

AES Andres B.V. and Subsidiaries

(An Indirectly Owned Subsidiary of The AES Corporation)

Unaudited Consolidated Financial Statements

As of September 30, 2022 and December 31, 2021

For the nine months ended September 30, 2022 and 2021

AES Andres B.V. and Subsidiaries

(An Indirectly Owned Subsidiary of The AES Corporation)

Unaudited Consolidated Statements of Financial Position**As of September 30, 2022 and December 31, 2021***(Expressed in thousands of dollars of the United States of America)*

	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 189,853	\$ 42,805
Accounts receivables trade, net	92,938	63,290
Accounts receivables related parties	62,203	121,336
Interests receivable related party	1,776	568
Account receivables for financial lease	161	161
Contracts assets	1,233	179
Inventories, net	48,371	30,943
Other financial assets	74,343	241
Other non-financial assets	9,517	1,048
Total current assets	<u>480,395</u>	<u>260,571</u>
Non-current assets:		
Property, plant and equipment, net	630,646	529,558
Intangible assets, net	48,144	3,715
Contracts assets	14,144	10,337
Account receivables for financial lease	5,726	5,740
Right-of-use assets, net	9,926	7,007
Investment in affiliate	55,362	49,883
Loan receivable related party	51,988	51,988
Other financial assets	1,290	1,800
Other non-financial assets	3,075	256
Deferred tax assets	4,219	—
Total non-current assets	<u>824,520</u>	<u>660,284</u>
Total assets	<u><u>\$ 1,304,915</u></u>	<u><u>\$ 920,855</u></u>

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Unaudited Consolidated Statements of Financial Position**As of September 30, 2022 and December 31, 2021***(Expressed in thousands of dollars of the United States of America)*

	<u>2022</u>	<u>2021</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Account payable suppliers and other liabilities	\$ 91,796	\$ 50,628
Account payable - related parties	204,406	156,963
Loans payable current, net	15,927	11,647
Loans and interests payable related party	30,972	30,403
Income tax payable	22,645	6,111
Other financial liabilities	35,171	648
Lease liabilities	1,708	423
Total current liabilities	<u>402,625</u>	<u>256,823</u>
Non-current liabilities:		
Bonds payable, net	296,173	295,838
Loans payable non-current, net	227,119	74,348
Deferred income tax, net	51,791	51,333
Lease liabilities	8,499	6,659
Other financial liabilities	389	507
Other long-term liabilities	33	4,923
Asset retirement obligation	831	—
Total non-current liabilities	<u>584,835</u>	<u>433,608</u>
Total liabilities	<u>987,460</u>	<u>690,431</u>
Stockholders' equity:		
Authorized capital	18	18
Additional paid-in-capital	271,649	271,646
Restricted retained earnings	13,761	14,767
Accumulated (deficit) profit	32,592	(55,434)
Other comprehensive income	(622)	(622)
Subtotal	<u>317,398</u>	<u>230,375</u>
Non-controlling interest	57	49
Total stockholders' equity	<u>317,455</u>	<u>230,424</u>
Total liabilities and stockholder's equity	<u>\$ 1,304,915</u>	<u>\$ 920,855</u>

AES Andres B.V. and Subsidiaries

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Unaudited Consolidated Statements of Income**For the nine months ended September 30, 2022 and 2021***(Expressed in thousands of dollars of the United States of America)*

	<u>2022</u>	<u>2021</u>
Revenues	\$ 1,074,893	\$ 596,708
Operating costs and expenses		
Cost of fuel, electricity purchases, transmission costs and others	(865,999)	(471,505)
Operating, general and maintenance expense	(44,416)	(36,179)
Depreciation and amortization	(33,954)	(19,941)
Total operating costs and expenses	(944,369)	(527,625)
Operating income	130,524	69,083
Other (expenses) income		
Interest expense, net	(16,230)	(19,023)
Equity participation in investment in affiliate	5,478	5,054
Debt discount amortization	—	(111)
Other expense, net	(1,241)	(9,897)
Exchange loss, net	(5,171)	(2,003)
Income before income tax expense	113,360	43,103
Income tax expense	(26,332)	(24,500)
Net income	<u>\$ 87,028</u>	<u>\$ 18,603</u>
Attributable to:		
Non-controlling interest	8	3
Attributable to shareholders of the parent company	87,020	18,600
	<u>\$ 87,028</u>	<u>\$ 18,603</u>
Net income per share	<u>\$ 478</u>	<u>\$ 102</u>

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Unaudited Consolidated Statements of Changes in Stockholders' Equity**As of September 30, 2022***(Expressed in thousands of dollars of the United States of America)*

	<u>Number of shares</u>	<u>Authorized capital</u>	<u>Additional paid-in capital</u>	<u>Accumulated deficit</u>	<u>Restricted retaining earnings</u>	<u>Other comprehensive income</u>	<u>Subtotal</u>	<u>Non- controlling interest</u>	<u>Total stockholder's equity</u>
Balance as of January 1, 2021	182	\$ 18	\$ 271,628	\$ (60,273)	\$ 16,163	\$ —	\$227,536	\$ 43	\$ 227,579
Net income	—	—	—	56,442	—	—	56,442	6	56,448
Revaluation effect	—	—	—	1,396	(1,396)	—	—	—	—
Dividends paid	—	—	—	(52,999)	—	—	(52,999)	—	(52,999)
Changes in the fair value of derivate instruments	—	—	—	—	—	(622)	(622)	—	(622)
Capital increase	—	—	18	—	—	—	18	—	18
Balance as of December 31, 2021	182	18	271,646	(55,434)	14,767	(622)	230,375	49	230,424
Net income	—	—	—	87,020	—	—	87,020	8	87,028
Revaluation effect	—	—	—	1,006	(1,006)	—	—	—	—
Capital increase	—	—	3	—	—	—	3	—	3
Balance as of September 30, 2022	182	\$ 18	\$ 271,649	\$ 32,592	\$ 13,761	\$ (622)	\$317,398	\$ 57	\$ 317,455

AES Andres B.V. and Subsidiaries

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Unaudited Consolidated Statements of Cash Flows**For the nine months ended September 30, 2022 and 2021***(Expressed in thousands of dollars of the United States of America)*

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Net income	\$ 87,028	\$ 18,603
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	22,294	19,419
Amortization of intangible assets	1,061	522
Amortization of right-of-use assets	10,599	146
Lease interest, net	267	239
Derivative financial instruments	(38,652)	(975)
Income tax expense	26,332	24,500
Amortization of deferred financing costs	857	665
Debt discount amortization	—	111
Allowance for doubtful accounts	(75)	63
Loss on early extinguishment of debt	387	14,323
Loss on retirement of property, plant and equipment	1,541	1,194
Gain on sale of disposals of property, plant and equipment	(268)	(45)
Equity participation in investment in affiliate	(5,478)	(5,054)
Stock-based compensation	16	8
Interest expense, net	15,374	18,358
Exchange loss, net	5,171	2,003
Changes in operating assets and liabilities:		
Increase in accounts receivable	(25,363)	(19,303)
Decrease (increase) in accounts receivable related parties	57,925	(16,080)
Decrease in other accounts receivable related parties	—	28,043
Increase in inventories	(17,027)	(20)
(Increase) decrease in other assets	(8,816)	242
Increase in contracts assets	(4,861)	(4,133)
(Decrease) increase in accounts payable suppliers and other liabilities	(5,706)	5,060
Increase in accounts payable related parties	48,012	14,102
Increase in other liabilities	34,275	858
Interest received	341	268
Interest paid	(12,652)	(11,087)
Income tax paid	(21,797)	(26,013)
Net cash provided by operating activities	170,785	66,017
Carried forward...	170,785	66,017

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	<u>2022</u>	<u>2021</u>
Brought forward...	\$ 170,785	\$ 66,017
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(17,923)	(34,490)
Advance payments for the acquisition of property, plant and equipment	(3,896)	(1,499)
Acquisition of intangible assets	(35)	(337)
Payment of related party loan	—	(51,988)
Asset acquisition, net of cash received	(85,666)	—
Net cash used in investing activities	(107,520)	(88,314)
Cash flows from financing activities:		
Proceeds from intercompany loan	—	30,000
Proceeds from line of credit	176,500	30,000
Proceeds from new loans	165,000	333,500
Payment of line of credit	(176,500)	(60,000)
Penalty payment on early extinguishment of debt	—	(8,749)
Payment of loans	(76,401)	(266,931)
Dividends paid	—	(17,000)
Payments of deferred financing costs	(3,238)	(4,896)
Acquisition of property, plant and equipment	(1,480)	—
Payment of lease liabilities	(98)	(95)
Net cash provided by financing activities	83,783	35,829
Net increase in cash and cash equivalents	147,048	13,532
Cash and cash equivalents at the beginning of the year	42,805	50,095
Cash and cash equivalents at the end of the period	\$ 189,853	\$ 63,627