

**Schedule 2  
FORM ECSRC – OR**

(Select One)

**QUARTERLY FINANCIAL REPORT** for the period ended DECEMBER 31, 2020  
Pursuant to Section 98(2) of the Securities Act, 2001

**OR**

**TRANSITION REPORT**  
for the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Pursuant to Section 98(2) of the Securities Act, 2001  
*(Applicable where there is a change in reporting issuer's financial year)*

Issuer Registration Number: \_\_\_\_\_  
**ST.KITTS-NEVIS-ANGUILLA NATIONAL BANK LTD**

\_\_\_\_\_  
(Exact name of reporting issuer as specified in its charter)  
**ST CHRISTOPHER AND NEVIS**

\_\_\_\_\_  
(Territory or jurisdiction of incorporation)  
**CENTRAL STREET, BASSETERRE, ST KITTS**

\_\_\_\_\_  
(Address of principal executive Offices)

(Reporting issuer's:

Telephone number (including area code): (869) 465-2204

Fax number: (869) 465-1050

Email address: webmaster@sknanb.com

\_\_\_\_\_  
(Former name, former address and former financial year, if changed since last report)

(Provide information stipulated in paragraphs 1 to 8 hereunder)

Indicate the number of outstanding shares of each of the reporting issuer's classes of common stock, as of the date of completion of this report. \_\_\_\_\_

CLASS	NUMBER
ORDINARY SHARES	135,000,000

**SIGNATURES**

A Director, the Chief Executive Officer and Chief Financial Officer of the company shall sign this Annual Report on behalf of the company. By so doing each certifies that he has made diligent efforts to verify the material accuracy and completeness of the information herein contained.

The Chief Financial Officer by signing this form is hereby certifying that the financial statements submitted fairly state the company's financial position and results of operations, or receipts and disbursements, as of the dates and period(s) indicated. The Chief Financial Officer further certifies that all financial statements submitted herewith are prepared in accordance with International Accounting Standards consistently applied (except as stated in the notes thereto) and (with respect to year-end figures) including all adjustments necessary for fair presentation under the circumstances.

Name of Chief Executive Officer:

Name of Director:

DONALD THOMPSON

ALEXIS NISBETT

Si SIGNED AND CERTIFIED

Si SIGNED AND CERTIFIED

Date JANUARY 28, 2021

Date 28/01/21

Name of Chief Financial Officer:

ANTHONY GALLOWAY

Signature SIGNED AND CERTIFIED

28/1/21

Date

## **INFORMATION TO BE INCLUDED IN FORM ECSRC-OR**

### **1. Financial Statements**

Provide Financial Statements for the period being reported in accordance with International Accounting Standards. The format of the financial statements should be similar to those provided with the registration statement. Include the following:

- (a) Condensed Balance Sheet as of the end of the most recent financial year and just concluded reporting period.
- (b) Condensed Statement of Income for the just concluded reporting period and the corresponding period in the previous financial year along with interim three, six and nine months of the current financial year and corresponding period in the previous financial year.
- (c) Condensed Statement of Cash Flows for the just concluded reporting period and the corresponding period in the previous financial year along with the interim three, six and nine months of the current financial year and the corresponding period in the previous financial year.
- (d) By way of *Notes to Condensed Financial Statements*, provide explanation of items in the financial statements and indicate any deviations from generally accepted accounting practices.

### **2. Management's Discussion and Analysis of Financial Condition and Results of Operation.**

Discuss the reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations during the reporting period. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated. Discussion of material changes should be from the end of the preceding financial year to the date of the most recent interim report.

The Management's Discussion and Analysis should disclose sufficient information to enable investors to judge:

1. The quality of earnings;
2. The likelihood that past performance is indicative of future performance; and
3. The issuer's general financial condition and outlook.

It should disclose information over and above that which is provided in the management accounts and should not be merely a description of the movements in the financial statements in narrative form or an otherwise uninformative series of technical responses. It should provide management's perspective of the company that enables investors to view the business from the vantage point of management.

The discussion should focus on aspects such as liquidity; capital resources; changes in financial condition; results of operations; material trends and uncertainties and measures taken or to be taken to address unfavourable trends; key performance indicators; and nonfinancial indicators.

### *General Discussion and Analysis of Financial Condition*

At the end of the quarter, December 2020, the Financial Condition of the Bank was as follows:

1) The Bank's total asset base increased by \$75.2 million or 2.3% to \$3.380 billion when compared with \$3.305 billion reported at June 2020, due mainly to the following:

- Increase in Loans & Advances by \$30.5 million or 3.7%
- Increase in Investments by \$229.2 million or 23.8%

Offset by,

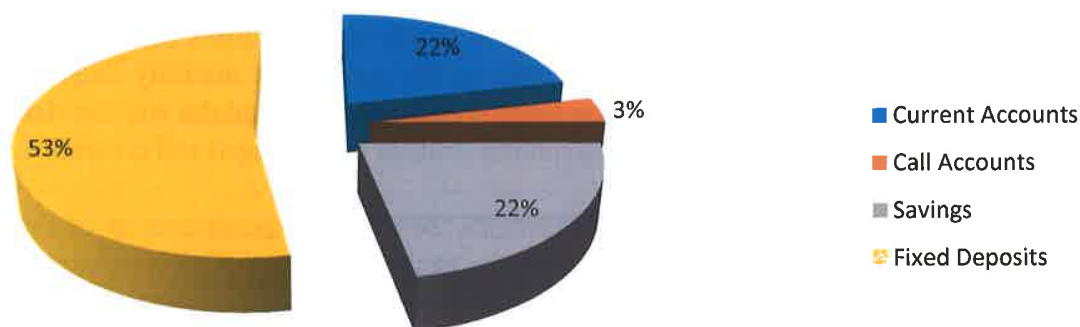
- Decrease in Originated Debts by \$27.0 million or 19.8%
- Decrease in Deposits with other financial institutions by \$157.3 million or 34.7%

Cash and balances with Central Bank constituted 5.3% of the total assets, investments constituted 49.7%, loans and advances contributed to 25.1%, Lands held (financial asset) constituted 16.9%, while all other assets comprised the 3.0% at December 31, 2020. The investment strategy applied by the Bank ensures that it maintains a well-diversified portfolio to reduce risk exposure.

- 2) Net Loans and advances as at December 31, 2020 increased by \$30.5 million or 3.7% when compared with \$819.3 million at June 2020. During the review period, the Bank continued to grow the loan portfolio through its "Carnival at National" loan promotions as well as other loan strategies.
- 3) Customers' deposits decreased by \$101.3 million or 3.7% when compared with \$2.728 billion reported at June 2020. The Bank has experienced a decrease in Deposits over the past few months due mainly from withdrawals by the Government of St Kitts-Nevis and Social Security to fund relief programs to persons affected by the recent Covid-19 pandemic. Correspondent Banks in the region have also maintained reduced deposit balances over the past few months, having also experienced liquidity challenges as a result of the pandemic. Below is a diagram showing the customer deposit mix at the end of December 31, 2020.
- 4) Shareholders' Equity increased significantly by \$127.4 million or 23.6% when compared with \$539.1 million at June 2020, resulting from unrealized gains on FVOCI investments of \$12.5 million (net of tax), profit reported for the quarter of \$130.3 million; offset by a realized loss of \$15.4 million on disposal of FVOCI Equity securities.

The Company continues to closely monitor market and other risks to ensure that it realizes its goal of providing satisfactory returns to shareholders, thereby increasing the value of their investments.

## Customer Deposit Mix



### Liquidity and Capital Resources

Provide a narrative explanation of the following (but not limited to):

- i) The reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations.
- ii) Any known trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, the issuer's liquidity increasing or decreasing in any material way. If a deficiency is identified, indicate the course of action that the reporting issuer has taken or proposes to take to remedy the deficiency.
- iii) The issuer's internal and external sources of liquidity and any material unused sources of liquid assets.
- iv) Provisions contained in financial guarantees or commitments, debt or lease agreements or other arrangements that could trigger a requirement for an early payment, additional collateral support, changes in terms, acceleration of maturity, or the creation of an additional financial obligation such as adverse changes in the issuer's financial ratios, earnings, cash flows or stock price or changes in the value of underlying, linked or indexed assets.
- v) Circumstances that could impair the issuer's ability to continue to engage in transactions that have been integral to historical operations or are financially or operationally essential or that could render that activity commercially impracticable such as the inability to maintain a specified level of earnings, earnings per share, financial ratios or collateral.

- vi) Factors specific to the issuer and its markets that the issuer expects will affect its ability to raise short-term and long-term financing, guarantees of debt or other commitment to third parties, and written options on non-financial assets.
- vii) The relevant maturity grouping of assets and liabilities based on the remaining period at the balance sheet date to the contractual maturity date. Commentary should provide information about effective periods and the way the risks associated with different maturity and interest profiles are managed and controlled.
- viii) The issuer's material commitments for capital expenditures as of the end of the latest fiscal period, and indicate the general purposes of such commitments and the anticipated source of funds needed to fulfil such commitments.
- ix) Any known material trends, favorable or unfavorable, in the issuer's capital resources, including any expected material changes in the mix and relative cost of capital resources, considering changes between debt, equity and any off-balance sheet financing arrangements.

#### *Discussion of Liquidity and Capital Resources*

##### LIQUIDITY

The Bank's liquidity is managed and monitored on a daily basis by management to ensure that there is sufficient liquidity to meet its liabilities when they fall due, both under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Bank's reputation. The Bank maintains a portfolio of marketable assets that can be easily liquidated as protection against unforeseen liquidity problems, as well as cash and balances with the Central Bank and other financial institutions. At the end of the review period, Cash and balances with Central Bank stood at \$178.0 million, \$25.9 million more than the required reserve deposit of \$152.1 million.

The Bank reported positive cash and cash equivalents of \$285.0 million at the end of December 2020, despite a reduction of \$152.4 million when compared to June 2020.

The Bank continues in its efforts to maintain its liquidity during these challenging times. Over the pandemic period, the Bank experienced liquidity tightening due to increased withdrawals, reduced inflows and remittances from abroad. A reduction in Customers deposits has also occurred over the period. The bank continues to maintain a reasonable level of marketable assets that can be easily liquidated as protection against unforeseen liquidity problems. During the month of December, the Bank initiated the drawdown of funds from an available line of credit offered at a very low rate to supplement its liquidity.

The Bank has increased its focus on remaining liquid during these challenging times and has also strengthened its capability to manage liquidity risk by integrating stress-testing into its management processes. Weekly cash flow forecasting is also being done to continually monitor liquidity needs and mitigate liquidity risks.

## CAPITAL

The Bank's policy is to manage the capital levels based on the underlying risk of its business. Capital adequacy is monitored to ensure compliance with the ECCB's risk-based capital guidelines, which require a minimum ratio for Tier 1 or core capital of 4% to risk weighted assets. Tier 1 Capital is comprised of share capital, statutory reserves, general reserves and retained earnings. At December 31 2020, the Bank's capital remained very strong and far in excess of the regulatory capital adequacy requirements, reporting a Tier 1 capital ratio of 28.4%.

Capital plays an important role against potential risk, and for this reason the Central Bank is moving to enhance banks' capital to provide a margin of safety for depositors and stakeholders by implementing a Basel II/III hybrid standard. The bank is currently in the process of preparing for the implementation of the first phase of the Basel II/III Capital Standard, which is currently targeted for December 2021. The new Basel requirements will place significant emphasis on internal processes for managing risk and management of capital requirements. The Bank is also considering the effects that the introduction of the Basel II/III hybrid standard would have on its capital risk. The Bank has implemented an Enterprise Risk Management approach to ensure that policies and procedures are in place to capture risk on a Bank wide and business line level.

## Off Balance Sheet Arrangements

Provide a narrative explanation of the following (but not limited to):

- i) Disclosures concerning transactions, arrangements and other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect liquidity or the availability of, or requirements for capital resources.
- ii) The extent of the issuer's reliance on off-balance sheet arrangements should be described fully and clearly where those entities provide financing, liquidity, market or credit risk support, or expose the issuer to liability that is not reflected on the face of the financial statements.
- iii) Off-balance sheet arrangements such as their business purposes and activities, their economic substance, the key terms and conditions of any commitments, the initial on-going relationship with the issuer and its affiliates and the potential risk exposures resulting from its contractual or other commitments involving the off balance sheet arrangements.
- iv) The effects on the issuer's business and financial condition of the entity's termination if it has a finite life or it is reasonably likely that the issuer's arrangements with the entity may be discontinued in the foreseeable future.

The Bank had contractual commitments to extend credit to customers resulting from loan and credit card facilities granted and Letters of Credit arrangements with customers at the end of the review period. At December 2020, Letters of Credit obligations stood at \$6.6 million, which decreased by \$0.1 million from the amount reported at June 2020, while loan and credit card commitments stood at \$50.7 million, an increase of \$13.9 million or 37.8% resulting from new credit facilities granted.

### Results of Operations

In discussing results of operations, issuers should highlight the company's products and services, facilities and future direction. There should be a discussion of operating considerations and unusual events, which have influenced results for the reporting period. Additionally, any trends or uncertainties that might materially affect operating results in the future should be discussed.

Provide a narrative explanation of the following (but not limited to):

- i) Any unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from continuing operations and, in each case, the extent to which income was so affected.
- ii) Significant components of revenues or expenses that should, in the company's judgment, be described in order to understand the issuer's results of operations.
- iii) Known trends or uncertainties that have had or that the issuer reasonably expects will have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.



- iv) Known events that will cause a material change in the relationship between costs and revenues (such as price increases, costs of labour or materials), and changes in relationships should be disclosed.
- v) The extent to which material increases in net sales or revenues are attributable to increases in prices or to increases in the volume or amount of goods or services being sold or to the introduction of new products or services.
- vi) Matters that will have an impact on future operations and have not had an impact in the past.
- vii) Matters that have had an impact on reported operations and are not expected to have an impact upon future operations
- viii) Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships that have or are reasonably likely to have a current or future effect on the registrant's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.
- ix) Performance goals, systems and, controls.

## Overview of Results of Operations

### RESULTS OF OPERATIONS

The Bank's investment portfolio has performed countercyclical to the local economy and has recorded net gains of \$146.4 million at the end of the second quarter of the financial year. This has allowed the Bank to surpass its targeted performance for December 2020 with a profit of \$130.3 million which represents a \$118.4 million increase when compared with \$11.9 million reported at December 31, 2019.

Outlined below is a summary of the results of operations at the end of December 2020 and 2019.

	Dec 2020	Dec 2019	
	\$mil	\$mil	% Change
Income from Loans & Advances	14.1	14.6	-3.4%
Income from Investments	6.1	8.0	-23.8%
Income from Deposits with financial Inst.	0.6	2.2	-72.7%
Income from Lands	4.1	9.4	-56.4%
Non-interest income	160.6	26.8	499.2%
Total income	185.5	61.0	204.1%
Interest Expenses	26.2	24.9	5.2%
Non-interest expenses	29.0	24.2	19.8%
Total expenses	55.2	49.1	12.4%
Net Income before taxes	130.3	11.9	995.0%

#### Net-interest Income

Net interest income decreased by \$10.6 million or 114.1% at the end of December 2020 when compared with the \$9.3 million recorded for the same period in 2019. The decrease in net interest income was due to a \$1.3 million increase in interest expense coupled with a \$9.3 million decrease in interest income.

The year-over-year decrease in interest income resulted from the reduction in interest income from:

- investments following a reduction market interest rates on fixed income securities
- deposits with financial institutions following the closure of liquid deposits
- Financial Asset (Gov't lands) following payments received to reduce the outstanding balance and a reduction in the interest rate on the outstanding balance.

#### Net Fees & Commission Income

Net fees and commission income fell by \$5.0 million (or 212.9%) at the end of December 2020 when compared with the amount attained for the quarter ended December 31, 2019. The year-over-year decrease in net fees and commission income was due mainly to a decrease in commission on debit cards and prepaid fees by \$0.7 million, E-business commissions by \$0.9 million, service charges on exceeding OD limits by \$0.4 million, service charge on wire transfers \$0.1 million, service charges

on standing orders \$0.2 million and legal income by \$0.2 million; coupled with an increase in fee expenses by \$2.5 million

### **Other Income**

At December 2020, income from other sources showed a significant increase of \$136.3 million or 820.6% when compared to the amount recorded for the same period ended December 2019. The rise in other income was mainly the result of an increase in net gains on equity securities of \$146.4 million. The table below gives an analysis of revenues earned over the review period.

<i>Analysis of Revenue</i>	<b>Dec 2020</b>	<b>Dec 2019</b>	
<b>Interest Income</b>	<b>\$ 000</b>	<b>\$ 000</b>	<b>% Change</b>
Interest from loans and advances	14,069	14,611	-3.7%
Interest from Investments	4,978	6,891	-27.8%
Interest from Treasury Bills	1,126	1,127	0.1%
Interest from Deposits with Fin. Inst.	558	2,192	-74.5%
Interest on Lands	4,136	9,407	-56.0%
<b>Total interest</b>	<b>24,867</b>	<b>34,228</b>	<b>-27.3%</b>
<b>Non-interest income</b>			
Income from fees and commissions	7,723	10,183	-24.2%
Gains from foreign exchange	3,087	3,505	-11.9%
Gains from investments, net	146,426	10,474	1,298.0%
Dividend income	2,930	2,530	15.4%
Expected credit losses	-	-	-
Other income	432	98	340.8%
<b>Total non-interest income</b>	<b>160,598</b>	<b>26,790</b>	<b>499.4%</b>
<b>Total Revenue</b>	<b>185,465</b>	<b>24,260</b>	<b>664.5%</b>

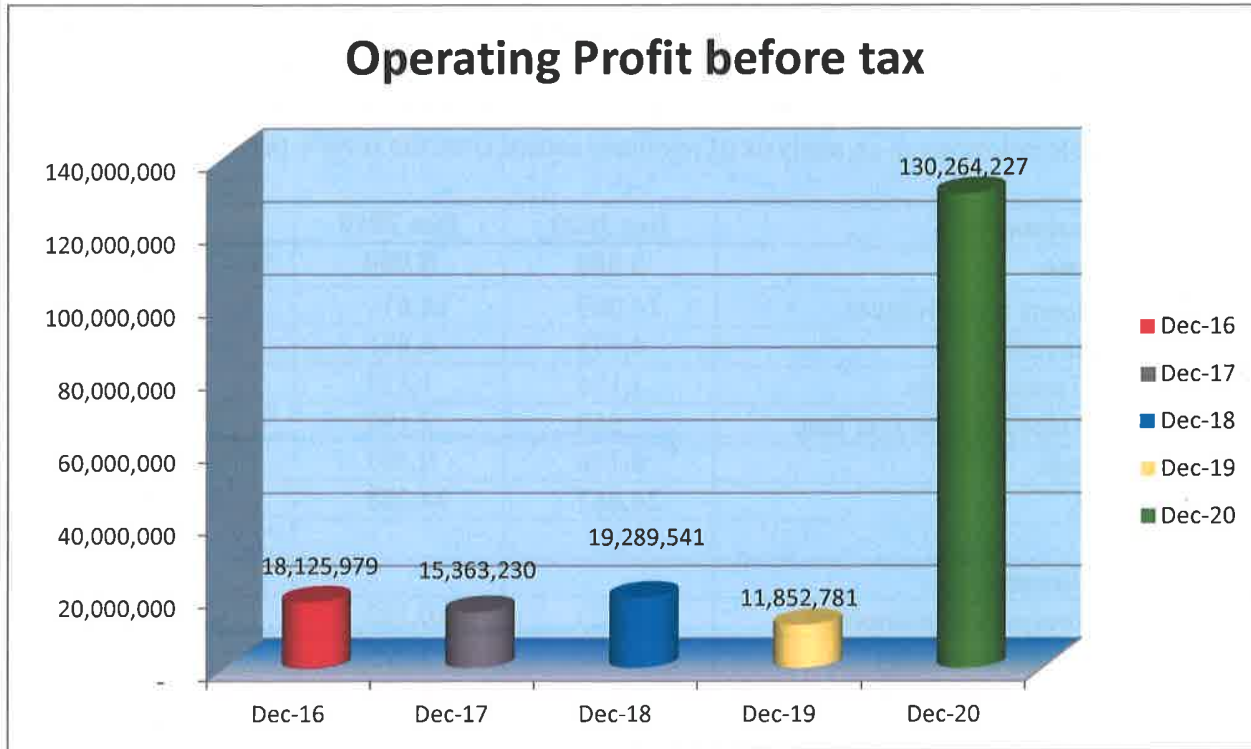
### **Operating Expenses**

Operating expenses incurred at the end of December 2020 was \$18.6 million when compared to \$16.4 million at the end of December 2019, representing an increase of \$2.2 million or 13.4%. Operating cost management and curtailment remains a critical area of focus for the bank.

### **Operating Income**

Over the past 5 years, operating income before tax failed to trend in the same direction. Operating income before tax moved slightly downwards by \$2.7 million from December 2016 to December 2017. However, operating income rose to \$19.3 million at December 2018 from the amount of \$15.4 million reported at the end of December 2017, before dipping to \$11.8 million at December 2019. At the end of December 2020, operating income grew by leaps and bounds to \$130.3 million, following an impressive final quarter stock market performance. The Company is optimistic that its continued efforts to augment the non-interest income base and curtail interest costs will result in a significant improvement in profitability over the next quarter and beyond.

Outlined below is the movement of net operating income for period ended December 31<sup>st</sup> over a five year period.



## **OUTLOOK**

The Directors and Management of National Bank will remain focused on our strategic priorities of broadening and deepening customer relationships, managing risks and positioning ourselves to take advantage of growth opportunities. New initiatives are being sought to further improve the overall end-to-end customer experience. Additionally, promotions are currently being undertaken to increase awareness and usage of our Card products and other services. Providing greater security and assurance to our Debit and Credit Card users against fraud and Identity theft continues to be a major goal.

### **3. Disclosure about Risk Factors.**

Provide a discussion of the risk factors that may have an impact on the results from operations or on the financial conditions. Avoid generalized statements. Typical risk factors include untested products, cash flow and liquidity problems, dependence on a key supplier or customer, management inexperience, nature of business, absence of a trading market (specific to the securities of the reporting issuer), etc. Indicate if any risk factors have increased or decreased in the time interval between the previous and current filing.

The management of risks has emerged as one of the greatest challenges that banks now face, especially during the recent COVID pandemic. The Bank's activities expose it to a variety of financial risks, as taking risk is core to the commercial banking business. Management is aware that operational risks are an inevitable consequence of being in business, and hence risk management policies are designed to identify and analyze risks in order to set appropriate levels and controls to monitor and mitigate risks. Risk management is carried out by the Credit and Finance Divisions under policies approved by the Board of Directors. In addition, internal audit is responsible for the independent review of risk management and the control environment.

The types of risks that affect the Bank are credit risk, liquidity risk, market risk (interest rate and currency risk), insurance risk and other operational risks.

#### **Credit Risk**

Credit risks can have a great impact on the results from operations or on financial conditions due to the industry in which we operate. The Bank takes on exposure to credit risk, which is the risk that counter-parties will cause financial losses for the bank by failing to discharge their obligations. Credit exposure arises principally in lending activities that lead to loans and advances and investment activities that bring debt securities and other bills into the Bank's asset portfolio.

The Bank's credit risk remains 'high' based primarily on the level of non-productive loans and advances which continue to remain far above the prescribed acceptable limit. The effect of the pandemic on the labour force is being closely monitored given the correlation between unemployment and non-performing loans. The level of non-productive loans and advances are expected to worsen as default rates are expected to rise, as some customers may have challenges recovering financially even after the end of the extended loan moratorium period. However, the Bank has been working assiduously to reduce the level of non-productive loans and actions to maintain resilience and further strengthen the credit risk management framework is being undertaken by Management. We continue to monitor the credit portfolio to assess the impact that COVID-19 will inflict on the credit quality and collateral quality of affected customers.

#### **Market/Investment Risk**

The Bank is exposed to market risk, which is the risk that fair values or future cash flows will fluctuate because of changes in market prices. The Bank holds investments in open positions in interest rate and equity products, all of which are exposed to general and specific market movements and changes in market rates or prices such as interest rates, equity prices and foreign

exchange rates. As risks from future market uncertainty cannot be avoided, it is being mitigated in the investment portfolio by maintaining an appropriate mix of equities and bonds that reflect the Bank's comfort with market volatility. Exposure to investment risk is managed by diversifying the investment portfolio of the Bank to mitigate volatility of stocks in different sectors.

All's well that ends well" sums up the stock market performance at the end of December 2020, which ended with a gain of more than 15%. A tumultuous year ended on a positive note as stocks rose in December 2020, fueled by the rollout of COVID-19 vaccines and the signing of a new fiscal relief bill. Markets appear to be looking past the worsening pandemic with the hope that growth should accelerate as the vaccine becomes widely available, allowing consumer, work, leisure, and travel habits to return to more sustainable levels.

Management, with the assistance of highly competent and experienced fund advisers, continue to closely monitor the market and our investment portfolio in order to mitigate potential risks.

#### **Liquidity Risk**

Liquidity risk, to which the Bank is also exposed, is the risk that the bank is unable to meet its payment obligations when they fall due and fulfill commitments to lend. Sources of liquidity are regularly monitored, and the bank holds a diversified portfolio of cash and investment securities to support payment obligations. Liquidity sources fell over the last three quarters due to a large reduction of deposit balances maintained by the Public Sector and a few Correspondent banks in the ECCU region thereby decreasing the Bank's deposit balance held at ECCB. Notwithstanding this reduction, the Bank maintains marketable assets that can be easily liquidated to meet demands. Liquidity is closely monitored to ensure that sufficient funds are available at all times to meet any demands for funds, with increased focus placed on monitoring with the recent implementation of a weekly cash flow forecast.

#### **Interest Rate Risk**

The Bank is exposed to interest rate risk, which is the risk that future cash flows or the value of a financial instrument will fluctuate because of changes in market interest rates. The bank has deposit liabilities that are of a shorter maturity than loans, which means that deposits are repriced faster than loans. Each time a deposit matures, there is the risk of interest rates rising and the Bank having to pay a higher interest rate on them. However, loans with longer maturities cannot be repriced that easily, creating an interest repricing gap. The Bank holds over \$2.0 billion in short term deposits at the end of the review period that can be easily repriced. Globally, short term interest rates remain below 1%.

4.

**Legal Proceedings.**

A legal proceeding need only be reported in the ECSRC – OR filed for the period in which it first became a reportable event and in subsequent interim reports in which there have been material developments. Subsequent Form ECSRC – OR filings in the same financial year in which a legal proceeding or a material development is reported should reference any previous reports in that year. Where proceedings have been terminated during the period covered by the report, provide similar information, including the date of termination and a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

None
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**5. Changes in Securities and Use of Proceeds.**

(a) Where the rights of the holders of any class of registered securities have been materially modified, give the title of the class of securities involved. State briefly the general effect of such modification upon the rights of holders of such securities.

None
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(a) Where the use of proceeds of a security issue is different from that which is stated in the registration statement, provide the following:

- Offer opening date (provide explanation if different from date disclosed in the registration statement)

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- Offer closing date (provide explanation if different from date disclosed in the registration statement)

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- Name and address of underwriter(s)

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- Amount of expenses incurred in connection with the offer 

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- Net proceeds of the issue and a schedule of its use

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- Payments to associated persons and the purpose for such payments

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(c) Report any working capital restrictions and other limitations upon the payment of dividends.

None



6.

**Defaults upon Senior Securities.**

- (a) If there has been any material default in the payment of principal, interest, a sinking or purchase fund instalment, or any other material default not satisfied within 30 days, with respect to any indebtedness of the reporting issuer or any of its significant subsidiaries exceeding 5 per cent of the total assets of the reporting issuer and its consolidated subsidiaries, identify the indebtedness. Indicate the nature of the default. In the case of default in the payment of principal, interest, or a sinking or purchase fund instalment, state the amount of the default and the total arrearage on the date of filing this report.
- (b)

None

- (c) If any material arrearage in the payment of dividends have occurred or if there has been any other material delinquency not satisfied within 30 days, give the title of the class and state the amount and nature of the arrearage or delinquency.

None

**7. Submission of Matters to a Vote of Security Holders.**

If any matter was submitted to a vote of security holders through the solicitation of proxies or otherwise during the financial year covered by this report, furnish the following information:

- (a) The date of the meeting and whether it was an annual or special meeting.

None

- (b) If the meeting involved the election of directors, the name of each director elected at the meeting and the name of each other director whose term of office as a director continued after the meeting.

None

- (c) A brief description of each other matter voted upon at the meeting and a statement of the number of votes cast for or against as well as the number of abstentions as to each such matter, including a separate tabulation with respect to each nominee for office.

None

- (d) A description of the terms of any settlement between the registrant and any other participant.

8.

None

- (e) Relevant details of any matter where a decision was taken otherwise than at a meeting of such security holders.

None

**Other Information.**

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC – MC report (used to report material changes), with respect to which information is not otherwise called for by this form, provided that the material change occurred within seven days of the due date of the Form ECSRC-OR report. If disclosure of such information is made under this item, it need not be repeated in a Form ECSRC – MC report which would otherwise be required to be filed with respect to such information or in a subsequent Form ECSRC – OR report.

None