



2020

NATIONAL ENTERPRISES LIMITED

Condensed Financial Statements

As at 31 December 2020

CHAIRMAN'S STATEMENT

The earnings of National Enterprises Limited (NEL) represented largely by dividend income increased by approximately \$4 million or 19.6% over the comparative period last year. This, despite net loss results owing to the continued impact of decline in the fair market value of the underlying investment portfolio and the effect of economic and market conditions associated with the extended period of the COVID-19 pandemic.

NEL's third quarter results of a net loss of \$70 Million compared to profit of \$30.8 Million for the comparative period in the previous fiscal year. This reflects solid gain in the share price and fair market value of National Flour Mills Limited (NFM) and NEL Power Holdings Limited (NPHL) respectively, offset by decline in the fair market value of Telecommunication Services of Trinidad and Tobago Limited (TSTT). The upward but slow uptick in commodity prices will allow NEL's energy portfolio to establish a more stable platform for improvement in an industry undergoing transformational change. This includes market positioning

for greater participation in the full value chain and developing forward looking partnerships for clean energy.

The Board of Directors of NEL will take decisive action to develop the strategies necessary to successfully navigate these challenging times. We will continue to take a transparent approach with regard to our underlying portfolio investments while concentrating on the rebuilding process. As we move into the fourth quarter of the fiscal year, NEL has started the process of re-engineering and re-energizing its portfolio of investee companies. We will undertake structural and risk management changes to preserve and strengthen shareholders' value moving into fiscal 2022.

Ingrid L-A Lashley
Chairman
9 February 2021

CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited Nine months ended		Audited Year ended
	31 December 2020 \$ '000	31 December 2019 \$ '000	31 March 2020 \$ '000
Assets			
Investment in subsidiaries	428,857	663,786	530,240
Investment in joint venture and associates	1,552,048	1,752,064	1,552,048
Property, plant and equipment	729	466	439
Other non-current assets	399,642	423,283	395,091
Total non-current assets	2,381,276	2,839,599	2,477,818
Current assets	45,524	46,464	19,721
Total assets	2,426,800	2,886,063	2,497,539
Equity			
Stated capital	1,736,632	1,736,632	1,736,632
Investment remeasurement reserve	16,422	16,422	16,422
Translation reserve	63,866	63,866	63,866
Retained earnings	607,583	1,066,058	677,698
Total equity attributable to equity shareholders	2,424,503	2,882,978	2,494,618
Liabilities			
Current liabilities	2,297	3,085	2,921
Total liabilities	2,297	3,085	2,921
Total equity and liabilities	2,426,800	2,886,063	2,497,539

Director Ingrid L-A Lashley

Director Navin Rajkumar

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share Capital (\$'000)	Translation Reserve (\$'000)	Investment Remeasurement Reserve (\$'000)	Retained Earnings (\$'000)	Total Equity (\$'000)
Year ended 31 March 2021					
<i>Nine months ended 31 December 2020</i>					
Balance as at 1 April 2020	1,736,632	63,866	16,422	677,698	2,494,618
Total comprehensive loss for the year	-	-	-	(70,115)	(70,115)
Balance as at 31 December 2020	1,736,632	63,866	16,422	607,583	2,424,503
Year ended 31 March 2020					
<i>Nine months ended 31 December 2019</i>					
Balance as at 1 April 2019	1,736,632	63,866	16,422	1,101,238	2,918,158
Total comprehensive income for the year	-	-	-	30,820	30,820
Dividend paid	-	-	-	(66,000)	(66,000)
Balance as at 31 December 2019	1,736,632	63,866	16,422	1,066,058	2,882,978
Year ended 31 March 2020					
Balance as at 1 April 2019	1,736,632	63,866	16,422	1,101,238	2,918,158
Total comprehensive loss for the year	-	-	-	(327,540)	(327,540)
Dividends paid	-	-	-	(96,000)	(96,000)
Balance as at 31 March 2020	1,736,632	63,866	16,422	677,698	2,494,618

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Nine Months Ended		Audited Year ended
	31 December 2020 \$ '000	31 December 2019 \$ '000	31 March 2020 \$ '000
Dividend income	24,410	20,402	23,834
Other income	5,085	5,671	7,434
Operating expenses	(98,123)	7,562	(356,681)
Operating (loss)/profit	(68,628)	33,635	(325,413)
Finance costs	-	(96)	(96)
(Loss)/Profit before tax	(68,628)	33,539	(325,509)
Tax expense	(1,487)	(2,719)	(2,031)
Total comprehensive (loss)/income for the year	(70,115)	30,820	(327,540)

CONDENSED STATEMENT OF CASHFLOWS

	Unaudited Nine Months Ended		Audited Year ended
	31 December 2020 (\$ '000)	31 December 2019 (\$ '000)	31 March 2020 (\$ '000)
OPERATING ACTIVITIES			
Net (loss)/profit before taxation	(68,628)	33,539	(325,509)
Depreciation	90	78	102
Other non-cash movements	95,811	(10,386)	351,247
	27,273	23,231	25,840
Net change in operating assets and liabilities:			
Net change in accounts receivables	(386)	14,884	14,371
Net change in accounts payables	(625)	(800)	(348)
Net change in related parties	(463)	(13,478)	(13,738)
	25,799	23,837	26,125
Taxation paid	(901)	(2,438)	(3,300)
Cash generated from operating activities	24,898	21,399	22,825
INVESTING ACTIVITIES			
Change in long-term investments	1,485	1,681	2,200
Purchase of fixed assets	(380)	-	-
Cash generated from investing activities	1,105	1,681	2,200
FINANCING ACTIVITIES			
Proceeds from/Repayment of loan	-	(10,807)	(10,807)
Dividends paid	-	(66,000)	(96,000)
Cash used in financing activities	-	(76,807)	(106,807)
Net change in cash resources	26,003	(53,727)	(81,782)
Net cash resources at beginning of year	16,287	98,069	98,069
Net cash resources at end of year *	42,290	44,342	16,287

Notes to the Condensed Financial Statements

For the nine months ended 31 December 2020

1. Basis of Preparation

These interim financial statements are prepared in accordance with International Accounting Standards (IAS 34 Interim Financial Reporting). They do not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements for the year ended 31 March 2020. These condensed interim financial statements have not been audited and were approved by the Board of Directors on 9 February 2021.

2. Significant Accounting Policies

The accounting policies in these unaudited condensed interim financial statements are consistent with those applied in the audited financial statements for the year ended 31 March 2020.