

National Investment Fund Holding Company Limited

Interim Financial Statements

For the nine months ended September 30, 2024

(Expressed in Trinidad and Tobago Dollars)

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED


Interim Financial Statements For the nine months ended September 30, 2024

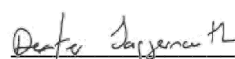
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NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Statement of Financial Position For the nine months ended September 30, 2024 (Expressed in Trinidad and Tobago Dollars)

		Unaudited Nine Months ended Sep-30-2024 \$000	Unaudited Nine Months ended Sep-30-2023 \$000	Audited Year ended 31-Dec-2023 \$000
	Notes			
ASSETS				
Non-Current Assets				
Office equipment		154	2	30
Financial assets				
- Fair Value through profit or loss	3a	8,084,639	8,991,268	8,658,649
- Amortised Investments in Sinking Fund	3b	193,045	56,052	109,474
Total Non-Current Assets		8,277,838	9,047,322	8,768,153
Current Assets				
Other receivables		4,582	10,976	6,488
Cash and cash equivalents				
- Cash in bank	4	68,013	34,478	206,224
- Investments in Sinking Fund	4	140,327	191,574	139,091
Total Current Assets		212,922	237,028	351,803
Total Assets		\$8,490,760	\$9,284,350	\$9,119,956
EQUITY				
Stated capital	5	3,940,967	3,940,967	3,940,967
Accumulated and Reserve funds		117,117	1,305,312	685,198
Total Equity		4,058,084	5,246,279	4,626,165
Non-Current liabilities				
Bonds payable	6	4,400,000	4,000,000	4,000,000
Amortised bond issuance costs		(34,083)	(18,946)	(28,225)
Net bonds payable		4,365,917	3,981,054	3,971,775
Deferred government subventions		24,867	18,946	18,589
Total Non-Current Liabilities		4,390,784	4,000,000	3,990,364
Current liabilities				
Other payables		1,036	372	501
Accrued bond interest		40,856	37,699	102,926
Government loan note - NIF2		-	-	400,000
Total Current Liabilities		41,892	38,071	503,427
Total Equity and Liabilities		\$8,490,760	\$9,284,350	\$9,119,956


Director


Director

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Statement of Comprehensive Income For the nine months ended September 30, 2024 (Expressed in Trinidad and Tobago Dollars)

		Unaudited Nine Months ended Sep-30-2024	Unaudited Nine Months ended Sep-30-2023	Audited Year ended 31-Dec-2023
	Notes	'000	'000	'000
Income				
Dividend income		203,702	146,463	324,160
Interest income		7,024	4,014	5,739
Government subventions utilised		2,688	3,279	3,637
Total Income		213,414	153,756	333,536
Expenses				
Operating expenses		(4,088)	(3,524)	(4,934)
Finance costs	7	(205,847)	(178,576)	(244,441)
Total Expenses		(209,935)	(182,100)	(249,375)
Net income/income		3,479	(28,344)	84,161
Net unrealised loss on financial assets at fair value	8	(574,010)	(967,593)	(2,115,437)
Total Comprehensive loss for the period/year		(\$570,531)	(\$995,937)	(\$2,031,276)

The accompanying notes form an integral part of these financial statements.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Statement of Changes in Equity For the nine months ended September 30, 2024 (Expressed in Trinidad and Tobago Dollars)

	Stated Capital '000	Accumulated and Reserve Funds '000	Total '000
Nine months ended September 30, 2024:			
Balance as at January 1, 2024	3,940,967	685,198	4,626,165
Total comprehensive loss for the period	-	(570,531)	(570,531)
Reserves	-	2,450	2,450
Balance as at September 30, 2024	\$3,940,967	\$117,117	\$4,058,084
Nine months ended September 30 2023:			
Balance as at January 1, 2023	3,940,967	2,301,249	6,242,216
Total comprehensive loss for the period	-	(995,937)	(995,937)
Balance as at September 30, 2023	\$3,940,967	\$1,305,312	\$5,246,279
Year ended December 31, 2023:			
Balance as at January 1, 2023	3,940,967	2,301,249	6,242,216
Total comprehensive loss for the year	-	(2,031,276)	(2,031,276)
Equity reserve - NIF2		415,225	415,225
Balance as at December 31, 2023	\$3,940,967	\$685,198	\$4,626,165

The accompanying notes form an integral part of these financial statements.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Statement of Cash Flows For the nine months ended September 30, 2024 (Expressed in Trinidad and Tobago Dollars)

	Unaudited Nine Months ended Sep-30-2024 '000	Unaudited Nine Months ended Sep-30-2023 '000	Audited Year ended Dec-31-2023 '000
Cash flows from Operating activities			
Total Comprehensive loss for the period/year	(570,531)	(995,937)	(2,031,276)
<i>Adjustments to reconcile net (loss)/income for the period/year to net cash used in operating activities:</i>			
Depreciation of office equipment	-	-	2
Net unrealised loss on financial assets at fair value through profit or loss	574,010	967,593	2,115,437
Bond Interest recognised at amortised cost	202,739	175,297	240,524
Amortisation of Bond issue cost	420	-	-
<i>Changes in working capital:</i>			
(Increase)/decrease in other receivables	1,906	(9,265)	(4,777)
Increase/(decrease) in other payables	534	(209)	(80)
Net cash from Operating activities	209,078	137,479	319,830
Cash flows from Investing activities			
Net (increase)/decrease in amortised investments in Sinking Fund	(83,571)	40,985	(12,437)
Acquisition of office equipment	(124)	-	(30)
Acquisition of equity investments	-	-	(815,225)
Net cash used in Investing activities	(83,695)	40,985	(827,692)
Cash flows from Financing activities			
Bond Interest paid - NIF1	(255,833)	(224,400)	(224,400)
Bond Interest paid - NIF2	(8,975)	-	-
Proceeds from Bond issue	400,000	-	1,200,000
Bond issue costs for Series D Bond issue	-	-	(9,636)
Redemption of Series A Bond	-	-	(1,200,000)
GORTT Loan Note - NIF2	-	-	400,000
Repayment of GORTT Loan Note - NIF2	(400,000)	-	-
Reserve - NIF2	2,450	-	-
Equity reserve - NIF2	-	-	415,225
Net cash used in Financing activities	(262,358)	(224,400)	581,189
Net increase/(decrease) in cash and cash equivalents	(136,975)	(45,936)	73,327
Cash and cash equivalents			
Beginning of year	345,315	271,988	271,988
Cash and cash equivalents at the end of year / period	\$208,340	\$226,052	\$345,315

The accompanying notes form an integral part of these financial statements.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Interim Financial Statements

For the nine months ended September 30, 2024

(Expressed in Trinidad and Tobago Dollars)

1. Description of the Company

The National Investment Fund Holding Company Limited (“NIF” or “the Company”) was incorporated in the Republic of Trinidad and Tobago on May 29, 2018. The registered office of the Company is Level 2, Eric Williams Financial Building, Independence Square, Port of Spain.

The Company is a holding company for the assets transferred from the Government of the Republic of Trinidad and Tobago (“GORTT”) initially being investments in Trinidad Generation Unlimited, Angostura Holdings Limited, Republic Financial Holdings Limited, One Caribbean Media Limited and West Indian Tobacco Company Limited. All financial assets were transferred to the Company on July 6, 2018 at fair market value with the exception of Trinidad Generation Unlimited, which was based on an independent valuation at July 31, 2017.

The Company owns 100% of the Trinidad Generation Unlimited (“TGU” or “the Subsidiary”) whose registered office is located on the 12 Mulchan Seuchan Road, Chaguanas, Trinidad. TGU’s principal activity is ‘to engage in the acquisition, construction, ownership and operation, management and maintenance of power generation facilities’.

2. Summary of material accounting policies

The Company’s financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and are presented in thousands in Trinidad and Tobago dollars (rounded to the nearest thousand). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets.

2.1 Basis of preparation

The interim financial statements for the nine months ended September 30, 2024 have been prepared in accordance with the International Accounting Standard (IAS) 34, ‘Interim Financial Reporting’ and should be used in conjunction with the annual financial statements for the year ended December 31, 2023.

2.2 New standards, interpretations and amendments adopted

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the annual audited financial statements for the year ended December 31, 2023.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Financial Statements

For the nine months ended September 30, 2024

(Expressed in Trinidad and Tobago Dollars)

3. Financial assets

a. Financial Assets - Investments measured at fair value through profit or loss

	No. of Shares	Share Price	Unaudited Nine Months ended Sep-30-2024 '000	Unaudited Nine Months ended Sep-30-2023 '000	Audited Year ended Dec-31-2023 '000
Investment in associates:					
Angostura Holdings Limited	61,677,011	\$17.03	1,050,359	1,417,337	1,353,810
One Caribbean Media Limited	15,285,917	\$3.10	47,387	56,559	58,086
Republic Financial Holdings Limited	49,021,779	\$111.93	5,487,008	5,140,368	6,016,443
Investment in subsidiary:					
Trinidad Generation Unlimited	189,400,000		1,411,185	2,237,813	1,108,859
Other equity investments:					
West Indian Tobacco Company Limited	13,646,136	\$6.50	88,700	139,191	121,451
			<u>\$8,084,639</u>	<u>\$8,991,268</u>	<u>\$8,658,649</u>

Movement during the year/period	Unaudited Nine Months ended Sep-30-2024 '000	Unaudited Nine Months ended Sep-30-2023 '000	Audited Year ended Dec-31-2023 '000
Balance at the beginning of year/period	8,658,649	9,958,861	9,958,861
Acquisition of Republic Financial Holding Limited shares	-	-	815,225
Net unrealised (loss)/gains on financial assets at fair value through profit or loss	(574,010)	(967,593)	(2,115,437)
Balance at the end of year/period	<u>\$8,084,639</u>	<u>\$8,991,268</u>	<u>\$8,658,649</u>

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Financial Statements

For the nine months ended September 30, 2024

(Expressed in Trinidad and Tobago Dollars)

3. Financial assets (continued)

b. Financial assets - Sinking Fund investments measured at amortised cost

	Unaudited Nine Months ended Sep-30-2024 '000	Unaudited Nine Months ended Sep-30-2023 '000	Audited Year ended Dec-31-2023 '000
Movement during the year/period			
Balance at January 1,	109,474	97,037	97,037
Net movement of investment at amortised cost	83,571	(40,985)	12,437
Balance at the end of year/period	\$193,045	\$56,052	\$109,474

4. Cash and cash equivalents

	Unaudited Nine Months ended Sep-30-2024 '000	Unaudited Nine Months ended Sep-30-2023 '000	Audited Year ended Dec-31-2023 '000
Cash in Bank	\$68,013	\$34,478	\$206,224

	Unaudited Nine Months ended Sep-30-2024 '000	Unaudited Nine Months ended Sep-30-2023 '000	Audited Year ended Dec-31-2023 '000
Investments in Sinking Fund			
Mutual funds	55,667	121,376	63,477
Short term deposits	84,660	70,198	75,614
Balance at the end of period/year	140,327	191,574	139,091
Add: Sinking Fund - Amortised Investments	193,045	56,052	109,474
Total Sinking Fund Balance at end of year/period	\$333,372	\$247,626	\$248,565

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(Expressed in Trinidad and Tobago Dollars)

	Unaudited Nine Months ended Sep-30-2024 '000	Unaudited Nine Months ended Sep-30-2023 '000	Audited Year ended Dec-31-2023 '000
5. Stated capital			
Authorised:			
An unlimited number of ordinary shares of no par value			
Issued and fully paid:			
1 ordinary share of no par value	<u>\$3,940,967</u>	<u>\$3,940,967</u>	<u>\$3,940,967</u>

6. Bonds payable

The Company issued coupon rate bonds in three series A, B and C during the period July 12, 2018 to August 9, 2018. To finance the repayment to the holders of the Series A bonds which matured on August 9, 2023, the Company issued Series D TT\$1.2 billion fixed rate bonds on July 26, 2023.

On January 22, 2024 the Company added the NIF2 bond to its portfolio, when it launched a TT\$400 million NIF2 bond at a rate of 4.5%. The NIF2 bond is backed by 6,546,417 additional equity shares in Republic Financial Holdings Limited (RFHL) valued at \$815.2 million which was transferred to the Company by Corporation Sole in November 2023, representing approximately four (4) percent of the shareholding in RFHL.

NIF1 Series B and C bonds and NIF2 bonds continue to trade actively on the corporate bond market.

The NIF Bonds include:

Bonds	Value	Rate	Duration	Maturity Date
NIF2	\$0.4 billion	4.5%	5 years	August 9, 2029
NIF1-Series B	\$1.6 billion	5.7%	12 years	August 9, 2030
NIF1-Series C	\$1.2 billion	6.6%	20 years	August 9, 2038
NIF1-Series D	\$1.2 billion	7.1%	17 years	July 26, 2040
Total	\$4.4 billion			

	Unaudited Nine Months ended Sep-30-2024 '000	Unaudited Nine Months ended Sep-30-2023 '000	Audited Year ended Dec-31-2023 '000
Bonds in Series - NIF1 & NIF2	4,400,000	4,000,000	4,000,000
Amortised bond issuance cost	(34,083)	(18,946)	(28,225)
	<u>\$4,365,917</u>	<u>\$3,981,054</u>	<u>\$3,971,775</u>

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7. Finance Costs

Finance Cost includes the amortisation of bond issue and bond interest expense for all of the Company's issued bonds. For the nine months ended September 30, 2024, finance cost amortised related to Series B, Series C and Series D of the NIF1 Bond and the NIF2 Bond. The NIF2 Bond was issued on February 9, 2024.

8. Other Income - Net unrealised (loss)/gain on financial assets at fair value through profit or loss

Net unrealised (loss)/gains on financial assets at fair value through profit or loss were attributable to the movement in market values during the period reported.

	Unaudited Nine Months ended Sep-30-2024 '000	Unaudited Nine Months ended Sep-30-2023 '000	Audited Year ended Dec-31-2023 '000
Equity investments:			
Angostura Holdings Limited	(303,451)	(62,911)	(126,437)
One Caribbean Media Limited	(10,700)	6,114	7,643
Republic Financial Holdings Limited	(529,435)	(763,282)	(702,434)
Investment in subsidiary:			
Trinidad Generation Unlimited	302,326	-	(1,128,954)
Other equity Investments:			
West Indian Tobacco Company Limited	(32,750)	(147,514)	(165,255)
	(\$574,010)	(\$967,593)	(\$2,115,437)

9. Sinking Fund

As at September 30, 2024 the sinking fund balance stood at \$333.3 million. This fund was established to meet the principal repayment on the bonds in 2029, 2030, 2038 and 2040. The portfolio consists of investments in government and corporate bonds, mutual funds, certificate of deposits and other short-term deposits. For the nine months ended September 30, 2024 interest income of \$7.02 million was recognised in the statement of comprehensive income.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Financial Statements

For the nine months ended September 30, 2024

(Expressed in Trinidad and Tobago Dollars)

10. Semi-Annual Coupon Payment

NIF1 Bond - Series B, Series C and Series D

On August 9, 2024, the Company made its twelfth coupon payment of \$85.2 million to the bondholders of Series B and Series C of the NIF1 bond through its paying agent, the Trinidad and Tobago Central Depository. This payment brings the total interest distributions for these series to \$1.29 billion. The next semi-annual coupon payment for Series B and Series C is scheduled for February 9, 2025.

The second coupon payment on the Series D bond was made on July 26, 2024, amounting to \$42.5 million. This payment brings the total interest distributions for Series D to \$85.4 million. The next semi-annual coupon payment for Series D is scheduled for January 26, 2025.

NIF2 Bond

On August 9, 2024 the Company made its first coupon payment of \$9.0 million to the bond holders of the NIF2 bond via its Paying Agent - Trinidad and Tobago Central Depository. The next semi-annual coupon payment to bondholders is scheduled for February 9, 2025.

11. Bonds Credit Rating

On June 28, 2024 the Caribbean Information and Credit Rating Services Limited (CariCRIS) reaffirmed the Company's initial credit rating; giving a regional rating of CariAA, a national rating of ttAA and outlook maintained at **stable**.