

ST. LUCIA ELECTRICITY SERVICES LIMITED

Unaudited Consolidated Financial Statements
For the Nine Months Ended September 30, 2021
(Expressed in thousands of Eastern Caribbean Dollars)



ST. LUCIA ELECTRICITY SERVICES LIMITED

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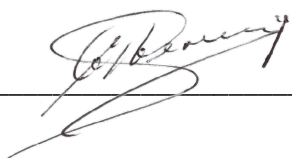
ST. LUCIA ELECTRICITY SERVICES LIMITED
Unaudited Consolidated Statement of Financial Position
(Expressed in thousands of Eastern Caribbean Dollars)

	As at September 30, 2021	As at December 31, 2020
Note	\$'000	\$'000
Assets		
Non-current		
Property, plant and equipment	393,345	398,287
Right-of-use assets	2,356	1,723
Intangible assets	10,199	10,492
Total non-current assets	405,900	410,502
Current		
Inventories	12,168	12,551
Trade, other receivables and prepayments	66,000	64,084
Other financial assets	46,406	44,767
Derivative financial instruments	5 1,939	571
Income tax recoverable	2,043	-
Cash and cash equivalents	25,067	29,441
Total current assets	153,623	151,414
Total assets	559,523	561,916

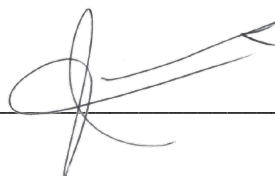
ST. LUCIA ELECTRICITY SERVICES LIMITED
 Unaudited Consolidated Statement of Financial Position
 (Expressed in thousands of Eastern Caribbean Dollars)

	As at September 30, 2021 ECS'000	As at December 31, 2020 ECS'000
Shareholders' equity and liabilities		
Shareholders' equity		
Share capital	80,163	80,163
Retained earnings	193,701	179,963
Fair value reserve	1,538	2,158
Revaluation reserve	59,862	59,862
Self-insurance reserve	46,754	44,212
Total shareholders' equity	382,018	366,358
Liabilities		
Non-current		
Lease liabilities	1,915	1,399
Borrowings	63,221	76,981
Consumer deposits	19,900	20,206
Provision for other liabilities	1,485	1,485
Deferred tax liabilities	34,718	34,059
Post-employment medical benefit liabilities	2,464	2,464
Total non-current liabilities	123,703	136,594
Current		
Lease liabilities	498	377
Borrowings	18,246	17,652
Trade and other payables	34,688	39,591
Dividends payable	370	379
Income tax payable	-	965
Total current liabilities	53,802	58,964
Total liabilities	177,505	195,558
Total shareholders' equity and liabilities	559,523	561,916

Approved on behalf of the Board of Directors:



Director



Director

ST. LUCIA ELECTRICITY SERVICES LIMITED
Unaudited Consolidated Statement of Comprehensive Income

(Expressed in thousands of Eastern Caribbean Dollars)

	For the 3 months ended September 30, 2021 ECS'000	For the 3 months ended September 30, 2020 ECS'000	For the 9 months ended September 30, 2021 ECS'000	For the 9 months ended September 30, 2020 ECS'000
Revenue				
Energy sales	77,464	64,643	208,325	190,480
Other revenue	860	813	2,675	1,865
	<u>78,324</u>	<u>65,456</u>	<u>211,000</u>	<u>192,345</u>
Operating expenses				
Fuel costs	38,122	29,433	99,131	88,071
Transmission and distribution	9,677	7,989	23,980	22,541
Generation	6,784	5,860	18,754	18,111
	<u>54,583</u>	<u>43,282</u>	<u>141,865</u>	<u>128,723</u>
Gross income	<u>23,741</u>	22,174	<u>69,135</u>	63,622
Administrative expenses	<u>(11,787)</u>	<u>(13,034)</u>	<u>(25,080)</u>	<u>(26,750)</u>
Operating profit	<u>11,954</u>	9,140	<u>44,055</u>	36,872
Interest income	144	211	406	593
Fair value (loss)/gain on FVTPL financial assets	6 (254)	272	(606)	495
Other gains/(losses), net	<u>1</u>	<u>(9)</u>	<u>67</u>	<u>23</u>
Profit before finance costs and taxation	<u>11,845</u>	9,614	<u>43,922</u>	37,983
Finance costs	<u>(1,075)</u>	<u>(1,258)</u>	<u>(3,371)</u>	<u>(3,916)</u>
Profit before taxation	<u>10,770</u>	8,356	<u>40,551</u>	34,067
Taxation	<u>(3,047)</u>	<u>(2,176)</u>	<u>(11,586)</u>	<u>(9,339)</u>
Net profit for the period	<u>7,723</u>	6,180	<u>28,965</u>	24,728
Other comprehensive income/(loss):				
Items that may be reclassified to profit or loss:				
Fair value gain/(loss) on FVTOCI financial assets	<u>20</u>	<u>(40)</u>	<u>(14)</u>	<u>(38)</u>
Total comprehensive income for the period	<u>7,743</u>	6,140	<u>28,951</u>	24,690
Basic and diluted earnings per share (\$)	<u>0.34</u>	0.27	<u>1.26</u>	1.08

ST. LUCIA ELECTRICITY SERVICES LIMITED

Unaudited Consolidated Statement of Cash Flows

(Expressed in thousands of Eastern Caribbean Dollars)

	For the 3 months ended September 30, 2021 EC\$'000	For the 3 months ended September 30, 2020 EC\$'000	For the 9 months ended September 30, 2021 EC\$'000	For the 9 months ended September 30, 2020 EC\$'000
Cash flows from operating activities				
Profit before taxation	10,770	8,356	40,551	34,067
Adjustments for:				
Depreciation	6,176	5,817	17,707	17,398
Depreciation: right-of-use assets	136	123	404	382
Amortisation of intangible assets	187	599	568	1,843
Interest income	(144)	(211)	(406)	(593)
Finance costs expensed	1,075	1,258	3,371	3,916
Fair value (loss)/(gain) on FVTPL financial assets	254	(272)	606	(495)
Movement in allowance for impairment	4,387	5,802	4,384	5,797
Gain on disposal of property, plant and equipment	-	-	(64)	-
Operating profit before working capital	22,841	21,472	67,121	62,315
(Increase)/decrease in inventories	(526)	496	383	(3,848)
Increase in trade, other receivables and prepayments	(4,261)	(255)	(6,300)	(5,825)
(Decrease)/increase in trade and other payables	(1,308)	1,058	(6,272)	(10,424)
Cash generated from operations	16,746	22,771	54,932	42,218
Interest received	135	186	373	432
Finance costs paid	(1,034)	(1,201)	(3,292)	(3,762)
Income tax paid	(3,967)	(6,741)	(13,935)	(15,025)
Net cash from operating activities	11,880	15,015	38,078	23,863
Cash flows from investing activities				
Acquisition of property, plant and equipment	(4,632)	(8,361)	(12,765)	(15,514)
Proceeds from disposal of property, plant and equipment	-	-	64	-
Acquisition of intangible assets	-	(135)	(275)	(318)
Acquisition of other financial assets	(10,003)	(36,572)	(36,683)	(70,380)
Proceeds from disposal of other financial assets	4,054	36,214	34,457	70,266
Net cash used in investing activities	(10,581)	(8,854)	(15,202)	(15,946)

ST. LUCIA ELECTRICITY SERVICES LIMITED

Unaudited Consolidated Statement of Cash Flows

(Expressed in thousands of Eastern Caribbean Dollars)

	For the 3 months ended September 30, 2021 EC\$'000	For the 3 months ended September 30, 2020 EC\$'000	For the 9 months ended September 30, 2021 EC\$'000	For the 9 months ended September 30, 2020 EC\$'000
Cash flows from financing activities				
Repayment of borrowings	(4,436)	(4,245)	(13,166)	(12,597)
Repayment of lease liabilities	(124)	(123)	(400)	(360)
Dividends paid	(13,292)	-	(13,300)	-
Consumer deposits, net	67	182	(384)	254
Net cash used in financing activities	(17,785)	(4,186)	(27,250)	(12,703)
Net (decrease)/increase in cash and cash equivalents	(16,486)	1,975	(4,374)	(4,786)
Cash and cash equivalents at beginning of period	41,553	41,259	29,441	48,020
Cash and cash equivalents at end of period	25,067	43,234	25,067	43,234

ST. LUCIA ELECTRICITY SERVICES LIMITED

Notes to Unaudited Consolidated Financial Statements

For the Nine Months Ended September 30, 2021

Accompanying Notes

1. These unaudited consolidated financial statements present the results of the St. Lucia Electricity Services Limited and its subsidiaries-LUCELEC Cap-Ins. Inc. and Energyze Holdings Inc.
2. The principal accounting policies adopted and methods of computation have been consistently applied to the periods presented in these unaudited consolidated financial statements.
3. There were no unusual assets, liabilities, income or expenses recorded during the quarter.
4. An allowance for impairment of accounts receivable of EC\$4.4M was recorded at the end of the quarter.
5. The fair value of all the Company's hedging contracts at the end of the period as disclosed on the Unaudited Consolidated Statement of Financial Position as Derivative Financial Asset was EC\$1.9M.
6. The unrealised fair value loss on the investments classified as Fair Value through Profit or Loss (FVTPL) held by LUCELEC Cap-Ins. Inc. at the end of the quarter was EC\$0.6M.
7. There were no issuances, repurchases and repayments of equity securities during the quarter.
8. During the quarter, loan principal and interest repayments totaled EC\$5.4M.
9. The final dividend for the 2020 financial year of EC\$0.58 per share was declared at the annual general meeting of the shareholders held at the beginning of the quarter.
10. There were no material events subsequent to the end of the quarter that have not been reflected in the unaudited consolidated financial statements.
11. There were no changes in contingent liabilities since the end of the prior financial year.