NATIONAL ENTERPRISES LIMITED

2021 Condensed Financial Statements

As at 31 December 2021

CHAIRMAN'S STATEMENT

For the 9-Month Period Ended December 31, 2021

National Enterprises Limited (NEL) has posted profit after tax of $881 Million for the 9-month period ended December 31, 2021 versus the loss of $70 Million for the prior comparative period. This also represents an increase of 4% from $848 Million reported for the six-month period ended September 30, 2021.

NEL's portfolio of investments continue to benefit from the reversal of impairment from the previous three (3) years that recognised unrealized fair value losses in the portfolio of investee companies. Income from dividends and investment was $10.7 Million – a 57% decrease from the comparative period in the last fiscal year. This was due largely to reduction in dividends received from investee companies and decline in investment income owing to reduced interest rates. Total assets however increased by $664M over December 31, 2020 primarily due to fair value increases in NEL's investee company portfolio.

NEL's recent performance is reflective of the cyclical market forces in the energy sector that continue to see surging commodity prices, combined with the promise of overall economic recovery in other sectors as the world learns to cope with the Covid-19 pandemic. This is consistent with the outlook for 5% economic growth in Trinidad and Tobago for 2022. The trajectory for the turnaround in NEL's results is supported by the decisive actions taken over the past two years, emphasising operational efficiencies and innovative solutions, for the realization of increased dividend income and fair value across our portfolio.

NEL continues to strive for balance in its investment portfolio with our efforts to diversify and transform for the delivery of consistent dividend income and increased valuation that will translate into increased shareholder value and generation of wealth.

Ingrid L-A Lashley
Chairman
February 8, 2022

CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited Nine months ended		Audited Year ended
	31 December 2021 $ '000	31 December 2020 $ '000	31 March 2021 $ '000
Assets			
Investment in subsidiaries	471,656	428,857	490,815
Investment in joint venture and associates	2,133,900	1,552,048	1,287,060
Property, plant and equipment	634	729	682
Other non-current assets	360,207	399,642	401,754
Total non-current assets	2,966,397	2,381,276	2,180,311
Current assets	124,755	45,523	47,801
Total assets	3,091,152	2,426,799	2,228,112
Equity			
Stated capital	1,736,632	1,736,632	1,736,632
Investment remeasurement reserve	16,422	16,422	16,422
Translation reserve	63,866	63,866	63,866
Retained earnings	1,270,850	607,582	407,267
Total equity attributable to equity shareholders	3,087,770	2,424,502	2,224,187
Liabilities			
Current liabilities	3,382	2,297	3,925
Total liabilities	3,382	2,297	3,925
Total equity and liabilities	3,091,152	2,426,799	2,228,112

Director _____ Director _____
Ingrid L-A Lashley Navin Rajkumar

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share Capital ($'000)	Translation Reserve ($'000)	Investment Remeasurement Reserve ($'000)	Retained Earnings ($'000)	Total Equity ($'000)
Nine months ended 31 December 2021					
Balance as at 1 April 2021	1,736,632	63,866	16,422	407,267	2,224,187
Total comprehensive income for the year	-	-	-	881,583	881,583
Dividends paid	-	-	-	(18,000)	(18,000)
Balance as at 31 December 2021	**1,736,632**	**63,866**	**16,422**	**1,270,850**	**3,087,770**
Nine months ended 31 December 2020					
Balance as at 1 April 2020	1,736,632	63,866	16,422	677,698	2,494,618
Total comprehensive loss for the year	-	-	-	(70,116)	(70,116)
Balance as at 31 December 2020	**1,736,632**	**63,866**	**16,422**	**607,582**	**2,424,502**
Year ended 31 March 2021					
Balance as at 1 April 2020	1,736,632	63,866	16,422	677,698	2,494,618
Total comprehensive loss for the year	-	-	-	(270,431)	(270,431)
Balance as at 31 March 2021	**1,736,632**	**63,866**	**16,422**	**407,267**	**2,224,187**

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Nine months ended		Audited Year ended
	31 December 2021 $ '000	31 December 2020 $ '000	31 March 2021 $ '000
Dividend income	6,979	24,410	25,969
Other income	3,683	5,085	7,308
Operating expenses	(3,787)	(2,313)	(4,993)
Operating profit	6,875	27,182	28,284
Gain/(loss) on fair value revaluation on investments	875,360	(95,811)	(296,934)
Net profit/(loss) before taxation	882,235	(68,629)	(268,650)
Tax expense	(652)	(1,487)	(1,781)
Total comprehensive income/(loss) for the year	881,583	(70,116)	(270,431)

CONDENSED STATEMENT OF CASHFLOWS

	Unaudited Nine Months ended		Audited Year ended
	31 December 2021 ($ '000)	31 December 2020 ($ '000)	31 March 2021 ($ '000)
OPERATING ACTIVITIES			
Net profit/(loss) before taxation	882,235	(68,629)	(268,650)
Depreciation	144	90	137
Other non-cash movements	(875,360)	95,811	296,910
	7,019	27,272	28,397
Net change in operating assets and liabilities:			
Net change in accounts receivables	504	(386)	530
Net change in accounts payables	(18,543)	(625)	1,004
Net change in related parties	(471)	(463)	(613)
	(11,491)	25,798	29,318
Taxation paid	(1,362)	(901)	(1,354)
Cash (used by)/generated from operating activities	(12,853)	24,897	27,964
INVESTING ACTIVITIES			
Change in long-term investments	89,697	1,485	1,453
Purchase of fixed assets	(96)	(380)	(380)
Cash generated from investing activities	89,601	1,105	1,073
Net change in cash resources	76,748	26,002	29,037
Net cash resources at beginning of year	45,324	16,287	16,287
Net cash resources at end of the period/year	**122,702**	**42,289**	**45,324**

Notes to the Condensed Financial Statements

For the nine months ended 31 December 2021

1. **Basis of Preparation**

   These interim financial statements are prepared in accordance with International Accounting Standards *(IAS 34 Interim Financial Reporting)*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements for the year ended 31 March 2021. These condensed interim financial statements have not been audited and were approved by the Board of Directors on February 8, 2022.

2. **Summary of Significant Accounting Policies**

   The accounting policies in these unaudited condensed interim financial statements are consistent with those applied in the audited financial statements for the year ended 31 March 2021.