

NEL's operating profit drops 16.93 per cent



Chair of National Enterprises Ltd, Ingrid Lashley. PHOTO COURTESY NEL

National Enterprises Ltd (NEL) recorded an operating profit of \$45.49 million for its first quarter ended December 31, 2024, a decline of 16.93 per cent compared to \$54.77 million for the corresponding period in the previous year.

The performance was primarily driven by dividend income of \$42.8 million, which accounted for 95 per cent of total dividend receipts, reflecting the continued contribution of the majority stateowned investment holding company's strategic investments.

This is according to the company's condensed financial statements for the three-month ended December 31, 2024.

It noted that while total income declined relative to the same period last year, this was largely attributable to lower dividend income from both the company's strategic and non-strategic portfolios.

Investment income also saw a reduction of 10.57 per cent to \$3.77 million from \$4.22 million, due primarily to adjustments in the valuation of NEL's shortterm portfolio, which is structured to provide liquidity and support potential shareholder distributions.

Notwithstanding these shifts, NEL's chair Ingrid Lashley said total assets increased by \$45 million (1.6 per cent) over the year-end balance as at September 30, 2024, reflecting the resilience of the company's investment portfolio and a return to profitability.

"Our strategic portfolio companies continue to demonstrate disciplined execution and operational resilience, and we remain focused on navigating the evolving economic landscape to uphold sustainable profitability and shareholder value appreciation," she said.

NEL's total assets amounted to \$2.74 billion as at December 31, 2024, down by 17.66 per cent from the \$3.33 billion the company reported for the period ended December 31, 2023.

Additionally, she noted NEL's net cash position improved significantly to \$75million, representing an increase of 156 per cent from the prior period.

"This strong liquidity position underscores our prudent financial management and positions us well to pursue new strategic diversification opportunities that align with our long-term growth objectives. We remain committed to delivering consistent value to our shareholders, ensuring timely distributions while safeguarding the integrity and performance of our investment portfolio.

On behalf of the Board, I extend my appreciation to our stakeholders for their continued trust and confidence as we execute our strategic vision with discipline and foresight," Lashley added.

National Enterprises Limited (NEL) is an investment holding company incorporated on August 27 1999 by the Government of T&T as part of a re-organisation exercise.

NEL currently owns 51 per cent of the shares of Telecommunications Services of Trinidad and Tobago (TSTT), Trinidad Nitrogen Company (Tringen) and National Flour Mills (NFM). NEL owns 20 per cent of the shares of NGC NGL Company (NGC NGL), 37.84 per cent in NGC Trinidad and Tobago LNG (NGC LNG), 33.3 per cent of Pan West Engineers and Constructors LLC and its wholly owned subsidiary, NEL Power Holdings.

NEL's largest shareholder of the Government, via Corporation Sole, with 66.05 per cent, with National Gas Company of T&T owning 16.67 per cent.