

**Dominican Power Partners**  
(An Indirectly Owned Subsidiary of The AES  
Corporation)

Unaudited Financial Statements for the  
nine months ended September 30, 2020 and audited December 31, 2019;  
and for the nine months ended September 30, 2020 and  
2019

## Dominican Power Partners

(An Indirectly Owned Subsidiary of The AES Corporation)

### UNAUDITED BALANCE SHEETS

As of September 30, 2020 and December 31, 2019

(Amounts expressed in thousands of US dollars)

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 34,222	\$ 11,258
Short term investments	90	95
Accounts receivable	123,641	137,367
Other receivable – related parties	91,701	128,601
Other receivable	20	839
Inventories	2,869	4,312
Prepaid expenses	1,636	87
Total current assets	<u>254,179</u>	<u>282,559</u>
PROPERTY, PLANT AND EQUIPMENT, NET:		
Land	8,006	8,006
Plant and electricity generating equipment	400,764	390,931
Accumulated depreciation	(100,356)	(91,782)
Construction in progress	2,486	3,345
Property, plant and equipment, net	<u>310,900</u>	<u>310,500</u>
OTHER ASSETS:		
Intangible assets, net	960	1,790
Prepayments	1,128	510
Right of use asset, net	695	172
Total other assets	<u>2,783</u>	<u>2,472</u>
<b>TOTAL</b>	<b><u>\$ 567,862</u></b>	<b><u>\$ 595,531</u></b>

## Dominican Power Partners

(An Indirectly Owned Subsidiary of The AES Corporation)

### UNAUDITED BALANCE SHEETS (CONTINUED)

As of September 30, 2020 and December 31, 2019

(Amounts expressed in thousands of US dollars)

	<u>2020</u>	<u>2019</u>
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 34,004	\$ 17,889
Accounts payable – related parties	65,200	76,504
Line of credit	—	5,000
Income tax payable	4,120	6,027
Lease liabilities	308	177
Total current liabilities	<u>103,632</u>	<u>105,597</u>
LONG TERM LIABILITIES:		
Bonds payable	306,252	305,900
Deferred income tax	18,880	18,498
Other liabilities	10,126	36
Total long – term liabilities	<u>335,258</u>	<u>324,434</u>
SHAREHOLDER'S EQUITY:		
Common stock, US\$1 par value; 500,000,000 shares authorized; 15,000,100 shares issued and outstanding	15,000	15,000
Contributed capital	104,976	104,976
Additional paid-in capital	1,060	1,029
Retained Earnings	7,936	44,495
Total shareholder's equity	<u>128,972</u>	<u>165,500</u>
<b>TOTAL</b>	<b><u>\$ 567,862</u></b>	<b><u>\$ 595,531</u></b>

**Dominican Power Partners**

(An Indirectly Owned Subsidiary of The AES Corporation)

**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME****For the nine months ended September 30, 2020 and 2019**

(Amounts expressed in thousands of US dollars)

	<u>2020</u>	<u>2019</u>
<b>REVENUES:</b>		
Electricity sales – contracts	\$ 183,648	\$ 195,365
Electricity sales – spot market	11,883	24,669
Total revenues	<u>195,531</u>	<u>220,034</u>
<b>OPERATING COSTS AND EXPENSES:</b>		
Cost of revenues – electricity purchases	27,199	27,197
Cost of revenues – fuel and fuel related costs	54,311	73,425
Operating, maintenance and general expenses	17,185	15,327
Depreciation and amortization	11,814	12,143
Total operating costs and expenses	<u>110,509</u>	<u>128,092</u>
<b>OPERATING INCOME</b>	85,022	91,942
<b>OTHER (EXPENSE) INCOME:</b>		
Interest expense – net	(11,858)	(9,251)
Debt discount amortization	(66)	(74)
Other income – net	27	1
Exchange gain, net	2,415	338
Total other expense - net	<u>(9,482)</u>	<u>(8,986)</u>
Income before income tax expense	75,540	82,956
Income tax expense	<u>(24,970)</u>	<u>(25,181)</u>
<b>NET COMPREHENSIVE INCOME</b>	<u><u>\$ 50,570</u></u>	<u><u>\$ 57,775</u></u>

## Dominican Power Partners

(An Indirectly Owned Subsidiary of The AES Corporation)

### UNAUDITED STATEMENTS OF CASH FLOWS

For the nine months ended September 30, 2020 and 2019

(Amounts expressed in thousands of US dollars)

	<u>2020</u>	<u>2019</u>
<b>OPERATING ACTIVITIES:</b>		
Net comprehensive income	\$ 50,570	\$ 57,775
Adjustments to reconcile net comprehensive income to net cash provided by operating activities:		
Depreciation	11,403	11,839
Amortization of intangible asset	411	304
Amortization of assets right of use	241	—
Exchange gain, net	(2,415)	(338)
Stock - based compensation	31	48
Deferred income tax	1,772	3,381
Deferred financing costs amortization	281	276
Amortization and capitalization of debt discount	66	74
Changes in assets and liabilities:		
Decrease (increase) in accounts receivable	13,726	(13,581)
Decrease in other receivable – related parties	36,900	27,348
Decrease (increase) in other receivable	819	(1,556)
Decrease (increase) in inventories	1,443	(189)
Increase in prepaid expenses and other assets	(1,549)	(3,769)
Increase in accounts payable and accrued liabilities	18,175	568
(Decrease) increase in accounts payable – related parties	(11,304)	30,536
Increase in other liabilities	—	24
Decrease in income tax payable	—	(12,677)
<b>Net cash provided by operating activities</b>	<u>120,570</u>	<u>100,063</u>
<b>INVESTING ACTIVITIES:</b>		
Additions to property, plant and equipment	(5,846)	(1,340)
Additions to intangible assets	(38)	(1,115)
Advance payments for the acquisition of property, plant and equipment	(352)	(73)
<b>Net cash used in investing activities</b>	<u>(6,236)</u>	<u>(2,528)</u>
<b>FINANCING ACTIVITIES:</b>		
Dividends paid	(87,129)	(88,469)
Proceeds from line of credit	42,500	25,000
Payment of line of credit	(47,500)	(25,000)
Payment of lease liability	(85)	—
<b>Net cash used in financing activities</b>	<u>(92,214)</u>	<u>(88,469)</u>
Effect of exchange rate changes on cash	<u>844</u>	<u>596</u>
<b>Net increase in cash and cash equivalents</b>	<b>22,964</b>	<b>9,662</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<u>11,258</u>	<u>30,884</u>
<b>Cash and cash equivalents at the end of the period</b>	<u>\$ 34,222</u>	<u>\$ 40,546</u>