

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

Financial Statements
June 30, 2021

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

	June 2021	December 2020
Assets		
Non-current assets		
Property, plant and equipment, net	561,497,422	551,583,594
Inventories	2,851,916	2,838,912
Investment property	3,653,800	3,653,800
Other intangible assets	23,014,937	23,129,265
Right-of-use asset - leases	410,499	533,315
Deferred tax asset	1,765,324	2,390,979
Employee benefits	318,025	251,637
Other assets	1,158,021	1,070,998
Restricted Cash	292,250	-
Total non-current assets	<u>594,962,194</u>	<u>585,452,500</u>
Current assets		
Inventories	14,552,223	18,285,669
Trade and other receivables	114,170,759	130,760,862
Prepaid income tax	7,904,311	7,819,349
Other assets	1,543,330	1,108,497
Cash and cash equivalents	<u>22,579,615</u>	<u>54,023,188</u>
Total current assets	<u>160,750,238</u>	<u>211,997,565</u>
Total assets	<u>755,712,432</u>	<u>797,450,065</u>
Regulatory deferral account debit balance	16,565,659	223,490
Deferred tax liability related to the balances of deferred regulatory accounts	<u>(4,969,698)</u>	<u>(67,047)</u>
Total assets and debit balances of deferred regulatory accounts	<u>767,308,393</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	June 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	91,941,230	72,069,409
Net profit for the period	13,410,356	20,235,417
Total equity	210,783,375	197,736,615
Non-current liabilities		
Credits and loans	179,397,528	179,315,480
Other financial liabilities	43,817,302	46,221,114
Employee benefits	292,337	358,121
Lease liabilities	361,124	292,337
Other liabilities	1,830,025	1,913,371
Total non-current liabilities	225,698,316	228,100,423
Current liabilities		
Credits and loans	103,528,412	103,352,676
Other financial liabilities	214,125,549	255,171,677
Employee benefits	23,684	22,066
Income tax payable	27,993	348,303
Provisions	12,832,731	12,468,965
Lease liabilities	125,027	242,477
Other liabilities	163,306	163,306
Total current liabilities	330,826,702	371,769,470
Total liabilities	556,525,018	599,869,893
Regulatory deferral account credit balance	-	-
Deferred tax assets related to the balance of deferred regulatory accounts	-	-
Total liabilities and regulatory deferral account credit balance	556,525,018	599,869,893
Total equity and liabilities	767,308,393	797,606,508

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	June	June	June
	2021	2020	2021	2020
Continuing operations				
Rendering of services	253,194,336	294,550,431	130,849,015	133,208,846
Other operating income	3,212,033	3,359,547	1,746,232	1,321,327
Income from continuing operations	<u>256,406,369</u>	<u>297,909,978</u>	<u>132,595,247</u>	<u>134,530,173</u>
Other income	1,196,778	1,185,349	251,137	(983,032)
Total income	<u>257,603,147</u>	<u>299,095,327</u>	<u>132,846,384</u>	<u>133,547,141</u>
Costs for rendering services	232,550,801	248,802,461	116,741,562	114,883,178
Administrative expenses	11,807,538	11,221,949	6,088,583	4,212,979
Impairment of financial instruments	(130,497)	7,073,239	344,033	5,713,243
Other expenses	848,649	455,896	488,514	(82,516)
Finance income	215,625	197,511	192,700	115,822
Finance costs	10,003,564	9,679,744	4,983,395	5,021,172
Profit before tax	<u>2,738,717</u>	<u>22,059,549</u>	<u>4,392,997</u>	<u>3,914,907</u>
Income tax expense	767,879	6,421,504	1,292,676	1,140,891
Net profit of the period before net movement in deferred regulatory accounts	<u>1,970,838</u>	<u>15,638,045</u>	<u>3,100,321</u>	<u>2,774,016</u>
Net movement in balances of regulatory accounts related to gains and losses	16,342,169	(3,133,732)	5,531,348	1,809,335
Net movement in deferred tax related to the balances of regulatory accounts	(4,902,651)	940,120	(1,659,405)	(542,800)
Net profit of the period after net movement in deferred regulatory accounts	<u>13,410,356</u>	<u>13,444,433</u>	<u>6,972,264</u>	<u>4,040,551</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>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>13,410,356</u>	<u>13,444,433</u>	<u>6,972,264</u>	<u>4,040,551</u>

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, 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	106,642,962	(574,511)	(636,662)	92,304,826	197,736,615
Balance at January 1, 2021	106,642,962	(574,511)	(636,662)	92,304,826	197,736,615
Profit for the period	-	-	-	13,410,356	13,410,356
Other comprehensive income for the year net of income tax	-	-	-	-	-
Total other comprehensive income	-	-	-	13,410,356	13,410,356
Share repurchase	-	-	-	-	-
Income tax related to transactions with owners	-	-	-	(363,596)	(363,596)
Balance at June 30, 2021	106,642,962	(574,511)	(636,662)	105,351,586	210,783,375

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

Statement of cash flows as of June 30, 2021

	2021	2020
Cash flows from operating activities:		
Net profit for the period	13,410,356	13,444,433
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	17,844,471	15,905,952
Impairment of financial instruments	(130,497)	7,073,239
Current income tax	767,879	6,421,504
Finance costs, net	7,651,135	9,482,233
Gain / Loss on disposal of fixed assets	1,419,489	602,296
Provisions	617,502	675,288
	<u>41,580,335</u>	<u>53,604,945</u>
Changes in working capital		
Inventories	3,709,490	(670,582)
Trade and other receivables	16,720,600	9,052,730
Other assets	(434,833)	(280,693)
Other financial liabilities	(42,929,909)	(3,674,663)
Employee benefits	(197,360)	(202,613)
Provisions	(94,187)	(120,247)
Other liabilities	(83,346)	(84,292)
	<u>18,270,790</u>	<u>57,624,585</u>
Interest paid, including capitalized interest	(8,386,791)	(8,365,226)
Income tax paid	(547,497)	(23,360,823)
	<u>(9,663,498)</u>	<u>(23,701,526)</u>
Net cash generated by operating activities before net changes in balances related to deferred regulatory accounts	<u>9,336,502</u>	<u>25,898,536</u>
Change in deferred regulatory accounts	(11,439,518)	2,193,612
Net cash generated by operating activities and changes in balances related to deferred regulatory accounts	<u>(2,103,016)</u>	<u>28,092,148</u>
Cash flows from investing activities:		
Interest income	215,624	197,511
Acquisition of property, plant and equipment	(28,940,643)	(20,512,152)
Inventory	(13,004)	(339,307)
Severance fund	(87,023)	(76,527)
	<u>(28,825,046)</u>	<u>(20,730,475)</u>
Net cash flows used in investing activities	<u>(28,825,046)</u>	<u>(20,730,475)</u>
Cash flows from financing activities:		
Short-term debt	257,784	72,240,102
Short-term debt payments		(67,000,000)
Share repurchase		(5,844)
Lease liability payment	(117,449)	(93,952)
Income tax related to transactions with owners	(363,596)	-
	<u>(223,261)</u>	<u>5,140,306</u>
Net cash flows generated by (used in) financing activities	<u>(223,261)</u>	<u>5,140,306</u>
Net increase (decrease) in cash and cash equivalents	<u>(31,151,323)</u>	<u>12,501,979</u>
Cash and cash equivalents at the beginning of the period	<u>54,023,188</u>	<u>25,511,109</u>
Cash and cash equivalents at the end of the period	<u><u>22,871,865</u></u>	<u><u>38,013,088</u></u>