NATIONAL ENTERPRISES LIMITED

ANNUAL REPORT 2022



DELIVERING **VALUE**

COMPANY OVERVIEW

National Enterprises Limited (NEL) is an investment holding company incorporated on August 27, 1999 by the Government of the Republic of Trinidad and Tobago. NEL was formed to consolidate the Government's shareholding in selected State Enterprises and facilitate public offerings on the Trinidad and Tobago Stock Exchange.

NEL has invested in industries that drive the economy of Trinidad and Tobago: natural gas and energy-based manufacturing, telecommunications, power generation, and the marketing and manufacturing of basic foods.

NEL holds significant shareholding in the following companies:

- NGC NGL Company Limited (NGC NGL);
- NGC Trinidad and Tobago LNG Limited (NGC LNG);
- Telecommunications Services of Trinidad and Tobago Limited (TSTT);
- Trinidad Nitrogen Co. Limited (TRINGEN);
- National Flour Mills Limited (NFM);
- NEL Power Holdings Limited (NPHL); and
- Pan West Engineers and Constructors, LLC (Pan West).

Through NEL, individual and corporate investors can share in the financial stability and staying power of these enterprises. Today, over 5,000 citizens who will continue to benefit from our consistent dividend payments own 100 million of the 600 million issued shares in NEL.

MISSION

NEL's **Mission** is to provide investors with income and capital growth through a diversified and sustainable portfolio, and to broaden national participation in capital markets.

VISION

NEL's **Vision** is to contribute to the sustainable development of the economy of Trinidad and Tobago through a balanced, focused and proactive investment approach geared towards the preservation and enhancement of shareholder value.

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THE CHAIRMAN'S STATEMENT



Ingrid L-A Lashley
Chairman

The calendar year 2022 marked an economic environment that was rapidly transitioning from the depths of the COVID-19 crisis. Adjusting to sustained robust energy prices and a supply chain crisis due to the conflict in Ukraine, inflationary pressures and the threat of yet another highly transmissible, albeit not as virulent, strain of the coronavirus, the year was marked by uncertainty and turmoil. Against this backdrop, I am pleased to report that National Enterprises Limited (NEL) delivered strong performance as we seek ways to deliver value to our shareholders.

As we look at the relevant local, regional and international macroeconomic trends that impact our decisions and resultant performance, we highlight some of the challenges and opportunities that must be considered for the upcoming fiscal year.

Local and Regional Economy

Trinidad and Tobago has traversed the path to recovery in 2022 driven by surging energy prices throughout 2021 and for the most part of 2022. Energy revenues for fiscal year ended September 30, 2022 was $29 Billion versus an average of $19 Billion for the preceding five years. Investment into upstream exploration and production is estimated atUS$5 Billion for the period 2022 to 2026. Between 2021 and 2022, royalties and profits to the Government of the Republic of Trinidad and Tobago (GORTT) increased by an estimated 205%.

Trinidad and Tobago's economy contracted by 4.2% in the last quarter of 2021 according to the Central Statistical Office. However, the International Monetary Fund (IMF) projects annual growth at a rate of 3.4% for the period 2022 to 2025. The Inter-

American Development Bank (IDB) further project that debt to GDP levels are expected to decline from 80% in 2020 to 63.6% in 2024.

According to the Central Bank of Trinidad and Tobago (CBTT), Trinidad and Tobago experienced 6.2% inflation, characterized by increasing inflationary pressures from global supply chain issues, fuel and food increases. Food inflation was recorded at 11.6%.

As of the first quarter of 2022, real GDP had increased by 2.2% in the non-energy sector. Digital transformation has also been cited by GORTT as a priority goal for the emergence of a digital society with a fully functioning digital economy. The underlying significance of GORTT's digital initiatives is highlighted by the US$250 Million loan received from CAF Development Bank of Latin America to accelerate the digitization process in the state and productive sectors.

At the regional level, the IDB forecasts that high levels of food and fuel prices, along with rising international interest rates will lead to economic slowdowns on a regional basis. The annual inflation rate in Caribbean countries in 2022 was 8% compared to 12.5% for Latin America.

Local Energy Sector

The removal of fuel subsidies announced in the 2023 National Budget for the fiscal year October 1, 2022 to September 30, 2023, would reduce total fuel subsidies from US$390 Million (approximately 5% of total expenditure) in the fiscal year 2022 to US$320 Million in the comparative period for 2023.

Upstream investment is estimated to be US$5 Billion for the period 2022 to 2026. Agreements signed with bpTT and Shell T&T for the restructuring of Atlantic LNG together with GORTT and the National Gas Company Limited (NGC) have positioned Trinidad and Tobago to get a larger stake and share of revenues as well as a more in-depth role in the marketing and commercial arrangements for Liquified Natural Gas (LNG). Trinidad and Tobago Electricity Commission (T&TEC) has also signed a Power Purchase Agreement with consortium partners, bpTT, Lightsource bp and Shell T&T for the development of the country's first utility scale solar photovoltaic project.

GORTT has been granted approval for a license from the United States Government to complete development in the Dragon Field which is located in Venezuelan waters. This development has the potential to deliver an additional 350 million cubic feet of gas when the pipeline is completed in a couple years from now. This will be a much welcomed boost to the availability of natural gas for use by the downstream petrochemical producers at Point Lisas as well as for the export of LNG and Natural Gas Liquids (NGLs).

One of GORTT's main stated goals is to become a major provider of clean fuel. NewGen Energy Ltd.'s $250 Million hydrogen production facility in Point Lisas aims to help Trinidad and Tobago become a first-mover hydrogen differentiator and is expected to provide new carbon-neutral and green hydrogen feedstock with construction estimated to begin in 2025.

Global Economy

The IMF World Economic Outlook has reported a slowing of global economic growth from 6.1% in 2021 to 3.2% in 2022 and 2.7% in 2023. Global inflation is forecasted at 8.8% in 2022 but is expected to decline to 6.5% in 2023 and 4.1% in 2024. The United States of America (USA) registered an inflation rate of 4.7% in the face of repeated action by the US Federal Reserve hiking the US Federal Funds rate.

The IDB estimates that natural gas prices in 2022 averaged twice that of 2019's prices. It is projected that prices will be at least 30% above pre-pandemic levels until 2025. Global energy consumption is predicted to grow by just 1.3% in 2023, according to The Economist Intelligence Unit (EIU) due to factors including geo-political forces like the Russia/Ukraine war, extreme weather, waning gas supplies and high energy prices. The transition to clean energy will also see energy companies and governments facing conflicting pressures to maximise returns

from fossil fuels while developing technologies and production of carbon neutral energy sources.

The global ammonia market is poised to continue growing from its current 170 million tonnes annually and is expected to increase at the rate of 2.5 to 3 million tonnes per year. Over the next two years, the market will be characterized by tight supply versus current demand with an estimated deficit of 8 million tonnes.

The Way Forward

Forward looking statements on prospects and the future direction of economies and markets are challenging even at the best of times. However, the present financial world is beset by so many moving parts, such as interest rates, inflation and monetary tightening, rumours of pending recessions due to Central banks aggressive monetary stance, and a war, the duration of which is impossible to predict, that predictions at this time is almost impossible. That being said, this level of uncertainty has created opportunities for our twin island state, which should redound to the patient NEL investor.

As we position for growth and diversification opportunities in both energy and non-energy markets, we are mindful of the potential impact of the existing themes of inflation, supply chain constraints and markets uncertainties. NEL will be guided by the appropriate risk/reward matrices in our investment decisions.

We have undertaken vigorous and regular evaluation of the mix and risk profiles of our portfolio of investee companies to ensure that we can deliver enhanced value for shareholders and investors in both dividend income and share appreciation through diversification and sustainability. We continue to strive for operational efficiency, digitizing our processes where appropriate to improve responsiveness and productivity. Engaging our shareholders, key stakeholders and communities remain a critical element for transparency as we communicate the way forward. NEL and its portfolio of investee companies are committed to ethical, responsible and sustainable investment and business practices.

The way forward starts with delivering value to our shareholders on a consistent and sustained basis for the long-term. NEL's financial results for the past financial period demonstrate a recovery through resilience while still experiencing the volatility inherent in the different markets. Our strong retained earnings position and cash positive investments provide a platform to continue delivering and adding value for our shareholders while encouraging wider participation in our local capital markets for our prospective investors – leaving no one behind.

I thank the NEL team and my colleagues on the Board of Directors for their determination and commitment this past eighteen months, and I look forward to another positive performance in the upcoming fiscal year. Special appreciation to Mr Navin Rajkumar who has been a Director for 8 years and has indicated that he will not be available for re-election.



Ingrid L-A Lashley
Chairman

CORPORATE INFORMATION

Board of Directors	Ingrid L-A Lashley – Chairman Ross Alexander Nicole De Freitas Howard Dottin Ferri Hosein Annalean Inniss Janet Parks Navin Rajkumar David Robinson
Corporate Secretary	Aegis Business Solutions Limited 18 Scott Bushe Street Port of Spain (868) 625-6473
Registered Office	Level 15, Tower D International Waterfront Centre Wrightson Road Port of Spain Trinidad and Tobago (868) 612-1705
Bankers	First Citizens Bank Limited 50 St. Vincent Street Port of Spain (868) 624-3178
Auditors	BDO Chartered Accountants 2nd Floor, CIC Building 122-124 Frederick Street Port of Spain (868) 625-8662
Attorneys	Lex Caribbean P.O. Box 1165 First Floor 5-7 Sweet Briar Road St. Clair (868) 628-9255
Registrar	Trinidad and Tobago Central Depository 10th Floor, Nicholas Tower 63-65 Independence Square Port of Spain (868) 625-7288

CHAIRMAN
AND BOARD OF DIRECTORS



Ingrid L-A Lashley
Chairman



Ferri Hosein



Annalean Inniss



Navin Rajkumar



Janet Parks



Ross Alexander



Nicole De Freitas



David Robinson



Howard Dottin

GENERAL MANAGER AND MANAGER, INVESTMENT & ACCOUNTING



Charles Maynard
General Manager



Venita Ramlal
Manager, Investment & Accounting

DIRECTORS' REPORT

The Directors confirm that, to the best of their knowledge and belief, the Audited Financial Statements for the period ended September 30, 2022 comply with the applicable financial reporting standards and present a true and fair view of the financial affairs of the company.

2022 Financial Highlights for the period	**TT$**
Net Profit for the period	1,979,760,000
Total dividend paid for the period	168,000,000
Retained earnings as at September 30, 2022	2,219,027,000

Disclosure of Interest of Directors and Officers in any Material Contract:

(pursuant to section 93(1) of the Company Act Ch 81:01)

At no time during the current financial year has any Director or Officer been a party to a material contract or a proposed material contract with the company, or been a Director or Officer of any body, or had material interest in any body that was a party to a material contract or a proposed material contract with the company.

Changes to the Board:

Mr. Howard Dottin and Ms. Nicole De Freitas were appointed Directors effective March 15, 2022 and June 21, 2022, respectively.

Mr. Navin Rajkumar's term as a Director has expired. Mr. Rajkumar has advised that he is not available for re-election.

Election of Directors:

To re-elect Mr. David Robinson as a Director to the Board of National Enterprises Limited for a period of three (3) years with effect from the conclusion of the Annual Meeting.

To elect Mr. Howard Dottin as a Director to the Board of National Enterprises Limited for a period of three (3) years with effect from the conclusion of the Annual Meeting.

To elect Ms. Nicole De Freitas as a Director to the Board of National Enterprises Limited for a period of two (2) years with effect from the conclusion of the Annual Meeting.

Auditors:

The Auditors, BDO (Trinidad & Tobago), retire at the end of the Twenty Second Annual Meeting of the Company and have indicated that they are willing to continue as the Auditors of National Enterprises Limited.

AEGIS
BUSINESS SOLUTIONS LIMITED

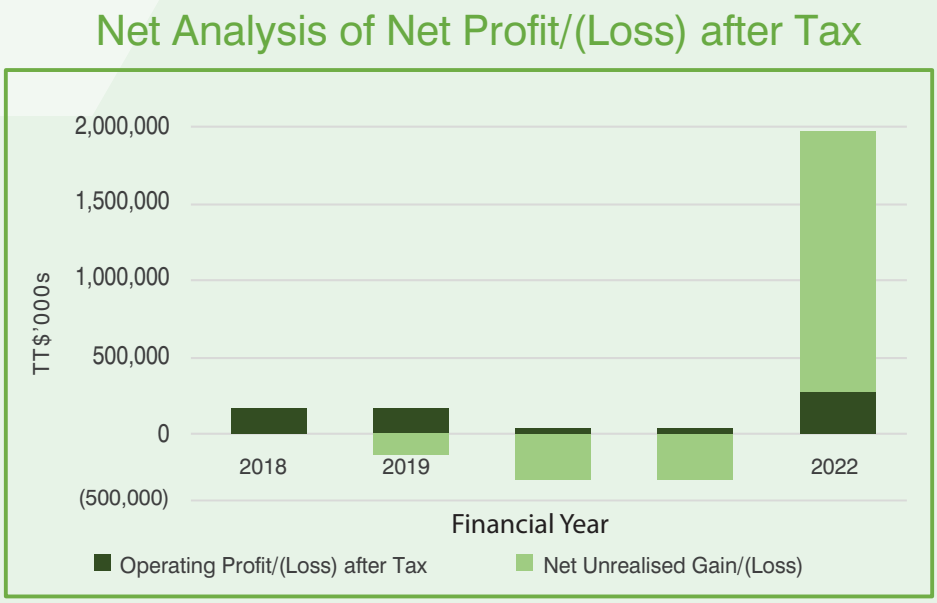
Aegis Business Solutions Limited
Corporate Secretary
Port of Spain
January 27, 2023

GENERAL MANAGER'S STATEMENT

As of September 30, 2022, the fair market value of National Enterprises Limited's (NEL) equity investments in subsidiaries, joint ventures and associate companies based on IFRS 9, was TT$3.42 Billion, an increase of 92% compared to the $1.78 Billion as of March 31, 2021, the last reporting date.

NEL's Financial Position

For the financial period ended September 30, 2022 (FY2022), NEL recorded a net profit of $1.98 Billion, an increase of over $2 Billion as compared to the previous financial year (FY2021), where NEL recorded a loss of $270 Million.



NEL's increased net profit over the eighteen-month financial period ended September 30, 2022 includes the unrealized fair value gain of $1.7 Billion from NEL's portfolio companies in the energy sector. NEL Power Holdings increased by $21.3 Million or 19.7% over its value as of March 31, 2021. This was offset by declines in the fair values of Telecommunications Services of Trinidad and Tobago Limited (TSTT) and National Flour Mills Limited (NFM).

NEL also registered an operating profit of $297 Million in FY2022 versus the $28 Million recorded in financial year ended March 31 2021 (FY2021). Management has continued with prudent cost management practices while pursuing operational efficiencies. Operating expenses in FY22 have remained consistent at $8.8 Million for the eighteen-month period compared to $4.99 Million for the twelve-month FY2021.

Portfolio Performance Summary

Energy Portfolio

Trinidad Nitrogen Co. Limited (Tringen) performed exceptionally and delivered unrealized fair market value gains of over $2 Billion in FY2022 was offset by declines in fair value of the other companies in our energy portfolio. The surge in ammonia prices carried through from the last part of 2021 well into 2022 primarily due to tightening of supply in the middle of rising global demand for fertilizer. Notwithstanding some volatility experienced towards the end of 2022, ammonia prices are projected to be maintained for at least the next 12 months.

NGC NGL Company Limited and Pan West Engineers and Constructors, LLC are holding companies for NEL's shareholding interests in Phoenix Park Gas Processors Limited (PPGPL). Together with NEL's investment stake in Trinidad and Tobago NGL Limited that is listed as NGL on the Trinidad and Tobago Stock Exchange, it provides for approximately 14% indirect ownership in PPGPL. PPGPL's acquisition of Hull Terminal in Texas, USA for the distribution of products like propane, butane and isobutante provides the opportunity to increase its customer base via pipeline rail and road in conjunction with Twin Eagle Liquids Marketing LLC, which was acquired in 2020. PPGPL also acquired an NGL terminal in Rush City in December 2022, giving it a market entry into one of the largest consuming regions in the USA. This industry experienced price volatility and steep cost increases in 2022.

NGC Trinidad and Tobago LNG Limited (NGC LNG) is NEL's investment holding company that owns 10% shareholding in Atlantic LNG Train 1. The value of NEL's investment in NGC LNG was written down in March 2021 to reflect that there are no ongoing material operations amid the discussions for the restructuring of Atlantic LNG between the Government of the Republic of Trinidad and Tobago, NGC and the other major shareholders.

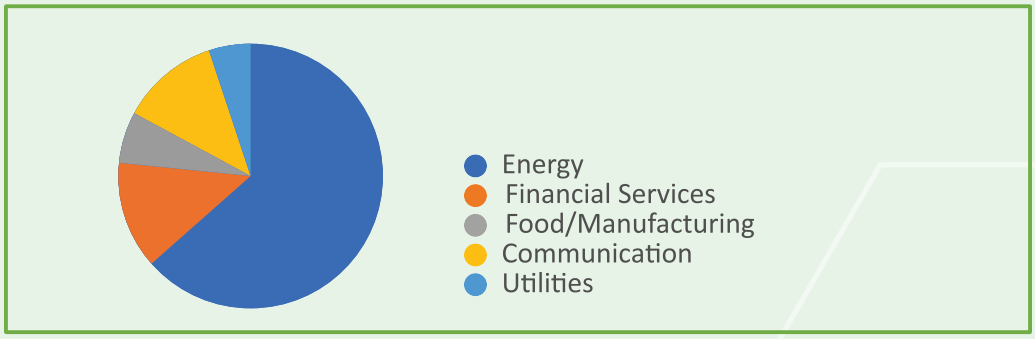
Non-Energy Portfolio

NEL Power Holdings Limited (NPHL) is a wholly-owned subsidiary of NEL that has a 10% shareholding in The Power Generation Company of Trinidad and Tobago Limited (PowerGen). PowerGen's increase of $21.3 Million in fair value was offset by declines in the Telecommunications Services of Trinidad and Tobago Limited (TSTT) (35%) and National Flour Mills Limited (27.8%). PowerGen continues to deliver stable financial results and has successfully met demands for increased capacity from the Trinidad and Tobago Electricity Commission (T&TEC) during the past fiscal year.

TSTT completed its restructuring exercise in July 2022 and together with the other non-personnel saving measures implemented over the past two years the company expects to realize $340 Million in annualized savings. TSTT's Data Centre was the first in the region to achieve TIA-942-B (Rated 3), DCOS 3 and SOC 2 international standards certification. TSTT provides data services as Disaster Recovery as a Service (DRaaS), Infrastructure as a Service (IaaS), and Backup as a Service (Baas), and for the past 15 years has also provided home and business security solutions to the market.

NFM has faced rising costs through higher grain prices and supply chain disruptions. The company recorded a profit after tax of $1.4 Million in 2021 and experienced a decline of its share price by 23% at year's end. In addition to reducing costs, NFM's focus continues to be the upgrade of its plant and machinery, innovation and automation, as well as maintaining the highest levels of quality through its Food Safety and Quality Management System.

NEL's Investment Portfolio by Industry



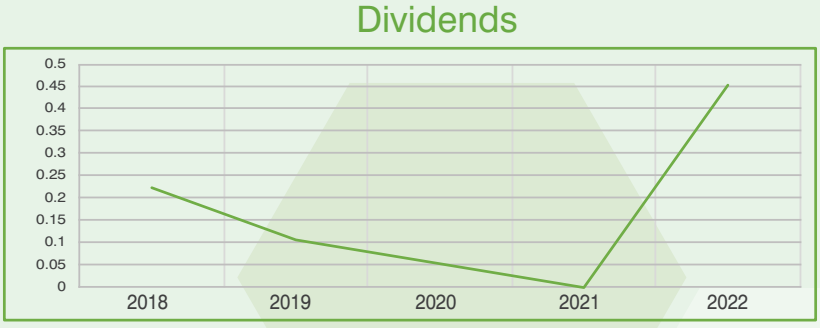
GENERAL MANAGER'S STATEMENT continued

NEL's Retained Earnings have significantly increased from $407 Million in FY2021 to over $2.2 Billion in FY2022. This is the highest level of Retained Earnings for the past five years.



The positive income results for FY2022 have facilitated the cumulative total dividend payment of $0.46 per share for the period ended September 30, 2022. Three interim payments have been paid:

- First interim dividend of $0.03 – December 15, 2021
- Second interim dividend of $0.25 – September 28, 2022
- Third (final) interim dividend of $0.18 – to be paid on January 30, 2023



New Fiscal Year

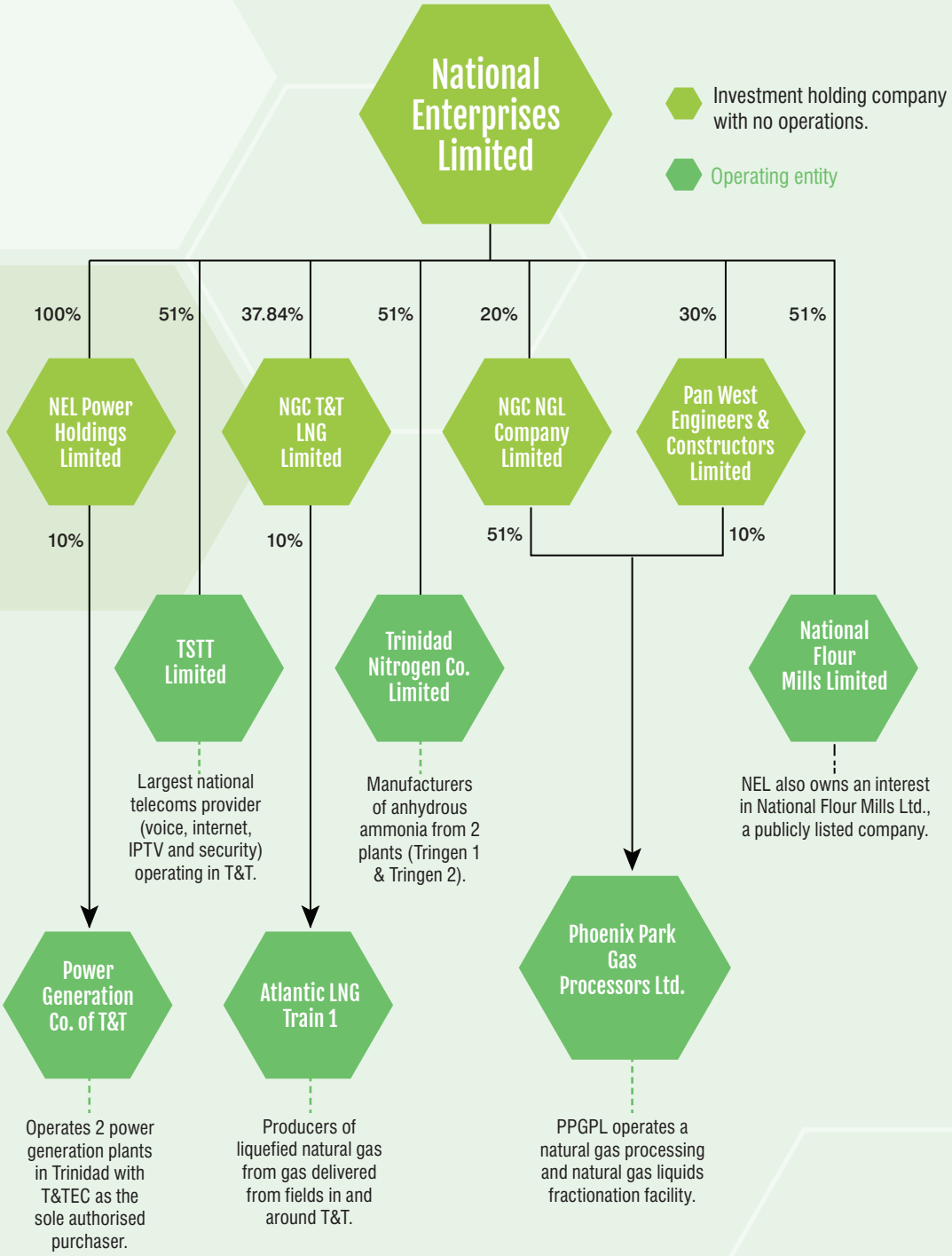
The company's financial year end is now September 30th. This change was made to ensure timely and consistent filing of financial reports while improving the company's risk management and forecasting ability. This change led to the creation of an 18-month period for the financial period ended September 30th, 2022.

Our focus on delivering optimal value to shareholders remains undiminished as we seek to be flexible and adapt to rapidly changing conditions. We will do so through continued sound governance, engagement with our stakeholders and communities with continued operational efficiency.

Charles Maynard
General Manager

NEL'S GROUP STRUCTURE

NEL is an investment holding company that holds a number of direct and indirect investments in companies considered to be key contributors to the T&T economy.



















INVESTEE COMPANIES

- NATIONAL FLOUR MILLS LIMITED (NFM)
- NEL POWER HOLDINGS LIMITED (NPHL)
- NGC NGL COMPANY LIMITED (NGC NGL)
- NGC TRINIDAD AND TOBAGO LIMITED (NGC LNG)
- PAN WEST ENGINEERS AND CONSTRUCTORS, LLC (PAN WEST)
- TELECOMMUNICATIONS SERVICES OF TRINIDAD AND TOBAGO LIMITED (TSTT)
- TRINIDAD NITROGEN CO. LIMITED (TRINGEN)

INVESTEE COMPANIES

NATIONAL FLOUR MILLS LIMITED (NFM)

National Flour Mills Limited (NFM) was incorporated in 1972 and over the years has been recognised as the leader in flour milling, feed milling and dry mix operations throughout Trinidad and Tobago. NFM is publicly listed on the Trinidad and Tobago Stock Exchange with NEL holding 51% shareholding.

In 2021, NFM recorded a profit after tax of $1.4 Million after posting a net profit of $23.5 Million in 2020. NFM has responded to the disruptions resulting from global supply chain issues, inflation and higher grain prices by:

- building resilience in storage and inventory levels;
- automating its processes and investing in upgrading plant and machinery; and
- upskilling of its workforce.

As of September 30, 2022, the fair value of NEL's shareholding in NFM was $96.9 Million. This represents a reduction of 27.8% from $134.3 Million as of March 31, 2021.





INVESTEE COMPANIES



NGC NGL COMPANY LIMITED (NGC NGL)

NEL holds 20% shareholding in NGC NGL, a majority-owned subsidiary of The National Gas Corporation Limited's (NGC) Group of companies. NGC NGL is an investment holding company that owns 51% of the shareholding of Phoenix Park Gas Processors Limited (PPGPL). NGC NGL has no operation or income earning capacity of its own, with revenue derived only from the shares held in the operating entities of PPGPL and its subsidiaries.

PPGPL's plant facility is designed to process raw natural gas received via the existing natural gas pipeline system, and to extract the natural gas liquids (NGLs) contained in the gas stream. Consequently, PPGPL is able to deliver natural gas which is free of heavy hydrocarbons. Its cryogenic gas processing plants are located on the Point Lisas Industrial Estate, Trinidad.

In January 2022, as part of its international expansion strategy, PPGPL successfully acquired Hull Terminal in Texas, USA which specialises in the distribution of LPG products such as propane, butane and isobutane. This acquisition, together with the Twin Eagle Liquids Marketing LLC, previously acquired in 2020, allows PPGPL to continue growing its customer base through the delivery of LPG via pipeline, rail and road, as well as provide new product lines such as Butane and Iso-Butane to its customers. The industry remains exposed to price volatility as well as steep cost increases.

In addition, in December 2022, PPGPL acquired an NGL terminal in Rush City, Minnesota. This acquisition represents a market entry for PPGPL in one of the largest propane consuming regions in the United States.

As of September 30, 2022, the fair value of NEL's shareholding in NGC NGL was $445.9 Million. This represents a reduction of 34% from $677.8 Million as of March 31, 2021.



INVESTEE COMPANIES

NEL POWER HOLDINGS LIMITED (NPHL)



NEL Power Holdings Limited (NPHL) is a wholly-owned subsidiary of NEL. NPHL is an investment management company with no independent operations. The company's sole asset is its 10% interest in The Power Generation Company of Trinidad and Tobago Limited (PowerGen) which it acquired in December 2013.

PowerGen owns, maintains and operates two power generation plants that supply electricity in bulk to The Trinidad and Tobago Electricity Commission (T&TEC) for distribution to industrial, commercial and residential customers.

PowerGen's financial results have been stable for the past five years and has been able to successfully respond to increased capacity demand from T&TEC during the financial year ended December 31, 2022. Powergen continues to focus on improving its operational and administrative efficiencies.

As of September 30, 2022, the fair value of NPHL was $129.2 Million. This is an increase of 19.7% or $21.3 Million as of the last financial reporting period ended March 31, 2021.

INVESTEE COMPANIES



NGC TRINIDAD AND TOBAGO LIMITED (NGC LNG)

NGC Trinidad and Tobago LNG Limited (NGC LNG) is a majority-owned subsidiary of The National Gas Company of Trinidad and Tobago Limited (NGC) in which NEL owns 37.84% shareholding. NGC LNG has 10% shareholding in Atlantic LNG Train 1 (ALNG1).

NGC LNG is an investment holding company with no income earning capacity of its own, thus its value is primarily based on the value of the investment held in ALNG1 via Atlantic 1 Holdings LLC.

In March 2021, the value of NEL's shareholding in NGC LNG was written down to reflect that there are no ongoing material operations amid the discussions between NGC, the Government of Trinidad and Tobago (GORTT) and the other shareholders, for the restructuring of Atlantic LNG.

NEL's interest in NGC LNG as of September 30, 2022 is estimated to have a fair value of $39 Million compared to 43.9 Million as at March 31, 2021.



INVESTEE COMPANIES



PAN WEST ENGINEERS AND CONSTRUCTORS, LLC (PAN WEST)

Pan West Engineers and Constructors, LLC (Pan West) is a joint venture among NEL, Trinidad and Tobago Unit Trust Corporation (TTUTC) and National Insurance Board of Trinidad and Tobago (NIBTT). The shareholders hold an equal share of the company which owns 10% shareholding in Phoenix Park Gas Processors Limited (PPGPL). Pan West is an investment holding company with no income earnings capacity of its own, therefore its value is primarily based on the value of the investment held in PPGPL and its subsidiaries. By its shareholding in Pan West and NGC NGL as well as its shareholding in Trinidad and Tobago NGL Limited (TTNGL), NEL effectively owns approximately 14% of PPGPL.

PPGPL operates a natural gas processing and natural gas liquids (NGLs) fractionation facility, and is the largest producer and marketer of propane, butane and natural gasoline in the Caribbean. PPGPL's LPGs and liquid natural gasoline are marketed to the Caribbean, Central America and North America. PPGPL maximises the value of its NGL production by pursuing specific product differentiation strategies including delivering competitively priced, high-quality products and services, and operating its plant in a safe, reliable, flexible, environmentally friendly and efficient manner. Like NGC NGL, Pan West results were affected by the industry being exposed to price volatility as well as steep cost increases.

As of September 30, 2022, the fair value of NEL's shareholding in Pan West was $122.6 Million. This represents a reduction of 39.8% from $203.8 Million as of March 31, 2021.



INVESTEE COMPANIES





TELECOMMUNICATIONS SERVICES OF TRINIDAD AND TOBAGO LIMITED (TSTT)

Telecommunications Services of Trinidad and Tobago Limited (TSTT) is jointly owned by NEL (51%) and Cable and Wireless West Indies Limited (C&W) (49%) now Liberty Group Latin America. Following its November 2014 acquisition of Columbus Communications (FLOW), C&W agreed to the suspension of its shareholder rights in TSTT under the Shareholders' Agreement dated December 20, 1989. C&W's interest in TSTT has been available for sale since the Divestment Agreement of March 20, 2015.

TSTT is Trinidad and Tobago's largest and most advanced provider of integrated communications solutions to the residential and commercial markets. It provides cutting-edge, solutions with the most complete telecommunications product offering, including fixed line services on the largest digital network in the country, mobile services on a frequency division duplex (FDD) LTE 4G network and fixed wireless broadband services on a time division duplex (TDD) LTE network. High Speed Internet and High Definition TV on a next generation fibre optic telecommunications backbone using Fibre to the Home GPON technology, is provided through TSTT's wholly owned subsidiary, Amplia Communications Limited.

TSTT completed its restructuring exercise in July 2022. Over the last two financial years, TSTT also implemented other non-personnel saving measures with an aim to bring TSTT's operating costs in line with industry benchmarks. The restructuring exercise is expected to yield $180 million annualized savings and the non-personnel related savings resulted in annualized cost savings of $160 Million. Both restructuring and non-personnel savings combined will result in an overall annualized savings of $340 Million.

As of September 30, 2022, the fair value of NEL's shareholding in TSTT was $161.9 Million. This represents a decrease of $86.7 Million or 35% from $248.6 Million as of March 31, 2021.

INVESTEE COMPANIES

TRINIDAD NITROGEN CO. LIMITED (TRINGEN)



Trinidad Nitrogen Co. Limited (TRINGEN) is a joint venture arrangement between NEL (51%) and Yara Caribbean (2002) Ltd (49%).

TRINGEN manufactures anhydrous ammonia via two independent production plants; TRINGEN 1 and TRINGEN 2 with a total installed capacity of 3,000 MT/ day. Trinidad and Tobago is one of the world's largest exporters of ammonia with TRINGEN exporting more than 95% of its annual production. The company in 2022 undertook a scheduled maintenance intervention which improved equipment asset lifetime while improving operating reliability, production efficiency, specific energy consumption and absolute GHG emissions.

In the face of global trends regarding increased commodity prices, TRINGEN has delivered exceptional financial results. As of September 30, 2022, the fair value of TRINGEN was $2.4 Billion – a significant increase (563%) from $361.5 Million as of March 31, 2021.

SUBSTANTIAL AND DIRECTORS' REPORT

AS AT SEPTEMBER 30, 2022

SHAREHOLDERS BY SHAREHOLDINGS IN DESCENDING ORDER
10 largest blocks of shares

Issued Share Capital: ***600,000,641***

RANK	SHAREHOLDER'S NAMES	Shares Held	Percentage %
1	MINISTER OF FINANCE - CORPORATION SOLE	396,324,698	66.05%
2	THE NATIONAL GAS COMPANY OF TRINIDAD AND TOBAGO LIMITED	100,000,641	16.67%
3	NATIONAL INSURANCE BOARD	24,000,000	4.00%
4	REPUBLIC BANK LIMITED A/C 1162 01	7,502,000	1.25%
5	TRINTRUST LIMITED A/C 1088	5,292,074	0.88%
6	REPUBLIC BANK LIMITED A/C 778	3,829,261	0.64%
7	FIRST CITIZENS ASSET MANAGEMENT LTD PT7	3,282,450	0.55%
8	FIRST CITIZENS ASSET MANAGEMENT LTD PT36	2,752,522	0.46%
9	GUARDIAN LIFE OF THE CARIBBEAN LIMITED	2,192,867	0.37%
10	T & T UNIT TRUST CORPORATION - FUS	2,107,588	0.35%

DIRECTOR'S SHAREHOLDING
as at September 30, 2022

DIRECTOR'S NAMES	SHAREHOLDING	CONNECTED PERSONS	RELATIONSHIP
Ingrid L-A Lashley	Nil	Nil	
Navin Rajkumar	Nil	Nil	
Annalean Inniss	Nil	Nil	
Ferri Hosein	Nil	Nil	
Janet Parks	Nil	Nil	
Ross Alexander	2,000	3,000	Wife
Howard Dottin	Nil	Nil	
David Robinson	1,000	Nil	
Nicole De Freitas	Nil	Nil	



FINANCIALS STATEMENTS

SEPTEMBER 30, 2022

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of National Enterprises Limited (the "Company"), which comprise the statement of financial position as at September 30, 2022; the statements of comprehensive income, changes in equity and cash flows for the period from April 1, 2021 to September 30, 2022, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Company keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Company's assets, detection/prevention of fraud, and the achievement of Company's operational efficiencies;
- Ensuring that the system of internal control operating effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these financial statements, management utilized International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Company will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorized for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.

Charles V Maynard
General Manager
December 28, 2022

Venital Ramlal
Manager – Investment and Accounting
December 28, 2022

Independent Auditor's Report

To The Shareholders of
National Enterprises Limited

Opinion

We have audited the financial statements of National Enterprises Limited (the "Company") which comprise the statement of financial position as at September 30, 2022, the related statements of comprehensive income, changes in equity and cash flows for the period from April 1, 2021 to September 30, 2022 and the accompanying notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2022, and of its financial performance and its cash flows for the period from April 1, 2021 to September 30, 2022 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") and we have fulfilled our ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the period from April 1, 2021 to September 30, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Fair value of investments in subsidiaries, joint ventures and associates

Key Audit Matter

As at September 30, 2022, the Company held significant investments in subsidiaries, associates and joint ventures which were carried at a total fair value of $3.43 billion as disclosed in notes 6 and 7 to the financial statements.

97% or $3.33 billion of the aforementioned balance represents the carrying value of unquoted investments for which no published prices are available, and which have little or no observable inputs.

With the assistance of independent external valuators, the Company applied recognized valuation techniques such as the market approach, the income approach or the adjusted net asset value method, that are consistent with generally accepted standards of valuation, to determine the fair value of these investments.

The fair value assessment requires significant judgement by management, in particular with regard to key input factors such as earnings multiples, liquidity discounts, discount rates or the selection of valuation multiples.

As this balance is significant to the financial statements, we consider the valuation of these investments to be a significant key audit matter.

Independent Auditor's Report (continued)

Key Audit Matters (continued)

1. Fair value of investments in subsidiaries, joint ventures and associates (continued)

Audit Response

Our procedures in relation to the valuation of these investments included the following:

- Evaluating the independent professional valuator's competence, capabilities, and objectivity.
- Assessing the acceptability and consistency of the approaches and methodologies used.
- Assessing the reasonableness of the assumptions used and applications thereof.
- Evaluating the suitability of the choice of models used for the various entities, including consistency of application across entities and prior reporting periods.
- Verifying the model inputs to source data on a sample basis.
- Assessing the application and quantification of premiums and discounts, including discounts for lack of marketability.
- Verifying the mathematical accuracy of the valuation computations.
- Performing "stand-back" reviews, including discussions and enquiries with the valuer, to ensure that the final fair value reflected the assimilation of facts presented as inputs and assumptions to the valuation models.

2. Applicability of IFRS 10 consolidation exemption

Key Audit Matter

As at September 30, 2022, the Company held three subsidiaries whose financial statements were not consolidated with those of the Company in accordance with the exemption requirements of IFRS 10. Refer to Note 4.2.

IFRS 10 does not require an investment entity to consolidate its subsidiaries and requires the entity to measure the investments at fair value through profit or loss.

The Company is required to make significant judgements and assumptions in determining whether it meets the definition of an investment entity in accordance with IFRS 10.

Given that this is a matter of significant judgement which significantly affects the fair presentation of the financial statements, we consider it to be a significant key audit matter.

Audit Response

Our procedures in relation to assessing the applicability of the IFRS 10 consolidation exemption included the following:

- Revisiting and evaluating the IFRS 10 consolidation exemption criteria and requirements.
- Critically assessing management's assessment of the Company's qualification as an investment entity.
- Reviewing the completeness of the disclosures required by IFRS 12 for investment entities.
- Consulting with technical advisors on the interpretation of the relevant IFRS.

Independent Auditor's Report (continued)

Other Matters

The financial statements of the Company for the year ended March 31, 2021, were audited by another auditor who expressed an unmodified opinion on those statements on June 28, 2021.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Riaz Ali.

BDO

December 28, 2022

Port of Spain,
Trinidad, West Indies

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2022

(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	September 30, 2022	March 31, 2021
Assets			
Non-current assets:			
Property and equipment	5	499	682
Investment in subsidiaries	6	387,934	490,815
Investment in joint ventures and associated companies	7	3,037,307	1,287,060
Other long-term investments	8	230,847	289,148
Due from related parties	9	111,924	112,606
Total non-current assets		3,768,511	2,180,311
Current Assets:			
Accounts receivable and prepayments	10	19,183	2,105
Other financial assets	11	120,575	-
Short-term investments	12	117,874	15,446
Cash and cash equivalents	13	13,330	29,878
Taxation recoverable	14	484	372
Total current assets		271,446	47,801
Total assets		**$4,039,957**	**$2,228,112**
Equity and Liabilities			
Share capital	15	1,736,632	1,736,632
Translation reserve	16	63,866	63,866
Investment remeasurement reserve	17	16,422	16,422
Retained earnings		2,219,027	407,267
Total Equity		4,035,947	2,224,187
Current Liabilities			
Accounts payable and accruals	18	4,010	3,925
Total current liabilities		4,010	3,925
Total equity and liabilities		**$4,039,957**	**$2,228,112**

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

These financial statements were approved by the Board of Directors and authorised for issue on December 28, 2022 and signed on their behalf by:

Director _____
Ingrid L-A Lashley

Director _____
Navin Rajkumar

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD FROM APRIL 1, 2021 TO SEPTEMBER 30, 2022

(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	18 months ended September 30, 2022	March 31, 2021
Revenue			
Interest income		9,478	6,621
Dividend income	19	296,431	25,969
Other income		256	663
Reversal of expected credit loss		-	24
		306,165	33,277
Operating Expenses	21	(8,760)	(4,993)
Operating profit		297,405	28,284
Net unrealised gain/(loss) on financial assets at fair value through profit or loss		1,685,865	(296,934)
Net profit/(loss) before taxation		1,983,270	(268,650)
Taxation	14	(3,510)	(1,781)
Net profit/(loss) for the period/year		1,979,760	(270,431)
Total comprehensive income/(loss) for the period/year		**$1,979,760**	**$(270,431)**

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

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD FROM APRIL 1, 2021 TO SEPTEMBER 30, 2022

(Expressed in Thousands of Trinidad and Tobago Dollars)

	Share Capital	Translation Reserve	Investment Remeasurement Reserve	Retained Earnings	Total Equity
For the period from April 1, 2021 to September 30, 2022					
Balance as at April 1, 2021	1,736,632	63,866	16,422	407,267	2,224,187
Total comprehensive income for the period	-	-	-	1,979,760	1,979,760
Dividend paid (Note 20)	-	-	-	(168,000)	(168,000)
Balance as at September 30, 2022	**$1,736,632**	**$63,866**	**$16,422**	**$2,219,027**	**$4,035,947**
Year ended March 31, 2021					
Balance as at April 1, 2020	1,736,632	63,866	16,422	677,698	2,494,618
Total comprehensive loss for the year	-	-	-	(270,431)	(270,431)
Dividend paid (Note 20)	-	-	-	-	-
Balance as at March 31, 2021	**$1,736,632**	**$63,866**	**$16,422**	**$407,267**	**$2,224,187**

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

STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM APRIL 1, 2021 TO SEPTEMBER 30, 2022

(Expressed in Thousands of Trinidad and Tobago Dollars)

	18 months ended September 30, 2022	Year ended March 31, 2021
Cash flows from operating activities		
Net profit/(loss) before taxation expenses	1,983,270	(268,650)
Adjustment to reconcile net profit/(loss) before taxation to cash provided by operating activities:		
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	(1,685,865)	296,934
Reversal of expected credit loss	-	(24)
Depreciation	296	137
Net change in accounts receivable and prepayments	(17,078)	530
Net change in accounts payable and accruals	85	1,004
Net change in due from related parties	682	(613)
Operating profit before working capital	281,390	29,318
Taxes paid	(3,623)	(1,354)
Net cash generated from operating activities	277,767	27,964
Cash flows from investing activities		
Purchase of property and equipment	(112)	(380)
Net change in other financial assets	(120,564)	-
Net change in other long-term investments	96,789	1,453
Net cash (used by)/generated from investing activities	(23,887)	1,073
Cash flows from financing activities		
Dividends paid	(168,000)	-
Net cash used by financing activities	(168,000)	-
Net increase in cash and cash equivalents	85,880	29,037
Cash and cash equivalents, beginning of year	45,324	16,287
Cash and cash equivalents, end of year	**$131,204**	**$45,324**
Represented by:		
Short-term investments	117,874	15,446
Cash and cash equivalents	13,330	29,878
	$131,204	**$45,324**

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

1. 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 6 and 7. The registered office of the Company is Level 15, Tower D, International Waterfront Centre, Wrightson Road, Port of Spain.

On July 27, 2021, the Board of Directors approved the change of the Company's year end from March 31 to September 30. These financial statements have therefore been prepared for the eighteen month period ended September 30, 2022 with the comparatives representing the year ended March 31, 2021. Additional disclosure has been included in the Note 23 to the financial statements for comparison purposes.

2. Summary of significant accounting policies

2.1 Basis of preparation

(a) Use of estimates

These financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRSs). The principal accounting policies adopted in the preparation of the financial statements are set out in this note. The policies have been consistently applied to all the years presented, unless otherwise stated. The historical cost basis is used, except for the measurement at fair value of financial instruments.

(b) New standards, amendments and interpretations which are effective and have been adopted by the Company in the current year.

There are no new standards, amendments and interpretations which are effective on or after April 1, 2021 which have been adopted by the Company.

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(c) Standards amendments and interpretations issued which are effective after April 1, 2021, and have been early adopted by the Company.

The Company has not early adopted any new standards, interpretations or amendments.

(d) Standards, amendments and interpretations issued which are effective and not relevant to the Company.

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - Interest Rate Benchmark Reform-Phase 2 (Effective January 1, 2021). The amendments in *Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)* introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition.
- Amendments to IFRS 16- Covid-19-Related Rent Concessions beyond June 30, 2021 (Effective April 1, 2021). The amendment extends, by one year, the May 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.

(e) New standards, amendments and interpretations issued but not effective and not early adopted.

The following new standards, interpretations and amendments, which have not been applied in these financial statements, will or may have an effect on the Company's future financial statements in the period of initial application. In all cases the entity intends to apply these standards from application date as indicated in the note below.

- In May 2020, the IASB issued the following, which are effective for annual reporting periods beginning on or after January 1, 2022:
  - minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.
  - amendments to IFRS 3, which update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
  - amendments to IAS 37, which specify the costs a company includes when assessing whether a contract will be lossmaking and is therefore recognised as an onerous contract. These amendments are expected to result in more contracts being accounted for as onerous contracts because they increase the scope of costs that are included in the onerous contract assessment.
  - amendments to IAS 16, which prohibit a company from deducting amounts received from selling items produced while the company is preparing the asset for its intended use from the cost of property, plant and equipment. Instead, a company will recognise such sales proceeds and any related costs in profit or loss.

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(e) New standards, amendments and interpretations issued but not effective and not early adopted. (continued)

- In January 2020, the IASB issued amendments to IAS 1, which clarify how an entity classifies liabilities as current or non-current. The amendments initially had an effective date of January 1, 2022, however, in July 2020 this was deferred until January 1, 2023 as a result of the COVID-19 pandemic. These amendments are expected to have a significant impact on many entities, with more liabilities being classified as current, particularly those with covenants relating to borrowings. The IASB, at its meeting held in June 2021, tentatively decided to amend the requirements in IAS 1 with respect to the classification of liabilities subject to conditions and disclosure of information about such conditions and to defer the effective date of the 2020 amendment by at least one year to annual reporting periods beginning no earlier than on or after January 1, 2024.
- In February 2021, the IASB issued amendments to IAS 1, which change the disclosure requirements with respect to accounting policies from 'significant accounting policies' to 'material accounting policy information'. The amendments provide guidance on when accounting policy information is likely to be considered material. The amendments to IAS 1 are effective for annual reporting periods beginning on or after January 1, 2023, with earlier application permitted.
- In February 2021, the IASB issued amendments to IAS 8, which added the definition of Accounting Estimates in IAS 8. The amendments also clarified that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from correction of prior period errors. The amendments are effective for annual reporting periods beginning on or after January 1, 2023.
- In May 2021, the IASB issued amendments to IAS 12, which clarify whether the initial recognition exemption applies to certain transactions that result in both an asset and a liability being recognised simultaneously (e.g. a lease in the scope of IFRS 16). The amendments introduce an additional criterion for the initial recognition exemption under IAS 12.15, whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of the transaction, gives rise to equal taxable and deductible temporary differences. The amendments are effective for annual reporting periods beginning on or after January 1, 2023.

Other standards, amendments and interpretations to existing standards in issue but not yet effective are not considered to be relevant to the Company and have not been disclosed.

2.2 Foreign currency

(a) Functional and presentational currency

These financial statements are presented in Trinidad and Tobago dollars which is the Company's functional and presentation currency. An entity's functional currency is the currency of the primary economic environment in which the entity operates; normally, that is the currency of the environment in which an entity primarily generates and expends cash.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date.

2. Summary of significant accounting policies (continued)

2.2 Foreign currency (continued)

(b) Transactions and balances. (continued)

Foreign exchange gains and losses arising from the translation of financial assets and liabilities are included in the statement of comprehensive income.

2.3 Property, plant and equipment

Items of property, plant and equipment are stated at historical cost or at its carrying value less related accumulated depreciation and impairment.

Depreciation is calculated on the straight-line basis at varying rates, which are estimated to be sufficient to write down the cost of the assets to residual value by the expiration of their useful lives.

Depreciation is charged on a pro-rata basis for assets purchased or sold during the year, except in cases of complete plants where depreciation is charged from commissioning of operations.

The rates used are as follows: -

	% per annum
Office furniture and fittings	10
Computer equipment	25
Leasehold improvements	10
Office equipment	25
Computer software	25
Motor vehicles	25

The assets' residual values and useful lives are reviewed at each year-end date, and adjusted as appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the "Gain/Loss on Disposal" account in the statement of comprehensive income.

2.4 Financial assets and financial liabilities

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Classification and subsequent measurement of financial assets

Financial assets are classified and subsequently measured by determining the Company's business model for managing financial assets and the contractual terms of the cashflows. These categories are:

2. Summary of significant accounting policies (continued)

2.4 Financial assets and financial liabilities (continued)

1. Hold to collect or amortised cost
2. Hold to collect and sell or fair value through other comprehensive income (FVOCI)
3. Fair value through profit or loss (FVTPL)

The Company determines the classification of its financial assets on initial recognition and where allowed and appropriate, re-evaluates this designation at each financial year end. Reclassifications occur only when the business model for managing the asset changes. The entity is not permitted, however, to reclassify equity investments that have been irrevocably elected by management to be presented as FVOCI. Purchases and sales of investments are recognized on the date the Company commits to purchase or sell the asset (trade date). Investments are initially recognized at fair value plus or minus, in the case of financial assets not carried at fair value through profit and loss, transaction costs that are directly attributable to its acquisition.

Changes in the fair value of financial assets are recognised in profit and loss unless the financial asset is measured at FVOCI.

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime expected credit losses (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset,

2. Summary of significant accounting policies (continued)

2.4 Financial assets and financial liabilities (continued)

Derecognition of financial assets (continued)

the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Subsequent measurement

All financial liabilities are measured subsequently at amortised cost using the effective interest method except for:

1. Designated as financial liabilities held at fair value through profit or loss.
2. Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies.
3. Financial liabilities that are financial guarantee contracts.
4. Loans provided below-market interest rates.
5. Liabilities held for trading.
6. Contingent consideration recognised in a business combination to which IFRS 3 applies.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.5 Investment in subsidiary

National Enterprises Limited owns 100% of NEL Power Holding Limited and 51% of National Flour Mills (NFM) and Telecommunications Services of Trinidad and Tobago Limited (TSTT).

2. Summary of significant accounting policies (continued)

2.5 Investment in subsidiary (continued)

Although these companies are subsidiaries of NEL, its financial statements were not consolidated with those of the Company in accordance with the requirements of IFRS 10 - Consolidated Financial Statements. IFRS 10 states that a company classified as an investment entity shall not consolidate a subsidiary company and would measure the investment at fair value through the profit and loss.

An investment entity refers to an entity whose business purpose is to invest funds obtained from investors solely for returns from capital appreciation, investment income or both. An investment entity must also evaluate the performance of its investments on a fair value basis.

Where an entity meets the definition of an investment entity, it does not consolidate its subsidiaries, or apply IFRS 3 Business Combinations when it obtains control of another entity. NEL meets the definition of an investment entity in accordance with IFRS 10, therefore it has not consolidated its subsidiaries.

2.6 Investment in Associates and Joint Arrangements

National Enterprises Limited ("the Company" or "NEL") owns 51% of Trinidad Nitrogen Co. Limited ("TRINGEN"). Although NEL is the majority shareholder in this entity, shareholder agreements with the minority shareholders establish joint control by the joint venture partners. Additionally, NEL owns 33.33% – Pan West Engineers Constructors, LLC. Both investments are accounted for in accordance with International Accounting Standard No. 31 – Interests in Joint Ventures.

NGC NGL Company Limited ("NGCNGL") and NGC Trinidad and Tobago LNG Limited ("NGCLNG") in which the Company has a 20% and 37.84% interest respectively, are associates and are accounted for in accordance with IAS 28 – Investments in Associates.

In both instances the method of accounting for these investments have been modified from the equity accounting method under IAS 31 – Interests in Joint Ventures and IAS 28 – Investments in Associates to fair value measurement in line with NEL's presentation as an Investment Entity per Note 2.5.

2.7 Taxation

Current tax

The Company is subject to Corporation Tax, as it does not meet the criteria of an Investment Company as defined by the Corporation Tax Act, Section 6(3). Tax on profit or loss for the year comprises current tax and the change in deferred tax. Current tax comprises tax payable calculated on the basis of the taxable income for the year using the prevailing tax rate and any adjustment to tax payable for previous years.

Deferred tax

Deferred tax is calculated using the liability method whereby liabilities are recognised for temporary differences arising between the carrying amount of assets and liabilities in the statement of financial position and their tax basis, using tax rates that have been enacted or substantially enacted by the year-end date, which result in taxable amounts in future periods. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent it is probable that sufficient taxable profits will be available against which the unused tax losses can be utilised.

2. Summary of significant accounting policies (continued)

2.8 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not, that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are not recognized for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any other item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized in the statement of comprehensive income.

2.9 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable arising from activities in the ordinary course of activities. Interest income is recognised on the accruals basis and dividend income is accrued for when the right to receive payment is established.

2.10 Dividends

Dividend distribution to the Company's shareholders is recognized as a liability in the financial statements in the period in which the dividends are declared by the Company's directors.

3. Financial risk management

Financial risk factors

The Company's activities are primarily related to the use of financial instruments. The Company accepts funds from investors and earns interest by investing in equity investments.

The following table summarizes the carrying amounts and fair values of the Company's financial assets and liabilities:

	September 30, 2022	
	Carrying Value	Fair Value
Financial assets		
Investment in subsidiaries	$387,934	$387,934
Investments in joint ventures and associates	$3,037,307	$3,037,307
Other long-term investments	$230,847	$230,847
Due from related parties	$111,924	$111,924
Accounts receivable	$19,049	$19,049
Other financial assets	$120,575	$120,575
Short-term investments	$117,874	$117,874
Cash and cash equivalents	$13,330	$13,330
Financial Liabilities		
Accounts payables and accruals	$4,010	$4,010

3. Financial risk management (continued)

Financial risk factors (continued)

	March 31, 2021	
	Carrying Value	**Fair Value**
Financial assets		
Investment in subsidiaries	$490,815	$490,815
Investments in joint ventures and associates	$1,287,060	$1,287,060
Other long-term investments	$289,148	$289,148
Due from related parties	$112,606	$112,606
Accounts receivable	$1,832	$1,832
Short-term investments	$15,446	$15,446
Cash and cash equivalents	$29,878	$29,878
Financial Liabilities		
Accounts payables and accruals	$3,925	$3,925

The Company is exposed to interest rate risk, credit risk, liquidity risk, currency risk, operational risk, compliance risk and reputation risk arising from the financial instruments that it holds. The risk management policies employed by the Company to manage these risks are discussed below:

3.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest bearing financial assets and liabilities, including investments in bonds, loans, and other funding instruments.

The exposure is managed through the matching of funding products with financial services and monitoring market conditions and yields.

The Company's exposure to interest rate risk is summarized in the table below, which analyses assets and liabilities at their carrying amounts categorized according to their maturity dates.

	September 30, 2022					
	Effective Rate	**Up to 1 year**	**1 to 5 years**	**Over 5 years**	**Non-Interest Bearing**	**Total**
Financial assets						
Investments in subsidiaries	0%	-	-	-	387,934	387,934
Investments in joint ventures and associates	0%	-	-	-	3,037,307	3,037,307
Other long-team investments	2.5% -7%	-	57,252	-	173,595	230,847
Due from related parties	0%	-	-	-	111,924	111,924
Accounts receivable	0%	-	-	-	19,049	19,049
Other financial assets	2.5% to 5.43%	90,575	-	-	30,000	120,575
Short-term investments	0.9% - 2.3%	117,874	-	-	-	117,874
Cash and cash equivalents	0%	13,330	-	-	-	13,330
		$221,779	**$57,252**	**$-**	**$3,759,809**	**$4,038,840**
Financial Liabilities						
Accounts payables and accruals	0%	-	-	-	4,010	4,010
		$-	**$-**	**$-**	**$4,010**	**$4,010**

3. Financial risk management (continued)

3.1 Interest rate risk (continued)

		March 31, 2021				
	Effective Rate	Up to 1 year	1 to 5 years	Over 5 years	Non-Interest Bearing	Total
Financial assets						
Investments in subsidiaries	0%	-	-	-	490,815	490,815
Investments in joint ventures and associates	0%	-	-	-	1,287,060	1,287,060
Other long-team investments	2% -7%	-	$92,692	39,768	156,688	289,148
Due from related parties	0%	-	-	-	112,606	112,606
Accounts receivable	0%	-	-	-	1,832	1,832
Short-term investments	0.8% - 2.9%	15,446	-	-	-	15,446
Cash and cash equivalents	0%	-	-	-	29,878	29,878
		$15,446	**$92,692**	**$39,768**	**$2,078,879**	**$2,226,785**
Financial Liabilities						
Accounts payables and accruals	0%	-	-	-	3,925	3,925
		$-	**$-**	**$-**	**$3,925**	**$3,925**

3.2 Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Company has policies in place to ensure that all amounts due are collected within specified credit period.

Cash balances are held with high credit quality financial intuitions and the Company has policies to limit the amount of exposure to any financial institution.

Expected credit loss (ECL) model

IFRS 9 outlines a "three stage" forward looking approach for impairment of financial assets based on changes in credit risk from initial recognition to the reporting date. The three-stage approach is as follows:

i) Stage 1: The ECL of these financial instruments are measured at an amount equal to the portion of lifetime ECLs within the next 12 months.

ii) Stage 2: These financial assets are considered to be underperforming and have been assessed as having a significant increase in credit risk. Impairment is based on lifetime ECL.

iii) Stage 3: This stage refers to financial instruments that are credit impaired (non-performing assets) and are currently in default. Impairment is based on lifetime ECL.

ECL is valued at the probability of default (PD) by exposure at default (EAD) applied to the loss given default (LGD) of the instrument.

Measuring ECL – Bond impairment

The following are the key considerations in the ECL methodology for NEL's investment in bonds:

- PDs are calculated using the cumulative number of defaults by instrument rating over the total number of bonds in issue. These are further adjusted to arrive at independent / unconditional probabilities.

3. Financial risk management (continued)

3.2 Credit risk (continued)

- Forward looking PDs are determined using three independent macroeconomic variables. The scenarios are weighted using a normal distribution curve and linear regression is applied against predicted values to arrive at a forward multiple.
- The EADs are the future monthly balances on the bond until maturity, which essentially remains the same for non-amortizing bonds. For amortizing bonds, the future balances are net of future principal repayments.
- ECLs are calculated for each month over the remaining life of the bond and discounted using the effective interest rate on the bond.

The forward-looking approach requires a discount to be applied to the remaining cash flows to the net book value of the bond.

Measuring ECL – Intercompany balances

The liquidation method evaluates the ability of the intercompany NPHL to repay its debt in the instance of an immediate recall by NEL.

The following are the key considerations in this ECL methodology for the impairment of NEL's intercompany asset.

NPHL's ability to repay its debt is dependent on the Company's ability to receive sustainable dividend income from PowerGen, its Investment Company. An analysis of the Company's cashflows sees dividends received being materially consumed by principal and interest payments due to its secured debtholders. The PD is therefore 100%.

To settle this debt NPHL would have to sell its 10% investment in PowerGen and in the liquidation hierarchy settle its obligations. Any residual funds after this process will be used to pay NEL. This difference represents the LGD of this financial asset.

Financial Assets – Bonds

As at September 30, 2022, all bonds have been categorised in stage 1 on the basis of evaluating the financial performance of the institutions, their credit ratings where available over the past five years and guarantee if applicable by the Government of the Republic of Trinidad and Tobago.

As at March 31, 2021, bonds issued by Home Mortgage Bank, First Citizens Bank and Ansa Merchant Bank Limited have been categorised in stage 1 on the basis of evaluating the financial performance of the institutions and their credit ratings where available over the past five years.

The National Housing Authority's bond has been assessed as having low risk of default (Stage 1) on the basis the bond is fully guaranteed by the Government of the Republic of Trinidad and Tobago.

3. Financial risk management (continued)

3.2 Credit risk (continued)

September 30, 2022	Stage 1	Stage 2	Stage 3
Financial assets			
National Housing Authority TT40M 7 % FXRB due 2025	39,812	-	-
Trinidad and Tobago Mortgage Finance Limited 4.25% 3-year bond due 2025	3,989	-	-
First Citizens Investment Services Limited 2.5% Corporate bond due 2023	13,451	-	-
Home Mortgage Bank TT20M series B 2% FXRB due 2022	1,498	-	-
Petroleum Company of Trinidad and Tobago Limited 5.43% Note due 2023	50,397		
NCB Global Finance Limited 5.96% Note due 2023	34,066		
Trinidad and Tobago Mortgage Finance Limited 4% Note due 2023	4,614		
Due from related parties	111,924	-	-
	$259,751	**$-**	**$-**

March 31, 2021	Stage 1	Stage 2	Stage 3
Financial assets			
National Housing Authority TT40M 7 % FXRB due 2025	39,768	-	-
Home Mortgage Bank TT20M series B 2% FXRB due 2022	4,885	-	-
First Citizens Bank Loan Note	54,064	-	-
ANSA Merchant Bank Limited USD Loan Note	33,743	-	-
Due from related parties	112,606	-	-
	$245,066	**$-**	**$-**

3.3 Liquidity Risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

3. Financial risk management (continued)

3.3 Liquidity Risk (continued)

Liquidity gap

	September 30, 2022			
	Up to 1 year	1 to 5 years	Over 5 years	Total
Financial Assets				
Investments in subsidiaries	-	-	387,934	387,934
Investments in joint ventures and associates	-	-	3,037,307	3,037,307
Other long-term investments	-	57,252	173,595	230,847
Due from related parties	-	-	111,924	111,924
Accounts receivable	19,049	-	-	19,049
Other financial assets	120,575	-	-	120,575
Short-term investments	117,874			117,874
Cash and cash equivalents	13,330	-	-	13,330
	$270,828	**57,252**	**$3,710,760**	**$4,038,840**
Financial Liabilities				
Accounts payable and accruals	4,010	-	-	4,010
	$4,010	**$-**	**$-**	**$4,010**
Liquidity gap	**$266,818**	**$57,252**	**$3,710,760**	**$4,034,830**

	March 31, 2021			
	Up to 1 year	1 to 5 years	Over 5 years	Total
Financial Assets				
Investments in subsidiaries	-	-	490,815	490,815
Investments in joint ventures and associates	-	-	1,287,060	1,287,060
Other long-term investments	-	92,692	196,456	289,148
Due from related parties	-	-	112,606	112,606
Accounts receivable	1,832	-	-	1,832
Short-term investments	15,446			15,446
Cash and cash equivalents	29,878	-	-	29,878
	$47,156	**$92,692**	**$2,086,937**	**$2,226,785**
Financial Liabilities				
Accounts payable and accruals	3,925	-	-	3,925
	$3,925	**$-**	**$-**	**$3,925**
Liquidity gap	**$43,231**	**$92,692**	**$2,086,937**	**$2,222,860**

3. Financial risk management (continued)

3.4 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar. The Company's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

The carrying amounts expressed in Trinidad and Tobago dollars of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	2022 TT	2021 US	2022 US	2021 US
Originating currency: United States Dollars				
Financial assets				
Other long-term investments	13,451	-	1,998	-
Due from related parties	13	74	2	11
Accounts receivables	16,698	-	2,480	-
Other financial assets	84,463	-	12,545	-
Short-term investments	116,693	8,391	17,332	1,241
Cash and cash equivalents	3,785	24,413	562	3,611
	$235,103	**$32,878**	**$34,919**	**$4,863**

Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 1% per cent increase and decrease in Trinidad and Tobago dollar against the United States dollar. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the reporting date for a 1% per cent change in foreign currency rates.

	2022	2021
Profit and loss impact		
1% increase in translation rate	$2,355	$329
1% decrease in translation rate	$(2,347)	$(329)

3.5 Operational risk

Operational risk is the risk derived from deficiencies relating to the Company's information technology and control systems, as well as the risk of human error and natural disasters. The Company's systems are evaluated, maintained and upgraded continuously.

3.6 Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Trinidad and Tobago Securities and Exchange Commission, as well as by the monitoring of controls applied by the Company.

3.7 Reputation risk

The risk of loss of reputation arising from the negative publicity relating to the Company's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Company. The Company applies procedures to minimize this risk.

4. Critical accounting estimates and judgements

4.1 Critical accounting estimates and assumptions

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make judgements, estimates and assumptions in the process of applying the Company's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events, that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. However, actual results could differ from those estimates as the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Changes in accounting estimates are recognised in the statement of comprehensive income in the period in which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

The critical judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements, are as follows:

i) Whether investments are classified as Fair Value Through Profit and Loss (FVTPL), Fair Value Through Other Comprehensive Income (FVOCI) or Amortised Cost;

ii) Whether financial liabilities are measured at Fair Value Through Profit and Loss (FVTPL) or Amortised Cost;

iii) Whether NEL is considered an investment entity in accordance with IFRS 10 Consolidated Financial Statements. This is required for the classification and measurement of the investments in NPHL, NFM and TSTT; and

iv) Which depreciation method for plant and equipment is used.

All equity financial assets are measured at FVTPL (see Note 6-8).

The key assumptions concerning the future and other key sources of estimation uncertainty at the period end date (requiring management's most difficult, subjective or complex judgements) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

i) Impairment of assets

Management assesses at each period end date whether assets are impaired. An asset is impaired when the carrying value is greater than its recoverable amount and there is objective evidence of impairment. Recoverable amount is the present value of the future cash flows. Provisions are made for the excess of the carrying value over its recoverable amount.

ii) Plant and equipment

Management exercises judgement in determining whether future economic benefits can be derived from expenditures to be capitalised and in estimating the useful lives and residual values of these assets.

4. Critical accounting estimates and judgements (continued)

4.1 Critical accounting estimates and assumptions (continued)

iii) Fair Values

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. Management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each statement of financial position date. Management uses discounted cash flow analyses for an investment in subsidiary that is not traded in active markets. The assumptions and amounts subject to fair value measurements are shown in Note 22.

4.2 Critical judgements in applying the entity's accounting policies

IFRS 10 consolidation exemption

The Company considers itself an investment entity in accordance with IFRS 10- Consolidated Financial Statements. IFRS 10 defines an investment entity as an entity that meets the following conditions:

- *Funds are obtained from one or more investors for the purpose of providing those investors with investment management services.*

  As stated in the Company's prospectus, the main purpose of the Company is to provide investors with a well-managed investment designed to meet the specific objectives of income and capital growth with some degree of spread of investment risks. NEL was initially incorporated by the Government of the Republic of Trinidad and Tobago for the purpose of divestment of its interest in selected state enterprises to allow these investments to be available on the Trinidad and Tobago Stock Exchange for greater participation by nationals of Trinidad and Tobago in the ownership of state enterprises. NEL manages these investments as part of its strategic portfolio, as well as investments subsequently acquired.

- *It commits to invest solely for returns from capital appreciation, investment income or both; and*

  NEL manages both its strategic and non-strategic portfolio for the purpose of increasing shareholder's wealth. The portfolio is managed to ensure the highest level of return is obtained for its shareholders while ensuring that an acceptable level of risk is undertaken.

- *All of its investments are measured at fair value through the profit and loss*.

  Refer to notes 2.5 and 2.6 for details.

5. Property, plant and equipment

	Office furniture and fittings	Computer equipment	Leasehold improvements	Office equipment	Computer software	Motor vehicle	Total
April 1, 2021 to September 30, 2022							
Opening net book value	169	33	169	-	2	309	682
Additions	3	100	-	9	-	-	112
Disposals	-	(8)	-	-	-	-	(8)
Depreciation	(62)	(33)	(61)	-	(2)	(129)	(287)
Closing net book value	**$110**	**$92**	**$108**	**$9**	**$-**	**$180**	**$499**
Cost	417	269	405	53	25	345	1,514
Accumulated depreciation	(307)	(177)	(297)	(44)	(25)	(165)	(1,015)
Closing net book value	**$110**	**$92**	**$108**	**$9**	**$-**	**$180**	**$499**

5. Property, plant and equipment (continued)

	Office furniture and fittings	Computer equipment	Leasehold improvements	Office equipment	Computer software	Motor vehicle	Total
Year ended March 31, 2021							
Opening net book value	211	16	209	-	3	-	439
Additions	-	35	-	-	-	345	380
Depreciation	(42)	(18)	(40)	-	(1)	(36)	(137)
Closing net book value	**$169**	**$33**	**$169**	**$-**	**$2**	**$309**	**$682**
Cost	414	177	405	44	25	345	1,410
Accumulated depreciation	(245)	(144)	(236)	(44)	(23)	(36)	(728)
Closing net book value	**$169**	**$33**	**$169**	**$-**	**$2**	**$309**	**$682**

6. Investments in subsidiaries

	2022	2021
Subsidiaries		
National Flour Mills Limited	96,857	134,251
NEL Power Holdings Limited	129,152	107,939
Telecommunications Services of Trinidad and Tobago Limited (TSTT)	161,925	248,625
	$387,934	**490,815**

	No. of Shares	Fair Value 1 April 2021	Fair Value movement	Fair Value September 30, 2022
National Flour Mills	61,301,998	134,251	(37,394)	96,857
NEL Power Holdings Ltd	1	107,939	21,213	129,152
Telecommunications Services of Trinidad and Tobago Limited	144,238,384	248,625	(86,700)	161,925
		$490,815	**$(102,881)**	**$387,934**

	No. of Shares	Fair Value 1 April 2020	Fair Value movement	Fair Value March 31, 2021
National Flour Mills	61,301,998	67,432	66,819	134,251
NEL Power Holdings Ltd	1	80,308	27,631	107,939
Telecommunications Services of Trinidad and Tobago Limited	144,238,384	382,500	(133,875)	248,625
		$530,240	**$(39,425)**	**$490,815**

The principal business activities of the subsidiaries are:

Investment Unconsolidated Subsidiaries	Incorporated	Activity	% Interest
National Flour Mills	Trinidad and Tobago	Food processing	51%
NEL Power Holdings Ltd	Trinidad and Tobago	Investment holding company	100%
Telecommunications Services of Trinidad and Tobago Limited	Trinidad and Tobago	Telecommunications Provider	51%

6. Investments in subsidiaries (continued)

Change in accounting estimate re: fair value of the investment of TSTT

As of March 31, 2021, the value of TSTT was determined using both the Discounted Cash Flow Approach and Market Approach. At September 30, 2022; the value of TSTT was estimated solely using the market comparable approach based on the relevant trading results of comparable companies. This change in approach constitutes a change in the valuation techniques applied in arriving at fair value estimate.

In the event that the Market Approach was utilized as of March 31, 2021; the financial statement impact is demonstrated in the table below:

As at March 31, 2021	Amount recorded in the financial statements	Estimated value under market approach	Increase/ (decrease) in profit or loss	Increase/ (decrease) in total assets
Market approach	$248,625	$1,025,350	$776,725	$776,725

At September 30, 2022; the Discounted Cash Flow Method was not utilised as insufficient forecast information was available.

There were no changes to the methods utilised in determining the fair value for NFM and NPHL.

7. Investments in associates and joint ventures

	2022	2021
Joint ventures		
Pan West Engineers and Constructors LLC	122,554	203,814
Trinidad Nitrogen Company Limited	2,429,417	361,463
Associated companies		
NGC NGL Company Limited	445,889	677,799
NGC Trinidad and Tobago LNG Limited	39,447	43,984
	$3,037,307	**$1,287,060**

	No. of Shares	Fair Value 1 April 2021	Fair Value movement	Fair Value September 30, 2022
Joint venture				
Pan West Engineers and Constructors LLC	1	203,814	(81,260)	122,554
Trinidad Nitrogen Company Limited	306,000	361,463	2,067,954	2,429,417
Associated companies				
NGC NGL Company Limited	9,406,950	677,799	(231,910)	445,889
NGC Trinidad and Tobago LNG Limited	9,226	43,984	(4,537)	39,447
		$1,287,060	**$1,750,247**	**$3,037,307**

7. Investments in associates and joint ventures (continued)

	No. of Shares	Fair Value 1 April 2020	Fair Value movement	Fair Value March 31, 2021
Joint venture				
Pan West Engineers and Constructors LLC	1	257,234	(53,420)	203,814
Trinidad Nitrogen Company Limited	306,000	240,975	120,488	361,463
Associated companies				
NGC NGL Company Limited	9,406,950	861,381	(183,582)	677,799
NGC Trinidad and Tobago LNG Limited	9,226	192,458	(148,474)	43,984
		$1,552,048	**$(264,988)**	**$1,287,060**

The principal business activities of these investee companies are:

Investment Joint Ventures	Incorporated	Activity	% Interest
Pan West Engineers and Constructors LLC	Trinidad and Tobago	Investment holding company	33.33%
Trinidad Nitrogen Company Limited	Trinidad and Tobago	Manufacturer of ammonia	51.00%
Associated companies			
NGC NGL Company Limited	Trinidad and Tobago	Investment holding company	20.00%
NGC Trinidad and Tobago LNG Limited	Trinidad and Tobago	Investment holding company	37.84%

Change in accounting estimate re: fair value of investment in Tringen

As of March 31, 2021, the value of Tringen was determined using the Capitalised Maintainable Earnings and Comparable Market Approaches. At September 30, 2022; the value of Tringen was estimated using the market comparable approach based on the relevant trading results of comparable companies. This change in approach constitutes a change in the valuation techniques applied in arriving at fair value estimate.

In the event that the Market Approach was utilized as of March 31, 2021; the financial statement impact is demonstrated in the table below:

As at March 31, 2021	Amount recorded in the financial statements	Estimated value under market approach	Increase/ (decrease) in profit or loss	Increase/ (decrease) in total assets
Market approach	$361,463	$412,585	$51,122	$51,122

At September 30, 2022; the Capitalised Maintainable Earnings Approach is not considered to be applicable as at the Valuation Date given the short to medium term volatility in profitability expected stemming from the unusually higher ammonia prices which currently impacts the Tringen's financial results. The historic earnings are not reflective of the elevated ammonia prices currently seen and forecasts were not available as at the valuation date.

There were no changes to the methods utilised in determining the fair value for the other investments.

8. Other long-term investments

	2022	2021
Investments at amortised cost:		
National Housing Authority TT40M 7 % FXRB due 2025	39,812	39,768
Trinidad and Tobago Mortgage Finance Limited 4.25% 3-year bond due 2025	3,989	-
First Citizens Investment Services Limited 2.5% Corporate bond due 2023	13,451	-
Home Mortgage Bank TT20M series B 2% FXRB due 2022	-	4,885
First Citizens Bank Limited Loan Note	-	54,064
ANSA Merchant Bank Limited Loan Note	-	33,743
Investments at fair value through profit and loss:		
CLICO Investment Fund	-	25,020
First Citizens Group Financial Holdings Limited	88,028	74,444
Trinidad and Tobago Stock Exchange	224	224
Trinidad and Tobago NGL Limited	41,343	28,680
Calypso Macro Index Fund	44,000	28,320
	$230,847	**$289,148**

	Fair value April 1, 2021	Transfers	Net movement for the period	Expected credit loss	Fair value movement	Fair value September 30, 2022
Investments at amortised cost - Bonds						
National Housing Authority TT40M 7 % FXRB due 2025	39,768	-	41	3	-	39,812
Home Mortgage Bank TT20M series B 2% FXRB due 2022	4,885	(4,885)	-	-	-	-
Trinidad and Tobago Mortgage Finance Limited 4.25% 3-year bond due 2025	-	-	4,000	(11)	-	3,989
Investments at amortised cost - Fixed income						
First Citizens Investment Services Limited 2.5% Corporate bond due 2023	-	-	13,515	(15)	(49)	13,451
First Citizens Bank Limited Loan Note	54,064	-	(54,064)	-	-	-
ANSA Merchant Bank Limited Loan Note	33,743	-	(33,743)	-	-	-
	132,460	(4,885)	(70,251)	(23)	(49)	57,252

8. Other long-term investments (continued)

	Fair value April 1, 2021	Transfers	Net movement for the period	Expected credit loss	Fair value movement	Fair value September 30, 2022
Other investments at fair value through profit and loss						
CLICO Investment Fund	25,020	(25,020)	-	-	-	-
First Citizens Group Financial Holdings Limited	74,444	-	8,408	-	5,176	88,028
Trinidad and Tobago Stock Exchange	224	-	-	-	-	224
Trinidad and Tobago NGL Limited	28,680	-	-	-	12,663	41,343
Calypso Macro Index Fund	28,320	-	-	-	15,680	44,000
	156,688	(25,020)	8,408	-	33,519	173,595
	$289,148	**$(29,905)**	**$(61,843)**	**$(23)**	**$33,470**	**$230,847**

	Fair value April 1, 2020	Net movement for the year	Expected credit loss	Fair value movement	Fair value March 31, 2021
Investments at amortised cost - Bonds					
National Housing Authority TT40M 7 % FXRB due 2025	39,754	42	(28)	-	39,768
Home Mortgage Bank TT20M series B 2% FXRB due 2022	6,775	(1,888)	(2)	-	4,885
Investments at amortised cost - Fixed income					
First Citizens Bank Limited Loan Note	53,760	242	62	-	54,064
ANSA Merchant Bank Limited Loan Note	33,600	151	(8)	-	33,743
	133,889	(1,453)	24	-	132,460
Other investments at fair value through profit and loss					
CLICO Investment Fund	21,560	-	-	3,460	25,020
First Citizens Group Financial Holdings Limited	60,973	-	-	13,471	74,444
Trinidad and Tobago Stock Exchange	224	-	-	-	224
Trinidad and Tobago NGL Limited	38,452	-	-	(9,772)	28,680
Calypso Macro Index Fund	28,000	-	-	320	28,320
	149,209	-	-	7,479	156,688
	$283,098	**$(1,453)**	**$24**	**$7,479**	**$289,148**

9. Related party transactions and balances

9. i) Related party balances

This represents amounts advanced to NPHL to facilitate the acquisition of the Powergen Shareholding, Debenture and Loan stock and amounts reimbursable to NEL for payments made on behalf of Pan West.

	2022	2021
Due from:		
NEL Power Holdings Limited	111,862	112,193
Pan West Engineers and Constructors, LLC	62	413
	$111,924	**$112,606**

IFRS 7 disclosure

	Fair Value 1 April 2021	Net movement for the period	Expected credit loss IFRS 9	Fair Value 30 September 2022
Financial asset – Other debt				
Due from NPHL	112,193	(331)	-	111,862
Due from Pan West	413	(351)	-	62
	$112,606	**$(682)**	**$-**	**$111,924**

	Fair Value 1 April 2020	Net movement for the year	Expected credit loss	Fair Value 31 March 2021
Financial asset – Other debt				
Due from NPHL	111,825	368	-	112,193
Due from Pan West	168	245	-	413
	$111,993	**$613**	**$-**	**$112,606**

9. Related party transactions and balances

Related party transactions

	18 month period ended September 30, 2022	Year ended March 31, 2021
NPHL		
Management fees	$180	$120
Payments made by NEL on behalf of NPHL	$1,296	$924
Pan West		
Management fees	$76	$38
Payments made by NEL on behalf of Pan West	$583	$195
Key management compensation		
Salaries and other short-term benefits	$693	$719
Director fees	$734	$540
Dividends received		
NFM	$1,839	$1,839
Tringen	$239,254	$-
Pan West	$11,434	$-
NGC NGL	$35,066	$20,020

10. Other receivables and prepayments

	2022	2021
Dividends declared but not received	17,098	516
Interest receivable on financial assets and short-term investments	1,951	1,316
Prepayments	134	273
	$19,183	**$2,105**

11. Other financial assets

	2022	2021
Trinidad and Tobago Dollar Investments		
Trinidad and Tobago Mortgage Finance Limited 4% Note due 2023	4,614	-
Home Mortgage Bank TT20M series B 2% FXRB due 2022	1,498	-
Clico Investment Fund	30,000	-
United States Dollar Investments		
Petroleum Company of Trinidad and Tobago Limited 5.43% Note due 2023	50,397	-
NCB Global Finance Limited 5.96% Note due 2023	34,066	-
	$120,575	**$-**

11. Other financial assets (continued)

IFRS 7 disclosure

	Opening balance	Transfers	Maturity	Purchases	Change in market value	Other	Closing balance
Bond held at amortised cost							
Home Mortgage Bank TT20M series B 2% FXRB due 2022	-	4,885	(3,389)	-	-	2	1,498
Fixed income investment held at amortised cost							
Trinidad and Tobago Mortgage Finance Limited 4% Note due 2023	-	-	-	4,619	-	(5)	4,614
Petroleum Company of Trinidad and Tobago Limited 5.43% Note due 2023	-	-	-	50,621	-	(224)	50,397
NCB Global Finance Limited 5.96% Note due 2023	-	-	-	35,225	-	(1,159)	34,066
Mutual fund held at FVTPL							
Clico Investment Fund	-	25,020	-	-	4,980	-	30,000
	$-	**$29,905**	**$(3,389)**	**$90,465**	**$4,980**	**$(1,386)**	**$120,575**

12. Short-term investments

	2022	2021
Trinidad and Tobago Dollar investments		
CLICO Investment Bank	-	3,038
Guardian Asset Management Limited	398	6,290
Home Mortgage Bank Limited	755	736
Republic Bank Limited	23	23
Trinidad and Tobago Unit Trust Corporation	5	-
United States Dollar investments		
Ansa Merchant Bank Limited	40,398	-
First Citizens Bank Limited	254	251
Guardian Asset Management Limited	11,247	8,140
JMMB Bank Limited	33,665	
Trinidad and Tobago Unit Trust Corporation	31,129	6
	117,874	18,484
Less: Provision for uncollectible investment	-	(3,038)
	$117,874	**$15,446**

13. Cash and cash equivalents

	2022	2021
First Citizens Bank Limited (Credit rating: BBB-)	13,329	29,713
Republic Bank Limited (Credit rating: BBB-)	-	164
Petty cash	1	1
	$13,330	**$29,878**

14. Taxation

14. i) Taxation expense

	18 month period ended Sept 30, 2022	Year ended Mar 31, 2021
Corporation tax expense	2,589	1,683
Green fund levy	921	98
	$3,510	**$1,781**
Reconciliation of the effective tax rate to the statutory rate is as follows:		
Net profit/(loss) before taxation expenses	**1,983,270**	**(268,650)**
Tax at statutory rate of 30%	594,981	(80,595)
Exempt income	(88,929)	(7,791)
Net items (not deductible)/deductible for tax purposes	(503,457)	90,069
Prior period adjustment	(6)	-
Green fund levy	921	98
	$3,510	**$1,781**

14. ii) Taxation expense

	2022	2021
Corporation tax	(284)	(445)
Business levy	46	46
Green fund levy	722	771
	$484	**$372**

15. Share capital

	2022	2021
Authorised		
Unlimited number of shares of no-par value		
Issued and fully paid		
600,000,641 ordinary shares of no-par value	**$1,736,632**	**$1,736,632**

16. Translation reserve

This reserve was used to record exchange differences arising from the translation of the functional currency (USD) from investments in joint ventures and associated companies TRINGEN, NGCLNG and NGCNGL to the presentation currency (TTD).

17. Investment re-measurement reserve

In accordance with IAS 39, an investment re-measurement reserve was created to capture unrealized gains/losses on available-for-sale investments. However, IFRS 9 no longer utilizes the available-for-sale classification.

18. Accounts payable and accruals

	2022	2021
Dividends payable	2,463	2,224
Accruals	1,547	1,701
	$4,010	**$3,925**

19. Dividend income

	18 month period ended Sept 30, 2022	Year ended Mar 31, 2021
Subsidiaries		
National Flour Mills Limited	1,839	1,839
Joint ventures/Associates		
NGC NGL Company Limited	18,369	20,020
Panwest Engineers and Constructors, LLC	28,131	-
Trinidad Nitrogen Company Limited	239,255	-
Other equity investments		
Calypso Macro Index Fund	2,600	1,280
CLICO Investment Fund	431	680
First Citizens Group Financial Holdings Limited	3,634	2,054
Trinidad and Tobago NGL Limited	2,120	96
Trinidad and Tobago Stock Exchange	52	-
	$296,431	**$25,969**

20. Dividends paid

	18 month period ended Sept 30, 2022	Year ended Mar 31, 2021
First interim dividend: $0.03 per share (2021: nil)	18,000	-
Second interim dividend: $0.25 per share (2021: nil)	150,000	-
	$168,000	**$-**

21. Operating expenses

	18 month period ended Sept 30, 2022	Year ended Mar 31, 2021
Staff salaries and benefits	2,233	577
Consulting fees	1,839	1,078
Administrative services	1,252	837
Directors' fees	734	540
Publication fees	698	371
Accounting and audit fees	564	1,146
Loss on foreign exchange transactions	383	-
Expected credit loss	290	-
Depreciation	296	137
Depository fees	274	175
T&T Securities and Exchange Commission	187	125
Bank charges	10	7
	$8,760	**$4,993**

22. Fair value of financial instruments

The fair value of financial assets and liabilities that are traded in active markets are based on quoted market prices or dealer quotations. For all other financial instruments, the Company determines fair values using other valuation techniques.

Fair value measurement

The fair value of investments that are traded in active markets is determined by reference to quoted market prices at the close of business on the reporting date. Where there is no active market, fair values are determined using valuation techniques such as recent arm's length market transactions or reference to current market values of another instrument which is substantially the same; discounted cash flow analysis or other valuation practices.

Valuation models

The Company measures the fair value of financial assets using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1: Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date. The types of assets carried at level 1 fair value are equity and debt securities listed in active markets. The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Company is the current close price.

22. Fair value of financial instruments (continued)

Fair value measurement (continued)

Level 2: Inputs, other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models.

Assumptions and inputs used in valuation techniques include inputs used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity index prices and expected price volatilities and correlations.

Availability of observable market prices and model inputs reduces the need for management's judgement and estimation and also reduce the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

22.1 Fair value hierarchy

	2022			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investment in subsidiaries	96,857	-	291,077	387,934
Investment on joint ventures and associated companies	-	-	3,037,307	3,037,307
Other long-term investments	173,595	-	57,252	230,847
Due from related parties	-	-	111,924	111,924
Accounts receivable and prepayments	-	-	19,049	19,049
Other financial assets	30,000		90,575	120,575
Short-term investments	117,874	-	-	117,874
Cash and cash equivalents	13,330	-	-	13,330
	$431,656	**$-**	**$3,607,184**	**$4,038,840**

22. Fair value of financial instruments (continued)

22.1 Fair value hierarchy (continued)

	2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investment in subsidiaries	134,251	-	356,564	490,815
Investment on joint ventures and associated companies	-	-	1,287,060	1,287,060
Other long-term investments	156,688	-	132,460	289,148
Due from related parties	-	-	112,606	112,606
Accounts receivable and prepayments	-	-	2,105	2,105
Short-term investments	-		15,446	15,446
Cash and cash equivalents	-	-	29,878	29,878
	$290,939	**$-**	**$1,936,119**	**$2,227,058**

22.2 Valuation technique

The Company's investments are valued using an assessment of the outputs derived from the capitalised maintainable earning, market approach and where appropriate the discounted cashflow models.

Capitalised maintainable earnings approach uses the following factors to estimate the equity value of the investee companies:

a) Maintainable Earnings: The maintainable earnings being the normalised level below which, in the normal course of business and all other things being equal, the after-tax profits of the business are not expected to fall in the foreseeable future;

b) Capitalisation rate; and

c) Surplus assets, liabilities and/or net debt which is added or deducted on the basis that these items do not form part of the Companies' core operations and do not contribute to the generation of maintainable earnings.

Market approach involves the use of comparable publicly traded companies to determine multiples or other financial ratios. Market multiples are ideally derived from trading prices of shares of companies that are (1) engaged in similar lines of business and (2) are actively traded in a free and open market.

Adjustments were made to market multiples for company specific risks with consideration for:

- Relative size of the target operations in relation to the peers;
- The companies are not a publicly listed entity;
- The difference in cost of funding and capital structures;
- The companies' comparatively limited product offering;
- Local market leader position; and
- Receipt of dividends in US dollars.

Discounted cashflow approach is represented by the present value of the Company's forecasted free cash flow over the next five years.

22. Fair value of financial instruments (continued)

22.3 Fair value sensitivity

Fair value sensitivity is evaluated on changes to unobservable inputs.

Discounted cash flow sensitivity:

	Financial statements at Sept 30, 2022	Fair Value per method at Sept 30, 2022	Sensitivity +1%	%	Sensitivity -1%	%
Pan West	122,554	100,668	92,429	(24.58%)	111,561	(8.97%)
NGCNGL	445,889	375,133	349,924	(21.52%)	408,467	(8.39%)

	Financial statements at Mar 31, 2021	Fair Value per method at Mar 31, 2021	Sensitivity +1%	%	Sensitivity -1%	%
Telecommunications Services of Trinidad and Tobago Limited	248,625	268,718	93,567	(62.37%)	479,317	92.79%
Pan West	203,814	176,912	157,307	(22.82%)	202,177	(0.80%)
NGCNGL	677,799	592,253	532,261	(21.47%)	669,562	(1.22%)

Capitalised maintainable earnings sensitivity:

	Financial statements at Sept 30, 2022	Fair Value per method at Sept 30, 2022	Sensitivity +1%	%	Sensitivity -1%	%
NPHL	129,152	148,373	108,786	(15.77%)	184,941	43.20%
Pan West	122,554	103,766	91,782	(25.11%)	119,956	(2.12%)
NGCNGL	445,889	384,615	347,943	(21.97%)	434,155	(2.63%)

	Financial statements at Mar 31, 2021	Fair Value per method at Mar 31, 2021	Sensitivity +1%	%	Sensitivity -1%	%
NPHL	107,939	117,143	85,460	(20.83%)	159,564	47.83%
Pan West	203,814	141,591	125,512	(38.42%)	162,774	20.14%
NGCNGL	677,799	484,169	434,967	(35.83%)	548,990	19.00%

23. Supplemental information

The following disclosures have been presented for comparison purposes to ensure comparable information is available to the users of the financial statements as a result of the change in the financial period from March to September as described in Note 1 to the financial statements.

23. Supplemental information

23. i) Statement of comprehensive income

	18 months ended Sep 30, 22	18 months ended Sep 30, 21	Year ended Mar 31, 22	Year ended Mar 31, 21
Revenue				
Interest income	9,478	8,996	5,364	6,621
Dividend income	296,431	30,153	13,647	25,969
Other income	256	27	171	687
	306,165	39,176	19,182	33,277
Operating expenses	(8,760)	(6,206)	(5,336)	(4,993)
Operating profit	297,405	32,970	13,846	28,284
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	1,685,865	546,451	2,064,789	(296,934)
Net profit/(loss) before taxation	1,983,270	579,421	2,078,635	(268,650)
Taxation expense	(3,510)	(2,069)	(1,197)	(1,781)
Total comprehensive income/(loss)	**$1,979,760**	**$577,352**	**$2,077,438**	**$(270,431)**

23. ii) Operating expenses

	18 months ended Sep 30, 22	18 months ended Sep 30, 21	Year ended Mar 31, 22	Year ended Mar 31, 21
Accounting and audit fees	564	1,321	518	1,146
Administrative services	1,252	824	378	838
Bank charges	10	12	7	8
Consultancy fees	1,839	1,448	1,283	1,078
Depository fees	274	213	187	175
Depreciation	296	229	195	136
Directors' fee	734	791	473	539
Expected credit loss	290	(24)	108	-
Loss on foreign exchange	383	(492)	35	-
Publication expenses	698	564	619	374
Staff salaries and benefits	2,233	1,129	1,408	574
T&T Securities and Exchange Commission	187	191	125	125
	$8,760	**$6,206**	**$5,336**	**$4,993**

24. Subsequent events

The Company has evaluated subsequent events from October 1, 2022 through to December 28, 2022, the date the financial statements were available to be issued. The Company did not have any subsequent events requiring recognition or disclosure in the financial statements.


NATIONAL ENTERPRISES LIMITED

NOTICE OF ANNUAL MEETING

NATIONAL ENTERPRISES LIMITED

NOTICE is hereby given that the Twenty-Second Annual Meeting of Shareholders of National Enterprises Limited ("the Company") will be held on Thursday, March 9, 2023 at 10:00 a.m. at the Hyatt Regency Trinidad, 1 Wrightson Road, Port of Spain. The meeting will be held in a hybrid format, whereby shareholders may participate in the meeting in-person or via a live webcast by accessing a link. The meeting will be held for the following purpose:

Ordinary Business

1. To receive the Audited Financial Statements of the Company for the eighteen (18) months ended September 30, 2022 and the Reports of the Directors and the Auditors thereon.
2. To approve the third interim dividend of $0.18 per share paid to shareholders on record as at January 16, 2023, as the final dividend for the eighteen (18) months ended September 30, 2022.
3. To elect and re-elect Directors.
4. To re-appoint the Auditors, BDO (Trinidad and Tobago), and to authorize the Directors to fix their remuneration.
5. To transact any other business which may properly be brought before the Meeting.

By order of the Board

Aegis Business Solutions Limited
Company Secretary
18 Scott Bushe Street
Port of Spain
January 27, 2023

NOTES

Persons Entitled to Notice

In accordance with Section 110(2) of the Companies Act 1995, the Directors of the Company have fixed February 3, 2023 as the Record Date for the determination of Shareholders who are entitled to receive notice of the Annual Meeting. A list of such shareholders will be available upon request from the Office of the Registrar by appointment during business hours.

Attendance:

Shareholders may participate in the meeting via:

(1) in-person attendance at the Hyatt Regency Trinidad, 1 Wrightson Road, Port of Spain; or

(2) live webcast by accessing a link

All shareholders are required to pre-register during the period February 27, 2023 to March 2, 2023 to attend the meeting, via the following steps:

- Visit **www.nel.co.tt** and click on the web banner **"22nd Annual Meeting of Shareholders"**.
- Select **"Register to Attend Meeting"** and complete the form provided by inserting your full name, address,
  date of birth, valid identification number (ID Card, Passport or Driver's Permit) and valid email address.
- Your information will be validated through the TTCD
- For those shareholders attending virtually, once you are confirmed as a Shareholder on record as at February 3, 2023, you will receive an email with your unique username and password login credentials to attend meeting on March 9, 2023. Credentials are non-transferable.

NOTICE OF ANNUAL MEETING

NATIONAL ENTERPRISES LIMITED

CONTINUED

Proxies

Shareholders eligible to attend and vote at the Annual Meeting are entitled to appoint a proxy and, on a poll, to vote instead of them. A proxy need not be a shareholder. Any shareholder who wishes to appoint a proxy is required to visit our website, **www.nel.co.tt** for instructions between the period February 27, 2023 to March 2, 2023. Shareholders who submit a completed proxy are not precluded from attending and voting at the Meeting in person or virtually should they subsequently wish to do so.

A Shareholder who is a body corporate may in lieu of appointing a proxy authorize an individual by resolution of its Directors or governing body to represent it in person or virtually at the Annual Meeting.

Dividend

A third interim dividend of $0.18 per share paid to shareholders on record as at January 16, 2023, declared as the final dividend for the eighteen (18) months ended September 30, 2022.

Documents for Inspection

No service contracts were granted by the Company to any Director of the Company.

NATIONAL ENTERPRISES LIMITED

THE REPUBLIC OF TRINIDAD AND TOBAGO

THE COMPANIES ACT, CHAPTER 81:01
(SECTION 144)

Management Proxy Circular

1. **Name of Company:** National Enterprises Limited **Company No.:** N-735 (95)

2. **Particulars of Meeting:**
   Twenty-second Annual Meeting to be held in a hybrid format, whereby shareholders may attend in person or virtually, from the Hyatt Regency Trinidad, 1 Wrightson Road, Port of Spain on **Thursday, March 9, 2023 at 10:00 a.m**.

3. **Solicitation:**
   The management of the Company is required by the Companies Act, Chapter 81:01 of the laws of Trinidad and Tobago ("the Act") to send forms of proxy together with the notice convening the meeting. By complying with the Act, management is deemed to be soliciting proxies within the meaning of the Act. *This Management Proxy Circular* accompanies the Notice of the Annual Meeting and is furnished in connection with the solicitation, by the management of the Company, of proxies for use at the meeting or any adjournment thereof.

4. **Any Director's statement submitted pursuant to section 76(2):**
   No statement has been received from any director pursuant to section 76(2) of the Companies Act, Chapter 81:01.

5. **Any Auditor's statement submitted pursuant to section 171(1):**
   Not applicable.

6. **Any Shareholder's proposal and/or statement submitted pursuant to sections 166(a) and 117(2):**
   No proposals have been submitted.

DATE	NAME AND TITLE	SIGNATURE
January 27, 2023	Aegis Business Solutions Limited Corporate Secretary	AEGIS BUSINESS SOLUTIONS LIMITED

Signature(s) _____ Witness(es) _____

_____ _____

Date _____ _____

NATIONAL ENTERPRISES LIMITED

INSTRUCTIONS

Item 1: Set out the full legal name of the company and, except where a number has not been assigned, state the company number.

Item 2: State full particulars of the meeting including the date, place and time.

Item 3: Set out the solicitation being made by management of the company.

Item 4: Any Director's statement submitted pursuant to section 76(2) shall, unless it is included in or attached to a Management Proxy Circular, be sent to every shareholder entitled to receive notice of the meeting and to the registrar; section 76(3).

Item 5: Any Auditor's statement submitted pursuant to section 171(1) shall, unless it is included in or attached to a Management Proxy Circular, be sent to every shareholder entitled to receive notice of the meeting and to the Registrar; section 171(2).

Item 6: Any proposal submitted by a Shareholder pursuant to section 116(a) and any statement pursuant to section 117(2) must be set out in the *Management Proxy Circular* or attached thereto.

Signature:_____

A Director or authorised officer of the Company shall sign the circular.

NATIONAL ENTERPRISES LIMITED

THE COMPANIES ACT, CHAPTER 81:01
(Section 143 (1))

FORM OF PROXY

1. Name of Company: National Enterprises Limited Company No.: N-735 (95)
2. Particulars of Meeting: Twenty-Second Annual Meeting of Shareholders to be held in a hybrid format, whereby shareholders may attend in-person or virtually via live webcast, from the Hyatt Regency Trinidad, 1 Wrightson Road, Port of Spain on Thursday, March 9, 2023 at 10:00 a.m.

I/We (block letters please) _____

of _____

_____

Shareholder(s) in the above Company, appoint(s) _____

of _____

_____

or failing him _____

of _____

to be my/our proxy to vote for me/us and on my/our behalf at the above meeting and any adjournment thereof in the same manner, to the same extent and with the same powers as if I/we were present at the said meeting or such adjournment or adjournments thereof.

Please indicate, with an "X" in the spaces below, how you wish your proxy to vote on the Resolutions referred to. If no such indication is given, the proxy will exercise his discretion as to how he votes or whether he abstains from voting.

	Ordinary Business	**For**	**Against**
Resolution 1	That the financial statements of the company for the eighteen (18) months ended September 30, 2022 and the reports of the Directors and Auditors be received and adopted.		
Resolution 2	That the third Interim Dividend of $0.18 per share declared payable to shareholders on record as at January 16, 2023, be approved as the final dividend for the eighteen (18) months ended September 30, 2022.		
Resolution 3	That Mr David Robinson be re-elected as a Director to the Board of National Enterprises Limited for a period of three (3) years with effect from the conclusion of the Annual Meeting.		
Resolution 4	That Mr Howard Dottin having been appointed since the last Annual Meeting be elected as a Director to the Board of National Enterprises Limited for a period of three (3) years with effect from the conclusion of the Annual Meeting.		
Resolution 5	That Ms Nicole De Freitas having been appointed since the last Annual Meeting be elected as a Director to the Board of National Enterprises Limited for a period of two (2) years with effect from the conclusion of the Annual Meeting.		
Resolution 6	That BDO (Trinidad and Tobago) be re-appointed as the Auditors and the Directors be empowered to determine the Auditor's remuneration in respect of the period ending at the conclusion of the next Annual Meeting of the Company.		

NATIONAL ENTERPRISES LIMITED

NOTES

1. In the case of a joint holding, the signature of any is sufficient, but the names of all joint holders should be stated.
2. If the appointer is a Corporation, this form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.
3. Any shareholder who wishes to appoint a proxy is required to visit our website, **www.nel.co.tt** for instructions between the period February 27, 2023 to March 2, 2023. Shareholders who submit a completed proxy are not precluded from attending and voting at the Meeting in person or virtually should they subsequently wish to do so.

THE CORPORATE SECRETARY
NATIONAL ENTERPRISES LIMITED
LEVEL 15, TOWER D
INTERNATIONAL WATERFRONT CENTRE
WRIGHTSON ROAD
PORT-OF-SPAIN

NATIONAL ENTERPRISES LIMITED

CHANGE OF ADDRESS FORM

Please complete all information requested in this form.

When completed in its entirety and signed, please return this form along with a copy of a utility bill and two forms of valid national identification to:

Private and Confidential

The Registrar Department
The Trinidad and Tobago Central Depository
10th Floor Nicholas Tower
63-65 Independence Square
Port of Spain

Section 1 – Shareholder's Current Information

Current Name: _____

Current Address: _____

Contact Number: _____

Section 2 - Shareholder's New Information (if any changes)

Changed Name: _____

Changed Address: _____

_____

Contact Number: _____

Email Address: _____

NATIONAL ENTERPRISES LIMITED

Section 3 - Dividend Payment Instructions

Dividends are paid semi-annually, through the Trinidad and Tobago Central Depository, via cheque or direct deposit via ACH to a commercial bank of your choice. If you do not provide a dividend address, the dividend cheques will be mailed to the Shareholder's current address on record on the payment date each year. **Payment via direct deposit to a commercial bank is preferred.**

Shareholder Address _____

Contact Information (telephone and email address) _____

_____

Direct Deposit (via ACH)

Bank and Branch of Choice_____

Account Number _____

Savings or Chequing _____

Signature of Shareholder: _____ _____

Date: _____

NATIONAL ENTERPRISES LIMITED



National Enterprises Limited,

Level 15, Tower D,

International Waterfront Centre,

Wrightson Road,

Port of Spain, Trinidad & Tobago.

T: 1(868) 625-0015; 612-1705

F: 1(868) 624-3029

E: info.nel@gov.tt

W: www.nel.co.tt

