

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 | 594,962,194 | 585,452,500 |
| 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 | 22,579,615 | 54,023,188 |
| Total current assets | 160,750,238 | 211,997,565 |
| Total assets | 755,712,432 | 797,450,065 |
| Regulatory deferral account debit balance | 16,565,659 | 223,490 |
| Deferred tax liability related to the balances of deferred regulatory accounts | (4,969,698) | (67,047) |
| Total assets and debit balances of deferred regulatory accounts | 767,308,393 | 797,606,508 |

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 2021 | June 2020 | June 2021 | June 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 | 256,406,369 | 297,909,978 | 132,595,247 | 134,530,173 |
| Other income | 1,196,778 | 1,185,349 | 251,137 | (983,032) |
| Total income | 257,603,147 | 299,095,327 | 132,846,384 | 133,547,141 |
| 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 | 2,738,717 | 22,059,549 | 4,392,997 | 3,914,907 |
| 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 | 1,970,838 | 15,638,045 | 3,100,321 | 2,774,016 |
| 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 | 13,410,356 | 13,444,433 | 6,972,264 | 4,040,551 |
| 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 | - | - | - | - |
| Total comprehensive income for the period | 13,410,356 | 13,444,433 | 6,972,264 | 4,040,551 |



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></u> | <u></u> |
| Net cash generated by operating activities before net changes in balances related to deferred regulatory accounts | 9,336,502 | 25,898,536 |
| 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 | (2,103,016) | 28,092,148 |
| 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 | | |
| 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></u> | <u></u> |
| Net cash flows generated by (used in) financing activities | (223,261) | 5,140,306 |
| Net increase (decrease) in cash and cash equivalents | (31,151,323) | 12,501,979 |
| Cash and cash equivalents at the beginning of the period | 54,023,188 | 25,511,109 |
| Cash and cash equivalents at the end of the period | 22,871,865 | 38,013,088 |

