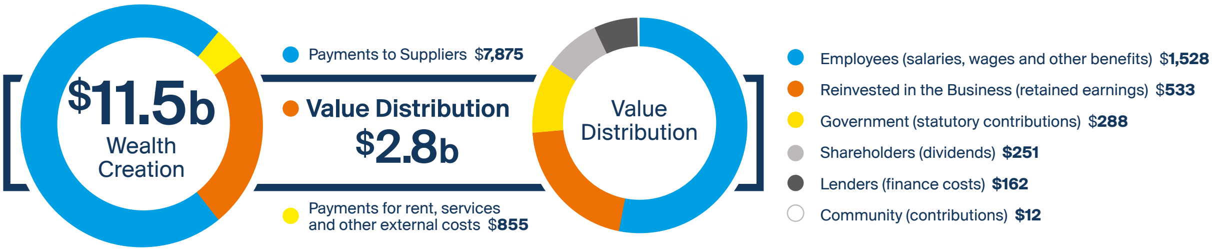
Table 3



As we continue to be a valued partner to many stakeholders across our footprint, we understand our important role in the value chain of the economies in which we operate every day. We are often simultaneously a customer, supplier, investor, employer, borrower, lender, community partner and taxpayer. For the first time, in 2021 we have calculated that our business activities throughout our value chain have resulted in $11.5 billion in overall wealth creation, spread across all the economies in our sphere of operations, with our supply partners ($7.87 billion), our employees ($1.5 billion) and our service providers ($855 million) leading the way. Our suppliers, lenders and service providers are themselves employers, consumers and taxpayers, thus creating a multiplier effect for our economies inspired by the Massy Group wealth creation value chain!

Wealth Creation & Value Distribution (TT$M)

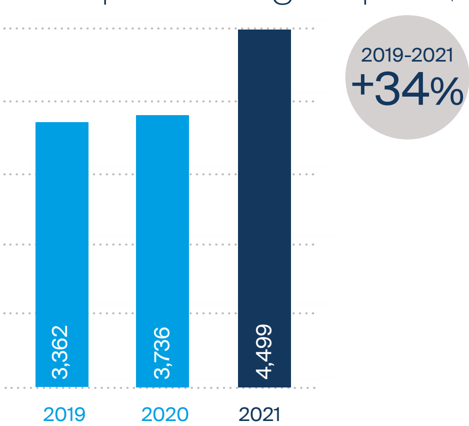
Including discontinued operations and held for sale



The management of our cashflows and the timely settlement of our obligations remain among our top priorities. I am confident therefore, that you will be pleased with our strong Working Capital balance of $4.5 billion as shown in Table [4] below, which enables us to meet all our obligations on time and in full as well as to capitalise on new opportunities across all our Portfolio/LoB lines.

Table 4

Group Working Capital (TT$M)



During 2021, we deepened our belief that access to capital is a critical success factor to the Group's growth plans. Across all our Portfolios/ LoBs we have aggressively pursued strategies that reviewed our financing obligations and financing cost efficiency. As a result, we have continued to reduce our Group Debt levels and improve our Debt to Equity ratio. As the numbers show in Tables [5] and [6], Group Debt (Total Current and Non-Current Borrowings) has once again been systematically reduced, i.e. by 19 percent in 2021 and Debt to Equity now stands at 26 percent, down from 34 percent at the end of 2020.

Table 5

Group Debt (TT$M)

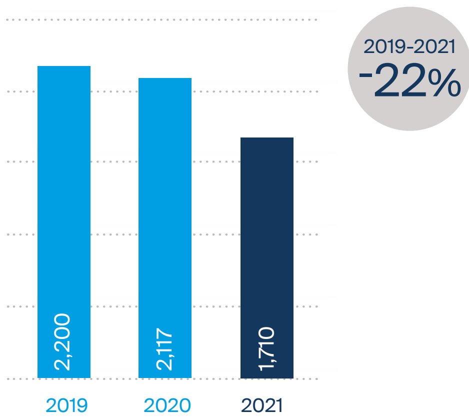
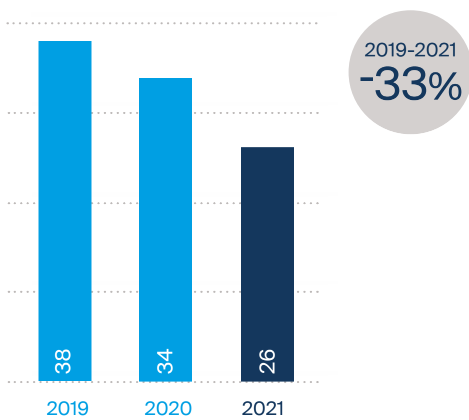


Table 6

Debt to Equity (%)



This compares very favourably to the Latin American (LATAM) Peer Group median benchmark of 100.5 percent and the Caribbean Conglomerates average benchmark of 29.5 percent. We are therefore, well prepared to take bold strategic value moves as we can access debt capital resources from our financial partners via incremental leverage, which remains a competitive strength given potential inorganic growth opportunities being explored.

I wish to reiterate that we are committed to ensuring that our Shareholders' invested capital is best utilised across the Group to earn a return that meets or exceeds a total return, that is consistent with the risk appetite as approved by the Massy Holdings Ltd. (MHL) Board of Directors in line with Shareholders' expectations. We remain conscious that Massy's publicly listed stock is an important part of many individual and institutional investment portfolios, including pension plans and mutual funds.

As usual, I will provide an analysis on the overall MHL Shareholder performance metrics for 2021, as well as the performance of the capital deployed across our major LoB.

Our share price began the current year at an opening share price of $59.00 on October 1, 2020 and closed the year on September 30, 2021 at $82.50 per share. This represents a Total Return to Shareholders (TRS) of 44.15 percent which consists of a 39.83 percent YoY share price appreciation [($82.50 - $59.00) divided by $59.00] and a 4.32 percent 12-month return on cash dividends paid [$2.55 per share divided by $59.00 closing 2020 share price]. Comparatively, the Trinidad and Tobago Composite Index had an annual TRS of 9.91 percent for the same period, thus MHL outperformed the local index by over 345 percent in 2021.

During 2021, Massy has demonstrated its attractiveness to both growth and value investors, who wish to have in their Portfolio a stock with high intrinsic value and yet still delivers stable and reliable returns. The following table and graph assume simultaneous investments of $100 from 2018, in Massy, the Trinidad and Tobago Composite Index and the S&P 500. The comparison assumes that all dividends were reinvested.

Investor Returns Comparison ($)

FYE 2018 vs FYE 2021

$100
Invested
September 28, 2018

Return as at September 30, 2021

97.77%	27.07%	56.02%
$197.77	$127.07	$156.02
MASSY	TTSE Composite Index	S&P 500 Index

The results indicate that for the period end September 2018 to end September 2021, if an investor had placed $100 in each of the above investments, their investment in Massy would have grown to $197.77, well ahead of the S&P 500 (at $156.02) and the TTSE Composite Index (at $127.07).

When compared with the regional and international market benchmarks for 2021, MHL compares favourably with other diversified conglomerates in the Caribbean and highlights its growth potential with its appropriate benchmark LATAM Peer Group (see Table [7] following).

Table 7

	Market CAP TT$million	P/E[1] Multiple	Dividend[2] Yield %	Debt/ Equity %
Massy	8,113	13	3.1	25.6
Average Caribbean Conglomerate Peer Group	5,995	17	1.3	29.5
Median Latin American Peer Group[3]	16,226	18	1.2	100.5

[1] Based on EPS from Continuing Operations only
[2] Based on the 12 month Trailing Dividend Paid relative to the Share Price at the end of the Financial Year
[3] Independently determined by International Financial Data Organisation.

MHL shares continue to be very attractive for income investors given the consistent and lucrative dividend payout. However, it is also quite exciting as an investment for value and growth investors. MHL's significant share price appreciation year over year has resulted in the Group achieving Price-to-Earnings (P/E) ratio multiples of 10.3 times, based on Total EPS and 13 times, based on EPS from Continuing Operations. This result shows, that although we have progressed well during FY2021, there is potential upside for further share price growth, given that we remain below that of the Caribbean Conglomerate Peer Group Average P/E multiple of 17 times and LATAM Peer Group median level of 18 times. It is also evident from Table [7] that the combination of MHL's increasing focus on market and revenue growth in LATAM, along with its low gearing and strong funding capacity, provides an opportunity for investors to assess today how well Massy can keep driving Shareholder value in the future.

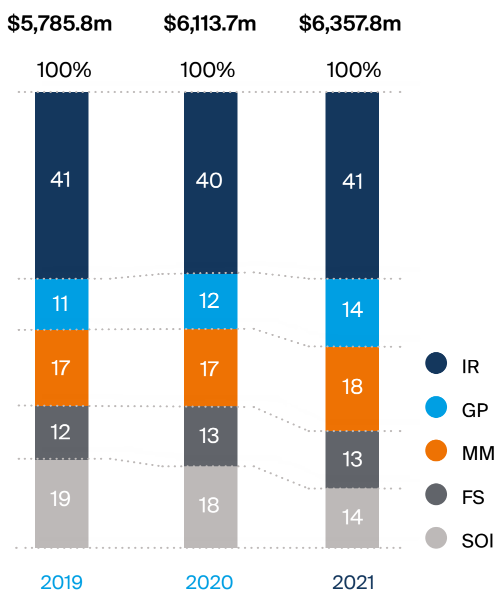
Analysis of Portfolio/LoB Performance

As we deepened our Investment Holding Company strategy execution in 2021, our core businesses now represent over 80 percent of the Group's earnings. This allows for Executive and Board focus to sharpen, thus ensuring that our investments in each selected industry continue to present long-term strategic value to the Group.

Each of our industry Portfolios has performed with distinction in 2021, consistently adapting and evolving to maintain their growth momentum, even during the most unpredictable and challenging operating circumstances.

Operationally, resources and capital expenditures were aligned to achieve aspirational goals and exceptional results (see reports from each Portfolio and LoB later in this Annual Report). Making excuses simply was not an option! Massy Holdings ensured that Portfolio/LoB plans and objectives were aligned to the overall Massy Group's long-term strategy of Shareholder value creation and supported with needed investment capital support to drive their individual growth. Note that our three core Portfolios have received 73 percent of the deployed investment capital of the MHL Parent. This percentage is expected to increase in the next year, as the Portfolios pursue their expansion strategies and the Group's Held for Sale assets (including Massy United Insurance Ltd.) are sold.

Invested Capital (%)



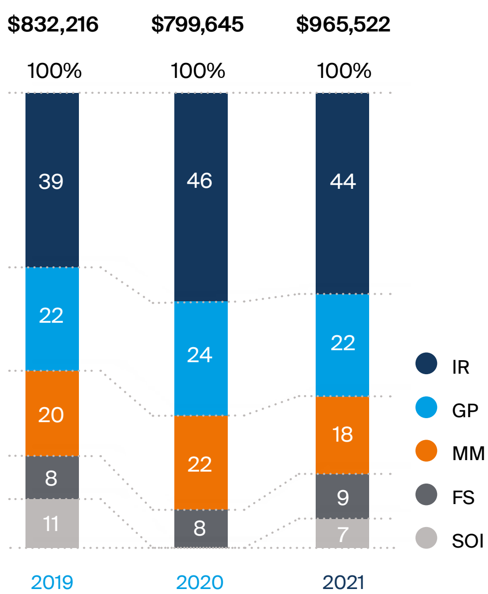
Financial Services (FS) percentages include MUIL's contribution in FY 2021

We continue to assess both the Portfolio's and Lines of Business' performance comparatively within the Massy Group and across relevant industry benchmarks. Included are some of the measurements used in that assessment for your consideration:

1 Portfolio and Line of Business Contribution to the Massy Group's PBT
2 Portfolio and Line of Business Contribution to the Massy Group's EPS
3 Portfolio and Line of Business Return on Net Assets

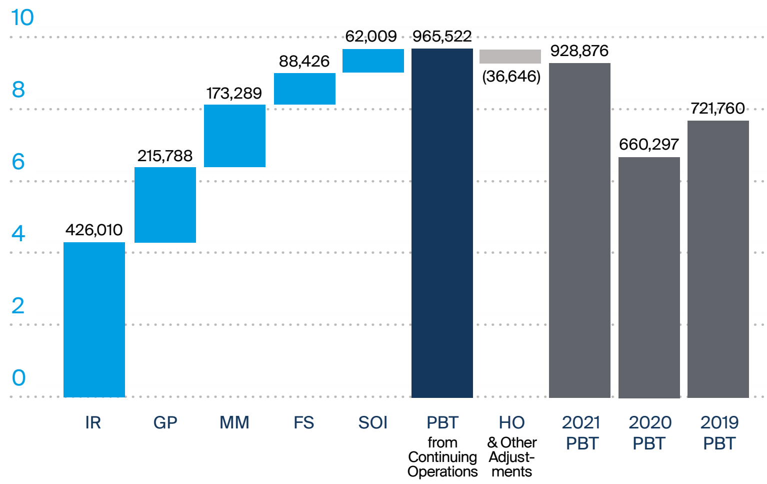
Continuing Operations PBT

% Contribution by Business Unit (TT$ '000s)



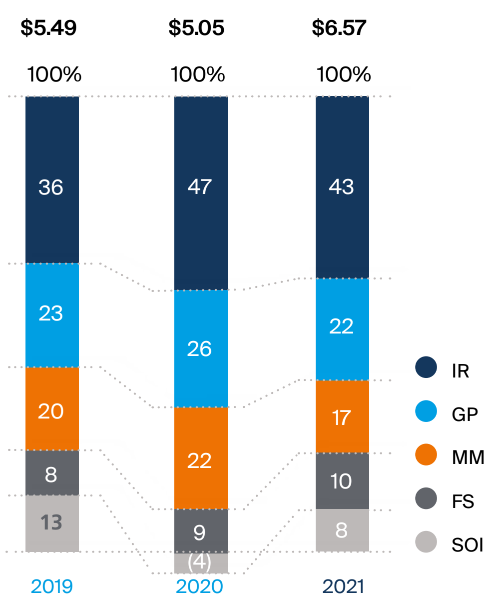
Excludes PBT from Discontinued Operations and Held for Sale entities FY 2021

Group Profit Before Tax (TT$ '000s)



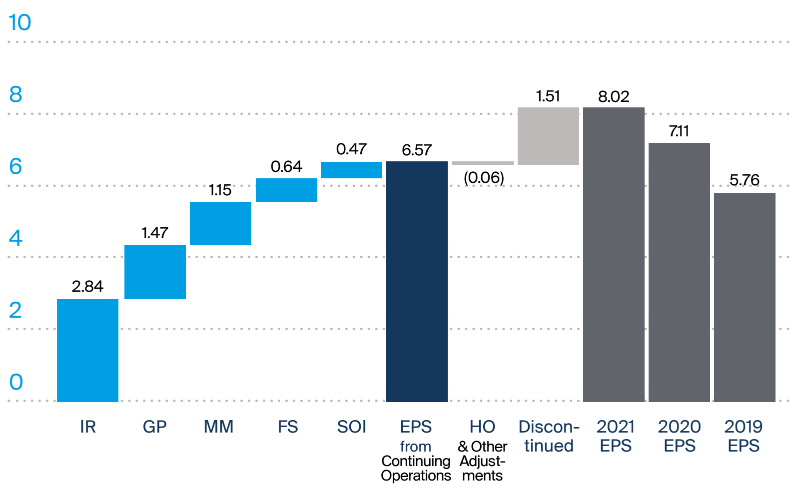
Continuing Operations EPS

% Contribution by Business Unit (TT$)



Excludes EPS impact of HO & Other Adjustments

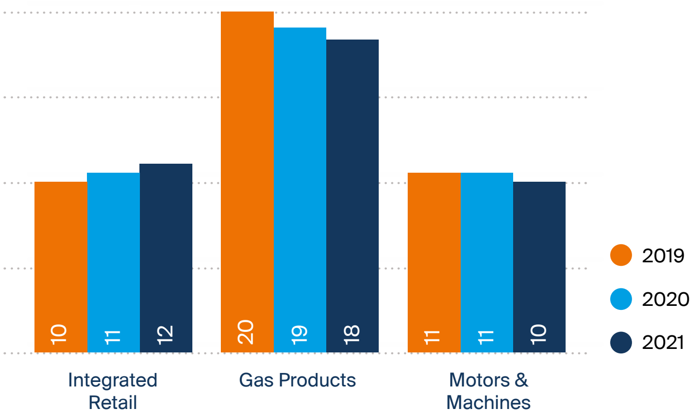
2021 Earnings Per Share (TT$)



We can note that in 2021, the Integrated Retail Portfolio engaged 41 percent of the Group's Invested Capital, generated 44 percent of Group PBT from Continuing Operations and contributed 43 percent towards our EPS from Continuing Operations. Our Gas Products Portfolio engaged 14 percent of the Invested Capital allocated by the Group, generated 22 percent of Group PBT from Continuing Operations and contributed 22 percent towards Group EPS from Continuing Operations, while Motors & Machines engaged 18 percent of our Invested Capital and in turn, has generated 18 percent of Group PBT from Continuing Operations and 17 percent of Group EPS from Continuing Operations.

We also considered each Portfolio's Return on Net Assets (RONA) employed, which provides a stand-alone return comparative for each Portfolio.

Return on Net Assets (%)



These results show that each Portfolio's contribution continued to be value accretive to the Group overall.

Group Corporate Treasury (GCT)

In its first year of operation, the Group Corporate Treasury has made significant progress in all planned areas of operation. With MHL Board support, a robust governance framework was first implemented to manage the active treasury initiatives and provide oversight and controls for all managed risk positions. Momentum quickly built and, whether revenue focused, including Investment and Liquidity Management, or risk mitigation focused, including Debt and Foreign Exchange Management, the GCT has become a valued resource for both the Corporate Office and the Portfolios/LoBs. The GCT also collaborated seamlessly with our Risk Management team and Portfolio business development teams across the enterprise in capital planning, funding and other strategic initiatives, including the preparatory work for the Jamaica Stock Exchange (JSE) cross-listing by MHL. Synergies were identified with Massy Finance GFC Ltd. and opportunities for strategic alignment are being pursued.

The GCT has also made an outstanding contribution to ensuring excellent returns for the Group's proprietary investment funds, sourced primarily from asset divestments, earning over TT$47 million by the end of fiscal 2021.

Group Finance Continuous Improvement Initiatives

For both 2020 and 2021, we set ambitious goals to improve both the efficiency and timeline of the Group's external audit sign-off and Annual Report. In this endeavour we partnered with our Portfolio/LoB Finance teams, our external auditors and independent advisors to design a project plan that could achieve our target of a 14 day earlier sign-off. In 2021, we also brought our Project Management Office fully in-house after building the internal team competencies over the past 2 years.

During 2021, we also continued to invest into our new CCH Tagetik Financial Reporting Solution, for full end-to-end automation of our monthly Group corporate reporting consolidation process. This system connects each subsidiary's trial balance to the Group's consolidation system. The project is ongoing and we are working towards the completion of Milestones #4 (Build Business Reports) and # 5 (Solution Ready), then we "Go Live" by FY 2022.

Thank You

We wish to express our gratitude to all our Stakeholders who have supported the Group during 2021. We appreciate your engagement, participation and feedback, which inspired us to deliver on our promise and purpose as a **Force for Good Creating Value. Transforming Life.**

Corporate Risk

Risk Management Framework; the major group-wide risks are listed below in alphabetical order. They represent the most critical risks currently managed at the corporate level, over and above those in our Portfolios and Lines of Business.

Risk	Mitigation Strategy
Credit	Monitor Group-wide credit exposures with focus at the senior leadership level, on key single name entities which represent material exposures.
Data Security	Implement Group-wide standards and controls that prioritise the safety, availability and protection of data that is private, confidential and of material importance.
Pensions & Investments Failure to meet our pension responsibilities. Failure to meet investment objectives that support liquidity and capital needs.	Maintain clear and relevant investment strategies, that are responsive to market conditions. Work closely with asset managers to get the best risk adjusted returns. Maintain robust capital and liquidity forecasts, that ensure that the right funding is available at the right time, at the right price.
Regulatory Failure to comply with applicable laws and regulations.	Maintain a strong compliance culture. Ensure that the compliance function is empowered to assist, support and advise the business to fulfill its regulatory and legal responsibilities.
Strategic Risks Failure to execute our strategy to shift to an Investment Holding Company and achieve our Shareholder return objectives.	Ensure that there is strong governance and oversight over the capital investment and budgeting process. Robust review of the risk/return profile of investment opportunities to ensure that they align with strategic objectives and risk appetite.

Our Senior Leadership Team as at September 30

Position
President & Group CEO

Joined Group
2004

E. Gervase Warner

Gervase has been President and Group CEO since 2009. He joined the Group in 2004, as a Director of Massy Holdings Ltd. and has served as the Executive Chairman of the Group's Energy and Industrial Gases Business Unit. Prior to his Massy experience, his career included a position as Partner at the international management consulting firm, McKinsey & Company, where Gervase spent 11 years serving clients in the US, Latin America and the Caribbean across a wide range of industries.

Position
Executive Vice President
Group CFO

Joined Group
2018

Ian Chinapoo

Ian is the strategic advisor to the Group CEO and the Board, on all financial matters. He is responsible for the accuracy and integrity of the financial statements of the Group. His career spans over two decades in banking and financial services, including key positions in multinational corporations, with particular focus in the areas of investment banking, portfolio management and private equity. His invaluable experience plays a strong role in charting the course of the Group's advancement.

Position
Executive Vice President
Executive Chairman
Integrated Retail Portfolio

Joined Group
1989

David Affonso

David is responsible for the Group's Integrated Retail Portfolio, a field in which he has more than 25 years of experience. He has served as Chief Executive Officer of the Group's Retail and Distribution business lines in Trinidad. During his career, David has led several Group-wide initiatives, including cost reduction and procurement. He has been with the Group for nearly 30 years, working in both Guyana and Trinidad. He currently serves as Chairman of Massy (Guyana) Limited. David is the former Chairman of the Group's Investment Committee.

Position
Executive Vice President
Executive Chairman
Motors & Machines Portfolio

Joined Group
2005

David O'Brien

David brings a wealth of experience to his leadership of the Group's Motors & Machines Portfolio. Having served on the boards of several Massy subsidiaries , David has held directorships in the financial, hospitality, real estate and health sectors. He has also held the position of Executive Chairman of the Financial, Property and Other Business Unit within the Group.

Position

Executive Vice President
Executive Chairman
Gas Products Portfolio

Joined Group

2014

Eugene Tiah

Prior to joining the Massy Group in 2014, Eugene served as President of Phoenix Park Gas Processors Limited for 13 years. In his career, he has worked in all aspects of process plant engineering, operations and overall business management, both in Trinidad and the United States. Eugene brings his considerable experience to meet the challenges of the Group's Gas Products portfolio.

Position

Executive Vice President
Business Integrity and
Group General Council

Joined Group

2016

Angélique Parisot-Potter

Angélique is a qualified UK Solicitor and, as the Group General Council, she leads a high performing team of ethical legal professionals. She also leads and develops the Group's business integrity framework. Prior to joining the Group in 2016, Angélique had extensive international experience, spanning over 15 years in the oil and gas sector, working in the United Kingdom, Brazil, Trinidad and Tobago and Egypt.

Position

Senior Vice President
Corporate Governance
Corporate Secretary

Joined Group

2011

Wendy Kerry

Wendy supports the Board and the Massy Group in meeting the highest governance standards. As an attorney and barrister at law, Wendy was admitted to practice in Trinidad and Tobago and England and Wales. She served as Corporate Secretary and Legal Advisor to the Group for seven years prior to her current position. Wendy has also held the positions of Director, Legal & Corporate Services at Caribbean Airlines and Manager, Corporate Services & Business Development at Development Finance. She is also a Director on the Board of the Trinidad and Tobago Stock Exchange.

Position

Senior Vice President
Executive Chairman
Financial Services LoB

Joined Group

2011

Howard Hall

Howard's career spans more than 30 years in financial and general management. He has held senior executive positions in the Life Insurance, Property and Casualty Insurance and Airline industries. His diverse experience brings solid benefit to his leading role in the Group's Financial Services Line of Business. Howard joined the Massy Group as CEO of Massy United Insurance Limited in 2011.

Position

Senior Vice President
Executive Chairman
Strategic & Other Investments LoB

Joined Group

1997

Vaughn Martin

With over 25 years of financial and business management experience under his belt, including 21 years spent in the oil and gas sector, Vaughn brings a wealth of knowledge to his leadership role, in the Strategic and Other Investments Line of Business. Within the Group, he has also held several other executive positions, including that of Managing Director at Massy Wood Group Limited.

Position

Senior Vice President
People & Innovation

Joined Group

2010

Julie Avey

Julie is passionate about the people and culture of the Massy Group. "We are working to unleash the potential of the creativity and abundance of each Massy employee, so that we can delight our customers and all of our stakeholders and fearlessly thrive in this age of disruption." Julie was previously General Manager of the car dealerships in Massy Motors in Colombia, the first acquisition in Colombia by the Massy Group. She is also co-founder and Chair of Nudge – the Massy powered Caribbean Social Enterprise organisation.

Integrated Retail
Portfolio

57
Retail Stores

14
Distribution Warehouses

760k
Retail sq ft

780k
Warehouse sq ft

Highlights

6,943
Revenue (TT$M) ↑1%

5
Retail Territories

6
Distribution Territories

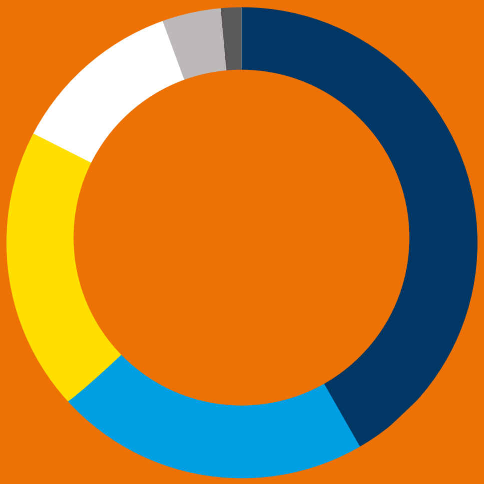
426
Profit Before Tax (TT$) ↑16%

6,400+
Employees

12
RONA (%) ↑14%

9
Store Formats

29
Instore Pharmacies



Revenue by Country

- Trinidad & Tobago **41%**
- Barbados **24%**
- Eastern Caribbean **18%**
- Guyana **11%**
- Jamaica **5%**
- USA **1%**

63%
Contribution to Group Revenue

With 57 modern retail stores across 5 Caribbean territories, our retail business' competitive advantage is its scale, which enables aggregate buying power and the cost benefit of direct procurement, that translates to competitive pricing for our customers. From our base in Miami, Florida, our distribution network touches every island in the Caribbean. Our efficient go-to-market model adds value for customers, facilitates a lower cost to serve and makes our business an attractive option for principals, seeking to access the fragmented Caribbean market.

Our Year in Brief

Despite the continued challenges presented by the pandemic, our Retail and Distribution businesses have shown remarkable resilience in 2021. During the year, our teams have continued to closely monitor and adjust the product selection in all of our stores to ensure that it remains relevant and reflects changing trends, customers' preferences and spending ability.

Both our Retail and Distribution businesses in Trinidad delivered strong year-on-year growth. In our Retail stores, we expanded our Ready 2 Go meal offerings, continued our bargain bags, and upgraded our curbside and delivery customer interfaces and service. In addition, our Distribution businesses acquired new distribution agencies and focused on effective supply chain management, to ensure that the availability of key items to the trade was not interrupted.

Our Barbados Retail business also experienced year-on-year revenue and Profit Before Tax (PBT) growth despite a weak tourist season. As with Trinidad, the team in Barbados focused on category management at a store level, to ensure the right product selection was always available to customers. Barbados Distribution delivered creditable PBT results, given the restrictions faced during the year which affected a significant portion of the customer base.

In our Eastern Caribbean operations, St. Vincent's retail performance showed significant improvement, while Saint Lucia 's results were flat on prior year. This business was challenged by the closure of the Waterfront store for six weeks due to a fire and limited opening hours of all stores over a four-month period. However, during the year, four new stores were opened on the island and the full benefit of this significant expansion in our retail footprint in Saint Lucia is expected to be realised in Financial Year (FY) 2022.

Investments made in recent years to our facilities in Guyana, have ensured that we have the physical capacity to respond to the rapidly developing opportunities there. Robust training and development, and succession planning, have ensured that we have strong teams able to quickly and effectively execute our agenda.

Jamaica Distribution had a good year with improved revenue and PBT on prior year, and the rapid onboarding of new lines and portfolios helped to offset the impact of restricted operations. Our USA Distribution operation further expanded its product offering during the year. It continues to be instrumental in ensuring minimal disruption to the supply chain for the many customers it serves across the region.

We continue to be committed to providing a safe and welcoming environment for all our employees, partners and customers. As such, we have taken special care to ensure that Covid protocols are followed in accordance with the public health regulations of the countries in which we operate. Our companies across the region, have also worked hand-in-hand with the relevant stakeholders, to facilitate the availability of Covid-19 vaccines for our team-members, as well as for the general public. In recognition of the social and economic impact of the pandemic, we have provided direct and indirect support to many individuals, families, charitable organisations and NGOs, in the communities we serve via donations, hampers and other initiatives.

> Despite the continued challenges presented by the pandemic, our Retail and Distribution businesses showed remarkable resilience in 2021

Performance Highlights

Overall, the Integratred Retail Portfolio (IRP) generated third-party revenue of TT$6.9 billion and PBT of TT$426 million for FY 2021, representing 1 percent and 16 percent growth on prior year respectively. Our operations in Trinidad and Tobago and Barbados continue to generate the majority of our revenue and profits.

	Stores	Distribution
Trinidad & Tobago	• A new retail store in the Massy Stores Mini format was opened in Arima. • We also opened a store under our discounter Diskomart banner in the heart of the Croisee on the Eastern Main Road.	• Our Distribution business added several new lines and introduced technology to significantly increase the efficiency of its sales teams. • It also expanded its produce facility to handle local produce, which is now procured directly from farmers and washed and packaged there for distribution to our Retail Stores.
Barbados	• Experienced year-on-year revenue and PBT growth, despite a weak tourist season. • Introduced a web-based ecommerce platform allowing customers to place orders for pick up or delivery. • Launched one new store under the Price Lo banner.	• Barbados Distribution delivered creditable PBT results given the restrictions in servicing the down trade and the severe impact that the pandemic has had on the HORECA (Hotels, Restaurants, Catering) sector.
Eastern Caribbean	• During the year, four new stores were opened in Saint Lucia, in Choiseul, Soufriere (2) and our new flagship store in the capital city, Castries.	• Saint Lucia Distribution operation experienced significant growth, due in part to the expansion of the retail footprint, with the opening of four new stores.
Guyana	• Two new Massy Stores Minis were launched at Montrose on the East Coast and at Vreed en Hoop on the West Bank, Demerara. • Additionally, the product selection at both the existing Providence and Turkeyen stores was extended.	• Our Distribution business has added more lines to its cold and chilled portfolio, which now forms a significant part of its revenue base. • Strong organic growth of existing lines and a solid performance from the growing pharmaceutical division helped bolster results.
Other (Jamaica & USA)		• Jamaica Distribution had improved revenues and PBT on prior year. • Adding new lines and portfolios negated the impact of restricted operations in the down trade and HORECA sector. • USA Distribution also delivered a strong performance, driven by the acquisition of new lines and the organic growth of its existing portfolio.

From Buy Local to Supply Local

Massy Distribution Trinidad launched a 5,000 sq. ft. produce facility in November 2020, initially focusing on key foreign produce Stock Keeping Unit (SKUs), of which it now offers over 280. With an eye to bolstering supply chains and supporting the movement towards greater food security, this facility has recently been expanded by 2,000 sq. ft. to offer local produce through collaboration with local farmers. Currently, it provides processing and packaging for harvested crops, and further initiatives are in train to assist partner farmers with enhanced food production techniques.

Strategy in Action

Our businesses faced many challenges during the year, such as supply chain disruptions, increased freight and construction costs and ever changing Covid related protocols. However, across the Portfolio our teams were able to find opportunities for growth, even as they adapted to the rapid changes in customer preferences and operating conditions, brought on by the pandemic.

During FY 2021 the IRP remained focused on the roll out and implementation of its strategic agenda which is founded on the following:

Retail Footprint Expansion

In keeping with our commitment to developing our footprint in order to better serve our disparate and ever-growing customer base, nine new stores in four different formats were launched, across four territories during the year.

Distribution Portfolio Expansion

New agencies were acquired by all distribution companies across the region, expanding our access to product portfolios and increasing our market footprint. Significant focus was also placed on growing the existing organic business, both by seeking to expand our share of wallet with current customers and strengthening our distribution relationships.

Cost Optimisation

2021 saw the further development of shared services operations, which have consolidated key back-office operations, across Retail and Distribution businesses within each territory. These include finance, Information Technology, Procurement, logistics and warehouse operations, allowing for more seamless transaction and information sharing between these key operational areas, while also engaging economies of scale.

Risk

The IRP maintains a flexible, but cautious approach to the management of most of its business risks in order to achieve its objectives. There are key areas for which we have a very restricted risk appetite: these include any areas that pertain to food safety and the safety of premises, employees and customers. We are also unwilling to compromise on deviations from high standards in data privacy and information security.

Our Audit & Risk committee meets regularly to review the management of risk across the Portfolio and to ensure that the Portfolio businesses conform, to the parameters set and expectations of both the Portfolio and the Parent boards.

Our People

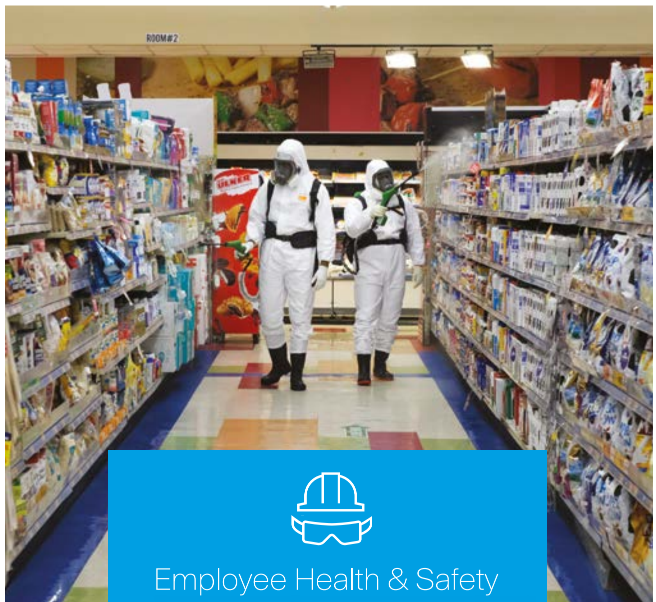
The hard work and dedication of our IRP staff are at the heart of our strong performance. During the ups and downs of this second pandemic year, our employees have stood steadfast in service not only to our customers, in support of each other. In recognition of their efforts, staff appreciation, employee activities and giveaways continued throughout the year despite Covid-19 restrictions, coupled with the commemoration of religious holidays and special interest days such as International Women's Day, Mother's Day, Father's Day, World Environment Day, World Downs' Syndrome Day, etc.

In 2021, a regional employee engagement survey was conducted; preliminary results reflected an overall increase in participation and engagement. These results will be used to facilitate focus groups and discussions, which will feed into action plans to be rolled out in the new financial year.

Training and development across the IRP was delivered through a combination of virtual and face-to-face sessions, focusing on both technical and leadership development. The training and development agenda is one of our top priorities, as we continue to build on the competitive advantage offered by our people.

HSSE

A significant reduction in the IRP's Total Recordable Injury Frequency (TRIF) score this year (from 2.4 to 1.3) indicates an overall safer work environment in 2021. The improved result was driven by the reduction of incidents (e.g. Days Away from Work Case (DAWFCs) and supported by a strengthened safety programme, which promoted safer work practices with focused inspections and audits. We also instituted an HSSE Culture survey across the Portfolio, aimed at getting our teams' views with regard to the safety culture in their respective organisations and how they view their leadership's commitment to safety. We were encouraged by the largely positive feedback received and will continue to work assiduously towards maintaining and improving our safety record.



Employee Health & Safety

119
Days Away from Work Cases

1.3
TRIF

71%
Culture Survey

Our Customers

Service excellence is a key differentiator in our business. Our continued investment in customer service is central to our continued growth and success. Our retail business recorded improved performances in both customer satisfaction and customer loyalty, achieving scores of 78 percent and 96 percent respectively. As we pursue our regional footprint expansion strategy, our excellent track record in these areas will stand us in good stead.

This year, we also introduced two standardised surveys within the Distribution line of business targeting two key stakeholders – our customers and our suppliers. The results from the customer service survey indicated a score of 76 percent, while the supplier satisfaction score was 86 percent. As we move forward, we will continue to focus on the active management and measurement of our customer relationships.

Customer Service

18,983
Training Man Hours

78% Retail

76% Distribution

Customer Satisfaction

96%
Retail Loyalty Score

86%
Distribution
Supplier Satisfaction Score

Our Communities

Across the region, the pandemic has had a significant impact on the lives and livelihoods of many in the communities where we operate. Fortunately, the Integrated Retail Portfolio was able to answer the call and provide significant assistance to those in need during the course of the year.

With the support and co-ordination of the Massy Foundation and Massy Distribution Miami, Portfolio companies pooled resources to provide immediate aid to those in St. Vincent, who were affected by the eruption of the Soufriere volcano. Several containers filled with relief items including cots, pressure washers, respirators, safety goggles, disinfectant and other essential items, were dispatched to the island within days of the eruption.

Massy Stores in Trinidad, Barbados and Saint Lucia launched our limited edition pink reusable shopping bag to support the fight against cancer. For every pink bag sold in the month of October 2020, a portion of the sale was donated to a cancer related cause. With the unwavering support of our customers, a combined TT$350K was raised across these three territories. Funds were donated to the Trinidad and Tobago Cancer Society, the Barbados Breast Screening Programme and the NGO, Faces of Cancer in Saint Lucia.

In June 2021, multiple communities across Guyana were affected by flooding. To support the country's national flood relief efforts, Massy Guyana donated 750 pre-packaged hampers of cleaning and food supplies, valued at TT$175K as well as a cheque for the equivalent of TT$35K, towards the relief efforts of the Civil Defense Commission (CDC) – the national agency that deals with disaster preparedness and response. The Group's contribution was instrumental in providing relief to the 15,000 Guyanese affected by the floods, as well as assisting in offsetting expenses incurred to coordinate the logistics of reaching persons living in outlying communities.

Massy Stores Trinidad advanced the Nudge partnership, by providing prime retail space and marketing and brand promotion in our stores and via our online channels to support the local entrepreneurs involved in this initiative. Senior Portfolio Executives also provided mentoring to entrepreneurs to assist them in taking their business to the next level.

During the year, our companies across the region worked with Governments, associations, Chambers of Commerce and other business organisations, to make Covid-19 vaccines readily available to all of our team-members and their families. This effort included our customers and the wider population, supporting several efforts in almost every country in which we operate.

Finally, as they do every year, but even more so this year given the need brought on by the pandemic, our teams have lived true to their purpose of being a Force for Good by donating thousands of hampers and providing monetary and other assistance to many individuals, homes and other charitable organisations in the communities that we serve.

Fight Against Breast Cancer

TT$350K

Contributed towards the Fight Against Breast Cancer in Trinidad & Tobago, Barbados and Saint Lucia

Our Environment

A focus on the environment and the reduction of our carbon footprint continues to be a priority for the Portfolio. This year, Massy Stores achieved a new milestone, recording an average 70 percent reduction in plastic bag use across the region, when compared to the consumption of plastic bags prior to the implementation of the plastic bag charge in 2018.

Our stores across the region continue to seek ways to further reduce the use of plastic in packaging and to work with partners to serve as collection points for plastic bottles. Massy Stores Saint Lucia in particular, has collected 59,000 pounds of plastic beverage bottles, which are currently being processed for export to a recycling plant in Honduras. In Trinidad, 38 metric tons of cardboard collected at Massy Stores has been transferred to recycling companies to be crushed and re-formed into new boxes.

All new stores now utilise refrigeration equipment with R-404A gas, which has no negative impact on the ozone layer, and incorporate insulated roofing designs and LED lighting, both of which are more energy efficient.

> 70% average reduction in plastic bag consumption across the region since the 2018 implementation of reusable bags at Massy Stores

Our Governance

Board of Directors

David Affonso	Executive Vice President & Executive Chairman Integrated Retail Portfolio
Randall Banfield	Executive Director, Senior Vice President, Integrated Retail Portfolio
Roxane De Freitas	Executive Director, Senior Vice President, Integrated Retail Portfolio
Ambikah Mongroo	Executive Director, Senior Vice President, Integrated Retail Portfolio
Aaron Suite	Executive Director, Senior Vice President, Integrated Retail Portfolio
Ian Chinapoo	Director, Executive Vice President & Group Chief Financial Officer
Jeremy Nurse	Director, Vice President, Corporate Strategy & Business Development
William Lucie-Smith	Independent Non-Executive Director, Chairman, Audit & Risk Committee
Suresh Maharaj	Independent Non-Executive Director
Alicia Samuel	Independent Non-Executive Director

The Integrated Retail Portfolio Board

The Integrated Retail Portfolio Board continues to develop and strengthen its Governance Framework. The Portfolio board moved away from primarily comprising the respective company's executives towards independent board members, which adds an additional level of rigour to Board discussions and deliberations.

This year, has again demonstrated that the move to strengthen the subsidiary governance and the Portfolio's autonomy has augured well, in ensuring the Portfolio's flexibility, agility and its ability to respond successfully to the ongoing Covid-19 pandemic. Overall, the IRP Board allows for quicker decision making, ensuring that the Portfolio is better able to quickly respond to and execute in a focused manner which is critical to the survival and success of the business. The Board of Directors held seven meetings during FY2021, two of which were special meetings.

Portfolio Audit and Risk Committee

The Portfolio Audit and Risk Committee (PARC) is responsible for making appropriate recommendations for the Board's approval of the financial reporting process, risk management, the system of internal control and the audit process. The PARC held four meetings during FY2021.

Gas Products
Portfolio

878k
LPG Cylinders

72k
Oxygen/Other Cylinders

28k
LPG Storage Barrels

Highlights

1,110
Revenue (TT$M) ↑ 20%

216
Profit Before Tax (TT$) ↑ 12%

18
RONA (%) ↓ 3%

13
Production & Filling Plants

26
Export Territories

2,600+
Employees

Revenue by Country

- Colombia **38%**
- Jamaica **26%**
- Guyana **19%**
- Trinidad & Tobago **17%**

10%
Contribution to Group Revenue

Everywhere we operate, our Gas Products businesses are renowned for our commitment to service excellence and safety, adhering to the highest international and local standards.
We are highly regarded by our customers for our integrity, business ethics, technical competence, efficiency and excellent service levels.
Our businesses are located in Jamaica, Guyana, Colombia and Trinidad and Tobago.

Our Year in Brief

The diverse operations and strength of the Gas Products Portfolio allowed it to deliver an improved Profit Before Tax (PBT) performance compared to Financial Year (FY) 2020. Despite challenges across business sectors and countries, the Portfolio aggressively pursued opportunities to drive year-on-year overall growth. Our performance was creditable, bearing in mind that our businesses were impacted by demand curtailment for both products and services in some market segments. In Jamaica, we continued to feel the effects of reduced demand for Liquefied Petroleum Gas (LPG) in the hospitality sectors. However, we were able to offset this reduction in demand in the hospitality sector by growing our household demand. Additionally, a maintenance scope reduction in Caribbean Industrial Gases (our joint venture company) plant turnaround brought about by logistics challenges, resulted in a downward adjustment in turnaround cost and improved our share of results from the joint venture.

Our Portfolio continues to play a key role in the delivery and supply of medical oxygen. Our teams were exceptional in their response to the increased demands, and provided innovative solutions to ensure supplies arrived at existing and new medical facilities and territories in a timely manner and as required. They worked tirelessly during the peak demands at the Covid htreatment facilities. Health and Safety risks were assessed in detail and reassessed throughout the year, to ensure the safety of our employees in these operations. We take seriously, the RESPONSIBILITY to provide critical product and services to the population in need of care.

We continue to advocate for the empowerment of the entire team so that each member contributes towards co-creating the future of our Portfolio. The implementation of remote working arrangements has improved work/life balance for our employees and decreased the number of hours commuting. Alternative working arrangements also had a positive impact on the environment, as there was a 15 percent reduction in water consumption, a 12 percent reduction in electricity consumption and a 22 percent reduction in the use of paper.

Our Covid-19 vaccination efforts have taken a multipronged approach across the different cultural demographics. We are proud of our vaccine drive initiative, which resulted in 65 percent of employees being vaccinated. Our drive and focus throughout the Portfolio continues to be, on adapting and adjusting our operations, to maneuver safely through these unprecedented times.

> I wish to extend my sincere gratitude and thanks to our teams that continue to work relentlessly to ensure an uninterrupted supply of oxygen to hospitals across the region, throughout the erratic demand fluctuations of the Covid-19 pandemic

Performance Highlights

The Gas Products Portfolio performed creditably in FY 2021, generating third-party revenue of TT$1.1 billion and PBT of TT$216 million, representing 20 percent and 12 percent growth on prior year respectively.

Colombia	● Massy Energy Colombia S.A.S. was able to grow its liquefied petroleum gas (LPG) business and to increase its Energy Services contracts and margins earned via operational improvements, despite Covid-19 related challenges. ● At different periods of the year, government-imposed restrictions to reduce the spread of Covid-19 and protest actions limited our teams' ability to undertake some contractual obligations. ● There were also disruptions to the supply of LPG from suppliers and to customers.
Trinidad & Tobago	● There was a significant increase in oxygen demand, driven by the High Dependency Units at hospitals in Trinidad & Tobago, due to the spike in serious Covid-19 cases where oxygen was required for patients. ● Additionally, we experienced an increased demand for nitrogen during the year, as industrial plants undertook postponed maintenance work or restarted operations. ● We also saw an increase in demand for carbon dioxide as restaurants and bars reopened for business and beverage producers ramped up activity.
Guyana	● We maintained our focus of increasing LPG volumes growth by increasing household LPG usage, through our LPG conversion programme (i.e. Kerosene to LPG). ● Additionally, overall growth was achieved by expanding our non-cooking applications of LPG to other productive sectors of the economy, e.g. motor vehicle usage. ● Similar to Trinidad & Tobago, Guyana saw a significant increase in the demand for oxygen and delivered increased volumes to medical institutions.
Jamaica	● In Jamaica, we intervened to support the challenging situation with oxygen shortages and leveraged our supply base in Trinidad in order to provide much needed relief in that territory.

Strategy in Action

Our strategy continues to focus on being the market leader in our operating markets, while ensuring that we adhere to excellent health and safety standards and operational efficiency.

Market Leadership

In 2021, in pursuit of Portfolio growth, we executed our plans to increase our revenue by growing our LPG volumes sales and market share in Guyana, Jamaica, and Colombia. In the last Quarter of 2020, we entered the Colombia LPG market. We have subsequently been able to leverage our knowledge in operating efficiencies from the Jamaica and Guyana businesses, to improve the operating margins in Colombia.

We have trengthened our regional market presence by increasing our export sales to existing and new territories. In 2021, our oxygen exports increased from 70 ISO tanks in FY 2020 to 127. We also grew our medical installation services offering by increasing our customer base for these services regionally.

To capitalise on growth opportunities in the developing Oil and Gas sector in Guyana, we made an investment towards the acquisition of an Air Separation Plant (ASU) to improve the oxygen, nitrogen and argon supply in that market to meet future demands of this developing sector.

We continue to work on developing the use of carbon dioxide in enhanced oil recovery in Trinidad and Tobago after successfully piloting projects with land-based oil wells in South Trinidad. In addition to its potential as a new revenue stream, it offers environmental protection as it is recycled, thus reducing carbon atmospheric emissions.

Operational Efficiency

The Portfolio's persistent pursuit of operational efficiency and best practices in all of the operating companies with a focus on leveraging learning has been a key feature in reducing operating costs as a percentage of its gross profit year on year.

In Trinidad and Tobago, TrackAbout - a cylinder Tracking Solution was implemented in 2021 to replace our manual cylinder management process. It is used during the collection, filling, maintaining and delivering cylinders to our customers. The solution also allows us to add value to our customers and vendors by providing them with detailed information on their orders. TrackAbout was also adopted by our Quality and Health, Safety, Security and the Environment (HSSE) departments for the recall programme, as part of food safety management for our clients in the food and beverage sectors. We are looking at options for similar implementations across our Portfolio.

Other operational improvements included oxygen tank conversions at hospitals, carbon dioxide recovery, full implementation of Automated Clearing House (ACH) banking, and improvements to invoicing.

Risk Profile

We place the highest priority on the management and mitigation of risk across our Portfolio businesses, particularly as it pertains to the safety of our employees, suppliers and customers. Our Audit and Risk Committee meets regularly to carry out its mandate for oversight responsibilities over financial reporting, the internal control environment, the audit processes of both Internal and External audits and enterprise-wide risk management framework of the Portfolio. This is to ensure that all Portfolio businesses conform to the guidelines set by the Parent board as well as to the expectations and standards of the Portfolio boards and to global best-practice.

70 ISO tanks
Oxygen Exports **2020**

127 ISO tanks
Oxygen Exports **2021**

Breathing Life into Oxygen Supplies

In 2021, as the Caribbean continued to grapple with the effects of the global pandemic, oxygen became a vital resource within the region, tripling normal demand levels in several territories. The Massy Gas Products teams worked tirelessly, to ensure that all hospitals and medical institutions across Trinidad and Tobago, Guyana and Jamaica, were consistently supplied with medical oxygen and other gases that were needed to provided life-saving care.

Concurrently, we also provided medical installation services, to ensure that facilities within the parallel healthcare system were outfitted with the necessary equipment, needed to support Covid-19 patients.

As the third wave of the pandemic affects islands outside our immediate operations, we have further extended our efforts, in order to sustain a steady supply of medical oxygen to Barbados, Saint Lucia, Suriname and many other islands within the Caribbean region.

Our People

Our continued success and growth is founded on the commitment of our employees. We strive to recognise and reward them accordingly.

Employee Engagement

The Portfolio maintains high employee engagement with an overall score of 86.91 percent.

We have undertaken various engagement initiatives, including Engage and Grow sessions for staff and management, as well as, online workshops to address mental health issues and Covid-19 vaccine hesitancy and fears. In addition, subjects such as Health and Safety, Community, Ethics and Human Rights were covered via workshops and expert lectures by medical professionals.

In Colombia, "SanaMente" workshops with Labour Risk Administrators support were launched to help our people navigate volatile, uncertain, complex and ambiguous environment exacerbated by the pandemic.

Training and Development

Ninety-five technical training programmes undertaken by various persons through the Portfolio were delivered in the fiscal year, encompassing health and safety, engineering, financial management, and procurement. Two hundred and fourteen non-technical training programmes were delivered, including leadership training and communication, integrity and trust-building.

Additionally, we continued our mentee-mentor programme, where junior members of staff are paired with Senior Managers as their mentors.

HSSE

We are pleased to record a 0.2 reduction in our Significant Incidents Frequency (SIF) score, taking us below our targeted score of 0.3. This remains a clear focus area within our planned Process Safety Management (PSM) strategy. The year 2021, also saw reductions in Days Away From Work Rate (DAFWR) and Total Recordable Incident Rate (TRIR), with the latter falling well within our targets and demonstrating our drive towards a "Zero Harm Objective".

Employee Health & Safety

0.10
Days Away from Work Rate

0.20
TRIF

0.30
SIF Score

Our Customers

Our customer service approach is rooted in fostering an ever-deeper understanding of the communities and cultures within which we operate. To that end, different initiatives were undertaken in each territory, all aimed at improving customer experience and raising the profile of Massy Gas Products among our customer base.

In Jamaica, our activities were centered around creating value for customers through consistent process improvement, including enhancements to delivery, availability and quality control. We also engaged with dealers to address and resolve competitiveness concerns.

In Guyana, our customer relationships were managed remotely via tele and video conferencing, to reduce in-person contact during the pandemic. We were able to enhance our coordination efforts between production and sales and improved on the ordering and the delivery of cylinders. This resulted in greater efficiency in both transaction processing and turnaround time at the sales platforms for our customers. Additionally, work was commenced earlier to facilitate contractor deliveries.

In Trinidad and Tobago, significant Information Technology (IT) improvements provided customers with greater convenience in all aspects of the business. In particular, the implementation of the TrackAbout solution has allowed us to provide significant value-added service to our customers and vendors.

In Colombia, new business-to-consumer focused acquisitions in 2021, have prompted revisions to our customer service approach, which we expect to see implemented in the next fiscal year.

> "Different initiatives were undertaken in each territory, all aimed at improving customer experience and raising the profile of Massy Gas Products among our customer base

Our Communities

The uncertainty and socio-economic instability resulting from the pandemic have made themselves felt in the communities we serve. As such, it has been our privilege to maintain our close ties with various local stakeholders and to continue providing support to them in troubled times.

As part of our Corporate Social Responsibility (CSR) efforts, we have partnered with the Heroes Foundation in Trinidad and Tobago, to provide critical psychosocial and educational support to 45 students at the Couva South Government Primary School as they prepared for the Secondary Entrance Assesment (SEA) examinations. This programme helped students to manage the stresses associated with their academic transition during the current pandemic and to access additional exam preparation sessions. Students were introduced to online technology tools to support learning and collaboration and they were also provided with digital devices. Massy funded 36 digital devices as well as the cost of the Heroes tutors programme.

We have also continued to support the Ezekiel Children's Home. During the year the Home was provided with groceries, schoolbooks, 20 tablet devices and a fogging machine with cleaning solutions.

Our CSR efforts in Jamaica included partnering with our sister Massy companies to donate Covid-19 supplies to the Ministry of Health (MOH), advancing support for the Seaview Gardens Health Centre (under the MOH's adopt-a-clinic initiative) and providing continuous support for education, by awarding scholarships to primary and secondary level students.

In Colombia, we continue to work with the Fundacion Formemos, which is an agricultural coed boarding school that houses children from low-income households from the primary level up to high school graduation. Formemos has around 250 children. In 2021, we guaranteed computers and internet connectivity to the children at this school.

Our Environment

As a responsible and ethical operator within the Oil and Gas sector, it behooves us to keep environmentally friendly and sustainable practices, at the forefront of our innovations and forward-planning efforts.

In FY 2021, we used a total of 283 metric tonnes (MT) of carbon dioxide for the Enhance Oil Recovery pilot project in Moruga, Trinidad and Tobago. This was injected into the oil wells to boost oil production and to reduce carbon dioxide emissions into the atmosphere. This project will assist the country with its global commitment to the Paris Climate Accord, the international treaty on climate change geared to reducing carbon dioxide emissions globally.

In the realm of effecting reductions in carbon dioxide emissions, Massy Gas Products (Guyana) Ltd. installed LPG conversion kits on employees' vehicles. Recent research indicates that conversion to LPG from petrol or diesel results in a reduction of approximately 1.90MT annually, per vehicle.

Board of Directors

Eugene Tiah	Executive Vice President & Executive Chairman, Gas Products Portfolio
Vaughn Martin	Executive Director, Senior Vice President & Executive Chairman, Strategic & Other Investments Line of Business
Nigel Irish	Executive Director, Vice President Finance, Gas Products Portfolio
Alberto Rozo	Executive Director, Senior Vice President Business Development, Gas Products Portfolio
Anton Gopaulsingh	Independent Non-Executive Director, Chairman, Audit & Risk Committee
Christian Maingot	Independent Non-Executive Director
Robert Riley	Independent Non-Executive Director
Keesha Sahadeo	Director, Assistant Vice President & Group Chief Accountant

Gas Products Portfolio Board

The Board held 11 meetings during FY 2021. Significant work and time were undertaken in developing and approving a Capital Allocation Decision Making Framework which prioritized areas and territories for investment by the Portfolio. The outcome of this work informed the Portfolio's 2021-2022 3 to 5-year strategic plan. Flowing on from this strategic plan the Board expended tremendous time and effort in reviewing assessing and approving investment opportunities in Guyana, Trinidad, Jamaica and Colombia.

People and Culture Committee

The Portfolio Board formed a People and Culture Committee (PCC) and held its inaugural meeting in July 2021. The PCC holds a remit for talent management, succession planning and employee engagement, with current initiatives focused on cascading the People Day Process (for leader evaluation and development) down to the next level of management and to facilitate cross-border opportunities for professional development.

Audit and Risk Committee

The Massy Gas Products Portfolio Anti-Bribery and Corruption (ABC) Policy was developed and implemented during the year. The policy sets out standards that demonstrate our commitment to doing business in a manner that is transparent, honest, and compliant with domestic and international anti-bribery laws.

In April 2021, the ABC Policy and Supplier Code of Ethics Policy were approved by the Gas Products Portfolio Audit and Risk Committee and the Portfolio Board. The process was led by Group Risk and involved extensive engagement and consultation with employees and management across all Portfolio businesses and with Group Legal and Compliance, as well as research of local and international best practice. Approved Key Performance Indicators (KPIs) will be used to monitor compliance.

Acknowlegement

On September 30, 2021, Eugene Tiah retired as Chairman of the Massy Gas Products Portfolio and Vaughn Martin was promoted to the position of Executive Vice President, Executive Chairman of the Massy Gas Products Portfolio, effective October 1, 2021. Vaughn is no stranger to the Portfolio, having served and the Chief Financial Officer for the predecessor Energy & Industrial Gases Business Unit for four years and serving on the Board of the Gas Products Portfolio since its inception in 2019. Vaughn is a long-standing Massy Executive who has been with the Group for over 25 years, having spent the last two years as the Senior Vice President, Strategic & Other Investments Line of Business. Prior to that, Vaughn spent six and a half years as the Managing Director of Massy Wood Group Ltd.

The Board of the Gas Products Portfolio thanks Eugene for his seven years of sterling leadership and contribution to the Portfolio. Under Eugene's leadership, the Portfolio made enormous progress in improving its health and safety performance and culture and installed a Process Safety Management system, that has improved safety discipline and performance in all operations. Eugene's leadership of people and contribution to the commercial growth of the Portfolio, will serve the Portfolio well for its future. We wish him great success and fulfillment in his next adventures in retirement.

“Our drive and focus throughout the Portfolio continues to be on adapting and adjusting our operations to maneuver safely through these unprecedented times

Motors & Machines
Portfolio

37
Showrooms

33
Service Facilities

9.3k
New Vehicles Sold

2.5k
Used Vehicles Sold

Highlights

2,708
Revenue (TT$M) ↑ 25%

173
Profit Before Tax (TT$M) →

10
RONA (%) ↓ 6%

123%
Increase in Truck Sales

19
Territories Served

1,600+
Employees

Revenue by Country

24%
Contribution to Group Revenue

Our companies represent automobile, truck, equipment and automotive components manufacturers and offer short and long-term automobile, truck and equipment rentals.

We provide service and equipment rental to customers in the marine, energy and power generation sectors. We are the Caterpillar dealer for Trinidad & Tobago and the macro-distributor for Shell lubricants in 17 territories in the Caribbean region.

We currently have auto dealerships in three countries: Trinidad and Tobago, Colombia and Guyana.

Our Year in Brief

In challenging times, Motors & Machinery rose to the occasion, maintaining its track record of excellence and showcasing its resilience.

Most notably, Massy Motors Colombia S.A.S. delivered triple digit growth and is just getting started in a market many times larger than most of the others in which we currently operate. Our large dealership network has allowed us to gain exclusivity in certain cities and brands and the exponential growth in both new and used car sales brought with it increases in supplier bonuses and commissions on financing which all contributed to the stellar performance. Economies of scale and improved governance were also achieved by centralising certain functions in Bogota. This performance is all the more remarkable for being delivered while coping with the constraints arising out of Covid-19, as well as social unrest in some cities in Colombia.

Trinidad welcomed its first Nissan Retail Concept (NRC) Next showroom with the reopening of the revamped San Fernando location, becoming the first of its kind in the Right Hand Drive (RHD) markets of the Caribbean, to receive 100 percent compliance in accordance with Nissan's NRC Next Standards. The introduction of the iconic MG brand and the launch of virtual showrooms for Nissan and Hyundai were other milestones for the Motors business in 2021. Massy Machinery Ltd. in Trinidad introduced a new fully functioning e-commerce platform for Caterpillar parts, developed for retail customers looking for speed and convenience. The Shell distribution business delivered a very strong performance and, growth was recorded in all areas of the Caterpillar business, due to increased activity in the construction sector. Our new Massy Trucks showroom in central Trinidad, is under construction and will open in the new financial year showcasing Mack, Volvo, Hyundai and UD trucks.

Guyana continues to present a wealth of potential, given the burgeoning oil and gas sector. Both the Trinidad and Guyana operations have seen significant uptick in demand, from clients seeking to establish or upgrade their operations, notably in the truck and wheel tractor businesses.

All the Portfolio businesses leaned into technology and digital channels, as a means of continuing to deliver the superior customer experience that is a hallmark of Massy's operations. From the establishment of an e-commerce platform in Colombia, to the unveiling of the Nissan and Hyundai digital showrooms by Massy Motors Trinidad, we have ensured that our customers have continued to benefit from our product and service offerings, no matter where they were.

> Building on our strong base in Trinidad and Tobago, Massy Motors & Machines is now an international business with operations in 19 countries.
> We are optimistic about the prospects for growth in Colombia, Guyana and Miami, as we continue to expand internationally

Performance Highlights

Overall, the Motors & Machines Portfolio (MMP) generated third-party revenue of TT$2.7 billion and Profit before Tax (PBT) of TT$173 million for the Financial Year (FY) 2021, representing flat PBT results on prior year, notwithstanding the transfer of Profits from Discontinued Operations, from the disposal of assets sold during the year. Our operations in Colombia have surpassed Trinidad and Tobago, as the major contributor to Portfolio revenue in 2021 and we anticipate this trend will continue.

	Motors	Machinery
Trinidad & Tobago	• Launched the Nissan and Hyundai Virtual Showroom in February, 2021. • Introduced the MG brand in August 2021 and sold-out our 1st shipment within a month of arrival. • Revamped San Fernando Nissan showroom was reopened in August 2021, and was the first of its kind in the RHD markets of the Caribbean to receive 100% compliance, in accordance with Nissan's NRC Next Standards. • Launched Volvo plug-in hybrids.	• Introduced Parts.Cat.Com, a new online Caterpillar (CAT) parts buying experience developed for construction retail customers looking for speed and convenience with over 1.4 million CAT parts available online. • Growth in the Shell Business with the addition of Trinidad and Tobago to the list of territories served. • Consolidated Trinidad truck sales in our new location in Chaguanas.
Colombia	• Our Colombia operation delivered 192% growth in PBT. • Our short-term rental fleet expanded to over 300 vehicles and ranks in National/Alamo's top ten in customer service in the world. • The new Renault dealership in Bogotá was a significant contributor to the success of the business. • The new Used Vehicle or Semi Nuevo showroom in Cali, sets Massy Motors apart in the huge used vehicle market. • The expansion of our collision repair and mechanical workshop in Cali gives us additional service capacity.	
Guyana	• Introduced a lease-to-own financing option for vehicles which fueled appreciable growth. • Increased penetration of the lubricant markets through our dealer network.	• Improvements in Guyana's agricultural sector, led to significant improvement in tractor sales. • The response to the new Truck division has been very positive, particularly the introduction of the UD utility truck line.

Digitally Driven

2021 saw the culmination of a multi-year digital transformation at Massy Motors Bogotá, where we have now established a fully functional e-commerce distribution channel. Using lead management and marketing automation tools, our team of comprehensive consultants is able to offer channel-agnostic service to clients, keeping track of and following up with leads and providing thoughtful and relevant information and after-sales care.
Robust tracking and performance measurement have allowed us to reduce operational load and focus on strategy.

Strategy in Action

The MMP's focus on executing on our strategy and the resilience and energy of our people, allowed us to deliver a remarkably strong performance across the Portfolio.

Regional representation of high-quality brands and products

Massy Motors Trinidad introduced the MG brand, as well as the Volvo plug-in hybrid line and upgraded its Nissan showroom in San Fernando to meet the new NRC Next standards. Massy Machinery commenced distribution of Shell Lubricants Products in Trinidad and Tobago, cementing the regional representation arrangement that commenced in fiscal 2020.

We launched Massy Motors and Machines Miami Distribution Inc. (MMMMD), in Miami, Florida, in September 2021 and this operation will be a hub for the distribution of automobiles and automotive products to the Caribbean, Central and South America. This facility will also support our Shell distribution business and improve our logistics capability.

Expansion into markets with strong growth potential

We continue to support new and existing clients, who are commencing or expanding operations in Guyana, due to the increased economic activity expected there. This fiscal year, we completed our relocation of our Essiquibo operations, whilst also acquiring significant acreage for future development in Berbice. Massy Motors Colombia has been a remarkable success story, with growth in Bogotá (assisted by our increased footprint with a new Renault showroom) and Cali (due to the opening of our impressive Semi Nuevo vehicle showroom and the expansion of our repair facilities) being significant contributors to the tripling of revenues.

Retaining and building our customer base by delivering superior service to our customers

Massy Motors Guyana and Massy Machinery Trinidad have consolidated all truck brands under one roof. Massy Machinery Trinidad has also introduced an e-commerce option for Caterpillar parts, aimed at retail customers. In Colombia, the new Used Vehicle or Semi Nuevo showroom, in Cali delivers another level of customer experience and is already setting Massy Motors apart, in the huge used vehicle market. The addition of a second collision repair and mechanical workshop in Cali, has almost doubled our service capacity, along with extended opening hours on the weekend, which has significantly reduced wait times for our customers.

Risk Profile

As the Motors & Machines Portfolio continues on its growth trajectory, we are committed to maintaining the highest standards of risk management and mitigation. We manage our exposure through judicious decisions with regard to investments and financial management, as well as careful attention to Health, Safety, Security and the Environment (HSSE) and service paradigms. The oversight of our Audit and Risk Committee ensures that we are consistently operating within the parameters set by the Parent board as well as to the expectations of our Portfolio board and the standards of the countries in which we operate.

Our People

Keeping our people safe, healthy and engaged during this turbulent time remains a top priority. Across the region, we continue to maintain connections between leadership and staff on the ground. We ensure that we are listening and responding with empathy and alacrity to the needs of our employees. Our close-knit teams have rallied to support their colleagues, who have struggled with the ongoing challenges of this difficult period.

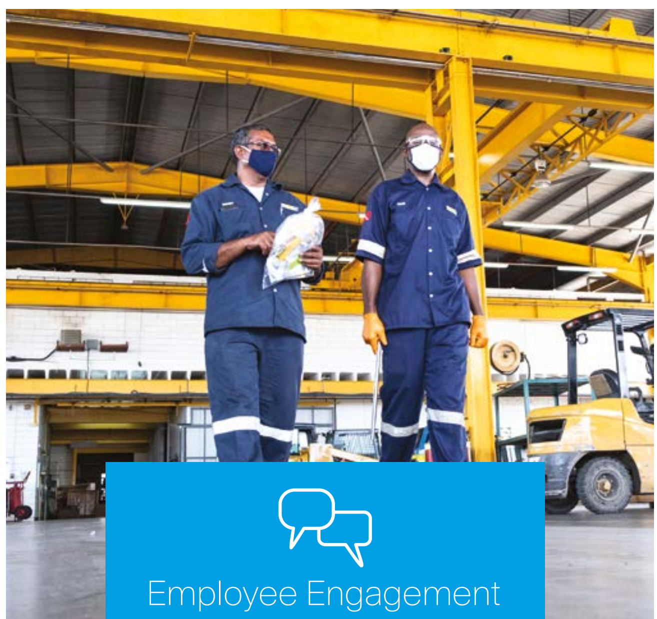
In 2021, the performance management system was reviewed and updated, to include the introduction of a mid-year performance review for leaders across the Portfolio. Online leadership training options were introduced to support our management teams in their continued development, even as they faced pandemic-induced constraints.

Employee Engagement, Employee Opinion Surveys (EOS) were conducted across the Portfolio. With a participation rate of 94 percent we observed a significant increase (+20 percent) in employee engagement.

The improved engagement score has been attributed to focused attention on areas identified for improvement in previous surveys and the Company's unwavering support for employees, during these challenging times. Several initiatives have been implemented to further support and recognise our employees, including:

- Remote and flexible work arrangements
- 50 percent workforce capacity on compound
- Staff communication and videos on vaccine education
- Facilitating interested employees in registering for administration of vaccines
- Recognition shown to and appreciation of employees via gratitude correspondences

> Keeping our people safe, healthy and engaged during this turbulent time remains a top priority



Employee Engagement

82%

EOS Survey

HSSE

As maintaining a safe and healthy working environment is an operational priority for MMP, we strive for continuous performance improvement in this area. In 2021, we recorded a Total Recordable Incident Frequency Rate (TRIF) of 1.9, representing an improvement over the previous year, as well as a 14 percent decrease in Days Away From Work Cases (DAFWC).

Both Massy Machinery and Motors achieved 2-year STOW (Safe to Work) re-certifications and maintained ISO 9001:2015 certifications. Going forward, we intend to maintain our focus on training, inspections/audits, safety talks and safety observations. Leadership walkarounds and talks are also important to build the safety culture.

Vaccination drives were rolled out across all Portfolio companies; the response so far has been positive. We will continue to track progress, provide accurate information and maintain awareness of Covid-19 precautions.

Our Customers

Across the board, MMP has met the challenges to in-person retail experiences posed by pandemic restrictions, by the adoption of innovative technological solutions. We have embrace digital channels to facilitate continued customer connections.

In Trinidad, the launch of our Nissan and Hyundai Virtual Showrooms aligned perfectly with Covid-19 safety guidelines, while boosting our online sales strategy. The Virtual Showrooms afford customers the opportunity to peruse our products on their own time, from anywhere in the world, with only the touch of their fingertips. Customers also have the option of Virtual Test Drives and are assured of the same attentive service they would receive in person. Our customer satisfaction scores of 84 percent and 93 percent reflected improved performance across both our Motors and Machinery businesses.

In Colombia, Massy Motors outperformed expectations, ranking in the top three in every brand that we represent in the customer satisfaction score of 91 percent, as measured by our suppliers. Our e-commerce offering has allowed customers to continue their purchase journey safely and seamlessly, from offline to online.

In Guyana, a focus on technology, including digital marketing and enhanced virtual interface with customers via our website and social media helped mitigate the effects of pandemic restrictions. Top Box Customer satisfaction score was 89 percent up from 79 percent the prior year – improvements were driven by closer contact with customers and improvements in training of staff.

Employee Health & Safety

31

Days Away from Work Cases

1.90

TRIF

Our Communities

As the effects of the pandemic continue to make themselves felt across the region, we have remained steadfast in our support for the communities in which we operate.

In Trinidad, our major focus this year has been the support of vaccination drive efforts. Massy Motors donated cars and drivers to the Ministry of Health for a period of three months, to assist in the collection and transport of Covid-19 vaccines, between the Couva Hospital storage facility and the various vaccination centres around the country.

In Colombia, we were able to undertake a very special Corporate Social Responsibility (CSR) initiative, where we assisted in improving living conditions for staff and their families in Medellin, against the backdrop of widespread social unrest and hardship, brought on by the Covid-19 pandemic. Other initiatives included support for foundations, which provide assistance to the vulnerable elderly and those with disabilities.

In Guyana, we were able to provide support for the introduction of remote learning at the Ruimveldt Children's Orphanage through the donation of devices, and also executed a toy drive to benefit the children there. Blood drive initiatives were undertaken at both our Ruimveldt and Berbice locations.

Our Environment

As a responsible organisation, we are dedicated to supporting the adoption of ever-more environmentally-friendly options that also represent value and convenience for our customers. The launch of Volvo Plug-In Hybrid in Trinidad in 2021, marks the first step towards the fully electric experience, and we expect over the course of 2022, to introduce more Electric Vehicle (EV) both in Trinidad and Tobago and in Guyana. In Colombia, our Bogotá operation has begun developing post-consumption programs for water, energy and paper-saving.

Our Governance

Board of Directors

David O'Brien	Executive Vice President & Executive Chairman, Motors & Machines Portfolio
Ramnarine Persad	Executive Director, Senior Vice President, Motors & Machines Portfolio
Aloysius Bereaux	Executive Director, Vice President, Motors & Machines Portfolio
Marc Rostant	Executive Director, Senior Vice President, Motors & Machines Portfolio
Ian Chinapoo	Director, Executive Vice President & Group Chief Financial Officer
Julie Avey	Director, Senior Vice President, People & Innovation Chairwoman, People & Culture Committee
Richard P. Young	Independent Non-Executive Director, Chairman, Audit & Risk Committee
Nicholas Gomez	Independent Non-Executive Director

Our Board

The Board of Directors of the Motors and Machines Portfolio held nine meetings during FY 2021.

Portfolio Audit and Risk Committee

The Portfolio Audit and Risk Committee (PARC) has responsibility for and oversight of the financial reporting process, risk management, the system of internal control and the audit process as well as the company's internal controls and compliance with laws and regulations. The PARC held six meetings during FY 2021.

People and Culture Committee

A new level of focus was placed on talent management across the Portfolio, with the Expectations of a Massy Leader training and evaluation being key to this exercise. The Committee strove to balance the need for managing performance to deliver results, against the constraints of often very challenging environmental factors.

Massy Trucks showroom in central Trinidad, is under construction and will open in the new financial year showcasing Mack, Volvo, Hyundai and UD trucks

Financial Services Line of Business Performance Highlights

The Financial Services Line of Business recorded significantly improved results in 2021. Revenues grew by 11% and profit before taxes exceeded the prior year by 31%.

The financial results reported below do not include the results of the Held-for-Sale assets of Massy United Insurance Ltd. and the credit card operations of Massycard (Barbados) Limited.

Insurance Division

Barbados
Massy United Insurance Ltd.

Money Services Division

Trinidad & Tobago
Massy Remittance Services (Trinidad) Ltd.

Saint Lucia
Massy Remittance (St. Lucia) Ltd.

St. Vincent
Massy Remittance (St. Vincent) Ltd.

Guyana
Massy Services (Guyana) Ltd.

Consumer Finance Division

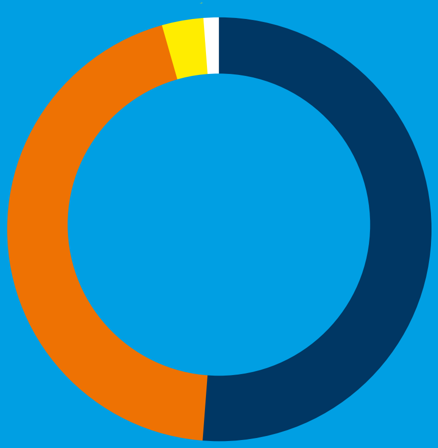
Trinidad & Tobago
Massy Finance GFC Ltd.

Barbados
Massycard (Barbados) Limited

127
Revenue (TT$M) ↑ 11%

88
Profit Before Tax (TT$M) ↑ 31%

8
RONA (%) ↑ 29%



Revenue by Country

- Guyana **51%**
- Trinidad & Tobago **46%**
- Barbados **2%**
- Eastern Caribbean **1%**

1%
Contribution to Group Revenue

Insurance

Massy United Insurance (MUIL) delivered another year of strong financial performance, notwithstanding external challenges, such as: Covid-19, the volcanic eruption in St. Vincent and Hurricane Elsa, reporting a 93 percent increase in profit before tax. Gross Written Premiums grew by 17 percent to $1,562 million, the highest recorded level in the company's history. This reflects the strength of the reputation which this business has developed, as well as the success of its diversification and growth strategy. Results were also buoyed by substantial investment gains from the company's international investment portfolio.

On September 2, 2021, Massy (Barbados) Ltd., MUIL's 100 percent Shareholder, entered into a Share Purchase Agreement, to sell 100 percent of its shares in MUIL to the Coralisle Group, a leading multi-line insurance company, headquartered in Bermuda. Completion of this transaction is subject to regulatory approvals and engagement with the various Regulators is ongoing. The sale of this business, will represent the Group's exit of the property and casualty insurance business line. This is consistent with the Group's strategy to focus its operations and future growth on its three main Portfolios.

Remittances

Remittance flows remained resilient in 2021 for our Money Services businesses in the region, despite continuing disruption caused by the effects of the pandemic. Revenue grew by 14 percent and Profit Before Tax (PBT) by 28 percent. In particular, remittance inflows recorded significant growth into Guyana, Trinidad and Saint Lucia compared to 2020.

The main drivers for this steady performance were, fiscal stimulus interventions, that resulted in better-than-expected economic conditions in the host countries and consumer shifts, from cash to digital and from informal to formal channels.

We added 13 new agents across the region, increasing our footprint to 90 agent locations throughout Trinidad, Guyana and Saint Lucia. In addition, we are scheduled to offer Money Transfer services through our Anchor Partner, Massy Stores, to a new market in St. Vincent and The Grenadines, starting from December 2021.

We have accelerated our strategy of digitisation and sought to capitalise on our consumers' growing comfort with digital technology, through the implementation of a new Money Transfer digital platform. This platform will support integration with models for future direct-to-consumer offerings, as we continue to innovate to meet consumer expectations.

Consumer Finance

During Financial Year 2021, the Company's new leadership embarked on a journey to transform the focus of the business, to better align with the Group's strategic direction. This resulted in a significant turnaround in the results reported by our consumer finance companies.

The major driver of the improved results was Massy Finance GFC Ltd., as 2020 results were impacted by the need to increase loan loss provisioning, due to the impact of Covid-19 and no such provisioning was required for 2021.

In addition to the advances made in profitability during the year, the Company has also embarked on a journey, which would reinvigorate its core lending business and transform its strategic purpose, to that of an enabler of the Group's focused industry Portfolios, via the enhancement of its treasury and investment services.

Strategic & Other Line of Business Performance Highlights

The Strategic & Other Investments Line of Business consists of the Group's strategic and non-core assets. The Line of Business has been focused on driving performance and optimising the value of these investments.

Trinidad & Tobago

Massy Properties (Trinidad) Ltd.

Massy Wood Group Ltd. (50%)

Barbados

Massy (Barbados) Investments Ltd.

Massy Properties (Barbados) Ltd.

Guyana

Massy Energy (Guyana) Inc.

241
Revenue (TT$M) ↑ 32%

62
Profit Before Tax (TT$M) ↑ 5,096%

4
RONA (%) ↑ 339%

Revenue by Country

- Trinidad & Tobago **89%**
- Barbados **11%**

2%
Contribution to Group Revenue

Divested Operations

Roberts Manufacturing Co. Limited

Proven Investments Limited acquired Massy's 50.5 percent shareholding in Roberts Manufacturing Co. Limited. in June 2021 as the successful bidder in a competitive process managed by EY, thus reported results for Roberts Manufacturing Co. Limited reflect the period October – June 7, 2021. Proven Investments Limited is incorporated in Saint Lucia as an International Business Company (IBC) and is managed by Proven Management Limited, based in Jamaica. The Company is listed on the Jamaica Stock Exchange and invests in the financial services and real estate sectors.

Massy Pres-T-Con

PRESTCON 2021 LIMITED acquired Massy Pres-T-Con Holdings Ltd. on April 1, 2021. PRESTCON 2021 LIMITED is an affiliate of Inez Investments Limited, which is a part of the Warner Group of Companies. A family-owned business, the group comprises several other companies spanning various sectors such as construction, retail and hardware.

Retained Operations

Energy Services

Trinidad and Tobago

As major clients adjusted to working in the 'new normal', the energy businesses were able to increase the number of projects and turnaround activities completed in Financial Year (FY) 2021. Higher revenues and rigorous expense management resulted in improved profits.

Real Estate and Property Management

Trinidad and Tobago and Barbados

The prolonged, negative economic impact of Covid-19 and the ash fall event in Barbados put downward pressure on rental income and realty commissions for 2021. However, successful property divestments reduced the impact of declining revenues.

Looking Ahead

At the close of Financial Year 2021, the Strategic & Other Investments Line of Business was dissolved, and any further divestments, wind-ups or amalgamations of non-core investments, assets, and properties will be managed by the Corporate Office. Going forward, the Real Estate and Property Management businesses will be managed by the Corporate Office and the Energy Services businesses will be managed through the Gas Products Portfolio.

People & Purpose

Our People & Purpose report showcases the spectrum of support that we are able to share with our employees, our communities and our stakeholders in the countries where we do business.

Our support ranges from bringing a new vision of the future of entrepreneurship to life, to empowering a culture of accountability and integrity, to putting a whole-person lens on our approach to health, to embracing a group-wide dedication to learning.

We are constantly pushing ourselves to be and do better.

The following are just some of the ways that we at Massy are operationalising our purpose and putting our values into action every day...

People & Culture

Julie Avey
Senior Vice President

we strive toward an environment where good governance goes hand-in-hand with the trust and freedom required for empowerment and real innovation

Massy's governance structure empowers the Executives in our Portfolios, to develop policies that are best suited to their specific industries. People & Culture is no exception. Specialised sub-committees in each of the Portfolios, have enabled the agility and flexibility that are so vital in these pandemic times, and our 2021 results certainly attest to the efficacy of this approach.

Still, there are two particular areas where all Massy Companies hold a unified field. The first, is that there is no compromise on our expectations of our leaders. We regularly run our Expectations of a Massy Leader programme, in which leaders at all levels now participate. The other, is that we stand firm with respect to our Values – Honesty & Integrity, Responsibility, Collaboration, Growth & Continuous Improvement and Love & Care – these are at the core of who we are.

Caring for our people has never been more important, as many continue to cope with disruptions brought about by the pandemic. Remote working where possible has been embraced throughout the group. We have maintained a consistent drumbeat of support for our employees, via awareness programmes, access to medical professionals and other initiatives to help cope with vaccine hesitancy.

Within the Corporate Office and via Group Professional Services, we support and influence the entire Group. The recent promotion of Audra Mitchell, Vice President, Group Training & Development and General Manager, Massy Learning Institute and Anjen McLean, Vice President and Chief Risk Officer, both to Vice President roles, demonstrates our commitment to good corporate governance, people development and delivery of an excellent employee experience.

Nudge

Of the many pressing issues thrown up by the unprecedented events of 2020, one of the most immediate and universally impactful was economic insecurity. Many businesses closed, with no certainty of when, or if, they would reopen, causing workers to find themselves suddenly faced with an unforeseeable and precarious future. In this landscape, Massy embarked on a collaboration with Anya Ayoung-Chee, to introduce Nudge, "a social enterprise that nourishes brilliant ideas through training, mentorship and access to audiences and investors."

In 2020, we pioneered the "Market Stall" and "Corner Shop" retail spaces within Massy Stores, to provide our partnering entrepreneurs with access to a wider audience. 2021 has been a 'Year of Discovery' and of expansion for Nudge, in which we have seen:

- The introduction of the next phase of support to the growing Nudge community, with $US 1 million invested into the development of the programme
- The growth of the community, which started off with 12 entrepreneurs in Trinidad and has now grown to 90+ community members across Trinidad, Saint Lucia and Barbados
- An evolution from a tiered approach, to one where we are organised by programmes: market access, education, capacity building, community and impact investment fund
- The laying of the foundation of governance infrastructure
- The ripple effect of Nudge's impact on the lives of its community of entrepreneurs and those within their spheres of influence.

As we move into 2022, we are committed to helping entrepreneurs to build sustainable and environmentally aware enterprises, strong enough to meet tough times head on - and to outlast them. ***Additional information can be found in the CSR Report at www.massygroup.com***

> we focus on responsible business conduct at every level, encouraging each individual to be an agent for positive transformation

Business Integrity

Angélique Parisot Potter
Executive Vice President Business Integrity
& Group General Counsel

At Massy, we believe a culture of Integrity is critical to our continued success – we focus on responsible business conduct at every level, encouraging every individual to be an agent for positive transformation. We take our Purpose: ***A Force for Good, Creating Value, Transforming Life*** seriously and strive to live up to our good intentions and public statements. To support these ambitions, we must ensure that the right actions are consistently taken, in line with our Business Integrity framework. Over the last few years, we have revamped our Code of Ethics and implemented a 'Speak Up policy.'

Prior to the pandemic, we engaged in face-to-face sessions on what the Business Integrity framework entails and what it means for each person. We began with employees at the front line, then Supervisors and Managers and finally the Executive and the Board. In 2021, we created and implemented a virtual Group-wide engagement session, for our inaugural Business Integrity Week. The virtual format allowed everyone across the Group to access materials, participate in live webinars and engage with other colleagues, at their own pace.

Speak Up

At Massy, we consider an open Speak Up culture to be critical to the safety and well-being of our employees. Our Speak Up policy is supported by an independent reporting hotline, which enables employees and other stakeholders to identify potential concerns.

We know, that this is the best early warning system against isolated misconduct, which could cause catastrophic legal and reputational damage. All reporters are protected from retaliation, and we act to ensure that we are not only perceived to be, but that we are, responsive when concerns are raised, or potential misconduct is identified.

By providing confidential, anonymous reporting channels helps to make employees comfortable with raising concerns about conduct and business risks, without fear of negative consequences. It also provides reassurance on transparency, equity and receptiveness to feedback to third party stakeholders, such as contractors, customers and vendors.

This fiscal year, as part of our Business Integrity Week, we incorporated training for Managers that demonstrated how to "listen up," to foster a welcoming Speak Up culture and to recognise and proactively guard against common forms of retaliation. We also created and shared a video series with employees, at all levels across the Group, that focused on ethical choices and behaviour in everyday circumstances.

Wellness & Benefits

Amanda McMillan
Vice President Group Wellness & Benefits

Massy's guiding Purpose has been at the heart of our transformation, from formerly being an Administrator of Employee Benefits, into a Wellness and Benefits Department, charged with the responsibility of being proactive in the support of physical and mental wellbeing. This cultural shift has required changes in every aspect of our operations, including technological transformation. As a result of the move from mainly paper-based to digitally accessible systems, employees have been able to maintain continuous access to key benefits information during the various lockdowns.

Wellness is an all-encompassing approach to health, which does not only focus on the physical. Mental health is also important in maintaining a healthy and productive work force. In understanding that Covid-19 was having a significant mental and emotional impact on employees across the Group, several strategies were employed to help address concerns. Employee Assistance Programmes provided necessary mental health support, coupled with videos from medical professionals, where common questions and fears were addressed. We also initiated ongoing outreach to our Massy retirees, to maintain connection and to ensure they too have adequate support and care.

As cases across the region started to increase, Covid-19 case management was introduced. This service connected affected employees and their family members, with medical professionals who could provide reassurance and medical advice via telehealth services. While providing support for employees to contain and manage Covid-19 exposure, this also helped to determine the need for medical interventions, taking the burden off overwhelmed public health systems and helping to create safe workplaces, that allowed our operations to better co-exist with the virus.

Education has played a major part in our Wellness strategy in caring for our employees and their families through the pandemic. A campaign with the theme "Stronger Together" was developed, featuring a series of eight short motivational and educational videos. These videos created an atmosphere of engagement and cameraderie, throughout all the territories, providing an infusion of positivity both in the home and workplace.

> we are responsible for being proactive in support of the physical and mental wellbeing of our employees

Vaccine education, in particular, was a critical element to the safety and security of our employees and the retiree community, especially given the prevalence of misinformation. The Wellness & Benefits team created a platform, which included informational videos in both Spanish and English. All employees were also given access to a 24/7 email hotline, where any questions around vaccination could be answered by medical professionals. These initiatives served to ease the mental anxiety and stress, that many employees were experiencing and as well as to debunk prevailing myths around vaccines and vaccination.

As an ethical and responsible organisation, we remain ever mindful of the importance of health and well-being to our growing workforce. In 2021, a total of 23,541 medical claims submitted were processed Group-wide. We continue to monitor the incidence of medical claims per employee, in territories where this is significantly above the Group average, as an indicator for the need to increase advocacy for Preventative Care and a holistic approach to wellness. This is especially important now, as the trajectory of medical conditions due to Covid-19, the high incidence of Non-Communicable Diseases and the high levels of vaccine hesitancy in the region, mean that the focus for the future should turn even more heavily towards Preventative Care. Massy encourages employees and their dependents, to have regular medical check-ups, to assist with the identifying of medical conditions that, if caught early, can have a more favourable outcome and improve overall quality of life.

> we are able to facilitate empowerment, improved strategic execution and greater alignment around leadership expectations at all levels

Learning & Development

Audra Mitchell
Vice President, Group Learning & Development & General Manager, Massy Learning Institute

In a year of continued uncertainty, Massy leaned into learning! The commitment to ongoing learning has been amply demonstrated, not just by the participants in Massy Learning Institute's (MLI) programmes, but by the MLI team themselves; and this has resulted in incredible growth and forward movement. We are especially proud of MLI's pivot to using technology to navigate the shift away from in-person learning. Last year, we had close to 900 persons registered in online learning programmes – this year, that number shot up to just under 1,500 persons attending 106 programmes across nine countries.

The generosity of the human spirit has been evident in the community that has grown around our free Wednesday Webinars, with Massy executives and professionals from many different disciplines, offering their time and expertise. What started off as a means of reaching out to and supporting our people during lockdowns and other disruptions, has now become one of MLI's most sought-after products, with over 4,400 people having either attended the webinars or viewed the on-demand recordings.

This year, we had record participation in our Expectations of a Massy Leader flagship programme with over 370 attendees. As this programme, once targeted to Senior Executives, is now shared much more broadly across the Group, we are able to facilitate empowerment, improved strategic execution and greater alignment around leadership expectations at all levels. Through this and other programmes, MLI plays a critical role in sharing and nurturing Massy's culture across the organisations – this allows us to reap the benefits of businesses which operate with a great deal of autonomy, but at the same time share a common values-based culture.

In addition, we have partnered with the operating Companies on an individual basis, to help them deliver their strategic agenda with bespoke programmes that are tailored to their unique needs. This has resulted in more impactful training and has helped to build stronger ties.

Corporate Governance Report

The Massy Group continues to pursue a values-based approach to leadership and to business; it is not only what we do that matters but how, and why we do what we do, in being "A Force for Good".

Our Commitment to Good Governance

In order to support the Company's ongoing commitment to the highest standards of corporate governance, and to increase our responsiveness to the rapidly changing environment, this year, key aspects of our governance framework and processes were reviewed and strengthened. Further, to ensure the Company's progress against strategy in uncertain times, the Board held four Special Board Meetings, two Special Governance, Nomination and Remuneration Committee ('GNRC') Meetings and one Special Audit and Risk Committee ('ARC') Meeting. The Board continues to pursue its primary objective of long-term, sustainable growth for the benefit of the Company's Shareholders and wider stakeholders.

This Report provides an overview of the application of the Principles and Recommendations of the Trinidad Tobago Corporate Governance Code, as well as elements of other global codes and best practices and standards. The Massy Group continues to pursue a values-based approach to leadership and to business; it is not only what we do that matters but how, and why we do what we do, in being "A Force for Good". Our values and leadership behaviours are a vital part of our culture, and it ensures that through our conduct and decision-making, that we act with integrity for the business and our stakeholders.

Application of the Trinidad and Tobago Corporate Governance Code

As a company with public accountability, Massy continues to apply the Principles and Recommendations of the Trinidad and Tobago Corporate Governance Code, as well as elements of other global codes and best practices, as outlined in this report.

Our Governance Framework

The Group's Governance Framework, led through the Massy Holdings' Board and its Committees, provides direction and structure for responsible and effective decision-making to support the Group's strategic objectives. This framework is articulated through the Company's Board and Committee Charters, which are annually reviewed and for the current period under review, were re-confirmed by the Board on the recommendation of the GNRC.

The Board's Charter, Committee Charters and Independence Policy can be found on our website at www.massygroup.com

Subsidiary Governance

Good corporate governance is about implementing the right systems and structures across our Group, to facilitate effective management and sound business decision-making. The Parent Board and its Committees are responsible for the oversight of the governance framework of the subsidiary boards in each Portfolio and the Group's key operating businesses. The composition of the Parent Board of each Portfolio includes Independent Directors – some of whom also serve as Directors on the Parent Board – Group Executives who were independent of the respective business, and others are independent experts in relevant business areas.

Independent/Non-Executive Directors are recommended for appointment by the Parent Board on the recommendation of the Group Chief Executive Officer and Group Executive Directors are recommended for appointment by the Portfolio chairperson. Through this structure, consistent standards of corporate governance can be applied across the Group, risk management can be optimised and Massy's reputation for practising good corporate governance in the market can be enhanced.

During this past year, support was provided to further strengthen the governance across the Portfolios, by enhancing the Enterprise Risk Management systems and the Portfolio's reporting mechanism into the Parent Board. As the Covid-19 pandemic continues, the Portfolio businesses continued to show resilience, agility, flexibility and timeliness, in their decision making and execution, which was underpinned by their strengthened governance.

Our Board and its Committees

Board of Directors

The Board of Directors is responsible for the setting the Company's strategic objectives with management. In addition to its general oversight of Management, the Board among other things is responsible for:

- Corporate Governance across the Group and ensuring that appropriate policies, processes and standards are in place to support the business;
- Annually reviewing the Board and its Committees' Charters and ensuring their relevance in line with applicable governance and legal standards;
- Selecting, evaluating and compensating the Group Chief Executive Officer ('Group CEO') and overseeing Group CEO succession planning;
- Ensuring that appropriate succession plans are in place for Senior Executive Management;
- Reviewing, monitoring and, where appropriate, approving fundamental financial and business strategies and major corporate actions;
- Assessing the major risks facing the Company and the Group and ensuring that appropriate strategies for their mitigation are implemented;
- Ensuring that processes are in place for maintaining the sustainability and integrity of the Company, the integrity of the financial statements and compliance with all laws and ethical standards of business; and
- Promoting a culture that is in line with the Company's core values.

The Board is supported by the Corporate Secretary, who assists the Chairman and the Board in driving and maintaining the highest standards of corporate governance. This includes ensuring that good information flows within the Board and its Committees, as well as facilitating the induction and professional development of Directors. The Corporate Secretary provides independent, impartial advice to the Board on issues of process and governance and all Directors have access to the Corporate Secretary.

Board Structure and Composition

The Company operates under the leadership of an effective Board, which possesses a combination of requisite experience, qualifications, skills and values to lead the business. A 'Director Skills Matrix' is a tool that is used to support the Company in its succession planning process and on-going consideration of the Board's composition. Active succession planning and board refreshment enables the Company to continue to ensure that an optimal and effective Board is in place to pursue its strategy, whilst ensuring sustainability.

In accordance with the Company's Articles of Continuance, as at September 30, 2021, the Board's membership comprised of 13 Directors; nine of whom were Independent, Non-Executive Directors and four of whom were Executive Directors. During this period under review, the following changes to the Directorate took place:

- Ms. Luisa Lafaurie-Rivera was appointed as an Independent, Non-Executive Director on October 1, 2020;
- Mr. William Lucie-Smith retired as an Independent, Non-Executive Director on May 31, 2021; and
- Mr. Bruce Melizan was appointed as an Independent, Non-Executive Director on June 1, 2021.

Director Tenure and Performance Management

In keeping with the Company's By-laws, Directors are elected for stated terms not exceeding three years, upon the expiration of which, the performance of those Directors who are expected to retire on rotation, is reviewed by the GNRC, prior to a recommendation being made regarding his/her nomination for re-election. The Director peer evaluation is a key feedback mechanism and is further supported by performance conversations, which are held between the Chairperson and the Directors retiring on rotation. Director succession is managed through a rigorous and formal process and significant consideration is given to the strategic direction of the Company for Board refreshment or when vacancies arise.

Director Induction, Training and On-going Education

New Directors participate in the Company's structured induction programme upon joining the Board, which among other things, provides them with a formal introduction to the Company and its businesses, through meetings with key persons, training and provision of relevant information. The induction process can take up to a year and is reviewed and updated, to ensure its relevance in supporting Directors in fulfilling their duties and responsibilities. Ongoing education and training of Directors is encouraged and made available as required.

During this financial year, various Directors completed the following training courses/programmes:

ORGANISATION	TOPIC
Massy Learning Institute	Expectations of a Massy Leader
Caribbean Corporate Governance Institute	The Board Corporate Governance Strategy & Risk Corporate Reporting
26th Annual Stanford Directors' College	Corporate Governance

Independence

Independent Non-Executive Directors make up the majority on the Company's Board. Director independence is reviewed annually against the criteria outlined in the Company's Director Independence Policy – which policy, is also reviewed annually. A review of Directors' Annual Declarations of Interests to the Company, remains a key element in this annual process, as the Board keeps under review, whether there are relationships or circumstances which are likely to affect, or could appear to affect, a Director's independence. This year, the Board has determined that each Non-Executive Director is independent in character and judgement; commits sufficient time and energy to the role and continues to make a valuable contribution to the Board and its Committees.

Both the ARC and the GNRC are led by independent Directors.

Board, Committee and Director Effectiveness

The annual Board effectiveness review provides a useful opportunity for the Directors to reflect on their collective and individual effectiveness, to consider where improvements can be made and to chart progress. This year, the Board conducted the annual self-evaluation of its performance, as well as that of its Committees and Directors - who will be retiring on rotation at the Annual Shareholders' Meeting on January 21, 2022. The results of this evaluation will form the basis of the 2022 action plan to improve on the Board's strengths, while also addressing any gaps or weakness. Our last independently facilitated Board evaluation was conducted in 2019, therefore in line with best practice, we expect to commission another independent review in 2022.

Director Remuneration

Remuneration for Independent, Non-Executive Directors is determined by the Board, on the recommendation of the GNRC. The GNRC, in determining appropriate remuneration levels among other things, considers the time commitments and responsibilities required by Directors and benchmarks the Company's Board fees, against peers in other appropriate publicly traded companies in Trinidad and Tobago. The review of Directors fees takes place on a triennial basis.

Our Board of Directors

Age	Nationality	Position	Appointment
68	Trinidad & Tobago Citizen	Chairman Independent, Non-Executive Director	1997

Robert Bermudez

ROBERT BERMUDEZ is an Independent, Non-Executive Director who was elected to the Board of Massy Holdings Ltd. (formerly Neal & Massy Holdings Limited) in 1997 and was appointed Chairman in July 2014. He also serves on the Company's Governance, Nomination & Remuneration Committee. For approximately 18 years, he served as a Non-Executive Director at RBC Financial (Caribbean) Limited, which has a presence in 19 countries and territories across the Caribbean. He served as a Director on the Board of The Barbados Mutual Life Assurance Society (now Sagicor Life Inc.) for eight years and prior to joining the Massy Board, he served as a Non-Executive Director on the Boards of McEnearney-Alstons Limited, which merged with the ANSA Group to form what is the present ANSA McAL Limited), The Trinidad Publishing Company Ltd. (now known as Guardian Media Ltd.) and the Caribbean Development Company Limited (now Carib Brewery Ltd.) – all three of which, were publicly traded companies during his respective tenures. He was also President of the Trinidad & Tobago Manufacturers' Association and also served as Chairman of the Board of the Tourism Development Company Limited. Mr. Bermudez was also appointed as Chancellor of The University of the West Indies in 2017.

Mr. Bermudez' breadth and depth of experience as a Director and Chairman is extensive, as is his experience as an entrepreneur. He was the Chairman of the Board of Directors of the Bermudez Group of Companies and led the growth of the Bermudez Group, from a local family-owned business to a regional business, throughout the Caribbean and in Latin America. He has a strong reputation for pragmatic and shrewd business judgment and has enjoyed a distinguished career in business in Trinidad and Tobago and the Caribbean.

Age	Nationality	Position	Appointment
56	Trinidad & Tobago Citizen	President & Group CEO Executive Director	2004

E. Gervase Warner

E. GERVASE WARNER is an Executive Director of the Company and is the President and Group CEO of the Massy Group. Prior to his appointment in 2009, he also served as the Executive Chairman of the Group's Energy & Industrial Gases Business Unit. Before joining Massy, Mr. Warner was a Partner at the international management consulting firm, McKinsey & Company, where he spent 11 years serving clients in the US, Latin America and the Caribbean, across a wide range of industries. He currently serves on the Trinidad & Tobago Board of Citigroup Merchant Bank Limited, the Arthur Lok Jack Global School of Business and United Way Trinidad & Tobago. Mr. Warner holds an MBA from the Harvard Graduate School of Business Administration; and also holds BSE degrees in Electrical Engineering and Computer Science Engineering, from the University of Pennsylvania. A past pupil of St. Mary's College, Mr. Warner received an Additional Scholarship from the Government of Trinidad and Tobago in 1983.

Age	Nationality	Position	Appointment
46	Trinidad & Tobago Citizen	Group CFO Executive Director	2018

Ian Chinapoo

IAN CHINAPOO is an Executive Director. His career spans over 25 years in Banking and Finance in the Caribbean and Central American region. Mr. Chinapoo is responsible for the accuracy and integrity of the financial statements of the Massy Group and is a strategic advisor to the Group CEO and the Board, on all financial matters since June 2018.

Prior to his current responsibilities, he held the positions of Executive Director of Trinidad & Tobago Unit Trust Corporation, Managing Director, Regional Corporate and Investment Banking, CIBC FirstCaribbean International Bank and Managing Director of FirstCaribbean Trinidad and Tobago Limited. Mr. Chinapoo also worked as Vice-President - Business Head at Citigroup Bahamas where he was responsible for the operations of its Global Corporate and Investment Bank and was part of the Bank's Regional Capital Markets and Advisory team based in Miami. He previously held the position of Vice President – Structured Finance at Citibank Trinidad and Tobago Limited.

Mr. Chinapoo is also Adjunct Faculty at the Arthur Lok Jack Global School of Business since 1995 and has lectured in International Finance, Corporate Finance, Management Accounting and Securities and International Loans Finance. He held the position of Deputy Chairman of the National ICT Company of Trinidad and Tobago ("iGovTT") from its inception in 2011 to January 2013.

He currently serves as a Non-Executive Director on the Boards of The National Commercial Bank of Anguilla and the Trinidad and Tobago Chamber of Industry and Commerce.

Age	Nationality	Position	Appointment
56	Trinidad & Tobago Citizen	Executive Director	2019

David Affonso

DAVID AFFONSO serves as an Executive Director and is also the Chairman and Executive Vice President, with the responsibility for the Group's Integrated Retail Portfolio, a field in which he has more than 25 years of experience. He joined the Group in 1989 and during his career, has led several Group-wide initiatives, including cost reduction and procurement. Until recently, he chaired the Group's investment committee and currently serves as Chairman of the Massy Guyana Group, having worked there for several years earlier in his career. He holds a BA in Economics from the University of Western Ontario, Canada and in 2006, attended the executive development programme at the Richard Ivey School of Business.

Age	Nationality	Position	Appointment
46	Trinidad & Tobago Citizen	Independent, Non-Executive Director	2018

Anton Gopaulsingh

ANTON GOPAULSINGH is an Independent, Non-Executive Director. He is a Finance and Risk Management expert, with more than 20 years' experience in a broad range of accounting, technology and consulting roles, spanning multiple industries and geographies.

He is currently the Deputy Chairman of the Trinidad and Tobago Stock Exchange (TTSE), the Chairman of the Trinidad and Tobago Central Depository (TTCD), and a Non-Executive Director of Readymix (West Indies) Limited (RML). His prior experience includes working with the PricewaterhouseCoopers United Kingdom (UK) and PricewaterhouseCoopers (PwC) Trinidad firms, and he served as a Partner of the latter, up to 2013.

Anton has worked with a wide range of companies in the financial services sector in the UK and throughout the Caribbean, as well as with companies throughout the Caribbean and Central America, in the energy sector and in retail and manufacturing services. He has also managed, fully outsourced and co-sourced Internal Audit functions, including performing the role of the Chief Audit Executive for large financial services companies. Anton has overseen system implementations, relating to Enterprise Resource Planning (ERP) applications and other core and support systems.

An active athlete, Anton is a Pan American and World Masters' (swimming) medallist.

Age	Nationality	Position	Appointment
58	Jamaican Citizen	Independent, Non-Executive Director	2012

Patrick Hylton

PATRICK HYLTON has a career in banking and finance spanning over 30 years and has earned his place among the island's legendary businessmen. He is the President and CEO of NCB Financial Group and has been CEO of the National Commercial Bank Jamaica Limited since 2004. Under his leadership, NCB has become the largest and most profitable financial institution in Jamaica and the most profitable stand-alone financial group in the English speaking Caribbean.

From a young age, Patrick distinguished himself among his peers, serving as head boy at Glenmuir High School. Upon leaving high school, he pursued a job at the Jamaica Public Service. However, chance led him to banking and over the years, it was his stellar work ethic, fuelled by a commitment to excellence, that brought him the many accolades for outstanding service, in the field of banking and finance.

He has had many successes which represent a story of passion, industry and perseverance. Bold, yet even tempered, innovative, intuitive and affable, Hylton has made an indelible mark on Jamaica's Banking sector.

His ascent to national and international prominence began years earlier, when he was appointed a leading role by the Government, in the restructuring of the Jamaican financial sector during the mid-1990s. His successful completion of that undertaking, culminated in the national award of the Order of Distinction, Commander Class,

Patrick Hylton continued

being bestowed on him by the Government of Jamaica in 2002. In October 2020, he was also conferred with the Order of Jamaica for distinguished contribution to the Financial Sector and Philanthropy.

Patrick is the Chairman of NCB Jamaica Limited, NCB Capital Markets Limited, Mona School of Business & Management, Guardian Holdings Limited (Trinidad & Tobago) and Clarien Bank (Bermuda). A former President of the Jamaica Bankers Association, he sits on several boards including Massy Holdings Limited (Trinidad & Tobago). He is a member of the Economic Growth Council and Economic Programme Oversight Committee and he advises the Jamaican Government on proposed growth initiatives. He is the recipient of the Jamaica Institute of Management Manager of the Year Award 2016 and in 2019, he was conferred the Honorary Degree of Doctor of Laws (LLD) by the University of the West Indies Jamaica.

Patrick's leadership style can be characterised as aspirational, focused on outcomes and of course customer centric. His passion for excellent customer service is extended to everyone with whom he comes in to contact.

In Patrick's spare time, he loves to spend time with his family including his four year old son; he is an avid reader and tennis enthusiast.

Age	Nationality	Position	Appointment
46	Trinidad & Tobago Citizen	Independent, Non-Executive Director	2019

Soraya Khan

SORAYA KHAN is a Finance Executive with over 20 years of experience, within multinational organisations in the Energy and Financial services sectors. She started her career at Atlantic LNG, after which she moved to Citibank, where she progressed to the position of Chief Financial Officer. Soraya returned to the Energy Sector, taking on the role of Head of Finance at Centrica Energy, before moving to her current position of Head of Finance, North America and the Caribbean at BHP Petroleum.

Soraya brings valuable experience in corporate governance, company divestments, project valuations and sanctioning, strategic operational planning and forecasting, and treasury and financial controls. She holds a BSC in Accounting and Finance from State University of New York, and is a Certified Public Accountant. She also has a Masters in Business Administration, with a specialisation in International Finance from the Arthur Lok Jack Global School of Business.

Soraya is also a Board member of Women in Action for the Needy and Destitute (WAND), a non-profit organisation established over 20 years ago, which is dedicated to improving the lives of the less fortunate across all communities.

Age	Nationality	Position	Appointment
61	Colombian Citizen	Independent, Non-Executive Director	2020

Luisa Lafaurie Rivera

LUISA LAFAURIE RIVERA holds a Bachelor's degree in Economics, from the Pontificia Universidad Javeriana and an MBA and other postgraduate degrees in Finance and Senior Management from the Universidad de los Andes.

She has occupied several positions in both public and private enterprises, accumulating vast experience in the energy sector. Her achievements include her roles as Colombian Minister and Vice Minister of Mines and Energy, founding partner of Sumatoria, advisor to the Synergy Group and CEO of Ocensa SA and CENIT SAS.

Luisa has been an independent member of Boards of Directors at ISA, Exito SA, Avianca SA in Colombia and CTEEP in Brazil. She currently sits on the Boards of the National Development Finance Company (FDN), Enel Colombia, Mercantil Colpatria S.A. and the Superior Council of the Universidad de los Andes.

Age	Nationality	Position	Appointment
72	Trinidad & Tobago Citizen	Independent, Non-Executive Director	2017

Suresh Maharaj

SURESH MAHARAJ is a Non-Executive Director. He is a highly-recognised International Banker and Global Senior Executive with 43 years of experience in the financial services industry. Prior to his retirement from Citibank in 2015, he held the position of Chief Executive Officer (CEO) for Citibank Caribbean, Central America and Equador, with responsibility for Citibank's Corporate, Commercial and Investment and Consumer operations. He also served in the position of CEO and Country Head for the Company's operations in the Philippines and Guam.

Mr. Maharaj is the past Chairman of Citibank TT Ltd. and Citicorp Merchant Bank. Following his retirement in June 2015, he held a number of directorships for Citibank's operations in Costa Rica, Panama, El Salvador, Honduras and Nicaragua. He was also the former Chairman of the Trinidad Cement Limited and served as a Director of the Trinidad and Tobago Unit Trust Corporation, Bankers Association of Trinidad and Tobago, Bankers Association of Philippines, American Chamber of Commerce Trinidad and Tobago, American Chamber of Commerce Philippines and the South Trinidad Chamber of Industry & Commerce.

His areas of expertise include mergers and acquisitions, divestments, private equity, investment banking, corporate and consumer banking, organisational restructuring, return on economical capital strategies, revenue growth initiatives, compliance direction and management, corporate governance and global market identification.

Age	Nationality	Position	Appointment
54	Trinidad & Tobago Citizen	Independent, Non-Executive Director	2021

Bruce Melizan

BRUCE MELIZAN is a Non-Executive Director. He holds a BSc in Electrical Engineering from Queen's University, Canada, and an MBA from Cranfield University in the UK. He is an alumnus of Presentation College, San Fernando.

Bruce started his career as an engineer with Schlumberger working in Indonesia, Bolivia and Trinidad and Tobago, where he also worked for TYE Manufacturing. Since moving to the United Kingdom 25 years ago, Bruce has worked internationally in outsourcing, project finance and equipment rental, in both Financial Times Stock Exchange listed and private equity owned businesses, including Mowlem Plc, Amey Plc, Interserve Plc and Algeco S.A. Bruce has been a main Board and Non-Executive Director for more than 10 years. He has also served as Trustee and Chair of Safer London, one of the UK's leading charities serving young women and men affected by violence and exploitation, for more than ten years. He currently Chairs EcoSync Ltd., a UK based clean-tech start-up.

Age	Nationality	Position	Appointment
64	Trinidad & Tobago Citizen	Executive Director	2013

David O'Brien

DAVID O'BRIEN serves as an Executive Director and is also the Executive Vice President and Chairman of the board for the Motors & Machines Business Portfolio. He joined the Group in November 2005; prior to which, he held various senior positions at Sagicor, and also served as the President of the Trinidad & Tobago Chamber of Industry and Commerce in 2002 and 2003.

Mr. O'Brien has held Directorships on the Boards of RGM Limited, DFL Caribbean Limited, and the Tourism and Development Company of Trinidad and Tobago. He was the Chairman of the North Central Regional Health Authority, a member of the Multi-Sectorial Core Group for Trinidad and Tobago's Vision 2020 and Chairman of the committee to establish the National Policy for Disabled Persons. Mr. O'Brien is also the Honorary Consul for Sweden in Trinidad and Tobago.

Age	Nationality	Position	Appointment
64	Trinidad & Tobago Citizen	Independent, Non-Executive Director	2019

Robert Riley

ROBERT RILEY has a professional career that spans more than three decades. Mr. Riley has served in a variety of Executive Management and Senior Legal positions, including Group Head S&OR, Safety Leadership and Culture, BP PLC, London, Chairman and Chief Executive Officer, BP Trinidad and Tobago; Vice President, Legal and Government Affairs, Amoco and BP/Amoco; and General Counsel and Corporate Secretary, BWIA. He has also served on the Boards of Amoco Trinidad and Tobago LLC and other Amoco entities, Titan Methanol; BP Trinidad and Tobago, Atlantic LNG, The Bank of Nova Scotia, Trinidad and Tobago Limited, the University of Trinidad and Tobago (UTT), Caribbean Airlines Limited and Board of Management of J D Sellier & Co, Attorneys-at-Law.

An Attorney-at-Law, admitted to the Supreme Court in 1987, Mr. Riley holds inter alia, an LL.B (Hons.) from the University of the West Indies, Barbados; and a BSc. (Hons) in Agricultural Science from the University of the West Indies, St. Augustine, Trinidad. In 2003, he was awarded a Chaconia Medal (Gold) by the Government of the Republic of Trinidad and Tobago, for his contribution to National Development. In 2009, he was awarded a Doctor of Laws Honoris Causa by the University of the West Indies, St. Augustine.

Age	Nationality	Position	Appointment
51	Trinidad & Tobago Citizen	Independent, Non-Executive Director	2015

Maxine Williams

MAXINE WILLIAMS is an Independent, Non-Executive Director and is the Global Chief Diversity Officer at Facebook. In this role, she develops strategies to harness the unlimited potential of Facebook's talent, while managing a high performing team of diversity programme managers, from the company's headquarters in California. Prior to Facebook, she served as the Director of Diversity for a global law firm, with a focus on cross-border expertise, particularly in international arbitration, project finance, banking and anti-trust. She was responsible for developing and implementing a global diversity plan for the multi-national law firm comprised of almost 2000 attorneys, two-thirds of whom were based in offices outside of the United States, with clients in 115 countries around the world. As an attorney, Maxine has represented clients in criminal, civil and industrial courts in Trinidad and Tobago and in the United Kingdom at the Privy Council. Ms. Williams has worked with multiple international organisations on development and human rights issues and has had a parallel career, as a broadcast journalist and on-air presenter. Ms. Williams is a graduate of Yale University, she received her law degree with first class honors from Oxford University, where she was a Rhodes Scholar.

Board of Directors Meetings

The Board of Directors' held ten meetings during the period October 1, 2020, to September 30, 2021, four of which were Special Meetings. The two-day meetings held in April and September were Strategy and Operationalising Strategy and Purpose meetings, respectively.

BOARD OF DIRECTORS	DECEMBER 17, 2020	FEBRUARY 10, 2021	SPECIAL MARCH 12	SPECIAL APRIL 28	APRIL 29 & 30	MAY 6	SPECIAL JUNE 28	AUGUST 5	SPECIAL 30	SEPTEMBER 29 & 30
Robert Bermudez (Chairman)	●	●	●	●	x	●	●	●	●	●
E. Gervase Warner (President & Group CEO)	●	●	●	●	●	●	●	●	●	●
David Affonso	●	●	x	●	●	●	●	●	●	●
Ian Chinapoo	●	●	●	●	●	●	●	●	●	●
Anton Gopaulsingh	●	●	●	●	●	●	●	●	●	●
Patrick Hylton	●	●	●	●	●	x	●	●	●	●
Soraya Khan	●	●	●	●	●	●	●	●	●	●
Luisa Lafaurie Rivera	●	●	x	●	x	●	●	●	●	●
William Lucie-Smith	●	●	x	●	●	●	-	-	-	-
Suresh Maharaj	●	●	●	●	x	●	●	●	●	●
Bruce Melizan	-	-	-	-	-	-	●	●	●	●
David O'Brien	●	●	●	●	●	●	●	●	●	●
Robert Riley	●	●	●	●	●	●	●	●	●	●
Maxine Williams	●	●	x	●	●	●	x	●	●	●

- *Indicates that the Director was not a member of the Board for the period under review*

● *Indicates that the Director was present for the period under review*

x *Indicates that the Director was absent for the period under review*

Board Committees

The Board's Committees are key in assisting the Board in effectively discharging its duties and responsibilities. These Committees consider in greater depth and detail, on behalf of the Board, issues relevant to their various Charters, and report to the Board after each meeting. The Board has two constituted committees to support it in the discharge of its duties – the ARC and the GNRC - from which it receives reports on the Committees' work and areas of oversight. Minutes of these Committees' meetings, as well as reports from each Committee Chairperson, are tabled and presented to the Board. A brief overview of the Committees and their work is presented below.

Audit and Risk Committee

The ARC is responsible for making appropriate recommendations for the Board's approval of the financial reporting process, risk management, the system of internal control and the audit process. The Committee's Charter, along with the Group Internal Audit Charter and the Delegation of Authority for Non-Audit Services provided by the External Auditor, were reconfirmed and approved by the Board on the recommendation of the GNRC.

ARC Structure and Composition

The ARC is comprised of six Directors, five of whom are Independent, Non-Executive Directors. The Members of the Audit and Risk Committee as at September 30, 2021 were:

- Mr. Anton Gopaulsingh (Chairman)
- Mr. Patrick Hylton
- Ms. Soraya Khan
- Mr. Suresh Maharaj
- Mr. Bruce Melizan
- Mr. E. Gervase Warner (Ex-Officio)

During this period under review, Mr. Bruce Melizan was appointed to the Committee on June 1, 2021.

The ARC held six meetings during the period October 1, 2020 to September 30, 2021, one of which was a Special Meeting.

AUDIT & RISK COMMITTEE MEMBERS	DECEMBER 2, 2020	DECEMBER 16, 2020	FEBRUARY 10, 2021	MAY 6	SPECIAL JULY 9	AUGUST 5
Anton Gopaulsingh (Chairman)	●	●	●	●	●	●
Patrick Hylton	●	●	●	●	●	●
Soraya Khan	●	●	●	●	●	●
William Lucie-Smith	●	●	●	●	-	-
Suresh Maharaj	●	●	●	●	●	●
Bruce Melizan	-	-	-	-	●	●
E. Gervase Warner (Ex Officio)	●	●	●	●	●	●

- *Indicates that the Director was not a member of the Board for the period under review*

● *Indicates that the Director was present for the period under review*

x *Indicates that the Director was absent for the period under review*

Structure of Internal Audit

The appointed Group Internal Auditor is responsible for the overall Group Internal Audit function and adherence to the International Standards for the Professional Practice of Internal Auditing of The Institute of Internal Auditors. The Group Internal Auditor reports administratively to the Group Chief Executive Officer and functionally to the ARC. Internal Audit has unfettered access to the ARC.
The Internal Audit Risk Alignment and Internal Audit Scope was prepared in accordance with the Institute of Internal Auditors methodology.

Independence of Internal Audit

The ARC is satisfied that the Internal Audit function has been discharged in an objective and transparent manner. Further, the ARC has satisfied itself that the performance of the function is not subject to Management's undue influence.

Internal Control and the Internal Audit Function

The Board is responsible for the Company's system of internal controls and for reviewing its effectiveness. The ongoing monitoring of the adequacy and effectiveness of the Group's internal control systems is the primary responsibility of Internal Audit. The ARC is satisfied that Management, by approved risk corrective actions, adequately remedied any weaknesses in internal controls highlighted in the internal audit reports.

Risk Governance

Risk Governance consists of the rules and norms that govern how business decisions are made. It consists of values, oversight structures, documented policies and procedures, the allocation and prioritisation of resources and the establishment of evaluation frameworks and measurement methodologies.

Massy implemented an Enterprise Risk Management ("ERM") framework across the three major Portfolios, Integrated Retail, Motors & Machines and Gas Products, will apply the framework across all entities in the Group. In this second year of ERM implementation, the focus was on transitioning from a project mode to making the risk reporting and risk evaluation discipline a regular part of normal operational practice at the senior leadership level. The result has been increased alignment around risk awareness and risk culture.

The strength and sustainability of the enterprise risk management programme is supported by a governance structure, which connects Management to the Portfolio Audit and Risk Committee and then to the Board Audit and Risk committee. This ensures that critical risks have the appropriate oversight that ensures that mitigation strategies are within a defined and board approved risk appetite. This structure and approach seeks to continuously improve the Group's risk maturity, in both operational and strategic areas of the business.

External Audit

The ARC reviewed and approved the External Auditor's approach to and scope of their examination of the financial statements for the 2021 financial year. The Members are satisfied that PricewaterhouseCoopers has planned the audit, to obtain reasonable assurance, that the financial statements are free of material misstatement and present a fair view of the financial position of the Group, as at September 30, 2021 and the results of its operations and its cash flows for the year, then ended in accordance with International Financial Reporting Standards.

Financial Statements

During 2021, the interim unaudited financial statements were presented to the ARC at its quarterly meetings for review, with the recommendation for adoption by the Board. The ARC is satisfied that the audited financial statements contained in this Annual Report are complete, consistent with information known to its Members and in conformity with appropriate accounting principles, that have been consistently applied.

Governance, Nomination and Remuneration Committee

The objectives of the GNRC are to develop, implement and periodically review guidelines for appropriate corporate governance of the Company and its Group of companies. The GNRC's responsibilities include: reviewing the Board's composition and Board succession planning, reviewing key policies including the Group's Code of Conduct, oversight of Executive succession planning and remuneration. The GNRC's Charter was reviewed and reconfirmed by the Board during this period under review.

GNRC Structure and Composition

The GNRC is comprised of four Directors, all of whom are Independent, Non-Executive Directors.

The Members of the GNRC as at September 30, 2021 were:

- Mr. Robert Riley (Chairman)
- Ms. Luisa Lafaurie Rivera
- Ms. Maxine Williams
- Mr. Robert Bermudez (Ex-Officio)

Ms. Luisa Lafaurie Rivera was appointed as a member of the Committee on October 1, 2020.

The GNRC held seven meetings for the period October 1, 2020, to September 30, 2021, two of which were Special Meetings.

GNRC MEMBERS	OCTOBER 1, 2020	NOVEMBER 12, 2020	DECEMBER 9, 2020	FEBRUARY 3, 2021	MAY 6	SPECIAL AUGUST 3	SPECIAL SEPTEMBER 10
Robert Riley (Chairman)	●	●	●	●	●	●	●
Luisa Lafaurie Rivera	●	●	●	●	●	●	●
Maxine Williams	●	●	●	●	●	●	●
Robert Bermudez (Ex Officio)	●	●	●	●	●	●	●

● *Indicates that the Director was present for the period under review*

Over the financial year 2020/2021, the work of the GNRC included the following:

Governance

- Review of Board and Committee Charters, Director Independence Policy, Delegation of Authority and Delegation of Authority for Non-Audit Services;
- Oversight of the Speak Up (Whistleblower) policy and process;
- Review and revision of the Board and Committee structure and annual agendas to ensure coverage of all strategic matters;
- Consideration to strengthen the governance of the Group Corporate Treasury function, including review of an Investment Policy Statement and a Management Assets and Liabilities Committee;
- Analysis of the results of the annual Board and Committee evaluation and development of an action plan to address areas requiring strengthening;
- Review of Directors' Annual Declarations of Interests, in determining the independence of the Company's Independent Non-Executive Directors;
- Review and consideration of Senior Officers' Annual Declaration of Interests;
- Review and discussions on Chairperson and Non-Executive Director time commitments and review and revision of role descriptions and letters of appointment for the Chairperson and Directors;
- Review, consideration and approval of a Tenders and Management Committee and its associated Charter for the Gas Products Portfolio;
- Oversight for Group appointments to Portfolio Boards;
- Oversight of the Portfolio and Subsidiary Governance framework.

Nomination

- Strong focus was placed on Director succession planning and Board refreshment processes. Quarterly Director succession planning discussions were held and through a rigorous search process, the Board identified and interviewed a diverse group of global candidates which produced a suite of high-calibre Director candidates;
- Strengthening and streamlining the Director induction process;
- Recruitment and appointment of Mr. Bruce Melizan, as an Independent, Non-Executive Director on June 1, 2021;
- The Chairperson held performance conversations with Directors retiring on rotation at the Ninety-Seventh Annual Meeting of Shareholders; and
- Addition of modules and variety into the on-going Director training programmes this year including; 'Listen Like a Leader' and 'Expectations of a Massy Leader'.

Remuneration

- Conduct of the 'People Day' assessments of Executives, who report to the Group based on: key accomplishments, 'Expectations of Massy Leaders' surveys and their strengths and developmental areas;
- Review, rationalisation and strengthening of Executives' contracts, role descriptions and balanced scorecards;
- Review of Executive compensation, including retaining an independent firm, HRC Associates Limited, to support the work in this area;
- Review of the Group CEO's and Senior Executives' succession plans, with specific focus on leadership vacancies expected to arise in the next three to five years;
- Review and confirmation of the Company's Senior Officer Positions;

- Review and approval of the Long-Term Incentive Plan ('LTIP') awards for FY 2020 and Eligibility for Awards in FY 2021; and
- Approval and recommendation of Tranche 3 awards, to eligible Executives under the Company's Performance Share Plan.

Disclosure and Accountability

The Company continues to maintain an effective disclosure regime and makes quarterly, annual and other material disclosures, regarding its performance and activities within the prescribed statutory timeframe. The Company also has a well-established cycle of communication with its various stakeholders, to periodically discuss its activities and performance. The Company's Disclosure Policy includes many global standard disclosure practices and is reviewed on a regular basis.

Strengthening Stakeholder Relationships

Engagement with the Company's Shareholders is an essential component in the value added to the Company. This is facilitated through the Company's Chairman, President and Group Chief Executive Officer and Corporate Secretary. Due to the Covid-19 pandemic, the Ninety-Seventh Annual Meeting of Shareholders was successfully held in a hybrid format, which facilitated the attendance of Shareholders across various jurisdictions. These Shareholders were also able to question the Board, Senior Management and the Auditors on the presentations, performance and direction of the Company and its businesses. This has presented an opportunity for greater stakeholder connections.

In addition to the hybrid Annual Meeting, this year the Company further demonstrated its commitment to ongoing engagement, by hosting a number of online investor presentations, made by Massy Executives. These investor presentations do not include any additional statements on current trading performance, nor do they disclose any new, material financial information, but offer investors more in-depth information on the progress being made towards the Company's strategic goals. The slides from these presentations are also available on our corporate website for wider viewing.

Directors' Report

The Directors have pleasure in submitting their Report and the Audited Financial Statements for the financial year ended September 30, 2021

Principal activities

The main activity is that of a Holding Company.

FINANCIAL RESULTS FOR THE YEAR	$000'S
Profit attributable to Shareholders	788,458
Dividends paid	(250,775)
Profit retained for the year	537,683
Other movements on revenue reserves	(5,045)
Balance brought forward	5,346,075
Retained earnings at end of year	5,878,713

Dividends

The Directors declared an interim dividend of $0.55 and then a final dividend of $2.30 per share, making a total dividend of $2.85 per share for the financial year. The final dividend will be paid on or after January 14, 2022 to Shareholders whose names appear on the Register of members of the Company at the close of business on December 30, 2021.

Directors

Pursuant to paragraphs 4.4.1, and 4.6.1 of By-Law No. 1 of the Company, Mr. Peter Jeewan being eligible, offers himself for election to hold office until the close of the third Annual Meeting of Shareholders of the Company following this election.

Pursuant to paragraphs 4.4.1, 4.4.2 and 4.6.1 of By-Law No. 1 of the Company, Mr. Bruce Melizan retires from the Board by rotation and being eligible, offers himself for election to hold office until the close of the third Annual Meeting of Shareholders of the Company following this election.

Pursuant to paragraphs 4.4.1, and 4.6.1 of By-Law No. 1 of the Company, Mr. David O'Brien retires from the Board by rotation and being eligible, offers himself for election to hold office until the close of the third Annual Meeting of Shareholders of the Company following this election.

Pursuant to paragraphs 4.4.1, 4.6.1 and 4.8 of By-Law No. 1 of the Company, Mr. Suresh Maharaj having attained the age of seventy-two years, retires from the Board by rotation and being eligible, offers himself for election to hold office until the close of the third Annual Meeting of Shareholders of the Company following this election.

Directors' and Senior Officers' Interests

These should be read as part of this report.

Auditors

The Auditors, PricewaterhouseCoopers, retire and being eligible offer themselves for re-appointment.

By Order of the Board

Wendy Kerry
CORPORATE SECRETARY

December 10, 2021

Directors', Senior Officers' and Connected Persons' Interests

Set out below are the Directors, Senior Officers and their connected persons with interests in the shares of Massy Holdings Ltd. and the holders of the ten (10) largest blocks of shares in the Company as at September 30, 2021.

DIRECTORS AND SENIOR OFFICERS	SHAREHOLDINGS	ASSOCIATES SHAREHOLDINGS
David Affonso	50,005	Nil
Robert Bermudez	14,820	3,118,198
Ian Chinapoo	68,581	Nil
Anton Gopaulsingh	7,352	Nil
Patrick Hylton	Nil	Nil
Soraya Khan	Nil	Nil
Luisa Lafaurie Rivera	Nil	Nil
Suresh Maharaj	Nil	Nil
Bruce Melizan	Nil	Nil
David O'Brien	99,406	Nil
Robert Riley	Nil	Nil
Elliot Gervase Warner	671,033	Nil
Maxine Williams	Nil	Nil
Julie Avey	76,391	Nil
Howard Hall	20,098	Nil
Wendy Kerry	27,133	Nil
Vaughn Martin	146,376	Nil
Angelique Parisot Potter	49,216	Nil
Roger Ramdwar	9,139	Nil
Alberto Rozo	15,599	Nil
Eugene Tiah	117,396	Nil

Holders of the Ten (10) Largest Blocks of Shares

	SHAREHOLDER	NUMBER OF SHARES AS AT 30-09-2021
1	NATIONAL INSURANCE BOARD OF TRINIDAD AND TOBAGO	19,801,051
2	RBC/RBTT NOMINEE SERVICES LIMITED	10,300,899
3	RBC/RBTT TRUST LIMITED	7,297,713
4	REPUBLIC BANK LIMITED	6,829,057
5	TRINIDAD AND TOBAGO UNIT TRUST CORPORATION	4,376,710
6	TRINTRUST LIMITED	3,444,967
7	KISS BAKING COMPANY LIMITED	3,105,169
8	GUARDING LIFE OF THE CARIBBEAN	3,089,737
9	NATIONAL INSURANCE BOARD (BARBADOS)	2,800,372
10	FIRST CITIZENS TRUST & ASSET MANAGEMENT	2,573,364

Notes

1 The indirect Beneficial Shareholding of Directors and Senior Officers corresponds to the Trinidad & Tobago Stock Exchange Rules (Rule 600) regarding the shareholdings of persons connected to Directors and Senior Officers. It includes the indirect beneficial ownership/control of shares held by; (i) entities that a person owns/controls>50 percent shares, (ii) the Director's/Senior Officer's husband or wife and (iii) the Director's/Senior Officer's minor children.

2 RBC/RBTT Nominee Services Limited holds a non-beneficial interest in 10,300,899 shares for the Neal & Massy Employee Stock Ownership Plan.

3 The National Insurance Board Limited holds a substantial interest in the issued share capital of the Company. A substantial interest means one-tenth or more of the issued share capital of the Company.

4 Mr. Vaughn Martin was appointed as Group Executive Vice President and Executive Chairman, Gas Products Portfolio on October 1, 2021 and Ms. Anjen Mclean was appointed as Chief Risk Officer on October 1, 2021

5 The following changes occurred in the Directors' , Senior Officers' and Connected Persons Interests between the end of the Company's financial year and one month prior to the date of the Notice convening the Annual Meeting:

i Pursuant to the Rules of the Company's Performance Share Plan, as approved by the Shareholders at a Special Meeting on September 26, 2013, the following Directors and Senior Officers were awarded and issued additional Ordinary Shares in the Company on October 1, 2021:

Executive Directors	Senior Officers
David Affonso - 41,629	Wendy Kerry - 5,218
David O'Brien - 42,974	Howard Hall - 13,945
E. Gervase Warner - 171,589	

These additional 626,845 Ordinary Shares were duly registered with the Trinidad and Tobago Securities and Exchange Commission on August 17, 2021 and listed on the Trinidad and Tobago Exchange effective October 1, 2021.

ii Mr. Bruce Melizan purchased 355 Ordinary Shares in the Company on October 13, 2021.

6 There have been no changes to the Substantial Interests occurring between the end of the Company's financial year and one month prior to the date of the Notice convening the Annual Meeting.

7 There were no beneficial interests attached to any shares in the names of the Directors in the Company's subsidiary companies, such shares being held by the Directors as nominees of the Company or its subsidiaries.

8 At no time during, or at the end of the financial year, were any material contracts or proposed material contracts granted by the Company, or any of its subsidiary companies, to any Director or Proposed Director of the Company.

Management Proxy Circular

REPUBLIC OF TRINIDAD AND TOBAGO

THE COMPANIES ACT, CH. 81:01
[SECTION 144]

1 Name of Company — MASSY HOLDINGS LTD.
Company No. — M 4805 (C)

2 Particulars of Meeting

Ninety-Eighth Annual Meeting of Shareholders of the above-named Company to be held at the **La Boucan Room, Hilton Trinidad and Conference Centre**, 1B Lady Young Road, Port-of-Spain, Trinidad at **10:00 a.m.** on **January 21, 2022**, in a hybrid format whereby Shareholders may attend and participate in the Meeting via a live webcast.

3 Solicitation

It is intended to vote the Proxy solicited hereby (unless the Shareholder directs otherwise) in favour of all resolutions specified therein.

4 Any Director's statement submitted pursuant to Section 76(2)

No statement has been received from any Director pursuant to Section 76(2) of the Companies Act, Ch. 81:01.

5 Any Auditor's statement submitted pursuant to Section 171(1)

No statement has been received from the Auditors of the Company pursuant to Section 171(1) of the Companies Act, Ch. 81:01.

6 Any Shareholder's proposal submitted pursuant to Sections 116(a) and 117(2)

No proposal has been received from any Shareholder pursuant to Sections 116(a) and 117(2) of the Companies Act, Ch. 81:01.

DATE	NAME AND TITLE	SIGNATURE
December 10, 2021	Wendy Kerry CORPORATE SECRETARY	

Statement of Management's Responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of Massy Holdings Ltd. and its subsidiaries (the Group) which comprise the consolidated statement of financial position as at September 30, 2021, the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud, and the achievement of operational efficiencies for the Group;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these audited consolidated financial statements, Management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, Management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of Management to indicate that the Group will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying consolidated financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.

E. Gervase Warner
CHIEF EXECUTIVE OFFICER
December 10, 2021

Ian Chinapoo
CHIEF FINANCIAL OFFICER
December 10, 2021

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Independent auditor's report

To the Shareholders of Massy Holdings Ltd.

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Massy Holdings Ltd. (the Company) and its subsidiaries (together 'the Group') as at 30 September 2021, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 30 September 2021;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

PricewaterhouseCoopers, PO Box 550, 11-13 Victoria Avenue, Port of Spain, 100902, Trinidad, West Indies
T: (868) 299 0700, F: (868) 623 6025, www.pwc.com/tt

Our audit approach

Overview

Overall group materiality: $46.4 million, which represents 5% of profit before income tax from continuing operations
The group audit included: • Full scope audits of six subsidiaries which were deemed to be individually financially significant components, three of which have head offices in Trinidad and Tobago, with the others being located in Barbados, Jamaica and Guyana; and • An audit of specific account balances including third-party borrowings, revenue, accounts receivable, financial assets and loss reserves on insurance contracts in other components
• Goodwill impairment • Valuation of unquoted equity investment • Valuation of net retirement benefit asset • Assets and liabilities classified as held for sale • Valuation of loss reserves on insurance contracts

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group is structured into five segments (see note 3 to the consolidated financial statements) and is a consolidation of over 120 separate legal entities. The Group comprises component entities directly held by Massy Holdings Ltd., as well as sub-group components. The following components were deemed to be financially significant and were subject to full scope audits:

- Massy Transportation Group Ltd. and its subsidiaries
- Massy Integrated Retail Ltd. and its subsidiaries
- Massy Guyana Ltd. and its subsidiaries
- Massy Stores (Barbados) Ltd.
- Massy Gas Products (Trinidad) Ltd. and its subsidiaries
- Massy Gas Products (Jamaica) Ltd.

In addition, a further eight components were subject to an audit of specific account balances. Three of the six significant components are audited by PwC Trinidad. For all other components, which are within the scope of the Group audit, we used component auditors from PwC network firms and non-PwC firms, who are familiar with the local laws and regulations, to perform this audit work.

For the work performed by all component audit teams (both PwC and non-PwC) operating under our instructions, we determined the level of involvement we needed to have in the audit work at those locations to be satisfied that sufficient audit evidence has been obtained for the purpose of our opinion. We maintained ongoing involvement with the component audit teams throughout the audit and performed remote reviews of component working papers for components in Barbados, Jamaica, Guyana, St. Lucia and Cayman Islands.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall Group materiality	$46.4 million
How we determined it	5% of profit before income tax from continuing operations
Rationale for the materiality benchmark applied	We chose profit before income tax from continuing operations as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users, and is a generally accepted benchmark. We chose 5% which is within a range of acceptable benchmark thresholds.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above $1.5 million, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Goodwill impairment *Refer to notes 2.8.1, 4.a.(i) and 8 to the consolidated financial statements for disclosures of related accounting policies and balances.* Management performs an annual impairment assessment of goodwill. Goodwill totalling $168.4 million was recognised on the consolidated statement of financial position as at 30 September 2021. Management recorded an impairment charge of $10.3 million within the consolidated statement of profit or loss. The recoverable amount of each cash generating unit (CGU) is calculated as the higher of the value-in-use and fair value less costs of disposal. Management determined the recoverable amount by reference to the value-in-use (VIU). The VIU was derived based on a discounted expected cash flow approach which involved the development of a best, worst and base case scenario. Each scenario was assigned a weighting based on management's judgement to derive an expected cash flow for the CGU. These cash flows included areas where management makes significant judgements on certain key inputs, those being assigned weightings, discount and growth rates. We focused on this area because of the significant level of judgement required in arriving at the key assumptions used in management's impairment assessment.	Our approach to addressing the matter, with the assistance of our specialist, involved the following procedures, amongst others: • updated our understanding of the methods used by management to perform its annual goodwill impairment assessment of each CGU and assessed whether the methods applied were consistent with the prior year; • assessed the reasonableness of the weighting assigned to each cash flow forecast based on our understanding of the current economic environment, historical results and the expected likelihood of occurrence given the Covid-19 pandemic; • recalculated the weighted average cost of capital (WACC) used to discount the expected cash flows and evaluated those rates against market-based inputs, our knowledge of the economic environment and the risk premium associated with the respective industries and countries; • compared management's determined growth rates to historical performance of the CGU and to external economic industry data where available, in which the CGU operates, taking into consideration the CGU's ability to achieve these growth rates in the current economic environment; • compared management's future cash flow forecasts used in the impairment assessment to those presented and approved by the Board of Directors as part of the annual budgeting process; • evaluated the accuracy of the forecasts made by comparing past forecasts to historical results, where available, and by comparing to the current year results of the entity; and • tested the mathematical accuracy of management's calculations. The results of the above audit procedures indicated management's goodwill impairment assessment conclusion was not unreasonable.

Valuation of unquoted equity investment *Refer to notes 2.9.3, 4.a.(v), 12 and 34.3.1 to the consolidated financial statements for disclosures of related accounting policies and balances.* The Group's consolidated statement of financial position as at 30 September 2021 includes a carrying value of $198.9 million related to an unquoted equity investment. This investment is classified as a financial asset at fair value through other comprehensive income (FVOCI). Fair value was determined based on the discounted cash flow method using free cash flow to equity and risk-adjusted discount rates to arrive at the fair value of the equity investment. This methodology also used other significant unobservable inputs in computing the key assumptions being discount rate, growth rates and methanol prices. We focused on this area because of the significant level of judgement required in arriving at the key assumptions used in management's fair valuation.	Our approach to addressing the matter, with the assistance of our valuation specialist, involved the following procedures, amongst others: • updated our understanding of the approach used by management to determine its fair valuation of the unquoted equity investment in accordance with IFRS and confirmed that it was consistent with the prior year; • assessed the reasonableness of the cash flow forecast made by comparing past forecasts to historical results, where available, and by comparing to the current year results; • recalculated the weighted average cost of capital (WACC) used to discount the cash flows and evaluated those rates against market-based inputs, our knowledge of the economic environment and the risk premium associated with the investment; • assessed the growth rate based on the capacity of the operations and methanol prices used in the cash flow projections for reasonableness in the context of the overall relationship between key components of the cash flow forecast; • recalculated the enterprise value based on the discounted free cash flow available to firm; and • tested the mathematical accuracy of management's calculations. The results of the above audit procedures indicated management's fair valuation was not unreasonable within a range of outcomes.

Valuation of net retirement benefit asset

Refer to notes 2.18.1, 4.a.(vii) and 14 to the consolidated financial statements for disclosures of related accounting policies and balances.

The Group sponsors separate pension plans for its employees in Trinidad and overseas. As at 30 September 2021, the Group had a consolidated net retirement benefit asset of $457.4 million.

The net retirement benefit asset is comprised of the value of pension plan assets less the pension obligation. The following key assumptions used to calculate the pension obligation can have a material impact on the calculation of the liability:

- salary increases;
- discount rates; and
- mortality rates.

Management utilised an external actuary to perform certain calculations with respect to the estimated pension obligation.

The pension assets consist of financial investments held at fair value, which are based on a range of inputs. While many of the inputs can be obtained from readily available liquid market prices and rates, certain securities are based on modelled prices as observable market data is limited. In these instances, management is required to make significant judgements due to the complexity in the valuation model estimates resulting in high estimation uncertainty risk.

We focused on this area because of the significance of the actuarial assumptions stated above in determining the pension obligation and the unobservable inputs used in the valuation models of certain securities within the pension assets.

Our approach to addressing the matter, with the assistance of our valuation specialist (in respect of pension assets), involved the following procedures, amongst others:

Pension obligation:

- compared the discount rate used by management to the yield of sovereign bonds of a similar period to retirement;
- compared mortality rates to publicly available statistics;
- compared salary increases to historical increases, taking into account the current economic climate;
- tested the completeness and accuracy of the census data used in the actuarial calculation on a sample basis by comparing it to personnel files; and
- assessed the independence, competence and objectivity of the actuary used by management to calculate the retirement benefit obligations.

Pension assets:

For investments, which were valued using a valuation model:

- evaluated the assumptions, methodologies and models used by the Group;
- tested the significant inputs relating to yield, prices and valuation on a sample basis to external sources where available and compared to similar transactions in the marketplace; and
- recalculated the valuation for a sample of management's modelled securities.

The results of the above audit procedures indicated management's valuation of the net retirement benefit asset was not unreasonable.

Assets and liabilities classified as held for sale	
Refer to notes 2.22 and 37 to the consolidated financial statements for disclosures of related accounting policies and balances.	
As at 30 September 2021, the Group's consolidated statement of financial position had assets classified as held for sale of $2,508 million and liabilities classified as held for sale of $1,699 million. The following transactions have resulted in the reclassification of the related assets and liabilities: • Massy (Barbados) Limited entered into a Share Purchase Agreement with the Coralisle Group Ltd. on 2 September, 2021 to sell 100% of the share capital of Massy United Insurance Ltd. Closing of the transaction is subject to the requisite regulatory assurances and approvals. • Massycard (Barbados) Limited entered into an Asset Purchase Agreement on November 15, 2021 for the sale of the credit card portfolio and supporting assets. Closing of the transaction is subject to the requisite regulatory assurances and approvals. • The remaining balances pertain to multiple properties held for sale. There are several interested parties, and the sales are expected to be completed within the new financial year. We focused on this area due to the significant and pervasive impact of the reclassifications of related assets and liabilities, management judgement around timing of the criteria being met and the presentation of these balances in the consolidated financial statements.	Our approach to addressing the matter involved the following procedures, amongst others: • evaluated the Group's judgement on the classification of the entities held for sale in accordance with IFRS by reading executed agreements and evaluating the timing and status of the transactions; • assessed management's measurement of the assets and liabilities held for sale as the lower of its carrying amount and fair value less costs to sell; • reconciled the reclassified assets and liabilities and results to the underlying accounting records of the entities with assets and liabilities held for sale; • inspected the presentation of discontinued operations in the consolidated statement of profit or loss, the presentation of the assets and liabilities in the consolidated statement of financial position and the related notes and evaluated whether these were in conformity with the applicable accounting framework. The results of the above audit procedures indicated that management's classification, measurement and disclosure of the assets and liabilities held for sale was not inappropriate.

Valuation of loss reserves on insurance contracts *Refer to notes 2.15, 4.a.(viii) and 25 to the consolidated financial statements for disclosures of related accounting policies and balances.* As at 30 September 2021, the Group had a liability of $443.7 million in relation to the settlement of claims related to insurance contracts. The methodologies and assumptions utilised to develop incurred but not reported reserves involve a significant degree of judgement. Management uses historical claims data as a key input in the actuarial estimates and an external actuarial expert to assist in determining the value of claims incurred but not reported. The liabilities are based on the best estimated ultimate cost of all claims incurred but not settled at a given date, whether reported or not, together with the related claims handling costs. There is generally less information available in relation to claims which are incurred but not reported, which can result in variability between initial estimates and final settlement. A range of methods may be used to determine these provisions. We focused on this area due to the complexity and significance of a number of explicit and implicit assumptions relating to the expected settlement amount and settlement patterns of claims underlying these methods as well as the complexity of the calculations.	Our approach to addressing the matter, with the assistance of our actuarial specialist, involved the following procedures, amongst others: • performed detailed testing, on a sample basis, over the historical claims case estimates and settlements to the underlying source data; • tested the completeness and accuracy of the underlying data utilised by management and their external actuarial experts to support the actuarial valuation, which also included key data reconciliations; and • performed an independent calculation of claims incurred but not reported using relevant company data and a combination of alternative methods, assumptions and grouping of data which was compared to management's estimate. The results of the above audit procedures indicated management's estimate for outstanding claims was not unreasonable.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated financial statements and our auditor's report thereon).

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Dwayne Rodriguez-Seijas.

PricewaterhouseCoopers

Port of Spain
Trinidad
West Indies
10 December 2021

Consolidated Statement of Financial Position

Expressed in Thousands of Trinidad and Tobago dollars

	NOTES	AS AT SEPTEMBER 30 2021 $	 2020 $
ASSETS			
Non-current assets			
Property, plant and equipment	5	2,123,886	2,185,201
Right-of-use assets	6	854,536	792,920
Investment properties	7	329,503	403,215
Goodwill	8	168,409	202,768
Other intangible assets	9	59,415	63,356
Investments in associates and joint ventures	10	129,608	170,498
Trade and other receivables	11	800	41,388
Financial assets	12	923,521	1,021,432
Deferred income tax assets	13	132,405	124,623
Retirement benefit assets	14	457,411	439,987
		5,179,494	**5,445,388**
Current assets			
Inventories	15	1,627,654	1,587,202
Trade and other receivables	11	1,571,430	2,254,001
Financial assets	12	587,353	1,282,064
Statutory deposits with regulators	16	26,643	129,471
Cash and cash equivalents	17	2,034,141	2,533,621
Assets classified as held for sale	37	2,508,194	8,000
		8,355,415	**7,794,359**
Total assets		**13,534,909**	**13,239,747**
EQUITY			
Capital and reserves attributable to equity holders of the Parent			
Share capital	18	764,344	764,344
Retained earnings		5,878,713	5,346,075
Other reserves	20	25,075	60,219
		6,668,132	6,170,638
Non-controlling interests	21	164,039	246,406
Total equity		**6,832,171**	**6,417,044**

	NOTES	AS AT SEPTEMBER 30 **2021** $	 2020 $
LIABILITIES			
Non-current liabilities			
Borrowings	22	1,448,159	1,440,184
Lease liabilities	6	919,516	844,004
Deferred income tax liabilities	13	234,043	236,050
Customers' deposits	23	114,028	98,831
Retirement benefit obligations	14	82,664	68,849
Provisions for other liabilities and charges		48,094	76,183
		2,846,504	**2,764,101**
Current liabilities			
Trade and other payables	24	1,485,242	1,796,004
Liabilities on insurance contracts	25	–	1,172,814
Customers' deposits	23	179,474	190,126
Current income tax liabilities		161,570	155,959
Borrowings	22	261,742	677,096
Lease liabilities	6	68,717	66,603
Liabilities classified as held for sale	37	1,699,489	–
		3,856,234	**4,058,602**
Total liabilities		**6,702,738**	**6,822,703**
Total equity and liabilities		**13,534,909**	**13,239,747**

The notes on pages 113 to 190 are an integral part of these consolidated financial statements.

On December 10, 2021, the Board of Directors of Massy Holdings Ltd. authorised these consolidated financial statements for issue.

E. Gervase Warner
DIRECTOR

Anton Gopaulsingh
DIRECTOR

Ian Chinapoo
DIRECTOR

Consolidated Statement of Profit or Loss

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

		YEAR ENDED SEPTEMBER 30	
	NOTES	**2021** $	2020 $
	37		(RESTATED)
Continuing operations:			
Revenue	3/26	11,127,944	10,243,236
Operating profit before finance costs and expected credit losses		985,354	733,300
Expected credit losses	26.2	(4,007)	(9,498)
Operating profit before finance costs	26	981,347	723,802
Finance cost – net	28	(102,767)	(112,453)
Operating profit after finance costs		878,580	611,349
Share of profit of associates and joint ventures	10	50,296	48,948
Profit before income tax		928,876	660,297
Income tax expense	29	(250,863)	(257,143)
Profit for the year from continuing operations		**678,013**	**403,154**
Discontinued operations:			
Gain on sale of discontinued operations	37	90,784	262,442
Profit after tax from discontinued operations	37	53,231	77,555
Profit for the year from discontinued operations		**144,015**	**339,997**
Profit for the year		**822,028**	**743,151**
Attributable to:			
Owners of the parent			
- continuing operations		639,833	367,415
- discontinued operations	37	148,625	328,988
Profit attributable to owners of the Parent		**788,458**	**696,403**
Non-controlling interests:			
- continuing operations		38,180	35,739
- discontinued operations	37	(4,610)	11,009
Profit attributable to non-controlling interests	**21**	**33,570**	**46,748**
Profit for the year		**822,028**	**743,151**
Earnings per share attributable to the owners of the Parent during the year (expressed in TT$ per share)			
Basic earnings per share:			
- continuing operations	30/37	6.51	3.75
- discontinued operations	30/37	1.51	3.36
		8.02	**7.11**

The notes on pages 113 to 190 are an integral part of these consolidated financial statements.

Consolidated Statement of Other Comprehensive Income

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

	YEAR ENDED SEPTEMBER 30	
	2021	2020
	$	$
Profit for the year	**822,028**	**743,151**
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
- Remeasurement of defined benefit pension plans net of taxation	(19,924)	54,778
	(19,924)	54,778
Items that may be subsequently reclassified to profit or loss		
- Currency translation differences	(12,750)	(24,739)
Other comprehensive (loss)/income for the year, net of tax	(32,674)	30,039
Total comprehensive income for the year	**789,354**	**773,190**
Attributable to:		
- owners of the parent	755,851	722,715
- non-controlling interests	33,503	50,475
Total comprehensive income for the year	**789,354**	**773,190**
Attributable to:		
- continuing operations	608,423	392,904
- discontinued operations	147,428	329,811
Total comprehensive income attributable to owners of the Parent	**755,851**	**722,715**

The notes on pages 113 to 190 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

	NOTES	SHARE CAPITAL $	OTHER RESERVES $	RETAINED EARNINGS $	SUBTOTAL ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT $	NON-CONTROLLING INTEREST $	**TOTAL EQUITY $**
Balance at October 1, 2020		**764,344**	**60,219**	**5,346,075**	**6,170,638**	**246,406**	**6,417,044**
Profit for the year		–	–	788,458	788,458	33,570	822,028
Other comprehensive income		–	(12,653)	(19,954)	(32,607)	(67)	(32,674)
Total comprehensive income for the year		**–**	**(12,653)**	**768,504**	**755,851**	**33,503**	**789,354**
Other movements:							
- Transfer from other reserves	20	–	(16,785)	16,785	–	–	–
- Disposal of subsidiaries		–	(3,058)	–	(3,058)	(68,306)	(71,364)
- Other reserve movements		–	(1,722)	(1,876)	(3,598)	843	(2,755)
Transactions with owners:							
- Dividends paid	19	–	–	(250,775)	(250,775)	(47,202)	(297,977)
- Purchase of non-controlling interests		–	(926)	–	(926)	(1,205)	(2,131)
Balance at September 30, 2021		**764,344**	**25,075**	**5,878,713**	**6,668,132**	**164,039**	**6,832,171**
Balance at October 1, 2019		**764,344**	**109,919**	**4,839,635**	**5,713,898**	**233,043**	**5,946,941**
IFRS 16 initial application adjustments		–	–	(70,400)	(70,400)	(3,373)	(73,773)
Balance at October 1, 2019 – restated		**764,344**	**109,919**	**4,769,235**	**5,643,498**	**229,670**	**5,873,168**
Profit for the year		–	–	696,403	696,403	46,748	743,151
Other comprehensive income		–	(25,901)	52,213	26,312	3,727	30,039
Total comprehensive income for the year		–	**(25,901)**	**748,616**	**722,715**	**50,475**	**773,190**
Other movements:							
- Transfer from other reserves	20	–	(35,526)	35,526	–	–	–
- Disposal of subsidiaries			11,087	5,344	16,431	–	16,431
- Other reserve movements		–	2,822	4,643	7,465	(5,120)	2,345
Transactions with owners:							
- Dividends paid	19	–	–	(217,289)	(217,289)	(24,003)	(241,292)
- Purchase of non-controlling interests		–	(2,182)	–	(2,182)	(4,616)	(6,798)
Balance at September 30, 2020		**764,344**	**60,219**	**5,346,075**	**6,170,638**	**246,406**	**6,417,044**

		YEAR ENDED SEPTEMBER 30, 2021	YEAR ENDED SEPTEMBER 30, 2020
Dividends per share	19	$2.85	$2.50
Dividends paid per share	19	$2.55	$2.22

The notes on pages 113 to 190 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

	NOTES	YEAR ENDED SEPTEMBER 30 2021 $	 2020 $ (RESTATED)
Cash flows from operating activities			
Profit before income tax from continuing operations		928,876	660,297
Profit before tax from discontinued operations	37	161,731	377,838
Adjustments for:			
Share of results of associates and joint ventures	10	(52,344)	(53,459)
Depreciation and impairment of property, plant and equipment	5	217,010	306,438
Depreciation of right-of-use assets	6	90,332	92,553
Depreciation and impairment of investment properties	7	2,892	30,011
Impairment of goodwill	8	10,263	10,000
Amortisation of other intangible assets	9	19,320	10,594
Unwinding of interest on restoration liability		145	124
Covid-19 lease concessions	6.2	(276)	(3,217)
Gain on disposal of property, plant and equipment		(113,748)	(53,361)
Gain on disposal of investment properties		(8,828)	(23,708)
Gain on disposal of subsidiaries	37	(90,784)	(262,442)
Expected credit losses/impairment expense on financial instruments		6,942	14,460
Gains on other financial instruments		(51,255)	(1,109)
Employee retirement and other benefits		(16,541)	(3,323)
Profit before changes in working capital		**1,103,735**	**1,101,696**
Changes in working capital:			
Increase in inventories		(94,454)	(116,859)
(Increase)/decrease in trade and other receivables		(530,721)	223,129
(Decrease)/increase in other provisions and other charges		(28,234)	20,892
(Increase)/decrease in instalment credit and other loans		(14,786)	94,755
Increase/(decrease) in trade and other payables		107,234	(50,048)
Increase in statutory deposits with regulators		(45,586)	(14,951)
Increase/(decrease) in liabilities on insurance contracts		157,758	(140,645)
Increase/(decrease) in customers' deposits		4,545	(15,493)
Cash generated from operations		659,491	1,102,476
Taxation paid		(245,454)	(263,303)
Net cash generated from operating activities		**414,037**	**839,173**

Consolidated Statement of Cash Flows

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

	NOTES	YEAR ENDED SEPTEMBER 30 **2021** $	 2020 $ (RESTATED)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		159,176	168,378
Proceeds from sale of investment properties		27,516	34,071
Additions to property, plant and equipment	5	(423,775)	(283,618)
Additions to investment properties	7	(2,066)	(11,958)
Net change in other financial assets excluding instalment credit and other loans		292,642	(256,081)
Increase in other investments, other intangibles, non-controlling interests and investments in associates and joint ventures		(30,494)	(4,995)
Dividends received from associated companies	10	33,692	15,276
Acquisition of Dicengas and Gasprocol	36	–	(17,308)
Proceeds on sale of subsidiaries, net of cash disposed and direct costs	37	165,200	371,133
Net cash generated from investing activities		**221,891**	**14,898**
Cash flows from financing activities			
Proceeds from borrowings		647,401	355,571
Principal repayments on borrowings		(1,064,701)	(420,812)
Principal repayments on lease liabilities	6	(77,215)	(76,290)
Purchase of non-controlling interest		(2,131)	(6,798)
Dividends paid to Company's Shareholders	19	(250,775)	(217,289)
Dividends paid to non-controlling interests		(47,202)	(24,003)
Net cash used in financing activities		**(794,623)**	**(389,621)**
Net (decrease)/increase in cash, cash equivalents		(158,695)	464,450
Cash, cash equivalents and bank overdrafts at beginning of the year		2,525,521	2,064,262
Effect of exchange rate changes on cash and bank overdrafts		(4,734)	(3,191)
Cash, cash equivalents and bank overdrafts at end of the year		**2,362,092**	**2,525,521**
Cash and short-term bank deposits		2,379,882	2,533,621
Bank overdrafts	22	(17,790)	(8,100)
		2,362,092	**2,525,521**
The following amounts are included within cash flows from operating activities:			
Interest received from other financial instruments		80,218	79,180
Dividends received from other financial instruments		2,198	2,903
Cash and short-term bank deposits:			
Continuing operations	17	2,034,141	2,533,621
Reclassified to held for sale	37	345,741	–
		2,379,882	**2,533,621**

The notes on pages 113 to 190 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

1 GENERAL INFORMATION

Massy Holdings Ltd. (the 'Company'), was incorporated in the Republic of Trinidad and Tobago in 1923. The address of its registered office is 63 Park Street, Port of Spain, Trinidad. The Company and its subsidiaries, (together, the Group) is engaged in trading, service industries and finance in Trinidad and Tobago, the wider Caribbean region and Colombia. The Company has a primary listing on the Trinidad and Tobago Stock Exchange.

The principal subsidiaries are listed below with the percentage holding of the Parent's (Massy Holdings Ltd.) effective shareholding where there is an intermediary company.

There were no changes in the ownership of the entities listed below except for the entities disposed in Note 37.

	COUNTRY OF INCORPORATION	PERCENTAGE EQUITY CAPITAL HELD
MOTORS & MACHINES		
Massy Transportation Group Ltd.	Trinidad and Tobago	100%
Massy Motors Ltd.	Trinidad and Tobago	100%
City Motors (1986) Limited	Trinidad and Tobago	100%
Massy Machinery Ltd.	Trinidad and Tobago	100%
Massy Automotive Components Ltd.	Trinidad and Tobago	100%
Massy Motors (Tobago) Ltd.	Trinidad and Tobago	100%
Master Serv Limited	Trinidad and Tobago	100%
Massy Motors (Guyana) Ltd.	Guyana	93.64%
Massy Motors Colombia S.A.S	Colombia	100%
Massy Motors Best Auto Ltd.	Trinidad and Tobago	100%
FINANCIAL SERVICES		
Massy United Insurance Ltd.	Barbados	100%
Massy Remittance Services (Trinidad) Ltd.	Trinidad and Tobago	100%
Massy Remittance Services (SLU) Ltd.	Saint Lucia	100%
Massy Finance GFC Ltd.	Trinidad and Tobago	100%
Massycard (Barbados) Limited	Barbados	100%
Massy Services (Guyana) Ltd.	Guyana	93.64%
Massy Credit Plus Ltd.	Trinidad and Tobago	100%
GAS PRODUCTS		
Massy Gas Products Holdings Ltd.	Trinidad and Tobago	100%
Massy Energy (Trinidad) Ltd.	Trinidad and Tobago	100%
Massy Gas Products (Trinidad) Ltd.	Trinidad and Tobago	100%
Massy Gas Products (Jamaica) Limited	Jamaica	100%
Massy Gas Products (Guyana) Ltd.	Guyana	93.64%
Massy Energy Colombia S.A.S.	Colombia	100%
INTEGRATED RETAIL		
Massy Integrated Retail Ltd.	Trinidad and Tobago	100%
Arvee Foodmaster Limited	Trinidad and Tobago	100%
Massy Stores (SLU) Ltd.	Saint Lucia	60%
Massy Stores (Guyana) Inc.	Guyana	93.64%
Massy Stores (Barbados) Ltd.	Barbados	100%
Price Low Ltd.	Barbados	100%
Massy Stores (SVG) Ltd.	St. Vincent	83.33%
Massy Distribution (Jamaica) Limited	Jamaica	100%
Massy Distribution (Guyana) Inc.	Guyana	93.64%
Massy Distribution (Barbados) Ltd.	Barbados	100%
Massy Distribution (St. Lucia) Ltd.	Saint Lucia	100%

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

1 GENERAL INFORMATION *(continued)*
MASSY INTEGRATED RETAIL LTD. *(continued)*

	COUNTRY OF INCORPORATION	PERCENTAGE EQUITY CAPITAL HELD
MASSY INTEGRATED RETAIL LTD.		
Massy Distribution (USA) Inc.	United States of America	100%
Knights Limited	Barbados	99.8%
Massy Loyalty Ltd.	Barbados	100%
STRATEGIC & OTHER INVESTMENTS		
Massy Realty (Trinidad) Ltd.	Trinidad and Tobago	100%
Massy Properties (Trinidad) Ltd.	Trinidad and Tobago	100%
Massy Properties (Barbados) Ltd.	Barbados	100%
Massy Energy Engineered Solutions Ltd.	Trinidad and Tobago	100%
HEAD OFFICE		
Massy Ltd.	Trinidad and Tobago	100%
Massy (Barbados) Ltd.	Barbados	100%
Massy (Guyana) Ltd.	Guyana	93.64%
The Interregional Reinsurance Company Limited	Cayman Islands	100%

The Group has subsidiaries whose year-end is not coterminous with September 30 as follows:

	REPORTING YEAR END
Massy Motors Colombia S.A.S	31 December
Massy Energy Colombia S.A.S	31 December
Autogalias S.A.S	31 December
Macarena de la Montaña SAS	31 December
Autolux SAS	31 December
Seguros Automontaña Ltda.	31 December
Automontaña S.A.S	31 December
Germania Motors S.A.S	31 December
Auto Orion S.A.S	31 December
Massy Motors Premium S.A.S.	31 December
Massy Motors Rentals S.A.S	31 December
Mazko S.A.S.	31 December
Distribuidora Central de Gas S.A.S. E.S.P.	31 December
Gas Propano de Colombia S.A.S. E.S.P.	31 December

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations. The consolidated financial statements have been prepared under the historical cost convention as modified by the measurement of certain financial assets at fair value and except for assets held for sale which are measured at fair value less costs to sell.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.1 Basis of preparation *(continued)*

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

2.1.1 Standards, amendments and interpretations adopted by the Group

Amendments to IFRS 16, 'Leases' – Covid-19-related rent concessions

These amendments make it easier for lessees to account for Covid-19-related rent concessions such as rent holidays and temporary rent reductions.

The amendment exempts lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the Covid-19 pandemic are lease modifications and allows lessees to account for such rent concessions as if they were not lease modifications. It applies to Covid-19-related rent concessions that reduce lease payments due on or before June 30, 2021.

The relief was originally limited to reduction in lease payments that were due on or before June 30, 2021. However, in March 2021, the International Accounting Standards Board (IASB) subsequently extended this date to June 30, 2022 in another amendment to IFRS 16 (the 2021 amendment). If a lessee already applied the original practical expedient, it is required to continue to apply it consistently, to all lease contracts with similar characteristics and in similar circumstances, using the subsequent amendment. If a lessee did not apply the original practical expedient to eligible lease concessions, it is prohibited from applying the expedient in the 2021 amendment.

However, if a lessee has not yet established an accounting policy on applying (or not) the practical expedient to eligible lease concessions, it can still decide to do so.

The March 2021 amendment is effective for annual reporting periods beginning on or after April 1, 2021, with earlier application permitted – Including in financial statements not yet authorised for issue at March 31, 2021. In practical terms, this means that a lessee that previously applied the practical expedient in the May 2020 amendment is permitted, but not required, to apply the March 2021 amendment immediately when it is issued, subject to any endorsement process.

The following standards, amendments and interpretations listed were also effective as of October 1, 2020, but did not have a significant impact on the amounts recognised in prior and current periods.

- Definition of a Business – amendments to IFRS 3
- Amendments to IAS 1 and IAS 8 on the definition of material
- Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest rate benchmark reform
- Amendments to IAS 1, 'Presentation of financial statements' on classification of liabilities

2.1.2 New standards and interpretations that are not yet effective and not early adopted

The following are new standards and interpretations which have not yet been adopted and are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions:

- A number of narrow-scope amendments to IFRS 17, IFRS 16, IAS 1, IAS 16, IFRS 3, IAS 37, IAS 28, IFRS 10 and some annual improvements on IFRS 9, IFRS 16 and IFRS 1.

2.2 Consolidation

2.2.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Consolidation *(continued)*

2.2.1 Subsidiaries *(continued)*

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in the statement of profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

2.2.2 Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.2.3 Associates and Joint ventures

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. Joint ventures are also accounted for using the equity method. The Group discontinues the use of the equity method from the date on which it ceases to have joint control over, or have significant influence in, a jointly controlled entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Consolidation *(continued)*

2.2.3 Associates and Joint ventures *(continued)*

Accounting policies of associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognised in the consolidated income statement.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer who makes strategic decisions.

2.4 Foreign currency translation

2.4.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Trinidad and Tobago dollars, which is the Group's presentation currency.

2.4.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss.

Translation differences on non-monetary financial assets and liabilities, such as equities held at fair value through profit or loss are recognised as part of the fair value gain or loss.

2.4.3 Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

b income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

c all resulting exchange differences are recognised in the consolidated statement of other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to the consolidated statement of other comprehensive income. When a foreign operation is sold, exchange differences that were recorded in other comprehensive income are recognised in the consolidated statement of profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are included in assets and liabilities of the foreign entity and translated at the closing rate.

2.5 Property, plant and equipment

Property, plant and equipment including land and buildings are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance are charged to the consolidated statement of profit or loss during the financial period in which they are incurred.

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.5 Property, plant and equipment *(continued)*

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

Land is not depreciated.

Depreciation is provided on the straight-line basis at rates estimated to write-off the cost of each asset over its expected useful life. In the case of motor vehicles, depreciation is based on cost less an estimated residual value. The estimated useful lives of assets are reviewed periodically, taking account of commercial and technological obsolescence as well as normal wear and tear, and depreciation rates are adjusted if appropriate.

Current rates of depreciation are:

Freehold property	-	2%
Leasehold property and improvements	-	2% to 20%
Plant and equipment	-	5% to 33.3%
Rental assets	-	25%
Furniture and fixtures	-	10% to 25%
Motor vehicles	-	10% to 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Leasehold property and improvements are depreciated over the shorter of the asset's useful economic life and the lease term.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included in the consolidated statement of profit or loss.

2.6 Leases

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset. This may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

2.6.1 The Group as a lessee

The Group mainly leases various commercial space, motor vehicles and equipment used in its operations. Rental contracts for these leases are typically made for fixed periods but may have extension options, which are described below. Some contracts contain lease and non-lease components, which are accounted for as separate components based on the standalone prices stated in the contracts.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and the leased assets may not be used as security for borrowing purposes.

The Group applies a single recognition and measurement approach to all leases, except for short-term leases and leases of low-value assets. At lease commencement date, the Group recognises a right-of-use asset and a lease liability in the consolidated statement of financial position.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.6 Leases *(continued)*

2.6.1 The Group as a lessee *(continued)*

The right-of-use asset is initially measured at cost, which comprises the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequent to initial measurement, the right-of-use asset is depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The Group also assesses the right-of-use asset for impairment when such indicators exist. The Group does not revalue any of its right-of-use assets.

The lease liability is initially measured at the present value of the lease payments that are not paid at the lease commencement date, discounted using the interest rate implicit in the lease. If the interest rate implicit in the lease cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. These rates were attained from our bankers in the differing regions.

Lease payments included in the measurement of the lease liability comprise the following:
- Fixed lease payments (including in-substance fixed payments), less any lease incentives;
- Residual guarantees
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- Lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- Penalty payments for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made.

The Group re-measures the lease liability when there is a change in future lease payments arising from a change in an index or rate, or if the Group changes its assessment of whether it will exercise an extension or termination option. Extension and termination options are included in a number of leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. When the lease liability is re-measured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Variable lease payments that do not depend on an index or a rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments (or credits) are recognised as an expense (or income) in the period in which the event or condition that triggers those payments. The Group did not have any variable lease payments that do not depend on an index or a rate for the period ended September 30, 2021. Covid-19 rental waivers were accounted for as variable lease payments.

The Group applies the short-term lease recognition exemption to its short-term leases i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets to leases that are considered to be low value. The Group recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

2.6.2 The Group as a lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Assets leased out under operating leases are included in property, plant and equipment in the consolidated statement of financial position. They are depreciated over their expected useful lives on a basis consistent with similarly owned property, plant and equipment. Rental income (net of any incentives given to lessees) is recognised on a pattern reflecting a constant periodic rate of return on the lessor's net investment.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.7 Investment properties

Investment and development properties are owned or leased by the Group and held for long-term rental income and capital appreciation and exclude properties occupied by the Group.

Investment properties are stated at cost less accumulated depreciation and impairment. Transaction costs are included on initial measurement. The fair values of investment properties are disclosed in Note 7. These are assessed using internationally accepted valuation methods, such as taking comparable properties as a guide to current market prices or by applying the discounted cash flow method. Like property, plant and equipment, investment properties are depreciated using the straight-line method.

The current rate of depreciation is 2%.

Investment properties cease recognition as investment property either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Gains or losses arising from the retirement or disposal of investment property are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss in the period of the retirement or disposal.

2.8 Intangible assets

2.8.1 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill represents the goodwill acquired on acquisition of subsidiaries. Goodwill on acquisition of associates is included in 'Investments in Associates'. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The Group discloses goodwill for each business segment in each country in which it operates (Note 8).

2.8.2 Computer software

Costs associated with the maintenance of existing computer software programmes are expensed as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which do not exceed three years.

2.8.3 Brands

Brands acquired in a business combination are recognised at fair value at the acquisition date, and are being amortised over seven to twenty years.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.8 Intangible assets *(continued)*

2.8.4 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.9 Financial assets

2.9.1 Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured at Amortised Cost (AC),
- those to be measured at Fair Value Through Other Comprehensive Income (FVOCI), and
- those to be measured subsequently at Fair Value Through Profit or Loss (FVPL).

The classification for debt instruments depends on the entity's Business Model for managing those assets. It also requires the entity to examine the contractual terms of the cash flows, i.e. whether these represent 'Solely Payments of Principal and Interest' (SPPI).

The Business Model test requires the entity to assess the purpose for holding debt securities (hold to collect, hold to collect and sell or to trade). Substantially all the Group's debt instruments are held to collect cash flows and accordingly meet the 'hold to collect' criteria.

All debt instruments passing the Business Model and SPPI tests are classified at amortised cost. Debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets are classified at FVOCI.

On initial recognition, equity securities which are not held for trading and which are considered strategic investments are classified irrevocably at FVOCI.

All other instruments are carried at FVPL. For assets measured at fair value, gains and losses are recorded in profit or loss. The Group did not elect to designate any financial assets at FVPL.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2.9.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

2.9.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

a Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included within 'net interest and other investment income' using the effective interest rate method.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.9 Financial assets *(continued)*

2.9.3 Measurement *(continued)*

a Debt instruments (continued)

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For Purchased or Originated Credit-Impaired (POCI) financial assets – assets that are credit-impaired at initial recognition – the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in 'net interest and other investment income' together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in operating profit before finance costs in the statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within 'net interest and other investment income' in the period in which it arises.

b Equity instruments

The Group subsequently measures all equity investments at fair value. Gains or losses are either recognised either in OCI or in profit or loss, depending on the nature and purpose of the investment. Changes in the fair value of financial assets at FVPL are recognised in 'net interest and other investment income' in the statement of profit or loss as applicable. While changes in the fair value of financial assets at FVOCI are recognised in 'items that will not be reclassified to profit or loss – financial assets at fair value through OCI' in the statement of other comprehensive income. Dividends from equity investments are recognised in profit or loss within 'net interest and other investment income' when the Group's right to receive payments is established.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.9 Financial assets *(continued)*

2.9.4 Impairment

The Group assesses on a forward-looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortised cost and FVOCI.

a Debt instruments carried at amortised cost and FVOCI

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 – This category comprises instruments which are performing in accordance with the contractual terms and conditions and display no deterioration in credit risk since initial recognition. This category also includes those financial instruments with low credit risk.
- Stage 2 – This category includes instruments which display a Significant Increase in Credit Risk (SICR) since initial recognition but have not yet defaulted.
- Stage 3 – This category includes instruments that are in default.

The above categories exclude POCI financial assets. A financial asset is considered credit-impaired on purchase or origination if there is evidence of impairment at the point of initial recognition (for instance, if it is acquired at a deep discount). POCI financial assets are not included in Stages 1, 2 or 3, and are instead shown as a separate category.

Expected credit loss is measured as follows:

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months.
- Instruments in Stages 2 or 3 or that are POCI have their ECL measured based on expected credit losses on a lifetime basis.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. The Group utilised a probability-weighted assessment of the factors which it believes will have an impact on forward looking rates.

The formula for ECL is generally the 'Probability of Default' (PD) multiplied by the 'Exposure At Default' (EAD) multiplied by the 'Loss Given Default' (LGD). An adjustment is made to reflect the time value of money by considering the original effective interest rate on the individual instruments. The overall models involved the use of various PD, EAD and LGD tables which were then applied to individual instruments based on several pre-determined criteria, including type, original tenor, time to maturity, whether they are in Stages 1, 2 or 3 and other indicators.

The process in arriving at the individual components of ECL and the forward-looking adjustments involved critical estimates and judgements. This is discussed further in Note 4.

The loss allowance for debt investments is recognised in profit or loss. For debt instruments at FVOCI, the loss is recognised in profit or loss and reduces the fair value loss otherwise recognised in OCI.

b Definition of default and credit-impaired assets

The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:
Expected credit loss measurement Quantitative criteria:
The borrower is more than 90-120 days past due on its contractual payment.

Qualitative criteria:

The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is deceased.
- The borrower is insolvent.
- The borrower indicated reduced income. In response to Covid-19, the Government and other institutions implemented programs such as; "loan payment deferral program" to offer relief to borrowers during the global pandemic. Borrowers were asked to provide a reason for their application, which was used together with specific industry factors, as indicators of SICR for the duration of the deferral period where the borrowers' arrears status would be frozen.
- It is becoming probable that the borrower will enter bankruptcy.
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.9 Financial assets *(continued)*

2.9.4 Impairment *(continued)*

b Definition of default and credit-impaired assets (continued)

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD) throughout the Company's expected loss calculations.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six (6) months.

Expected credit loss measurement

The Group recognises provision for losses on instalment credit and other loans subject to credit risk using the expected credit loss model. While cash and cash equivalents, statutory deposit, due from related parties and other financial assets are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Group uses the general approach in arriving at expected losses for instalment credit and other loans.

The general approach

Under the general approach, the Group considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

It considers available reasonable and supportive forwarding-looking information, including the following:

- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Company.
- Regardless of the analysis above, a significant increase in credit risk is presumed.
- If a debtor is more than 30 days past due in making a contractual payment.
- A default on a loan occurs in the following circumstances:
- When the borrower fails to make contractual payments within 90 days of when they fall due.

Historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the country's Gross Domestic Product (GDP) as the most relevant macroeconomic factor and accordingly adjusted the historical loss rates based on expected changes in this factor. In response to the Covid-19 pandemic, the forward-looking scenarios were adjusted to consider additional worse case scenarios taking into consideration recent pronouncements by the International Monetary Fund (IMF) and other macroeconomic indicators. This resulted in an uplift of the expected loss rates by 15 bps.

c Trade receivables and contract assets

The Group applies the simplified approach for trade receivables and contract assets as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the assets. All customer accounts are grouped together based on shared credit risk characteristics and are aged using a 'provisions matrix'. Scaled loss rates are then calculated based on historical payment profiles. The loss rates were adjusted to incorporate forward-looking information and then applied to the different aging buckets as of the statement of financial position date.

2.10 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the weighted average cost method. The cost of finished goods and work in progress comprise raw materials, direct labour, other direct costs and related production overheads, but excludes interest expense. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.11 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Impairment of trade receivables is described in Note 2.9.4 (b).

2.12 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. In the consolidated statement of financial position, bank overdrafts and short-term borrowings are shown within borrowings in current liabilities.

2.13 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group Company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

2.14 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.15 Insurance

2.15.1 Insurance and reinsurance contracts

Insurance and reinsurance contracts are defined as those containing significant insurance risk at the inception of the contract, or those where at the inception of the contract there is a scenario with commercial substance where the level of insurance risk may be significant.

The significance of insurance risk is dependent on both the probability of an insured event and the magnitude of its potential effect. Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during the period.

In the normal course of business, the Group seeks to reduce the losses to which it is exposed that may cause unfavourable underwriting results by reinsuring a certain level of risk with reinsurance companies. Reinsurance premiums are accounted for on a basis consistent with that used in accounting for the original policies issued and the terms of the reinsurance contracts.

Reinsurance contracts ceded do not relieve the Group from its obligations to policyholders. The Group remains liable to its policyholders for the portion reinsured, to the extent that the reinsurers do not meet the obligations assumed under the reinsurance agreements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.15 Insurance *(continued)*

2.15.2 Amounts receivable from reinsurance companies

Included in accounts receivable on the statement of financial position, are amounts receivable from reinsurance companies, which consist primarily of amounts due in respect of ceded insurance liabilities. Recoverable amounts are estimated in a manner consistent with the outstanding claims reserve or settled claims associated with the re-insured policies and in accordance with the relevant reinsurance contract.

If amounts receivable from reinsurance companies are impaired, the Group reduces the carrying amount accordingly and recognises an impairment loss in the consolidated income statement. A reinsurance asset is impaired if there is objective evidence that the Group may not receive all, or part, of the amounts due to it under the terms of the reinsurance contract.

2.16 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

2.17 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Group's subsidiaries, associates and joint ventures operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.17 Current and deferred income tax *(continued)*

The principal temporary differences arise from depreciation on property, plant and equipment, retirement benefits and tax losses carried forward. Deferred tax assets relating to the carrying forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be earned against which the unused tax losses can be utilised.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.18 Employee benefits

2.18.1 Pension obligations

Group companies operate various pension plans. The majority of the Trinidad and Tobago resident employees are members of either the Neal & Massy Group Pension Fund Plan, the Retirement Income Security Plan or the T. Geddes Grant Limited Pension Fund Plan.

The Neal & Massy Group Pension Fund Plan, contributions to which were frozen on January 3,1990, is a defined contribution plan whose assets are held separately from those of the Group in an independently administered fund. The pension benefits accrued prior to February 1, 1990 are defined benefit in nature. The most recent actuarial valuation, at March 31, 2020, revealed that the plan is adequately funded. There are certain benefits payable by the Neal & Massy Group Pension Fund Plan which fall within the scope of IAS 19 (revised) – Employee Benefits.

The Retirement Income Security Plan incorporates an employee stock ownership plan, which is funded by contributions made by the employer, and a deferred annuity savings plan, which is funded by the employees. Contributions to the Plan are accounted for on the accrual basis and the assets are held separately from those of the Company in independently administered funds.

T. Geddes Grant Limited Pension Fund Plan is a defined contribution plan whose assets are held separately from those of the Group in an independently administered fund. Contributions to the plan are accounted for on the accrual basis and are reviewed by independent actuaries on the basis of triennial valuations.

The majority of the employees of the overseas companies participate in either defined contribution or defined benefit pension plans which are separate from the Trinidad and Tobago plans.

A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods.

The asset and liability recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. The Group operates in countries where there is no deep market and trading liquidity for corporate bonds and as such the market rates on government bonds are used as a benchmark to derive prices and bond values.

The pension assets consist of financial investments held at fair value which are based on a range of inputs obtainable from readily available liquid market prices and rates, certain securities are based on modelled prices due to limited market data. For these instances, significant judgements are made by management resulting in high estimation uncertainty risks.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and amendments to pension plans are charged or credited to equity in other comprehensive income in the period in which they arise.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.18 Employee benefits *(continued)*

2.18.1 Pension obligations *(continued)*

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.18.2 Other post-employment obligations

Certain Group companies provide post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which it arises. These obligations are valued annually by independent qualified actuaries.

2.18.3 Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination and when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2.18.4 Bonus plans

A liability for employee benefits in the form of bonus plans is recognised in other provisions when there is no realistic alternative but to settle the liability and at least one of the following conditions are met:

- there is a formal plan and the amounts to be paid are determined before the time of issuing the financial statements; or
- past practice has created a valid expectation by employees that they will receive a bonus/profit sharing and the amount can be determined before the time of issuing the financial statements.

Liabilities for bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

2.18.5 Executive share-based payments and long term incentive plan

a Share-based payments

The Group operates cash and equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for cash or equity instruments of the Group. The fair value of the employee services received in exchange for the allocation or grant of the shares is recognised as an expense under both the Employee Share Ownership Plan ("ESOP") and the Performance Share Plan ("PSP") for Executives only. The PSP was replaced by the cash-settled long term incentive plan on October 1, 2016.

The total amount to be expensed for shares allocated under the ESOP is determined by reference to the market value and purchase price of the shares on the market at the point of purchase.

The total amount to be expensed, under the PSP, is determined by reference to the fair value of the shares granted:

- including any market performance conditions (i.e. an entity's share price); and
- excluding the impact of any service and non-market performance vesting conditions (i.e. profitability, sales growth targets and remaining an employee of the entity over a specified time period).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.18 Employee benefits *(continued)*

2.18.5 Executive share-based payments and long term incentive plan *(continued)*

a *Share-based payments* (continued)

Non-market vesting conditions are included in assumptions about the number of shares that are expected to be granted and then vested. The total expense is recognised over the vesting period, which is the period over which all of the specified performance criterion and vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of shares that are expected to vest based on the performance criterion and any applicable non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

When the share grants are due to be vested, the company will issue new shares.

The grant by the company of shares to the Executives of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of Executive services received, is measured by reference to the grant date fair value and, is recognised over the vesting period.

b *Long term incentive plan*

Long-term incentive plans are employee benefits (other than post-employment benefits and termination benefits) that are not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the service that gives rise to the benefit. These include annual incentive plans which are subject to a multi-year vesting period and other considerations, including EPS growth.

The Plan is not accounted for under IFRS 2 – Share-Based Payments as the growth in Earnings Per Share (EPS) in itself is not considered a true reflection of the fair value of the entity's shares. Other factors such as changes in P/E multiples are typically considered in arriving at fair market value. Accordingly, the Plan is accounted for under IAS 19 – Employee Benefits as a deferred compensation arrangement.

The accounting for deferred compensation arrangements under IAS 19 involves discounting of future cash flows (where the time value of money is material) using the projected unit credit method. The projected unit credit method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The rate used to discount the obligations is determined using the same methodology as that used for defined benefit pension plans, subject to a shorter settlement period.

The measurement of deferred compensation plans is not usually subject to the same degree of uncertainty as the measurement of post-employment benefits. For this reason, a simplified approach is applied where the service cost, interest cost and re-measurements are all recognised in profit or loss in the year they arise.

At the end of each financial year, the Company will re-estimate the obligation based on factors existing as of the new balance sheet date (e.g. revised EPS numbers, performance score cards etc). The change in estimate as it relates to the opening obligation is recognised immediately, such the annual undiscounted current service cost is always equal to the total benefit divided by 4. Re-estimates and re-measurements are to be recognised immediately in profit or loss.

2.19 Provisions

Provisions for dismantlement costs, restructuring costs, legal claims and all other provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.20 Revenue recognition

2.20.1 Sale of goods and services

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and the rendering of services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. A description of revenue by business segment is shown in Note 3.

Revenue from the sale of goods is recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the use and deployment of the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific customer site or place of delivery, the risks of obsolescence and loss have been transferred to the customer, or the customer has accepted the products in accordance with the relevant contract.

Sales are recorded based on the price specified in the sales contracts, net of the estimated volume discounts and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as the sales are made with credit terms as specified for entities within the Group, which is consistent with the market practice. Variable consideration relating to volume rebates and discounts are measured using the expected value approach and are shown within contract liabilities.

Revenue from the rendering of services is recognised in the accounting period in which the services are rendered. The Group employs various methods for measuring progress for services delivered over time. The method selected best depicts the pattern of transfer and is applied consistently to similar performance obligations and in similar circumstances. Methods for measuring progress include:

- Output methods, that recognise revenue based on direct measurements of the value transferred to the customer (for example, using contract milestones).
- Input methods, that recognise revenue based on the entity's efforts to satisfy the performance obligation (for example, labour hours spent).

Payments received in advance of satisfying performance obligations are shown within contract liabilities (if material).

If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in income in the period in which the circumstances that give rise to the revision become known by Management.

Some arrangements involve two or more unrelated parties that contribute to providing a specified good or service to a customer. Management determines, separately for each specified good or service, whether the entity has promised to provide the specified good and service itself (as a principal) or to arrange for those specified good or service to be provided by another party (as an agent). An entity is the principal in a transaction if it obtains control of the specified goods or services before they are transferred to the customer. The principal recognises as revenue the 'gross' amount paid by the customer for the specified good or service. The principal records a corresponding expense for the commission or fee that it has to pay to any agent, in addition to the direct costs of satisfying the contract. An entity is an agent if it does not control the specified goods or services before they are transferred to the customer. An agent records as revenue the commission or fee earned for facilitating the transfer of the specified goods or services (the 'net' amount retained). It records as revenue the net consideration that it retains after paying the principal for the specified goods or services that were provided to the customer.

2.20.2 Customer loyalty programme

The Group operates a loyalty programme where retail customers accumulate points for purchases made which entitle them to discount on future purchases. The points provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide points to the customer is a separate performance obligation. The transaction price is allocated to the product and the points on a relative stand-alone selling price basis. Management estimates the stand-alone selling price per point on the basis of the discount granted and the likelihood of redemption using past experience. A contract liability for the award points is recognised at the time of the sale. Revenue is recognised when the points are redeemed or when they expire.

2.20.3 Premium income

Premiums written are recognised on policy inception and earned on a pro rata basis over the term of the related policy coverage. Estimates of premiums written as at the statement of financial position date but not yet received, are assessed based on estimates from underwriting or past experience and are included in premiums earned. Premiums ceded are expensed on a pro-rata basis over the term of the respective policy.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.20 Revenue recognition *(continued)*

2.20.4 Rental income

Rental income from investment property leased out under an operating lease is recognised in the consolidated income statement on a straight- line basis over the lease term.

Contingent rents, such as turnover rents, rent reviews and indexation, are recorded as income in the periods in which they are earned. Rent reviews are recognised when such reviews have been agreed with tenants.

2.20.5 Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.20.6 Dividend income

Dividend income is recognised when the Shareholder's right to receive payment is established.

2.21 Dividend distribution

Dividend distribution to the Company's Shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's Directors.

2.22 Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement. An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale. The results of discontinued operations are presented separately in the statement of profit or loss.

3 SEGMENT INFORMATION

The Chief Operating Decision Maker (CODM) is the Chief Executive Officer (CEO). Management has determined the operating segments based on the reports reviewed by the CEO and the Board of Massy Holdings Ltd.

The CEO and the Board consider the business from both a geographic and business unit perspective. Geographically, Management considers the performance of operating companies in Trinidad and Tobago, Barbados and the Eastern Caribbean, Guyana, Jamaica and Colombia.

The Group is organised into five main business segments:

1 Integrated Retail;
2 Gas Products;
3 Motors and Machines;
4 Financial Services;
5 Strategic and Other Investments.

3 SEGMENT INFORMATION *(continued)*

Head Office and Other Adjustments relate to the cost associated with the provision of support services by the head office to its subsidiaries. Included in the current year, is the income earned from divestment proceeds that were re-invested.

The CEO and the Board assess the performance of the operating segments based on a measure of profit before income tax, profit for the year and asset utilisation.

1 *Integrated retail*
This segment derives its revenue mainly from the sale of retail and wholesale distribution of pharmaceuticals, foods and general merchandise.

2 *Gas products*
This segment derives its revenue from the sale of Liquified Petroleum Gases and Industrial Gases including Nitrogen, Oxygen and Carbon Dioxide. Gas Products also derives revenue from the provision of maintenance services and the execution of construction projects for oil, gas and mining clients in Colombia.

3 *Motors and machines*
This segment derives its revenue mainly from the sale of new and used vehicles, spare parts and industrial equipment and also includes the sale of lubricants and short- and long-term vehicle and equipment rentals. In the prior year, this segment was restated to reflect the sale of Highway Properties Limited in September 2021. Refer to Note 37 (Discontinued operations) for further details.

4 *Financial services*
This segment includes a financing company that accepts deposits for fixed terms and grants instalment credit secured by assets. This segment also includes the Group's Remittances service companies in Guyana, Trinidad, Barbados and Saint Lucia. This segment excludes Massy United Insurance Ltd. and the credit card portfolio of Massycard (Barbados) Limited both in the current and prior year as these are classified as Held for Sale in the current year's consolidated financial statements. Refer to Note 37 (Discontinued operations) for further details.

5 *Strategic and other investments*
This segment holds the Group investments in strategic and other investments which include property sales, rentals and brokerage as well as engineering, maintenance and construction services for oil, gas and petrochemical clients in Trinidad. For the prior and current year, this segment excludes Roberts Manufacturing Co. Limited as well as Massy Pres-T-Con Holdings Ltd. which were sold in 2021. The prior year also excludes Seawell Air Services Limited and Massy Energy Production Resources Ltd. Refer to Note 37 (Discontinued operations) for further details.

The Group's retirement benefit assets are deemed unallocated and are not considered to be segment assets but rather are managed by Head Office. These assets along with the related income and expense are included in Head Office and Other Adjustments.

3 SEGMENT INFORMATION *(continued)*

The segment results for the year ended September 30, 2021 relating to continuing operations are as follows:

	INTEGRATED RETAIL $	GAS PRODUCTS $	MOTORS & MACHINES $	FINANCIAL SERVICES $	STRATEGIC & OTHER INVESTMENTS $	HEAD OFFICE & OTHER ADJUSTMENTS $	**TOTAL** $
Group revenue	7,378,300	1,123,593	2,870,521	126,800	255,084	22,082	11,776,380
Inter-segment revenue	(435,185)	(13,886)	(162,854)	–	(14,429)	(22,082)	(648,436)
Third party revenue	**6,943,115**	**1,109,707**	**2,707,667**	**126,800**	**240,655**	**–**	**11,127,944**
Timing of revenue							
At a point in time	7,378,300	1,104,805	2,729,035	96,905	27,912	1,339	11,338,296
Over time	–	4,410	81,269	29,355	227,172	20,743	362,949
Revenue not recognised under IFRS 15	–	14,378	60,217	540	–	–	75,135
	7,378,300	**1,123,593**	**2,870,521**	**126,800**	**255,084**	**22,082**	**11,776,380**
Operating profit/(loss) before finance costs	494,662	210,409	182,985	88,756	30,746	(26,211)	981,347
Finance costs – net	(68,652)	(11,440)	(9,696)	(330)	(2,214)	(10,435)	(102,767)
	426,010	**198,969**	**173,289**	**88,426**	**28,532**	**(36,646)**	**878,580**
Share of results of associates and joint ventures (Note 10)	–	16,819	–	–	33,477	–	50,296
Profit/(loss) before income tax	426,010	215,788	173,289	88,426	62,009	(36,646)	928,876
Taxation (Note 29)	(114,684)	(68,373)	(59,869)	(23,184)	(16,269)	31,516	(250,863)
Profit/(loss) for the year	**311,326**	**147,415**	**113,420**	**65,242**	**45,740**	**(5,130)**	**678,013**

The segment results for the year ended September 30, 2020 relating to continuing operations are as follows:

	INTEGRATED RETAIL $	GAS PRODUCTS $	MOTORS & MACHINES $	FINANCIAL SERVICES $	STRATEGIC & OTHER INVESTMENTS $	HEAD OFFICE & OTHER ADJUSTMENTS $	**TOTAL** $
Group revenue	7,411,149	943,881	2,338,181	114,538	203,003	20,430	11,031,182
Inter-segment revenue	(558,566)	(15,547)	(172,517)	–	(20,886)	(20,430)	(787,946)
Third party revenue	**6,852,583**	**928,334**	**2,165,664**	**114,538**	**182,117**	**–**	**10,243,236**
Timing of revenue							
At a point in time	7,411,149	929,055	2,211,678	84,714	29,612	1,270	10,667,478
Over time	–	2,318	56,390	29,062	173,391	19,160	280,321
Revenue not recognised under IFRS 15	–	12,508	70,113	762	–	–	83,383
	7,411,149	**943,881**	**2,338,181**	**114,538**	**203,003**	**20,430**	**11,031,182**

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

3 SEGMENT INFORMATION *(continued)*

The segment results for the year ended September 30, 2020 relating to continuing operations are as follows: *(continued)*

	INTEGRATED RETAIL $	GAS PRODUCTS $	MOTORS & MACHINES $	FINANCIAL SERVICES $	STRATEGIC & OTHER INVESTMENTS $	HEAD OFFICE & OTHER ADJUSTMENTS $	**TOTAL** $
Operating profit/(loss) before finance costs	440,860	185,205	188,470	67,643	(42,129)	(116,247)	723,802
Finance costs – net	(72,793)	235	(15,820)	(216)	(758)	(23,101)	(112,453)
	368,067	**185,440**	**172,650**	**67,427**	**(42,887)**	**(139,348)**	**611,349**
Share of results of associates and joint ventures (Note 10)	–	7,302	–	–	41,646	–	48,948
Profit/(loss) before income tax	368,067	192,742	172,650	67,427	(1,241)	(139,348)	660,297
Taxation (Note 29)	(106,239)	(61,872)	(60,864)	(20,581)	(19,242)	11,655	(257,143)
Profit/(loss) for the year	**261,828**	**130,870**	**111,786**	**46,846**	**(20,483)**	**(127,693)**	**403,154**

The segment assets and liabilities at September 30, 2021 and capital expenditure for the year then ended are as follows:

	INTEGRATED RETAIL $	GAS PRODUCTS $	MOTORS & MACHINES $	FINANCIAL SERVICES $	STRATEGIC & OTHER INVESTMENTS $	HEAD OFFICE & OTHER ADJUSTMENTS $	**TOTAL** $
Total assets	4,362,440	1,225,203	1,711,803	2,897,196	1,110,093	2,228,174	13,534,909
Investments in associates and joint ventures (Note 10)	6,747	37,932	742	–	84,187	–	129,608
Total liabilities	1,780,262	344,610	592,935	2,077,165	153,955	1,753,811	6,702,738
Capital expenditure (Notes 5, 6, 7 and 9)	333,178	77,311	171,341	4,158	10,982	9,208	606,178
Other segment items included in the consolidated income statement are as follows:-							
Depreciation and impairment (Notes 5, 6 and 7)	171,880	43,144	80,218	1,609	12,346	(18,733)	290,464
Impairment of goodwill	–	263	–	–	–	–	263

The segment assets and liabilities at September 30, 2020 and capital expenditure for the year then ended are as follows:

	INTEGRATED RETAIL $	GAS PRODUCTS $	MOTORS & MACHINES $	FINANCIAL SERVICES $	STRATEGIC & OTHER INVESTMENTS $	HEAD OFFICE & OTHER ADJUSTMENTS $	**TOTAL** $
Total assets	4,158,475	1,074,019	1,567,944	2,745,757	1,303,325	2,390,227	13,239,747
Investments in associates and joint ventures (Note 10)	6,763	46,214	517	32,039	84,965	–	170,498
Total liabilities	1,741,721	315,756	524,881	1,951,705	201,727	2,086,913	6,822,703
Capital expenditure (Notes 5, 6 and 7)	104,377	41,142	126,110	4,440	53,621	3,588	333,278

3 SEGMENT INFORMATION *(continued)*

Other segment items included in the consolidated income statement are as follows:-

	INTEGRATED RETAIL $	GAS PRODUCTS $	MOTORS & MACHINES $	FINANCIAL SERVICES $	STRATEGIC & OTHER INVESTMENTS $	HEAD OFFICE & OTHER ADJUSTMENTS $	**TOTAL** $
Depreciation and impairment (Notes 5, 6 and 7)	167,160	46,185	87,331	1,289	50,958	16,962	369,885

The Group's five business segments operate in five main geographical areas, even though they are managed on a regional basis.

The main operations occur in the home country of the company. The areas of operation are principally trading, service industries and finance.

	THIRD PARTY REVENUE		PROFIT BEFORE INCOME TAX		TOTAL ASSETS		EXPENDITURE	
	2021 $	2020 $ (RESTATED)	**2021** $	2020 $ (RESTATED)	**2021** $	2020 $	**2021** $	2020 $
Trinidad and Tobago	4,411,406	4,280,634	416,281	380,649	5,869,643	6,018,954	206,100	161,651
Barbados and Eastern Caribbean	2,989,766	2,952,075	211,948	164,653	5,114,937	4,722,941	226,221	54,752
Guyana	1,206,509	1,027,966	202,359	160,172	889,719	926,339	47,990	67,106
Jamaica	598,306	553,644	62,897	62,546	485,175	460,643	36,839	21,287
Colombia	1,816,791	1,321,360	66,961	27,183	706,276	662,625	88,963	28,439
Other	105,166	107,557	5,076	4,442	469,159	448,245	65	43
Head Office and Other Adjustments	–	–	(36,646)	(139,348)	–	–	–	–
	11,127,944	**10,243,236**	**928,876**	**660,297**	**13,534,909**	**13,239,747**	**606,178**	**333,278**

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.8.4. The recoverable amounts of cash-generating units have been determined based on value-in-use and fair value less cost to sell calculations. These calculations require the use of estimates as described in Note 8.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

a Critical accounting estimates and assumptions *(continued)*

ii Measurement of the Expected Credit Loss allowance

The measurement of the ECL for debt instruments measured at amortised cost and FVOCI is an area that requires the use of models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product / market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

ECL calculations are shown in Note 34. Had there been a 10% shift in the average ECL rate for all debt instruments at amortised cost and FVOCI, the Group ECL allowance would have been lower by $14,281 (2020: $19,928).

iii Impairment of property, plant and equipment and investment properties

When any indicators of impairment are identified, property, plant and equipment and investment properties are reviewed for impairment based on each cash generating unit. The cash generating units are the smallest group of assets which generates independent cashflows. The carrying value of these assets is compared to the recoverable amount of the cash generating units, which is based either on value-in-use or fair value less cost to sell. Value-in-use calculations use pre-tax cash flow projections based on financial budgets approved by Management covering a 5-year period. Cash flows beyond the 5-year period are extrapolated using the estimated growth rates which do not exceed the long-term average growth rates for the businesses in which the cash generating unit operates. Where fair values are used, these are provided by an independent professional valuator. Impairment losses are recognised in the consolidated income statement.

The assessment of whether indicators of impairment exist and the estimation of the recoverable amount both require the use of Management judgement. Refer to Notes 5 and 7 for the carrying values of property, plant and equipment and investment properties.

iv Income taxes

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Current and deferred income tax balances are disclosed in the statement of financial position. Details of the expense for the year are shown in Note 29.

v Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each statement of financial position date. The Group uses discounted cash flow analyses for various financial assets at fair value through other comprehensive income that were not traded in active markets. The assumptions and amounts subject to fair value measurements are shown in Note 34.

vi Revenue recognition

Once the group determines that a performance obligation is satisfied over time, it measures its progress towards complete satisfaction of that performance obligation, in order to determine the timing of revenue recognition. The purpose of measuring progress towards satisfaction of a performance obligation is to recognise revenue in a pattern that reflects the transfer of control of the promised good or service to the customer. Management employs various input or output methods for measuring progress ensuring that the selected approach best depicts the transfer of control of goods or services and applies that method consistently to similar performance obligations and in similar circumstances. Revenue from the rendering of services is disclosed in Note 26.

vii Pension benefits

The present value of the pension obligations is determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

a Critical accounting estimates and assumptions *(continued)*

vii Pension benefits *(continued)*

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

The pension assets consist of financial investments held at fair value which are based on a range of inputs obtainable from readily available liquid market prices and rates, certain securities are based on modelled prices due to limited market data. For these instances, significant judgements are made by Management resulting in high estimation uncertainty risks.

As at September 30, 2021, if the discount rate had been 1.0% higher or lower with all other variables held constant, the carrying amount of pension benefits would have been $175,212 lower or $225,220 higher (2020: $168,107 lower or $215,237 higher).

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 14.

viii Liabilities on insurance contracts

Outstanding claims consist of estimates of the ultimate cost of claims incurred that have not been settled at the statement of financial position date, whether reported or not, together with related claims handling costs. Significant delays may be experienced in the notification and settlement of certain types of general insurance claims, such as general insurance business.

Estimates are calculated using methods and assumptions considered to be appropriate to the circumstances of the Company and the business undertaken. This provision, while believed to be adequate to cover the ultimate cost of losses incurred, may ultimately be settled for a different amount. It is continually reviewed and any adjustments are recorded in operations in the period in which they are determined.

Additional information is disclosed in Note 25.

5 PROPERTY, PLANT AND EQUIPMENT

	FREEHOLD PROPERTIES $	LEASEHOLD PROPERTIES & IMPROVE-MENTS $	PLANT & EQUIP-MENT $	RENTAL ASSETS $	FURNITURE & FIXTURES $	MOTOR VEHICLES $	CAPITAL WORK IN PROGRESS $	**TOTAL** $
Year ended September 30, 2021								
Opening net book amount	1,179,564	217,886	433,108	153,560	58,116	79,005	63,962	2,185,201
Additions	12,649	17,680	104,252	105,135	22,507	30,035	131,517	423,775
Disposal of subsidiaries (Note 37)	(59,616)	(587)	(29,210)	–	(122)	(3,096)	–	(92,631)
Disposals and adjustments	978	(9,564)	(1,695)	(30,705)	(108)	(5,576)	1,242	(45,428)
Translation adjustments	(926)	520	(3,279)	(3,342)	(135)	(450)	16	(7,596)
Transfer from capital work in progress	40,686	7,517	21,290	14	3,362	3,947	(76,816)	–
Reclassified to held for sale (Note 37)	(85,857)	–	(34,575)	–	–	(1,993)	–	(122,425)
Depreciation and impairment charge	(5,157)	(24,479)	(96,521)	(50,471)	(15,782)	(24,600)	–	(217,010)
Closing net book amount	**1,082,321**	**208,973**	**393,370**	**174,191**	**67,838**	**77,272**	**119,921**	**2,123,886**
At September 30, 2021								
Cost	1,311,886	392,584	1,223,213	357,621	248,886	213,083	119,921	3,867,194
Accumulated depreciation	(229,565)	(183,611)	(829,843)	(183,430)	(181,048)	(135,811)	–	(1,743,308)
Net book amount	**1,082,321**	**208,973**	**393,370**	**174,191**	**67,838**	**77,272**	**119,921**	**2,123,886**

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

5 PROPERTY, PLANT AND EQUIPMENT *(continued)*

The net book amount of property, plant and equipment includes $3,453 (2020: $1,660) in respect of motor vehicles held under finance leases.

Depreciation and impairment expenses of $44,926 (2020: $116,575) has been charged in cost of sales and $172,084 (2020: $189,863) in 'selling, general and administrative expenses'.

	FREEHOLD PROPERTIES $	LEASEHOLD PROPERTIES & IMPROVE-MENTS $	PLANT & EQUIP-MENT $	RENTAL ASSETS $	FURNITURE & FIXTURES $	MOTOR VEHICLES $	CAPITAL WORK IN PROGRESS $	**TOTAL** $
Year ended September 30, 2020								
Opening net book amount	1,223,467	219,602	466,290	197,351	59,235	80,551	145,809	2,392,305
Additions	52,307	9,675	51,813	86,270	8,538	30,774	44,241	283,618
Acquisition of subsidiaries (Note 36)	–	–	11,700	–	28	891	–	12,619
Disposal of subsidiaries (Note 37)	(1,809)	(9,342)	(34,779)	(12,810)	(2,179)	(1,339)	(10,190)	(72,448)
Disposals and adjustments	(31,206)	3,213	17,431	(48,855)	3,247	(7,084)	(51,764)	(115,018)
Translation adjustments	(49)	(1,842)	(4,333)	(1,126)	(489)	(1,259)	185	(8,913)
Transfer to investment property (Note 7)	(524)	–	–	–	–	–	–	(524)
Transfer from capital work in progress	2,574	24,447	27,877	30	5,034	4,382	(64,344)	–
Depreciation and impairment charge	(65,196)	(27,867)	(102,891)	(67,300)	(15,298)	(27,911)	25	(306,438)
Closing net book amount	**1,179,564**	**217,886**	**433,108**	**153,560**	**58,116**	**79,005**	**63,962**	**2,185,201**
At September 30, 2020								
Cost	1,434,252	398,272	1,610,481	501,251	243,449	267,655	64,546	4,519,906
Accumulated depreciation	(254,688)	(180,386)	(1,177,373)	(347,691)	(185,333)	(188,650)	(584)	(2,334,705)
Net book amount	**1,179,564**	**217,886**	**433,108**	**153,560**	**58,116**	**79,005**	**63,962**	**2,185,201**

6 LEASES

The following tables provide information for leases where the Group is a lessee:

6.1 Right-of-use assets

	BUILDINGS $	VEHICLES AND EQUIPMENT $	OTHER $	**TOTAL** $
Year ended September 30, 2021				
Opening net book amount	742,822	1,091	49,007	792,920
Exchange adjustment	1,192	(15)	(29)	1,148
Additions	158,336	3,016	2,392	163,744
Disposals and adjustments	(3,774)	127	676	(2,971)
Disposal of subsidiaries (Note 37)	–	–	(8,063)	(8,063)
Effect of modification to lease terms	1,844	–	15	1,859
Depreciation charge	(83,019)	(1,508)	(5,805)	(90,332)
Reclassified to held for sale (Note 37)	(3,769)	–	–	(3,769)
At end of year	**813,632**	**2,711**	**38,193**	**854,536**

6 LEASES *(continued)*

6.1 Right-of-use assets *(continued)*

	BUILDINGS $	VEHICLES AND EQUIPMENT $	OTHER $	TOTAL $
Cost	983,765	6,853	49,609	1,040,227
Accumulated depreciation	(170,133)	(4,142)	(11,416)	(185,691)
At end of year	**813,632**	**2,711**	**38,193**	**854,536**
Year ended September 30, 2020				
Adjustment on initial application of IFRS 16	816,880	3,324	54,669	874,873
Exchange adjustment	676	61	(52)	685
Additions	14,947	1,988	1,373	18,308
Disposals and adjustments	(1,795)	–	–	(1,795)
Disposal of subsidiaries (Note 37)	(12,642)	(764)	(686)	(14,092)
Effect of modification to lease terms	7,494	–	–	7,494
Depreciation charge	(82,738)	(3,518)	(6,297)	(92,553)
At end of year	**742,822**	**1,091**	**49,007**	**792,920**
Cost	825,560	4,609	55,304	885,473
Accumulated depreciation	(82,738)	(3,518)	(6,297)	(92,553)
At end of year	**742,822**	**1,091**	**49,007**	**792,920**

6.2 Lease liabilities

	2021 $	2020 $
Opening net book amount	910,607	988,169
Translation adjustments	236	56
Additions	162,974	9,729
Payments	(77,215)	(76,290)
Disposal of subsidiaries (Note 37)	(9,327)	(15,353)
Covid-19-related rent concessions	(276)	(3,217)
Effect of modifications of lease terms	1,901	–
Reclassified to held for sale (Note 37)	(3,968)	–
Other adjustments	3,301	7,513
Closing net book amount	**988,233**	**910,607**
Current	68,717	66,603
Non-current	919,516	844,004
	988,233	**910,607**

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

6 LEASES *(continued)*

6.3 Amounts recognised in the consolidated statement of profit or loss for continuing operations:

	2021 $	2020 $ (RESTATED)
Interest expense on lease liabilities (Note 28)	55,086	52,605
Depreciation charge on right-of-use assets	87,922	86,376
Expense relating to short-term leases	13,656	15,683
Expense relating to leases of low value assets not included above	1,918	638
Net losses on lease modifications	41	–
Covid-19-related rent concessions	(276)	(3,217)
	158,347	**152,085**

7 INVESTMENT PROPERTIES

	2021 $	2020 $
Cost	431,008	514,277
Accumulated depreciation and impairment	(101,505)	(111,062)
Net book amount	**329,503**	**403,215**
Movement analysis:		
Opening net book amount	403,215	413,595
Translation adjustments	(908)	1,692
Additions	2,066	11,958
Transfers (Note 5)	–	524
Disposals	(18,688)	(10,363)
Depreciation	(2,892)	(3,817)
Disposal of subsidiary (Note 37)	(1,416)	–
Reclassified to held for sale (Note 37)	(51,883)	(8,000)
Impairment	–	(26,194)
Other adjustments	9	23,820
Closing net book amount	**329,503**	**403,215**

- The Fair Value (FV) of the investment properties amounted to $469,492 (2020: $659,986).
- The fair value amount was either:
  1. valued by independent, professionally qualified valuators; or
  2. asserted via a Director’s valuation based on:
     - references to properties in similar areas and condition;
     - correspondence from valuators which supports that there has not been significant movement in terms of market prices;
     - the Directors’ independent FV assessment based on a calculation if the property is tenanted;
     - re-assessment of any assumptions made in the last valuation and whether there were or should have been any changes and any other factors which support Management's position that the FV continues to be relevant and appropriate.
- The property rental income earned by the Group during the year from its investment properties, amounted to $30,460 (2020: $37,825).
- Direct operating expenses arising on the investment properties which generated revenue during the year amounted to $14,206 (2020: $18,700).
- Direct operating expenses arising on the investment properties which did not generate revenue during the year amounted to $2,666 (2020: $1,005).
- Depreciation and impairment expenses have been charged in cost of sales.

8 GOODWILL

	2021 $	2020 $
Cost	355,760	355,760
Accumulated translation adjustments	(7,435)	(7,312)
Accumulated impairment	(155,943)	(145,680)
Disposal of subsidiary	(3,271)	–
Reclassified to held for sale (Note 37)	(20,702)	–
Net book amount	**168,409**	**202,768**
Movement analysis:		
Opening net book amount	202,768	211,782
Acquisition of subsidiaries (Note 36)	–	661
Disposal of subsidiary	(3,271)	–
Reclassified to held for sale (Note 37)	(20,702)	–
Translation adjustments	(123)	325
Impairment charge	(10,263)	(10,000)
Closing net book amount	**168,409**	**202,768**

Goodwill is allocated to the Group's Cash-Generating Units ('CGUs') identified according to country of operation and business segment.

For continuing operations, a segment-level summary of the goodwill allocation is presented below.

	2021 $	2020 $
Motors & Machines	105,223	105,223
Gas Products	2,896	3,146
Integrated Retail	60,290	60,385
Financial Services	–	30,743
Strategic & Other Investments	–	3,271
Total	**168,409**	**202,768**

The recoverable amount of CGUs is determined based on value-in-use and fair value less costs to sell calculations.

These calculations use weighted cash flow projections based upon a base, best and worst case sensitivity approved by Directors covering a five-year period.

Key assumptions used for value-in-use and fair value less costs to sell calculations:

	2021		2020	
	GROWTH RATE1	DISCOUNT RATE2	GROWTH RATE1	DISCOUNT RATE2
Motors & Machines	2.5%-4.6%	11.70%-12.20%	3.1%	10.6%-11.58%
Gas Products	1.9%-3.0%	9.78%-12.80%	2.0%	13.77%
Integrated Retail	3.0% - 3.24%	10.80%-11.00%	2.0%	12.25%-13.66%
Financial Services	–	–	2.5%	13.20%
Strategic & Other Investments	–	–	1.6%	15.26%

[1] Weighted average growth rate used to extrapolate cash flows beyond the budget period.

[2] Pre-tax discount rate applied to the cash flow projections except for Financial Services in which a post-tax discount rate applied, for the fair value less cost to sell model.

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

8 GOODWILL *(continued)*

These assumptions have been used for the analysis of each CGU within the business segment. Management determined the budgeted gross margin based on past performance and its expectations for the market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risk relating to the relevant segments. Covid-19 uncertainties were incorporated by adjusting the cash flows using the expected cash flow approach under varying scenarios considering factors such as the length of the recovery period and the impact on cash flows.

9 OTHER INTANGIBLE ASSETS

Intangibles represent brands and software licenses which have been recognised at fair value at the acquisition date and are measured at carrying value less accumulated amortisation and impairment. No impairment has been recorded during the years presented.

	2021 $	2020 $
Opening net book value	63,356	60,263
Translation adjustments	152	(2,032)
Additions for the year	30,494	4,995
Acquisition of subsidiaries (Note 36)	–	10,724
Amortisation charge for the year	(19,320)	(10,594)
Reclassified to held for sale (Note 37)	(15,267)	–
Net book amount	**59,415**	**63,356**
Cost	130,450	115,071
Accumulated amortisation	(71,035)	(51,715)
Net book amount	**59,415**	**63,356**

The amortisation charge is included in selling, general and administrative expenses.

10 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	2021 $	2020 $
Investment and advances	74,324	74,324
Share of post-acquisition reserves	55,284	96,174
	129,608	**170,498**
Movement analysis:		
Balance at beginning of year	170,498	146,801
Translation adjustments	(215)	284
Share of results before tax	52,344	53,459
Share of tax	(15,977)	(15,270)
Dividends received	(33,692)	(15,276)
Disposal of associates	(5,169)	–
Reclassified to held for sale (Note 37)	(38,573)	–
Other	392	500
Balance at end of year	**129,608**	**170,498**

10 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	2021 $	2020 $
Analysed as:		
Individually material joint ventures	121,682	120,527
Individually immaterial associates and joint ventures	7,926	49,971
	129,608	**170,498**
Share of profit of associates and joint ventures		
Continuing Operations	50,296	48,948
Reclassified to held for sale (Note 37)	2,048	4,511
	52,344	**53,459**

Individually immaterial associates and joint ventures include SigniaGlobe Financial Group Inc. in the current and prior years which has been reclassified to Held for Sale.

The tables below provide summarised financial information for those associates and joint ventures that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not the Group's share of those amounts. A reconciliation to the net carrying amounts is included below to reflect adjustments made by the entity when using the equity method, including goodwill and other adjustments.

		2021			2020	
	MASSY WOOD $	CARIBBEAN INDUSTRIAL GASES UNLIMITED $	TOTAL $	MASSY WOOD $	CARIBBEAN INDUSTRIAL GASES UNLIMITED $	TOTAL $
As at September 30, 2021						
Summarised balance sheet:						
Current assets	371,206	66,784	437,990	330,357	100,873	431,230
Non-current assets	31,481	48,999	80,480	30,617	94,091	124,708
Current liabilities	(232,796)	(10,914)	(243,710)	(210,052)	(69,649)	(279,701)
Non-current liabilities	(3,844)	(30,939)	(34,783)	(3,750)	(36,350)	(40,100)
Net assets	**166,047**	**73,930**	**239,977**	**147,172**	**88,965**	**236,137**
Reconciliation to net carrying amounts:						
Group share of joint ventures (%)	50	50	50	50	50	50
Group share of joint ventures ($)	83,023	36,965	119,988	73,586	44,482	118,068
Goodwill	727	967	1,694	727	1,732	2,459
	83,750	**37,932**	**121,682**	**74,313**	**46,214**	**120,527**
Other information:						
Country of incorporation	Trinidad & Tobago	Trinidad & Tobago		Trinidad & Tobago	Trinidad & Tobago	
Nature of relationship	Joint venture	Joint venture		Joint venture	Joint venture	

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

10 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES *(continued)*

	MASSY WOOD $	CARIBBEAN INDUSTRIAL GASES UNLIMITED $	**TOTAL** $
Summarised statement of comprehensive income			
As at September 30, 2021			
Revenue	1,049,185	89,625	1,138,810
Interest income	1	–	1
Depreciation and amortisation	–	(1,453)	(1,453)
Interest expense	–	(805)	(805)
Profit before tax	66,955	35,167	102,122
Income tax expense	(21,188)	(9,717)	(30,905)
Profit for the year	45,767	25,450	71,217
Reconciliation to profit or loss:			
Group share of joint ventures (%)	50	50	50
Group share of joint ventures ($)	22,883	12,725	35,608
Goodwill impairment	–	(765)	(765)
	22,883	**11,960**	**34,843**
As at September 30, 2020			
Revenue	1,006,509	62,166	1,068,675
Interest income	16	–	16
Depreciation and amortisation	–	(620)	(620)
Interest expense	–	(789)	(789)
Profit before tax	83,291	16,135	99,426
Income tax expense	(25,031)	(4,092)	(29,123)
Profit for the year	58,260	12,043	70,303
Reconciliation to profit or loss:			
Group share of joint ventures (%)	50	50	50
Group share of joint ventures ($)	29,130	6,021	35,151
Goodwill impairment	–	(765)	(765)
	29,130	**5,256**	**34,386**

The Group has an investment in a joint venture whose year end is not coterminous with September 30:

	COUNTRY OF INCORPORATION	REPORTING YEAR END
Massy Wood	Trinidad and Tobago	31 December

11 TRADE AND OTHER RECEIVABLES

	2021 $	2020 $
Trade receivables	883,762	1,218,166
Receivables with related parties	25,323	14,485
Less: provision for impairment of receivables	(56,418)	(134,293)
Trade receivables – net	852,667	1,098,358
Reinsurance assets	–	648,503
Contract assets (Note 11.1)	90,028	64,103
Less: provision for impairment of contract assets (Note 11.1)	(131)	(319)
Other debtors and prepayments	631,789	490,136
Less: provision for impairment of other debtors	(2,123)	(5,392)
Other debtors and prepayments – net	719,563	1,197,031
	1,572,230	**2,295,389**
Non-current portion	800	41,388
Current portion	1,571,430	2,254,001
	1,572,230	**2,295,389**
11.1 Contract assets comprises:		
Unbilled income	89,791	47,072
Other: Service contracts	106	16,712
	89,897	**63,784**

The contract assets are trade receivables subjected to impairment testing under IFRS 9. The basis for impairment is explained in Note 34.1.2.

Contract assets have increased as the Group has provided more services ahead of the agreed payment schedules for fixed-price contracts.

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

12 FINANCIAL ASSETS

	2021 $	2020 $
At amortised cost:		
- Bonds	407,225	689,709
- Instalment credit and other accounts	538,051	909,014
- Hire purchase receivables	46,974	37,231
- Mortgages	–	3,428
	992,250	1,639,382
Fair value through profit or loss:		
- Bonds and treasury bills	304,001	346,177
- Listed equities	12,180	85,159
- Unlisted equities	212	386
- Investment funds	3,454	33,675
	319,847	465,397
Fair value through other comprehensive income:		
- Unlisted equities	198,777	198,717
Total	**1,510,874**	**2,303,496**
Non-current portion	923,521	1,021,432
Current portion	587,353	1,282,064
	1,510,874	**2,303,496**

12.1 Finance leases

Included in instalment credit and other accounts are amounts relating to finance leases as follows:

	2021 $	2020 $
Not later than 1 year	4,662	5,683
Later than 1 year and not later than 5 years	8,804	10,300
	13,466	15,983
Unearned finance charges on finance leases	(1,531)	(858)
Net investment in finance leases	**11,935**	**15,125**
Not later than 1 year	4,051	5,170
Later than 1 year and not later than 5 years	7,884	9,955
	11,935	**15,125**

13 DEFERRED INCOME TAX

Deferred income taxes are calculated in full, on temporary differences under the liability method using a principal tax rate of 30% (2020: 30%).

The movements in deferred tax assets/(liabilities) are as follows:

Deferred income tax assets

	ACCELERATED DEPRECIATION $	TAX LOSSES $	LEASES $	OTHER $	TOTAL $
Year ended September 30, 2021					
At beginning of year	15,307	13,984	41,653	53,679	124,623
Credit to consolidated income statement	3,060	9,730	4,630	23,698	41,118
Exchange adjustment	2	90	(357)	253	(12)
Disposal of subsidiary (Note 37)	(932)	(2,745)	--	--	(3,677)
Reclassified to held for sale (Note 37)	1,606	(2,403)	--	(2,520)	(3,317)
Other movements	(9,723)	2,764	(9,059)	(10,312)	(26,330)
At end of year	**9,320**	**21,420**	**36,867**	**64,798**	**132,405**
Year ended September 30, 2020	6,812	18,972	–	50,503	76,287
At beginning of year					
IFRS 16 initial application adjustments	–	–	29,177	217	29,394
Credit to consolidated income statement	1,764	823	6,682	11,691	20,960
Exchange adjustment	2,200	(19)	7	(2,383)	(195)
Disposal of subsidiary (Note 37)	(7,374)	(548)	–	(103)	(8,025)
Other movements	11,905	(5,244)	5,787	(6,246)	6,202
At end of year	**15,307**	**13,984**	**41,653**	**53,679**	**124,623**

Other deferred income tax assets comprise balances relating to pension plan adjustments and smaller miscellaneous inputs.

Deferred income tax liabilities

	ACCELERATED DEPRECIATION $	PENSION PLAN SURPLUS $	OTHER $	TOTAL $
Year ended September 30, 2021				
At beginning of year	73,287	135,544	27,219	236,050
(Credit)/charge to consolidated income statement	(1,895)	(1,213)	19,870	16,762
Exchange adjustment	(405)	(624)	52	(977)
Disposal of subsidiary (Note 37)	(3,233)	–	–	(3,233)
Other movements	(11,437)	4,113	(7,235)	(14,559)
At end of year	**56,317**	**137,820**	**39,906**	**234,043**
Year ended September 30, 2020				
At beginning of year	79,781	123,864	23,406	227,051
(Credit)/charge to consolidated income statement	(1,973)	801	10,819	9,647
Exchange adjustment	(432)	32	(894)	(1,294)
Disposal of subsidiary (Note 37)	(366)	–	(1,323)	(1,689)
Other movements	(3,723)	10,847	(4,789)	2,335
At end of year	**73,287**	**135,544**	**27,219**	**236,050**

Deferred tax assets are recognised for tax losses carried-forward to the extent that the realisation of the related tax benefit through the future taxable profits is probable.

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

14 RETIREMENT BENEFIT ASSETS/OBLIGATIONS

	2021 $	2020 $
Retirement benefit assets		
Neal & Massy Group Pension Fund Plan	382,573	381,700
Overseas plans – Other	74,838	58,287
	457,411	**439,987**

The pension plans were valued by independent actuaries using the projected unit credit method.

	2021 $	2020 $
Neal & Massy Group Pension Fund Plan		
The amounts recognised in the statement of financial position are as follows:		
Fair value of plan assets	1,858,543	1,669,790
Present value of obligation	(1,292,700)	(1,263,030)
	565,843	406,760
Unutilisable asset	(183,270)	(25,060)
Asset in the statement of financial position	**382,573**	**381,700**
The movement in the present value of the defined benefit obligation is as follows:		
Opening present value of defined benefit obligation	1,263,030	1,233,861
Current service cost	30,972	20,403
Interest cost	61,941	60,470
Actuarial gains on obligation	(14,821)	(2,776)
Benefits paid	(48,422)	(48,928)
Closing present value of defined benefit obligation at September 30	**1,292,700**	**1,263,030**
The movement in the fair value of plan assets for the year is as follows:		
Opening fair value of plan assets	1,669,790	1,693,695
Expected return on plan assets	81,026	80,246
Actuarial gains/(losses) on plan assets	156,149	(55,223)
Benefits paid	(48,422)	(48,928)
Closing fair value of plan assets at September 30	**1,858,543**	**1,669,790**
The amounts recognised in the consolidated income statement are as follows:		
Current service cost	30,972	20,403
Net interest cost	(19,085)	(19,776)
Total included in profit or loss	**11,887**	**627**
Actuarial (gains)/losses recognised in other comprehensive income before tax	**(12,760)**	**13,202**
Movement in the asset recognised in the consolidated statement of financial position:		
Asset at beginning of year	381,700	395,529
Net pension expense	(11,887)	(627)
Actuarial gains/(losses)	12,760	(13,202)
Asset at end of year	**382,573**	**381,700**

14 RETIREMENT BENEFIT ASSETS/OBLIGATIONS *(continued)*

Retirement benefit assets *(continued)*

The principal actuarial assumptions used were:

	2021 PER ANNUM	2020 PER ANNUM
Discount rate	5.0%	5.0%
Future salary increases	5.0%	5.0%
Future pension increases – post retirement	3.0%	3.0%
Sensitivity – change in discount rate	1% increase	1% increase
Sensitivity impact	**(175,212)**	**(168,107)**

Assumptions regarding future mortality experience are set based on advice from published statistics and experience in each territory.

	2021	2020
Plan assets are comprised as follows:		
Local equities/mutual funds	31%	35%
Local bonds/mortgages	17%	18%
Foreign investments	46%	39%
Deferred annuities/insurance policy	4%	5%
Short-term securities/cash/accrued income	2%	3%
The average life expectancy in years of a pensioner retiring at age 60 is as follows:		
Male	81	81
Female	85	85

Overseas plans – Other

	2021 $	2020 $
The amounts recognised in the statement of financial position are as follows:		
Fair value of plan assets	323,425	316,604
Present value of the defined benefit obligation	(156,295)	(186,758)
	167,130	129,846
Unutilisable asset	(92,292)	(71,559)
Asset recognised in the statement of financial position	**74,838**	**58,287**
The movement in the defined benefit obligation over the year is as follows:		
Opening present value of defined benefit obligation	186,758	178,540
Current service cost	3,256	3,885
Interest cost	9,807	11,304
Plan participant contributions	3,549	3,632
Actuarial losses on obligation	4,330	7,254
Liabilities extinguished on settlement/curtailment	(42,689)	(4,215)
Exchange differences on foreign plans	(1,063)	(2,171)
Benefits paid	(7,653)	(11,471)
Closing present value of defined benefit obligation	**156,295**	**186,758**

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

14 RETIREMENT BENEFIT ASSETS/OBLIGATIONS *(continued)*
Overseas plans – Other (continued)

	2021 $	2020 $
The movement in the fair value of plan assets for the year is as follows:		
Opening fair value of plan assets	316,604	310,084
Income from discount rate on utilisable plan assets	13,690	17,039
Actual return on assets greater than above	48,577	109
Assets disbursed on settlement	(51,070)	--
Exchange differences on foreign plans	(2,772)	(4,672)
Employer contributions	2,936	2,823
Plan participant contributions	3,549	3,632
Administration expenses	(436)	(940)
Benefits paid	(7,653)	(11,471)
Closing fair value of plan assets at September 30	**323,425**	**316,604**
The amounts recognised in the consolidated income statement are as follows:		
Current service cost	3,256	3,885
Net interest cost	(3,883)	(5,735)
Administration expenses	436	940
Curtailments and settlements	(1,296)	(4,217)
Total included in other income	(1,487)	(5,127)
Actual return on plan assets	**62,267**	**17,149**
Movement in the asset recognised in the consolidated statement of financial position		
Asset at beginning of year	58,287	89,274
Actuarial gains/(losses) recognised in other comprehensive income	12,127	(9,647)
Net pension income	1,487	5,127
Increase in unrecognisable asset	–	(29,290)
Employer contributions	2,937	2,823
Asset at end of year	**74,838**	**58,287**
Actuarial gains/(losses) recognised in other comprehensive income	**12,127**	**(9,647)**

The principal actuarial assumptions used were:

	2021 PER ANNUM	2020 PER ANNUM
Discount rate	6%-9%	6%-9%
Future salary increases	5%-6.5%	5%-5.5%
Future national insurance increases	4%	4%
Future pension increases	2%-5%	2%-4%
Future bonuses	0%-2%	0%-2%

Assumptions regarding future mortality experience are set based on advice from published statistics and experience in each territory.

14 RETIREMENT BENEFIT ASSETS/OBLIGATIONS *(continued)*

	2021 $	2020 $
Retirement benefit obligations		
Massy Holdings/Barbados Shipping & Trading (BS&T) /Hopwood – medical pension plan	(130,645)	(135,139)
Barbados Shipping & Trading (BS&T) – pension plan	47,981	66,290
	(82,664)	**(68,849)**
Barbados Shipping & Trading (BS&T) – pension plan		
The amounts recognised in the statement of financial position are as follows:		
Fair value of plan assets	669,730	595,565
Present value of the defined benefit obligation	(527,081)	(529,275)
	142,649	66,290
Unrecognised asset due to limit	(94,668)	–
Asset in the statement of financial position	**47,981**	**66,290**
The movement in the defined benefit obligation over the year is as follows:		
Opening present value of defined benefit obligation	529,275	537,442
Current service cost	5,787	6,883
Interest cost	40,014	40,805
Asset/(liabilities) extinguished on settlement	2,625	(4,696)
Actuarial gains on obligation	(11,810)	(12,743)
Exchange differences on foreign plans	(1,253)	2,362
Benefits paid	(37,557)	(40,778)
Closing present value of defined benefit obligation at September 30	**527,081**	**529,275**
The movement in the fair value of plan assets for the year is as follows:		
Opening fair value of plan assets	595,565	591,125
Income from discount rate on utilisable plan assets	45,811	45,211
Actual return on assets less than above	36,579	(24,443)
Administration expenses	(283)	(115)
Employer contributions	31,055	21,945
Exchange differences	(1,440)	2,620
Benefits paid	(37,557)	(40,778)
Closing fair value of plan assets at September 30	**669,730**	**595,565**
The amounts recognised in the consolidated income statement are as follows:		
Current service cost	5,787	6,883
Net interest income	(5,797)	(4,406)
Loss/(gain) on curtailments	2,625	(4,696)
Administration expenses	283	115
Expense/(income) recognised in the income statement	2,898	(2,104)
Actual return on plan assets	**82,390**	**20,768**

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

14 RETIREMENT BENEFIT ASSETS/OBLIGATIONS *(continued)*

Retirement benefit obligations (continued)

Barbados Shipping & Trading (BS&T) – pension plan *(continued)*

	2021 $	2020 $
Liability at beginning of year	66,290	(11,223)
Increase in unrecognisable asset	–	64,907
Expense recognised in other comprehensive income	(46,466)	(11,443)
Net pension (expense)/income	(2,898)	2,104
Contributions paid	31,055	21,945
Asset at end of year	**47,981**	**66,290**

	2021 PER ANNUM	2020 PER ANNUM
The principal actuarial assumptions used were:		
Discount rates	7.75%	7.75%
Future salary increases	5.75%	5.75%
Future NIS increases	3.50%	3.50%
Future pension increases – past service	0.75%	0.75%
Future pension increases – future service	0.75%	0.75%

Assumptions regarding future mortality experience were obtained from published statistics and experience in each territory.

The average life expectancy in years of a pensioner retiring at age 65 is as follows:

	2021	2020
Male	83	83
Female	86	86

BS&T – medical plans

The principal actuarial assumptions used were:

	2021 PER ANNUM	2020 PER ANNUM
Discount rate	7.75%	7.75%
Annual increase in health care	4.50%	4.50%

Other Plans: Massy Holdings/BS&T/Hopwood Medical Fund Plan

	2021 $	2020 $
The amounts recognised in the statement of financial position are as follows:		
Present value of the defined benefit obligation	(130,645)	(135,139)
Liability recognised in the statement of financial position	**(130,645)**	**(135,139)**

14 RETIREMENT BENEFIT ASSETS/OBLIGATIONS *(continued)*

Other Plans: Massy Holdings/BS&T/Hopwood Medical Fund Plan

	2021 $	2020 $
The movement in the defined benefit obligation over the year is as follows:		
Opening present value of defined benefit obligation	(135,139)	(158,969)
Current service cost	(6,546)	(8,248)
Interest cost	(9,259)	(11,177)
Curtailment	–	2,407
Actuarial gains on obligation	11,779	31,280
Past service cost	(115)	6,298
Liabilities extinguished on curtailment	7,106	1,138
Exchange differences on foreign plans	(1,843)	(964)
Benefits paid	3,372	3,096
Closing present value of defined benefit obligation	**(130,645)**	**(135,139)**
The amounts recognised in the consolidated income statement are as follows:		
Current service cost	(6,546)	(8,248)
Net interest cost	(9,259)	(11,177)
Past Service cost	(115)	6,298
Curtailment	–	2,407
Gains on curtailments and settlements	7,106	1,138
Total Income recognised in consolidated income statement	**(8,814)**	**(9,582)**
The amounts recognised in other comprehensive income:		
Actuarial gains recognised in other comprehensive income	**11,779**	**31,280**

The principal actuarial assumptions used were:

	2021 PER ANNUM %	2020 PER ANNUM %
Barbados Shipping & Trading (BS&T)		
Discount rate	7.75	7.75
Annual increases in healthcare costs	4.50	4.50
Hopwood Medical Fund Plan		
Discount rate	9.00	9.00
Annual increases in healthcare costs	8.00	7.00
Neal & Massy Group Medical Fund Plan		
Discount rate	5.00	5.00
Annual Increases in healthcare costs	3.50	3.50

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

15 INVENTORIES

	GROSS $	PROVISION $	2021 $
Finished goods and goods for resale	1,435,816	(77,683)	1,358,133
Goods in transit	217,405	–	217,405
Raw materials and consumables	44,558	(5,950)	38,608
Work in progress	15,224	(1,716)	13,508
	1,713,003	**(85,349)**	**1,627,654**

	GROSS $	PROVISION $	2020 $
Finished goods and goods for resale	1,391,018	(78,783)	1,312,235
Goods in transit	187,043	--	187,043
Raw materials and consumables	73,337	(6,831)	66,506
Work in progress	22,928	(1,510)	21,418
	1,674,326	**(87,124)**	**1,587,202**

The cost of inventories recognised in expense and included in cost of sales amounted to $7,707,922 (Restated 2020: $7,095,338).

16 STATUTORY DEPOSITS WITH REGULATORS

This comprises the following:

- Massy United Insurance Ltd. – This entity is registered to conduct insurance business under legislation in each relevant jurisdiction. This legislation may prescribe a number of requirements with respect to deposits, investment of funds and solvency for the protection of policy holders. In order to satisfy the legislative requirements of the various jurisdictions, a portion of cash and cash equivalents has been deposited or is held in trust to the order of the regulators.

  The deposit was reclassified to Held for Sale in 2021 (Note 37).

- Massy Finance GFC Ltd. – The Financial Institutions Act, 2008 requires that every non-banking financial institution licensed under the Act in the Republic of Trinidad and Tobago hold and maintain a non-interest bearing deposit account with the Central Bank of Trinidad and Tobago equivalent to 9% of the total deposit liabilities of that institution. As at September 30, 2021 and 2020, Massy Finance GFC Ltd. complied with the above requirement.

17 CASH AND CASH EQUIVALENTS

	2021 $	2020 $
Cash at bank and in hand	1,987,011	2,448,397
Short-term bank deposits	47,130	85,224
	2,034,141	**2,533,621**

Deposits have an average maturity of less than 90 days.

17 CASH AND CASH EQUIVALENTS *(continued)*

Cash, cash equivalents and bank overdrafts include the following for the purposes of the cash flow statement:

	2021 $	2020 $
Cash and cash equivalents	2,034,141	2,533,621
Bank overdrafts (Note 22)	(17,790)	(8,100)
Cash, net of bank overdrafts	**2,016,351**	**2,525,521**

18 SHARE CAPITAL

	NUMBER OF SHARES #	ORDINARY SHARES $	**TOTAL** $
At September 30, 2021	**98,343**	**764,344**	**764,344**
At September 30, 2019	**97,743**	**764,344**	**764,344**
Employee share grant – vested	600	–	–
At September 30, 2020	**98,343**	**764,344**	**764,344**

The total authorised number of ordinary shares is unlimited with no par value. All issued shares are fully paid.

The Shareholders of Massy Holdings Ltd. approved a Performance Share Plan for the benefit and long-term incentive of selected Senior Executives of Massy Holdings Ltd. and its subsidiaries, under which shares may be granted to such Executives. The Plan was approved on September 26, 2013 and the first tranche of shares was awarded on October 1, 2013 for the Executive Performance Period of October 1, 2012 to September 30, 2013. The Award is a conditional right to receive a grant of shares which may only vest where the Base Share Price grows by a compound annual growth rate, approved each year by the Board of Directors.

The Base Share Price will be calculated based on the average market price of the shares, for the last ten trading days, in the calendar month immediately preceding the Grant Date. Shares may vest between three and six years from the Grant Date subject to the applicable compound annual growth rate from the Base Share Price, which must be achieved to trigger the vesting and issue of the shares. There were no amounts recognised in the income statement in 2020 and 2021. Performance Share Plan Grants have satisfied the condition to be vested and this resulted in the grant of 599,589 shares on May 19, 2020.

In 2017, this plan was suspended and therefore no new share grants were issued to the Executives of Massy Holdings Ltd. and its subsidiaries. A long term incentive plan (Note 24.2) has been introduced which is linked to the Group's EPS.

19 DIVIDENDS PER SHARE

	2021 $	2020 $
Interim paid: 2021 – 55 cents per share (2020 – 50 cents)	54,089	49,171
Final paid: 2020 – 200 cents per share (2019 – 172 cents)	196,686	168,118
	250,775	**217,289**

On December 10, 2021 the Board of Directors of Massy Holdings Ltd. declared a final dividend per share of $2.30, bringing the total dividends per share for the financial year ended September 30, 2021 to $2.85 (2020 - $2.50).

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

20 OTHER RESERVES

	TRANSLATION RESERVE	CATASTROPHE RESERVE (NOTE 20.2)	STATUTORY AND GENERAL BANKING RESERVES (NOTE 20.1)	OTHER AMOUNTS	TOTAL
	$	$	$	$	$
As at September 30, 2021					
Balance at beginning of year	(120,010)	385,991	17,390	(223,152)	60,219
Currency translation adjustments	(12,653)	–	–	–	(12,653)
Disposal of subsidiary	(3,787)	–	–	729	(3,058)
Transfer to other reserves	–	(16,785)	–	–	(16,785)
Other reserves	(296)	–	–	(1,426)	(1,722)
Purchase of non-controlling interest	–	–	–	(926)	(926)
Balance at end of year	**(136,746)**	**369,206**	**17,390**	**(224,775)**	**25,075**
As at September 30, 2020					
Balance at beginning of year	(110,540)	421,517	18,000	(219,058)	109,919
Currency translation adjustments	(25,901)	–	–	–	(25,901)
Disposal of subsidiary	16,431	–	–	(5,344)	11,087
Transfer to other reserves	–	(35,526)	–	–	(35,526)
Other reserves	–	–	(610)	3,432	2,822
Purchase of non-controlling interest	–	–	–	(2,182)	(2,182)
Balance at end of year	**(120,010)**	**385,991**	**17,390**	**(223,152)**	**60,219**

Other amounts primarily include premiums paid on the acquisition of non-controlling interest.

20.1 Statutory and general banking reserves

These are applicable to Massy Finance (GFC) Ltd. as follows:

- Statutory Reserve – The Financial Institutions Act, 2008 requires a financial institution to transfer annually a minimum of 10% of its profit after taxation to a reserve fund until the balance on this reserve is equal to the paid-up capital of the institution. The reserve amounted to $15,000 (2020: $15,000).
- General Banking Reserve – In keeping with the Financial Institutions (Prudential Criteria) Regulations, 1994, the Company has set aside a reserve out of retained earnings to provide against unforeseen losses on the loan portfolio. The reserve amounted to $2,390 (2020: $2,390).

20.2 Catastrophe reserve

This comprises reserves arising from two entities:

- Massy United Insurance Ltd. – This entity transfers from its retained earnings, as permitted in Section 155 of the Insurance Act, 1996 – 32, 25% of net premium income earned arising from its property business into a reserve established to cover claims made by the Group's policyholders arising from a catastrophic event, which is included as a separate component of equity. The reserve amounted to $38,299 (2020: $80,845).
- The Interregional Reinsurance Company Limited (TIRCL) – Appropriations from Retained Earnings are periodically made to this reserve as determined by the Directors. The reserve is intended to be only available to meet both current and future losses arising under the entity's insurance policies from catastrophic events. The reserve amounted to $330,907 (2020: $305,146).

21 NON-CONTROLLING INTERESTS

The following is an analysis of Non-Controlling Interests (NCI) which are material and individually immaterial to the Group:

	2021 $	2020 $
Accumulated balances with non-controlling interests		
Material non-controlling interests	105,827	161,515
Individually immaterial non-controlling interests	58,212	84,891
	164,039	**246,406**
Profit for the year from non-controlling interests		
Material non-controlling interests	26,608	38,635
Individually immaterial non-controlling interests	6,962	8,113
	33,570	**46,748**

Individually immaterial non-controlling interests include Massy Guyana Group, Massy Pres-T-Con Holdings Ltd. and Massy Carbonics Limited in 2020. In 2021, Massy Pres-T-Con Holdings Ltd. was sold.

The table below shows a movement analysis of subsidiaries with non-controlling interests that are material to the Group. The amounts included represents the share attributable to the non-controlling interests.

	ROBERTS MANUFACTURING CO. LIMITED $	MASSY STORES (SLU) LTD. $	TOTAL $
As at September 30, 2021	**49.5%**	**40%**	
Balance at beginning of year	67,959	93,556	161,515
Total comprehensive income for the year	(986)	27,594	26,608
Dividends	(26,314)	(15,097)	(41,411)
Currency translation adjustments	(141)	(226)	(367)
Disposal of subsidiary	(40,518)	–	(40,518)
Balance at end of year	**–**	**105,827**	**105,827**
As at September 30, 2020			
Balance at beginning of year	57,970	84,001	141,971
Total comprehensive income for the year	12,530	28,730	41,260
Dividends	(7,686)	(16,181)	(23,867)
Currency translation adjustments	273	477	750
Other movements for the year	4,872	(3,471)	1,401
Balance at end of year	**67,959**	**93,556**	**161,515**

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

21 NON-CONTROLLING INTERESTS *(continued)*

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are the amounts as per the entities' financial statements before inter-company eliminations.

	ROBERTS MANUFACTURING CO. LIMITED $	MASSY STORES (SLU) LTD. $
As at September 30, 2021		
Summarised balance sheet:		
Current assets	–	255,826
Non-current assets	–	351,456
Current liabilities	–	(163,457)
Non-current liabilities	–	(173,984)
Indirect NCI	–	(5,273)
Net assets	**–**	**264,568**
Summarised statement of comprehensive income:		
Revenue	269,736	1,280,389
Profit attributable to parent	(1,991)	68,986
Total comprehensive income for the year	**(1,991)**	**68,986**
NCI share (%)	49.5	40
NCI share ($)	(986)	27,594
Summarised statement of cash flows:		
Operating activities	22,437	102,135
Investing activities	(8,264)	(65,498)
Financing activities	(58,828)	(27,379)
Net change in cash flows	**(44,655)**	**9,258**
As at September 30, 2020		
Summarised balance sheet:		
Current assets	159,963	230,592
Non-current assets	78,072	199,511
Current liabilities	(36,516)	(112,254)
Non-current liabilities	(7,488)	(80,586)
Indirect NCI	(17,858)	(3,371)
Net assets	**176,173**	**233,892**
Summarised statement of comprehensive income:		
Revenue	370,046	1,296,777
Profit attributable to parent	20,010	71,826
Other comprehensive income	5,302	–
Total comprehensive income for the year	**25,312**	**71,826**
NCI share (%)	49.5	40
NCI share ($)	12,530	28,730

21 NON-CONTROLLING INTERESTS *(continued)*

As at September 30, 2020 *(continued)*

	ROBERTS MANUFACTURING CO. LIMITED $	MASSY STORES (SLU) LTD. $
Summarised statement of cash flows:		
Operating activities	58,166	72,966
Investing activities	(3,735)	(3,168)
Financing activities	(15,527)	(87,229)
Net change in cash flows	**38,904**	**(17,431)**

22 BORROWINGS

	2021 $	2020 $
Secured advances and mortgage loans	117,965	503,714
Unsecured advances	1,564,146	1,605,466
Bank overdrafts (Note 17)	17,790	8,100
Bankers acceptance	10,000	–
Total borrowings	1,709,901	2,117,280
Less short-term borrowings	(261,742)	(677,096)
Medium and long-term borrowings	**1,448,159**	**1,440,184**
Short-term borrowings comprise:		
Bank overdrafts (Note 17)	17,790	8,100
Bankers acceptance	10,000	–
Current portion of other borrowings	233,952	668,996
	261,742	**677,096**

On July 30, 2014, Massy Holdings Ltd. issued a $1.2 billion Trinidad & Tobago Dollar Fixed Rate Bond. A private auction system was used to determine the issue size and cost of each series of the Bond issue. RBC Merchant Bank (Caribbean) Limited was the Arranger and RBC Trust (Trinidad & Tobago) Limited was the Trustee.

The bond was issued at a premium. The face value of both series was $600 million each with a tenure of 10 years (Series A) and 15 years (Series B) at coupon rates of 4.00% and 5.25% respectively. Interest is paid on a semi-annual basis in arrears and the principal will be repaid via a bullet payment at maturity. The bond payable is shown net of any investor's interests held by the Parent.

In 2020, included in short-term borrowings is a $350 million bond facility from Scotiabank Trinidad and Tobago Limited which matured on October 14, 2020.

Total borrowings include secured liabilities of $110,107 (2020: $494,381).

Bank borrowings are secured by the land and buildings of the Group.

Where applicable, the Group has complied with the financial covenants of its borrowing facilities during the 2021 and 2020 reporting periods.

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

22 BORROWINGS *(continued)*

22.1 Net debt reconciliation

	CASH AND CASH EQUIVALENTS, NET OF OVERDRAFTS (NOTE 17) $	BORROWINGS, NET OF OVERDRAFTS $	**TOTAL** $
Year ended September 30, 2021			
At beginning of year	2,525,521	(2,109,180)	416,341
Proceeds on new borrowings	–	(647,401)	(647,401)
Principal repayments on borrowings	–	1,064,701	1,064,701
Effect of exchange rate changes on cash and bank overdrafts	(4,734)	(164)	(4,898)
Other cash flows	(504,436)	(67)	(504,503)
At end of year	**2,016,351**	**(1,692,111)**	**324,240**
Year ended September 30, 2020			
At beginning of year	2,064,262	(2,190,916)	(126,654)
Proceeds on new borrowings	–	(355,571)	(355,571)
Principal repayments on borrowings	–	420,812	420,812
Disposal of subsidiaries	–	301	301
Effect of exchange rate changes on cash and bank overdrafts	(3,191)	16,130	12,939
Other cash flows	464,450	64	464,514
At end of year	**2,525,521**	**(2,109,180)**	**416,341**

23 CUSTOMERS' DEPOSITS

	2021 $	2020 $
These represent the deposits for fixed terms accepted mainly by Massy Finance GFC Ltd.		
Payable within one year	179,474	190,126
Payable between two and five years	114,028	98,831
	293,502	**288,957**
Sectorial analysis of deposit balances		
Private sector	51,736	13,312
Consumers	241,766	275,645
	293,502	**288,957**

Interest expense on customers' deposits of $6,770 (2020: $7,183) is shown within "other direct costs" in Note 26.

24 TRADE AND OTHER PAYABLES

	2021 $	2020 $
Trade creditors	649,780	971,973
Contract liabilities (Note 24.1)	4,505	16,336
Other payables (Note 24.2)	830,957	807,695
	1,485,242	**1,796,004**

24.1 Contract liabilities

	2021 $	2020 $
Analysis of contract liabilities:		
Deferred Income	2,483	13,778
Rebates	–	844
Extended warranty programmes	982	1,007
Other	1,040	707
	4,505	**16,336**
Expected timing of revenue recognition:		
Within 1 year	3,094	15,463
After 1 year	1,411	873
	4,505	**16,336**
Revenue recognised in current period that was included in the contract liability balance at the beginning of the period	**2,299**	**596**

24.2 Included in other payables is the provision for the Long-Term Incentive Plan. The Shareholders of Massy Holdings Ltd. approved a Long-term Incentive Plan for the benefit of selected Senior Executives of Massy Holdings Ltd. and its subsidiaries. Individuals are awarded an incentive based on a pre-defined multiple of their salary. This amount is then converted into an equivalent number of phantom shares which are then adjusted to reflect individual Key Performance Indicators. The phantom shares awarded are subject to a vesting period of three years. On the vesting date, the settlement amount is determined by multiplying the number of phantom shares by the phantom share grant price. The latter is determined by applying a pre-determined P/E ratio to the EPS preceding the year of settlement.

	2021 $	2020 $
Balance at the beginning of the year	46,814	30,972
Payments	(21,666)	–
Current service cost	37,837	15,842
Balance at the end of the year	**62,985**	**46,814**

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

25 LIABILITIES ON INSURANCE CONTRACTS

The major classes of general insurance written by the Group's insurance operations include motor, property, and other miscellaneous types of general insurance. Risks under these policies usually cover a twelve-month duration. Liabilities comprise:

	2021 $	2020 $
Outstanding claims	434,063	433,645
Unearned premiums	896,509	739,169
(Note 37)	**1,330,572**	**1,172,814**

Movement in outstanding claims reserve may be analysed as follows:

	INSURANCE LIABILITIES **2021** $	REINSURERS' SHARE **2021** $	INSURANCE LIABILITIES 2020 $	REINSURERS' SHARE 2020 $
Beginning of the year	433,645	93,291	701,910	311,114
Exchange adjustment	(1,029)	(222)	8,538	3,787
Claims incurred	285,369	88,613	255,133	85,544
Claims paid	(283,922)	(84,901)	(531,936)	(307,154)
	434,063	**96,781**	**433,645**	**93,291**

Movement in the unearned premium reserve may be analysed as follows:

Beginning of the year	739,169	555,212	611,549	419,831
Exchange adjustment	(1,754)	(1,771)	(1,556)	(1,815)
Claims incurred	1,565,115	1,151,986	1,339,752	950,673
Claims paid	(1,406,021)	(1,011,030)	(1,210,576)	(813,477)
	896,509	**694,397**	**739,169**	**555,212**

The reinsurers' share of outstanding claims and unearned premium reserves are included in accounts receivable. Claims reserves comprise provisions for claims reported by policyholders and claims incurred but not yet reported and are established to cover the ultimate cost of settling the liabilities in respect of claims that have occurred and are estimated based on known facts at the statement of financial position date. Outstanding claims reserves are not discounted for the time value of money.

The principal assumption underlying the estimates is past claims development experience. This includes assumptions in respect of average claims costs and claims numbers for each accident year. In addition, larger claims are separately assessed by loss adjusters. Judgement is used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates. The ultimate liabilities will vary as a result of subsequent developments. Differences resulting from reassessment of the ultimate liabilities are recognised in subsequent periods.

25 LIABILITIES ON INSURANCE CONTRACTS *(continued)*

Claims development table

	2013 $	2014 $	2015 $	2016 $	2017 $	2018 $	2019 $	2020 $	**2021** $	**TOTAL** $
Gross										
At end of accident year	150,705	185,538	221,707	296,089	2,222,912	243,044	460,452	255,108	247,237	
One year later	158,985	153,082	219,948	285,344	2,087,214	257,381	413,764	319,919	–	
Two years later	152,839	157,679	207,643	272,122	1,771,109	267,547	406,993	–	–	
Three years later	153,534	157,409	196,946	270,622	1,763,957	246,720	–	–	–	
Four years later	153,558	157,018	196,491	263,973	1,757,001	–	–	–	–	
Five years later	151,439	157,453	197,757	261,109	–	––	–	–	–	
Six years later	152,632	152,089	198,514	–	–	–	–	–	–	
Seven years later	152,089	159,027	–	–	–	–	–	–	–	
Eight years later	152,510	–	–	–	–	–	–	–	–	
	152,510	159,027	198,514	261,109	1,757,001	246,720	406,993	319,919	247,237	3,749,030
Cumulative payments to date	147,651	146,698	182,598	245,770	1,733,007	198,209	362,322	263,794	127,173	3,407,222
Liability recognised	4,859	12,329	15,916	15,339	23,994	48,511	44,671	56,125	120,064	341,808
Liability in respect of prior years										92,255
Total liability										**434,063**
Net favourable/(unfavourable) development	(1,805)	26,511	23,193	34,980	465,911	(3,676)	53,459	(64,811)		
Net Claims										
At end of accident year	91,847	114,974	169,941	190,168	241,831	204,926	263,790	202,640	163,129	
One year later	102,600	112,313	161,014	175,899	274,079	214,203	215,768	257,510	–	
Two years later	96,163	109,779	151,488	168,101	255,170	210,522	228,436	–	–	
Three years later	96,113	105,195	142,686	165,903	235,476	198,796	–	–	–	
Four years later	96,697	105,029	141,339	159,404	246,268	–	–	–	–	
Five years later	94,893	104,360	126,922	161,211	–	–	–	–	–	
Six years later	95,654	97,867	143,197	–	–	–	–	–	–	
Seven years later	91,262	103,651	–	–	–	–	–	–	–	
Eight years later	95,552	–	–	–	–	–	–	–	–	
	95,552	103,651	143,197	161,211	246,268	198,796	228,436	257,510	163,129	1,597,750
Cumulative payments to date	90,756	94,752	127,444	147,058	224,971	161,242	189,183	217,979	96,023	1,349,408
Liability recognised	4,796	8,899	15,753	14,153	21,297	37,554	39,253	39,531	67,106	248,342
Liability in respect of prior years										88,940
Total liability										**337,282**
Net favourable/(unfavourable) development	(3,705)	11,323	26,744	28,957	(4,437)	6,130	35,354	(54,870)		

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

25 LIABILITIES ON INSURANCE CONTRACTS *(continued)*

Claims development table *(continued)*

	2012 $	2013 $	2014 $	2015 $	2016 $	2017 $	2018 $	2019 $	2020 $	**TOTAL** $
Gross										
At end of accident year	139,220	151,063	185,980	222,234	296,794	2,228,201	243,623	461,547	255,715	
One year later	178,236	159,363	153,446	220,472	286,023	2,092,179	257,993	414,748	–	
Two years later	178,059	153,203	158,055	208,137	272,769	1,775,323	268,183	–	–	
Three years later	157,835	153,899	157,784	197,415	271,265	1,768,153	–	–	–	
Four years later	159,531	153,923	157,392	196,958	264,601	–	–	–	–	
Five years later	158,860	151,799	157,828	198,227	–	–	–	–	–	
Six years later	156,870	152,995	152,451	–	–	–	–	–	–	
Seven years later	158,411	152,451	–	–	–	–	–	–	–	
Eight years later	155,623	–	–	–	–	–	–	–	–	
	155,623	152,451	152,451	198,227	264,601	1,768,153	268,183	414,748	255,715	3,630,152
Cumulative payments to date	143,895	146,899	143,446	181,785	242,097	1,712,207	194,434	331,161	185,463	3,281,387
Liability recognised	11,728	5,552	9,005	16,442	22,504	55,946	73,749	83,587	70,252	348,765
Liability in respect of prior years										84,880
Total liability										**433,645**
Net favourable/(unfavourable) development	(16,403)	(1,388)	33,529	24,007	32,193	460,048	(24,560)	46,799		
Net Claims										
At end of accident year	103,483	92,065	115,247	170,345	190,621	242,406	205,414	264,418	203,122	
One year later	112,824	102,844	112,580	161,397	176,317	274,731	214,713	216,281	–	
Two years later	118,474	96,392	110,040	151,849	168,501	255,777	211,022	–	–	
Three years later	123,384	96,342	105,445	143,025	166,298	236,036	–	–	–	
Four years later	125,319	96,927	105,279	141,676	159,783	--	–	–	–	
Five years later	125,171	95,119	104,608	127,224	–	--	–	–	–	
Six years later	122,853	95,881	98,100	–	–	--	–	–	–	
Seven years later	124,652	91,479	–	–	–	--	–	–	–	
Eight years later	115,576	–	–	–	–	–	–	–	–	
	115,576	91,479	98,100	127,224	159,783	236,036	211,022	216,281	203,122	1,458,623
Cumulative payments to date	107,890	86,128	89,928	115,856	139,606	195,004	158,021	155,326	164,362	1,212,121
Liability recognised	7,686	5,351	8,172	11,368	20,177	41,032	53,001	60,955	38,760	246,502
Liability in respect of prior years										93,852
Total liability										**340,354**
Net favourable/(unfavourable) development	(12,093)	586	17,147	43,121	30,838	6,370	(5,608)	48,137		

26 OPERATING PROFIT BEFORE FINANCE COSTS

	2021 $	2020 $ (RESTATED)
Revenue:		
- Sale of goods	10,084,160	9,428,541
- Rendering of services	1,013,763	784,834
- Net interest and other investment income (Note 26.1)	30,021	29,861
	11,127,944	10,243,236
Cost of sales and other direct costs:		
- Cost of sales	(7,707,922)	(7,095,338)
- Other direct costs	(549,810)	(526,971)
	(8,257,732)	(7,622,309)
Gross profit	2,870,212	2,620,927
Administrative expenses	(1,170,239)	(1,116,050)
Other operating expenses	(1,020,805)	(1,013,657)
Other income	302,179	232,582
Operating profit before finance costs	**981,347**	**723,802**

26.1 'Net interest and other investment income' is attributable to loans to customers and other financial assets held for investment purposes only. Income from bank balances, short term investments, treasuries and other securities held for cash management purposes is included within finance income (Note 28).

26.2 The following items were included in arriving at operating profit before finance cost from continuing operations:

	2021 $	2020 $ (RESTATED)
Staff and staff related costs	1,608,698	1,352,849
Depreciation and impairment of property, plant and equipment	199,698	250,411
Depreciation of right-of-use assets	87,922	86,376
Depreciation and impairment of investment properties	2,844	29,963
Expected credit losses/net impairment expense on financial assets (Note 34.1.2):		
- Trade and other receivables	9,916	2,777
- Corporate and sovereign bonds	(2,696)	2,563
- Instalment credit, hire purchase accounts and other financial assets	(3,213)	4,158
Impairment of goodwill	263	–
Amortisation of other intangible assets	18,405	9,679
Directors' fees	3,707	3,949
Operating lease rentals	18,491	28,461

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

26 OPERATING PROFIT BEFORE FINANCE COSTS *(continued)*

26.3 Material profit or loss items included in arriving at operating profit:

The group has identified the following items which are material due to the significance of their nature and/or amount. These are listed separately here to provide a better understanding of the financial performance of the Group:

	2021 $	2020 $
Gain on disposal of subsidiaries (Note 37)	(90,784)	(262,442)

27 STAFF COSTS

Staff costs included in cost of sales, selling, general and administrative expenses are as follows:

	2021 $	2020 $ (RESTATED)
Wages and salaries and termination benefits	1,360,708	1,241,734
Pension costs	51,388	19,562
	1,412,096	**1,261,296**
Average number of persons employed by the Group during the year:		
Full time	10,315	10,230
Part time	1,792	1,556
	12,107	**11,786**

28 FINANCE COSTS – NET

	2021	2020
Finance costs:		
Interest expense on borrowings	106,154	116,182
Unwinding of interest on restoration liability	145	124
Interest expense on lease liabilities (Note 6.3)	55,086	52,605
	161,385	**168,911**
Finance income:		
Finance income (Note 28.2)	(58,618)	(56,458)
Finance costs – net	**102,767**	**112,453**

28.1 No Borrowing costs were capitalised during the year (2020: $0).

28.2 Income from bank balances, short term investments, treasuries and other securities held for cash management purposes is shown within finance income.

29 INCOME TAX EXPENSE

	2021 $	2020 $ (RESTATED)
Current tax	274,427	258,205
Deferred tax	(24,356)	(11,313)
Business levy/withholding taxes	792	10,251
	250,863	**257,143**
The Group's effective tax rate of 27% (2020 – 39%) differs from the statutory Trinidad and Tobago tax rate of 30% as follows:		
Profit before income tax	**928,876**	**660,297**
Tax calculated at a tax rate of 30%	281,902	197,405
Effect of different tax rates in other countries	(24,698)	30,510
Expenses not deductible for tax purposes	173,145	187,360
Income not subject to tax	(175,698)	(173,512)
Business levy/withholding taxes	792	10,251
Effect of change in overseas tax rate	2,577	2,323
Adjustments to prior year tax provisions	(7,157)	2,806
Income tax expense	**250,863**	**257,143**
The income tax expense is attributable to:		
Trinidad and Tobago subsidiaries	98,339	117,183
Overseas subsidiaries	137,071	125,399
Associated companies	15,453	14,561
	250,863	**257,143**

In 2021, Green Fund Levy was reallocated from tax to operating expenses.

30 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the year.

	2021 $	2020 $ (RESTATED)
Profit attributable to Shareholders:		
- from continuing operations	639,833	367,415
- from discontinued operations	148,625	328,988
	788,458	696,403
Weighted average number of ordinary shares in issue (thousands)	98,343	97,964
Basic earnings per share		
- from continuing operations	6.51	3.75
- from discontinued operations	1.51	3.36
	8.02	**7.11**

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

31 CONTINGENCIES

Subsidiaries

At September 30, 2021 the Group had contingent liabilities in respect of customs bonds, guarantees and other matters arising in the ordinary course of business amounting to $936,051 (2020: $911,207).

Group companies are defendants in various legal actions. In the opinion of the Directors, after taking appropriate legal advice, the outcome of such actions will not give rise to any material unprovided losses.

Other investments

Included within the contingencies above are guarantees entered into by Massy Holdings Ltd. with Mitsubishi Heavy Industries, Ltd. (MHI) under which it guaranteed payment of 10% of Caribbean Gas Chemical Limited's payment obligations to MHI under the contracts for the engineering procurement and construction of the methanol and Dimethyl Ether (DME) plants and 12.5% of the base equity commitment for Caribbean Gas Chemical Barbados Limited. MHL's maximum liability under guarantees is $646,088. This exposure is linked to the transaction's financial close which is expected to be achieved in the next financial year.

32 COMMITMENTS

Capital commitments

Capital expenditure contracted at the consolidated statement of financial position date but not yet incurred is as follows:

	2021 $	2020 $
Property, plant and equipment	**177,346**	**9,156**

Operating lease commitments – where a Group Company is the lessee:

The Group leases various retail outlets, commercial space and warehouses under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The Group also leases various plant and machinery under cancellable operating lease agreements. The Group is required to give a six-month notice for the termination of these agreements.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2021 $	2020 $
No later than 1 year	–	70,162
	–	70,162
Operating lease commitments – where a Group Company is the lessor:		
Less than one year	14,191	15,513
One year to five years	9,485	11,725
	23,676	**27,238**

33 RELATED PARTY TRANSACTIONS

The ultimate Parent of the Group is Massy Holdings Ltd. (incorporated in the Republic of Trinidad and Tobago).

The following transactions were carried out with related parties:

		2021 $	2020 $
a	*Sales of goods*		
	Associates	49,937	18,709
	Goods are sold on the basis of the price lists in force with non-related parties.		
b	*Purchases of goods*		
	Associates	1,088	931
	Goods purchased from entities controlled by Non-executive Directors	**157,385**	**144,957**
	Goods are bought on the basis of the price lists in force with non-related parties.		
c	*Key management compensation*		
	Salaries and other short-term employee benefits	149,022	101,813
	Post-employment benefits	9,686	6,618
		158,708	**108,431**
d	*Year-end balances arising from sales/purchases of goods/services*		
	Receivables from related parties	**25,139**	**14,485**
	Payables to related parties	**1,392**	**666**
e	*Customer deposits to related parties*	**7,518**	**7,448**

34 FINANCIAL RISK MANAGEMENT

34.1 Financial risk factors

The Group's activities expose it to a variety of financial risks. The Group's aim therefore is to achieve an appropriate balance between risk and return and minimise potentially adverse effects on the Group's financial performance. This is achieved by the analysis, evaluation, acceptance and management of the Group's risk exposure.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The main financial risks of the Group relate to the availability of funds to meet business needs, the risk of default by counterparties to financial transactions, and fluctuations in interest and foreign exchange rates. The treasury function manages the financial risks that arise in relation to underlying business needs and operates within clear policies and stringent parameters. The function does not operate as a profit centre and the undertaking of speculative transactions is not permitted.

The Group's principal financial liabilities comprise bank loans, operating overdrafts, trade payables and insurance claims liabilities which are used to finance Group operations. There are various financial assets such as trade receivables, investments, loans receivable, cash and short term deposits which emanate from its operations. The main risks arising from the Group's financial instruments are credit risk, liquidity risk, foreign currency risk, interest rate risk and equity securities price risk.

The following contains information relative to the Group's exposure to each of the above risks, including quantitative disclosures.

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

34 FINANCIAL RISK MANAGEMENT *(continued)*

34.1 Financial risk factors *(continued)*

34.1.1 Market risk

The Company is inherently exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk can be subdivided into three categories namely currency risk, interest rate risk and price risk.

a *Currency risk*

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities. The Group manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions as well as holding foreign currency balances.

The following table summarises the Group's net exposure and sensitivities to currency risk on its financial instruments.

CURRENCY	NET CURRENCY EXPOSURE $	SENSITIVITY %	CHANGE/ IMPACT $
As at September 30, 2021			
USD	1,538,610	2	30,772
BBD	(203,852)	2	(4,077)
PESO	(111,338)	1	(1,113)
GYD	161,333	3	4,840
JCD	128,760	5	6,438
OTHER	(95,703)	2	(1,914)
Total	**1,417,810**		**34,946**
As at September 30, 2020			
USD	863,993	2	17,280
BBD	(59,273)	2	(1,185)
PESO	16,812	1	168
GYD	110,916	3	3,327
JCD	150,683	5	7,534
OTHER	32,874	2	657
Total	**1,116,005**		**27,781**

b *Interest rate risk*

The Group's loans receivable are fixed rate and is subject to fair value interest rate risk with no impact to the financial statements since they are carried at amortised cost. However, floating rate loans and bonds are subject to cash flow interest rate risk. The Group's exposure to floating rate bonds is minimal.

The Group's exposure to changes in market interest rates relates primarily to the long-term debt obligations, with floating interest rates. The exposure to interest rate risk on cash held on deposit is not significant.

At the end of 2021, interest rates were fixed on approximately 95% of the borrowings (2020: 97%). The impact on the consolidated income statement to a 50 basis points change in floating interest rates is $387 in 2021 (2020: $284).

c *Price risk*

The Group has investments in equity securities and investment funds and these are carried at fair value, consequently resulting in exposure to equity securities price risk. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its Portfolio. Diversification of the Portfolio is done in accordance with the limits set by the Group. See note 34.3.1

34 FINANCIAL RISK MANAGEMENT *(continued)*

34.1 Financial risk factors *(continued)*

34.1.2 Credit risk

The Group is exposed to credit risk, which is the risk that may arise from its customers, clients and counterparties failing to discharge their contractual obligations. The credit exposures arise primarily from the Group's receivables on sales, interest-bearing investments and cash held on deposit at various financial institutions.

The Group has no significant concentrations of credit risk and trades mainly with recognised, creditworthy third parties. It is the Group's policy that all customers trading on credit terms are subject to credit verification procedures. These procedures are elements of a structured credit control system and include an analysis of each customer's creditworthiness and the establishment of limits before credit terms are set. In addition, receivable balances are monitored on an ongoing basis to mitigate the Group's exposure to bad debts.

The following is a summary of the Group's maximum exposure to credit risk.

	2021 $	2020 $
Cash and cash equivalents (Note 17)	2,034,141	2,533,621
Trade and other receivables (Note 11)	1,572,230	2,295,389
Other financial assets at amortised cost (Note 12):		
- Bonds	407,225	689,709
- Instalment credit and other accounts	538,051	909,014
- Hire purchase receivables	46,974	37,231
- Mortgages	–	3,428
Other financial assets at fair value through profit or loss (Note 12):		
- Bonds and treasury bills	304,001	346,177
Assets reclassified to Held for Sale (Note 37)		
Cash and cash equivalents	345,741	–
Trade and other receivables	387,553	–
Reinsurance assets	791,178	–
Other financial assets at amortised cost		
- Bonds	304,992	–
- Instalment credit and other accounts	70,825	–
- Mortgages	2,964	–
Other financial assets at fair value through profit or loss:		
- Bonds and treasury bills	24,923	–
Total	**6,830,798**	**6,814,569**

The Group recognises provision for losses for assets subject to credit risk using the expected credit loss model. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Group uses the general approach in arriving at expected losses for instalment credit and other loans, Note 2.9.

A default on a financial asset occurs in the following circumstances:

- When the issuer of a bond has missed a payment of principal or interest or has announced its intention to suspend payments on part or all of its financial obligations, or
- For all other financial assets, when the counterparty fails to make contractual payments within 90 days of when they fall due.

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

34 FINANCIAL RISK MANAGEMENT *(continued)*

34.1 Financial risk factors *(continued)*

34.1.2 Credit risk *(continued)*

Practical expedient for financial assets with low credit risk

As an exception to the simplified and general approaches, if the credit risk of a financial instrument is low at the reporting date, the Group can measure impairment using 12-month ECL, and so it does not have to assess whether a significant increase in credit risk has occurred.

The financial instrument has to meet the following requirements, in order for this practical expedient to apply:

- it has a low risk of default;
- the borrower is considered, in the short term, to have a strong capacity to meet its obligations in the near term; and
- the lender expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations.

Assets written off

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments, even after several attempts at enforcement and/or recovery efforts. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Collateral and other credit enhancements

The Group's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Group since the prior period.

- Trade receivables and treasuries: These are generally unsecured and are generally considered low risk subject to a few exceptions.
- Corporate debt securities and sovereign debt securities: These are both secured and unsecured by fixed or floating charges on the assets of the issuer.
- Instalment credit debtors, hire purchase receivables and other accounts: The principal collateral types for these instruments are security agreements over motor vehicles, furniture and appliances, the values of which are reviewed periodically if there is a significant increase in credit risk.

Summary of ECL calculations

a *The simplified approach (trade receivables and contract assets)*

The following is a summary of the ECL on trade receivables and contract assets from a combination of specific and general provisions:

AGING BUCKET	AVERAGE ECL RATE %	ESTIMATED EAD $	EXPECTED CREDIT LOSS $
As at September 30, 2021			
Current (0-30 days)	1.14	542,789	6,162
31 to 90 days	1.72	184,342	3,177
Over 90 days	17.36	271,982	47,210
Total	**5.66**	**999,113**	**56,549**
Reclassified to Held for Sale			
Current (0-30 days)	–	59,331	–
31 to 90 days	–	88,000	–
Over 90 days	13.54	222,122	30,086
Total	**8.14**	**369,453**	**30,086**

34 **FINANCIAL RISK MANAGEMENT** *(continued)*

34.1 Financial risk factors *(continued)*

34.1.2 Credit risk *(continued)*

Summary of ECL calculations *(continued)*

a The simplified approach (trade receivables and contract assets) (continued)

AGING BUCKET	AVERAGE ECL RATE %	ESTIMATED EAD $	EXPECTED CREDIT LOSS $
As at September 30, 2020			
Current (0-30 days)	1.25	488,559	6,105
31 to 90 days	5.57	545,318	30,351
Over 90 days	37.34	262,877	98,156
Total	**10.38**	**1,296,754**	**134,612**

The movement in the provision for expected credit losses for trade receivables and contract asset accounts is as follows:

	2021 $	2020 $
Balance at beginning of the year	134,612	145,040
Disposal of subsidiary	(48,919)	(6,340)
Translation adjustments	(457)	71
Increase in loss allowance recognised in profit or loss	6,328	1,089
Amounts written off in the current year	(4,929)	(5,248)
Balance at end of the year	86,635	134,612
Reclassified to Held for Sale	(30,086)	–
Total	**56,549**	**134,612**

The following is an analysis of the net impairment expense on financial assets recognised in profit or loss:

	2021 $	2020 $ (RESTATED)
Net changes to provisions for the year per above	6,328	1,089
Other adjustments	6,557	1,545
Net expense for the year	**12,885**	**2,634**
Net expense for the year attributable to:		
Continuing operations (Note 26.2)	9,916	2,777
Discontinued operations	2,969	(143)
Total	**12,885**	**2,634**

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

34 FINANCIAL RISK MANAGEMENT *(continued)*

34.1 Financial risk factors *(continued)*

34.1.2 Credit risk *(continued)*

Summary of ECL calculations (continued)

b The general approach

A summary of the assumptions underpinning the company's expected credit loss model under the general approach is as follows:

CATEGORY	DEFINITION	BASIS FOR RECOGNITION OF EXPECTED CREDIT LOSS PROVISION
Performing (Stage 1)	The counterparty has a low risk of default and a strong capacity to meet contractual cash flows	12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime
Underperforming (Stage 2)	Financial assets for which there is a significant increase in credit risk since origination	Lifetime expected losses
Non-performing (Stage 3)	The financial asset is in default Lifetime expected losses	Lifetime expected losses
Purchased or Credit-impaired	Financial assets with evidence of impairment at the point of initial recognition (for instance, if they are acquired at a deep discount)	Lifetime expected losses using a credit-adjusted effective interest rate.
Write-off	There is no reasonable expectation of recovery	Asset is written off

Over the term of the financial asset, the Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of financial assets and adjusts for forward looking macroeconomic data.

Corporate and sovereign bonds

CATEGORY	AVERAGE ECL RATE %	ESTIMATED EAD $	EXPECTED CREDIT LOSS $
As at September 30, 2021			
Performing (Stage 1)	0.04	402,347	165
Non-performing (Stage 3)	4.68	5,291	248
Total	**0.10**	**407,638**	**413**
Reclassified to held for sale			
Performing (Stage 1)	0.34	213,507	720
Non-performing (Stage 3)	56.02	1,312	735
Purchased or originated credit-impaired	25.38	122,790	31,162
Total	**9.66**	**337,609**	**32,617**

34 FINANCIAL RISK MANAGEMENT *(continued)*

34.1 Financial risk factors *(continued)*

34.1.2 Credit risk *(continued)*

Summary of ECL calculations *(continued)*

b The general approach (continued)

The movement in the provision for expected credit losses is as follows:

	PERFORMING $	NON-PERFORMING $	PURCHASED OR ORIGINATED CREDIT-IMPAIRED $	**TOTAL** $
As at September 30, 2021				
Balance at beginning of the year	2,980	13,940	18,884	35,804
Translation adjustments	(2)	(27)	(49)	(78)
Reclassification and other adjustments	–	(12,327)	12,327	–
Net charge to profit or loss	(2,093)	(603)	–	(2,696)
Balance at end of the year	885	983	31,162	33,030
Reclassified to held for sale	(720)	(735)	(31,162)	(32,617)
Total	**165**	**248**	**–**	**413**

CATEGORY	AVERAGE ECL RATE %	ESTIMATED EAD $	EXPECTED CREDIT LOSS $
As at September 30, 2020			
Performing (Stage 1)	0.67	445,622	2,980
Non-performing (Stage 3)	6.35	219,645	13,940
Purchased or originated credit-impaired	31.34	60,246	18,884
Total	**4.93**	**725,513**	**35,804**

The movement in the provision for expected credit losses is as follows:

	PERFORMING $	NON-PERFORMING $	PURCHASED OR ORIGINATED CREDIT-IMPAIRED $	**TOTAL** $
As at September 30, 2020				
Balance at beginning of the year	3,878	–	30,121	33,999
Translation adjustments	3	39	84	126
Reclassifications and other adjustments	(901)	6,891	(11,321)	(5,331)
Net charge to profit or loss	–	7,010	–	7,010
Balance at end of the year	**2,980**	**13,940**	**18,884**	**35,804**

The following is an analysis of the net impairment expense on financial assets recognised in profit or loss:

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

34 FINANCIAL RISK MANAGEMENT *(continued)*

34.1 Financial risk factors *(continued)*

34.1.2 Credit risk *(continued)*

***Summary of ECL calculations** (continued)*

b The general approach (continued)

	2021 $	2020 $ (RESTATED)
Net changes to provisions for the year per above	(2,696)	7,010
Other adjustments	–	2,562
Net expense for the year (Note 26.2)	**(2,696)**	**9,572**
Net expense for the year attributable to:		
Continuing operations (Note 26.2)	(2,696)	2,563
Discontinued operations	–	7,009
Total	**(2,696)**	**9,572**

Instalment credit, hire purchase accounts and other financial assets

CATEGORY	AVERAGE ECL RATE %	ESTIMATED EAD $	EXPECTED CREDIT LOSS $
As at September 30, 2021			
Performing (Stage 1)	0.63	536,045	3,388
Underperforming (Stage 2)	2.23	29,590	659
Non-performing (Stage 3)	36.11	36,682	13,245
Total	**2.87**	**602,317**	**17,292**
Reclassified to held for sale			
Performing (Stage 1)	1.20	60,283	722
Underperforming (Stage 2)	23.27	3,843	894
Non-performing (Stage 3)	33.74	12,549	4,234
Total	**7.63**	**76,675**	**5,850**

The movement in the provision for expected credit losses is as follows:

	PERFORMING $	UNDER-PERFORMING $	NON-PERFORMING $	**TOTAL** $
Balance at beginning of the year	7,475	1,768	19,617	28,860
Translation adjustments	(6)	–	(7)	(13)
Net changes to provisions and reclassifications	(3,451)	(341)	176	(3,616)
Amounts written off in the current year	92	126	(2,307)	(2,089)
Balance at end of the year	4,110	1,553	17,479	23,142
Reclassified to held for sale	(722)	(894)	(4,234)	(5,850)
Total	**3,388**	**659**	**13,245**	**17,292**

34 FINANCIAL RISK MANAGEMENT *(continued)*

34.1 Financial risk factors *(continued)*

34.1.2 Credit risk *(continued)*

Summary of ECL calculations *(continued)*

b *The general approach (continued)*

Instalment credit, hire purchase accounts and other financial assets *(continued)*

CATEGORY	AVERAGE ECL RATE %	ESTIMATED EAD $	EXPECTED CREDIT LOSS $
As at September 30, 2020			
Performing (Stage 1)	0.88	853,414	7,475
Underperforming (Stage 2)	2.53	69,808	1,768
Non-performing (Stage 3)	37.81	51,883	19,617
Total	**2.96**	**975,105**	**28,860**

The movement in the provision for expected credit losses is as follows:

	PERFORMING $	UNDER-PERFORMING $	NON-PERFORMING $	TOTAL $
Balance at beginning of the year	13,759	2,958	20,545	37,262
Translation adjustments	47	4	50	101
Net changes to provisions and reclassifications	(1,942)	1,187	4,710	3,955
Amounts written off in the current year	(4,389)	(2,381)	(5,688)	(12,458)
Balance at end of the year	**7,475**	**1,768**	**19,617**	**28,860**

The following is an analysis of the net impairment expense on financial assets recognised in profit or loss:

	2021 $	2020 $ (RESTATED)
Net changes to provisions for the year per above	(3,616)	3,955
Other adjustments	369	(1,701)
Net expense for the year (Note 26.2)	**(3,247)**	**2,254**
Net expense for the year attributable to:		
Continuing operations	(3,213)	4,158
Discontinued operations	(34)	(1,904)
Total	**(3,247)**	**2,254**

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

34 FINANCIAL RISK MANAGEMENT *(continued)*

34.1 Financial risk factors *(continued)*

34.1.3 Liquidity risk

Liquidity risk is the risk which may arise if the Group is unable to meet the obligations associated with its financial liabilities when they fall due.

The Group's liquidity risk management process is measured and monitored by Senior Management. This process includes monitoring current cash flows on a frequent basis, assessing the expected cash inflows as well as ensuring that the Group has adequate committed lines of credit to meet its obligations.

The following is an analysis of the undiscounted contractual cash flows payable under financial liabilities. Undiscounted cash flows will differ from both the carrying values and the fair values.

Maturity analysis of financial liabilities

	LESS THAN 1 YEAR $	1 - 5 YEARS $	MORE THAN 5 YEARS $	CONTRACTUAL CASH FLOWS $	CARRYING AMOUNT $
2021					
Financial liabilities					
Bank overdraft and bankers' acceptance (Note 22)	27,790	–	–	27,790	27,790
Other borrowings (Note 22)	246,179	825,624	628,311	1,700,114	1,682,111
Customers' deposits (Note 23)	181,829	118,918	–	300,747	293,502
Trade and other payables (Note 24)	1,485,242	–	–	1,485,242	1,485,242
Lease liabilities (Note 6.2)	82,619	321,131	656,378	1,060,128	988,233
Reclassified to held for sale (Note 37)	1,397,082	171,896	115,811	1,684,789	1,684,789
Total	**3,420,741**	**1,437,569**	**1,400,500**	**6,258,810**	**6,161,667**
2020					
Financial liabilities					
Bank overdraft (Note 17)	8,100	–	–	8,100	8,100
Other borrowings (Note 22)	743,817	1,040,180	728,145	2,512,142	2,109,180
Customers' deposits (Note 23)	190,868	104,947	–	295,815	288,957
Trade and other payables (Note 24)	1,796,004	–	–	1,796,004	1,796,004
Lease liabilities (Note 6.2)	74,514	239,846	656,092	970,452	910,607
Liabilities on insurance Contracts (Note 25)	877,046	168,350	127,418	1,172,814	1,172,814
Total	**3,690,349**	**1,553,323**	**1,511,655**	**6,755,327**	**6,285,662**

34.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for Shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may vary the amount of dividends paid to Shareholders, return capital to Shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (current and non-current borrowings) less cash and cash equivalents. Total capital is calculated as total equity as shown in the consolidated statement of financial position plus net debt.

34 FINANCIAL RISK MANAGEMENT *(continued)*

34.2 Capital risk management *(continued)*

	2021 $	2020 $
Total borrowings (Note 22)	1,709,901	2,117,280
Less: Cash and cash equivalents including cash Reclassified to Held for Sale	(2,379,882)	(2,533,621)
Net debt	(669,981)	(416,341)
Total equity	**6,832,171**	**6,417,044**
Total capital	**6,162,190**	**6,000,703**
Gearing ratio	0%	0%

34.2.1 Regulatory capital held by subsidiaries

a *Massy United Insurance Ltd.*

This entity is engaged in the insurance business and is therefore subject to the capital requirements set by the regulators of the insurance market within which it operates.

Capital adequacy is managed at the operating level and reviewed by Management at least annually. This is assessed from the perspective of the solvency requirements set out in the local Insurance Acts in Barbados and the other territories in which the entity operates.

Also, as part of assessing the adequacy of its capital base the entity retains the services of an independent actuarial firm to annually assess the adequacy of its insurance reserves.

b *Massy Finance GFC Ltd.*

This entity is incorporated in the Republic of Trinidad and Tobago and is licensed under the Financial Institutions Act, 2008. It is subject to the capital requirements set by the Central Bank of Trinidad and Tobago (CBTT).

Capital adequacy and the use of regulatory capital are monitored weekly by management based on the guidelines developed by the Basel Committee, as implemented by the CBTT, the country's authority for supervisory purposes. The required information is filed with the CBTT on a quarterly basis.

In addition to the above, there are specific requirements governing lending, customers' deposits and other activities in relation to the Company's capital.

The table below summarises the total equity positions of each of the above entities, both of which are in excess of their minimum regulatory capital requirements.

	MASSY FINANCE GFC LTD.		MASSY UNITED INSURANCE LTD.	
	2021 $	2020 $	**2021** $	2020 $
Total equity	**139,606**	**132,255**	**552,550**	**459,721**

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

34 FINANCIAL RISK MANAGEMENT *(continued)*

34.3 Fair value of financial assets and liabilities

34.3.1 Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial assets and liabilities recorded at fair value in the consolidated financial statements based upon the level of judgement associated with the inputs used to measure their fair value. The hierarchical levels, from lowest to highest based on the amount of subjectivity associated with the inputs to fair valuation of these assets and liabilities are as follows:

Level 1

Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date. The types of assets carried at level 1 fair value are equity and debt securities listed in active markets. The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. These inputs are derived principally from or corroborated by observable market data by correlation or other means at the measurement date and for the duration of the instruments' anticipated life.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

Level 3

Inputs that are unobservable for the asset or liability for which there are no active markets to determine a price. These financial instruments are carried at fair value and are regularly tested for impairment with changes taken through other comprehensive income.

The following table presents the Group's assets that are measured at fair value at September 30, 2021:

	LEVEL 1 $	LEVEL 2 $	LEVEL 3 $	**TOTAL** $
Assets				
Financial assets at FVPL and FVOCI (Note 12)				
- Bonds and treasury bills	1,090	302,911	–	304,001
- Listed equities	12,146	34	–	12,180
- Unlisted equities	–	139	198,850	198,989
- Investment funds	3,454	–	–	3,454
	16,690	303,084	198,850	518,624
Reclassified to Held for Sale (Note 37)	166,245	26,362	5	192,612
	182,935	**329,446**	**198,855**	**711,236**

34 FINANCIAL RISK MANAGEMENT *(continued)*

34.3 Fair value of financial assets and liabilities *(continued)*

34.3.1 Fair value hierarchy *(continued)*

***Level 3** (continued)*

The following table presents the Group's assets that are measured at fair value at September 30, 2020:

	LEVEL 1 $	LEVEL 2 $	LEVEL 3 $	**TOTAL** $
Assets				
Financial assets at FVPL and FVOCI (Note 12)				
- Bonds and treasury bills	57,766	288,411	–	346,177
- Listed equities	81,982	3,177	–	85,159
- Unlisted equities	–	139	198,964	199,103
- Investment funds	3,635	30,040	–	33,675
	143,383	**321,767**	**198,964**	**664,114**

The movement in level 3 financial assets is as follows:

	2021 $	2020 $
Balance at beginning of year	198,964	185,383
Additions for the year	59	14,083
Disposals for the year	–	(468)
Reclassified to Held for Sale (Note 37)	(5)	–
Transfers	–	(139)
Net fair value losses recognised in profit or loss	(167)	–
Exchange adjustments on retranslation of overseas operations	(1)	105
	198,850	**198,964**

The Group utilises the valuation specialists (internal or external) for the valuations of non-property items required for financial reporting purposes, including level 3 fair values. The following is a summary of the significant unobservable inputs used in level 3 fair value measurements of unlisted equity instruments:

- Risk-adjusted discount rates – Discount rates ranging around 6% were used in arriving at fair value measurements. Had these rates changed by +/- 200 basis points, the fair value measurement would have been lower or higher by $3,976.
- Growth rate was nil since operations are at 100% capacity
- Methanol prices were based upon the Argus Price Forecast

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

34 FINANCIAL RISK MANAGEMENT *(continued)*

34.3 Fair value of financial assets and liabilities *(continued)*

34.3.2 Fair value of financial instruments carried at amortised cost

The carrying amounts and fair values of financial instruments carried at amortised cost are as follows:

	CARRYING AMOUNT		FAIR VALUE	
	2021	2020	**2021**	2020
	$	$	$	$
Financial assets				
Financial assets at amortised cost (Note 12)				
- Bonds	407,225	689,709	409,075	681,026
- Instalment credit and other accounts	538,051	909,014	543,883	909,864
- Hire purchase receivables	46,974	37,231	46,974	37,221
- Mortgages	–	3,428	–	3,428
Reclassified to Held for Sale (Note 37)	378,781	–	378,781	–
	1,371,031	**1,639,382**	**1,378,713**	**1,631,539**
Financial liabilities				
Bank overdraft and bankers' acceptance (Note 22)	27,790	8,100	27,790	8,100
Other borrowings (Note 22)	1,682,111	2,109,180	1,675,732	2,096,091
Lease liabilities (Note 6)	988,233	910,607	988,233	910,607
Customers' deposits (Note 23)	293,502	288,957	295,798	308,143
Reclassified to Held for Sale (Note 37)	3,967	–	3,967	–
	2,995,603	**3,316,844**	**2,991,520**	**3,322,941**

Due to the short-term nature of Trade and other receivables and Trade and other payables, their carrying amounts are considered to be the same as their fair values. Accordingly, their values are not shown in the tables above.

35 MANAGEMENT OF INSURANCE RISK

The primary risk the Group has through its insurance contracts is that the actual claims payments or timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, and subsequent development of claims.

The aforementioned insurance risk exposure is mitigated by diversification across a relatively large portfolio of insurance contracts and geographical areas. The variability of risk is augmented by careful selection and execution of underwriting guidelines throughout our agency network, as well as the use of reinsurance arrangements.

The majority of insurance business ceded is placed on a quota share basis with retention limits varying by product line and territory. The amounts recoverable from reinsurers are in accordance with reinsurance contracts. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements.

The Group primarily issues the following types of general insurance contracts: motor, household, commercial and business interruption within the Caribbean region. The risks under these policies usually cover duration of twelve months or less.

The most significant risk for these general insurance and reinsurance contracts arise from natural disasters. The Group utilises a claims review policy which concentrates on review of large and personal injury claims where there is the potential for greater exposure, and performs periodic review of claims handling procedures throughout the agency network. The Group also enforces a policy of actively managing its claims portfolio in order to reduce its exposure to unpredictable future developments that can negatively impact the Group.

35 MANAGEMENT OF INSURANCE RISK *(continued)*

The Group has also limited its exposure by its utilisation of reinsurance arrangements in order to limit exposure to catastrophic events. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. The Group's reinsurance coverage is placed with reputable third party reinsurers.

The table below sets out the concentration of general insurance contract liabilities by type of contract.

	2021			2020		
	GENERAL LIABILITIES $	REINSURERS' SHARE OF LIABILITIES $	NET LIABILITIES $	GENERAL LIABILITIES $	REINSURERS' SHARE OF LIABILITIES $	NET LIABILITIES $
Fire	681,637	(658,288)	23,349	549,939	(534,798)	15,141
Motor	340,454	(6,079)	334,375	340,335	(1,285)	339,050
Employers' liability	–	–	–	49,223	(11,864)	37,359
Engineering	47,257	(24,903)	22,354	68,058	(43,289)	24,769
Other accident	212,165	(69,891)	142,274	118,070	(25,875)	92,195
Marine	49,059	(32,017)	17,042	47,189	(31,392)	15,797
	1,330,572	**(791,178)**	**539,394**	**1,172,814**	**(648,503)**	**524,311**

The geographical concentration of the Group's general insurance contract liabilities is noted below. The disclosure is based on the countries where the business is written.

	2021			2020		
	GENERAL LIABILITIES $	REINSURERS' SHARE OF LIABILITIES $	NET LIABILITIES $	GENERAL LIABILITIES $	REINSURERS' SHARE OF LIABILITIES $	NET LIABILITIES $
Barbados	309,008	(116,624)	192,384	263,056	(76,490)	186,566
Saint Lucia	57,916	(31,577)	26,339	46,995	(25,910)	21,085
Antigua	80,646	(43,033)	37,613	83,593	(45,999)	37,594
St. Vincent	29,583	(16,825)	12,758	22,273	(11,933)	10,340
Trinidad	200,462	(116,969)	83,493	189,474	(94,071)	95,403
Other Caribbean	652,957	(466,150)	186,807	556,356	(394,100)	162,256
Asia and Europe	–	–	–	11,067	–	11,067
	1,330,572	**(791,178)**	**539,394**	**1,172,814**	**(648,503)**	**524,311**

Sensitivities

If the insurance liabilities and related reinsurers' share were to increase by 10%, the impact on income before tax and equity would be as follows:

	CHANGE IN ASSUMPTIONS	IMPACT ON GROSS LIABILITIES $	IMPACT ON REINSURERS' SHARE $	IMPACT ON INCOME BEFORE TAX $	IMPACT ON EQUITY
As at September 30, 2021					
Average claim cost	**10%**	**133,057**	**(79,118)**	**53,939**	**37,758**
As at September 30, 2020					
Average claim cost	**10%**	**117,281**	**(64,850)**	**52,431**	**36,702**

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

36 BUSINESS COMBINATIONS

On August 12, 2020 and September 1, 2020 the Group acquired 100% of the issued share capital of Distribuidora Central de Gas S.A. ESP (Dicengas) and Gas Propano de Colombia S.A.S. ESP (Gasprocol), respectively.

The following table summarises the consideration paid, the fair value of assets acquired and liabilities assumed at the acquisition date:

	DICENGAS $	GASPROCOL $
Total purchase consideration	7,231	10,199
The assets and liabilities recognised as a result of the acquisition are as follows:		
Cash and short-term investments	121	1
Trade receivables	101	150
Inventories	71	–
Current tax assets	63	36
Other assets	143	9
Fixed assets	2,388	10,231
Other intangible assets	8,138	2,586
Medium and long-term borrowings	(768)	(18)
Trade payable	(296)	(57)
Current tax liabilities	(80)	(30)
Deferred tax liabilities	(2,441)	(1,550)
Other liabilities	(662)	(1,367)
Net identifiable assets acquired	6,778	9,991
Goodwill	**453**	**208**
Purchase consideration – cash outflow		
Outflow of cash to acquire subsidiary, net of cash acquired		
Cash consideration	7,231	10,199
Less: Cash and short-term investments acquired	(121)	(1)
Net outflow of cash – investing activities	**7,110**	**10,198**

Acquisition-related costs

Acquisition-related costs of $86 that were not directly attributable to the issue of shares are included in other expenses in the profit or loss statement and in operating cash flows in the statement of cash flows.

37 DISCONTINUED OPERATIONS

The following disposals are reported in the current and prior period. Disposals and disposal groups Held for Sale are restated in the prior period as discontinued operations.

September 30, 2021 – Disposed entities

- The Group's 50.5% interest in Roberts Manufacturing Co. Limited was sold to Proven Investments Limited on June 8, 2021.
- Massy Pres-T-Con Holdings Ltd.'s 99.35% interest was bought by PRESTCON 2021 LIMITED on April 1, 2021.
- Highway Properties Limited, a subsidiary of Massy Transportation Group Ltd., was sold to Mouttet Capital Limited on September 30, 2021.

September 30, 2021 – Held for Sale entities

- Massy (Barbados) Limited entered into a Share Purchase Agreement with the Coralisle Group Ltd. on September 2, 2021 to sell 100% of the share capital of Massy United Insurance Ltd. Closing of the transaction is subject to the requisite regulatory assurances and approvals.
- Massycard (Barbados) Limited entered into an Asset Purchase Agreement on November 15, 2021 for the sale of the credit card portfolio and supporting assets. Closing of the transaction is subject to the requisite regulatory assurances and approvals.
- Other – this consists of multiple properties Held for Sale. There are several interested parties, and the sales are expected to be completed within the new financial year.

September 30, 2020 – Disposed entities

- Massy Technologies (Trinidad) Ltd. and Massy Technologies (Guyana) Ltd. were sold to PBS Technology Group Limited (PBSTG) on September 30, 2020.
- The assets of Seawell Air Services Limited were sold to GCG Ground Services (Barbados) Limited on September 30, 2020.
- Massy Energy Production Resources Ltd was sold to New Horizon Exploration Trinidad and Tobago Unlimited on September 4, 2020.

37.1 Summary of gain on sale of subsidiaries

The following are the details of the assets and liabilities sold, the proceeds and the gain on sale for the period ending September 30, 2021.

	ROBERTS MANUFACTURING CO. LIMITED $	MASSY PRES-T-CON HOLDINGS LTD. $	HIGHWAY PROPERTY LTD. $	**TOTAL** $
Analysis of net assets sold				
Property, plant and equipment	77,382	15,249	–	92,631
Investment properties	–	–	1,416	1,416
Right of use assets	–	8,063	–	8,063
Other financial assets	–	–	683	683
Inventory	50,035	3,967	–	54,002
Trade and other receivables	41,432	19,023	1,828	62,283
Other current assets	6,102	2,745	–	8,847
Lease liabilities	–	(9,327)	–	(9,327)
Trade and other payables	(51,470)	(13,074)	(65)	(64,609)
Other liabilities	(7,305)	(3,446)	–	(10,751)
Net assets	116,176	23,200	3,862	143,238
Non-controlling Interests	(68,150)	(156)	–	(68,306)
Cumulative currency translation adjustments	(3,787)	–	–	(3,787)
Goodwill	3,271	–	–	3,271
Adjusted net assets	47,510	23,044	3,862	74,416
Proceeds, net of cash sold and direct costs	124,625	17,428	23,147	165,200
Gain/(loss) on sale	**77,115**	**(5,616)**	**19,285**	**90,784**

The following are the details of the assets and liabilities sold, the proceeds and the gain on sale for the period ending September 30, 2020.

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

37 DISCONTINUED OPERATIONS *(continued)*

37.1 Summary of gain on sale of subsidiaries *(continued)*

	MASSY TECHNOLOGIES (TRINIDAD) LTD. $	MASSY TECHNOLOGIES (GUYANA) LTD. $	SEAWELL AIR SERVICES LIMITED $	MASSY ENERGY PRODUCTION RESOURCES LTD. $	**TOTAL** $
Analysis of net assets sold					
Property, plant and equipment	37,506	3,832	29,011	2,099	72,448
Right of use assets	14,092	–	–	–	14,092
Other financial assets	10,447	–	–	–	10,447
Inventory	33,807	14,479	1,170	–	49,456
Trade and other receivables	129,402	3,703	9,068	2,837	145,010
Lease liabilities	(15,353)	–	–	–	(15,353)
Trade and other payables	(163,648)	(6,113)	–	(966)	(170,727)
Other liabilities	(1,463)	(7,289)	–	(4,361)	(13,113)
Net assets	44,790	8,612	39,249	(391)	92,260
Cumulative currency translation adjustments	16,431	–	–	–	16,431
Adjusted net assets	61,221	8,612	39,249	(391)	108,691
Proceeds, net of cash sold	304,944	36,684	24,158	5,347	371,133
Gain/(loss) on sale	**243,723**	**28,072**	**(15,091)**	**5,738**	**262,442**

37.2 Held for Sale entities

Assets reclassified to Held for Sale

	MASSY UNITED INSURANCE LTD. $	MASSYCARD (BARBADOS) LIMITED $	OTHER $	**TOTAL** $
Property, plant and equipment	76,050	7,704	38,671	122,425
Investment Properties	–	–	59,883	59,883
Financial assets				
Other financial assets at amortised cost:				
- Bonds	304,992	–	–	304,992
- Instalment credit and other accounts	–	70,825	–	70,825
- Mortgages	2,964	–	–	2,964
Other financial assets at fair value through profit or loss:				
- Bonds and treasury bills	24,923	–	–	24,923
- Listed and unlisted equities	144,462	–	–	144,462
- Investment funds	23,227	–	–	23,227
Trade and other receivables	387,553	–	–	387,553
Reinsurance assets	791,178	–	–	791,178
Statutory deposit	148,414	–	–	148,414
Cash and cash equivalents	345,741	–	–	345,741
Other current assets	76,585	–	5,022	81,607
Total assets	**2,326,089**	**78,529**	**103,576**	**2,508,194**

37 DISCONTINUED OPERATIONS *(continued)*

37.2 Held for Sale entities *(continued)*

Liabilities reclassified to Held for Sale

	MASSY UNITED INSURANCE LTD. $	MASSYCARD (BARBADOS) LIMITED $	OTHER $	TOTAL $
Trade and other payables	350,249	–	–	350,249
Liabilities on insurance contracts	1,330,572	–	–	1,330,572
Other current liabilities	18,668	–	–	18,668
Total liabilities	**1,699,489**	**–**	**–**	**1,699,489**

37.3 Analysis of the results of discontinued operations

	2021 $	2020 $
Revenue	**833,411**	**1,335,096**
Operating profit before finance cost and expected credit losses	70,597	117,312
Expected credit losses	(2,935)	(4,962)
Operating profit before finance costs	67,662	112,350
Finance cost – net	1,237	(1,465)
Operating profit after finance costs	68,899	110,885
Share of results of associates and joint ventures	2,048	4,511
Income tax expense	(17,716)	(37,841)
Profit after income tax	53,231	77,555
Gain on sale of discontinued operations	90,784	262,442
Profit for the year from discontinued operations	**144,015**	**339,997**
Attributable to:		
Owners of the Parent	148,625	328,988
Non-controlling interests	(4,610)	11,009
	144,015	**339,997**
Analysis of profit before tax from discontinued operations as per consolidated statement of cashflows:		
Operating profit after finance costs	68,899	110,885
Share of results of associates and joint ventures	2,048	4,511
Gain on sale of discontinued operations	90,784	262,442
	161,731	**377,838**

Year ended September 30. Expressed in Thousands of Trinidad and Tobago dollars

37 DISCONTINUED OPERATIONS *(continued)*

37.3 Analysis of the results of discontinued operations *(continued)*

	ROBERTS MANUFACTURING CO. LIMITED		MASSY UNITED INSURANCE LTD.		MASSYCARD (BARBADOS) LIMITED		OTHER		TOTAL	
	2021 $	2020 $	**2021** $	2020 $	**2021** $	2020 $	**2021** $	2020 $	**2021** $	2020 $
Revenue	**241,900**	**331,988**	**552,746**	**536,804**	**22,920**	**22,223**	**15,845**	**444,081**	**833,411**	**1,335,096**
Operating profit before finance costs and expected credit losses	2,199	24,290	66,884	38,894	4,356	4,038	(2,842)	50,090	70,597	117,312
Expected credit losses	(3,582)	2,204	–	(10,374)	800	3,494	(153)	(286)	(2,935)	(4,962)
Operating profit before finance costs	(1,383)	26,494	66,884	28,520	5,156	7,532	(2,995)	49,804	67,662	112,350
Finance cost – net	(59)	210	2,077	1,865	–	--	(781)	(3,540)	1,237	(1,465)
Operating profit after finance costs	(1,442)	26,704	68,961	30,385	5,156	7,532	(3,776)	46,264	68,899	110,885
Share of results of associates and joint ventures (Note 10)	–	–	2,048	4,511	–	--	–	–	2,048	4,511
Income tax expense	(86)	(1,153)	(17,848)	(18,027)	329	130	(111)	(18,791)	(17,716)	(37,841)
Profit after income tax	(1,528)	25,551	53,161	16,869	5,485	7,662	(3,887)	27,473	53,231	77,555
Attributable to:										
Owners of the Parent	3,182	15,622	53,161	16,869	5,485	7,662	(3,987)	26,393	57,841	66,546
Non-controlling interests	(4,710)	9,929	–	–	--	–	100	1,080	(4,610)	11,009
	(1,528)	**25,551**	**53,161**	**16,869**	**5,485**	**7,662**	**(3,887)**	**27,473**	**53,231**	**77,555**

37.4 Analysis of cash flows from material disposals

	2021 $	2020 $
Net cash inflow from operating activities	36,076	202,026
Net cash inflow from investing activities	42,935	(29,205)
Net cash outflow from financing activities	(49,039)	(15,599)
Total cash flows	**29,972**	**157,222**

37 DISCONTINUED OPERATIONS *(continued)*

37.5 Restatement of results from material disposals

The consolidated statement of profit or loss for September 30, 2020 was restated for the discontinued operations above. There was no impact on the consolidated statement of other comprehensive income.

	AS PREVIOUSLY REPORTED 2020 $	ADJUSTMENT 2020 $	RESTATED 2020 $
Continuing operations:			
Revenue	**11,163,818**	**(920,582)**	**10,243,236**
Operating profit before finance costs and expected credit losses	800,297	(66,997)	733,300
Expected credit losses	(12,870)	3,372	(9,498)
Operating profit before finance costs	787,427	(63,625)	723,802
Finance costs – net	(111,286)	(1,167)	(112,453)
Operating profit after finance costs	676,141	(64,792)	611,349
Share of results of associates and joint ventures	53,459	(4,511)	48,948
Profit before income tax	729,600	(69,303)	660,297
Income tax expense	(276,330)	19,187	(257,143)
Profit for the year from continuing operations	453,270	(50,116)	403,154
Discontinued operations:			
Gain on sale of discontinued operations	262,442	–	262,442
Profit after tax discontinued operations	27,439	50,116	77,555
Profit for the year from discontinued operations	289,881	50,116	339,997
Profit for the year	743,151	–	743,151
Owners of the Parent:			
- Continuing operations	408,484	(41,069)	367,415
- Discontinued operations	287,919	41,069	328,988
Non-controlling interests:			
- Continuing operations	44,786	(9,047)	35,739
- Discontinued operations	1,962	9,047	11,009
Profit for the year	**743,151**	**–**	**743,151**
Basic earnings per share			
- Continuing operations	4.17	(0.42)	3.75
- Discontinued operations	2.94	0.42	3.36
	7.11	–	7.11

Five Year Review

As at September 30. Expressed in Thousands of Trinidad and Tobago dollars, except where otherwise stated

	SEPT. 2017 (RESTATED)	SEPT. 2018 (RESTATED)	SEPT. 2019 (RESTATED)	SEPT. 2020 (RESTATED)	**SEPT. 2021**
Income Statement Information					
Third party revenue	10,239,841	10,423,736	10,424,569	10,243,236	11,127,944
Operating profit before finance costs	682,090	702,505	730,570	723,802	981,347
Finance costs	(74,879)	(70,694)	(70,239)	(112,453)	(102,767)
Share of results of associates and joint ventures	66,977	76,598	61,429	48,948	50,296
Profit before tax	674,188	708,409	721,760	660,297	928,876
Effective tax rate (%)	36	37	36	39	27
Profit for the year from continuing operations	434,240	445,146	461,665	403,154	678,013
Profit/(loss) for the year from discontinued operations	(22,399)	120,329	151,567	339,997	144,015
Profit/(loss) for the year	411,841	565,475	613,232	743,151	822,028
Profit attributable to owners of the Parent	376,228	519,753	563,164	696,403	788,458
Basic earnings per share –					
from continuing operations ($.¢)	4.13	4.21	4.37	3.75	6.51
Basic loss per share –					
from discontinued operations ($.¢)	(0.28)	1.11	1.39	3.36	1.51
Total earnings per share ($.¢)	3.85	5.32	5.76	7.11	8.02
Balance Sheet Information					
Non current assets	5,003,706	5,010,838	4,985,705	5,445,388	5,179,494
Current assets	8,273,425	7,466,352	7,339,368	7,794,359	8,355,415
Total assets	13,277,131	12,477,190	12,325,073	13,239,747	13,534,909
Non current liabilities	2,530,141	2,467,002	2,400,675	2,764,101	2,846,504
Current liabilities	5,368,976	4,395,030	3,977,457	4,058,602	3,856,234
Total liabilities	7,899,117	6,862,032	6,378,132	6,822,703	6,702,738
Shareholder's equity	5,137,132	5,384,821	5,713,898	6,170,638	6,668,132
Non-controlling interests	240,882	230,337	233,043	246,406	164,039
Equity	5,378,014	5,615,158	5,946,941	6,417,044	6,832,171
Cash*	1,565,945	1,626,132	2,073,058	2,533,621	2,034,141
Debt	2,261,946	2,320,416	2,199,712	2,117,280	1,709,901
Balance Sheet Quality Measures					
Working Capital	2,904,449	3,071,322	3,361,911	3,735,757	4,499,181
Current Ratio	1.54	1.70	1.85	1.92	2.17
Quick Ratio	1.25	1.32	1.46	1.53	1.74
Total debt to Shareholder's equity (%)	44.0	43.1	38.5	34.3	25.6
Total debt to Shareholder's equity and debt (%)	30.6	30.1	27.8	25.5	20.4
Cash Flow Information					
Cash flow from operating activities	991,175	735,951	805,869	839,173	414,037
Cash flow from investing activities	(1,005,937)	(488,033)	16,942	14,898	221,891
Cash flow from financing activities	(510,597)	(177,947)	(354,078)	(389,621)	(794,623)
Net increase/(decrease) in cash, cash equivalents					
before exchange rate changes	(525,359)	69,971	468,733	464,450	(158,695)

** Note: 2021 cash figure excludes Held for Sale* www.massygroup.com