

National Investment Fund Holding Company Limited

Interim Financial Statements

For the three months ended March 31, 2023

(Expressed in Trinidad and Tobago Dollars)

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Financial Statements

For the three months ended March 31, 2023


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NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Statement of Financial Position For the three months ended March 31, 2023 (Expressed in Trinidad and Tobago Dollars)

		Unaudited Three Months ended Mar-31-2023 \$000	Unaudited Three Months ended Mar-31-2022 \$000	Audited Year ended 31-Dec-2022 \$000
	Notes			
ASSETS				
Non-Current Assets				
Office equipment		2	6	2
Financial Assets				
- Fair Value through profit or loss	3a	9,894,948	9,865,039	9,958,861
- Amortised Investments in Sinking Fund	3b	71,245	95,962	97,037
Total Non-Current Assets		9,966,195	9,961,007	10,055,900
Current Assets				
Prepayments and other receivables		2,275	1,153	1,711
Cash and cash equivalents				
- Cash in bank	4	79,257	5,446	192,982
- Investments in Sinking Fund	4	106,316	77,334	79,006
Total Current Assets		187,848	83,933	273,699
Total Assets		10,154,043	10,044,940	10,329,599
EQUITY				
Stated Capital	5	3,940,967	3,940,967	3,940,967
Reserves		5,000	5,000	5,000
Retained Earnings		2,177,692	2,068,431	2,296,249
Total Equity		6,123,659	6,014,398	6,242,216
Non-Current Liabilities				
Bonds payable	6	3,978,890	3,974,430	3,977,774
Deferred government subventions		21,110	25,570	22,226
Total Non-Current Liabilities		4,000,000	4,000,000	4,000,000
Current Liabilities				
Accruals and other payables		381	305	581
Accrued bond interest		30,003	30,237	86,802
Total Current Liabilities		30,384	30,542	87,383
Total Equity and Liabilities		10,154,043	10,044,940	10,329,599


Director


Director

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Statement of Comprehensive Income

For the three months ended March 31, 2023

(Expressed in Trinidad and Tobago Dollars)

		Unaudited Three Months ended Mar-31-2023	Unaudited Three Months ended Mar-31-2022	Audited Year ended 31-Dec-2022
	Notes	'000	'000	'000
Income				
Dividend Income		-	-	303,319
Interest Income		1,382	1,014	5,181
Other Income - Government subventions utilised		1,115	1,115	4,460
Other Income - Net unrealised (loss)/gain on financial assets at fair value through profit or loss	7	(63,912)	107,368	201,189
Total Income		(61,415)	109,497	514,149
Expenses				
Operating expenses		(626)	(1,067)	(5,791)
Finance costs		(56,516)	(56,463)	(228,573)
Total Expenses		(57,142)	(57,530)	(234,364)
Total Comprehensive (loss)/income for the period/year		(\$118,557)	\$51,967	\$279,785

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 three months ended March 31, 2023 (Expressed in Trinidad and Tobago Dollars)

	Stated Capital '000	Retained Earnings '000	Reserves '000	Total '000
Three months ended March 31, 2023:				
Balance as at January 1, 2023	3,940,967	2,296,249	5,000	6,242,216
Total comprehensive loss for the period	-	(118,557)	-	(118,557)
Balance as at March 31, 2023	\$3,940,967	\$2,177,692	\$5,000	\$6,123,659
Three months ended March 31 2022:				
Balance as at January 1, 2022	3,940,967	2,016,464	5,000	5,962,431
Total comprehensive income for the period	-	51,967	-	51,967
Balance as at March 31, 2022	\$3,940,967	\$2,068,431	\$5,000	\$6,014,398
Year ended December 31, 2022:				
Balance as at January 1, 2022	3,940,967	2,016,464	5,000	5,962,431
Total comprehensive income the year	-	279,785	-	279,785
Balance as at December 31, 2022	\$3,940,967	\$2,296,249	\$5,000	\$6,242,216

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

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Statement of Cash Flows

For the three months ended March 31, 2023

(Expressed in Trinidad and Tobago Dollars)

	Unaudited Three Months ended Mar-31-2023 '000	Unaudited Three Months ended Mar-31-2022 '000	Audited Year ended Dec-31-2022 '000
Cash flows from Operating activities			
Total Comprehensive (loss)/income for the period/year	(118,557)	51,967	279,785
<i>Adjustments to reconcile net (loss)/income for the period/year to net cash used in operating activities:</i>			
Depreciation in office equipment	-	-	4
Other Income - Net unrealised (loss)/gain on financial assets at fair value through profit or loss	63,912	(107,368)	(201,189)
Bond Interest recognised at amortised cost	55,401	55,348	224,113
<i>Changes in working capital:</i>			
Net change in prepayments and other receivables	(564)	(81)	(639)
Net change in accruals and other payables	(200)	(374)	(99)
Net cash from Operating activities	(8)	(508)	301,975
Cash flows from Investing activities			
Net change in amortised investments in Sinking Fund	25,793	15,243	14,168
Net cash used in Investing activities	25,793	15,243	14,168
Cash flows from Financing activities			
Bond Interest paid	(112,200)	(112,200)	(224,400)
Net cash used in Financing activities	(112,200)	(112,200)	(224,400)
Net change in cash and cash equivalents	(86,415)	(97,465)	91,743
Cash and cash equivalents at the beginning of the year	271,988	180,245	180,245
Cash and cash equivalents at the end of year / period	\$185,573	\$82,780	\$271,988

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 three months ended March 31, 2023

(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 3rd Floor, Colfire Building 128 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 significant 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 three months ended March 31, 2023 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, 2022.

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, 2022.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Financial Statements

For the three months ended March 31, 2023

(Expressed in Trinidad and Tobago Dollars)

3. Investments - Financial assets

a. Investments - Financial assets at fair value through profit or loss (FVPL)

	No. of Shares	Share Price	Unaudited Three Months ended Mar-31-2023 '000	Unaudited Three Months ended Mar-31-2022 '000	Audited Year ended Dec-31-2022 '000
Investment in associates:					
Angostura Holdings Limited	61,677,011	\$24.50	1,511,087	1,246,492	1,480,248
One Caribbean Media Limited	15,285,917	\$3.70	56,558	64,201	50,444
Republic Financial Holdings Limited	42,475,362	\$138.00	5,861,600	5,989,026	5,903,651
Investment in subsidiary:					
Trinidad Generation Unlimited	189,400,000		2,237,813	2,237,813	2,237,813
Other equity investments:					
West Indian Tobacco Company Limited	13,646,136	\$16.70	227,890	327,507	286,705
			\$9,894,948	\$9,865,039	\$9,958,861

	Unaudited Three Months ended Mar-31-2023 '000	Unaudited Three Months ended Mar-31-2022 '000	Audited Year ended Dec-31-2022 '000
Movement during the year/period			
Balance at the beginning of year/period	9,958,861	9,757,672	9,757,672
Net unrealised gains on financial assets at fair value through profit or loss	(63,912)	107,367	201,189
Balance at the end of year/period	\$9,894,948	\$9,865,039	\$9,958,861

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Financial Statements

For the three months ended March 31, 2023

(Expressed in Trinidad and Tobago Dollars)

3. Investments - Financial assets (continued)

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

The investments at amortised cost represent non-current provisions to the sinking fund to cater for principal repayments on the bonds in 2023, 2030 and 2038.

	Unaudited Three Months ended Mar-31-2023 '000	Unaudited Three Months ended Mar-31-2022 '000	Audited Year ended Dec-31-2022 '000
Government debt securities	37,222	53,301	62,786
Corporate debt securities	34,022	42,661	34,251
Balance at the end of year/period	\$71,244	\$95,962	\$97,037

	Unaudited Three Months ended Mar-31-2023 '000	Unaudited Three Months ended Mar-31-2022 '000	Audited Year ended Dec-31-2022 '000
Movement during the year/period			
Balance at January 1,	97,037	111,205	111,205
Net movement of investment at amortised cost	(25,793)	(15,243)	(14,168)
Balance at the end of year/period	\$71,244	\$95,962	\$97,037

	Unaudited Three Months ended Mar-31-2023 '000	Unaudited Three Months ended Mar-31-2022 '000	Audited Year ended Dec-31-2022 '000
4. Cash and cash equivalents			
Cash in bank	\$79,257	\$5,446	\$192,982
Investments in Sinking Fund			
Mutual funds	25,203	4,918	25,129
Short term deposits	81,113	72,416	53,877
	\$106,316	\$77,334	\$79,006

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	Unaudited Three Months ended Mar-31-2023 '000	Unaudited Three Months ended Mar-31-2022 '000	Audited Year ended Dec-31-2022 '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

The Company issued coupon rate bonds in three series during the period July 12, 2018 to August 9, 2018; these bonds have continued being actively traded on the corporate bond market. During the three months ended March 31 2023, no new bonds were issued by the Company.

The three (3) series NIF Bonds include:

Bonds	Value	Rate	Duration	Maturity Date
Series A	\$1.2 billion	4.5%	5 years	August 9, 2023
Series B	\$1.6 billion	5.7%	12 years	August 9, 2030
Series C	\$1.2 billion	6.6%	20 years	August 9, 2038
Total	\$4.0 billion			

	Unaudited Three Months ended Mar-31-2023 '000	Unaudited Three Months ended Mar-31-2022 '000	Audited Year ended Dec-31-2022 '000
Bonds in Series A, B and C	4,000,000	4,000,000	4,000,000
Amortised bond issuance cost	(21,110)	(25,570)	(22,226)
	<u>\$3,978,890</u>	<u>\$3,974,430</u>	<u>\$3,977,774</u>

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

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

	Unaudited Three Months ended Mar-31-2023 '000	Unaudited Three Months ended Mar-31-2022 '000	Audited Year ended Dec-31-2022 '000
Equity investments:			
Angostura Holdings Limited	30,838	136,306	370,061
One Caribbean Media Limited	6,114	(3,210)	(16,967)
Republic Financial Holdings Limited	(42,050)	35,679	(49,696)
Investment in subsidiary:			
Trinidad Generation Unlimited	-	-	-
Other equity Investments:			
West Indian Tobacco Company Limited	(58,814)	(61,407)	(102,209)
	(\$63,912)	\$107,368	\$201,189

8. Sinking Fund

As at March 31, 2023 the Sinking fund balance stood at \$177.5 million. This fund was established to meet the principal repayment to bondholders in the years 2023, 2030 and 2038. The portfolio consists of investments in corporate and government bonds, mutual funds, short term certificate of deposits and treasury bills.

9. Semi-Annual Coupon Payment

On February 9, 2023 the Company made its ninth coupon payment of \$112.2 million to its bond holders via its Paying Agent - Trinidad and Tobago Central Depository, thereby bringing total interest distributions to \$1,009.8 million. The tenth coupon payment is scheduled for August 9, 2023.

10. Bonds Credit Rating

On June 24, 2022 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**.