

EQUITY ANALYSIS

DISCLOSURES

Company Identification:

NCB Capital Markets Ltd (formerly Edward Gayle and Co.) established in 1968 is Jamaica's oldest stockbrokerage. The company became a part of the National Commercial Bank (NCB) Group in 1994 and a fully owned subsidiary in October 2002. In December 2002, the then Edward Gayle and Co. was merged with another NCB subsidiary, NCB Investments. The products distributed by this combined subsidiary cover the traditional money market product offerings (J\$ and US\$ Repos), primary dealer services, stock brokerage and investment advisory services. Edward Gayle was renamed NCB Capital Markets Ltd. in October 2003.

Important Disclosures

The views expressed in this report are the views of NCB Capital Markets Ltd at the date of this report.

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Ratings Definitions:

BUY: We believe the stock is attractively valued. The company has sound or improving fundamentals that should allow it to outperform the broader market. We anticipate the stock will outperform the market over the next 12 months. The risk factors to achieving price targets are minimal.

HOLD: We believe the stock is fairly valued at the current price. The company may have issues affecting fundamentals that could take some time to resolve. Alternatively, company fundamentals may be sound, but this is fully reflected in the current stock price. The risk factors to achieving price targets are moderate. Some volatility is expected. Do not accumulate additional shares.

SELL: (1.) We believe the stock is overpriced relative to the soundness of the company's fundamentals and long-term prospects. The company has significantly weak fundamentals or a flawed business model. (2.) The stock is fully priced at current market price; investors should seek to take profits at this time.

COMPANY DESCRIPTION

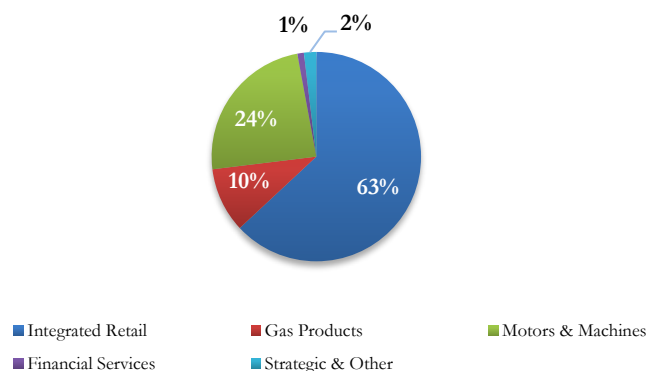
Massy Holdings Ltd., together with its subsidiaries, operates in the trading, manufacturing, and service industries, as well as finance businesses in Latin America and the Caribbean region. With the dissolution of its Strategic and Other Investments segment, which accounted for 2% of revenues at the end of FY 2021, the Group now operates through four Lines of Business (LoB): Integrated Retail⁵, Motors and Machines⁶, Gas Products⁷, and Financial Services⁸, (see figures 1, 2, and 3). The Integrated Retail segment is involved in retail and wholesale distribution of pharmaceuticals⁹, foods¹⁰, and general merchandise. The Motors and Machines segment sells new and used vehicles¹¹, spare parts, industrial equipment, and lubricants, and engages in short- and long-term vehicle, and equipment rentals. Liquefied petroleum gases (LPG) and industrial gases, including nitrogen, oxygen, argon, and carbon dioxide, that are needed for projects in the oil, gas, and mining segments, are sold by the Gas Products business. The Financial Services segment captures the Group's money transfer, payment, and remittance services. As was previously mentioned, at the end of FY2021, the Strategic and Other Investments business was dissolved. This is consistent with the Group's strategy to focus on its main Portfolios, which are driving significant growth, as it divests non-core and underperforming assets freeing up more capital to be invested in those core Portfolios. The company, formerly known as Neal & Massy Holdings Limited, changed its name to Massy Holdings Ltd. in July 2014. Massy Holdings Ltd. was founded in 1923 and is based in Port of Spain, Trinidad and Tobago.

Stock Ticker	Massy
Financial Year End	September
Price (25/01/2022)	TT\$105.98 / J\$2,445.29 ¹
52 Week Range	TT\$60.00-\$109.98
Trailing EPS	TT\$6.51
Book Value Per Share	TT\$67.80 / J\$1,564.47 ²
Trailing P/E	16.3x
P/B	1.6x
1-Year Target Price (Before Proposed Stock Split)	TT\$116.88 / J\$2,696.77 ³
1-Year Target Price (After Proposed Stock Split)	TT\$5.84 / J\$134.84 ⁴
Return on Equity	10.6%
Dividend Yield	2.4%
Recommendation	BUY, once cross listed

CORPORATE STRATEGY

Massy Holdings' strategy is centered around three main priorities: Assuring the Future, Growing the Group - Both Top and Bottom lines, and Creating Value for Shareholders. Assuring the future of the business encompasses the growth and expansion of the company. As such, the Group will continue to diversify geographically to reduce its reliance on Trinidad and Tobago and Barbados, which collectively represent about 60% of profit before tax (refer to Figure 2). Guyana and Colombia currently house two of the fastest-growing businesses and Massy will continue to explore growth opportunities in other jurisdictions poised for strong growth in the Caribbean and Latin America. This ongoing geographic diversification is

Figure 1: Revenues by LoB



Sources: Massy Financials and NCBCM Research

¹ The revaluation rate of TT\$23.0731 was used in conversion as of January 24, 2022

² The revaluation rate of TT\$23.0731 was used in conversion as of January 24, 2022

³ The revaluation rate of TT\$23.0731 was used in conversion as of January 24, 2022

⁴ The revaluation rate of TT\$23.0731 was used in conversion as of January 24, 2022

⁵ 63% of revenue FY2021

⁶ 24% of revenue

⁷ 10% of revenue

⁸ 1% of revenue

⁹ Brands include 3M, Pharmatex, Lundbeck etc

¹⁰ Foods include as Act II, Alacta Plus, Aunt Jemima, Bumblebee Seafoods etc.

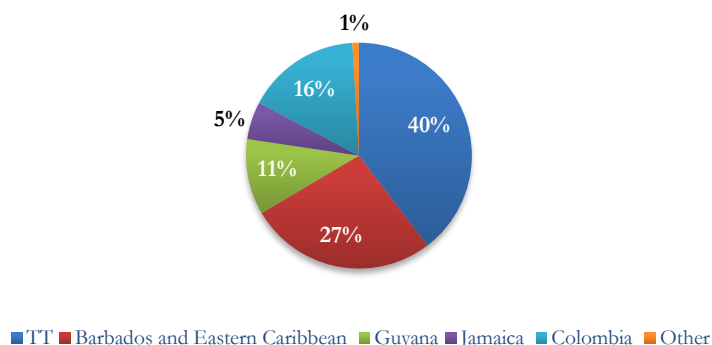
¹¹ General Motors, Nissan, Hyundai, Subaru.

also a positive as it allows the company to source USD in these territories to support the import-reliant businesses in Trinidad and mitigate FX risks. **The growth of the Group's top and bottom lines, which is an extension of the assuring the future objective, sees Massy continuing to pursue a combination of organic and inorganic growth strategies.** In doing so, it is focused on growth in core business activities to allow the operating companies to become more effective at competing in their respective industry segments and territories, and grow individual market share. **If executed efficiently, the first two strategies should drive shareholder value in both the short and long terms. Additionally, in Q2 2021, the Group decided to cross-list its shares on the Jamaica Stock Exchange. This move should provide a host of benefits including better liquidity for Massy's shares given that the JSE is more vibrant and has a broader investor base which will facilitate better price discovery. The dual listing will also enable Massy to diversify its future capital-raising activities, rather than being reliant only on its domestic market.**

Integrated Retail

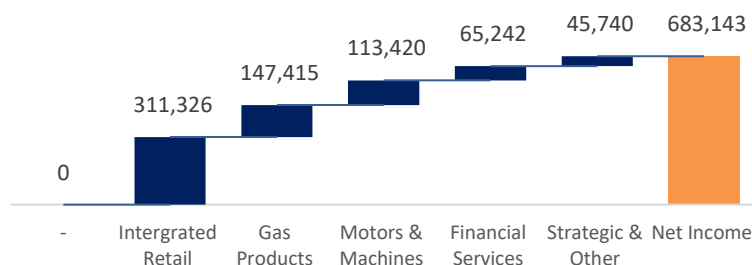
In the Integrated Retail Portfolio (IRP), the common themes are technological advancement, cost efficiency, and footprint expansion. In Trinidad, Guyana, and St. Lucia, the Group completed the consolidation of its back-office services across Retail and Distribution in each territory to improve operational efficiency, support knowledge sharing, and reduce costs. Additionally, it is actively working on building out its footprint in the Latin American and Caribbean region. The company opened two stores in Trinidad, Massy Mini as well as another store under the Diskomart banner. Stores have also been opened in Guyana (2) Barbados (1) and St Lucia (4). Plans are also well advanced for the roll-out of Minis in all territories with retail business operations. The expansions represent opportunities for the company to significantly grow revenues by entering new markets and also cementing its presence in existing markets. At the peak of the COVID-19 outbreak, the need for technology became even more apparent as online shopping, curbside pickup, and home deliveries became the norm and were essential for business continuity. Against this background, Massy launched its web-based e-commerce platform allowing customers to place orders for pick up or delivery. **The use of technology to enhance business operations is likely to become the new norm even after COVID-19 subsides. Consequently, the Group has committed to continuing to identify key areas where technology can enhance operational efficiency and move to adopt those systems into its respective businesses. This pursuit of efficiency through technological advancement should facilitate better margins and increased profitability.** The investment in e-commerce platforms should also help to boost the company's top line by increasing customer access to its products, and allowing it to remain competitive. Together these changes should also help to drive shareholder value as its respective economies continue to emerge from the pandemic-induced downturn.

Figure 2: Revenue by Territory



Sources: Massy Financials and NCBCM Research

Figure 3: LoB Contribution to Net Income (FY2021)



Sources: Massy Financials and NCBCM Research

Gas Products

Within the Gas Products portfolio, Massy aims to be the market leader in its operating market supported by a very strong Health, Safety, Security and the Environment (HSSE) performance. In pursuit of growth under this portfolio, the Group has focused on expanding LPG volume sales and market share in Guyana, Jamaica, and Colombia, which it entered in Q4 2020¹². Massy has also strengthened its regional market presence by increasing export sales to existing and new territories. In 2021, oxygen exports increased from 70 ISO tanks¹³ in FY2020 to 127. It also grew its medical installation services¹⁴ thereby increasing its customer base for these services regionally. Additionally, to capitalize on opportunities in the developing Oil and Gas sector in Guyana, the company invested in 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 sector. The Group continues to work on developing the use of carbon dioxide in enhanced oil recovery in Trinidad and Tobago after successfully piloting projects in that territory. In addition to being a potentially new revenue stream, it offers environmental protection as it is recycled, thus reducing carbon atmospheric emissions.

Motors & Machines

The strategy in the Motors and Machines segment is organic value-driven growth, substantiated by new acquisitions. This year, Massy will continue to focus on expanding into growing markets in Latin America and the Caribbean while maintaining strong market positions in both the automotive and machinery markets in Trinidad and Tobago. By way of expansion, Massy Motors Trinidad introduced the MG brand, as well as the Volvo plug-in hybrid line, and upgraded its Nissan showroom. Massy Machinery also commenced distribution of Shell Lubricants Products in Trinidad and Tobago, as the company continues to improve product offerings for customers. Additionally, the company launched Massy Motors and Machines Miami Distribution Inc. (MMMMMD), in Miami, Florida, in 2021. This operation will be a hub for the distribution of automobiles and automotive products to the Caribbean, Central, and South America. The facility will also support the Shell distribution business and improve the company's logistics capabilities. Once the full benefits of these new initiatives are realized, we anticipate that there will be improved performances in both the top and bottom lines.

Financial Services

The common themes in the financial services business are the digitisation of operations and expansion into new markets. The Money Services business aims to fully digitise its operations in 2022, while the Consumer Finance business is transforming its core operations by leveraging technology to improve operational efficiencies while building, and growing the traditional business lines. With increased security measures surrounding cash handling and the reduction in visits of customers in location during COVID-19, digitisation efforts were accelerated. To support the transformation, the Money Transfer systems are being upgraded to integrate a more digital approach through the implementation of a new Money Transfer digital platform. This platform will support future direct-to-consumer offerings, as Massy continues to innovate to meet consumer expectations. The regional expansion also continues to be a major focus and as such 13 new agents were added across the region, which brings the Financial Services Business to 90 agent locations throughout Trinidad, Guyana, and Saint Lucia. These investments in technology will be key factors in improving customer experience and will simultaneously lead to cost reductions in the coming quarters. Moreover, given that the pandemic has sped up the pace of digitalisation, this puts Massy in a place to compete regionally with other companies offering similar financial services.

FINANCIAL PERFORMANCE

Historical Operating Performance

Massy's net profit grew at a compound annual growth rate (CAGR) of 12.6% between 2017 and 2021 to TTD788.44Mn at the end of its 2020-21 financial year¹⁵. See Figure 4. Bottom-line growth was supported by the company's strategy of simplification and optimisation, which contributed to the divestment of several subsidiaries over the review period as it sought to reduce inefficiencies across its various businesses, and re-focused on core revenue drivers.

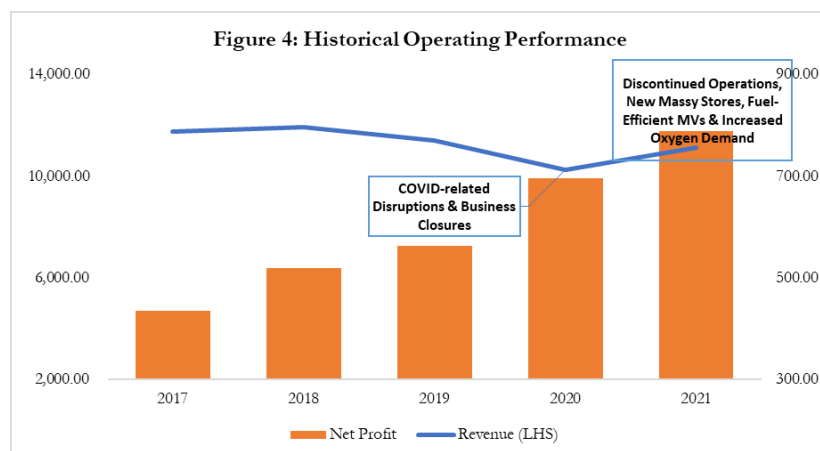
¹² The Colombian market is very similar to the Jamaican and Guyanese LPG markets where the company is a market leader and so knowledge transfer will allow the Group to quickly build out operations in the Colombian market.

¹³ ISO tank containers are built based on ISO standards (International Organization for Standardization) and are designed to carry liquids in bulk, both hazardous and non-hazardous.

¹⁴ These ensure that facilities within the healthcare system were outfitted with the necessary equipment, needed to support COVID-19 patients.

¹⁵ Financial year End September 2021

Revenues, however, experienced a slight decline (CAGR: -1.10%) over the 2017-2021 period, declining from TT\$11.76Bn in 2017 to TTD11.13Bn in 2021. FY 2019-20 saw the biggest decline in revenues due to **strains on business activities from COVID-19 containment measures undertaken by the countries in which the Group operates. Reduced operating hours, temporary business closure (supermarkets and home stores), limits on the number of customers in stores to facilitate social distancing, curfew and stay at home orders, contributed to the fall-off in Group revenues.**



Sources: Massy Holdings Financials, S&P Capital IQ and NCBCM Research

That being said, revenues increased by 8.64% between September 2020 and 2021, on the back of increased demand for its motor vehicles, especially in Colombia, and its gas products, for example, oxygen owing to the high COVID-related hospitalization rates. As such, the gas products (20%) and motors and machines (25%) business lines were the main contributors to revenue during FY2020-21. Furthermore, the company launched the new Massy Stores Mini format in its Integrated Retail business, and rolled out its hybrid and electric vehicle (EV) lines in its FY 2020-21. Benefits from these investments are expected to be fully realised in FY 2021-22.

With its focus on eliminating inefficiencies across its businesses, management was able to reduce cost, as reflected in the expenses decreasing slightly (CAGR: 1.64%) over the review period. Total expenses, which includes direct costs, selling, general and administrative (SG&A) expenses and other operating expenses, declined from TTD11.02Bn to TTD10.15Bn. September 2020 saw the steepest decline in total expenses due primarily to a 22.9% and 9.3% decline in other operating and SG&A expenses, respectively. However, these expenses increased slightly during FY 2020-21 as the company launched its new stores and fuel-efficient motor vehicle lines, which is expected as it pursues its expansion strategies.

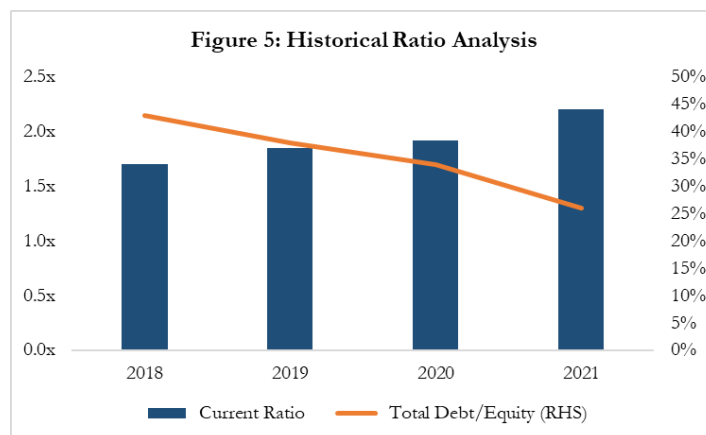
During the period, the company's bottom-line also benefitted from the divestment of several business lines. Massy began exiting non-performing portfolios in keeping with its strategy to focus on its core businesses. A few of these divestments included: the sale of Massy Communications Ltd (a 75% owned subsidiary) in 2017, sales of Massy Technologies (Trinidad) Ltd., Massy Technologies (Guyana) Ltd., the assets of Seawell Air Services Limited, and Massy Energy Production Resources Ltd in 2020. In FY 2021, the company divested Massy Pres-T-Con Ltd. And Roberts Manufacturing Co. Limited. It also entered into a Share Purchase Agreement with the Coralisle Group¹⁶ to sell 100% of its share capital in Massy United Insurance Ltd. Between 2019 and 2021, the company recorded a total of TTD388.91Mn in earnings from its discontinued operations. The successful execution of these divestments will allow the company to direct more attention to activities they believe will be more lucrative, while simultaneously unlocking capital to optimally reinvest in its strategic priorities.

Liquidity and Solvency

Massy Group has maintained adequate liquidity over the last 4 years, with its current ratio remaining consistently above 1.0x over the period. Liquidity levels have also been improving. The current ratio in FY2018 was 1.7x but improved to 2.8x in FY2021 (see Figure 5). This implies that the company has the ability to comfortably cover its short-term obligations and support its growth and investment plans during the uncertainty surrounding the ongoing pandemic. Moreover, its cash position strengthened to TTD 2.03Bn in FY2021 from TTD 1.63Bn in FY2018 reflecting a CAGR of 5.8%. A strong cash position is important especially during the current economic climate as it equips the company with liquidity to quickly capitalize on any opportunities or sustain it through any challenging periods that may arise.

¹⁶ The Coralisle Group is a leading multi-line insurance company with headquarters in Bermuda, which serves several Caribbean territories and select international markets.

Massy's debt-to-equity ratio has been on a downward trend for the last four years (without the impact of IFRS 16¹⁷) owing to an increase in equity. The debt to equity ratio declined from 43% in 2018 to 26% in 2021 (see Figure 5) owing to a 22% increase in total equity between 2018 and 2021, which outpaced the 16% increase in debt during the same period. **Considering the low leverage ratio, the company has the capacity to engage in more debt financing if funding is needed to execute the various investment plans outlined. Furthermore, its strong financial position and diversified operations should allow Massy to borrow at attractive rates should the need arise.** With this high level of liquidity and substantial cash position, Massy established a Group Corporate Treasury (GCT) division¹⁸. Synergies were identified between GCT and its existing finance business - Massy Finance GFC Ltd in Trinidad & Tobago. By the end of FY 2021, GCT earned over TTD 47Mn with the Group's investments funds, which were sourced primarily from asset divestments. We anticipate that this division will support the continued improvement in MHL's liquidity, its ability to fund its expansion and acquisition plans and reduce the need for borrowing.



Source: Massy Group's Financials, S&P Capital IQ, NCBCM Research

OUTLOOK

The vibrancy of the economic environment and the speed of the recovery process in Latin America and the Caribbean will impact Massy's performance in FY 2021-22 and beyond. The performance of its operating markets will be determined by, inter alia, access to vaccines and the rate of vaccination as this will determine the severity of caseloads and the ability of these economies to return to some semblance of normalcy and support faster rates of growth. Currently, just over 55% of the regional population has been fully vaccinated; however, some countries continue to struggle with vaccine access and hesitancy, which undermines regional efforts to achieve the WHO's target of fully vaccinating 70% of the population in each country by mid-2022. Importantly, the territories which account for the majority (70%) of Massy's revenues have at least 49% of their populations fully vaccinated, which reduces the risk of outbreaks.

In the short term, we expect that the territories in which Massy operates will experience improved growth for 2022; however, the Omicron variant and the COVID-19 pandemic will continue to evolve and impact regional economies as well as aspects of Massy's business operations. Nevertheless, we do not expect that governments will resort to extreme measures implemented in the past as the lessons of the past two years have equipped both governments and corporations to better manage outbreaks. Against this background growth in Massy's main operating markets – TT (5.4%), Guyana (48.7%), Barbados (8.5%), and Jamaica (2.7%) – is expected to be stronger this year. According to IMF, all the main operating territories are expected to experience further economic growth relative to 2021, except for Colombia. Social unrest stemming from a failed tax reform and handling of the pandemic will weigh on Colombia's performance. Despite the challenges, Massy's Colombian operation has been one of the fastest-growing. However, if these challenges are prolonged it could begin to weigh on business performance. Guyana, on the other hand, is expected to register a growth of almost 50% as the energy sector gains momentum. This diversification into markets with stronger growth potential bodes well for Massy, especially since T&T and Barbados, which have lower growth outlooks, together account for over 60% of revenues. This presents an opportunity to scale the respective businesses, while simultaneously allowing access to a larger customer base.

Furthermore, Massy has been making significant investments to expand its footprint in the region and we expect that gains will continue to accrue to the company in the short to medium term. In the Integrated Retail Portfolio, there continues to be a build-out of a chain of stores across the territories in which Massy operates its retail business. Moreover, the launch of the new web-based online platform for retail which was successfully piloted in Barbados in 2021 is expected to be rolled out regionally in the near term, which should allow it to provide convenience and greater access to its customers. In the Gas

¹⁷ For year-on-year comparative analysis, the impact of IFRS 16 was not considered since this change was implemented during the 2020 financial year.

¹⁸ The GCT is an important resource for the Corporate Office and lines of businesses, whether revenue focused, including Investment and Liquidity Management, or risk mitigation focused, including Debt and Foreign Exchange Management.

Products Portfolio, the company is basking in the successful entry into the Colombian LPG market, one which has substantial growth potential for both the short and long term. Also, the rise of Guyana as an oil hub will generate much business for Massy through the use of critical gases in that sector. In the Motors and Machines Portfolio, the company is pursuing further acquisitions that will allow it to expand its operations in the region and grow its market share. In the Automotive business in Trinidad & Tobago in particular, the company is focused on expanding service offerings, brand building, and improving the shopping experience by leveraging digital solutions for customers with virtual showrooms. In the Financial Services segment, there is a continued expansion of the sub-agent network in Trinidad & Tobago, St Lucia, and Guyana which is expected to deliver growth through a larger customer base. As Massy pursues growth, cost efficiency has also been a priority, and as such focus has been placed on digitisation to improve the company's performance. To support the transformation, the Money Transfer systems are being upgraded to integrate with digital models, while simultaneously building out the business in other territories.

Over the longer term, we expect optimization, investment in technology, and general efforts to enhance facilities and expand the Group's footprint, will keep the company regionally competitive, and increase its ability to expand its customer offerings, customer base, and ultimately its revenues and profits through increased brand recognition. Recently, Massy has embarked on several projects that will improve the business operations and will allow it to compete regionally for market share in each of the different lines of business. Moreover, the sustained incorporation of technology into operations should continue to improve operational efficiency and improve service standards. The attraction of a wider client base and long-term relationships should support sustainable top and bottom-line growth.

PRICE PERFORMANCE & RECOMMENDATION

Table 1: Valuation Summary

	DCF Valuation	Dividend Yield	Upside/Downside	Total return
Before Stock Split	TT\$116.88 / J\$2,696.77 ¹⁹	2.4%	10.3%	12.7%
After Proposed Stock Split	TT\$5.84 / J\$134.84 ²⁰			

Table 2: Valuation Multiples Comparison

	MASSY's Trailing Multiples	DCF Valuation Implied Multiples	Conglomerate Average Multiples
P/E	16.3x	17.9x	16.7x
P/B	1.6x	1.7x	1.5x

Table 3: Multiples and Dividend Yield Comparison

Company	P/E	P/B	Dividend Yield (12 Mth)
MASSY	17.9x	1.7x	2.4%
JP	20.2x	1.5x	1.1%
GK	13.1x	1.5x	1.9%

Massy's stock price has risen by 0.93% since the start of the year to \$105.98 per share on January 25, 2022, and currently trades at a P/E of 16.3x, which is just below the main market conglomerate average of 16.7x. **Using a Discounted Cash Flow Model, we obtained a forward price of TT\$116.88 or J\$2,696.77 per share, which exceeds the current price by 10.3%. When combined with its dividend yield of 2.4%, the stock offers a potential total return of 12.7%.** Note that this dividend yield is the most attractive among peers listed in Table 3, and could potentially be a source of income for investors seeking cash flow

¹⁹ The revaluation rate of TT\$23.0731 was used in conversion as of January 24, 2022.

²⁰ The revaluation rate of TT\$23.0731 was used in conversion as of January 24, 2022.

in addition to capital appreciation. Notably, given the company's strategy of divesting non-core businesses, we have adjusted our DCF model for one off gains from those divestitures. We have also incorporated the impact of expansion plans disclosed by the company in our projections of future earnings. **This valuation implies a P/E multiple of 17.9x, which is above the peer average of 16.7x. We believe this higher P/E reflects the efficiency gains and the benefits from footprint expansion that are expected to accrue to the company in the coming quarters. We expect that once these synergies begin to kick in, Massy should see improved results. Given the aforementioned factors and the potential total return of 12.7%, we are recommending that clients BUY Massy's ordinary shares, once listed. However, this recommendation is balanced by the risk that continued supply chain challenges fuelled by the Omicron variant of COVID-19 could temper the performance of the Group in various business lines in the coming quarters. Moreover, Trinidadians may opt to sell their shares on the JSE to take advantage of better liquidity, which may, in turn, depress the price and delay the progression to our forward price. However, given the recently announced plans of the company, we believe that Massy's shares would be an attractive buy for investors looking to hold over the long term.**

Stock Split

Massy Holdings was scheduled to seek approval from its shareholders on January 21, 2022 to undertake a 20-for-1 stock split after the cross-listing of shares on the Jamaica Stock Exchange. The primary rationale behind this undertaking is **affordability for Jamaican retail investors given that these investors will drive liquidity and trading activity on the JSE.** After taking into consideration the 20-for-1 stock split, the price per share from our DCF model would be TT\$5.84 or J\$134.84 (refer to Table 1). The company has not made an official statement as to whether or not the split was approved by its shareholders. We anticipate that the official announcement of the results of that vote could be made upon cross-listing of its shares on the Jamaica Stock Exchange.

Risks

- **COVID-19 spikes, vaccine shortages, and vaccine hesitancy in the region continue to weigh on the economic outlook and by extension the company's outlook:** As the COVID-19 virus continues to mutate and new variants emerge, the Caribbean and Latin American regions are at risk. In many countries, there has been increased vaccine hesitancy from the populations which has severely hampered the efforts of governments resulting in just above 55% of the Latin American and Caribbean populations being fully vaccinated. Given these developments, the region is at risk for future outbreaks that may cause economic activity to slow due to necessary measures that will be needed to curb the spread. These factors represent significant downside risks, which will continue to weigh on the operating environment and ultimately demand for Massy's products and services.
- **Supply Chain disruptions:** The pandemic has caused the supply chain to be unreliable and this has implications on providing products to customers. A large portion of Massy's business model is that of a trading company and so supply chain resilience and inventory management are very important factors that allow the company to offer competitive pricing and products that serve the needs of customers. However, with the current outbreak of Omicron, the supply chain issues are likely to be protracted which could impact the company's ability to source goods in desired quantities. It may also result in higher prices being paid for goods which would in turn impact profitability.
- **Exchange rate risk:** Due to the difficulty of acquiring USD in Trinidad, Massy may face challenges in getting the currency to purchase goods. Additionally, the fluctuating FX currency in operating territories can negatively affect the bottom line.
- **Inflationary pressures and consumer spending power:** The pandemic has led to inflationary concerns globally and Massy could experience a fall in demand for certain products due to this. Customers may choose a more affordable option from competitors if their spending power is reduced by rising prices.
- Massy's shares may not have a strong market performance once cross-listed because Trinidadians may opt to sell their shares on the JSE to take advantage of better liquidity which may depress the price. This increase in supply may delay progression towards our target price. **However, given the plans that the company has unveiled, we view Massy as an attractive buy for investors over the longer term.**

A. D. Walker

Annya Walker, CFA

NCB Capital Markets Vice President

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