



First Citizens



NATIONAL INVESTMENT FUND
HOLDING COMPANY LIMITED

National Investment Fund Holding Company Limited

Initial Public Offering of Bonds

Presented by:

First Citizens Brokerage and Advisory Services Limited

National Investment Fund (NIF)

Nature of the Public Offer

- The shares of selected companies that are now owned by Government of Trinidad and Tobago will be transferred to a holding company; National Investment Fund Holding Company Limited (NIF).
- The market value of these shares in the NIF would be approximately TT\$7.9bn.
- Bonds backed by the selected securities would then be issued in the order of TT\$4bn.

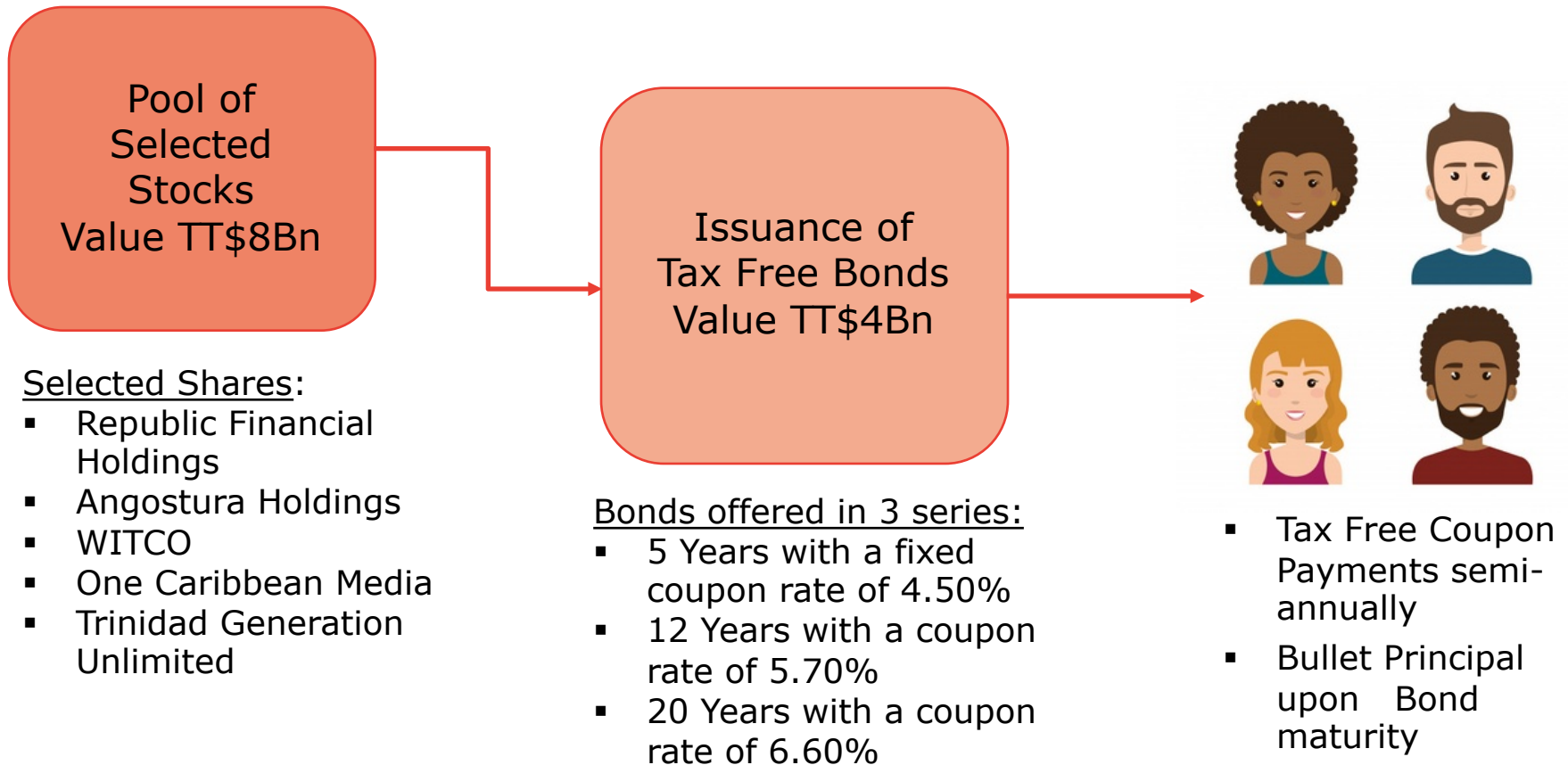


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Structure of the NIF



Structure of the NIF's Cash Flow

Dividend Payments of:

- Republic Financial Holdings
- Angostura Holdings
- WITCO
- One Caribbean Media
- Trinidad Generation Unlimited

Operating Account and Sinking Fund Account

5 Yr Bond

- Coupon Payments
- Face Value upon maturity

12 Yr Bond

- Coupon Payments
- Face value upon maturity

20 Yr Bond

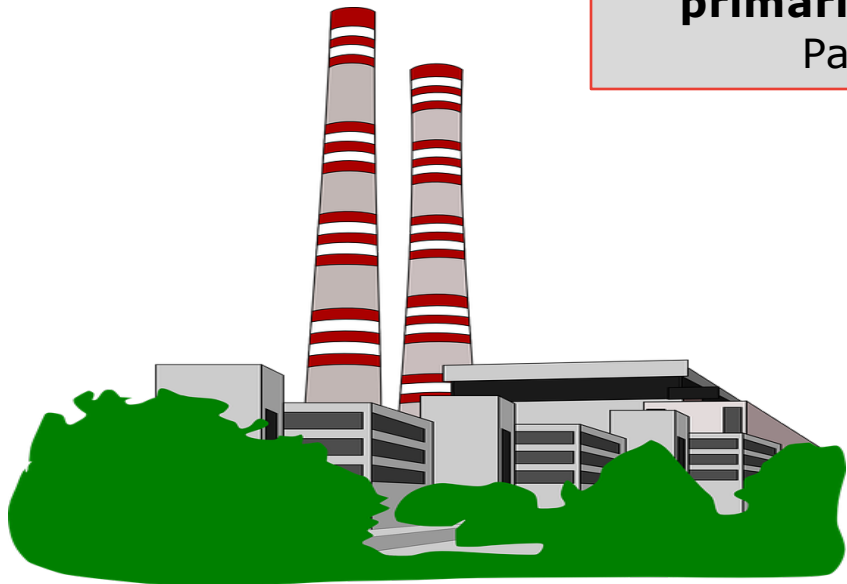
- Coupon Payments
- Face value upon maturity



Supply of Cash Flows

Gross Dividends received
and Operating Expenses
deducted

Net Dividends to be used
primarily for Coupon
Payments.



Cash for Coupon
Payments goes into
an Operating Account

Surplus Cash goes
into a Sinking Fund
for Principal



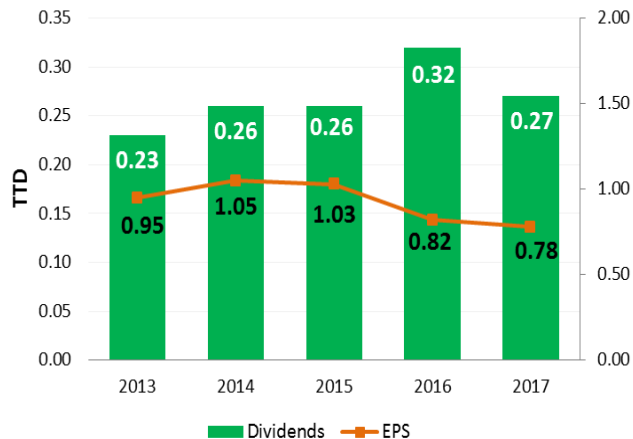
Composition of the NIF

Company	Number of Shares	Weightings in NIF	% Share Ownership in Company
Republic Financial Holdings	42,475,362	54.7%	26.1%
Trinidad Generation Unlimited	189,400,000	25.7%	100.0%
Angostura Holdings	61,677,011	12.3%	29.9%
WITCO	4,548,712	5.1%	5.4%
One Caribbean Media	15,285,917	2.2%	23.0%
		100.00%	

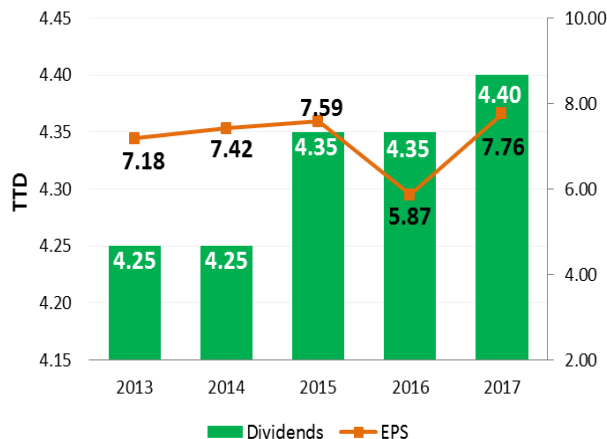


Historical Dividend and Earnings

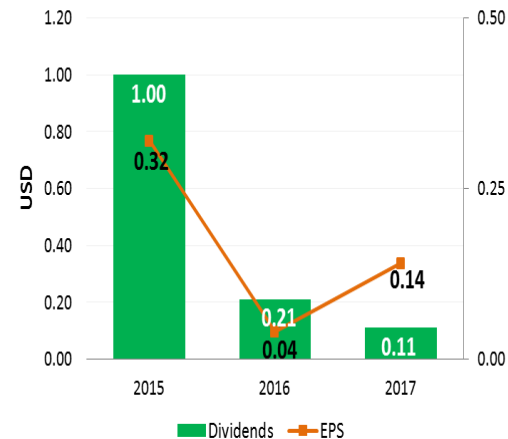
Angostura Dividend per Share and EPS



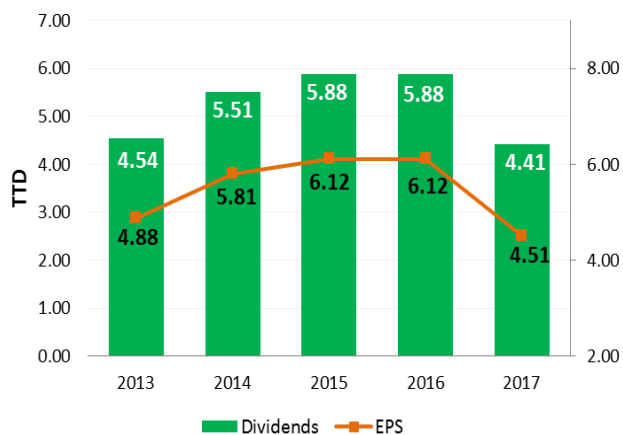
RFHL Dividend per Share and EPS



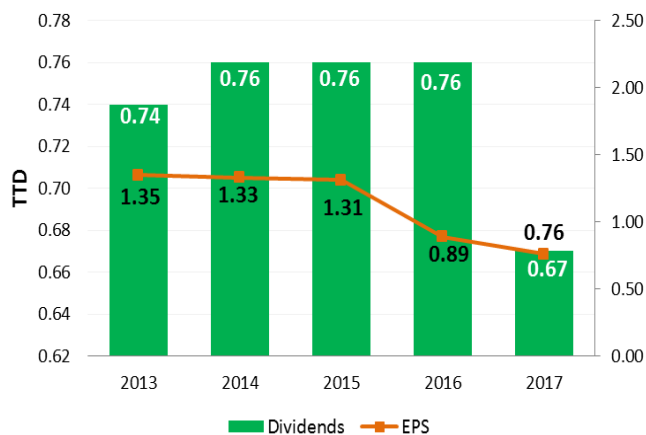
TGU Dividend per Share and EPS



WITCO Dividend per Share and EPS

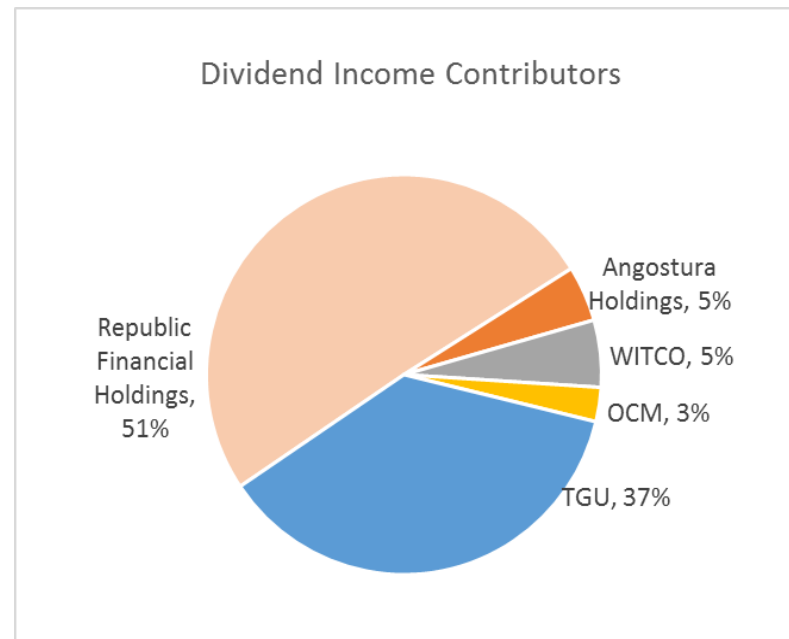


OCM Dividend per Share and EPS



Cash Flow of the Underlying Assets of NIF

Company	2017 Dividend Income
Republic Financial Holdings	186,891,593
Angostura Holdings	16,652,793
WITCO	20,059,820
One Caribbean Media	10,241,564
Trinidad Generation Unlimited	136,000,000
TOTAL	369,845,770



Annual Cash Flows required for Coupons

	Face value (TTD)	Annual Coupon Payments (TTD)
5 Year Bond 4.50%	1,200,000,000	54,000,000
12 Year Bond 5.70%	1,600,000,000	91,200,000
20 Year Bond 6.60%	1,200,000,000	79,200,000
	4,000,000,000	224,400,000



Spreads over GORTT Bond Yields

Bonds have received a CariCRIS Rating AA.

Bonds will receive approval for eligibility in the statutory fund

	Coupon	GORTT Bond Yields	Spreads
5 Year Bond 4.50%	4.50%	3.53%	0.97%
12 Year Bond 5.70%	5.70%	4.65%	1.05%
20 Year Bond 6.60%	6.60%	5.52%	1.08%

NIF bonds are not subject to any taxes compared to GORTT Bonds which may be subject to taxes depending on the investor



Risks and Mitigants specific to NIF bonds

Risks	Mitigants
<p>Collateral Risk - If the companies financial performance deteriorates, dividends might fall and in turn the share price, reducing the collateral assigned to the bonds.</p>	<p>Over collateralisation – the collateral has a market value in excess of the face value of the bonds. Approx. TT\$8 billion in market value verses TT\$4 billion of bonds</p>
<p>Default Risk – The dividends of the underlying stocks may not be sufficient to meet the obligatory payments when due.</p>	<ul style="list-style-type: none"> ▪ The NIF can issue another bond to fund the obligatory payments associated with this issue. ▪ The GORTT can step in for payment of the bonds as the NIF Holding company is 100% owned by the Government of Trinidad & Tobago, thus the bonds have an implicit guaranteed by the government. ▪ The underlying equities can be sold to fund the payments.
<p>Operational Risk – the dividends of the underlying equities may be used for purposes not related to the bonds</p>	<p>The creation of a sinking fund will ensure that all of the dividend payments less operating expenses for NIF, are dedicated and used to facilitate the bonds coupons and principal repayments.</p>

Disclaimer

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THANK YOU