

AES Panamá Generation Holdings, S. R. L. Q1 2021 Relevant Results

AES Panama Generation Holdings, S. R. L. reports a net income of \$49K for the three months period ended on March 31, 2021.

Panamá, March 31, 2021 - today AES Panama Generation Holdings, S. R. L. (the Company) announced its results up to March 31, 2021. The Company was formed on March 2020 with the purpose of acting as a special purpose vehicle for the issuance of financial debt of \$1,485,000; simultaneously this amount was transferred to four affiliates companies¹ through intercompany loan agreements. The Company generates income by charging its affiliates interest rate margins in excess of the interest rates it agreed under its issuance.

The Financial Statements, used to prepare the financial and statistical information herein, are prepared and presented in accordance with International Financial Reporting Standard ("IFRS").

Total Income before tax reported by the Company as of March 31, 2021, is \$0.2 million.

Table 1: Summary Financial Results

	(Thousands of US\$)	Mar-2021
Interest income from affiliates		\$ 17,783
Interest expense		(15,969)
Operating and general expenses		(1,556)
Income before income tax		<u>258</u>
Income tax		(209)
Net income		<u><u>\$ 49</u></u>

Analysis of Unaudited Financial Statements

Key Drivers of Q1 2021:

- **Interest Income**

The Company records interest income from the loans agreements entered with its affiliates companies. As aforementioned the Company charge interest rate margins of 0.5% and 0.75% over the interest rates it is committed to pay.

- **Interest Expenses**

The Company records interest expense based on the interest rates agreed through its financial debts.

- **Operating and general expenses**

On November 26, 2020, the Company entered into a guarantee agreement with AES Global Power Holdings through which this latter pledged its participation on Gas Natural Atlántico, S. de R.L y Costa Norte, S. de R.L., to warrant the Company's loan and bonds. As required under the terms of this contract the Company is required to pay a semiannual guarantee fee. As of March 31, 2021 the fee recorded in operating and general expenses amount in \$1,465.

The remaining balance recorded in operating and general expenses corresponds to financial services, depreciation and other general expenses, which aggregated amount in \$91.

¹ AES Panamá S.R.L., AES Changuinola S.R.L., Gas Natural Atlántico, S. de R.L and Costa Norte, S. de R.L.