



PRNOW

S U M M I T



A nighttime photograph of a city skyline with light trails from traffic on a multi-lane highway. The scene is bathed in a blue and purple light, with palm trees and modern buildings visible in the background. A road sign with the number 25 is visible on the right side of the road.

WELCOME TO THE PUERTO RICO OF NOW

HON. OMAR J. MARRERO DÍAZ • SECRETARY OF STATE • AAFAF'S EXECUTIVE DIRECTOR

PUERTO RICO
FISCAL AGENCY
& FINANCIAL ADVISORY
AUTHORITY





Disclaimer

The Puerto Rico Fiscal Agency and Financial Advisory Authority ("AAFAF"), the Government of Puerto Rico, its instrumentalities and agencies (the "Government"), and each of their respective officers, directors, employees, agents, attorneys, advisors, members, partners or affiliates (collectively, with AAFAF and the Government, the "Parties") make no representation or warranty, express or implied, to any third party with respect to the information contained herein and all Parties expressly disclaim any such representations or warranties. The Government has had to rely upon preliminary information and unaudited financials. As such, AAFAF and the Government have made certain assumptions that may materially change once those financial statements are fully audited. The Parties do not owe or accept any duty or responsibility to any reader or recipient of this presentation, whether in contract or tort, and shall not be liable for or in respect of any loss, damage (including without limitation consequential damages or lost profits) or expense of whatsoever nature of such third party that may be caused by, or alleged to be caused by, the use of this presentation or that is otherwise consequent upon the gaining of access to this document by such third party. The Parties do not undertake any duty to update the information contained herein.

This document does not constitute an audit conducted in accordance with generally accepted auditing standards, an examination of internal controls or other attestation or review services in accordance with standards established by the American Institute of Certified Public Accountants or any other organization. Accordingly, the Parties do not express an opinion or any other form of assurance on the financial statements or any financial or other information or the internal controls of the Government and the information contained herein. Any statements and assumptions contained in this document, whether forward-looking or historical, are not guarantees of future performance and involve certain risks, uncertainties, estimates and other assumptions made in this document. The economic and financial condition of the Government and its instrumentalities is affected by various legal, financial, social, economic, environmental, governmental and political factors. These factors can be very complex, may vary from one fiscal year to the next and are frequently the result of actions taken or not taken, not only by the Government, but also by Financial Oversight and Management Board for Puerto Rico and other third-party entities such as the government of the United States. Because of the uncertainty and unpredictability of these factors, their impact cannot be included in the assumptions contained in this document.

Future events and actual results may differ materially from any estimates, projections, or statements contained herein. Nothing in this document should be considered as an express or implied commitment to do or take, or to refrain from taking, any action by AAFAF, the Government, or any government instrumentality in the Government or an admission of any fact or future event. Nothing in this document shall be considered a solicitation, recommendation or advice to any person to participate, pursue or support a particular course of action or transaction, to purchase or sell any security, or to make any investment decision. By receiving this document, the recipient shall be deemed to have acknowledged and agreed to the terms of these limitations. This document may contain capitalized terms that are not defined herein or may contain terms that are discussed in other documents or that are commonly understood. You should make no assumptions about the meaning of capitalized terms that are not defined, and you should refer questions to AAFAF should clarification be required.

This document does not constitute an offer to sell or the solicitation of an offer to buy or restructure any security, nor does it constitute an offer or commitment to lend, syndicate or arrange a financing, underwrite or purchase or act as an agent or advisor or in any other capacity with respect to any transaction, or commit capital, or to participate in any trading strategies, and does not constitute legal, regulatory, accounting or tax advice to the recipient.

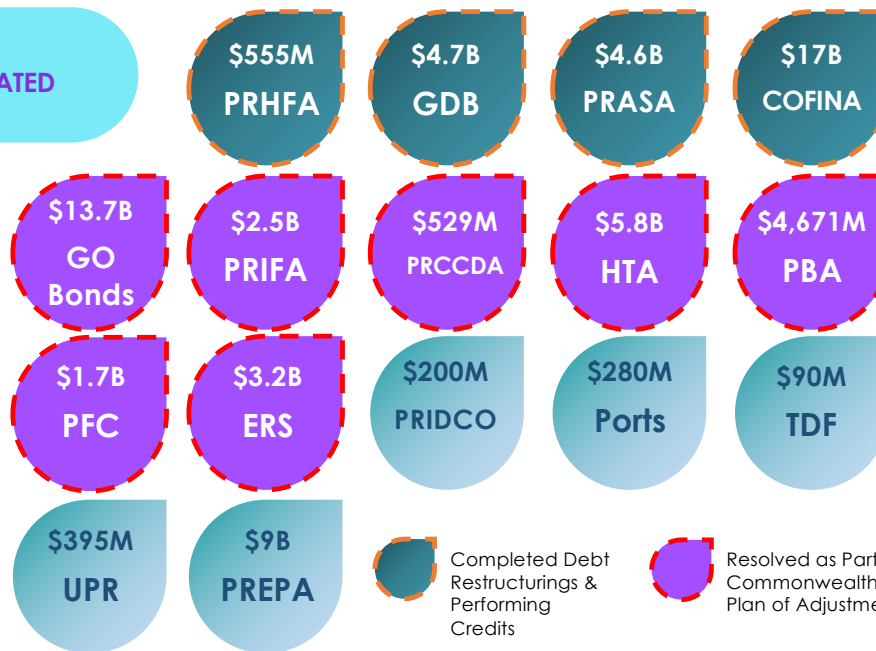


Table of Contents

<i>Executive Summary – Timeline</i>	5
<i>Commonwealth Plan of Adjustment (“CWPOA”)</i>	7
<i>Debt Restructurings - Completed</i>	14
<i>Debt Restructurings in Progress</i>	18
<i>Fiscal Achievements</i>	22
<i>Federal Funds</i>	29
<i>Puerto Rico is Positioned for Economic Growth</i>	38
<i>Achieving Concrete Results</i>	48
<i>Conclusion</i>	50

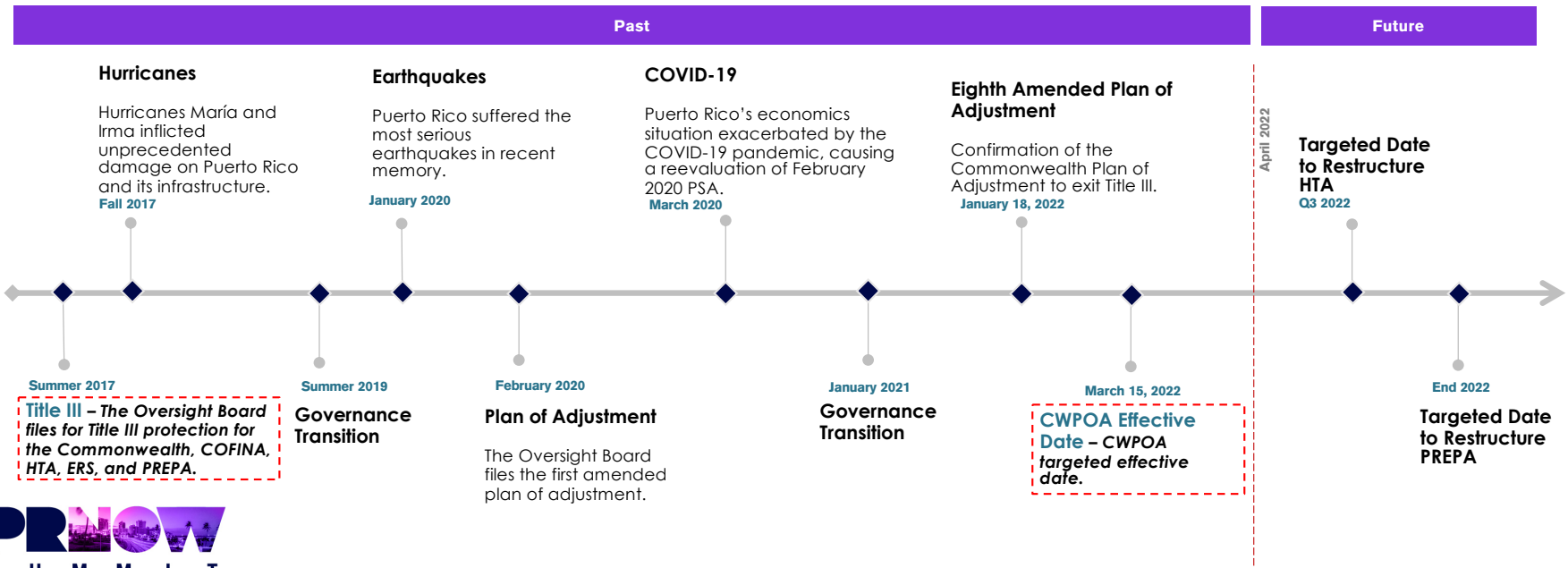
Largest & Most Complex Municipal Bankruptcy in U.S. History

~\$74B
PUBLIC DEBT OF PR GOVERNMENT & RELATED ENTITIES





Executive Summary – Timeline



Commonwealth Plan Of Adjustment ("CWPOA")



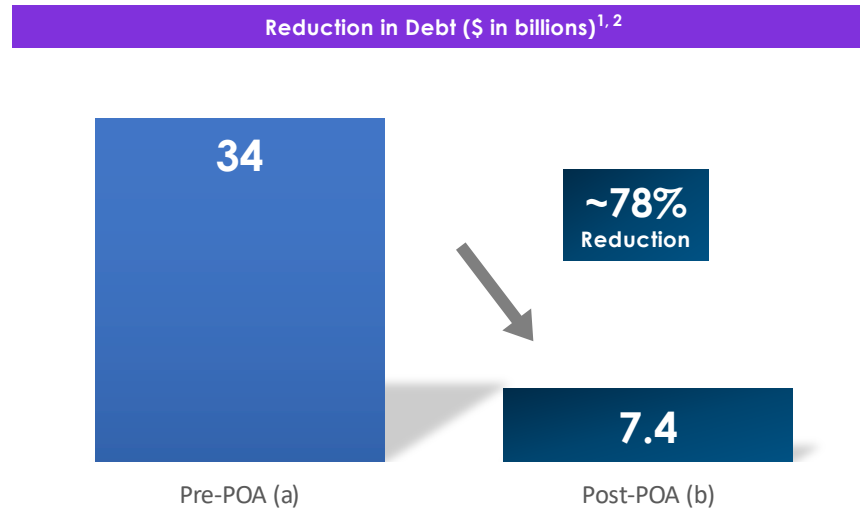
PUERTO RICO
FISCAL AGENCY
& FINANCIAL ADVISORY
AUTHORITY





Puerto Rico is on Sound Fiscal Footing

On January 18, 2022, Judge Swain confirmed the Commonwealth Modified 8th Amended Joint Plan of Adjustment, which marks a historic step in exiting Title III and concluding the largest restructuring of municipal debt in U.S. history.



- Key Points**
- Reduction of total debt service, including COFINA, from ~\$90 billion to ~\$34 billion, a 62% decrease
 - Current Interest Maximum Annual Debt Service of \$1.15 billion³
 - Reduction in debt service as a percentage of Own Source Revenues ("OSR") of ~25 cents pre-restructuring to approximately 6.5 cents in FY2022 after effectiveness of CWPOA^{3,4}
 - Includes Contingent Value Instruments ("CVI") based upon sharing of outperformance of 5.5% Sales and Use Tax Collections ("5.5% SUT") and General Fund Rum Tax Collections, both subject to annual and lifetime caps
 - Inclusion of CVI allows for a sharing of upside on island between Government and Creditors



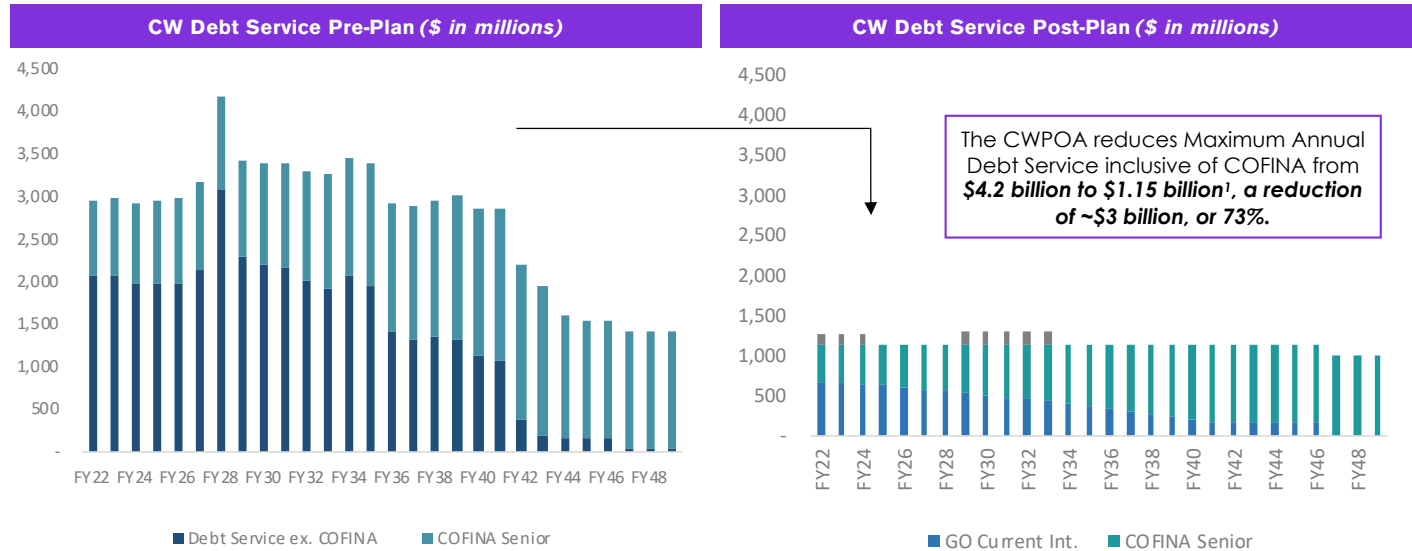
Notes: (1) Estimated Pre-POA Commonwealth Claims includes original issue discount. Includes GO and GO Guaranteed, Clawback, MBA, ERS, and other estimated general unsecured claims. (2) Post POA Includes current interest and capital appreciation bonds. Excludes contingent value instrument and new debt at HTA. (3) Debt service includes \$1.15 billion in GO and COFINA debt service and excludes: (i) the 5.375% GO CABs and (ii) the 5.000% GO CABs. (4) Own Source Revenues as projected in January 2022 Certified Fiscal Plan divided by that years Maximum Annual Tax-Supported Debt Service.





Debt Service Reduction – Sustainable Debt Service Levels

The financial restructuring of the Commonwealth was a complex process, which was preceded by the successful debt restructurings for Government Development Bank and COFINA. The CWPOA ensures Puerto Rico has an affordable and predictable level of debt service.



Notes: (1) Excludes payments on account of GO Capital Appreciation Bonds. New debt issued as part of the 2021 PSA has a 25-year maximum maturity, after which the only Commonwealth fixed obligation is existing COFINA Senior Lien debt. For the avoidance of doubt, above charts do not include annual CVI payments.

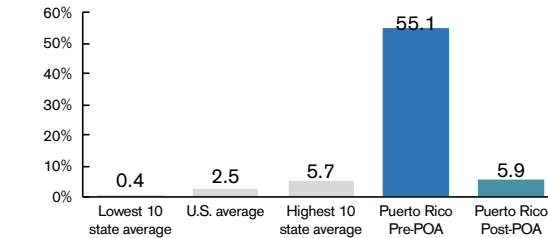




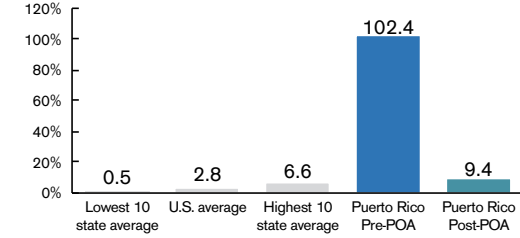
CWPOA – Debt Sustainability

The Commonwealth exited Title III with a sustainable level of debt and debt service moving forward based on percentage of GDP, state personal income, debt per capita and own source revenues.

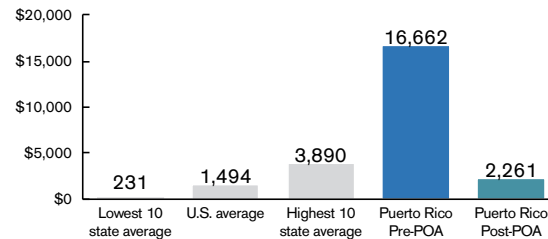
Net tax-supported debt, % of GDP



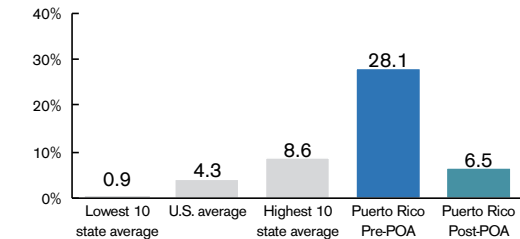
Net tax-supported debt to state personal income, %



Net tax-supported debt per capita, \$/person



Debt service, % of own-source revenues¹



Notes: (1) Own revenues includes all Commonwealth-collected revenues and excludes all federal transfers as included in the January 2022 CFP. (2) "Puerto Rico Post-POA" figures are based on assumptions included in the January 2022 Certified Fiscal and net tax-supported debt which includes new General Obligation debt of ~\$7.4 billion, excludes COFINA. Debt service based on \$1.15 billion MADS Cap, excludes CABs. Sources: January 2022 Certified Fiscal Plan, Exhibit 31, pg. 74.



CWPOA – Contingent Value Instrument

The Contingent Value Instrument (“CVI”) will only pay creditors in the case that actual collections outperform the metrics included in the respective Certified Fiscal Plans used for outperformance measurement. The key terms of the CVI include:

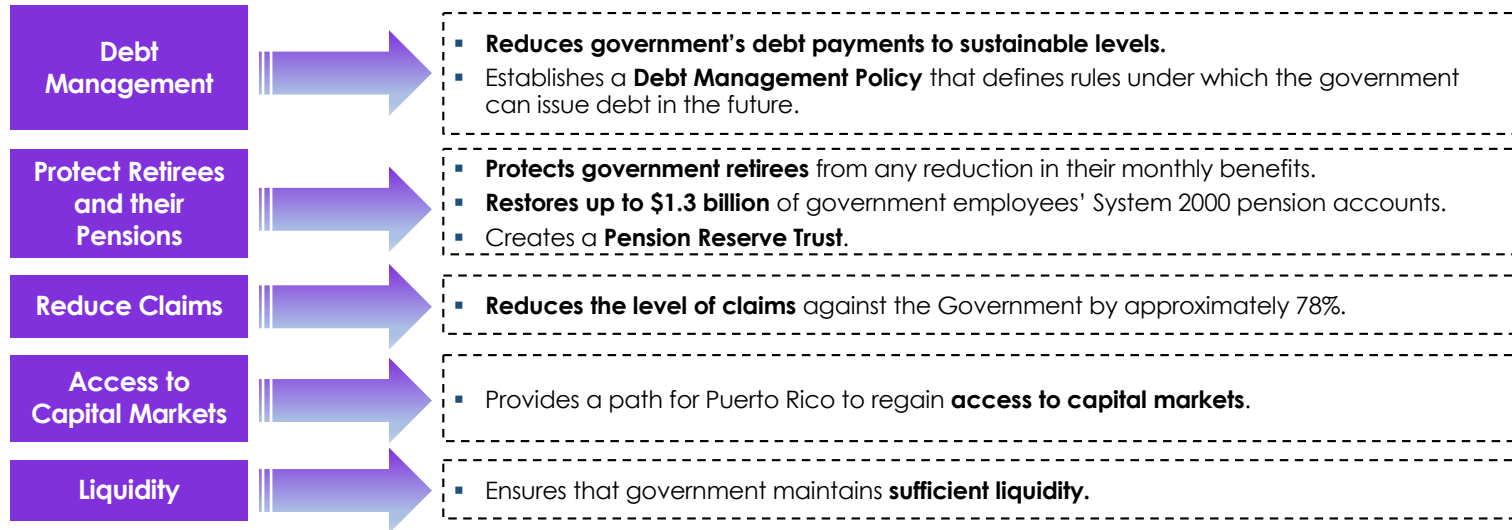
	Sales and Use Tax (“SUT”) Portion of the CVI	Rum Tax Portion of the Clawback CVI
Metric to Measure Outperformance	<ul style="list-style-type: none"> Outperformance of 5.5% SUT collections above the <u>May 2020 Commonwealth Certified Fiscal Plan Projections</u> 	<ul style="list-style-type: none"> Outperformance of general fund rum tax collections above the <u>April 2021 Commonwealth Certified Fiscal Plan Projections</u>
Annual Payment	<ul style="list-style-type: none"> Lesser of: <ul style="list-style-type: none"> 90% of cumulative outperformance 90% of annual outperformance Annual cap of \$375 million 	<ul style="list-style-type: none"> Lesser of: <ul style="list-style-type: none"> 40% of cumulative outperformance of general fund rum tax collections above the outperformance metric. 50% of annual outperformance of general fund rum tax collections above the outperformance metric. Annual cap of \$30 million.
Annual Cap	<ul style="list-style-type: none"> \$375 million 	<ul style="list-style-type: none"> \$30 million
Lifetime Cap	<ul style="list-style-type: none"> GO CVI: \$3.5 billion Clawback CVI: \$5.2 billion 	<ul style="list-style-type: none"> ~\$1.3 billion (together with PRIFA CVI payouts from the SUT Outperformance).
Cap on Supplemental Cover Over Revenues	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Maximum of Supplemental Cover Over Revenues of \$88 million
Term	<ul style="list-style-type: none"> GO CVI: 22 years Clawback CVI: 30 years 	<ul style="list-style-type: none"> 30 years

Notes: (1) “Supplemental cover over” is the \$2.75 incremental rum tax cover over (i.e., above the \$10.50 base cover over).



CWPOA – Building a Sustainable Economy

The CWPOA enables Puerto Rico to focus on building an economy that delivers prosperity for all its residents.



Completed Debt Restructurings

PUERTO RICO
FISCAL AGENCY
& FINANCIAL ADVISORY
AUTHORITY

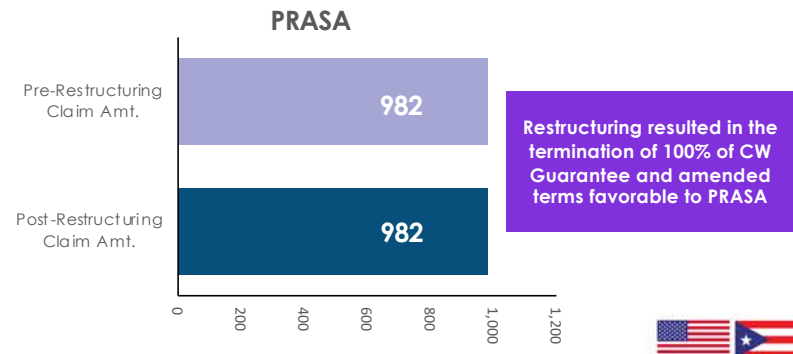
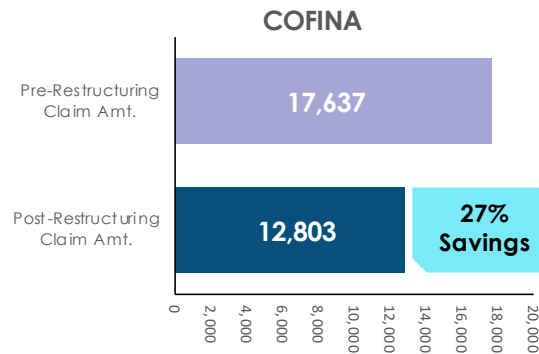
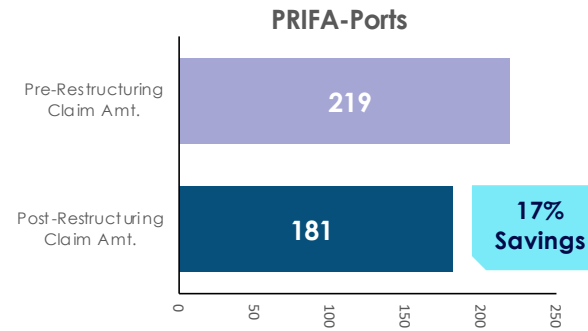
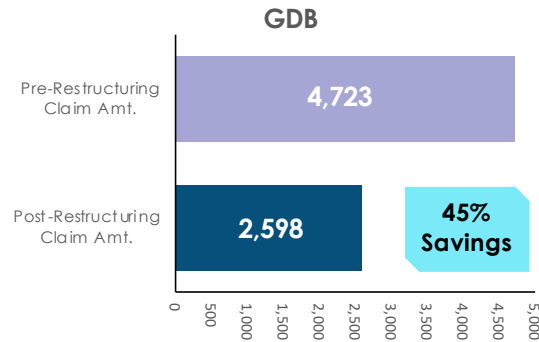




Debt Restructurings – Completed

Completed Debt Restructurings (\$ in millions)

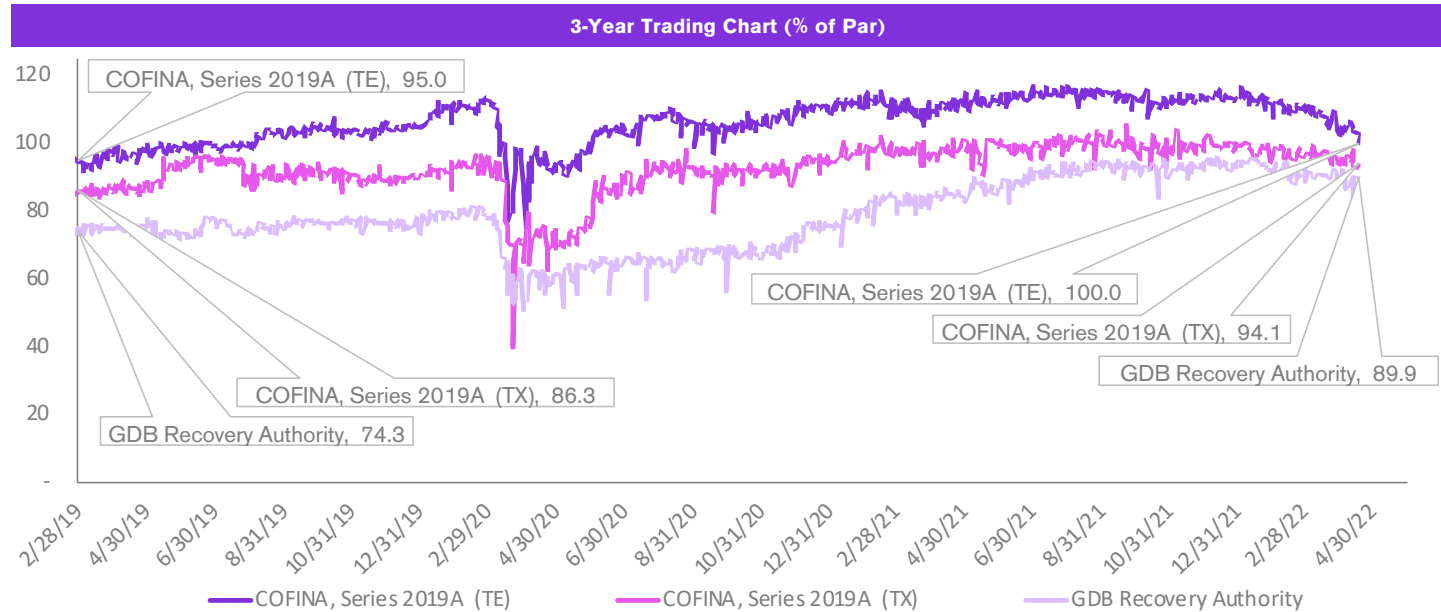
We have shown the political will to reach consensual deals, having restructured over \$23 billion of existing indebtedness through the various mechanisms available under PROMESA, resulting in a ~30% reduction in debt across GDB, PRIFA-PORTS, COFINA and PRASA.





Successful Market Issuance – COFINA & GDB

The restructured GDB and COFINA bonds have traded well with market reception post their respective issuances in December 2018 and February 2019, respectively.





Successful Market Issuance – PRASA

In December 2020 and August 2021, AAFAF and PRASA refinanced \$1.4 billion of PRASA's 2008 Senior and Senior Subordinate Bonds and \$1.8 billion in 2012 Senior Bonds, respectively, resulting in a \$266 million reduction in total debt outstanding and annual debt service savings of \$35 million through final maturity in 2047.



Refunding Highlights			
Description	Series 2020AB	Series 2021 ABC, 2022A	Total
Total D/S Savings	\$348MM	\$570MM	\$918MM
NPV Savings as % of Refunded Bonds	15%	20%	18%
All-In Interest Cost	4.36%	3.22%	3.78%
Ratings	Unrated		
Type of Offering	Limited Public Offering to no more than 35 accredited investors		

Buyers of the new refunding bonds consented to a voluntary change from the current gross revenue pledge on PRASA's senior bonds to a net revenue pledge, pending final approval by PRASA's Federal lenders (EPA and USDA).



Debt Restructurings in Process

PUERTO RICO
**FISCAL AGENCY
& FINANCIAL ADVISORY**
AUTHORITY



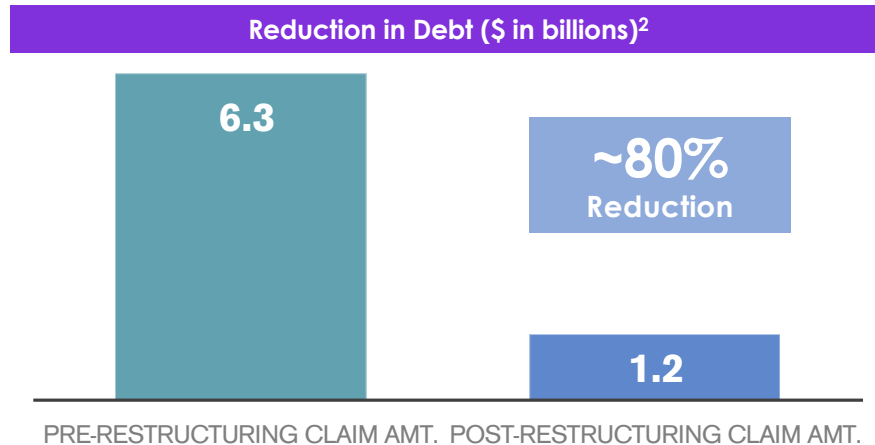


HTA Plan of Adjustment

HTA's legacy obligations will be restructured through its pending Title III case.

The confirmation hearing for the HTA Title III Plan of Adjustment is currently scheduled for August 2022.¹

- **HTA Debt:** HTA Plan of Adjustment will include \$1,245 billion in new HTA debt, plus \$362m in subordinated debt issued to the Commonwealth of Puerto Rico.
 - Includes net revenue pledge and security interest for the post-reorganization HTA bonds.
 - HTA has the option to pay off new bonds at par if HTA completes a P3 process for toll roads.





Other Credits

Along with the HTA and PREPA restructuring, the Government and the Oversight Board are focused on resolving other outstanding credits.

Puerto Rico Industrial Development Company (PRIDCO)

- A standstill agreement was entered in the fall of 2021 and is scheduled to expire July 30, 2022. The Government will continue to pursue a negotiation in good faith to reach a restructuring of the revenue bonds.

Puerto Rico Ports Authority (PORTS)

- The Government is working to resolve outstanding obligations at PORTS and concurrently working on a P3 Project for a concession of the Island's main passenger cruise ship terminals.

University of Puerto Rico (UPR)

- UPR has been under a forbearance agreement with the UPR Revenue Bondholders, which may be subject to further extensions.

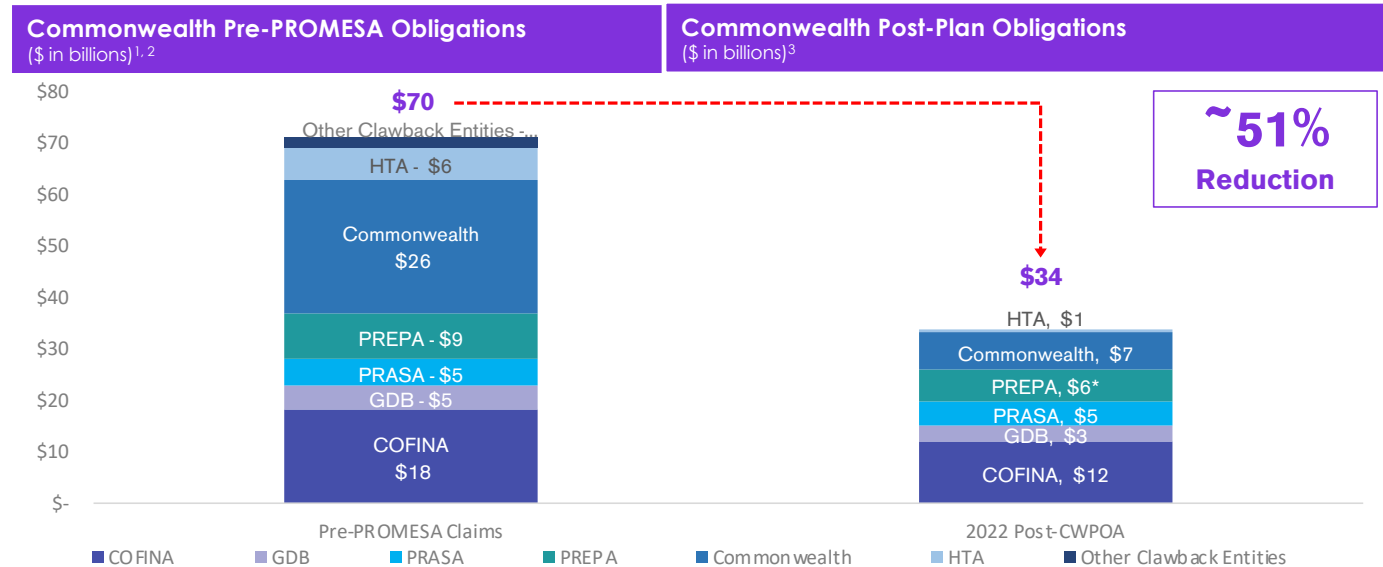
Debt Recovery Authority (DRA)

- The Government is focused on developing plans for resolution of outstanding obligations currently held by the DRA.



Sustainable Capital Structure

The Government has succeeded in restructuring approximately \$70 billion in claims to \$34 billion in new debt based on consummated restructurings and those to be finalized in the coming months.



Notes: (1) Clawback claims include ~\$2 billion PRIFA and ~\$400 million CCDA and MBA. (2) Commonwealth includes GO/PBA claims of ~\$19 billion, estimated GUCs of \$2.75 billion, other miscellaneous claims of ~\$1 billion, and ERS claims of ~\$3 billion. (3) PREPA is not yet restructured and the Government of PR has recently terminated the 2019 PREPA RSA..



Fiscal Achievements

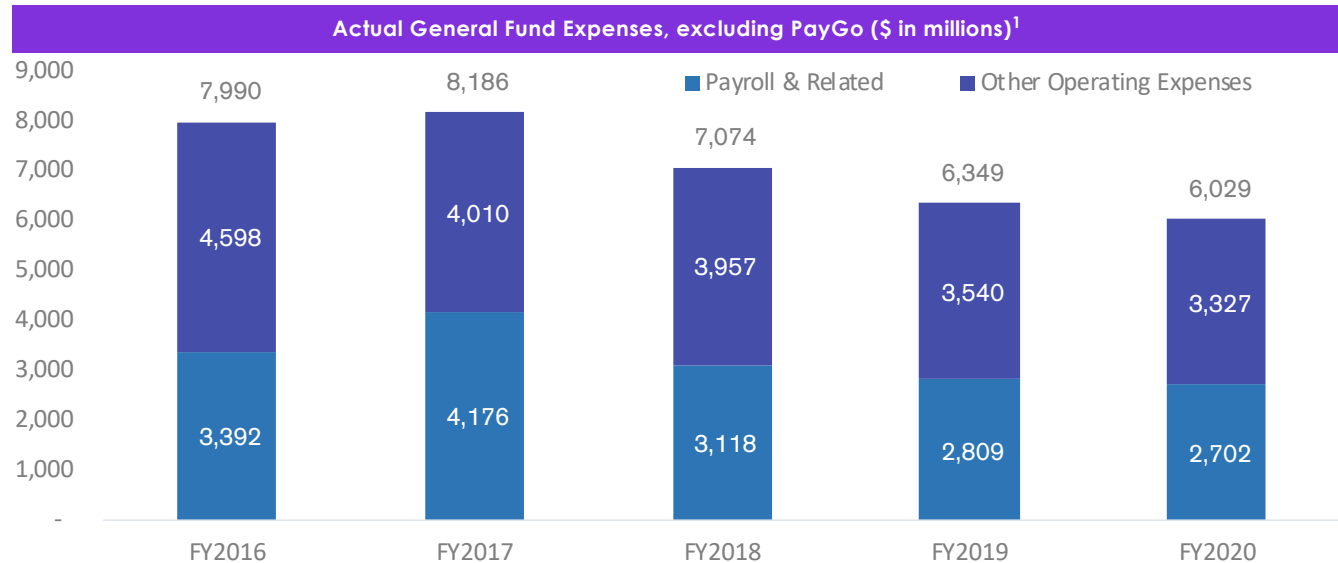
PUERTO RICO
**FISCAL AGENCY
& FINANCIAL ADVISORY
AUTHORITY**





Operational Restructuring – Expense Reduction

The Government has continued to focus on balanced budgets and reducing General Fund related spending. Since Fiscal Year 2016, the Government has reduced spending by approximately 25%.

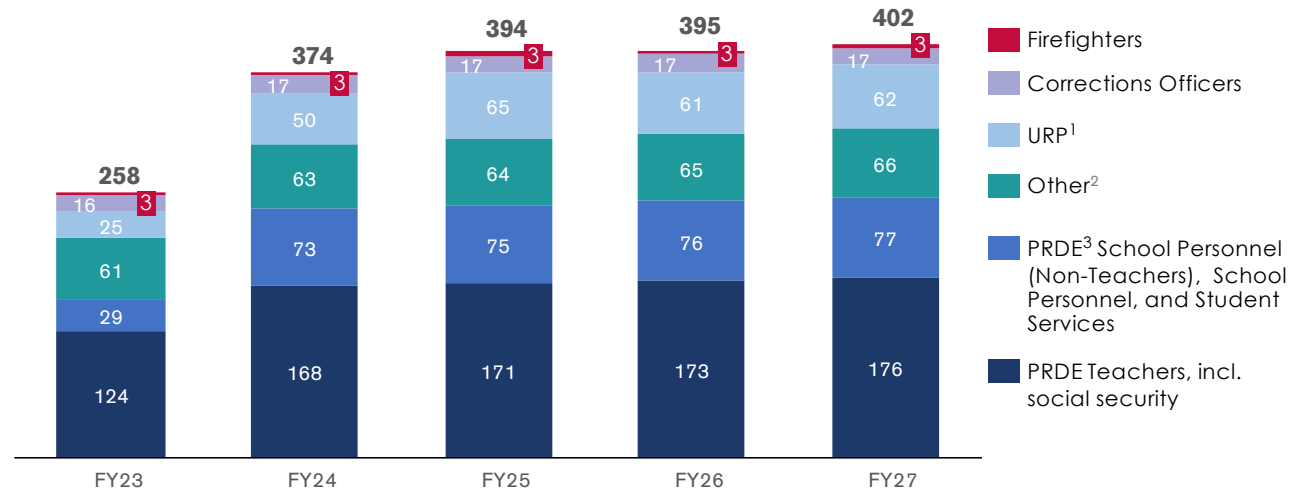




Operational Restructuring – Civil Service Reform

The January 2022 Certified Fiscal Plan (“2022 CFP”) prioritizes new investments to improve operational capacity of the government.

FY23-FY27 Investments in Civil Service Reform & Salary Increases, \$ in millions



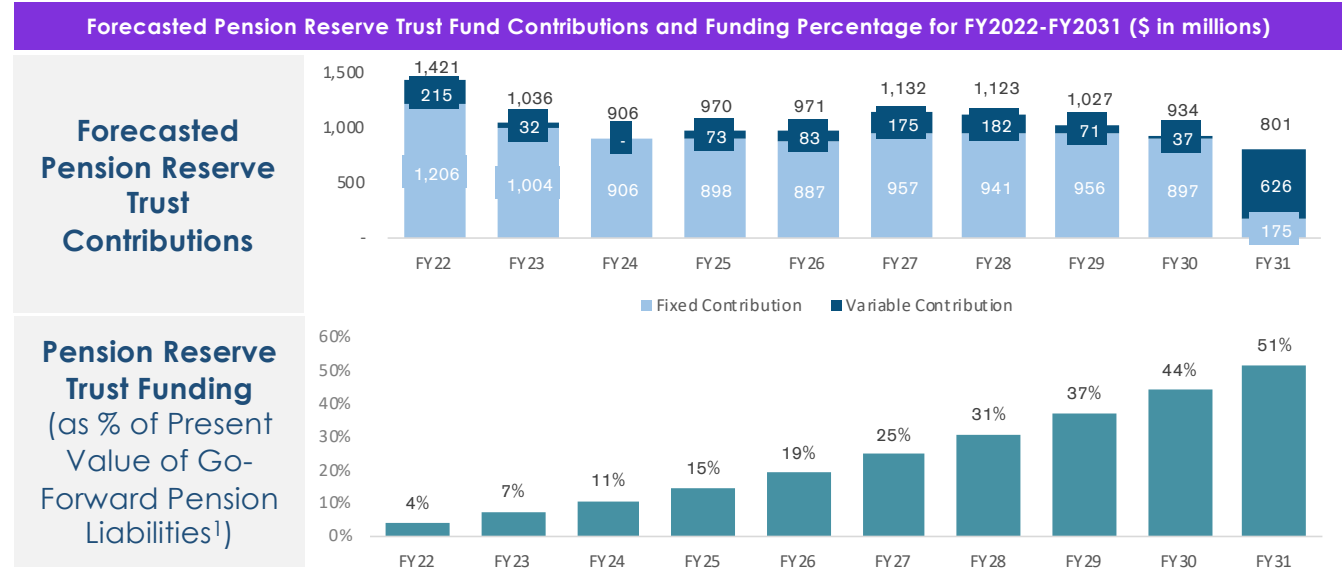
Notes: The Uniform Classification and Remuneration Plan (URP) investment includes acceleration of URP, salary increase for existing URP positions, and additional positions for URP. Includes investments for medical residents, the Judicial Branch (except Judges), ~\$40M of the Christmas Bonuses covered by in the 2022 Fiscal Plan, and salary increase and new positions for oversight entities.





Fiscal Plan – Protecting Retirees

The Plan of Adjustment establishes the Pension Reserve Trust Fund which ensures that the Commonwealth will protect future pension benefit payments to current and future Government retirees.



Notes: (1) Pension Reserve Trust funding percentages are as of the end of the fiscal year and reflect interest earned on balance of Pension Reserve Trust account and in-year contributions.





Fiscal Plan – Financial Management Agenda

The January 2022 Certified Fiscal Plan includes Financial Management Agenda to urgently institutionalize financial management best practices.

Foundational Initiatives



Central Initiatives



Supporting Initiatives

DESCRIPTION

Lay the foundations for improving financial management

- Clear leadership structure
- Capable workforce
- Modern technology

Ensure Government comply with conditions of PROMESA for Termination of the Board

Prevent **waste, fraud and abuse**
Make more **effective use of the Island's assets**
Professionalize **management of government's resources**

EXAMPLE INITIATIVES

- Timely Audited Financial Statements
- Debt Management Policy Implementation
- Budget Best Practices
- Federal Funds Management



Fiscal and Financial Transparency

Puerto Rico has made significant progress when it comes to improving fiscal and financial transparency through the publication of fiscal and financial reports, including fiscal plans, budgets, TSA liquidity plans, financial statements, bank account balances and budget to actual reports, among others.

Financial and Fiscal Reports		
Fiscal Plans	Budgets	Audited Financial Statements
Treasury Single Account (TSA) Liquidity Plan	SUT Collections	Liquidity Reports
Bank Account Balances	Budget to Actual (Government)	Payroll and Active Employees
Invoice Processing KPIs	Macroeconomic Indicators	Budget to Actual (Public Corporations)
	PayGo Report	



Financial and Fiscal Reports are Available on AAFAF's Website:
<https://aafaf.pr.gov/financial-documents/>



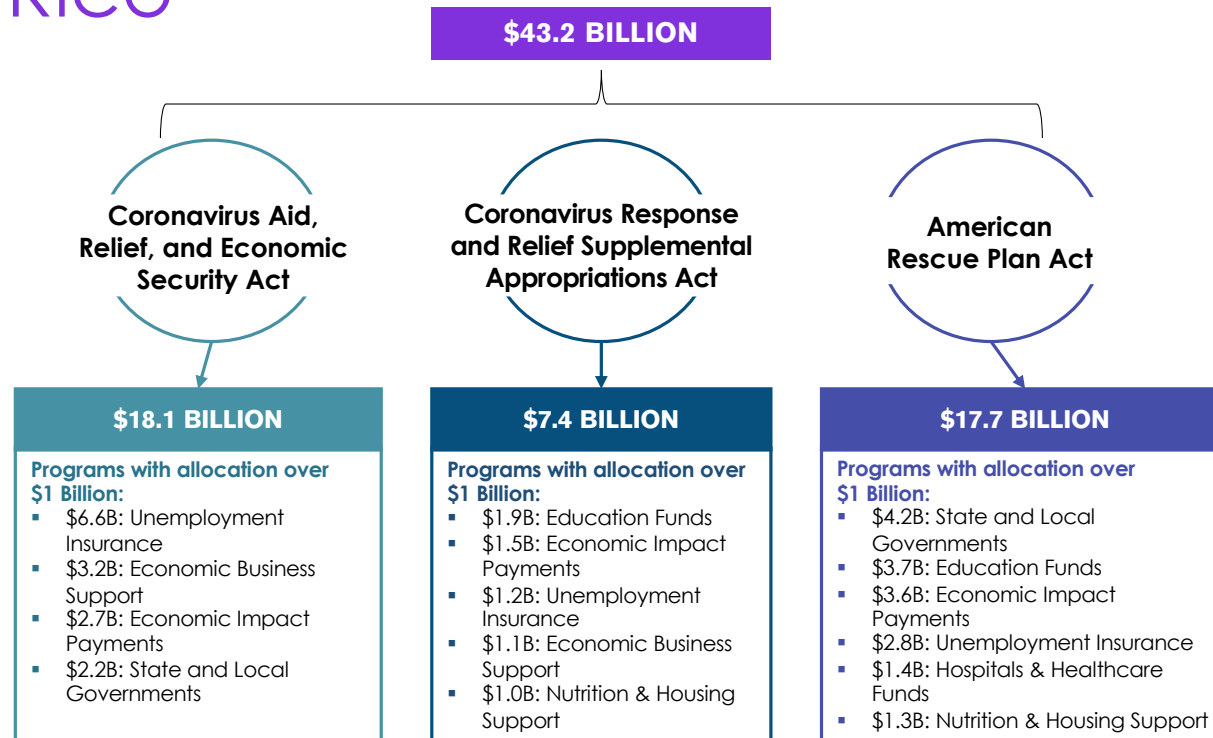
Federal Funds

PUERTO RICO
FISCAL AGENCY
& FINANCIAL ADVISORY
AUTHORITY



Federal Funds – COVID-19 Related Funds to Puerto Rico

Puerto Rico received substantial federal COVID-19 relief funding, estimated at more than \$43.2 billion, to address the broad range of social, economic, and health impacts of COVID-19.





Effective Deployment of Pandemic Relief Funds

Puerto Rico's strategic approach to evaluation and execution of its pandemic response ensured the effective and expedient deployment of COVID-19 Relief Funds.

KEY PROGRAM ACCOMPLISHMENTS

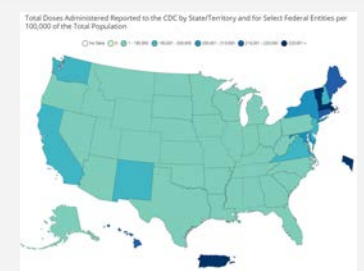
- 1 Successfully implemented CRF programs, ranking 18th (top 3%) out of 760 entities in total dollars spent¹
- 2 Launched 26 relief programs to distribute CRF funds to impacted populations
- 3 Announced 36 initial CSFRF programs, across the 4 strategic priorities worth \$2.3B
- 4 Launched a repeatable accountability framework to ensure transparency

REPRESENTATIVE OUTCOMES

Public Health Response

4th
in U.S.

Puerto Rico ranks 4th among U.S. States, Territories, and Federal Entities for doses of COVID-19 vaccine administered per 100k people²



Economic Development Spotlight: Tourism Impact

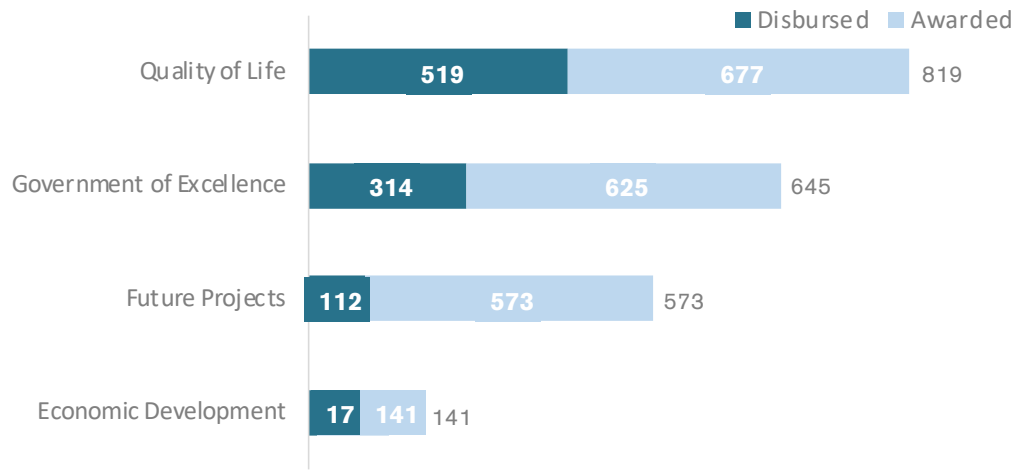
- **Lodging revenue** in 2021 was **37% higher than 2019** and, for the first time ever, surpassed \$1 billion
- In June 2021, Puerto Rico's **travel spending** was **28% higher than in 2019**
- **Highest hotel demand since before Hurricane Maria**

ARP Act – Coronavirus State Fiscal Recovery Fund Priorities

Puerto Rico has disbursed \$962.7 million in CSFRF funds to date, focused on priorities related to Economic Development, Public Health, Infrastructure, and Government Operations.

CORONAVIRUS STATE FISCAL RECOVERY FUND PRIORITIES (\$ IN MILLIONS)

- Respond to public health issues and provide support and growth opportunities for disadvantaged communities.
- Ensure sustainability of Government operations.
- Make long term infrastructure investments.
- Focus on Tourism and other key industries to accelerate economic recovery and workforce development



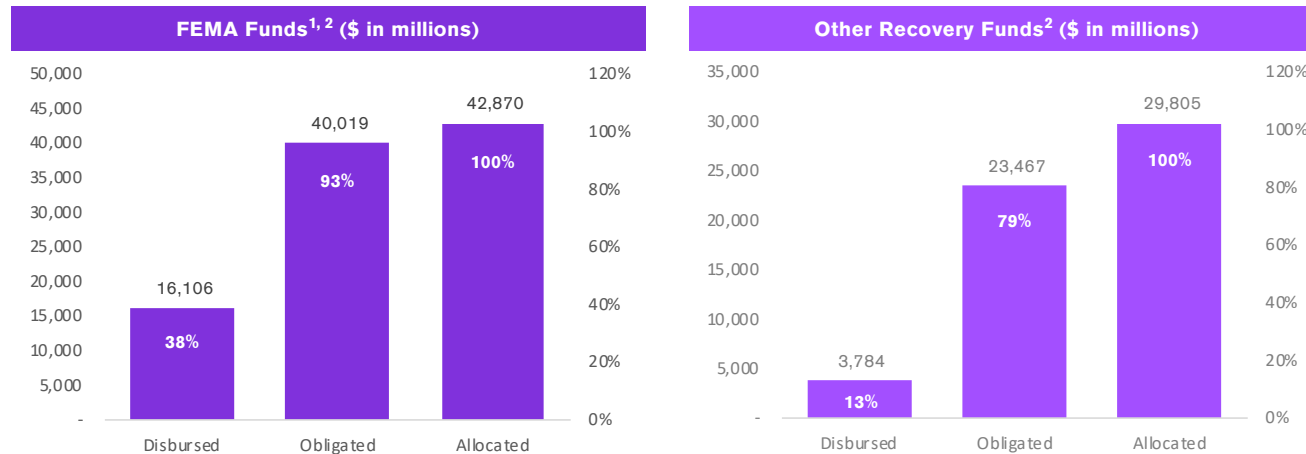


FEMA & Other Disaster Related Funds

The impact of Hurricanes Irma and Maria in 2017, and a magnitude 6.4 earthquake in 2020, resulted in damage to infrastructure, the economy, and communities.

In 2021, COR3 updated its Priorities and Strategic Goals to align them with Governor Pierluisi's Public Policy and FEMA's established direction and expected outcomes.

- The Federal Government has allocated over \$79 billion to assist Puerto Rico's in its recovery and rebuilding efforts.
- As illustrated below, the Government has rapidly and transparently utilized federal funds efficiently.



Notes: (1) Does not include \$675.9 million in funding related to COVID-19. (2) COR3 Transparency Portal: <https://recovery.pr/en> updated as of 5/23/2022.



2022 Goals: Execution, Compliance and Transparency





CDBG-DR Program Funds Allocation

The CDBG-PR Program funds Puerto Rico received after Hurricanes Irma and María address the long-term recovery needs of communities and covers unmet recovery needs for Housing, Infrastructure Restoration, Economic Revitalization and Planning.

February 9, 2018 | FEDERAL REGISTER

August 14, 2018 | FEDERAL REGISTER

January 27, 2020 | UNMET NEEDS

Pending | POWER GRID

Pending | MITIGATION

\$1.5 Billion



\$8.2 Billion



\$0.3 Billion



\$1.9 Billion



\$8.3 Billion

TOTAL

\$20.2 Billion



Puerto Rico Is Positioned For Economic Growth

PUERTO RICO
FISCAL AGENCY
& FINANCIAL ADVISORY
AUTHORITY





Strategic Framework for Economic Development



Global and Diversified Economy – Focus on increasing R&D activities, promoting key segments of knowledge economy



21st Century Workforce Initiative – Academy meets Industry. Increasing skilled labor force to be successful in knowledge economy growth



Ease of Doing Business – Improving all aspects that impact business formation and job creation to attract capital and create the conditions for private sector growth



Digital Government – Continuous digitization of Government and data will enhance transparency, trust and agility



Advanced Infrastructure – Opportunity to impact infrastructure in a significant way: Roads, Energy, Water, Education, Health



Unprecedented Support from the federal government to invest in our infrastructure and people

Return to Economic Growth – Structural Reforms

The Government's role is to create the conditions to allow the private sector to thrive, grow, create jobs and foster economic opportunities for all.



Human capital and welfare reform

Promoting **participation in the labor force** through incentives (EITC, NAP reform) and **workforce development opportunities**.



K-12 education reform

Transforming K-12 education system **to improve student outcomes and bolster their long-term contribution to the workforce**.



Ease of doing business reform

Reducing obstacles to starting and sustaining businesses and establishing best practices to attract investment and increase tourism.



Power sector reform

Providing affordable, cleaner, and reliable energy through PREPA's transformation, establishment of an independent energy regulator, and development of renewable energy sources.



Infrastructure reform

Integrating transit assets under PRITA, so it can act as a unitary transit authority (e.g., managing buses, ferries, Tren Urbano), and reforming the public transportation sector.



Return to Economic Growth – Clear and Measurable Goals

OUR FOCUS FOR COMPETITIVENESS





Return to Economic Growth – Puerto Rico Labor Market

The on-Island labor and economic activity has continued to see a strong recovery since December 2020 with a large pick up in labor participation rate and decreased unemployment.

DESCRIPTION	JUN. 2016	DEC. 2020	DEC. 2021	APR. 2022
Unemployment Rate ³	11.9%	9.3%	7.5%	5.8%⁴

The on-Island labor markets has seen strong improvement with additional progress to be made.

Labor Force Participation Rate ¹	39.6%	40.5%	45.3%	44.1%
---	--------------	--------------	--------------	--------------

The labor participation rate on-Island continues to improve year-over-year.

Economic Activity Index ¹	124.9	118.8	124.4	125.4
--------------------------------------	--------------	--------------	--------------	--------------

Economic activity has increased ~3.8% in the past year as measured by the Puerto Rico EDB Activity Index. By December 2021, employment was 1% above the pre-pandemic level, reaching the highest level in 5 years.² Since then, the unemployment rate has declined by 1.1%, from 7.5% in December 2021 to 6.4% in April 2022.





Return to Economic Growth – Ease of Doing Business

VISION		BECOME A GLOBAL TOP COMPETITOR FOR DOING BUSINESS				INITIATIVES	
DOING BUSINESS	PR Rank	Driving Variables ¹	PR	Top 10	▲	ACTIONS	OUTCOMES
Starting a Business	59	# Of Procedures	6	3	-3	PRITS efforts in integrating systems	simplify document submission for users
Getting Electricity	92	Reliability Index	3	8	5	OGPe re-engineering in process	Improved operation and accountability
Construction permits	143	Days	165	74	-91	Educational material on website	Reduced permit submission errors and time to process
Paying taxes	163	Hours	218	90	-128	Steering committee meeting weekly to address roadblocks	Define initiatives & out of the box solutions
Registering a Property	161	Days	190	1.5	-188.5	Completely transform and rethink permits policy and management	

Rank Group: **Top 50, 50-100, 100-191**

Notes: (1) Sample of East of Doing Business Variables, 2019. Source: Doingbusiness.org.





Return to Economic Growth – Promote Puerto Rico Projects

Puerto Rico views tourism and the visitor's economy as one of the most important pillars for our economic development and job creation.



Continue to **PROMOTE** Puerto Rico as a tourist destination.



REVITALIZE natural tourist attractions.



Promote Puerto Rico as a **DESTINATION** for conventions and events.



Market Puerto Rico as an **INVESTMENT OPPORTUNITY** for foreign investors and to attract new businesses to the island.



Tourism Sector – Impact on Economy

Discover Puerto Rico is transforming our tourism sector, which is powering sustainable economic growth through visitors who are more likely to visit, stay longer and spend more on their visits to Puerto Rico.

Record Tourism Performance in 2021	<ul style="list-style-type: none">▪ Estimated \$886.8 million in tax revenue, a 16% increase from 2019▪ Lodging revenues 35% higher than previous record in 2019
Capture Short-Term Opportunities	<ul style="list-style-type: none">▪ 3x increase in onsite sales and promotional visits▪ Loyalty program for Travel Advisors▪ Partnership (cooperative) marketing and sales promotion
Elevating National Profile	<ul style="list-style-type: none">▪ National advertising campaign▪ Expand brand positioning to new markets and national audience
Expanding Domestic Reach	<ul style="list-style-type: none">▪ Expand presence 2-3x in primary and secondary markets via advertising, activations and earned media▪ Expand use of industry-specific group targeting based on research and trend analysis
Enhancing Competitiveness of Industry	<ul style="list-style-type: none">▪ Grow digital business referrals▪ Leverage private sector investment through unlocking additional funding

Achieving Concrete Results

PUERTO RICO
**FISCAL AGENCY
& FINANCIAL ADVISORY
AUTHORITY**



Achieving Concrete Results in Puerto Rico



AEROSPACE is the **fastest growing industry** during the past decade.

MANUFACTURING represents the largest sector of PR **GDP** with **46.3%**. A source of highly skilled, bilingual talent.

UNIVERSITIES graduate >30K students each year:
~ **10K STEM degrees** | 1K+ engineers

PR has **2** of the top 35 **LARGEST ENGINEERING SCHOOLS** in the nation.



Entered into a share purchase agreement to acquire 100% of the outstanding shares of BBR SpA ("BBR"), a Santiago, Chile based payment solutions and business technology company with operations in Peru.

"The acquisition of BBR complements our existing technology and product portfolio in Chile and opens the Peruvian market. With this acquisition, we continue expanding our footprint and solidifying our position as a leading Latin American payment processing company."

– Mac Schuessler, Evertec's President and Chief Executive Officer



The owners from CooperVision invested close to \$30 million in the construction of a cogeneration project that will allow it to produce efficient energy and chilled water by using natural gas as fuel.

"The purpose of the project is very simple; we want to be self-sufficient, resilient and we want to have greater stability in the use of electricity and chilled water."

– Javier Enrique Pellicier, manager of Manufacturing area in Juana Díaz



OcyonBio has invested \$158 million in a facility in Aguadilla to create a laboratory center for research and development of cellular treatments.

Robert Salcedo, Co-Founder and CEO, states that OcyonBio will rise as a headquarter for treatments and cures against different types of cancer, blindness and degenerative diseases such as Alzheimer's.



Conclusion

PUERTO RICO
**FISCAL AGENCY
& FINANCIAL ADVISORY**
AUTHORITY





Concluding Remarks

- After a long and arduous process, we completed the largest and most complex municipal bankruptcy in US history reducing claims against the central government by 78% and setting Puerto Rico on a path to regaining access to the capital markets.
- We are committed to completing all pending debt restructurings as soon as practicable, including HTA, PREPA and PRIDCO, and achieving a sustainable capital structure for all public instrumentalities.
- We have led the way among states disbursing \$2.17 billion (or 97%) of Coronavirus Relief Funds and \$963 million in ARPA funds allocated to Puerto Rico.
- We are well under way in the disbursement of the almost \$50 billion of pending federal funds for recovery and reconstruction efforts.
- We are doubling our efforts on economic development, improving government services, exercising prudent financial management and reestablishing our relationship with the capital markets.



“Despite our challenges, the strength, courage and hopeful optimism of the people of Puerto Rico have been on full display for the world to see. In spite of difficult circumstances, the Island has become a shining example of resiliency and recovery. The past year may have been a testing one, but it has produced extraordinary opportunities which have led to unprecedented successes.”

Governor Pedro R. Pierluisi
May 25, 2022