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**Chartered Accountants
& Business Advisors**

PKF LIMITED

National Investment Fund Holding Company Limited

Audited Financial Statements

For the year ended December 31, 2025
(Expressed in Trinidad and Tobago Dollars)

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Audited Financial Statements

For the year ended December 31, 2025

(Expressed in Trinidad and Tobago Dollars)

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NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

LEVEL 2 ERIC WILLIAMS FINANCIAL BUILDING INDEPENDENCE SQUARE PORT OF SPAIN
Tel: 612-9700 Ext. 1209

Management is responsible for the following:

- preparing and fairly presenting the accompanying financial statements of the National Investment Fund Holding Company Limited (“the Company”), which comprise the statement of financial position as at 31 December 2025, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of material 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 operational efficiencies;
- ensuring that the system of internal control operated effectively during the reporting period;
- producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and
- using reasonable and prudent judgement in the determination of estimates.

In preparing these audited financial statements, management utilised the IFRS Accounting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where the IFRS Accounting 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 authorised for issue, if later.

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

Wayne Dass, CFA
General Manager
23 March 2026

Simone Denoon-Jackman, FCCA, MBA
Manager, Finance and Accounting
23 March 2026

Directors:

Dr. Sandra Sookram (Chairman), Ms. Patrice Jameela Ayoung-Chee (Deputy Chairman), Mr. Ved P. Seeceram, Mr. Aiden Boodoo, Mr. Shivanand Maharaj, Ms. Vandana Singh-Maharaj, Mr. Dexter V. Ragoonath



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INDEPENDENT AUDITORS' REPORT

The Shareholders

National Investment Fund Holding Company Limited

Opinion

We have audited the financial statements of National Investment Fund Holding Company Limited, which comprise the statement of financial position as at 31 December 2025, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the National Investment Fund Holding Company Limited as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board.

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of National Investment Fund Holding Company Limited, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other 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 Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Those matters were addressed in the context of our audit of financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Opinion section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Valuation of Investment in Trinidad Generation Unlimited

The company's investment portfolio consists of the 100% ownership of Trinidad Generation Unlimited ("TGU"), multiple listed investments and debt securities as listed in Note 4 to these financial statements. The investment portfolio makes up 95% of total assets (by value) and is the key driver of operations and performance results. The company's investment in TGU represents 20% of its financial assets and 19% of its total assets as at 31 December 2025.

The shares in TGU are privately held and are not publicly traded. In the absence of recent trading activity of TGU shares, management has estimated the fair value of the investment in TGU as at 31 December 2025 by utilising a valuation model developed by an external independent valuation firm and updating it with both actual and newly forecasted data available as at 31 December 2025. We therefore considered this investment to be at risk of significant misstatement, or to be subject to a significant level of judgement. Given the measurement uncertainty involved in the valuation of the TGU investment, the internal valuation and assessment done for 2025 were significant to our audit.

We focused our work on reviewing the validity of the in-house valuation as at 31 December 2025 provided by management and engaged our valuation specialists. Our audit procedures included, but were not limited to:

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Telephone: (868) 235-5063
Address: 111 Eleventh Street Barataria Trinidad West Indies
Mailing Address: PO Box 10205 Eastern Main Road San Juan

Directors: Renée-Lisa Philip Mark K. Superville Jenine Felician-Romain Darcel Corbin



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INDEPENDENT AUDITORS' REPORT (Cont'd)

Key Audit Matter (cont'd)

Valuation of Investment in Trinidad Generation Unlimited (cont'd)

- obtaining a copy of the TGU valuation calculations and reviewing the assumptions and financial information used to determine the Weighted Average Cost of Capital (WACC) and cashflows;
- reviewing the appropriateness of the valuation methodology used;
- liaising with the management of TGU to gather details of the entity's historical audited financial results, future financial projections and related assumptions surrounding future projections and ensuring that such information was accurately included in the valuation analysis and calculations;
- engaging in discussions with management at TGU to understand the basis for the assumptions made in relation to future projections to ensure reasonableness; and
- recalculating the WACC rate using financial information and data inputs as at 31 December 2025.

It was determined that the valuation methodology was suitable, and both TGU's actual operating results up to the 2025 financial year, and its projected results beyond the 2025 financial year, were in accordance with the cash flow forecasts used by management in determining TGU's future discounted cash flows. The inputs for the valuation, including the discount factor used, reflected information as at 2025. We found that the assumptions and resulting estimates to be balanced and found no errors in the internal valuation calculations prepared by the Management of NIF. The disclosures about the TGU investment are included in notes 1, 2 and 4 to these financial statements.

Other Information Included in the Company's Annual Report

Management is responsible for the other information. Other information consists of the information included in the Annual Report, other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

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 on the other information that we obtained prior to the date of this auditors' report, we concluded that there is a material misstatement of this other information, we are required to communicate the matter to the Board of Directors.

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

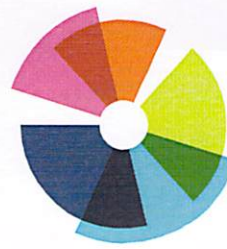
Management is responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement,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

The Board of Directors is responsible for overseeing the company's financial reporting process.

Auditors' 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 auditors' report that includes our opinion.



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INDEPENDENT AUDITORS' REPORT (Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

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 controls.
- 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.
- 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 auditors' 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 auditors' 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 the Board of Directors 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 the Board of Directors 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 auditors' 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 director on the audit resulting in this independent auditors' report is Mark K. Superville

PKF

Barataria, TRINIDAD
23 March 2026

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Statement of Financial Position

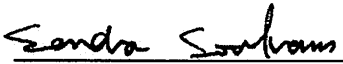
As at December 31, 2025

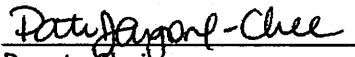
(Expressed in Trinidad and Tobago Dollars)

	Notes	2025 '000	2024 '000
Assets			
Non-current assets			
Office equipment		105	116
Financial assets			
- Fair value through profit or loss	4	7,481,765	7,698,945
- Amortised Investments in Sinking Fund	4	305,122	260,112
- Other Investments		5,059	-
Total non-current assets		7,792,051	7,959,173
Current assets			
Other receivables		5,078	4,390
Cash and cash equivalents			
- Cash in bank	5	215,629	248,583
- Investments in Sinking Fund	5	217,247	102,985
Total current assets		437,954	355,958
Total assets		\$8,230,005	\$8,315,131
Equity			
Stated capital	6	3,940,967	3,940,967
Reserves	7	422,675	422,675
Accumulated deficit	8	(638,101)	(549,556)
Total equity		3,725,541	3,814,086
Non-current liabilities			
Bonds payable	10	4,400,000	4,400,000
Amortised bond issuance costs		(28,654)	(32,997)
Net bonds payable		4,371,346	4,367,003
Deferred government subventions	11	20,138	23,921
Total non-current liabilities		4,391,484	4,390,924
Current liabilities			
Other payables		840	684
Accrued bond interest		112,140	109,437
Total current liabilities		112,980	110,121
Total equity and liabilities		\$8,230,005	\$8,315,131

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

On 23 March 2026, the Board of Directors of National Investment Fund Holding Company Limited authorized these financial statements for issue.


Chairman


Deputy Chairman

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Statement of Comprehensive Income

For the year ended December 31, 2025

(Expressed in Trinidad and Tobago Dollars)

	Notes	2025 '000	2024 '000
Income			
Dividend income	12	394,498	411,830
Interest income		17,909	11,327
Government subventions utilised	13	3,783	3,634
Total income		416,190	426,791
Expenses			
Operating expenses	14	(6,908)	(6,102)
Finance costs		(280,647)	(275,514)
Total expenses		(287,555)	(281,616)
Net income		128,636	145,175
Net unrealized loss on financial assets at fair value	15	(217,180)	(959,704)
Total comprehensive loss for the year		\$(88,545)	\$(814,529)

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

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Statement of Changes in Equity

For the year ended December 31, 2025

(Expressed in Trinidad and Tobago Dollars)

	Stated Capital '000	Accumulated Deficit '000	Reserves '000	Total '000
Year ended December 31, 2025:				
Balance as at January 1, 2025	3,940,967	(549,556)	422,675	3,814,086
Total comprehensive loss for the year	-	(88,545)	-	(88,545)
Balance as at December 31, 2025	\$3,940,967	\$(638,101)	\$422,675	\$3,725,541
Year ended December 31, 2024:				
Balance as at January 1, 2024	3,940,967	264,973	420,225	4,626,165
Total comprehensive loss for the year	-	(814,529)	-	(814,529)
Equity reserve - NIF2	-	-	2,450	2,450
Balance as at December 31, 2024	\$3,940,967	\$(549,556)	\$ 422,675	\$3,814,086

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

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Statement of Cash Flows

For the year ended December 31, 2025

(Expressed in Trinidad and Tobago Dollars)

	2025 '000	2024 '000
Cash flows from operating activities		
Total comprehensive income for the year	(88,545)	(814,529)
<i>Adjustments to reconcile net profit for the year to net cash used in operating activities:</i>		
Depreciation of office equipment	57	44
Net unrealised loss on financial assets at fair value through profit or loss	217,180	959,704
Bond interest accrued	276,304	271,319
<i>Changes in working capital:</i>		
(Increase)/decrease in other receivables	(688)	2,098
Increase in other payables	156	183
Net cash from operating activities	404,464	418,819
Cash flows from investing activities		
Net decrease in amortised investments in Sinking Fund	(50,069)	(150,638)
Acquisition of office equipment	(46)	(130)
Net cash used in investing activities	(50,115)	(150,768)
Cash flows from financing activities		
Bond interest paid - NIF1	(255,601)	(255,833)
Bond interest paid - NIF2	(18,000)	(8,975)
Net Change in Amortised bond issuance cost	4,343	(4,772)
Net change in deferred government subventions	(3,783)	5,332
Proceeds from NIF2 Bond Issue	-	400,000
GORTT Loan note - NIF2	-	(400,000)
Reserves - NIF2	-	2,450
Net cash used in financing activities	(273,041)	(261,798)
Net increase in cash and cash equivalents	81,308	6,253
Cash and cash equivalents		
Beginning of year	351,568	345,315
End of year	\$432,876	\$351,568

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

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

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 at 21 Mulchan Seuchan Road, Chaguanas, Trinidad. TGU’s principal activity is ‘to engage in the acquisition, construction, ownership and operation, management and maintenance of power generation facilities.

2. Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

2.1 Basis of preparation

The Company’s financial statements have been prepared in accordance with the IFRS Accounting Standards, as issued by the International Accounting Standards Board, and are presented in thousands of 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.

Although TGU is a subsidiary of NIF, its financial statements were not consolidated with the Company in accordance with the requirements of IFRS 10 which states that a company classified as an investment entity shall not consolidate a subsidiary company and would measure the investment at fair value through profit or loss.

(a) Use of estimates

The preparation of these financial statements in conformity with the IFRS Accounting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management’s best knowledge of current events and actions, actual results may differ from those estimates. The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are material to the financial statements are disclosed in Note 3.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

2. Summary of material accounting policies (continued)

2.1 Basis of preparation (continued)

- (b) *New standards, amendments and interpretations which are effective from January 1, 2025, and have been adopted by the Company.*

There were no new standards, amendments and interpretations which are effective from January 1, 2025, and have been adopted by the Company.

- (c) *Standards, amendments and interpretations issued which are effective after January 1, 2025, 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 from January 1, 2025, and not relevant to the Company*

- (i) IAS 21 'Amendments on Foreign Exchange Rates' (effective for years beginning on or after January 1, 2025). This amendment provides guidance on determining when a currency lacks exchangeability and how to establish an appropriate exchange rate in such cases. It also introduces new disclosure requirements to explain the impact of exchange restrictions on financial statements.

- (e) *Standards, amendments and interpretations issued which are not yet effective and not relevant to the Company*

- (i) IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' (effective for years beginning on or after January 1, 2026) - The amendments clarify the derecognition of financial assets and liabilities, particularly in the context of electronic payment transactions, and provide additional guidance on assessing contractual cash flows, including those linked to Environmental, Social and Governance (ESG) and related features. Further refinements address non-recourse financial assets and contractually linked instruments. Enhanced disclosure requirements under IFRS 7 include reporting contingent features that may impact cash flow timing or amounts and disaggregation of fair value changes for FVOCI equity instruments.
- (ii) IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for years beginning on or after January 1, 2027). IFRS 18, replaces IAS 1 and introduces new rules for presenting and disclosing financial statements. The changes include clearer income and expense categories, required subtotals, and additional disclosures on company-specific performance measures. It also provides better guidance on grouping financial information and reporting operating expenses.
- (iii) IFRS 19 'Subsidiaries without Public Accountability: Disclosures' (effective for years beginning on or after January 1, 2027). The amendment allows certain subsidiaries to follow the same accounting rules as their parent companies under the IFRS Accounting Standards but with fewer disclosure requirements. To qualify, a subsidiary must not be publicly accountable and its parent must prepare IFRS-compliant consolidated financial statements.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

2. Summary of material accounting policies (continued)

2.2 Foreign currency

(a) *Functional and presentational currency*

The accounting records, as well as the financial statements of the Company, are maintained in Trinidad and Tobago (“TT”) dollars. The TT dollar is the functional and reporting currency of the Company. Management considers the TT dollar to be the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

(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.

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

2.3 Financial assets and financial liabilities

The Company’s financial assets and liabilities are recognised in the statement of financial position when it becomes a party to the contractual obligation of the instrument.

(i) *Financial assets*

In accordance with IFRS 9, the Company classifies its financial assets based on the following business models:

- hold to collect - under this model the objective is to hold financial assets to collect contractual cash flows until maturity;
- hold to collect and sell - under this model the objective is to both collect contractual cash flows and sell the financial asset;
- held for trading - these business models are those that do not meet the criteria under the hold to collect and the hold to collect and sell models.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

2. Summary of material accounting policies (continued)

2.3 Financial assets and financial liabilities (continued)

(i) *Financial assets (continued)*

Based on the Company's business model, financial assets are classified into the following categories:

- *Amortised cost*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ("SPPI"), and that are not recognised at fair value through profit or loss ("FVPL") are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured as described in Note 2.3 (i). Interest income from these financial assets is included in "interest income" on the statement of comprehensive income using the effective interest rate method. The Company classifies its debt instruments, cash and cash equivalents held in the Sinking Fund and other receivables except for prepayments as financial instruments at amortised cost.

- *Fair value through other comprehensive income ("FVOCI")*

Assets that are held for collection of contractual cash flows and for selling the assets, where the asset cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at FVOCI. Movements in the carrying amounts are taken through other comprehensive income ("OCI"), except for the recognition of impairment gains and losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "interest income" on the statement of comprehensive income. The interest income from these financial assets is included in "interest income" using the effective interest rate method. As at December 31, 2025 and 2024 the Company did not hold any FVOCI.

- *Fair value through profit or loss ("FVPL")*

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the statement of comprehensive income within realised gain or loss on sale of investments, unless it arises from debt instruments that were designated at fair value or which are not held for trading, in which case they are presented in "interest income". Interest income from these financial assets is included in "interest income" using the effective interest rate method. The Company classifies its equity instruments as financial instruments at FVPL.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

2. Summary of material accounting policies (continued)

2.3 Financial assets and financial liabilities (continued)

(i) *Financial assets (continued)*

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. The Company subsequently measures all equity investments at fair value through profit or loss.

Dividends earned on equity instruments are recognised in profit or loss when the Company's right to receive payments is established.

Gains and losses on equity investments classified as FVPL are included in the statement of comprehensive income.

The Company's investments in equity instruments are further classified as:

a) *Investments in Associates*

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control. IAS 28 - Investments in Associates and Joint Ventures states that where an entity holds 20% or more of the voting power in an investee, it will be presumed that the investor has significant influence unless it can be clearly demonstrated that this is not the case.

The Company has more than 20% shareholding in three companies - Republic Financial Holdings Limited, One Caribbean Media Limited and Angostura Holdings Limited and thus classified these companies as Associates in accordance with IAS 28. Associates are usually accounted for using the equity method of accounting; however, the Company has elected to adopt the IAS 28 investment entity exemption and has valued these financial assets at fair value. All said financial assets are listed securities with the Trinidad and Tobago Stock Exchange.

b) *Investment in Subsidiary*

The Company meets the definition of an investment entity under IFRS 10; hence the results of its Subsidiary Trinidad Generation Unlimited are not consolidated.

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 evaluate the performance of its investments on a fair value basis.

c) *Other equity investment*

The Company's investment in West Indian Tobacco Company Limited (WCO) is a minority investment and WCO is a listed security on the Trinidad and Tobago Stock Exchange.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

2. Summary of material accounting policies (continued)

2.3 Financial assets and financial liabilities (continued)

(i) Financial assets (continued)

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds.

Classification and subsequent measurement of debt instruments depend on:

- (i) The cash flow characteristics of the asset, and
- (ii) The Company's business model for managing the asset

Company's business model

The business model reflects how the Company manages the assets in order to generate cash flows. An assessment is made at a portfolio level and includes an analysis of factors such as:

- the stated objective and policies of the portfolio and the operation of those in practice. More specifically whether the Company's objective is solely to collect the contractual cash flows from the assets or to collect both the contractual cash flows and cash flows from the sale of assets;
- past experience on how the cash flows for these assets were collected;
- determination of performance targets for the portfolio, how evaluated and reported to key management personnel;
- management identification of and response to various risks, which includes but not limited to liquidity risk, market risk, credit risk and interest rate risk;
- how managers are compensated e.g. if compensation is based on the fair value of assets managed or contractual cash flows collected.

Arising out of the assessment, the portfolio was deemed to have the business model identified as "hold to collect".

The Company reclassifies debt instruments when, and only when, its business model for managing those assets changes. The classification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

Solely payments of principal and interest (SPPI)

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether flows represent solely payment of principal and interest (SPPI test). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that is inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

2. Summary of material accounting policies (continued)

2.3 Financial assets and financial liabilities (continued)

(i) *Financial assets (continued)*

Debt instruments (continued)

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments in the Sinking Fund with original maturities of twelve (12) months or less. This amount is held by the Company for the specific use of making semi-annual coupon payments to its bond holders and financing its operating activities. Cash and cash equivalents are carried at cost.

Other receivables excluding prepayments

This amount represents accrued interest income for investments held in the sinking fund account and payments made as a result of 'billed in advance' services during the financial year, which does not exceed twelve (12) months.

Recognition/derecognition of financial assets

All purchases and sales of financial assets are recognised on the trade date- the date on which the Company commits to purchase or sell the financial asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or the Company has transferred substantially all risks and rewards of ownership.

Impairment

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and fair value through other comprehensive income. The Company recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

2. Summary of material accounting policies (continued)

2.3 Financial assets and financial liabilities (continued)

(i) *Financial liabilities*

Financial liabilities are classified and subsequently measured at amortised cost using the effective interest rate method. Financial liabilities include bonds payable, other payables and accrued bond interest. Financial liabilities are derecognised when they have been redeemed or otherwise extinguished (that is, when the obligation specified in the contract is discharged, cancelled or expired).

Other payables and accrued bond interest

Accruals represent amounts recognised in the statement of financial position and statement of comprehensive income in relation to services rendered to the end of the reporting period or expected services to the end of the reporting period not yet settled.

Accruals are normally settled within a period of 30-days with the exception of bond interest payable which is payable semi-annually:

- NIF1 - Series B and C bonds: February 9 and August 9
- NIF1- Series D bonds: January 26 and July 26
- NIF2 - NIF2 bonds: February 9 and August 9

Bonds payable

Bonds payable represents the principal amount due to the investors of bonds issued by the Company.

(ii) *Determination of fair value*

For financial instruments traded in an active market, the determination of fair values of financial assets and liabilities is based on quoted market prices or dealer price quotations.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and these prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive.

Indicators that a market is inactive are when there is a wide bid-offer spread or a significant increase in the bid-offer spread or there are few recent transactions.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques using input existing at year-end.

The Company uses both in-house models and periodic independent expert valuers to value financial instruments that are not traded or traded on an inactive market. Some of the inputs of these models may not be market observable and are therefore based on assumptions.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

2. Summary of material accounting policies (continued)

2.4 Office equipment

Items of office equipment are measured at cost, net of accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalized as part of the equipment.

When parts of the items of office equipment have different useful lives, they are accounted for as separate items of office equipment.

The gain or loss on disposal of office equipment is determined by comparing the proceeds from disposal with the carrying amount of the office equipment and is recognised net within other income/other expenses in the statement of comprehensive income. When revalued assets are sold, any related amount included in the revaluation reserve is transferred to accumulated fund.

The cost of replacing a component of an item of office equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of office equipment are recognised in the statement of comprehensive income as incurred.

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Depreciation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each component of office equipment as follows:

	Rate
Furniture, fixtures and fittings	20%
Computer hardware and software	33.33%

2.5 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured as the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties.

(i) Dividend income

Dividend income is recognised when the right to receive payment is established.

(ii) Interest income

Interest income is recognised in the statement of comprehensive income for all interest-bearing instruments on an accrual basis using the effective interest rate method. The effective interest rate method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the investment security.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

2. Summary of material accounting policies (continued)

2.5 Revenue recognition (continued)

(iii) Government subventions

Government subventions received by the Company to treat with recurrent expenditure and bond issuance cost are recognised as income in the statement of comprehensive income on a systematic basis, proportionate to amounts the subventions are intended to compensate.

The government subvention relating to future periods is reported in the statement of financial position as deferred government subventions.

(iv) Net unrealised gains on financial assets at fair value through profit or loss

Financial assets are measured at fair value and the net fair value gains and losses are assessed on a monthly basis and charged to the statement of comprehensive income.

2.6 Deferred government subventions

Deferred government subventions represent unused subvention funds as previously advanced by the government to the Company. The deferred government subvention will be systematically recognised on a straight-line basis in the statement of comprehensive income simultaneously with the recognition of bond interest expense.

The subventions were initially recognised in the statement of financial position at cost on the transaction date and subsequently measured net of the utilisation of amounts by the Company.

2.7 Stated Capital

The stated capital of the Company is categorized within equity and is recognised at the fair value of the amount received.

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 the amount has been reliably estimated.

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.

2.9 Expenses

Expenses are accounted for on an accrual basis.

2.10 Taxation

The Company is exempt from Corporation Tax in accordance with the Corporation Tax (Amendment) Act No. 11 of 2018 which was assented to on July 10, 2018.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

3. Critical accounting estimates and judgements in applying accounting principles

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. 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.

(i) *Financial assets at fair value through profit or loss*

Determination of fair value is discussed at Note 2.3 (iii)

(ii) *Measurement and treatment of the expected credit loss allowance (ECL)*

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of counterparties defaulting and the resulting losses), refer to Note 5.

A number of significant judgments are also required in applying the accounting requirements for measuring ECL, such as:

- determining criteria for significant increase in credit risk;
- choosing appropriate models and assumptions for the measurement of ECL;
- establishing the number and relative weightings of forward-looking scenarios for each type of product/ market and the associated ECL; and
- establishing groups of similar financial assets for the purpose of measuring ECL.

4. Financial assets

a. *Financial assets - Investments measured at fair value through profit or loss*

In July 2018, equity shares in five (5) companies with a total value of \$7.941 billion were transferred to the Company by the Ministry of Finance (Corporation Sole). As consideration for the financial assets transferred by GORTT, the Company issued a share certificate in the name of the Corporation Sole in the amount of \$3.941 billion in addition to a Loan note for \$4 billion, which was subsequently settled during 2018.

On November 20, 2023, 6,546,417 additional equity shares in Republic Financial Holdings Limited (RHFL) valued at \$815.2 million were transferred to the Company by Corporation Sole, representing approximately four percent (4%) of the shareholding of RFHL. The Company recognised \$415.2 million from the transfer of the financial asset in an Equity Reserve, while the balance of \$400 million was recorded as a Loan note, which was fully settled in 2024.

Recognising the potential impact of fluctuations in share prices on the value of its financial assets, the Company monitors the coverage ratio of the assets backing its bonds in order to manage the credit risk exposure to bondholders. As at 31 December 2025, the coverage ratio remained healthy at 1.8:1, derived as follows:

	\$'B
Total financial assets backing bonds issued:	
Related Financial Assets & Investments in Sinking Funds	\$8.0
Total bond payable	\$4.4
Coverage Ratio	1.8:1

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

4. Financial assets (continued)

a. Financial assets - Investments measured at fair value through profit or loss

As the Company's investments are measured at fair value, changes in market prices may result in unrealised gains or losses being recognised in the Statement of Comprehensive Income.

During the year ended December 31, 2025 an unrealised fair value loss of \$217.1 million (2024: \$959.7 million loss) was recognised on the statement of comprehensive income, resulting in an accumulated unrealised fair value loss of \$1.2 billion since inception. The total value of the investment portfolio stood at \$7.5 billion (2024: \$7.7 billion) as at December 31, 2025.

Trinidad Generation Unlimited (TGU)

The Company acquired 100 % shareholding in TGU from the GORTT in July 2018 and initially recognised its shareholding using an independent valuation dated July 2017.

The valuation of the TGU shares utilises Level 3 inputs on the fair value hierarchy, that is inputs that are not based on observable market data (unobservable inputs). The valuation utilises significant unobservable components and is based on assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

In October 2021, Management engaged external qualified consultants to conduct an independent valuation of TGU as at 31 December 2021 for financial reporting purposes. The valuation utilized the income approach, specifically the discounted cash flow (DCF) method, to determine the fair value of TGU. Based on the Conservative Base Case scenario, the equity value was estimated at \$2.237 billion and was recognised in the financial statements for the year ended 31 December 2021, resulting in an unrealised fair value gain of \$212.8 million.

During 2024, Management engaged external qualified consultants to conduct an independent valuation of TGU as at 31 December 2023 for financial reporting purposes. The valuation was performed using the income approach (discounted cash flow method) under the following scenarios:

1. A conservative base case assuming that TGU's plant ceases operations in July 2041, in line with the existing Power Purchase Agreement, resulting in a valuation of US\$208.1 million (approximately TT\$1.4 billion); and
2. A scenario assuming an extension of the Power Purchase Agreement by fifteen (15) years to July 2056, resulting in a valuation of US\$330.6 million (approximately TT\$2.2 billion).

TGU is currently undertaking a Capital Enhancement Project aimed at re-engineering and reconfiguring its assets to support continued energy delivery to Trinidad and Tobago. This project is expected to improve plant efficiency and enhance long term operational performance.

TGU remains a critical component of Trinidad and Tobago's electricity supply infrastructure, being the largest energy supplier delivering over 50% of the country's average electricity demand and accounting for approximately 34% of the Trinidad and Tobago Electricity Commission's (T&TEC) contracted capacity.

As at 31 December 2025, Management prepared an internal valuation of TGU for financial reporting purposes using the income approach (discounted cash flow method), consistent with the valuation methodology applied in prior periods.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

4. Financial assets (continued)

a. Financial assets - Investments measured at fair value through profit or loss

In preparing the 2025 valuation, certain inputs used in the determination of the Weighted Average Cost of Capital (WACC) were updated to better reflect TGU's actual capital structure and current market information. These updates included:

- the use of TGU's actual debt to equity capital structure instead of an industry average
- the use of TGU's actual cost of debt based on the interest rate associated with the bond refinancing completed in 2025 rather than an industry average borrowing rate
- updated country risk premium estimates based on current sovereign bond market data
- a revised approach to the application of the country risk premium within the WACC calculation, whereby the country risk premium is incorporated within the market equity risk premium used in the CAPM calculation rather than being added separately as an independent component of the cost of equity.
- the use of an average levered beta derived from comparable companies in the power and utilities sector.

These updates were made in accordance with IFRS 13 Fair Value Measurement, which permits revisions to valuation inputs where such revisions result in a measurement that is more representative of fair value based on updated information and prevailing market conditions.

The valuation was performed using projected cash flows derived from financial forecasts for TGU and discounted using the estimated weighted average cost of capital. The discounted cash flow model reflects Management's best estimate of future operating performance, capital expenditure requirements and market conditions over the remaining contractual life of the plant.

The valuation was performed under the following scenarios:

1. A conservative base case assuming that TGU's plant ceases operations in July 2041. Under this scenario the equity value of TGU was estimated at approximately TT\$1.1 billion, representing an increase of approximately TT\$3.7 million (0.3%) compared to the previous valuation.
2. A scenario assuming an extension of the Power Purchase Agreement by fifteen (15) years to July 2056. Under this scenario the equity value of TGU was estimated at approximately TT\$2.0 billion, representing an increase of approximately TT\$901.1 million (81.3%) compared to the previous valuation.

TGU's Management has indicated in writing that it is highly likely that the Power Purchase Agreement with T&TEC will be renewed beyond 2041 for a further fifteen (15) years. Given the strategic importance of TGU as a provider of over 50% of the country's electricity demand, NIF is of the view that there is at least a 50% chance of TGU's contract being renewed beyond 2041. As such, Management considered the average value derived from the Base Case and the Extended Case scenarios in assessing the fair value of the investment. Based on this approach, average equity value derived from the two scenarios was approximately TT\$1.6 billion.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

4. Financial assets (continued)

a. Financial assets - Investments measured at fair value through profit or loss

Management also assessed the valuation that would have resulted had the previous valuation assumptions been retained. Under the prior methodology and inputs, the estimated equity value of TGU would have been approximately TT\$0.76 billion resulting in an unrealised fair value loss of approximately TT\$344 million for the year. The updated valuation reflects the impact of revising the WACC inputs and other valuation assumptions to better reflect TGU's current capital structure, financing arrangements and prevailing market conditions.

In accordance with International Accounting Standard 8 - Accounting Policies, Changes in Accounting Estimates and Errors, the changes in the valuation were classified as a change in accounting estimate and therefore accounted prospectively with no adjustments to the prior periods.

Balance at December 31,	No. of Shares	Share Price	2025 '000	2024 '000
Investment in associates:				
Angostura Holdings Limited	61,677,011	\$12.75	786,382	915,904
One Caribbean Media Limited	15,285,917	\$1.33	20,330	43,106
Republic Financial Holdings Limited	49,021,779	\$103.59	5,078,166	5,554,658
Investment in subsidiary:				
Trinidad Generation Unlimited	189,400,000		1,561,270	1,108,859
Other equity investments:				
West Indian Tobacco Company Limited	13,646,136	\$2.61	35,617	76,418
			<u>\$7,481,765</u>	<u>\$7,698,945</u>
Movement during the year			2025 '000	2024 '000
Balance at the beginning of year			7,698,945	8,658,649
Net unrealised loss on financial assets at fair value through profit or loss			(217,180)	(959,704)
Balance at the end of year			<u>\$7,481,765</u>	<u>\$7,698,945</u>

Fair value sensitivity

Fair value sensitivity is evaluated on changes to unobservable inputs used to calculate the weighted average cost of capital (WACC) and the projected cash flows.

Changes to the inputs in the WACC rate applied to calculate the discounted cash flow will result in the following:

	Fair Value '000	Sensitivity +1% '000	%	Sensitivity -1% '000	%
Trinidad Generation Unlimited	1,561,270	1,204,313	↓ 23%	1,977,014	↑ 27%

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

4. Financial assets (continued)

b. Financial assets - Sinking Fund investments measured at amortised cost

	2025 '000	2024 '000
Movement during the year		
Balance at January 1,	260,112	109,474
Movement of investment at amortised cost	<u>45,010</u>	<u>150,638</u>
Balance at the end of year	<u>\$305,122</u>	<u>\$260,112</u>

5. Cash and cash equivalents

	2025 '000	2024 '000
Cash in bank	<u>\$215,629</u>	<u>\$248,583</u>
Investments in Sinking Fund		
Mutual funds	100,531	12,781
Short term deposits	<u>116,716</u>	<u>90,204</u>
Balance at the end of year	<u>\$217,247</u>	<u>\$102,985</u>
Cash and cash equivalents	<u>\$432,876</u>	<u>\$351,568</u>

A sinking fund was established to meet the principal repayment on the bonds in 2029, 2030, 2038 and 2040. (2024: 2029, 2030, 2038 and 2040).

The portfolio consists of investments in government and corporate bonds, mutual funds, certificate of deposits and other short-term deposits. During the year ended December 31, 2025, a deposit of \$142.5 million was invested into the fund (2024: \$105.8 million) and interest income of \$17.9m was recognised on the statement of comprehensive income, bringing the accumulated balance in the Sinking Fund to \$522.3m (2024: \$363.0 million).

The following table represents balances held in the Sinking Fund.

	2025 '000	2024 '000
Sinking Fund		
Bonds	305,122	260,112
Money Market Fund	100,531	12,782
Certificate of Deposits and other short-term deposits	<u>116,716</u>	<u>90,204</u>
Balance at the end of year	<u>\$522,369</u>	<u>\$363,098</u>

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

6. Stated capital

	2025 '000	2024 '000
Authorised: An unlimited number of ordinary shares of no-par value Issued and fully paid: 1 ordinary share of no-par value	<u>\$3,940,967</u>	<u>\$3,940,967</u>

7. Reserves

	2025 '000	2024 '000
Bond interest payment reserve - NIF1	5,000	5,000
Bond interest payment reserve - NIF2	2,450	2,450
Equity reserve - NIF2	<u>415,225</u>	<u>415,225</u>
	<u>\$422,675</u>	<u>\$422,675</u>

- (i) *Bond interest payment reserves* - NIF1 represents funding received from the Ministry of Finance as a contingency for any shortfall in the Company's revenues due to adverse variances in forecasted revenue that may impact the Company's ability to meet interest payments.
- (ii) *Bond interest payment reserves* -NIF2 represents funding received from the Ministry of Finance as a contingency for any shortfall in the Company's revenues due to adverse variances in forecasted revenue that may impact the Company's ability to meet interest payments.
- (iii) Equity reserve - NIF2 represents the difference in the value of the 6,546,417 shares in Republic Bank Financial Holdings Limited which were acquired from GORTT on November 20, 2023, for \$815.2 million and the Loan Note of \$400 million issued in partial payment for the shares.

8. Accumulated Deficit

As of December 31, 2025, the Company has recorded an accumulated deficit, reflecting the impact of market conditions on investment returns. For the year ended December 31, 2025, the Composite Index and All T&T Index declined by 11.8% and 13.2% respectively. Notwithstanding the current decline in the market, the Company has successfully met all coupon payments since inception, and the coverage ratio now stands at 1.8:1.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

9. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Related parties include persons or a close member of that person's family, who has control, joint control, or significant influence over the Company, including members of the key management personnel; any subsidiary or associated companies.

A number of transactions are entered into with related parties in the normal course of business. These transactions were conducted at market rates, on commercial terms and conditions.

The following table represents transactions with related parties:

	2025 '000	2024 '000
Income from associates		
Dividend income	319,402	308,800
Net unrealised loss on financial assets at fair value through profit or loss	(628,790)	(914,671)
Income from subsidiary		
Dividend income	68,000	93,885
Net unrealised gain on financial assets at fair value through profit or loss	452,411	-
Government subventions utilised	3,783	3,634
Interest income from government bonds	12,690	7,725
Director fees	(262)	(243)
Net impact on the statement of comprehensive income	<u>\$227,234</u>	<u>(\$500,870)</u>

The following table represents balances with related parties:

	2025 '000	2024 '000
Financial assets		
Investments in associates	5,884,878	6,513,667
Investment in subsidiary	1,561,270	1,108,859
Investments in government bonds	254,818	184,812
Deferred government subvention	(20,138)	(23,921)
	<u>\$7,680,828</u>	<u>\$7,783,417</u>

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

10. Bonds payable

The Company issued coupon rate bonds in three series A, B and C during the period July 12, 2018 to August 9, 2018. To finance the repayment to the holders of the Series A bonds which matured on August 9, 2023, the Company issued Series D \$1.2 billion fixed rate bonds on July 26, 2023.

On January 22, 2024 the Company added the NIF2 bond to its portfolio, when it launched a TT\$400 million NIF2 bond at a rate of 4.5%, which was backed by 6,546,417 additional equity shares in Republic Financial Holdings Limited (RFHL) valued at \$815.2 million transferred to the Company by Corporation Sole in November 2023, representing approximately four (4) percent of the shareholding in RFHL. NIF1 Series B and C bonds and NIF2 bonds continue to trade actively on the corporate bond market.

The NIF Bonds include:

Bonds	Value	Rate	Duration	Maturity Date
NIF2	\$0.4 billion	4.5%	5 years	August 9, 2029
NIF1-Series B	\$1.6 billion	5.7%	12 years	August 9, 2030
NIF1-Series C	\$1.2 billion	6.6%	20 years	August 9, 2038
NIF1-Series D	\$1.2 billion	7.1%	17 years	July 26, 2040
Total	\$4.4 billion			

	2025 '000	2024 '000
Bonds in Series - NIF1 and NIF2	4,400,000	4,400,000
Amortised bond issuance cost	<u>(28,654)</u>	<u>(32,997)</u>
	<u>\$4,371,346</u>	<u>\$4,367,003</u>

11. Deferred government subventions

This balance represents unused government subventions received by the Company to cover the costs relating to the issuance of bonds.

	2025 '000	2024 '000
Balance at start of year	23,921	18,589
Government subvention received for NIF2 bond issuance cost	-	8,966
Allocated to the statement of comprehensive income	<u>(3,783)</u>	<u>(3,634)</u>
Balance at end of year	<u>\$ 20,138</u>	<u>\$ 23,921</u>

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

12. Dividend income

	2025 '000	2024 '000
Angostura Holdings Limited	23,437	23,437
One Caribbean Media Limited	1,834	3,210
Republic Financial Holdings Limited	294,131	279,424
West Indian Tobacco Company Limited	7,096	11,873
Trinidad Generation Unlimited	68,000	93,886
	<u>\$394,498</u>	<u>\$411,830</u>

13. Government subventions utilised

	2025 '000	2024 '000
Government subventions for bond issuance costs	<u>\$3,783</u>	<u>\$3,634</u>

14. Operating expenses

	2025 '000	2024 '000
Administrative expenses	5,234	3,993
Green Fund Levy	1,236	1,269
Director's fees and expenses	262	295
Consulting and professional fees	176	545
	<u>\$6,908</u>	<u>\$6,102</u>

15. Net unrealised (loss)/ gain on financial assets at fair value through profit or loss

Net unrealised gains on financial assets at fair value through profit or loss were attributable to the movement in market values during the years ended December 31, 2025 and December 31, 2024.

	2025 '000	2024 '000
Equity investments		
Angostura Holdings Limited	(129,522)	(437,907)
One Caribbean Media Limited	(22,776)	(14,980)
Republic Financial Holdings Limited	(476,491)	(461,785)
Other equity investments		
Trinidad Generation Unlimited	452,411	-
West Indian Tobacco Company Limited	(40,802)	(45,032)
	<u>\$(217,180)</u>	<u>\$(959,704)</u>

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

16. Financial risk management

The main risks arising from the Company's principal business activity are credit risk, interest rate risk, liquidity risk and market risk. The Company, as an investment entity, is exposed to these financial risks because its income is principally acquired through the receipt of dividends and interest from its financial assets.

16.1 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk is mitigated to some extent by limiting exposure to a small number of credit counterparties. The Company also reduces this risk by prudent credit analysis of issuers to restrict questionable exposures in the Company.

The maximum exposure to credit risk as at December 31, 2025 were as follows:

	2025 '000	2024 '000
Cash and cash equivalents	432,876	351,568
Financial assets at amortised cost	305,122	260,112
Other Investments	5,059	-
Other receivables	5,078	4,390
	<u>\$748,135</u>	<u>\$616,070</u>

The Company, through its investment policy, constantly reviews its credit risk exposure to ensure that its credit risk is minimized.

16.2 Market risk

Market risk is the risk that changes in market prices, such as currency rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on investments.

a. Currency risk

Foreign currency risk is the risk that the fair value of future cash flows will fluctuate due to changes in foreign exchange rates. The Company seeks to manage its exposure to foreign exchange risk by ensuring that, as far as possible, transactions entered into are denominated in Trinidad and Tobago dollars, the Company's functional currency. The Company still, however, holds a significant financial asset denominated in a foreign currency namely Trinidad Generation Unlimited ("TGU"), its investment in a subsidiary, which is valued in United States Dollars.

As at December 31, 2024, the carrying amount of TGU at fair value through profit or loss would increase by \$15.6 million if the currency rate used is increased by 100 basis points from management's estimates (2024: \$(11.09) million).

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

16. Financial risk management (continued)

16.2 Market risk (continued)

b. *Interest rate risk*

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow. The Company holds fixed interest debt securities hence is not exposed to significant interest rate risk.

c. *Price rate risk*

The Company is exposed to price risk on its equity and debt securities. Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instruments or issuer, or factors affecting all similar financial instruments traded in the market.

A 1% change in market prices will increase/decrease the carrying amount of the Company's financial assets by +/- \$80.0 million (2024: \$80.1 million).

16.3 Liquidity risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

a) *Bond interest payments -*

This refers to the Company's ability to meet a financial obligation to its bondholders with respect to bi-annual interest payments which commenced on February 9, 2019 and ends on July 26, 2040.

The potential risk is managed through the establishment of a reserve fund and the Company's investment policy, which seeks to identify viable short-term investment opportunities. As at 31 December 2025, the reserve balance has increased to \$7.45 million. This amount has been set aside as a buffer against unexpected shortfalls in projected interest payments and enhances the Company's ability to meet its short-term liquidity needs.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

16. Financial risk management (continued)

16.3 Liquidity risk (continued)

b) Bond principal payments -

The risk that the Company can become a party to default in repaying its principal debt to bondholders in the years of repayment 2029, 2030, 2038 and 2040.

To minimize the possibility of default on repayment of the principal amount, the Company established a sinking fund account whereby systematic amounts are deposited during the financial year.

The Company also measures and forecasts its cash flow commitments and ensures that sufficient liquidity is available to meet its needs. The sinking fund account is governed by the Deed of Charge (Accounts) managed by First Citizens Trustee Services Limited.

The Company's exposure to liquidity risk is summarized in the table below which analyses assets and liabilities based on the remaining period from the reporting date to the contractual maturity date.

As at December 31, 2025	Up to 1 year '000	1 to 5 years '000	Over 5 years '000	No stated maturity '000	Total '000
<i>Financial assets</i>					
Cash and cash equivalents	432,876	-	-	-	432,876
Other receivables	5,078	-	-	-	5,078
Fair value through profit or loss	-	-	-	7,481,765	7,481,765
Other Investments	-	5,059	-	-	5,059
Amortised investments	7,736	171,601	125,785	-	305,122
	\$445,690	\$176,660	125,785	\$7,481,765	\$8,229,900
<i>Financial liabilities</i>					
Other payables	840	-	-	-	840
Accrued bond interest	112,140	-	-	-	112,140
Bonds payable	-	2,000,000	2,391,484	-	4,391,484
	\$112,980	\$2,000,000	\$2,391,484	-	\$4,504,464
Net liquidity risk	\$332,710	\$(1,823,340)	\$(2,265,699)	\$7,481,765	\$3,725,436

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

16. Financial risk management (continued)

16.3 Liquidity risk (continued)

As at December 31, 2024	Up to 1 year '000	1 to 5 years '000	Over 5 years '000	No stated maturity '000	Total '000
<i>Financial assets</i>					
Cash and cash equivalents	351,568	-	-	-	351,568
Other receivables	4,390	-	-	-	4,390
Fair value through profit or loss	-	-	-	7,698,945	7,698,945
Amortised investments	-	260,112	-	-	260,112
	\$355,958	\$260,112	-	\$7,698,945	\$8,315,015
<i>Financial liabilities</i>					
Other payables	684	-	-	-	684
Accrued bond interest	109,437	-	-	-	109,437
Bonds payable	-	400,000	3,990,924	-	4,390,924
	\$110,121	\$400,000	\$3,990,924	-	\$4,501,045
Net liquidity risk	\$260,769	\$(154,820)	\$(3,990,924)	\$7,698,945	\$3,813,970

(i) *Financial instruments not measured at fair value*

The following table summarises the carrying amounts and fair values of those financial assets and liabilities not presented on the Company's statement of financial position at their fair value.

	Carrying value December 31		Fair value December 31	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
<i>Financial assets</i>				
Cash and cash equivalents	432,876	351,568	435,082	359,743
Other receivables	5,078	4,390	5,078	4,390
Other Investments	5,059	-	5,059	-
Amortised investments	305,122	260,112	301,947	281,731
<i>Financial liabilities</i>				
Other payables	840	684	840	684
Accrued bond interest	112,140	109,437	112,140	109,437
Bonds payable	4,371,346	4,367,003	4,371,346	4,367,003
Government loan note - NIF2	-	-	-	-
Deferred government subventions	20,138	23,921	20,138	23,921

The fair values of the Company's financial instruments are determined in accordance with IFRS 13.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

16. Financial risk management (continued)

16.4 Fair value of financial assets and liabilities

Financial assets measured at amortised cost (hold to collect)

Fair value for amortised cost assets is based on market prices or broker/dealer price quotations. Where this information is not available, fair value is estimated using a discounted cash flow valuation methodology where all cash-flows of the instruments are discounted at an appropriate yield plus a credit spread where applicable. The fair value of the amortised cost portfolio is computed for disclosure purposes only.

(ii) *Financial instruments where carrying value is equal to fair value*

Due to their liquidity and short-term maturity, the carrying values of certain financial instruments approximate their fair values. Financial instruments where carrying value is approximately equal to fair value include cash and cash equivalents and receivables.

Due to related parties

This amount represents the estimated fair value of the future expected cash flows to be paid to related parties.

Other payables

This amount represents the estimated fair value of the future expected cash flows to be paid.

(iii) *Fair value estimation*

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges;
- level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). This level includes debt instruments;
- level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.

NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED

Notes to the Financial Statements For the year ended December 31, 2025 (Expressed in Trinidad and Tobago Dollars)

16. Financial risk management (continued)

16.4 Fair value of financial assets and liabilities (continued)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The following table analyses within the fair value hierarchy the Company's financial assets as at December 31, 2025, and December 31, 2024:

As at December 31, 2025	Level 1 '000	Level 2 '000	Level 3 '000	Total '000
Government debt securities	-	254,818	-	254,818
Corporate debt securities	-	50,304	-	50,304
Investments in associates	5,884,878	-	-	5,884,878
Other equity investments	35,617	-	-	35,617
Other Investments	-	5,059	-	5,059
Investments in subsidiary	-	-	1,561,270	1,561,270
Total financial assets	\$5,920,495	\$310,181	\$1,561,270	\$7,791,946
As at December 31, 2024	Level 1 '000	Level 2 '000	Level 3 '000	Total '000
Government debt securities	-	204,395	-	204,395
Corporate debt securities	-	55,717	-	55,717
Investments in associates	6,513,668	-	-	6,513,668
Other equity investments	76,418	-	-	76,418
Investments in subsidiary	-	-	1,108,859	1,108,859
Total financial assets	\$6,590,086	\$260,112	\$1,108,859	\$7,959,057

17. Subsequent events

The Company evaluated all events that occurred from January 1, 2026, through March 23, 2026, the date the financial statements were available to be issued. During this period, the Company did not have any subsequent events requiring recognition or disclosure in the financial statements.