

PROFONANPE

Financial statements audit report as of
December 31, 2022

PROFONANPE
INDEPENDENT AUDITOR'S OPINION
FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2022, AND 2021

CONTENT

	<u>Página</u>
Independent auditor's opinion	02
Statement of financial position	04
Statement of comprehensive income	05
Statement of changes in equity	06
Statement of cash flows	07
Notes to the financial statements	08
Independent auditor's opinion on supplementary information	36
Annexes:	
N° 1 Movement of Investment Portfolio	37
N° 2 Structure of Investment Portfolio	38
N° 3 Balance of Projects	39

INDEPENDENT AUDITOR'S OPINION ON THE FINANCIAL STATEMENTS

To the members of the Directive Board and Executive Director
PROFONANPE
Lima – Peru

June 01, 2023

Opinion

1. We have audited the accompanying financial statements of **PROFONANPE** which comprise the statements of financial position as of December 31, 2022 and 2021, statement of comprehensive income, changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory notes from 1 to 24.
2. In our opinion, the financial statements above indicated present fairly, in all material respects, the financial position of **PROFONANPE** as of December 31, 2022 and 2021, as well as its financial performance and its cash flows for the years then ended, in accordance with accounting principles described in Note 2 to the audited financial statements.

Matter of importance -

3. According to the principles and practices used by **PROFONANPE** for the accounting registration of funds from Agreements financed by International Cooperation Agencies, and private companies and non – profit organizations, in which it acts as manager of donated financial resources and in other cases derive these to other Government entities or non-profit organizations for the realization of projects on conservation and management of the environment, funds received and expenses executed are recorded through assets accounts (Cash and Cash Equivalents and Financial Investment) and liabilities (Management Funds), which is why they are not included as revenue or as expense in the statement of comprehensive income for the period. This same accounting treatment is applicable for the operations related to the "Funds" that come from the transfers of financial resources made by the Ministry of Energy and Mines and the Agency for Environmental Assessment and Control, by virtue of which, the resources received from each estate trust fund and executed disbursements are accounted in asset and liability accounts, while the commissions for the administration of the trusts are shown in the income statement.

Basis for opinion

4. We conducted our audits in accordance with International Standards on Auditing – ISA formalized in Peru by the Board of Deans of the Peruvian Institute of Public Accountants. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section. We are independent of **PROFONANPE** in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA) and the ethical requirements of the Code of Professional Ethics issued by the Board of Deans of Peruvian Institute of Public Accountants that are relevant to our audit of financial statements. We have complied with our ethical responsibilities under the IESBA Code of Ethics and the ethical requirements of the Code of Professional Ethics of the Board of Deans of the Peruvian Institute of Public Accountants.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management' Responsibility for the financial statements

5. Management is responsible for the preparation and fair presentation of the accompanying financial statements in *accordance* with accounting standards applicable to not-for-profit organizations and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as appropriate, matters related to this accounting principle and its use, unless Management intends to liquidate the entity or cease operations, unless it has no realistic alternative but to do so. Those charged with governance of the entity are responsible for overseeing the process of preparing its financial information.

Auditor's Responsibilities for the Audit of the Financial Statements

6. Our objectives are to obtain reasonable assurance about whether the financial statements of PROFONANPE as a whole are free from material misstatement, whether due to fraud or error, and to issue the audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with International Standards on Auditing approved for application in Peru by the Board of Deans of the Peruvian Institute of Public Accountants, we exercise professional judgment and maintain professional skepticism throughout the audit.

Also:

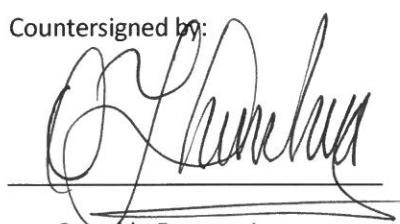
- a) We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks and applied audit procedures to respond to those risks and obtained sufficient appropriate evidence to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- c) We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- d) We conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to disclosures related to the financial statements or, if these disclosures are inadequate, to modify our opinion. The conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the entity to cease to operate as a going concern.
- e) We evaluate the overall presentation, structure, content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate to those charged with governance of PROFONANPE a statement that we have complied with ethical requirements, including the planned scope and timing of the audit, as well as any deficiencies in internal control identified during the audit.

Lima, Peru
June 01, 2023

Countersigned by:



Oswaldo Fonseca Luna
Certified Public Accountant
Registration N° 8095

PROFONANPE

STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022, AND 2021
(In American Dollars)

	Nota	2022	2021		Nota	2022	2021
ASSETS							
CURRENT ASSETS							
Cash and cash equivalents	3	10,000,316	16,576,104				
Other accounts receivable, current	4	1,316,871	1,079,436				
Prepaid expenses	5	124,450	173,602				
Financial investments, current	6	13,215,046	8,707,988				
Total Current Assets		<u>24,656,683</u>	<u>26,537,130</u>				
NON-CURRENT ASSETS							
Other accounts receivable Non-current	4	233,923	233,923				
Financial investments, Non-current	6	174,757,532	149,295,519				
Furniture and equipment, net	7	41,143	36,073				
Intangibles, net	8	95,362	198,744				
Total Non-Current Assets		<u>175,127,960</u>	<u>149,764,259</u>				
Total Assets		<u>199,784,643</u>	<u>176,301,389</u>				
Off-Balance sheet accounts	13	<u>3,212,267</u>	<u>474,452</u>				
LIABILITIES AND EQUITY							
CURRENT LIABILITIES							
Accounts payable				1,299			305
Other accounts payable, current	9			<u>1,168,375</u>			<u>1,113,278</u>
Total Current Liabilities				<u>1,169,674</u>			<u>1,113,583</u>
NON-CURRENT LIABILITIES							
Accounts payable, non-current	9			<u>233,923</u>			<u>233,923</u>
Deferred liabilities	10			<u>217,768</u>			<u>214,880</u>
Total Non-Current Liabilities	11			<u>198,171,793</u>			<u>174,650,077</u>
Total Liabilities				<u>198,623,484</u>			<u>175,098,880</u>
Accounts payable, non-current				<u>199,793,158</u>			<u>176,212,463</u>
EQUITY							
Retained Earnings	12			<u>(8,515)</u>			<u>88,926</u>
Total Equity				<u>(8,515)</u>			<u>88,926</u>
Total Liabilities and Equity				<u>199,784,643</u>			<u>176,301,389</u>
Off-Balance sheet accounts	13	<u>3,212,267</u>	<u>474,452</u>				

The accompanying notes from page 9 to 34 are part of the financial statements.

PROFONANPE

STATEMENT OF COMPREHENSIVE INCOME
 AS OF DECEMBER 31, 2022, AND 2021
 (In American Dollars)

	Note	2022	2021
REVENUES			
Other income	14	3,246,542	1,774,384
Total revenues		<u>3,246,542</u>	<u>1,774,384</u>
EXPENSES			
Administrative expenses	15-18	(3,523,441)	(1,789,158)
Provisions	19	(46,031)	(51,561)
Total expenses		<u>(322,930)</u>	<u>(66,335)</u>
OTHER INCOME (EXPENSES)			
Financial income and expenses, net	20	319,501	30,511
Integral Result		<u>319,501</u>	<u>30,511</u>
		<u>(3,429)</u>	<u>(35,824)</u>

The accompanying notes from page 9 to 34 are part of the financial statements.

PROFONANPE

STATEMENT OF CHANGES IN EQUITY
AS OF DECEMBER 31, 2022, AND 2021
(In American Dollars)

	Net income	Retained earnings	Total
Balance at January 01, 2020	(143,121)	29,621	(113,500)
Previous years adjustments	-	238,250	238,250
Results of the year	(35,824)	-	(35,824)
Balance at December 31, 2021	(178,945)	267,871	88,926
Previous years adjustments	-	(94,012)	(94,012)
Results of the year	(3,429)	-	(3,429)
Balance at December 31, 2022	(182,374)	173,859	(8,515)

The accompanying notes from page 9 to 34 are part of the financial statements.

PROFONANPE

STATEMENT OF CASH FLOW
 AS OF DECEMBER 31, 2022, AND 2021
 (In American Dollars)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income by investment funds and portfolio	54,302,089	75,487,561
Income by contributions of institutional development	2,123,126	1,419,520
Financial income	140,810	153,173
Other collections related to activity	317,793	258,365
CASH FLOWS FROM OPERATING ACTIVITIES	<u>56,883,818</u>	<u>77,318,619</u>
Less:		
Suppliers	(22,105)	(1,110)
Wages	(34,821)	(81,692)
Taxes	-	-
Project transfers	(35,888,021)	(54,251,699)
Other accounts payable related to activity	<u>(35,944,947)</u>	<u>(54,334,501)</u>
Cash and cash equivalents provided by operating activities	20,938,871	22,984,118
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase of fixed asset by purchases	(12,501,551)	(10,949,878)
Increase in intangible assets of purchases	(3,200,738)	(2,956,519)
Increase (decrease) of financial investments	(708,890)	(791,673)
Cash from investing activities	(7,625,667)	(4,605,767)
CASH FLOWS FROM INVESTING ACTIVITIES	<u>(3,477,813)</u>	<u>(28,800,033)</u>
	<u>(27,514,659)</u>	<u>(48,103,870)</u>
Increase (decrease) in assets and cash equivalents in the year, net	(6,575,788)	(25,119,752)
Cash and cash equivalent at the beginning of the year	<u>16,576,104</u>	<u>41,695,856</u>
Cash and cash equivalents at the end of the year (Note 3)	<u>10,000,316</u>	<u>16,576,104</u>

The accompanying notes from page 9 to 34 are part of the financial statements.

PROFONANPE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

1. GENERAL INFORMATION

1.1 Identification

The Peru's Fund for the Promotion of Protected Areas (hereinafter PROFONANPE), is a non-profit institution of private law and public and social interest, established by Law Decree N° 26154 dated December 29, 1992. On February 24, 2021, Supreme Decree No. 001-2021-MINAM was published, which approves the Internal Regulations of PROFONANPE, repealing the previous regulations approved by Supreme Decree No. 024-93-AG.

The regulation of the PROFONANPE's social status was approved by its Board of Directors at the meeting dated August 25, 2009 and registered in the Public Records in Lima, Peru, on January 15, 2010. PROFONANPE is governed by its Statutes and by the rules of the Civil Code of Peru.

By provision of Emergency Decree No. 022-2020, the Executive Power empowered PROFONANPE to carry out the merger by absorption of the National Environment Fund - FONAM, whose process was approved by the PROFONANPE Board of Directors on June 15, 2020.

The legal address of PROFONANPE is located at Félix Dibos No. 400, District of Magdalena del Mar, Lima.

1.2 Economic activity

Activities developed by PROFONANPE are outlined by Law N° 26154 and its regulations approved by the Executive Branch which establishes the National Fund for Natural Areas Protected by the Government – FONANPE, constituted as an intangible trust fund for conservation of natural protected areas. Such activities are aimed to the conservation, protection and management of Peru's protected areas, promoting conservation and sustainable development of influence zones, like the conservation of cultural and natural heritage included in the protected areas. The projects executed by PROFONANPE are funded by different International Cooperation Agencies and other non-profit organizations.

1.3 Funds managed by PROFONANPE

In compliance with its corporate purpose, PROFONANPE manages the trust fund established by Article 1 of Law N° 26154 aimed to the conservation, protection and management of natural areas protected by the Government. At December 31, 2022, PROFONANPE remains under its management a set of projects funded by International Technical Cooperation Agencies and Government Agencies through the form of an Exchange of External Debt for Nature, as well as private sector entities.

The detail of projects managed by PROFONANPE at December 31, 2022, is shown below:

Project Nº	Project desctiption	Financian Agency
PY-015	Proyecto Establecimiento del Fondo para la Gestión y Recuperación de la Reserva Nacional de Paracas.	GEF-BIRF / PLUS PETROL
PY-024	Programa de Premios Carlos Ponce	CI
PY-036	Proyecto Gestión Efectiva ANP	KfW Alemania
PY-046	Proyecto Morona Pastaza	Gobierno de Alemania
PY-056	Fondo Patrimonial Puntas e Islas	GEF-BIRF
PY-058	Portafolio MRESE	FIDA
PY-060	Adaptación a los Impactos del Cambio Climático en el Ecosistema Marino Costero del Perú	Fondo de Adaptación
PY-062	Humedales del Datem del Marañón	Green Climate Fund
PY-064	Vilcanota Polylepis	CI
PY-065	Portafolio MRESE	FIDA-Naciones Unidas
PY-066	PAN III	Alemania – KFW
PY-067	FORASAN	Junta Usuarios Bajo Piura
PY-069	Protocolo de Nagoya	PNUMA
PY-072	Creación de un Modelo de Bionegocios Basado en Energía	KOICA – Corea del Sur
PY-073	Adaptación a los Impactos del Cambio Climático	Fondo de Adaptación
PY-074	Asegurando el Futuro de las ANP del Perú	GEF WWF
PY-079	Proyecto SIPAM	FAO
PY-084	FORTALECIMIENTO MOORE	Fund Gordon & Betty Moore
PY-089	Portafolio PAN III	KfW Alemania
PY-090	Iniciativa PDP	GEF – WWF, Moores Foundation y Andes Amazon Fund
PY-091	Gestión Efectiva del Parque Nacional de Yaguas, Fase III	New Venture Fund
PY-094	APORTE -PMRI-II PNSU	KFW
PY-097	Apoyo al SERNANP	PROFONANPE
PY-098	INNOVA	Moore Foundation
PY-099	PROCODES	PROFONANPE
PY-100	FOREST IV	USAID/Servicio Forestal de EEUU.
PY-101	Fideicomiso SCOTIA BANK	Ministerio de Energía y Minas
PY-107	Cotahuasi	MINERA ARES
PY-108	Sierra del Divisor IV	New Venture Fund
PY-109	Plan de Acción Fortalecimiento de Plataformas - MDA	Mecanismos Desarrollo Alterno
PY-110	Forest V	USAID/Servicio Forestal USA
PY-112	Rio Forest	Varios
PY-113	Acuerdo CPF III	CEPF
PY-115	Fortalecimiento Capacidades Nativas Remediación Ambiental	MINEM
PY-116	Fortalecimiento Capacidades Entidades Públicas Remediación Ambiental	MINEM
PY-117	Gestión Programa de Pasivos Ambientales	MINEM
PY-118	Fondo de Contingencia para Remediación Ambiental	MINEM/OEFA
PY-119	Recuerdo Mi Mar	PROFONANPE
PY-120	Asistencia Humanitaria - BID	BID
PY-121	Coordinando la respuesta de las ONG	USAID
PY-122	Bosques	BID
PY-123	ZR Cordillera Huayhuash	Andes Amazon Fund
PY-124	Pequeñas Donaciones CEPF III	CEPF
PY-125	Fortalecimiento Gestión Reserva Nacional Illescas	New Venture Fund
PY-126	ANP Amazonía	PROFONANPE
PY-127	Campaña Asegurando	PROFONANPE
PY-128	Unido Callao	UNIDO
PY-129	PHD PNIPA Sinchi Roca	PROFONANPE
PY-132	Forest V	USAID/Servicio Forestal de EEUU.
PY-133	Participa ANP	FUNDACIÓN MOORE
PY-135	NORAD	Gobierno de Noruega
PY-139	REDD Cordillera Azul II	CIMA

1.4 New general guidelines for the Investment Portfolio

In the extraordinary session held on August 6, 2020, the Board of Directors approved the general guidelines of PROFONANPE's investment portfolio in a local bank, setting the investment ranges at 40% and 100% in fixed-income financial assets; from 0% to 40% in variable income financial assets; and, from 0% to 20% in alternative income financial assets. In the ordinary session of the Board of Directors on December 20, 2021, agreed to select the company JP Morgan of the United States of America to act as asset manager of PROFONANPE's investment portfolio, as well as various documents for good corporate governance, including investment policy.

1.5 Constitution of Trusts

Upon completion of the merger by absorption process carried out by PROFONANPE on the assets, liabilities and equity of FONAM, it assumed with banking institutions the contractual position, rights and obligations derived from the trust agreements, these being the following:

a) Trust FONAM III

Through Addendums No. 1 and No. 2 to the investment and administration trust agreement dated December 27, 2019, signed on February 12 and May 5, 2021, between PROFONANPE and Corporacion Financiera de Desarrollo - COFIDE, it was established the administration of the trust property. This patrimony comprises S/ 183,422,001 (Ministerial Resolution No. 415-2019-MINEM); S/ 88,268,335 (Ministerial Resolution No. 399-2020-MINEM); and, S/ 98,000,000 (Ministerial Resolution No. 133-2021—MINEM). This trust is oriented to finance the actions for the execution of works for the remediation of the sites impacted by hydrocarbon activities. In 2022, the Government approved a financial transfer in favor of PROFONANPE through Ministerial Resolution No. 358-2022-EM of October 3, 2022 for 12 million soles for said purpose. The accumulated balance as of December 31, 2022 of the trust amounted to S/ 373,164,450.

b) Trust FONAM II

In accordance with the investment and payments trust agreement entered into on September 25, 2015, between FONAM and COFIDE, on August 17, 2020, PROFONANPE and COFIDE signed Addendum 1 to the agreement, in order to manage the trust assets. The trustee assumed the contractual position, rights and obligations of FONAM derived from the contract. With the trust assets, the Environmental Remediation Contingency Fund was established, in accordance with Law 30321, whose amount as of December 31, 2021 amounted to 24 million soles.

c) Contingency Fund for Environmental Remediation

In the letter of December 15, 2020 sent by SCOTIA BANK PERU, it informs that according to the merger by absorption of FONAM registered in the respective registry entry in the Public Registries of Lima, it is not necessary to make any addendum in view that legally all reference to FONAM means that it is now PROFONANPE. This matter is related to the fund administration trust contract signed with SCOTIABANK PERU on February 21, 2007. The amount of the trust under the aforementioned contract amounted to S/ 10,000,000., in accordance with the provisions of Ministerial Resolution No. 619-2006-MEM approved by the Ministry of Energy and Mines on December 27, 2006.

1.6 Approval of financial statements

The financial statements for the year ended December 31, 2022 have been issued and will be submitted for approval of the Board of Directors, in accordance with literal I), article Fifteenth, Title III of the PROFONANPE' Bylaws.

2. ACCOUNTING PRINCIPLES AND PRACTICES

The accounting principles and practices applied in the preparation and presentation of these financial statements are detailed below. These principles and practices have been applied consistently in the year presented, unless otherwise indicated:

a) Basis of preparation and presentation of financial statements

(a.1) Basis of preparation

The financial statements are prepared and presented on the basis of accounting policies established by the institution, which are based on Peruvian Generally Accepted Accounting Principles.

The information contained in PROFONANPE's financial statements is the responsibility of the Executive Management, which expressly confirms that it is present in accordance with the accounting principles and practices applicable to non-profit associations in Peru. The financial statements are prepared on the basis of accounting records, according to the historical cost accounting principles, except for the financial assets at fair value.

(a.2) Basis of presentation

The financial statements are expressed in American dollars as part of this report, which are the result of applying on the historical financial statements in Soles the methodology for translating balances at year end in foreign currency adopted by the entity. This methodology is intended to prepare the financial statements in order to show the impact of foreign currency in local currency, on the basis of one fiscal year, therefore it is considered the following guidelines:

- i) The conversion process initially requires quantifying the functional currency, which in this case is the Sol.
- ii) The conversion is performed on the following statements: statement of financial position; statement of comprehensive income; statement of changes in equity and statement of cash flows, which are referred to the historic conversion of non-monetary items and show the effect of conversion on all operations of the period under review.
- iii) The balances of monetary items are translated at the exchange rate at year end established by the Superintendence of Banking and Insurance and AFP, and income and expenses in foreign currency are translated at the exchange rate of the date when each transaction occurred.
- iv) Exchange rates published by the Superintendence of Banking and Insurance and AFP at December 31, 2022 for transactions of purchase and sale for American dollar, were S/. 3.808 and S/. 3.998, respectively. (S/ 3.820 and S/ 3.975 for transaction of purchase and sale at December 31, 2021).

b) Functional currency

Items included in the financial statements are expressed in the currency of the primary economic environment in which the entity (functional currency) operates. The financial statements are presented in Soles which is the functional and presentation currency. Nevertheless, the financial statements are also presented in American dollars at the end of the period.

c) Cash and cash equivalents

For purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits in current accounts and time deposits in bank institutions. These accounts are not subject to a significant risk of changes in value.

d) Use of estimates

The preparation of financial statements in accordance with applicable accounting standards requires the entity makes estimates and assumptions in determining the amounts of assets and liabilities, income and expenses, and disclosure of significant events in the notes to the financial statements. Actual results could differ from those estimates. Estimates are continually evaluated and are based on historical experience and other factors. The significant estimates related to the accompanying financial statements are referred mainly to the depreciation of fixed assets and amortization of intangibles.

e) Financial instruments

Financial instruments are defined as any contract that simultaneously gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. Financial assets and liabilities are recognized when the institution becomes a party to the contractual arrangements of the related instruments.

Financial assets and liabilities are initially recognized at fair value plus transaction costs directly attributable to their purchase or issue, except for those classified at fair value through profit or loss, which are initially recognized at fair value and whose transaction cost directly attributable to their acquisition or issue are immediately recognized in profit or loss for the year.

Financial assets

Financial assets are classified at initial recognition as measured at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the contractual cash flow characteristics of the financial asset ante the institution's business model for managing them.

The institution's business model for the financial asset management refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from the collection of contractual cash flows, the sale of the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a period of time established by regulation or convention in the market (regular transactions) are recognized on the trade date, that is, the date on which the entity commits to purchase or sell the asset.

Classification of financial assets

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of these assets. Debt instruments that meet the following conditions are subsequently measured at amortized cost. i) the financial assets is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and ii) the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the outstanding principal amount. Financial assets at fair value through profit or loss include: i) financial assets held for trading; ii) financial assets mandatorily required to be measured at fair value.

As of December 31,2022, the institution maintains financial assets at fair value and financial assets at amortized cost. Financial assets at fair value includes cash and cash equivalents and other financial assets. Cash and cash equivalents and other financial assets because they are a method of payment and therefore, it is the basis on which all transactions are identified and recognized in the financial statements. Financial assets at fair value through profit or loss are recorded in the statement of financial position at fair value with net changes in fair value recognized in the statement income. Financial assets at amortized cost, includes other accounts receivable. These financial assets at amortized cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses are recognized in income when the asset is derecognized or impaired.

A financial asset is derecognized when: i) the rights to receive cash flows from the asset have terminated; ii) the entity has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the entire cash flow received immediately to a third party under a pass-through arrangement or; iii) the entity has substantially transferred all the risks and rewards of the asset, or if it has neither transferred nor retained substantially all the risks and reward of the asset, if it has transferred its control.

Financial liabilities

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss loans and receivable payable or as derivatives designated as hedging instruments in an effective hedge.

All financial liabilities are initially recognized at fair value and, in the case of loans and receivables and accounts payable, net of directly attributable transaction costs.

Financial liabilities on initial recognition are classified as financial liabilities at fair value through profit or loss, loans, accounts payable and other equivalents, as appropriate.

Financial instruments (assets and liabilities) are offset when there is a legal right to offset them and management intends to settle them on net basis or to realize the asset and settle the liability simultaneously.

A liability is derecognized when the obligation related to the liability is discharged or expires.

As of December 31,2022, the entity maintains the loan and accounts payable category, which includes trade accounts payable, miscellaneous accounts payable and administration funds in the statement of financial position.

f) Investment financial

The Entity's investment portfolio consists of a set of Funds created at the request of International Cooperation Agencies included in the agreements signed with PROFONANPE for the implementation of environmental projects. The Investment Portfolio is managed by a local financial entity and a bank in Switzerland, on the basis of the trust commission contracts entered into and include an automatic renewal clause, which are distributed in fixed and variable income financial assets. These financial assets are recorded at cost in foreign currency and are presented at fair value at the end of the period.

The yields at the end of the year represent the increases obtained by the investment portfolios, which are related to the projects financed by each Agreement. The use of the yields generated by the investments is restricted to the amounts of the budgets prepared by the entity that administers the projects, which must be approved by the respective International Cooperation Organizations

The decreases in each investment portfolio are recorded when there is the withdrawal of funds for the execution of projects that gave rise to them and the payment of commissions for the management of the portfolios against the heading Funds in Administration.

Additionally, in application of the provisions of Emergency Decree 022-2020, PROFONANPE administers the denominated Trusts: FONAM II; Fund for the Remediation of Environmental Liabilities; and, FONAM III, which were previously in charge of the former National Fund for the Environment. The yields generated by the funds in trust and the withdrawals are recorded under the Funds in Administration caption in liabilities.

g) Furniture and equipment and accumulated depreciation

Fixed assets are initially recorded at historical cost. Subsequently, they are measured at cost, less accumulated depreciation and the cumulative amount of losses by impairment of assets if applicable. Disbursements for maintenance and repairs are charged to results and all renewal and improvement, is charged to results. All renewal and improvement is always capitalized as long as:

- It is probable that the entity obtains future economic benefits and,
- Its cost can be valued reliably. The cost and corresponding accumulated depreciation of sold or retired assets are removed from the respective accounts and withdrawn net cost is included in the results of the year.

The improvements made to the leased properties are recorded as part of the fixed assets, including the corresponding depreciation.

Maintenance and major repairs

The major maintenance includes the replacement cost of parts of the assets and the overhaul cost that takes place every certain number of periods, in order to maintain the asset's operational capability. The cost of major maintenance capitalizes in the initial recognition of the asset, as a separate component of the good and is depreciated on the estimate of time when the next major maintenance will be required.

Depreciation

The depreciation of assets that comprise this category is calculated following the straight-line method, in order to assign the cost during their estimated useful life, whose detail is as follows:

	<u>Years</u>
Furniture and facilities	10
Computer equipment	04
Transport units and equipment	05
Other equipment	10

The residual value, useful life and depreciation method are periodically reviewed to ensure that the method and the depreciation period are consistent with future economic benefits and life expectations of the items in this category.

h) Intangible

Assets are recorded at acquisition cost, less accumulated amortization and the cumulative amount of losses by impairment of assets, if applicable. These assets include, primarily, the acquisition of software used in entity's operations and are recognized when:

- The property is under the control of the entity.
- The good is identifiable to any contractual rights
- Future benefits are expected.

The intangibles that are acquired with funds from projects financed by international cooperation are registered in the caption "funds in administration"

The limited life intangible assets are amortized in a maximum period of 10 years. As a policy, intangibles are amortized under the straight-line method on the basis of its estimated useful life. The period and amortization method are reviewed at the end of the period.

i) Impairment of assets

When there are events or economic changes that indicate the value of a long-lived asset may not be recoverable, the Executive Director reviews at each date of the statement of financial situation, the carrying amount of these assets. If after this analysis, it seems that its carrying amount exceeds its recoverable value, a loss for impairment is recognized in the income statement. Recoverable amounts are estimated for each asset.

j) Management funds

This category represents a deferred liability that reflects the net funds to implement the projects financed by cooperation international donors that PROFONANPE maintained under management. These funds come from cash transfers received to form investment portfolios and / or to the implementation of expenditure on projects.

Credits under this heading occur when the entity receives funds from international cooperating sources to finance the expenses foreseen in the budget of the Agreement, as well as when donors provide for the increase in the investment portfolio created previously. The returns obtained by the portfolios in the year are recorded as a credit to this item and directly affect the balance of the corresponding project subaccount.

Charges in this item are recorded for: i) the withdrawal of funds from the Portfolio required by the entity for the activities in some project; ii) payment of trust commissions in favor of the financial institution that administers the portfolio; and, iii) when the investment Portfolios obtain negative yields. Also, the disbursements of projects that require the acquisition of

equipment and vehicles, as appropriate, as well as the financing of intangibles required for institutional strengthening are incorporated.

This same accounting treatment is applicable to operations related to the "Funds" managed by PROFONANPE and come from transfers of financial resources made by the Ministry of Energy and Mines and the Agency for Environmental Assessment and Control, in compliance with laws and legal regulations. The resources received for each trustee equity and the disbursements for the payment of obligations are recorded in asset and liability accounts, while the commissions for the administration of the trusts are shown in the institutional income statements.

k) Employee' benefits

The entity has short-term obligations for employee's benefits that include salaries, social contributions, bonuses, employee severance indemnities. These obligations are normally recorded with a charge to the statement of comprehensive income as they accrue.

l) Provisions

Provisions are recognized when the entity has a present legal or constructive obligation, resulting from past events that are likely to require the delivery of a flow of resources involving economic benefits for settlement and its amount can be estimated reliably.

m) Recognition of revenues

Revenues generated by way of contribution (overhead) to the institutional development for the management of projects financed by international technical cooperation are recorded when received. In this category, the funds received by the entity arising from cash donations from international sources cooperating are not recorded, because they are controlled through of assets and liabilities accounts.

n) Recognition of expenses

Expenses are recognized as they accrue and in the period to which they relate, regardless of when they are paid. Funds applied by project executing entities from cooperating international sources, whose expense receipts are issued in the name of PROFONANPE (project management entity) are not recorded in the statement of comprehensive income, but are controlled through the heading Funds in Administration.

o) Financial income and expenses

Financial income and expenses are recognized in the income statement in the periods to which they are related and are recognized when earned, regardless when it is received or disbursed.

3. CASH AND CASH EQUIVALENTS

It comprises:

	In U.S. Dollars	
	2022	2021
Current accounts for specific purposes (a)	4,574,602	11,696,044
Saving accounts (b)	5,420,821	4,875,378
Fixed-term deposits	4,893	4,682
Total	10,000,316	16,576,104

- (a) Current accounts are held in banks and are denominated in Soles, U.S. Dollars and Euros, whose balances correspond individually to the availability of funds in projects financed by International Technical Cooperation Organizations. These funds are freely available and do not generate interest at market rates.
- (b) The balances in savings in financial system entities in Soles, U.S. Dollars and Euros are available free and generate interest.

4. OTHER ACCOUNTS RECEIVABLE

It comprises:

	In U.S. Dollars	
	2022	2021
Current:		
Advances to staff and accountability	130,884	235,604
Claims to third parties	8,326	8,103
Deliveries to account	823,613	619,207
Other sundry accounts receivable – third parties	351,130	214,231
Deposits in guarantee	2,296	1,696
Public and other related services	622	595
	<u>1,316,871</u>	<u>1,079,436</u>
Non current:		
Accountability funds	233,923	233,923
	<u>233,923</u>	<u>233,923</u>
Total	<u>1,550,794</u>	<u>1,313,359</u>

5. EXPENSES CONTRACTED IN ADVANCE

Este rubro comprende:

	In U.S. Dollars	
	2022	2021
Supplier advances	124,450	173,602
	<u>124,450</u>	<u>173,602</u>

6. FINANCIAL INVESTMENTS

It includes funds from Grant Agreements signed with International Technical Cooperation Agencies and Debt Swap Agreements held with the Governments and private sector companies. Management of these resources is entrusted to financial institutions for investment in portfolio securities in order to generate returns and a sustainable source of funding for projects.

At December 31, 2022 and 2021, the balances of investment portfolios are as follows:

	In U.S. Dollars	
	2022	2021
i) Investment portfolio:		
PY-015 Fondo Paracas – PLUS PETROL (a)	5,511,745	6,433,599
PY-035 Fondo PRONANP – GEF/KfW (b)	9,971,764	11,256,119
PY-046 Reconversion de Deuda Alemana – Proy. Morona (d)	2,768,983	3,239,628
PY-056 Fondo Puntas e Islas Guaneras – Banco Mundial (e)	1,837,556	2,126,108
PY-062 Datem del Marañón – Fondo Verde del Clima (f)	79,484	200,765
PY-064 Vilcanota Polylepis (g)	957,373	1,122,748

PY-080 Fondo FONANPE (i)	12,268,999	15,725,334
PY-085 Fortalecimiento SINANPE (j)	1,604,247	736,554
PY- 89 Portafolio PAN III (k)	1,829,624	2,141,070
PY- 139 Trust Fund Cordillera Azul (l)	27,231,741	-
	66,071,374	45,409,189
ii) Trusts:		
PY-95 FONAM II (m)	6,144,943	6,733,295
PY-101 Remediación de Pasivos Ambientales (n)	1,179,251	1,182,498
PY-105 FONAM III (o)	101,361,964	95,974,537
	108,686,158	103,890,330
	174,757,532	149,295,519
iii) Mutual Funds		
PY – 090 Iniciativa Patrimonio Natural del Perú - PDP	13,217,984	8,707,988
	187,975,516	158,003,507

Financial investments classified as current and non-current as of December 31, 2022, are described below:

	In U.S. Dollars	
	2022	2021
Current:		
Mutual Funds:		
Iniciativa Patrimonio Natural del Perú -PDP, <i>Andes Amazon Fund</i>	507,490	1,229,477
PDP- <i>World Wildlife Fund</i>	9,418,790	2,960,526
Iniciativa Patrimonio Natural del Perú - PDP <i>General Environment Fund</i>	3,291,704	4,447,730
Proyecto Forest (recupero de IGV-APCI)	-	70,255
	13,217,984	8,707,988
Non Current:		
Trusts:		
FONAM II	6,144,943	6,733,295
Remediación de Pasivos Ambientales - ScotiaBank	1,179,251	1,182,498
FONAM II	101,361,964	95,974,537
	108,686,158	103,890,330
Portfolios:		
Pluspetrol – Donación – Fondo Paracas	5,511,745	6,433,599
Donación Banco Mundial- KfW - PRONANP	9,971,764	11,256,119
MEF – Reconversion Deuda Alemania – Morona	2,768,983	3,239,628
MEF- Reconversion Deuda Alemania SINANPE III	1,829,624	2,141,070
BM – Donación – Fondo Puntas e Islas Guaneras	1,837,556	2,126,108
DATEM del Marañón – Fondo Verde del Clima	79,485	200,765
Donación – GEF – Proyecto Vilcanota Polylepis	957,373	1,122,748
Donación – GEF – Proyecto MERSE – FIDA	2,009,858	2,423,264
FONANPE	12,268,999	15,725,334
Fortalecimiento SINANPE	1,604,247	736,554
Trust Fund Cordillera Azul	27,231,741	-
	66,071,374	45,405,191
	174,757,532	149,295,519
Total	187,975,516	158,003,507

Management policies for Portfolio resources.

The conditions and guidelines established for the management of investment portfolios are the following:

Investment Portfolio

(a) PY- 015 "Project for the Establishment of the Fund for the Management and Recovery of the Paracas National Reserve": Plus Petrol Perú Corporación S.A.

The Tripartite Agreement signed between PLUSPETROL, SERNANP and PROFONANPE establishes a Fund for the Management and Recovery of the Paracas National Reserve for up to US\$ 7 million, having signed the trust commission agreement with the local bank on September 30, 2009.

The net amount of the investment portfolio as of December 31, 2022 was US\$ 5'511,745.

(b) PY - 035 "PRONANP Heritage Fund Project": International Bank for Reconstruction and Development – IBRD / KfW Germany

On August 16, 2010, the International Bank for Reconstruction and Development – IBRD, in its capacity as implementing agency of the Global Environment Facility – GEF signed the Grant Agreement TF097155 with PROFONANPE to finance the execution of the project "Strengthening Biodiversity Conservation through the National Program for Protected Areas - PRONANP" for up to US\$ 8.8 million. Of this amount, it was agreed to manage and invest US\$ 3.0 million to create a heritage fund for the financial sustainability of the protected areas within the selected Ecological Corridors. Additionally, in August 2013, a portfolio contribution of EUR 5.0 million (US\$ 6'621,936) was made for the expansion of the contract signed with KfW Germany as of December 31, 2012. In August 2020, the Board of Directors ratified the selection of UBP Swiss Bank as the administrator of the PRONANP Portfolio. In August 2020, the Board of Directors, following the recommendation made by KfW Germany, agreed to transfer the funds of the PRONANP portfolio, included in the FONANPE heritage fund, to the UBP Swiss Bank. Later, in December 2021, the Board of Directors decided to transfer this fund to J.P. Morgan in New York.

The net amount of the portfolio as of December 31, 2022 was US\$ 9'971,764.

(c) PY – 046 "Natural Resources Management Project in the Morona and Pastaza River Basins": Foreign Debt Swap with the Government of Germany

The Peruvian-German Intergovernmental Debt Restructuring Agreement between the Government of Peru and the Government of Germany allocated Deutsche Mark 14.7 million to this project. The trust commission agreement with the local bank was signed on September 01, 2003 for annual terms, renewable in equal periods, and the last addendum to the agreement was signed on March 31, 2014.

The net amount of the investment portfolio as of December 31, 2022 was US\$ 2'768,983.

(d) PY-056 "Project Heritage Fund "Strengthening the Sustainable Management of the National Reserve System of Islands, Islets and Puntas Guaneras".

On February 11, 2014, a Grant Agreement was signed between the World Bank, in its capacity as the implementing agency of the Global Environment Facility – GEF and PROFONANPE, to finance project activities for up to US\$ 8.9 million. The establishment of a heritage fund for US\$ 2.0 million is also foreseen, and the trust commission agreement was signed on December 19, 2014 and is valid for one year, renewable for equal periods.

The net amount of the portfolio as of December 31, 2022 was US\$ 1'837,556.

(e) PY-062 Project "Building Resilience in the Wetlands of Datem del Marañón Province, Peru".

On July 19, 2016, the Green Climate Fund signed with PROFONANPE the Master Accreditation Agreement to finance the project "Building Resilience in the Wetlands of Datem del Marañón Province, Peru", which was approved in November 2015 and started its activities in June

2017. The purpose of this project is to improve the resilience capacities (capacity of human beings to adapt positively to adverse situations) of indigenous communities living in wetland ecosystems rich in carbon reserves in the Datem del Marañon Province in the Loreto Region.

On December 15, 2016, the Green Climate Fund and PROFONANPE signed the Financed Activity Agreement for the implementation of the project. According to the budget approved by the Agreement, the amount financed totals US\$ 9'110,000, of which US\$ 6'240,000 is contributed by the Green Climate Fund; US\$ 1'800,000 is contributed by the Government of South Korea, and US\$ 1'070,000 corresponds to the counterpart provided by PROFONANPE. The term of the Agreement is five years.

The net amount of the portfolio as of December 31, 2022 was US\$ 79,485.

(f) PY-064 "Vilcanota Reserve Network, Polylepis Forest Conservation in Peru".

On September 09 and 25, 2017, Global Conservation Fund and PROFONANPE signed a Grant Agreement for the establishment of the Vilcanota Polylepis Heritage Fund for up to US\$ 938,908.09. The purpose of the Fund is to finance the administrative costs of conserving the biological diversity of the Vilcanota Polylepis Reserve in accordance with the terms and conditions set forth in the operations manual and in each operational plan. In this context, the State Natural Protected Areas Service – SERNANP must ensure that expenditures are used exclusively to finance the costs of biodiversity conservation in the Reserve Areas. On February 16, 2020, PROFONANPE signed a trust commission agreement with a local bank to invest the funds received.

The net amount of the portfolio as of December 31, 2022 was US\$ 957,373.

(g) PY-065 "Project Conservation and sustainable use of high Andean ecosystems of Peru through payment for environmental services for rural poverty alleviation and social inclusion".

On June 12 and October 06, 2015, the International Fund for Agricultural Development IFAD – MERESE (acting as Implementing Agency of the Global Environment Facility – GEF) and the Ministry of Environment – MINAM, signed the Financing Agreement for the execution of the Project "Conservation and sustainable use of high Andean ecosystems of Peru through payment for environmental services for rural poverty alleviation and social inclusion", for up to US\$ 5'354,545.00. According to the agreement, the amount allocated to implement the Investment Portfolio is US\$ 2.0 million. PROFONANPE entered into the trust commission agreement with a local bank on October 12, 2017 for a term of one-year renewable for equal periods.

The net amount of the portfolio as of December 31, 2022 was US\$ 2'009,858.

(h) PY- 080 "National Environmental Fund – FONANPE".

At the December 14, 2020 meeting, the Board of Directors approved the integration of the investment portfolios corresponding to the following projects: PRONANP (PY-035); FINLANDIA II (PY-025); GPAN (PY-020); GEF (PY-002); SINANPE III (PY-036); Alto Mayo (PY-005); and Canada (PY-026), transferring the funds from these portfolios to constitute FONANPE (PY-80). The entity has entered into a trust commission agreement with a local bank for the administration of FONANPE funds.

The net amount of the portfolio as of December 31, 2022 was US\$ 12'268,999.

(i) PY-085 “SINANPE Strengthening Project”

This is an extinguishable portfolio that has its origin in FONANPE's portfolio and has been established by agreement of the Board of Directors for up to US\$1.33 million to finance SINANPE and SERNANP activities and institutions, as well as to finance the organization of PROFONANPE's first project competition.

The net amount of the portfolio as of December 31, 2022 was US\$ 1'604,247.

(j) PY-089 “Portafolio PAN III”

It is related to the Debt Swap operation with the German Government subscribed on June 30, 2011 for EUR 7'998,907 (approximately US\$ 8.2 million) for the support of the project. Of this amount, the project financing amounted to EUR 5.7 million. On December 12, 2011, a trust commission agreement was signed with a local bank for a period of one year, renewable for equal periods.

The net amount of the investment portfolio as of December 31, 2022 was US\$ 1'829,624.

(k) PY-139 “Project REDD Cordillera Azul – II”

This portfolio generated from the sale of CIMA's carbon credits to Total Energies Nature-Based Solutions (TENBS). There are US\$ 30 million remaining that are certified by Verra and will be incorporated into the portfolio as a result of trading to TENBS. In addition, there are 5.3 million VCUs (Verified Carbon Unas) that are verified and ready to trade.

The net amount of the investment portfolio as of December 31, 2022 was US\$ 27'231,741.

Trusts

(l) PY-95 Trust FONAM II

Article 23 of the regulations on mining environmental liabilities published as an annex to Supreme Decree N° 059-2005-EM, stipulates that mining environmental liabilities will be remediated through trusts entered into by the National Environmental Fund – FONAM. Subsequently, Law N° 30321 was enacted and published on May 07, 2005, creating the Contingency Fund for Environmental Remediation to finance environmental remediation actions at sites impacted by hydrocarbon activities. Article 2° of the law assigns the Fund the sum of fifty million soles as initial capital (30 million soles contributed by the Ministry of Energy and Mines and 20 million soles contributed by the Environmental Evaluation and Control Agency – OEFA) to finance actions in the geographical area of the Pastaza, Tigré, Corrientes and Marañón river basins in the Loreto Region. Subsequently, on September 25, 2015, FONAM entered into an investment and payment trust agreement with Development Finance Corporation – COFIDE for up to fifty million soles.

Finally, on August 17, 2020, COFIDE and PROFONANPE signed Addendum N° 1 to the investment and payment trust agreement, the latter assuming the contractual position, rights and obligations of the former FONAM.

The net amount as of December 31, 2022 of the investment portfolio of the FONAM II trust was US\$ 6'144,943.

(m) PY-101 Environmental Liability Remediation Fund

Based on Law N° 28271 which regulates environmental liabilities in mining activities and provides that the former FONAM is in charge of raising resources to address and settle environmental liabilities, as well as article 23 of the environmental liabilities regulation published on December 09, 2005 as an annex to Supreme Decree N° 059-2005-EM, which establishes that environmental liabilities will be remediated through trusts entered into by FONAM for such purpose, On December 27, 2006, the Ministry of Energy and Mines – MEM and FONAM signed an inter-institutional cooperation agreement for the latter to select, hire and supervise a trust entity to manage the trust assets to remediate environmental liabilities from mining activities in the department of Cajamarca. For such purpose, the Ministry of Energy and Mines transferred the amount of ten million soles as a trust. Subsequently, the former FONAM and SCOTIABANK PERÚ signed a trust fund management agreement on February 21, 2007 for the aforementioned amount.

Finally, on February 21, 2007, the former FONAM signed a trust fund management agreement with SCOTIABANK PERU SAA, which remained in force until the issuance of Emergency Decree N° 022-2020, which stipulated that PROFONANPE should merge with the former FONAM and, subsequently, on December 15, 2020, the trust bank stated that all references to the former FONAM are understood to correspond to PROFONANPE.

The net amount as of December 31, 2022 of the Fund was US\$ 1'179,251.

(n) PY-105 Trust – FONAM III

Law N° 30887 authorized the Ministry of Energy and Mines – MEM to use balance sheet balances of up to 274 million soles to finance the execution of environmental remediation actions in the mining and hydrocarbon sub-sectors, having been approved by Ministerial Resolution N° 376-2019-MINEM/DM for sites impacted by hydrocarbon activities in the Corrientes, Pastaza and Tigre river basins. On December 14, 2019, the Ministry of Energy and Mines entered into a financial resource transfer agreement with the former FONAM, whereby the latter undertook to set up a trust with the resources from the financial transfer through the selection, contracting and supervision of the trust entity in charge of managing the trust assets for up to S/ 183'422,001. In this context, on December 18 and 27, 2019, Development Finance Corporation – COFIDE and the former FONAM signed the investment and fund management trust agreement for the constitution of the trust assets and management, with the ordinary contribution amounting to the aforementioned amount for a term of five years, as well as the remuneration agreement regulating the commissions that the trustee is entitled to receive.

Additionally, through Ministerial Resolution N° 399-2020-MINEM of December 25, 2020, the Ministry of Energy and Mines authorized the financial transfer in favor of PROFONANPE in the amount of S/ 88'268,335, destined to finance the execution of environmental remediation actions of sites impacted by hydrocarbon activities. On February 15 and May 06, 2021, COFIDE and PROFONANPE signed Addenda 1 and 2 to the trust agreement. In addition, by Ministerial Resolution N° 133-2021-MINEM, the Ministry of Energy and Mines transferred S/ 98 million to FONAM III and, subsequently, by Ministerial Resolution N° 358-2022-EM, the transfer of S/ 12 million was approved for the same purpose.

The net amount as of December 31, 2022 of the trust was US\$ 101'361,964.

Annual performance of investments in the Portfolio in 2022

At year-end 2022, the market value of the investment portfolios managed by PROFONANPE, Credicorp Capital and J.P. Morgan was US\$ 66.02 million with a nominal drop of US\$ 20.61 million compared to year-end 2021, largely explained by the insertion of the Trust Fund Cordillera Azul portfolio in December 2022. Also, there was an annualized profitability of -12.97% for the year, explained by the difficult situation in the global financial market.

In 2022, Central Bank stimuli came to an end and higher consumption, despite a crisis in the supply chain, paid the bill with resilient inflation. The most transcendent events can be summarized in three events: The first of these would come from the US inflation report, which surprised with 7.5%, the highest figure in 40 years. The second and most important event was the Russian invasion of Ukraine, which highlighted Europe's dependence on Russian gas, as the price of oil rose to US\$ 120 per barrel, affecting the region. The third event was the resurgence of Covid-19 in China, which forced its authorities to implement the Zero-Covid policy with strict containment, further aggravating the supply chain situation. This caused Central Banks to adopt a more contractionary policy, progressively increasing their benchmark interest rates, mainly the FED, which had up to 7 rate increases in a single year. Although economic data for the last quarter improved, the year closed with a drop in variable income (MSCI ACWI: -18.4%) and fixed income (Bloomberg Global Bond Index: -11.2%).

In the space of variable income, the main US indices and their performance were: Russell 2000 (-20.5%), S&P 500 (-18.1%), Nasdaq (-33.1%). While in other markets: Europe – Stoxx 600 (-9.9%), Japan – Nikkei 225 (-7.3%) and Emerging Markets – MSCI EM (-20.1%).

PROFONANPE is not governed by the General Law of the Insurance Financial System and Organic Law of the Superintendence of Banking, Insurance and AFP, Law N° 26702, and therefore Resolution S.B.S. N° 7033-2012 "Regulations for the Classification and Valuation of Investments of Companies in the Financial System" applies to companies included in paragraphs A and B of Article 16 of Banking Law N° 26702, but not to PROFONANPE. Article 1 of this regulation establishes that debt instruments must be restated for accounting purposes at amortized cost, applying the effective interest rate methodology and based on the amortized cost obtained, recognizing the gains and losses due to the variation in the fair value. In the case of PROFONANPE, total investments are recorded at market value, which is provided by our Asset Manager.

According to the Regulations for the Classification and Valuation of Investments of Financial System Companies, the fluctuation in the value of investments is obtained by comparing the fair value with the accounting value, obtaining a gain on fluctuation if the fair value is higher, otherwise it would be a loss. For PROFONANPE, the unrealized gain or loss (fluctuation of values) is presented in the reports sent by the Asset Manager in which the market value is compared with the average purchase value, but for accounting purposes this is not considered.

The overall yield of PROFONANPE's Investment Portfolio as of December 31, 2022, amounted to US\$ 174'757,532, summarized as follows:

	In U.S. Dollars
- Initial balance	149,295,519
- Trusts FONAM	-
- Contributions	31,516,400
- Commissions and management	(281,394)
- Gross performance	(807,462)
- Withdrawal	(4,965,531)
	<u><u>174,757,532</u></u>

The movements of the investment portfolio as of December 31, 2022 and its structure made up of fixed interest, variable interest and alternative interest securities, are shown in Annex's 1, 2 and 3 of supplementary information.

7. FURNITURE AND EQUIPMENT

The variation of the account and its related accumulated depreciation for the years ended December 31, 2022 and 2021, is as follows:

	Building, Improvement In leased properties	Furniture	Transport Unit	Computer equipment	Other equipment	Final balance
Year 2022:						
Opening balance	-	15,794	-	11,164	9,116	36,073
Additions	-	-	-	15,206	2,669	17,875
Sales and withdrawals	-	-	-	461	-	461
Depreciation adjustments	-	-	-	(7,812)	(2,180)	(13,267)
Depreciation charge	-	(3,275)	-	-	-	-
Net cost at 31/12/2022	-	12,519		19,019	9,605	41,143
Cost	-	55,111	-	145,753	60,744	261,607
Depreciation Accumulate	-	(42,592)	-	(126,734)	(51,139)	(220,464)
		12,519		19,019	9,605	41,143
Year 2021:						
Opening balance	2,397	16,489	-	14,943	7,775	41,604
Additions	-	12,027	-	74,267	35,464	121,758
Sales and withdrawals	(62,301)	-	(29,240)	-	(2,488)	(94,029)
Depreciation adjustments	-	(9,554)	29,240	(71,183)	(30,493)	(81,990)
Depreciation charge	59,904	(3,168)	-	(6,863)	(1,143)	48,730
Net cost at 31/12/2021	-	15,794		11,164	9,115	36,073
Cost	-	55,110	-	130,547	58,074	243,731
Depreciation Accumulate	-	(39,316)	-	(119,383)	(48,959)	(207,658)
		15,794		11,164	9,115	36,073

8. INTANGIBLES, NET

It comprises:

	In U.S. Dollars		
	Balance at 01.01.2022	Additions	Balance at 12.31.2022
Cost:			
Software	490,040	(74,565)	415,475
	490,040	(74,565)	415,475
Amortization:			
Software	(291,296)	(28,817)	(320,113)
	(291,296)	(28,817)	(320,113)
Net value	198,744	(103,382)	95,362

9. OTHER ACCOUNTS PAYABLE

It comprises:

	In U.S. Dollars	
	2022	2021
Current:		
Salaries, vacations and social benefits	280,399	239,063
Taxes and contributions	121,439	75,991
Other accounts payable – current part	<u>766,537</u>	<u>798,224</u>
	<u>1,168,375</u>	<u>1,113,278</u>
Non Current:		
Other accounts payable	233,923	233,923
	<u>1,402,298</u>	<u>1,347,201</u>

10. DEFERRED LIABILITIES

It comprises:

	In U.S. Dollars	
	2022	2021
Commission for managing projects	217,768	214,880
	<u>217,768</u>	<u>214,880</u>

11. MANAGEMENT FUNDS

It comprises:

Project Nº	Project's name	In U.S. Dollars	
		2022	2021
PY-007	Proyecto Morona Pastaza	234,313	-
PY-008	Protección de Áreas Naturales Protegidas – Fase II	4	-
PY-010	Convenio PROFONANPE-KFW Estudio PRONANP	-	59
PY-015	Fondo Paracas – PLUS PETROL	5,618,440	6,872,105
PY-016	Desarrollo Institucional PROFONANPE	64,438	64,455
PY-020	Fondo Patrimonial Portafolio GPAN	604	756
PY-024	Programa Premios Carlos F. Ponce	46,657	51,769
PY-026	Conversión de Deuda Canadá	1	-
PY-030	Fondo Editorial	25,697	24,546
PY-035	Fondo Patrimonial PRONANP-GEF-KfW	9,971,765	11,256,118
PY-036	Proyecto de Gestión Efectiva de ANP – SINANPE III	107,906	242,961
PY-045	Varios	19	18
PY-046	Proyecto Morona – Pastaza, Fase II (a)	2,768,991	3,473,762
PY-050	REDD Cordillera Azul	-	120,811
PY-052	Fortalecimiento Gestión Sostenible de Reserva Sistema Islas	2	7
PY-053	Implem. Plan Maestro, Reserva Comunal Amarakaeri Fase II		205
PY-055	Mitigación de la Deforestación en las Concesiones Castañeras de Madre de Dios	-	(17)
PY-056	Fondo Patrimonial Puntas Guaneras e Islas	1,866,325	2,305,536
PY-058	Proyecto FIDA - MERSE	2,749	4,891
PY-059	Acuerdo FUNDESNAP	-	280
PY-060	Proyecto Adaptación Fondo Marino	332,661	2,136,205
PY-062	Proyecto Humedales del Datem del Marañón	1,062,619	1,043,920

Project Nº	Project's name	In U.S. Dollars	
		2022	2021
PY-064	Vilcanotaq Polylepis	963,375	1,128,751
PY-065	Portafolio FIDA-MRESE	2,085,016	2,423,264
PY-066	PAN III	206,325	213,580
PY-067	FORASAN	25,844	39,034
PY-068	US Forest	19	20
PY-069	Protocolo de Nagoya	(77,546)	150,452
PY-071	Gestión Parque Nacional Yaguas	1,151	1,043
PY-072	Creación de un Modelo de Bio negocios Basado en Energía	-	5,182
PY-074	Asegurando el Futuro de las ANP del Perú	51,998	117,275
PY-075	READINESS	-	(1)
PY-076	Fortalecimiento de la Gestión del Divisor	-23	51
PY-077	Consolidado del PFP para SINANPE: Patrimonio Natural	58	55
PY-078	USFS Forest – Fase II	2,900	2,860
PY-079	Proyecto SIPAM	(3,202)	325,319
PY-080	FONANPE	12,268,998	15,725,334
PY-081	Acuerdo CEPF	-	1
PY-082	III Congreso de ANP	(49)	(49)
PY-083	READINES II – GREEN CLIMATE FUND	(4,358)	(4,343)
PY-084	Fortalecimiento Moore – Fundación Gordon & Betty Moore	235,511	339,088
PY-085	Fortalecimiento SINANPE	1,604,245	861,553
PY-087	HUMADEALES PNIPA I	1,718	1,643
PY-088	USFS FOREST – FASE III	6,985	7,748
PY-089	Portafolio PAN III	2,010,235	2,431,078
PY-090	Iniciativa PDP	14,028,343	13,696,747
PY-091	Gestión Efectiva del Parque Nacional de Yaguas, Fase II	38	48,459
PY-092	Fortalecimiento de la Gestión PN Sierra del Divisor-Fase II	226	216
PY-093	REDINESS III	(157,122)	(157,079)
PY-094	APORTE -PMR	4,187,860	4,678,570
PY-095	Fondo De Contingencias para Remediación Ambiental	6,139,593	6,664,165
PY-096	Apoyo a Centros de Cría y Rescate de Fauna Silvestre	7,925	10,996
PY-097	Apoyo a SERNANP	261,212	29,173
PY-098	INNOVA	54,476	293,088
PY-099	PROCODES	176,722	435,724
PY-100	FOREST IV	(2,206)	143,178
PY-101	Fideicomiso Remediación Pasivos Ambientales	1,179,251	1,182,497
PY-103	Inversiones Inmobiliarias	1,243	1,189
PY-104	Apoyo ZR COMAINA	-	78,500
PY-105	Proyecto FONAM III	101,312,814	95,929,139
PY-106	Perú BAR	(145)	(140)
PY-107	Plan Maestro de la Reserva Paisajista Sub cuenca Cotahuasi	33,707	25,199
PY-108	Sierra del Divisor IV	2,520	78,330
PY-109	PROCODES	11,042	(4,478)
PY-110	Forest V	137,117	147,150
PY-111	Campaña CI-NFT	897	(40)
PY-112	Rio FOREST	267	2,008
PY-113	Acuerdo CPF III	13,243	-
PY-114	Campañas	(127)	161
PY-115	Fortalecimiento Capacidades Nativas Remed. Ambiental	(44,891)	-
PY-116	Fortalecimiento Capacidades Entidades Públicas	25,459	-
	Remediación. Ambiental		
PY-117	Gestión Programa de Pasivos Ambientales	16	-
PY-118	Fondo de Contingencia para Remediación Ambiental	(8,187)	-
PY-119	ZR Cordillera Huayhuash	(3,382)	-
PY-121	Coordinando la respuesta de las ONG	(4,716)	-
PY-122	Bosques	391,027	-
PY-123	ZR Cordillera Huayhuash	66,964	-
PY-124	Pequeñas Donaciones CEPF III	23,227	-

Project Nº	Project's name	In U.S. Dollars	
		2022	2021
PY-125	Fortalecimiento Gestión Reserva Nacional Illescas	162,475	-
PY-126	ANP Amazonía	4,193	-
PY-127	Campaña Asegurando	(10)	-
PY-128	Unidad Callao	(2)	-
PY-129	PHD PNIPA Sinchi Roca	(11)	-
PY-132	Forest V	477,182	-
PY-133	Participa ANP	400,000	-
PY-135	NORAD	579,431	-
PY-139	REDD Cordillera Azul II	27,231,741	-
	Total	198,171,793	174,650,077

The balance of movements for each project in the period is included in Annex No. 3, attached to the supplementary information that is part of this report.

12. ACCUMULATED RESULTS

They include the results obtained at the end of the fiscal year and that are accumulated with other financial contributions obtained by PROFONANPE that are destined to the realization of its corporate purpose.

As of December 31, 2022, this item amounted to US\$8,515 (as of December 31, 2021 it amounted to US\$ 88,926).

13. ORDER ACCOUNTS

It comprises:

In U.S. Dollars	
2022	2021
Assets on loan, non-capitalizable custody	- 183
Accounts receivable, on the contrary	1,428,361 171,944
Deliveries to render - sub donations	1,783,906 302,325
	3,212,267 474,452

14. MANAGEMENT INCOME

It comprises:

In U.S. Dollars	
2022	2021
PY-015 Fondo Paracas – PLUS PETROL	37,795 37,610
PY-024 Programa Premios Carlos F. Ponce	1,342 -
PY-056 Fondo Patrimonial Puntas Guaneras e Islas	10,460 10,448
PY-058 Proyecto FIDA - MERSE	3,931 1,727
PY-062 Proyecto Humedales del Datem del Marañón	201,396 192,763
PY-064 Vilcanotaq Polylepis	- 16,800
PY-066 PAN III	143,374 48,649
PY-067 FORASAN	707 -
PY-069 Protocolo de Nagoya	33,903 25,000
PY-073 Adaptación de los Impactos del Cambio ambiental	- 272,145
PY-074 Asegurando el Futuro de las ANP del Perú	61,949 16,931

		In U.S. Dollars	
		2022	2021
PY-075	READINES	-	11,021
PY-079	Proyecto SIPAM	59,200	113,313
PY-081	Acuerdo CEPF	-	10,857
PY-085	Fortalecimiento SINANPE	-	635,678
PY-090	Iniciativa PDP	126,906	121,984
PY-091	Gestión Efectiva del Parque Nacional de Yaguas, Fase II	-	29,228
PY-092	Fortalecimiento de la Gestión, Sierra del Divisor-Fase II	-	5,295
PY-093	GCF-OVH READINESS III	64,465	
PY-094	Aporte PMR	-	36,078
PY-095	Fondo de Contingencias para Remedición Ambiental	-	22,979
PY-097	Apoyo al SERNANP	-	22,516
PY-098		27,000	
PY-100	FOREST IV	-	93,975
PY-101	Fideicomiso Remediación de Pasivos Ambientales	-	5,386
PY-105	FONAM III	-	17,578
PY-108	PROYECTO SDD IV	9,929	-
PY-110	PROYECTO FOREST V	106,876	-
PY-112	RIO FOREST	203	-
PY-113	PROYECTO ACUERDO CEPF III	8,640	-
PY-117	FONAM II Y FONAM III	1,968,444	-
PY-123		5,021	-
PY-125		14,159	-
	Administración del portafolio	341,198	-
	Otros ingresos	19,644	26,423
		<u>3,246,542</u>	<u>1,774,384</u>

15. ADMINISTRATIVE EXPENSES

It comprises:

	In U.S. Dollars	
	2022	2021
Personnel expenses (Note 16)	2,167,465	1,326,986
Services provided by third parties (Note 17)	614,887	333,342
Other management expenses (Note 18)	741,089	128,830
	<u>3,523,441</u>	<u>1,789,158</u>

16. PERSONNEL EXPENSES

It comprises:

	In U.S. Dollars	
	2022	2021
Remuneration	1,564,127	1,008,380
Other remuneration	10,239	27,326
Staff compensation	(50)	12,528
Coaching	14,373	-
Social security and other contributions	114,382	75,583
Social benefits of workers	464,394	203,169
	<u>2,167,465</u>	<u>1,326,986</u>

In the 2022 period, the entity had 116 servers on the payroll (In 2021, it was 116 servers).

17. SERVICES PROVIDED BY THIRD PARTIES

It comprises:

	In U.S. Dollars	
	2022	2021
Transport, mail and travel expenses	130,302	17,804
Advice and consultancy	222,376	90,001
Maintenance and repairs	6,189	3,363
Rentals	19,228	42,039
Basic services	8,522	13,379
Advertising publications and public relations	8,549	312
Contractor service	37,886	91,873
Other services	181,835	74,571
	<u>614,887</u>	<u>333,342</u>

18. OTHER MANAGEMENT EXPENSES

It comprises:

	In U.S. Dollars	
	2022	2021
Insurance	84,710	42,157
Subscriptions and quotes	6,301	10,476
Licenses and validity rights	45,471	1,337
Property, plant, machinery, equipment and intangibles	10,955	-
Supplies	4,945	1,486
Tributes	1,895	2,785
Other management fees	586,812	70,589
	<u>741,089</u>	<u>128,830</u>

19. PROVISIONS

It comprises:

	In U.S. Dollars	
	2022	2021
Depreciation of furniture and various equipment	13,266	13,068
Amortization of intangibles	32,765	38,493
	<u>46,031</u>	<u>51,561</u>

20. OTHER INCOME AND EXPENSES

It comprises:

	In U.S. Dollars	
	2022	2021
Financial income	2,036,905	9,877,396
Financial expenses	(1,717,404)	(9,846,885)
	<u>319,501</u>	<u>30,511</u>

21. TAXES STATUS

According to article 19 of the Single Ordered Text (TUO) of the law on income tax, issued by legislative decree No. 774 and its regulations approved by supreme decree N° 179-2004-EF, modified by legislative decree N° 1312 that modifies Income tax law, non-profit associations in Peru are not subject to the tax. Law N° 30404 extended the exemptions included in article 19 of the TUO of the income tax law until December 31, 2018 and Law N° 30898 extended the exemption until December 31, 2019. Subsequently, the emergency decree N° 025-2019, ordered to extend until December 31, 2020, the exemption from the payment of income tax to foundations and non-profit associations, whose constitution instrument includes the following purposes: charity, social assistance, education, cultural, scientific, artistic, literary, sports, political, union and / or housing. Subsequently, through Law No. 31106 of December 31, 2020, the exemption in the payment of Income Tax was extended until December 31, 2023.

The Income Tax affidavits submitted for the years 2018 to 2022 are pending for review by the National Customs and Tax Administration Superintendence – SUNAT which have authority to carry out this procedure, including the unaffected taxpayers within the following 4 years after submitting the affidavit. Considering the possible interpretations that tax authorities may provide on current tax regulations, it is not possible to determine to date, if the revisions to be performed could be liabilities or not for the institution.

In the opinion of the Executive Director of PROFONANPE, any eventual additional tax settlement would not be important for the financial statements, as of December 31, 2022.

22. FINANCIAL RISK MANAGEMENT

The risk management structure is based on the Board of Directors and the Executive Director of the entity, who are responsible for identifying and controlling the risks to which the entity is exposed, as explained below:

i. Board of directors.

It is the body responsible for establishing the general approach to risk management and the approval of current policies and strategies. The Board of Directors is responsible for providing the principles for risk management, as well as the policies prepared for specific areas, such as exchange rate risks and interest rate risk.

ii. Executive Director.

It is responsible for supervising the entity's risk management. Likewise, it provides security over the procedures and financial risks identified, measured and managed in accordance with the guidelines approved by the Board of Directors. The Executive Director reviews and approves the risk management policies as described below.

iii. Administrative Manager

The Executive Director is supported by the Administrative Manager, being responsible for managing the entity's flow of funds on a daily basis, taking into consideration the policies, procedures and limits set by both the Board of Directors and the Executive Director.

Financial Risks

PROFONANPE's activities are exposed to a set of financial risks, the potential adverse effects of which are permanently evaluated by the Executive Director, in order to minimize them. Likewise, the Executive Director approves and reviews the policies to manage the risks indicated below:

a) Market Risk

It is the risk that fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. In the case of the entity, market risks comprise two types of risk: foreign exchange risk and interest rate risk.

i) Exchange rate risk

This risk determines that the fair value of future cash flows of a financial instrument will fluctuate due to variations in exchange rates. The Executive Directorate is responsible for identifying, measuring, controlling and reporting on the entity's exposure to exchange risk. The exchange risk arises when the entity presents mismatches between its asset, liability and off-balance sheet positions in the currencies in which it operates, which are mainly Soles (functional currency) and US dollars. The Executive Directorate monitors this risk through the analysis of the country's macroeconomic variables, as long as they are applicable.

Operations in foreign currency are carried out at market exchange rates published by the Superintendence of Banking and Insurance and Pension Fund Administrators. As of December 31, 2022, the weighted average market exchange rates for transactions in US dollars were S/ 3,808, for purchase and S/ 3,820, for sale (S/ 3,975 for purchase and S/ 3,998 for sale as of December 31, 2021).

As of December 31, 2022 and 2021, the entity has the following assets and liabilities in foreign currency that are summarized below:

	In U.S. Dollars	
	2022	2021
	US \$	US \$
Assets:		
Cash and cash equivalents	4,938,594	10,697,166
Other accounts receivable	354,156	399,464
Advances from suppliers	34,570	58,783
	<u>5,327,320</u>	<u>11,155,413</u>
Liabilities:		
Other accounts payable	(551,457)	(691,646)
	<u>(551,457)</u>	<u>(691,649)</u>
	<u>4,775,863</u>	<u>10,463,767</u>

ii) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates affect future cash flows or the fair values of the entity's financial instruments. As of December 31, 2022, PROFONANPE does not maintain financing with banking entities, nor assets or liabilities that accrue variable interest rates, so the Executive Directorate considers that it is not exposed to this risk.

b) Liquidity risk

It is the risk that the entity will not be able to meet its payment obligations related to financial liabilities at maturity. The consequence would be default in the payment of its obligations towards third parties. As of December 31, 2022, financial liabilities are supported by income flows from cash and cash equivalents and accounts receivable in general. Liquidity is controlled by matching the maturities of its assets and liabilities; obtaining credit lines and maintaining surplus liquidity, which guarantees the entity to carry out its activities without financial difficulties.

Liquidity risk management involves maintaining sufficient cash and availability of funding. The Executive Director guide its efforts to maintain the sources of funding provided by donors for the implementation of its activities in the execution of projects.

c) Credit risk

The credit risk or the risk of default of the counterparties with which the entity has carried out operations is controlled through the approval of limits and monitoring procedures. As of December 31, 2022, PROFONANPE does not carry out credit operations with third parties, for which reason the Executive Director considers that it is not exposed to this risk.

d) Fair value

Fair value is defined as the amount for which an asset could be exchanged or a liability settled between knowledgeable and willing parties in a current transaction on the assumption that the entity is a going concern.

Fair value is a market-based measurement, so a financial instrument traded in an actual transaction in an active liquid market has a price that supports its fair value. When the price for a financial instrument is not observable, fair value should be measured using another valuation technique, seeking to maximize the use of relevant observable variables and minimize the use of unobservable variables.

The assumptions and calculations used to determine the fair value of financial assets and financial liabilities are as follows:

- (i) Financial instruments recorded at fair value. Within this category, the entity considers investments in fixed income and variable income financial assets that make up its Investment Portfolio (included in the "Financial Investments" heading of the statement of financial position).
- (ii) Instruments whose fair value is similar to the book value. Within this category, the entity considers cash and cash equivalents, other accounts receivable and liabilities in general.

On this basis, at December 31, 2022, there are no differences between the carrying amounts and fair values of the entity's financial instruments presented in the statement of financial position.

23. CONTINGENCIES

In the opinion of PROFONANPE's Management and its legal advisor, there are no important trials or lawsuits pending resolution or other contingencies against the institution as of December 31, 2022

24. SUBSEQUENT EVENTS

From December 31, 2022 and up to the date of this report, no other significant event has occurred that could have an impact on the financial statements prepared for that institution.

PROFONANPE

SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022

CONTENIDO

	<u>Page</u>
Independent auditor's opinion complementary information	36
Annexes:	
N° 1 Movement of Investment Portfolio	37
N° 2 Structure of Investment Portfolio	38
N° 3 Project Balance	39

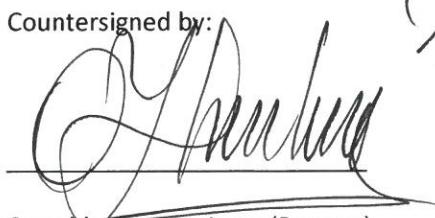
INDEPENDENT AUDITOR'S OPINION ON COMPLEMENTARY INFORMATION

To the members of the Board of Directors and Executive Director
PROFONANPE
Lima - Peru.-

1. In regard to the audit of financial statements of **PROFONANPE** as of December 31, 2022, on which we have issued our report on June 01, 2022, we have also reviewed the additional financial information required by that entity included in Annexes N° 1 "Movement of Investments Portfolio"; N° 2 "Structure of Investment Portfolio"; and N° 3 "Project Balance". These annexes have been prepared by PROFONANPE Executive Director, in compliance to its records, according to accounting principles described in Note 2 to the financial statements.
2. Our review was conducted in order to express an opinion on the financial statements taken as a whole. The accompanying additional financial information is submitted pursuant to the requirements established by **PROFONANPE** and is not necessary for a fair presentation of the financial statements at that date. This additional information has been subject to audit procedures applied to the financial statements and therefore, included selective tests of the accounting and implementing other audit procedures as we consider necessary in the circumstances, therefore, in our opinion is fairly presented, in its important respects in relation to the financial statements taken as a whole.

Lima, Peru
June 01, 2023

Countersigned by:



Oswaldo Fonseca Luna (Partner)
Collegiate Public Accountant
Registration N° 8095

PROFONANPE

MOVEMENT OF INVESTMENT PORTFOLIO

AS OF DECEMBER 31, 2022

(In American Dollars)

Donor	Project Nº	Balance as of 12.31.2021	Contributions	Commissions and management	Gross yield	Withdrawals	Balance as of 12.31.2022
Paracas – Donación PLUSPETROL	PY - 015	6,433,599	-	(3,859)	(868,967)	(49,028)	5,511,745
Donación BM-GEF-KfW - PRONANP	PY - 035	11,256,118	-	(35,757)	(1,135,379)	(113,218)	9,971,764
MEF – Conversión de deuda Alemania Morona	PY - 046	3,239,628	-	(2,390)	(452,797)	(15,458)	2,768,983
Banco Mundial-Donación -Puntas e Islas	PY - 056	2,126,108	-	(1,762)	(273,677)	(13,113)	1,837,556
Datem del Marañon – Fondo Verde del Clima	PY- 062	200,764	9,070	(160)	2,238	(132,428)	79,484
Donación GEF-Vilcanota Polylepis	PY - 064	1,122,748	-	(1,216)	(158,038)	(6,121)	957,373
FIDA-MERESE	PY - 065	2,423,264	-	(1,913)	(324,288)	(87,205)	2,009,858
FONANPE	PY - 080	15,725,334	-	(8,624)	(2,162,299)	(1,285,412)	12,268,999
Portafolio PAN III	PY - 089	2,141,070	-	(1,777)	(299,060)	(10,609)	1,829,624
Fortalecimiento SINANPE	PY - 085	736,553	1,195,730	(2,854)	4,073	(329,255)	1,604,247
Trust Fund Cordillera Azul	PY - 139	-	27,200,000	-	31,741	-	27,231,741
Fideicomiso - FONAM II	PY - 095	6,733,295	-	(23,183)	229,312	(794,481)	6,144,943
Fideicomiso - Remediación de Pasivos Ambientales	PY - 101	1,182,498	-	(6,658)	15,922	(12,511)	1,179,251
Scotiabank	PY - 105	95,974,537	3,111,600	(191,238)	4,583,757	(2,116,692)	101,361,964
Total		149,295,519	31,516,400	(281,391)	(807,462)	(4,965,531)	174,757,532

PROFONANPE

STRUCTURE OF INVESTMENT PORTFOLIO
AS OF DECEMBER 31,2022
(In American Dollars)

Portfolio	Description	Projects	Fixed Rent			Variable Income	Alternatives	Total Fixed Income + Variable Income + Alternatives
			Total Fixed Income	Funds	Cash			
a) J.P. Morgan								
PARACAS	Proyecto Paracas - Donación Pluspetrol	PY - 015	3,540,789	3,477,772	63,017	1,595,956	375,000	5,511,745
PRONANP	KFW de Alemania	PY - 035	6,622,279	5,360,996	1,261,283	2,749,485	600,000	9,971,764
MORONA	Ministerio de Economía y Finanzas - MEF - Conversión de Deuda Alemania	PY - 046	1,778,598	1,748,038	30,560	805,385	185,000	2,768,983
PUNTAS E ISLAS	Global Environment Fund - GEF	PY - 052	1,177,670	1,156,638	21,032	534,886	125,000	1,837,556
VILCANOTA POLYLEPSIS	Global Environment Fund - GEF	PY - 064	679,623	668,132	11,491	277,750	-	957,373
MERESE FIDA	Global Environment Fund - GEF	PY - 065	1,289,266	1,267,129	22,137	585,592	135,000	2,009,858
FONANPE	FONANPE INTEGRACIÓN	PY - 080	7,595,957	7,425,171	170,786	3,833,042	840,000	12,268,999
PAN III	Ministerio de Economía y Finanzas - MEF - Conversión de Deuda Alemania	PY - 089	1,172,491	1,152,787	19,704	532,134	125,000	1,829,625
TRUST FUND CORDILLERA AZUL	Proyecto REDD Cordillera Azul - II	PY - 139	27,231,741	27,223,217	8,524	-	-	27,231,741
			51,088,413	49,479,879	1,608,534	10,914,230	2,385,000	64,387,644
b) Credicorp Capital								
DATEM DEL MARAÑON	Fondo Verde del Clima	PY - 062	79,484	74,342	5,142	-	-	79,484
Fortalecimiento SINANPE	FONANPE	PY - 085	1,604,247	1,600,118	4,129	-	-	1,604,247
			1,683,731	1,674,460	9,271	-	-	1,683,731
TOTAL			52,772,144	51,104,356	1,617,805	10,914,230	2,385,000	66,071,374

PROFONANPE
BALANCE OF PROJECTS
AS OF DECEMBER 31, 2022
(In American Dollars)

	ACCOUNT/DESCRIPTION	007	008	015	016	018	020	024	026	030	032	035	036	045	046	049	
INCOME		-10,695,770	-9,656,430	-8,432,826		- 864,659	-1,829,606	-222,917	-330,266		- 23,541,507	-10,346,178	-8,017,491	-96,000	-5,956,202	-292,566	
		-	-9,656,430	-1,166,170		- 864,659	-997,610	-222,917		- 23,541,507				-96,000	-1,041,215	-292,566	
	434101 DIRECT FUNDS S/.		-	276	-20,498		-425,185	-166,184	-107,815		-611,647				-218,108	-10,328	
	434102 DIRECT FUNDS US\$		-	-8,955,820	-1,145,672		-439,473	-831,426	-115,102		-22,929,860				-96,000	-823,107	-282,238
	434103 DIRECT FUNDS - NON-MONETARY CONTRIBUTION		-	-700,886	-		-	-									
	434104 DIRECT FUNDS EUR		-	-	-		-	-									
		-10,695,770		- 7,266,657		- 831,997		-330,266		- 10,346,178	-8,017,491			-4,914,988			
	434202 QUALIFICATIONS	-4,746,839		-6,000,000		-	-519,954		-23,169		-9,543,243	-7,486,455			-4,389,098		
	434203 YIELD	-6,711,529		-1,656,138		-	-467,860		-439,651		-780,366	-885,701			-606,490		
	434204 FLUCTUATION		-	-	-		-	-	78,697		-	-					
	434205 COMMISSIONS AND MANAGEMENT	762,598		389,481		-	155,811		53,857		-22,569	354,666			80,600		
	434206 DIRECT BANK EXPENSES TO PORTFOLIO	-	-	-	-		6	-	-	-	-	-			-	-	
EXPENSES		10,461,457	9,656,434	2,814,387	-64,438	864,659	1,829,003	176,260	330,266	-25,697	23,541,507	374,413	7,909,585	95,981	3,187,211	292,565	
		386,623	2,979,619	470,560		27,660	30,959			- 258,463		3,068,217		21,522			
	434331 LANDS	-	64,027	-	-	-	-	-	-	-	-	-	195,628	-	-		
	434332 BUILDINGS	-	278,567	79	-	-20	-	-	-	-	18,294	-	1,718,928	-	-		
	434333 EXPLOITATION MACHINERY AND EQUIPMENT	31,450	168,690	13,513	-	1,390	-	-	-	-	34,904	-	36,076	-	2,832		
	434334 TRANSPORT EQUIPMENT	116,541	429,954	266,275	-	8,133	-	-	-	-	97,756	-	208,455	-	-		
	434335 FURNITURE AND FIXTURES	4,140	27,230	14,422	-	-	2,054	-	-	-	3,579	-	24,413	-	-		
	434336 DIVERSE TEAMS	231,687	713,120	176,271	-	18,156	28,905	-	-	-	103,903	-	696,240	-	18,527		
	434337 TOOLS AND REPLACEMENT UNITS	2,560	30,579	-	-	-	-	-	-	-	-	-	-	-	-		
	434338 UNITS TO RECEIVE	245	1,267,452	-	-	0	-	-	-	-	28	-	188,478	-	163		
	434339 CONSTRUCTIONS AND WORKS IN PROGRESS	70,193	88,218	7,909	0	499	105	1,041	0	0	29,520	0	349,062	0	231	1,000	
	434341 CONCESSIONS, LICENSES AND OTHER RIGHTS	5,796	-	-	-	-	105	-	-	-	15,535	-	59,243	-	231	1,000	
	434343 COMPUTER PROGRAMS (SOFTWARE)	57,049	9,400	-	-	-	-	1,041	-	-	802	-	289,391	-	-		
	434345 FORMULAS, DESIGNS AND PROTOTYPES	7,349	78,818	5,577	-	499	-	-	-	-	4,797	-	-	-	-		
	434349 OTHER INTANGIBLE ASSETS	-	-	-	-	-	-	-	-	-	8,386	-	427	-	-		
		1,490,275	362,446	133,669	0	0	106,762	0	0	0	2,930,213	0	726,793	0	275,456	8,796	
	434621 REMUNERATION	1,221,038	295,039	113,288	-	-	4,371	-	-	-	2,367,119	-	591,329	-	225,497	7,120	
	434622 OTHER REMUNERATION	68,344	25,125	8,537	-	-	93,252	-	-	-	81,932	-	11,026	-	3,114	-	
	434623 INDEMNITIES TO PERSONNEL	1,193	1,224	-	-	-	-	-	-	-	34,046	-	-	-	-		
	434624 TRAINING	10,573	3,107	-	-	-	-	-	-	-	1,275	-	-	-	-		
	434627 SECURITY AND SOCIAL PROTECTION	129,893	28,934	9,976	-	-	9,139	-	-	-	246,801	-	76,244	-	28,653	641	
	434629 SOCIAL BENEFITS FOR WORKERS	59,233	9,016	1,868	-	-	-	-	-	-	199,041	-	48,194	-	18,192	1,036	
		4,377,028	3,715,463	1,285,140	-7	201,023	1,314,078	14,748	251,577	9,492	5,380,485	1,000	2,439,656	83,368	438,393	113,179	
	434631 TRANSPORTATION, POST AND TRAVEL EXPENSES	585,453	513,615	128,305	-6	54,326	284,564	110	892	227	1,059,438	-	516,571	6,778	110,582	42,724	
	434632 FEES, COMMISSIONS AND BROKERAGES	1,089,581	1,392,108	283,179	-	84,502	578,562	415	71,043	-	3,477,091	1,000	924,185	70,400	206,320	66,418	
	434633 PRODUCTION COMMISSIONED TO THIRD PARTIES	1,031,727	593,665	63,248	-	-	78	-	32,513	-	-	-	-	-	-		
	434634 MAINTENANCE AND REPAIRS	14,571	3,268	276,874	-	4,695	24,964	-	6,958	-	25,623	-	71,221	-	3,506	-6	
	434635 RENTALS	152,851	111,637	128,314	-	4,220	187,087	-	-	-	108,095	-	29,825	-	58,251	-	

	ACCOUNT/DESCRIPTION	007	008	015	016	018	020	024	026	030	032	035	036	045	046	049
	434636 BASIC SERVICES	63,460	37,372	27,429		2,312	72,694				28,229		1,247		7,739	
	434637 ADVERTISING, PUBLICATIONS, PUBLIC RELATIONS	97,546	202,241	65,811			63,104	154	113,023	8,219	108,409		96,567		2,519	
	434638 CONTRACTOR SERVICES	1,217,695	719,251	67,987	0	37,765	16,210				19,718		210,140		500	
	434639 OTHER SERVICES PROVIDED BY THIRD PARTIES	124,145	142,306	243,992		13,203	86,815	14,069	27,148	1,046	553,881		589,901	6,190	49,475	3,543
		8,878	29,351	6,770	0	4,073	18,486	24	0	16	3,877	0	12,049	0	162	18
	434641 GENERAL SALES TAX															
	434643 TRIBUTES TO THE CENTRAL GOVERNMENT	8,052	10,385	4,412			1,412	24		16	3,324		305		61	18
	434644 TAXES TO REGIONAL GOVERNMENTS										7		11,727			
	434645 TAXES TO LOCAL GOVERNMENTS	196	18,895	1,743		4,073	16,691				546		18		101	
	434649 OTHER TAXES	630	70	614			383									
		4,187,292	2,514,823	906,157	-7	628,423	360,248	149,996	78,764	1,934	14,950,697	373,413	1,314,643	11,980	2,445,714	169,033
	434651 INSURANCE	73,419	234,729	48,508			119,486				19,462		13,655		2,132	
	434653 SUBSCRIPTIONS AND QUOTES	464	606	21			63				83		551,522		36	
	434654 LICENSES AND VALIDITY RIGHTS		46								270		118		35	
	434656 SUPPLIES	688,273	437,695	262,653		57,861	106,934	223	11,890	728	125,641				102,458	
	434657 RESEARCH AND DEVELOPMENT EXPENSES						710									
	434658 ENVIRONMENTAL MANAGEMENT															
	434659 OTHER MANAGEMENT EXPENSES	3,425,136	1,841,747	594,975	-7	570,562	133,055	149,772	66,874	1,207	14,805,241	373,413	749,466	11,862	2,341,052	165,493
		19,988	45,606	79,296	-64,261	7,016	15,974	108,758	934	33,335	457	2	3,917	843	6,518	635
	434673 INTEREST ON LOANS AND OTHER OBLIGATIONS	1	22	0												
	434676 EXCHANGE DIFFERENCE	19,987	45,584	79,295	-64,261	7,016	15,974	108,758	934	33,335	457	2	3,917	843	6,518	635
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	434686 PROVISIONS															
		-8	-22,061	-29	29	-1	-22	7,351	-393	-44,386	-12,002	-1	-9	-1	-216	0
	434759 OTHER MANAGEMENT INCOME															
		-8	-22,061	-29	29	-1	-22	7,351	-393	-44,386	-12,002	-1	-9	-1	-216	0
		-78,813	-57,032	-75,086	-193	-4,035	-17,588	-105,659	-616	-26,088	-203	-1	-4,742	-209	-568	-96
	434772 EARNED YIELD															
	434776 EXCHANGE DIFFERENCE	-78,813	-57,032	-74,116	-193	-4,035	-17,588	-89,221	-616	-20,715	-203	-1	-2,996	-209	-568	-96
TOTAL		-234,313	4	-5,618,440	-64,438	0	-604	-46,657	1	-25,697	0	-9,971,765	-107,906	-19	-2,768,991	0

PROFONANPE
BALANCE OF PROJECTS
AS OF DECEMBER 31, 2022
(In American Dollars)

	ACCOUNT/DESCRIPTION	052	056	058	060	062	063	064	065	066	067	068	069	071	072	074	
INCOME		-13,910,591	-2,231,558	-6,207,826	-5,548,114	-7,959,966	-200,000	-986,470	-2,097,063	-7,702,714	-61,275	-599,071	-2,028,548	-532,500	-600,000	-7,449,697	
		-13,910,591	0	-6,207,834	-5,548,114	-7,194,090	-200,000	-175	0	-7,702,714	-61,275	-599,071	-2,028,548	-532,500	-600,000	-7,449,697	
	434101 DIRECT FUNDS S/.	-	-	-467,030							-61,275		150				
	434102 DIRECT FUNDS US\$	-13,910,591		-5,548,941	-5,548,114	-6,669,930	-200,000		-175		-599,221	-2,028,548	-532,500	-600,000	-2,449,697	-5,000,000	
	434103 DIRECT FUNDS - NON-MONETARY CONTRIBUTION			-191,863		-524,160				-2,447,787							
	434104 DIRECT FUNDS EUR		0	-2,231,558	8	0	-765,876	0	-986,295	-2,097,063	0	0	0	0	0	0	
	434202 QUALIFICATIONS			-2,000,000			-751,151		-938,733	-2,000,000							
	434203 YIELD			-315,969			-18,788		-69,905	-141,443							
	434204 FLUCTUATION			84,291			4,063		22,343	44,253							
	434205 COMMISSIONS AND MANAGEMENT			120	8					127							
	434206 DIRECT BANK EXPENSES TO PORTFOLIO																
EXPENSES		13,910,588	365,233	6,205,077	5,215,453	6,897,348	200,000	23,096	12,047	7,496,389	35,431	599,052	2,106,094	531,349	600,000	7,397,699	
		1,595,182	81,951	31,265	1,597,747	186,894	1,984	0	0	2,021,097	0	2,495	7,792	52,465	46,133	3,917	
	434331 LANDS									948,804							
	434332 BUILDINGS									142,395							
	434333 EXPLOITATION MACHINERY AND EQUIPMENT			87,064		382,614	-184	1,685		857,226							
	434334 TRANSPORT EQUIPMENT			647,503	27,500	31,624	47,273			17,372							
	434335 FURNITURE AND FIXTURES			40,868		8,657				55,300							
	434336 DIVERSE TEAMS			814,497	54,451	1,174,852	139,631	299									
	434337 TOOLS AND REPLACEMENT UNITS			10													
	434338 UNITS TO RECEIVE			5,238													
	434339 CONSTRUCTIONS AND WORKS IN PROGRESS			2		71	174										
		2,261	0	6,900	3,674	1,992	0	0	0	263	0	2,879	117,131	0	0	166,465	
	434341 CONCESSIONS, LICENSES AND OTHER RIGHTS			1,907		3,674	134			263			74,980			1,152	
	434343 COMPUTER PROGRAMS (SOFTWARE)			354		6,900	1,858					2,879	42,151			165,313	
	434345 FORMULAS, DESIGNS AND PROTOTYPES																
	434349 OTHER INTANGIBLE ASSETS																
		922,250	0	616,179	649,717	1,840,673	490	0	0	655,882	0	0	613,004	27,595	0	1,298,161	
	434621 REMUNERATION			748,241		514,828	518,853	1,498,493			550,970			488,020	23,881		1,007,895
	434622 OTHER REMUNERATION			15,066		14,189	892	9,150			2,302			489	140		1,647
	434623 INDEMNITIES TO PERSONNEL			1,347		83		586									49,246
	434624 TRAINING					371		3,484									75,777
	434627 SECURITY AND SOCIAL PROTECTION			97,349		44,025	40,651	131,317	490		42,145			37,544	1,857		163,596
	434629 SOCIAL BENEFITS FOR WORKERS			60,246		43,054	88,950	197,643			60,464			80,670	1,718		
		7,122,927	224,724	728,308	2,434,533	3,362,993	189,900	128	0	3,726,765	23,920	457,597	1,238,917	152,247	439,638	764,605	
	434631 TRANSPORTATION, POST AND TRAVEL EXPENSES			527,096	51,588	124,400	142,522	636,732	28,147		174,249	19	218,480	192,675	58,745	3,373	202,040
	434632 FEES, COMMISSIONS AND BROKERAGES			4,018,869	103,753	504,659	564,380	1,229,526	130,095		737,084	221	151,718	780,653	82,946	1,266	288,857
	434633 PRODUCTION COMMISSIONED TO THIRD PARTIES																
	434634 MAINTENANCE AND REPAIRS			38,261	26,740	3,281		30,235			122,476		414	23	1,798		4,533
	434635 RENTALS			106,514	10,050	2,089	370	120,869			6,290		13,432	8,927	4,906		9,176

	ACCOUNT/DESCRIPTION	052	056	058	060	062	063	064	065	066	067	068	069	071	072	074	
	434636 BASIC SERVICES	17,423	645	3,210	1,024	17,418						8,263	792	89		22,449	
	434637 ADVERTISING, PUBLICATIONS, PUBLIC RELATIONS	85,610		6,280	10,152	15,354	5,128			49,924		16,369	15,163			43,024	
	434638 CONTRACTOR SERVICES	213,175		42,154	1,251,007	595,176	20,889			2,188,536		2,355	104,274		32,450	119,189	
	434639 OTHER SERVICES PROVIDED BY THIRD PARTIES	2,115,979	31,948	42,234	465,079	717,684	5,640	128		448,205	23,679	46,565	136,410	3,762	402,549	75,337	
		11,674	-657	280	10,055	862	0	47	0	21,079	1	38,829	2,677	1,350	55	131	
	434641 GENERAL SALES TAX	6,452			2,925												
	434643 TRIBUTES TO THE CENTRAL GOVERNMENT	788	-673	280	140	401		47		235	1	214	109	81	55	131	
	434644 TAXES TO REGIONAL GOVERNMENTS									6,371							
	434645 TAXES TO LOCAL GOVERNMENTS	4,434	16		6,991	461				7,048		38,614	2,569				
	434649 OTHER TAXES				0					7,425		0	1,269				
		4,235,024	55,387	4,798,113	552,493	1,518,486	7,623	22,921	14,402	696,593	6,702	97,252	168,527	289,617	113,072	5,246,457	
	434651 INSURANCE	16,861	6,508	11,825	7,141	48,927				49,853		509	3,461	1,403		38,845	
	434653 SUBSCRIPTIONS AND QUOTES		224														
	434654 LICENSES AND VALIDITY RIGHTS	1,097		1,221	1,192	537				1,702			1,309			450	
	434656 SUPPLIES	137,357	3,719	11,423	53,700	332,646	6,539			130,697	3,578	6,766	1,957	67,575	17,477	10,947	
	434657 RESEARCH AND DEVELOPMENT EXPENSES	148,641			130												
	434658 ENVIRONMENTAL MANAGEMENT																
	434659 OTHER MANAGEMENT EXPENSES	3,930,843	45,160	4,773,644	490,331	1,136,376	1,085	22,921	14,402	514,342	3,124	89,977	161,799	220,639	95,595	5,196,215	
		84,573	42,009	220,223	168,401	590,363	600	0	10,400	1,784,249	18,115	1,892	138,597	39,148	23,278	254,935	
	434673 INTEREST ON LOANS AND OTHER OBLIGATIONS																
	434676 EXCHANGE DIFFERENCE	84,573	42,009	220,223	168,401	590,363	600			10,400	1,784,249	18,115	1,892	138,597	39,148	23,278	254,935
		13,268	0	5,949	0	31,049	0	0	0	0	0	0	0	0	0	0	
	434686 PROVISIONS	13,268		5,949		31,049											
		-673	-1	-8,395	-2	-583	0	0	0	-68	0	-1	-13,785	-80	0	-4	
	434759 OTHER MANAGEMENT INCOME	-673	-1	-8,395	-2	-583	0					-68	0	-1	-13,785	-80	0
		-75,900	-38,181	-193,745	-201,166	-635,381	-596	0	-12,755	-1,409,471	-13,308	-1,890	-166,766	-30,993	-22,177	-336,969	
	434772 EARNED YIELD					0				-1,564							
	434776 EXCHANGE DIFFERENCE	-75,900	-38,181	-193,745	-201,166	-635,381	-596			-11,192	-1,409,471	-13,308	-1,890	-166,766	-30,993	-22,177	-336,969
TOTAL		-2	-1,866,325	-2,749	-332,661	-1,062,619	0	-963,375	-2,085,016	-206,325	-25,844	-19	77,546	-1,151	0	-51,998	

PROFONANPE
BALANCE OF PROJECTS
AS OF DECEMBER 31, 2022
(In American Dollars)

	ACCOUNT/DESCRIPTION		076	077	078	079	080	082	084	085	086	087	088	089	090	091	
INCOME			-325,298	-513,000	-1,715,120	-6,607,688	-16,547,704	0	-920,000	-4,013,501	0	-36,722	-1,873,179	-2,502,815	-21,554,004	-467,500	
			-325,298	-513,000	-1,715,120	-6,607,688	0	0	-920,000	0	0	-36,722	-1,873,179	0	-21,431,175	-467,500	
	434101 DIRECT FUNDS S/.				-150	-6,607,688						-36,722	-7,762				
	434102 DIRECT FUNDS US\$		-325,298	-513,000	-1,714,970								-1,865,417				
	434103 DIRECT FUNDS - NON-MONETARY CONTRIBUTION																
	434104 DIRECT FUNDS EUR																
			0	0	0	0	-16,547,704	0	0	-4,013,501	0	0	0	-2,502,815	-122,829	0	
	434202 QUALIFICATIONS													-2,533,062			
	434203 YIELD													-8,347			
	434204 FLUCTUATION														-122,835		
	434205 COMMISSIONS AND MANAGEMENT													38,594		6	
	434206 DIRECT BANK EXPENSES TO PORTFOLIO																
EXPENSES			325,321	512,942	1,712,219	6,610,890	4,278,705	49	684,489	2,409,255	0	35,004	1,866,194	492,580	7,525,661	467,462	
			13,385	30,979	12,360	124,025		0	0	7,813	0	0	4,557	21,424	0	1,504,320	33,331
	434331 LANDS																
	434332 BUILDINGS														720,000		
	434333 EXPLOITATION MACHINERY AND EQUIPMENT		955		2,014	19,870									230,617		
	434334 TRANSPORT EQUIPMENT		5,337			12									318,091		
	434335 FURNITURE AND FIXTURES		726	961	7,608	16,842									491		
	434336 DIVERSE TEAMS		6,366	30,018	2,739	87,302									235,121		
	434337 TOOLS AND REPLACEMENT UNITS															31,496	
	434338 UNITS TO RECEIVE																
	434339 CONSTRUCTIONS AND WORKS IN PROGRESS														309		
			0	5,220	14,168	19,329		0	0	3,000	0	0	0	90,136	0	157,790	0
	434341 CONCESSIONS, LICENSES AND OTHER RIGHTS				1,670	610	254			1,736				86,389		148,763	
	434343 COMPUTER PROGRAMS (SOFTWARE)				3,550	13,558	19,075			1,263				3,747		9,026	
	434345 FORMULAS, DESIGNS AND PROTOTYPES																
	434349 OTHER INTANGIBLE ASSETS																
			14,985	106,536	0	1,920,357		0	0	324,061	0	0	0	4,195	57,601	761,338	55,596
	434621 REMUNERATION		13,032	92,030		1,518,416				285,773					43,111	592,795	44,856
	434622 OTHER REMUNERATION			441		27,730										228	64
	434623 INDEMNITIES TO PERSONNEL																585
	434624 TRAINING																
	434627 SECURITY AND SOCIAL PROTECTION		1,005	7,170		116,533				20,256					4,195		5,206
	434629 SOCIAL BENEFITS FOR WORKERS		948	6,895		253,908				18,032					2,960	44,436	3,449
			200,237	303,592	1,417,627	3,324,523		0	197,241	282,529	0	137	20,186	1,542,159	430,118	3,134,773	119,487
	434631 TRANSPORTATION, POST AND TRAVEL EXPENSES		37,144	77,773	445,559	388,761			22,360	31,776				2,215	258,736		125,397
	434632 FEES, COMMISSIONS AND BROKERAGES		51,165	133,017	503,260	1,415,822			1,423	204,504				16,470	846,234	-413,571	1,554,798
	434633 PRODUCTION COMMISSIONED TO THIRD PARTIES																27,963
	434634 MAINTENANCE AND REPAIRS		1,721	11,492	13,366	6,178				2,763					40,825		16,808
	434635 RENTALS			4,641	109,965	20,923				3,513					69,072		3,073

	ACCOUNT/DESCRIPTION	076	077	078	079	080	082	084	085	086	087	088	089	090	091	
	434636 BASIC SERVICES	21	11,695	9,500	8,705		2,311	116				15,817		10,395	1,972	
	434637 ADVERTISING, PUBLICATIONS, PUBLIC RELATIONS		25,215	38,900	4,926							13,957		4,961		
	434638 CONTRACTOR SERVICES	17,756	10,310	171,347	753,813		33,809	26,532				124,586	843,371	172,088	2,628	
	434639 OTHER SERVICES PROVIDED BY THIRD PARTIES	92,431	21,884	125,729	713,469		137,338	13,324		137	1,502	172,932	318	1,138,020	42,296	
		118	308	6,143	1,433	0	7	105	0	0	2	861	0	25,071	56	
	434641 GENERAL SALES TAX															
	434643 TRIBUTES TO THE CENTRAL GOVERNMENT	118	26	156	319		7	66		0	2	158		1,291	49	
	434644 TAXES TO REGIONAL GOVERNMENTS													21,181		
	434645 TAXES TO LOCAL GOVERNMENTS		282	5,987	421			38				703		2,599	7	
	434649 OTHER TAXES				694											
		91,461	64,009	245,950	1,334,996	4,278,705	340,626	56,470	2,409,255	2,757	9,318	204,096	11,910	1,987,627	258,040	
	434651 INSURANCE	332	2,188	443	18,830			1,411					1,203	27,618	3,273	
	434653 SUBSCRIPTIONS AND QUOTES				114			5,000								
	434654 LICENSES AND VALIDITY RIGHTS		1,683	28	2,042			2,875								
	434656 SUPPLIES	38,880	14,303	51,575	364,490		19,164	598				9,044	23,478		211,789	
	434657 RESEARCH AND DEVELOPMENT EXPENSES		5,427	4,731											99,629	
	434658 ENVIRONMENTAL MANAGEMENT															
	434659 OTHER MANAGEMENT EXPENSES	52,248	40,409	189,173	949,521	4,278,705	321,462	46,586	2,409,255	2,757	275	180,618	10,707	1,748,220	155,138	
		31,321	30,740	102,878	1,163,391	0	21,275	67,793	0	289	7,584	104,910	62,630	930,305	77,825	
	434673 INTEREST ON LOANS AND OTHER OBLIGATIONS															
	434676 EXCHANGE DIFFERENCE	31,321	30,740	102,878	1,163,391		21,275	67,793		289	7,584	104,910	62,630	930,305	77,825	
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	434686 PROVISIONS															
		-1	-3,614	-2	-7	0	-541,787	-1	0	-2,988	0	-1	0	-3	-1	
	434759 OTHER MANAGEMENT INCOME		-1	-3,614	-2	-7		-541,787	-1		-2,988	0	-1	0	-3	-1
		-26,186	-24,828	-86,905	-1,277,157	0	-17,313	-57,280	0	-195	-6,643	-101,586	-69,679	-975,559	-76,872	
	434772 EARNED YIELD															
	434776 EXCHANGE DIFFERENCE	-26,186	-24,828	-86,905	-1,277,157		-17,313	-57,280		-195	-6,643	-101,586	-69,679	-975,559	-76,872	
TOTAL		23	-58	-2,900	3,202	-12,268,998	49	-235,511	-1,604,245	0	-1,718	-6,985	-2,010,235	-14,028,343	-38	

PROFONANPE
BALANCE OF PROJECTS
AS OF DECEMBER 31, 2022
(In American Dollars)

	ACCOUNT/DESCRIPTION		092	093	094	095	096	097	098	099	100	101	103	105	106	107
INCOME			-292,000	-665,646	-5,355,751	-8,414,927	0	-1,050,139	-350,000	-600,000	-1,372,944	-1,212,898	-1,331,000	-104,178,542	0	-80,000
			-292,000	-665,646	-5,355,751	-8,178,556	0	-1,050,139	-350,000	-600,000	-1,371,902	-1,207,324	-1,331,000	-99,457,053	0	-80,000
	434101 DIRECT FUNDS S/.		-292,000	-665,646	-5,355,751	-8,178,556		-1,955		-600,000	-7,087	-1,207,324		-99,457,053		
	434102 DIRECT FUNDS US\$							-1,048,184	-350,000		-1,364,816		-1,331,000			
	434103 DIRECT FUNDS - NON-MONETARY CONTRIBUTION															
	434104 DIRECT FUNDS EUR															
			0	0	0	-236,371	0	0	0	0	-1,041	-5,574	0	-4,721,489	0	0
	434202 QUALIFICATIONS					-276,097					-1,041	-20,165		-4,927,889		
	434203 YIELD															
	434204 FLUCTUATION					39,725										
	434205 COMMISSIONS AND MANAGEMENT															
	434206 DIRECT BANK EXPENSES TO PORTFOLIO															
EXPENSES	291,774	822,768	1,167,891	2,275,335	-7,925	788,927	295,524	423,278	1,375,150	33,647	1,329,757	2,865,728	145	46,293		
	21,876	5,227	0	21,029	0	100,795	5,850	1,885	28,989	0	1,316,894	0	0	0	2,311	
	434331 LANDS					19,493										
	434332 BUILDINGS															
	434333 EXPLOITATION MACHINERY AND EQUIPMENT		5,414													
	434334 TRANSPORT EQUIPMENT		4,980													
	434335 FURNITURE AND FIXTURES															
	434336 DIVERSE TEAMS		11,482	5,227		1,536		100,795	5,850	1,885	28,989					2,311
	434337 TOOLS AND REPLACEMENT UNITS															
	434338 UNITS TO RECEIVE															
	434339 CONSTRUCTIONS AND WORKS IN PROGRESS															
			0	3,503	0	0	0	72,570	0	0	0	0	0	0	0	
	434341 CONCESSIONS, LICENSES AND OTHER RIGHTS				318											
	434343 COMPUTER PROGRAMS (SOFTWARE)				3,185											
	434345 FORMULAS, DESIGNS AND PROTOTYPES															
	434349 OTHER INTANGIBLE ASSETS															
			21,644	72,441	0	488,158	0	190,217	162,339	0	30,363	0	0	0	0	
	434621 REMUNERATION		18,795	28,704		394,548		144,724	123,772							
	434622 OTHER REMUNERATION		47	117		6,457		552	66							
	434623 INDEMNITIES TO PERSONNEL															
	434624 TRAINING															
	434627 SECURITY AND SOCIAL PROTECTION		1,454	2,253		30,482		11,318	9,523							
	434629 SOCIAL BENEFITS FOR WORKERS		1,348	1,633		56,670		33,622	28,979							
			154,980	664,727	1,118,940	970,137	1,045	164,531	96,245	5,815	1,126,289	17,463	11,506	119,051	143	18,703
	434631 TRANSPORTATION, POST AND TRAVEL EXPENSES		9,891	284		95,046		38,685	2,000	3,413	29,969					3,488
	434632 FEES, COMMISSIONS AND BROKERAGES		43,713	231,780	820	326,194		12,888	51,472	1,974	781,547					61,495
	434633 PRODUCTION COMMISSIONED TO THIRD PARTIES															
	434634 MAINTENANCE AND REPAIRS		31,874			2,258		513	633							
	434635 RENTALS															
	434636 BASIC SERVICES															

	ACCOUNT/DESCRIPTION	092	093	094	095	096	097	098	099	100	101	103	105	106	107
	434637 ADVERTISING, PUBLICATIONS, PUBLIC RELATIONS		12,154		9,045		3,093	21,839		12,613					274
	434638 CONTRACTOR SERVICES	38,061	367,563	906,927	463,625		3,938	0		116,562	2,116		14,799		3,264
	434639 OTHER SERVICES PROVIDED BY THIRD PARTIES	31,440	42,724	211,193	73,970	1,045	105,414	20,302	428	104,705	15,347	1,418	8,723	143	11,678
		49	172	4	62	0	5,997	0	2	1,821	0	0	0	0	2
	434641 GENERAL SALES TAX														
	434643 TRIBUTES TO THE CENTRAL GOVERNMENT	43	19	4	4			0	2	79					2
	434644 TAXES TO REGIONAL GOVERNMENTS						5,997								
	434645 TAXES TO LOCAL GOVERNMENTS					58				1,539					
	434649 OTHER TAXES	6		152						203					
		89,004	73,217	50,247	836,283	10,263	271,792	49,628	417,398	179,369	18,159	0	2,809,718	0	25,220
	434651 INSURANCE	681	732		9,741		3,844	2,769							
	434653 SUBSCRIPTIONS AND QUOTES														
	434654 LICENSES AND VALIDITY RIGHTS														
	434656 SUPPLIES	14,076	219		1,051	9,703	24,073		89	5,138			3,313		453
	434657 RESEARCH AND DEVELOPMENT EXPENSES														
	434658 ENVIRONMENTAL MANAGEMENT														
	434659 OTHER MANAGEMENT EXPENSES	74,247	67,947	50,247	825,491	560	243,876	45,822	417,309	174,231	18,159		2,806,405		24,767
		42,829	42,552	3,470,109	274,331	8,000	79,937	27,375	202,819	330,716	816	10,383	4,125,865	3,247	1,584
	434673 INTEREST ON LOANS AND OTHER OBLIGATIONS														
	434676 EXCHANGE DIFFERENCE	42,829	42,552	3,470,109	274,331	8,000	79,937	27,375	202,819	330,716	816	10,383	4,125,865	3,247	1,584
		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	434686 PROVISIONS														
		0	-1	-481	-1	-21,531	0	0	0	-1	0	0	0	0	0
	434759 OTHER MANAGEMENT INCOME	0	-1	-481	-1	-21,531	0	0	0	-1		0	0	0	0
		-38,607	-39,070	-3,470,928	-314,663	-5,702	-96,912	-45,913	-204,641	-322,397	-2,791	-9,026	-4,188,905	-3,244	-1,528
	434772 EARNED YIELD														
	434776 EXCHANGE DIFFERENCE	-38,607	-39,070	-3,202,344	-314,663	-5,702	-96,912	-45,913	-203,088	-321,219	-2,791	-9,026	-4,171,928	-3,244	-1,528
TOTAL		-226	157,122	-4,187,860	-6,139,593	-7,925	-261,212	-54,476	-176,722	2,206	-1,179,251	-1,243	-101,312,814	145	-33,707

PROFONANPE
BALANCE OF PROJECTS
AS OF DECEMBER 31, 2022
(In American Dollars)

	ACCOUNT/DESCRIPTION	108	109	110	111	112	113	114	115	116	117	118	119	120	121
INCOME		-109,325	-41,000	-694,268	-1,009	-1,983	-250,762	0	-473,176	-98,071	0	-795,705	0	0	0
		-109,325	-41,000	-694,268	-1,009	-1,983	-250,762	0	-473,176	-98,071	0	-795,705	0	0	0
	434101 DIRECT FUNDS S/. 434102 DIRECT FUNDS US\$ 434103 DIRECT FUNDS - NON-MONETARY CONTRIBUTION 434104 DIRECT FUNDS EUR	-109,325	0 -41,000	0 -694,268	-1,009 -1,983	-1,983	-250,762		-473,176 -98,071	-98,071 0	0	-795,705			
		0	00	0	0	0	0	0	0	0	0	0	0	0	0
	434202 QUALIFICATIONS 434203 YIELD 434204 FLUCTUATION 434205 COMMISSIONS AND MANAGEMENT 434206 DIRECT BANK EXPENSES TO PORTFOLIO														
EXPENSES		106,805	29,958	557,151	113	1,716	237,520	127	518,067	72,612	-16	803,892	3,382	0	4,716
		1,930	0	0	0	0	1,812	0	0	0	0	0	11,984	53,200	6,299
	434331 LANDS 434332 BUILDINGS 434333 EXPLOITATION MACHINERY AND EQUIPMENT 434334 TRANSPORT EQUIPMENT 434335 FURNITURE AND FIXTURES 434336 DIVERSE TEAMS 434337 TOOLS AND REPLACEMENT UNITS 434338 UNITS TO RECEIVE 434339 CONSTRUCTIONS AND WORKS IN PROGRESS	1,930					1,812						1,249 10,735	53,200	6,299
		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	434341 CONCESSIONS, LICENSES AND OTHER RIGHTS 434343 COMPUTER PROGRAMS (SOFTWARE) 434345 FORMULAS, DESIGNS AND PROTOTYPES 434349 OTHER INTANGIBLE ASSETS														
		12,420	0	0	0	0	93,392	0	0	0	0	0	0	0	0
	434621 REMUNERATION 434622 OTHER REMUNERATION 434623 INDEMNITIES TO PERSONNEL 434624 TRAINING 434627 SECURITY AND SOCIAL PROTECTION 434629 SOCIAL BENEFITS FOR WORKERS	9,614 12					72,298				0 0				
		12,420	0	0	0	0	93,392	0	0	0	0	0	0	0	0
	434631 TRANSPORTATION, POST AND TRAVEL EXPENSES 434632 FEES, COMMISSIONS AND BROKERAGES 434633 PRODUCTION COMMISSIONED TO THIRD PARTIES 434634 MAINTENANCE AND REPAIRS 434635 RENTALS 434636 BASIC SERVICES	4,396 19,771 15,035 248 82	9,200 17,500 3,316 40,870 8,478	137,527 143,608 3,316 40,870 8,478			1,380 706 600 1,690 300		221,538 15,316 1,690	5,121 44,903	0 0	41,112 72,656 1,016	5,627 10,488 944	643 17,000 17,000	15,855 71,463

	ACCOUNT/DESCRIPTION	108	109	110	111	112	113	114	115	116	117	118	119	120	121
	434637 ADVERTISING, PUBLICATIONS, PUBLIC RELATIONS		2,936	2,936											
	434638 CONTRACTOR SERVICES	1,961	3,537	3,537					91,572		0	562,167			
	434639 OTHER SERVICES PROVIDED BY THIRD PARTIES	6,164	117,299	117,299	85		1,890	37	90,476	1,912	-16	1,448	9,127	125,244	460
		2,822	03,020	3,020	0	0	0	0	0	0	0	0	0	0	0
	434641 GENERAL SALES TAX														
	434643 TRIBUTES TO THE CENTRAL GOVERNMENT														
	434644 TAXES TO REGIONAL GOVERNMENTS														
	434645 TAXES TO LOCAL GOVERNMENTS	2,822	3,020	3,020											
	434649 OTHER TAXES	0	-1	-1											
		43,067	3,000	93,609	0	1,831	148,583	277	96,603	18,494	0	122,069	24,378	3,618	0
	434651 INSURANCE	329					1,463								
	434653 SUBSCRIPTIONS AND QUOTES														
	434654 LICENSES AND VALIDITY RIGHTS														
	434656 SUPPLIES	3,322	4,779	4,779					6		0	190	4,893	75	
	434657 RESEARCH AND DEVELOPMENT EXPENSES		1,205	1,205											
	434658 ENVIRONMENTAL MANAGEMENT														
	434659 OTHER MANAGEMENT EXPENSES	39,416	3,000	87,625		1,831	147,120	277	96,597	18,494	0	121,879	19,484	3,543	
		18,876	1,587	56,865	143	500	10,498	99	123,788	32,998	0	105,848	22,310	29,962	4,914
	434673 INTEREST ON LOANS AND OTHER OBLIGATIONS														
	434676 EXCHANGE DIFFERENCE	18,876	1,587	56,865	143	500	10,498	99	123,788	32,998	0	105,848	22,310	29,962	4,914
		0	00	0	0	0	0	0	0	0	0	0	0	0	0
	434686 PROVISIONS														
		0	02,492	2,492	0	0	0	-186	0	0	0	0	-59,036	-200,000	-90,000
	434759 OTHER MANAGEMENT INCOME	0	02,492	2,492		0	0	-186	0	0	0	0	-59,036	-200,000	-90,000
		-19,968	-1,329	-56,406	-114	-615	-21,640	-100	-122,915	-30,815	0	-102,423	-22,437	-29,668	-4,275
	434772 EARNED YIELD		-22	-22							0				0
	434776 EXCHANGE DIFFERENCE	-19,968	-1,329	-56,383	-114	-615	-21,640	-100	-122,915	-30,815	0	-102,423	-22,437	-29,668	-4,275
TOTAL		-2,520	-11,042	-137,117	-897	-267	-13,243	127	44,891	-25,459	-16	8,187	3,382	0	4,716

PROFONANPE
BALANCE OF PROJECTS
AS OF DECEMBER 31, 2022
(In American Dollars)

	ACCOUNT/DESCRIPTION	122	123	124	125	126	127	128	129	132	133	134	135	139	Total general
INCOME		-1,046,825	-78,500	-268,359	-194,500	0	0	0	0	-567,711	-400,000	0	-579,431	-27,231,741	-353,499,923
		-1,046,825	-78,500	-268,359	-194,500	0	0	0	0	-567,711	-400,000	0	-579,431	0	-249,632,728
	434101 DIRECT FUNDS S/.														-124,917,636
	434102 DIRECT FUNDS US\$	-1,046,825	-78,500	-268,359	-194,500	0	0	0	0	-567,711	-400,000	0	-579,431		-110,595,469
	434103 DIRECT FUNDS - NON-MONETARY CONTRIBUTION														-8,864,697
	434104 DIRECT FUNDS EUR														-5,254,926
		0	0	0	0	0	0	0	0	0	0	0	0	-27,231,741	-103,867,195
	434202 QUALIFICATIONS														-27,200,000
	434203 YIELD														-31,741
	434204 FLUCTUATION														78,697
	434205 COMMISSIONS AND MANAGEMENT														2,534,896
	434206 DIRECT BANK EXPENSES TO PORTFOLIO														261
EXPENSES		655,798	11,536	245,133	32,025	-4,193	10	2	11	90,529	0	0	0	0	155,328,130
		7,594	0	0	0	0	0	0	0	1,404	0	0	0	0	16,225,481
	434331 LANDS														259,655
	434332 BUILDINGS														5,001,546
	434333 EXPLOITATION MACHINERY AND EQUIPMENT														1,182,428
	434334 TRANSPORT EQUIPMENT														3,151,368
	434335 FURNITURE AND FIXTURES														172,637
	434336 DIVERSE TEAMS														4,962,538
	434337 TOOLS AND REPLACEMENT UNITS														10
	434338 UNITS TO RECEIVE														38,377
	434339 CONSTRUCTIONS AND WORKS IN PROGRESS														1,456,921
		0	0	0	0	0	0	0	0	0	0	0	0	0	1,217,339
	434341 CONCESSIONS, LICENSES AND OTHER RIGHTS														404,469
	434343 COMPUTER PROGRAMS (SOFTWARE)														704,683
	434345 FORMULAS, DESIGNS AND PROTOTYPES														7,129
	434349 OTHER INTANGIBLE ASSETS														101,057
		58,911	0	0	0	0	0	0	0	0	0	0	0	0	17,104,538
	434621 REMUNERATION														13,627,982
	434622 OTHER REMUNERATION														370,921
	434623 INDEMNITIES TO PERSONNEL														39,064
	434624 TRAINING														216,234
	434627 SECURITY AND SOCIAL PROTECTION														1,258,449
	434629 SOCIAL BENEFITS FOR WORKERS														1,591,888
		504,825	6,613	566	7,286	127	12	0	11	29,690	0	0	0	0	58,611,856
	434631 TRANSPORTATION, POST AND TRAVEL EXPENSES														7,754,561
	434632 FEES, COMMISSIONS AND BROKERAGES														23,418,456
	434633 PRODUCTION COMMISSIONED TO THIRD PARTIES														1,740,722
	434634 MAINTENANCE AND REPAIRS														823,418
	434635 RENTALS														1,521,743
	434636 BASIC SERVICES														389,342

	ACCOUNT/DESCRIPTION	122	123	124	125	126	127	128	129	132	133	134	135	139	Total general
	434637 ADVERTISING, PUBLICATIONS, PUBLIC RELATIONS	184,643													1,160,404
	434638 CONTRACTOR SERVICES	89,613		566	49	127	12		11	2,875					11,794,161
	434639 OTHER SERVICES PROVIDED BY THIRD PARTIES														10,009,049
		0	0	0	0	0	0	0	0	0	0	0	0	0	218,154
	434641 GENERAL SALES TAX														9,377
	434643 TRIBUTES TO THE CENTRAL GOVERNMENT														32,174
	434644 TAXES TO REGIONAL GOVERNMENTS														33,550
	434645 TAXES TO LOCAL GOVERNMENTS														131,096
	434649 OTHER TAXES														11,957
		84,535	5,021	244,566	24,735	0	0	0	0	59,387	0	0	0	0	63,038,765
	434651 INSURANCE	25													771,605
	434653 SUBSCRIPTIONS AND QUOTES														10,152
	434654 LICENSES AND VALIDITY RIGHTS	328													20,211
	434656 SUPPLIES	230													4,035,270
	434657 RESEARCH AND DEVELOPMENT EXPENSES														160,133
	434658 ENVIRONMENTAL MANAGEMENT														710
	434659 OTHER MANAGEMENT EXPENSES	83,951	5,021	244,566	24,735					59,055					58,040,683
		5,545	171	0	921	285	4	2	5	219	0	0	0	0	15,302,914
	434673 INTEREST ON LOANS AND OTHER OBLIGATIONS														23
	434676 EXCHANGE DIFFERENCE	5,545	171		921	285	4	2	5	219		0			15,302,891
		0	0	0	0	0	0	0	0	0	0	0	0	0	50,267
	434686 PROVISIONS														50,267
		0	0	0	0	-4,331	-1	0	0	0	0	0	0	0	-1,016,825
	434759 OTHER MANAGEMENT INCOME	0				-4,331	-1			0					-1,016,825
		-5,612	-269	0	-917	-273	-4	0	-5	-170	0	0	0	0	-15,424,358
	434772 EARNED YIELD														-314,404
	434776 EXCHANGE DIFFERENCE	-5,612	-269		-917	-273	-4		-5	-170		0			-15,109,955
TOTAL		-391,027	-66,964	-23,227	-162,475	-4,193	10	2	11	-477,182	-400,000	0	-579,431	-27,231,741	-198,171,793