

# AES Dominicana

## Investor Presentation



September 2024  
*Q2 2024 Results*

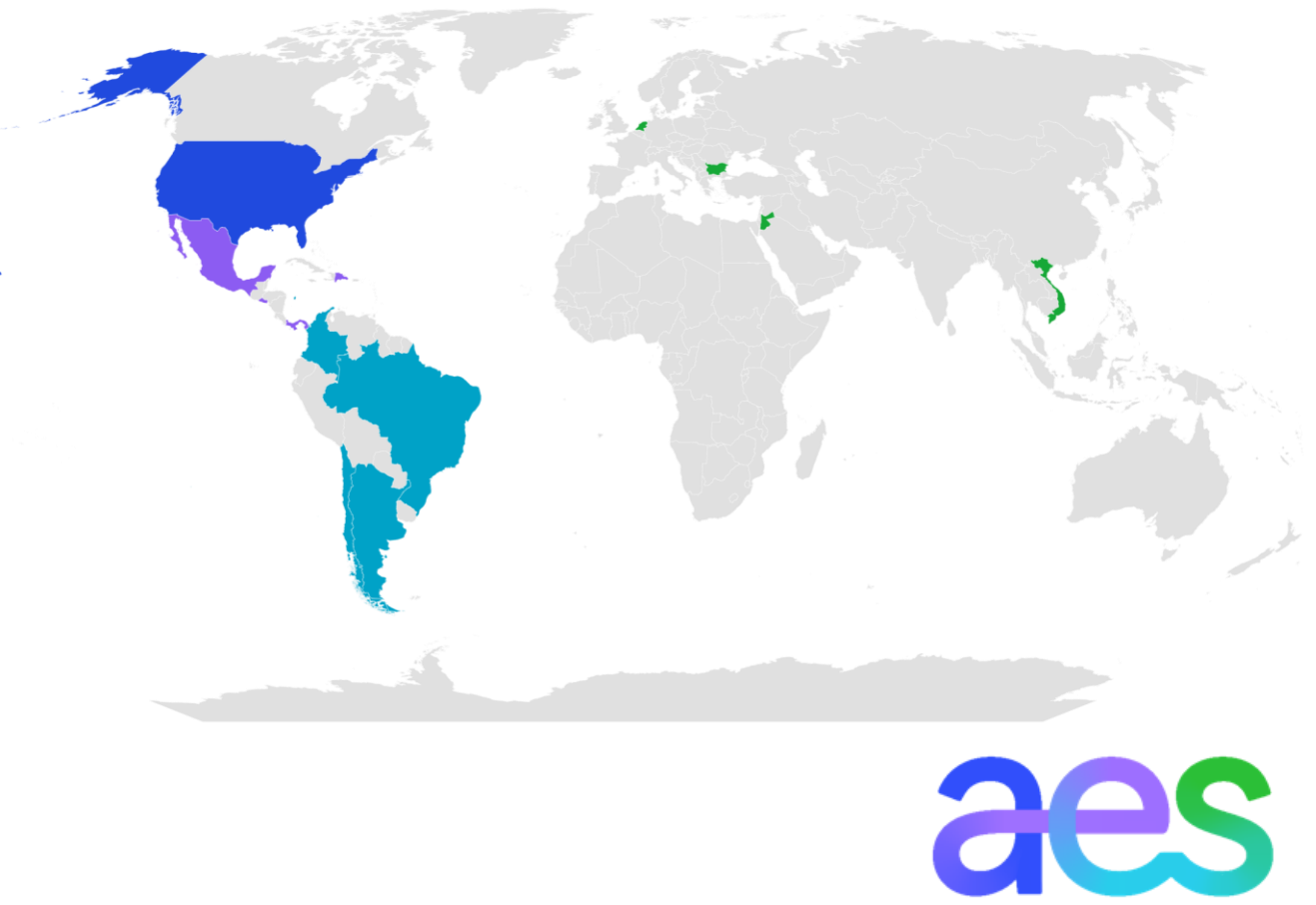


# AGENDA



- The Company
- AES Panama
- Asset Summary
- Sources of Revenue
- Financial Performance
- Operations Summary
- Construction Update
- Debt overview
- Appendix

# AES Corporation: Who we are



35,632

Gross MW in operation\*

\* 24,048 proportional MW (gross MW multiplied by AES' equity ownership percentage).

\$12.7 billion

Total 2023 revenues

5,848 MW

Renewable generation under construction or with signed PPAs

\$45 billion

Total assets owned & managed for 2023

148 Generation Facilities

4 Continents

14 Countries

6 Utility companies

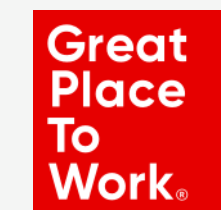
2.6 million

Utility customers served



9,600 people

Our global workforce

Recognized for our commitment to sustainability

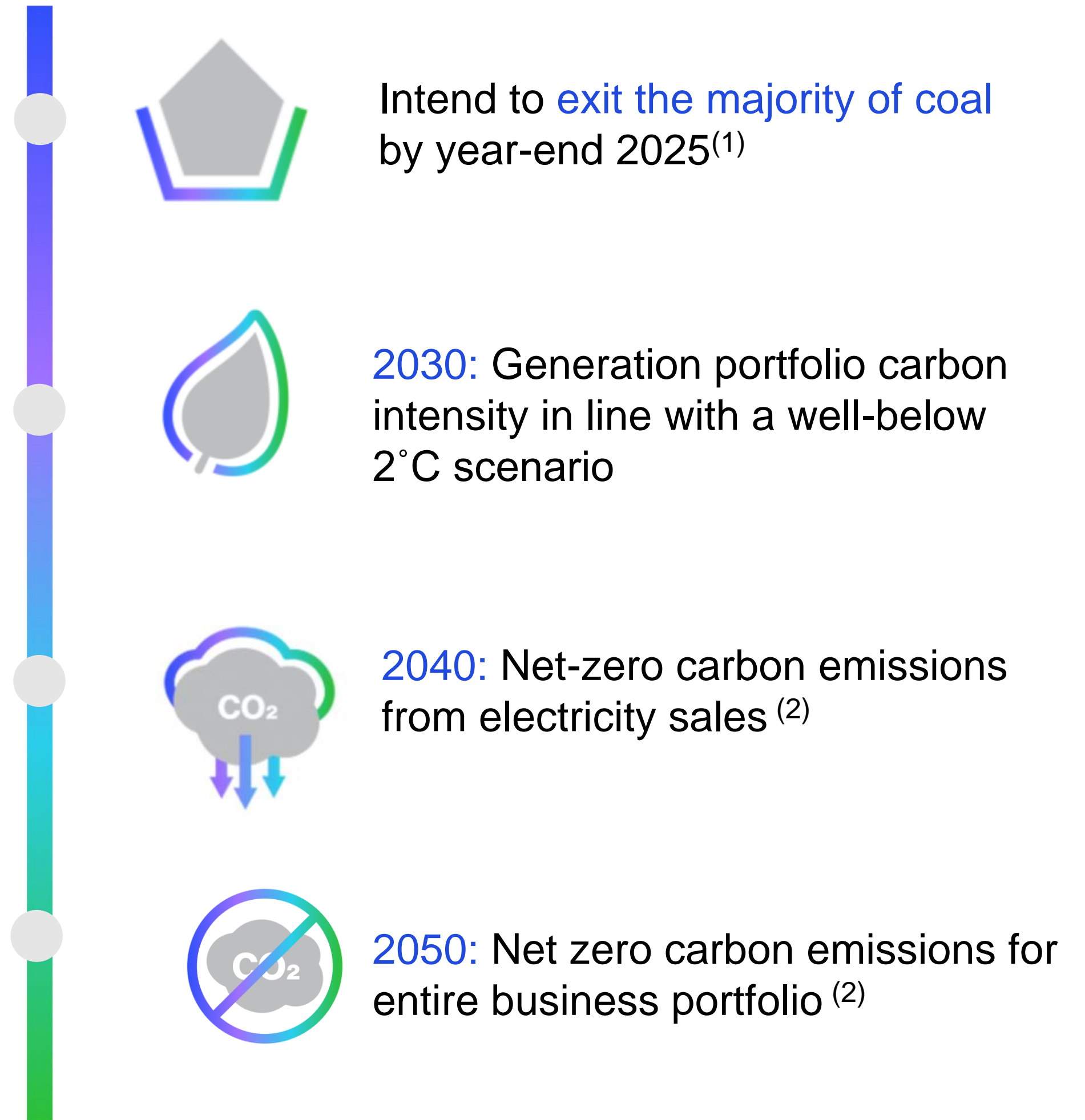


# Our Purpose

 Accelerating the  
future of energy,  
together. 

# Our Ambition

greening  
to zero

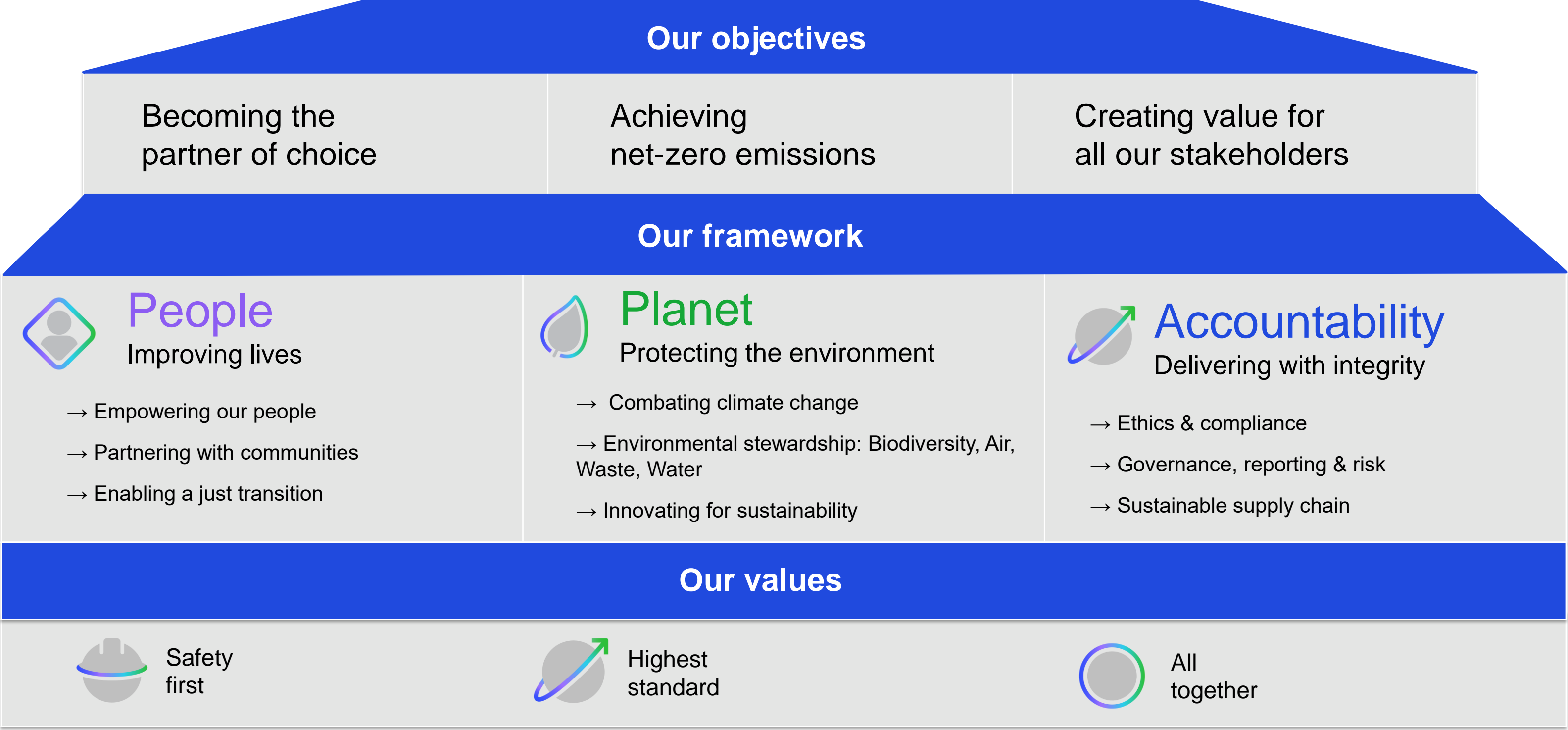


(1) AES may delay the exit of a few select plants through 2027 to support continued electricity reliability

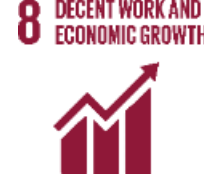
(2) Actions assume new policies that facilitate transition to low emissions energy systems, such as a price on carbon. Includes scope 1 and 2 emissions for 2040 and Scope 3 for 2050.

# Sustainable impact framework

Accelerating the future of energy, together



Aligned with



# Largest LNG Infrastructure Owner in CA & the Caribbean



**2** Land-Based Terminals



**3** Storage Tanks (460,000 m<sup>3</sup>)



**+2,500** MW Supplied (AES+Third Parties)

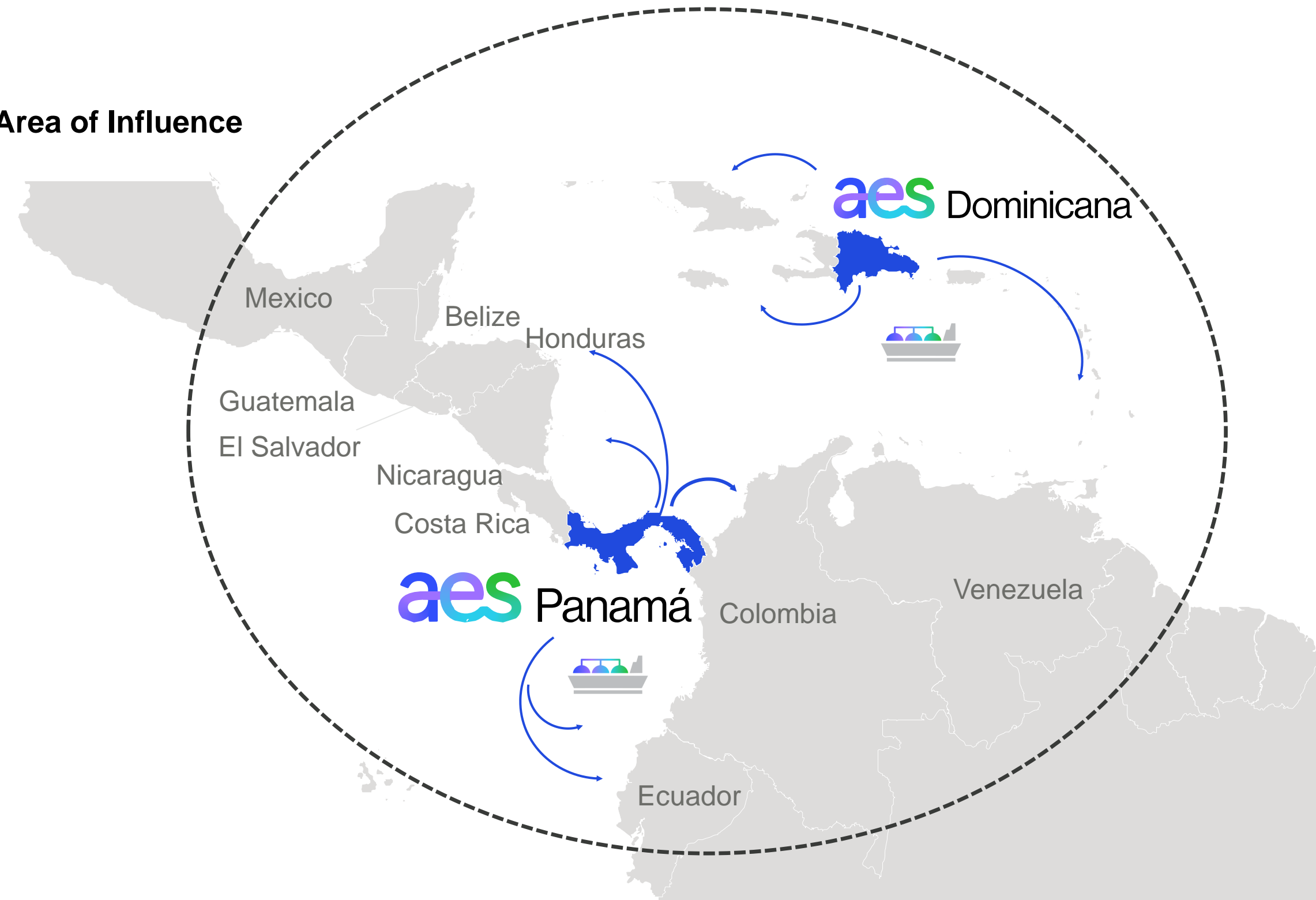


**+90** km of Pipelines



**3** Truck Loading Terminals

Area of Influence



# aes Dominicana



# AES Dominicana

Company Overview

## MISSION

Accelerating the future of energy, together in **Dominica Republic** and **Caribbean Region**

**Q2 - 2024**

**Market Share Generation 19%**  
installed capacity 14%

**LNG Sales Volume 37.39TBtu**  
56% Third Parties Consumption

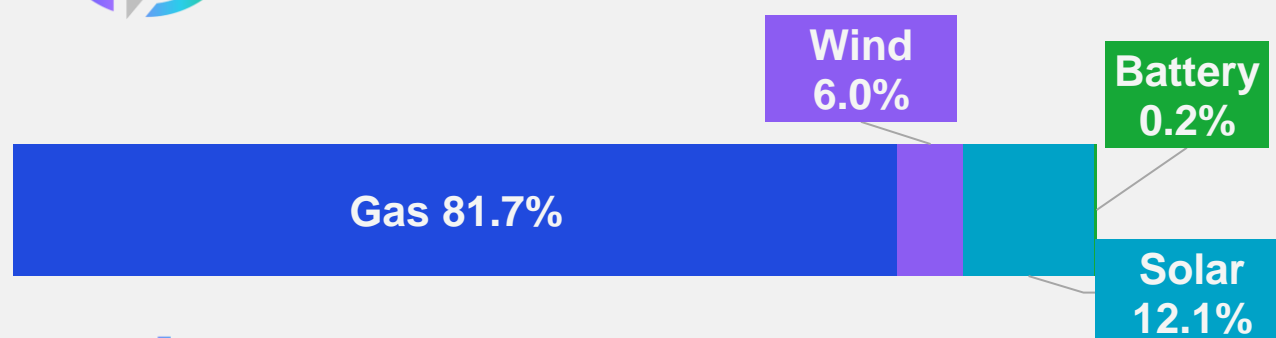
**US\$95M** EBITDA YTD Q2 -2024<sup>1</sup>

**US\$1.4Bn** Total Assets Q2 -24

**4.11x** Net Debt / EBITDA LTMQ2 -24  
Excluding debt from AES Dominicana Renewable Energy (ADRE)



**829 MW** in operation  
5 generation assets



**240 MW** in construction  
3 solar assets with PPAs signed



**Only LNG** terminal  
in the country



**2** Total **280,000 m<sup>3</sup>**  
storage

Sustainability Is Core  
To Our Strategy and  
Culture



Aligned with

AES Dominicana Workforce of  
**+210 people**

Recognized as a  
**Great Place To Work**  
and **#1** in the GPTW for Women

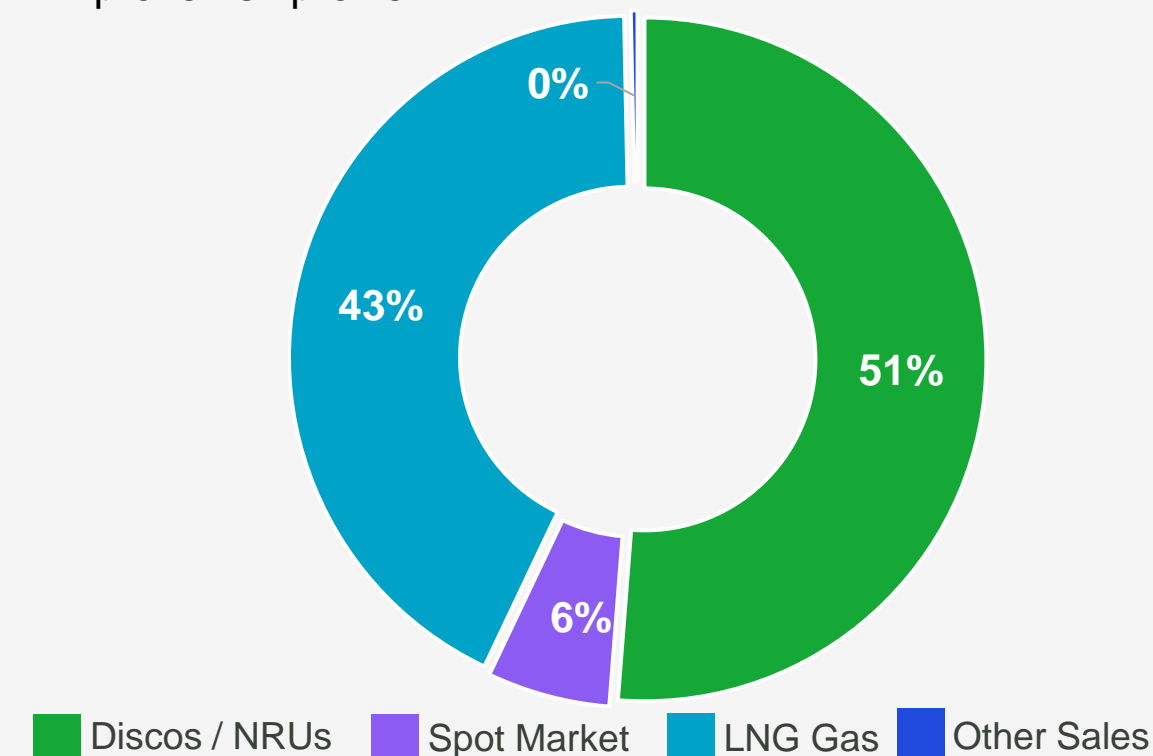


**RATED – AES España B.V.**  
**B+ Stable / BB- Positive**

**S&P Global** **FitchRatings**

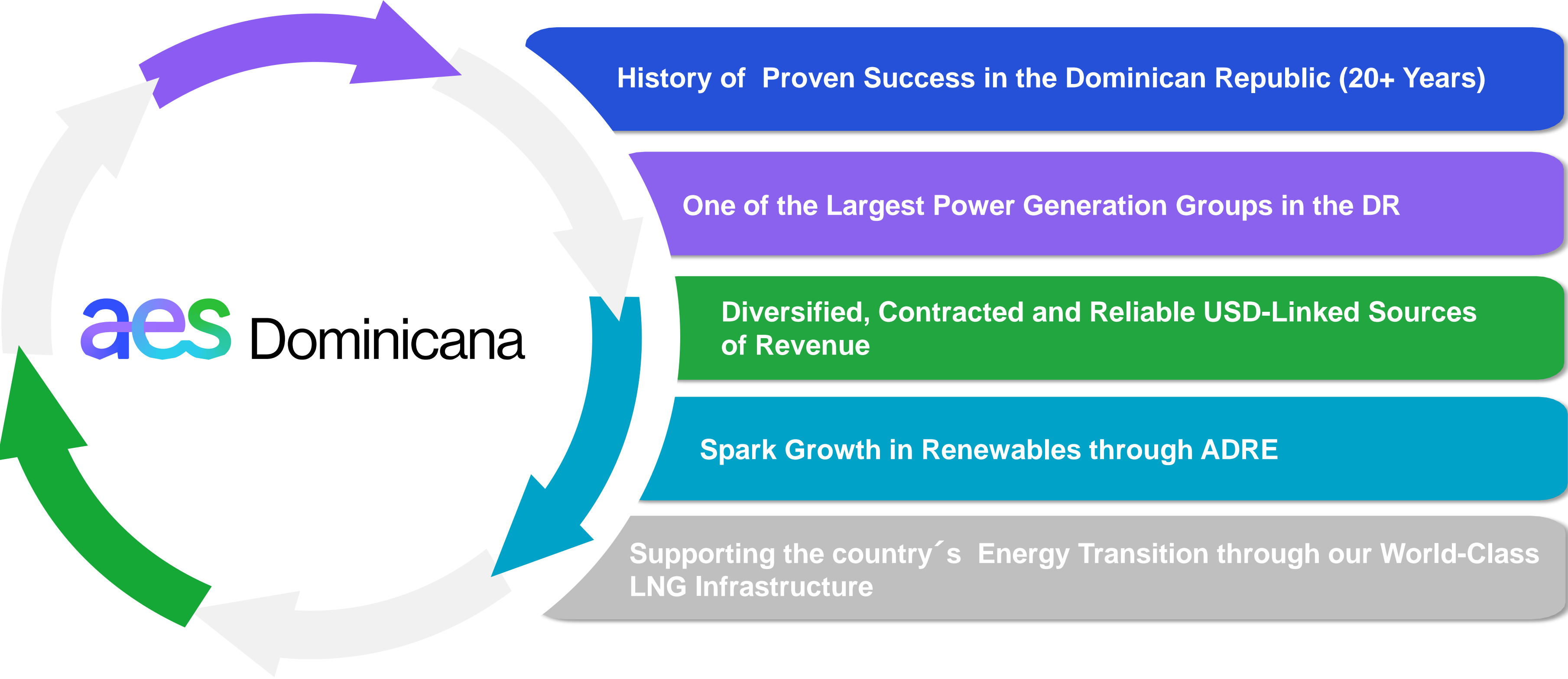
**Revenue Mix – Q2 -2024**

Diversified customer which mitigate collections volatility and improve risk profile.

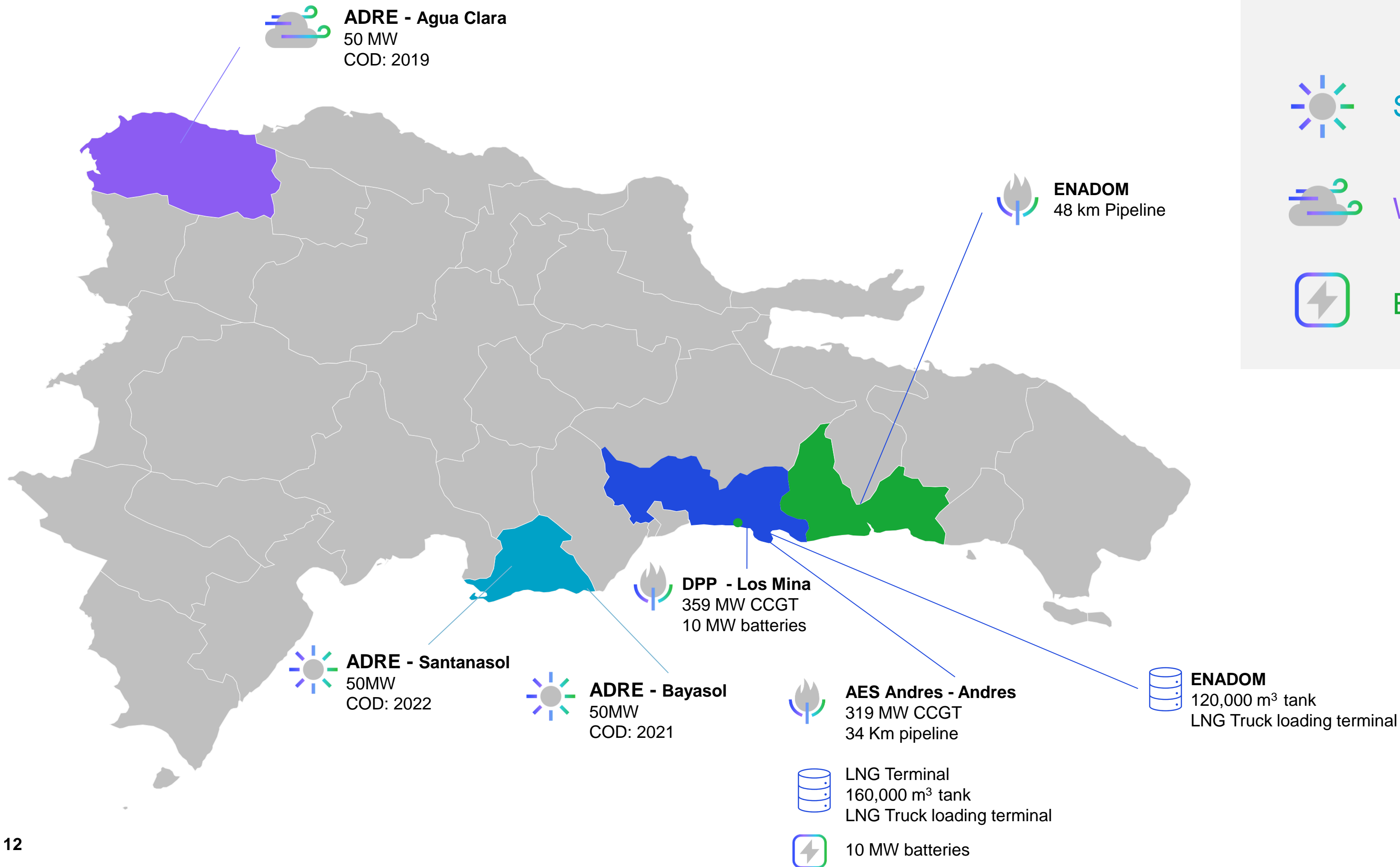


(1) Combined results include AES España BV with its subsidiary AES Andres DR, excluding results from AES Dominicana Renewable Energy (ADRE), and DPP

# Credit Highlights

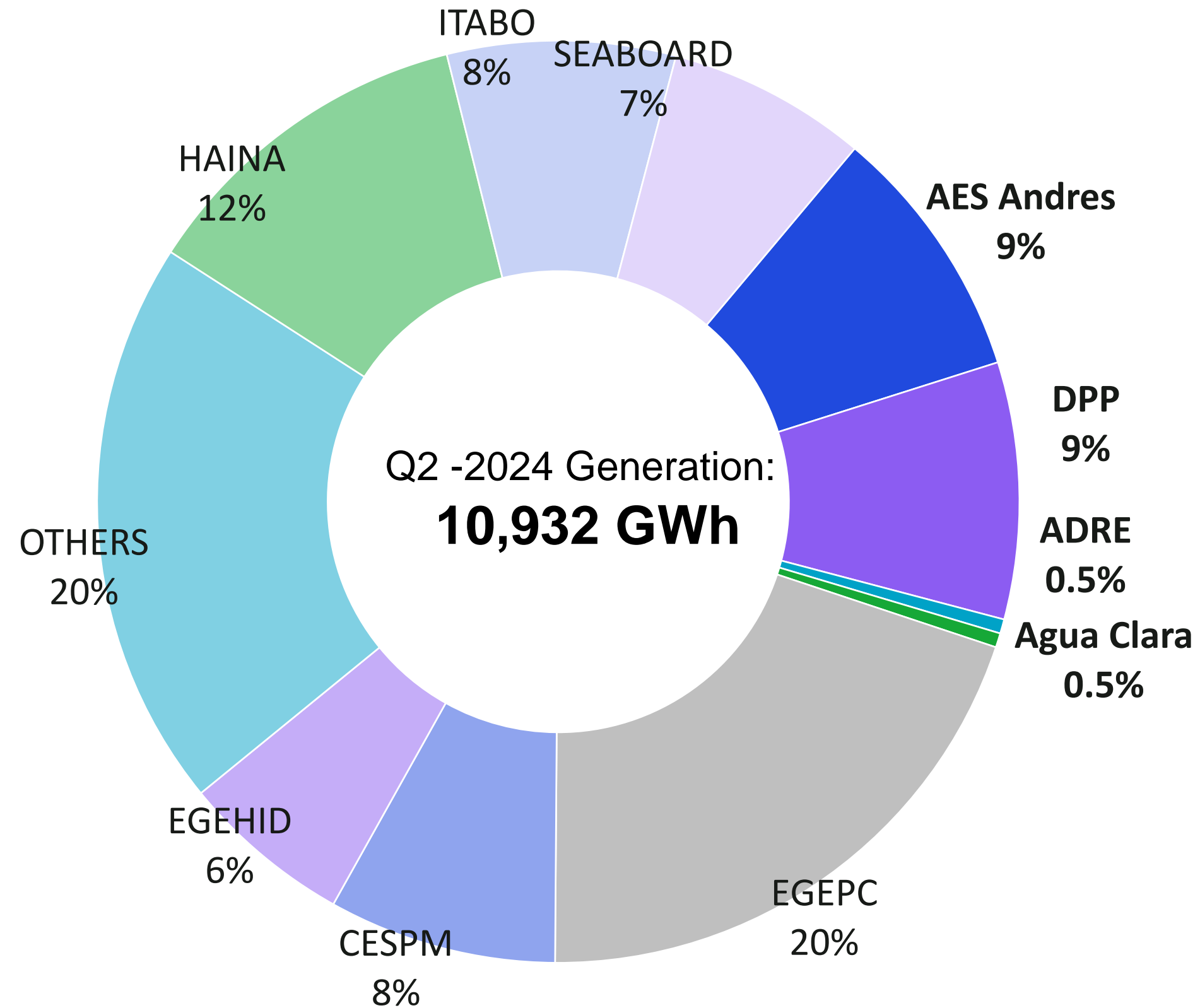


# AES Dominicana Asset Summary



# One of the Largest Power Generation Groups in the DR

Diversified portfolio of energy generating assets that performs well to attain our increasing C&I portfolio



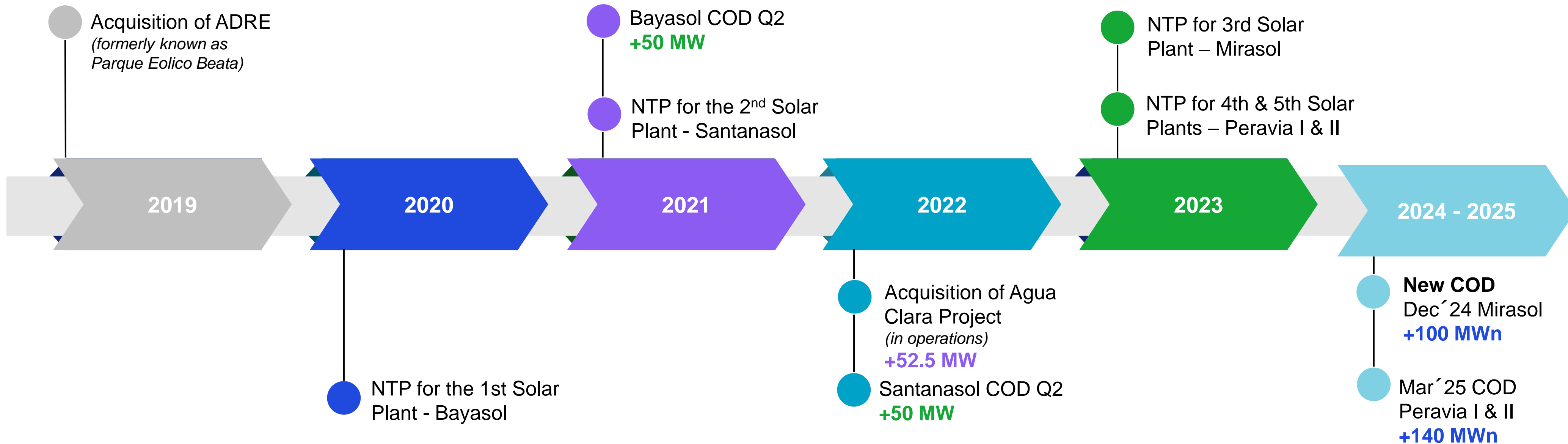
**19%**  
market Share

# Spark Growth in Renewables through ADRE

Robust and visible pipeline of renewable projects, all supported by long term PPAS



**+\$182.2M invested as of 2Q 2024 with 152.5 MW in operation and 240 MW in construction**

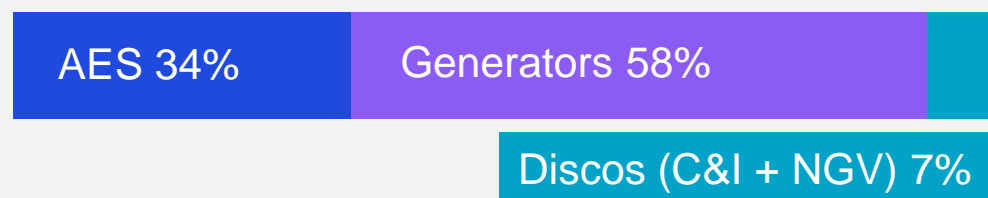


# Diversified, Contracted and Reliable USD-Linked Sources of Revenue



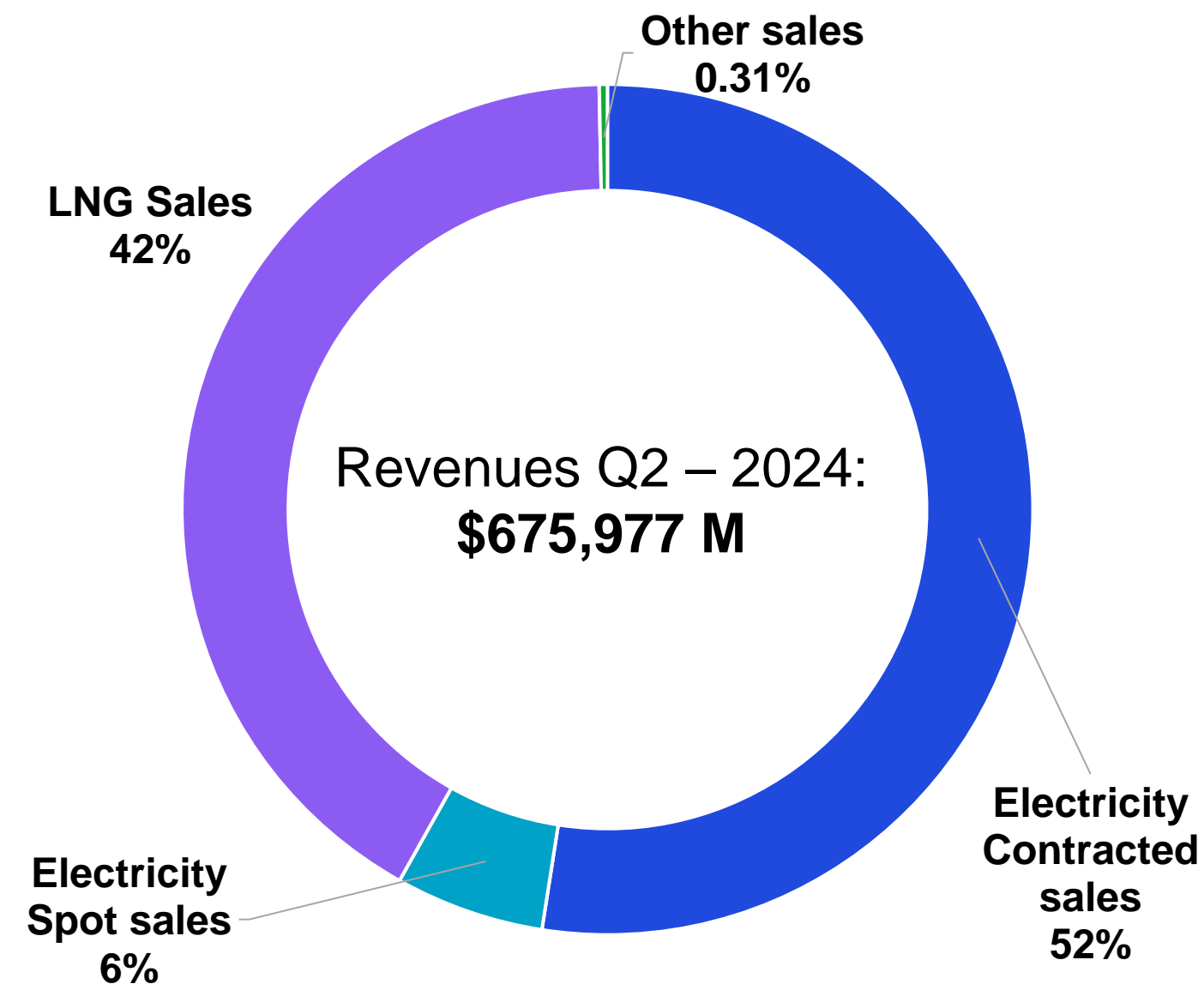
## LNG Market:

**80% Tank Capacity contracted**  
(out of 120 TBTU/yr)



- **USD Denominated** contracts
- **Full fuel passthrough**
- **Back-to-back guarantees** with Clients/Supplier
- Tenor 3 to 12 years
- **ToP** volumes

## Revenue Mix



## Power Market:

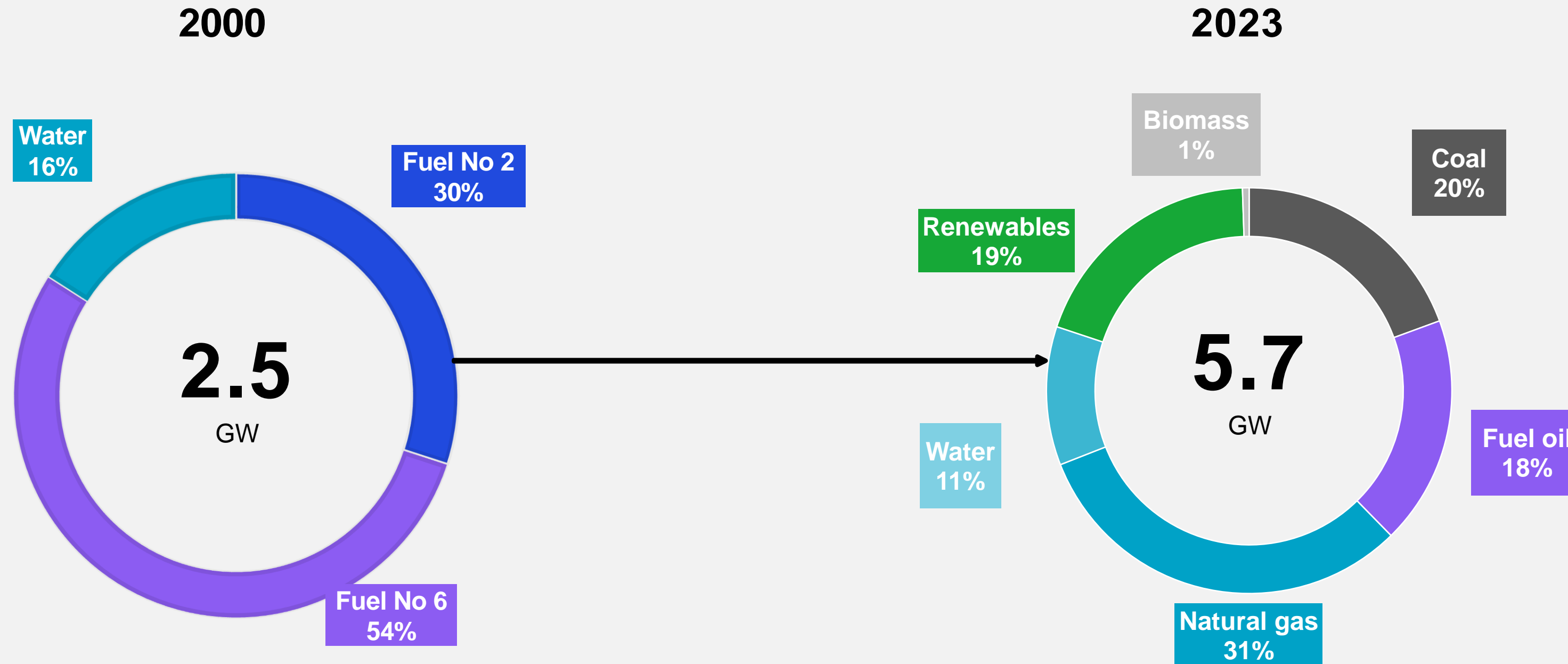
**85% Capacity contracted**  
(out of 1,067 MW\*)



- **USD Denominated** contracts
- **Full fuel passthrough**
- Lead supplier to the **C&I market with 30+ clients**
- Average **Tenor 4 years**

# Supporting the **Energy Transition** through our World-Class LNG Infrastructure

20+ years displacing Oil derivatives in the country



## Evolution of Installed Capacity

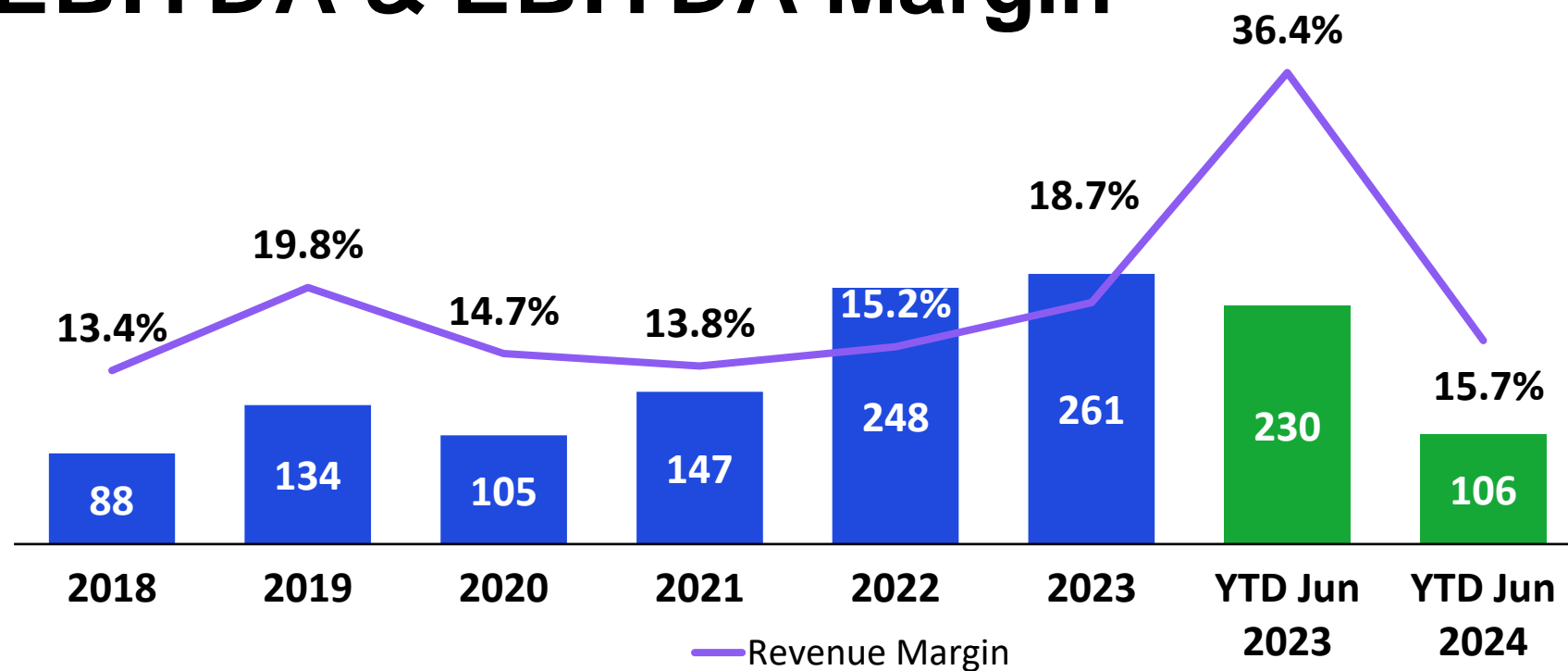
- **892K tons of CO<sub>2</sub>** emissions eliminated annually
- **+900 MW fuel oil replaced by LNG** equivalent to 5 power generators

- **Additional +500 MW** in construction or development
- **10,500 trucks** per year serve customer base of **1 IPP, 70 industrial users** and **15,000 vehicles**

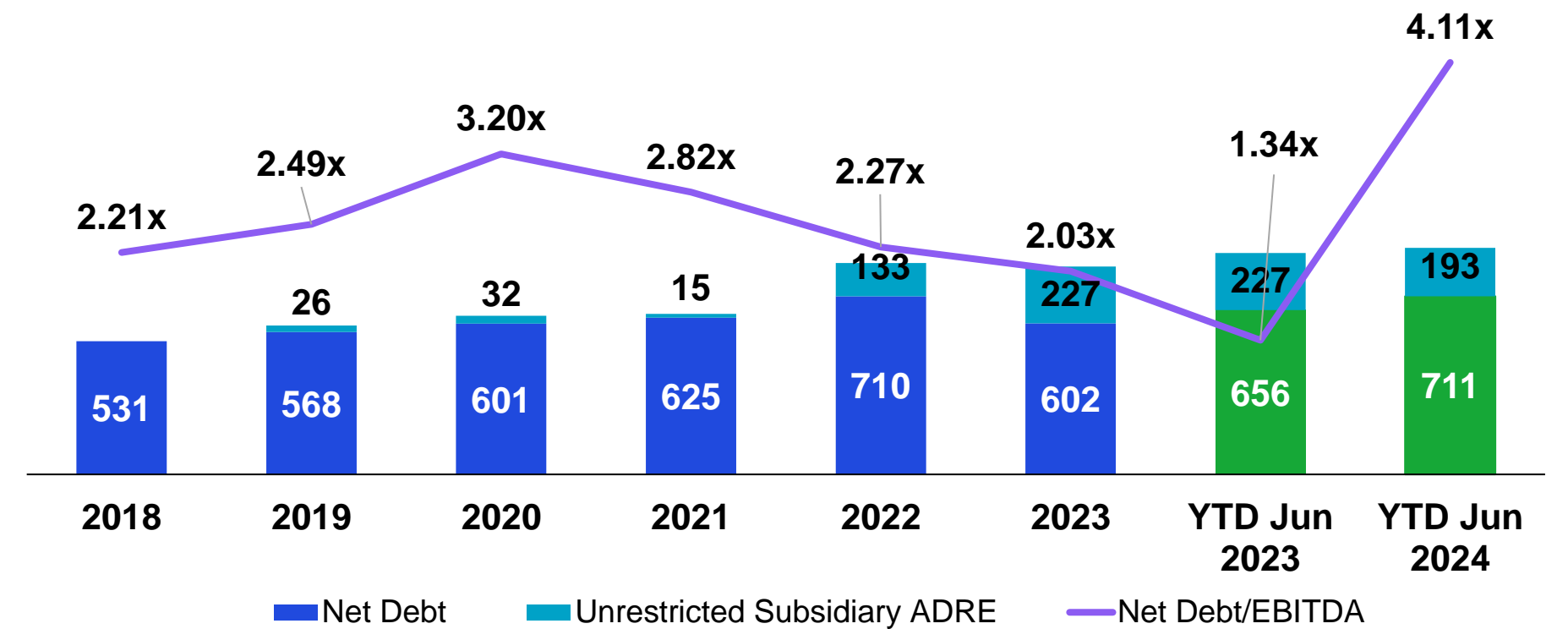
# Financial Performance – YTD Jun 2024

AES España B.V. and Subsidiaries + Dominican Power Partners – values in USD millions

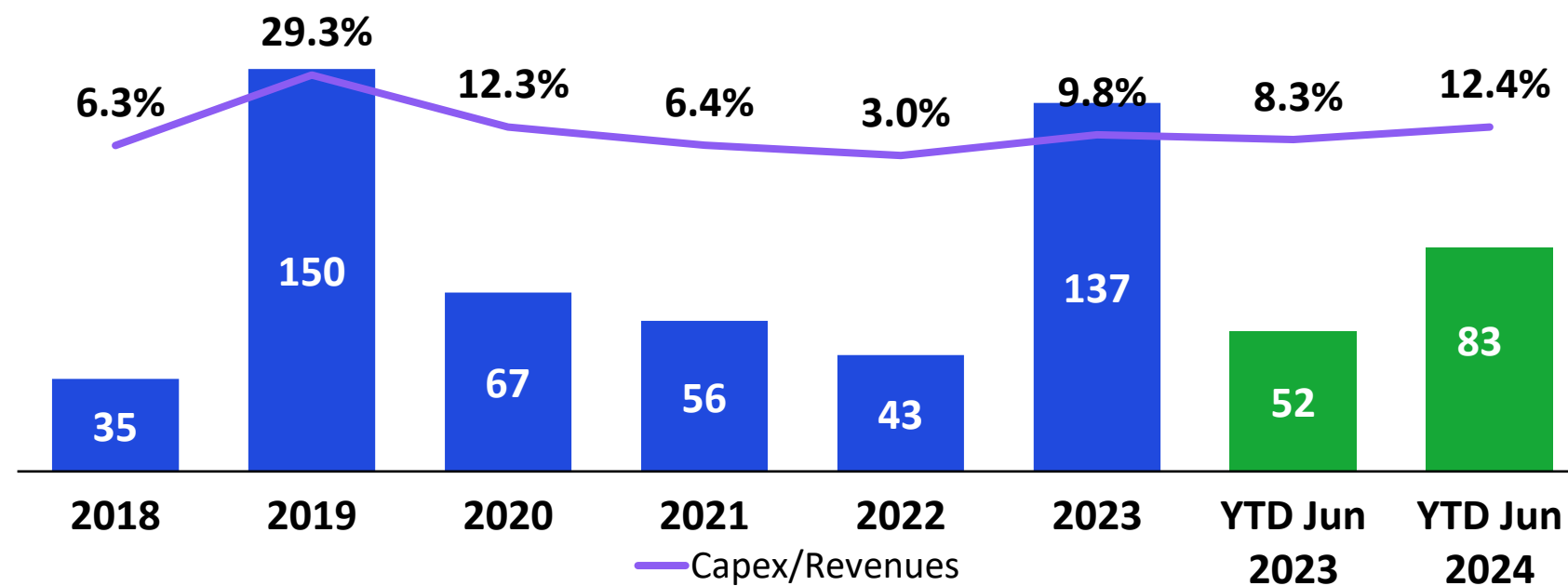
## EBITDA & EBITDA Margin



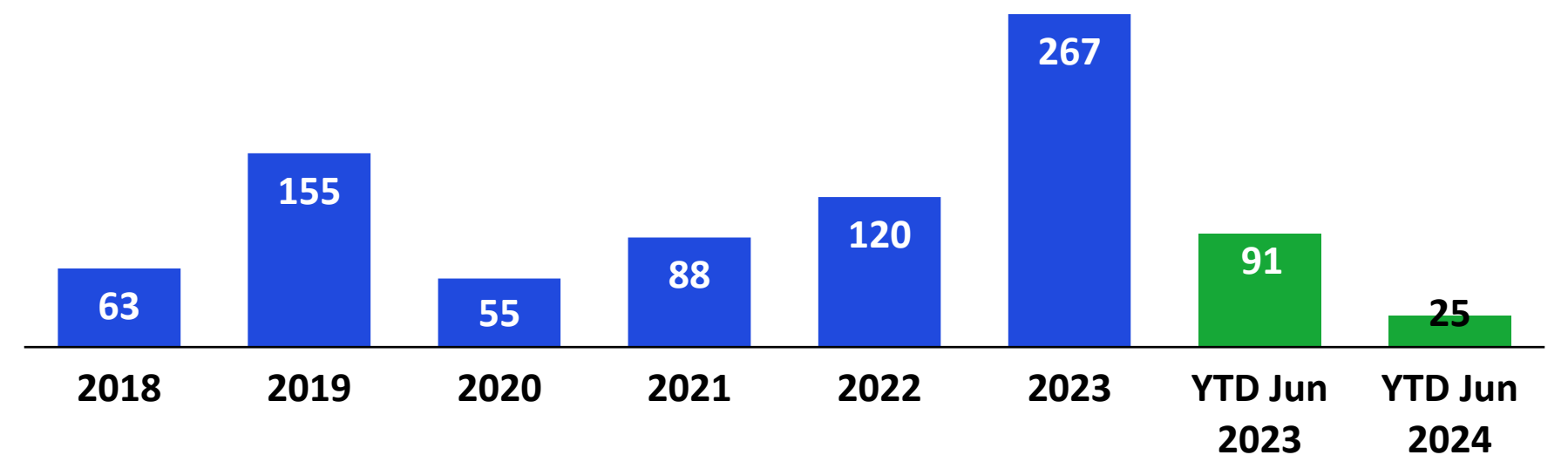
## Total Net Debt / EBITDA<sup>(1, 2, 3, 4)</sup>



## CAPEX



## Cashflow from Operations



(1) Combined results include AES España BV with its subsidiary AES Andres DR, excluding results from AES Dominicana Renewable Energy (ADRE)  
 (2) Total Debt for YTD 2023 consider Financial debt, net + Loan and Bonds payable.  
 (3) Results include consolidated figures for ADRE, as it was still considered a Restricted Subsidiary of AES España BV  
 (4) ADRE did not exist in 2018

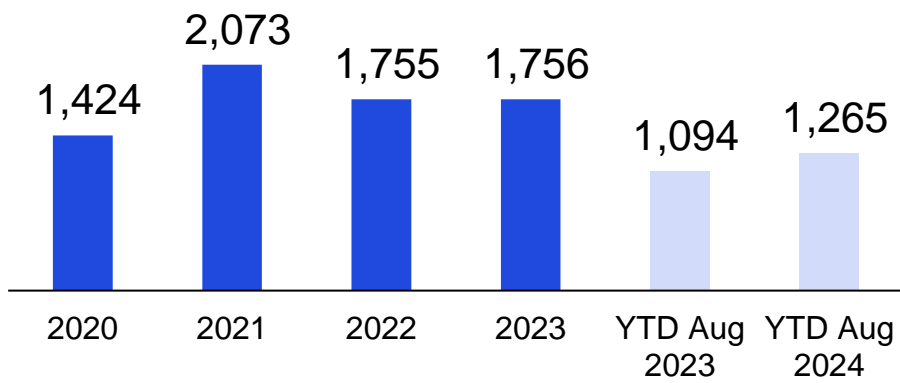


# Operational Performance

## Net Generation

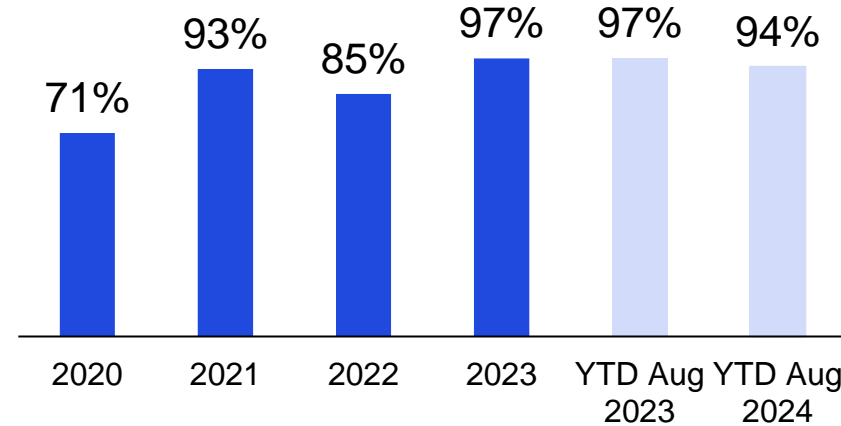
(GWh)

### AES Andres



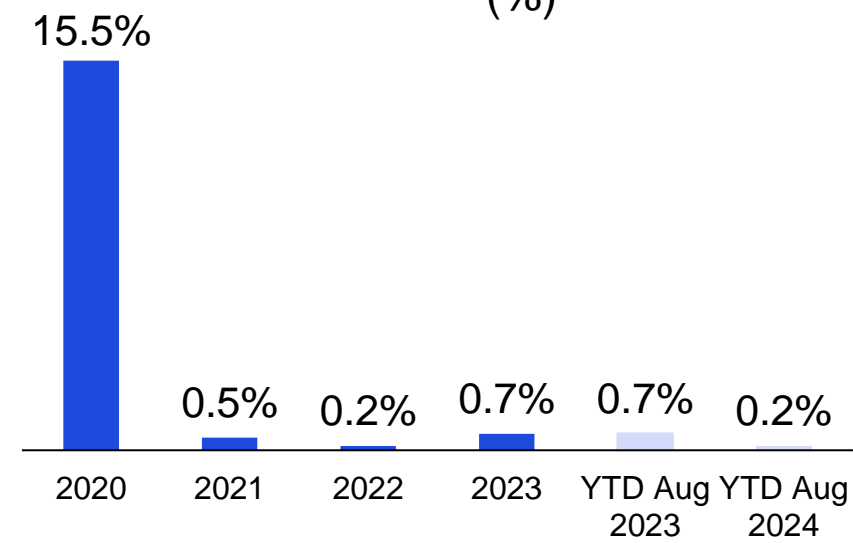
## Availability Factor

(%)



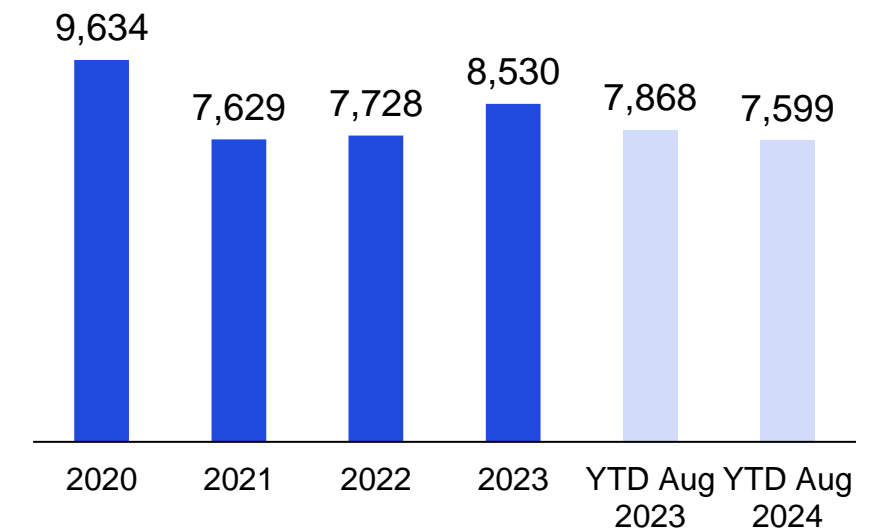
## EFOF

(%)

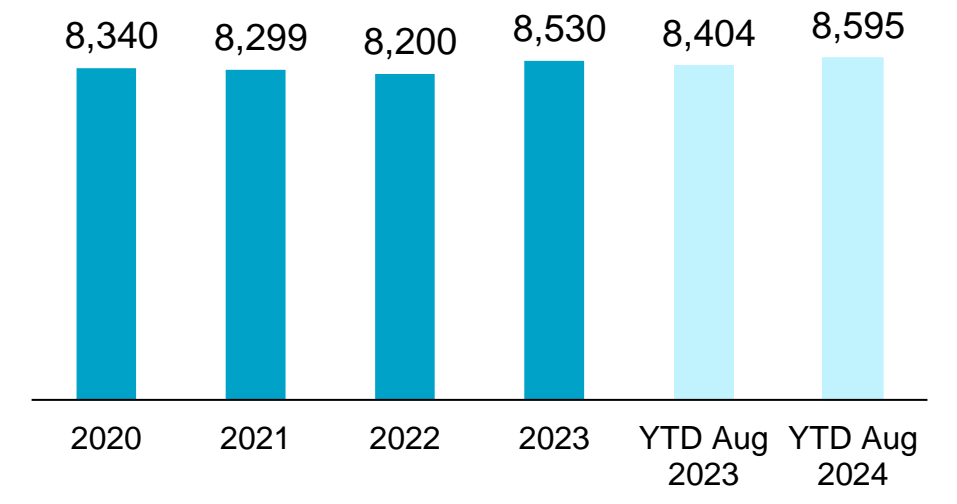
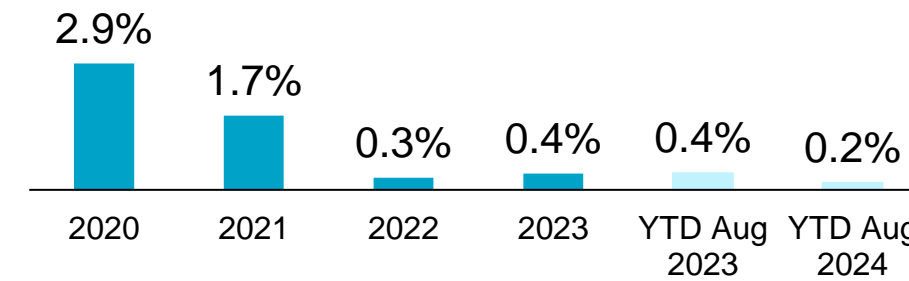
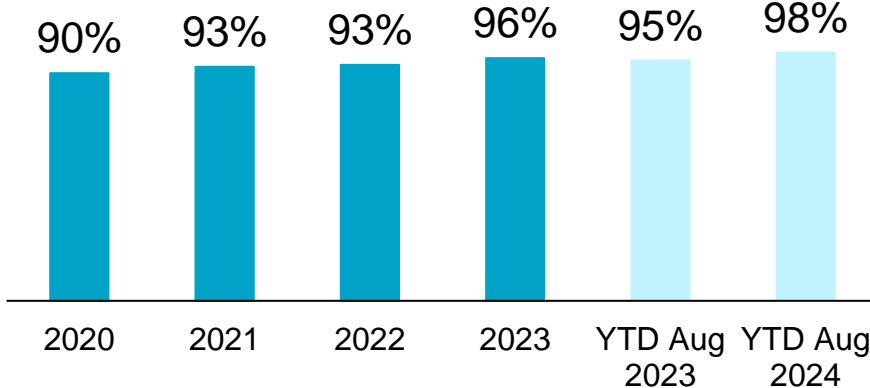
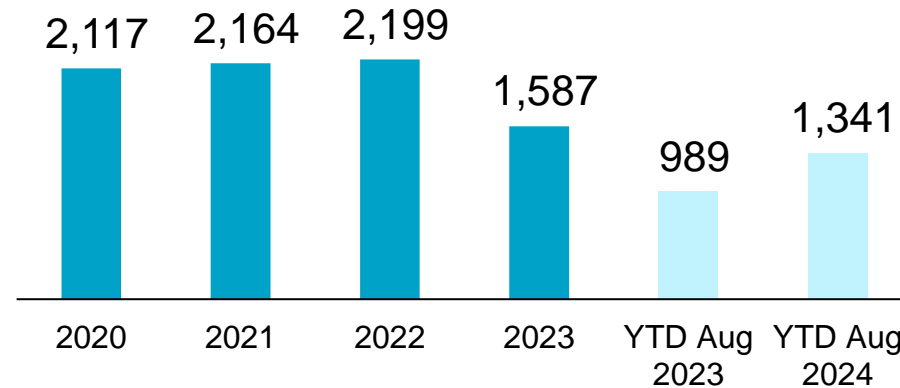


## Heat Rate

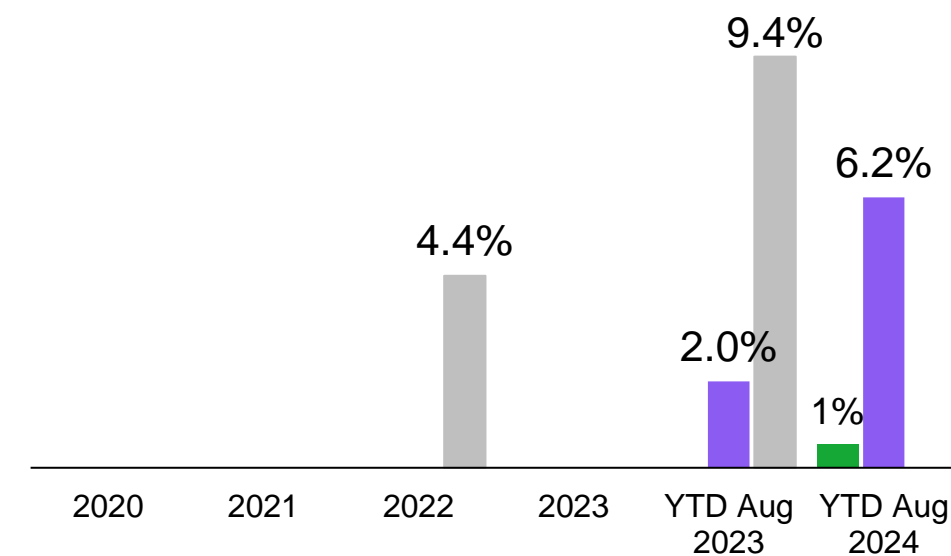
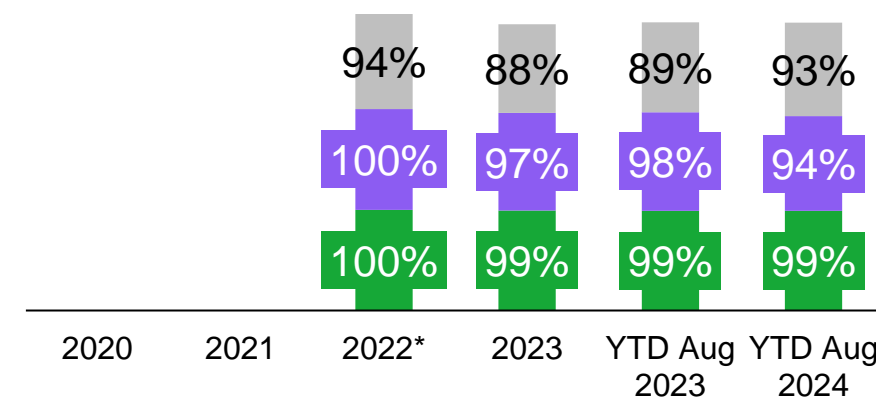
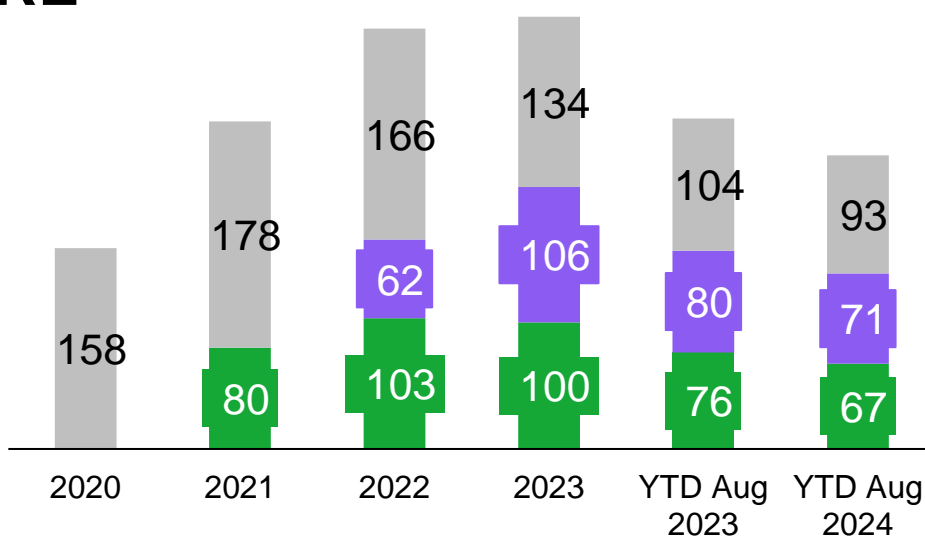
(Btu/kWh)



### DPP



### ADRE



- Bayasol
- Santanasol
- Agua Clara



# Construction Update

Construction Completion

Mirasol

100 MWn located in Guerra



96.7% Progress

4Q-2024

Peravia I & II

140MWn located in Bani



53.0% Progress

1Q-2025

General View



PV Plan No.18 Earthworks



PII- OVERALL VIEW



SS CALABAZAS – DELIMITATION WORKS



Internal Road



PV Plan No.10 Pilling Reinforcement



PII – STRUCTURE INSTALLATION / MODULE DISTRIBUTION



PI – INVERTER STATION FOUNDATION

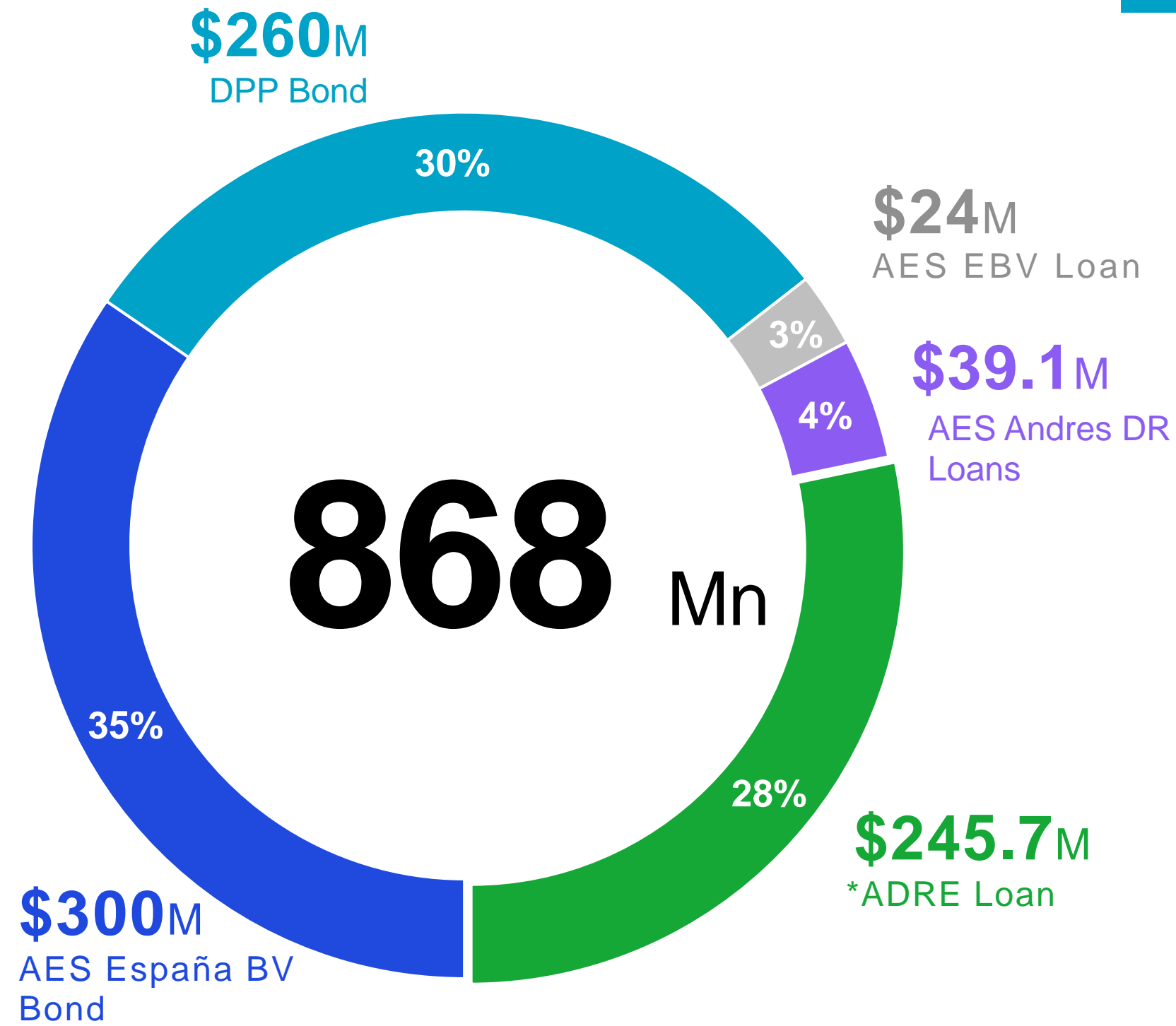


Mirasol

Peravia I & II

# DR Debt overview

YTD Q2 2024– (US\$ in millions)



\*ADRE has been declared an unrestricted subsidiary

**5-year**

Average Life

**68%**

Debt w Fixed Rate

**6.8%**

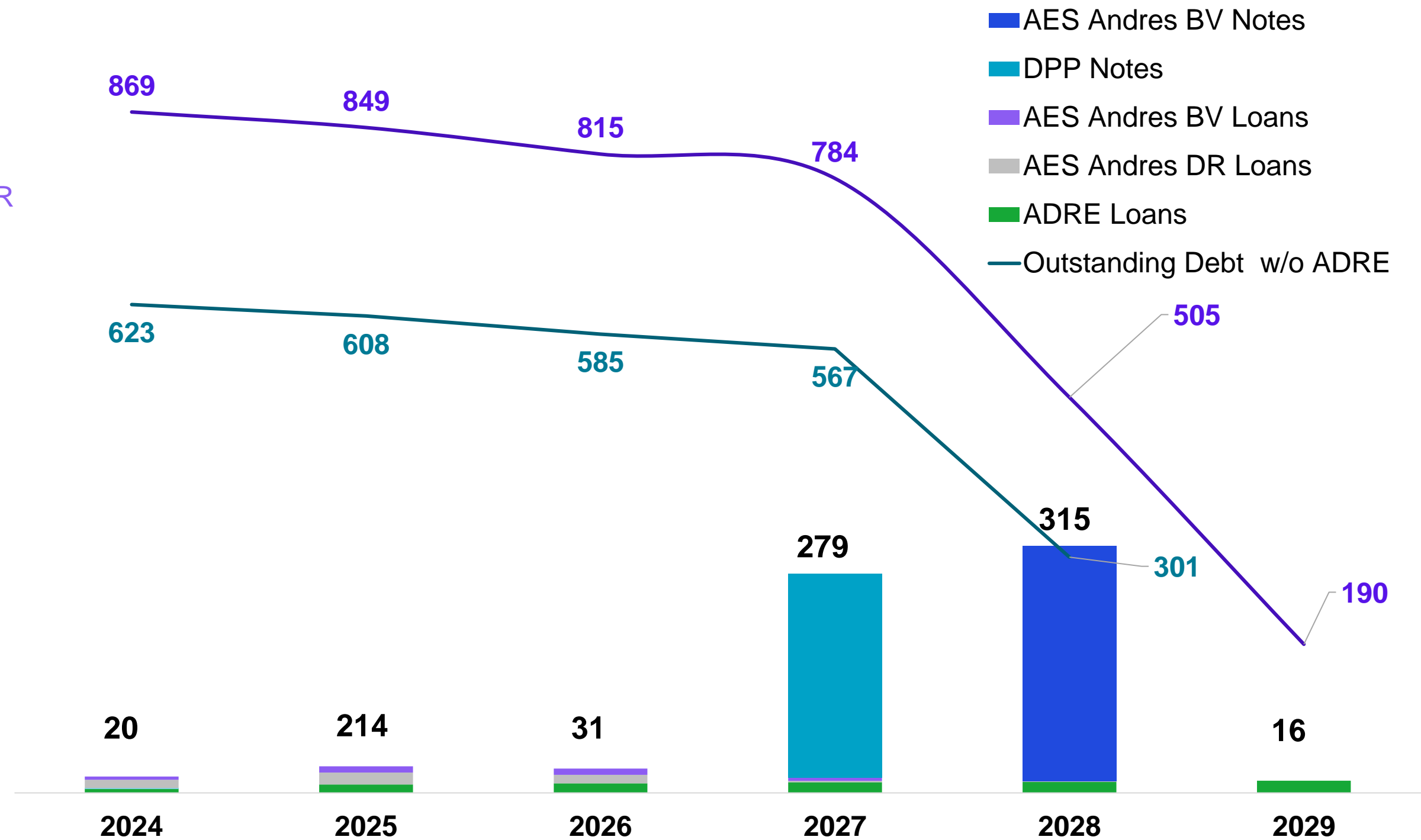
Average rate

**100%**

USD Denominated

## Amortization Schedule

(US\$ in millions)



# Point of contacts

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**Angélica Castillo**

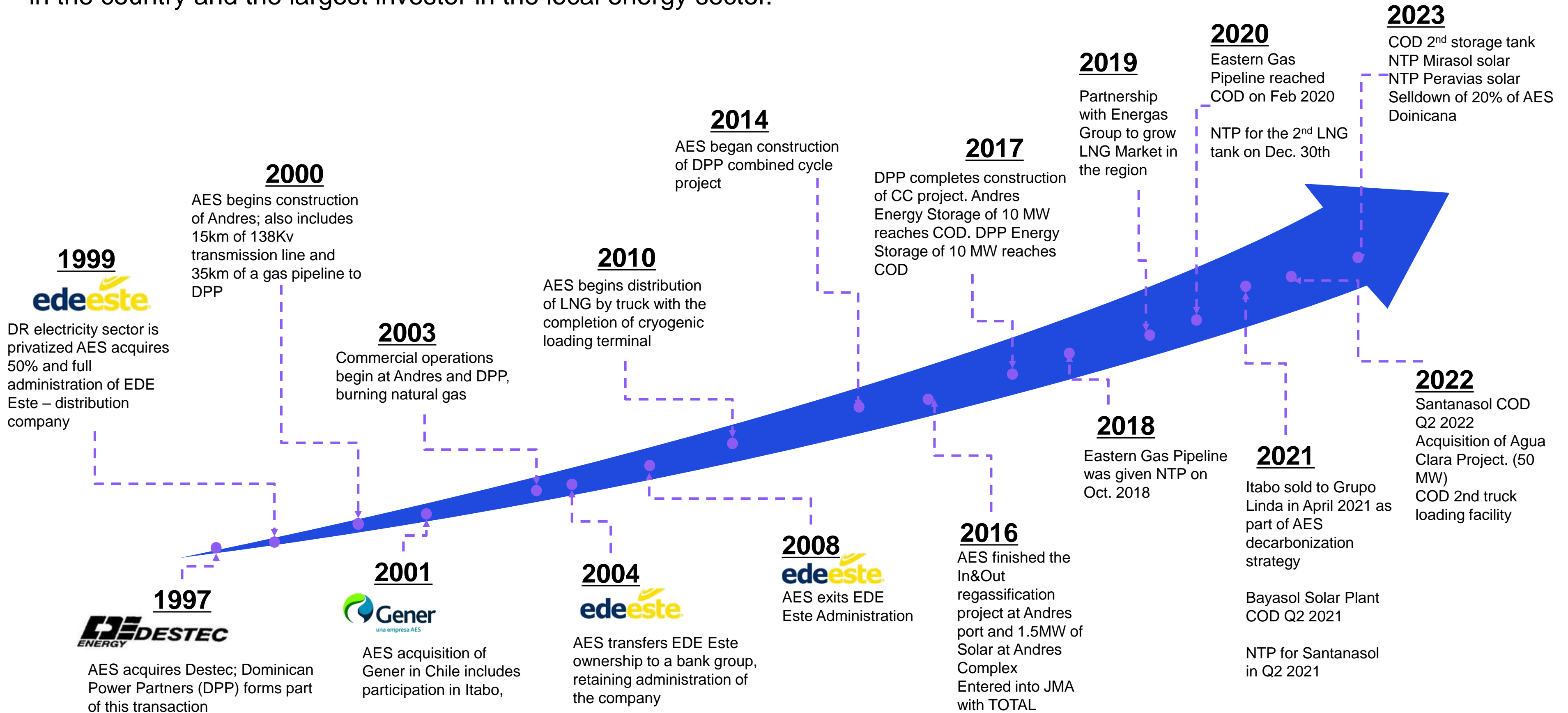
MCAC IR & Financing Sr. Analyst  
[angelica.castillo@aes.com](mailto:angelica.castillo@aes.com)

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# Appendix I: AES Dominicana

# History of AES in the Dominican Republic

AES has been a key player in the DR's power sector since the privatization in 1997 and is now one of the most important foreign investors in the country and the largest investor in the local energy sector.



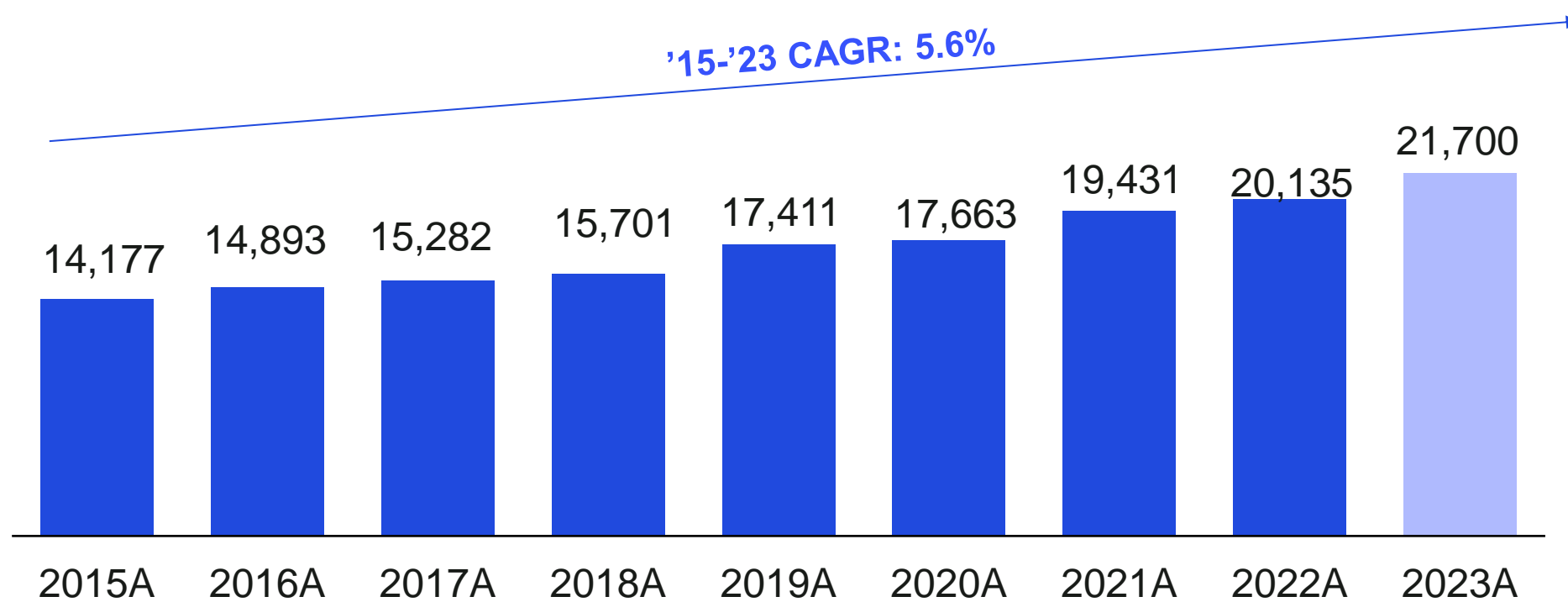
# Dominican Republic Electricity Supply Overview

## Overview

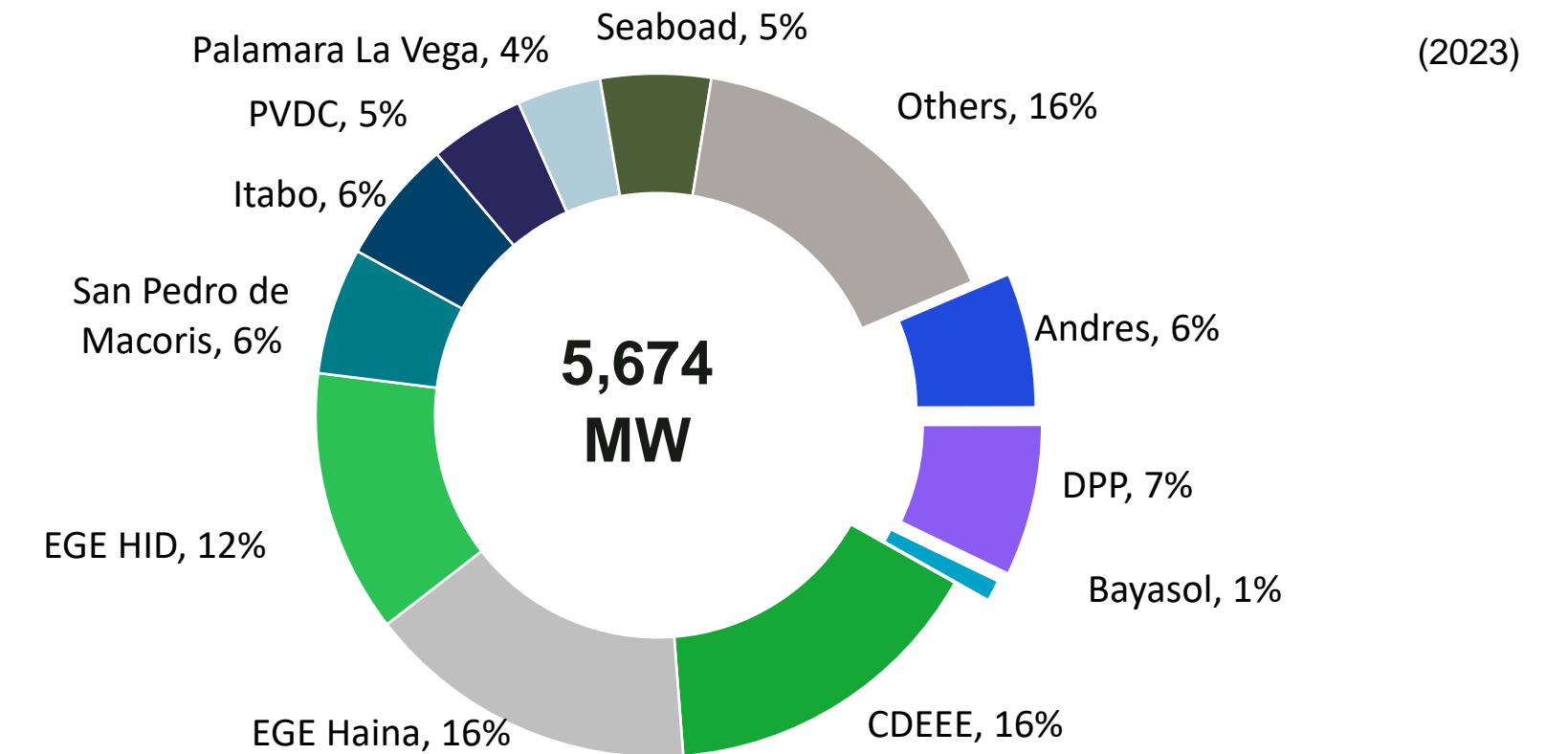
- Dominican electricity market is a thermal based (74%) market with little hydro contribution (~12%) and a nascent (13%) renewable sources
- Historically the electricity spot price has been highly correlated to fuel oil, though this dependency has decreased as LNG use has expanded and renewable energies have increased its share within the energy mix
- From 2001 through 2021, the energy generated from engines with internal combustion has been reduced from approximately 39% to 25%
- Installed capacity is expected to grow by ~2,011 MW in the next 5 years, reaching 7,015 MW by 2027E, with growth mainly driven by LNG and renewables
- Three (3) new thermal projects and six (6) solar plants have been commissioned.

## Electricity Generation Evolution

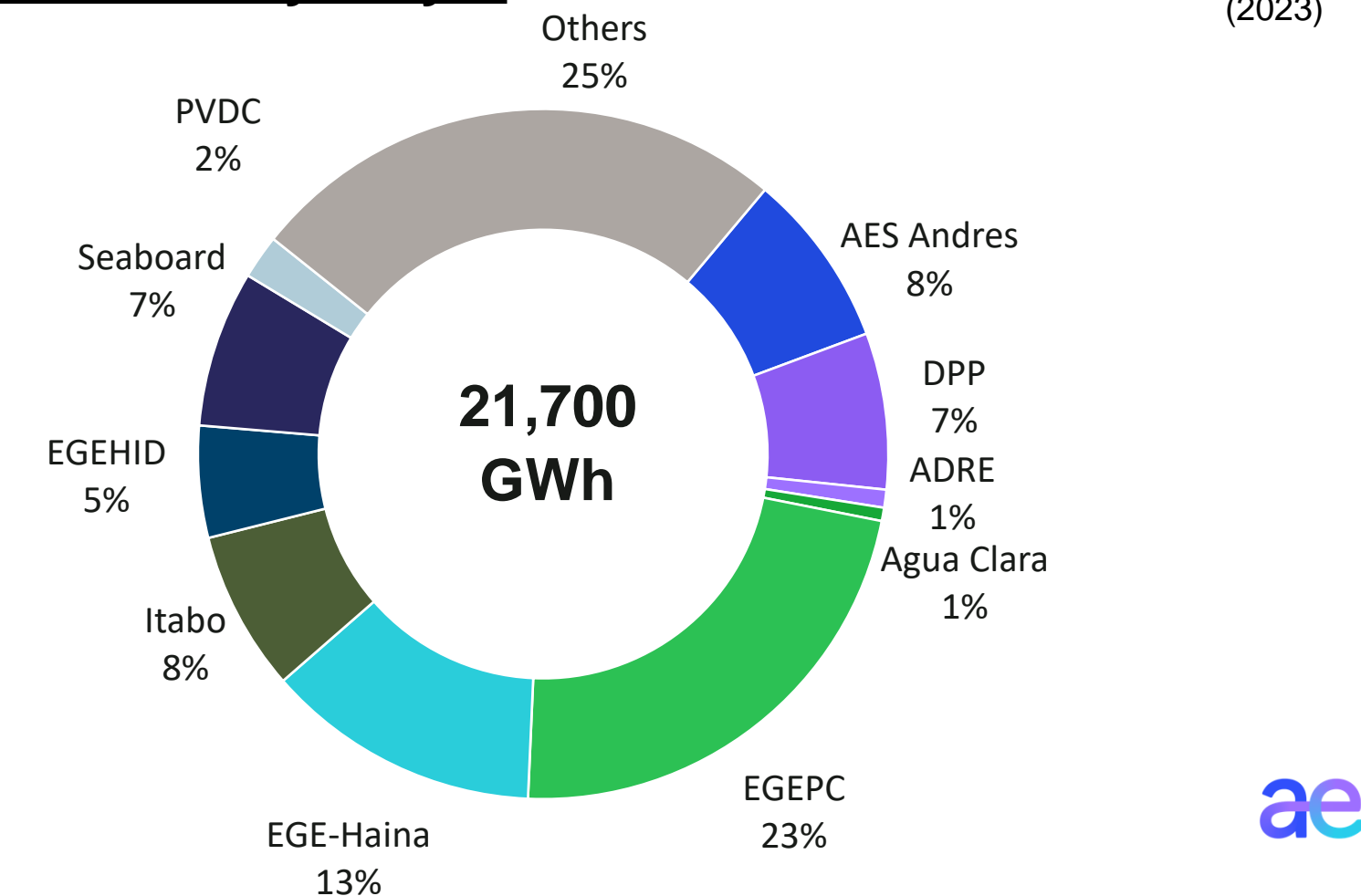
(GWh)



## Installed Capacity by Player



## Energy Generation by Player

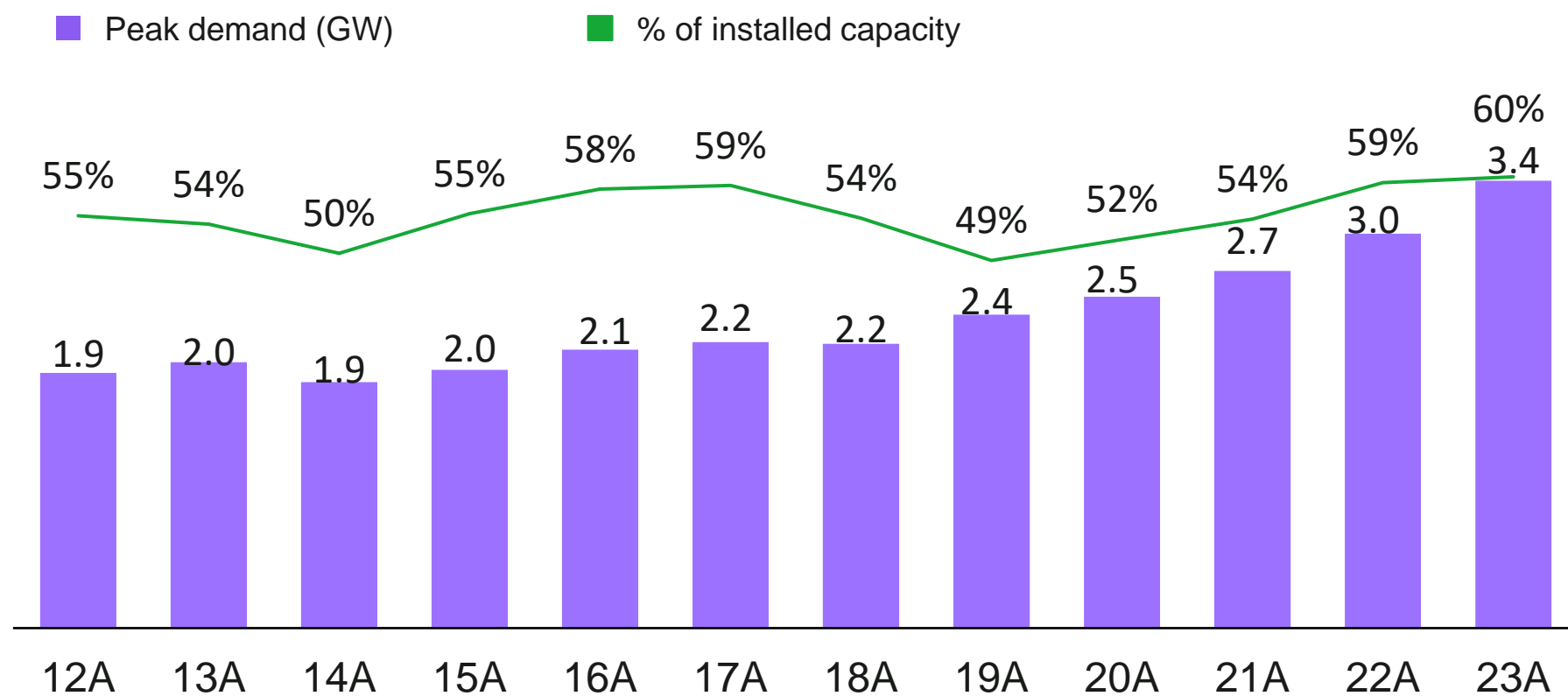


# Dominican Republic Electricity Demand Overview

## Overview

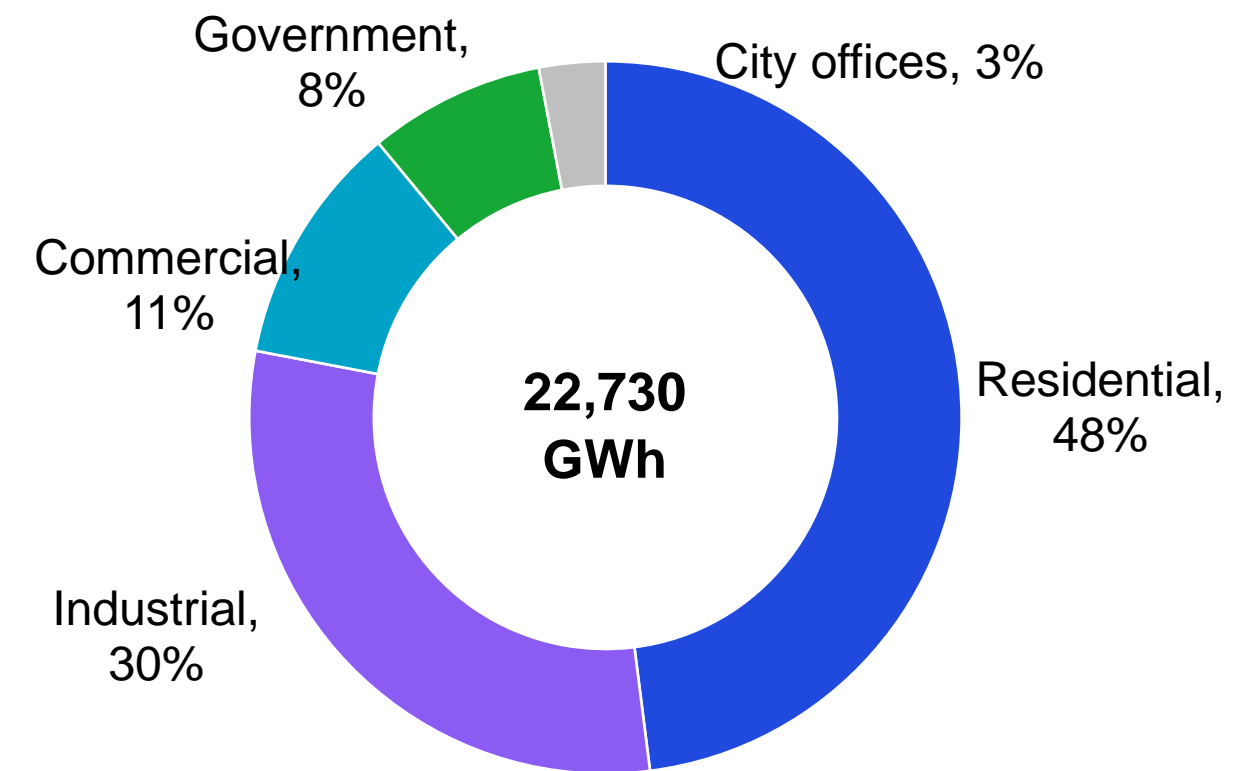
- Electricity demand in DR has grown at a CAGR of 4.5% between 2009 and 2022. Additionally, from **December 2022 to December 2023** demand has **grown at 7.57%** proving the sector's resiliency through economic cycles.
- Sustained GDP growth and available income have contributed to the expansion of electricity consumption
- In 2023, unexpected high temperatures drove a notable surge in electricity demand. With per capita consumption on the rise, this year has become pivotal in highlighting the need for proactive strategies to ensure a resilient and sustainable energy future.
- The OC expects an average demand growth of ~7% p.a. for the next 3 years.

## Peak Demand Evolution



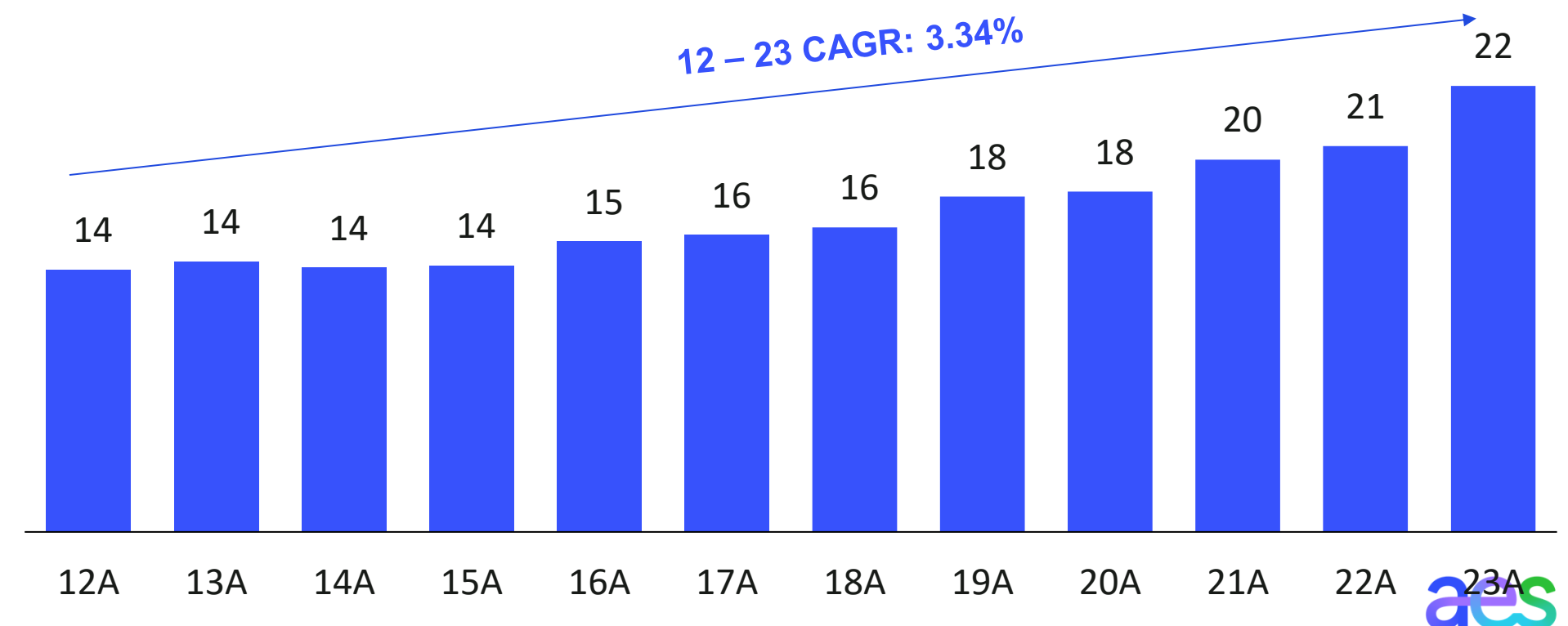
## Electricity Sold by State-Owned Distribution Companies

(2023)



## Electricity Demand Evolution

(TWh)





# Dominican Republic Spot Market Overview

## Overview

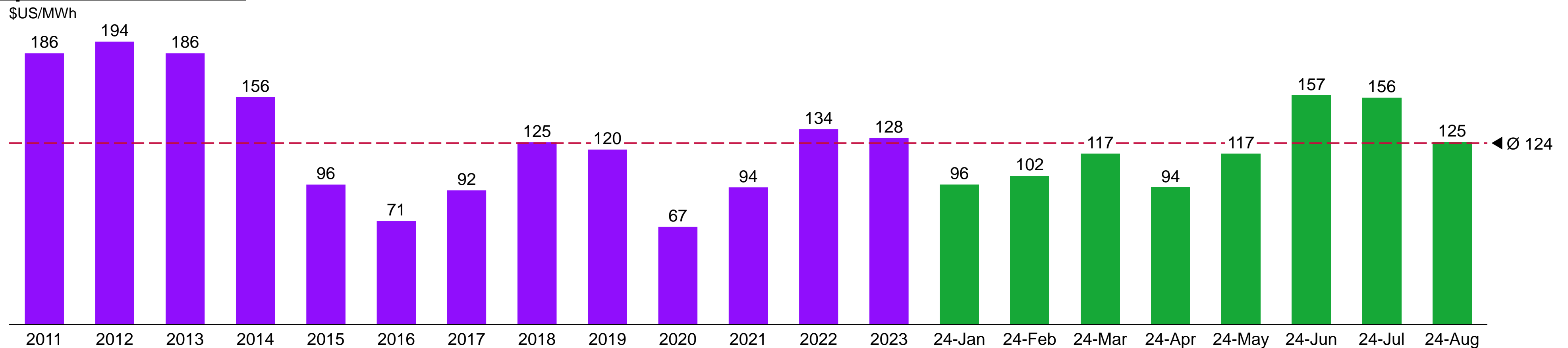
→ The DR spot market started operations in June 2000

- Spot market transactions are denominated in Dom. Pesos

→ Generators are dispatched in order of the lowest declared variable cost until demand for electricity by the system is satisfied

- The spot price is set by the variable cost of the last generator that is being dispatched in the system (marginal plant)
- Dispatched variable cost is based on the price of fuel, the units' efficiency (heat rate), and the nodal factor
- Spot Transactions serve to cover market imbalance between real-time operation performance and contractual commitments to supply energy and capacity.

## Spot Price Evolution



# AES Dominicana Structure Update

AES Announces Successful Completion of LNG Business Minority Sell-Downs in Panama and the Dominican Republic

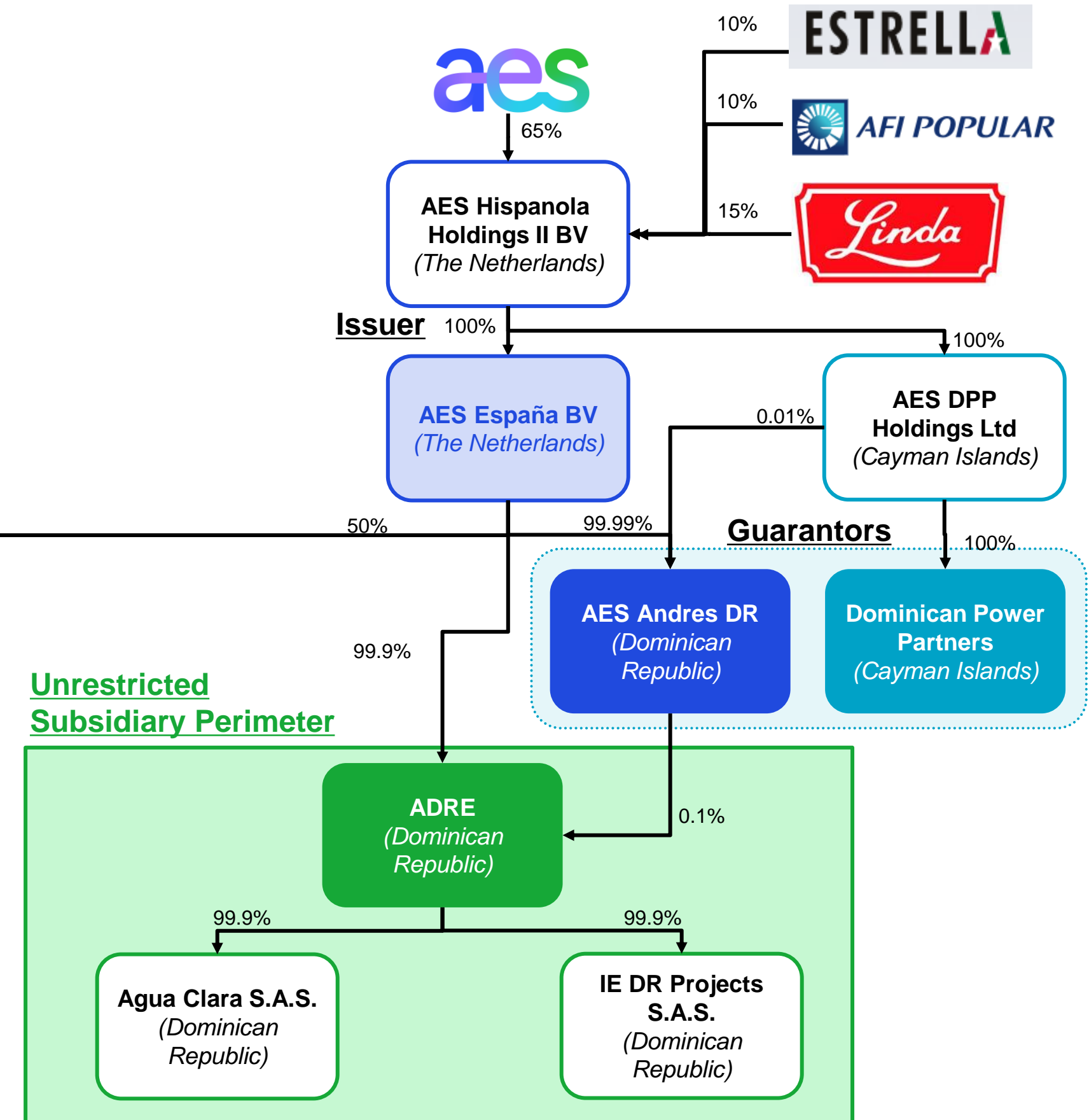
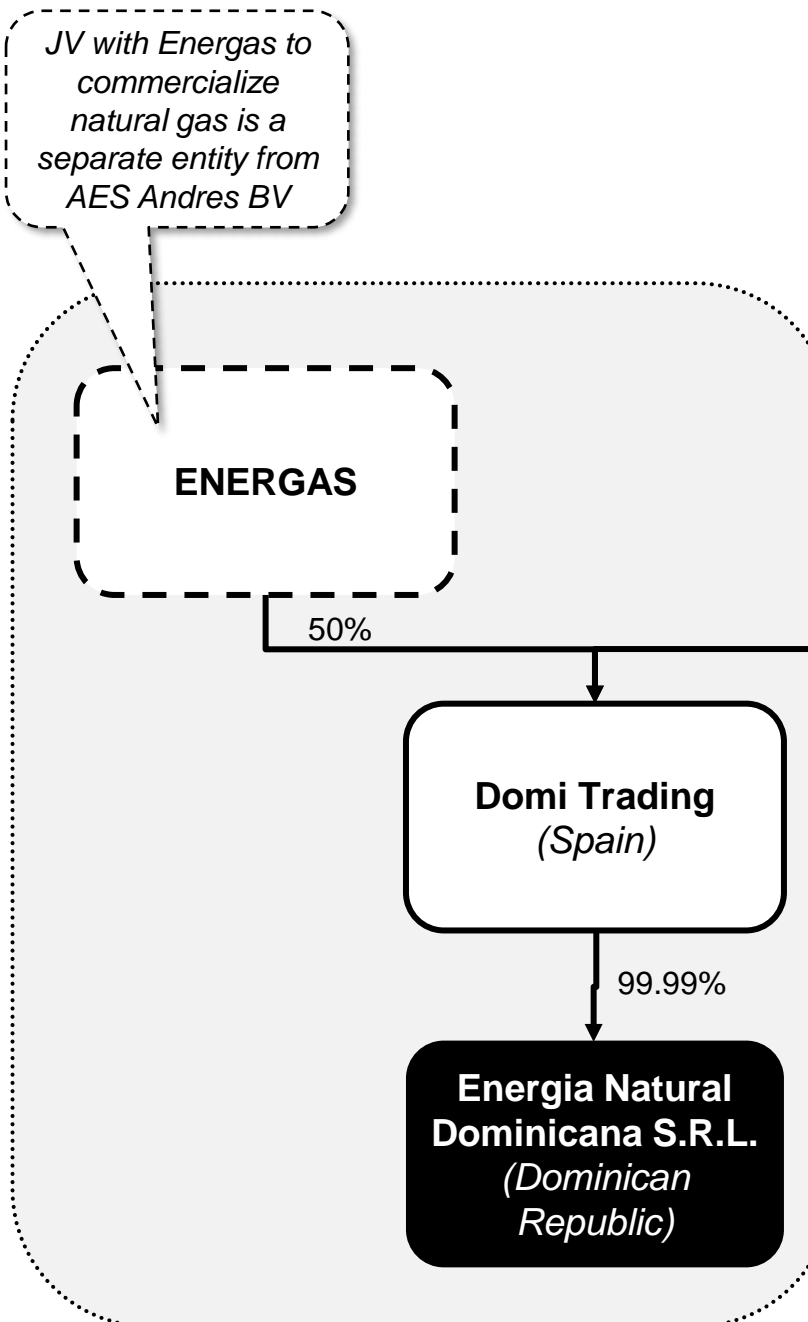
On Dec. 21, 2023, AES Corporation announced that it has closed minority sell-downs of its businesses in the Dominican Republic and its AES Colón business in Panama for proceeds of \$338 million.

The transactions closed include the sale of 20% of AES' businesses in the Dominican Republic to the following parties:

- 10% to Grupo Popular's subsidiary, AFI Popular, through one of its closed-end funds;
- An additional 5% to Grupo Linda; and
- An additional 5% to Grupo Estrella

AES will continue operating its businesses in the Dominican Republic and Panama, with an ownership interest of 65% in each business.

## ENADOM JV with Energas



# Unrestricted Subsidiary Consideration

**AES España B.V.'s (issuer)** consolidated numbers include its own financial results as well as the results of its 2 direct subsidiaries:

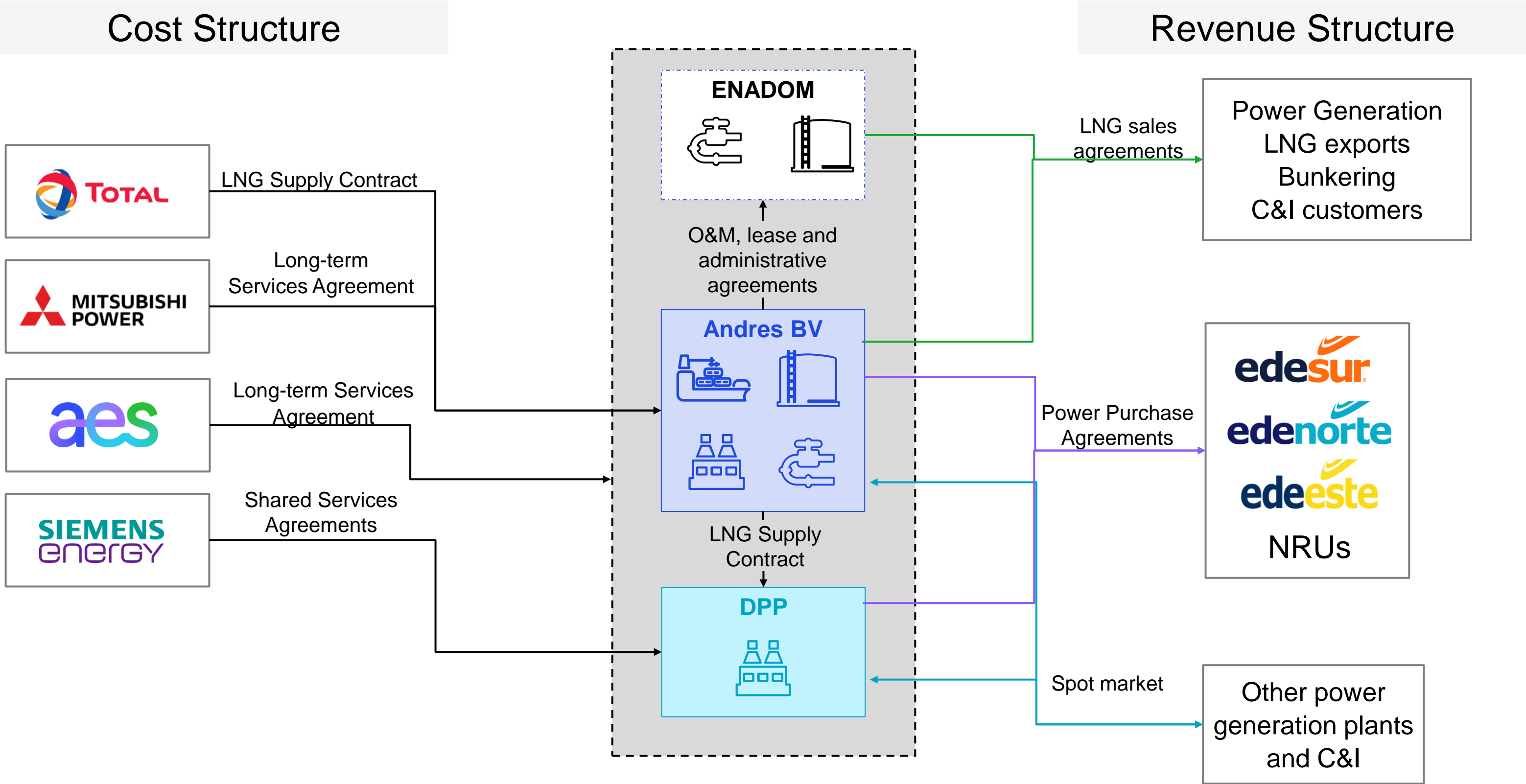
- **AES Andres D.R.**
- **AES Dominicana Renewable Energy, S.A. (ADRE) and subsidiaries**

However, since February 10, 2022, the company declared **ADRE** as an **Unrestricted Subsidiary** under the terms of the Indenture for the 2028 Bonds. As a result of this declaration, for the purpose of the calculation of the ratios to be measured under this debt, neither the EBITDA nor the debt of **ADRE** should be considered in the calculations, only the dividends it may provide to AES España B.V. plus dividends received from the JV with Energas

For easy reference to investors, we have separated in this report **ADRE's** results from the consolidated numbers of **AES España B.V.** However, a separate section only detailing **ADRE** is included in the report so this business can be properly tracked.

# Commercial Structure for Thermal Units

## AES Dominicana



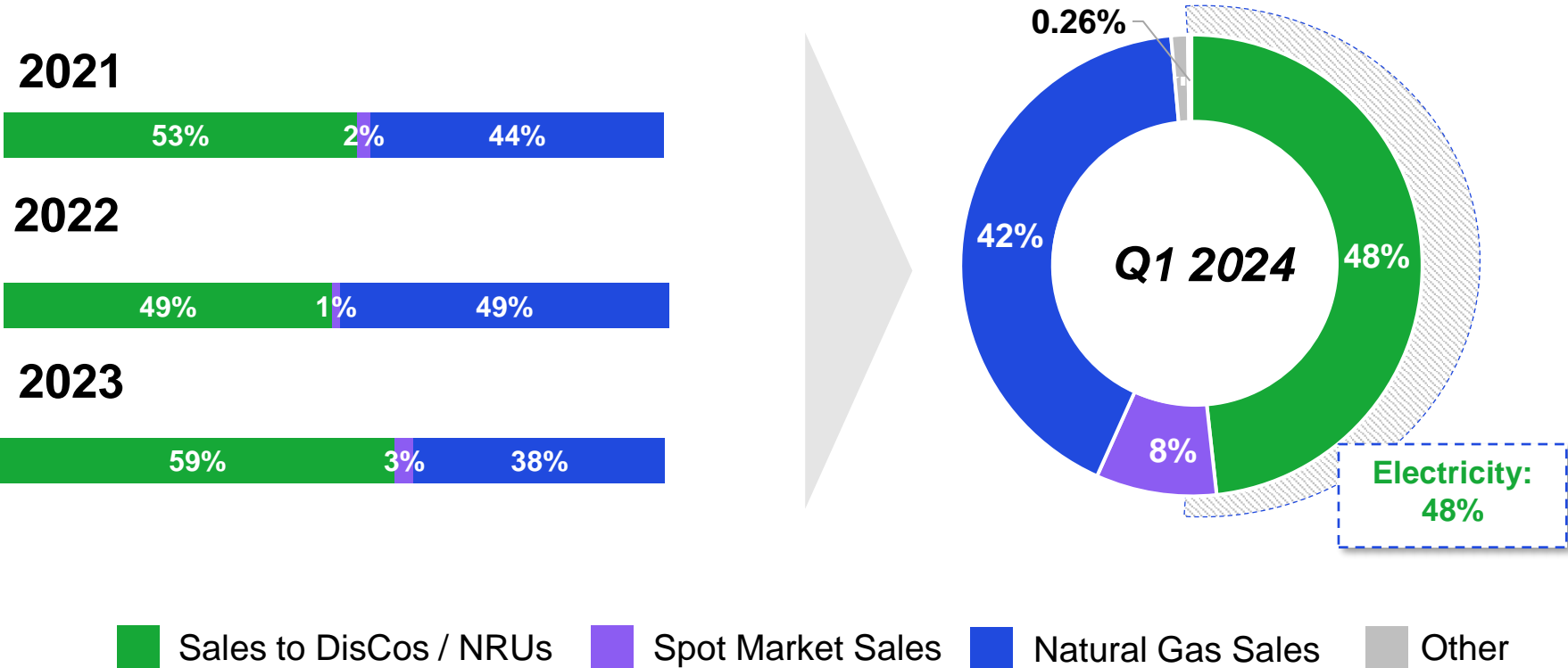
# Thermal Units PPA Contract Summary

AES Dominicana’s diversified customer base provides a stable revenue base, key to generating profitable growth

## Key Highlights

- Energy PPAs are **USD-denominated**, with energy and capacity prices adjusted for US CPI and fuel indexes prices set
  - Flexible Pricing that adapts to generating scheme
  - 2023 linked to HH / 2024 linked to TTF
- **Diversified customer base** via contracts with NRUs (30 different clients) which **mitigate collections volatility** and improve risk profile. Average contract with 5 years of term
- **Amendment for additional 75 MW PPA with Disco's signed in March 2024.** Possible extension from Feb-2025 to Dec-2025, subject to mutual agreement of the applicable fuel structure before Sep 2024.

## Revenue Mix



## New Thermal PPAs Overview

275 MW

**AES Andres DR**  
Feb. 2023 – Feb. 2025

300 MW

**DPP**  
Feb. 2023 – Feb. 2025



# World-Class LNG Infrastructure

AES Dominicana’s LNG distribution platform and partnerships guarantee its position as the leading player in the DR LNG sector

## ENADOM

- ENADOM was created in 2019 as a result of a JV between Andres BV and Energas
  - JV is focused on **building a 2<sup>nd</sup> tank** and **commercializing gas** in the Dominican Republic and Caribbean
- All new AES LNG investments are to be made through ENADOM
- ENADOM acquired the Eastern Gas Pipeline from Andres, **allowing ENADOM to begin contracting clients**
  - 2 additional truck loading bays entered commercial operations in April 2022
- **The 2<sup>nd</sup> LNG storage tank**, completed construction in Oct. 2023. Total Cost is budgeted at \$253M.
  - Capacity: 120,000 m<sup>3</sup> (~50 TBTU/year)



## LNG Infrastructure Ownership Split

Andres	<b>LNG Regasification Facility</b>	<ul style="list-style-type: none"> <li>• 3 regasification trains</li> <li>• Shell tube vaporizers use water glycol mix as heating media</li> </ul>
	<b>LNG Storage Facility</b>	<ul style="list-style-type: none"> <li>• 160,000 m<sup>3</sup> capacity<sup>(2)</sup></li> </ul>
	<b>Gas Pipelines</b>	<ul style="list-style-type: none"> <li>• Santo Domingo Pipeline – 34 km pipeline connected to DPP and third-party power generator</li> </ul>
	<b>Truck loading Terminal</b>	<ul style="list-style-type: none"> <li>• 2 loading bays</li> <li>• Serves a customer base of 70+ industrial users and 25 LNG service stations across the country</li> </ul>
	<b>Port Facility</b>	<ul style="list-style-type: none"> <li>• Once 2nd tank is operational, terminal will be able to receive larger vessels</li> <li>• Capacity to process ~22 full cargoes per year</li> </ul>
ENADOM	<b>Gas Pipeline</b>	<ul style="list-style-type: none"> <li>• Eastern Gas Pipeline – 50 km pipeline connected to 3 third-party power generators</li> </ul>
	<b>Truck loading Terminal</b>	<ul style="list-style-type: none"> <li>• 2 loading bays</li> <li>• Serves a customer base of 70+ industrial users and 25 LNG service stations across the country</li> </ul>
	<b>LNG Storage Facility</b>	<ul style="list-style-type: none"> <li>• LNG storage tank with a capacity of 120,000 m<sup>3</sup></li> </ul>

# LNG Market in the Dominican Republic

The market consists of 5 generators supplied through pipelines, as well as 50+ C&I clients supplying LNG distributors, mainly by trucks

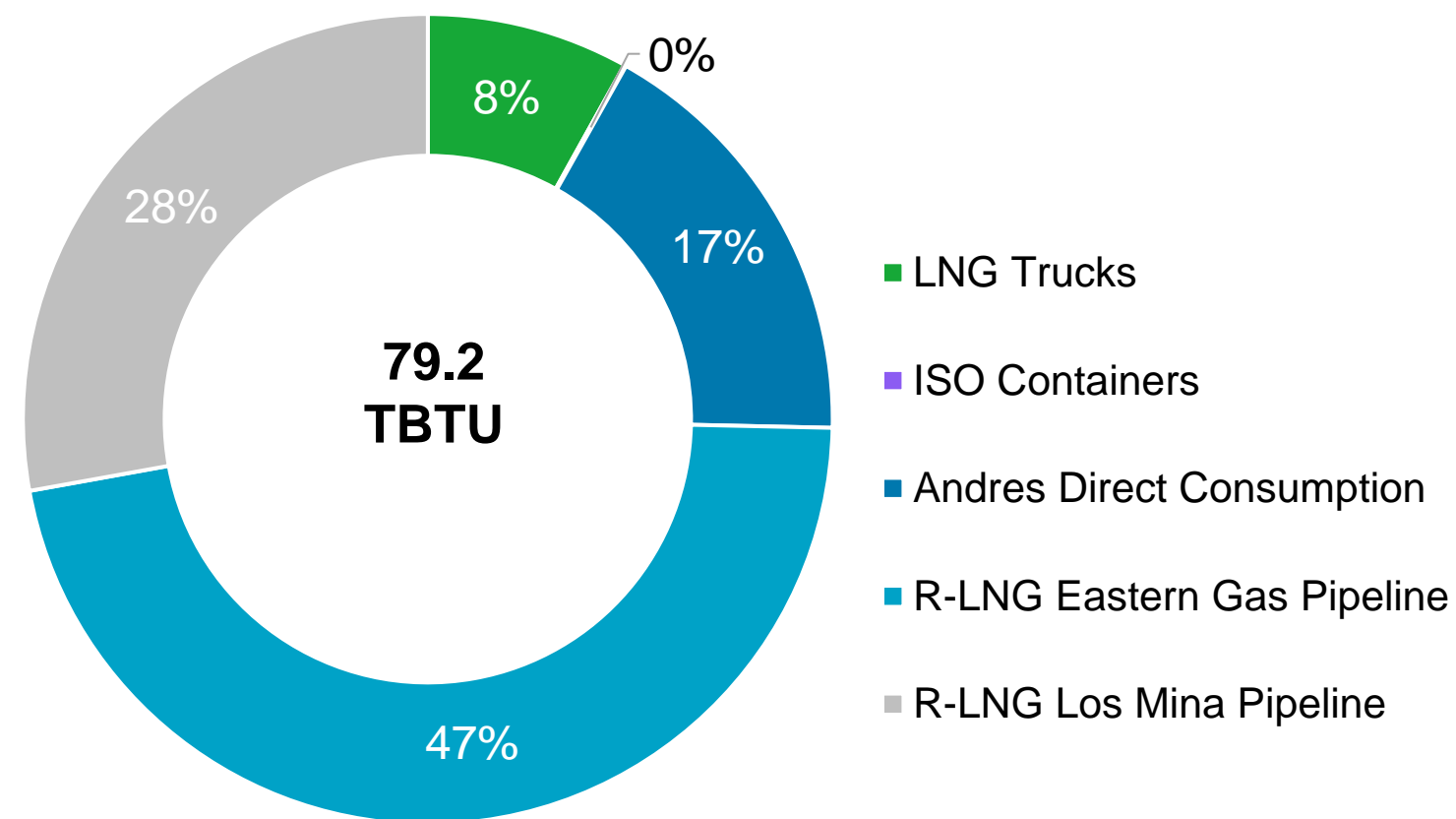
## Overview

→ The LNG market in the DR has been operating for the past 21 years, which has had an exponential and significant economical impact to the energy matrix of the country

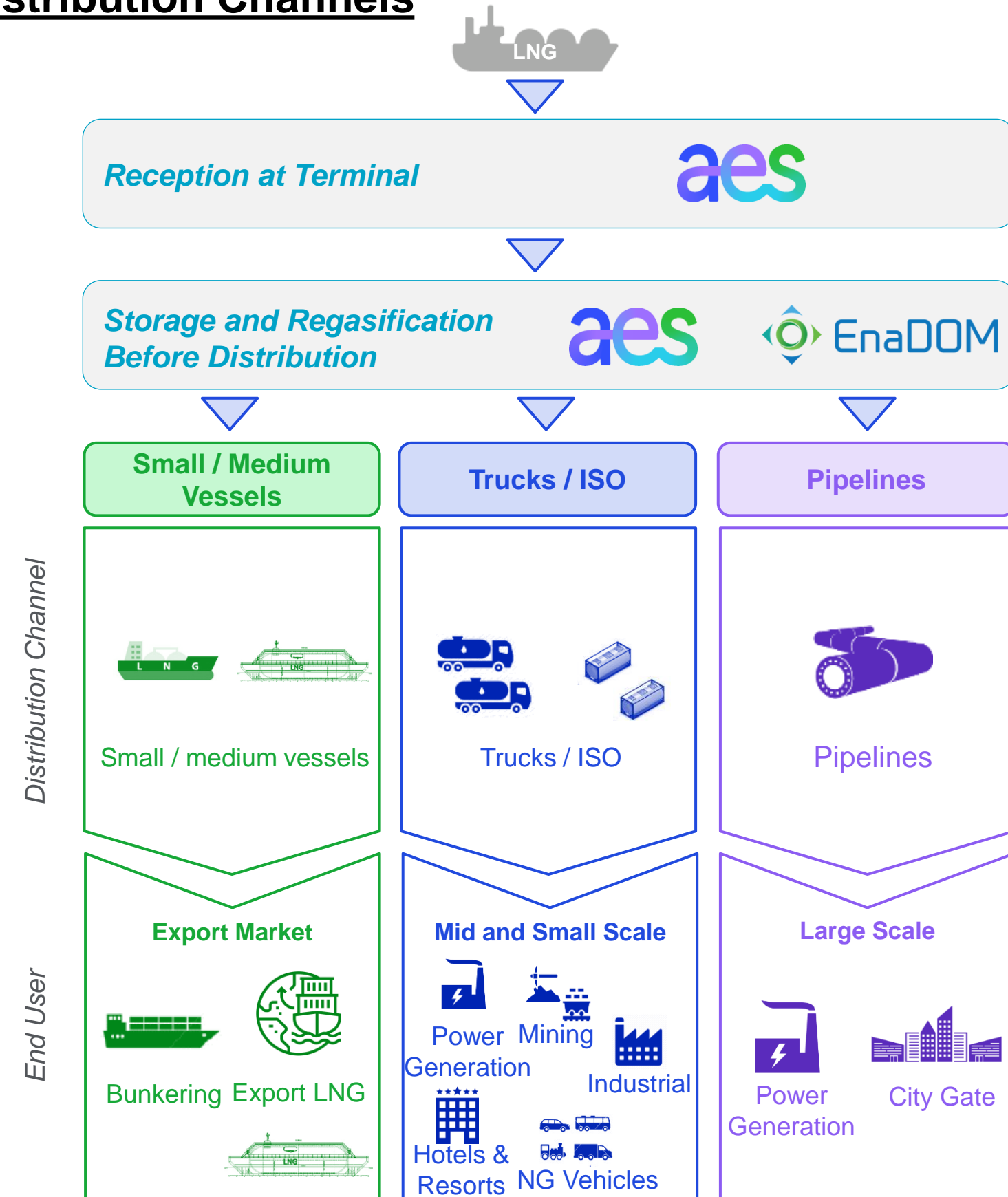
→ The LNG Market is divided into three business segments:

- Incentivizing conversion from fuel oil to natural gas among power generators
- Increasing LNG demand for C&I customers
- Increasing natural gas demand for bunkering

## 2023 LNG Market Share



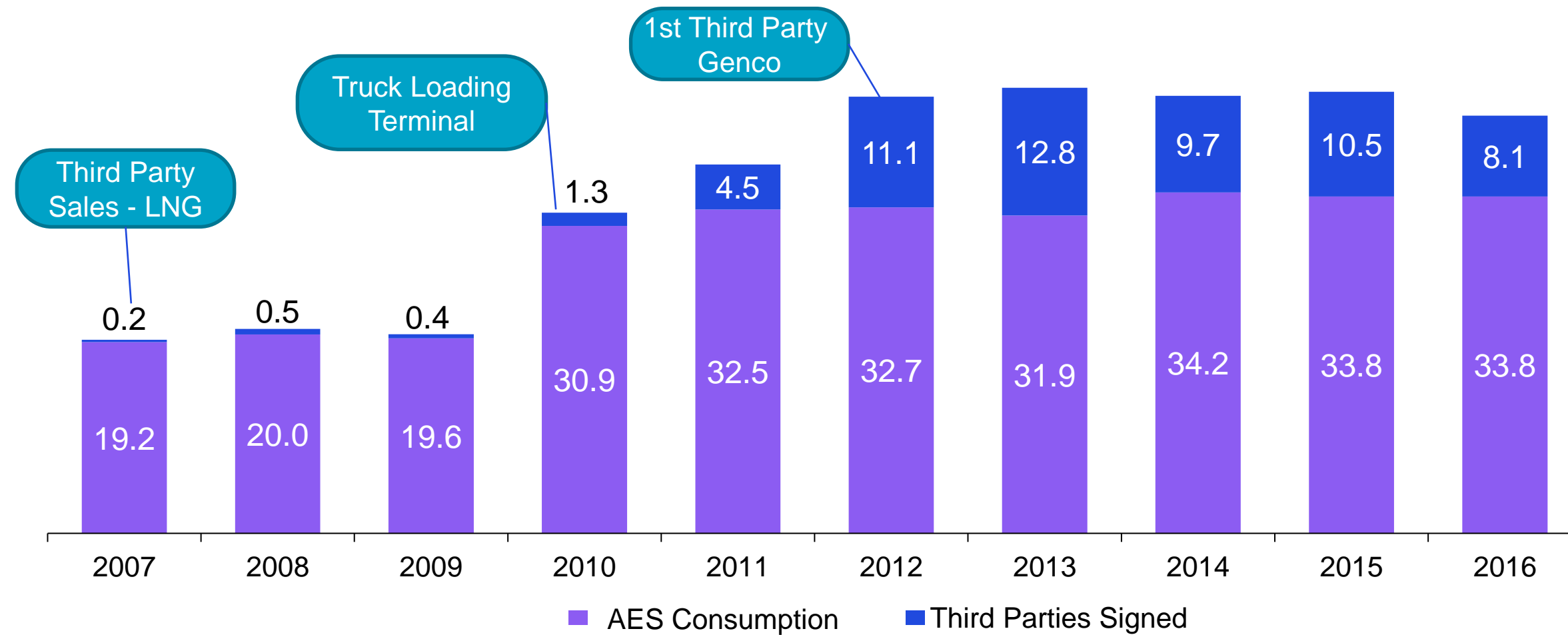
## Distribution Channels



# Natural Gas Market

New market untapped with more competitive prices due to Enadom JV

**2007**  
First molecule delivered to Third Parties

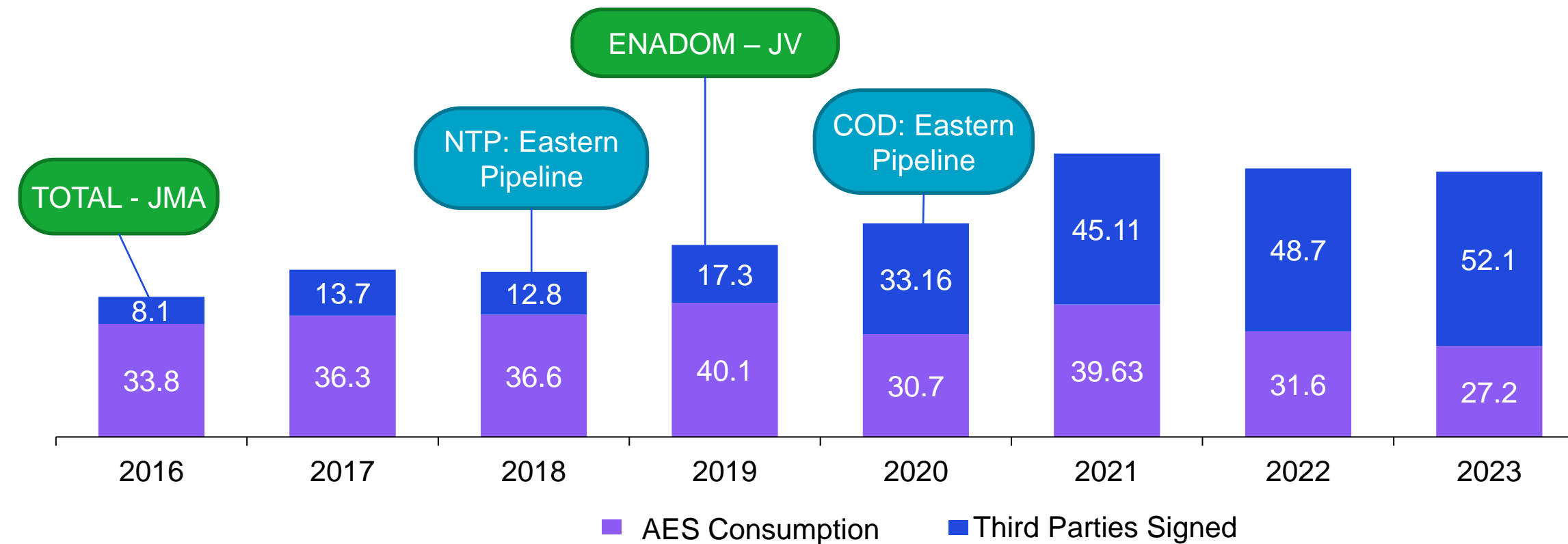


## Background:

- New niche market (C&I, PG) and new facilities (Truck Loading).
- 30% increase of LNG import, >20 MMUS\$ of margin.
- Commercial model cannot allow to reach another untapped markets.

**2016**  
JV LNG Marketing TOTAL

**2019**  
JV ENADOM



## Future:

- 2020 Eastern Pipeline Operative & 2023 2nd LNG Tank Storage
- 740 MW running on Natural Gas. Possible to raise to 1,000 MW
- New market untapped with more competitive prices due to JV



# LNG Sales Contract Summary

## Overview

→ Standard terms of current contracts in place include:

- All contracts are US\$-denominated and adjusted for changes in CPI
  - Fees vary depending on distribution channel and point of delivery such as truck loading facility or pipeline
- Pass-through fuel cost based on price metrics such as Henry Hub or Brent Oil
- Minimum natural gas volumes to be declared annually subject to take-or-pay conditions
- Tenors vary from 3 to 12 years
- Financial guarantees of denominated volumes in place

→ AES Dominican acts as an aggregator for natural gas clients and leverages on AES' existing relationships with LNG suppliers to procure better supply terms

- Enables customers to access the international LNG market at competitive prices which they would otherwise not be able to procure individually

→ New 15-year LNG contract with Generadora San Felipe, featuring an Annual Contract Quantity (ACQ) of 18 Tbtu per year

## Pipeline Contract Summary

	Barrick	EGE Haina	CESPM	SIBA	Seaboard	Barrick*
<b>Plant:</b>	Quisqueya I	Quisqueya II	CESPM CCGT	SIBA	Estrella del Mar II	Quisqueya 1 / Mine Kilns
<b>Demand Fee:</b>	2023 – \$1.71/TBTU	2023 – \$2.02/TBTU	2023 – \$2.40/TBTU	2023 – \$1.98/TBTU	2023 – \$1.25	2024 - \$1.86/MMBTU
<b>COD Date:</b>	May 2020	August 2020	November 2020	April 2023	January 2021	January 2025
<b>Term:</b>	10 years	10 years	12 years	2 years 9 months	10 years	3 years
<b>Take or Pay (Min/Max):</b>	9 TBTU / 12 TBTUs	6TBTU / 12 TBTUs	9 TBTU / 18 TBTUs	2 TBTU 2023 / 3 TBTU 2024 y 2025	9 TBTU	100% of ACQ (monthly quantity of 258,333 MMbtu)

## LNG Trucks Contract Summary

Distributor	SGN-LNG	Total Energies	PROPAGAS	Lineaclave	CEPM
<b>Demand Fee / TBTU:</b>	2023 – \$2.24	2023 – \$2.24	2023 – \$2.24	2023 – \$2.24	2023 – \$2.24
<b>COD Date:</b>	Jan. 2022	Jan. 2022	Jan. 2022	Jan. 2022	Jan. 2023
<b>Term:</b>	5 years	5 years	5 years	5 years	1 year
<b>Take or Pay TBTU (Min/Max):</b>	0.5 TBTU	0.5 TBTU	0.5 TBTU	0.5 TBTU	None

# Our LNG Clients



# PPAs for ADRE's Renewable Assets

## Operating Assets

### Bayasol & Santanasol

**100 MW**

**Contracted with EDEs (1)**  
2 PPAs of 50 MW each

**15 year**

**Term for each PPA**



### Agua Clara

**52.5 MW**

**Contracted with EDE Norte (1)**

**20 year**

**Term**

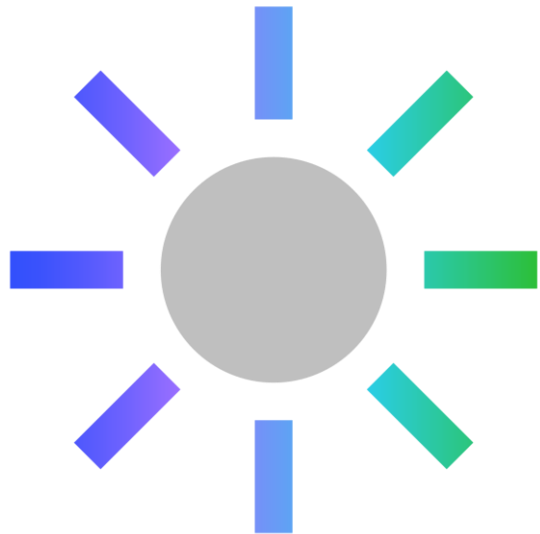
## Construction Assets

**170 MW**

**Mirasol & Peravia I**  
With EDEs for 15 years

**70 MW**

**Peravia II**  
With AES Andres DR for 12 years

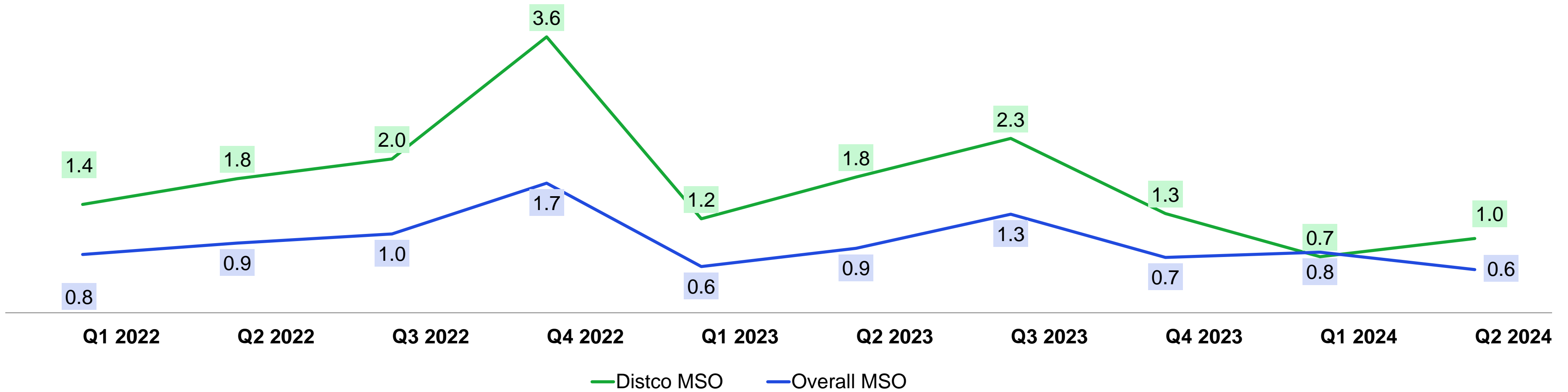


36 (1) Price for: Bayasol PPA: starting at \$90/MWh adjusted for CPI annually / Santanasol PPA starting at 89.4/MWh adjusted for CPI annually / Agua Clara PPA starting at \$113/MWh adjusted 1.67% annually, capped at \$138/MWh

# Collections Overview

## Key Indicators

### Months of Sales Outstanding (MSO)



## Key Considerations:

- Total collected in the month of June \$79.59MM. Distros/CDEEE \$52.34MM. **DistCo MSO is 0.98 vs 0.57 MSO** for all invoices (including Large Users)
- Andres & ADRE have remained relatively stable, as invoices from DistCos continue to get paid with good performance at the end of the year.

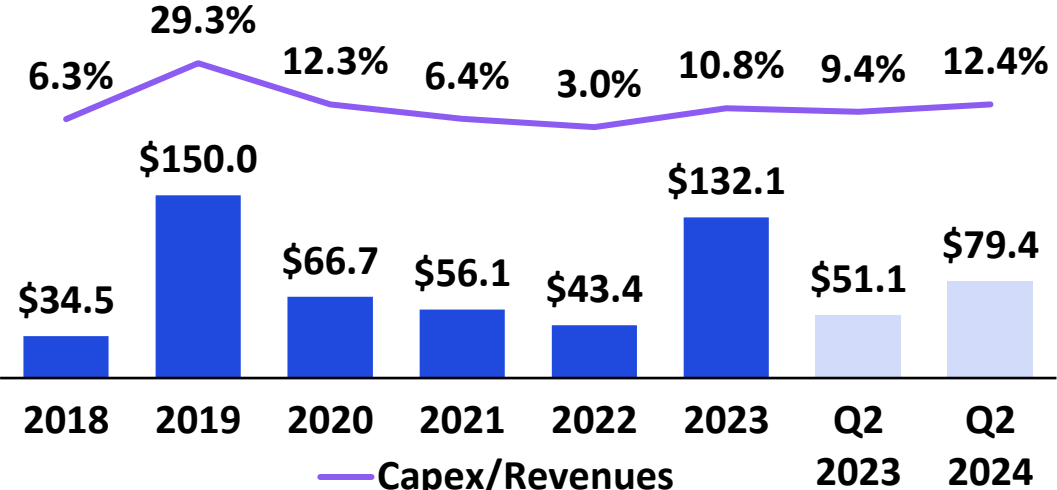
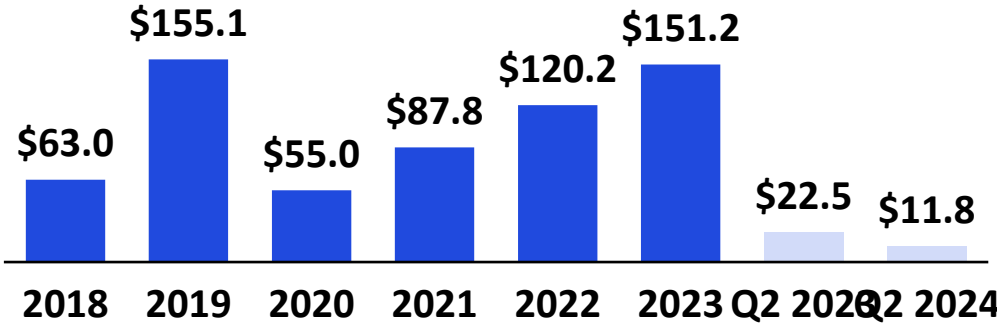
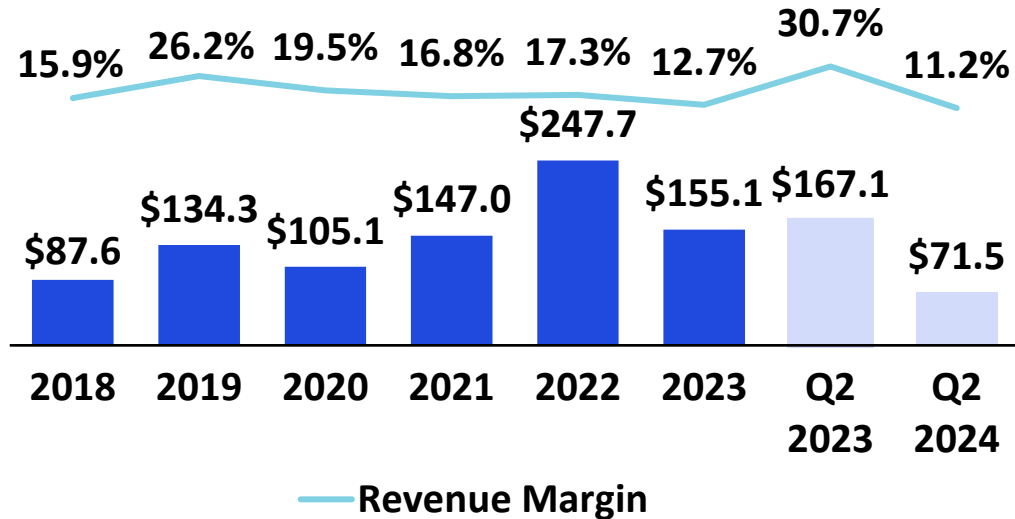
# AES Dominicana Financial Metrics

## EBITDA

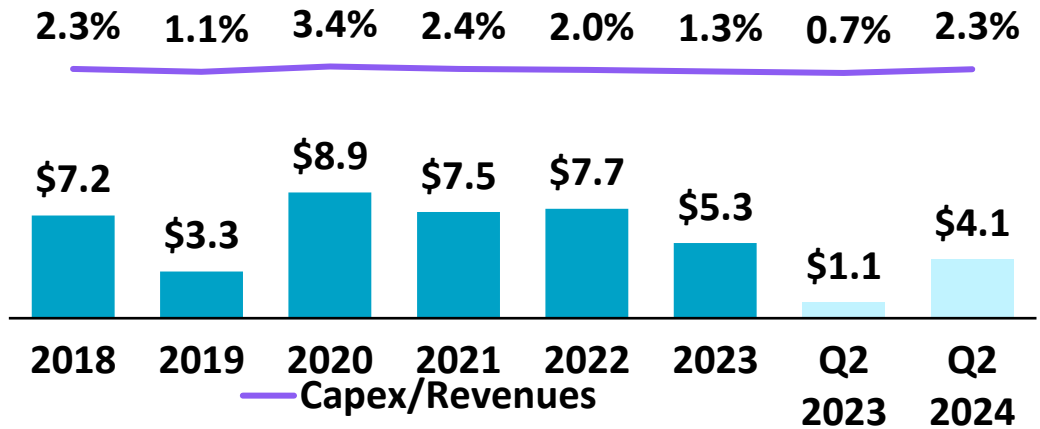
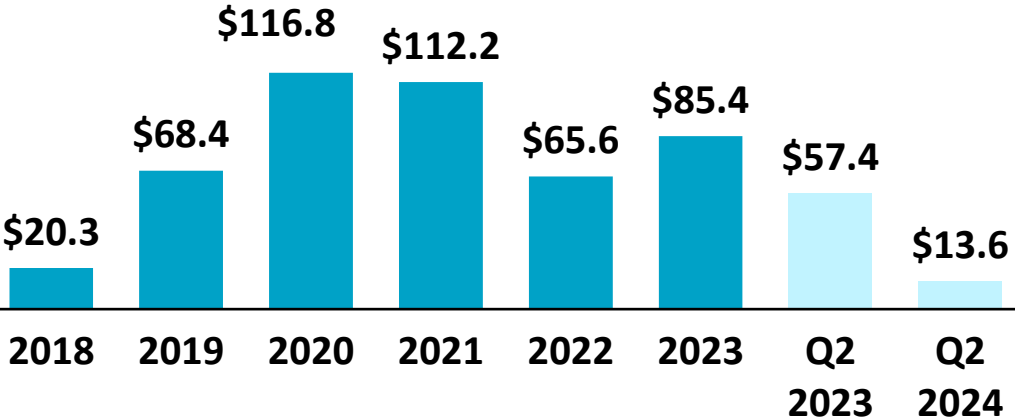
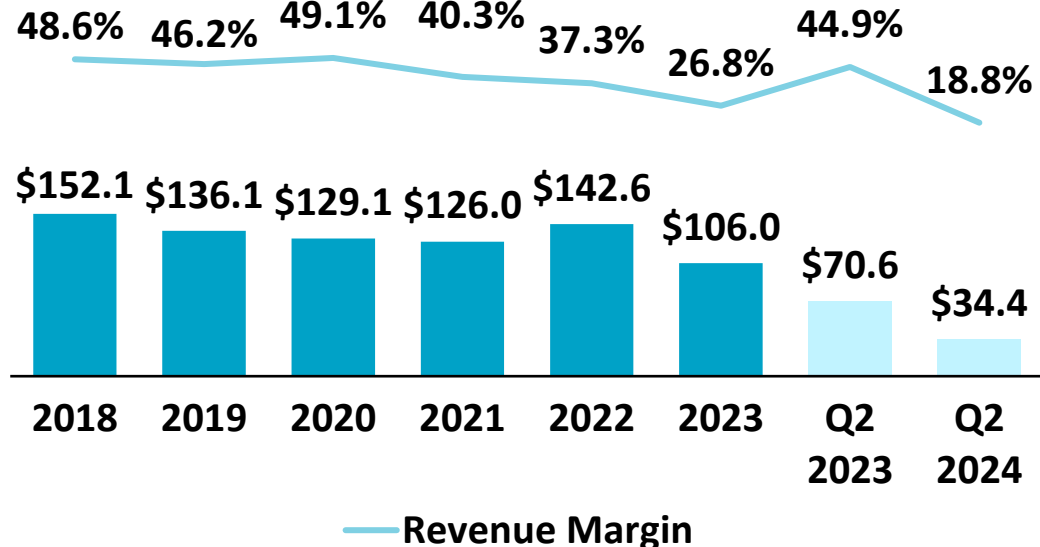
## Cashflow from Operations

## CAPEX

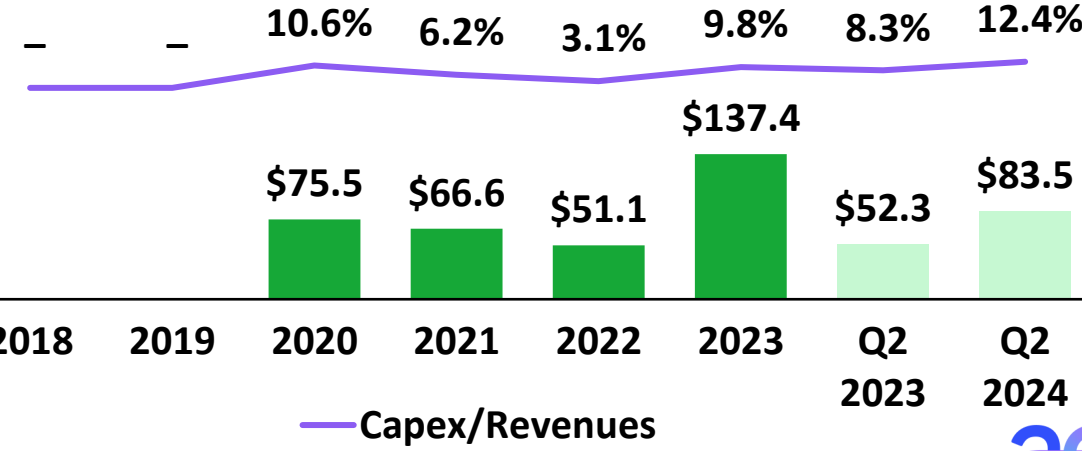
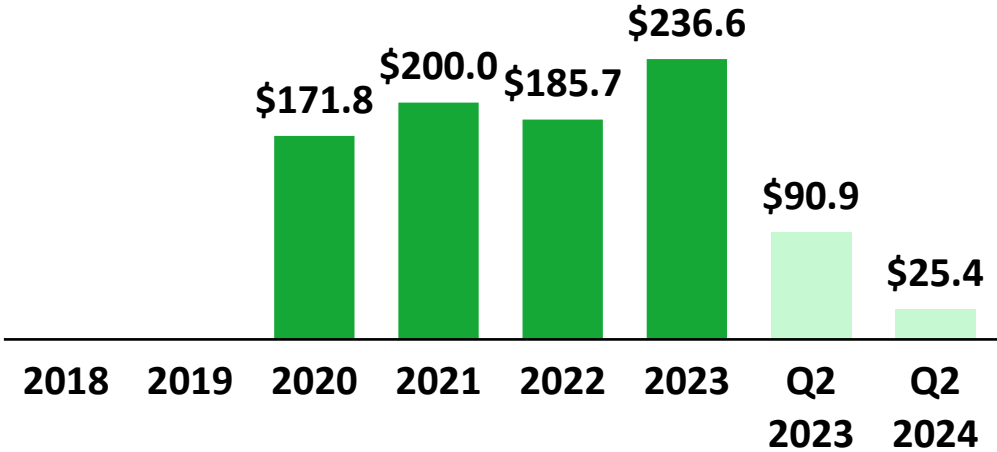
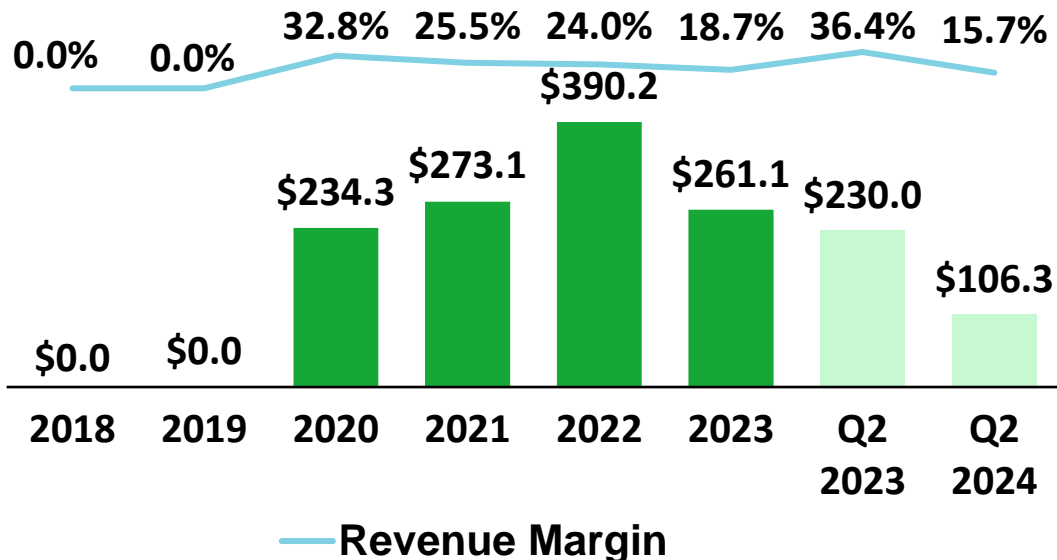
### AES España & Subs.



### DPP



### Combined\*



\*Combined= AES España B.V. and Subsidiaries, and Dominican Power Partners



# Thank you