

Elektra Noreste, S.A. and subsidiary

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

Financial Statements

March 31, 2021

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

Assets	March 2021	December 2020
Non-current assets		
Property, plant and equipment, net	553,608,149	551,583,594
Inventories	2,645,448	2,838,912
Investment property	3,653,800	3,653,800
Other intangible assets	22,962,126	23,129,265
Right-of-use asset - leases	471,907	533,315
Deferred tax asset	2,933,198	2,390,979
Employee benefits	299,538	251,637
Other assets	1,109,975	1,070,998
Total non-current assets	<u>587,684,141</u>	<u>585,452,500</u>
Current assets		
Inventories	16,197,433	18,285,669
Trade and other receivables	123,617,588	130,760,862
Prepaid income tax	7,904,311	7,819,349
Other assets	1,350,867	1,108,497
Cash and cash equivalents	<u>42,934,800</u>	<u>54,023,188</u>
Total current assets	<u>192,004,999</u>	<u>211,997,565</u>
Total assets	<u>779,689,140</u>	<u>797,450,065</u>
Regulatory deferral account debit balance	11,034,311	223,490
Deferred tax liability related to the balances of deferred regulatory accounts	<u>(3,310,293)</u>	<u>(67,047)</u>
Total assets and debit balances of deferred regulatory accounts	<u>787,413,158</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)

Equity and liabilities	March 2021	December 2020
Equity		
Issued capital	106,642,962	106,642,962
Treasury stocks	(574,511)	(574,511)
Other accumulated comprehensive loss	(636,662)	(636,662)
Retained earnings	92,304,826	72,069,409
Net profit for the period	6,438,092	20,235,417
Total equity	<u>204,174,707</u>	<u>197,736,615</u>
Non-current liabilities		
Credits and loans	180,310,617	179,315,480
Other financial liabilities	43,587,069	46,221,114
Employee benefits	356,927	358,121
Lease liabilities	292,337	292,337
Other liabilities	1,871,694	1,913,371
Total non-current liabilities	<u>226,418,644</u>	<u>228,100,423</u>
Current liabilities		
Credits and loans	101,514,025	103,352,676
Other financial liabilities	242,162,331	255,171,677
Employee benefits	22,875	22,066
Income tax payable	101,846	348,303
Provisions	12,670,291	12,468,965
Lease liabilities	185,133	242,477
Other liabilities	163,306	163,306
Total current liabilities	<u>356,819,807</u>	<u>371,769,470</u>
Total liabilities	<u>583,238,451</u>	<u>599,869,893</u>
Regulatory deferral account credit balance	-	-
Deferred tax assets related to the balance of deferred regulatory accounts	-	-
Total liabilities and regulatory deferral account credit balance	<u>583,238,451</u>	<u>599,869,893</u>
Total equity and liabilities	<u>787,413,158</u>	<u>797,606,508</u>

Elektra Noreste, S.A. and Subsidiary

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

Statement of profit or loss and other comprehensive income

	Three months ended	
	March 2021	March 2020
Continuing operations		
Rendering of services	122,345,321	161,341,585
Sales of goods	-	-
Other operating income	1,465,801	2,038,220
Income from continuing operations	<u>123,811,122</u>	<u>163,379,805</u>
Other income	945,641	2,168,381
Total income	<u>124,756,763</u>	<u>165,548,186</u>
Costs for rendering services	115,809,239	133,919,283
Administrative expenses	5,718,955	7,008,970
Impairment of financial instruments	(474,530)	1,359,996
Other expenses	360,135	538,412
Finance income	22,925	81,689
Finance costs	5,020,169	4,658,572
Profit before tax	<u>(1,654,280)</u>	<u>18,144,642</u>
Income tax expense	(524,797)	5,280,613
Net profit of the period before net movement in deferred regulatory accounts	<u>(1,129,483)</u>	<u>12,864,029</u>
Net movement in balances of regulatory accounts related to gains and losses	10,810,821	(4,943,067)
Net movement in deferred tax related to the balances of regulatory accounts	(3,243,246)	1,482,920
Net profit of the period after net movement in deferred regulatory accounts	<u>6,438,092</u>	<u>9,403,882</u>
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	-	-
Income tax relating to components which will not be reclassified	-	-
Other comprehensive income (loss), net of tax	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>6,438,092</u>	<u>9,403,882</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
Total comprehensive income for the period	-	-	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)
Balance at December 31, 2020	<u>106,642,962</u>	<u>(574,511)</u>	<u>(636,662)</u>	<u>92,304,826</u>	<u>197,736,615</u>
Balance at January 1, 2021	106,642,962	(574,511)	(636,662)	92,304,826	197,736,615
Profit for the period	-	-	-	6,438,092	6,438,092
Other comprehensive income for the year net of income tax	-	-	-	-	-
Total other comprehensive income	-	-	-	6,438,092	6,438,092
Share repurchase	-	-	-	-	-
Income tax related to transactions with owners	-	-	-	-	-
Balance at March 31, 2021	<u>106,642,962</u>	<u>(574,511)</u>	<u>(636,662)</u>	<u>98,742,918</u>	<u>204,174,707</u>

Elektra Noreste, S.A. and Subsidiary
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Statement of cash flows as of March 31, 2021

	2021	2020
Cash flows from operating activities:		
Net profit for the period	6,438,092	9,403,883
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	8,193,897	7,589,675
Impairment of financial instruments	(474,530)	1,359,997
Investment property valuation	-	-
Current income tax	(524,797)	5,281,512
Finance costs, net	4,997,244	4,576,881
Gain / Loss on disposal of fixed assets	441,055	600,802
Provisions	316,210	353,988
	<u>19,387,171</u>	<u>29,166,738</u>
Changes in working capital		
Inventories	2,090,584	1,371,186
Trade and other receivables	7,617,803	18,829,504
Other assets	(242,370)	(1,672,670)
Other financial liabilities	(15,412,338)	(40,096,295)
Employee benefits	(116,770)	(118,527)
Provisions	(48,748)	-
Other liabilities	(41,677)	(42,149)
	<u>13,233,655</u>	<u>7,437,787</u>
Interest paid, including capitalized interest	(6,205,220)	(5,509,167)
Income tax paid	(348,841)	-
	<u>(887,981)</u>	<u>5,388,767</u>
Net cash generated by operating activities before net changes in balances related to deferred regulatory accounts	6,679,594	1,928,620
Change in deferred regulatory accounts	(7,567,575)	3,460,147
Net cash generated by operating activities and changes in balances related to deferred regulatory accounts	(887,981)	5,388,767
Cash flows from investing activities:		
Interest Income	22,925	81,690
Acquisition of property, plant and equipment	(10,430,960)	(8,382,435)
Inventory	193,464	(565,978)
Severance fund	(38,977)	(20,200)
	<u>(10,253,548)</u>	<u>(8,886,923)</u>
Net cash flows used in investing activities	(10,253,548)	(8,886,923)
Cash flows from financing activities:		
Short-term debt	110,486	42,101,777
Short-term debt payments		(10,000,000)
Payment of dividends		-
Share repurchase		(5,844)
Lease liability payment	(57,345)	(47,170)
Income tax related to transactions with owners		-
	<u>53,141</u>	<u>32,048,763</u>
Net cash flows generated by (used in) financing activities	53,141	32,048,763
Net increase (decrease) in cash and cash equivalentes	(11,088,388)	28,550,607
Cash and cash equivalentes at the beginning of the period	54,023,188	25,511,109
Cash and cash equivalentes at the end of the period	<u>42,934,800</u>	<u>54,061,716</u>