



Financial Monthly Report
January 2023

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1. Financial & Operating Highlights

A) Month

Financial Summary	Actual	Budget	Variation	%	2022	Variation	%
<u>Values in US\$ Million</u>							
Revenues	24.6	25.2	(0.6)	-2.2%	25.0	(0.4)	-1.7%
Variable costs	11.7	12.9	(1.3)	-9.8%	11.8	(0.2)	-1.6%
Margin	13.0	12.3	0.7	5.7%	13.2	(0.2)	-1.8%
EBITDA	8.1	7.2	0.9	12.0%	9.9	(1.8)	-18.1%
Net Income	4.2	3.0	1.2	41.7%	7.2	(3.0)	-41.7%
Operational Data	Actual	Budget	Variation	%	2022	Variation	%
<u>Energy Balance (GWh)</u>							
Sales	77.9	81.0	(3.1)	-3.8%	74.5	3.4	4.6%
Chiller consumption	5.2	5.0	0.2	3.7%	4.6	0.6	13.5%
Wind farm sales	1.2	1.4	(0.2)	-12.4%	0.9	0.3	32.3%
Generation (Fuel)	38.3	32.8	5.5	16.6%	37.9	0.4	0.9%
Generation (Solar)	1.7	1.7	0.0	2.6%	1.7	0.0	0.1%
Purchases	47.6	56.2	(8.7)	-15.4%	44.2	3.4	7.7%
<u>Prices (US\$/MWh)</u>							
Average sales price	257.3	264.6	(7.3)	-2.8%	288.9	(31.6)	-10.9%
Average wind sales price	102.9	112.9	(10.0)	-8.9%	88.1	14.7	16.7%
Generation fuel cost	118.5	117.8	0.7	0.6%	119.4	(1.0)	-0.8%
Energy purchase cost	110.4	106.1	4.3	4.1%	126.0	(15.5)	-12.3%
Capacity purchase cost	32.1	27.6	4.5	16.3%	26.1	6.0	23.2%
Energy Margin	149.1	134.4	14.7	10.9%	160.3	(11.1)	-6.9%
EBITDA Margin	95.7	82.4	13.3	16.1%	123.2	(27.5)	-22.3%
<u>Fuel</u>							
MMBTU Consumption ¹	344,444	285,625	58,819	20.6%	333,998	10,446	3.1%
MMBTU average price ¹	13.2	13.5	(0.4)	-2.7%	13.6	(0.4)	-2.9%
Heat Rate	8,997	8,701	296.3	3.4%	8,805	192.1	2.2%
Sultana's Platts price	74.4	70.1	4.4	6.3%	86.4	(12.0)	-13.9%
HFO Platts	68.4	64.1	4.4	6.9%	80.4	(12.0)	-14.9%
LNG Price	28.1	20.6	7.5	36.3%	N/A	N/A	N/A

¹ Includes a mix of HFO (94%), LNG (5%) and LFO (1%).

2. Current Month Consolidated Income Statement vs. Budget and vs. Prior Year

P&L US\$000	MONTH						
	Actual	Budget	Variation	Var (%)	Prior year	Variation	Var (%)
Revenues							
Energy	20,045	21,434	(1,390)	-6%	21,520	(1,476)	-7%
Thermal Energy	2,916	2,185	730	33%	2,144	772	36%
Fiber Optic and Cable	383	503	(120)	-24%	375	8	2%
Wind Energy	119	157	(38)	-24%	74	45	61%
Other	1,154	895	258	29%	931	223	24%
Total Revenues	24,615	25,174	(559)	-2%	25,043	(428)	-2%
Variable Costs							
Fuel	(4,536)	(4,191)	(345)	8%	(4,531)	(6)	0%
Fuel Thermal Energy	(412)	(529)	117	-22%	(396)	(16)	4%
Purchase of Energy	(4,577)	(5,985)	1,408	-24%	(5,250)	674	-13%
Purchase of Capacity	(1,474)	(1,572)	99	-6%	(1,150)	(323)	28%
Others	(659)	(642)	(17)	3%	(521)	(137)	26%
Total Variable Costs	(11,658)	(12,920)	1,262	-10%	(11,849)	191	-2%
Variable Margin	12,958	12,255	703	6%	13,194	(236)	-2%
Labor Cost							
Plants O&M	(498)	(464)	(34)	7%	(387)	(111)	29%
TD&C	(349)	(300)	(49)	16%	(232)	(117)	50%
Fiber optic and Cable	(60)	(68)	8	-12%	(59)	(2)	3%
Head Office	(615)	(665)	51	-8%	(409)	(206)	50%
Total Labor Costs	(1,522)	(1,497)	(25)	2%	(1,087)	(435)	40%
Plant O&M							
Repair & Maintenance Grals	(168)	(492)	324	-66%	(345)	177	-51%
Lubricants	(61)	(88)	27	-30%	(60)	(1)	2%
Other Expenses	(64)	(257)	193	-75%	(98)	34	-34%
Total O&M	(293)	(836)	543	-65%	(503)	210	-42%
TD&C							
Repair & Maintenance of Equipment	(103)	(150)	47	-31%	(73)	(30)	41%
Other Expenses	(198)	(345)	147	-43%	(123)	(75)	61%
Total TD&C	(301)	(495)	194	-39%	(195)	(105)	54%
Thermal Generation							
Repair & Maintenance of Equipment	(279)	(164)	(115)	70%	(113)	(166)	148%
Other Expenses	(51)	(29)	(23)	79%	(60)	9	-14%
Total Thermal Generation	(330)	(193)	(138)	71%	(172)	(158)	92%
Fiber Optic and Cable							
Repair & Maintenance of Equipment	(125)	(108)	(16)	15%	(86)	(38)	44%
Other Expenses	(13)	(40)	27	-67%	(35)	22	-63%
Total Fiber Optic and Cable	(138)	(148)	10	-7%	(121)	(16)	13%
Wind Energy							
Other Expenses	(8)	(133)	126	-94%	(105)	97	-92%
Total Wind Energy	(8)	(133)	126	-94%	(105)	97	-92%
Head Office G&A							
Office Operation Costs	(1,262)	(810)	(452)	56%	(475)	(787)	166%
Professional Services	(693)	(628)	(65)	10%	(372)	(321)	86%
Insurance	(339)	(308)	(31)	10%	(305)	(34)	11%
Total Office G&A	(2,294)	(1,746)	(548)	31%	(1,152)	(1,142)	99%
Total Fixed Costs	(4,886)	(5,049)	163	-3%	(3,336)	(1,550)	46%
EBITDA	8,072	7,206	866	12%	9,858	(1,786)	-18%
D&A	(2,498)	(2,310)	(187)	8%	(2,303)	(195)	8%
Net Interest Expense	(1,087)	(910)	(177)	19%	(692)	(396)	57%
Income from affiliate	263	-	263	0%	319	(56)	-18%
Other (Income) Expense	(265)	-	(265)	0%	51	(315)	-622%
Income before taxes	4,485	3,986	499	13%	7,233	(2,748)	-38%
Income Tax	(298)	(1,032)	734	-71%	(57)	(241)	424%
Net income	4,187	2,954	1,233	42%	7,176	(2,990)	-42%

3. MD&A

Key drivers for Income Statement variations vs Budget and other relevant discussions:

i. Month

- i) **Thermal Margin:** US\$904 thousand higher as seen in the table below mainly due to higher energy sales and lower fuel costs:

Thermal Margin Integration Month				
US\$000	Actual	Budget	Var	%
Thermal Energy Sales	2,916	2,185	730	33%
Fuel Costs	412	529	(117)	-22%
Costs of Electric Chillers	627	684	(57)	-8%
Variable Costs	1,039	1,212	(174)	-14%
Variable Margin	1,877	973	904	93%

- ii) **Electric Margin:** US\$285 thousand lower explained by the table below:

HFO Platts Reference Price vs Budget: 6.9% ▲			
	Actual	Budget	Difference
Sales Price (US\$/MWh)	257	265	-2.8%
Sales Cost (Generation + Purchase) (US\$/MWh)	128	137	-6.4%
Margin (US\$/MWh)	129	128	1.1%
Actual Unitary Margin x Budgeted Sales	117		
Actual Unitary Margin by Additional Sales	(401)		
Net result in Margin (US\$000) ▼	(285)		

- iii) Lower Plant O&M expenses mainly due to: a) US\$285 thousand lower since the major maintenance for unit WF-1 was postponed to the second semester of 2023; b) US\$32 thousand lower outsourced services expenses; c) US\$29 thousand lower security expenses; d) US\$27 thousand lower lubricant expenses; e) US\$20 thousand lower expenses in industrial safety; f) US\$US\$15 thousand lower vehicle rent expenses.
- iv) Lower TD&C expenses mainly due to: a) US\$70 thousand lower or 60% below budget in Distribution explained by a delay in contractors' collection timing (this will be re-established in the upcoming months and the new bidding contract); b) US\$45 thousand lower vehicle rent expenses; c) US\$29 thousand lower security expenses; d) US\$29 thousand lower substations' maintenance expenses.
- v) Lower Wind expenses mainly explained by: a) US\$106 thousand lower outsourced services expenses due to timing impact (this expense will be accounted in February 2023); b) US\$9 thousand lower land lease expenses; c) US\$7 thousand lower security expenses; d) US\$2 thousand lower water and electricity expenses; e) US\$1 thousand lower travel expenses.
- vi) Higher office operation costs mainly explained by: a) an unbudgeted provision of US\$488 thousand; b) US\$228 thousand higher legal expenses relating to litigations and arbitrations; c) US\$49 thousand higher promotion and advertising expenses; d) US\$31 thousand higher insurance expenses; partially offset by: e) US\$154 thousand lower expenses relating to IT department; f) US\$80 thousand lower vehicle rent and fuel expenses; g) US\$38 thousand lower travel expenses.
- vii) Higher Thermal expenses mainly due to: a) the rescheduling of cooling towers' maintenance expense (US\$78 thousand), which is being carried out at a higher speed than planned; b) US\$29 thousand higher maintenance expenses in ET-9 regarding the corrective maintenance of its magnetic chiller; c) US\$22 thousand higher other indirect costs (stations' cleaning expenses, valve checks, protection and security equipment, etc.).

Major Maintenance Schedule (Budgeted vs. Actual)

Plant O&M	Units	Budgeted Major Maintenances (US\$000)											
		Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Bávaro	WF-1	285	-	-	-	-	-	-	-	809	-	-	-
	WF-2	-	-	-	-	-	1,009	-	-	-	-	-	-
	WF-3	-	285	-	-	-	-	-	-	-	809	-	-
	WC-3	-	-	-	-	439	-	-	-	-	-	-	-
	WD-1	-	439	-	-	-	-	-	-	-	-	-	-
Bahia Principe	JA-2	-	-	-	-	-	-	-	-	473	-	-	-
RIU PP	HD-1	-	-	-	207	-	-	-	-	-	-	-	-
Total		285	724	-	207	439	1,009	-	-	1,282	809	-	-

Plant O&M	Units	Major Maintenances Performed (US\$000)											
		Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Bávaro	WF-1	-											
	WF-2	-											
	WF-3	-											
	WC-3	-											
	WD-1	-											
Bahia Principe	JA-2	-											
RIU PP	HD-1	-											
Total		-	-	-	-	-	-	-	-	-	-	-	-

Finished
 In Process

4. Segment breakdown YTD

Segment Report (US\$000)	Electric		Thermal		Fiber Optic & Cable	
	Actual	Budget	Actual	Budget	Actual	Budget
Revenues	21,317	22,486	2,916	2,185	383	503
Fuel Cost	(4,536)	(4,191)	(412)	(529)		
Purchase of energy	(5,424)	(6,874)	(627)	(684)		
Others	(659)	(642)				
Margin	10,698	10,779	1,877	973	383	503
Fixed costs	(4,139)	(4,370)	(557)	(446)	(190)	(233)
EBITDA	6,559	6,409	1,320	527	194	270
Depreciation	(1,975)	(1,851)	(355)	(333)	(105)	(98)
EBIT	4,584	4,558	964	194	89	172

Gross PPE (actual)	455,231	54,468	17,295
Net PPE (actual)	199,544	16,575	6,885
EBIT/Net PPE (actual)	28%	70%	15%

Thermal contribution to	Margin	EBITDA	EBIT	EBIT / Net PP&E	Net Asset Value
ET1 - Hotel Fiesta	236	177	135	119%	1,362
ET2 - Hotel Bahía Príncipe	281	173	116	57%	2,452
ET4 - Hotel Princess	10	3	3	0%	-
ET5 - Hotel Iberostar	15	(6)	(13)	-997%	15
ET6 - Hotel Occidental Punta Cana	22	19	19	0%	-
ET7 - Hotel RIU Bávaro	(16)	(29)	(34)	-547%	75
ET8 - Hotel Senator Puerto Plata	8	(3)	(4)	-100%	51
ET9 - Hotel Barceló Bávaro	180	118	64	36%	2,095
ET10 - Hotel Secrets Royal Beach	120	84	36	14%	3,035
ET11 - Hotel Meliá	725	582	473	104%	5,441
ET12 - Hotel Royalton Bávaro	174	141	110	68%	1,940
ET13 - Hotel Royalton Punta Cana	82	34	33	358%	110
ET14 - Hotel Royalton CHIC	40	27	27	0%	-
Total	1,877	1,320	964	70%	16,575

5. Consolidated Balance Sheet

Balance Sheet (US\$000)	Jan-23	Dec-22
Assets		
Cash and Cash Equivalents	51,276	46,489
Accounts Receivable	34,454	34,563
Inventory	30,641	33,789
Other Current Assets	15,372	5,944
	131,743	120,785
Assets classified as held for sale	342	342
Total Current Assets	132,086	121,127
Investments in associate	18,863	21,583
Investments LT	0	0
Net PP&E	244,870	245,173
Right of use assets	4,421	4,124
Other non-current assets	2,883	2,927
Total Assets	403,122	394,935
Liabilities and Equity		
Current Portion of LTD	12,537	12,537
Accounts Payable	25,940	21,302
Tax payable	7,231	6,953
Current Portion Lease Liabilities	879	801
Other Current Liabilities	23,926	23,725
Total Current Liabilities	70,513	65,319
Long-term debt	139,363	139,354
Deferred Income tax	2,633	4,152
Long-term Lease Liabilities	4,011	3,788
Other non-current liabilities	6,234	6,373
Total Liabilities	222,754	218,986
Shareholders' Equity	11,008	11,008
Legal Reserve	1,101	1,101
Retained Earnings	168,008	163,644
Total shareholders' equity	180,117	175,753
Non-controlling interest	250	196
Total Liabilities and Equity	403,122	394,935

Debt Summary (US\$000)

Type of Borrowing	Issuance date	Maturity date	Issued amount	Outstanding amount as of 01/31/23	Outstanding amount as of 12/31/22	Rate	Rate Type
Corporate Bond	12-Nov-15	12-Nov-25	25,000	25,000	25,000	5.15%	Fixed
Corporate Bond	20-Apr-16	20-Apr-26	51,854	51,854	51,854	6.25%	Fixed
Corporate Bond	20-Nov-17	20-Nov-27	23,000	23,000	23,000	5.50%	Fixed
Bank Borrowing [BofA IDB]	22-Dec-22	15-Aug-25	40,000	40,000	40,000	7.57%	Variable
Bank Borrowing [BanReservas]	31-Dec-20	15-Dec-26	1,750	739	739	9.05%	Fixed
Bank Borrowing [Popular]	21-Feb-19	21-Aug-24	1,180	380	400	6.50%	Fixed
Credit Lines [Popular]	Aug 22	Aug 23	6,500	6,500	6,500	6.00%	Fixed
Credit Line [BanReservas]	Dec 22	Mar 23	600	600	600	8.50%	Variable
Credit Line [Scotiabank]	Ene 23	Mar 23	5,000	5,000	5,000	5.84%	Variable
Total Outstanding				153,073	153,093		

6. Cash Flow

Cash Flow (US\$'000)	Jan-23	Actual YTD	Budget YTD
Profit before income tax	4,485	4,485	3,986
Adjustments to conciliate the net income to the net cash			
Depreciation and amortization	2,462	2,462	2,310
Equity earnings from affiliates	(263)	(263)	-
Finance cost	1,087	1,087	910
Other	843	843	-
Net change in working capital	(3,315)	(3,315)	94
Taxes paid	(615)	(615)	(496)
Interest paid	(442)	(442)	(801)
Net cash provided by operating activities	4,242	4,242	6,004
Acquisition/sale of property, plant and equipment	(1,989)	(1,989)	(7,130)
Dividends Received ¹	2,685	2,685	-
Loan Repayment received	14	14	-
Net cash used in investing activities	711	711	(7,130)
Payments of debt ²	(20)	(20)	(69)
Debt Issuance Costs	(7)	(7)	-
Lease payments	(138)	(138)	-
Dividends paid in cash	(0)	(0)	-
Net cash (used in) provided by financing activities	(165)	(165)	(69)
Net Decrease (Increase) in cash and equivalents	4,787	4,787	(1,195)
Cash and cash equivalents at the beginning of the period	46,489	46,489	42,148
Cash and cash equivalents at the end of the period	51,276	51,276	40,953

¹**Dividends Received:** US\$2.7 million received from Energas.

²Debt Breakdown

Debt Breakdown (US\$'000)	2023	
	Proceeds	Payments
Banco Popular - Bank Borrowing MCR	-	20
Total	-	20