



NATIONAL INVESTMENT FUND
HOLDING COMPANY LIMITED

Chairman's Statement

The economic and social challenges posed by Covid-19 in the first half of the financial year: **January 2020 – June 2020** has been unprecedented; but the swift, decisive and inclusive policy response by Government of the Republic of Trinidad and Tobago through its strong mix of fiscal, monetary and income-support policies has been able to contain the economic fallout stemming from the impact of the pandemic. While forecasts for the remainder of the year remains uncertain, I am reasonably assured that our well-structured and diversified portfolio would be able to return to the path of growth and stability as established in our 2018 Prospectus. Indeed, the portfolio which was established in July 2018 with a value of \$7.9 billion, reached \$9.2 billion in December 2019 and \$9.4 billion in June 2020.

Dividends generated by the portfolio in the first half of the year fell somewhat when compared with the comparable period of 2019 – reflecting, in the main, provisioning set aside in respect of our major banking equity holding. This notwithstanding, the National Investment Fund Holding Company Limited would meet its fourth payout on **August 7 2020 - \$112.2 million**. The generation of dividends in the second half of 2020 is scheduled to meet the fifth dividend payout on February 9 2021 - \$112.2 million.

The particular mix of policies pursued by the Government, in particular monetary policy, is ensuring financial stability within which our corporate portfolio is benefiting from the continuous flow of credit thereby ensuring a smooth return to normalcy in corporate operations. Moreover, individuals and small businesses benefiting from income-support policies, would contribute to the vitality of the portfolio.

Vishnu Dhanpaul
Chairman
July 21 2020

STATEMENT OF FINANCIAL POSITION

As at 30th June 2020

	Unaudited 30-Jun-20 \$000	Unaudited 30-Jun-19 \$000	Audited 31-Dec-19 \$000
ASSETS			
Non-Current Assets			
Office equipment	19	-	19
Investments	9,428,122	8,810,409	9,292,801
Other Investments	25,627	20,000	25,629
Total non-current assets	9,453,768	8,830,409	9,318,449
Current Assets			
Prepayments and other receivables	1,122	548	513
Cash and cash equivalents	127,856	162,642	210,173
Total Current Assets	128,978	163,190	210,686
Total Assets	9,582,746	8,993,599	9,529,135
EQUITY			
Stated Capital	3,940,967	3,940,967	3,940,967
Reserves	5,000	5,000	5,000
Retained Earnings	1,549,321	959,359	1,494,651
Total Equity	5,495,288	4,905,326	5,440,618
Non-Current Liabilities			
Bonds	3,966,624	3,962,164	3,964,394
Deferred government subventions	33,376	37,836	35,606
Total Non-Current Liabilities	4,000,000	4,000,000	4,000,000
Current Liabilities			
Accruals and other payables	193	46	256
Accrued bond interest	87,265	87,727	88,261
Deferred government subventions	-	500	-
Total Current Liabilities	87,458	88,273	88,517
Total Equity and Liabilities	9,582,746	8,993,599	9,529,135

Director
 Director

Unaudited Financial Statements for the period ended 30 June 2020

STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Six Months Ended 30-Jun-20 \$000	Unaudited Six Months Ended 30-Jun-19 \$000	Audited Year Ended 31-Dec-19 \$000
Income			
Dividend Income	30,944	137,127	303,675
Interest Income	1,256	216	1,002
Other Income - Government subvention	2,230	3,671	6,400
Other Income - Net fair value gains on financial assets	135,321	660,383	1,142,775
Total Income	169,751	801,397	1,453,852
Expenditure			
Operating expenses	(1,646)	(1,853)	(4,052)
Finance costs	(113,435)	(113,012)	(227,976)
Total Expenses	(115,081)	(114,865)	(232,028)
Net profit for the year/period	54,670	686,532	1,221,824

STATEMENT OF CHANGES IN EQUITY

	Stated Capital \$000	Retained Earnings \$000	Reserves \$000	Total \$000
Six months ended June 30, 2020				
Balance at January 1, 2020	3,940,967	1,494,651	5,000	5,440,618
Total comprehensive income for the year	-	54,670	-	54,670
Balance at June 30, 2020	3,940,967	1,549,321	5,000	5,495,288
Six months ended June 30, 2019				
Balance as at start of period	3,940,967	272,827	5,000	4,218,794
Net profit for the period	-	686,532	-	686,532
Balance at June 30, 2019	3,940,967	959,359	5,000	4,905,326
Year ended December 31, 2019				
Balance at January 1, 2019	3,940,967	272,827	5,000	4,218,794
Total comprehensive income for the year	-	1,221,824	-	1,221,824
Balance at December 31, 2019	3,940,967	1,494,651	5,000	5,440,618

STATEMENT OF CASH FLOWS

	Unaudited Six Months Ended 30-Jun-20 \$000	Unaudited Six Months Ended 30-Jun-19 \$000	Audited Year Ended 31-Dec-19 \$000
Cash flows from Operating activities			
Net profit for the period	54,670	686,532	1,221,824
Dividends received	(30,944)	(137,127)	(303,675)
Depreciation/ Amortisation	2	-	3
Other income - net fair value gains on financial assets	(135,321)	(660,383)	(1,142,775)
<i>Changes in Working Capital:</i>			
Net change in prepayments and other receivables	(609)	(492)	(457)
Net change in accruals and other payables	(63)	19	228
Net change in government subventions	-	(1,441)	(1,940)
Net cash used in Operating activities	(112,265)	(112,892)	(226,792)
Cash flows from Investing activities			
Acquisition of investments	-	-	(25,629)
Acquisition of government bonds	-	(20,000)	-
Acquisition of office equipment	-	-	(22)
Dividends received	30,944	137,127	303,675
Net cash provided by/(used in) Investing activities	30,944	117,127	278,024
Cash flows from Financing activities:			
Net change in stated capital	-	-	-
Net change in bonds	2,230	2,230	4,460
Net change in deferred government subventions	(2,230)	(2,230)	(4,460)
(Decrease)/ increase in accrued bond interest	(996)	(1,418)	(884)
Net change in reserves	-	-	-
Net cash (used in)/provided by Financing activities	(996)	(1,418)	(884)
Net change in cash and cash equivalents	(82,317)	2,817	50,348
Cash and cash equivalents	210,173	159,825	159,825
End of year/period	127,856	162,642	210,173

Notes

Summary of Significant Accounting Policies:

The Company's interim financial statements for the six months ended June 30, 2020 have been prepared in accordance with the International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and are stated in thousands in Trinidad and Tobago dollars (rounded to the nearest thousand).

Semi Annual Coupon Payment

On August 7, 2020 the Company will make its fourth payment of \$112.2 million to its bond holders via its Paying Agent - Trinidad and Tobago Central Depository, there by bringing total interest distributions to \$448.8 million. The fifth coupon payment is scheduled for February 9, 2021.