



**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	1,262	1,216	46	4%	957	305	32%
Variable costs	(798)	(467)	(331)	71%	(468)	(330)	71%
Margin	464	749	(285)	-38%	489	(25)	-5%
EBITDA	321	642	(321)	-50%	406	(85)	-21%
Net Income	(57)	200	(257)	-128%	(16)	(41)	-260%
Operational Data	Actual	Budget	Var	%	2022	Var	%
<u>Energy Balance (GWh)</u>							
Generation	5.8	6.6	(0.9)	-13%	5.3	0.5	10%
Energy Purchase - UEPII	2.4	2.0	0.4	22%	1.0	1.5	150%
Energy Purchase - Hydro	3.3	5.0	(1.6)	-33%	5.7	(2.4)	-42%
Energy Purchase - Spot	2.8	0.3	2.6	971%	0.2	2.7	1707%
Sales through PPA	13.0	12.6	0.4	3%	10.0	3.0	30%
Sales through Spot	1.1	2.8	(1.8)	-62%	1.5	(0.5)	-31%
Compensation	0.3	0.2	0.2	85%	0.6	(0.3)	-44%
<u>Prices (US\$/MWh)</u>							
PPA avg sales price	84.8	86.3	(1.5)	-2%	81.0	3.8	5%
Avg Spot Sales price	126.0	41.2	84.7	205%	66.7	59.3	89%
Avg Purchase price - Spot	125.8	102.0	23.8	23%	103.0	22.8	22%
Avg Energy Compensation price	90.1	81.8	8.3	10%	78.9	11.2	14%
Energy Margin	32.3	54.0	(21.7)	-40%	40.4	(8.1)	-20%
EBITDA Margin	22.4	46.3	(24.0)	-52%	33.5	(11.1)	-33%

ii. Year to date

Financial Summary	Actual	Budget	Var	%	2022	Var	%
<u>Values in US\$ '000</u>							
Revenues	10,234	10,245	(11)	0%	9,334	900	10%
Variable costs	(5,274)	(3,890)	(1,384)	36%	(3,869)	(1,404)	36%
Margin	4,960	6,355	(1,395)	-22%	5,465	(504)	-9%
EBITDA	4,083	5,333	(1,250)	-23%	4,641	(557)	-12%
Net Income	778	1,762	(984)	-56%	1,169	(391)	-33%
Operational Data	Actual	Budget	Var	%	2022	Var	%
<u>Energy Balance (GWh)</u>							
Generation	56.2	59.2	(3.0)	-5%	51.6	4.6	9%
Energy Purchase - UEPII	34.2	33.8	0.4	1%	19.1	15.1	79%
Energy Purchase - Hydro	11.7	19.5	(7.8)	-40%	20.0	(8.3)	-42%
Energy Purchase - Spot	13.3	1.1	12.3	1162%	4.9	8.5	175%
Sales through PPA	98.1	96.9	1.2	1%	71.4	26.7	37%
Sales through Spot	14.9	19.6	(4.7)	-24%	20.6	(5.7)	-28%
Compensation	2.4	1.7	0.7	44%	3.4	(1.0)	-30%
<u>Prices (US\$/MWh)</u>							
PPA avg sales price	84.7	86.1	(1.4)	-2%	86.8	(2.1)	-2%
Avg Spot Sales price	111.5	89.0	22.5	25%	130.4	(18.9)	-14%
Avg Purchase price - Spot	130.4	118.2	12.1	10%	117.7	12.7	11%
Avg Energy Compensation price	93.0	81.8	11.2	14%	79.8	13.2	17%
Energy Margin	43.0	56.0	(13.0)	-23.2%	57.2	(14.2)	-25%
EBITDA Margin	35.4	47.0	(11.6)	-24.6%	48.6	(13.2)	-27%

*Energy Generation reference scenarios YTD: P50 = 59.2 GWh(budget); P75= 56.6 GWh; P90= 54.3; GWh; P99= 53.0 GWh

- Financial PPA to non-regulated large clients, lifetime: 5-15 years maximum.
Indexator: linked to the large client DisCos tariff, floor: 83 US\$/MWh, cap: 135 US\$/MWh
- UEPII - Rosa de Los Vientos III windfarm has a backup contract of the exceed of energy to supply Ikaos Solar at 65.30 US\$/MWh.

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

Income Statements - US\$'000	Actual	Budget	Var	%	2022	Var	%
Revenues							
PPA sales	1,098	1,083	15	1.4%	807	291	36.0%
Spot sales	134	117	17	14.8%	103	31	30.2%
Other revenues ¹	29	16	14	87.1%	46	(17)	-36.6%
Total revenues	1,262	1,216	46	3.8%	957	305	31.9%
Variable costs							
Transmission tolls	(12)	(37)	24	-67.0%	(1)	(11)	763.0%
Energy purchases ¹	(780)	(425)	(356)	83.7%	(459)	(321)	70.0%
Regulatory payments	(6)	(6)	0	-4.4%	(7)	2	-21.8%
Variable margin	464	749	(285)	-38.0%	489	(25)	-5.2%
Fixed costs							
O&M	(108)	(60)	(48)	80.8%	(57)	(52)	-91.2%
Labor costs	(13)	(13)	0	-0.1%	(9)	(4)	-40.1%
Head office G&A	(17)	(29)	12	-41.2%	(13)	(4)	-30.0%
Management fee	(5)	(5)	-	0.0%	(5)	-	0.0%
Total fixed costs	(143)	(106)	(37)	34.4%	(84)	(59)	-70.7%
EBITDA	321	642	(321)	-50.0%	406	(85)	-20.9%
D&A	(244)	(251)	7	-2.9%	(242)	(2)	0.7%
Interests & Fees	(124)	(124)	0	-0.3%	(155)	31	100.0%
Other income (expense)	-	-	-	0.0%	-	-	0.0%
Income before taxes	(47)	267	(314)	-117.5%	9	(55)	-635.7%
Income tax	(10)	(67)	57	-84.9%	(24)	14	-58.7%
Net Income	(57)	200	(257)	-128.3%	(16)	(41)	-259.9%

¹Other Revenues and Energy Purchases include: i) energy sold and purchased respectively in the regional market and ii) energy revenues and purchased from previous periods due to DTE recalculations.



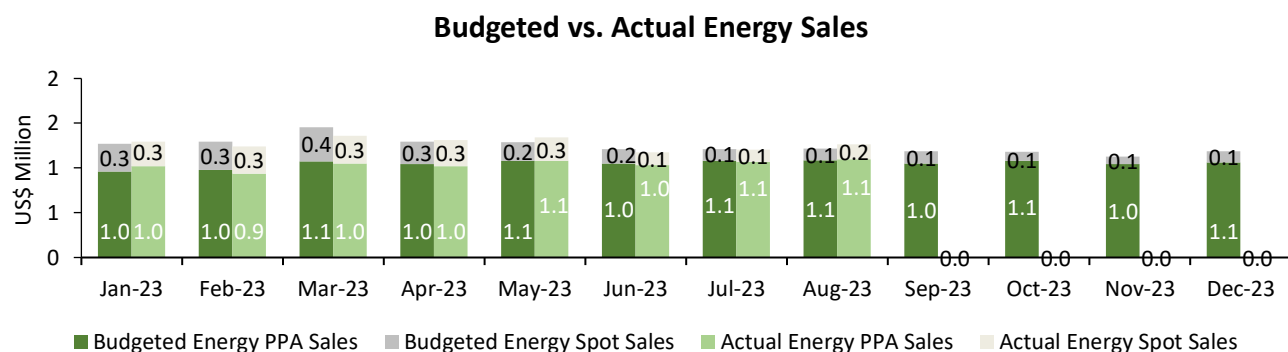
III. Year to date Consolidated Income Statement vs. Budget vs. Prior Year

Income Statements - US\$'000	Actual	Budget	Var	%	2022	Var	%
Revenues							
PPA sales	8,311	8,345	(33)	-0.4%	6,201	2,111	34.0%
Spot sales	1,657	1,745	(88)	-5.1%	2,684	(1,027)	-38.3%
Other revenues ¹	266	155	111	71.6%	449	(183)	-40.8%
Total revenues	10,234	10,245	(11)	-0.1%	9,334	900	9.6%
Variables costs							
Transmission tolls	(66)	(309)	243	-78.6%	(17)	(49)	291.1%
Energy purchases ¹	(5,163)	(3,534)	(1,629)	46.1%	(3,795)	(1,368)	36.0%
Regulatory payments	(45)	(47)	2	-4.4%	(57)	13	-21.8%
Variable margin	4,960	6,355	(1,395)	-22.0%	5,465	(504)	-9.2%
Fixed costs							
O&M	(423)	(411)	(12)	2.8%	(383)	(40)	10.4%
Labor costs	(95)	(96)	1	-0.9%	(70)	(26)	36.8%
Head office G&A	(319)	(475)	156	-32.9%	(331)	12	-3.7%
Management fee	(40)	(40)	-	0.0%	(40)	-	0.0%
Total fixed costs	(877)	(1,022)	145	-14.2%	(824)	(53)	6.4%
EBITDA	4,083	5,333	(1,250)	-23.4%	4,641	(557)	-12.0%
D&A	(1,958)	(1,984)	27	-1.3%	(1,937)	(21)	-1.1%
Interests & Fees	(992)	(1,000)	8	-0.8%	(1,056)	64	6.1%
Other income (expense)	-	-	-	100.0%	12	(12)	-100.0%
Income before taxes	1,134	2,349	(1,215)	-51.7%	1,659	(526)	-31.7%
Income tax	(356)	(587)	232	-39.5%	(490)	135	-27.5%
Net income	778	1,762	(984)	-55.8%	1,169	(391)	-33.4%

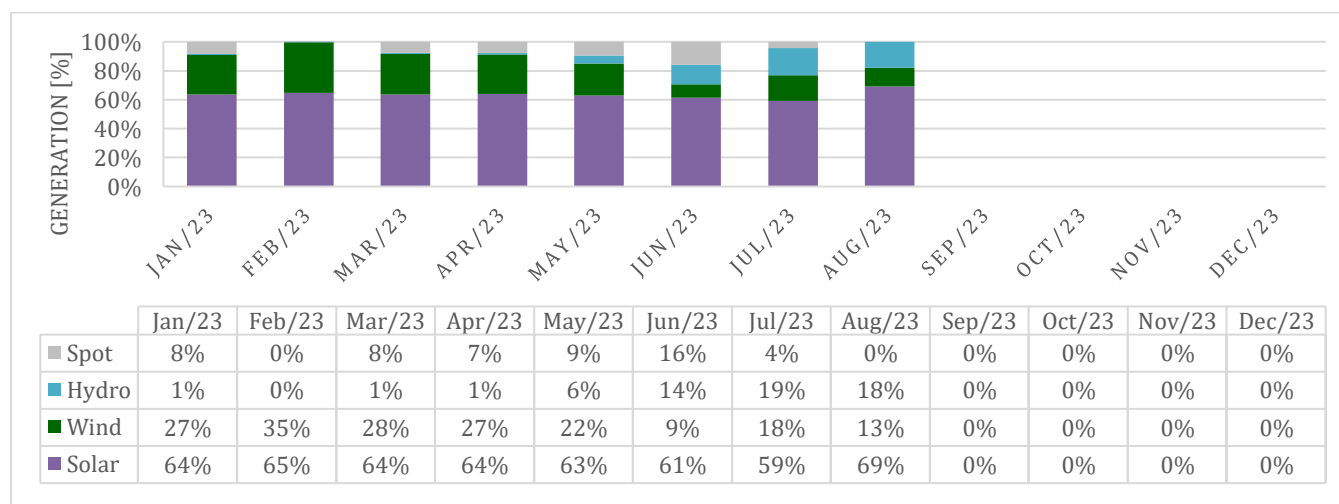
¹Other Revenues and Energy Purchases include: i) energy sold and purchased respectively in the regional market and ii) energy revenues and purchased from previous periods due to DTE recalculations.

IV. Chart Analysis

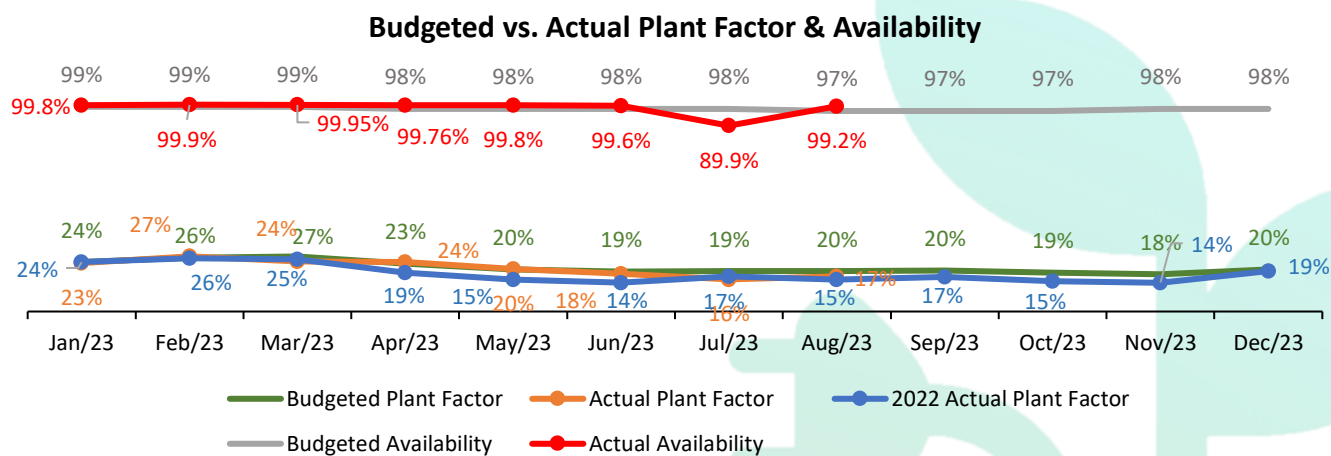
i) Energy sales



ii) energy supply by source



iii) Plant Factor and availability



V. MD&A

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

i. Month

- i)* There was a positive impact on revenues since the average spot sales price was higher than budget (US\$126.0/MWh vs US\$41.2/MWh).
- 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)* Increase in energy purchases from spot since the average purchase price was higher than budget (US\$125.8/MWh vs US\$102.0/MWh).
- iv)* Higher O&M expenses (US\$48 thousand) as a result of timing impact in building maintenance (US\$31 thousand), interconnection line MT (US\$25 thousand); partially offset by lower health and safety costs (US\$14 thousand).

ii. Year to date

- i)* There was a negative impact on revenues by US\$11 thousand mainly affected by lower energy sales to spot (4.7 GWh) and the average of the PPA price was lower than budget (US\$84.7/MWh vs US\$86.1/MWh).
- 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)* Increase in energy purchases as a result of purchases to spot not budgeted.
- iv)* Lower office G&A (US\$156 thousand) due to impact in franchise tax (US\$86 thousand), audit fees (US\$55 thousand), other consultants (US\$13 thousand) and insurance costs (US\$6 thousand).
- v)* Higher O&M expenses (US\$12 thousand) as a result of timing impact in building maintenance (US\$29 thousand), BOP maintenance (US\$18 thousand) and green areas maintenance (US\$15 thousand); partially offset by lower environmental activities (US\$20 thousand), health and safety (US\$18 thousand) and SCADA GPM costs (US\$15 thousand).

VI. Consolidated Balance Sheet

Balance Sheet - US\$'000	08/31/2023	12/31/2022
Current Assets		
Cash & cash equivalent	3,354	1,274
Accounts receivable	2,396	1,899
Prepaid expenses	646	210
Inventory	22	14
Total Current Assets	6,417	3,397
Net PP&E	30,182	32,062
Right of use assets	949	996
Intangible assets	210	217
Deferred income tax ASSETS	54	46
Total Assets	37,811	36,718
Current Liabilities		
Related loan - current	1,065	997
Accounts payable	2,344	1,469
Interest payable	574	353
Tax liabilities	-	337
Total Current Liabilities	3,983	3,157
Related loan - non current	20,049	20,483
Provisions	319	307
Deferred income tax LIABILITIES	-	-
Other liabilities	1,175	1,194
Total non-current liabilities	21,543	21,985
Total Liabilities	25,526	25,141
Equity	9,709	9,709
Prepaid Tax	(187)	(118)
Retained earnings	2,763	1,985
Total Liabilities and Equity	37,811	36,718

VII. Cash Flow breakdown

Cash Flow (YTD) - US\$'000	Q1	Q2	Jul/23	Aug/23	YTD 2023	Budget YTD 2023
Income (Loss) before income tax	837	280	63	(47)	1,134	2,349
Adjustments to reconcile profit before income tax to net cash						
Depreciation and amortization	731	739	244	244	1,958	1,984
Amortization of Finance Cost	368	341	146	124	978	1,000
Changes in Working Capital	(230)	(283)	(170)	(96)	(779)	(601)
Net cash provided (used) in operating activities	1,706	1,078	282	225	3,291	4,732
Additions of PP&E	-	-	-	-	-	(767)
Net cash provided (used) in investing activities	-	-	-	-	-	(767)
Repayment of related loan	(366)	-	-	-	(366)	(366)
Interest paid	(698)	-	-	-	(698)	(717)
Lease liability adjustment	(30)	(7)	(32)	(10)	(79)	(79)
Prepaid tax	-	(69)	-	-	(69)	-
Dividends paid	-	-	-	-	-	-
Net cash provided (used) in financing activities	(1,093)	(76)	(32)	(10)	(1,212)	(1,162)
Net increase (decrease) in cash	613	1,001	250	215	2,079	2,803
Cash at beginning of period	1,274	1,887	2,888	3,139	1,274	1,153
Cash at the end of period	1,887	2,888	3,139	3,354	3,354	3,956

- Related loan debt service

Debt Service - US\$'000	Interest	Capital	Total
To be paid Oct 1st, 2023	686	631	1,317