



**FINANCIAL MONTHLY
REPORT
AUGUST 2023**

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I. Financial & Operating Highlights

i. Month

Financial Summary	Actual	Budget	Var	%	2022	Var	%
<u>Values in US\$ '000</u>							
Revenues	1,986	1,353	633	47%	743	1,243	167%
Variable costs	(202)	(55)	(147)	268%	(44)	(158)	359%
Margin	1,784	1,298	486	37%	699	1,085	155%
EBITDA	955	416	539	129%	(230)	1,185	515%
Net Income	(1,172)	(1,636)	464	28%	(2,519)	1,347	53%
Operational Data	Actual	Budget	Var	%	2022	Var	%
<u>Energy Balance (GWh)</u>							
Generation	19.7	13.6	6.1	45%	7.7	12.0	156%
Sales through PPA	17.8	12.4	5.4	43%	6.8	10.9	160%
Sales through Spot	1.4	1.0	0.5	51%	0.5	0.9	166%
Compensation	0.5	0.2	0.3	114%	0.3	0.2	50%
<u>Prices (US\$/MWh)</u>							
PPA 1 avg sales price	104.6	105.1	(0.5)	0%	104.6	0.0	0%
PPA 2 avg sales price	65.3	65.3	-	0%	65.3	(0.0)	0%
Average Spot Sales price	121.6	102.1	19.5	19%	64.0	57.7	90%
Energy Margin	90.7	95.7	(5.0)	-5%	90.9	(0.2)	0%
EBITDA Margin	48.5	30.7	17.9	58%	(29.9)	78.4	262%

ii. Year to date

Financial Summary	Actual	Budget	Var	%	2022	Var	%
<u>Values in US\$ '000</u>							
Revenues	46,344	38,653	7,691	20%	34,669	11,675	34%
Variable costs	(1,888)	(971)	(917)	94%	(885)	(1,003)	113%
Margin	44,456	37,682	6,774	18%	33,784	10,672	32%
EBITDA	37,733	30,780	6,953	23%	27,595	10,138	37%
Net Income	13,880	7,936	5,945	75%	14,447	(567)	-4%
Operational Data	Actual	Budget	Var	%	2022	Var	%
<u>Energy Balance (GWh)</u>							
Generation*	451.6	374.6	77.0	21%	318.5	133.1	42%
Sales through PPA	388.4	319.9	68.5	21%	269.0	119.4	44%
Sales through Spot	54.5	47.4	7.1	15%	43.3	11.2	26%
Compensation	8.7	7.3	1.4	19%	6.2	2.5	40%
<u>Prices (US\$/MWh)</u>							
PPA 1 avg sales price	104.4	104.6	(0.1)	0%	103.8	0.6	1%
PPA 2 avg sales price	65.3	65.3	-	0%	65.3	(0.0)	0%
Average Spot Sales price	114.9	116.5	(1.6)	-1%	156.7	(41.9)	-27%
Energy Margin	98.4	100.6	(2.2)	-2%	106.1	(7.6)	-7%
EBITDA Margin	83.6	82.2	1.4	2%	86.6	(3.1)	-4%

* Energy Generation reference scenarios YTD: P50= 423.8; P75=391.6; P90=362.7; P99= 312.9.

- 1- PPA 1: Physical PPA with four wind farms assigned: Maraón, 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	1,763	1,232	531	43.1%	677	1,087	160.6%
Spot sales	175	98	78	79.6%	35	141	405.6%
Other revenues	47	23	24	104.1%	32	16	49.4%
Total revenues	1,986	1,353	633	46.8%	743	1,243	167.3%
Variable costs							
Transmission tolls	(173)	(27)	(146)	536.9%	(12)	(161)	1327.2%
Regulatory payments	(29)	(28)	(1)	4.8%	(32)	3	-8.9%
Variable margin	1,784	1,298	486	37.4%	699	1,085	155.3%
Fixed costs							
O&M	(638)	(704)	66	-9.4%	(782)	143	-18.4%
Labor costs	(32)	(29)	(3)	9.8%	(19)	(12)	-64.3%
Head office G&A	(93)	(103)	9	-9.0%	(93)	0	0.1%
Wake effect and others	(39)	(19)	(20)	101.8%	(8)	(31)	0.0%
Management fee	(27)	(27)	-	0.0%	(27)	-	0.0%
Total fixed costs	(829)	(882)	53	-6.0%	(929)	100	10.7%
EBITDA	955	416	539	129.4%	(230)	1,185	515.4%
D&A	(1,203)	(1,200)	(3)	0.2%	(1,204)	2	-0.2%
Interests & Fees	(1,299)	(1,398)	99	-7.1%	(1,394)	95	-6.8%
Other income (expense)	-	-	-	100.0%	5	(5)	-100.0%
Income before taxes	(1,547)	(2,181)	634	-29.1%	(2,822)	1,276	45.2%
Income tax	375	545	(170)	-31.2%	304	71	23.4%
Net Income	(1,172)	(1,636)	464	-28.4%	(2,519)	1,347	53.5%

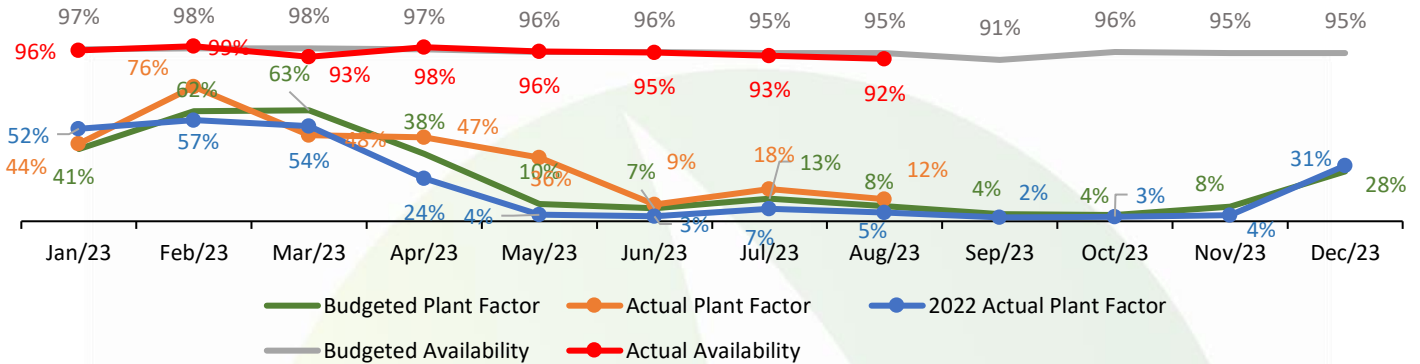
III. Year to date Consolidated Income Statement vs. Budget vs. Prior Year

Income Statements - US\$'000	Actual	Budget	Var	%	2022	Var	%
Revenues							
PPA sales	39,212	32,366	6,846	21.2%	27,184	12,028	44.2%
Spot sales	6,260	5,524	735	13.3%	6,793	(533)	-7.9%
Other revenues	872	762	110	14.5%	692	180	26.0%
Total revenues	46,344	38,653	7,691	19.9%	34,669	11,675	33.7%
Variables costs							
Transmission tolls	(1,655)	(749)	(907)	121.0%	(630)	(1,026)	162.8%
Regulatory payments	(233)	(222)	(11)	4.8%	(255)	23	-8.9%
Variable margin	44,456	37,682	6,774	18.0%	33,784	10,672	31.6%
Fixed costs							
O&M	(4,957)	(4,973)	16	-0.3%	(4,513)	(445)	9.9%
Labor costs	(152)	(221)	69	-31.3%	(155)	3	-2.0%
Head office G&A	(732)	(877)	145	-16.6%	(771)	40	-5.1%
Wake effect and others	(667)	(615)	(52)	8.4%	(535)	(132)	0.0%
Management fee	(215)	(215)	-	0.0%	(215)	-	0.0%
Total fixed costs	(6,723)	(6,901)	178	-2.6%	(6,189)	(534)	8.6%
EBITDA	37,733	30,780	6,953	22.6%	27,595	10,138	36.7%
D&A	(9,603)	(9,580)	(23)	0.2%	(9,603)	(1)	0.0%
Interests & Fees	(10,318)	(10,619)	302	-2.8%	(4,089)	(6,229)	-152.3%
Other income (expense)	19	-	19	100.0%	135	(116)	-86%
Income before taxes	17,831	10,581	7,251	68.5%	14,038	3,793	27.0%
Income tax	(3,951)	(2,645)	(1,306)	49.4%	409	(4,360)	-1066.6%
Net income	13,880	7,936	5,945	74.9%	14,447	(567)	-4%

IV. Chart Analysis

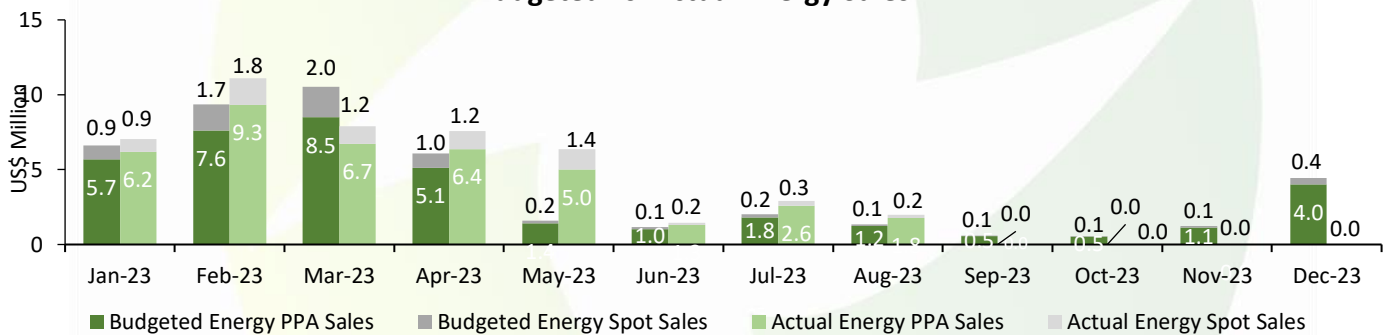
i) Plant Factor & Availability

Budgeted vs. Actual Plant Factor & Availability



ii) Energy Sales

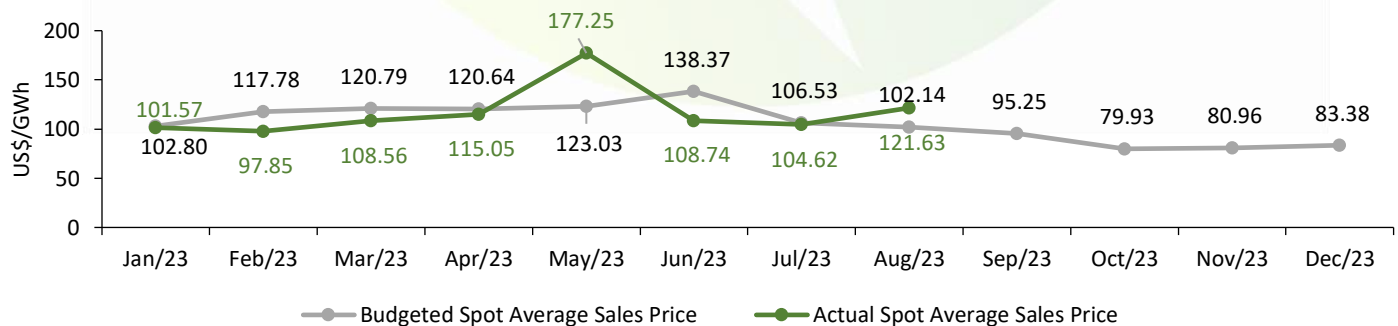
Budgeted vs. Actual Energy Sales



*Compensation Energy Sales are included in Spot Sales.

iii) Spot Average Price

Budgeted vs. Actual Spot Average Sales Price



V. 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 45% or 6.1 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)* Lower O&M costs (US\$66 thousand) due to timing impact in blades repair costs (US\$147 thousand); partially offset by higher energy own consumption (US\$32 thousand), WTG Maintenance – SMA (US\$18 thousand), electric substation costs (US\$13 thousand) and BOP maintenance (US\$13 thousand).
- iv)* Lower head office G&A (US\$9 thousand) as a result of timing impact in insurance (US\$6 thousand) and legal fees (US\$3 thousand).

ii. Year to date

- i)* There is a positive impact on revenues explained by higher generation by 21% or 77.0 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)* Lower head office G&A (US\$145 thousand) as a result of timing impact in franchise tax (US\$60 thousand), finance audit expenses (US\$42 thousand), insurance (US\$37 thousand), legal (US\$16 thousand), marketing (US\$12 thousand), IT (US\$7 thousand) and sponsorships (US\$6 thousand); partially offset by US\$36 thousand higher other consultants.
- iv)* Lower O&M costs (US\$16 thousand) due to timing impact in blades repair (US\$114 thousand), health and safety (US\$17 thousand); partially offset by higher WTG maintenance - SMA (US\$88 thousand) and electric substation costs (US\$27 thousand).

VI. Consolidated Balance Sheet

Balance Sheet - US\$'000	08/31/2023	12/31/2022
Current Assets		
Cash & cash equivalent	32,307	5,490
Accounts receivable	5,123	6,636
Related AR Loan - Current	1,065	997
Related AR Loan - Interest receivable	574	353
Prepaid expenses	1,131	5,006
Blades Project Inventory	4,622	-
Inventory	45	41
Total Current Assets	44,866	18,523
Net PP&E	187,370	196,025
Right of use assets	6,512	6,824
Intangible assets	20,108	20,105
Related AR - Non current	20,049	20,483
Total Assets	278,905	261,960
Current Liabilities		
Bonds Payable - Short term	12,027	11,256
Accounts payable	4,279	1,634
Interest payable	6,477	3,984
Lease liabilities short term	66	192
Total Current Liabilities	22,849	17,066
Deferred tax liability	2,465	605
Bonds Payable - Long Term	219,603	224,182
Derivative financial instrument	-	-
Lease liabilities long term	8,040	8,040
Total non-current liabilities	230,108	232,827
Total Liabilities	252,958	249,893
Equity	55,975	55,975
Retained earnings	(30,028)	(43,909)
Total Liabilities and Equity	278,905	261,960

- Cash breakdown:

Cash & cash equivalent	As of Aug-23
Cash for debt funding	12,396
Cash for blades purchase	-
Cash for working capital	19,911
Total cash & cash equivalent	32,307

VII. Cash Flow and debt service

Cash Flow (YTD) - US\$'000	Q1	Q2	Jul/23	Aug/23	YTD 2023	Budget YTD 2023
Income (Loss) before income tax	15,618	4,639	(879)	(1,547)	17,831	10,581
Adjustments to reconcile profit before income tax to net cash						
Depreciation and amortization	3,486	3,486	1,161	1,161	9,294	9,580
Amortization of Finance Cost	107	127	43	43	321	10,619
Changes in Working Capital	(5,883)	11,689	3,654	1,314	10,774	(5,552)
Net cash provided (used) in operating activities	13,328	19,941	3,979	971	38,220	25,229
Additions of PP&E	(4,670)	4,378	(35)	(1)	(329)	(1,028)
Principal received on loan to intercompany	366	-	-	-	366	366
Interest received	698	-	-	-	698	698
Net cash provided (used) in investing activities	(3,606)	4,378	(35)	(1)	735	36
Repayment of Bonds	(4,129)	-	-	-	(4,129)	(4,129)
Interest paid	(7,882)	-	-	-	(7,882)	(7,955)
Finance lease payment	(47)	(48)	(16)	(16)	(126)	(126)
Dividends paid (Equity contribution)	-	-	-	-	-	-
Net cash provided (used) in financing activities	(12,057)	(48)	(16)	(16)	(12,137)	(12,210)
Net increase (decrease) in cash	(2,336)	24,271	3,928	954	26,817	13,055
Cash at beginning of period	5,490	3,155	27,426	31,354	5,490	7,568
Cash at the end of period	3,155	27,426	31,354	32,307	32,307	20,623

*Additions of PP&E: reclassification of US\$4.6 million regarding WTG blades from net PP&E to inventory.

- Debt service:

Debt Service - US\$'000	Interest	Capital	Total	Funded as of Aug 31, 2023	Pending amount
To be paid October 1st, 2023	7,747	7,127	14,874	12,396	2,478

- Financial Ratios Combined with Tecnisol:

Covenants	Covenants	Actual Ratios
Historic Debt Service Coverage Ratio	≥ 1.20	1.45
Prospective Debt Service Coverage Ratio	≥ 1.20	1.31

- Blades strategy plan:

OPEX AND CAPEX COSTS (2023)			
	DESCRIPTION	Total 2023 COST (US\$000)	BUDGET 2023 (US\$000)
OPEX	HG Windtec Minor Repair Works	387	640
	Materials	68	
	UL as Quality consultant services	-	
TOTAL OPEX		454.532	640
CAPEX	Blades set purchase	-	732
	Blades logistics	716	
	Blades Installation	13	
	Monitoring System	294	
TOTAL CAPEX		1,023	1,625
TOTAL 2023 OPEX+CAPEX		1,478	2,265