

## Chairman's Statement

I am pleased to report that for the six months ended 30 June 2018, Trinidad and Tobago NGL Limited ("TTNGL"/"Company") has recorded profit after tax of \$128.5 million. This represents a continuation of TTNGL's profitable growth trajectory and is a \$37.1 million or 40.5% improvement over the corresponding 2017 period when \$91.5 million was recorded. Earnings per share for the period grew by 24 cents which represents an increase of 40.7% over the prior year period.

Improved TTNGL performance was driven by a higher share of profit from TTNGL's investment in Phoenix Park Gas Processors Limited ("PPGPL"). This improved performance of PPGPL was a result of increased revenue derived from enhanced Mont Belvieu product prices and increased Natural Gas Liquids ("NGLs") sales volumes. PPGPL's results were also supported by on-going cost management initiatives.

Despite the challenge of lower natural gas volumes to Point Lisas for processing, PPGPL continues to focus on optimization efficiencies and strategic value creation initiatives. I am pleased to report the successful implementation of our Condensate Project in Quarter 1 and the completion of our Product Trading Project upgrade in Quarter 2. Both projects were

completed within budget and will further diversify PPGPL's revenue in 2018 while enhancing long-term shareholder value.

With respect to the payment of dividends in US dollars, TTNGL continues to engage the relevant State authorities on this initiative. The mechanism to facilitate such payments has already been established with the Trinidad and Tobago Stock Exchange and the Trinidad and Tobago Central Depository ("TTCD"). The TTCD has also completed the necessary arrangements with the local banking institutions to facilitate the US dollar transactions. TTNGL will continue to update shareholders on this matter.

Based on the Company's results for the half year to 30 June 2018, your Board of Directors is pleased to declare an interim dividend for 2018 of \$0.50 per share payable on 5 September 2018 to shareholders on the Register as at 20 August 2018. The Board remains optimistic about the outlook of PPGPL.



**Gerry C. Brooks**  
Chairman  
27 July, 2018



TTNGL Board (L-R): Vivek Charran; Ashmeer Mohamed; Gerry C. Brooks (Chairman); Kenneth Allum and Professor Andrew Jupiter.

### SUMMARY STATEMENT OF CHANGES IN EQUITY TT\$'000

	Share capital \$'000	Translation reserve \$'000	Retained earnings \$'000	Total equity \$'000
<b>Six months ended 30 June 2018</b>				
Balance at 1 January 2018	2,772,120	154,464	444,072	3,370,656
Profit for the year	-	-	128,524	128,524
Other comprehensive income	-	(5,895)	-	(5,895)
Dividends	-	-	(154,800)	(154,800)
<b>Balance at 30 June 2018</b>	<b>2,772,120</b>	<b>148,569</b>	<b>417,796</b>	<b>3,338,485</b>
<b>Six months ended 30 June 2017</b>				
Balance at 1 January 2017	2,772,120	146,005	442,529	3,360,654
Profit for the year	-	-	91,468	91,468
Other comprehensive income	-	9,798	-	9,798
Dividends	-	-	(154,800)	(154,800)
<b>Balance at 30 June 2017</b>	<b>2,772,120</b>	<b>155,803</b>	<b>379,197</b>	<b>3,307,120</b>
<b>Year ended 31 December 2017</b>				
Balance at 1 January 2017	2,772,120	146,005	442,529	3,360,654
Profit for the year	-	-	233,743	233,743
Other comprehensive income	-	8,459	-	8,459
Dividends	-	-	(232,200)	(232,200)
<b>Balance at 31 December 2017</b>	<b>2,772,120</b>	<b>154,464</b>	<b>444,072</b>	<b>3,370,656</b>

### SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME TT\$'000

	Unaudited		Unaudited		Audited
	Three months ended 30 Jun 2018	Three months ended 30 Jun 2017	Six months ended 30 Jun 2018	Six months ended 30 Jun 2017	Year ended 31 Dec 2017
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Share of profit from investment in joint venture	67,098	35,481	128,520	92,708	216,560
Interest Income	113	133	253	319	608
Foreign exchange gain	1	-	1,170	-	-
<b>Total income</b>	<b>67,212</b>	<b>35,614</b>	<b>129,943</b>	<b>93,027</b>	<b>217,168</b>
<b>Expenses</b>					
Impairment reversal	-	-	-	-	19,499
Legal and professional fees	(352)	(465)	(783)	(594)	(979)
Other expenses	(12)	(189)	(12)	(189)	(290)
Profit before tax	66,848	34,960	129,148	92,244	235,398
Income tax expense	(148)	(418)	(624)	(776)	(1,655)
<b>Profit for the period</b>	<b>66,700</b>	<b>34,542</b>	<b>128,524</b>	<b>91,468</b>	<b>233,743</b>
<b>Other comprehensive income:</b>					
Exchange translation differences, net of tax	8,422	9,587	(5,895)	9,798	8,459
<b>Other comprehensive profit/(loss)</b>	<b>8,422</b>	<b>9,587</b>	<b>(5,895)</b>	<b>9,798</b>	<b>8,459</b>
<b>Total comprehensive profit</b>	<b>75,122</b>	<b>44,129</b>	<b>122,629</b>	<b>101,266</b>	<b>242,202</b>
<b>Earnings per share</b>					
Basic (dollars per share)	0.43	0.22	0.83	0.59	1.51
Diluted (dollars per share)	0.43	0.22	0.83	0.59	1.51

### SUMMARY STATEMENT OF FINANCIAL POSITION TT\$'000

	Unaudited		Audited
	30 Jun 2018	30 Jun 2017	31 Dec 2017
	\$'000	\$'000	\$'000
<b>Non-current assets</b>			
Investment in joint venture	3,065,219	3,000,846	3,040,436
<b>Total non-current assets</b>	<b>3,065,219</b>	<b>3,000,846</b>	<b>3,040,436</b>
<b>Current assets</b>			
Dividends receivable	16,458	13,192	19,781
Cash and cash equivalents	257,435	293,454	310,913
<b>Total current assets</b>	<b>273,893</b>	<b>306,646</b>	<b>330,694</b>
<b>Total assets</b>	<b>3,339,112</b>	<b>3,307,492</b>	<b>3,371,130</b>
<b>Equity</b>			
Share capital	2,772,120	2,772,120	2,772,120
Translation reserve	148,569	155,803	154,464
Retained earnings	417,796	379,197	444,072
<b>Total shareholders' equity</b>	<b>3,338,485</b>	<b>3,307,120</b>	<b>3,370,656</b>
<b>Current liabilities</b>			
Due to parent company/related party	462	34	325
Trade and other payables	165	338	149
<b>Total liabilities</b>	<b>627</b>	<b>372</b>	<b>474</b>
<b>Total equity and liabilities</b>	<b>3,339,112</b>	<b>3,307,492</b>	<b>3,371,130</b>

### SUMMARY STATEMENT OF CASH FLOWS TT\$'000

	Unaudited		Audited
	30 Jun 2018	30 Jun 2017	31 Dec 2017
	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>			
Profit for the year before taxation	129,148	92,244	235,398
Impairment reversal	-	-	(19,499)
Interest and other investment income	(253)	(319)	(608)
Dividends from joint venture	101,861	85,578	181,750
Share of income from investment in joint venture	(128,520)	(92,708)	(216,560)
	102,236	84,795	180,481
Increase/(decrease) in amount due to related party	137	(3,308)	(3,016)
Increase/(decrease) in trade and other payables	16	(74)	(264)
Cash flows from operating activities	102,389	81,413	177,201
Taxation paid	(624)	(785)	(1,655)
<b>Net cash flow generated from operating activities</b>	<b>101,765</b>	<b>80,628</b>	<b>175,546</b>
<b>Cash flows from financing activities</b>			
Dividends paid	(154,800)	(154,800)	(232,200)
<b>Net cash used in financing activities</b>	<b>(154,800)</b>	<b>(154,800)</b>	<b>(232,200)</b>
<b>Cash flows from investing activities</b>			
Interest and other investment income	253	319	608
<b>Net cash generated from investing activities</b>	<b>253</b>	<b>319</b>	<b>608</b>
<b>Net increase in cash and cash equivalents</b>	<b>(52,782)</b>	<b>(73,853)</b>	<b>(56,046)</b>
Net foreign exchange differences	(696)	1,227	879
Cash and cash equivalents at 1 January	310,913	366,080	366,080
<b>Cash and cash equivalents at end of period</b>	<b>257,435</b>	<b>293,454</b>	<b>310,913</b>

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2018

#### 1. Basis of preparation

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 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 December 2017. These condensed interim financial statements have not been audited and were approved by the Board of Directors on 27 July 2018.

#### 2. Significant Accounting Policies

The accounting policies applied in these unaudited condensed interim statements are consistent with those applied in the audited financial statements for the year ended 31 December 2017.

#### 3. Currency

All monetary amounts are stated in Trinidad and Tobago dollars.



Trinidad and Tobago NGL Limited