

ST. LUCIA ELECTRICITY SERVICES LIMITED

Unaudited Consolidated Financial Statements
For the Six Months Ended June 30, 2022
(Expressed in thousands of Eastern Caribbean Dollars)

ST. LUCIA ELECTRICITY SERVICES LIMITED

Table of Contents	Page
Unaudited Consolidated Statement of Financial Position	3-4
Unaudited Consolidated Statement of Comprehensive Income	5
Unaudited Consolidated Statement of Cash Flows	6-7
Notes to Unaudited Consolidated Financial Statements	8

ST. LUCIA ELECTRICITY SERVICES LIMITED
Unaudited Consolidated Statement of Financial Position

	As at June 30, 2022	As at December 31, 2021
Note	\$'000	\$'000
Assets		
Non-current		
Property, plant and equipment	394,016	394,942
Right-of-use assets	2,056	2,217
Intangible assets	9,893	10,106
Total non-current assets	<u>405,965</u>	<u>407,265</u>
Current		
Inventories	14,288	13,424
Trade, other receivables and prepayments	85,747	64,627
Other financial assets	44,962	48,113
Derivative financial instruments	4 1,471	1,368
Cash and cash equivalents	30,959	26,219
Total current assets	<u>177,427</u>	<u>153,751</u>
Total assets	<u>583,392</u>	<u>561,016</u>

ST. LUCIA ELECTRICITY SERVICES LIMITED
 Unaudited Consolidated Statement of Financial Position

	As at June 30, 2022 ECS'000	As at December 31, 2021 ECS'000
Shareholders' equity and liabilities		
Shareholders' equity		
Share capital	80,163	80,163
Retained earnings	202,651	193,679
Fair value reserve	(3,327)	1,662
Revaluation reserve	59,862	59,862
Self-insurance reserve	49,417	47,625
Total shareholders' equity	<u>388,766</u>	<u>382,991</u>
Liabilities		
Non-current		
Lease liabilities	1,625	1,790
Borrowings	63,998	58,533
Consumer deposits	20,842	20,159
Provision for other liabilities	1,485	1,485
Deferred tax liabilities	35,403	35,375
Post-employment medical benefit liabilities	2,462	2,462
Total non-current liabilities	<u>125,815</u>	<u>119,804</u>
Current		
Lease liabilities	530	504
Borrowings	18,860	18,448
Trade and other payables	46,058	36,430
Derivative financial instruments	4 1,353	252
Dividends payable	488	503
Income tax payable	1,522	2,084
Total current liabilities	<u>68,811</u>	<u>58,221</u>
Total liabilities	<u>194,626</u>	<u>178,025</u>
Total shareholders' equity and liabilities	<u>583,392</u>	<u>561,016</u>

Approved on behalf of the Board of Directors:

Director

Director

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

	For the 3 months ended June 30, 2022	For the 3 months ended June 30, 2021	For the 6 months ended June 30, 2022	For the 6 months ended June 30, 2021
Revenue				
Energy sales	100,603	70,089	185,437	130,861
Other revenue	1,277	887	1,907	1,815
	<u>101,880</u>	<u>70,976</u>	<u>187,344</u>	<u>132,676</u>
Operating expenses				
Fuel costs	60,326	33,159	107,258	61,009
Transmission and distribution	8,406	7,311	16,625	14,303
Generation	6,318	6,298	12,770	11,970
	<u>75,050</u>	<u>46,768</u>	<u>136,653</u>	<u>87,282</u>
Gross income	26,830	24,208	50,691	45,394
Administrative expenses	(4,710)	(7,013)	(12,258)	(13,294)
Operating profit	22,120	17,195	38,433	32,100
Investment income	205	137	362	262
Fair value gain/(loss) on FVTPL	(3,210)	365	(5,056)	(352)
Other gains, net	23	6	6	66
Profit before finance costs and taxation	19,138	17,703	33,745	32,076
Finance costs	(933)	(1,129)	(1,915)	(2,296)
Profit before taxation	18,205	16,574	31,830	29,780
Taxation	(6,157)	(4,612)	(10,536)	(8,539)
Net profit for the period	<u>12,048</u>	<u>11,962</u>	<u>21,294</u>	<u>21,241</u>
Other comprehensive income/(loss):				
Items that may be reclassified to profit or loss:				
Fair value gain/(loss) on FVTOCI financial assets	34	(33)	67	(34)
Total comprehensive income for the period	<u>12,082</u>	<u>11,929</u>	<u>21,361</u>	<u>21,207</u>
Basic and diluted earnings per share (\$)	<u>0.53</u>	<u>0.52</u>	<u>0.93</u>	<u>0.93</u>

ST. LUCIA ELECTRICITY SERVICES LIMITED

Unaudited Consolidated Statement of Cash Flows

	For the 3 months ended June 30, 2022	For the 3 months ended June 30, 2021	For the 6 months ended June 30, 2022	For the 6 months ended June 30, 2021
Cash flows from operating activities				
Profit before taxation	18,205	16,574	31,830	29,780
Adjustments for:				
Depreciation on property, plant and equipment	5,854	5,696	11,712	11,531
Depreciation on right-of-use assets	145	138	290	268
Amortisation of intangible assets	223	190	444	381
Investment income	(205)	(137)	(362)	(262)
Finance cost	933	1,129	1,915	2,296
Fair value (gain)/loss on FVTPL financial	3,210	(365)	5,056	352
Impairment losses on trade and other receivables	(3,585)	-	(3,585)	-
Gain on disposal of property, plant and equipment	-	(6)	-	(64)
Operating profit before working capital	24,780	23,219	47,300	44,282
Decrease/(increase) in inventories	2,854	(22)	(864)	909
Increase in trade, other receivables and prepayments	(4,912)	(12,365)	(16,186)	(2,042)
Increase/(decrease) in trade and other payables	1,145	1,930	9,272	(4,964)
Cash generated from operations	23,867	12,762	39,522	38,185
Interest and dividends received	173	127	317	239
Finance costs paid	(891)	(1,099)	(1,824)	(2,258)
Income tax paid	(5,019)	(3,967)	(11,070)	(9,968)
Net cash from operating activities	18,130	7,823	26,945	26,198
Cash flows from investing activities				
Acquisition of property, plant and equipment	(7,321)	(4,507)	(10,786)	(8,133)
Proceeds from disposal of property, plant and equipment	-	6	-	64
Acquisition of intangible assets	(178)	(52)	(231)	(275)
Acquisition of other financial assets	(4,029)	(13,740)	(16,653)	(26,680)
Proceeds from disposal of other financial assets	2,703	19,593	14,864	30,403
Net cash (used in)/from investing activities	(8,825)	1,300	(12,806)	(4,621)

ST. LUCIA ELECTRICITY SERVICES LIMITEDUnaudited Consolidated Statement of Cash Flows

	For the 3 months ended June 30, 2022	For the 3 months ended June 30, 2021	For the 6 months ended June 30, 2022	For the 6 months ended June 30, 2021
Cash flows from financing activities				
Repayment of lease liabilities	(134)	(207)	(268)	(276)
Proceeds from borrowings	15,000	-	15,000	-
Repayment of borrowings	(4,586)	(4,411)	(9,123)	(8,730)
Dividends paid	(15,594)	(8)	(15,601)	(8)
Net collection/(refund) of consumer deposits	411	(684)	593	(451)
Net cash used in financing activities	<u>(4,903)</u>	<u>(5,310)</u>	<u>(9,399)</u>	<u>(9,465)</u>
Net increase in cash and cash equivalents	4,402	3,813	4,740	12,112
Cash and cash equivalents at beginning of period	<u>26,557</u>	<u>37,740</u>	<u>26,219</u>	<u>29,441</u>
Cash and cash equivalents at end of period	<u>30,959</u>	<u>41,553</u>	<u>30,959</u>	<u>41,553</u>

ST. LUCIA ELECTRICITY SERVICES LIMITED

Notes to Unaudited Consolidated Financial Statements

For the Six Months Ended June 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. 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\$1.5M and as Derivative Financial Liability was EC\$1.4M.
5. 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 period was EC\$5.1M.
6. There were no issuances, repurchases and repayments of equity securities during the quarter.
7. The first drawdown of EC\$15.0M from of the new loan facility of EC\$30.0M was received at the end at the end of the quarter. Loan principal and interest repayments on the existing loans totaled EC\$5.4M for the quarter.
8. The final dividend for the 2021 financial year of EC\$0.68 per share was declared at the annual general meeting of the shareholders held during the second quarter; the total dividends paid was EC\$15.6M.
9. There were no material events subsequent to the end of the quarter that have not been reflected in the unaudited consolidated financial statements.
10. There were no changes in contingent liabilities since the end of the prior financial year.