



NATIONAL ENTERPRISES LIMITED

2024

Summary Financial Statements

As at September 30, 2024

Chairman's Statement for the Financial Year Ended September 30, 2024

For the financial year ended September 30, 2024, National Enterprises Limited (NEL) reported a net loss of \$348.7 Million, reflecting a 23% improvement over the prior year's net loss of \$455.1 Million. This \$106.4 million variance underscores our ongoing efforts to navigate challenging market conditions. Operating profit declined by 70% to \$120.4 Million (FY2023: \$391.3 Million), influenced primarily by a reduction in dividend income to \$113.1 million (FY2023: \$382.7 Million). Total assets stood at \$2.7 Billion, down from \$3.3 Billion in FY2023, in line with fair value adjustments across our investee companies, particularly in the energy sector.

Despite these headwinds, we remained committed to delivering tangible value to our shareholders. In FY2024, we paid dividends totaling \$234 Million, building on the \$300 Million distributed in FY2023. Together, these payments represent over \$500 Million returned to shareholders over the last two years. With a dividend yield of approximately 5.4%, NEL continues to provide meaningful returns amid persistent global volatility and geopolitical uncertainties. At the close of the financial year, we maintained a sound cash balance of \$29.4 Million, reflecting prudent cash management.

Our non-energy investee companies delivered notably strong performances, collectively registering a 24% increase in fair value. Telecommunications Services of Trinidad and Tobago Limited and National Flour Mills Limited both achieved profit growth, expanded their product and service offerings, and enhanced their market positions. The Power Generation Company of Trinidad and Tobago Limited continued its consistent trajectory, posting a 12% increase in value.

In contrast, our energy portfolio faced ongoing pressures. The Trinidad Nitrogen Company Limited's fair value declined 25% to \$1.1 Billion (from \$1.46 Billion), while Pan West Engineers Constructors LLC and NGC NGL Company Limited also recorded decreases of a similar magnitude. These shifts reflect the volatile energy landscape, shaped by geopolitical factors, climate-related challenges, and ongoing constraints in local gas supply, particularly gas curtailments.

Notwithstanding this, we remain confident in the resilience of our strategic investments. These companies are actively pursuing strategies to maximise efficiency, enhance profitability, and strengthen their market offerings to capture new opportunities. Our non-strategic portfolio, currently valued at \$405.7 Million, is strategically managed to ensure adequate liquidity for dividend payments and to optimise yields.

In accordance with prevailing accounting standards, we regularly update our book value to reflect the current fair value of our assets. Our latest valuation confirms the fundamental strength of our portfolio, ensuring that the reported value accurately represents the company's intrinsic worth.

With disciplined asset management, adherence to rigorous accounting standards, and a strategic focus on diversification, NEL stands well-positioned to confront the challenges ahead and deliver sustained value for all stakeholders.


Ingrid L. A. Lashley
Chairman
December 20, 2024



Independent Auditor's Report

To the Shareholders of
National Enterprises Limited

Opinion

The summary financial statements, which comprise the summary statement of financial position as of September 30, 2024, and the summary statements of comprehensive loss, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited financial statements of National Enterprises Limited (the "Company") for the year ended September 30, 2024.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements in accordance with the material accounting policies note to the summary financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated December 16, 2024. That report also

includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the material accounting policies note to the summary financial statements.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), **Engagements to Report on Summary Financial Statements**.



December 16, 2024
Port of Spain,
Trinidad and Tobago



NATIONAL ENTERPRISES LIMITED

2024

Summary Financial Statements

As at September 30, 2024

SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2024

Incorporation and principal activities

National Enterprises Limited (the "Company") was incorporated in Trinidad and Tobago and is controlled by the Minister of Finance (Corporation Sole). The Company was formed by the Government of the Republic of Trinidad and Tobago as part of a re-organisation exercise, to hold its shareholdings in selected state enterprises and facilitate a public offering on the Trinidad and Tobago Stock Exchange.

The Company's initial portfolio of investments in National Flour Mills Limited (NFM), Telecommunications Services of Trinidad and Tobago (TSTT) and Trinidad Nitrogen Company Limited (TRINGEN) were transferred at their last audited net asset value by the Minister of Finance (Corporation Sole) on behalf of the Government in exchange of 500,000,000 ordinary shares of no par value in the Company. All formation expenses were borne by the Ministry of Finance. Subsequently, on December 14, 2001, the Company acquired a 20% shareholding in NGC NGL Company Limited (NGCNGL) financed by the issue of an additional 50,511,540 shares and on December 8, 2003, the Company acquired a 37.84% shareholding in NGC Trinidad and Tobago LNG Limited (NGCLNG) financed by the issue of an additional 49,489,101 shares.

The Company's principal business activity is to purchase investments, primarily for long-term capital growth and investments.

The Company has a wholly owned subsidiary, NEL Power Holdings Limited (NPHL). In December 2014, the Company entered into a joint venture arrangement, acquiring 33.33% of Pan West Engineers and Constructors, LLC.

The principal business activities of the Company's subsidiaries, joint ventures and associated companies are disclosed in notes to the full version of the audited financial statements. The registered office of the Company is Level 15, Tower D, International Waterfront Centre, Wrightson Road, Port of Spain.

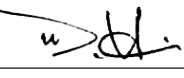
Summary of Material Accounting Policies

These summary financial statements are prepared in accordance with established criteria developed by management and disclose the summary statement of financial position, summary statement of comprehensive loss, summary statement of changes in equity and summary statement of cash flows. These summary financial statements are derived from the audited financial statements of National Enterprises Limited for the year ended September 30, 2024 which are prepared in accordance with International Financial Reporting Standards. A full version of the audited financial statements will be available on the Company's website.

SUMMARY STATEMENT OF FINANCIAL POSITION

	Audited As at 30 Sep 24 \$ '000	Audited As at 30 Sep 23 Restated \$ '000	Audited As at 30 Sep 22 Restated \$ '000
Assets			
Property and equipment	796	514	499
Investment in subsidiaries	552,190	445,818	387,934
Investment in associates and joint ventures	1,617,208	2,156,593	3,037,307
Other non-current assets	291,512	363,560	342,771
Total non-current assets	<u>2,461,706</u>	<u>2,966,485</u>	<u>3,768,511</u>
Current assets	241,013	318,443	271,446
Total assets	<u>2,702,719</u>	<u>3,284,928</u>	<u>4,039,957</u>
Equity			
Share capital	1,736,632	1,736,632	1,736,632
Retained earnings	961,532	1,544,211	2,299,315
Total equity attributable to equity shareholders	<u>2,698,164</u>	<u>3,280,843</u>	<u>4,035,947</u>
Liabilities			
Current liabilities	4,555	4,085	4,010
Total liabilities	<u>4,555</u>	<u>4,085</u>	<u>4,010</u>
Total equity and liabilities	<u>2,702,719</u>	<u>3,284,928</u>	<u>4,039,957</u>

Director 
Ingrid L.A. Lashley

Director 
Howard Dottin

SUMMARY STATEMENT OF COMPREHENSIVE LOSS

	Audited Year Ended September 30, 2024 \$ '000	Audited Year Ended September 30, 2023 \$ '000
Dividend income	113,064	382,740
Interest income	14,324	10,713
Operating expenses	(6,975)	(5,378)
Operating profit	120,413	391,306
Net change in unrealised loss on financial assets at fair value through profit or loss	(464,679)	(841,905)
Net loss before taxation	(344,266)	(450,599)
Taxation	(4,413)	(4,505)
Total comprehensive loss for the year	<u>(348,679)</u>	<u>(455,104)</u>
Loss per share (basic and diluted) expressed in cents	(58)	(76)



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SUMMARY STATEMENT OF CHANGES IN EQUITY

	Share Capital (\$ '000)	Translation Reserve (\$ '000)	Remeasurement Reserve (\$ '000)	Retained Earnings (\$ '000)	Total Equity (\$ '000)
For the year ended September 30, 2024					
Balance as at October 1, 2023 (Restated)	1,736,632	-	-	1,544,211	3,280,843
Total comprehensive loss for the year	-	-	-	(348,679)	(348,679)
Dividend paid	-	-	-	(234,000)	(234,000)
Balance as at September 30, 2024	1,736,632	-	-	961,532	2,698,164
For the year ended September 30, 2023					
Balance as at October 1, 2022	1,736,632	63,866	16,422	2,219,027	4,035,947
Restatement	-	(63,866)	(16,422)	80,288	-
Balance as at October 1, 2022 (Restated)	1,736,632	-	-	2,299,315	4,035,947
Total comprehensive loss for the year	-	-	-	(455,104)	(455,104)
Dividend paid	-	-	-	(300,000)	(300,000)
Balance as at September 30, 2023 (Restated)	1,736,632	-	-	1,544,211	3,280,843

SUMMARY STATEMENT OF CASH FLOWS

	Audited Year Ended 30 Sep 24 (\$ '000)	Audited Year Ended 30 Sep 23 (\$ '000)
OPERATING ACTIVITIES		
Net loss before taxation expenses	(344,266)	(450,599)
Depreciation	232	218
Other non-cash movements	464,956	841,605
Net change in operating assets and liabilities:		
Net change in accounts receivables	(3,152)	16,868
Net change in accounts payables	(69)	75
Net change in related parties	(408)	237
	117,293	408,404
Taxation paid	(3,789)	(4,956)
Cash generated from operating activities	113,504	403,448
INVESTING ACTIVITIES		
Net change in other financial assets	(41,642)	31,679
Net change in other long-term investments	(50,522)	(23,530)
Purchase of fixed assets	(514)	(233)
Cash (used by)/generated from investing activities	(92,678)	7,916
FINANCING ACTIVITIES		
Dividends paid	(234,000)	(300,000)
Cash used by financing activities	(234,000)	(300,000)
Net change in cash resources	(213,174)	111,364
Net cash resources at beginning of year	242,568	131,204
Net cash resources at end of year	29,394	242,568