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A MEMBER OF THE JMMB GROUP

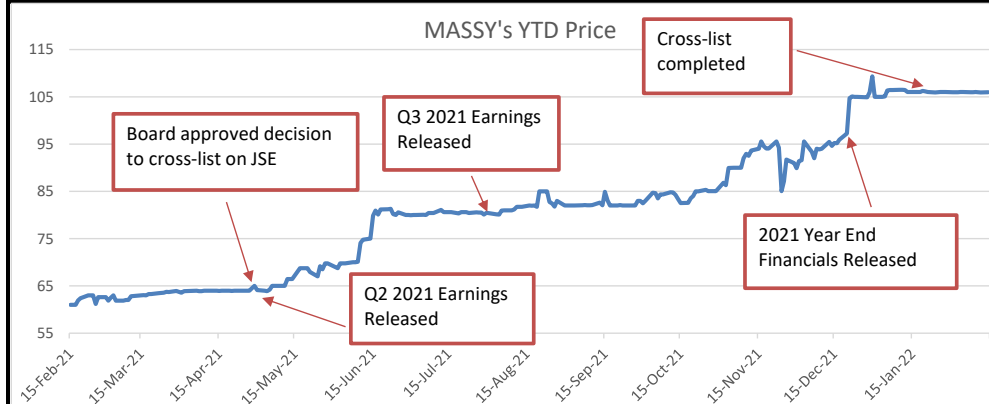
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February 2022
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Massy Holdings Ltd (MASSY), Moving steady.

MASSY's Financial Summary	3 Months Ended 31-Dec-21	3 Months Ended 31-Dec-20	\$ change	% change
<u>Income Statement Extract</u>	TT\$'000	TT\$'000	TT\$'000	
Profit after Tax	203,743	188,418	15,325	↑ 8.1%
Earnings per share	1.93	1.76	0.17	↑ 9.7%
Dividend per share (in \$ per share)	\$ -	\$ -	-	
<u>Balance Sheet Extract</u>				
Total Assets	13,630,562	12,781,820	848,742	↑ 6.6%
Total Liabilities	6,599,873	6,192,818	407,055	↑ 6.6%
Shareholder's Equity	7,030,689	6,589,002	441,687	↑ 6.7%
<u>Cash Flows Extract</u>				
Net cash from operating activities	237,715	83,847	153,868	↑ 183.5%
Net cash from investing activities	(789,075)	(167,497)	(621,578)	↓ -371.1%
Net cash used in financing activities	20,524	(468,905)	489,429	↑ 104.4%
Cash and cash equivalents	1,832,839	1,976,279	(143,440)	↓ -7.3%
<u>Metrics</u>				
Book Value Per Share	71.49	67.00	4.49	↑ 6.7%
Market Price	105.99	61.00	44.99	↑ 73.8%
Market to Book Ratio	1.48	0.91	0.57	↑ 63%

Note: Green arrows indicate growth while red indicate contractions



Valuation	
Current Price	TT\$105.99
Trailing P/E Multiple	12.94x
Market to Book Value	1.48x
JMMB TTD Target Price	TT\$102.08
JMMB JA Target Price	JA\$2,362.21
Trailing Dividend Yield	2.7%

Steady Performance:

For the three months ended December 31, 2021, Massy Holdings Limited (MASSY) realized a Profit after Tax (PAT) of \$203.74 million, a 8.1% increase when compared to the period for the previous year. Basic Earnings per share increased 9.7% YoY to \$1.93. EPS from continuing operations climbed less than basic EPS though, to \$1.79 (a 7.8% increase YoY).

The group's steady performance was primarily supported by strengthened revenue generation in almost all its territories on a year over year basis. Every territory except for Colombia recorded revenue averaging around 10% above the previous year. Guyana in particular contributed a revenue 22% higher due to the increased economic activity in the country.

Heavy JSE supply:

On January 28th, MASSY completed its cross-listing. The event, which sparked significant price action for the stock on the TTSE, has had a relatively tamed impact in Jamaica. This is primarily due to the high selling pressure on the JSE. Investors who demanded the stock on the TTSE are now selling their stock on the JSE to gain USD. As supply on the JSE has outpaced its demand, there is now a spread between MASSY's price on the TTSE and its price on the JSE. As at February 15th, it is trading approximately 14% lower on the JSE at around JA\$2,000.

Outlook:

Despite the spread being seen between MASSY's TTSE price and its JSE price, we maintain a positive outlook on the stock. JMMB's research department expects that the 20-to-1 stock split set for March 11th will facilitate higher demand on the JSE as nominal price lowers. The average P/E for conglomerates on the JSE is 14.35X while MASSY is currently trading at around 10.61X due to the heavy supply.

With respect to the fundamental performance, we expect that the IR, GP and MM business lines will continue to grow as economies continue to re-stabilize from Covid-19's impact. In particular, the high economic activity expected in LATAM and Guyana will likely provide opportunities for MASSY to generate value.

In January, JMMB assigned a rating of MARKETPERFORM (5% of your portfolio) to MASSY with a target price of \$100.41 and a fair value range of \$90.36 - \$110.45.

We maintain a rating of MARKETPERFORM (5% of your portfolio) to MASSY with a revised target price of \$102.08 and a fair value range of \$91.87 - \$112.29.