

Elektra Noreste, S.A. and subsidiary

(51% Owned by Panama Distribution Group, S.A.)

Financial Statements

June 30, 2022

Elektra Noreste, S.A. and Subsidiary
(51% Owned by Panama Distribution Group, S.A.)
Statement of financial position

Assets	June 2022	December 2021
Non-current assets		
Property, plant and equipment, net	570,195,038	561,711,231
Inventories	2,091,930	1,681,273
Investment property	3,674,700	3,674,700
Other intangible assets	31,907,827	31,577,881
Right-of-use asset - leases	303,962	443,295
Deferred tax asset	1,908,412	5,313,437
Employee benefits	617,969	545,079
Other assets	1,324,591	1,239,100
Total non-current assets	<u>612,024,429</u>	<u>606,185,996</u>
Current assets		
Inventories	20,882,476	19,355,885
Trade and other receivables	152,837,872	109,823,953
Prepaid income tax	-	1,529,496
Other assets	703,613	624,488
Cash and cash equivalents	27,250,664	14,550,687
Total current assets	<u>201,674,625</u>	<u>145,884,509</u>
Total assets	<u>813,699,054</u>	<u>752,070,505</u>
Regulatory deferral account debit balance	26,865,730	34,231,578
Deferred tax liability related to the balances of deferred regulatory accounts	<u>(8,059,719)</u>	<u>(10,269,473)</u>
Total assets and debit balances of deferred regulatory accounts	<u>832,505,065</u>	<u>776,032,610</u>



Elektra Noreste, S.A. and Subsidiary
(51% Owned by Panama Distribution Group, S.A.)
Statement of financial position (continued)

Equity and liabilities	June 2022	December 2021
Equity		
Issued capital	106,642,962	106,642,962
Treasury stocks	(574,511)	(574,511)
Other accumulated comprehensive loss	(529,624)	(529,624)
Retained earnings	104,999,008	72,515,931
Net profit for the period	<u>21,694,861</u>	<u>33,111,774</u>
Total equity	<u>232,232,696</u>	<u>211,166,532</u>
Non-current liabilities		
Credits and loans	279,859,051	279,892,359
Other financial liabilities	33,946,442	35,680,317
Employee benefits	318,177	309,863
Deferred tax liability	8,909	-
Lease liabilities	233,951	233,952
Other liabilities	<u>1,677,299</u>	<u>1,755,990</u>
Total non-current liabilities	<u>316,043,829</u>	<u>317,872,481</u>
Current liabilities		
Credits and loans	78,000,000	40,700,000
Other financial liabilities	187,744,129	193,549,543
Employee benefits	22,630	21,139
Income tax payable	5,410,079	4,393
Provisions	12,801,447	12,344,288
Lease liabilities	92,874	216,853
Other liabilities	<u>157,381</u>	<u>157,381</u>
Total current liabilities	<u>284,228,540</u>	<u>246,993,597</u>
Total liabilities	<u>600,272,369</u>	<u>564,866,078</u>
 Total liabilities and regulatory deferral account credit balance	 <u>600,272,369</u>	 <u>564,866,078</u>
 Total equity and liabilities	 <u>832,505,065</u>	 <u>776,032,610</u>



Elektra Noreste, S.A. and Subsidiary
(51% Owned by Panama Distribution Group, S.A.)

Statement of profit or loss and other comprehensive income

	Six months ended		Three months ended	
	June 2022	June 2021	June 2022	June 2021
Continuing operations				
Rendering of services	341,240,122	253,221,090	182,977,503	130,875,769
Other operating income	3,843,076	3,212,033	2,117,427	1,746,232
Income from continuing operations	345,083,198	256,433,123	185,094,930	132,622,001
Other income	1,081,692	1,158,967	661,854	213,326
Total income	346,164,890	257,592,090	185,756,784	132,835,327
Costs for rendering services	284,286,267	232,550,801	141,328,378	116,741,562
Administrative expenses	13,776,852	11,694,392	7,177,531	6,004,843
Impairment of financial instruments	1,485,269	(130,497)	744,311	344,033
Other expenses	746,148	950,738	338,199	561,197
Finance income	142,171	215,625	49,692	192,700
Finance costs	7,551,005	10,003,564	3,639,791	4,983,395
Profit before tax	38,461,520	2,738,717	32,578,266	4,392,997
Income tax expense	11,610,565	767,879	9,729,294	1,292,676
Net profit of the period before net movement in deferred regulatory accounts	26,850,955	1,970,838	22,848,972	3,100,321
Net movement in balances of regulatory accounts related to gains and losses	(7,365,848)	16,342,169	(15,266,103)	5,531,348
Net movement in deferred tax related to the balances of regulatory accounts	2,209,754	(4,902,651)	4,579,831	(1,659,405)
Net profit of the period after net movement in deferred regulatory accounts	21,694,861	13,410,356	12,162,700	6,972,264
Total comprehensive income for the period	21,694,861	13,410,356	12,162,700	6,972,264



Elektra Noreste, S.A. and Subsidiary
(51% Owned by Panama Distribution Group, S.A.)

Statement of changes in shareholders' equity

	<u>Issued capital</u>	<u>Treasury stocks</u>	<u>Other comprehensive Income</u>	<u>Accumulated results</u>	<u>Total</u>
Balance at January 1, 2021	106,642,962	(574,511)	(636,662)	92,304,826	197,736,615
Profit for the period	-	-	-	33,111,774	33,111,774
Other comprehensive income of the period, net of tax	-	-	107,038	-	107,038
Adjustment on initial application of IFRS 16	-	-	-	699	699
Total comprehensive income for the period	-	-	107,038	33,111,774	33,219,511
Declared Dividends	-	-	-	(20,235,417)	(20,235,417)
Share repurchase	-	-	-	-	-
Income tax related to transactions with owners	-	-	-	445,823	445,823
Balance at December 31, 2021	<u>106,642,962</u>	<u>(574,511)</u>	<u>(529,624)</u>	<u>105,627,006</u>	<u>211,166,532</u>
Balance at January 1, 2022	106,642,962	(574,511)	(529,624)	105,627,705	211,166,532
Profit for the period	-	-	-	21,694,861	21,694,861
Total other comprehensive income	-	-	-	21,694,861	21,694,861
Income tax related to transactions with owners	-	-	-	(628,697)	(628,697)
Balance at June 30, 2022	<u>106,642,962</u>	<u>(574,511)</u>	<u>(529,624)</u>	<u>126,693,869</u>	<u>232,232,696</u>

Elektra Noreste, S.A. and Subsidiary
(51% Owned by Panama Distribution Group, S.A.)

Statement of cash flows as of June 30, 2022

	2022	2021
Cash flows from operating activities:		
Net profit for the period	21,694,861	13,410,356
Adjustments to reconcile net income of the period to net cash used in operating activities:		
Depreciation and amortization of property, plant and equipment and intangible assets	18,937,470	17,844,471
Impairment of financial instruments	1,485,269	(130,497)
Current income tax	11,610,565	767,879
Finance costs, net	7,408,834	9,787,940
Gain / Loss on disposal of fixed assets	896,112	1,419,489
Provisions	648,762	617,502
	<u>62,681,873</u>	<u>43,717,140</u>
Changes in working capital		
Inventories	(1,918,123)	3,696,486
Trade and other receivables	(44,499,188)	16,720,600
Other assets	(147,687)	(434,833)
Other financial liabilities	(8,683,931)	(45,066,714)
Employee benefits	(226,792)	(197,360)
Provisions	(47,021)	(94,187)
Other liabilities	(78,689)	(83,346)
	<u>7,080,442</u>	<u>18,257,786</u>
Interest paid, including capitalized interest	(6,556,865)	(8,386,791)
Income tax paid	(1,261,448)	(547,497)
	<u>(737,871)</u>	<u>9,336,503</u>
Net cash generated by operating activities before net changes in balances related to deferred regulatory accounts	<u>(737,871)</u>	<u>9,336,503</u>
Change in deferred regulatory accounts	5,156,094	(11,439,518)
Net cash generated by operating activities and changes in balances related to deferred regulatory accounts	<u>4,418,223</u>	<u>(2,116,020)</u>
Cash flows from investing activities:		
Interest income	142,171	215,624
Acquisition of property, plant and equipment	(28,508,003)	(28,940,643)
Severance fund	(16,930)	(87,023)
	<u>(28,382,762)</u>	<u>(28,812,042)</u>
Net cash flows used in investing activities	<u>(28,382,762)</u>	<u>(28,812,042)</u>
Cash flows from financing activities:		
Short-term debt	80,117,192	257,784
Short-term debt payments	(42,700,000)	-
Lease liability payment	(123,979)	(117,450)
Income tax related to transactions with owners	(628,697)	(363,596)
	<u>36,664,516</u>	<u>(223,262)</u>
Net cash flows generated by (used in) financing activities	<u>36,664,516</u>	<u>(223,262)</u>
Net (decrease) increase in cash and cash equivalents	<u>12,699,977</u>	<u>(31,151,324)</u>
Cash and cash equivalents at the beginning of the period	<u>14,550,687</u>	<u>54,023,188</u>
Cash and cash equivalents at the end of the period	<u>27,250,664</u>	<u>22,871,864</u>