

## Trinidad and Tobago NGL Limited (TTNGL) Results for the Half Year Ended June 30, 2019

### Key Points:

- TTNGL continues to implement initiatives to diversify its revenue portfolio, refine its cost structure and sustain its ongoing growth strategy.
- The natural gas industry continues to adjust to the growing volumes of NGL productions arising from the shale industry in the United States.
- PPGPL's gains were impacted by lower product prices, coupled with lower natural gas volumes to Point Lisas for processing which tempered performance during the year.

### Diluted Earnings Per Share (EPS):

TTNGL reported a half year EPS of \$0.47, down 43.37 per cent or \$0.36 per share on the corresponding period's EPS of \$0.83 in HY18.

EPS recorded in Q2 2019 was \$0.18, which was the lowest over the past five Q2 quarters.

### Dividend:

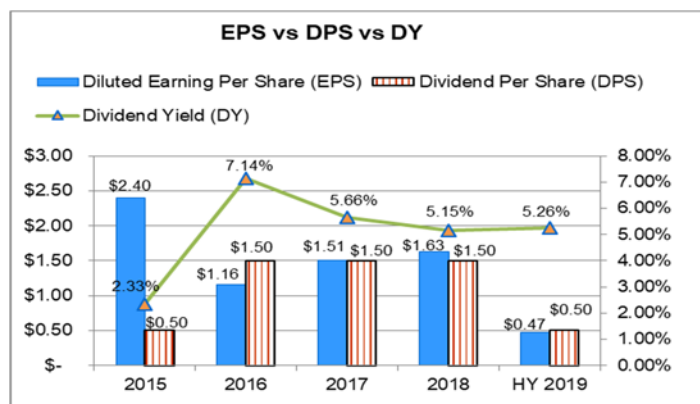
The Board of Directors declared an interim dividend of \$0.50 per share (2018: \$0.50) which will be paid on September 10, 2019 to shareholders on the register as at August 23, 2019.

Dividend	Interim	Final	Special	Total	Dividend Yield
2019	0.50			0.50	5.26%
2018	0.50	1.00	0.00	1.50	5.15%
2017	0.50	1.00	0.00	1.50	5.66%
2016	0.50	1.00	0.00	1.50	7.14%
2015	0.00	0.00	0.50	** 0.50	2.33%

\*\* TTNGL was first listed on TTSE in 2015, hence the reason for the low dividend payment and yield recorded in that year

Financial Year End	December 31
<b>Sector</b>	<b>Energy</b>
Symbol on TTSE	NGL
Issued Share Capital	116.10MM
Market Capitalization	\$3.38B
Current Price (August 30, 2019)	\$25.10
52 Week Price Range	\$25.10 - \$30.50
Trailing EPS	\$1.27
Price to Earnings Multiple	19.8x
Current Book Value/Share	\$21.29
Price to Book	1.2 x
Return on Equity	4.39%
Return on Assets	4.39%
Dividend Yield (August 30, 2019)	5.98%

Diluted EPS	Q1	Q2	Q3	Q4	Total
<b>2019</b>	0.29	0.18			<b>0.47</b>
<b>2018</b>	0.40	0.43	0.38	0.27	<b>1.63</b>
<b>2017</b>	0.37	0.22	0.38	0.54	<b>1.51</b>
<b>2016</b>	0.20	0.27	0.28	0.41	<b>1.16</b>
<b>2015</b>	0.24	0.32	0.29	1.55	<b>2.40</b>





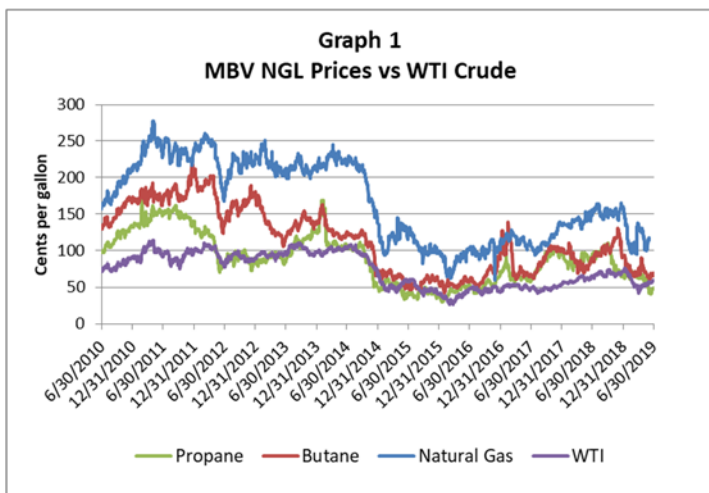
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### Income Statement for the period June 30, 2019

	HY19	HY18	\$ Change	% Change	Change	YE18
	\$'000	\$'000	HY19 - HY18	Hy19 - HY18		\$'000
Profit from investment	73,788	128,520	(54,732)	-42.59%	↓	242,644
Interest income	221	253	(32)	-12.65%	↓	493
FX gain	737	1,170	(433)	-37.01%	↓	1,585
<b>Total Income</b>	<b>74,746</b>	<b>129,943</b>	<b>(55,197)</b>	<b>-42.48%</b>	<b>↓</b>	<b>244,722</b>
<b>Expenses</b>						
Impairment Reversal	0	0	0	0.00%	↔	10,568
Legal fees	(635)	(783)	(148)	-18.90%	↓	(983)
Other expenses	(366)	(12)	354	2950.00%	↑	(725)
Profit before tax	73,745	129,148	(55,403)	-42.90%	↓	253,582
Income tax	(300)	(624)	(324)	-51.92%	↓	(607)
<b>Profit/(loss)</b>	<b>73,445</b>	<b>128,524</b>	<b>(55,079)</b>	<b>-42.86%</b>	<b>↓</b>	<b>252,975</b>
<b>EPS</b>						
Basic	\$0.47	\$0.83	-\$0.36	-43.37%	↓	\$1.63
Diluted	\$0.47	\$0.83	-\$0.36	-43.37%	↓	\$1.63

### Balance Sheet as at June 30, 2019

	HY19	HY18	\$ Change	% Change	Change	YE18
	\$'000	\$'000	HY19 - HY18	Hy19 - HY18		\$'000
Non - Current Assets	3,088,492	3,065,219	23,273	0.76%	↑	3,097,751
Current Assets	207,869	273,893	(66,024)	-24.11%	↓	295,728
<b>Total Assets</b>	<b>3,296,361</b>	<b>3,339,112</b>	<b>(42,751)</b>	<b>-1.28%</b>	<b>↓</b>	<b>3,393,479</b>
Total Equity	3,295,441	3,338,485	(43,044)	-1.29%	↓	3,393,217
Current Liabilities	920	627	293	46.73%	↑	262
<b>Total Equity and liabilities</b>	<b>3,296,361</b>	<b>3,339,112</b>	<b>(42,751)</b>	<b>-1.28%</b>	<b>↓</b>	<b>3,393,479</b>



### Financials:

- Total Income closed at \$74.75MM, down 42.48 per cent or \$55.20MM from HY18 total of \$129.94MM.
- Profit Before Tax for HY19 stands at \$73.75MM, down 42.90 per cent or \$55.40MM from \$129.15MM in HY18.
- Profit After Tax totaled \$73.45MM in HY19 down 42.86 per cent or \$55.08MM from \$128.52MM in HY18.
- Total Assets decreased by 1.28 per cent or \$42.75MM to \$3.30B in HY19.
- Total Equity amounted to \$3.30B in HY19 and Current Liabilities increased by 46.73 per cent or \$0.29MM to close at \$0.92MM.

### Production:

PPGPL utilizes the Mont Belvieu (MBV) price as the reference point for its NGLs sales. As seen in *Graph 1* below, the prices of PPGPL's products (propane, butane and natural gasoline) have a close correlation to crude oil prices and are thus exposed to the same price shocks that crude oil prices experience. The average price for West Texas Intermediate (WTI) crude oil for the half year ended June 2019 was US\$58/barrel an increase from US\$45/barrel in December 2018. The United States Energy Information Administration (EIA) forecasts that WTI crude oil prices will average about US\$62/barrel in the second half of 2019 and US\$63/barrel in 2020.

NGL product prices are fluctuating as shown in *Graph 1*, as at June 2019 the MBV price of propane decreased by 24.41 per cent, the price of butane was down 40.36 per cent while the price of natural gasoline increased by 19.74 per cent when compared to prices in December 2018.

Production of NGLs from PPGPL fell by 6.34 per cent to 4.35 million barrels in HY2019 from 4.65 million barrels in HY2018, as shown in Table 1. Also for the second quarter in 2019, the production of NGLs has been on a downward trajectory, when compared to the corresponding period in 2018.

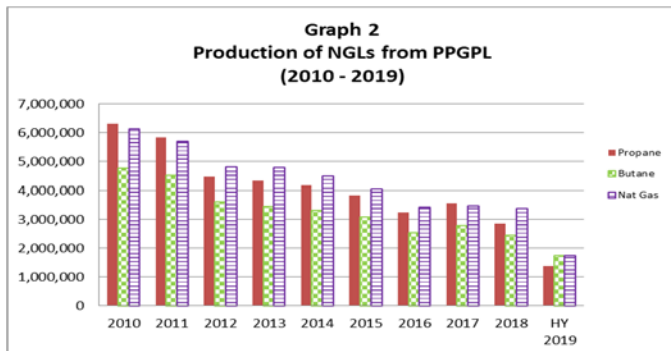
## Export and Sales & Deliveries:

For the reporting period, we are seeing a rise in the exports of NGLs moving from 4.22 million bbls in HY18 to 4.54 million bbls in HY19 which represents an increase of 7.50 per cent (see Table 2).

PPGPL also receives revenue by fractionating NGLs supplied by Atlantic LNG Company of Trinidad and Tobago's (ALNG) liquefied natural gas plants and then marketing the products from ALNG Train 1 and ALNG Trains 2 and 3. Table 3 shows NGL sales from ALNG have been on the decline.

## Key Development:

- Regarding the payment of dividends in US dollars, TTNGL continues to engage the relevant authorities on this matter.
- PPGPL continues to penetrate new markets in the Caribbean.
- The Group continues to focus on strengthening national contribution.



	Propane	Butane	Natural Gasoline	Total
Jan-19	232,739	200,214	287,189	720,142
Feb-19	241,923	212,383	304,261	758,567
Mar-19	255,055	224,190	321,334	800,579
Apr-19	214,876	183,833	264,829	663,538
May-19	232,269	201,272	300,794	734,335
Jun-19	214,640	187,413	274,931	676,984
<b>Total</b>	<b>1,391,502</b>	<b>1,209,305</b>	<b>1,753,338</b>	<b>4,354,145</b>
	Propane	Butane	Natural Gasoline	Total
Jan-18	305,708	255,385	335,360	896,453
Feb-18	239,449	200,401	268,260	708,110
Mar-18	275,929	234,693	318,175	828,797
Apr-18	237,554	200,758	289,187	727,499
May-18	243,227	203,572	279,277	726,076
Jun-18	247,120	214,403	300,210	761,733
<b>Total</b>	<b>1,548,987</b>	<b>1,309,212</b>	<b>1,790,469</b>	<b>4,648,668</b>

	Propane	Butane	Natural Gasoline	Total
Jan-19	252,439	158,299	623,167	1,033,905
Feb-19	96,263	188,341	0	284,604
Mar-19	226,076	230,304	624,914	1,081,294
Apr-19	256,891	219,518	0	476,409
May-19	200,296	168,300	316,085	684,681
Jun-19	177,460	179,510	622,417	979,387
<b>Total</b>	<b>1,209,425</b>	<b>1,144,272</b>	<b>2,186,583</b>	<b>4,540,280</b>
	Propane	Butane	Natural Gasoline	Total
Jan-18	203,018	33,904	324,929	561,851
Feb-18	427,178	228,214	315,061	970,453
Mar-18	287,090	189,415	315,128	791,633
Apr-18	248,322	142,952	319,716	710,990
May-18	178,741	69,118	320,307	568,166
Jun-18	168,806	141,025	310,624	620,455
<b>Total</b>	<b>1,513,155</b>	<b>804,628</b>	<b>1,905,765</b>	<b>4,223,548</b>

	Train 1	Train 2	Train 3	Train 4	Total
Jan-19	84,391	40,382	62,245	171,276	358,294
Feb-19	84,714	36,834	85,692	169,341	376,581
Mar-19	99,701	39,864	96,235	184,367	420,167
Apr-19	92,934	41,042	64,144	132,165	330,285
May-19	93,798	39,995	74,848	177,392	386,033
Jun-19	74,908	27,472	98,420	154,861	356,661
<b>Total</b>	<b>530,446</b>	<b>225,589</b>	<b>481,584</b>	<b>989,402</b>	<b>2,227,021</b>
	Train 1	Train 2	Train 3	Train 4	Total
Jan-18	157,985	45,426	89,299	198,845	491,555
Feb-18	111,463	31,992	56,094	178,086	377,635
Mar-18	63,295	47,160	135,061	206,262	451,778
Apr-18	43,115	66,533	105,924	169,597	385,169
May-18	105,028	78,871	80,112	97,151	361,162
Jun-18	105,844	79,641	85,296	120,825	391,606
<b>Total</b>	<b>586,730</b>	<b>349,623</b>	<b>551,786</b>	<b>970,766</b>	<b>2,458,905</b>

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