THE NATIONAL GAS COMPANY OF TRINIDAD AND TOBAGO LIMITED

MEDIA RELEASE

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NGC Group records solid performance for 2019 against difficult market conditions

The NGC Group Chairman Conrad Enill, admits that the energy sector faced several challenges in 2019, stating that, 'The NGC Group has learned well how to weather challenging times and cycles of change, after 45 years of success in the energy business. However, you will find in those times of disruption, we have consistently forged opportunities for growth.'

He has reported that despite hard-hitting market conditions, The National Gas Company of Trinidad and Tobago Limited (NGC) recorded a Group profit after tax of $396 million. This represents a decrease of two billion or 69% below the 2018 profit after tax of $2.395 billion. This scenario was driven by external market forces that resulted in commodity price declines. Ammonia prices shrunk by 23% while methanol prices experienced a 31% reduction from 2018. Natural Gas Liquids (NGL) prices also were lower: propane and butane prices were 39.3% and 36.6% softer respectively than 2018, while natural gasoline was 5.9% lower than the prior year. At the same time, higher priced supplies delivered under new upstream gas purchase contracts resulted in an uptick in the weighted average cost of gas, further condensing sales margins. Nevertheless, the Group remains focused on the execution of its strategy and building a strong sustainable business, he noted.

Securing and stabilising gas supply to sustain the petrochemical and downstream sector remains as one of NGC's core strategic pillars. In 2019, NGC successfully negotiated a fully termed Domestic Gas Sales Contract (DGSC) with Shell. It was also a year for growth into international markets. NGC signed a historic LNG agreement with China, subsidiary National Energy opened an office in Guyana, and Phoenix Park Gas Processors Limited (PPGPL) pursued the acquisition of NGL assets in the USA. These developments move the Group closer to becoming a global energy brand. The accomplishments and opportunities created by PPGPL have had positive impact on TTNGL's steady performance on the Trinidad and Tobago Stock Exchange, TTSE. Despite some volatility in the Company's share price for 2019, the share traded above the Initial Public Offering price of TT$20.00 for all of 2019. It reached an elevated price of TT$30.50 on 3rd April 2019 and a base of TT$20.98 on 27 November 2019.

On the clean energy front, NGC CNG Company Limited began construction of a flagship fuelling station at the Preysal Interchange. Meanwhile, the Group continued to lobby for energy efficiency through its work with the Cabinet-Appointed Committee for the Development of a National Energy Conservation and Energy Efficiency Action Plan for Trinidad and Tobago. A Super Energy Services Company (ESCO) Project was launched to assess energy use among Light Industrial and Commercial Customers (LICs) with a view to improving their efficiency. The Group is also collaborating with BP, Shell and Lightsource BP to produce a 130 MW Utility Scale Renewable Energy Project in Trinidad and Tobago.

The prevailing conditions of the global energy sector did not crush The NGC Group. In fact, according to Mr. Enill, it has made the Group even more unwavering in its commitment to build a sustainable business. "Though not spared from the negative effects of the worldwide lows in the energy sector, the Group has persevered and achieved transformative growth under its skilled and robust leadership. The achievements of the NGC Group in 2019 could not have been possible without the dedication and tireless service of the management and staff across all companies. The vision, direction and support

of the Board and the Government of Trinidad and Tobago have significantly contributed to the strong NGC Group performance."

The Chairman has expressed his confidence that the Group will capitalise on opportunity amid the tests presented. He stated 'We have seen new strengths emerge within the Group that will grow our capability set moving forward. Through ingenuity and innovation we will forge ahead to create exceptional value for the people of our country.'

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