

REPORT OF THE INDEPENDENT AUDITOR ON THE FINANCIAL HIGHLIGHTS

TO THE SHAREHOLDER OF TRINIDAD GENERATION UNLIMITED

Opinion

The financial highlights are derived from the audited financial statements of Trinidad Generation Unlimited for the year ended 31 December 2021.

In our opinion, the financial highlights are consistent, in all material respects, with the audited financial statements, on the basis described in Note 1.

Financial Highlights

The financial highlights do not contain all the disclosures required by International Financial Reporting Standards (“IFRSs”) applied in the preparation of the audited financial statements of Trinidad Generation Unlimited. Reading the financial highlights and the auditor’s report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor’s report thereon. The financial highlights and the auditor’s report thereon do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements for the year ended 31 December 2021 in our report dated 27 January 2022. This report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the relevant period.

Management’s Responsibility for the Financial Highlights

Management is responsible for the preparation of the financial highlights on the basis described in Note 1.

Auditor’s Responsibility

Our responsibility is to express an opinion on whether the financial highlights are consistent, in all material respects, with the audited 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.



Port of Spain
TRINIDAD:
18 May 2022

AUDITED FINANCIAL HIGHLIGHTS OF OPERATING RESULTS

For Year ended 31 December 2021

Expressed in United States Dollars (\$’000)

	Year ended 31 December 2021	Year ended 31 December 2020
Profit Before Taxation	26,866	40,851
Total Comprehensive Income	17,658	27,098
Total Assets	1,096,043	1,086,079
Total Liabilities	833,471	830,939
Total Equity	262,572	255,140
Bond Interest Expense	31,500	31,500
Dividend Declared & Paid	10,226	11,871
	Rating as at 31 December 2021	Rating as at 31 December 2020
Standard & Poor’s (S&P)	BB+	BB+
Fitch Ratings	BB	BB+

Note 1

These financial highlights are prepared in accordance with criteria developed by management using information derived from the audited financial statements of Trinidad Generation Unlimited for the year ended 31 December 2021. These audited financial statements have been prepared in accordance with International Financial Reporting Standards. The audited financial statements are available on the Company’s website or the Singapore Exchange.

CHAIRMAN’S STATEMENT

Trinidad Generation Unlimited (TGU) owns, operates and maintains a fuel efficient 720-megawatt (MW) capacity combined-cycle gas-fired power plant located in the Union Industrial Estate, Vessigny, La Brea. The Company, initially a joint project of the AES Corporation and the Government of the Republic of Trinidad and Tobago (GORTT), is currently wholly owned by the GORTT through 100% ownership of its National Investment Fund Holding Company Limited (NIFHCL). NIFHCL has been set up to hold its investment in TGU together with its holdings of other publicly traded assets listed with the Trinidad and Tobago Stock Exchange.

For the year ended 31 December 2021, the power plant achieved an Equivalent Availability (EA) short of its target. This shortfall was due to unscheduled maintenance on its gas turbines in the latter part of the year which was necessary to maintain asset integrity. Repairs were performed and the related generators were brought back online.

The Company maintained Health, Safety and Environment (HSE) as a core value. HSE are embedded values in our culture. We ensured that HSE were incorporated into all activities at TGU, including the way we think and act. For the year 31 December 2021, the TGU team sustained its high-performance standards in HSE resulting in the achievement of its HSE targets for the period.

For the year ended 31 December 2021, the Company achieved a profit before tax of US\$26 million, while achieving a profit after tax of US\$18 million. In the year 2020, TGU attained profit before tax of US\$41 million and profit after tax of US\$27 million. The 2021 profitability reflected the lower EA when compared to 2020. Total assets as at 31 December 2021 amounted to US\$1.096 billion, an increase of US\$10 million for the financial year. Total equity as at 31 December 2021 amounted to US\$263 million, which represented a US\$7 million increase when compared to equity as at 31 December 2020.

In November 2016, TGU issued its US\$600 million 144A RegS bond on the international financial market at a rate of 5.25%. The bond continued to be well viewed by investors with trading values above par on both the 144A and RegS international markets. As at 31 December 2021, TGU’s bond had a remaining life of six years and the Company successfully paid US\$157 million of interest to its bondholders. The international ratings as at 31 December 2021 were reflective of TGU being a sovereign-linked entity and the Company’s importance to Trinidad and Tobago’s energy matrix and operational integration with the ultimate parent.

TGU remained cognisant of its role in the financial market and its responsibilities to its Shareholder, both as a wholly owned subsidiary of the NIFHCL as well as an issuer of a United States Dollar (USD) denominated international bond.

In 2021, the COVID-19 pandemic continued to adversely affect Trinidad and Tobago and many other countries across the globe. TGU continued to be cognisant of this threat and implemented precautionary measures to ensure the safety of our employees and minimise operational ramifications. During the year, normal shift operations for operation and maintenance staff resumed, with remote or rostered working arrangements for all other personnel not directly involved in the operation of the facility.

In 2021, TGU celebrated its 10th anniversary with 10 years of successful performance since starting commercial operations on 1 August 2011. The Company continued to operate with an eye on a sustainable future, dedicated to creating opportunities that would benefit our nation. Over the last 10 years the support of each stakeholder has made TGU a successful and internationally recognised Independent Power Producer, and we look forward to TGU continuing to serve Trinidad and Tobago for generations to come.

The Company, through its Strategic Corporate Social Responsibility Objectives and Initiatives also continued to support both the fenceline and national communities with various relief efforts that assisted in alleviating some of the challenges faced due to the ongoing COVID-19 pandemic. Due to the COVID-19 pandemic, the CSR initiatives were modified in response to the specific socio-economic needs of the community and national stakeholders. The revised initiatives were successfully completed with positive reviews from the respective stakeholders. In keeping with the Company’s volunteerism focus, employees of TGU demonstrated their commitment to supporting the implementation of the Company’s CSR initiatives both within its fenceline and national communities.

Whilst 2021 was a challenging year, TGU continued to focus on its strategic objectives ensuring the safety of its people and plant whilst maintaining its commitment to its Shareholder and Stakeholders. The Company’s adaptability fostered a remote work culture whilst maintaining its core operations and enhanced governance through the development of strategic policies and procedures.

I wish to express my appreciation to our customer Trinidad and Tobago Electricity Commission (T&TEC), the NIFHCL, our company Directors, our employees, and all other stakeholders for their contributions towards the continuing growth and sustainability of Trinidad Generation Unlimited.



Chairman
Sandra Jones
18 May 2022