

## CHAIRMAN'S STATEMENT

On behalf of the Board of Directors ('Board'), I am pleased to provide the results of Trinidad and Tobago NGL Limited ('TTNGL' and 'Company') for the nine months ended 30 September 2019. For the period, the Company recorded an after-tax profit of TT\$80.1 million. Earnings per share for the period was TT\$0.52.

The supply imbalance of natural gas production in North America and the resulting excess supply of Natural Gas Liquids ('NGL') supply in the market have continued to impact Mont Belvieu product prices adversely in 2019. As a result product prices have on average been 29.7% lower than the corresponding period in 2018. This decline in prices, coupled with lower NGL production and an increase in feedstock costs has adversely impacted the performance of the Company's underlying asset, Phoenix Park Gas Processors Limited ('PPGPL'). As previously reported, NGL production has been impacted by a combination of both lower and drier natural gas volumes to Point Lisas for processing.

For Quarter 3 2019, PPGPL's performance was also impacted by NGL sales volumes being shifted to later in the year, as well as the recognition of the accounting impact on the business of International Financial Reporting Standards (IFRS) 9: Financial Instruments.

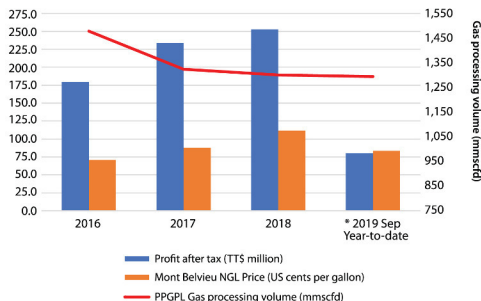
To mitigate the negative impacts of lower NGL prices and NGL volumes, PPGPL remained focused on sustaining the high operating availability and reliability of its facilities and on prudent cost and cash management.

Additionally, during 2019 significant strides were made in PPGPL's internationalization thrust for additional value creation and diversification through exploring and exploiting organic and inorganic growth opportunities regionally. These efforts are expected to improve PPGPL's earnings capacity over the medium to long term.

The Board of Directors of TTNGL remain cautiously optimistic about the future of the business as we navigate through the current environment. We thank all employees of the NGC Group for their continued support.

  
Conrad Enill  
Chairman

## TTNGL - Historical Results and Impacting Factors



### \* PPGPL's 2019 performance was also impacted by:

1. Higher gas processing feedstock costs
2. Provisions under IFRS 9: Financial Instruments
3. Shifting of sales volumes to later in the year

## BOARD OF DIRECTORS



Conrad Enill  
Chairman



Kenneth Allum



Marcus Ganness



Ashmeer Mohamed



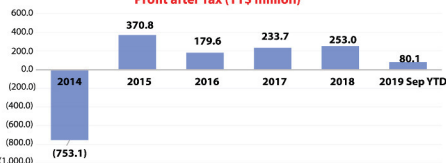
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## SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

TT\$'000

	Unaudited			Unaudited			Audited	
	Three months ended	Three months ended	Nine months ended	Nine months ended	Year ended			
	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	31 Dec 2018			
	\$'000	\$'000	\$'000	\$'000	\$'000			
<b>Income</b>								
Share of profit from investment in joint venture	6,627	82,498	80,415	211,018	242,644			
Interest income	92	112	313	365	493			
Foreign exchange gain	272	(109)	1,009	1,061	1,585			
<b>Total income</b>	<b>6,991</b>	<b>82,501</b>	<b>81,737</b>	<b>212,444</b>	<b>244,722</b>			
<b>Expenses</b>								
Impairment reversal	-	-	-	-	10,568			
Legal and professional fees	(122)	(102)	(757)	(885)	(983)			
Other expenses	(211)	(157)	(577)	(1,069)	(725)			
Profit/(loss) before tax	6,658	82,242	80,403	211,390	253,582			
Income tax expense	(7)	(153)	(307)	(777)	(607)			
<b>Profit for the period</b>	<b>6,651</b>	<b>82,089</b>	<b>80,096</b>	<b>210,613</b>	<b>252,975</b>			
<b>Other comprehensive income:</b>								
Share of other comprehensive income from investment in joint venture	-	(1,750)	-	(1,750)	-			
Exchange translation differences, net of tax	(6,998)	439	(23,419)	(5,456)	8,216			
<b>Other comprehensive income/(loss)</b>	<b>(6,998)</b>	<b>(1,311)</b>	<b>(23,419)</b>	<b>(7,206)</b>	<b>8,216</b>			
<b>Total comprehensive profit/(loss)</b>	<b>(347)</b>	<b>80,778</b>	<b>56,677</b>	<b>203,407</b>	<b>261,191</b>			
<b>Earnings per share</b>								
Basic (dollars per share)	0.04	0.53	0.52	1.36	1.63			
Diluted (dollars per share)	0.04	0.53	0.52	1.36	1.63			

### Profit after Tax (TT\$ million)



### Earnings Per Share (TT\$)



Trinidad and Tobago NGL Limited

# CONDENSED INTERIM FINANCIAL STATEMENTS for the Nine Months Ended 30 September 2019 (Cont'd)

## SUMMARY STATEMENT OF FINANCIAL POSITION TTS'000

	30 Sep 2019 \$'000	Unaudited 30 Sep 2018 \$'000	Audited 31 Dec 2018 \$'000
<b>Non-current assets</b>			
Investment in joint venture	3,071,247	3,096,741	3,097,751
<b>Total non-current assets</b>	<b>3,071,247</b>	<b>3,096,741</b>	<b>3,097,751</b>
<b>Current assets</b>			
Dividends receivable	-	16,462	16,527
Tax recoverable	315	-	315
Cash and cash equivalents	146,652	228,808	278,886
<b>Total current assets</b>	<b>146,968</b>	<b>245,270</b>	<b>295,728</b>
<b>Total assets</b>	<b>3,218,215</b>	<b>3,342,011</b>	<b>3,393,479</b>
<b>Equity</b>			
Share capital	2,772,120	2,772,120	2,772,120
Translation reserve	139,261	149,008	162,680
Retained earnings	306,313	420,735	458,417
<b>Total shareholders' equity</b>	<b>3,217,694</b>	<b>3,341,863</b>	<b>3,393,217</b>
<b>Current liabilities</b>			
Due to parent company/related party	38	20	237
Trade and other payables	483	128	25
<b>Total liabilities</b>	<b>521</b>	<b>148</b>	<b>262</b>
<b>Total equity and liabilities</b>	<b>3,218,215</b>	<b>3,342,011</b>	<b>3,393,479</b>

## SUMMARY STATEMENT OF CHANGES IN EQUITY TTS'000

	Share capital \$'000	Translation reserve \$'000	Retained earnings \$'000	Total equity \$'000
<b>Nine months ended 30 September 2019</b>				
Balance at 1 January 2019	2,772,120	162,680	458,417	3,393,217
Profit for the period	-	-	80,096	80,096
Other comprehensive income	-	(23,419)	-	(23,419)
Dividends	-	-	(232,200)	(232,200)
<b>Balance at 30 September 2019</b>	<b>2,772,120</b>	<b>139,261</b>	<b>306,313</b>	<b>3,217,694</b>
<b>Nine months ended 30 September 2018</b>				
Balance at 1 January 2018	2,772,120	154,464	444,072	3,370,656
Profit for the period	-	-	210,613	210,613
Other comprehensive income	-	(5,456)	(1,750)	(7,206)
Dividends	-	-	(232,200)	(232,200)
<b>Balance at 30 September 2018</b>	<b>2,772,120</b>	<b>149,008</b>	<b>420,735</b>	<b>3,341,863</b>
<b>Year ended 31 December 2018</b>				
Balance at 31 December 2017	2,772,120	154,464	444,072	3,370,656
Net impact of adopting IFRS 9 in joint venture	-	-	(6,430)	(6,430)
Balance at 1 January 2018	2,772,120	154,464	437,642	3,364,226
Profit for the year	-	-	252,975	252,975
Other comprehensive income	-	8,216	-	8,216
Dividends	-	-	(232,200)	(232,200)
<b>Balance at 31 December 2018</b>	<b>2,772,120</b>	<b>162,680</b>	<b>458,417</b>	<b>3,393,217</b>

## SUMMARY STATEMENT OF CASH FLOWS TTS'000

	30 Sep 2019 \$'000	Unaudited 30 Sep 2018 \$'000	Audited 31 Dec 2018 \$'000
<b>Cash flows from operating activities</b>			
Profit for the year before taxation	80,403	211,390	253,582
Impairment reversal	-	-	(10,568)
Interest and other investment income	(313)	(365)	(493)
Dividends from joint venture	101,573	151,497	200,643
Share of income from investment in joint venture	(80,415)	(211,018)	(242,644)
	101,248	151,504	200,520
(Decrease)/increase in amount due to related party	(1,999)	(305)	(488)
Increase/(decrease) in trade and other payables	458	(21)	(124)
Cash flows from operating activities	101,507	151,178	200,308
Taxation paid	(307)	(722)	(921)
<b>Net cash flow generated from operating activities</b>	<b>101,200</b>	<b>150,456</b>	<b>199,387</b>
<b>Cash flows from financing activities</b>			
Dividends paid	(232,200)	(232,200)	(232,200)
<b>Net cash used in financing activities</b>	<b>(232,200)</b>	<b>(232,200)</b>	<b>(232,200)</b>
<b>Cash flows from investing activities</b>			
Interest and other investment income	313	365	493
<b>Net cash generated from investing activities</b>	<b>313</b>	<b>365</b>	<b>493</b>
<b>Net increase in cash and cash equivalents</b>	<b>(130,687)</b>	<b>(81,429)</b>	<b>(32,320)</b>
Net foreign exchange differences	(1,546)	(676)	293
Cash and cash equivalents at 1 January	278,886	310,913	310,913
<b>Cash and cash equivalents at end of period</b>	<b>146,652</b>	<b>228,808</b>	<b>278,886</b>

Chairman

Director



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2019

### 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 2018. These condensed interim financial statements have not been audited and were approved by the Board of Directors on 8 November 2019.

### 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 2018.

### 3. Currency

All monetary amounts are stated in Trinidad and Tobago dollars.

**ngl**  
Trinidad and Tobago NGL Limited

A subsidiary of THE NATIONAL OIL COMPANY OF TRINIDAD AND TOBAGO

Visit our website [www.ngl.co.tt](http://www.ngl.co.tt)