

ST. LUCIA ELECTRICITY SERVICES LIMITED

Unaudited Consolidated Financial Statements
For the Nine Months Ended September 30, 2023
(Expressed in thousands of Eastern Caribbean Dollars)



ST. LUCIA ELECTRICITY SERVICES LIMITED

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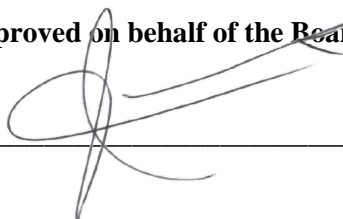
ST. LUCIA ELECTRICITY SERVICES LIMITED
Unaudited Consolidated Statement of Financial Position
(Expressed in thousands of Eastern Caribbean Dollars)

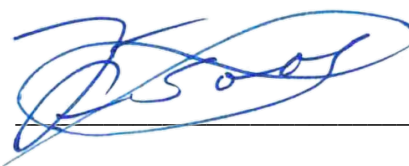
	Note	As at September 30, 2023 \$'000	As at December 31, 2022 \$'000
Assets			
Non-current			
Property, plant and equipment		405,124	400,152
Right-of-use assets		5,064	2,213
Intangible assets		9,941	10,325
Total non-current assets		<u>420,129</u>	<u>412,690</u>
Current			
Inventories		19,291	15,675
Trade, other receivables and prepayments		80,530	83,987
Other financial assets		58,982	49,748
Derivative financial instruments	4	687	30
Income tax recoverable		4,662	-
Cash and cash equivalents		32,612	37,808
Total current assets		<u>196,764</u>	<u>187,248</u>
Total assets		<u>616,893</u>	<u>599,938</u>

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	As at September 30, 2023 ECS'000	As at December 31, 2022 ECS'000
Shareholders' equity and liabilities		
Shareholders' equity		
Share capital	80,163	80,163
Retained earnings	222,451	209,765
Fair value reserve	(3,481)	(3,077)
Revaluation reserve	59,862	59,862
Self-insurance reserve	52,908	49,614
Total shareholders' equity	411,903	396,327
Liabilities		
Non-current		
Lease liabilities	4,380	1,567
Borrowings	55,499	53,938
Consumer deposits	21,914	21,269
Deferred tax liabilities	37,425	37,094
Post-employment medical benefit liabilities	2,518	2,518
Total non-current liabilities	121,736	116,386
Current		
Lease liabilities	955	723
Borrowings	19,854	20,778
Trade and other payables	60,292	59,883
Provision for other liabilities	1,671	1,671
Derivative financial instruments	-	1,270
Dividends payable	482	486
Income tax payable	-	2,414
Total current liabilities	83,254	87,225
Total liabilities	204,990	203,611
Total shareholders' equity and liabilities	616,893	599,938

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, 2023 EC\$'000s	For the 3 months ended September 30, 2022 EC\$'000s	For the 9 months ended September 30, 2023 EC\$'000s	For the 9 months ended September 30, 2022 EC\$'000s
Revenue				
Energy sales	105,947	79,971	299,532	229,435
Fuel surcharge	(3,561)	27,737	(15,125)	63,710
Other revenue	1,165	847	3,371	2,754
	<u>103,551</u>	<u>108,555</u>	<u>287,778</u>	<u>295,899</u>
Operating expenses				
Fuel costs	59,964	66,536	165,750	173,794
Transmission and distribution	11,728	8,204	30,336	24,829
Generation	7,174	6,336	21,548	19,106
	<u>78,866</u>	<u>81,076</u>	<u>217,634</u>	<u>217,729</u>
Gross income	<u>24,685</u>	<u>27,479</u>	<u>70,144</u>	<u>78,170</u>
Administrative expenses	(8,029)	(7,645)	(24,856)	(19,903)
Operating profit	<u>16,656</u>	<u>19,834</u>	<u>45,288</u>	<u>58,267</u>
Investment income	430	249	1,148	611
Fair value loss on FVTPL financial assets	5 (1,401)	(1,139)	(326)	(6,195)
Gain on disposal of FVTPL financial assets	-	-	75	-
Other (losses)/gains, net	(38)	2	(56)	8
Profit before finance costs and taxation	<u>15,647</u>	<u>18,946</u>	<u>46,129</u>	<u>52,691</u>
Finance costs	(950)	(1,006)	(2,700)	(2,921)
Profit before taxation	<u>14,697</u>	<u>17,940</u>	<u>43,429</u>	<u>49,770</u>
Taxation	(4,535)	(5,444)	(12,189)	(15,980)
Net profit for the period	<u>10,162</u>	<u>12,496</u>	<u>31,240</u>	<u>33,790</u>
Other comprehensive (loss)/income:				
Items that may be reclassified to profit or loss:				
Fair value (loss)/gain on FVTOCI financial assets	(46)	43	(78)	110
Total comprehensive income for the period	<u>10,116</u>	<u>12,539</u>	<u>31,162</u>	<u>33,900</u>
Basic and diluted earnings per share (EC\$)	<u>0.44</u>	<u>0.55</u>	<u>1.36</u>	<u>1.47</u>

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, 2023 ECS'000s	For the 3 months ended September 30, 2022 ECS'000s	For the 9 months ended September 30, 2023 ECS'000s	For the 9 months ended September 30, 2022 ECS'000s
Cash flows from operating activities				
Profit before taxation	14,697	17,940	43,429	49,770
Adjustments for:				
Depreciation on property, plant and equipment	6,144	5,695	18,429	17,407
Depreciation on right-of-use assets	254	137	636	427
Amortisation of intangible assets	251	221	757	665
Investment income	(430)	(249)	(1,148)	(611)
Fair value loss on FVTPL financial assets	1,401	1,139	326	6,195
Finance costs	950	1,006	2,700	2,921
Impairment gains on trade and other receivables	(880)	(433)	(1,301)	(4,018)
Gain on disposal of FVTPL financial assets	-	-	(75)	-
Net loss/(gain) on disposal of ROU asset and derecognition of lease liability	2	(8)	2	(8)
Operating profit before working capital	22,389	25,448	63,755	72,748
Increase in inventories	(3,879)	(1,495)	(3,616)	(2,359)
(Increase)/ decrease in trade, other receivables and prepayments	(11,150)	4,735	3,518	(11,451)
Increase/(decrease) in trade and other payables	6,214	14,765	(281)	24,037
Cash generated from operations	13,574	43,453	63,376	82,975
Interest and dividends received	161	172	486	489
Finance costs paid	(785)	(958)	(2,553)	(2,782)
Income tax paid	(5,472)	(5,017)	(18,934)	(16,087)
Net cash from operating activities	7,478	37,650	42,375	64,595
Cash flows from investing activities				
Acquisition of property, plant and equipment	(9,712)	(10,480)	(23,401)	(21,266)
Acquisition of intangible assets	(175)	(316)	(373)	(547)
Acquisition of other financial assets	(20,695)	(10,098)	(45,786)	(26,751)
Proceeds from disposal of other financial assets	12,943	9,189	36,885	24,053
Net cash used in investing activities	(17,639)	(11,705)	(32,675)	(24,511)

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Unaudited Consolidated Statement of Cash Flows

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	For the 3 months ended September 30, 2023 EC\$'000s	For the 3 months ended September 30, 2022 EC\$'000s	For the 9 months ended September 30, 2023 EC\$'000s	For the 9 months ended September 30, 2022 EC\$'000s
Cash flows from financing activities				
Proceeds from borrowings	-	-	15,000	15,000
Repayment of borrowings	(3,711)	(4,637)	(14,338)	(13,760)
Repayment of lease liabilities	(129)	(228)	(484)	(15,601)
Dividends paid	(1)	-	(15,589)	(496)
Net collection of consumer deposits	178	138	515	731
Net cash used in financing activities	(3,663)	(4,727)	(14,896)	(14,126)
Net (decrease)/increase in cash and cash equivalents	(13,824)	21,218	(5,196)	25,958
Cash and cash equivalents at beginning of period	46,436	30,959	37,808	26,219
Cash and cash equivalents at end of period	32,612	52,177	32,612	52,177

ST. LUCIA ELECTRICITY SERVICES LIMITED

Notes to Unaudited Consolidated Financial Statements

For the Nine Months Ended September 30, 2023

(Expressed in thousands of Eastern Caribbean Dollars)

Accompanying Notes

1. These unaudited consolidated financial statements present the results of 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\$0.7M.
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\$0.3M.
6. There were no issuances, repurchases and repayments of equity securities during the quarter.
7. Loan principal and interest repayments totaled EC\$4.4M for the quarter.
8. There were no material events subsequent to the end of the quarter that have not been reflected in the unaudited consolidated financial statements.
9. There were no changes in contingent liabilities since the end of the prior financial year.