Company Registration No. 8095058 (England and Wales)

ANDINA ENERGIES PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

ANDINA ENERGIES PLC

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ANDINA ENERGIES PLC

COMPANY INFORMATION

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	Mr Neil Bleasdale (Chairman)	
	Mr Julian Collins	
	Mr Marcelo Comba	
	Mrs Valeria Inés de Oliveira Cézar	
	Mrs Maria Fernanda Martinez	
	Mr Ricardo Nicolás Mallo Huergo	
	Mrs Maria Lucila Seco	(Resigned 17 October 2025)
	Mrs Evangelina Cecilia Suarez	(Appointed 1 June 2025)
	Mr German Federico Ranftl Moreno	(Appointed 1 June 2025)
	Mr Emilio Berruti	(Appointed 17 October 2025)
	Mr Daniel Marx	(Appointed 17 October 2025)
Secretary	Javier Montañés	(Appointed 14 July 2026)
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GLOSSARY

The following definitions, which are not technical ones, will help readers understand some of the terms used in the text of the Strategic Report, Directors' Report and in the notes to the Consolidated Financial Statements.

ADEERA	Asociación de Distribuidores de Energía Eléctrica de la República Argentina (Argentine association of electricity Distributors)
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico (the company in charge of the regulation and operation of the wholesale electricity market)
CER	Coeficiente de estabilización de referencia (Reference stabilisation coefficient, daily adjusted index published by the Argentine Central Bank (BCRA)
CPI	Consumer Price Index
ENRE	Ente Nacional Regulador de la Electricidad (National Regulatory Authority for the Distribution of Electricity)
EPRE	Ente Provincial Regulador Eléctrico (Mendoza's electricity market regulatory authority)
GWh	Gigawatt hour
IMS	Integrated Management System
IRAM	Instituto Argentino de Normalización y Certificación (National Institute of Standardisation and Certification)
INDEC	Instituto Nacional de Estadísticas y Censos (National Institute of Statistics and Censuses)
MEM	Mercado Eléctrico Mayorista (Wholesale Electricity Market)
PPA	Power Purchase Agreement
RTI	Revisión Tarifaria Integral (Comprehensive Tariff Structure Review)
SEN	Secretaría de Energía de la Nación (National Energy Secretariat)
VAD	Valor Agregado de Distribución (Distribution Added Value - Tariff) Portion of the electricity tariff that compensates the distributor for operating and maintaining the network, excluding the cost of energy and its transmission
UVA	Unidad de Valor Adquisitivo actualizable por "CER" (Purchasing Value Unit updatable by "CER")

ANDINA ENERGIES PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The Directors present their Strategic Report for The Group for the year ended 31 December 2025.

1. Introduction

Andina Energies Plc (the "Company"), together with its subsidiaries (the "Group"), is a Latin American energy company focused on electricity distribution and electricity generation, with operations entirely located in Argentina. The Company changed its name from "Andina Plc" to "Andina Energy Plc" on 24 March 2025, and subsequently to "Andina Energies Plc" on 16 July 2025. The name change reflects its strategic commitment to sustainable energy development and infrastructure modernisation.

The Group delivers electricity to end users under regulated frameworks and invests in the development and operation of clean energy assets, including hydroelectric and solar technologies.

The Group remains committed to long-term investment in clean energy infrastructure and to driving the digital transformation of electricity distribution networks. In a future increasingly reliant on the expansion of the electricity sector, the Group focuses on enhancing energy efficiency and evolving the grid into a smart network. Through these initiatives, the Group aims to ensure reliable, affordable and accessible energy for all, while supporting both national and global decarbonisation objectives.

2. Mission and Values

Our mission is to deliver sustainable, reliable and cost-effective energy by harnessing renewable resources and enabling the digital transformation of electricity networks. We are dedicated to supporting our customers as they navigate the evolving role of energy, including the transition towards smarter, more efficient and sustainable homes.

We are guided by the values of integrity, accountability and service. We strive to act responsibly in meeting the public's energy needs, promoting innovation, and building a more sustainable energy future.

3. Principal Activities

The Group's principal activities are the distribution and generation of electricity within Argentina.
In Electricity distribution, the Group holds:

- a 51% controlling interest in Empresa Distribuidora de Electricidad de Mendoza S.A. ("EDEMSA"), the leading electricity distribution company in the Mendoza Province. EDEMSA serves 485,520 customers across a concession area of 109,908 km². The company operates under a regulated concession granted by the Government of the Mendoza Province and supervised by Ente Provincial Regulador Eléctrico ("EPRE"). EDEMSA's main purpose is the provision of electricity and is responsible for operating, maintaining and expanding the electricity distribution network within its concession area.
- an indirect 11.9% equity interest in Empresa Distribuidora y Comercializadora Norte S.A. ("EDENOR"), the largest electricity distribution company in Argentina by number of customers, serving the northern area of the Buenos Aires Metropolitan Region. EDENOR serves more than 3.4 million customers across a concession area of 4,637 km². The company operates under a regulated concession granted by the Argentine national government and supervised by Ente Nacional Regulador de la Electricidad ("ENRE"). EDENOR is responsible for operating, maintaining and expanding the electricity distribution network within its service area.

In Electricity generation, the Group also holds:

- a 23.6% interest in Hidroeléctrica Ameghino S.A. ("HASA"), held through its 40% interest in Hidroeléctrica del Sur S.A. ("HDS"), over which the Group exercises significant influence. HASA operates a 60 MW hydroelectric power plant located in the Chubut Province. The facility is integrated into the Argentine Wholesale Electricity Market ("MEM") and dispatches its output into the spot market. The sales price of electricity is determined by the Secretaría de Energía de la Nación ("SEN") through regulatory resolutions and amounts due are settled monthly by the Compañía Administradora del Mercado Mayorista Eléctrico S.A. ("CAMMESA").

- a 100% interest in Andina Consultores y Servicios S.A.U. ("ACS") which is developing a 4 MW photovoltaic project in the Mendoza Province. The plant Uspallata solar park, which is currently under development, is being constructed on a 10-hectare plot granted by the provincial government and is expected to reach commercial operation on 1 April 2027, under a 15-year renewable energy "PPA" with CAMMESA.

- a 95% interest in Trancurá Energía S.A which owns the development rights of the Capiz I (20 MW) and Capiz II (30 MW) photovoltaic solar projects. Both projects are ready to build and are in the Mendoza Province. Commercial operation is scheduled to begin in 2027.

4. Business review

4.1. Overview

In 2025, the Argentinian economy showed signs of macroeconomic improvement after a period of severe instability. Annual inflation showed signs of macroeconomic stabilisation after a period of pronounced volatility. Annual inflation declined significantly to 31.5%, compared to 117.8% in 2024, according to data published by INDEC, Consumer Price Index ("CPI"). The exchange rate depreciation increased to 40% in 2025 compared to 28% in the prior year. This relatively improved macroeconomic environment contributed to greater economic predictability, supporting investment planning and enhancing confidence in the country's overall macroeconomic outlook.

In the electricity distribution segment, 2024 marked a turning point in the regulatory landscape. Authorities implemented tariff adjustments and introduced transitional regimes aimed at restoring the financial sustainability of distribution companies, after several years of regulatory delays. These changes resulted in improved cash flows for electricity distribution companies, including those in which the Group holds an interest. For details on the tariff update applicable to EDEMSA, please see section 5.3.1. "Tariff update".

From a generation perspective, the Argentine government also implemented a series of tariff updates during 2024, applicable to the energy traded on the spot market. These increases, introduced progressively throughout the year, contributed to strengthening the financial position of power generation companies.

4.2. Group Financial Performance and Key Performance Indicators (KPIs)

Revenue and gross margin are used to monitor the effect of tariff adjustments and cost management on the Group's operating performance; total assets and borrowings to monitor the Group's financial position and leverage; and capital expenditure to monitor the execution of the Group's infrastructure investment plan, which supports service quality and the expansion of its renewable generation activities. In 2025, the main KPIs were as follows:

a. **Revenue**: In 2025, Group revenue increased by 2.1% compared to the previous year, mainly as a result of quarterly adjustments to the Distribution Value Added (VAD) implemented during 2024 and in February, May and November 2025, which fully impacted revenues in 2025 and only partially in 2024. In addition, revenues were impacted by higher energy procurement costs, which are directly passed to the end customer in the tariffs.

b. **Gross margin**: This represents gross profit as a percentage of revenue and reflects the margin generated from the Group's core operations, excluding non-operating items, such as finance costs, tax charges and non-recurring items. Gross margin decreased slightly from 33.8% in 2024 to 33.5% in 2025, as tariff updates did not fully offset a moderate increase in cost of sales, primarily related to higher professional fees, third-party services, maintenance and repairs, and materials driven by higher activity levels and price increases during the year. The decrease was partially mitigated by lower litigation and claims, reflecting a reduced impact of service quality penalties during the period.

c. **Total assets**: increased from US$821.1 million at the end of 2024 to US$988.1 million at the end of 2025, mainly as a result of:

(i) the increase in the carrying amount of investments in associates, mainly reflecting the increase in the carrying amount of the equity interest in South American Energy LLP ("SAE");

(ii) higher cash and cash equivalents, mainly reflecting the portion of the proceeds from the issuance of Corporate Notes in July 2025 that had not yet been applied at year end;

(iii) higher other current receivables, mainly due to the receivable of US$42.2 million arising from a securities lending agreement, under which the Group lent a portfolio of marketable securities to a brokerage firm (see Note 21) and the increase in prepayments (from US$8.2 million to US$12.9 million). Additionally, advances to suppliers increased due to larger contracts for the purchase of materials and power transformers, in line with the growing annual investment volume;

(iv) the growth in property, plant and equipment, as a result of investments in various infrastructure projects and new supplies which were the highest in EDEMSA's history.

d. Borrowings: increased from US$93.0 million at the end of 2024 to US$257.8 million at the end of 2025.

- Current borrowings: increased from US$24.9 million to US$70.1 million, mainly due to the classification of certain Corporate Notes as current liabilities, as they fall due within the next twelve months as at 31 December 2025, partially offset by repayments of notes that matured during the year.

- Non-current borrowings: increased primarily due to new long-term corporate note issuances during 2025, including the international placement of Series 6 and additional issuances under existing corporate note series, with maturities extending beyond twelve months.

e. Capital Expenditure (CapEx): During 2025, the Group continued to make strategic investments in infrastructure, primarily focused on electricity distribution and renewable energy generation. Investments in the distribution segment were driven by the execution of the Group's infrastructure investment plan, including the construction and upgrade of substations and associated network improvements. In the renewable generation segment, capital expenditure was mainly directed towards the construction of the Uspallata solar park and the development of the Capiz I and Capiz II projects. Additions to property, plant and equipment amounted to US$63.6 million.

4.3. Environmental matters

Andina Energies is considered a "low energy user" in accordance with the Companies Act 2006 and related amendments regarding the disclosure of energy and carbon information. The Company does not have operations within the United Kingdom. The Group's operations are located entirely in Argentina, and therefore it is not required to report its energy and carbon information.

4.4. Employees

In 2025, total headcount was 779 employees (2024: 742), with low staff turnover and a stable workforce across all operational areas.

4.5. Future Developments

Management remains focused on achieving sound and sustainable electricity tariffs, which are considered fundamental for long-term business viability, the continued investment in infrastructure required to enhance service quality, and the provision of reliable and cost-effective energy to end users.

The Group also continues to prioritise investments in renewable energy infrastructure in line with its long-term strategy to expand clean energy generation capacity, modernises the electricity network and support Argentina's ongoing energy transition.

The Group is also evaluating opportunities to diversify its portfolio into other segments of the energy sector, including the oil and gas sector.

5. Electricity Distribution Financial Performance

5.1. Financial review

5.1.1. *EDEMSA*

During 2025, EDEMSA further consolidated its economic, financial and equity position achieved in the previous year. This enabled the company to expand its investment plan, increase technical, commercial and technology-related operations, and access long-term financing in the international capital markets.

In 2025, EDEMSA's revenue increased by 2.1% compared to the previous year, primarily due to quarterly adjustments to the Distribution Value Added ("VAD") under the sixth tariff period, which were implemented in February, May and November 2025 via a series of regulatory resolutions. In addition, revenues were impacted by higher energy procurement costs, which are directly passed to the end customer in the tariffs.

Cost of sales rose by 2.6%, mainly as a result of higher energy purchase costs, which increased by 6.1% driven by higher Wholesale Electricity Market ("MEM") supply costs.

As a result of all the above-mentioned factors, gross profit increased by 1.2%, from US$161.9 million in 2024 to US$163.9 million in 2025.

Selling and administrative expenses increased mainly due to higher professional fees, third-party services as well as salaries and other personnel-related expenses.

The net loss from impairment of financial assets reflects an increase in the allowance for doubtful accounts following the tariff update; however, no material collection issues were reported during the year.

As a result, operating profit totalled US$81.8 million in 2025, compared to US$93.9 million in 2024.

Net profit for the year was mainly impacted by movements in finance results. Finance income increased significantly due to higher returns generated on financial investments during the year. Finance costs also increased, mainly reflecting higher interest expense associated with the Corporate Notes issued, partially offset by lower commercial and tax-related interest expenses compared to 2024. In addition, the Group recognised a foreign exchange loss mainly related to US dollars-denominated liabilities, partially offset by cash, cash equivalents and financial investments held in the same currency.

As a result of these movements, and after accounting for income tax and deferred income tax, EDEMSA recorded a net profit of US$37.7 million in 2025, compared to US$56.7 million in 2024.

5.1.2. EDENOR

The following information is based on EDENOR's audited financial statements (see Note 8).

Revenue from sales increased by 4.0% to US$2,062.0 million mainly due to the tariff regularisation including the impact of the February 2024 tariff adjustment and subsequent monthly adjustments since August 2024, offset by the depreciation of the Argentine peso against the US dollars. Consistent with this effect, transmission and distribution expenses decreased by 15.6% and selling expenses decreased by 13.0%, while administrative expenses increased by 22.8% mainly due to an increase in fees and remuneration for services. The operating profit of EDENOR for the year ended 31 December 2025 was US$98.7 million, compared to US$40.8 million in the previous year.

In 2025, EDENOR reported a post-tax profit of US$164.9 million, compared to a post-tax profit of US$264.1 million in 2024. The decrease was mainly attributable to a higher income tax expense, driven by an increase in the tax inflation adjustment, which was no longer recognised over three years, together with higher profit before tax.

5.2. Operating review

5.2.1 EDEMSA

In terms of physical sales, volumes decreased by 1.4%, reflecting an overall decline across all tariff categories, particularly driven by lower consumption in the T2 agricultural irrigation tariff segment, with total energy sold reaching 3,325.75 GWh in 2025, compared to 3,371.89 GWh in 2024.

Alongside the volume of energy sold, the Group monitors energy losses, which represent the difference between energy purchased and energy sold. Energy losses, computed on an Annual Moving Rate ("AMR") basis covering the last twelve months, increased slightly from 16.8% in 2024 to 16.9% in 2025. Losses arise from technical factors, such as the natural heating of conductors during the transmission and distribution of electricity, and from non-technical factors, mainly the unauthorised consumption of electricity. Investment and commercial management efforts helped contain this issue within a challenging operating environment.

5.2.2 EDENOR

The amount of energy sold in 2025 totalled 22,951 GWh, representing a slight increase compared to the previous year (22,726 GWh).

Energy losses for 2025 were 15.7%, showing a slight increase from the 15.2% recorded in the prior year, mainly due to higher energy theft in the Greater Buenos Aires despite ongoing recovery and regularisation efforts aimed at normalising clandestine consumers, inactive customers and chronic delinquent customers.

5.3. Tariff update

5.3.1 EDEMSA

EDEMSA's concession agreement was granted in 1998 for a term of 30 years and was extended on 31 January 2023 for an additional period of 20 years until 2048. EPRE monitors EDEMSA's compliance with the concession agreement and other local regulatory frameworks and sets electricity tariffs.

Every five years, EPRE evaluates the tariffs through Comprehensive Tariff Structure Reviews ("RTIs") and calls for public hearings before the provincial government sets the electricity rates to be applied by the concession holders.

Distribution tariffs are comprise two components:

(1) the costs of acquiring energy and power in the MEM, including costs associated with generation and transmission, set seasonally by the National Energy Secretariat at the suggestion of CAMMESA and recalculated quarterly.
(2) VAD - which reflects the cost inherent to electricity distribution made up of network operation costs, maintenance costs, and commercial and customer service costs.

The most recent relevant tariff history is detailed below:

The sixth tariff period, which spans from 1 August 2023 to 31 July 2028, was formally initiated through EPRE Resolution No. 63/22, followed by a public hearing held on 28 July 2023. Subsequently, Decree No. 2348/23 was issued on 10 November 2023, instructing EPRE to implement the updated tariff structure in a gradual and progressive manner. The decree also modified the intra-period adjustment procedure, establishing a quarterly and automatic VAD update mechanism based on inflation, as long as the variation in the CPI is equal or exceeds the defined threshold of 7% per quarter. If the variation is lower than the threshold, in the following quarter, the CPI variation over the past six months will be taken into account.

Throughout 2024 and early 2025, this mechanism led to a series of resolutions and decrees that progressively adjusted the VAD. These included increases for May, August, and November 2024, as well as a specific recognition of income differences arising from the staged implementation of prior resolutions. The adjustment of the VAD was also effective in February, May and November 2025. On 3 June 2025, and in compliance with Decree No. 1680/24, the EPRE notified EPRE Resolution No. 145/25, calling for the annual public hearing to consider the adjustment of the VAD effective as of 1 August 2025. The public hearing was held on 4 July 2025. Although the EPRE issued Resolutions No. 193/25, 194/25 and 195/25, approving the tariff schemes effective for the August–October 2025 period, the VAD adjustment was not applied, since "the variation in the CPI during the May–July 2025 quarter did not exceed the 7% threshold" established in the procedure approved by Decree No. 1680/24. Accordingly, the VAD effective as of 1 May 2025, was maintained.

On 7 November 2025, the EPRE notified Resolutions Nos. 44/25, 45/25, 46/25 and 47/25, establishing the VAD adjustment in effect for November 2025, December 2025 and January 2026, as well as tariff schedules, service charges and the public lighting tariff schedule. Subsequently, in compliance with Decree No. 1680/24, on 6 February 2026, the EPRE notified Resolutions Nos. 023/26, 024/26, 025/26 and 026/26, establishing the VAD adjustment in effect for the period from February through April 2026, as well as tariff schedules, service charges and the public lighting tariff schedule.

5.3.2 EDENOR

In 2025, the SEN and the ENRE issued several resolutions in connection with the Company's electricity rate schedules and the seasonal reference prices. Since 2024, increases in electricity tariffs, including the approval of the 2025-2030 electricity rate review (RTI) have contributed to the gradual restoration of the company's financial position and cash flow generation. In addition, periodic monthly adjustments to the company's own distribution costs continued to be implemented, with average increases of approximately 3%.

5.4. CAMMESA debt

5.4.1 EDEMSA

CAMMESA is the company responsible for the technical operation of the wholesale electricity market. EDEMSA purchases electricity from CAMMESA to supply its customers in Mendoza. Over the past several years, the lack of regular tariff adjustments, combined with persistent inflationary pressures and a steady increase in operating costs, significantly reduced EDEMSA's financial capacity to meet its obligations in a timely manner. As a result, the Company incurred debt with CAMMESA related to energy purchases. Various agreements and negotiations have been undertaken to address these financial obligations, with impacts extending into future financial years. These are outlined below.

5.4.1.1 Settlement of CAMMESA's debt prior to January 2016

In 2018, EDEMSA and CAMMESA agreed a payment plan for historic energy purchases incurred prior to 2016, with a fixed interest rate of 10.0% and 90 monthly instalments from April 2018 to September 2025.

As of 31 December 2025, the payment plan has been fully settled.

5.4.1.2 Agreement signed in 2023 to regularise CAMMESA obligations

Between 2018 and 2021, tariff delays led the Company to accumulate debt with CAMMESA. This situation was exacerbated by COVID-19 emergency measures, which restricted service disconnections for non-payment and negatively impacted the electricity distribution sector. In response, the government introduced a regulatory framework to normalise payment obligations within the MEM, under which, EDEMSA entered into three agreements: a) Special Regime Agreement for the Regularisation of Obligations; b) Transactional Agreement with the Provincial Government and c) Offer Letter for Debt Regularisation with CAMMESA.

5.4.1.3 Offer Letter for Debt Regularisation with CAMMESA

On 4 September 2023, EDEMSA submitted a formal offer to CAMMESA to regularise its outstanding obligations for energy purchases. The offer was accepted on 14 September 2023 under the framework of the agreements signed earlier in the year. The main terms were:

- Recognised debt: EDEMSA acknowledged a total outstanding amount of US$14.0 million, composed of debt accrued until September 2020 and between October 2020 and April 2023.
- Offset with credits: The National Energy Secretariat recognised credits totalling US$4.8 million in EDEMSA's favour, applied against the debt. These included amounts linked to tariff maintenance, investment plans, and demand subsidies. Certain credits (US$1.9 million) were recognised as income in the consolidated income statement; others were deducted from property, plant and equipment in accordance with IAS 20.
- Payment of net debt: The resulting net debt of US$9.2 million is repayable over 96 monthly instalments, with a 6-month grace period, increasing instalments, and an interest rate equal to 50% of the MEM reference rate.

As of 31 December 2025, the outstanding balance was US$17.6 million, measured at amortised cost, compared to an outstanding balance of US$17.2 million as of 31 December 2024. The increase in the balance owed to CAMMESA was mainly driven by interest accrued under the effective interest method, which exceeded the instalments paid during the year.

5.4.1.4 Special Regime Agreement for Credits

Resolution No. 1/2025 issued by the National Undersecretariat of Electric Energy, within the framework of Article 8 of Decree No. 186/2025, approved a Special Regime Agreement for Credits for electricity distribution companies that, as at 31 December 2023, had no outstanding debts with CAMMESA and had fully settled all transactions for 2024, up to and including March 2025.

In this context, on 10 July 2025, EDEMSA and the National Undersecretariat executed an Agreement whereby the Nacional Undersecretariat recognised a credit in favour of the distribution company EDEMSA in the amount of US$32.0 million, equivalent to twice the amount of EDEMSA's monthly transaction for the purchase of electricity from CAMMESA in the Wholesale Electricity Market ("MEM") for February 2025. This credit will be granted in 12 equal and consecutive monthly instalments, to be reflected as a credit in the monthly invoices issued by CAMMESA to the distribution company EDEMSA starting in August 2025. EDEMSA, in turn, committed to executing a capital investment plan aimed at enhancing the electrical infrastructure within its concession area for an equivalent amount, in accordance with the details set out in the agreement.

As at 31 December 2025, US$13.7 million was recognised as advances received within trade and other payables, net of works already reported. Non-compliance with the investment plan or with current energy payments would void the agreement and its benefits.

5.4.2 EDENOR

On 13 March 2025, Decree No. 186/2025 was issued approving a debt regularisation scheme corresponding to overdue amounts to CAMMESA for the periods from November 2023 through March 2024. The company committed to repay such debt through a new payment plan consisting of 72 monthly instalments, including a 12-month grace period and an interest rate reduced by 50% from the rate applicable in the MEM, which will be subject to semi-annual review in the event of a variation of 500 basis points (equivalent to 5%).

6. Electricity Generation Financial Performance

6.1. Financial review

6.1.1. ANDINA CONSULTORES Y SERVICIOS S.A.U. (ACS SAU)

For the year ended 31 December 2025, ACS SAU recorded a net profit of US$0.02 million, compared to a net loss of US$0.01 million in 2024. Although ACS SAU remains in the development phase and does not yet generate operating revenue, the result for the year was mainly driven by net financial gains, particularly foreign exchange gains and interest income, which more than offset higher administrative expenses incurred as project execution activities increased.

Total assets increased significantly during the year, mainly reflecting additions to property, plant and equipment recognised as construction in progress associated with the execution of the Uspallata Solar Park.

6.1.2. HASA

Sales remained broadly stable at US$3.3 million in 2025, in line with 2024.

Gross result amounted to a gross loss of US$0.5 million in 2025, compared to a gross profit of US$0.1 million in 2024. Although remuneration levels increased during the year, gross profitability was impacted by higher operating costs, mainly driven by increases in salary and personnel-related expenses during the period.

Loss after tax amounted to US$0.04 million, compared to a profit of US$0.5 million in 2024. Financial results benefited from investment income and positive performance of financial assets during the year; however, these effects were offset by the impact of inflation adjustments, foreign exchange effects and depreciation charges, resulting in a net loss for the period.

6.1.3. TRANCURÁ ENERGÍA S.A. (Trancurá)

During 2025, the Group consolidated Trancurá Energía S.A. following the acquisition of a 95% interest completed on 27 January 2025, representing the first year in which Trancurá has been included within the Group's consolidated financial statements. As a result, the contribution to the Group's financial performance reflects a partial year following acquisition and remains limited given the early development stage of the projects.

As the projects have not yet commenced commercial operations, Trancurá did not generate operating revenue during the period and recorded an immaterial net result. During the year, investment continued to be directed towards project development and construction in progress.

6.2 Operating review

6.2.1 ANDINA CONSULTORES Y SERVICIOS S.A.U. (ACS SAU)

Throughout 2025, ACS SAU continued advancing the development of the Uspallata Solar Park through the execution of planned project activities and progression of procurement processes for key equipment. During the year, development efforts focused on supporting the construction programme and preparing subsequent phases of implementation. Construction activities are expected to continue throughout 2026 with the objective of reaching commercial operation on 1 April 2027.

The project is supported by a 15-year Power Purchase Agreement initially signed on 10 October 2023 between Andina Electricidad S.A. and CAMMESA. On 28 November 2023, following CAMMESA's formal consent dated 8 November 2023, all rights and obligations under the agreement were transferred to ACS SAU. This transfer was subsequently formalised through an addendum signed on 12 February 2025 between CAMMESA, Andina Electricidad S.A. and ACS SAU, confirming that, from that date on, ACS SAU is recognised as the "Seller" for all contractual purposes.

Under the terms of the agreement, all contracted energy will be sold exclusively to CAMMESA. Monthly payments will be settled in US dollars, adjusted by a seasonal pricing scheme: a 1.2 multiplier applies during January, February, June, July, August, and December, while a 0.8 multiplier is used for the remaining months. An additional incentive factor of 1.15 applied during the years 2023, 2024 and 2025. The agreement also includes contractual mechanisms to address delays in the commercial start date, currency fluctuations, and payment defaults.

6.2.2 HASA

Total energy produced during 2025 amounted to 95,472 MWh, representing a 43% decrease compared to the previous year (168,337 MWh). The reduction was mainly attributable to lower water inflows during the year, which remained significantly below both 2024 levels and historical averages.

Reservoir levels continued to decline during the period, limiting available generation capacity. Water levels decreased from 163.3 metres at the beginning of 2024 to 155.4 metres at the beginning of 2025, representing a downward variation of 8.0 metres.

6.2.3 TRANCURÁ ENERGÍA S.A. (Trancurá)

Following the acquisition completed on 27 January 2025, Trancurá advanced the development of the Capiz I and Capiz II solar projects through continued engineering and initial construction activities. During the year, a key milestone was achieved with the execution of a 20-year PPA with EDEMSA covering the total energy expected to be generated by both projects once operational. The agreement provides long-term revenue visibility and represented an important step in supporting the development and future execution of the projects. At year end, both projects remained in the pre-operational stage.

PRINCIPAL RISKS, FINANCIAL RISKS AND UNCERTAINTIES

Set out below are the key operating risks and uncertainties affecting The Group.

Tariff risk
The revenues of the Group's principal trading subsidiary EDEMSA, and of the Group's investees EDENOR and HASA, are subject to a regulated electricity tariff regime set by the national and provincial governments, which is revised on a specified periodic basis. A delay in the adjustment of rates could put the Group into financial difficulties. The Group is not exposed to the risk associated with fluctuations in the market purchase prices of energy, as these are fully passed on to rates.

Mitigation
The Group seeks to mitigate these risks by closely monitoring the fluctuations in key operating costs and by implementing hedging strategies to minimise the impact on financial performance. The Group engages in regular presentations and negotiations with the regulators to advocate for necessary inflation and tariff adjustments.

Currency and hyperinflation risk
The Group's operations are denominated in Argentine Pesos, while a portion of its financial liabilities is denominated in US dollars. As a result, the Group is exposed to foreign exchange risk arising from fluctuations in the value of the Argentine Peso against the US dollars.

The Argentine economy has experienced significant volatility in recent decades, characterised by periods of low or negative growth, currency depreciation and high inflation. Since 1 July 2018, Argentina has been classified as a hyperinflationary economy for accounting purposes.

Although inflation moderated during 2025 to 31.5% compared to 117.8% in 2024, inflationary pressures remain significant. In addition, the Argentine Peso depreciated 30% in real terms against the US dollars during the year ended 31 December 2025. During April 2025, the Argentine Government and the BCRA introduced measures aimed at gradually lifting foreign exchange restrictions; however, exchange controls remain largely in place.

These factors pose significant risks to the Group's liquidity and ability to meet its financial obligations, access financing and capital markets, and make payments for goods and services required to support its operations.

Mitigation
The Group seeks to mitigate foreign exchange exposure primarily through a natural hedging strategy, maintaining financial assets denominated in US Dollar (including cash and equivalents, receivables and marketable securities), which partially offset US Dollar-denominated liabilities and strengthen the Group's ability to operate under adverse macroeconomic conditions.

Political and regulatory interventions risk
The Group's operations are based in Argentina and are subject to Argentine laws and regulations. The Argentine Government has historically exercised significant influence over the economy through the implementation of extensive regulations and reforms affecting the economy and in particular, the energy sector. Amendments to laws and regulations governing the Group's operating activities or more stringent enforcement or differing interpretation of existing laws and regulations could materially affect the Group's business and investment plans.

Mitigation
The Group engages reputable legal and tax advisers in Argentina to continuously monitor developments in the legal, regulatory and fiscal environment. Periodic meetings are held with external advisers to assess regulatory changes and compliance requirements.

In addition, the Group is a member of ADEERA (Asociación de Distribuidores de Energía Eléctrica de la República Argentina), an industry association that actively engages with Argentine authorities on matters affecting the electricity distribution sector.

Plant operation risk
The Group's electricity distribution and generation operations depend on the continued availability and reliability of its infrastructure and operating assets. The failure of critical components, ageing infrastructure, or disruptions affecting key equipment may result in plant outages, operational restrictions or reduced service capacity.

Mitigation
The Group seeks to mitigate operational and infrastructure risks through a risk-based maintenance programme designed to identify, assess and prioritise activities based on criticality and risk profile of each component. Critical infrastructure is subject to regular inspection, preventative maintenance and monitoring in order to reduce the likelihood of unexpected failures. The Group also maintains strategic inventory levels, evaluates lead times and monitors market conditions.

Cyber security risk
We depend on the efficient and uninterrupted operation of internet-based data processing communication and information exchange platforms and networks, including administrative and business-related systems and other electricity infrastructure management systems. Unauthorised access or compromised operational technology networks could result in having our business operations disrupted, property damaged, and user information stolen.

Mitigation
We commit significant resources aimed at strengthening the resilience of our technological infrastructure against cyber threat, to maintain the security and integrity of our systems, data and technology infrastructure, by continuously investing in the network. Stringent policies and procedures are in place to provide controls over key areas such as cloud and external access control, network security, asset monitoring and management, data integrity, back-ups and incident response.

Safety risk
There is a risk of significant injury or loss of life to employees, contractors or the public as a result of the operational business activity.

Mitigation
Safety controls focus on well-established risk management procedures including safety policies, procedures, standards, risk assessments and action plans, as well as competency, Health and Safety training, and a clear objective on safe behaviours and a secure workplace.

SECTION 172 (1) STATEMENT

The Directors are required to explain how they consider the interests of key stakeholders, and the broad matters set out in section 172(1) (a) to (f) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company and the Group under S172(1). This includes considering the interests of other stakeholders which will have an impact on the long-term success of the Company and the Group.

This S172(1) statement explains who the Company's and the Group's stakeholder groups are, their material issues and how the Directors of Andina relate to them and their expectations, including the principal decisions made by the Company and the Group during the financial year. The S172(1) statement focuses on matters of strategic importance to Andina, and the level of information disclosed is consistent with the size and the complexity of the business.

When making decisions, each Director ensures that they act in the way they consider, in good faith, would most likely promote the Company's and the Group's success for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

S172(1) (a) The likely consequences of any decision in the long term
The Directors recognise that the long-term success of the Group is linked to the reliable and efficient delivery of electricity distribution services, alongside the development and operation of renewable energy assets, including hydroelectric and solar technologies. These activities contribute to improving people's quality of life, support economic development, and create value for the Group's stakeholders. The Directors carefully consider the long-term implications of strategic decisions, seeking to balance the interests of stakeholders in a manner compatible with the long-term, sustainable success of the business. Moreover, the Group's strategic and operating plans are also subject to periodic engagement with the regulatory authorities.

S172(1) (b) The interests of Andina's employees
The Directors recognise that Andina's employees are core to its operational performance and long-term success. The Directors are committed to fostering a supportive, inclusive and engaging working environment in which employees are motivated, valued and able to contribute effectively to the Group's objectives.

The Group places significant emphasis on responsible employment practices, including fair remuneration, competitive benefits, and the promotion of health and safety monitoring, employee care, the provision of technical and professional training, employee engagement programmes, and internal communication platforms to support collaboration. A total of 10,200 training hours were delivered to more than 750 employees including immersive haptic simulators, development programmes and practical training in different areas.

The Group is committed to equal opportunities and inclusion. Applications from persons with disabilities are given full and fair consideration, having regard to their skills and abilities. In the event of employees becoming disabled during their employment, the Group seeks to support their continued employment through appropriate training. Opportunities for training, career development and promotion are provided on an equal basis.

For the first time, the Group launched a Young Professionals Programme aimed at attracting young talent and offering career development opportunities. The Group also granted educational scholarships to employees' family members and promoted corporate volunteering programmes.

Employee engagement is supported through regular dialogue with its workforce and their representatives, including trade unions and staff councils. Information about matters affecting employees is regularly communicated through a range of channels, including digital platforms, ensuring that employees remain informed and engaged with the business.

S172(1) (c) The need to foster Andina's business relationships with suppliers, customers and others
The Directors recognise that maintaining strong relationships with suppliers, customers, regulators and government authorities is a fundamental pillar of Andina's operational success. The Group seeks to maintain constructive and collaborative relationships with its stakeholders through high standards of service, transparency and regular engagement.

The Group focused on improving the customer experience and the quality of its services. Key initiatives during the year relied on a structural shift towards a digital, automated and data-driven commercial model, with a significant reduction in paper-based processes through the increased adoption of 55% of bills issued electronically, expansion of remote metering, the digitalisation of meter reading and billing processes, supporting greater operational efficiency and accuracy, and increasing use of artificial intelligence with the implementation of chatbot technology to improve customer interaction and response times. During the year, the Group also undertook a corporate image and brand modernisation initiative aimed at strengthening stakeholder engagement, aligning the Company's identity with its long-term strategic objectives, and supporting its positioning as a modern and sustainable energy business.

The Group also works closely with suppliers and other stakeholders. In this context, the Group maintains policies and procedures aimed at building trustworthy relationships with suppliers and contractors, promoting ethical conduct and compliance throughout its operations and supply chain.

The Integrity Committee oversees matters relating to compliance with the Group's anti-bribery and anti-corruption framework and is responsible for implementing and monitoring the Integrity Programme, ensuring compliance with the Code of Ethics, and investigating reports relating to corruption or fraud. The strategy focuses primarily on maintaining a culture of integrity and conducting honest business, preventing conflicts of interest, establishing guidelines on gifts, and preventing the misuse of information and/or assets owned by the Group, among other aspects. Additionally, major suppliers also adhere to the organisation's Code of Ethics.

S172(1) (d) The impact of Andina's operations on the community and the environment
The Directors recognise that the Group's operations play an important role in the communities it serves and that electricity is crucial to the daily lives of businesses and households. The Directors seek to maintain active engagement with local communities and other stakeholders regarding the social and environmental impact of its activities.

The Group continues to support numerous community initiatives, including PLEC (Light at Home Program), which for the past 18 years has enabled more than 100,000 low-income people (25,000 families) to access electricity in a safe and affordable manner. In 2012, the PLEC applied for the United Nations Dubai International Award for Best Practices and was recognised as a "Best Practice Certified" initiative.

The Group also maintains alliances with organisations such as Fundación Junior Achievement, FONBEC Foundation (Scholarship Fund) and Vendimia Solidaria, led by Fundación Grupo América, to support educational opportunities for young people from disadvantaged backgrounds striving for strong academic performance, in addition to sponsoring charitable and community development programmes.

Environmental management and regulatory compliance are supported through the Group's Integrated Management System ("IMS"), which aligns internal control with the requirements of ISO 9001 (Quality Management) and ISO 14001 (Environmental Management) while also advancing in the implementation of the Energy Management System in accordance with ISO 50001 (Energy Management). The Group is subject to annual external environmental audits certified by IRAM (National Institute of Standardisation and Certification).

During the year, the Group participated in the first Provincial Greenhouse Gas (GHG) Emissions Registry promoted by the Government of Mendoza. The Directors follow the objective to protect the environment by applying pollution prevention techniques and measures and promoting the rational use of resources; fostering the circular economy and contributing to sustainable development goals.

S172(1) (e) The desire of Andina to maintain a reputation for high standards of business conduct
The desire of Andina to maintain its reputation for high standards of business conduct translates into the Board of Directors' intention to behave responsibly and to guarantee that the business is managed responsibly, ethically and with integrity. The Board promotes a culture of transparency, accountability, and good governance across the organisation.

The Board seeks to ensure that the Group's mission, values and policies support these principles, and that engagement with stakeholders reflects the Group's commitment to responsible business practices. These standards are embedded within the Group's operations and are taken into consideration in decision-making throughout the organisation.

S172(1) (f) The need to act fairly as between members of the Company and the Group
The Directors recognise the importance of acting fairly between all shareholders of the Company and are committed to maintaining high standards of governance, transparency and integrity. The Company operates within an established corporate governance framework and code of conduct designed to support effective engagement with shareholders and facilitate clear and balanced communication.

The Board seeks to ensure that the interests of both majority and minority shareholders are appropriately considered in its decision-making processes and is committed to promoting timely, transparent and equitable disclosure of material information to all shareholders. Through regular reporting and shareholder engagement, the Directors aim to maintain constructive relationships while supporting the long-term sustainable success of the Company and the Group.

On behalf of the Board



Javier Alvarez
Director
11 November 2026

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The Directors present their Annual Report and audited consolidated financial statements for the year ended 31 December 2025.

Directors
The Directors who held office during the year and up to the date of signing of the financial statements were as follows:

Mr Javier Alvarez	
Mr Neil Bleasdale	
Mr Julian Collins	
Mr Marcelo Comba	
Mrs Valeria Inés de Oliveira Cézar	
Mrs Maria Fernanda Martinez	
Mr Ricardo Nicolás Mallo Huergo	
Mrs Maria Lucila Seco	(Resigned 17 October 2025)
Mrs Evangelina Cecilia Suarez	(Appointed 1 June 2025)
Mr German Federico Ranftl Moreno	(Appointed 1 June 2025)
Mr Emilio Berruti	(Appointed 17 October 2025)
Mr Daniel Marx	(Appointed 17 October 2025)

Audit Committee
On 17 October 2025, the Board established an Audit Committee and adopted its terms of reference. The Committee comprises three members of the Board: Mr Julian Collins (Chair), Mrs Evangelina Cecilia Suarez and Mr Emilio Berruti. The Audit Committee assists the Board in overseeing the integrity of the Group's financial reporting, accounting processes, internal controls, risk management and audit functions. The Audit Committee is expected to meet at least four times annually.

The principal responsibilities of the Audit Committee include:

- recommending the appointment of the independent auditor to the annual general meeting of shareholders;
- overseeing the appointment, compensation, retention and performance of the independent auditor;
- pre-approving audit and permitted non-audit services provided by the independent auditor;
- assessing the qualifications, performance and independence of the independent auditor and reporting its conclusions to the Board on at least an annual basis;
- reviewing the Group's financial statements, accounting policies and financial reporting processes together with management and the independent auditor;
- overseeing the effectiveness of internal controls and risk management procedures; and
- reviewing, approving or ratifying related party transactions in accordance with applicable laws and governance policies.

Results and dividends
The results for the year are set out on page 24

No ordinary dividends were paid or proposed during the year (2024: US$nil). The Directors do not recommend payment of a dividend.

Future developments
Future developments are described in section 4.5 of the Strategic Report and in Note 37 (Events after the reporting year). These initiatives aim to enhance operational efficiency, strengthen grid reliability and support Argentina's ongoing energy transition and increasing electrification demand.

The Group also intends to continue advancing the development of renewable energy projects and smart grid capabilities, while maintaining a disciplined approach to operational performance and capital allocation.

No other significant future developments have been identified beyond those described in Note 37 (Events after the reporting year).

Political donations and political expenditure
Andina is a politically neutral organisation and did not make any political donations or incur any political expenditure during the financial year.

Directors' third party indemnity provisions
The Company has had qualifying third party indemnity provisions for the benefit of its Directors throughout the year. These provisions remain in force at the reporting date and at the date of approval of the financial statements.

Financial instruments
Details of financial risks are included in the Principal Risks, Financial Risks and Uncertainties section of the Strategic Report (pages 11–12) and in Note 4.

Independent Auditors
The independent auditors, PricewaterhouseCoopers LLP, have expressed their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the annual general meeting.

Going concern
The Directors have reviewed the cash position and liquidity status of the Group and the Company for the period up to 31 December 2027, considering tariff updates, currency fluctuations and scheduled borrowings payments, and payment plans. They consider it appropriate that the financial statements be prepared on the going concern basis for the reasons set out below.

At 31 December 2025, the Group had net current assets of US$170.4 million (2024: net current assets of US$67.8 million) and debt of US$257.8 million (2024: US$93.0 million), and the Company had net current assets of US$1.1 million (2024: net current assets of US$5.2 million) and debt of US$12.7 million (2024: US$9.2 million).

In assessing the ability of the Group and the Company to adopt the going concern basis in preparing the financial statements, the Directors considered factors including:

- the Group's revenues are derived principally from regulated electricity distribution;
- the Group is a stable electricity distribution business operating an essential public service;
- the Company's subsidiaries hold investment grade credit ratings, which allow access to a range of financing options including the capital markets;
- the Group has incorporated the fulfilment of future payments under the payment plan resulting from the agreement entered in 2023 to regularise CAMMESA obligations into the preparation of the cash flow forecast. The Group has noted no issues in its ability to make these payments in line with the agreed upon terms per the mentioned payment plan;
- there is no indication that the entity may have difficulties complying with the covenants related to the Corporate Notes issued in 2025;
- the Company is financed by borrowings with an average maturity of 31 December 2028 and in addition, has access to borrowing facilities provided by Magnus Argentina S.A. and Integra Capital S.A. which the Company could draw upon if required to support short-term liquidity needs;
- consideration was also given to the obligations of the Group and the Company, indicating a reasonable expectation of sufficient financial and operational resources available for the continuation of business for a period of at least 12 months from the date of signing the financial statements. In the event that any liabilities could not be met, the Directors could consider other financing alternatives such as the issuance of warrants and the sale of investments, as they have done previously;

- as part of its growth strategy, the Group is developing new power generation projects through its subsidiary Andina Consultores, with operations expected to commence on 1 April 2027. Capital expenditures for these projects will only proceed at scale once financing is secured, although limited preliminary development costs have already been incurred. A power purchase agreement has already been signed with CAMMESA for the energy to be sold;
- the Directors have considered a severe but plausible downside scenario, which assumes a 3% reduction in EDEMSA's energy demand and the call of the corporate guarantee described in Note 27 in December 2026, resulting in a net cash outflow of US$20 million after the counter-guarantee received. Under this scenario, the Group maintains a positive cash balance throughout the assessment period, with a minimum of approximately US$24.3 million in December 2027, and EDEMSA remains in compliance with the covenants applicable to its Corporate Notes issued in 2025. Should further mitigating actions be required, the Group could reduce discretionary expenditure, in addition to the financing alternatives described above.

Based on the above assessments, the Directors have a reasonable expectation that the Group and the Company will have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of the financial statements. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Statement of Directors' Responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and the Company financial statements in accordance with UK-adopted international accounting standards.

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company, and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

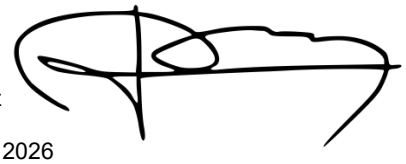
The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations
In the case of each Director in office at the date the Directors' report is approved:

- so far as the Directors are aware, there is no relevant audit information of which the Group's and the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and the Company's auditors are aware of that information.

On behalf of the Board



Javier Alvarez
Director
11 November 2026

Independent auditors' report to the members of Andina Energies Plc

Report on the audit of the financial statements

Opinion

In our opinion, Andina Energies Plc's Group financial statements and Company's financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2025 and of the Group's profit and the Group's and Company's cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise:

- the Consolidated statement of financial position as at 31 December 2025;
- the Company statement of financial position as at 31 December 2025;
- the Consolidated income statement for the year then ended;
- the Consolidated statement of comprehensive income for the year then ended;
- the Consolidated statement of changes in equity for the year then ended;
- the Company statement of changes in equity for the year then ended;
- the Consolidated statement of cash flows for the year then ended;
- the Company statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the financial statements, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine 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, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs (UK) 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 these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with environmental, energy market and employment regulations in the jurisdictions in which the Group operates, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as tax laws in the jurisdictions in which the Group operates and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in key accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inquiries with management, regarding consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions and judgements made by management in respect of critical accounting judgements and estimates;

- Review of minutes of meetings of the Board of Directors;
- Inspection of supporting documentation, where appropriate; and
- Identifying and testing journal entries based on our risk assessment.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

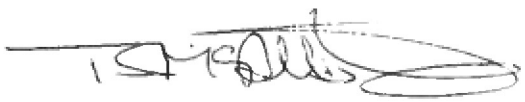
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company or returns adequate for our audit have not been received from branches not visited by us; or
- the Company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made.

We have no exceptions to report arising from this responsibility.



Timothy McAllister (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
11 November 2026

ANDINA ENERGIES PLC

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025	2024
		US$'000	US$'000
Revenue	9	488,599	478,562
Cost of sales	10	(324,709)	(316,631)
Gross profit		**163,890**	**161,931**
Selling expenses	11	(39,056)	(35,524)
Administrative expenses	11	(51,593)	(34,898)
Net impairment losses on financial and contract assets		(4,342)	(3,351)
Other operating income	12	6,168	6,412
Operating profit		**75,067**	**94,570**
Gain on financial instruments measured at fair value through profit or loss [(1)]		19,787	16,600
Finance income	13	24,336	6,594
Finance costs	14	(66,805)	(65,057)
Hyperinflation impact	3.4.2	(1,033)	15,291
Share of profits in associates	17	19,411	36,158
Profit before taxation		**70,763**	**104,156**
Income tax charge	15	(21,922)	(16,034)
Profit for the financial year		**48,841**	**88,122**
Profit for the financial year is attributable to:			
- Owners of the parent company		30,371	60,332
- Non-controlling interests		18,470	27,790
		48,841	**88,122**
Basic earnings per ordinary share (US$ per share)	16	0.16	0.35
Basic earnings per enhanced share (US$ per share)	16	0.13	0.30
Diluted earnings per ordinary share (US$ per share)	16	0.08	0.15
Diluted earnings per enhanced share (US$ per share)	16	0.06	0.12

(1) Gain generated from securities and other investments measured at fair value through profit or loss.

The accompanying notes on pages 32 – 98 form an integral part of these financial statements.

ANDINA ENERGIES PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025	2024
		US$'000	US$'000
Profit for the financial year		**48,841**	**88,122**
Other comprehensive (expense) / income			
Items that will not be reclassified to profit or loss			
Translation differences	3.4.1	(27,440)	133,338
Actuarial loss on defined benefit pension schemes [(1)]	30	(100)	(865)
Tax relating to other comprehensive (expense) / income	15	(72)	298
Other comprehensive (expense) / income for the year		**(27,612)**	**132,771**
Total comprehensive income for the year		21,229	220,893
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		10,608	155,487
- Non-controlling interests		10,621	65,406
		21,229	**220,893**

(1) For the year ended 31 December 2025, the actuarial loss on defined benefit pension schemes includes a loss of US$0.1 million from a Group subsidiary (2024: US$1.13 million loss), and nil from the Group's investment in South American Energy LLP (2024: US$0.26 million gain), recognised under the equity method.

The accompanying notes on pages 32 – 98 form an integral part of these financial statements.

ANDINA ENERGIES PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	2025 US$'000	2024 US$'000
Non-current assets			
Investments in associates	17	177,730	169,984
Intangible assets	18	1,666	-
Property, plant and equipment	19	389,715	367,924
Inventories	20	5,686	4,937
Trade and other receivables	21	751	530
		575,548	**543,375**
Current assets			
Inventories	20	24,557	21,463
Trade and other receivables	21	155,282	110,346
Financial assets at fair value through profit or loss	22	89,694	110,222
Financial assets at amortised cost	22	37,619	-
Cash and cash equivalents (excluding bank overdrafts)	23	105,364	35,710
		412,516	**277,741**
Total assets		**988,064**	**821,116**
Current liabilities			
Trade and other payables	25	(151,794)	(153,159)
Borrowings	26	(70,137)	(24,867)
Leases		(116)	(69)
Provisions	29	(19,183)	(31,471)
Defined benefit pension liability	30	(863)	(393)
		(242,093)	**(209,959)**
Non-current liabilities			
Trade and other payables (1)	25	(38,201)	(37,019)
Borrowings	26	(187,661)	(68,117)
Leases		(43)	(224)
Provisions	29	(142)	(107)
Deferred tax liability (1)	28	(89,912)	(96,575)
Defined benefit pension liability	30	(5,464)	(5,796)
		(321,423)	**(207,838)**
Total liabilities		**(563,516)**	**(417,797)**
Net assets		**424,548**	**403,319**
Equity			
Share capital	24	29,520	29,520
Share premium	24	12,455	12,455
Translation reserve	24	101,516	121,191
Merger reserve	24	40,432	40,432
Other reserve	24	18,927	18,927
Retained earnings	24	91,819	61,536
Equity attributable to owners of the parent company		294,669	284,061
Non-controlling interests		129,879	119,258
Total equity		**424,548**	**403,319**

(1) For comparative purposes, the 2024 amounts relating to income tax liabilities for which the timing and amount are not yet known (US$19.5 million) have been reclassified from deferred tax liability to non-current trade and other payables, to group with other amounts payable to the tax authorities. The reclassification has no impact on total liabilities, equity, profit or loss or cash flow. Refer to Note 25 and 28.

The accompanying notes on pages 32 – 98 form an integral part of these financial statements. The financial statements on pages 24 – 98 were approved by the Board of Directors and authorised for issue on 11 November 2026 and are signed on its behalf by:

Javier Alvarez
Director



ANDINA ENERGIES PLC

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	2025	2024
		US$'000	US$'000
Non-current assets			
Investments in associates and subsidiaries	17	210,560	200,127
Trade and other receivables	21	599	517
		211,159	**200,644**
Current assets			
Trade and other receivables	21	3,732	128
Financial instruments	22	-	11
Cash and cash equivalents	23	3,846	5,942
		7,578	**6,081**
Total assets		**218,737**	**206,725**
Current liabilities			
Trade and other payables	25	(6,495)	(801)
Borrowings	26	-	(102)
		(6,495)	**(903)**
Non-current liabilities			
Trade and other payables	25	(65)	-
Borrowings	26	(12,720)	(9,100)
		(12,785)	**(9,100)**
Total liabilities		**(19,280)**	**(10,003)**
Net assets		**199,457**	**196,722**
Equity			
Share capital	24	29,520	29,520
Share premium	24	12,455	12,455
Translation reserve	24	7,311	(7,745)
Merger reserve	24	40,432	40,432
Accumulated other comprehensive income	24	18,965	43,466
Other reserve	24	18,927	18,927
Retained earnings	24	71,847	59,667
Total equity		**199,457**	**196,722**

As permitted by s408 of the Companies Act 2006, the Company has not presented its own income statement and related notes. The Company's profit for the year was US$12,180 thousand (2024 - profit US$29,877 thousand).

The accompanying notes on pages 32 – 98 form an integral part of these financial statements.

The financial statements on pages 24 – 98 were approved by the Board of Directors and authorised for issue on 11 November 2026 and are signed on its behalf by:



Javier Alvarez
Director
Company Registration No. 8095058

ANDINA ENERGIES PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Share capital	Share premium	Translation reserve	Merger reserve	Retained earnings	Other reserve	Total controlling interest	Non-controlling interest	Total equity
		24	24	24	24	24	24	24		
		US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance at 1 January 2024		**24,473**	**7,655**	**26,144**	**40,432**	**1,096**	**2,103**	**101,903**	**53,852**	**155,755**
Year ended 31 December 2024:										
Profit for the year		-	-	-	-	60,332	-	60,332	27,790	88,122
Other comprehensive income / (expense):										
Translation differences		-	-	95,047	-	268	-	95,315	38,023	133,338
Actuarial loss on defined benefit plans		-	-	-	-	(160)	-	(160)	(407)	(567)
Total comprehensive income for the year		**-**	**-**	**95,047**	**-**	**60,440**	**-**	**155,487**	**65,406**	**220,893**
Other reserve		5,047	4,800	-	-	-	16,824	26,671	-	26,671
Balance at 31 December 2024		**29,520**	**12,455**	**121,191**	**40,432**	**61,536**	**18,927**	**284,061**	**119,258**	**403,319**
Year ended 31 December 2025:										
Profit for the year		-	-	-	-	30,371	-	30,371	18,470	48,841
Other comprehensive (expense):										
Translation differences		-	-	(19,675)	-	-	-	(19,675)	(7,765)	(27,440)
Actuarial loss on defined benefit plans		-	-	-	-	(88)	-	(88)	(84)	(172)
Total comprehensive income for the year		-	-	(19,675)	-	30,283	-	10,608	10,621	21,229
Balance at 31 December 2025		**29,520**	**12,455**	**101,516**	**40,432**	**91,819**	**18,927**	**294,669**	**129,879**	**424,548**

The accompanying notes on pages 32 – 98 form an integral part of these financial statements.

ANDINA ENERGIES PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Share capital	Share premium	Translation reserve	Merger reserve	Accumulated other comprehensive income/ (expense)	Retained earnings	Other reserve	Total equity
		24	24	24	24	24	24	24	
		US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance at 1 January 2024		**24,473**	**7,655**	**(6,427)**	**40,432**	**(16,006)**	**29,790**	**2,103**	**82,020**
Year ended 31 December 2024:									
Profit for the year		-	-	-	-	-	29,877	-	29,877
Other comprehensive income / (expense)									
Translation differences		-	-	(1,318)	-	59,208	-	-	57,890
Actuarial gain on defined benefit plans		-	-	-	-	264	-	-	264
Total comprehensive income / (expense)		**-**	**-**	**(1,318)**	**-**	**59,472**	**29,877**	**-**	**88,031**
Other reserve		5,047	4,800	-	-	-	-	16,824	26,671
Balance at 31 December 2024		**29,520**	**12,455**	**(7,745)**	**40,432**	**43,466**	**59,667**	**18,927**	**196,722**
Year ended 31 December 2025:									
Profit for the year		-	-	-	-	-	12,180	-	12,180
Other comprehensive income / (expense)									
Translation differences		-	-	15,056	-	(24,596)	-	-	(9,540)
Actuarial gain on defined benefit plans		-	-	-	-	95	-	-	95
Total comprehensive income / (expense)		**-**	**-**	**15,056**	**-**	**(24,501)**	**12,180**	**-**	**2,735**
Balance at 31 December 2025		**29,520**	**12,455**	**7,311**	**40,432**	**18,965**	**71,847**	**18,927**	**199,457**

The accompanying notes on pages 32 – 98 form an integral part of these financial statements.

ANDINA ENERGIES PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025	2024
		US$'000	US$'000
Cash flows from operating activities			
Cash generated from operations [1]	32	69,264	87,983
Interest received		4,630	5,288
Interest paid [2]		(4,375)	(6,412)
Income tax paid [1]		(17,734)	(12,962)
Net cash generated from operating activities		**51,785**	**73,897**
Cash flows from investing activities			
Purchase of property, plant and equipment		(46,192)	(30,821)
Purchase of financial instruments		(80,921)	(64,765)
Net cash used in investing activities		**(127,113)**	**(95,586)**
Cash flows from financing activities			
Proceeds from borrowings	26	184,643	82,222
Proceeds from issuance of warrants	24	-	5,205
Interest paid [2]	26	(13,990)	-
Repayment of borrowings	26	(24,422)	(20,572)
Interest paid– CAMMESA payment plans [2]		(1,670)	-
Purchases of own Corporate Notes		(353)	-
Net cash generated from financing activities		**144,208**	**66,855**
Net increase / in cash and cash equivalents		**68,880**	**45,166**
Cash and cash equivalents at beginning of year	23	35,710	(3,929)
Gain / (loss) generated from cash and cash equivalents		774	(5,527)
Cash and cash equivalents at end of year	23	**105,364**	**35,710**

(1) For comparative purposes, the 2024 amounts relating to income tax paid (US$ 13.0 million) has been reclassified from changes in trade and other payables, included within cash generated from operations above, to a separate line item of income taxes paid. Management considers that separate presentation of income tax paid provides more relevant information regarding the nature of the Group's cash flows. This reclassification has no impact on total net cash generated from operating activities.

(2) Interest paid is classified according to the nature of the underlying liability. Interest on trade payables and other commercial obligations is presented within operating activities, while interest on Corporate Notes, leases and other financial liabilities is presented within financing activities. Interest paid under the CAMMESA payment plans is presented separately within financing activities.

Significant non-cash transactions

The significant non-cash transactions in 2025 and 2024 are detailed below:

	Note	2025	2024
		US$'000	US$'000
Transfer of inventory to property, plant and equipment	20	8,355	4,781
Debt-for-equity conversion	26	-	7,627
Other reserve - CROSGO	26	-	13,722
Payment of tax liabilities through financial liabilities		1,610	-
Acquisition of an investment through financial liabilities		1,648	-
Acquisition of property, plant and equipment through increased trade payables		8,777	-
Increase in trade and other receivables resulting from a decrease in financial assets at fair value through profit or loss	21	42,153	-
Payment of income tax liabilities through tax credits		5,355	-

The accompanying notes on pages 32 – 98 form an integral part of these financial statements.

ANDINA ENERGIES PLC

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025	2024
		US$'000	US$'000
Cash flows from operating activities			
Cash used in operations	33	(4,195)	(188)
Net cash used in operating activities		**(4,195)**	**(188)**
Cash flows from financing activities			
Proceeds from borrowings	26	2,554	785
Proceeds from issuance of warrants	24	-	5,205
Net cash generated from financing activities		**2,554**	**5,990**
Net (decrease) / increase in cash and cash equivalents		**(1,641)**	**5,802**
Cash and cash equivalents at beginning of year	23	5,942	140
Gain generated from cash and cash equivalents		(455)	-
Cash and cash equivalents at end of year	23	**3,846**	**5,942**

Significant non-cash transactions

The significant non-cash transactions in 2025 and 2024 are detailed below:

	Note	2025	2024
		US$'000	US$'000
Debt-for-equity conversion	26	-	7,627
Other reserve – Crosgo	26	-	13,722

The accompanying notes on pages 32 – 98 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Note 1 | General information

Andina Energies Plc (the "Company") is a public limited company incorporated and domiciled in England and Wales, with its registered office at 1–3 Charter Square, Sheffield, S1 4HS. The Company was incorporated on 6 June 2012 under company number 08095058. On 24 March 2025, the Company changed its registered name from Andina Plc to Andina Energy Plc. Subsequently, on 16 July 2025, the Company changed its name to Andina Energies Plc.

These consolidated financial statements comprise the Company and its subsidiaries (together, the "Group"). While the Company is domiciled in the United Kingdom, the Group's operations and assets are based in Argentina.

The Group is engaged principally in the electricity distribution and power generation sectors. In the distribution segment, the Group controls Empresa Distribuidora de Electricidad de Mendoza S.A. ("EDEMSA"), a regulated electricity distributor in the province of Mendoza, and also holds a non-controlling interest in Empresa Distribuidora y Comercializadora Norte S.A. ("EDENOR"), the largest electricity distribution company in Argentina by number of customers, serving the northern area of the Buenos Aires Metropolitan Region.

In the generation segment, the Group is currently developing photovoltaic solar parks in the province of Mendoza through its subsidiaries Andina Consultores y Servicios S.A.U. and Trancurá Energía S.A., which was acquired by the Group during 2025 as part of its strategic expansion into renewable energy. The Group also established Andina Greencity in 2026 to support future solar project development in the province of Buenos Aires (refer to note 37 – Events after the reporting year). The Group also holds an equity interest in Hidroeléctrica Ameghino S.A., which operates a hydroelectric power plant in the province of Chubut.

The Group also entered into an agreement in 2026 for the proposed acquisition of interests in certain conventional oil and gas assets in the Province of Mendoza, representing a potential expansion into the oil and gas sector (refer to note 37 – Events after the reporting year).

The Company remains committed to the long-term development of sustainable energy infrastructure, with a strategic focus on optimising energy use and supporting the digital transformation of electricity networks into smart grids, thereby promoting reliable, affordable and inclusive access to energy.

These financial statements present both the consolidated financial statements of the Group and the separate financial statements of the Company. The separate financial statements of the Company have been prepared in accordance with applicable legal requirements in the United Kingdom.

Note 2 | Basis of preparation

Note 2.1 | Compliance with IFRS

The consolidated and Company financial statements have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

Note 2.2 | Basis of measurement

The financial statements have been prepared under the historical cost convention, except for financial assets measured at fair value through profit or loss, and for the net assets and results of the Group's operations in Argentina, which is considered a hyperinflationary economy. The financial information is presented using the exchange rate at the end of the reporting period.

Note 2 | Basis of preparation (Cont.)

Note 2.3 | Going concern

The Directors have reviewed the cash position and liquidity status of the Group and the Company for the period up to 31 December 2027, considering tariff updates, currency fluctuations and scheduled borrowings payments, and payment plans. They consider it appropriate that the financial statements be prepared on the going concern basis for the reasons set out below.

At 31 December 2025, the Group had net current assets US$170.4 million (2024: net current assets of US$67.8 million) and debt of US$257.8 million (2024: US$93.0 million), and the Company had net current assets US$1.1 million (2024: net current assets of US$5.2 million) and debt of US$12.7 million (2024: US$9.2 million).

In assessing the ability of the Group and the Company to adopt the going concern basis in preparing the financial statements, the Directors considered factors including:

- the Group's revenues are derived principally from regulated electricity distribution;
- the Group is a stable electricity distribution business operating an essential public service;
- the Company's subsidiaries hold investment grade credit ratings, which allow access to a range of financing options including the capital markets;
- the Group has incorporated the fulfilment of future payments under the payment plan resulting from the agreement entered in 2023 to regularise CAMMESA obligations into the preparation of the cash flow forecast. The Group has noted no issues in its ability to make these payments in line with the agreed upon terms per the mentioned payment plan;
- there is no indication that the entity may have difficulties complying with the covenants related to the Corporate Notes issued in 2025;
- the Company is financed by borrowings with an average maturity of 31 December 2028 and in addition, has access to borrowings facilities provided by Magnus Argentina S.A. and Integra Capital S.A which the Company could draw upon if required to support short-term liquidity needs;
- consideration was also given to the obligations of the Group and the Company, indicating a reasonable expectation of sufficient financial and operational resources available for the continuation of business for a period of at least 12 months from the date of signing the financial statements. In the event that any liabilities could not be met, the Directors could consider other financing alternatives such as the issuance of warrants and the sale of investments, as they have done previously.
- as part of its growth strategy, the Group is developing new power generation projects through its subsidiary Andina Consultores, with operations expected to commence on 1 April 2027. Capital expenditures for these projects will only proceed at scale once financing is secured, although limited preliminary development costs have already been incurred. A power purchase agreement has already been signed with CAMMESA for the energy to be sold.
- the Directors have considered a severe but plausible downside scenario, which assumes a 3% reduction in EDEMSA's energy demand and the call of the corporate guarantee described in Note 27 in December 2026, resulting in a net cash outflow of US$20 million after the counter-guarantee received. Under this scenario, the Group maintains a positive cash balance throughout the assessment period, with a minimum of approximately US$24.3 million in December 2027, and EDEMSA remains in compliance with the covenants applicable to its Corporate Notes issued in 2025. Should further mitigating actions be required, the Group could reduce discretionary expenditure, in addition to the financing alternatives described above.

Based on the above assessments, the Directors have a reasonable expectation that the Group and the Company will have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of the financial statements. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Note 2.4 | Functional and presentation currency

The functional currency of the Company and each entity within the Group is determined based on the criteria set out in IAS 21. The Company's functional currency is Pounds Sterling. The functional currency of the Group's Argentina subsidiaries is the Argentine Peso, except for Trancurá Energía S.A. and Andina Consultores y Servicios S.A.U., whose functional currency is the US dollars; the associate SAE's functional currency is US dollars, while the associate HDS's and HASA´s functional currency is the Argentine Peso. The financial statements are presented in US dollars and rounded to the nearest thousand, unless otherwise stated.

Note 2 | Basis of preparation (Cont.)

Note 2.5 | Use of estimates and judgements

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

Judgements and estimates that are considered significant to the financial statements are disclosed in note 5. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Note 2.6 | Principles of consolidation and equity accounting

Note 2.6.1 | Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group is considered to control an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the entity's relevant activities. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date on which control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group entities are eliminated in full. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. The accounting policies of subsidiaries are aligned, where necessary, to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are presented separately in the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of changes in equity.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less any accumulated impairment losses.

Note 2.6.2 | Associates

Associates are entities over which the Group has significant influence but neither control nor joint control. This is generally presumed when the Group holds between 20% and 50% of the voting rights of the investee. Investments in associates are initially recognised at cost and subsequently accounted for using the equity method.

Note 2.6.3 | Equity method

Under the equity method, investments are recognised initially at cost and are adjusted thereafter to reflect the Group's share of the post-acquisition profits or losses and movements in other comprehensive income of the investee. The Group's share of profit or loss is recognised in profit or loss, and its share of other comprehensive income is recognised in other comprehensive income. Distributions received from equity-accounted investees are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses of an equity-accounted investee equals or exceeds its interest in the investee, including any unsecured long-term receivables, the Group discontinues recognising its share of further losses, unless it has a legal or constructive obligation to make payments on behalf of the investee.

Unrealised gains arising from transactions with equity-accounted investees are eliminated to the extent of The Group's interest in the investee. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been adjusted where necessary to ensure consistency with the Group's accounting policies.

The carrying amount of investments accounted for using the equity method is assessed for impairment in accordance with the accounting policy described in note 3.8.

Note 2 | Basis of preparation (Cont.)

Note 2.6 | Principles of consolidation and equity accounting (Cont.)

Note 2.6.4 | Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity holders. A change in ownership interest results in an adjustment to the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and the consideration paid or received is recognised in equity, as a transaction with owners of the Group.

When the Group ceases to consolidate or apply the equity method to an investment due to a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value at that date, with the resulting gain or loss recognised in profit or loss. This fair value becomes the initial carrying amount for subsequently accounting for the retained interest as an associate or financial asset. In addition, amounts previously recognised in other comprehensive income in respect of that entity, are accounted for as if The Group had directly disposed of the related assets or liabilities, and may therefore be reclassified to profit or loss.

If the Group reduces its ownership interest in an associate but retains significant influence, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss, where appropriate.

Note 2.7 | Adoption of new and amended IFRS standards

New accounting standards, amendments and interpretations issued by the IASB, that are effective as at 1 January 2025 and have been adopted by the Company and the Group

A number of new and amended standards and interpretations issued by IASB have become effective for the first time since 1 January 2025. None of these new and amended standards and interpretations had a significant effect on the Group because they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

- IAS 21 “The Effects of Changes in Foreign Exchange Rates”: amended in August 2023. The amendments include guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The application of this amendment did not have an impact on the results or the consolidated financial position of the Group.

There are no new IFRS or IFRIC applicable as from this period that have a material impact on the Group’s Consolidated financial statements.

New accounting standards, amendments and interpretations issued by the IASB that are not effective as at 31 December 2025 and have not been early adopted by the Company and the Group

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions with the exception of IFRS 18 and IFRS 20.

Note 2 | Basis of preparation (Cont.)

Note 2.7 | Adoption of new and amended IFRS standards (Cont.)

New accounting standards, amendments and interpretations issued by the IASB that are not effective as at 31 December 2025 and have not been early adopted by the Company and the Group (Cont.)

The main pronouncements are described below.

- IFRS 18 “Presentation and Disclosure in Financial Statements”: issued in April 2024. It introduces new requirements for all entities applying IFRS regarding the presentation and disclosure of information in financial statements. It introduces three defined categories of income and expenses (operating, investing and financing), which modify the structure of the statement of profit or loss, and requires entities to present new defined subtotals, including operating profit, to analyse performance and improve comparability between entities. It also requires disclosures explaining entity-specific measures related to the statement of profit or loss, referred to as management-defined performance measures. The standard provides more detailed guidance on how to organise information and whether it should be presented in the primary financial statements or in the notes and requires greater transparency regarding operating expenses. Management-defined performance measures, as defined by IFRS 18, are subtotals of income and expenses. IFRS 18 does not require an entity to present such measures, but if presented, they must be explained. IFRS 18 replaces IAS 1 “Presentation of Financial Statements”, although many of the requirements of IAS 1 remain unchanged. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

- IFRS 20 " Regulatory Assets and Regulatory Liabilities”: issued in May 2026, it sets out the requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expense. This information supplements, but does not replace, the information provided under IFRS 15 and other IFRS Accounting Standards, enabling users to understand the total compensation allowed for regulatory goods or services supplied in each period and the related rights and obligations. IFRS 20 is effective for reporting periods beginning on or after 1 January 2029, with earlier application permitted.

The Group is currently reviewing IFRS 18 and IFRS 20 to identify all impacts these new standards would have on the consolidated financial statements.

With respect to the remaining standards and amendments listed below, the assessment of their impact is ongoing as at the date of issuance of these consolidated financial statements. Based on the analysis performed to date, none of these are expected to have a material impact on the Group

- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”: issued in May 2024 and amended in August 2025. It specifies reduced disclosure requirements that an eligible entity may apply in place of the disclosure requirements in other IFRSs. IFRS 19 is effective for annual periods beginning on or after 1 January 2027, with early adoption permitted. The Group does not currently expect IFRS 19 to have an impact, as the standard is not expected to apply to the Group’s reporting structure.

- IFRS 7 “Financial Instruments: Disclosures” and IFRS 9 “Financial Instruments”: amended in May 2024. These amendments address matters identified during the post-implementation review of the classification and measurement requirements for financial instruments. The amendments are effective for annual periods beginning on or after 1 January 2026. The Group does not currently expect a material impact from the adoption of these amendments.

- Annual Improvements to IFRS Standards – Volume 11: issued in July 2024. These include amendments to IFRS 1 “First-time Adoption of IFRS”, IFRS 7 “Financial Instruments: Disclosures”, IFRS 9 “Financial Instruments”, IFRS 10 “Consolidated Financial Statements” and IAS 7 “Statement of Cash Flows”. These amendments are effective for annual periods beginning on or after 1 January 2026.

- IAS 21 “The Effects of Changes in Foreign Exchange Rates”: amended in November 2025. The amendments clarify how entities should translate their financial statements from a non-hyperinflationary currency to a hyperinflationary currency. These amendments are effective for annual periods beginning on or after 1 January 2027.

Note 3 | Material accounting policies

Unless otherwise stated, the material accounting policies set out below have been applied consistently to both the consolidated financial statements of the Group and the separate financial statements of the Company, as appropriate.

Note 3.1 | Segment information

The Group identifies its operating segments based on the internal reports that are regularly reviewed by the Chief Operating Decision Maker ("CODM") for the purposes of allocating resources and assessing performance. The Group has determined that its CODM function is performed jointly by the Chief Executive Officer and the Vice President of Finance and Capital Markets, who collectively are responsible for reviewing financial information, allocating resources and evaluating the performance of the Group in making key operating decisions.

The CODM periodically reviews the operating results and assesses performance of operating segments based on a measure of profit or loss of the segment composed by the operating income plus the share of profit / (loss) of associates.

Our operating and reportable segments are Electricity distribution and Electricity generation. No operating segments have been aggregated because the identified segments do not share the same characteristics in terms of (i) products and services, (ii) production process, (iii) type or class of customer, (iv) methods used to distribute products and services, and (v) nature of regulatory environment.

Segment net operating income plus the share of profit (loss) of associates includes revenues and its related cost and expenses that are measured using accounting policies consistent with IFRS as applied in the consolidated financial statements.

Note 3.2 | Property, plant and equipment

Property, plant and equipment, except for works in progress, is measured at acquisition cost adjusted to reflect the effects of inflation, net of accumulated depreciation and recognised impairment losses. Depreciation is calculated using the straight-line method over the estimated useful life of the assets, which is based on engineering assessments.

Subsequent expenditure (major maintenance and reconstruction) is capitalised or recognised as a Group asset only when it is probable that future economic benefits will flow to the Group and the cost can be measured reliably. Expenditure that restores the asset to its original condition or maintains it in operating condition is recognised in profit or loss when incurred.

Under the Concession Agreement, the Group may not pledge assets used in the provision of public services or grant any other security interest over them in favour of third parties, although it retains the right to dispose of assets that become inadequate or unnecessary. This restriction does not apply to security granted upon acquisition or construction of assets.

Residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period.

Property, Plant and Equipment	Average useful life (Years)
Land	Not depreciated
Buildings	33
Machinery and equipment	21
Networks and power transformers	32
Electric networks and transformer substations	41
Others (1)	5 to 9

(1) Others mainly includes vehicles, computer hardware and office equipment

Cost of property, plant and equipment (including work in progress) comprises expenses attributable to the construction, when they are part of the cost incurred for the purposes of acquisition, construction or production of property, plant and equipment that necessarily takes a substantial period of time to get ready for its intended use. These assets begin to be depreciated when they are in economic conditions of use.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and recognised in "Other operating income" or "Other operating expense".

The Group assesses at each reporting date whether there is any indication that long-lived assets may be impaired. Where indicators of impairment exist, the recoverable amount is estimated as the higher of value in use and fair value less costs of disposal (see note 3.8). An impairment loss is recognised when the carrying amount exceeds the recoverable amount.

Note 3 | Material accounting policies (Cont.)

Note 3.3 | Revenue recognition

The Group provides electricity distribution services to residential, commercial and industrial customers under various tariff arrangements. These services include the continuous delivery of electricity to end-users through the distribution network, as well as related network access services provided to certain large users who procure electricity directly from third-party generators or participants in the wholesale electricity market. All such services are provided through the same regulated distribution infrastructure and are subject to a common regulatory framework.

For contracts with customers, the Group identifies a single performance obligation consisting of the continuous provision of electricity distribution and/or network access services over the contractual term. Revenue is recognised over time as customers simultaneously receive and consume the benefits of the services provided.

The Group acts as principal in its customer arrangements, as it is primarily responsible for providing the services, controls the distribution infrastructure used to deliver those services and is responsible for customer billing and collection. Accordingly, revenue is recognised on a gross basis for an amount that reflects the consideration to which the Group expects to be entitled in exchange for the services provided.

The services provided by the Group may include multiple operational activities, such as the delivery of electricity, the use of the distribution network and, where applicable, the provision of demand capacity. However, these activities are not separately identifiable within the context of the customer arrangement and do not represent separate performance obligations. Rather, they are integrated components of a single service transferred to customers over time.

The electricity distribution service represents an integrated service whereby electricity is continuously delivered to end-users through the Group's distribution network. The service includes both the delivery of electricity to customers and the operation of the distribution network required to enable customers to receive electricity on demand. Customers simultaneously receive and consume the benefits of the service as it is provided.

Revenue is measured using an output method based on electricity delivered, network usage and, where applicable, demand capacity made available, which faithfully depicts the transfer of services to customers. The Group recognises revenue for an amount that corresponds directly with the value of services transferred to customers during the reporting period. Revenue includes both billed and unbilled amounts for electricity supplied up to the reporting date, determined based on meter readings or estimates using historical consumption patterns.

The Group's customer arrangements do not contain significant financing components.

Revenue is recognised as services are provided, regardless of billing cycles or payment terms.

While tariff structures vary depending on customer categories, these differences relate primarily to pricing mechanisms and do not represent distinct underlying services.

The tariff scheme established in EDEMSA's Concession Agreement defines certain categories of customers based on their level of consumption, which are used for regulatory and pricing purposes.

Note 3 | Material accounting policies (Cont.)

Note 3.3 | Revenue recognition (Cont.)

Ancillary services
In addition to the services described above, the Group provides ancillary services directly related to the electricity distribution activity, including connection services for new users, disconnection notices, and reconnection and restoration services.

These services are operationally distinct and transactional in nature compared to the continuous electricity distribution service. Revenue from these services is recognised at a point in time when the related services are completed and control is transferred to the customer.

Such ancillary services are included within electricity distribution services, as they are provided under the same regulatory framework, relate directly to the core distribution activity, do not exhibit distinct economic characteristics and are not material to the Group's overall revenue profile.

Electricity generation from renewable sources business
As at the reporting date, the solar parks remain under construction and have not commenced revenue generation.

Note 3.4 | Effects of the changes in foreign currency exchange rates

Note 3.4.1 | Functional and presentation currency

The individual financial statements of each Group entity are maintained in the currency of the primary economic environment in which it operates (its functional currency), which is the Argentine Peso for the Group's entities operating in Argentina, except for Trancurá Energía S.A. and Andina Consultores y Servicios S.A.U., whose functional currency is the US dollars, and Pounds Sterling for the UK holding entity. For the purposes of the consolidated financial statements, the results and financial position of each entity are translated into US dollars, which is the Group's presentation currency, in order to facilitate comparison with other utility companies.

Translation differences recognised within other comprehensive income arise from the translation of the financial statements of subsidiaries whose functional currency differs from the Group's presentation currency (US$). For entities with Argentine Peso functional currency, financial information is first restated in accordance with IAS 29 to reflect changes in purchasing power up to the reporting date of each respective period and is subsequently translated into US$ using the closing exchange rate at each reporting date. Comparative balances are therefore presented based on the inflation-adjusted amounts and exchange rates applicable to the comparative period. Given the inflationary environment and exchange rate movements in Argentina, this process may result in significant translation differences being recognised within other comprehensive income.

The financial statements are presented in US$ and the exchange rates used were:

	US$ per £ 1		AR$ per US$ 1	
	2025	2024	2025	2024
Average Exchange Rate	1.3190	1.2777	1,241.00	1,030.50
Closing Exchange Rate	1.3475	1.2517	1,450.50	1,032.00

Note 3 | Material accounting policies (Cont.)

Note 3.4 | Effects of the changes in foreign currency exchange rates (Cont.)

Note 3.4.2 | Functional currency of a hyperinflationary economy

In accordance with IAS 29, the financial statements of an entity, whose functional currency is that of a hyperinflationary economy, must be stated in terms of the current measuring unit at the balance sheet date, irrespective of whether they are prepared on the basis of historical cost or current cost. Comparative figures for prior period(s) must also be restated in terms of the same current measuring unit. Restatements are made by applying a general price index. Items such as monetary assets and liabilities, which are already expressed in the current measuring unit at the end of the reporting period, are not restated. Other non-monetary items are adjusted based on the change in the general price index between the date of initial recognition and the balance sheet date. Income statement components are expressed in the current measuring unit at the date of the financial statements, using a general price index from the dates on which income and expenses were recognised. The resulting inflation-adjusted balances are translated into the Group's presentation currency using the closing exchange rate, as described in note 3.4.1.

In assessing whether an economy is hyperinflationary, IAS 29 outlines several characteristics to consider, including a cumulative inflation rate over three years that approaches or exceeds 100%. On this basis, Argentina has been classified as a hyperinflationary economy under IAS 29 since 1 July 2018.

The inflation adjustment of nominal amounts has been calculated using the indices published by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE), which are derived from the general price index issued by the National Institute of Statistics and Censuses (INDEC).

The price indices used for the adjustment of the financial statements were as follows:

- 2023 = 3533.1922
- 2024 = 7694.0075
- 2025= 10121.3715

The main procedures applied to determine the inflation adjustment are as follows:

- All monetary assets and liabilities recognised in the statement of financial position are not adjusted, as the financial statements are already translated at the year-end exchange rate.
- Non-monetary assets and liabilities are measured at historical cost and capital assets are adjusted by applying the appropriate inflation adjustment indices.
- All elements of the income statement are restated using the relevant conversion factors.
- Gains and losses in purchasing power resulting from the net monetary position (the difference between monetary assets and liabilities exposed to inflation) are recognised separately in the consolidated income statement under "Hyperinflation impact" and amounted to a loss of US$1 million (2024 gain: US$15.3 million).

On the initial adjustment for inflation, the capital asset accounts were adjusted from the date of the previous hyperinflationary period in Argentina.

Note 3.5 | Trade and other receivables

Note 3.5.1 | Trade receivables

Receivables arising from services billed to customers but not yet collected, as well as those relating to services rendered but unbilled at the year-end, are recognised at fair value and subsequently measured at amortised cost using the effective interest method. They are also subject to impairment under IFRS 9, as described in Note 3.7.1.

Government subsidies are recognised when the planned works have been executed, provided there is reasonable assurance that the funds will be received and that the Group has complied with the stipulated conditions.

Government grants related to the acquisition of property, plant and equipment are deducted from the cost of the related assets. These assets are depreciated over their estimated useful lives based on the purchase cost net of the grant.

Note 3 | Material accounting policies (Cont.)

Note 3.5 | Trade and other receivables (Cont.)

Note 3.5.2 | Other receivables

Other receivables are initially recognised at fair value (generally the original invoiced or settlement amount) and subsequently measured at amortised cost using the effective interest method and, where material, adjusted for the time value of money. The Group recognises impairment allowances where there is objective evidence that it will not be able to collect all amounts due in accordance with the original terms of the receivable.

Note 3.6 | Inventories

Raw materials and consumables are measured at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. Classification is based on the average consumption of these items in recent years.

At each reporting date, we assess inventories for impairment. If inventories are impaired, we reduce the carrying amount to their selling price less costs to complete and sell. We recognise any impairment loss immediately in the statement of comprehensive income. The Group has no history of obsolete inventory.

Note 3.7 | Financial instruments

Note 3.7.1 | Financial assets

All recognised financial assets are initially measured at fair value and are subsequently measured in their entirety at either amortised cost or fair value, depending on their classification.

Transaction costs that are directly attributable to the acquisition of financial assets (other than those classified as at fair value through profit or loss) are included in the initial measurement. For financial assets measured at fair value through profit or loss, such costs are recognised immediately in profit or loss.

Classification of financial assets

Financial assets that meet both of the following conditions are measured at amortised cost using the effective interest method:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- 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 principal amount outstanding.

Financial assets are classified and measured at fair value through profit or loss when they do not meet the criteria to be measured at amortised cost or at fair value through other comprehensive income (FVTOCI). Such assets are carried at fair value, with gains or losses recognised in the consolidated income statement under a separate line item entitled “Gain (loss) on financial instruments at fair value through profit or loss.”

Financial assets are reclassified if, and only if, the business model to manage financial assets is changed.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group’s cash and cash equivalents, trade and other receivables fall into this category of financial instruments.

a) Financial assets at fair value through profit or loss (FVTPL)
Financial assets that are held within a different business model other than ‘hold to collect’ or ‘hold to collect and sell’ are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated as, and effective as, hedging instruments, for which the hedge accounting requirements apply (see below).

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Note 3 | Material accounting policies (Cont.)

Note 3.7 | Financial instruments (Cont.)

Note 3.7.1 | Financial assets (Cont.)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (ECL) on financial assets measured at amortised cost, which primarily comprise of trade receivables. The loss allowance for expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group recognises a lifetime ECL on trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the asset expire, or when the financial asset is transferred and substantially all risks and rewards of ownership are transferred. Where the Group retains substantially all risks and rewards, the financial asset continues to be recognised. Where the Group neither transfers nor retains substantially all risks and rewards but retains control, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability.

Note 3.7.2 | Financial liabilities

Financial liabilities are initially recognised at fair value. The classification of financial liabilities at initial recognition depends on the purpose for which the liability was issued and its characteristics. All purchases of financial liabilities are recorded at the amount received, which generally reflects the fair value of the liability on the date the Group becomes a party to the contractual obligations.

Transaction costs that are directly attributable to the issue of financial liabilities (other than those measured at fair value through profit or loss) are deducted from the initial carrying amount. For financial liabilities measured at fair value through profit or loss, such costs are recognised immediately in the income statement.

Subsequent measurement

Financial liabilities that are not: (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at fair value through profit or loss (FVTPL), are subsequently measured at amortised cost using the effective interest method. These liabilities include trade and other payables and borrowings.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Any resulting gain or loss is recognised in the statement of comprehensive income.

Note 3.7.3 | Fair value hierarchy

The Group classifies its financial assets and financial liabilities measured at fair value into the following levels of the fair value hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities,
- Level 2: inputs other than quoted prices that are observable directly or indirectly,
- Level 3: inputs for the asset or liability that are not based on observable market data.

The level is determined based on the lowest level input that is significant to the fair value measurement.

Note 3 | Material accounting policies (Cont.)

Note 3.7 | Financial instruments (Cont.)

Note 3.7.4 | Derivative financial instruments

The Group may enter into derivative financial instruments, including forward contracts and swaps. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at fair value.

Gains or losses arising from changes in the fair value of derivatives not designated in a hedging relationship are recognised in profit or loss under "Gain (loss) on financial instruments measured at fair value through profit or loss."

The Group does not currently apply hedge accounting.

Note 3.7.5 | Equity instruments

The Group currently holds no investments in equity securities of other entities. However, it has issued warrants that grant the right to acquire a fixed number of its own equity instruments in exchange for a fixed amount of cash. These warrants meet the "fixed-for-fixed" condition under IAS 32 and are therefore classified as equity instruments.

No liability is recognised in respect of these warrants, and subsequent changes in fair value are not accounted for.

Note 3.8 | Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Note 3.9 | Cash and cash equivalents

Cash and cash equivalents include call deposits held with banks and other short-term highly liquid investments with original maturities of three months or less. In the consolidated statement of financial position, bank overdrafts are presented within borrowings under current liabilities.

Note 3 | Material accounting policies (Cont.)

Note 3.10 | Equity

Changes in these accounts are recognised in accordance with applicable legal and statutory regulations, as well as decisions adopted by the shareholders at the General Meeting. All equity balances are presented on a consolidated basis and reflect movements approved during the reporting periods.

Note 3.10.1 | Share capital

Share capital represents the nominal value of ordinary shares issued and fully paid by the Company. Ordinary shares carry one vote per share and equal rights to dividends and capital distributions. The Company does not have a limit on authorised share capital.

Share premium represents the excess over nominal value paid by shareholders upon issuance of shares. Movements in share capital and share premium reflect new equity contributions or other approved transactions by the Company.

Note 3.10.2 | Translation reserve

The translation reserve comprises all exchange differences arising from the translation of the assets and liabilities of Group entities with functional currencies different from the presentation currency, using the exchange rate at the reporting date, and income and expenses translated at average rates for the year. The reserve is recognised in other comprehensive income / (expense) and is reclassified to profit or loss upon disposal of the corresponding net investment.

Note 3.10.3 | Merger reserve

The merger reserve arose from historical capital reorganisations and represents amounts recognised within equity that do not form part of share capital or share premium.

Note 3.10.4 | Other comprehensive income (expense)

This reserve reflects actuarial gains and losses recognised in accordance with IAS 19 in connection with the Group's employee benefit plans. These items are not subsequently reclassified to profit or loss.

Note 3.10.5 | Other reserve

Other reserves comprise amounts recognised directly in equity in connection with specific transactions, including financing arrangements, warrant issuances and debt settlement transactions through the issuance of equity instruments.

Note 3.10.6 | Retained earnings

Retained earnings consist of accumulated profits or losses with no specific appropriation. Positive balances may be distributed, subject to shareholder approval and legal restrictions.

Note 3.11 | Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares and adjusted for bonus elements in ordinary shares issued during the year, if any.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

(a) the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and

(b) the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

As of the reporting date, the Group's potentially dilutive ordinary shares include warrants and convertible notes. Diluted EPS is computed using (i) the treasury stock method for warrants and (ii) the if converted method for convertible notes. Potentially dilutive ordinary shares are included in diluted EPS only when their effect is dilutive.

Note 3 | Material accounting policies (Cont.)

Note 3.12 | Trade and other payables

Trade and other payables are recognised when the Group becomes obligated to make future payments in relation to the acquisition of goods, services, or other contractual arrangements in the ordinary course of business.

They are initially recognised at fair value, which may correspond to the transaction price, or, in the case of restructured or extended payment terms, the present value of expected cash flows discounted using a market-based rate. Subsequently, payables are measured at amortised cost using the effective interest method.

Any difference between the nominal amount and the fair value at initial recognition is recognised in profit or loss under finance income or finance costs. Interest expense is recognised over the term of the payable using the effective interest method.

Note 3.13 | Borrowings

Borrowings are initially recognised at fair value, net of directly attributable transaction costs. Subsequently, they are measured at amortised cost; any difference between the amount received (net of transaction costs) and the amount repayable at maturity is recognised in profit or loss over the term of the borrowings using the effective interest method.

Fees paid in connection with obtaining borrowing facilities are recognised as transaction costs to the extent that it is probable the facility will be drawn. In such cases, the fees are deferred and recognised when the drawdown occurs. If there is no evidence that it is probable the facility will be drawn, the fee is capitalised as a prepaid cost for liquidity services and amortised over the commitment period.

Note 3.13.1 | Convertible borrowings

Certain borrowings contain embedded conversion or settlement features that do not satisfy the fixed-for-fixed condition required for equity classification under IAS 32. In such cases, the instrument is classified in its entirety as a financial liability and does not contain an equity component.

The embedded feature is separated from the host debt contract and accounted for as a derivative financial liability. The derivative is measured at fair value at initial recognition. The host debt component is recorded as a liability at the residual amount and subsequently measured on an amortised cost basis using the effective interest method. Changes in the fair value of the embedded derivative are recognised in profit or loss.

Note 3.13.2 | Borrowing costs related to non-current assets

General and specific borrowing costs that are directly attributable to the acquisition, construction, or production of qualifying assets—those that necessarily take a substantial period of time to get ready for their intended use or sale—are capitalised as part of the cost of those assets until they are substantially ready for use or sale.

Capitalisation of borrowing costs begins when:
(a) expenditures for the qualifying asset are incurred;
(b) borrowing costs are incurred; and
(c) activities necessary to prepare the asset for its intended use or sale are in progress.
All other borrowing costs are expensed in the period in which they are incurred and recognised in profit or loss.

Note 3 | Material accounting policies (Cont.)

Note 3.14 | Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be capitalised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Note 3.14.1 | Long term benefits for years of service

The Group grants compensation to employees covered by the industry's collective bargaining agreement upon completion of twenty, twenty-five, thirty, and thirty-five years of service. This compensation is paid as a special remuneration equivalent to the monthly salary of the month in which the condition is fulfilled. The amount is doubled when the employee reaches forty years of service. The cost of providing this benefit is recognised as a liability and an expense over the period during which the employee's services are received.

Note 3.14.2 | Long term benefits for retirement or disability

The Group has a defined benefit plan. This represents accrued benefits to be paid to employees covered by the industry's collective bargaining agreement, either upon reaching retirement age or in the event of retirement due to disability or other health-related reasons.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method, based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements, and curtailments is recognised as an expense in profit or loss in the period in which it arises.

The net interest element is determined by applying the discount rate to the net defined benefit liability, taking into account changes during the period resulting from contributions and benefit payments. The net interest is recognised in profit or loss as part of employee benefit expense.

Remeasurements, including actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest), are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit or loss in subsequent periods.

Note 3.14.3 | Other

The Group does not provide other post-employment benefits, other long-term employee benefits, or share-based payment schemes beyond those described above.

Note 3 | Material accounting policies (Cont.)

Note 3.15 | Income tax

Income tax expense for the period comprises current and deferred tax. Income tax is recognised in the income statement, except when it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in the same component.

Uncertain Tax Positions

In determining current and deferred income tax, the Group considers the impact of uncertain tax positions. Uncertainty over income tax treatments is accounted for in accordance with IFRIC 23 “Uncertainty over Income Tax Treatments”, which clarifies how to apply the recognition and measurement requirements of IAS 12 when there is uncertainty regarding income taxes.

The Group assesses whether it is probable that the tax authorities will accept an uncertain tax treatment. If it is not probable that the treatment will be accepted, the Group reflects the effect of the uncertainty in determining taxable profit (or loss), tax bases, tax loss carry forwards, unused tax credits and tax rates.

The Group determines the effect of uncertainty using either the most likely amount method or the expected value method, depending on which method better predicts the resolution of the uncertainty.

Judgements and estimates are applied consistently for both current and deferred tax. These judgements are reassessed when facts and circumstances change or when new information becomes available.

We update our reserves for uncertain tax positions when facts or circumstances change, such as the resolution of an audit, new court rulings, or revised estimates. Any differences between the final outcome and the amounts recorded are recognised in income tax expense in the period determined. Our income tax provisions also include related interest and penalties.

Pillar 2 Income Tax Rules

In July 2023, the UK government enacted legislation to implement the OECD Pillar Two rules. The legislation is effective for the Company from 1 January 2024, and includes an income inclusion rule and a domestic minimum tax, which together are designed to ensure a minimum effective tax rate of 15% in each country in which the Group operates. Similar legislation is being enacted by other governments around the world.

Based on our assessment, Pillar Two rules did not have an impact on our income taxes for the years ended 31 December 2025 and 2024, as the Group is outside the scope of these rules. The Group’s consolidated revenues are significantly below the OECD revenue threshold of EUR 750 million, which applies to multinational groups that meet this threshold in at least two of the previous four fiscal years. Therefore, no additional disclosures or tax impacts have been recognised in relation to Pillar Two.

Note 3.15.1 | Current tax

The current income tax charge is calculated based on tax laws that have been enacted or substantively enacted at the reporting date in Argentina. Management periodically evaluates positions taken in tax filings with respect to areas where the applicable tax regulations are subject to interpretation and establishes provisions, where appropriate, based on the amounts expected to be paid to the tax authorities.

Note 3 | Material accounting policies (Cont.)

Note 3.15 | Income tax (Cont.)

Note 3.15.2 | Deferred tax

Deferred tax is recognised, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised for temporary differences arising from the initial recognition of goodwill. Deferred tax is also not recognised for temporary differences arising from the initial recognition of an asset or liability in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit at the time of the transaction.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax is provided on temporary differences arising from investments in subsidiaries and associates, except when the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or on different entities within the Group, where there is an intention to settle the balances on a net basis.

Note 3.16 | Right-of-use assets

At inception, the Group assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the Group recognises a right-of-use asset and a corresponding lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment.

Lease liabilities are measured at the present value of the contractual lease payments over the lease term. The discount rate is based on the rate implicit in the lease or, if not readily determinable, the Group's incremental borrowing rate at the commencement date. Variable lease payments dependent on an index or rate are included in the measurement of the lease liability based on the index or rate at commencement. Other variable payments are expensed in the period in which they are incurred.

The initial lease liability also includes:

- expected amounts payable under any residual value guarantees;
- the exercise price of purchase options when it is reasonably certain they will be exercised; and
- penalties payable for terminating the lease, when termination is reasonably certain.

Right-of-use assets are initially measured at the amount of the lease liability, adjusted for:

- lease payments made at or before the commencement date;
- any lease incentives received;
- initial direct costs; and
- any estimated restoration obligations.

After initial recognition, lease liabilities are increased for interest and reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the lease term.

If the Group revises its estimates regarding the lease term or lease payments (e.g. changes in an index or rate), the lease liability is remeasured using the original discount rate, and the right-of-use asset is adjusted accordingly.

Leases classified as short-term (12 months or less, without purchase option) or of low value (assessed individually when new) are expensed on a straight-line basis, unless another systematic basis better represents the consumption of the asset's economic benefits.

Determining whether an arrangement is, or contains, a lease depends on the substance of the arrangement and involves assessing whether the fulfilment of the arrangement depends on the use of a specific asset and whether it conveys the right to control its use.

Note 3 | Material accounting policies (Cont.)

Note 3.17 | Provisions

The Group is a party to various claims, lawsuits, and other legal proceedings, including customer disputes. The potential liability arising from such matters may not always be accurately estimated. Management, with the assistance of legal counsel, periodically evaluates each significant case and assesses the Group's potential financial exposure.

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are measured at the present value of the expected expenditures to settle the obligation, using a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. Estimates are reviewed at each reporting date and adjusted as necessary. If future developments differ from these estimates, additional charges or reversals may be recognised in future periods.

Note 3.18 | Balances with related parties

Receivables and payables with related parties are recognised at amortised cost in accordance with the terms agreed between the parties involved.

Note 3.19 | Classification of assets and liabilities into current and non-current

Assets and liabilities are presented as current and non-current in the statement of financial position.

An asset is classified as current when the Group:

- expects to realise the asset or intends to sell or consume it in its normal operating cycle;
- holds the asset primarily for the purpose of trading;
- expects to realise the asset within twelve months after the reporting date; or
- the asset is cash or a cash equivalent unless restricted for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when the Group:

- expects to settle the liability in its normal operating cycle;
- is due to settle the liability within twelve months after the reporting date; or
- does not have an unconditional right to defer settlement for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Note 3.20 | Acquisitions of assets

The Group accounts for transactions that do not meet the definition of a business under IFRS 3 as acquisitions of assets and liabilities.

The cost of the acquisition, including directly attributable transaction costs, is allocated to the identifiable assets acquired and liabilities assumed on the basis of their relative fair values at the acquisition date.

No goodwill is recognised in an asset acquisition.

Any excess of the consideration transferred over the net identifiable assets acquired, is allocated to the identifiable assets on the basis of their relative fair values.

Note 4 | Financial risk management

The Company's activities and the market in which it operates expose the Company to several financial risks. The management of the financial risk is part of the Company's overall policies, which focus on the unpredictability of the financial markets and seek to minimise potential adverse effects on its financial performance. Financial risks are the risks derived from the financial instruments to which the Company is exposed during or at the end of each year.

Note 4.1 | Price risk

Tariff framework exposure

Due to the nature of the services provided, the Group operates under a tariff scheme regulated by the provincial government.

If tariff increases to which the Group is legally entitled are not granted, or if the quarterly procedure for updating the Distribution Added Value (VAD) is not applied, the Group's cash flows and ability to invest in infrastructure may be adversely affected, potentially impairing the recoverable value of certain assets.

The Group is not exposed to risk from fluctuations in the market price of electricity purchases, as such price variations are fully passed through to customers.

Input cost exposure

The Group is exposed to commodity price risk primarily related to the purchase of copper and aluminium cables used in distribution networks. It is also exposed to general inflationary pressure on the cost of goods and services procured. To mitigate this risk, the Group applies commercial practices focused on selecting the most efficient suppliers, ensuring the lowest possible input costs without compromising on quality.

No derivative instruments were used during the year in connection with these exposures.

Note 4.2 | Credit risk

Trade receivables
The Group is exposed to credit risk arising from customers potentially failing to meet their payment obligations. In accordance with local regulations, the Group has the right to suspend and disconnect electricity services in the event of non-payment, limiting its exposure to credit risk. There is no significant customer concentration, as no single customer represents more than 2% of total trade receivables.

Expected credit losses are recognised using a provision matrix based on historical default rates considering reasonable estimates that reflect potential changes in key variables such as tariffs and demand.

The Group is legally entitled to disconnect users in case of non-payment, which helps to reduce its exposure to default. Nonetheless, this right may be suspended temporarily by regulatory or emergency measures, which could limit the Group's ability to enforce collections.

To manage this risk, the Group applies structured collection procedures, monitors receivable ageing regularly, and enforces disconnections and late payment penalties where permitted under the applicable regulatory framework.

At each fiscal year-end, the Group analyses whether the recording of an allowance for expected credit losses is necessary. The balances of the bills for electricity consumption that remain unpaid 20 working days after the bills' first due dates are considered delinquent trade receivables.

Cash and cash equivalents
Credit risk also arises from deposits held with banks. This risk is limited as the Group only places funds with counterparties with strong credit ratings and reputations, monitored by the Group's Finance Department.

Other receivables
Other receivables include supplier advances, tax credits and various operational receivables. These balances are subject to credit risk, which is managed through ongoing monitoring and assessing the recoverability of each outstanding balance.

Note 4 | Financial risk management (Cont.)

Note 4.2 | Credit risk (Cont.)

Financial assets at fair value

The Group is also exposed to credit risk through investments classified as financial assets at fair value. These consist of public and private securities issued both locally and abroad.

The carrying amount of financial assets represents the Group's maximum exposure to credit risk. Further detail is presented in the table below:

Group	2025 Carrying value US$'000	Maximum exposure US$'000	2024 Carrying value US$'000	Maximum exposure US$'000
Current financial assets:				
Trade and other receivables	138,665	138,665	101,420	101,420
Financial assets at fair value through profit or loss	89,694	89,694	110,222	110,222
Financial assets at amortised cost	37,619	37,619	-	-
Cash and cash equivalents	105,364	105,364	35,710	35,710
	371,342	**371,342**	**247,352**	**247,352**

Company	2025 Carrying value US$'000	Maximum exposure US$'000	2024 Carrying Value US$'000	Maximum Exposure US$'000
Current financial assets:				
Trade and other receivables	3,732	3,732	59	59
Cash and cash equivalents	3,846	3,846	5,942	5,942
	7,578	**7,578**	**6,001**	**6,001**

Note 4.3 | Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is mainly exposed to currency risks on certain bank deposits, debtors and creditors denominated in a different currency from their functional currency.

The Group's exposure to foreign currency risk mainly relates to balances in US$, based on carrying amounts at the reporting date as follows:

	2025 US$'000	2024 US$'000
Trade and other receivables	8,923	6,777
Investments	2,374	61,666
Cash and cash equivalents	83,697	2,709
Financial liabilities	(173,631)	(27,424)
	(78,637)	**43,728**

Note 4 | Financial risk management (Cont.)

Note 4.4 | Interest rate risk

The Group's exposure to interest rate risk arises from borrowings and other financial liabilities that bear variable interest rates or are indexed to inflation. These comprise: (i) the Class 5 and Class 7 Corporate Notes, which bear interest at TAMAR plus a margin; (ii) the Class 1 Corporate Notes, which are indexed to UVA; (iii) the CAMMESA payment plan, which bears interest by reference to the MEM rate; and (iv) certain other borrowings that bear interest at BADLAR plus a margin (Notes 26.3 and 26.4). The Class 3 and Class 6 Corporate Notes bear fixed interest rates and are therefore not exposed to cash flow interest rate risk. As further described below.

Variable rate Corporate Notes (Class 5 and 7)
These Corporate Notes accrue floating interest rates based on TAMAR (private banks) plus contractual margins of 7.0% and 6.5%, respectively. A sensitivity analysis indicates that if interest rates had been 2.5% higher in 2025, the Group's post-tax result would have decreased by approximately US$0.2 million, and if interest rates had been 2.5% lower, the Group's post-tax result would have increased by the same amount.

Corporate Notes Class 1 indexed to UVA
Class 1 Corporate Notes accrue interest at a fixed rate of 5% and are indexed to the UVA inflation index. Since inflation-linked tariff adjustments are implemented on a quarterly basis, the risk associated with these instruments is substantially mitigated.

CAMMESA debt indexed to MEM interest rate
Other financial obligations, including debt with CAMMESA, also carry floating interest clauses based on various reference rates. However, this risk is largely mitigated due to the terms of the debt restructuring agreement signed with CAMMESA in 2023, which limits the applicable interest rate to 50% of the rate in force in the MEM. Furthermore, the agreement provides for recalculations of instalments if the MEM interest rate fluctuates by 5% or more.

Note 4.5 | Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by realising cash or another financial asset.

Liquidity risk is monitored by the Group to ensure that it has sufficient resources to meet its financial obligations as they fall due. The liquidity risk of the Group is managed by the Board who monitor the Group's liquidity requirements through monthly management accounts and periodic cash flow forecasts. New funds are borrowed when required. The Group intends to maintain a balance of funding designed to reduce liquidity risks whilst also seeking to minimise the costs of borrowings. Where appropriate the Board will seek additional funds from the issue of share capital, private or public placements.

Note 4 | Financial risk management (Cont.)

Note 4.5 | Liquidity risk (Cont.)

The table below shows the Group and Company's financial liabilities at the reporting date by their remaining contractual maturity. The amounts disclosed in the maturity table are the contractual undiscounted cash flows which may differ from the amounts included in the statement of financial position because the balances presented in the statement of financial position are based on discounted cash flows.

Group 2025	**Carrying Amount US$'000**	**Contractual cash flows US$'000**	**1 year or less US$'000**	**1 to 5 Years US$'000**	**Over 5 Years US$'000**
Current financial liabilities:					
Trade and other payables	74,142	75,245	75,245	-	-
Borrowings	70,137	89,659	89,659	-	-
Leases	116	248	248	-	-
Non-current financial liabilities:					
Trade and other payables	16,103	28,444	-	25,899	2,545
Borrowings	187,661	267,358	-	211,298	56,060
Leases	43	80	-	80	-
	348,202	**461,034**	**165,152**	**237,277**	**58,605**

Company 2025	**Carrying Amount US$'000**	**Contractual cash flows US$'000**	**1 year or less US$'000**	**1 to 5 Years US$'000**	**Over 5 Years US$'000**
Current financial liabilities:					
Trade and other payables	6,495	6,495	6,495	-	-
Non-current financial liabilities:					
Trade and other payables	65	65	-	65	-
Borrowings	12,720	12,720	-	12,720	-
	19,280	**19,280**	**6,495**	**12,785**	**-**

Group 2024	**Carrying Amount US$'000**	**Contractual cash flows US$'000**	**1 year or less US$'000**	**1 to 5 Years US$'000**	**Over 5 Years US$'000**
Current financial liabilities:					
Trade and other payables	5,371	6,533	6,533	-	-
Borrowings	24,867	24,867	24,867	-	-
Leases	69	69	69	-	-
Non-current financial liabilities:					
Trade and other payables	16,312	64,986	-	16,327	48,659
Borrowings	68,117	68,117	-	68,117	-
Leases	224	224	-	224	-
	114,960	**164,796**	**31,469**	**84,668**	**48,659**

Note 4 | Financial risk management (Cont.)

Note 4.5 | Liquidity risk (Cont.)

Company 2024	Carrying Amount US$'000	Contractual cash flows US$'000	1 year or less US$'000	1 to 5 Years US$'000	Over 5 Years US$'000
Current financial liabilities:					
Trade and other payables	801	801	801	-	-
Borrowings	102	102	102	-	-
Non-current financial liabilities:					
Borrowings	9,100	9,100	-	9,100	-
	10,003	**10,003**	**903**	**9,100**	**-**

Note 4.6 | Capital management risk

We are not subject to externally imposed capital requirements. However, we manage our capital structure to maintain financial flexibility, support our investment plans, and safeguard our ability to continue as a going concern. To maintain or adjust the capital structure, we may raise new borrowings or seek additional funds through the issue of share capital.

We monitor our capital using the net debt ratio, defined as net debt divided by the sum of net debt and total equity. Net debt is calculated as total of borrowings (current and non-current), less cash and cash equivalents and financial assets at fair value through profit or loss. Total equity is calculated as equity as shown in the Statement of Financial Position.

The net debt ratio as of December 31, 2025 and 2024 was as follows:

	2025	2024
Borrowings	257,798	92,984
Less: cash and cash equivalents and financial assets at fair value through profit or loss	(195,058)	(145,932)
Net debt	62,740	(52,948)
Total equity	424,548	403,319
Total equity and net debt	487,288	350,371
Net debt ratio	13%	(15%)

The increase in the net debt ratio from (15%) to 13% mainly reflects the corporate notes issued by EDEMSA during 2025 (Note 26), partly offset by the increase in cash and cash equivalents and financial assets at fair value through profit or loss.

Note 5 | Critical accounting estimates and judgements

In the application of the Group and Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised when the revision affects only that period, or in the period of the revision and future periods when the revision affects both current and future periods.

Note 5.1 | Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Recoverability of the Group's long-lived assets

- **Recoverability of property, plant and equipment**

The Group analyses the recoverability of its long-lived assets on a periodic basis or when events or changes in circumstances indicate a potential impairment of their carrying amount with respect to their recoverable amount, which is measured as the higher of value in use and fair value less costs to sell at the end of the year.

We identified our cash-generating units (CGUs) based on the lowest level of assets that generate largely independent cash inflows. We have one CGU in our distribution segment, which is EDEMSA.

The value in use is determined on the basis of projected and discounted cash flows, using discount rates that reflect the time value of money and the specific risks of the assets under consideration.

Cash flows are prepared based on estimates concerning the future performance of certain variables that are sensitive to the determination of the recoverable amount, among which the following can be noted: (i) nature, timing, and modality of the electricity rate increases; (ii) expected demand for electricity; (iii) expected changes in operating costs; (iv) investment needs in line with the service quality levels required by the regulatory authority; and (v) macroeconomic variables, such as growth rates of the industry in which the Group operates and the perpetuity growth rate of cash flows, inflation rates and foreign currency exchange rates, among others. The other variables have a low impact on the calculation and, together with the variables mentioned above, have been estimated by the Group using the best available information.

To determine value in use, the projected cash flows were discounted using a rate estimated in accordance with generally accepted valuation methodologies, based on the weighted average cost of capital (WACC) of comparable market participants. As the Argentine capital market does not provide sufficient depth and liquidity to obtain representative observable market inputs, the discount rate was estimated using information from comparable companies and adjusted to reflect Argentine market conditions, including country risk and other specific risks not already incorporated into the projected cash flows.

Note 5 | Critical accounting estimates and judgements (Cont.)

Note 5.1 | Key sources of estimation uncertainty (Cont.)

Recoverability of the Group's long-lived assets

- **Recoverability of property, plant and equipment (Cont.)**

However, the Company is not in a position to ensure that the future performance of the assumptions used for making its projections will be in line with that which the control authorities will define; therefore, they could differ significantly from the estimates and assessments made at the date of preparation of these consolidated financial statements.

In order to consider the estimation risk included in the projections of the aforementioned variables, the Group has taken into consideration four alternative probability-weighted scenarios, which are detailed below:

a) Scenario No. 1: includes the adjustment of energy purchase prices according to resolutions of the SE. Quarterly and automatic inflation adjustments of VAD are included in accordance with the Five-year Tariff Review scheme established by EPRE Resolutions. Probability of occurrence assigned: 70%.

b) Scenario No. 2: includes the adjustment of energy purchase prices according to resolutions of the SE. Quarterly and automatic inflation adjustments of VAD are included in accordance with the Five-year Tariff Review scheme established by EPRE Resolutions, plus additional increase of 1% year-on-year in demand of electricity. Probability of occurrence assigned: 10%.

c) Scenario No. 3: includes the adjustment of energy purchase prices according to resolutions of the SE. Quarterly and automatic inflation adjustments of VAD are included in accordance with the Five-year Tariff Review scheme established by EPRE Resolutions, plus additional decrease of 1% year-on-year in demand of electricity. Probability of occurrence assigned: 10%.

d) Scenario No. 4: includes the adjustment of energy purchase prices according to resolutions of the SE. Quarterly and automatic inflation adjustments of VAD are included in accordance with the Five-year Tariff Review scheme established by EPRE Resolutions, assuming that the tariff increases projected for the next Five-year Tariff Review, scheduled for 2028, are not obtained. Probability of occurrence assigned: 10%.

In all scenarios, payments under the CAMMESA payment plans agreed in 2023 are assumed to be made in accordance with their terms.

The probabilities assigned to each scenario reflect management's judgement, based mainly on historical experience with tariff adjustments, the current economic and financial environment in Argentina and the regulatory framework applicable to the concession.

After having carried out the analysis of recoverability of long-lived assets, as of the date of these consolidated financial statements, the Group has recorded no additional impairments of property, plant and equipment and no indicators of impairment have been identified in relation to EDEMSA.

Sensitivity analysis

The main factors that could result in reversals of impairment losses or additional impairment charges in future periods are changes in the nature, timing and manner of tariff increases, as well as changes in electricity demand. These factors have been considered in the probability-weighted scenarios described above. Given the uncertainty inherent in these assumptions, management believes that any sensitivity analysis considering changes in any of these assumptions individually could result in significant changes in the determination of the recoverable amount.

Note 5 | Critical accounting estimates and judgements (Cont.)

Note 5.1 | Key sources of estimation uncertainty (Cont.)

Recoverability of the Group's long-lived assets

- **Recoverability of investments in associates**

At each reporting date, the Group assesses whether there is objective evidence that its investments in associates may be impaired. Where such evidence exists, the carrying amount of the investment is tested for impairment as a single asset by comparing it with its recoverable amount, being the higher of value in use and fair value less costs of disposal. Estimating the recoverable amount requires the use of significant judgement and assumptions regarding, among other factors, future tariff adjustments, electricity demand, inflation and exchange rates, and discount rates.

The recoverable amount of the investment in SAE was estimated using a discounted cash flow model for EDENOR based on probability-weighted tariff scenarios and management's expectations regarding its future operational and financial performance. The recoverable amount exceeded the carrying amount of the investment and, accordingly, no impairment loss was recognised.

Further information regarding the investments in associates is provided in Note 8.

Regulatory penalties

The determination of provisions for regulatory penalties involves the use of estimates. Management assesses, at each reporting date, the potential liabilities arising from service quality parameters established by the Ente Provincial Regulador Eléctrico (EPRE). The estimate reflects management's best assessment of probable penalties related to service performance for which no formal notification has yet been received from the regulator.

Note 5.2 | Key sources of judgements

The judgements which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Income tax filings
The subsidiary's income tax filings for the fiscal years 2021 through 2024 involved significant judgement in applying Argentine tax law, including the treatment of inflation adjustments. These treatments were adopted based on legal advice and, in some cases, are subject to ongoing judicial proceedings. While management, supported by external counsel, believes the positions taken are appropriate, there remains a risk that the tax authorities may challenge such treatments. These matters are considered uncertain tax positions and are assessed in accordance with the Group's accounting policy (see Note 3.15 and Note 15).

Note 6 | Segment information

Under IFRS 8 (Operating Segments), the Group reports its operating segments based on the internal reports that are regularly reviewed by the Chief Operating Decision Maker ("CODM") for the purpose of allocating resources and assessing performance.

The Group has determined that its CODM function is performed jointly by the Chief Executive Officer and the Vice President of Finance and Capital Markets, who collectively have ultimate responsibility for reviewing financial information, allocating resources and evaluating the performance of the Group in making key operating decisions. The CODM assesses performance and allocates resources across two operating and reportable segments: Electricity distribution and Electricity generation.

Electricity distribution

In the distribution segment, the Group holds:

- **A 51% controlling interest in Empresa Distribuidora de Electricidad de Mendoza S.A. ("EDEMSA")**, the main electricity distribution company in the Mendoza Province. As of 31 December 2025, EDEMSA served 485,520 customers across a concession area of 109,908 km². The company operates under a regulated public service concession granted by the Government of Mendoza Province and is supervised by the Ente Provincial Regulador Eléctrico ("EPRE"). EDEMSA is responsible for operating, maintaining, and expanding the electricity distribution network within its service area.

- **An indirect 11.9% equity interest in Empresa Distribuidora y Comercializadora Norte S.A. ("EDENOR")**, Argentina's largest electricity distribution company by number of customers. As of 31 December 2025, EDENOR served over 3.4 million customers across a concession area of 4,637 km² in the northern part of the Buenos Aires Metropolitan Region. EDENOR operates under a national concession granted by the Argentine government and is regulated by the Ente Nacional Regulador de la Electricidad ("ENRE"). EDENOR's ordinary shares are listed on Bolsas y Mercados Argentinos S.A. ("BYMA") and are also traded on the New York Stock Exchange ("NYSE") through American Depositary Receipts ("ADRs") under the ticker symbol EDN. As of 31 December 2025, the market price of the ordinary share on BYMA was AR$ 2,337.5 (2024: AR$2,540.0) per share, while the market price of the ADR on the NYSE was US$29.7 (2024: US$42.91) per ADR. The ADR conversion ratio is 20:1; accordingly, each ADR represents 20 ordinary shares of EDENOR.

Note 6 | Segment information (Cont.)

Electricity generation

In the generation segment, the Group holds:

- A **23.6% equity interest in Hidroeléctrica Ameghino S.A. ("HASA")**, which operates a 60 MW hydroelectric power plant located in Chubut Province, southern Argentina. The plant is integrated into the Argentine Wholesale Electricity Market ("MEM") and dispatches its output into the spot market. The sales price of its electricity is determined by the Secretaría de Energía de la Nación ("SEN") through regulatory resolutions and the amount due settled monthly by the Compañía Administradora del Mercado Mayorista Eléctrico S.A. ("CAMMESA").

- A **100% interest in Andina Consultores y Servicios S.A.U.**, which is developing a 4 MW photovoltaic solar project located in Uspallata, Department of Las Heras, in Mendoza Province. The project is currently under construction on a 10-hectare site granted by the provincial government and is expected to reach commercial operation on 1 April 2027. The project will operate under a 15-year renewable energy supply agreement with CAMMESA.

- A **95% interest in Trancurá,** since January 2025, which is developing a 50 MW photovoltaic solar project located in Capiz, Department of San Carlos, Mendoza Province. The project is currently under development on a site granted by the provincial government and is expected to reach commercial operation in 2027. The project will operate under a 20-year renewable energy supply agreement with EDEMSA.

Certain corporate activities, including headquarters functions, centralised administration, and other items that are not allocated to and not separately reviewed by the CODM as part of segment performance, do not constitute operating segments under IFRS 8. These items are aggregated within the "Corporate" category, which does not represent a reportable segment and is presented separately to reconcile segment information to the consolidated financial statements.

Segment results

	Distribution 2025 US$'000	Generation 2025 US$'000	Corporate 2025 US$'000	Total 2025 US$'000
Revenue from external customers	488,599	-	-	488,599
Cost of sales	(324,709)	-	-	(324,709)
Selling expenses	(39,056)	-	-	(39,056)
Administrative expenses	(45,129)	(120)	(6,344)	(51,593)
Net impairment losses on financial and contract assets	(4,342)	-	-	(4,342)
Other operating income / (expense)	6,402	(27)	(207)	6,168
Share of profits/(losses) in associates	19,615	(204)	-	19,411
Segment profit / (loss)	**101,380**	**(351)**	**(6,551)**	**94,478**
Finance income and gain on financial instruments measured at fair value through profit or loss				44,123
Finance costs				(66,805)
Net Monetary loss				(1,033)
Profit before income tax				**70,763**
Depreciation	18,025	-	-	18,025

Note 6 | Segment information (Cont.)

	Distribution 2024 US$'000	Generation 2024 US$'000	Corporate 2024 US$'000	Total 2024 US$'000
Revenue from external customers	478,562	-	-	478,562
Cost of sales	(316,631)	-	-	(316,631)
Selling expenses	(35,524)	-	-	(35,524)
Administrative expenses	(34,753)	(29)	(116)	(34,898)
Net impairment losses on financial and contract assets	(3,351)	-	-	(3,351)
Other operating income	6,412	-	-	6,412
Share of profits/(losses) in associates	36,446	(288)	-	36,158
Segment profit / (loss)	**131,161**	**(317)**	**(116)**	**130,728**
Finance income and gain on financial instruments measured at fair value through profit or loss				23,194
Finance costs				(65,057)
Net Monetary gain				15,291
Profit before tax				**104,156**
Depreciation	17,221	-	-	17,221

Segment assets and liabilities

	Distribution 2025 US$'000	Generation 2025 US$'000	Corporate 2025 US$'000	Total 2025 US$'000
Total segment assets [(1)]	972,440	5,355	10,269	988,064
Total segment liabilities	531,149	2,450	29,917	563,516

(1) Includes Investments in equity-accounted investees for US$176.2 million in the Distribution segment and US$1.5 million in the Generation segment.

Geographical information

All revenues and material non-current assets are held in Argentina. Therefore, no geographical segment disclosure is presented. No major customer has been identified as none of them exceed 10% of total revenues.

Note 7 | Subsidiary information

The Group's principal subsidiaries at 31 December 2025 and 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name	Country of incorporation	Registered address	Principal activity	Control	% Held 2025	% Held 2024	Measurement method
Andina Electricidad Limited (AEL)	UK	1-3 Charter Square, Sheffield, S1 4HS	Holding	Direct	100	100	Consolidated
Andina Electricidad S.A. (AESA)	Argentina	Maipu 1252, 2nd Floor, Ciudad Autonoma de Buenos Aires	Holding	Direct	100	100	Consolidated
Andina Consultores y servicios S.A.U. (ACS SAU)	Argentina	Maipu 1252, 9th Floor, Ciudad Autonoma de Buenos Aires	Electricity generation	Indirect	100	100	Consolidated
Trancurá Energía S.A.	Argentina	Pedro Molina 249, Piso 3, Ciudad de Mendoza	Electricity generation	Indirect	95	-	Consolidated
Inversora Andina de Electricidad S.A. (IADESA)	Argentina	Belgrano 815 -Mendoza	Holding	Indirect	100	100	Consolidated
Mendinvert S.A.	Argentina	Belgrano 815 - Mendoza	Holding	Indirect	100	100	Consolidated
SODEMSA	Argentina	Belgrano 815 - Mendoza	Holding	Indirect	100	100	Consolidated
Empresa Distribuidora de Electricidad de Mendoza S.A. (EDEMSA) (1)	Argentina	Belgrano 815 - Mendoza	Electricity distribution	Indirect	51	51	Consolidated
EDEMSA Servicios SAU	Argentina	Belgrano 815 - Mendoza	Electricity distribution	Indirect	51	51	Consolidated

The Company's subsidiary undertakings all have share capital consisting solely of ordinary shares and capital accounts.

(1) EDEMSA's financial statements are available at www.cnv.gov.ar

EDEMSA's shares, rights and obligations under the concession contract may not be assigned, whole or part, to a third party without the prior consent of the province of Mendoza.

Note 7.1. | Acquisition of Trancura Energía S.A.

On 27 January 2025, the Group, through its subsidiary Andina Electricidad S.A., acquired 95% of the share capital of Trancurá Energía S.A., which holds the Capiz I (20 MW) and Capiz II (30 MW) photovoltaic solar projects. The shares were acquired from Integra Aura International Construction and Mandates S.A. ("Integra Aura"), which had acquired them in August 2023 from unrelated third parties. The consideration consisted of the assumption by Andina Electricidad S.A., under a debt assumption and share transfer agreement with Integra Aura and Integra Capital S.A., of the liability arising from Integra Aura's original acquisition of the shares, which is payable to Integra Capital S.A. The liability of AR$1,882 million (equivalent to US$1.6 million), n matures on 31 December 2027.

Integra Aura and Integra Capital S.A. are related parties of the Group. The transaction did not involve a new price negotiated between related parties, as the consideration corresponds to the liability arising from Integra Aura's original acquisition of the shares, which was negotiated with unrelated third parties. Accordingly, management considers that the terms of the transaction are equivalent to those that would prevail on arm's length transactions.

The acquisition was accounted for as an asset acquisition, rather than a business combination, as the acquired entity does not meet the definition of a business under IFRS 3 Business Combinations. At the acquisition date, Trancurá Energía S.A. did not have employees, operating processes, or substantive activities capable of generating outputs. The assets acquired consisted primarily of development-stage solar projects and related rights. The consideration transferred was allocated to the identifiable assets acquired and liabilities assumed based on their relative fair values, and no goodwill was recognised. Accordingly, the incremental economic value implicit in the consideration paid was attributable to a single identifiable intangible asset, representing the integrated development rights of the Capiz I and Capiz II projects. This intangible asset comprises, in an integrated manner, the rights and permits necessary to develop and construct the projects, including environmental approvals, land use rights, and key contractual arrangements.

Note 7 | Subsidiary information (Cont.)

Note 7.1. | Acquisition of Trancurá Energía S.A. (Cont.)

Both projects are classified as Ready to Build, with the required environmental and land use permits in place. An engineering, procurement and construction contract has been executed for the development of the facilities.

The project sites are subject to usufruct agreements with the respective landowners, which provide for an annual fee of US$1,000 per MW beginning on the commercial operation date of each project.

Note 7.2. | Non-controlling interests

EDEMSA is the only subsidiary with material non-controlling interests within the Group. Although controlled and consolidated by the Group, a portion of EDEMSA's equity is held by shareholders outside the Group and is therefore presented as non-controlling interests.

Set out below is summarised financial information for EDEMSA. As EDEMSA is controlled by the Group, the amounts disclosed are taken from the financial information used in preparing these consolidated financial statements, in accordance with the Group's accounting policies and before inter-company eliminations with other Group entities. As controlling shareholder, the Group has full access to this information.

Summarised statement of financial position	**2025 US$'000**	**2024 US$'000**
Current assets	403,677	271,477
Current liabilities	(231,224)	(206,655)
Current net assets	**172,453**	**64,822**
Non-current assets	392,580	372,812
Non-current liabilities	(299,925)	(194,251)
Non-current net assets	**92,655**	**178,561**
Total net assets	**265,108**	**243,383**
Net assets attributable to NCI	**129,903**	**119,258**

Summarised statement of comprehensive income	**2025 US$'000**	**2024 US$'000**
Revenue	488,599	478,562
Profit for the period	37,695	56,711
Other comprehensive expense	(172)	(830)
Total comprehensive income	37,523	55,881
Profit allocated to NCI	**18,470**	**27,790**
Dividends paid to NCI	-	-

Summarised cash flows	**2025 US$'000**	**2024 US$'000**
Cash flows from operating activities	61,211	59,624
Cash flows from investing activities	(132,695)	(95,496)
Cash flows from financing activities	142,848	67,566
Net increase in cash and cash equivalents	**71,364**	**31,694**

Note 8 | Associate information

Set out below are the associates of the Group as at 31 December 2025 and 2024 which, in the opinion of the Directors, are material to the Group. The carrying amount of each associate and the related movement in the year are disclosed in Note 17.

The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name	Country of incorporation	Registered address	Principal activity	Control	Effective % Held 2025	Effective % Held 2024	Measurement method
Hidroeléctrica del Sur S.A. (HDS)	Argentina	Juez Tedin N° 2728 - Ciudad Autónoma de Buenos Aires	Holding	No	40	40	Equity method
Hidroeléctrica Ameghino S.A. (HASA)	Argentina	Sarmiento 698- Trelew- Chubut	Electricity generation	No	23.6	23.6	Equity method (2)
South American Energy LLP (SAE LLP)	UK	1-3 Charter Square, Sheffield, S1 4HS	Holding	No	23.4	23.4	Equity method
Energía del Cono Sur S.A. (EDELCOS)	Argentina	Av. Maipú 1252, 12th Floor - Ciudad Autónoma de Buenos Aires	Investment and provision of services related to the distribution of electrical energy, renewable energies and sustainable technology	No	23.4	23.4	Equity method (3)
Empresa Distribuidora y Comercializadora Norte S.A.(EDENOR) (1)	Argentina	6363 Av. del Libertador, Ciudad Autónoma de Buenos Aires	Electricity distribution	No	11.9	11.9	Equity method (3)
EDENOR Tech S.A.U.	Argentina	6363 Av. del Libertador, Ciudad Autónoma de Buenos Aires	Sale, management, storage, import and export of renewable and conventional energy and their possible by-products	No	11.9	11.9	Equity method (3)

(1) EDENOR´s financial statements are available at www.cnv.gov.ar
EDENOR's Class "A" shareholders may transfer their shares only with the prior approval of the ENRE.

(2) The investment in HDS is equity accounted for, where the Group has an indirect interest in HASA through HDS.

(3) The investment in SAE LLP is equity accounted for, where the Group has an indirect interest in Edelcos, Edenor and EDENOR Tech through SAE LLP.

The Group's associates operate, directly or through their investees, in the electricity distribution and generation sectors in Argentina. Accordingly, they are exposed to risks similar to those affecting the Group, mainly tariff, political and regulatory, currency and hyperinflation, and operational risks, as described in the Principal Risks, Financial Risks and Uncertainties section of the Strategic Report and in Note 4.

Note 8 | Associate information (Cont.)

Summarised financial information for associates

The tables below provide summarised consolidated financial information for those associates that are material to the Group. The information disclosed reflects the amounts presented in the consolidated financial statements of the relevant associates and not the Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

	SAE LLP (1)		HDS (2)	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
Summarised statement of financial position				
Total current assets	1,470	2,063	453	261
Total non-current assets	789,641	756,474	7,171	8,985
Total assets	**791,111**	**758,537**	**7,624**	**9,246**
Total current liabilities	(2,832)	(4,803)	(207)	-
Total non-current liabilities	(35,141)	(34,801)	(1,460)	(1,546)
Total liabilities	**(37,973)**	**(39,604)**	**(1,667)**	**(1,546)**
Net assets	**753,138**	**718,933**	**5,957**	**7,700**
Summarised statement of comprehensive income				
Revenue	-	-	-	-
Profit / (Loss) for the financial year	83,828	155,750	(512)	(719)
Other comprehensive income	404	1,127	-	-
Total comprehensive income	**84,232**	**156,877**	**(512)**	**(719)**

(1) The consolidated figures of SAE, which include EDELCOS, EDENOR and EDENOR Tech, as at 31 December 2025 and 2024 and for the years then ended have been audited by PricewaterhouseCoopers LLP. Such financial information is made available to Andina Energies Plc in its capacity as a member of SAE LLP. SAE LLP is the sole direct associate for the Company.

(2) The figures for HDS, which include HASA, as at 31 December 2025 and 31 December 2024, and for the years then ended, have been audited by Julio Ramírez. Such financial information is made available to Andina Electricidad S.A the direct shareholder of HDS. HDS is an indirect associate of the Company, held through Andina Electricidad S.A.

Recoverability of investments in associates

Based on the impairment assessment performed by management, the recoverable amount of the investment in SAE exceeded its carrying amount at 31 December 2025. Accordingly, no impairment loss was recognised. Further information regarding this assessment is provided in Note 5.1.

Note 9 | Revenue

Below is a brief description of the principal services provided by the Group:

- **Small customers (T1 – Residential and small businesses with demand ≤10 kW)**

Relates to customers with a maximum average power demand recorded over a fixed period of time that is less than 10 kilowatts. In turn, this segment is subdivided into different residential categories based on consumption. This segment also includes a category for public lighting. Users are categorised by the Group according to their consumption.

- **Large customers (T2 – High demand users with demand >10 kW)**

Relates to customers with a maximum average power demand recorded over a fixed period of time that is equal to or greater than 10 Kilowatts. The Group agrees with the user the supply capacity.

- **Tolls (Network access services)**

Related to arrangements where the Group provides access to and use of its distribution network. The service includes making the network available, providing transmission capacity, and enabling the physical delivery of electricity.

- **Ancillary services:**

Connection services for new users, disconnection notices, and reconnection and restoration services.

	2025 US$'000	2024 US$'000
Electricity distribution services – small customers	282,146	262,728
Electricity distribution services – large customers	189,904	200,467
Tolls	13,175	12,529
Ancillary services	3,374	2,838
Total revenue	**488,599**	**478,562**

Note 10 | Cost of sales

This note discloses the breakdown of the cost of sales for each year, based on the consumption of energy, materials and supplies, the variation in inventory levels, and the capitalisation of items reclassified as property, plant and equipment.

	2025 US$'000	2024 US$'000
Opening balance of materials and spare parts	26,400	5,721
Purchases of energy	192,612	194,438
Purchases of materials and spare parts	26,746	30,035
Distribution costs (note 11)	119,275	113,582
Materials and spare parts reclassified to property, plant and equipment	(8,355)	(4,781)
Hyperinflation adjustments	(1,726)	4,036
Closing balance of materials and spare parts	(30,243)	(26,400)
	324,709	**316,631**

Note 11 | Expenses by nature

The breakdown of expenses by nature is as follows:

Expenses by nature for the year-ended 31 December 2025

Description	Distribution costs (1) US$'000	Administrative expenses US$'000	Selling expenses US$'000	Total US$'000
Fees to Directors and statutory supervisory Board members	98	174	-	272
Salaries and social security taxes	22,574	11,420	9,906	43,900
Other materials and spare parts	2,976	297	343	3,616
Fuel and oil	1,579	70	60	1,709
Depreciation of property, plant and equipment	15,648	728	1,649	18,025
Maintenance and repairs	11,052	1,584	290	12,926
Taxes and statutory contributions	15	2,249	5,631	7,895
Professional fees and third-party services	962	18,340	3,711	23,013
Commercial and customer services	708	4,093	13,388	18,189
Field operations, logistics and other services	16,178	743	1,862	18,783
Maintenance network services	15,012	2,016	776	17,804
Operator's fees	3,580	1,355	1,172	6,107
Concession fee	16,894	-	-	16,894
Litigation and other claims	11,881	623	216	12,720
Employee training and related costs	118	5,715	20	5,853
Other	-	2,186	32	2,218
At 31 December 2025	**119,275**	**51,593**	**39,056**	**209,924**

Expenses by nature for the year-ended 31 December 2024

Description	Distribution costs (1) US$'000	Administrative expenses US$'000	Selling expenses US$'000	Total US$'000
Fees to Directors and statutory supervisory board members	72	26	24	**122**
Salaries and social security taxes	25,290	10,898	10,739	**46,927**
Other materials and spare parts	2,572	253	311	**3,136**
Fuel and oil	2,052	82	83	**2,217**
Depreciation of property, plant and equipment	14,950	695	1,576	**17,221**
Maintenance and repairs	6,699	888	141	**7,728**
Taxes and statutory contributions	733	785	4,465	**5,983**
Professional fees and third-party services	25,804	15,660	16,748	**58,212**
Operator's fees	3,576	1,070	1,224	**5,870**
Concession fee	16,626	-	-	**16,626**
Litigation and other claims	14,988	379	118	**15,485**
Employee training and related costs	103	3,547	22	**3,672**
Other	117	615	73	**805**
At 31 December 2024	**113,582**	**34,898**	**35,524**	**184,004**

(1) Distribution costs are included within cost of sales in the consolidated statement of profit or loss (see Note 10)

Note 12 | Other operating income

	2025 US$'000	2024 US$'000
Reversal of property tax provision (1)	-	1,612
Works performed for third parties	1,318	592
Rental income	2,949	2,300
Gain on disposal of assets	503	1,017
Other	1,398	891
	6,168	**6,412**

Note 13 | Finance income

	2025 US$'000	2024 US$'000
Interest income	4,763	5,473
Exchange gain	19,573	1,121
	24,336	**6,594**

Note 14 | Finance costs

	2025 US$'000	2024 US$'000
Interest on borrowings	28,996	24,868
Exchange loss	27,517	4,083
Commercial interest (2)	7,554	32,441
Interest on defined benefit pension liability and taxes payment plans	2,738	3,665
	66,805	**65,057**

(1) The provision for property tax, that was previously recognised, was derecognised following a review of the Company's tax positions and the submission of the Corporation Tax return, which indicated that there was no longer a technical basis to maintain the related balance, see note 15.

(2) Corresponds to interest accrued under the Offer Letter for Debt Regularisation with CAMMESA, which established 96 monthly instalments, a 6-month grace period, increasing instalments, and an interest rate equal to 50% of the MEM reference rate. In 2024, it also included financial costs relating to the update of the provision for service quality penalties to the new tariff schedule.

Note 15 | Income tax charge

	2025 US$'000	2024 US$'000
Current tax		
Corporation tax on profit for the current year	(22,352)	(25,988)
Deferred tax		
Origination and reversal of temporary differences	430	9,954
Total tax charge	**(21,922)**	**(16,034)**

We are subject to income taxes in the jurisdictions where we operate, principally Argentina and the United Kingdom. The applicable corporate income tax rate in the United Kingdom is 25% for the years presented. However, the predominant tax effect in our consolidated financial statements arises in Argentina, where the applicable corporate income tax rate was 35% for the years ended 31 December 2025 and 2024.

Below is a reconciliation between income tax as charged to the consolidated statement of income and the amount that would have resulted from applying the United Kingdom corporate tax rate of 25% to profit before tax. The difference between the United Kingdom rate and the Argentine statutory rate of 35% applicable to our Argentine subsidiaries is reflected in the line "Corporate/Subsidiaries tax rate difference effect".

Note 15 | Income tax charge (Cont.)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2025 US$'000	2024 US$'000
Profit before taxation	**70,763**	**104,156**
Applicable tax rate	25%	25%
Result for the year at the tax rate	**(17,691)**	**(26,039)**
Unutilised- tax losses carried forward	(1,868)	(1,622)
Share of profits in associates	4,905	9,971
Other permanent differences (1):		
Change in the Tax Basis of Investments.	(3,826)	3,194
Others	2	77
Effect of IAS 29 and tax adjustment per inflation in Argentina	2,525	6,666
Corporate/Subsidiaries tax rate difference effect (2)	(5,969)	(8,281)
Income tax expense for the year	**(21,922)**	**(16,034)**

(1) Other permanent differences comprise items that are not taxable or deductible under Argentine tax law and therefore do not reverse in future periods. Change in the tax basis of investments reflects differences between the accounting and tax measurement of the Group's investments. Others mainly include adjustments to prior-year income tax returns and non-deductible expenses, such as interest on the CAMMESA payment plans.

(2) Reflects the effect of the higher income tax rate applicable to the Group's Argentine subsidiaries (35%) compared with the UK corporation tax rate (25%) applied in this reconciliation.

In addition to the amount charged to the consolidated income statement, the following amounts relating to tax have been recognised directly in other comprehensive (expense) / income:

	2025 US$'000	2024 US$'000
Deferred tax arising on:		
Actuarial differences recognised as other comprehensive expense	(72)	298

The table below shows the income tax liability reconciliation:

Income tax liability	2025 US$'000	2024 US$'000
Income tax advances and withholdings	11,568	6,397
Current income tax payable	(33,033)	(39,412)
Total (Note 25)	**(21,465)**	**(33,015)**

Through our subsidiary EDEMSA, we have submitted income tax filings for fiscal years 2021 through 2024 applying certain treatments under the Argentine income tax inflation adjustment mechanism. In applying IFRIC 23 Uncertainty over Income Tax Treatments, the principal uncertain tax treatments relate to: (i) the restatement for inflation of accumulated tax loss carry forwards and depreciation of assets acquired prior to 1 January 2018; (ii) the deferral of the positive tax inflation adjustment over three fiscal years; and (iii) the exclusion of certain liabilities owed to CAMMESA from the tax inflation adjustment calculation. The treatments described in (i) and (iii) have been adopted on the basis that their non-application would result in an effective income tax rate significantly above the statutory rate, constituting a confiscatory result inconsistent with constitutional principles, in line with the Argentine Supreme Court's ruling in Candy S.A. c/ AFIP (2009) and, more recently, Telefónica de Argentina S.A. y otro c/ EN – AFIP – DGI (Argentine Supreme Court, October 25, 2022). The treatment described in (ii) has been adopted on the basis that the minimum capital expenditure threshold established as a qualifying condition is unconstitutional as applied to EDEMSA's specific circumstances, in light of principles of equality and reasonableness under Argentine constitutional law.

Based on the accounting policy described in Note 3.15 and the legal and tax advice obtained, management has concluded that the tax authorities may not accept certain of the tax treatments described above, mainly the deferral of the positive tax inflation adjustment.

Note 16 | Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. The weighted average number of shares reflects the timing and structure of share issuances throughout the period, as follows:

- On 19 February 2025, 106,035,503 ordinary shares were redesignated as enhanced voting shares, with no change in the total number of shares in issue (Note 24); the 2024 comparative figures have been presented on the same basis. As ordinary shares are entitled to dividends of 1.2 times those payable on enhanced voting shares, profit is allocated between the two classes on that basis.
- During 2024, the Company issued 40,865,725 new ordinary shares on 28 June 2024, which were incorporated into the weighted average number of ordinary shares on a time-weighted basis from the date of issuance.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to reflect the potential dilutive effect of convertible instruments that were in issue during the year, provided they result in dilution, as follows:

- As at 31 December 2025 and 2024, the convertible loans outstanding would convert into approximately 6,676,215 and 30,052,462 ordinary shares, respectively.
- The Company has issued fixed-for-fixed warrants. Under the treasury stock method, the assumed exercise of these warrants results in an incremental number of ordinary shares of 207,910,539 in both years.

The tables below present the calculations of basic and diluted earnings per share for the years ended 31 December 2025 and 2024:

	2025	2024
Basic earnings per-share		
Net income (loss) attributable to owners of the Company	30,371	60,332
Numerator of basic earnings per share		
- Allocated net income to ordinary shares	16,264	29,019
- Allocated net income to enhanced voting shares	14,107	31,313
Ordinary shares outstanding at 1 January	101,875	61,009
Weighted effect of new shares issued on 28 June 2024	-	20,879
Weighted-average number of ordinary shares outstanding - basic	101,875	81,888
Denominator of basic earnings per share	101,875	81,888
Basic earnings per ordinary share – US$	**0.16**	**0.35**
Weighted-average number of enhanced voting Shares outstanding - basic	106,035	106,035
Basic earnings per enhanced voting share – US$	**0.13**	**0.30**
Dilutive earnings per-share		
Numerator of dilutive earnings per share	30,371	60,332
- Allocated net income to ordinary shares	23,742	47,272
- Allocated net income to enhanced voting shares	6,629	13,060
Weighted average number of ordinary shares – basic	101,875	81,888
Dilutive effect of convertible loans and warrants	214,587	237,963
Weighted average number of ordinary shares – diluted	316,462	319,851
Denominator of diluted earnings per share	316,462	319,851
Diluted earnings per ordinary share - US$	**0.08**	**0.15**
Weighted-average number of enhanced voting Shares outstanding - diluted	106,035	106,035
Diluted earnings per enhanced voting share – US$	**0.06**	**0.12**

Note 17 | Investments in associates and subsidiaries

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
Andina Electricidad S.A.	-	-	34,326	31,883
Hidroelectrica del Sur S.A.	1,496	1,740	-	-
South American Energy LLP	176,234	168,244	176,234	168,244
	177,730	**169,984**	**210,560**	**200,127**

Movements	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
At 1 January	169,984	74,742	200,127	105,976
Share of profits in associates	19,411	36,158	19,616	36,446
Other comprehensive income	95	264	95	264
Translation reserve	(12,177)	59,208	(12,177)	59,208
Exchange differences	417	(388)	2,899	(1,767)
At 31 December	**177,730**	**169,984**	**210,560**	**200,127**

In the Company's separate financial statements, the investment in Andina Electricidad S.A. is measured at cost less any accumulated impairment. At 31 December 2025, no indicators of impairment were identified, as the net assets of Andina Electricidad S.A. attributable to the Company significantly exceeded the carrying amount of the investment. The investments in SAE LLP and HDS, through which the Group holds its interests in EDENOR and HASA, respectively, are accounted for using the equity method, as described in Note 8.

Note 18 | Intangible assets

	Capiz project	Concession Asset	Total
	US$'000	US$'000	US$'000
Cost			
At 1 January 2024	**-**	**36,534**	**36,534**
Hyperinflation adjustments	-	33,690	33,690
Exchange differences	-	(7,925)	(7,925)
At 31 December 2024	**-**	**62,299**	**62,299**
Additions	1,666	-	1,666
Hyperinflation adjustments	-	13,963	13,963
Exchange differences	-	(18,039)	(18,039)
At 31 December 2025	**1,666**	**58,223**	**59,889**
Accumulated amortisation			
At 1 January 2024	**-**	**36,534**	**36,534**
Hyperinflation adjustments	-	33,690	33,690
Exchange differences	-	(7,925)	(7,925)
At 31 December 2024	**-**	**62,299**	**62,299**
Hyperinflation adjustments	-	13,963	13,963
Exchange differences	-	(18,039)	(18,039)
At 31 December 2025	-	**58,223**	**58,223**
Carrying amount			
At 31 December 2025	**1,666**	**-**	**1,666**
At 31 December 2024	**-**	**-**	**-**

Note 18 | Intangible assets (Cont.)

Concession assets

Concession assets represent the amount paid to acquire the concession rights and are comprised of the electricity distribution businesses.

Under a 1998 concession agreement, SODEMSA was awarded an exclusive right to distribute electricity in the province of Mendoza. The concession agreement is for 30 years divided into three management periods of 10 years each. On 31 January 2023, with the publication of Decree 70/23 by the Government of the Province of Mendoza, the concession period was extended for 20 additional years and so, 50 years in total.

The concession assets related to the electricity distribution business were fully impaired in previous years based on the value in use analysis carried out by the Group. At 31 December 2025, the Group assessed whether there was any indication that this impairment loss may no longer exist or may have decreased and, based on the recoverability analysis of the EDEMSA cash-generating unit described in Note 5, concluded that no reversal should be recognised, as EDEMSA's tariff framework only stabilised from 2023 and its sustainability has not yet been demonstrated over a sufficient period.

Project development rights – Capiz I and Capiz II

During the year, the Group recognised an intangible asset following the acquisition of 95% of the share capital of Trancurá Energía S.A., which holds the Capiz I and Capiz II photovoltaic solar projects. The recognised intangible asset represents the integrated development rights associated with these projects. The intangible asset has a finite useful life. As the projects are not yet available for use, no amortisation has been recognised and amortisation will commence once the projects enter commercial operation. See note 7.1 for further details.

Note 19 | Property, plant and equipment

Group	Land and buildings	Machinery and equipment (1)	Networks and power transformers	Electric networks and transformer substations	Work in progress (2)	Other assets	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Cost							
At 1 January 2024	**37,143**	**24,405**	**293,537**	**37,504**	**33,427**	**20,947**	**446,963**
Additions	-	755	-	-	32,449	2,348	35,552
Transfers	2,407	529	12,757	3,016	(18,805)	96	-
Disposals	-	-	-	-	-	(382)	(382)
Hyperinflation adjustments	34,252	22,506	270,690	34,585	30,779	19,317	412,129
Exchange adjustments	(8,058)	(5,294)	(63,677)	(8,135)	(7,241)	(4,544)	(96,949)
At 31 December 2024	**65,744**	**42,901**	**513,307**	**66,970**	**70,609**	**37,782**	**797,313**
Additions	14	1,575	14	16	60,143	1,822	63,584
Transfers	-	175	12,542	5,394	(18,111)	-	-
Disposals	-	-	-	-	-	(791)	(791)
Hyperinflation adjustments	14,736	9,616	115,051	15,010	15,815	8,468	178,696
Exchange adjustments	(19,037)	(12,423)	(148,631)	(19,391)	(20,134)	(10,939)	(230,555)
At 31 December 2025	**61,457**	**41,844**	**492,283**	**67,999**	**108,322**	**36,342**	**808,247**
Accumulated depreciation							
At 1 January 2024	**11,524**	**19,344**	**174,313**	**20,496**	-	**16,253**	**241,930**
Depreciation charge	2,100	901	10,359	1,761	-	2,100	17,221
Disposals	-	-	-	-	-	(382)	(382)
Hyperinflation adjustments	10,627	17,839	160,746	18,901	-	14,988	223,101
Exchange adjustments	(2,500)	(4,196)	(37,814)	(4,446)	-	(3,525)	(52,481)
At 31 December 2024	**21,751**	**33,888**	**307,604**	**36,712**	-	**29,434**	**429,389**
Depreciation charge	2,023	1,024	10,651	2,162	-	2,165	18,025
Disposals	-	-	-	-	-	(791)	(791)
Hyperinflation adjustments	4,875	7,596	68,945	8,228	-	6,597	96,241
Exchange adjustments	(6,298)	(9,813)	(89,069)	(10,630)	-	(8,522)	(124,332)
At 31 December 2025	**22,351**	**32,695**	**298,131**	**36,472**	-	**28,883**	**418,532**
Carrying amount							
At 31 December 2025	**39,106**	**9,149**	**194,152**	**31,527**	**108,322**	**7,459**	**389,715**
At 31 December 2024	**43,993**	**9,013**	**205,703**	**30,258**	**70,609**	**8,348**	**367,924**

(1) Includes right-of-use assets for US$0.3 million (2024 US$0.5 million) comprising a cost of US$0.4 million (2024 US$0.9 million) and accumulated depreciation of US$0.1 million) (2024 US$0.4 million).
(2) Borrowing costs capitalised to date within work in progress amount to US$16.5 million on 31 December 2025 (2024: US$9.1 million).

Note 19 | Property, plant and equipment (Cont.)

Borrowing costs of US$6.6 million (2024: US$9.1 million) have been capitalised to date to Work in progress and other assets.

The Company had no property, plant and equipment at 31 December 2025 or 31 December 2024.

Under the contracts for which the Group's electricity distribution assets were acquired and regulated, there are restrictions on the use of said assets and also obligations to maintain the relevant assets with the intention of protecting the services they provide. In addition, the Group cannot pledge the relevant assets as collateral for borrowings, except for those borrowings incurred to finance the acquisition of such assets.

The Group's assessment of the recoverability of the carrying amount of property, plant and equipment, including the key assumptions, scenarios and conclusions reached, is set out in Note 5.1.

Note 20 | Inventories

	Group	
	2025 US$'000	**2024 US$'000**
Non-current		
Raw materials and consumables	5,686	4,937
Current		
Raw materials and consumables	24,557	21,463

During the year US$8.4 million of inventory, mostly spare parts, was transferred to property, plant and equipment (2024: US$4.8 million) when these items were utilised in capital expenditure activities and met the recognition criteria for property, plant and equipment. As this transfer did not involve cash settlement at the date of capitalisation, it is presented as a non-cash transaction. In addition, US$12.8 million was transferred to cost of sales (2024: US$8.6 million) when the inventory was used. No write-down of inventories to net realisable value was required in 2025 or 2024.

Note 21 | Trade and other receivables

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
Non-current				
Amounts owed by related parties (Note 31)	553	519	556	517
Corporation tax recoverable	12	-	-	-
Other receivables	186	11	43	-
	751	**530**	**599**	**517**
Current				
Trade receivables	47,871	51,527	-	-
Less provision for impairment	(6,509)	(3,766)	-	-
	41,362	**47,761**	**-**	**-**
Amounts owed by Group undertakings (1)	-	-	2,569	2,569
Less provision for impairment (1)	-	-	(2,569)	(2,569)
Amounts owed by related parties (Note 31)	559	120	-	-
Accrued income (2)	51,050	48,730	-	-
Other receivables (3)	4,243	5,489	143	59
Guarantee fee receivable (Note 27)	3,000	-	3,000	-
Receivable from securities lending (4)	42,153	-	-	-
Prepayments (5)	12,915	8,246	589	69
	155,282	**110,346**	**3,732**	**128**
	156,033	**110,876**	**4,331**	**645**

(1) Intercompany loan receivable from Andina Electricidad Limited that has been fully provided for due to the subsidiary's financial position.
(2) Energy supplied pending billing.
(3) Non-reimbursable government grant related to FEDEI (Fondo Especial de Desarrollo Eléctrico del Interior), a federal fund intended to finance electricity infrastructure works in Argentine provinces. The amount recognised corresponds to capital expenditure already incurred and approved for reimbursement. This line also includes other taxes and social security and other debtors.
(4) On 8 April 2025, EDEMSA, entered into a securities lending agreement with Millenia Capital Casa de Bolsa S.A. ("Millenia"), a brokerage firm, under which EDEMSA lent a US dollar-denominated portfolio of marketable securities bearing interest at 2% per annum. On 9 October 2025, Millenia partially settled the arrangement, returning one security and paying all accrued interest and income to that date. On the same date, the parties agreed to extend the remaining securities up to 5 April 2026. Subsequently, the parties entered into an addendum extending the maturity of the arrangement to 31 October 2026. The borrower is obligated to return the securities in the same species and free of encumbrances, or alternatively, at their equivalent value in US dollars at the closing price of the business day prior to the return date.
(5) Advances for works, services and materials.

Movements in the provision for impairment are as follows:

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
At 1 January	**3,766**	**1,134**	**2,569**	**2,569**
Provision for receivables impairment	4,342	3,351	-	-
Receivables written off in the year	(509)	(473)	-	-
Exchange differences	(1,090)	(246)	-	-
At 31 December	**6,509**	**3,766**	**2,569**	**2,569**

Trade and other receivables are non-interest bearing and generally have a 30 to 90-day term. Due to their short maturities, the fair value of trade and other receivables approximates to their book value.

Note 21 | Trade and other receivables (Cont.)

The following tables provide information on expected credit losses related to trade receivables as of 31 December 2025 and 2024:

	Trade receivable	Allowance for expected credit losses
Balance as 12.31.2025		
Not yet due	31,921	363
Between 0 and 90	9,190	774
Between 90 and 180	1,842	898
Between 180 and 270	1,034	736
Between 270 and 365	1,032	947
More than 365	2,852	2,791
	47,871	**6,509**

	Trade receivable	Allowance for expected credit losses
Balance as 12.31.2024		
Not yet due	36,838	415
Between 0 and 90	10,833	785
Between 90 and 180	1,688	760
Between 180 and 270	789	554
Between 270 and 365	489	442
More than 365	890	810
	51,527	**3,766**

The aging analysis of these trade and other receivables is as follows:

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
No more than 3 months	108,975	110,262	4,331	646
More than 3 months but not more than 6 months	43,680	297	-	-
More than 6 months but not more than 9 months	1,720	181	-	-
More than 9 months but not more than 12 months	1,506	9	-	-
More than 12 months but not more than 15 months	152	127	-	-
Total trade and other receivables	**156,033**	**110,876**	**4,331**	**646**

Sensitive analysis of the allowance for impairment of trade receivables:

- 5% increase in the uncollectibility rate estimate

	2025 US$'000	2024 US$'000
Allowance	6,509	3,766
Variation	325	188

- 5% decrease in the uncollectibility rate estimate

	2025 US$'000	2024 US$'000
Allowance	6,509	3,766
Variation	(325)	(188)

Note 22 | Financial instruments

The following tables analyse the carrying amounts of financial assets and liabilities by category and by level of the fair value hierarchy:

	Group			Company		
Financial assets	**Amortised cost**	**FVPL (Level 1)**	**Total**	**Amortised cost**	**FVPL (Level 1)**	**Total**
	2025	**2025**	**2025**	**2025**	**2025**	**2025**
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Trade and other receivables (1)	137,052	-	137,052	599	-	599
Cash and cash equivalents	40,534	64,830	105,364	3,846	-	3,846
Financial assets at amortised cost (2)	37,619	-	37,619	-	-	-
Financial assets at fair value through profit or loss (3)	-	89,694	89,694	-	-	-
Total financial assets	**215,205**	**154,524**	**369,729**	**4,445**	**-**	**4,445**

	Group			Company		
Financial assets	**Amortised cost**	**FVPL (Level 1)**	**Total**	**Amortised cost**	**FVPL (Level 1)**	**Total**
	2024	**2024**	**2024**	**2024**	**2024**	**2024**
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Trade and other receivables (1)	101,420	-	101,420	576	-	576
Cash and cash equivalents	9,273	26,437	35,710	5,942	-	5,942
Financial assets at fair value through profit or loss	-	110,222	110,222	-	11	11
Total financial assets	**110,693**	**136,659**	**247,352**	**6,518**	**11**	**6,529**

(1) Excludes tax receivables and prepayments to suppliers.
(2) Financial assets at amortised cost comprise short-term investments in promissory notes traded on the Argentine capital market.
(3) Financial assets at fair value through profit or loss comprise investments in Argentine and foreign government and corporate securities, denominated in Argentine pesos and US dollars.

Note 22 | Financial instruments (Cont.)

The following tables analyse the carrying amounts of financial assets and liabilities by category and by level of the fair value hierarchy:

	Group			Company		
Financial liabilities	**Amortised cost**	**FVPL (Level 1)**	**Total**	**Amortised cost**	**FVPL (Level 1)**	**Total**
	2025	**2025**	**2025**	**2025**	**2025**	**2025**
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Borrowings	249,557	8,241	257,798	4,479	8,241	12,720
Lease liabilities	159	-	159	-	-	-
Trade and other payables	121,894	-	121,894	6,560	-	6,560
Total financial liabilities	**371,610**	**8,241**	**379,851**	**11,039**	**8,241**	**19,280**

	Group			Company		
Financial liabilities	**Amortised cost**	**FVPL (Level 1)**	**Total**	**Amortised cost**	**FVPL (Level 1)**	**Total**
	2024	**2024**	**2024**	**2024**	**2024**	**2024**
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Borrowings	86,628	6,356	92,984	2,846	6,356	9,202
Lease liabilities	293	-	293	-	-	-
Trade and other payables	170,689	-	170,689	801	-	801
Total financial liabilities	**257,610**	**6,356**	**263,966**	**3,647**	**6,356**	**10,003**

Note 23 | Cash and cash equivalents

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
Cash at bank and in hand	40,534	9,273	3,846	5,942
Short term deposits	64,830	26,437	-	-
	105,364	**35,710**	**3,846**	**5,942**

Note 24 | Equity

Note 24.1 | Share capital and share premium

The table below presents the composition of the Company's capital, indicating the date and type (Share Capital, Share Premium and Preference Share Capital) of each issuance, showing the amounts at 31 December 2025 and 31 December 2024:

	As of 31 December 2025	As of 31 December 2024
Ordinary shares – issued and fully paid	14,387	29,442
Enhanced Voting Shares – issued and fully paid	15,055	-
Share premium	12,455	12,455
Preferred shares – issued and fully paid	78	78
Total Share capital and share premium	**41,975**	**41,975**

Treasury shares:

There were no shares held in treasury as of 31 December 2025 and 2024.

Voting and Dividends:
Ordinary shares are entitled to 1 vote per share and qualify for dividends, when and if declared by our Board of Directors.

In 2024, we issued new ordinary shares in two separate transactions:

Formalisation of the 2021 securities loan (Related parties):

On 28 June 2024, we issued ordinary shares to settle and formalise the securities loan agreement originally entered into in 2021 with Brie International Development Corp, Mezzo Trading International Inc., and Stanhope Worldwide Services Inc. The agreement had previously been classified as an equity instrument within other reserves and, upon issuance of the ordinary shares, was settled and reclassified to share capital and share premium. This transaction increased our share capital by US$1.2 million and our share premium by US$1.0 million. All counterparties involved are related parties.

Conversion of CROSGO Trading Ltd loan:

On 18 April 2024, we entered into a settlement agreement with CROSGO Trading LTD. As of the date of the agreement, the carrying amount of the related financial liability was US$21.4 million. In accordance with the terms of the agreement, the liability was settled through the issuance of ordinary shares on 28 June 2024, resulting in increases of US$3.8 million in share capital and US$3.8 million in share premium. As the carrying amount of the liability differed from its fair value at the settlement date, an equity reserve of US$13.8 million was recognised.

Note 24 | Equity (Cont.)

Note 24.1 | Share capital and share premium

Conversion of Ordinary Shares into Enhanced Voting Shares

On 6 January 2025, the Board of Directors resolved to offer existing shareholders the opportunity to convert their ordinary shares into a new class of enhanced voting shares on a one-for-one basis (the "Proposal"). On 24 January 2025, shareholders approved the Proposal at a General Meeting by special resolution, including the adoption of new articles of association incorporating the rights and restrictions of the enhanced voting shares.

The election period expired on 10 February 2025. On 19 February 2025, the Board of Directors approved the redesignation of 106,035,503 ordinary shares as enhanced voting shares. Following the conversion, the Company's issued share capital comprised 101,875,036 ordinary shares and 106,035,503 enhanced voting shares, totalling 207,910,539 shares. The redesignation did not result in the issuance of new shares, the receipt of any consideration, or any change in the aggregate nominal value of the Company's issued share capital. Accordingly, no movement in share capital or share premium was recorded in connection with this transaction.

The Enhanced Voting Shares differ from the Ordinary Shares as follows: each Ordinary Share carries one vote, while each Enhanced Voting Share carries ten votes, on all matters submitted to shareholders. The two classes rank pari passu in respect of dividends, except that holders of Ordinary Shares are entitled to receive 1.2 times the dividend per share payable to holders of Enhanced Voting Shares. On a winding-up, both classes rank pari passu: each holder first receives an amount equal to the capital paid up on their shares, with any residual surplus distributed pro rata between both classes based on the number of shares held. Holders of Enhanced Voting Shares are subject to a restriction on the transfer of their shares until the earlier of 10 February 2027 (the second anniversary of the conversion) or the completion of an initial public offering of the Company.

Note 24.2 | Reserves

Note 24.2.1 | Merger reserve

The merger reserve arose following the demerger of Andes Energía Plc on 11 July 2012. The demerger involved a capital reorganisation and reduction of Andes Energía Plc’s share capital and share premium, and the capitalisation of its reserves. In exchange for the utility business, Andina Energies Plc (formerly Andina Plc) issued ordinary shares and warrants to Andes shareholders.

Note 24.2.2 | Translation reserve

The translation reserve results from exchange differences arising from the translation of the assets and liabilities of the Group’s operations into the presentation currency at exchange rates prevailing at the reporting date, and income and expense items at the average exchange rates for the reporting year.

Note 24.2.3 | Retained earnings / (accumulated losses)

The retained earnings / (accumulated losses) include all other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

Note 24 | Equity (Cont.)

Note 24.2 | Reserves (Cont.)

Note 24.2.4 | Other reserve

The other reserve comprises the following:

- **Securities loan arrangement:** US$ 2.2 million originated from a 2021 securities loan agreement with Brie International Development Corp, Mezzo Trading International Inc. and Stanhope Worldwide Services Inc. The agreement had been classified as an equity instrument within other reserves, as existing shares were temporarily made available to enable the Company to fulfil its commitment to deliver shares before issuing new shares and the Company had no contractual obligation to repay the funds in cash or another financial asset, the obligation being settled through the issuance of a fixed number of its own ordinary shares. The related agreement was derecognised upon the issuance of ordinary shares in June 2024, as described in note 24.1.

- **Warrant issuance:** A reserve was recognised in 2024 in connection with the issuance of fixed-for-fixed warrants. The programme was offered to all existing shareholders on a pro-rata basis (one warrant per ordinary share held, totalling 207,910,539 warrants available for subscription). The purpose of the programme was to provide shareholders with the opportunity to further participate in the Company's growth by subscribing for warrants that entitle the holder to acquire one ordinary share at a fixed exercise price of £0.20.

  The Company received a payment of £0.02 per warrant subscribed (totalling US$ 5.2 million), resulting in the recognition of a reserve within equity. All warrants offered under the programme were subscribed for by shareholders. At the date of subscription, no shares were issued and the Company has no obligation to deliver cash or another financial asset. No warrants had been exercised as at 31 December 2025 and no movements have occurred in this reserve since initial recognition. As at the date of issuance of these consolidated financial statements, no warrants have been exercised.

- **Loan conversion reserve:** A reserve was recognised in 2024 following the settlement agreement with Crosgo Trading LTD, under which a financial liability was settled through the issuance of equity instruments. The equity recognised in connection with this transaction comprised share capital, share premium and an equity reserve of US$13.8 million, which is non-distributable. No movements have occurred in this reserve during the year ended 31 December 2025, and the balance remains unchanged as at the reporting date and at the date of issuance of these consolidated financial statements.

The movement in other reserve of US$16.8 million presented in the 2024 statement of changes in equity comprises the loan conversion reserve (US$13.8 million) and the warrant issuance reserve (US$5.2 million), net of the derecognition of the securities loan arrangement (US$2.2 million).

Note 24.3 | Accumulated other comprehensive income/ (expense)

This section includes the share of other comprehensive income of SAE, the Group's associate, comprising:

- The translation reserve, which arises from exchange differences on the translation of the assets and liabilities of SAE's operations into the Group's presentation currency at the exchange rates prevailing at the reporting date, and income and expense items translated at average exchange rates for the year; and

- Actuarial gains and losses on defined benefit plans, recognised in accordance with IAS 19 Employee Benefits, which reflect changes in actuarial assumptions and experience adjustments during the year.

Note 25 | Trade and other payables

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
Non-current				
Tax liabilities (1)	20,825	19,489	-	-
Amounts owed to associates	1,273	1,218	65	-
Other payables (3)	16,103	16,312	-	-
	38,201	**37,019**	**65**	**-**
Current				
Trade payables	48,547	61,361	378	162
Guarantee fee payable (Note 27)	2,973	-	2,973	-
Taxation and social security (2)	62,859	61,875	-	-
Government payables related to compensation funds	3,325	3,812	-	-
Other payables (3)	5,993	1,559	-	-
Accrued expenses	28,097	24,552	3,144	639
	151,794	**153,159**	**6,495**	**801**

(1) Tax liabilities represent income tax liabilities for which the timing of payment is not yet known. The balances as of 31 December 2024 have been reclassified for comparative purposes from deferred tax liability to non-current trade and other payables, to group with other amounts payable to tax authorities. The reclassification has no impact on total liabilities, equity, profit or loss or cash flow.

(2) Taxation and social security: comprise salaries and benefits payable of US$12.7 million (2024: US$12.8 million), other payables of US$15.9 million (2024: nil), income tax liabilities of US$21.5 million (2024: US$33.0 million) and other tax liabilities of US$12.8 million (2024: US$16.1 million)

(3) Other payables:

- Current balances comprise amounts owed to related parties of US$3.8 million (2024: nil) (Note 31), the current portion of the CAMMESA payment plan of US$2.2 million (2024: US$1.4 million) and other payables of US$ nil (2024: US$0.2 million).
- Non-current balances comprises the non-current portion of the CAMMESA payment plan of US$15.4 million (2024: US$16.3 million) and other payables of US$0.7 (2024: nil).

Trade payables (except amounts due to CAMMESA) are non-interest bearing and generally have a 30 to 90-day term. Due to their short maturities, the fair value of trade payables approximates to their book value. Amounts owed to associates correspond to balances payable to HDS (Note 31), which accrue interest at an annual rate of 7% and do not have additional specific terms or conditions.

Note 26 | Borrowings

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
Non-current:				
Corporate Notes	167,835	55,624	-	-
Other borrowings from related parties (Note 31)	10,239	6,445	3,213	3,148
Other borrowings	9,587	6,048	9,507	5,952
	187,661	**68,117**	**12,720**	**9,100**
Current:				
Corporate Notes	69,304	24,018	-	-
Short-term financing arrangements	833	747	-	-
Other borrowings	-	102	-	102
	70,137	**24,867**	-	**102**
	257,798	**92,984**	**12,720**	**9,202**

Movement in borrowings is analysed as follows:

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
At 1 January	92,984	35,629	9,202	23,445
Proceeds from borrowings	186,253	82,222	2,554	785
Accrued interest (1)	34,664	22,719	229	(777)
Convertible borrowings	1,703	6,969	1,703	6,969
Debt-for-equity conversion	-	(7,627)	-	(7,627)
Other reserve	-	(13,722)	-	(13,722)
Repayments of borrowings (including interest)	(38,412)	(20,572)	(969)	-
Purchases of own Corporate Notes	(353)	-	-	-
Exchange difference and conversion	(19,041)	(12,634)	1	129
At 31 December	**257,798**	**92,984**	**12,720**	**9,202**

(1) Includes US$7.4 million of interest capitalised within property, plant and equipment related to the Corporate Notes (2024: US$4.8 million).

Note 26.1 | Corporate Notes

On 23 August 2023, the Argentine Securities Commission (Comisión Nacional de Valores ("CNV")), authorised EDEMSA to establish a Global Programme for the issuance of simple, non-convertible Corporate Notes, up to a maximum aggregate amount of US$80 million.

On 28 April 2025, the Argentine Securities and Exchange Commission (CNV) approved an increase in EDEMSA's Global Corporate Notes Programme, raising its limit to US$400 million or its equivalent in other currencies and/or units of value. In this context, on 12 May 2025, EDEMSA issued Additional Class 3 and Class 5 Corporate Notes; on 28 July 2025, it issued Class 6 Corporate Notes; and on 18 December 2025, it issued Additional Class 3 and Class 7 Corporate Notes.

Note 26 | Borrowings (Cont.)

Note 26.1 | Corporate Notes (Cont.)

Under this programme, EDEMSA carried out the following issuances during 2024 and 2025:

- On 6 May 2024, EDEMSA issued:
  - Class 1 Corporate Notes, denominated in UVA, subscribed and funded in Argentine pesos at the initial UVA value and payable in Argentine pesos at the applicable UVA value, bearing a fixed interest rate of 5%, with an aggregate principal amount of UVA 31,928,347 (equivalent to ARS 28,432 million at the initial UVA value), maturing on 6 May 2026, and with quarterly interest payments (the first interest payment date being 6 August 2024).
  - Class 2 Corporate Notes, denominated and payable in Argentine pesos, bearing a variable interest rate equal to the BADLAR rate (private banks) plus a margin of 7%, with an aggregate principal amount of ARS 6,607 million, maturing on 6 May 2026, and with quarterly interest payments (the first interest payment date being 6 August 2024). The principal and interest of Class 2 Corporate Notes were fully repaid at maturity.
- On 29 November 2024, EDEMSA issued:
  - Class 3 Corporate Notes, denominated, subscribed and payable in US dollars within Argentina, bearing a fixed interest rate of 8%, with an aggregate principal amount of US$16,1 million, maturing on 29 November 2027, and with semi-annual interest payments (the first interest payment date being 29 May 2025).
  - Class 4 Corporate Notes, denominated and payable in Argentine pesos, bearing a variable interest rate equal to the BADLAR rate (private banks) plus a margin of 7%, with an aggregate principal amount of ARS 17,046 million, maturing on 29 November 2025, and with quarterly interest payments (the first interest payment date being 1 March 2025). The principal and interest of Class 4 Corporate Notes were fully repaid at maturity.
- On 12 May 2025, EDEMSA issued:
  - Additional Class 3 Corporate Notes, denominated, subscribed, funded and payable in US dollars within Argentina, bearing a fixed nominal annual interest rate of 8.00%, with an aggregate principal amount of US$12.3 million, and maturing on 29 November 2027. These Notes are listed on Bolsas y Mercados Argentinos S.A. (BYMA).
  - Class 5 Corporate Notes, denominated, subscribed, funded and payable in Argentine pesos, bearing a variable interest rate equal to the TAMAR rate (the wholesale deposit rate published by the Central Bank of Argentina), plus a margin of 7.00%, with an aggregate principal amount of ARS 14,0 million, maturing on 12 May 2026, and with quarterly interest payments. These Notes are also listed on BYMA.

Note 26 | Borrowings (Cont.)

Note 26.1 | Corporate Notes (Cont.)

Under this programme, EDEMSA carried out the following:

- On 28 July 2025, EDEMSA issued:

  - Class 6 Corporate Notes at an issue price of 92.93% of their nominal value, with an aggregate principal amount of US$150 million, denominated, subscribed, funded and payable in US dollars. The Corporate Notes bear a step-up fixed interest rate, equal to 9.75% until 28 July 2029, 10.75% until 28 July 2030, and 11.75% until their final maturity on 28 July 2031, with semi-annual interest payments commencing on 28 January 2026. The principal amount will be amortised in three equal annual instalments beginning in 2029. The Corporate Notes were issued pursuant to Rule 144A and Regulation S under the U.S. Securities Act of 1933, and are listed on the Luxembourg Stock Exchange (Euro MTF Market), as well as on BYMA and A3 Mercados S.A. The main covenants undertaken in connection with this issuance are as follows:

    - Limitation on indebtedness: additional indebtedness may be incurred provided that no default has occurred and EDEMSA's leverage ratio does not exceed 3.50 to 1.00 for transactions occurring prior to 1 January 2027, and 3.00 to 1.00 for transactions occurring on or after that date. Notwithstanding the foregoing, no additional indebtedness may be incurred if the total indebtedness of EDEMSA and its restricted subsidiaries exceeds the lower of: (i) US$330 million; or (ii) 3.0 times EBITDA for the most recently ended period of four consecutive fiscal quarters.
    - Transactions with affiliates: restricted unless conducted on arm's length terms.
    - Limitation on restricted payments: EDEMSA shall not, and shall not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, take any of the following actions (each, a "Restricted Payment"): (i) declare or pay dividends; (ii) purchase, redeem, acquire or retire for value any Equity Interests of EDEMSA or any of its Restricted Subsidiaries; (iii) pay, redeem, repurchase, prepay, defease or otherwise acquire or retire for value, or make any payment in respect of, any Subordinated Indebtedness; and (iv) make any Investment, other than Permitted Investments.

      Unless certain specific conditions are met, including: (i) no default has occurred; (ii) the maintenance of a cash balance of at least US$ 60 million (the "Minimum Cash Balance") and a leverage ratio not exceeding 2.00 to 1.00; or (iii) the aggregate amount does not exceed the sum of (A) 25% of cumulative consolidated net income, plus (B) 100% of the aggregate net cash proceeds received by EDEMSA.

      Notwithstanding the foregoing, restricted payments are permitted up to an aggregate amount of 10% of EDEMSA's consolidated tangible assets, provided that restricted payments in any fiscal year do not exceed 2% of consolidated tangible assets and the minimum cash balance is maintained after any such payment.

    - Limitations on mergers, consolidations, sales and conveyances.

    EDEMSA was required to deliver to the trustee, in each fiscal year and in the second fiscal quarter, a certificate evidencing compliance with these covenants. As described in Note 37, on 11 June 2026, following the repurchase of 84.10% of the outstanding principal amount of the Class 6 Corporate Notes, EDEMSA executed a supplemental indenture eliminating the restrictive covenants described above and certain affirmative covenants, with effect for the entire Class 6 Corporate Notes. No breaches of these covenants occurred while they were in force.

Note 26 | Borrowings (Cont.)

Note 26.1 | Corporate Notes (Cont.)

Under this programme, EDEMSA carried out the following:

- On 18 December 2025, EDEMSA issued:

- Additional Class 3 Corporate Notes, denominated, subscribed, funded and payable in US dollars within Argentina, bearing a fixed nominal annual interest rate of 8.00%, with an aggregate principal amount of US$5.2 million, and maturing on 29 November 2027. These Notes are listed on Bolsas y Mercados Argentinos S.A. (BYMA).

- Class 7 Corporate Notes, denominated, subscribed, funded and payable in Argentine pesos, bearing a variable interest rate equal to the TAMAR rate (private banks) plus a margin of 6.5%, with an aggregate principal amount of ARS 22,400 million, maturing on 18 December 2031, and with quarterly interest payments (the first interest payment date being 18 March 2026).

As of 31 December 2025, and 2024, the outstanding balance of the Corporate Notes, measured at amortised cost, amounted to US$237.1 million and US$79.6 million, respectively, and are presented under “Borrowings”, classified between current and non-current in accordance with their respective maturities. The related interest expense has been recognised in “Finance costs” within “Interest on borrowings” in the consolidated statement of income.

Note 26 | Borrowings (Cont.)

Note 26.1 | Corporate Notes (Cont.)

Details of the Corporate Notes issued are set out below:

Class	Issue date	Currency	Amount issue (in original currency '000)	Interest rate	Maturity date	Interest payment	2025 US$'000	2024 US$'000
1	6/5/2024	AR$	31,928	UVA + 5%	6/5/2026	quarterly	37,479	40,220
2	6/5/2024	AR$	6,607,014	BADLAR + 7%	6/5/2025	quarterly	-	6,825
3	29/11/2024	US$	16,588	8%	29/11/2027	semi-annual		
3 ad.	12/5/2025	US$	12,333	8%	29/11/2027	semi-annual	33,261	15,853
3 ad.	18/12/2025	US$	5,158	8%	29/11/2027	semi-annual		
4	29/11/2024	AR$	17,045,539	BADLAR + 7%	29/11/2025	quarterly	-	16,744
5	12/5/2025	AR$	14,000	Tamar + 7%	12/5/2026	quarterly	10,153	-
6	28/7/2025	US$	150,000	Incremental (1)	Repayable in three instalments (1)	semi-annual	140,908	-
7	18/12/2025	AR$	22,400,096	Tamar + 6.5%	18/12/2031	quarterly	15,338	-
TOTAL							**237,139**	**79,642**

(1) Class 6 notes bear an incremental interest rate of 9.75% until July 2029, increasing to 10.75% until July 2030 and 11.75% thereafter until maturity in July 2031. Principal is repayable in three instalments: 33.33% in July 2029, 33.33% in July 2030 and 33.34% in July 2031.

All scheduled payments had been made in full as at the reporting date.

Note 26 | Borrowings (Cont.)

Note 26.2 | Other borrowings

Lender	Convertible	Currency	Interest Rate	Maturity Date	Valuation Method	2025 FV US$'000	2025 Capital US$'000	2025 Interest US$'000	2025 Total US$'000	2024 FV US$'000	2024 Capital US$'000	2024 Interest US$'000	2024 Total US$'000
Trench Energy Consulting SRL	No	AR$	BADLAR + 5%	12/31/2028	AC[1]	-	22	58	80	-	22	74	96
Interoil Exploration and Production	No	US$	-	12/31/2028	AC[1]	-	102	-	102	-	102	-	102
Crosgo Trading LTD	Yes	US$	8%	12/31/2028	AC & FV[1]	-	1,000	28	1,028	-	-	-	-
Jenkins & Keane LLC	Yes	US$	8%	12/31/2028	AC & FV[1]	4,827	627	(491)	4,963	3,166	627	(447)	3,346
Fedmul S.A.	Yes	US$	4%	12/31/2028	AC & FV[1]	3,414	-	-	3,414	2,439	73	94	2,606
Total Group									**9,587**				**6,150**
Interoil Exploration and Production	No	US$	-	12/31/2028	AC[1]	-	102	-	102	-	102	-	102
Jenkins & Keane LLC	Yes	US$	8%	12/31/2028	AC & FV[1]	4,827	627	(491)	4,963	3,166	627	(447)	3,346
Fedmul S.A.	Yes	US$	4%	12/31/2028	AC & FV[1]	3,414	-	-	3,414	2,439	73	94	2,606
Crosgo Trading LTD	Yes	US$	8%	12/31/2028	AC & FV[1]	-	1,000	28	1,028	-	-	-	-
Total Company									**9,507**				**6,054**

Note 26.3 | Other borrowings from related parties

Lender	Convertible	Currency	Interest Rate	Maturity Date	Valuation Method	2025 FV US$'000	2025 Capital US$'000	2025 Interest US$'000	2025 Total US$'000	2024 FV US$'000	2024 Capital US$'000	2024 Interest US$'000	2024 Total US$'000
EDELCOS S.A.	No	US$	9.75%	12/31/2028	AC[1]	-	1,149	472	1,621	-	1,149	361	1,510
Integra Capital S.A.	No	AR$	48%	12/31/2028	AC[1]	-	331	44	375	-	18	12	30
Integra Capital S.A.	No	AR$	BADLAR + 7%	12/31/2028	AC[1]	-	1,298	502	1,800	-	-	-	-
Magnus Argentina S.A.	No	AR$	BADLAR + 4%	12/31/2029	AC[1]	-	2,490	445	2,935	-	1,038	357	1,395
Magnus Argentina S.A.	No	US$	8%	12/31/2029	AC[1]	-	1,062	182	1,244	-	1,062	94	1,156
Neil Bleasdale (Director)	No	US$	8%	12/31/2029	AC[1]	-	1,424	50	1,474	-	1,536	-	1,536
Magnus Argentina S.A.	Yes	US$	8%	12/31/2028	AC & FV[1]	-	701	89	790	751	124	(57)	818
Total Group									**10,239**				**6,445**
EDELCOS S.A.	No	US$	9.75%	12/31/2028	AC[1]	-	1,149	472	1,621	-	1,149	361	1,510
Andina Electricidad S.A.	No	US$	US Prime+0.5%	31/12/2028	AC & FV[1]	-	785	17	802	-	785	35	820
Magnus Argentina S.A.	Yes	US$	8%	12/31/2028	AC & FV[1]	-	701	89	790	751	124	-57	818
Total Company									**3,213**				**3,148**

(1) AC means Amortised cost and FV means Fair value. The amounts measured at fair value correspond to the conversion options embedded in the convertible loans which are separated from the host debt and accounted for as derivative financial liabilities at fair value through profit or loss (Note 3).

Note 26 | Borrowings (Cont.)

Note 26.4 | Short-term financing arrangements

In 2024, the Group obtained US$0.7 million through the discounting of deferred payment cheques with Global Valores, an Argentine brokerage firm. As of 31 December 2025, the Group had US$0.8 million in deferred payment cheques discounted with Global Valores. These instruments had maturities of up to 30 days and bore an annual effective interest rate of 120%.

Note 27 | Guarantees

On 22 December 2025, a related party to a significant shareholder of Andina (“the acquiring entity”) entered into an acquisition transaction with an unrelated third party. As part of the transaction, the acquiring entity was required to provide security in respect of certain deferred payment obligations. Accordingly, Andina issued an irrevocable and unconditional corporate guarantee in favour of the third party, securing deferred payment obligations of up to US$60 million. In consideration for issuing the guarantee, the Company is entitled to receive a contractual fee of US$3 million from the acquiring entity.

To partially mitigate its exposure under the corporate guarantee, the Company obtained an irrevocable and unconditional personal guarantee from José Luis Manzano (Andina´s significant shareholder) for a maximum amount of US$40 million. In consideration for this guarantee, the Company will pay a contractual fee of US$2 million, recognised over the term of the guarantee.

The corporate guarantee is accounted for as a financial guarantee contract in accordance with IFRS 9 and is recognised as a financial liability. Accordingly, the Group recognised, on initial recognition, a financial guarantee liability of US$3 million, representing the fair value of the guarantee based on the contractual fee receivable from the acquiring entity. The personal guarantee received is not recognised as a financial asset, as it does not give rise to an unconditional right to receive cash.

As of 31 December 2025, the Group's maximum exposure under the corporate guarantee amounted to US$60 million, partially mitigated by the personal guarantee received for US$40 million, resulting in a net maximum exposure of US$20 million. The corporate guarantee remains in force until 22 December 2026. No guarantee claims, defaults or calls occurred during the reporting period, and no collateral has been pledged or received in connection with these guarantee arrangements.

Note 28 | Deferred tax liability

The following are the major deferred tax liabilities and assets recognised by the Group and Company, and movements thereon:

Group	Deferred tax Assets 2025	Deferred tax Assets 2024	Deferred tax Liabilities 2025	Deferred tax Liabilities 2024	Total 2025	Total 2024
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Provision for bad debt	2,111	1,249	-	-	2,111	1,249
Provision for accrued interest payable	8,360	6,089	-	-	8,360	6,089
Employee benefits	2,214	2,166	-	-	2,214	2,166
Carry forward losses (1)	-	-	-	-	-	-
Other	13	95	(1,918)	-	(1,905)	95
Non-current assets	-	-	(98,190)	(105,783)	(98,190)	(105,783)
Borrowings	-	-	(2,502)	(391)	(2,502)	(391)
Net deferred tax asset / (liability)	**12,698**	**9,599**	**(102,610)**	**(106,174)**	**(89,912)**	**(96,575)**

(1) The deferred tax asset arising from accumulated tax losses recognised by the Group as of 31 December 2025 amounts to US$ 2.6 million, relating to specific tax loss carryforwards of our Argentine subsidiaries, and is presented net of valuation allowances based on estimates of future taxable profits within the legally established periods. Tax losses for which no deferred tax asset has been recognised expire between 2026 and 2029.

The Company has no deferred tax assets or liabilities in the current year or prior year.

Reclassification of comparative information
For comparative purposes, the 2024 amounts relating to income tax liabilities for which the timing and amount are not yet certain (US$19.5 million) have been reclassified from deferred tax liability to non-current trade and other payables, to group with other amounts payable to tax authorities. The reclassification has no impact on total liabilities, equity, profit or loss or cash flow. Refer to Note 25.

Note 28 | Deferred tax liability (Cont.)

Movements in deferred tax liabilities

	Provision for bad debt	Provision charges	Employee Benefits	Carry forward losses	Other	Borrowings	Non-current assets	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 1 January 2024	**341**	**(1,433)**	**1,184**	**277**	**(2,331)**	**31**	**(60,716)**	**(62,647)**
Credit/(Charge) to the profit or loss	668	8,533	(153)	(634)	4,231	(443)	(2,248)	9,954
Credit to employee benefits - others results integral	-	-	298	-	-	-	-	298
Hyperinflation effect	314	(1,322)	1,093	417	(2,311)	29	(55,990)	(57,770)
Exchange differences	(74)	311	(256)	(60)	506	(8)	13,171	13,590
At 31 December 2024	**1,249**	**6,089**	**2,166**	**-**	**95**	**(391)**	**(105,783)**	**(96,575)**
Credit/(Charge) to the profit or loss	943	(374)	262	-	1,057	(2,193)	735	430
Credit to employee benefits - others results integral	-	-	(72)	-	-	-	-	(72)
Hyperinflation effect	280	3,156	486	-	(4,147)	(31)	(23,710)	(23,966)
Exchange differences	(361)	(511)	(628)	-	1,090	113	30,568	30,271
At 31 December 2025	**2,111**	**8,360**	**2,214**	**-**	**(1,905)**	**(2,502)**	**(98,190)**	**(89,912)**

Note 29 | Provisions

The following table shows the provisions recognised by the Group. The Company had no provisions as at 31 December 2025 or 2024.

	2025	2024
	US$'000	US$'000
Fines	18,763	31,154
Legal claims	562	424
	19,325	**31,578**
Non-current	142	107
Current	19,183	31,471
	19,325	**31,578**

Movements in provisions

The movements in provisions during the year are detailed below. These relate entirely to Group entities, with no changes or balances recorded at the Company level.

	Fines	Legal claims	Total
	US$'000	US$'000	US$'000
At 1 January 2025	**31,154**	**424**	**31,578**
Additional provisions in the year	11,625	578	12,203
Used/paid during the year	(14,995)	(317)	(15,312)
Exchange difference	(9,021)	(123)	(9,144)
At 31 December 2025	**18,763**	**562**	**19,325**

	Fines	Legal claims	Total
	US$'000	US$'000	US$'000
At 1 January 2024	6,779	347	7,126
Additional provisions in the year	34,362	378	34,740
Used/paid during the year	(8,516)	(225)	(8,741)
Exchange difference	(1,471)	(76)	(1,547)
At 31 December 2024	**31,154**	**424**	**31,578**

Fines
EDEMSA's activities are regulated by the provincial authority, Ente Provincial Regulador Eléctrico (EPRE), which oversees tariff approvals and monitors the quality of technical and commercial services, as well as compliance with public safety regulations, as established in the Concession Agreement. Non-compliance with these obligations may lead to the imposition of penalties. As of the reporting date, EDEMSA has US$18.8 million (2024: US$31.2 million) owing in EPRE penalties, of which US$0.4 million (2024: US$5.3 million) corresponds to amounts already payable to EPRE. The remaining US$18.4 million (2024: US$25.9 million) represents management's best estimate of the remaining economic outflow.

Legal claims
This provision relates to legal claims arising in the ordinary course of business, including customer complaints, lawsuits and other proceedings in which third parties are seeking compensation for alleged damages or losses. These matters are expected to crystallise under different timelines after the reporting date. In the opinion of management, supported by appropriate legal advice, the risk of any additional loss exceeding the amounts provided is considered remote.

In management's opinion, after receiving appropriate legal advice, the outcome of these claims is unlikely to result in a significant loss in excess of the amounts provided.

Note 30 | Benefit plans

The Group operates defined benefit plans in Argentina. These plans arise from the collective bargaining agreement applicable to the electricity industry, which is binding on the Group under Argentine labour legislation

Long term benefits for years of service

This represents the accrued benefits to be paid to employees covered by the collective bargaining agreement for the industry labour union, that have completed twenty, twenty-five, thirty, and thirty-five years of service. This is paid in the form of a special remuneration equivalent to the monthly salary in the month that the year of service conditions are met. This amount doubles when the employee reaches forty years of service.

The Group does not have any assets related to long term benefits for years of service.

Long term benefits for retirement or disability

The Group operates a defined benefit plan. This represents accrued benefits to be paid to employees covered by the collective bargaining agreement for the industry labour union, for staff reaching retirement age or retiring as a result of disability prior to this. All such employees who have at least five years of service with the Group are entitled to this benefit. Employees are paid a bonus equivalent to ten months of their last monthly salary. This benefit is increased by two percent for each year of service exceeding the first five years.

These benefits are valued according to the actuarial method of the projected unit credit. The Group estimates the future outcome of certain variables that affect the value of the liability, including the rate of inflation, salary increases and changes in mortality rates. The amounts calculated are discounted using a discount rate that reflects the time value of money and the specific risks to the cash flows considered. The current service cost and the net interest on the defined benefit obligation are recognised in administrative expenses, while actuarial gains and losses arising from changes in assumptions or experience adjustments are recognised in Other Comprehensive Income (OCI).
The Group does not have any assets related to long term benefits for retirement or disability.

The main assumptions used in the calculation are the discount rate and the expected salary increase. The actual rate used to discount the obligations of these benefits was determined by reference to the market yield (at the reporting date) of the National Government's bonds. The salary increased rate responds to the historical evolution of it.

Key assumptions	**2025 %**	**2024 %**
Discount rate	15.5	15.5
Expected rate of salary increases	9	9

Amounts recognised in the income statement	**2025 US$'000**	**2024 US$'000**
Current service cost	653	1,710
Net interest on net defined benefit liability	1,782	2,263
Total costs	**2,435**	**3,973**

Amounts taken to other comprehensive income/(expense)	**2025 US$'000**	**2024 US$'000**
Actuarial changes related to obligations [(1)]	(100)	(865)

[(1)] It includes a loss of US$0.1 million (2024: loss of US$1.1 million) from EDEMSA and nil (2024: gain of US$0.2 million) from SAE.

Note 30 | Benefit plans (Cont.)

The amounts included in the statement of financial position arising from obligations in respect of defined benefit plans are as follows:

	2025 US$'000	2024 US$'000
Present value of defined benefit obligations	6,327	6,189
Deficit in scheme	**6,327**	**6,189**

Movements in the present value of defined benefit obligations	2025 US$'000	2024 US$'000
Liabilities at 1 January	6,189	3,386
Current service cost	653	1,710
Benefits paid	(1,992)	(4,687)
Actuarial losses (1)	100	1,128
Interest cost	1,782	2,263
Foreign exchange	(405)	2,389
At 31 December	**6,327**	**6,189**

(1) Actuarial losses on defined benefit pension liability comprise net (gains) / losses from changes in financial and demographic assumptions.

The Company had no post-employment benefits at 31 December 2025 or 31 December 2024.

There are no plan assets and therefore the liability presented is the gross defined benefit liability.

The expected payments of benefits are as follow:

	In 2026	In 2027	In 2028	In 2029	In 2030	Between 2031 to 2066
Benefit payment obligations	863	326	299	313	218	4,308

Note 31 | Related-party transactions

Year end balances with related parties

Amounts (owing)/receivable at the reporting date to related parties are stated below:

Trade and other receivables

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
SAE LLP	22	21	22	21
Jose Luis Manzano	534	496	534	496
Hidroeléctrica Ameghino S.A.	84	-	-	-
Hidroeléctrica del Sur S.A.	82	-	-	-
Gobierno de la Provincia de Mendoza y otros	332	120	-	-
Accionistas PPP	57	1	-	-
Edemsa Servicios S.A.U.	1	1	-	-
Total	**1,112**	**639**	**556**	**517**

Financial assets at amortised cost

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
Magnus Argentina S.A.	2,787	-	-	-
Hidrocarburos del Norte S.A.	12,982	-	-	-
Total	**15,769**	**-**	**-**	**-**

Trade and other payables

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
HDS	(1,273)	(1,218)	-	-
Gobierno de la Provincia de Mendoza y otros	(3,845)	-	-	-
IADESA	-	-	(65)	(45)
Total	**(5,118)**	**(1,218)**	**(65)**	**(45)**

Borrowings

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
Magnus Argentina S.A.	(4,969)	(3,369)	(790)	(818)
Integra Capital S.A.	(2,175)	(30)	-	-
EDELCOS S.A.	(1,621)	(1,510)	(1,621)	(1,510)
Andina Electricidad S.A	-	-	(802)	(820)
Neil Bleasdale (Director)	(1,474)	(1,536)	-	-
Total	**(10,239)**	**(6,445)**	**(3,213)**	**(3,148)**

Amounts owed to key management personnel are due to one of the Company's Directors, Neil Bleasdale and his related company.

The Company has access to a borrowing facility provided by Magnus Argentina S.A. and Integra Capital S.A. for $2.5 million each; this credit line bears interest rate of 8% per annum to be paid in full at maturity (31 December 2028). At 31 December 2025 the Company had used US$0.1 million (2024: US$0.1 million).

Note 32 | Cash generated from Group operations

	2025 US$'000	2024 US$'000
Profit before taxation	70,763	104,156
Adjustments for:		
Share of profits in associates	(19,411)	(36,158)
Derecognition of property tax liability	-	(2,256)
Finance costs	46,770	58,645
Gain on financial instruments measured at fair value through profit or loss	(19,787)	(16,600)
Finance income	(5,370)	(10,761)
Hyperinflation impact	1,033	(15,291)
Depreciation of property, plant and equipment	18,025	17,221
Increase in provisions	16,545	18,880
Movements in working capital:		
Increase in inventories	(21,590)	(30,855)
Increase in trade and other payables (1)	29,007	111,609
Increase in trade and other receivables	(46,721)	(110,607)
Cash generated from operations	**69,264**	**87,983**

(1) For comparative purposes, the 2024 amounts relating to income tax paid (US$ 13.0 million) has been reclassified from changes in trade and other payables, included within cash generated from operations above, to a separate line item of income taxes paid. Management considers that separate presentation of income tax paid provides more relevant information regarding the nature of the Group's cash flows. This reclassification has no impact on total net cash generated from operating activities.

Note 33 | Cash used in Company operations

	2025 US$'000	2024 US$'000
Profit before taxation	12,180	29,877
Adjustments for:		
Share of profits in associates	(19,616)	(36,446)
Derecognition of property tax liability	-	(2,256)
Finance costs	965	6,757
Movements in working capital:		
(Increase) / Decrease in trade and other receivables	(3,735)	2,074
Increase / (Decrease) in trade and other payables	6,011	(194)
Cash used in operations	**(4,195)**	**(188)**

Note 34 | Auditors' remuneration

During the year, the Group (including its overseas subsidiaries) obtained the following services from the Company's auditors and its associates:

	2025 US$'000	2024 US$'000
Fees payable to the Company's auditors and its associates for the audit of parent company and consolidated financial statements	311	222
Audit of the financial statements of the Company's subsidiaries	196	117
Fees payable to the Company's auditors and its associates for other services:		
Audit-related assurances services (1)	110	105
Tax compliance services	-	12
Services relating to corporate finance transactions (2)	2,059	-
Total	**2,676**	**456**

(1) Reviews of the quarterly interim financial statements of EDEMSA.

(2) Services provided in connection with the Company's proposed listing in the United States and EDEMSA's international Corporate Notes issuance.

Note 35 | Directors' remuneration

Remuneration of key management personnel
Key management include Directors (executive and non-executive) and senior management who have authority for planning, directing and controlling the Group. Key management personnel are remunerated by EDEMSA, the Group's operating subsidiary. The compensation paid or payable to key management for employee services is shown below:

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
Directors	289	450	-	-
Supervisory committee	43	26	-	-
Other key management personnel	3,209	1,204	-	-
Total	**3,541**	**1,680**	**-**	**-**

The emoluments of the highest paid director amounted to US$24,095 (2024: US$37,520).

Note 36 | Employees

The average monthly number of persons (including Directors) employed by the Group and Company during the year was:

	Group		Company	
	2025	2024	2025	2024
Selling	192	184	-	-
Technical	395	390	-	-
Administration	192	168	-	-
Total	**779**	**742**	**-**	**-**

Their aggregate remuneration comprised:

	Group		Company	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
Salaries	33,093	34,705	-	-
Social security costs	10,154	10,512	-	-
Pension cost	653	1,710		
Total	**43,900**	**46,927**	**-**	**-**

Note 37 | Events after the reporting year

Establishment of Andina Energies S.A. entity as part of group structuring
On 9 February 2026, the Company entered into a Share Purchase Agreement with Equal Overseas Développement S.à r.l. for the acquisition of 100% of the share capital of Andina Energies S.A. (formerly Andina Energies S.à r.l.).

This transaction occurred after the reporting date and does not relate to conditions existing at 31 December 2025. It is therefore classified as a non-adjusting subsequent event under IAS 10. The acquired entity does not meet the definition of a business under IFRS, and accordingly the transaction will not be accounted for as a business combination.
Establishment of Andina Electricidad Green City as part of expansion strategy

On 2 March 2026, Andina Electricidad S.A. approved the incorporation of Andina Green City S.A., a new subsidiary established to support the development of the Group's renewable energy business. The new entity was incorporated to undertake the development, construction, installation, commissioning, operation and management of solar energy projects and related infrastructure in the Province of Buenos Aires.

Andina Electricidad S.A. holds a 95% ownership interest and voting rights in the new entity. The incorporation was formalised through a public deed dated 10 March 2026 and subsequently published in the Argentine Official Gazette on 17 March 2026. On 18 March 2026, a rectification notice was published to amend certain details included in the original notice.

Note 37 | Events after the reporting year (Cont.)

Tender offer and amendment of Class 6 Corporate Notes

The Class 6 Notes (outstanding principal of US$150 million, maturing 28 July 2031) were subject to, commencing on 20 May 2026, (i) a tender offer to purchase the notes for cash and (ii) a concurrent consent solicitation directed to holders to amend the indenture governing such notes, eliminating most of the restrictive covenants and certain affirmative covenants thereunder.

As of 3 June 2026 (the early tender deadline), 84.10% of the outstanding principal amount (US$ 126.1 million) had been validly tendered and was accepted for purchase, satisfying both the minimum participation condition (80% of the outstanding principal amount) and the requisite consents threshold (more than 50% of the outstanding principal amount) required to adopt the amendment. On 11 June 2026, EDEMSA: (i) paid such holders US$ 1,000 per US$ 1,000 of principal, plus accrued interest, and (ii) executed the supplemental indenture eliminating the restrictive covenants and certain affirmative covenants described above. This amendment to the indenture is binding on the entire Class 6 Notes, including holders that did not participate in the repurchase. The remaining 15.90% (US$ 23.9 million) remains outstanding under its original terms, with an unchanged 2031 maturity, except for the covenant elimination noted above.

Issuance of Class 8 Corporate Notes

On 11 June 2026, concurrently with the settlement of the Class 6 Notes tender offer described above, EDEMSA issued a new class of debt, the Class 8 Corporate Notes, under its existing global note program of up to US$ 400 million. The issuance was carried out under the following terms:

- Amount: US$ 300 million
- Issue price: 95.679% of face value
- Interest rate: 9.750% per annum
- Issuance and settlement date: 11 June 2026
- Maturity date: 11 June 2033
- Amortization: 33.33% of original principal on 11 June 2031, 33.33% on 11 June 2032, and the remaining 33.34% at maturity on 11 June 2033

Class 8 Notes were issued pursuant to Rule 144A and Regulation S under the U.S. Securities Act of 1933 and have been admitted for listing on the Luxembourg Stock Exchange (Euro MTF Market), Bolsas y Mercados Argentinos S.A. (BYMA) and A3 Mercados S.A.

The main covenants associated with this issuance, which differ from those that had applied to the Class 6 Notes prior to the amendment described in Note 26 above, are as follows:

- Limitation on indebtedness: EDEMSA may incur additional indebtedness provided that no default has occurred and (i) the Leverage Ratio does not exceed 3.75 to 1.00 and (ii) the Interest Expense Coverage Ratio is not less than 2.00 to 1.00, subject to an absolute cap on aggregate indebtedness of US$475 million.
- Limitation on liens: EDEMSA's ability to grant liens over its assets is restricted, subject to certain permitted liens.
- Restriction on affiliate transactions: transactions with affiliates must be conducted on an arm's length basis.
- Limitation on restricted payments: EDEMSA may not declare dividends, repurchase equity interests, prepay subordinated debt or make certain investments, unless (i) no default has occurred and a Minimum Cash Balance of US$60 million and a Leverage Ratio not exceeding 3.00 to 1.00 are maintained, or (ii) the payment falls within a basket calculated primarily by reference to 50% of cumulative consolidated net income since the issuance date, among other permitted amounts. Limitations on mergers, consolidations and asset transfers. EDEMSA is required to provide the trustee with compliance certificates on an annual basis and for the second fiscal quarter of each year, consistent with the frequency applicable to the Class 6 Notes.

As of the date of issuance of these consolidated financial statements, no breaches of the above covenants have been identified.

Note 37 | Events after the reporting year (Cont.)

Issuance of Class 8 Corporate Notes (Cont.)

The intended use of proceeds is as follows:

1. Refinancing of liabilities
   - up to approximately 47% to be applied to the repurchase of the Class 6 Notes (see above);
   - up to approximately 25% to (a) reimburse capital applied to the redemption of the Class 1 Notes, (b) reimburse capital applied to the redemption of the Class 5 Notes, and (c) meet future scheduled payments and/or early redemption of the Class 7 Notes;
2. Investment in works and physical assets located in the country:
   - up to approximately 17% to be allocated to maintenance and expansion works on the Company's network;
   - up to approximately 11% to be allocated to the development and/or financing of solar power, renewable energy and energy storage projects, and to the acquisition of related physical assets and capital goods.

Net proceeds from the issuance, after deducting fees and expenses, amounted to approximately US$275.0 million. Of the aggregate principal amount, US$100 million was subscribed locally in Argentina with US dollars deposited in local bank accounts ("MEP" dollars).

Subsequent to year-end, and in line with the refinancing purpose described above, EDEMSA fully repaid, at their scheduled maturities, the Class 1 Notes (Ps. 61,666 million, matured 6 May 2026) and the Class 5 Notes (Ps. 13,949 million, matured 12 May 2026)."

Proposed Acquisition the "Chachahuén Cluster"

In line with the Group's strategy to selectively expand across the energy value chain, in August 2026, the Group, together with Energía Mendocina S.A. ("EMSA"), entered into an agreement with YPF S.A. ("YPF") for the acquisition of YPF's interests in certain conventional oil and gas assets comprising the "Chachahuén Cluster", located in the Province of Mendoza, Argentina, for an aggregate purchase price of US$200 million, with an effective date of June 1, 2026, plus applicable VAT and any applicable purchase price adjustment at closing. The transaction also includes the transfer of pipelines and inventories of materials associated with the relevant assets.

The Chachahuén cluster comprises four conventional oil and gas concessions: YPF's 70% interests in the Chachahuén Sur and Cerro Morado Este concessions and its 100% interests in the Puesto Hernández and Chihuido de la Sierra Negra concessions, in each case located in the Province of Mendoza. Upon completion of the transaction, the Group will acquire a 40% interest in each of the Chachahuén Sur and Cerro Morado Este concessions and a 50% interest in each of the Puesto Hernández and Chihuido de la Sierra Negra concessions, with EMSA acquiring the remaining interests transferred by YPF. The Group will hold 5% of our acquired interests directly and the remaining 95% through its Argentine subsidiary, Compañía Andina de Petróleo y Gas S.A.

The share purchase agreement for the acquisition has already been executed. The Group portion of the aggregate US$200 million purchase price is approximately US$117.9 million. During August 2026, the Group paid US$23.57 million to YPF, representing 20% of its portion of the purchase price. The remaining 80% will be payable upon completion of the acquisition, which remains subject to approval by the Province of Mendoza and the satisfaction of the remaining applicable closing conditions. Cash flows generated by the assets from the 1 June 2026 effective date through completion of the acquisition will be attributable to the buyers and deducted from the remaining purchase price payable to YPF. The Directors expect to obtain the required approval from the Province of Mendoza by the end of 2026; however, there can be no assurance as to the timing or ultimate receipt of such approval. Following receipt of such approval and satisfaction of the remaining applicable closing conditions, the Group expects to complete the acquisition and pay the remaining purchase price.

During the second quarter of 2026, production attributable to YPF's interests in the Chachahuén cluster amounted to approximately 10,000 barrels of oil per day and 0.03 million cubic metres of natural gas per day. The cluster has approximately 58 MMboe of proved and probable (2P) reserves. The proposed acquisition represents an opportunity to expand the Group platform into conventional oil and gas and further diversify our participation across the energy value chain.