

Elektra Noreste, S.A. and subsidiary

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

Financial Statements

December 31, 2022



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

Assets	December 2022	December 2021
Non-current assets		
Property, plant and equipment, net	575,309,491	561,447,142
Inventories	2,603,548	1,681,273
Investment property	4,374,600	3,674,700
Other intangible assets	30,952,277	31,577,881
Right-of-use asset - leases	342,831	443,295
Deferred tax asset	-	5,313,437
Employee benefits	-	545,079
Other assets	4,426,703	1,239,100
Total non-current assets	<u>618,009,450</u>	<u>605,921,907</u>
Current assets		
Inventories	22,563,655	19,355,885
Trade and other receivables	173,148,879	109,823,953
Prepaid income tax	-	1,529,496
Other assets	4,643,496	888,577
Cash and cash equivalents	5,419,478	14,550,687
Total current assets	<u>205,775,508</u>	<u>146,148,598</u>
Total assets	<u>823,784,958</u>	<u>752,070,505</u>
Regulatory deferral account debit balance	11,665,788	34,231,578
Deferred tax liability related to the balances of deferred regulatory accounts	<u>(3,499,736)</u>	<u>(10,269,473)</u>
Total assets and debit balances of deferred regulatory accounts	<u>831,951,010</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	December 2022	December 2021
Equity		
Issued capital	106,642,962	106,642,962
Treasury stocks	(574,511)	(574,511)
Other accumulated comprehensive loss	(402,677)	(529,624)
Retained earnings	73,205,727	72,515,931
Net profit for the period	<u>37,869,779</u>	<u>33,111,774</u>
Total equity	<u>216,741,280</u>	<u>211,166,532</u>
Non-current liabilities		
Credits and loans	179,979,129	279,892,359
Other financial liabilities	32,600,680	35,680,317
Employee benefits	2,428,890	309,863
Deferred tax liability	4,097,320	-
Lease liabilities	202,946	233,952
Other liabilities	<u>1,607,321</u>	<u>1,755,990</u>
Total non-current liabilities	<u>220,916,286</u>	<u>317,872,481</u>
Current liabilities		
Credits and loans	202,981,814	40,700,000
Other financial liabilities	171,867,295	193,549,543
Employee benefits	162,977	21,139
Income tax payable	16,876	4,393
Provisions	5,794,431	12,344,288
Lease liabilities	13,321,382	216,853
Other liabilities	<u>148,669</u>	<u>157,381</u>
Total current liabilities	<u>394,293,444</u>	<u>246,993,597</u>
Total liabilities	<u>615,209,730</u>	<u>564,866,078</u>
Total liabilities and regulatory deferral account credit balance	<u>615,209,730</u>	<u>564,866,078</u>
Total equity and liabilities	<u>831,951,010</u>	<u>776,032,610</u>

[Handwritten signature]

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	December	December	December
	2022	2021	2022	2021
Continuing operations				
Rendering of services	661,938,912	525,644,217	155,906,176	140,423,863
Other operating income	8,503,761	6,733,189	2,854,559	1,551,404
Income from continuing operations	670,442,673	532,377,406	158,760,735	141,975,267
Other income	3,735,045	8,164,366	1,122,456	541,160
Total income	674,177,718	540,541,772	159,883,191	142,516,427
Costs for rendering services	545,766,486	479,752,802	129,711,693	122,217,692
Administrative expenses	29,144,073	25,011,803	7,726,368	7,142,365
Impairment of financial instruments	1,399,474	3,532,720	(1,458,712)	3,412,104
Other expenses	5,912,872	1,260,260	4,858,697	(277,536)
Finance income	369,288	374,198	138,939	75,396
Finance costs	15,694,411	18,128,054	4,353,072	3,851,668
Profit before tax	76,629,690	13,230,331	14,831,012	6,245,530
Income tax expense	22,963,858	3,924,219	4,399,683	1,831,588
Net profit of the period before net movement in deferred regulatory accounts	53,665,832	9,306,112	10,431,329	4,413,942
Net movement in balances of regulatory accounts related to gains and losses	(22,565,790)	34,008,088	(28,262,539)	9,484,263
Net movement in deferred tax related to the balances of regulatory accounts	6,769,737	(10,202,426)	25,758,902	(2,845,279)
Net profit of the period after net movement in deferred regulatory accounts	37,869,779	33,111,774	7,927,692	11,052,926
Other comprehensive income (loss), net of tax				
Items which will not be reclassified later to profit or loss of the year:				
Remeasurement of defined benefit obligations	180,888	151,114	180,888	151,114
Income tax relating to components which will not be reclassified	(53,941)	(44,076)	(53,941)	(44,076)
Other comprehensive income (loss), net of tax	126,947	107,038	126,947	107,038
Total comprehensive income for the period	37,996,726	33,218,812	8,054,639	11,159,964

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

Statement of changes in shareholders' equity

	Issued capital	Treasury stocks	Other comprehensive Income	Accumulated results	Total
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	33,112,473	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>105,627,705</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	-	-	-	37,869,779	37,869,779
Other comprehensive income for the year net of income tax	-	-	126,947	-	126,947
Adjustment on initial application of IFRS 16	-	-	-	-	-
Total other comprehensive Income	-	-	126,947	37,869,779	37,996,726
Share repurchase	-	-	-	-	-
Dividends declared	-	-	-	(33,111,774)	(33,111,774)
Income tax related to transactions with owners	-	-	-	689,796	689,796
Balance at December 31, 2022	<u>106,642,962</u>	<u>(574,511)</u>	<u>(402,677)</u>	<u>111,075,506</u>	<u>216,741,280</u>

Elektra Noreste, S.A. and Subsidiary

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

Statement of cash flows as of December 31, 2022

	2022	2021
Cash flows from operating activities:		
Net profit for the period	37,869,779	33,111,774
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	38,436,042	36,142,593
Impairment of financial instruments	1,399,474	3,532,720
Investment property valuation	(699,900)	(20,900)
Current income tax	22,963,858	3,924,219
Finance costs, net	15,325,123	17,753,856
Gain / Loss on disposal of fixed assets	6,908,217	877,822
Provisions	1,878,611	89,334
	<u>124,081,204</u>	<u>95,411,418</u>
Changes in working capital		
Inventories	(4,197,481)	625,873
Trade and other receivables	(84,724,400)	17,404,189
Other assets	(3,824,780)	225,942
Other financial liabilities	(25,177,894)	(75,248,752)
Employee benefits	18,131	(361,951)
Provisions	(650,812)	(91,365)
Other liabilities	(157,383)	(163,306)
	<u>25,366,585</u>	<u>37,802,048</u>
Interest paid, including capitalized interest	(16,672,849)	(16,653,898)
Income tax paid	(6,287,509)	(944,809)
	<u>(6,287,509)</u>	<u>(944,809)</u>
Net cash generated by operating activities before net changes in balances related to deferred regulatory accounts	<u>2,406,227</u>	<u>20,203,341</u>
Change in deferred regulatory accounts	15,796,053	(23,805,662)
Net cash generated by operating activities and changes in balances related to deferred regulatory accounts	<u>18,202,280</u>	<u>(3,602,321)</u>
Cash flows from investing activities:		
Interest Income	369,288	374,198
Acquisition of property, plant and equipment	(57,106,988)	(55,581,146)
Severance fund	(478,411)	(165,152)
	<u>(57,216,111)</u>	<u>(55,372,100)</u>
Net cash flows used in investing activities	<u>(57,216,111)</u>	<u>(55,372,100)</u>
Cash flows from financing activities:		
Short-term debt	150,219,084	139,535,869
Short-term debt payments	(87,700,000)	(100,000,000)
Payment of dividends	(33,111,774)	(20,235,417)
Lease liability payment	(214,485)	(244,355)
Income tax related to transactions with owners	689,797	445,823
	<u>29,882,622</u>	<u>19,501,920</u>
Net cash flows generated by (used in) financing activities	<u>29,882,622</u>	<u>19,501,920</u>
Net (decrease) increase in cash and cash equivalents	(9,131,209)	(39,472,501)
Cash and cash equivalents at the beginning of the period	14,550,687	54,023,188
Cash and cash equivalents at the end of the period	<u>5,419,478</u>	<u>14,550,687</u>
Non - cash transactions		
Other financial liabilities	(1,243,945)	-
Acquisition of property, plant and equipment	1,243,945	-