National Investment Fund Holding Company Limited

Interim Financial Statements
For the nine months ended September 30, 2022
(Expressed in Trinidad and Tobago Dollars)

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

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NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Statement of Financial Position
For the nine months ended September 30, 2022
(Expressed in Trinidad and Tobago Dollars)

	Notes	Unaudited Nine Months ended Sep-30-2022 $000	Unaudited Nine Months ended Sep-30-2021 $000	Audited Year ended 31-Dec-2021 $000
ASSETS				
Non-Current Assets				
Office equipment		6	12	6
Investments	3a	10,090,289	9,991,358	9,757,672
Other Investments	3b	107,511	62,744	111,205
Total non-current assets		10,197,806	10,054,114	9,868,883
Current Assets				
Prepayments and other receivables		1,487	1,343	1,072
Cash and cash equivalents	4	110,942	91,516	180,245
Total Current Assets		112,429	92,859	181,317
Total Assets		**10,310,235**	**10,146,973**	**10,050,200**
EQUITY				
Stated Capital	5	3,940,967	3,940,967	3,940,967
Reserves		5,000	5,000	5,000
Retained Earnings		2,333,501	2,169,980	2,016,464
Total Equity		6,279,468	6,115,947	5,962,431
Non-Current Liabilities				
Bonds	6	3,976,660	3,972,200	3,973,314
Deferred government subventions		23,340	27,800	26,686
Total Non-Current Liabilities		4,000,000	4,000,000	4,000,000
Current Liabilities				
Accruals and other payables		351	269	679
Accrued bond interest		30,416	30,757	87,090
Total Current Liabilities		30,767	31,026	87,769
Total Liabilities and Equity		**10,310,235**	**10,146,973**	**10,050,200**

Director

Director

Interim Financial Statements
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(Expressed in Trinidad and Tobago Dollars)

	Notes	Unaudited Nine Months ended Sep-30-2022 '000	Unaudited Nine Months ended Sep-30-2021 '000	Audited Year ended 31-Dec-2021 '000
Income				
Dividend Income		152,276	147,868	285,348
Interest Income		3,651	2,326	3,266
Other Income - Government subvention		3,345	3,345	4,460
Other Income - Net fair value gains on financial assets	7	332,617	664,049	430,363
Total Income		**491,889**	**817,588**	**723,437**
Expenditure				
Operating expenses		(3,781)	(3,515)	(5,431)
Finance costs		(171,071)	(170,916)	(228,365)
Total Expenditure		**(174,852)**	**(174,431)**	**(233,796)**
Net profit for the year/period		**$317,037**	**$643,157**	**$489,641**

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

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Statement of Change in Equity
For the nine months ended September 30, 2022
(Expressed in Trinidad and Tobago Dollars)

	Stated Capital '000	Retained Earnings '000	Reserves '000	Total '000
Nine months ended September 30, 2022:				
Balance as at January 1, 2022	3,940,967	2,016,464	5,000	5,962,431
Net Profit for the period	-	317,037	-	317,037
Balance as at September 30, 2022	**$3,940,967**	**$2,333,501**	**$5,000**	**$6,279,468**
Nine months ended September 30 2021:				
Balance as at January 1, 2021	3,940,967	1,526,823	5,000	5,472,790
Net Profit for the period	-	643,157	-	643,157
Balance as at September 30, 2021	**$3,940,967**	**$2,169,980**	**$5,000**	**$6,115,947**
Year ended December 31, 2021:				
Balance as at January 1, 2021	3,940,967	1,526,823	5,000	5,472,790
Net Profit for the year	-	489,641	-	489,641
Balance as at December 31, 2021	**$3,940,967**	**$2,016,464**	**$5,000**	**$5,962,431**

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, 2022
(Expressed in Trinidad and Tobago Dollars)

	Unaudited Nine Months ended Sep-30-2022 '000	Unaudited Nine Months ended Sep-30-2021 '000	Audited Year ended Dec-31-2021 '000
Cash flows from Operating activities			
Net profit for the period/year	317,037	643,157	489,641
Depreciation in office equipment	-	-	6
Other Income – net fair value gains on financial assets	(332,617)	(664,049)	(430,363)
Bond Interest recognised at amortised cost	167,726	167,571	223,904
Changes in working capital:			
Net change in prepayments and other receivables	(415)	543	814
Net change in accruals and other payables	(328)	(72)	338
Net cash from Operating activities	**151,403**	**147,150**	**284,340**
Cash flows from Investing activities			
Net change in new investments	3,694	33,450	(15,011)
Net cash provided by / (used in) Investing activities	**3,694**	**33,450**	**(15,011)**
Cash flows from Financing activities			
Bond Interest paid	(224,400)	(224,400)	(224,400)
Net cash (used in) / provided by Financing activities	**(224,400)**	**(224,400)**	**(224,400)**
Net change in cash and cash equivalents	**(69,303)**	**(43,800)**	**44,929**
Cash and cash equivalents at the beginning of the year	180,245	135,316	135,316
Cash and cash equivalents at the end of year / period	**$110,942**	**$91,516**	**$180,245**

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

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 nine months ended September 30, 2022 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, 2021.

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, 2021.

3. Investments - Financial assets

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

	No. of Shares	Share Price	Unaudited Nine Months ended Sep-30-2022 '000	Unaudited Nine Months ended Sep-30-2021 '000	Audited Year ended Dec-31-2021 '000
Investment in associates:					
Angostura Holdings Limited	61,677,011	$24.93	1,537,608	1,054,677	1,110,186
One Caribbean Media Limited	15,285,917	$3.99	60,991	65,424	67,411
Republic Financial Holdings Limited	42,475,362	$140.01	5,946,975	5,789,816	5,953,347
Investment in subsidiary:					
Trinidad Generation Unlimited	189,400,000		2,237,813	2,658,820	2,237,813
Other equity investments:					
West Indian Tobacco Company Limited	13,646,136	$22.49	306,902	422,621	388,915
			$10,090,289	**$9,991,358**	**$9,757,672**

3. Investments - Financial assets (continued)

Movement during the year/period	Unaudited Nine Months ended Sep-30-2022 '000	Unaudited Nine Months ended Sep-30-2021 '000	Audited Year ended Dec-31-2021 '000
Balance at the beginning of year/period	9,757,672	9,327,309	9,327,309
Net unrealised gains on financial assets at fair value through profit or loss	332,617	664,049	430,363
Balance at the end of year/period	**$10,090,289**	**$9,991,358**	**$9,757,672**

b. Other Investments - Financial assets 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 Nine Months ended Sep-30-2022 '000	Unaudited Nine Months ended Sep-30-2021 '000	Audited Year ended Dec-31-2021 '000
Government debt securities	68,027	42,979	68,325
Corporate debt securities	39,484	19,765	42,880
Balance at the end of year/period	**$107,511**	**$62,744**	**$111,205**

Movement during the year/period	Unaudited Nine Months ended Sep-30-2022 '000	Unaudited Nine Months ended Sep-30-2021 '000	Audited Year ended Dec-31-2021 '000
Balance at January 1,	111,205	96,194	96,194
Net movement of investment at amortised cost	(3,694)	(33,450)	15,011
Balance at the end of year/period	**$107,511**	**$62,744**	**$111,205**

4. Cash and cash equivalents	Unaudited Nine Months ended Sep-30-2022 '000	Unaudited Nine Months ended Sep-30-2021 '000	Audited Year ended Dec-31-2021 '000
Bank current account	43,425	53,221	170,997
Mutual funds	25,053	5,848	4,563
Short term deposits	42,464	32,447	4,685
	$110,942	**$91,516**	**$180,245**

5. Stated capital	Unaudited Nine Months ended Sep-30-2022 '000	Unaudited Nine Months ended Sep-30-2021 '000	Audited Year ended Dec-31-2021 '000
Authorised:			
An unlimited number of ordinary shares of no par value			
Issued and fully paid:			
1 ordinary share of no par value	**$3,940,967**	**$3,940,967**	**$3,940,967**

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 nine months ended September 30 2022, 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 Nine Months ended Sep-30-2022 '000	Unaudited Nine Months ended Sep-30-2021 '000	Audited Year ended Dec-31-2021 '000
Bonds in Series A, B and C	4,000,000	4,000,000	4,000,000
Amortised bond issuance cost	(23,340)	(27,800)	(26,686)
	$3,976,660	**$3,972,200**	**$3,973,314**

7. Other Income – Net unrealised gains 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 Nine Months ended Sep-30-2022 '000	Unaudited Nine Months ended Sep-30-2021 '000	Audited Year ended Dec-31-2021 '000
Equity investments:			
Angostura Holdings Limited	427,421	43,174	98,683
One Caribbean Media Limited	(6,420)	(8,560)	(6,573)
Republic Financial Holdings Limited	(6,371)	56,067	219,598
Investment in subsidiary:			
Trinidad Generation Unlimited	-	633,820	212,813
Other equity Investments:			
West Indian Tobacco Company Limited	(82,013)	(60,452)	(94,158)
	$332,617	**$664,049**	**$430,363**

8. Sinking Fund

As at September 30, 2022 the Sinking fund balance stood at $175.03 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 August 9, 2022 the Company made its eighth 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 $897.6 million. The ninth coupon payment is scheduled for February 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 Cari**AA**, a national rating of tt**AA** and outlook maintained at **stable**.