

Unaudited Interim Condensed Consolidated Financial
Statements

Cable Onda, S. A. and its subsidiaries

For the three months ended March 31, 2022

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Cable Onda, S.A. and Subsidiaries
Unaudited Interim Condensed Consolidated Statement of Financial
Position as of March 31, 2022

(Figures stated in B/. balboas)

<i>Notes</i>	March	December
	2022	2021
Assets		
Currents Assets		
3	B/. 127,272,127	B/. 154,391,742
4	86,515,367	80,285,735
	5,135,608	6,567,102
	3,701,439	3,774,009
5	30,477,130	26,888,655
	12,666,288	14,159,929
	<u>265,767,959</u>	<u>286,067,172</u>
Non-current assets		
	2,355,283	1,992,208
	5,541,780	5,530,438
6	176,751,075	179,030,584
	472,268,560	472,268,560
7	142,842,252	121,060,805
8	402,494,536	413,112,941
	<u>1,202,253,486</u>	<u>1,192,995,536</u>
TOTAL ASSETS	<u>B/. 1,468,021,445</u>	<u>B/. 1,479,062,708</u>

The notes are an integral part of the consolidated financial statements.

Cable Onda, S.A. and Subsidiaries
Unaudited Interim Condensed Consolidated Statement of Financial
Position as of March 31, 2022

(Figures stated in B/. balboas)

<i>Notes</i>	March	December
	2022	2021
LIABILITIES AND STOCKHOLDERS'		
EQUITY		
Currents liabilities		
9	B/. 67,935,698	B/. 85,684,491
	20,448,018	19,031,868
10	8,355,813	14,169,592
	10,714,286	5,357,143
	4,027,984	4,069,400
12	13,783,579	14,293,284
	58,805,133	86,569,614
	6,223,320	10,245,273
	190,293,831	239,420,665
Non-current liabilities		
	131,428,414	109,478,758
11	249,285,714	254,642,857
13	586,762,965	586,293,874
12	16,491,953	15,502,678
19	37,148,991	37,462,043
	21,577,595	19,674,930
	1,042,695,632	1,023,055,140
	1,232,989,463	1,262,475,805
Stockholders' equity		
	57,648,922	57,648,922
	2,801,455	2,518,315
	(3,705,453)	(3,705,453)
	178,793,245	160,586,522
	235,538,169	217,048,306
	(506,187)	(461,403)
Total stockholders' equity	235,031,982	216,586,903
TOTAL LIABILITIES AND		
STOCKHOLDERS' EQUITY		
	B/. 1,468,021,445	B/. 1,479,062,708

The notes are an integral part of the consolidated financial statements.

Cable Onda, S.A. and Subsidiaries
Unaudited Interim Condensed Consolidated Statement of Income
For the three months ended March 31, 2022 and 2021

(Figures stated in B/. balboas)

<i>Notes</i>	Three moths ended March 31, 2022	Three moths ended March 31, 2021
	Revenue	
	B/. 30,451,995	B/. 31,546,351
	52,273,460	48,509,338
	7,359,049	8,984,323
	61,212,295	55,938,464
	5,387,786	5,703,562
	-	388,673
14	1,121,583	1,309,869
	<u>157,806,168</u>	<u>152,380,580</u>
	Costs and expenses	
15	33,262,982	37,357,853
16	36,406,482	37,659,091
17	20,361,282	17,547,875
18	33,345,677	37,046,855
	<u>123,376,423</u>	<u>129,611,674</u>
	34,429,745	22,768,906
	10,709,565	11,572,830
	23,720,180	11,196,076
19	(5,780,944)	(4,071,255)
	<u>B/. 17,939,236</u>	<u>B/. 7,124,821</u>
	Attributable to:	
	B/. 17,984,020	B/. 7,139,573
	(44,784)	(14,752)
	<u>B/. 17,939,236</u>	<u>B/. 7,124,821</u>

Cable Onda, S.A. and Subsidiaries
Unaudited Interim Condensed Consolidated Statement of Changes in Stockholders' Equity
For the three months ended March 31, 2022 and 2021

(Figures stated in B/. balboas)

	<i>Attributable to the Controlling Interest</i>					<i>Non-controlling interest</i>	<i>Total stockholders' equity</i>
	<i>Issued Capital</i>	<i>Additional paid in capital</i>	<i>Supplemental tax</i>	<i>Retained earnings</i>	<i>Total</i>		
January 1, 2021	B/. 57,648,922	B/. 1,835,860	B/. (1,946,463)	B/. 111,157,885	B/. 168,696,204	B/. (325,890)	B/. 168,370,314
Share-based compensation	-	262,382	-	-	262,382	-	262,382
Supplemental tax	-	-	-	(834,116)	(834,116)	-	(834,116)
Net Income	-	-	-	7,139,573	7,139,573	(14,752)	7,124,821
March 31, 2021	<u>B/. 57,648,922</u>	<u>B/. 2,098,242</u>	<u>B/. (1,946,463)</u>	<u>B/. 117,463,342</u>	<u>B/. 175,264,043</u>	<u>B/. (340,642)</u>	<u>B/. 174,923,401</u>
January 1, 2022	B/. 57,648,922	B/. 2,518,315	B/. (3,705,453)	B/. 160,586,522	B/. 217,048,306	B/. (461,403)	B/. 216,586,903
Share-based compensation	-	283,140	-	-	283,140	-	283,140
Supplemental tax	-	-	-	222,703	222,703	-	222,703
Net Income	-	-	-	17,984,020	17,984,020	(44,784)	17,939,236
March 31, 2022	<u>B/. 57,648,922</u>	<u>B/. 2,801,455</u>	<u>B/. (3,705,453)</u>	<u>B/. 178,793,245</u>	<u>B/. 235,538,169</u>	<u>B/. (506,187)</u>	<u>B/. 235,031,982</u>

Cable Onda, S.A. and Subsidiaries
Unaudited Interim Condensed Consolidated Statement of Cash Flows
For the three months ended March 31, 2022 and 2021

(Figures stated in B/. balboas)

<i>Notes</i>	2022	2021
Cash flows from operating activities		
Income before income tax	B/. 23,720,180	B/. 11,196,076
Adjustments to reconcile income before tax to net cash flows:		
8 Depreciation and amortization of fixed assets	23,891,597	26,558,916
7 Depreciation on right of use assets	5,384,975	5,237,002
6 Amortization of intangible assets	7,129,910	5,863,173
Provision (Reversal of) for seniority premium	671,201	(1,199,445)
4 Provisions for expected credit losses	1,642,101	1,158,361
Amortization of deferred financing cost	469,091	415,077
Interest	10,709,565	11,572,830
Share-based compensation	<u>283,140</u>	<u>262,382</u>
Cash flows before changes in working capital	73,901,760	61,064,372
Accounts receivables - client	(7,871,733)	4,715,119
Other accounts receivables	1,431,494	824,030
Contract assets	72,570	(561,131)
Inventory	(3,588,475)	(2,578,309)
Prepaid expenses	1,493,641	(4,170,257)
Guarantee deposits and other assets	(11,342)	81,397
Accounts payable	(16,332,643)	(25,233,906)
Employee benefits	(5,813,779)	(1,931,720)
Accrued expenses and other liabilities	(22,286,928)	912,651
Customer deposits	(41,416)	(254,741)
Deferred income	479,570	(4,560,023)
Other long term liabilities	<u>1,902,665</u>	<u>(4,254,690)</u>
	23,335,384	24,052,792
Income tax paid	(9,893,246)	(1,963,100)
Interest paid for bonds and loans	(16,187,118)	(16,666,477)
Interest paid for leases	<u>(1,285,662)</u>	<u>(1,284,197)</u>
Net cash flow (used in) provided by operating activities	<u>(4,030,642)</u>	<u>4,139,018</u>
Continued...	<u>B/. (4,030,642)</u>	<u>B/. 4,139,018</u>

Cable Onda, S.A. and Subsidiaries
Notes to the Unaudited Interim Condensed Consolidated Financial Statements
March 31, 2022

(Figures stated in B/. balboas)

1. Corporate information

Cable Onda, S.A. (“Cable Onda” or the “Group”) was incorporated under the laws of the Republic of Panama, beginning operations in April 1991. The Group’s main offices are located at Costa del Este, Business Park Complex, East Building, 3th floor.

Cable Onda, S.A. and Subsidiaries is primarily engaged in providing cable television services, mobile telecommunication services, high-tech telecommunication services that include the transmission, storage and hosting of data, information backup and retrieval, internet access, application and e-commerce services, cable modem and basic residential and corporate telephone service with both national and international long distance service. These services are under the supervision of the National Public Services Authorities of the Republic of Panama (ASEP).

The interim condensed consolidated financial statements of the Group for the three months ended March 31, 2022 were authorized for issuance by Management on May 30th, 2022.

2. Basis for Preparation and accounting policies

The interim condensed consolidated financial statements as of March 31, 2022 and for the three months ended March 31, 2022 and 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting. In management's opinion, these interim condensed consolidated financial statements reflect all the adjustments necessary for an adequate presentation of results in interim periods. The Group's operations are not affected by significant cyclical or temporary patterns.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and must be read in conjunction with the Group's annual consolidated financial statements as of December 31, 2021.

COVID-19 - Qualitative and quantitative assessment on business activities, financial situation and economic performance

In March 2020, the World Health Organization (OMS) raised the public health emergency situation caused by the coronavirus (COVID-19) outbreak to a pandemic and during 2020 to date, strong impacts have been generated on the world economy and in the health systems of the countries. Likewise, the Government of Panama has applied various additional health measures to reduce, mitigate and control the spread of the pandemic.

The Group is taking the appropriate steps to deal with the situation and minimize its impact:

Cable Onda, S.A. and Subsidiaries
Notes to the Unaudited Interim Condensed Consolidated Financial Statements
March 31, 2022

(Figures stated in B/. balboas)

2. Basis for Preparation and accounting policies (Continued)

Impact on our markets and businesses

During the year 2021, the economic activity in Panama showed a considerable recovery due to the reduction in the number of COVID-19 cases, a vaccination rate above 50% and the relaxation of mobility restrictions during the year 2021 our flows revenues gradually improved as a result of higher sales of products and services, but even so, we maintain cost saving initiatives and investment prioritization with the aim of preserving our strong cash flow and liquidity generation in case the situation worsens . During the first quarter of 2022, peaks in the number of COVID-19 cases were experienced, but the National Government refrained from imposing strict restriction measures, opting to use voluntary quarantine programs that had an insignificant effect on commercial activity.

Impact on accounting matters

Finally, as of the date of this report, we have determined that there are no material uncertainties that could cast significant doubts on the Group's ability to continue as a going concern.

2.1. New standards, interpretation and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with that followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2021. The Group has not early adopted any other standard, interpretation or amendment that has been issued but has not yet entered into force.

In the 2021 period, the Group applied for the first-time certain interpretations and amendments to standards that became effective as of January 1, 2021 in accordance with the provisions of the ("IASB"). The application of these interpretations and amendments had no significant impact on the Group's consolidated financial statements.

The standards or interpretations and modifications described above are only those that, according to Management's criteria, may have a material effect on the Group's financial disclosures, position or performance when applied at a future date. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Cable Onda, S.A. and Subsidiaries
Notes to the Unaudited Interim Condensed Consolidated Financial Statements
March 31, 2022

(Figures stated in B/. balboas)

2. Basis for Preparation and accounting policies (Continued)

2.2. Valuation basis and reporting currency

- The interim condensed consolidated financial statements of Cable Onda, S. A. and Subsidiaries as of March 31, 2022 have been prepared on a historical cost basis of accounting.
- The interim condensed consolidated financial statements are stated in balboas (B/.), the legal tender of the Republic of Panama, which is at par with the US dollar. The Republic of Panama does not issue its own paper money and, instead, the US dollar is used as the functional currency and legal tender.

2.3. Judgements, estimations and assumptions

- Preparation of the interim condensed consolidated financial statements in accordance with IFRS requires that Management make judgments, estimations and assumptions that affect the amounts reported for revenues, expenses, assets, liabilities, and the disclosures of contingent liabilities at the date of the interim condensed consolidated financial statements.
- Due to the uncertainty implicit in these estimations and assumptions, significant adjustments could arise that could affect the amounts recorded or disclosed of future assets and liabilities.

2.4. Reclassifications

Some amounts in the consolidated financial statements as of December 31, 2021 were reclassified for purposes of comparison with the figures as of March 31, 2022. These reclassifications do not have material effects on the financial position or results of operations of the Group.

	December 2021 (Interim)	Reclasifications	December 2021 (Audited)
Cash	<u>B/. 154,391,742</u>	<u>B/. 52,206,463</u>	<u>B/. 102,185,279</u>
Other accounts receivable	<u>B/. 6,567,102</u>	<u>B/. (52,206,463)</u>	<u>B/. 58,773,565</u>

The reclassification corresponds to report cash pooling as cash equivalent (see note 3)

Cable Onda, S.A. and Subsidiaries
Notes to the Unaudited Interim Condensed Consolidated Financial Statements
March 31, 2022

(Figures stated in B/. balboas)

3. Cash

As of March 31, 2022, cash on hand and banks are broken down as follows:

	March 2022	December 2021
Cash on hand	B/. 83,705	B/. 85,004
Millicom International Cellular, S.A.	42,527,788	B/. 52,206,463
Banco General	13,066,079	32,003,973
Citibank	13,028,189	31,965,474
Banco Panamá	5,578,414	1,015,620
Banesco	2,343,540	232,971
Banistmo	277,304	951,063
Bac Panamá	2,341,361	4,724,704
Banco Nacional de Panamá	287,540	676,592
Global Bank	1,077,699	245,859
Caja de Ahorros	102,157	272,429
JP Morgan	45,147,937	28,782,933
The Bank of Nova Scotia	148,148	91,854
St Georges Bank	1,262,266	1,136,803
	<u>B/. 127,272,127</u>	<u>B/. 154,391,742</u>

The Group signed a cash fund management agreement with the parent company (Millicom International Cellular, S.A.), which is used to manage funds and its working capital. As of March 31, 2022 the balance amounts to B/.42,527,788 (2021 – B/.52,206,463). This balance is payable on demand and therefore qualifies as cash and cash equivalent. The corresponding interests is agreed between the parties through a base interest rate plus a margin.

Cable Onda, S.A. and Subsidiaries
Notes to the Unaudited Interim Condensed Consolidated Financial Statements
March 31, 2022

(Figures stated in B/. balboas)

4. Accounts receivable, Net

As of March 31, 2022, accounts receivable, net, are broken down as follows:

	March 2022	December 2021
Cable, telephone and other services	B/. 93,973,539	B/. 88,246,729
Operators	<u>573,940</u>	<u>580,386</u>
	94,547,479	88,827,115
Less: provisions for expected credit losses	<u>(8,032,112)</u>	<u>(8,541,380)</u>
	<u>B/. 86,515,367</u>	<u>B/. 80,285,735</u>

5. Inventory

As of March 31, 2022, the breakdown of inventory is as following.

	March 2022	December 2021
Materials and equipment	B/. 28,806,613	B/. 25,940,057
Inventory in transit	1,775,498	1,034,747
Provision for inventory obsolescence	<u>(104,981)</u>	<u>(86,149)</u>
	<u>B/. 30,477,130</u>	<u>B/. 26,888,655</u>

Cable Onda, S.A. and Subsidiaries
Notes to the Unaudited Interim Condensed Consolidated Financial Statements
March 31, 2022

(Figures stated in B/. balboas)

6. Intangible assets

The movements for intangible assets, net, are as follows:

	March 2022	December 2021
At the beginning of the period, net of accumulated amortization	B/. 179,030,584	B/. 166,886,745
Additions	6,463,566	46,341,743
Disposals, net	(1,613,165)	(11,813,287)
Transfer	-	4,353,666
Amortization	(7,129,910)	(26,738,283)
At the end of the period, net of accumulated amortization	<u>B/. 176,751,075</u>	<u>B/. 179,030,584</u>
At the beginning of the period		
At Cost	B/. 463,131,285	B/. 426,209,314
Accumulated amortization	(284,100,701)	(259,322,569)
Net Balance	<u>B/. 179,030,584</u>	<u>B/. 166,886,745</u>
At the end of the period		
At Cost	B/. 467,981,687	B/. 463,131,285
Accumulated amortization	(291,230,612)	(284,100,701)
Net Balance	<u>B/. 176,751,075</u>	<u>B/. 179,030,584</u>

Cable Onda, S.A. and Subsidiaries
Notes to the Unaudited Interim Condensed Consolidated Financial Statements
March 31, 2022

(Figures stated in B/. balboas)

7. Right of use assets

Following are the movements of right of use assets:

	March 2022	December 2021
Cost		
At the beginning of the period	B/. 169,110,079	B/. 134,794,118
New contracts	26,283,294	44,958,834
Expired contracts	(851,194)	(6,656,340)
Adjustments and reclassifications	-	(3,986,533)
At the end of the period	<u>B/. 194,542,179</u>	<u>B/. 169,110,079</u>
Accumulated Depreciation		
At the beginning of the period	(48,049,274)	(32,250,783)
Adjustments and reclassifications	1,734,322	5,998,864
Depreciation of assets for right of use	(5,384,975)	(21,797,355)
At the end of the period	<u>B/. (51,699,927)</u>	<u>B/. (48,049,274)</u>
Net balance	<u>B/. 142,842,252</u>	<u>B/. 121,060,805</u>

Cable Onda, S.A. and Subsidiaries
Notes of the Interim Consolidation of Financial Statements
March 31, 2022

(Figures stated in B/. balboas)

8. Property, furniture, equipment and leasehold improvements, net

Following are the movements of property, furniture, equipment and leasehold improvements, net:

	March 2022	December 2021
At the beginning of the period, net of		
Accumulated depreciation	B/.413,112,941	B/.431,866,424
Capitalized additions	14,074,847	92,251,017
Disposal, net	(801,655)	(1,563,636)
Transfers	-	(4,353,666)
Depreciation	(23,891,597)	(105,087,198)
At the end of the period, net of accumulated depreciation	<u>B/.402,494,536</u>	<u>B/.413,112,941</u>
At the beginning of the period		
At cost	1,252,914,939	1,166,581,224
Accumulated depreciation	(839,801,998)	(734,714,800)
Net balance	<u>B/.413,112,941</u>	<u>B/.431,866,424</u>
At the end of the period		
At cost	1,266,188,131	1,252,914,939
Accumulated depreciation	(863,693,595)	(839,801,998)
Net balance	<u>B/.402,494,536</u>	<u>B/.413,112,941</u>

Cable Onda, S.A. and Subsidiaries
Notes of the Interim Consolidation of Financial Statements
March 31, 2022

(Figures stated in B/. balboas)

9. Accounts payable

At March 31, 2022, the accounts payable balance amounts to B/.67,935,698 (December 2021 - B/.85,684,491). The terms for payment of accounts payable to commercial suppliers are extended up to 120 days, as from the date of issuance of the respective notes or invoice, are not subject to discount for prompt payment and do not generate interest and are recoverable in the functional currency of the interim condensed consolidated financial statements.

10. Employee benefits payable

Employee benefits are broken down as follows:

	March 2022	December 2021
Employee benefits	B/. 2,577,882	B/. 3,283,127
Labor reserves	<u>5,777,931</u>	<u>10,886,465</u>
	<u>B/. 8,355,813</u>	<u>B/. 14,169,592</u>

11. Long-term loans payable

The term of the long-term loans payable and lines of credit is presented below:

	<u>Interest rate</u>	<u>Expiration</u>	March 2022	December 2021
Scotiabank	2.96%-4.38%	2024 - 2025	<u>249,285,714</u>	<u>254,642,857</u>
			<u>B/. 249,285,714</u>	<u>B/. 254,642,857</u>

On August 31, 2021, Cable Onda executed an agreement with Bank of Scotia for B/.75 million at 3.5% fixed rate. The facility was used to repay Cable Onda's remaining B/.75 million under the 5.75% local bond, which was initially due on September 3, 2025.

Cable Onda, S.A. and Subsidiaries
Notes of the Interim Consolidation of Financial Statements
March 31, 2022

(Figures stated in B/. balboas)

12. Deferred income

As of March 31, 2022, deferred income is broken down as follows:

	March 2022	December 2021
Current portion		
Early cash collections from monthly payments (a)	<u>B/. 13,496,246</u>	<u>B/. 14,293,284</u>
Non-Current portion		
Adaption projects (b)	B/. 13,875,943	B/. 13,192,197
Deferred income from installation services	2,369,929	2,310,481
Deferred income (c)	<u>533,414</u>	<u>-</u>
	<u>B/. 16,779,286</u>	<u>B/. 15,502,678</u>

- a. Deferred income corresponding to early collection on monthly payments from clients, which are classified as business, residential and corporate.
- b. Adaptation and relocation of wiring and telephony, which includes changes, burying of cables in areas where network changes are made. Once concluded, works are amortized over 180 months.
- c. These are obligations arising from large-scale contracts, which are executed in phases as per the terms and conditions of said contracts

13. Bonds payable, net

As of March 31, 2022, the Group's Management is complying with the financial conditions established in the bond purchase-sale contract.

Bonds are broken as follows:

	March 2022	December 2021
Bonds – Note Senior – Interest rate 4.50%	600,000,000	600,000,000
Financial costs	<u>(13,237,035)</u>	<u>(13,706,126)</u>
	<u>B/. 586,762,965</u>	<u>B/. 586,293,874</u>

Cable Onda, S.A. and Subsidiaries
Notes of the Interim Consolidation of Financial Statements
March 31, 2022

(Figures stated in B/. balboas)

13. Bonds payable, net (Continued)

On August 31, 2021, Cable Onda, S.A. executed an agreement with Bank of Scotia for B/.75 million at 3.5% fixed rate. The facility was used to repay Cable Onda's remaining B/.75 million under the 5.75% local bond, which was initially due on September 3, 2025.

14. Other services and revenue

	Period ended	
	<u>March 31,</u>	
	2022	2021
Installations	B/. -	B/. 102,293
IT solutions sales	523,525	593,197
Adaptions project	192,031	348,848
Other income	199,934	132,045
Advertising	204,500	41,667
Additional services	1,593	91,819
	<u>B/. 1,121,583</u>	<u>B/. 1,309,869</u>

15. Programming and operating costs

	Period ended	
	<u>March 31,</u>	
	2022	2021
Programming costs	B/. 13,165,128	B/. 13,465,928
Telephony costs	11,335,919	11,883,317
Projects costs	1,274,117	1,719,474
Selling costs of mobile equipment and accesories	6,646,347	7,626,185
Data transmission and internet costs	556,319	2,351,970
Sundry costs	285,152	310,979
	<u>B/. 33,262,982</u>	<u>B/. 37,357,853</u>

Cable Onda, S.A. and Subsidiaries
Notes of the Interim Consolidation of Financial Statements
March 31, 2022

(Figures stated in B/. balboas)

16. Depreciation and amortization

	Period ended	
	<u>March 31,</u>	
	2022	2021
Depreciation and amortization of fixed asset	B/. 23,891,597	B/. 26,558,916
Depreciation for right of use	5,384,975	5,237,002
Amortization of intangibles assets	<u>7,129,910</u>	<u>5,863,173</u>
	<u>B/. 36,406,482</u>	<u>B/. 37,659,091</u>

17. Employee benefits

Employee benefits form part of general expenses, sales and administrative expenses for the period, as shown in the following breakdown:

	Period ended	
	<u>March 31,</u>	
	2022	2021
Salaries, commissions and other	B/. 11,357,686	B/. 10,549,753
Social security and employer education insurance	2,345,902	2,302,755
Vacation	1,047,137	1,097,529
Bonuses	1,474,200	1,118,178
Net profit sharing	2,334,183	1,858,417
Travel and representation expenses	151,937	973,254
Shared-based compensations	283,140	262,382
Seniority premium and indemnities	671,201	(1,199,445)
Other expenses	<u>695,896</u>	<u>585,052</u>
	<u>B/. 20,361,282</u>	<u>B/. 17,547,875</u>

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18. General sales and administrative expenses

General sales and administrative expenses are as follows:

	Period ended	
	<u>March 31,</u>	
	2022	2021
Rent	B/. 1,557,845	B/. 1,122,401
Professional services fees	9,906,569	13,513,271
Services expenses	7,072,829	8,453,562
Repairs and maintenance support	844,466	1,563,179
Marketing and advertising	2,956,184	2,242,178
Electricity	1,690,966	2,437,411
Local and municipal taxes	3,238,896	2,743,199
Bad debts	1,642,101	1,158,361
Repairs, maintenance and other operating expenses	2,914,083	1,590,091
Office expenses	487,774	329,766
Insurance and bond	131,909	93,608
Other expenses	<u>902,055</u>	<u>1,799,828</u>
	<u>B/. 33,345,677</u>	<u>B/. 37,046,855</u>

19. Income tax

Income tax expense is as follows:

	Period ended	
	<u>March 31,</u>	
	2022	2021
Current	B/. 6,655,021	B/. 2,044,732
Deferred tax	<u>(874,077)</u>	<u>2,026,523</u>
	<u>B/. 5,780,944</u>	<u>B/. 4,071,255</u>

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20. Fair value of financial instruments

Fair value estimations are conducted at the date of the interim condensed consolidated financial statements, based on the relevant market and other information related to the financial instruments. Those estimations reflect no prize or discount that could result from holding the financial instruments as available for sale, due to the fact that none of them is held for that purpose.

The nature of these estimations is objective and involves uncertain aspects and management's judgment, as a result of which, the amounts thereof cannot be determined with absolute accuracy. Consequently, changes, if any, in the assumptions on which the estimations are based could differ from the final results.

The assumptions used by the Group Management to establish the fair market value of the financial instruments are as follows:

- a. The values of cash and bank, accounts receivable, net clients, other accounts receivable, accounts payable, leases and documents and loans payable approximate their fair market value, as they are financial instruments maturing in the short term.

The table below states the comparison between the book values and fair values of the financial instruments for which carrying values do not approximate their fair values:

	<u>Book Value</u>		<u>Fair Value</u>	
	March 2022	December 2021	March 2022	December 2021
Notes and other long term liabilities	<u>B/. 846,762,965</u>	<u>B/. 846,293,874</u>	<u>B/. 840,702,965</u>	<u>B/. 840,233,874</u>