

Chairman's Report YEAR ENDED SEPTEMBER 30, 2019

I am pleased to report the strong financial performance of the Trinidad Petroleum Holdings Limited Group (the Group) for the financial year ended September 30, 2019. It should be noted that these results represent the first financial year of the Group's existence, following the restructuring of Petrotrin in November 2018. The delayed timing of this publication is due to complications arising out of that significant restructuring that resulted in an extremely complex and time-consuming Petrotrin audit and subsequent Group consolidation.

The Board's challenge on assuming office was to transform an entity that was making substantial annual losses and had accumulated billions of dollars in debt, into sustainably profitable businesses with free positive cash flows. The Group has done exceptionally well since commencing operations and exceeded all financial and operational targets. I am pleased to report that both Heritage Petroleum Company Limited and Paria Fuel Trading Company Limited reported profitable results (profit after tax) of TT\$1.4 billion and TT\$109.3 million respectively for their first year of operations, while contributing a combined TT\$1.2 billion of tax, royalty, levy and license payments to the Government of Trinidad and Tobago.

The Group recorded revenue from continuing operations of TT\$6.3 billion and a net loss after tax of TT\$2.3 billion for the financial year ended September 30, 2019. The loss is attributable largely to the performance of Petrotrin before the cessation of operations on November 30, 2018, as well as significant one-time charges related to the subsequent restructuring exercise. For the financial year ended September 30, 2019, Petrotrin recorded a standalone net loss after tax amounting to TT\$8.9 billion and contributed TT\$3.6 billion of consolidated net losses to the Group results.

Following is a brief overview of the operations of each Group entity for the financial year ended September 30, 2019:

Heritage Petroleum Company Limited (Heritage)

On its formation, the Heritage management team immediately began assessing the Company's resource base and formulated development and exploration plans. These plans were aimed at optimising reserves in a safe and commercially viable manner. The Company has been operating profitably and cost-efficiently; recording no loss time incidents in the fiscal year. Heritage has been effectively exploiting the E&P asset base resulting in increased revenues, profitability and cash flows to the Group, the majority of which is in USD currency. Heritage is subject to several taxes and royalty payments on the hydrocarbons it produces and, since inception, has met all its tax and other payment obligations.

Paria Fuel Trading Company Limited (Paria)

Paria, the Group's terminal and fuel trading company, has delivered on its objective of profitably providing a competitively priced, safe and reliable supply of refined petroleum products to Trinidad and Tobago and its regional markets. Since inception, the Company has had no shortage of fuel supply. It should be noted that as a result of the Request for Proposals (RFP) initiated in January 2019 for the sale or lease of the refinery and logistics assets, Paria was classified as being "held for sale". As such, Paria's financial results for the fiscal year are categorised as Discontinued Operations in the financial statements.

The Guaracara Refining Company Limited (Guaracara)

Guaracara, which holds the refinery assets, has been ensuring the security and maintenance of these assets over the financial year. It should be noted that as a result of the RFP initiated in January 2019 for the sale or lease of the refinery and logistics assets, Guaracara was classified as being "held for sale". As such, Guaracara's financial results for the fiscal year are categorised as Discontinued Operations in the financial statements. Guaracara will continue to ensure that the refinery assets are safely preserved until such time that the refinery is sold or leased via the ongoing RFP process.

Petroleum Company of Trinidad and Tobago Limited (Petrotrin)

Petrotrin recorded a net loss after tax of approximately TT\$8.9 billion for the financial year ended September 30, 2019. This accounted for a substantial part of the net loss after tax for the Group. These results represent two months of operations and ten months post restructuring. Included in the results are a one-off, non-cash charge to profit relating to the bad debt provisioning for amounts due from related parties and the tax charge associated with the vesting of the assets.

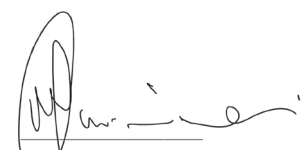
The Group has ongoing arrangements in place to ensure the security of all assets that remained in Petrotrin after closure. The Group is committed to ensuring the orderly monetisation of assets to meet its obligation to all stakeholders. To date, all loan obligations have been met and payments to suppliers continue monthly with significant resources dedicated towards the validation and reconciliation of supplier balances and other liabilities.

Trinidad Petroleum Holdings Limited (TPHL)

During the period, Petrotrin's loan obligations (Senior Unsecured Notes) were transferred to TPHL and in June 2019 these obligations were successfully restructured.

The Group has and continues to spend time ensuring that proper care and diligence are undertaken to select and retain the best talent. We are focusing on building and implementing streamlined and agile business processes. There is improved accountability and transparency at all levels enabled by a robust governance structure and many of the benefits envisioned during the restructuring phase are already being realised.

It would be remiss of me not to conclude by congratulating the shareholder on its bold vision and expressing gratitude to the past and current Board along with the Management and Staff for the hard work and commitment which brought these extremely impressive results in the first year of the Group's operations.



Michael A.A. Quamina
Chairman

Independent Auditors' Report on the Summary Consolidated Financial Statements To the Shareholders of Trinidad Petroleum Holdings Limited

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at September 30, 2019, the summary consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Trinidad Petroleum Holdings Limited ("the Group") for the year ended September 30, 2019. We expressed a qualified audit opinion on those consolidated financial statements in our report dated March 02, 2022.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with International Financial Reporting Standards (IFRS). However, the summary consolidated financial statements are misstated to the equivalent extent as the audited consolidated financial statements of Trinidad Petroleum Holdings Limited for the year ended September 30, 2019.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards. Reading the summary consolidated financial statements and our report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and our report thereon. The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to that date of our report on the audited consolidated financial statements.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed a qualified audit opinion on the audited consolidated financial statements in our report dated March 02, 2022. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements for the current period.

The basis for our qualified audit opinion was because we were unable to obtain sufficient appropriate audit evidence over expenses in the amount of \$0.309 billion and the carrying amount of related trade and other payables in the amount of \$0.233 billion, specifically related to Petroleum Company of Trinidad and Tobago Limited, due to the inability of management to locate the supporting evidence from its repository of files or to obtain directly from the respective vendor. Consequently, we were unable to determine whether any adjustment to these amounts were necessary.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with IFRS and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements."



Chartered Accountants

Port of Spain
Trinidad and Tobago
May 6, 2022

Summary Consolidated Financial Statements As at 30 September, 2019

Summary Consolidated Statement of Financial Position

(Presented in thousands of Trinidad and Tobago Dollars)

	30 September 2019	As at 30 September 2018 (Restated)	1 October 2017 (Restated)
	\$	\$	\$
ASSETS			
Non-current assets			
Tangible assets and intangible assets	5,911,079	11,577,950	23,412,589
Financial assets at fair value through profit or loss	1,714	2,930	2,112
Interest in other entities	1,414	439	23,827
Deferred income tax assets	1,347,085	4,971,061	11,421,212
Income taxes recoverable	773,612	530,683	530,683
Cash in escrow	243,783	238,612	211,948
	<u>8,278,687</u>	<u>17,321,675</u>	<u>35,602,371</u>
Current assets			
Inventories	373,177	2,712,175	2,133,321
Receivables and prepayments	719,143	779,737	1,306,028
Due from related parties	766,682	2,298,713	1,037,389
Short-term investments	150,204	-	-
Financial assets at amortised cost	133,861	-	-
Cash and cash equivalents	1,884,725	490,951	852,222
	<u>4,027,792</u>	<u>6,281,576</u>	<u>5,328,960</u>
Assets held for sale	4,418,846	-	-
	<u>8,446,638</u>	<u>6,281,576</u>	<u>5,328,960</u>
Total assets	<u>16,725,325</u>	<u>23,603,251</u>	<u>40,931,331</u>
EQUITY AND LIABILITIES			
Capital and reserves attributable to equity holders of the Company			
Share capital	-	2,272,274	2,272,274
Accumulated deficit	(15,761,982)	(15,356,761)	1,242,367
Currency translation differences	(109,996)	576,411	498,750
	<u>(15,871,978)</u>	<u>(12,508,076)</u>	<u>4,013,391</u>
Non-controlling interests	(60,567)	(58,783)	(58,554)
Total equity	<u>(15,932,545)</u>	<u>(12,566,859)</u>	<u>3,954,837</u>
Liabilities			
Non-current liabilities			
Borrowings	8,333,154	-	7,384,200
Deferred income tax liabilities	1,346,902	4,970,914	10,212,662
Retirement benefit obligation - pension benefits	427,900	84,400	734,200
Retirement benefit obligation - medical benefits	39,400	130,200	2,536,700
Asset retirement obligation	5,070,297	8,167,097	3,598,467
	<u>15,217,653</u>	<u>13,352,611</u>	<u>24,466,229</u>
Current liabilities			
Trade and other payables	2,360,971	5,103,068	4,029,524
Due to related parties	3,583,158	2,854,260	1,552,683
Current tax liabilities	7,027,419	3,916,020	2,622,151
Current portions of long-term borrowings	139,620	7,424,608	482,018
Short-term borrowings	2,544,951	3,482,682	3,819,316
Asset retirement obligation	30,611	36,861	4,573
	<u>15,686,730</u>	<u>22,817,499</u>	<u>12,510,265</u>
Liabilities directly associated with the assets held for sale	1,753,487	-	-
	<u>17,440,217</u>	<u>22,817,499</u>	<u>12,510,265</u>
Total liabilities	<u>32,657,870</u>	<u>36,170,110</u>	<u>36,976,494</u>
Total equity and liabilities	<u>16,725,325</u>	<u>23,603,251</u>	<u>40,931,331</u>

Summary Consolidated Statement of Profit or Loss and Other Comprehensive Income

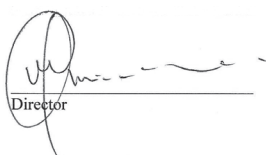
(Presented in thousands of Trinidad and Tobago Dollars)

	Year ended 30 September 2019	2018 (Restated)
	\$	\$
Continuing operations:		
Revenue	6,259,427	1,138,815
Cost of sales	(4,495,787)	(7,402,494)
Gross profit/(loss)	1,763,640	(6,263,679)
Other operating income	218,039	39,252
	<u>1,981,679</u>	<u>(6,224,427)</u>
Administrative expenses	(173,473)	(357,819)
Marketing expenses	(7,671)	(10,382)
Other operating expenses	(53,243)	(20,669)
Impairment expense	(82,894)	13
Operating profit/(loss)	1,664,398	(6,613,284)
Net finance costs	(1,235,606)	(980,532)
	<u>428,792</u>	<u>(7,593,816)</u>
Share of profit of associates accounted for using the equity method, net of tax	977	-
Profit/(loss) before tax from continuing operations	<u>429,769</u>	<u>(7,593,816)</u>
Income tax expenses	(2,687,935)	(1,527,195)
Loss for the period from continuing operations	<u>(2,258,166)</u>	<u>(9,121,011)</u>
Discontinued operations		
Loss after tax for the period from discontinued operations	(595,526)	(7,801,359)
Loss for the period	<u>(2,853,692)</u>	<u>(16,922,370)</u>
Other comprehensive income/(loss)		
Items not classified to profit and loss		
Currency translation differences	(139,794)	77,669
Remeasurements experience adjustments on retirement benefit obligation - pension benefits	(362,400)	8,700
Remeasurements experience adjustments on retirement benefit obligation - medical benefits	(9,800)	314,300
Income tax on other comprehensive income	(511,994)	400,669
	<u>(1,013,988)</u>	<u>1,501,338</u>
Items that will be reclassified to profit and loss		
Available-for-sale financial assets - net change in fair value	-	5
	<u>-</u>	<u>5</u>
Other comprehensive (loss)/income net of income tax	<u>(511,994)</u>	<u>400,674</u>
Total comprehensive loss	<u>(3,365,686)</u>	<u>(16,521,696)</u>
Loss attributable to:		
Equity holders of the Company	(2,851,908)	(16,922,133)
Non-controlling interests	(1,784)	(237)
	<u>(2,853,692)</u>	<u>(16,922,370)</u>
Total comprehensive loss attributable to:		
Equity holders of the Company	(3,363,902)	(16,521,459)
Non-controlling interests	(1,784)	(237)
	<u>(3,365,686)</u>	<u>(16,521,696)</u>

The accompany notes are an integral part of these summary consolidated financial statements.

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On 5th May 2022 the Board of Directors of Trinidad Petroleum Holdings Limited authorised these summary consolidated financial statements for issue.



Director



Director

Summary Consolidated Financial Statements As at 30 September, 2019

Summary Consolidated Statement of Changes in Equity (Presented in thousands of Trinidad and Tobago Dollars)

	Stated capital \$	Currency translation difference \$	Accumulated deficit \$	Total \$	Non- controlling interest \$	Total equity \$
Year ended 30 September 2019						
Restated balance as at 01 October 2018	2,272,274	576,411	(15,356,761)	(12,508,076)	(58,783)	(12,566,859)
Surrender of shares	(2,272,274)	-	2,272,274	-	-	-
Loss for the year	-	-	(2,851,908)	(2,851,908)	(1,784)	(2,853,692)
Other comprehensive income:						
Currency translation differences	-	(139,794)	-	(139,794)	-	(139,794)
Remeasurements experience adjustments on defined benefit obligation – pension	-	-	(362,400)	(362,400)	-	(362,400)
Remeasurements experience adjustments on defined benefit obligation – medical	-	-	(9,800)	(9,800)	-	(9,800)
Currency translation transferred to accumulated deficit	-	(546,613)	546,613	-	-	-
Total other comprehensive loss for the year	-	(686,407)	174,413	(511,994)	-	(511,994)
Total comprehensive loss for the year	(2,272,274)	(686,407)	(405,221)	(3,363,902)	(1,784)	(3,365,686)
Balance as at 30 September 2019	-	(109,996)	(15,761,982)	(15,871,978)	(60,567)	(15,932,545)
Year ended 30 September 2018						
Restated balance as at 1 October 2017	2,272,274	498,750	1,242,367	4,013,391	(58,554)	3,954,837
Total loss for the year as previously reported	-	-	(16,487,644)	(16,487,644)	(237)	(16,487,881)
Impact of correction of errors	-	-	(434,489)	(434,489)	-	(434,489)
Restated loss for the year	-	-	(16,922,133)	(16,922,133)	(237)	(16,922,370)
Other comprehensive income:						
Currency translation differences	-	77,661	-	77,661	8	77,669
Remeasurements experience adjustments on defined benefit obligation – pension	-	-	8,700	8,700	-	8,700
Remeasurements experience adjustments on defined benefit obligation – medical	-	-	314,300	314,300	-	314,300
Change in fair value of available for sale financial instruments	-	-	5	5	-	5
Total other comprehensive income	-	77,661	323,005	400,666	8	400,674
Total comprehensive loss for the year	-	77,661	(16,599,128)	(16,521,467)	(229)	(16,521,696)
Balance as at 30 September 2018	2,272,274	576,411	(15,356,761)	(12,508,076)	(58,783)	(12,566,859)

The accompany notes are an integral part of these summary consolidated financial statements.

Summary Consolidated Statement of Cash Flows

(Presented in thousands of Trinidad and Tobago Dollars)

	Year ended 30 September	
	2019	2018 (Restated)
	\$	\$
Cash flows from operating activities:		
Cash generated from operations	2,793,659	1,936,078
Tax paid	-	-
Net cash generated from operating activities	2,793,659	1,936,078
Net cash used in investing activities	(512,677)	(566,812)
Net cash used in financing activities	(831,776)	(1,723,187)
Currency translation differences relating to cash and cash equivalents	(55,432)	(7,350)
Increase/(decrease) in cash and cash equivalents	1,393,774	(361,271)
Cash and cash equivalents at start of year	490,951	852,222
Cash and cash equivalents at end of year	1,884,725	490,951

The accompany notes are an integral part of these summary consolidated financial statements.

Notes to the Summary Consolidated Financial Statements

30 September 2019 (Presented in thousands of Trinidad and Tobago Dollars)

1. Incorporation and principal activities

Trinidad Petroleum Holdings Limited ("TPHL" or the "Company") was incorporated in the Republic of Trinidad and Tobago on 5 October 2018. The sole shareholder is the Government of the Republic of Trinidad and Tobago ("GORTT"). The registered office is 9 Queen's Park West, Port of Spain Trinidad and Tobago, West Indies.

These summary consolidated financial statements relate to TPHL and its subsidiaries and its interest in jointly controlled entities and associates.

During the current period there was a capital reorganisation. Pursuant to the Miscellaneous Provisions (Heritage Petroleum, Paria Fuel Trading and Guaracara Refining Vesting) Act, 2018 (the "Vesting Act") Petroleum Company of Trinidad and Tobago Company Limited (PETROTRIN), was reorganised and its assets in relation to Exploration and Production (E&P) operations and Refining and Marketing (R&M) operations were vested into three new TPHL subsidiaries. TPHL is an investment holding company solely owned by the Corporation Sole, and is the parent company of three newly formed subsidiaries, Heritage Petroleum Company Limited ("Heritage"), Paria Fuel Trading Company Limited ("Paria"), The Guaracara Refining Company Limited ("Guaracara"), and the existing PETROTRIN ("The Group").

As part of the reorganisation, the former shareholders of PETROTRIN, by "Deed of Surrender" dated 29 November 2018, surrendered all their respective shareholding in PETROTRIN'S issued share capital. On 30 November 2018, one share was issued by PETROTRIN to TPHL, making TPHL the sole shareholder of PETROTRIN.

2. Basis of preparation

(a) Capital reorganisation

The restructuring describe in Note 1 was considered a capital reorganisation involving the insertion of a new intermediate parent and is not a business combination. The Group accounts for capital reorganisation using the assets and liabilities of the previous entity (PETROTRIN) at their precombination carrying amounts without fair value uplift.

The new intermediate parent summary consolidated financial statements (TPHL) includes PETROTRIN'S full year's results (including comparatives).

Summary Consolidated Financial Statements As at 30 September, 2019

Notes to the Summary Consolidated Financial Statements (continued)

30 September 2019 (Presented in thousands of Trinidad and Tobago Dollars)

2. Basis of preparation (continued)

(b) Statement of compliance

This summary consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The report does not include all the notes of the type normally included in an annual financial statements. The full version of the Group's consolidated financial statements can be located at <http://trinidadpetroleum.co.tt>

(c) Basis of measurement

The comparative information in these summary consolidated financial statements are those of PETROTRIN. The presentation under PETROTRIN 2018 numbers has been amended to reflect the fact that TPHL is a going concern and all amounts previously classified as current has been reclassified to non-current where applicable.

(d) New standards, amendments and interpretations adopted by the Group

The Group has applied the following standards

and amendments for the first time for their annual reporting year commencing 1 October 2018:

- IFRS 9 Financial Instruments and associated amendments to various other standards
- IFRS 15 Revenue from contracts with customers and associated amendments to various other standard
- Interpretation 22 Foreign Currency Transactions and Advance Consideration
- Annual Improvements to IFRS Standards 2014-2016 Cycle
- Transfer of Investment Property - Amendments to IAS40

(e) Functional and presentation currency

Items included in the summary consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). The United States dollar is the Group's functional currency. These summary consolidated financial statements are presented in Trinidad and Tobago dollars, rounded to the nearest thousand.

3. Use of estimates and judgements

The preparation of summary consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that

affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the summary separate financial statements are disclosed within the separate financial statements.

4. Assets and liabilities held for sale

Upon the closure of the refinery, the Government of Trinidad and Tobago indicated its intention to offer for sale or lease the refinery and terminalling facilities. The associated assets and liabilities of the refining and terminalling operations were consequently presented as "held for sale" in the summary consolidated financial position.

All the operations for Paria, Guaracara and R&M operation of PETROTRIN in the current period are shown as "discontinued activities" in the summary consolidated statement of profit or loss and other comprehensive income.

PETROTRIN'S assets and liabilities not transferred by way of the "Vesting Act" were not classified as held for sale. Assets held for sale includes Paria and Guaracara.