

Condensed Interim Financial Statements for the Nine Months Ended 30 September 2018

Chairman's Statement

I am pleased to report that for the nine months ended 30 September 2018, Trinidad and Tobago NGL Limited ("TTNGL"/"Company") has recorded profit after tax of \$210.6 million. This represents an improvement of \$59.9 million or 39.8% improvement over the corresponding 2017 period when \$150.7 million was recorded. Earnings per share for the period experienced growth of 39 cents which represents an increase of 40.2% over the prior year period.

TTNGL's improved performance was driven by a higher share of profit from TTNGL's investment in Phoenix Park Gas Processors Limited ("PPGPL"). This improvement was primarily a result of increased revenue derived from enhanced Mont Belvieu product prices - 38.1% higher than 2017, coupled with PPGPL's continued ability to derive the benefit from such price increases through its successful marketing strategies.

Additionally, cost management initiatives have been sustained. In the area of procurement, PPGPL conducted its first e-Auction which will now become a standard component of its procurement strategies. This is the most recent example of the manner in which PPGPL is implementing the use of technology to improve its business processes.

Natural gas volumes to Point Lisas for processing were marginally higher than that for 2017. PPGPL's recently installed Condensate and Product Trading assets continue to contribute to bottom line performance and will enhance long-term shareholder value. With the recent announcement of the proposed shutdown of the Petrotrin refinery, PPGPL has increased its supply of LPG to the domestic market, while still preserving its market share in its export market.

The Board remains cautiously optimistic about the outlook of PPGPL.

Finally and with respect to the payment of dividends in US dollars, all mechanisms have been established to facilitate such payments. TTNGL continues to engage the relevant State authorities for alignment and remains committed to this initiative. The Company will continue to update shareholders on this matter.

Gerry C. Brooks
Chairman
26 October, 2018

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

	Unaudited		Unaudited		Audited
	Three months ended 30 Sep 2018	Three months ended 30 Sep 2017	Nine months ended 30 Sep 2018	Nine months ended 30 Sep 2017	Year ended 31 Dec 2017
	\$'000	\$'000	\$'000	\$'000	\$'000
Income					
Share of profit from investment in joint venture	82,498	59,813	211,018	152,521	216,560
Interest Income	112	146	365	465	608
Foreign exchange gain	(109)	-	1,061	-	-
Total income	82,501	59,959	212,444	152,986	217,168
Expenses					
Impairment reversal	-	-	-	-	19,499
Legal and professional fees	(102)	(169)	(885)	(763)	(979)
Other expenses	(157)	(169)	(169)	(358)	(290)
Profit before tax	82,242	59,621	211,390	151,865	235,398
Income tax expense	(153)	(419)	(777)	(1,195)	(1,655)
Profit for the period	82,089	59,202	210,613	150,670	233,743
Other comprehensive income:					
Share of other comprehensive income from investment in joint venture	(1,750)	-	(1,750)	-	-
Exchange translation differences, net of tax	439	(11,925)	(5,456)	(2,127)	8,459
Other comprehensive profit/(loss)	(1,311)	(11,925)	(7,206)	(2,127)	8,459
Total comprehensive profit	80,778	47,277	203,407	148,543	242,202
Earnings per share					
Basic (dollars per share)	0.53	0.38	1.36	0.97	1.51
Diluted (dollars per share)	0.53	0.38	1.36	0.97	1.51

SUMMARY STATEMENT OF FINANCIAL POSITION TT\$'000

	Unaudited		Audited
	30 Sep 2018	30 Sep 2017	31 Dec 2017
	\$'000	\$'000	\$'000
Non-current assets			
Investment in joint venture	3,096,741	3,003,832	3,040,436
Total non-current assets	3,096,741	3,003,832	3,040,436
Current assets			
Dividends receivable	16,462	13,192	19,781
Cash and cash equivalents	228,808	260,975	310,913
Total current assets	245,270	274,122	330,694
Total assets	3,342,011	3,277,954	3,371,130
Equity			
Share capital	2,772,120	2,772,120	2,772,120
Translation reserve	149,008	143,878	154,464
Retained earnings	420,735	360,999	444,072
Total shareholders' equity	3,341,863	3,276,997	3,370,656
Current liabilities			
Due to parent company/related party	20	256	325
Trade and other payables	128	701	149
Total liabilities	148	957	474
Total equity and liabilities	3,342,011	3,227,954	3,371,130



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
Nine months ended 30 September 2018				
Balance at 1 January 2018	2,772,120	154,464	444,072	3,370,656
Profit for the year	-	-	210,613	210,613
Other comprehensive income	-	(5,456)	(1,750)	(7,206)
Dividends	-	-	(232,200)	(232,200)
Balance at 30 September 2018	2,772,120	149,008	420,735	3,341,863
Nine months ended 30 September 2017				
Balance at 1 January 2017	2,772,120	146,005	442,529	3,360,654
Profit for the year	-	-	150,670	150,670
Other comprehensive income	-	(2,127)	-	(2,127)
Dividends	-	-	(232,200)	(232,200)
Balance at 30 September 2017	2,772,120	143,878	360,999	3,276,997
Year ended 31 December 2017				
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)
Balance at 31 December 2017	2,772,120	154,464	444,072	3,370,656

SUMMARY STATEMENT OF CASH FLOWS TT\$'000

	Unaudited		Audited
	30 Sep 2018	30 Sep 2017	31 Dec 2017
	\$'000	\$'000	\$'000
Cash flows from operating activities			
Profit for the year before taxation	211,390	151,865	235,398
Impairment reversal	-	-	(19,499)
Interest and other investment income	(365)	(465)	(608)
Dividends from joint venture	151,497	131,676	181,750
Share of income from investment in joint venture	(211,018)	(152,521)	(216,560)
	151,504	130,555	180,481
Decrease in amount due to related party	(305)	(3,074)	(3,016)
(Decrease)/increase in trade and other payables	(21)	290	(264)
Cash flows from operating activities	151,178	127,771	177,201
Taxation paid	(772)	(1,203)	(1,655)
Net cash flow generated from operating activities	150,406	126,568	175,546
Cash flows from financing activities			
Dividends paid	(232,200)	(232,200)	(232,200)
Net cash used in financing activities	(232,200)	(232,200)	(232,200)
Cash flows from investing activities			
Interest and other investment income	365	465	608
Net cash generated from investing activities	365	465	608
Net decrease in cash and cash equivalents	(81,429)	(105,167)	(56,046)
Net foreign exchange differences	(676)	62	879
Cash and cash equivalents at 1 January	310,913	366,080	366,080
Cash and cash equivalents at end of period	228,808	260,975	310,913

Chairman

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 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 26 October 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