

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

Financial Statements  
December 31, 2021



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

<b>Assets</b>	<b>December 2021</b>	<b>December 2020</b>
<b>Non-current assets</b>		
Property, plant and equipment, net	561,711,231	551,583,594
Inventories	1,681,273	2,838,912
Investment property	3,674,700	3,653,800
Other intangible assets	31,577,881	23,129,265
Right-of-use asset - leases	443,295	533,315
Deferred tax asset	5,313,437	2,390,979
Employee benefits	545,079	251,637
Other assets	1,239,100	1,070,998
<b>Total non-current assets</b>	<u>606,185,996</u>	<u>585,452,500</u>
<b>Current assets</b>		
Inventories	19,355,885	18,285,669
Trade and other receivables	109,823,953	130,760,862
Prepaid income tax	1,529,496	7,819,349
Other assets	624,488	1,108,497
Cash and cash equivalents	14,550,687	54,023,188
<b>Total current assets</b>	<u>145,884,509</u>	<u>211,997,565</u>
<b>Total assets</b>	<u>752,070,505</u>	<u>797,450,065</u>
Regulatory deferral account debit balance	34,231,578	223,490
Deferred tax liability related to the balances of deferred regulatory accounts	<u>(10,269,473)</u>	<u>(67,047)</u>
<b>Total assets and debit balances of deferred regulatory accounts</b>	<u>776,032,610</u>	<u>797,606,508</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>December 2021</b>	<b>December 2020</b>
<b>Equity</b>		
Issued capital	106,642,962	106,642,962
Treasury stocks	(574,511)	(574,511)
Other accumulated comprehensive loss	(529,624)	(636,662)
Retained earnings	72,515,931	72,069,409
Net profit for the period	<u>33,111,774</u>	<u>20,235,417</u>
<b>Total equity</b>	<u>211,166,532</u>	<u>197,736,615</u>
<b>Non-current liabilities</b>		
Credits and loans	279,892,359	179,315,480
Other financial liabilities	35,680,317	46,221,114
Employee benefits	309,863	358,121
Lease liabilities	233,952	292,337
Other liabilities	<u>1,755,990</u>	<u>1,913,371</u>
<b>Total non-current liabilities</b>	<u>317,872,481</u>	<u>228,100,423</u>
<b>Current liabilities</b>		
Credits and loans	40,700,000	103,352,676
Other financial liabilities	193,549,543	255,171,677
Employee benefits	21,139	22,066
Income tax payable	4,393	348,303
Provisions	12,344,288	12,468,965
Lease liabilities	216,853	242,477
Other liabilities	<u>157,381</u>	<u>163,306</u>
<b>Total current liabilities</b>	<u>246,993,597</u>	<u>371,769,470</u>
<b>Total liabilities</b>	<u>564,866,078</u>	<u>599,869,893</u>
<b>Total liabilities and regulatory deferral account credit balance</b>	<u>564,866,078</u>	<u>599,869,893</u>
<b>Total equity and liabilities</b>	<u><u>776,032,610</u></u>	<u><u>797,606,508</u></u>

**Elektra Noreste, S.A. and Subsidiary**

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

**Statement of profit or loss and other comprehensive income**

	Twelve months ended		Three months ended	
	December 2021	December 2020	December 2021	December 2020
<b>Continuing operations</b>				
Rendering of services	525,644,217	552,531,663	140,423,863	130,172,421
Other operating income	6,733,189	7,200,865	1,552,767	3,562,342
<b>Income from continuing operations</b>	<u>532,377,406</u>	<u>559,732,528</u>	<u>141,976,630</u>	<u>133,734,763</u>
Other income	8,164,366	1,662,244	539,733	(1,637,257)
<b>Total income</b>	<u>540,541,772</u>	<u>561,394,772</u>	<u>142,516,363</u>	<u>132,097,506</u>
Costs for rendering services	479,752,802	485,574,549	122,217,692	119,025,316
Administrative expenses	25,011,804	22,601,487	6,859,653	5,757,939
Impairment of financial instruments	3,532,720	11,732,004	3,412,104	4,491,615
Other expenses	1,260,260	1,050,284	5,113	744,370
Finance income	374,198	512,439	75,396	173,614
Finance costs	18,128,054	20,698,337	3,851,668	5,142,850
<b>Profit before tax</b>	<u>13,230,330</u>	<u>20,250,550</u>	<u>6,245,529</u>	<u>(2,890,970)</u>
Income tax expense	3,924,219	5,641,894	1,831,588	(969,806)
<b>Net profit of the period before net movement in deferred regulatory accounts</b>	<u>9,306,111</u>	<u>14,608,656</u>	<u>4,413,941</u>	<u>(1,921,164)</u>
Net movement in balances of regulatory accounts related to gains and losses	34,008,088	8,038,230	9,484,263	4,761,354
Net movement in deferred tax related to the balances of regulatory accounts	(10,202,426)	(2,411,469)	(2,845,279)	(1,428,407)
<b>Net profit of the period after net movement in deferred regulatory accounts</b>	<u>33,111,773</u>	<u>20,235,417</u>	<u>11,052,925</u>	<u>1,411,783</u>
<b>Other comprehensive income (loss), net of tax</b>				
<b>Items which will not be reclassified later to profit or loss of the year:</b>				
Remeasurement of defined benefit obligations	151,114	37,407	151,114	37,407
Income tax relating to components which will not be reclassified	(44,076)	(11,222)	(44,076)	(11,222)
<b>Other comprehensive income (loss), net of tax</b>	<u>107,038</u>	<u>26,185</u>	<u>107,038</u>	<u>26,185</u>
<b>Total comprehensive income for the period</b>	<u>33,218,811</u>	<u>20,261,602</u>	<u>11,159,963</u>	<u>1,437,968</u>

**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, 2020	106,642,962	(568,667)	(662,847)	75,392,107	180,803,555
Profit for the period	-	-	-	20,235,417	20,235,417
Other comprehensive income of the period, net of tax	-	-	26,185	-	26,185
<b>Total comprehensive income for the period</b>	-	-	26,185	20,235,417	20,261,602
Share repurchase	-	(5,844)	-	-	(5,844)
Income tax related to transactions with owners	-	-	-	(3,322,698)	(3,322,698)
<b>Balance at December 31, 2020</b>	<b>106,642,962</b>	<b>(574,511)</b>	<b>(636,662)</b>	<b>92,304,826</b>	<b>197,736,615</b>
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
net of income tax	-	-	107,038	-	107,038
Adjustment on initial application of IFRS 16	-	-	-	699	699
<b>Total other comprehensive income</b>	-	-	107,038	33,112,473	33,219,511
Dividends declared	-	-	-	(20,235,417)	(20,235,417)
Income tax related to transactions with owners	-	-	-	445,823	445,823
<b>Balance at December 31, 2021</b>	<b>106,642,962</b>	<b>(574,511)</b>	<b>(529,624)</b>	<b>105,627,705</b>	<b>211,166,532</b>

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

**Statement of cash flows as of December 31, 2021**

	2021	2020
<b>Cash flows from operating activities:</b>		
Net profit for the period	33,111,774	20,235,417
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	36,142,593	34,566,756
Impairment of financial instruments	3,532,720	11,732,004
Investment property valuation	(20,900)	309,909
Current income tax	3,924,219	5,641,894
Finance costs, net	17,753,856	20,185,898
Gain / Loss on disposal of fixed assets	877,822	1,415,491
Provisions	89,334	7,682,474
	<u>95,411,418</u>	<u>101,769,843</u>
<b>Changes in working capital</b>		
Inventories	625,873	(255,060)
Trade and other receivables	17,404,189	3,285,149
Other assets	481,059	35,137
Other financial liabilities	(75,248,752)	51,192,231
Employee benefits	(361,951)	(338,443)
Provisions	(91,365)	(515,140)
Other liabilities	(163,306)	(187,215)
	<u>38,057,165</u>	<u>154,986,502</u>
Interest paid, including capitalized interest income tax paid	(16,653,898)	(19,528,502)
	<u>(944,809)</u>	<u>(34,067,339)</u>
<b>Net cash generated by operating activities before net changes in balances related to deferred regulatory accounts</b>	<u>20,458,458</u>	<u>101,390,661</u>
Change in deferred regulatory accounts	(23,805,662)	(5,626,761)
<b>Net cash generated by operating activities and changes in balances related to deferred regulatory accounts</b>	<u>(3,347,204)</u>	<u>95,763,900</u>
<b>Cash flows from investing activities:</b>		
Interest Income	374,198	512,439
Acquisition of property, plant and equipment	(55,836,263)	(39,302,545)
Inventory	-	(255,110)
Severance fund	(165,152)	(172,014)
	<u>(55,627,217)</u>	<u>(39,217,230)</u>
<b>Net cash flows used in investing activities</b>	<u>(55,627,217)</u>	<u>(39,217,230)</u>
<b>Cash flows from financing activities:</b>		
Short-term debt	139,535,869	72,488,983
Short-term debt payments	(100,000,000)	(97,000,000)
Payment of dividends	(20,235,417)	-
Share repurchase	-	(5,844)
Lease liability payment	(244,355)	(195,032)
Income tax related to transactions with owners	445,823	(3,322,698)
	<u>19,501,920</u>	<u>(28,034,591)</u>
<b>Net cash flows generated by (used in) financing activities</b>	<u>19,501,920</u>	<u>(28,034,591)</u>
<b>Net (decrease) increase in cash and cash equivalents</b>	<u>(39,472,501)</u>	<u>28,512,079</u>
<b>Cash and cash equivalents at the beginning of the period</b>	<u>54,023,188</u>	<u>25,511,109</u>
<b>Cash and cash equivalents at the end of the period</b>	<u>14,550,687</u>	<u>54,023,188</u>