

# **Dominican Power Partners**

(An Indirectly Owned Subsidiary of The AES Corporation)

**Unaudited Financial Statements**

**As of September 30, 2022 and December 31, 2021**

**For the nine months ended September 30, 2022 and 2021**

## Dominican Power Partners

(An Indirectly Owned Subsidiary of The AES Corporation)

### Unaudited 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>              |
|--------------------------------------|--------------------------|--------------------------|
| <b>ASSETS</b>                        |                          |                          |
| <b>Current Assets:</b>               |                          |                          |
| Cash and cash equivalents            | \$ 14,448                | \$ 40,557                |
| Accounts receivables trade, net      | 102,732                  | 42,761                   |
| Accounts receivables related parties | 92,505                   | 107,701                  |
| Interests receivable related party   | 30,972                   | 30,403                   |
| Inventories, net                     | 2,678                    | 2,510                    |
| Other non-financial assets           | 4,566                    | 1,096                    |
| Total current assets                 | <u>247,901</u>           | <u>225,028</u>           |
| <b>Non-current assets:</b>           |                          |                          |
| Property, plant and equipment, net   | 266,856                  | 280,526                  |
| Intangible assets, net               | 271                      | 455                      |
| Right-of-use assets, net             | 484                      | 516                      |
| Restricted cash                      | 142                      | 130                      |
| Other non-financial assets           | 287                      | 148                      |
| Total non-current assets             | <u>268,040</u>           | <u>281,775</u>           |
| <b>Total assets</b>                  | <u><u>\$ 515,941</u></u> | <u><u>\$ 506,803</u></u> |

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### Unaudited 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>              |
|---|--------------------------|--------------------------|
| <b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>       |                          |                          |
| <b>Current liabilities:</b>                       |                          |                          |
| Account payable suppliers and other liabilities   | \$ 26,200                | \$ 16,653                |
| Account payable - related parties                 | 12,048                   | 26,646                   |
| Income tax payable                                | 7,404                    | 5,563                    |
| Lease liabilities                                 | 314                      | 307                      |
| Total current liabilities                         | <u>47,618</u>            | <u>49,737</u>            |
| <b>Non-current liabilities:</b>                   |                          |                          |
| Bonds payable, net                                | 258,264                  | 258,022                  |
| Loans payable non-current related party           | 51,988                   | 51,988                   |
| Deferred income tax, net                          | 31,561                   | 32,578                   |
| Lease liabilities                                 | 145                      | 250                      |
| Other long-term liabilities                       | 5,222                    | 10,590                   |
| Total non-current liabilities                     | <u>347,180</u>           | <u>353,428</u>           |
| Total liabilities                                 | <u>394,798</u>           | <u>403,165</u>           |
| <b>Stockholders' equity:</b>                      |                          |                          |
| Authorized capital                                | 15,000                   | 15,000                   |
| Contributed capital                               | 104,976                  | 104,976                  |
| Additional paid-in-capital                        | 1,178                    | 1,131                    |
| Restricted retained earnings                      | 9,331                    | 9,700                    |
| Accumulated (deficit) profit                      | (9,342)                  | (27,169)                 |
| Total stockholders' equity                        | <u>121,143</u>           | <u>103,638</u>           |
| <b>Total liabilities and stockholder's equity</b> | <u><b>\$ 515,941</b></u> | <u><b>\$ 506,803</b></u> |

## Dominican Power Partners

(An Indirectly Owned Subsidiary of The AES Corporation)

### Unaudited 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>             |
|--|-------------------------|-------------------------|
| Electricity sales - contracts                      | \$ 264,477              | \$ 214,433              |
| Electricity sales- intercompany and spot market    | 21,366                  | 9,162                   |
| <b>Revenues</b>                                    | <u>285,843</u>          | <u>223,595</u>          |
| <b>Operating costs and expenses</b>                |                         |                         |
| Electricity purchases                              | (58,687)                | (39,918)                |
| Fuel and fuel related costs                        | (109,486)               | (72,762)                |
| Operating, general and maintenance expense         | (19,242)                | (21,640)                |
| Depreciation and amortization                      | (15,266)                | (15,567)                |
| Total operating costs and expenses                 | <u>(202,681)</u>        | <u>(149,887)</u>        |
| <b>Operating income</b>                            | 83,162                  | 73,708                  |
| <b>Other (expenses) income</b>                     |                         |                         |
| Interest expense, net                              | (13,608)                | (12,537)                |
| Debt discount amortization                         | —                       | (32)                    |
| Other expense, net                                 | 48                      | (3,825)                 |
| Exchange loss, net                                 | (2,254)                 | (921)                   |
| <b>Income before income tax expense</b>            | 67,348                  | 56,393                  |
| Income tax expense                                 | (21,207)                | (15,529)                |
| <b>Net income</b>                                  | <u><u>\$ 46,141</u></u> | <u><u>\$ 40,864</u></u> |
| <b>Attributable to:</b>                            |                         |                         |
| Non-controlling interest                           | 8                       | 3                       |
| Attributable to shareholders of the parent company | 46,133                  | 40,861                  |
|  | <u><u>\$ 46,141</u></u> | <u><u>\$ 40,864</u></u> |
| <b>Net income per share</b>                        | <u><u>\$ 3.08</u></u>   | <u><u>\$ 2.72</u></u>   |

## Dominican Power Partners

(An Indirectly Owned Subsidiary of The AES Corporation)

### Unaudited 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<br/>shares</u> | <u>Authorized<br/>capital</u> | <u>Contributed<br/>capital</u> | <u>Additional<br/>paid-in<br/>capital</u> | <u>Accumulated<br/>deficit</u> | <u>Restricted<br/>retaining<br/>earnings</u> | <u>Total<br/>stockholder's<br/>equity</u> |
|--|-----------------------------|-------------------------------|--------------------------------|---|--------------------------------|--|---|
| Balance as of January 1, 2021                        | 15,000,100                  | \$ 15,000                     | \$ 104,976                     | \$ 1,072                                  | \$ (38,847)                    | \$ 10,614                                    | \$ 92,815                                 |
| Net income   | —                           | —                             | —                              | —   | 914                            | (914)  | —   |
| Revaluation effect                                   | —                           | —                             | —                              | —   | 53,627                         | —  | 53,627                                    |
| Dividends paid                                       | —                           | —                             | —                              | —   | (42,863)                       | —  | (42,863)                                  |
| Changes in the fair value of derivate<br>instruments | —                           | —                             | —                              | —   | —                              | —  | —   |
| Capital increase                                     | —                           | —                             | —                              | 59  | —                              | —  | 59  |
|  | <hr/>                       | <hr/>                         | <hr/>                          | <hr/>                                     | <hr/>                          | <hr/>  | <hr/>                                     |
| Balance as of December 31, 2021                      | 15,000,100                  | 15,000                        | 104,976                        | 1,131                                     | (27,169)                       | 9,700  | 103,638                                   |
| Net income   | —                           | —                             | —                              | —   | 46,141                         | —  | 46,141                                    |
| Revaluation effect                                   | —                           | —                             | —                              | —   | 369                            | (369)  | —   |
| Dividends paid                                       | —                           | —                             | —                              | —   | (28,683)                       | —  | (28,683)                                  |
| Capital increase                                     | —                           | —                             | —                              | 47  | —                              | —  | 47  |
|  | <hr/>                       | <hr/>                         | <hr/>                          | <hr/>                                     | <hr/>                          | <hr/>  | <hr/>                                     |
| <b>Balance as of September 30, 2022</b>              | <b>15,000,100</b>           | <b>\$ 15,000</b>              | <b>\$ 104,976</b>              | <b>\$ 1,178</b>                           | <b>\$ (9,342)</b>              | <b>\$ 9,331</b>                              | <b>\$ 121,143</b>                         |

## Dominican Power Partners

(An Indirectly Owned Subsidiary of The AES Corporation)

### Unaudited 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>          |
|---|---------------------|----------------------|
| <b>Cash flows from operating activities:</b>                                      |                     |                      |
| Net income  | \$ 46,141           | \$ 40,864            |
| Adjustments to reconcile net income to net cash provided by operating activities: |                     |                      |
| Depreciation  | 14,838              | 14,981               |
| Amortization of intangible assets   | 185                 | 351                  |
| Amortization of right-of-use assets   | 243                 | 235                  |
| Lease interest, net   | 11                  | 14                   |
| Income tax expense  | 21,207              | 15,529               |
| Amortization of deferred financing costs  | 242                 | 261                  |
| Debt discount amortization  | —                   | 32                   |
| Allowance for doubtful accounts   | 22                  | 25                   |
| Loss on early extinguishment of debt  | —                   | 3,265                |
| Loss on retirement of property, plant and equipment                               | 92                  | 1,834                |
| Stock-based compensation  | 128                 | 85                   |
| Interest expense, net   | 13,366              | 8,997                |
| Exchange loss, net  | 2,254               | 921                  |
| <b>Changes in operating assets and liabilities:</b>                               |                     |                      |
| (Increase) decrease in accounts receivable  | (62,870)            | 4,444                |
| Decrease in accounts receivable related parties                                   | 14,627              | 22,112               |
| Increase in inventories   | (168)               | (108)                |
| Increase in contracts assets  | (3,609)             | (1,574)              |
| Increase (decrease) in accounts payable suppliers and other liabilities           | 10,481              | (4,711)              |
| (Decrease) increase in accounts payable related parties                           | (13,514)            | 2,614                |
| (Decrease) increase in other liabilities  | (511)               | 13,521               |
| Interest received   | 2,879               | 3,911                |
| Interest paid   | (12,038)            | (12,764)             |
| Income tax paid   | (24,628)            | (20,215)             |
| <b>Net cash provided by operating activities</b>                                  | <u><b>9,378</b></u> | <u><b>94,624</b></u> |
| <b>Carried forward...</b>   | <u><b>9,378</b></u> | <u><b>94,624</b></u> |

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### Unaudited Statements of Cash Flows

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|   | <u>2022</u>      | <u>2021</u>      |
|---|------------------|------------------|
| <b>Brought forward...</b>   | <b>\$ 9,378</b>  | <b>\$ 94,624</b> |
| <b>Cash flows from investing activities:</b>                          |                  |                  |
| Acquisition of property, plant and equipment                          | (2,220)          | (11,307)         |
| Advance payments for the acquisition of property, plant and equipment | (99)             | (151)            |
| Intercompany loan   | —                | (30,000)         |
| Inversión en afiliada   | (12)             | (130)            |
| <b>Net cash used in investing activities</b>                          | <b>(2,331)</b>   | <b>(41,588)</b>  |
| <b>Cash flows from financing activities:</b>                          |                  |                  |
| Payment of loans  | (250)            | (190)            |
| Dividends paid  | (28,684)         | (29,412)         |
| Acquisition of property, plant and equipment                          | (4,222)          | —                |
| <b>Net cash provided by financing activities</b>                      | <b>(33,156)</b>  | <b>(29,602)</b>  |
| Net increase in cash and cash equivalents                             | (26,109)         | 23,434           |
| Cash and cash equivalents at the beginning of the year                | 40,557           | 16,934           |
| <b>Cash and cash equivalents at the end of the period</b>             | <b>\$ 14,448</b> | <b>\$ 40,368</b> |