MASSY

Massy Holdings Ltd. and its subsidiaries

Highlights of the Audited Consolidated Financial Statements for the Twelve Months Ended 30th September 2022

CHAIRMAN'S STATEMENT FOR YEAR END RESULTS 2022

2022 was the 99th year of operations for the Massy Group of Companies. Given the tumultuous environment in the world today, and the success the Group has experienced in its focus on its three main Portfolios and in expanding internationally, we have created a new vision for the Massy Group as it approaches 100 years of operations: "A Global Force For Good, An Investment Holding Company with a Caribbean Heart". For a deeper understanding of this new vision, I recommend reading the Group's Annual Report for 2022. A new format of the Annual Report will be released shortly that I am sure you will enjoy.

Consistent with its new vision, the Group and its Portfolios are now setting their sights on global expansion. Having narrowed the Group's focus to its three main Portfolios in which the Group has distinctive operating capabilities and significant scale, and having divested US$271 million of non-core and under-performing assets, the Group is well positioned to pursue global expansion. In each of our main Portfolios, we are finding opportunities to acquire private, independently run businesses in most countries we examine. The combination of our ability to further invest in these businesses, with our approach to listening to and empowering existing management, and our deep understanding of the fundamentals of running these businesses, allows us to grow and improve the operations of these acquisitions and produce more than satisfactory returns on our investments.

As we enter the Group's 100th year of operations, we have never been better prepared for the future. Most of the underperforming and non-core assets have been divested from the Group. All that remains to be divested are some non-core real estate assets in Barbados. The Group's Debt to Equity is down to 25%; and in addition to its TT$1.2 billion in cash at the end of the year, the Group has US$176 million invested overseas to fund acquisitions and growth initiatives. The Group's governance has been strengthened with the creation of Portfolio boards of directors with independent directors, and with increased autonomy and decision-making being implemented throughout its operations.

The Group's Revenue from Continuing Operations grew by 11% from $11.1 billion (US$1.6 billion) in FY2021 to $12.4 billion (US$1.8 billion) in FY 2022. Operating Profit from Business Units grew by 25% from TT$961 million (US$143 million) in FY2021 to TT$1.2 billion (US$178 million). Profit Before Tax (PBT) from Continuing Operations grew by 11% over the same period; growth was impacted by the underperformance of the overseas cash investments held by the Group in FY2022 compared to the significant gains produced in those investments in FY2021.

Given the strength of the underlying growth by the Group's operating subsidiaries, the Board of Directors has approved a final dividend of 12.68 cents, which when added to the interim dividend of 3.00 cents gives a total dividend for the year of 15.68 cents which represents a 10% increase over restated dividends declared for 2021 and a 3.3% yield on the share price of $4.71 on September 30th, 2022.

I wish to congratulate the management and staff in all of the Group's operations for another year of exceptional work. As I reflect on my 25 years of service on the Massy Holdings Board of Directors, I do so with great satisfaction. I have seen the Group's resilience through many challenging times, but never has the Group been stronger. The focus on three main Portfolios in which Massy has deep historical experience and expertise, and the devolution of greater autonomy to, with stronger governance of, the Portfolios has unleashed unprecedented growth that can be seen in the Company's results. Leaders and employees throughout the Group are encouraged to "Run it like it's yours". With an emerging culture that encourages participation and with changes to reward systems to share abundance more broadly throughout the organisation when the Group and its Portfolios do well, more and more, our employees are acting like owners. This bodes well for the future of the Group and its continued growth.

Robert Bermudez, Chairman
November 23, 2022

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the Twelve Months Ended 30th September 2022

	THREE MONTHS ENDED		AUDITED TWELVE MONTHS ENDED	
	30-Sep-22 TT$'000	30-Sep-21 TT$'000 (restated)	30-Sep-22 TT$'000	30-Sep-21 TT$'000 (restated)
Continuing Operations:				
Revenue	3,165,431	2,971,844	12,367,145	11,116,080
Operating profit after finance costs	390,072	309,203	1,010,477	874,793
Share of results of associates and joint ventures	(4,794)	18,266	18,842	50,296
Profit before tax	385,278	327,469	1,029,319	925,089
Income tax expense	(93,443)	(58,618)	(305,976)	(249,841)
Profit for the period from continuing operations	**291,835**	**268,851**	**723,343**	**675,248**
Discontinued Operations:				
Profit for the period from discontinued operations	50,713	52,873	134,845	146,780
Profit for the period	**342,548**	**321,724**	**858,188**	**822,028**
Owners of the parent:				
Profit for the period from continuing operations	278,717	258,363	679,084	637,068
Profit for the period from discontinued operations	50,713	52,874	134,845	151,390
Profit attributable to owners of the parent	329,430	311,237	813,929	788,458
Non-controlling interests:				
Profit for the period from continuing operations	13,118	10,488	44,259	38,180
Loss for the period from discontinued operations	-	(1)	-	(4,610)
Profit attributable to non-controlling interests	13,118	10,487	44,259	33,570
Profit for the period	**342,548**	**321,724**	**858,188**	**822,028**
Earnings per share attributable to the owners of the parent (cents):				
Basic earnings per share				
- from continuing operations	14.08	13.14	34.31	32.39
- from discontinued operations	2.56	2.69	6.81	7.70
	16.64	15.83	41.12	40.09

SUMMARY CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
For the Twelve Months Ended 30th September 2022

	AUDITED TWELVE MONTHS ENDED	
	30-Sep-22 TT$'000	30-Sep-21 TT$'000
Profit for the period	**858,188**	**822,028**
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
- remeasurement of defined benefit pension plans	(24,587)	(19,924)
Items that may be subsequently reclassified to profit or loss		
- financial assets at fair value through OCI	(35,859)	-
- currency translation differences	(37,262)	(12,750)
Other comprehensive loss for the period, net of tax	**(97,708)**	**(32,674)**
Total comprehensive income for the period	**760,480**	**789,354**
Attributable to:		
- owners of the parent	715,241	755,851
- non-controlling interests	45,239	33,503
Total comprehensive income for the period	**760,480**	**789,354**

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30th September 2022

	AUDITED 30-Sep-22 TT$'000	AUDITED 30-Sep-21 TT$'000
Assets		
Non-current assets		
Property, plant and equipment, and investment properties	2,826,581	2,453,389
Right-of-use assets	769,535	854,536
Investments in associates and joint ventures	140,228	129,608
Financial assets	1,861,390	923,521
Other non-current assets	783,169	818,440
	6,380,903	5,179,494
Current assets		
Cash and cash equivalents	1,227,119	2,034,141
Assets classified as held for sale	79,821	2,508,194
Other current assets	5,010,740	3,813,080
	6,317,680	8,355,415
Total assets	**12,698,583**	**13,534,909**
Equity and Liabilities		
Capital and reserves attributable to owners of the parent	7,066,954	6,668,132
Non-controlling interests	185,829	164,039
Total equity	7,252,783	6,832,171
Non-current liabilities		
Borrowings	1,546,406	1,448,159
Lease liabilities	846,518	919,516
Deferred tax liabilities	224,210	234,043
Other non-current liabilities	307,458	244,786
	2,924,592	2,846,504
Current liabilities		
Borrowings	239,822	261,742
Liabilities classified as held for sale	-	1,699,489
Other current liabilities	2,281,386	1,895,003
	2,521,208	3,856,234
Total equity and liabilities	**12,698,583**	**13,534,909**

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the Twelve Months Ended 30th September 2022

	AUDITED TWELVE MONTHS ENDED	
	30-Sep-22 TT$'000	30-Sep-21 TT$'000
Balance at the beginning of the year	6,668,132	6,170,638
Profit attributable to owners of the parent	813,929	788,458
Other comprehensive loss	(98,688)	(32,607)
Dividends paid	(287,011)	(250,775)
Other reserve movements	(29,408)	(7,582)
	7,066,954	6,668,132

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Highlights of the Audited Consolidated Financial Statements for the Twelve Months Ended 30th September 2022

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS
For the Twelve Months Ended 30th September 2022

	AUDITED TWELVE MONTHS ENDED	
	30-Sep-22 TT'000	30-Sep-21 TT'000
Cash flows from operating activities		
Profit before income tax from continuing operations	1,029,319	925,089
Profit before tax from discontinued operations	138,946	165,518
Share of results of associates and joint ventures	(18,842)	(52,344)
Adjustments for non-cash items	236,065	65,472
Operating profit before working capital changes	**1,385,488**	**1,103,735**
Net working capital changes	(383,223)	(444,244)
Cash generated from operations	**1,002,265**	**659,491**
Tax payments	(321,154)	(245,454)
Cash flows from operating activities	**681,111**	**414,037**
Investing activities	(1,557,126)	221,891
Financing activities	(318,692)	(794,623)
Decrease in short-term funds	**(1,194,707)**	**(158,695)**
Cash, cash equivalents and bank overdrafts at start of year	**2,362,092**	**2,525,521**
Translation difference on cash held	**1,948**	**(4,734)**
Cash, cash equivalents and bank overdrafts at end of year	**1,169,333**	**2,362,092**

SEGMENT INFORMATION TT$'000 CONTINUING OPERATIONS	Integrated Retail (Restated)	Gas Products (Restated)	Motors & Machines	Financial Services	Real Estate (Restated)	Corporate Office & Other Adjustments (Restated)	Total
Twelve Months Ended 30th September 2022							
Group revenue	7,942,952	1,635,011	3,357,119	150,726	44,834	20,867	13,151,509
Inter-segment revenue	(436,888)	(18,732)	(302,904)	(680)	(4,293)	(20,867)	(784,364)
Third party revenue	7,506,064	1,616,279	3,054,215	150,046	40,541	-	12,367,145
Operating profit/(loss) after finance costs	533,575	274,186	250,945	89,772	34,277	(172,278)	1,010,477
Share of results of associates and joint ventures	-	30,978	(12,136)	-	-	-	18,842
Profit/(loss) before income tax	533,575	305,164	238,809	89,772	34,277	(172,278)	1,029,319
Twelve Months Ended 30th September 2021							
Group revenue	7,378,300	1,326,054	2,870,521	126,800	36,015	22,082	11,759,772
Inter-segment revenue	(435,185)	(14,519)	(162,854)	-	(9,052)	(22,082)	(643,692)
Third party revenue	6,943,115	1,311,535	2,707,667	126,800	26,963	-	11,116,080
Operating profit/(loss) after finance costs	426,062	213,951	173,289	88,426	9,143	(36,078)	874,793
Share of results of associates and joint ventures	-	50,296	-	-	-	-	50,296
Profit/(loss) before income tax	426,062	264,247	173,289	88,426	9,143	(36,078)	925,089

	Group Revenue		Inter-Segment		Third Party Revenue		Profit before Tax	
	Sep-22	Sep-21 (Restated)	Sep-22	Sep-21 (Restated)	Sep-22	Sep-21 (Restated)	Sep-22	Sep-21 (Restated)
Trinidad and Tobago	4,988,498	4,581,283	(231,629)	(181,740)	4,756,869	4,399,543	531,927	412,495
Barbados	2,178,432	1,970,558	(233,648)	(262,920)	1,944,784	1,707,638	148,139	103,666
Eastern Caribbean	1,451,768	1,282,128	-	-	1,451,768	1,282,128	114,394	107,713
Guyana	1,605,419	1,258,755	(71,862)	(52,246)	1,533,557	1,206,509	258,502	202,359
Jamaica	716,604	603,262	(3,765)	(4,956)	712,839	598,306	66,706	62,897
Colombia	1,848,657	1,816,791	(43)	-	1,848,614	1,816,791	68,197	66,961
Other	362,131	246,995	(243,417)	(141,830)	118,714	105,165	13,732	5,076
Corporate Office and other adjustments	-	-	-	-	-	-	(172,278)	(36,078)
	13,151,509	11,759,772	(784,364)	(643,692)	12,367,145	11,116,080	1,029,319	925,089

Notes:
All monetary amounts are stated in Trinidad and Tobago dollars. Highlights of the Audited Consolidated Financial Statements (Highlights) have been prepared in accordance with International Financial Reporting Standards.
The Highlights do not include all information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Group's Annual Financial Statements as at 30th September 2022. For comparative purposes, adjustments and reclassifications to the prior year have been made to conform to the current year reporting.
The prior year results have been restated to disclose separately, operations that were discontinued in the current year namely, Endervelt Ltd. and Massy Properties Trinidad.
These financial highlights can be accessed online at **www.massygroup.com**