

# **Elektra Noreste, S.A. and subsidiary**

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

Financial Statements  
September 30, 2022

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

<b>Assets</b>	<b>September 2022</b>	<b>December 2021</b>
<b>Non-current assets</b>		
Property, plant and equipment, net	576,898,287	561,711,231
Inventories	2,279,734	1,681,273
Investment property	4,374,600	3,674,700
Other intangible assets	30,917,554	31,577,881
Right-of-use asset - leases	307,891	443,295
Deferred tax asset	1,166	5,313,437
Employee benefits	682,124	545,079
Other assets	1,345,876	1,239,100
<b>Total non-current assets</b>	<u>616,807,232</u>	<u>606,185,996</u>
<b>Current assets</b>		
Inventories	22,000,578	19,355,885
Trade and other receivables	152,570,202	109,823,953
Prepaid income tax	-	1,529,496
Other assets	1,068,228	624,488
Cash and cash equivalents	46,135,906	14,550,687
<b>Total current assets</b>	<u>221,774,914</u>	<u>145,884,509</u>
<b>Total assets</b>	<u>838,582,146</u>	<u>752,070,505</u>
Regulatory deferral account debit balance	15,242,413	34,231,578
Deferred tax liability related to the balances of deferred regulatory accounts	<u>(4,572,724)</u>	<u>(10,269,473)</u>
<b>Total assets and debit balances of deferred regulatory accounts</b>	<u>849,251,835</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)**

<b>Equity and liabilities</b>	<b>September 2022</b>	<b>December 2021</b>
<b>Equity</b>		
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>29,942,087</u>	<u>33,111,774</u>
<b>Total equity</b>	<u>240,479,922</u>	<u>211,166,532</u>
<b>Non-current liabilities</b>		
Credits and loans	279,881,238	279,892,359
Other financial liabilities	34,442,881	35,680,317
Employee benefits	322,334	309,863
Deferred tax liability	1,384,594	-
Lease liabilities	273,475	233,952
Other liabilities	<u>1,637,954</u>	<u>1,755,990</u>
<b>Total non-current liabilities</b>	<u>317,942,476</u>	<u>317,872,481</u>
<b>Current liabilities</b>		
Credits and loans	93,000,000	40,700,000
Other financial liabilities	177,977,462	193,549,543
Employee benefits	23,376	21,139
Income tax payable	6,567,729	4,393
Provisions	13,046,481	12,344,288
Lease liabilities	57,008	216,853
Other liabilities	<u>157,381</u>	<u>157,381</u>
<b>Total current liabilities</b>	<u>290,829,437</u>	<u>246,993,597</u>
<b>Total liabilities</b>	<u>608,771,913</u>	<u>564,866,078</u>
<b>Total liabilities and regulatory deferral account credit balance</b>	<u>608,771,913</u>	<u>564,866,078</u>
<b>Total equity and liabilities</b>	<u>849,251,835</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**

	Nine months ended		Three months ended	
	September 2022	September 2021	September 2022	September 2021
<b>Continuing operations</b>				
Rendering of services	506,032,736	385,220,354	164,792,614	131,999,264
Other operating income	5,889,277	5,181,785	2,046,201	1,969,752
<b>Income from continuing operations</b>	<u>511,922,013</u>	<u>390,402,139</u>	<u>166,838,815</u>	<u>133,969,016</u>
Other income	2,372,514	7,623,206	1,290,822	6,464,239
<b>Total income</b>	<u>514,294,527</u>	<u>398,025,345</u>	<u>168,129,637</u>	<u>140,433,255</u>
Costs for rendering services	416,054,793	357,535,110	131,768,526	124,984,309
Administrative expenses	21,417,705	17,869,438	7,640,853	6,175,046
Impairment of financial instruments	2,858,186	120,616	1,372,917	251,113
Other expenses	1,054,175	1,537,796	308,027	587,058
Finance income	230,349	298,802	88,178	83,177
Finance costs	11,341,339	14,276,386	3,790,334	4,272,822
<b>Profit before tax</b>	<u>61,798,678</u>	<u>6,984,801</u>	<u>23,337,158</u>	<u>4,246,084</u>
Income tax expense	18,564,175	2,092,631	6,953,610	1,324,752
<b>Net profit of the period before net movement in deferred regulatory accounts</b>	43,234,503	4,892,170	16,383,548	2,921,332
Net movement in balances of regulatory accounts related to gains and losses	5,696,749	24,523,825	13,062,597	8,181,656
Net movement in deferred tax related to the balances of regulatory accounts	(18,989,165)	(7,357,147)	(21,198,919)	(2,454,496)
<b>Net profit of the period after net movement in deferred regulatory accounts</b>	<u>29,942,087</u>	<u>22,058,848</u>	<u>8,247,226</u>	<u>8,648,492</u>
<b>Total comprehensive income for the period</b>	<u>29,942,087</u>	<u>22,058,848</u>	<u>8,247,226</u>	<u>8,648,492</u>

**Elektra Noreste, S.A. and Subsidiary**  
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**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
<b>Total comprehensive income for the period</b>	<u>-</u>	<u>-</u>	<u>107,038</u>	<u>33,111,774</u>	<u>33,219,511</u>
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	-	-	-	29,942,087	29,942,087
<b>Total other comprehensive income</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,942,087</u>	<u>29,942,087</u>
Income tax related to transactions with owners	-	-	-	(628,697)	(628,697)
Balance at September 30, 2022	<u>106,642,962</u>	<u>(574,511)</u>	<u>(529,624)</u>	<u>134,941,095</u>	<u>240,479,922</u>



**Elektra Noreste, S.A. and Subsidiary**  
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**Statement of cash flows as of September 30, 2022**

	2022	2021
<b>Cash flows from operating activities:</b>		
Net profit for the period	29,942,087	22,058,848
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	28,587,593	26,454,818
Impairment of financial instruments	2,858,186	120,616
Investment property valuation	(699,900)	(20,900)
Current income tax	18,564,175	2,092,631
Finance costs, net	11,110,988	13,977,584
Gain / Loss on disposal of fixed assets	1,712,691	2,178,617
Provisions	1,061,899	847,507
	<u>93,137,719</u>	<u>67,709,721</u>
<b>Changes in working capital</b>		
Inventories	(3,311,588)	4,029,431
Trade and other receivables	(45,604,435)	5,989,644
Other assets	(513,601)	76,455
Other financial liabilities	(17,859,792)	(43,119,828)
Employee benefits	(366,589)	(289,041)
Provisions	(47,020)	(91,365)
Other liabilities	(118,034)	(124,597)
	<u>25,316,660</u>	<u>34,180,420</u>
Interest paid, including capitalized interest	(10,463,065)	(13,490,936)
Income tax paid	(3,774,479)	(746,153)
	<u>11,079,116</u>	<u>19,943,331</u>
<b>Net cash generated by operating activities before net changes in balances related to deferred regulatory accounts</b>	11,079,116	19,943,331
Change in deferred regulatory accounts	13,292,416	(17,166,678)
<b>Net cash generated by operating activities and changes in balances related to deferred regulatory accounts</b>	24,371,532	2,776,653
<b>Cash flows from investing activities:</b>		
Interest Income	230,349	298,801
Acquisition of property, plant and equipment	(44,691,609)	(35,539,372)
Severance fund	(36,915)	(127,286)
	<u>(44,498,175)</u>	<u>(35,367,857)</u>
<b>Net cash flows used in investing activities</b>	(44,498,175)	(35,367,857)
<b>Cash flows from financing activities:</b>		
Short-term debt	104,921,760	98,778,581
Short-term debt payments	(52,460,880)	(100,000,000)
Lease liability payment	(120,321)	(180,374)
Income tax related to transactions with owners	(628,697)	(363,596)
	<u>51,711,862</u>	<u>(1,765,389)</u>
<b>Net cash flows generated by (used in) financing activities</b>	51,711,862	(1,765,389)
<b>Net (decrease) increase in cash and cash equivalents</b>	31,585,219	(34,356,593)
Cash and cash equivalents at the beginning of the period	14,550,687	54,023,188
<b>Cash and cash equivalents at the end of the period</b>	<u>46,135,906</u>	<u>19,666,595</u>