



## THE NATIONAL GAS COMPANY OF TRINIDAD AND TOBAGO LIMITED

# Summary Consolidated Financial Statements for the Six Months Ended 30 June 2021

### CHAIRMAN'S REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2021

The NGC Group recorded revenues of TT\$9.6B, or a 63% increase, and an unaudited after-tax profit of TT\$437M or a 292% increase, for the six-month period ended June 2021. This was an improvement in profit by TT\$665M when compared with the restated loss of TT\$228M and an improvement in revenues by TT\$3.7B over the TT\$5.9B for the same period last year. The improvements in revenues and profit were attributed to growth in contributions from the aggregation, upstream, transportation, and downstream business segments which benefitted from the rebound in commodity prices from the end of 2020.

The Group made significant progress in securing the business with new long-term Gas Sales Contracts (GSCs) executed with two multi-plant downstream customers, and resolution of outstanding historical customer claims. With respect to securing supply and maintaining current business, in May, a GSC was signed with Trinidad Nitrogen Company Limited (Tringen), which guarantees continued operation of its two ammonia plants on the Point Lisas Industrial Estate. NGC also executed a consolidated gas sales contract with Methanol Holdings Trinidad Limited (MHTL) on 30th July 2021 and NGC also signed a GSC with De Novo for additional supply on that same day. On the upstream side, BHP's

Ruby field, in which NGC holds a 31.5% interest, commenced oil production in May 2021, six months ahead of schedule. Shell's Barracuda and Touchstone's Cascadura projects are expected to ensure the stability of gas supply volumes.

Train 1 and the future configuration of all trains at Atlantic LNG remain under very active consideration with GORTT and shareholders, as part of the Atlantic Unitisation discussions among the parties.

Strategies to inform growth, technology, sustainable development, and the Green Agenda have been developed and while some initiatives have already been implemented, the agenda will be included as part of the Group's strategic focus going forward. The Group launched the new CariGreen website, which supports investor, academic and citizen research and awareness of transforming the energy mix with cleaner energy in the Caribbean. The Group is now positioned across the gas value chain as an integrated energy player and will continue to develop its programme of activities to achieve sustainability of the domestic and LNG sectors.

National Energy continues its strategic focus on sustainable energy through the implementation of renewable energy and energy efficiency

projects such as the 100-kilowatt solar PV system for the multi-fuel Preysal Service Station. It also continued to advance development of a low carbon hydrogen industry through the initiation of a Hydrogen Economy Study funded by the IDB, as well as the signing of a National Energy/NGC MOU with KenesjayGreen, to explore the feasibility of a potential hydrogen project, specifically NewGen Energy and other renewable initiatives. National Energy also continued its regional growth agenda by providing technical services for the development of an industrial infrastructure project in Guyana, as well as pursuing partnerships and establishment of several sustainable energy and traditional energy-based projects in the Suriname/Guyana basin.

Phoenix Park Gas Processors Limited (PPGPL), which celebrated 30 years of production in June, remains diligent in securing long-term profitability, with particular emphasis on their growth strategy along the value chain.

NGC CNG has significantly progressed the mandate of promoting CNG as a transition fuel as we work towards achieving the ambitions of a greener country and a greener world. NGC has incorporated, for the first time, the use of satellite technology to monitor infrastructure

and discussions have begun with the provider on monitoring methane emissions.

While 'Work from Home' continued in 2021, we are now developing the 'Future of Work' beyond 2021. The Group is considering a possible hybrid model of work/home arrangements as we transition into a new era. As we plan for an uncertain future, and a world still affected by the Covid-19 pandemic, we are cautiously optimistic that commodity prices will stabilise and that we will continue to benefit from this positive development. We are working at creating a new future towards sustainability, one that promotes value optimisation, implementation of a green agenda and of course, employee safety and security.

I wish to thank our directors, our Leadership Teams, and our employees across the Group for their dedication to duty and national service despite the very challenging circumstances.

**Conrad Enill**  
Chairman

### SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX MONTHS ENDED 30 JUNE 2021

(Expressed in Trinidad and Tobago dollars)

	UNAUDITED		AUDITED
	30-Jun-2021 \$'000	30-Jun-2020 \$'000 (Restated)	31-Dec-2020 \$'000
<b>Revenue</b>	<b>9,555,273</b>	<b>5,868,330</b>	<b>11,413,901</b>
<b>Profit before exceptional items, finance cost and share of associate</b>	<b>1,078,868</b>	<b>17,345</b>	<b>1,200,665</b>
Exceptional items	-	-	(4,189,642)
<b>Profit/(loss) before finance cost and share of associate</b>	<b>1,078,868</b>	<b>17,345</b>	<b>(2,988,977)</b>
Share of profit/ loss from associate	16,409	(23,115)	(39,185)
Finance cost	(95,668)	(111,588)	(161,743)
<b>Profit/(loss) before taxation</b>	<b>999,609</b>	<b>(117,358)</b>	<b>(3,189,905)</b>
Taxation	(562,497)	(110,887)	1,055,302
<b>Profit/(loss) for the period after taxation</b>	<b>437,112</b>	<b>(228,245)</b>	<b>(2,134,603)</b>
<b>Profit/(Loss) attributable to:</b>			
- Owners of the parent	363,112	(195,766)	(2,088,252)
-Non-controlling interests	74,000	(32,479)	(46,351)
	<b>437,112</b>	<b>(228,245)</b>	<b>(2,134,603)</b>

### SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

(Expressed in Trinidad and Tobago dollars)

	UNAUDITED		AUDITED
	30-Jun-2021 \$'000	30-Jun-2020 \$'000 (Restated)	31-Dec-2020 \$'000
<b>Assets</b>			
Non-current assets	27,498,104	29,767,590	27,680,891
Current assets	11,766,333	11,052,582	10,452,158
<b>Total assets</b>	<b>39,264,437</b>	<b>40,820,172</b>	<b>38,133,049</b>
<b>Equity and liabilities</b>			
Share capital	1,855,266	1,855,266	1,855,266
Reserve fund	438,192	438,192	438,192
Other reserves	4,226,153	5,338,413	4,242,781
Retained earnings	13,327,421	14,950,543	13,032,618
Total equity attributable to owners of the parent	19,847,032	22,582,414	19,568,857
Non-controlling interest	2,563,900	2,560,749	2,504,716
Total equity	22,410,932	25,143,163	22,073,573
Non-current liabilities	11,938,948	12,111,337	12,328,346
Current liabilities	4,914,557	3,565,672	3,731,130
<b>Total equity and liabilities</b>	<b>39,264,437</b>	<b>40,820,172</b>	<b>38,133,049</b>



## Summary Consolidated Financial Statements for the Six Months Ended 30 June 2021

### SUMMARY CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2021

(Expressed in Trinidad and Tobago dollars)

	UNAUDITED		AUDITED
	30-Jun-2021 \$'000	30-Jun-2020 \$'000 (Restated)	31-Dec-2020 \$'000
<b>Profit/(loss) for the period after taxation</b>	<b>437,112</b>	<b>(228,245)</b>	<b>(2,134,603)</b>
Total other comprehensive profit/(loss) for the period, net of tax	22,505	(206,150)	(1,239,452)
<b>Total comprehensive profit/(loss) for the period</b>	<b>459,617</b>	<b>(434,395)</b>	<b>(3,374,055)</b>
Total comprehensive profit/(loss) for the period			
Attributable to:			
- Owners of the parent	387,881	(401,342)	(3,304,969)
- Non-controlling interests	71,736	(33,053)	(69,086)
	<b>459,617</b>	<b>(434,395)</b>	<b>(3,374,055)</b>

### SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2021

(Expressed in Trinidad and Tobago dollars)

	UNAUDITED		AUDITED
	30-Jun-2021 \$'000	30-Jun-2020 \$'000 (Restated)	31-Dec-2020 \$'000
<b>Balance as at 1 January</b>	<b>22,073,573</b>	<b>25,606,583</b>	<b>25,606,583</b>
Profit/(loss) for the period after taxation	437,112	(228,245)	(2,134,603)
Revaluation reserve	(1,346)	(2,861)	(204,117)
Other comprehensive profit/(loss) for the period, net of tax	23,851	(203,289)	(1,035,335)
<b>Total comprehensive profit/(loss) for the period</b>	<b>459,617</b>	<b>(434,395)</b>	<b>(3,374,055)</b>
Dividends	(122,258)	(29,025)	(158,955)
<b>Balance as at 31 December</b>	<b>22,410,932</b>	<b>25,143,163</b>	<b>22,073,573</b>
Equity attributable to:			
- Owners of the parent	19,847,032	22,582,414	19,568,857
- Non-controlling interests	2,563,900	2,560,749	2,504,716
	<b>22,410,932</b>	<b>25,143,163</b>	<b>22,073,573</b>

### SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2021

(Expressed in Trinidad and Tobago dollars)

	UNAUDITED		AUDITED
	30-Jun-2021 \$'000	30-Jun-2020 \$'000 (Restated)	31-Dec-2020 \$'000
<b>Cash flows from operating activities</b>			
Profit/(loss) before tax	999,609	(117,358)	(3,189,905)
Adjustment for non-cash items	260,203	689,658	4,683,076
<b>Operating profit before working capital changes</b>	<b>1,259,812</b>	<b>572,300</b>	<b>1,493,171</b>
Changes in working capital	(70,280)	(454,813)	(1,056,295)
<b>Cash generated from operations</b>	<b>1,189,532</b>	<b>117,487</b>	<b>436,876</b>
Taxation, interest and post retirement contributions paid	(578,410)	(65,517)	(544,842)
<b>Net cash generated from/(used in) operating activities</b>	<b>611,122</b>	<b>51,970</b>	<b>(107,966)</b>
Net cash generated from/(used in) investing activities	1,216,959	(49,257)	240,267
Net cash used in financing activities	(181,490)	(80,638)	(379,453)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,646,591</b>	<b>(77,925)</b>	<b>(247,152)</b>
Net foreign exchange differences	21,468	7,686	48,909
Cash and cash equivalents beginning of period	3,407,459	3,605,702	3,605,702
<b>Cash and cash equivalents end of period</b>	<b>5,075,518</b>	<b>3,535,463</b>	<b>3,407,459</b>

### NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2021

#### 1. Basis of preparation

The summary interim consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the interim summary consolidated statement of financial position, interim summary consolidated statement of profit or loss, interim summary statement of other comprehensive income, interim summary consolidated statement of changes in equity and interim summary consolidated statement of cash flows. These interim summary consolidated financial statements are derived from the unaudited consolidated financial statements of The National Gas Company of Trinidad and Tobago Limited and its subsidiaries for the period ended 30 June 2021 prepared in accordance with International Financial Reporting Standards.

