

TTNGL eyes dividend payouts with \$2.2B capital reduction



NGC chairman Gerald Ramdeen PHOTO COURTESY NGC

Long-suffering shareholders of publicly listed TTNGL were given hope of a turnaround in their fortunes yesterday, when the company announced a proposal to reduce its stated capital account by \$2.2 billion.

Shareholders of TTNGL will be asked to approve a special resolution at its February 5 annual meeting that would reduce its total share capital from \$2.772 billion to \$572.12 million.

In a letter to shareholders, TTNGL said the company has been unable to pay dividends to its shareholders over the last three years, due to its inability to satisfy the solvency test prescribed in the Companies Act.

“This position was brought about by the impact of impairment charges recorded in the company’s financial statements which have eroded/reduced the retained earnings, resulting in an estimated accumulated deficit of \$1.8 billion as at December 31, 2025,” according to the letter to shareholders.

“These impairments reflect lower calculated valuations of TTNGL’s investment in its underlying asset, Phoenix Park Gas Processors Ltd, that were driven by materially lower long-term cash flows at PPGPL. The lower valuation was primarily a result of reduced forecast gas supply volumes to PPGPL for processing, the inclusion of a finite useful life for Trinidad operations to 2042 (due to decommissioning provisions), and lower forecast cash flows from PPGPL’s operations in North America,” the letter stated.

In a newspaper advertisement yesterday, the TTNGL directors said the reduction in the company’s share capital is in accordance with section 48(3) of the Companies Act.

The directors said they are satisfied that, following the proposed reduction of the stated capital account:

- TTNGL would be able to pay its liabilities as they become due; and
- The realisable value of the company’s assets would not, after the capital reduction, be less than the aggregate of its liabilities.

The reduction of TTNGL stated capital was interpreted as the company’s preparation to resume the payment of dividends, as it would now be able to pass the solvency test.

The last dividend received by TTNGL shareholders was on September 14, 2022 for \$0.35. In 2022, the shareholders of the company received a total dividend of \$0.85.

The shareholders did not receive dividends in 2023, 2024 or 2025.

From the end of 2022 to yesterday, the share price of TTNGL has tumbled by 87.3 per cent, dropping from \$20.90 to \$2.65.

The special resolution to reduce TTNGL’s stated capital requires the approval of not less than 75 per cent of the votes cast by shareholders either in person or by proxy. The annual meeting will be held at the Hilton Trinidad and Conference Centre.

TTNGL board comprises chairman Gerald Ramdeen and directors Judy Kalloo, Ashmeer Mohamed and Dr Rampersad Motilal.