



SUMMARY FINANCIAL STATEMENTS

For the year ended 31 December 2023

Trinidad and Tobago NGL Limited

CHAIRMAN'S STATEMENT

The year 2023 was a particularly challenging one for Trinidad and Tobago NGL Limited (TTNGL/The Company) and its underlying asset, Phoenix Park Gas Processors Limited (PPGPL). We maintain that our flexibility and sustainability are contingent on the extent to which we continue to manifest value for our shareholders through sound operational, governance and financial decisions while navigating the volatile world of energy. With this said, TTNGL was faced with the restriction of not being able to declare and pay a dividend to shareholders for 2023 and is exploring all options to remedy this in the shortest possible time.

There is good news. NGL prices are expected to strengthen into 2024. The energy sector will continue to stabilise through the medium to long term. NGC and its subsidiaries (The NGC Group of Companies/The Group/the Group) will continue to play their role in the energy value chain and deliver long-term shareholder value while navigating the challenging economic and geopolitical environment.

Financial Performance

For the year ended 31 December 2023, PPGPL recorded a profit after tax of US\$10.7 million (2022: US\$63.8 million). This translated to a share of profit to TTNGL for 2023 of TT\$28.1 million (2022: TT\$168.1 million). After accounting for expenses, the Company recorded a loss after tax of TT\$547.7 million (2022: TT\$396.6 million).

Impacts on Performance

PPGPL's performance for 2023, when compared to the prior year, 2022, was a result of the following:

- Lower Mount Belvieu NGL product price (30% lower than 2022), driven by a warmer-than-usual winter in the United States together with increasing production and lower global demand, particularly out of China
- Lower NGL production coming out of reduced gas volumes to Point Lisas for processing
- Extended facility downtime for planned maintenance activity
- Higher decommissioning cost due to the revision of estimates in calculation.

While sales volumes at the North American subsidiary grew by 19%, the performance of this segment remained subdued as PPGPL worked through market and commercial challenges of this new territory. Trading volumes are expected to show continued growth that will positively impact unit cost in this competitive trading market.

The Company's performance was impacted by the recognition of an impairment charge of TT\$573.6 million (2022: TT\$562.4 million). As in 2022, the impairment charge

is unrealised and was a result of the 2023 Fair Value (FV) assessment of TTNGL's investment in PPGPL. The Fair Value Less Costs of Disposal (FVLCD) calculation was utilised based on management's conservative estimates for expected future cash flows from the asset based on the impact of the following changes in the impairment model's key assumptions:

- Lower forecasted long-term gas supply volumes
- A higher discount factor to cater for risks inherent to the business
- Lower forecasted cash flows from North American assets, as PPGPL continues to grow that business segment.
- Lower forecasted natural gas liquids (NGL) product prices
- Additional decommissioning cash flows related to PPGPL's plant located at Point Lisas

It must be noted that given the conservative assumptions, reversal of unrealised losses is possible in future reporting periods, as key inputs at PPGPL are enhanced, including natural gas supply and the useful life of key assets. Available cash at the end of 2023 was a robust TT\$127.2 million (2022: TT\$105.5 million).

Outlook

The Board of Directors focuses on supporting our teams within the Group, including PPGPL and TTNGL. Resilience and sustainability are the drivers that marshal us to maintain our commitment to securing the future of our valued shareholders by maximising value. PPGPL continues to steadfastly pursue its growth agenda, both regionally and internationally.

The Group will continue to play a critical role in the energy value chain and deliver long-term value creation to its shareholders. I remain encouraged by the flexibility of The Group amidst all challenging factors and uncertainties.

I would like to take this opportunity to thank my colleagues on the Board, and on their behalf, say thank you to our shareholders for their continued trust. I also express gratitude to all our employees across The NGC Group who continue to be resilient as we work for the benefit of Trinidad and Tobago, despite the vagaries of the industry.

Dr. Joseph Ishmael Khan
Chairman

SUMMARY STATEMENT OF FINANCIAL POSITION

	AUDITED	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Non-current assets		
Investment in joint venture	1,016,296	1,588,588
Total non-current assets	1,016,296	1,588,588
Current assets		
Tax recoverable	314	314
Cash at bank and on hand	127,165	105,547
Total current assets	127,479	105,861
Total assets	1,143,775	1,694,449
Equity		
Share capital	2,772,120	2,772,120
Translation reserve	141,621	145,252
Accumulated deficit	(1,774,228)	(1,226,493)
Total shareholder's equity	1,139,513	1,690,879
Current liabilities		
Due to parent company/related party	178	142
Trade and other payables	4,084	3,428
Total liabilities	4,262	3,570
Total equity and liabilities	1,143,775	1,694,449

Chairman

Director

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	UNAUDITED		AUDITED	
	Three months ended 31 Dec 2023 \$'000	Three months ended 31 Dec 2022 \$'000	Year ended 31 Dec 2023 \$'000	Year ended 31 Dec 2022 \$'000
Income				
Share of (loss)/profit from investment in joint venture	(5,610)	1,432	28,080	168,053
Interest Income	32	17	117	96
Foreign exchange gain	-	-	-	130
Total income	(5,578)	1,449	28,197	168,279
Expenses				
Impairment loss	(573,566)	(562,448)	(573,566)	(562,448)
Legal and professional fees	(811)	(382)	(1,680)	(1,221)
Other expenses	(529)	(546)	(685)	(1,192)
Loss before tax	(580,484)	(561,927)	(547,734)	(396,582)
Income tax credit/(expense)	-	200	(1)	2
Loss after taxation	(580,484)	(561,727)	(547,735)	(396,580)
Other comprehensive (loss)/income:				
Exchange translation differences, net of tax	(5,401)	10,355	(3,631)	(5,974)
Other comprehensive (loss)/income	(5,401)	10,355	(3,631)	(5,974)
Total comprehensive loss	(585,885)	(551,372)	(551,366)	(402,554)
Loss per share				
Basic (dollars per share)	(3.75)	(3.63)	(3.54)	(2.56)



SUMMARY FINANCIAL STATEMENTS

For the year ended 31 December 2023

Trinidad and Tobago NGL Limited

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF TRINIDAD AND TOBAGO NGL LIMITED

Our opinion

In our opinion, the accompanying summary financial statements of Trinidad and Tobago NGL Limited (the Company), are consistent, in all material respects, with the audited financial statements, on the basis described in note 1.

The summary financial statements

The Company's summary financial statements derived from the audited financial statements for the year ended 31 December 2023 comprise:

- the summary statement of financial position as at 31 December 2023;
- the summary statement of profit or loss and other comprehensive income for the year then ended;
- the summary statement of changes in equity for the year then ended;
- the summary statement of cash flows for the year then ended; and
- the related notes to the summary financial statements.

The summary financial statements do not contain all the disclosures required by IFRS Accounting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The audited financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our audit report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 29 May 2024. 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 audited consolidated financial statements of the current period.

Responsibilities of management and those charged with governance for the summary financial statements

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's 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 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

Port of Spain
Trinidad, West Indies
29 May 2024

SUMMARY STATEMENT OF CHANGES IN EQUITY

	Share capital \$'000	Translation reserve \$'000	Accumulated deficit \$'000	Total equity \$'000	AUDITED	
					Year ended 31 Dec 2023 \$'000	Year ended 31 Dec 2022 \$'000
Audited year ended 31 December 2023						
Balance at 1 January 2023	2,772,120	145,252	(1,226,493)	1,690,879		
Loss for the year	-	-	(547,735)	(547,735)		
Other comprehensive loss	-	(3,631)	-	(3,631)		
Total comprehensive loss	-	(3,631)	(547,735)	(551,366)		
Dividends	-	-	-	-		
Balance at 31 December 2023	2,772,120	141,621	(1,774,228)	1,139,513		
Audited year ended 31 December 2022						
Balance at 1 January 2022	2,772,120	151,226	(698,333)	2,225,013		
Loss for the year	-	-	(396,580)	(396,580)		
Other comprehensive loss	-	(5,974)	-	(5,974)		
Total comprehensive loss	-	(5,974)	(396,580)	(402,554)		
Dividends	-	-	(131,580)	(131,580)		
Balance at 31 December 2022	2,772,120	145,252	(1,226,493)	1,690,879		

SUMMARY STATEMENT OF CASH FLOWS

	AUDITED	
	Year ended 31 Dec 2023 \$'000	Year ended 31 Dec 2022 \$'000
Cash flows from operating activities		
Loss for the year before taxation	(547,734)	(396,582)
Impairment loss	573,566	562,448
Dividends from joint venture	23,688	105,286
Interest income	(117)	(96)
Share of income from investment in joint venture	(28,080)	(168,053)
	21,323	103,003
Increase in amount due to related party	36	122
Increase in trade and other payables	656	1,833
Cash flows generated from operating activities	22,015	104,958
Taxation received	-	29
Taxation paid	(1)	(1)
Net cash flow generated from operating activities	22,014	104,986
Cash flows from financing activities		
Dividends paid	-	(131,580)
Net cash used in financing activities	-	(131,580)
Cash flows from investing activities		
Interest and other investment income	117	96
Net cash generated from investing activities	117	96
Net increase/(decrease) in cash at bank and on hand	22,131	(26,498)
Net foreign exchange differences	(513)	(216)
Cash at bank and on hand at 1 January	105,547	132,261
Cash at bank and on hand at end of year	127,165	105,547

NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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, 2023 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 2 of the 31 December, 2023 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, 2023.

3. Currency

All monetary amounts are stated in Trinidad and Tobago dollars.