UEPII

PENONOMÉ

FINANCIAL MONTHLY REPORT
JANUARY 2023

TABLE OF CONTENTS

I. Financial & Operating Highlights ... 3

II. Current Month Consolidated Income Statement vs. Budget vs. Prior Year ... 4

III. Chart Analysis ... 5

IV. MD&A ... 6

V. Consolidated Balance Sheet ... 7

VI. Cash Flow and debt service ... 8

I. Financial & Operating Highlights

i. Month

Financial Summary	Actual	Budget	Var	%	2022	Var	%
Values in US$ '000							
Revenues	7,057	6,601	456	7%	9,084	(2,026)	-22%
Variable costs	(135)	(158)	24	-15%	(184)	49	-27%
Margin	6,923	6,443	480	7%	8,900	(1,977)	-22%
EBITDA	6,047	5,688	359	6%	8,165	(2,118)	-26%
Net Income	3,235	2,303	932	40%	2,730	505	18%
Operational Data	**Actual**	**Budget**	**Var**	**%**	**2022**	**Var**	**%**
Energy Balance (GWh)							
Generation	70.0	65.3	4.6	7%	83.5	(13.6)	-16%
Sales through PPA	61.3	56.3	5.0	9%	69.9	(8.6)	-12%
Sales through Spot	7.4	7.9	(0.4)	-6%	12.0	(4.5)	-38%
Compensation	1.2	1.2	0.1	5%	1.6	(0.4)	-27%
Prices (US$/MWh)							
PPA 1 avg sales price	104.1	104.3	(0.3)	0%	103.5	0.5	0%
PPA 2 avg sales price	65.3	65.3	-	0%	65.3	(0.0)	0%
Average Spot Sales price	101.6	102.8	(1.2)	-1%	152.0	(50.5)	-33%
Energy Margin	99.0	98.6	0.4	0%	106.6	(7.6)	-7%
EBITDA Margin	86.4	87.0	(0.6)	-1%	97.8	(11.3)	-12%

** Energy Generation reference scenarios YTD: P50= 88.6; P75=81.9; P90=75.9; P99= 65.4.*

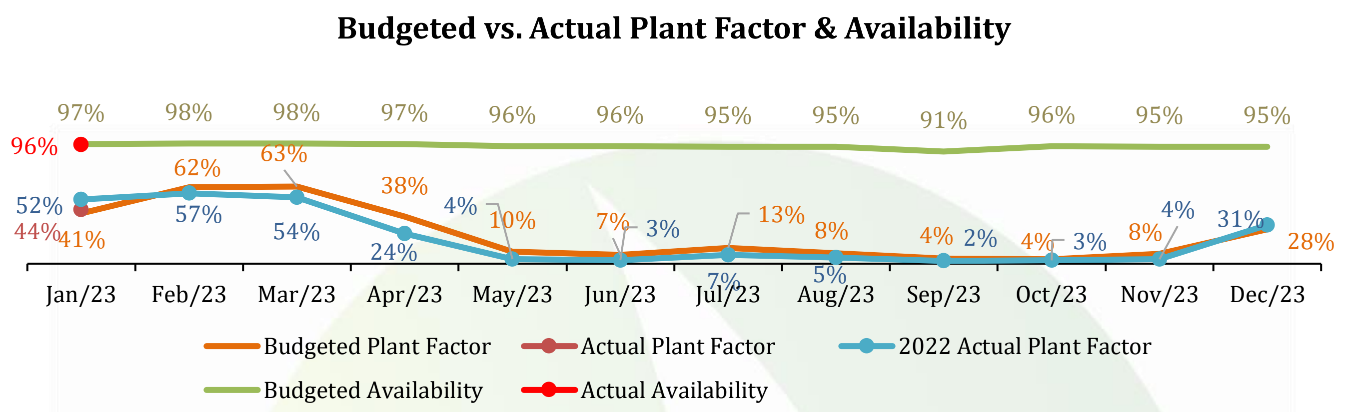
1- PPA 1: Physical PPA with four wind farms assigned: Marañón, Portobello, Rosa de Los Vientos, Nuevo Chagres.
PPA Lifetime: 15 years/20 years; Capacity: 165MW; Price Indexator: Panamanian CPI
2- PPA 2: Backup contract of the exceed of energy (physical PPA) of Rosa de Los Vientos wind farm to supply Ikakos Solar.
PPA Lifetime: 15 years from April 2018; capacity: 50 MW; Price Indexator: Fixed Price.

II. Current Month Consolidated Income Statement vs. Budget vs. Prior Year

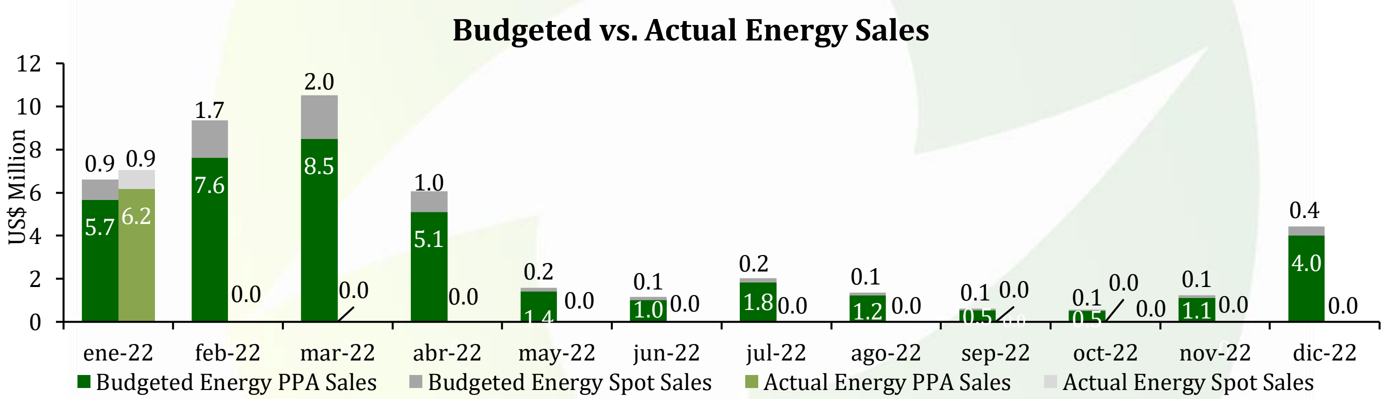
Income Statements - US$'000	Actual	Budget	Var	%	2022	Var	%
Revenues							
PPA sales	6,182	5,673	509	9.0%	7,070	(889)	-12.6%
Spot sales	754	808	(54)	-6.7%	1,819	(1,064)	-58.5%
Other revenues	121	120	1	1.1%	194	(73)	-37.6%
Total revenues	**7,057**	**6,601**	**456**	**6.9%**	**9,084**	**(2,026)**	**-22.3%**
Variable costs							
Transmission tolls	(105)	(131)	26	-19.5%	(153)	48	-31.1%
Regulatory payments	(29)	(28)	(2)	5.8%	(31)	2	-6.2%
Variable margin	**6,923**	**6,443**	**480**	**7.5%**	**8,900**	**(1,977)**	**-22.2%**
Fixed costs							
O&M	(647)	(485)	(162)	33.4%	(471)	(176)	37.5%
Labor costs	(16)	(24)	9	-35.2%	(15)	(1)	-4.5%
Head office G&A	(84)	(101)	17	-16.9%	(81)	(3)	-4.0%
Wake effect and others	(102)	(117)	16	-13.3%	(140)	39	0.0%
Management fee	(27)	(27)	-	0.0%	(27)	-	0.0%
Total fixed costs	**(876)**	**(755)**	**(121)**	**16.0%**	**(734)**	**(142)**	**-19.3%**
EBITDA	**6,047**	**5,688**	**359**	**6.3%**	**8,165**	**(2,118)**	**-25.9%**
D&A	(1,196)	(1,196)	0	0.0%	(1,196)	(0)	0.0%
Interests & Fees	(1,331)	(1,421)	90	-6.3%	(382)	(949)	248.7%
Other income (expense)	2	-	2	100.0%	-	2	100.0%
Income before taxes	**3,522**	**3,071**	**451**	**14.7%**	**6,588**	**(3,066)**	**-46.5%**
Income tax	(287)	(768)	480	-62.6%	(3,858)	3,570	-92.5%
Net Income	**3,235**	**2,303**	**932**	**40.5%**	**2,730**	**505**	**18.5%**

III. Chart Analysis

i) Plant Factor & Availability

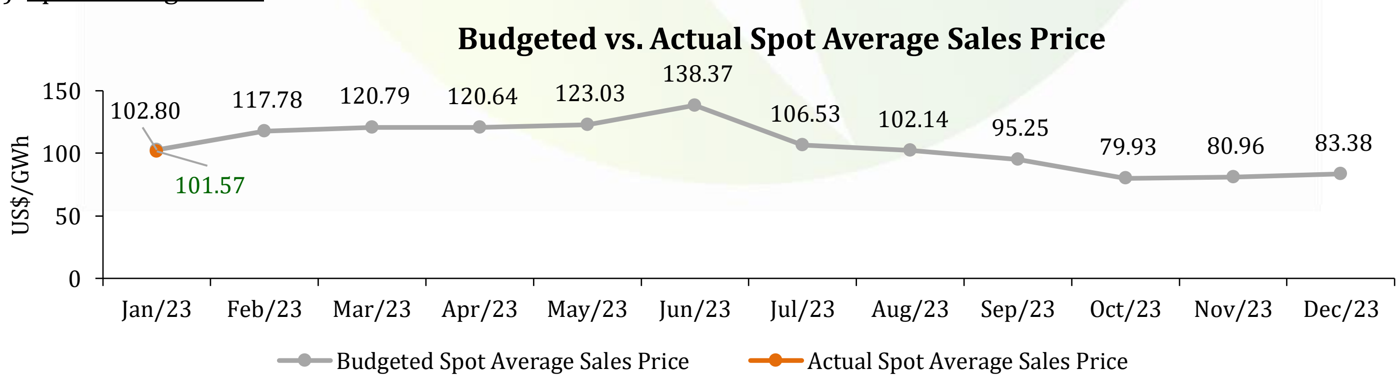


ii) Energy Sales



**Compensation Energy Sales are included in Spot Sales.*

iii) Spot Average Price



IV. MD&A

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

i. Month

i) There is a positive impact on revenues explained by higher generation by 7% or 4.6 GWh.

ii) Differences in Transmission tolls costs attributed to the fact that connect toll price is calculated by ETESA on a monthly basis; budgeted price is estimated based on historic figures.

iii) Higher O&M costs (US$162 thousand) due to timing impact in blades repairs.

iv) Lower head office G&A (US$17 thousand) as a result of timing impact in finance audit expenses (US$6 thousand), insurance (US$4 thousand), legal fees (US$3 thousand) and marketing (US$2 thousand).

V. Consolidated Balance Sheet

Balance Sheet - US$'000	01/31/2023	12/31/2022
Current Assets		
Cash & cash equivalent	3,660	5,490
Accounts receivable	13,062	6,636
Related AR Loan - Current	997	997
Related AR Loan - Interest receivable	472	353
Prepaid expenses	6,158	5,006
Inventory	41	41
Total Current Assets	**24,389**	**18,523**
Net PP&E	201,722	202,849
Intangible assets	20,121	20,105
Related AR - Non current	20,483	20,483
Total Assets	**266,715**	**261,960**
Current Liabilities		
Bonds Payable - Short term	11,256	11,256
Accounts payable	1,939	1,634
Interest payable	5,327	3,984
Lease liabilities short term	177	192
Total Current Liabilities	**18,698**	**17,066**
Deferred tax liability	457	605
Bonds Payable - Long Term	224,218	224,182
Derivative financial instrument	-	-
Lease liabilities long term	8,040	8,040
Total non-current liabilities	**232,715**	**232,827**
Total Liabilities	**251,414**	**249,893**
Equity	55,975	55,975
Retained earnings	(40,674)	(43,909)
Total Liabilities and Equity	**266,715**	**261,960**

- **Cash breakdown:**

Cash & cash equivalent	As of Jan-23
Cash for debt funding	2,688
Cash for blades purchase	361
Cash for working capital	611
Total cash & cash equivalen	**3,660**

VI. Cash Flow and debt service

Cash Flow (YTD) - US$'000	Jan/23	Budget YTD 2023
Income (Loss) before income tax	3,522	3,071
Adjustments to reconcile profit before income tax to net cash		
Depreciation and amortization	1,160	1,196
Amortization of Finance Cost	37	1,421
Changes in Working Capital	(6,485)	(6,528)
Net cash provided (used) in operating activities	**(1,765)**	**(840)**
Additions of PP&E	(49)	0
Principal received on loan to intercompany	-	-
Interest received	-	-
Net cash provided (used) in investing activities	**(49)**	**0**
Repayment of Bonds	-	-
Interest paid	-	-
Finance lease payment	(15)	-
Dividends paid (Equity contribution)	-	-
Net cash provided (used) in financing activities	**(15)**	**-**
Net increase (decrease) in cash	**(1,830)**	**(840)**
Cash at beginning of period	5,490	7,568
Cash at the end of period	**3,660**	**6,728**

- Debt service:

Debt Service - US$'000	Interest	Capital	Total	Funded as of Jan 31, 2023	Pending amount
To be paid April 1st, 2023	7,882	4,129	12,011	2,688	9,322

- Financial Ratios Combined with Tecnisol:

Covenants	Covenants	Actual Ratios
Historic Debt Service Coverage Ratio	≥ 1.20	1.24
Prospective Debt Service Coverage Ratio	≥ 1.20	1.30

- Blades strategic plan

COST TYPE	DESCRIPTION	Total 2022 COST (US$000)	BUDGET 2023 (US$000)
OPEX	HG Windtec Minor Repair Works	708	
	Materials	89	640
	UL as Quality consultant services	16	
	TOTAL OPEX	813	640
CAPEX	Blades set purchase	2,763	732
	Blades logistics	1,142	
	Monitoring System	79	893
	TOTAL CAPEX	3,984	1,625
	TOTAL 2022OPEX+CAPEX	4,796	2,265

- Six set of blades arrived in February; it is still pending the ground mobilization to site. They will be placed as spare parts. The Company is considering using some sets as a retrofitting to improve the performance, maintaining the rest as spare parts.