National Investment Fund Holding Company Limited

Interim Financial Statements
For the nine months ended September 30, 2023
(Expressed in Trinidad and Tobago Dollars)

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

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For the nine months ended September 30, 2023

Table of Contents

	Page(s)
Interim Statement of Financial Position	2
Interim Statement of Comprehensive Income	3
Interim Statement of Changes in Equity	4
Interim Statement of Cash Flows	5
Notes to the Interim Financial Statements	6-10

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Statement of Financial Position
For the nine months ended September 30, 2023
(Expressed in Trinidad and Tobago Dollars)

	Notes	Unaudited Nine Months ended Sep-30-2023 $000	Unaudited Nine Months ended Sep-30-2022 $000	Audited Year ended 31-Dec-2022 $000
ASSETS				
Non-Current Assets				
Office equipment		2	6	2
Financial Assets				
- Fair Value through profit or loss	3a	8,991,268	10,090,289	9,958,861
- Amortised Investments in Sinking Fund	3b	56,052	107,511	97,037
Total Non-Current Assets		9,047,332	10,197,806	10,055,900
Current Assets				
Prepayments and other receivables		10,976	1,487	1,711
Cash and cash equivalents				
- Cash in bank	4	34,478	43,425	192,982
- Investments in Sinking Fund	4	191,574	67,517	79,006
Total Current Assets		237,028	112,429	273,699
Total Assets		**9,284,350**	**10,310,235**	**10,329,599**
EQUITY				
Stated Capital	5	3,940,967	3,940,967	3,940,967
Reserves		5,000	5,000	5,000
Retained Earnings		1,300,312	2,333,501	2,296,249
Total Equity		5,246,279	6,279,468	6,242,216
Non-Current Liabilities				
Bonds payable	6	3,981,054	3,976,660	3,977,774
Deferred government subventions		18,946	23,340	22,226
Total Non-Current Liabilities		4,000,000	4,000,000	4,000,000
Current Liabilities				
Accruals and other payables		372	351	581
Accrued bond interest		37,699	30,416	86,802
Total Current Liabilities		38,071	30,767	87,383
Total Equity and Liabilities		**9,284,350**	**10,310,235**	**10,329,599**

Director **Director**

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Statement of Comprehensive Income
For the nine months ended September 30, 2023
(Expressed in Trinidad and Tobago Dollars)

	Notes	Unaudited Nine Months ended Sep-30-2023 '000	Unaudited Nine Months ended Sep-30-2022 '000	Audited Year ended 31-Dec-2022 '000
Income				
Dividend Income		146,463	152,276	303,319
Interest Income		4,014	3,651	5,181
Other Income - Government subventions utilised		3,279	3,345	4,460
Other Income - Net unrealised (loss)/gain on financial assets at fair value through profit or loss	7	(967,593)	332,617	201,189
Total Income		**(813,837)**	**491,889**	**514,149**
Expenses				
Operating expenses		(3,524)	(3,781)	(5,791)
Finance costs	8	(178,576)	(171,071)	(228,573)
Total Expenses		**(182,100)**	**(174,852)**	**(234,364)**
Total Comprehensive (loss)/income for the period/year		**($995,937)**	**$317,037**	**$279,785**

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

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Statement of Changes in Equity
For the nine months ended September 30, 2023
(Expressed in Trinidad and Tobago Dollars)

	Stated Capital '000	Retained Earnings '000	Reserves '000	Total '000
Nine months ended September 30, 2023:				
Balance as at January 1, 2023	3,940,967	2,296,249	5,000	6,242,216
Total comprehensive loss for the period	-	(995,937)	-	(995,937)
Balance as at September 30, 2023	**$3,940,967**	**$1,300,312**	**$5,000**	**$5,246,279**
Nine months ended September 30 2022:				
Balance as at January 1, 2022	3,940,967	2,016,464	5,000	5,962,431
Total comprehensive income for the period	-	317,037	-	317,037
Balance as at September 30, 2022	**$3,940,967**	**$2,333,501**	**$5,000**	**$6,279,468**
Year ended December 31, 2022:				
Balance as at January 1, 2022	3,940,967	2,016,464	5,000	5,962,431
Total comprehensive income the year	-	279,785	-	279,785
Balance as at December 31, 2022	**$3,940,967**	**$2,296,249**	**$5,000**	**$6,242,216**

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

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Interim Statement of Cash Flows
For the nine months ended September 30, 2023
(Expressed in Trinidad and Tobago Dollars)

	Unaudited Nine Months ended Sep-30-2023 '000	Unaudited Nine Months ended Sep-30-2022 '000	Audited Year ended Dec-31-2022 '000
Cash flows from Operating activities			
Total Comprehensive (loss)/income for the period/year	(995,937)	317,037	279,785
Adjustments to reconcile net (loss)/income for the period/year to net cash used in operating activities:			
Depreciation in office equipment	-	-	4
Other Income – Net unrealised (loss)/gain on financial assets at fair value through profit or loss	967,593	(332,617)	(201,189)
Bond Interest recognised at amortised cost	175,297	167,726	224,113
Changes in working capital:			
Net change in prepayments and other receivables	(9,265)	(415)	(639)
Net change in accruals and other payables	(209)	(328)	(99)
Net cash from Operating activities	**137,479**	**151,403**	**301,975**
Cash flows from Investing activities			
Net change in amortised investments in Sinking Fund	40,985	3,694	14,168
Net cash used in Investing activities	40,985	3,694	**14.168**
Cash flows from Financing activities			
Bond Interest paid	(224,400)	(224,400)	(224,400)
Net cash used in Financing activities	**(224,400)**	**(224,00)**	**(224,400)**
Net change in cash and cash equivalents	**(45,936)**	**(69,303)**	**91,743**
Cash and cash equivalents at the beginning of the year	271,988	180,245	180,245
Cash and cash equivalents at the end of year / period	**$226,052**	**$110,942**	**$271,988**

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

1. Description of the Company

The National Investment Fund Holding Company Limited ("NIF" or "the Company") was incorporated in the Republic of Trinidad and Tobago on May 29, 2018. The registered office of the Company is Level 2, Eric Williams Financial Building, Independence Square, Port of Spain.

The Company is a holding company for the assets transferred from the Government of the Republic of Trinidad and Tobago ("GORTT") initially being investments in Trinidad Generation Unlimited, Angostura Holdings Limited, Republic Financial Holdings Limited, One Caribbean Media Limited and West Indian Tobacco Company Limited. All financial assets were transferred to the Company on July 6, 2018 at fair market value with the exception of Trinidad Generation Unlimited which was based on an independent valuation at July 31, 2017.

The Company owns 100% of the Trinidad Generation Unlimited ("TGU" or "the Subsidiary") whose registered office is located on 21 Mulchan Seuchan Road, Chaguanas, 501342, Trinidad. TGU's principal activity is 'to engage in the acquisition, construction, ownership and operation, management and maintenance of power generation facilities'.

2. Summary of significant accounting policies

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and are presented in thousands in Trinidad and Tobago dollars (rounded to the nearest thousand). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets.

2.1 Basis of preparation

The interim financial statements for the nine months ended September 30, 2023 have been prepared in accordance with the International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and should be used in conjunction with the annual financial statements for the year ended December 31, 2022.

2.2 New standards, interpretations and amendments adopted

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the annual audited financial statements for the year ended December 31, 2022.

3. Investments - Financial assets

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

	No. of Shares	Share Price	Unaudited Nine Months ended Sep-30-2023 '000	Unaudited Nine Months ended Sep-30-2022 '000	Audited Year ended Dec-31-2022 '000
Investment in associates:					
Angostura Holdings Limited	61,677,011	$22.98	1,417,337	1,537,608	1,480,248
One Caribbean Media Limited	15,285,917	$3.70	56,559	60,991	50,444
Republic Financial Holdings Limited	42,475,362	$121.02	5,140,368	5,946,975	5,903,651
Investment in subsidiary:					
Trinidad Generation Unlimited	189,400,000		2,237,813	2,237,813	2,237,813
Other equity investments:					
West Indian Tobacco Company Limited	13,646,136	$10.20	139,191	306,902	286,705
			$8,991,268	**$10,090,289**	**$9,958,861**

Movement during the year/period	Unaudited Nine Months ended Sep-30-2023 '000	Unaudited Nine Months ended Sep-30-2022 '000	Audited Year ended Dec-31-2022 '000
Balance at the beginning of year/period	9,958,861	9,757,672	9,757,672
Net unrealised gains on financial assets at fair value through profit or loss	(967,593)	332,617	201,189
Balance at the end of year/period	**$8,991,268**	**$10,090,289**	**$9,958,861**

3. Investments - Financial assets (continued)

b. Financial assets – Sinking Fund investments meaured at amortised cost

The investments at amortised cost represent non-current provisions to the sinking fund to cater for principal repayments on the bonds in 2023, 2030, 2038 and 2040.

	Unaudited Nine Months ended Sep-30-2023 '000	Unaudited Nine Months ended Sep-30-2022 '000	Audited Year ended Dec-31-2022 '000
Government debt securities	56,052	68,027	62,786
Corporate debt securities	-	39,484	34,251
Balance at the end of year/period	**$56,052**	**$107,511**	**$97,037**

Movement during the year/period	Unaudited Nine Months ended Sep-30-2023 '000	Unaudited Nine Months ended Sep-30-2022 '000	Audited Year ended Dec-31-2022 '000
Balance at January 1,	97,037	111,205	111,205
Net movement of investment at amortised cost	(40,985)	(3,694)	(14,168)
Balance at the end of year/period	**$56,052**	**$107,511**	**$97,037**

4. Cash and cash equivalents	Unaudited Nine Months ended Sep-30-2023 '000	Unaudited Nine Months ended Sep-30-2022 '000	Audited Year ended Dec-31-2022 '000
Cash in bank	**$34,478**	**$43,425**	**$192,982**
Investments in Sinking Fund			
Mutual funds	121,376	25,053	25,129
Short term deposits	70,198	42,464	53,877
	$191,574	**$67,517**	**$79,006**

5. Stated capital	Unaudited Nine Months ended Sep-30-2023 '000	Unaudited Nine Months ended Sep-30-2022 '000	Audited Year ended Dec-31-2022 '000
Authorised:			
An unlimited number of ordinary shares of no par value			
Issued and fully paid:			
1 ordinary share of no par value	**$3,940,967**	**$3,940,967**	**$3,940,967**

6. Bonds

The Company issued coupon rate bonds in three Series A, B and C bonds during the period July 12, 2018 to August 9, 2018; Series B and C bonds continue to trade actively on the corporate bond market.

On July 26, 2023 the company issued a new TT$1.2 billion fixed rate bonds to refinance Series A bonds. The proceeds from the issue of the Series D bonds were used to make payments to the holders of the Series A bonds upon maturity on August 9, 2023.

The three (3) series NIF Bonds include:

Bonds	Value	Rate	Duration	Maturity Date
Series B	$1.6 billion	5.7%	12 years	August 9, 2030
Series C	$1.2 billion	6.6%	20 years	August 9, 2038
Series D	$1.2 billion	7.1%	17 years	July 26, 2040
Total	**$4.0 billion**			

	Unaudited Nine Months ended Sep-30-2023 '000	Unaudited Nine Months ended Sep-30-2022 '000	Audited Year ended Dec-31-2022 '000
Bonds in Series	4,000,000	4,000,000	4,000,000
Amortised bond issuance cost	(18,946)	(23,340)	(22,226)
	$3,981,054	**$3,976,660**	**$3,977,774**

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

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

	Unaudited Nine Months ended Sep-30-2023 '000	Unaudited Nine Months ended Sep-30-2022 '000	Audited Year ended Dec-31-2022 '000
Equity investments:			
Angostura Holdings Limited	(62,911)	427,421	370,061
One Caribbean Media Limited	6,114	(6,420)	(16,967)
Republic Financial Holdings Limited	(763,282)	(6,371)	(49,696)
Investment in subsidiary:			
Trinidad Generation Unlimited	-	-	-
Other equity Investments:			
West Indian Tobacco Company Limited	(147,514)	(82,013)	(102,209)
	($967,593)	**$332,617**	**$201,189**

8. Finance Costs

Finance Cost includes the amortisation of bond issue and bond interest expense for all of the Company's issued bonds. For the nine months ended September 30, 2023, finance cost amortised related to Series A, B, C and D bonds; Series A matured on August 9, 2023 whilst Series D was issued on July 26, 2023.

9. Sinking Fund

As at September 30, 2023 the Sinking fund balance stood at $248 million. This fund was established to meet the principal repayment to bondholders in the years 2023, 2030, 2038 and 2040. The portfolio consists of investments in corporate and government bonds, mutual funds, short term certificate of deposits and treasury bills.

10. Semi-Annual Coupon Payment

On August 9, 2023 the Company made its tenth coupon payment of $112.2 million to its bond holders on Series A, B and C bonds via its Paying Agent – Trinidad and Tobago Central Depository, thereby bringing total interest distributions to $1.122 billion. The next semi-annual coupon payment to bond holders of Series B and C is scheduled for February 9, 2024. The first coupon payment on Series D bond is scheduled for 26 January, 2024.

11. Bonds Credit Rating

On June 30, 2023 the Caribbean Information and Credit Rating Services Limited (CariCRIS) reaffirmed the Company's initial credit rating; giving a regional rating of Cari**AA**, a national rating of tt**AA** and outlook maintained at **stable**.