



JMMB Investments (T&T) LIMITED
 169 Tragarete Road
 Port Of Spain
 Tel: 1 (868) 224-5662, 224-5663, 224-5664, 627-1155
 Fax: 1 (868) 224-5666
 Email: jmmbinvestmentsttresearch@jmmb.com

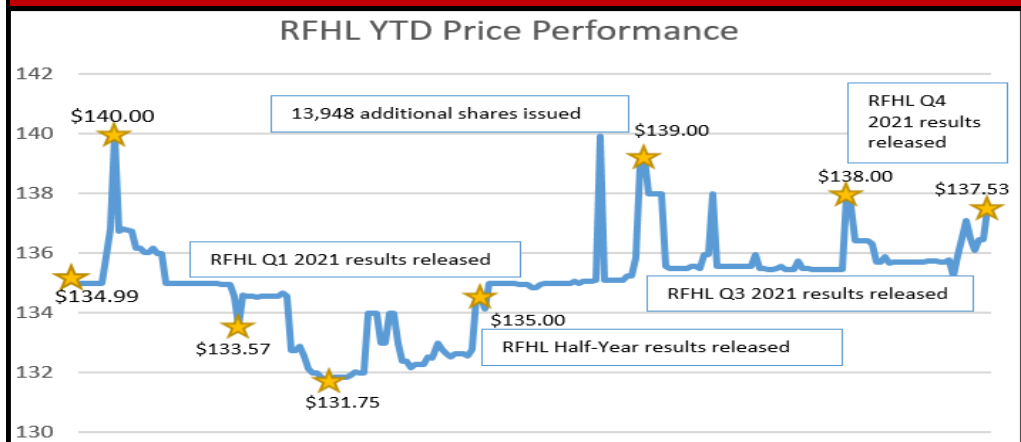
A MEMBER OF THE **JMMB** GROUP

November 2021
 Laura Rajcoomar
 Investment Analyst
aura_rajcoomar@jmmb.com

RFHL declares final dividend of \$3/share bringing the total dividend to \$4/share for fiscal year 2021

| RFHL's Financial Summary | For the Year Ended 30-Sep-21 | For the Year Ended 30-Sep-20 | \$ change | % change |
|---------------------------------------|------------------------------|------------------------------|-----------|----------|
| Income Statement Extract | | | | |
| | TT\$'000 | TT\$'000 | TT\$'000 | |
| Profit attributable to equity holders | 1,308,000 | 904,100 | 403,900 | ↑ 44.7% |
| Earnings per share | 8.05 | 5.57 | 2.48 | ↑ 44.5% |
| Dividend per share (in \$ per share) | \$ 4.00 | \$ 2.70 | 1.30 | ↑ 48.1% |
| Balance Sheet Extract | | | | |
| Total Assets | 109,168,895 | 104,276,614 | 4,892,281 | ↑ 4.7% |
| Total Liabilities | 96,313,393 | 92,934,141 | 3,379,252 | ↑ 3.6% |
| Shareholder's Equity | 12,855,502 | 11,342,473 | 1,513,029 | ↑ 13.3% |
| Metrics | | | | |
| Book Value Per Share | 78.73 | 69.47 | 9.26 | ↑ 13.3% |
| Market Price | 136.31 | 142.00 | -5.69 | ↓ -4.0% |
| Market to Book Ratio | 1.73 | 2.04 | -0.31 | ↓ -15% |

Note: Green arrows indicate growth while red indicate contractions



Quarterly Update



| Valuation | |
|-----------------------|------------|
| Current Price | TT\$137.53 |
| Trailing P/E Multiple | 17.08x |
| Market to Book Value | 1.73x |
| JMMB New Target Price | TT\$128.48 |
| Dividend Yield | 2.9% |

For the year ended September 30 2021, Republic Financial Holdings Limited (RFHL) recorded a 44.7% increase in profit attributable to equity holders to \$1.308 billion from \$904.1 million in the prior year. This translates into a basic EPS of \$8.05 at the end of the period. According to the Chairman's statement, this improved results reflect the impact of the Group's acquisition of the British Virgin Islands (BVI) operations, lower provisions for loan losses and general improvement in operating profitability in Ghana and Cayman. Additionally, total assets increased 4.7% to \$109.2 billion from \$104.3 billion in the corresponding prior period.

Outlook:

In August 2021, JMMB's Research Department recommended a **MARKETPERFORM** (5% of your portfolio) rating on RFHL with a price target of \$130.86. The price of RFHL at that date was \$135.94, which was within our fair value range. Since that rating, RFHL's share price reached a high of \$138.00 and closing at \$137.53 as at November 9, 2021.

We maintain our rating on RFHL at **MARKETPERFORM** (5% of your portfolio) with a revised target price of \$128.48 (6.6% below the current price). The decrease in the target price is based on lower than expected earnings for the Bank for the year ending 2021. The EPS forecast for year ended September 2021 was \$8.90, however, the Bank recorded an EPS of \$8.05. Our EPS forecast for year ending September 2022 is \$9.01.