

TTNGL appoints first substantive president

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SHELDON SYLVESTER has been appointed as the first substantive president of TTNGL, following his tenure as the company's chief financial officer and principal officer since 2016.

This announcement comes two months after TTNGL revealed it was seeking a viable solution to resolve its current dividend restriction.

Sylvester's appointment to the role will take effect on February 1, as announced in a Notice to Shareholders posted by the T & T Stock Exchange yesterday.

The notice was made pursuant to Section 64(1) (b) of the Securities Act 2012.

TTNGL was incorporated on September 13, 2013 by The National Gas Company of Trinidad and Tobago Limited (NGC) to enable the public to participate in an Initial Public Offering (IPO) to own an equity interest in Phoenix Park Gas Processors Ltd (PPGPL).

At the time of the IPO for TTNGL in 2015, Indar Maharaj was the interim president of the company.

Maharaj ceased being the interim president on his departure, later in 2015.

Through an Initial Public Offering (IPO) in 2015 and an Additional Public Offering (APO) in 2017, the public (individuals and institutions of Trinidad and Tobago) holds a 75% equity interest in TTNGL, while NGC holds the remaining 25%.

Whilst TTNGL was formed as a corporate entity in 2013, its underlying investment, Phoenix Park Gas Processors Ltd (PPGPL), is a company with over 30 years of operating history in Trinidad and Tobago's natural gas-based energy sector.

In 2014 Dominic Rampersad was appointed the president of PPGPL.

TTNGL financial performance

In its latest financial statement, TTNGL reported a 153.2% increase in profit after tax for the nine months ended September 30, 2024, compared to the same period in 2023.

The company posted an after-tax profit of \$82.8 million, up from \$32.7 million in the comparative period of 2023.

This resulted in earnings per share of \$0.53, an increase of \$0.32 compared to the prior year.

TTNGL said this improvement was primarily driven by the enhanced profitability of its investment in PPGPL.

'Gas volumes directed to Point Lisas for processing averaged 1,062 million standard cubic feet per day, a slight increase over 2023. Additionally, Natural Gas Liquids (NGL) production rose considerably, with a 12.8% increase in NGL content due to an optimised gas supply mix from The National Gas Company of Trinidad and Tobago Limited (NGC). This increased NGL output, 33.3% higher year-on-year, enabled PPGPL to capitalise on additional revenue from favorable Mont Belvieu (MB) NGL prices, which were 10.0% higher than the corresponding 2023 period,' it stated when announcing the results.

When the results were released, TTNGL chairman Dr Joseph Ishmael Khan commented: 'We acknowledge that our shareholders are understandably eager for a resolution to the current dividend restriction and the anticipated timeline for implementing a viable solution. The board and management remain deeply committed to addressing this issue as a priority, knowing the impact it has had on shareholder value. We are actively exploring pathways that, while complex, we believe will ultimately strengthen TTNGL's ability to resume dividends and improve shareholder returns. We appreciate our shareholders' patience as we work diligently to position TTNGL for sustainable growth and value creation.'

TTNGL reported a total comprehensive loss of \$551.4 million for the year ended December 31, 2023, adding to the total comprehensive loss of \$402.6 million for the year ended December 31, 2022.

PPGPL caused NGC's \$1.3b loss for 2023 For the year ended December 31, 2023, the wholly State-owned National Gas Company of Trinidad and Tobago (NGC) reported an after-tax loss of \$1.3 billion marking a sharp reversal from the \$2.38 billion profit recorded in the previous year.

Speaking during a news conference in December, NGC's vice-president of Finance, Technology and Risk Narinejit Pariag attributed the \$1.3 billion loss primarily to a goodwill impairment of \$1.5 billion related to NGC's stake in PPGPL.

Pariag said: 'What is goodwill? We wrote off \$1.5 billion in goodwill. Well, goodwill in business is what you call an intangible asset. It's really what you pay above the fair price of an organisation or company.'

'So, if there is a company valued at, let's say, \$5 million, and you acquire it for \$7 million, then that excess consideration is deemed to be goodwill. It's something that you see in the organisation that interests you, that you have decided...(to) pay a premium for...'

Goodwill, which is calculated by taking the purchase price of the company and subtracting the net asset value of the company, is tested annually, Pariag said.

In 2013, NGC recorded goodwill of \$2.3 billion following its acquisition of Conoco's 39% interest in PPGPL for \$3.8 billion.

However, when the impairment was tested in 2023, it resulted in a charge of \$1.5 billion, Pariag said.

NGC's acting president Edmund Subryan stated that despite the \$1.5 billion impairment, PPGPL is still considered a 'valid investment'.

PPGPL is owned by NGC NGL (51%), Trinidad and Tobago NGL Holdings Ltd (39%) and an investment consortium Pan West Engineers and Constructors, LLC (10%).

NGC NGL is owned by NGC (80%) and by National Enterprises Ltd (NEL) (20%).

Who is Sylvester?

Sylvester has over 30 years' experience in finance and accounting in both the manufacturing and energy sectors. He is currently the vice-president, Corporate Services & Business Development at National Energy Ltd.

In March 2022, Sylvester was seconded to act as president at NGC CNG, a position he held for one year. He has also worked at PPGPL for 12 years with responsibility for budgeting, forecasting, debt, and treasury management.

He is the holder of a Master of Business Administration (MBA) from Heriot-Watt University and holds professional memberships with the Association of Chartered Certified Accountants and the Institute of Chartered Accountants of Trinidad and Tobago.