



Trinidad and Tobago NGL Limited

SUMMARY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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 year ended 31 December 2019. For 2019, the Company recorded an after-tax profit of TT\$129.5 million. Earnings per share for the year was TT\$0.84.

For the year, the share of profit from TTNGL's investment in its underlying asset Phoenix Park Gas Processors Limited ('PPGPL') was TT\$90.3 million, compared to TT\$242.6 million in 2018. Performance at PPGPL was adversely impacted by lower Mont Belvieu product prices, coupled with lower Natural Gas Liquids ('NGL') production and an increase in feedstock costs. The decline in prices was driven by the continued supply imbalance of natural gas production in North America and the resulting excess supply of NGL supply to the market. This, combined with geopolitical factors such as the trade war between the United States and China resulted in product prices being 23.4% lower than in 2018. NGL production from gas processing decreased by 9.5% from 2018 and was a result of a combination of both lower and drier natural gas volumes to Point Lisas. PPGPL's earnings for 2019 were also impacted by the recognition of the accounting impact on the business of International Financial Reporting Standards (IFRS) 9 and 16: Financial Instruments and Leases respectively.

To mitigate these negative impacts, PPGPL remained focused on maintaining its competitiveness in its core Caribbean markets, sustaining the high operating availability and reliability of its facilities (greater than 99%) and on prudent cost and cash management. In addition, significant strides were made in securing new sources of revenue from condensate processing and from the acquisition of new assets.

During 2019, PPGPL's progressed its product trading operation and ended the year close to finalising the acquisition of NGL assets based in North America. This acquisition will align to PPGPL's internationalization thrust for shareholder value creation and diversification through exploration of all relevant growth opportunities along the NGL value chain.

Management is currently evaluating the potential impact of the coronavirus disease 2019 (COVID-19) that occurred subsequent to year end, and the effects on the local and global financial and economic markets, all of which are highly uncertain and cannot currently be reliably predicted. This disease was declared a pandemic by the World Health Organisation on March 11, 2020 and its potential impact will be assessed and reported on in future periods.

Notwithstanding a continued challenging environment, the Board remains cautiously optimistic about the future of the business as we navigate through these difficult operating and market conditions.

Based on the Company's results for the year ended 31 December 2019, the Board of Directors is pleased to announce a final dividend of \$0.25 per share. Cumulatively, shareholders will enjoy a total dividend of \$0.75 per share for 2019. The final dividend will be paid on 13 May 2020 to shareholders on the Register of Members as of 27 April 2020.

Conrad Enill
Chairman

Report of the Independent Auditor on the Summary Financial Statements

TO THE SHAREHOLDERS OF TRINIDAD AND TOBAGO NGL LIMITED

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2019, the summary statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of Trinidad and Tobago NGL Limited for the year ended 31 December 2019.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements described in Note 1.

(continued)

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditors' report thereon, therefore, is not a substitute for reading the audited financial statements and the auditors' report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 14 April 2020. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements of the current year.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements described in Note 1.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

Deloitte & Touche
Daryl Walcott-Grappie (ICATT #1248)

Port of Spain
Trinidad

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

TT\$'000

	UNAUDITED		AUDITED	
	Three months ended 31 Dec 2019	Three months ended 31 Dec 2018	Year ended 31 Dec 2019	Year ended 31 Dec 2018
	\$'000	\$'000	\$'000	\$'000
Income				
Share of profit from investment in joint venture	9,843	31,626	90,258	242,644
Interest Income	75	128	388	493
Foreign exchange (loss)/gain	(86)	524	923	1,585
Total income	9,832	32,278	91,569	244,722
Expenses				
Impairment reversal	40,005	10,568	40,005	10,568
Legal and professional fees	(299)	(98)	(1,056)	(983)
Other expenses	(125)	(556)	(702)	(725)
Profit before taxation	49,413	42,192	129,816	253,582
Income tax (expense)/credit	(1)	170	(308)	(607)
Profit after taxation	49,412	42,362	129,508	252,975
Other comprehensive income:				
Share of other comprehensive income from investment in joint venture	-	1,750	-	-
Exchange translation differences, net of tax	14,174	13,672	(9,245)	8,216
Other comprehensive income/(loss)	14,174	15,422	(9,245)	8,216
Total comprehensive profit	63,586	57,784	120,263	261,191
Earnings per share				
Basic (dollars per share)	0.32	0.27	0.84	1.63

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SUMMARY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

Trinidad and Tobago NGL Limited

SUMMARY STATEMENT OF FINANCIAL POSITION

TT\$'000	AUDITED	
	31 Dec 2019 \$'000	31 Dec 2018 \$'000
Non-current assets		
Investment in joint venture	3,134,488	3,097,751
Total non-current assets	3,134,488	3,097,751
Current assets		
Dividends receivable	-	16,527
Tax recoverable	315	315
Cash and cash equivalents	147,073	278,886
Total current assets	147,388	295,728
Total assets	3,281,876	3,393,479
Equity		
Share capital	2,772,120	2,772,120
Translation reserve	153,435	162,680
Retained earnings	355,585	458,417
Total Shareholders' equity	3,281,140	3,393,217
Current liabilities		
Due to parent company/related party	119	237
Trade and other payables	617	25
Total liabilities	736	262
Total equity and liabilities	3,281,876	3,393,479


Chairman


Director

SUMMARY STATEMENT OF CHANGES IN EQUITY

TT\$'000	Share capital \$'000	Translation reserve \$'000	Retained earnings \$'000	Total equity \$'000
Year ended 31 December 2019				
Balance at 31 December 2018	2,772,120	162,680	458,417	3,393,217
Net impact of adopting IFRS 16 in joint venture	-	-	(140)	(140)
Balance at 1 January 2019	2,772,120	162,680	458,277	3,393,077
Profit for the year	-	-	129,508	129,508
Other comprehensive loss	-	(9,245)	-	(9,245)
Dividends	-	-	(232,200)	(232,200)
Balance at 31 December 2019	2,772,120	153,435	355,585	3,281,140
Year ended 31 December 2018				
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)
Balance at 31 December 2018	2,772,120	162,680	458,417	3,393,217

SUMMARY STATEMENT OF CASH FLOWS

TT\$'000	AUDITED	
	31 Dec 2019 \$'000	31 Dec 2018 \$'000
Cash flows from operating activities		
Profit for the year before taxation	129,816	253,582
Impairment reversal	(40,005)	(10,568)
Interest and other investment income	(388)	(493)
Dividends from joint venture	101,573	200,643
Share of income from investment in joint venture	(90,258)	(242,644)
	100,738	200,520
Decrease in amount due to related party	(118)	(88)
Increase/(decrease) in trade and other payables	592	(124)
Cash flows from operating activities	101,212	200,308
Taxation paid	(308)	(921)
Net cash flow generated from operating activities	100,904	199,387
Cash flows from financing activities		
Dividends paid	(232,200)	(232,200)
Net cash used in financing activities	(232,200)	(232,200)
Cash flows from investing activities		
Interest and other investment income	388	493
Net cash generated from investing activities	388	493
Net increase in cash and cash equivalents	(130,908)	(32,320)
Net foreign exchange differences	(905)	293
Cash and cash equivalents at 1 January	278,886	310,913
Cash and cash equivalents at end of year	147,073	278,886

NOTES TO THE CONDENSED SUMMARY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1. Basis of preparation

These summary financial statements are prepared in accordance with established criteria developed by management and disclose the summary statement of financial position, summary statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows. These summary financial statements are derived from the audited financial statements of Trinidad and Tobago NGL Limited for the year ended 31 December 2019 which are prepared in accordance with International Financial Reporting Standards. A full version of the audited financial statements will be available in the Company's Annual Report.

2. Significant Accounting Policies

These summary financial statements have been prepared with the accounting policies set out in Note 3 of the 31 December 2019 audited financial statements consistently applied from period to period. The Company has adopted all the relevant new and revised accounting standards that are mandatory for annual accounting period on or after 1 January 2019.

3. Currency

All monetary amounts are stated in Trinidad and Tobago dollars.