Trinidad and Tobago NGL Limited

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

CHAIRMAN'S STATEMENT

I am pleased to share that Trinidad and Tobago NGL Limited (TTNGL/Company) delivered a robust performance for the first half of 2024, posting a profit after tax of TT$46.7 million. This represents an outstanding turnaround from the corresponding 2023 period, where a loss of TT$2.8 million was recorded and signifies an impressive year-on-year improvement of TT$49.5 million. Earnings per share reached TT$0.30, a substantial recovery from the loss per share of TT$0.02 for the same period in 2023.

The driving force behind TTNGL's strong performance was the enhanced profitability of its investment in Phoenix Park Gas Processors Limited (PPGPL). This achievement was principally due to increased production of natural gas liquids (NGL), higher sales volumes, and improved NGL prices at Mont Belvieu.

Enhanced NGL production was facilitated by a 4.4% increase in natural gas volumes processed at Point Lisas in the first half of 2024 compared to 2023. Moreover, the gas stream's NGL content saw a significant rise of 15.5% over the previous year, a result of deliberate efforts by The National Gas Company of Trinidad and Tobago Limited to enrich gas supplies. As a result, NGL production from gas processing increased notably, even when accounting for the extended plant downtime experienced in the first half of 2023. Additionally, NGL volumes delivered from Atlantic LNG also increased by 3.2%, over the comparative period in 2023.

NGL prices rose by 11.5% compared to the same period in 2023, driven mainly by increased global demand and strategic positioning by market participants for future arbitrage opportunities. The combination of higher NGL production and increased sales revenues, supported by improved NGL product prices, underscores PPGPL's strong operational safety and its market leadership as the preferred NGL marketer locally and regionally. Moreover, PPGPL has maintained high levels of operational efficiency within its processing plants, complemented by a strong commitment to safe operations and effective cost management.

During the first half of the year, Phoenix Park Trinidad and Tobago Energy Holdings Limited (PPTTEHL), PPGPL's North American subsidiary, also delivered strong performance. PPTTEHL experienced significant trading volumes and benefited from improved margins on its sales contracts. We anticipate continued earnings growth from this business segment moving forward.

TTNGL's cash position at the end of June 2024 remained strong at TT$139.1 million, up from TT$113.0 million in 2023, reflecting the Company's solid liquidity. TTNGL continues to explore all options to address its accumulated deficit and move towards a position where it can resume dividend distributions to shareholders.

Outlook

As we look ahead, we remain ever - optimistic about the positive price forecasts, while PPGPL continues to monitor market uncertainties and implement value-added strategies. PPGPL is unwavering in its commitment to strategic growth, prioritising the following: safe operations; high plant reliability and availability; meeting customer needs and sustaining market presence across all territories. These efforts are critical to delivering long-term shareholder value.

Dr. Joseph Ishmael Khan, Chairman

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

TT$'000

	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Three months ended 30 June 2024 $'000	Three months ended 30 June 2023 $'000	Six months ended 30 June 2024 $'000	Six months ended 30 June 2023 $'000	Year ended 31 Dec 2023 $'000
Income					
Share of profit/(loss) from investment in joint venture	16,464	(17,040)	47,306	(2,122)	28,080
Interest Income	34	29	66	55	117
Foreign exchange gain	-	-	6	-	-
Total income/(loss)	**16,498**	**(17,011)**	**47,378**	**(2,067)**	**28,197**
Expenses					
Impairment loss	-	-	-	-	(573,566)
Legal and professional fees	(194)	(129)	(527)	(482)	(1,680)
Other expenses	(84)	(187)	(180)	(211)	(685)
Profit/(loss) before tax	16,220	(17,327)	46,671	(2,760)	(547,734)
Income tax expense	-	-	-	-	(1)
Profit/(loss) after taxation	**16,220**	**(17,327)**	**46,671**	**(2,760)**	**(547,735)**
Other comprehensive (loss)/ income:	-	-			
Exchange translation differences, net of tax	(3,791)	234	(7)	1,956	(3,631)
Other comprehensive (loss)/income	(3,791)	234	(7)	1,956	(3,631)
Total comprehensive income/(loss)	**12,429**	**(17,093)**	**46,664**	**(804)**	**(551,366)**
Earnings/(loss) per share					
Basic (dollars per share)	**0.10**	**(0.11)**	**0.30**	**(0.02)**	**(3.54)**

SUMMARY STATEMENT OF FINANCIAL POSITION

TT$'000

	Unaudited	Unaudited	Audited
	30 June 2024 $'000	30 June 2023 $'000	31 Dec 2023 $'000
Non-current assets			
Investment in joint venture	1,037,355	1,572,515	1,016,296
Total non-current assets	**1,037,355**	**1,572,515**	**1,016,296**
Current assets			
Tax recoverable	314	314	314
Dividends receivable	13,098	7,897	-
Cash at bank and on hand	139,101	112,955	127,165
Total current assets	**152,513**	**121,166**	**127,479**
Total assets	**1,189,868**	**1,693,681**	**1,143,775**
Equity			
Share capital	2,772,120	2,772,120	2,772,120
Translation reserve	141,614	147,208	141,621
Accumulated deficit	(1,727,557)	(1,229,253)	(1,774,228)
Total shareholder's equity	**1,186,177**	**1,690,075**	**1,139,513**
Current liabilities			
Due to parent company/related party	189	88	178
Trade and other payables	3,502	3,518	4,084
Total liabilities	**3,691**	**3,606**	**4,262**
Total equity and liabilities	**1,189,868**	**1,693,681**	**1,143,775**

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

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 2023. These condensed interim financial statements have not been audited and were approved by the Board of Directors on 12 August 2024.

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 2023.

3. Currency

All monetary amounts are stated in Trinidad and Tobago dollars.

SUMMARY STATEMENT OF CHANGES IN EQUITY

TT$'000

	Share capital $'000	Translation reserve $'000	Accumulated deficit $'000	Total equity $'000
Unaudited six months ended 30 June 2024				
Balance at 1 January 2024	2,772,120	141,621	(1,774,228)	1,139,513
Profit for the period	-	-	46,671	46,671
Other comprehensive loss	-	(7)	-	(7)
Total comprehensive income	-	(7)	46,671	46,664
Dividends	-	-	-	-
Balance at 30 June 2024	**2,772,120**	**141,614**	**(1,727,557)**	**1,186,177**
Unaudited six months ended 30 June 2023				
Balance at 1 January 2023	2,772,120	145,252	(1,226,493)	1,690,879
Loss for the period	-	-	(2,760)	(2,760)
Other comprehensive income	-	1,956	-	1,956
Total comprehensive loss	-	1,956	(2,760)	(804)
Dividends	-	-	-	-
Balance at 30 June 2023	**2,772,120**	**147,208**	**(1,229,253)**	**1,690,075**
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**

SUMMARY STATEMENT OF CASH FLOWS

TT$'000

	Unaudited	Unaudited	Audited
	Six months ended 30 June 2024 $'000	Six months ended 30 June 2023 $'000	Year ended 31 Dec 2023 $'000
Cash flows from operating activities			
Profit/(loss) for the period/year before taxation	46,671	(2,760)	(547,734)
Impairment loss	-	-	573,566
Dividends from joint venture	26,231	15,792	23,688
Interest income	(66)	(55)	(117)
Share of (profit)/loss from investment in joint venture	(47,306)	2,122	(28,080)
	25,530	15,099	21,323
Increase in dividends receivable	(13,098)	(7,897)	-
Increase/(decrease) in amount due to related party	11	(54)	36
(Decrease)/increase in trade and other payables	(582)	90	656
Cash flows generated from operating activities	11,861	7,238	22,015
Taxation paid	-	-	(1)
Net cash flow generated from operating activities	**11,861**	**7,238**	**22,014**
Cash flows from financing activities			
Dividends paid	-	-	-
Net cash used in financing activities	-	-	-
Cash flows from investing activities			
Interest and other investment income	66	55	117
Net cash generated from investing activities	**66**	**55**	**117**
Net increase in cash at bank and on hand	**11,927**	**7,293**	**22,131**
Net foreign exchange differences	9	115	(513)
Cash at bank and on hand at 1 January	127,165	105,547	105,547
Cash at bank and on hand at end of period/year	**139,101**	**112,955**	**127,165**

Director **Director**